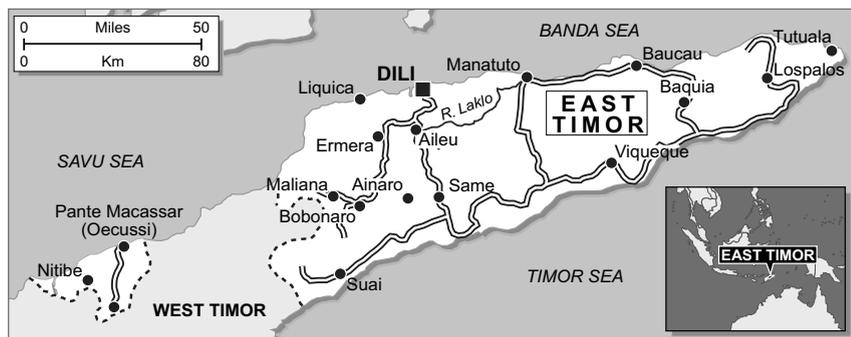


# Timor-Leste



The United Nations Integrated Mission in Timor-Leste (Unmit), ended its mission to Timor-Leste on 31 December 2012. It had been withdrawing since October. Unmit's last chief, Finn Reske-Nielsen, said in a statement: 'The Timorese people and its leaders have shown courage and unswerving resolve to overcome great challenges. Although there remains much work ahead, this is an historic moment in recognising the progress already made.'

## Calm...?

A US Congressional report prepared in July 2012 by Messrs Dolven, Margesson and Vaughn noted that the general security situation in Timor-Leste in 2012 was relatively calm compared with the young country's recent periods of political strife and insurrection. Presidential elections were held in March and April, which led to the election of Tuar Matan Rauk, a former army chief. In the Parliamentary elections Prime Minister Xanana Gusmao's Conselho Nacional de Reconstrução de Timor (CNRT) (National Congress for Timorese Reconstruction), party received the highest percentage share of the votes (36.68 per cent), followed by Frente Revolucionária do Timor-Leste Independente (Fretilin) (Revolutionary Front for Timor-Leste Independence) (29.89 per cent), the Partido Democrático (PD) (Democratic Party) (10.30 per cent) and Frente de Reconstrução Nacional de Timor-Leste (Mudança) (Front for National Reconstruction of Timor-Leste (Change)) (3.11 per cent). Voter

participation was 74.78 per cent and 97.64 per cent of votes were valid.

## And peaceful?

The UN described the polls as 'peaceful, smooth and orderly'. The climate of stability was helped not only by the 2006 re-introduction of peacekeeping troops and Unmit, but also by the flow of revenue from hydrocarbon resources in the Timor Sea and the improved political stability.

That said, Timor-Leste faces many serious challenges as it seeks to establish and deepen a stable democracy and develop its economy. Many institutions in the young nation remain weak and tensions remain between the young country's political elites and among security forces. Timor-Leste remains one of Asia's poorest nations, ranking 147th out of 187 countries on the United Nations Human Development Index. Generating economic opportunity and employment are among the government's greatest challenges.

## The economy

The outlook for growth and poverty reduction is promising as Timor-Leste stands to benefit enormously from its future petroleum wealth. Using this wealth, the government resolved to step up development. Key risks to the outlook are high inflation, a fall in oil prices and slow progress in building public financial management capacity.

After discussion with the government, the International Monetary Fund (IMF) reported in June 2013 that the non-oil

## KEY FACTS

**Official name:** República Democrática de Timor-Leste (Democratic Republic of Timor-Leste)

**Head of State:** President José Maria Vasconcelos, more popularly known under his *nom de guerre*, Taur Matan Ruak (from 20 May 2012)

**Head of government:** Prime Minister Kay Rala Xanana Gusmao (from 2007; re-elected 7 Jul 2012)

**Ruling party:** Coalition led by Conselho Nacional de Reconstrução de Timor (CNRT) (National Congress for Timorese Reconstruction), with Partido Democrático (PD) (Democratic Party) and Frente de Reconstrução Nacional de Timor-Leste (Mudança) (Front for National Reconstruction of Timor-Leste (Change)) (from 2007; re-elected 7 Jul 2012)

**Area:** 19,000 square km

**Population:** 1.12 million (2012)\* (1,066,582; 2010, census figure)

**Capital:** Díli

**Official language:** Portuguese and Tetum (Portuguese is the language of documentation).

**Currency:** US dollar (US\$) = 100 cents (adopted as transitional currency, Jan 2000)

**GDP per capita:** US\$3,730 (2012)\*

**GDP real growth:** 10.00% (2012)\*

**GDP:** US\$4.17 billion (2012)\*

**Inflation:** 11.80% (2012)\*

**Balance of trade:** -US\$654.00 million (2012)\*

**Foreign debt:** US\$43.00 million (2012)

**Annual FDI:** US\$47.07 million (2011)

\* estimated figure

economy had grown rapidly in recent years with growth averaging close to 12 per cent from 2008 to 2012, allowing the average per capita income to steadily increase. The growth was driven by a rapid increase in government spending (averaging over 30 per cent per annum) which boosted the public administration and construction sectors. So far, the contributions from agriculture and manufacturing have been modest, hampering employment opportunities outside of the public sector and constraining widespread growth in living standards. In 2012, oil's contribution to GDP was some 80 per cent, and to state revenues a mighty 95 per cent.

Inflation has been high, according to the IMF, despite full dollarisation, rising to over 15 per cent in 2011. It moderated in 2012 to 11.8 per cent but by mid-2013 was still running at over 10 per cent. This reflects strong demand growth and bottlenecks impeding an effective supply response. In addition to hitting the low-income households, high inflation in a dollarised economy hampers Timor-Leste's ability to diversify and generate employment growth.

A Strategic Development Plan aims to transform Timor-Leste into an upper-middle-income country by 2030. To achieve this goal, the government plans to continue to scale up public investment to improve poor infrastructure. The Petroleum Fund has risen to about US\$13 billion in 2013, most of it invested in US government bonds.

The government faces challenges of shifting to a higher quality growth path in which an organic private sector, operating

independently from government contracts, increasingly takes the lead. This has become necessary as the government has reached the limits of its capacity to execute productively ever higher levels of public spending. More fundamentally, the economy needs to start generating employment opportunities for a fast growing labour force to ensure that economic growth results in broad based poverty reduction.

## Risk assessment

Politics	Fair
Economy	Fair
Regional stability	Fair

## COUNTRY PROFILE

### Historical profile

Before the arrival of the Portuguese and Dutch, the island of Timor was linked by trade to China and India.

1512 Portuguese navigators landed and established Dili as the colonial capital. Sandalwood, honey, wax and slaves were exported.

1749 The eastern half of Timor became a Portuguese colony (East Timor) and remained so until the mid-1970s, when the Portuguese colonial empire disintegrated. The western half became part of the Dutch East Indies and later Indonesia.

1895 There were several uprisings against Portuguese rule.

1942 The Japanese invaded. Up to 60,000 people were killed during fighting between Australian and Japanese troops.

1945 The end of the Second World War saw the end of Japanese rule.

1974–75 A military coup in Portugal led to a policy of decolonisation. The Portuguese governor and administration

withdrew and the capital, Dili, was occupied by the Marxist Frente Revolucionária do Timor-Leste Independente (Fretilin) (Revolutionary Front for Timor-Leste Independence). Indonesian troops occupied the state, setting up a provisional government. An estimated 200,000 people died in the military crackdown and famine that followed.

1976 East Timor was integrated into Indonesia, becoming the 27th Indonesian province, although this act was never officially recognised by the UN.

1985 The rebels suffered a setback when the Australian government recognised Indonesia's incorporation of East Timor. Nevertheless Australia gave shelter to exiled Timorese dissidents.

1991 Portugal took Australia to the International Court of Justice (ICJ), on behalf of East Timor, alleging Australia had failed to observe the rights of the Timorese to national self-determination when it had recognised Indonesia's occupation of Timor-Leste in 1975.

1992 Fretilin leader, Xanana Gusmão, was captured by Indonesian troops and convicted of subversion.

1995 The ICJ ruled it did not have jurisdiction in the matter of Australian actions concerning East Timor.

1996 Bishop Carlos Belo and foreign minister-in-exile, José Ramos Horta, jointly won the Nobel Peace Prize.

1998 President Suharto of Indonesia was forced to step down. President B J Habibie considered offering East Timor 'special status' and wider autonomy, but exiled Timorese leaders and Portugal rejected the idea.

1999 The UN Mission organised a referendum, which had a 98.5 per cent turnout, with 78.5 per cent of the population voting for independence. International military intervention halted Indonesian army atrocities and the Indonesian government agreed to grant East Timor extensive autonomy. The first donor conference was held in Tokyo, Japan.

2000 The Lisbon, Portugal, donor conference was held. The UN Transitional Administration for East Timor (UNTAET) established the East Timor Transitional Administration (ETTA). A donor conference was held in Brussels in Belgium.

2001 Gusmão resigned as head of the interim parliament. East Timor voted for an Assembleia Constituinte (Constituent Assembly) in their first democratic election run by the UN. Fretilin won 55 of the 88 seats in the constituent assembly. The ETTA was transformed into the East Timor Public Administration (ETPA) after the elections and Mari Alkatiri was sworn in as chief minister. The gradual reduction of the UNTAET peace-keeping force began.

## KEY INDICATORS

## Timor-Leste

	Unit	2008	2009	2010	2011	2012
Population	m	*1.06	*1.09	1.07	*1.10	*1.12
Gross domestic product (GDP)	US\$bn	0.50	0.59	0.63	4.32	*4.17
GDP per capita	US\$	469	543	588	3,949	*3,730
GDP real growth	%	14.6	12.8	9.5	10.6	*10.0
Inflation	%	2.8	1.7	4.9	13.5	*11.8
Exports (fob) (goods)	US\$m	14.0	10.0	28.8	34.1	–
Imports (fob) (goods)	US\$m	353.0	440.0	317.8	378.0	–
Balance of trade	US\$m	-339.0	-431.0	-289.0	-344.0	–
Current account	US\$m	2,021.0	1,127.0	1,667.1	2,385.3	*1,914.0
Total reserves minus gold	US\$m	210.4	249.9	406.2	289.4	883.6
Foreign exchange	US\$m	210.4	237.8	394.3	277.1	871.6
Exchange rate	per US\$	1.00	1.00	1.00	1.00	1.00
* estimated figure						

2002 East Timor became independent as the Democratic Republic of Timor-Leste on 20 May, with independence hero, Xanana Gusmão, as president and Mari Alkatiri as prime minister. The constituent assembly became the newly inaugurated Parlamento Nacional (National Parliament). Timor-Leste became a member of the World Bank Group and joined the UN.

2003 The former Indonesian military chief in Timor-Leste was sentenced by an Indonesian court to five years in jail for crimes against humanity, due to his failure to prevent attacks on civilians following the 1999 independence vote. The Australian parliament ratified the Timor Sea Treaty, which permitted the development of the Bayu-Undan gas field, the royalties from which will fund the country's economic development.

2004 A UN-backed tribunal issued a warrant for the arrest of the Indonesian presidential candidate, General Wiranto, for human rights abuses in Timor-Leste.

2005 Indonesia and Timor-Leste recognised the location of their shared land border.

2006 Timor-Leste and Australia signed an agreement for the start of oil and gas production in the Greater Sunrise field with an equal share of the proceeds. Prime Minister Alkatiri resigned and was replaced by José Ramos-Horta.

2007 José Ramos-Horta won the presidential elections. General elections did not produce a clear winner but the coalition led by Conselho Nacional de Reconstrução do Timor (CNRT) (National Congress for Timorese Reconstruction), headed by former president Xanana Gusmão, defeated the ruling Fretilin.

2008 The UN troops that had restored peace in 2005 and had since been in control of security began to transfer power to local police forces. President Ramos-Horta was shot and seriously wounded by rebel military forces that attacked his home as parliament extended a state of emergency; he underwent emergency medical treatment in Australia.

2009 The UN voted unanimously to keep its peacekeeping force in Timor-Leste for another year, while the situation remained fragile. The UN formally handed over control of policing for the district of Lautem to local police, thereby beginning the process of devolving domestic security to local forces.

2010 A commissioner was sworn into office, to investigate officials accused of corruption. Following a seven-month trial of 27 men (mostly ex-soldiers) charged with the assassination attempt on President Ramos-Horta in 2008, 24 were sentenced to imprisonment and three acquitted.

2011 The police took over full control from the UN from in March, although a group of 1,280 UN police will remain until after the presidential elections in 2012. In July the government released its Strategic Development Plan (2011–30), with objectives for social, economic and infrastructural goals. In August President Ramos-Horta officially disbanded Forças Armadas para a Liberação Nacional do Timor-Leste (Falintil) (Armed Forces of National Liberation of East Timor), the insurgent army of independence, in a ceremony attended by officials of its former occupiers, Indonesia. Former military leader of Falintil, Major General José Maria Vasconcelos (known as Taur Matan Ruak (Two Sharp Eyes)) announced that he would stand as presidential candidate in the upcoming elections.

2012 Twelve candidates took part in the presidential elections held on 17 March, in which the leading contenders Francisco Guterres (Fretilin) won 28.76 per cent and Taur Matan Ruak (independent but supported by CNRT) 25.71 per cent of the vote. Incumbent President Ramos-Horta (independent) won 17.48 per cent and acknowledged defeat when the results were announced. International observers declared the elections free and fair. As no candidate had won more than the 50 per cent threshold a runoff was held on 16 April. Ruak won 61.2 per cent and Guterres 38.8 per cent; turnout was 73.1 per cent. International observers declared the elections free and fair. Taur Matan Ruak was sworn in as president on 20 May. Parliamentary elections were held on 7 July, in which 21 political parties took part. The CNRT won 36.66 per cent (30 seats out of 65) and Fretilin won 25. Without an overall majority, the CNRT entered talks to form a new coalition. On 15 July demonstrators gathered in Dili to oppose the CNRT announcement that it would not form a coalition government with Fretilin. Instead the CNRT formed a coalition with Partido Democrático (PD) (Democratic Party) and Frente de Reconstrução Nacional de Timor-Leste (Mudança) (Front for National Reconstruction of Timor-Leste (Change)). On 31 October, the UN officially handed over control of policing operations of the Polícia Nacional de Timor-Leste (PNTL) (National Police of East Timor) to the civil authorities. Peacekeepers from 40 countries that had provided law and order plus training for the domestic force will leave in stages.

2013 The last UN troops left in January. The 2014 budget unveiled at the end of October showed a US\$1.5 billion spending plan funded almost exclusively – 95 per cent – by lucrative oil and gas revenues.

## Political structure

### Constitution

The constitution, passed in 2001, became valid on 20 May 2002, when Timor-Leste gained independence.

### Independence date

20 May 2002

### Form of state

Democratic, sovereign, independent and unitary state.

### The executive

The president of the republic is the head of state and supreme commander of the defence force, and is elected by universal suffrage. The term of office is five years and no president can serve more than two terms.

The Council of State is the political advisory body of the president, headed by the president. It comprises the speaker of the national parliament, the prime minister, five citizens elected by the national parliament and five citizens designated by the president for the period corresponding to the president's term of office.

### National legislature

The unicameral Parlamento Nacional (National Parliament) has between 52–65 members, serving for five years. Members are elected by a parallel-party list system. The parliament elects the prime minister. Some legislation may be vetoed by the president.

### Legal system

The legal system is under reform, putting in place structures under the new constitution.

Since 2000, the International Development Law Organisation (IDLO) has delivered practical training programmes to Timor-Leste's judges and prosecutors as part of a USAID-funded project for upgrading the system of justice.

Amnesty International issued a report in March 2003 which claimed that Timor-Leste's legal framework was incomplete and that there was 'a lack of clarity among judicial and other relevant officials about existing applicable law'. Some of the main problems include a lack of public defenders, delayed processing of court cases and legislation that was inconsistent with international human rights law and standards. It said that these problems encouraged vigilante violence and a loss of confidence in the legal system among police officers.

### Last elections

7 July 2012 (parliamentary); 17 March and 16 April 2012 (presidential, first round and runoff)

**Results:** Parliamentary: Conselho Nacional de Reconstrução de Timor (CNRT) (National Congress for Timorese Reconstruction) won 36.66 per cent (30 seats out of 65), Frente Revolucionária do Timor-Leste Independente (Fretilin) (

Revolutionary Front for Timor-Leste Independence) 29.87 per cent (25), Partido Democrático (PD) (Democratic Party) 10.31 per cent (eight), Frente de Reconstrução Nacional de Timor-Leste (Mudança) (Front for National Reconstruction of Timor-Leste (Change)) 3.11 per cent (two); 17 other political parties failed to win any seats. Turnout was 74.78 per cent.

Presidential (first round): Francisco Guterres (Fretilin) won 28.76 per cent of the vote, Taur Matan Ruak (independent but supported by CNRT) 25.71 per cent, José Ramos-Horta (independent) 17.48 per cent, Fernando de Araújo (Partido Democrático (PD) (Democratic Party)) 17.3 per cent; eight other candidates each won less than 4 per cent of the vote. Turnout was 78.2 per cent. Runoff: Ruak won 61.2 per cent and Guterres 38.8 per cent; turnout was 73.1 per cent.

### Next elections

2017 (parliamentary); 2017 (presidential)

### Political parties

#### Ruling party

Coalition led by Conselho Nacional de Reconstrução de Timor (CNRT) (National Congress for Timorese Reconstruction), with Partido Democrático (PD) (Democratic Party) and Frente de Reconstrução Nacional de Timor-Leste (Mudança) (Front for National Reconstruction of Timor-Leste (Change)) (from 2007; re-elected 7 Jul 2012)

#### Main opposition party

Frente Revolucionária do Timor-Leste Independente (Fretilin) (Revolutionary Front for Timor-Leste Independence)

### Population

1.12 million (2012)\* (1,066,582; 2010, census figure)

**Last census:** 22 July 2010: 1,066,582

**Population density:** 72 inhabitants per square km (2010). Urban population 28 per cent (2010 Unicef).

**Annual growth rate:** 2.1 per cent, 1990–2010 (Unicef).

#### Ethnic make-up

Before the arrival of the Europeans, peoples of Asia and Insulindia, mainly Malays, Makasare and Papuans, migrated to Timor-Leste.

#### Religions

Roman Catholic (91.4 per cent), Protestant (2.6 per cent), Muslim (1.7 per cent). There are also Buddhist and Hindu communities.

### Education

Around 70 per cent of school age population attend primary school and 44 per cent are enrolled at secondary school. There is a shortage of teachers due to the fact that 80 per cent of Timor-Leste's teachers were Indonesian and the vast

majority left following Indonesia's withdrawal. More than half the population is illiterate. The Roman Catholic Church is attempting to implement a literacy programme for the schools as the country needs to educate its people to manage the new nation's bureaucracy.

### Health

**Life expectancy:** 63 years, 2004 (WHO 2006)

**Fertility rate/Maternal mortality rate:** 6.2 births per woman, 2010 (Unicef)

**Child (under 5 years) mortality rate (per 1,000):** 57 per 1,000 live births (WHO 2012); 42.6 children aged under 5 are malnourished (World Bank).

**Head of population per physician:** 0.1 physicians per 1,000 people, 2004 (WHO 2006)

### Main cities

Dili (capital, estimated population 195,499 in 2012), Dare (22,980), Los Palos (19,727), Baucau (17,322), Ermera (15,762), Maliana (12,909), Suai (7,570).

### Languages spoken

Tetum and Bahasa Indonesian/Malayu are the local languages. It is estimated that Portuguese is spoken by only 5 per cent of the population, with Tetum spoken by 82 per cent and Indonesian by 43 per cent. Although Tetum is widely spoken, it is an undeveloped language and only recently achieved a standardised grammar and spelling.

### Official language/s

Portuguese and Tetum (Portuguese is the language of documentation).

### Media

#### Press

There are two daily publication based in Timor Leste, *Suara Timor Lorosae* ([www.suaratimorlorosae.com](http://www.suaratimorlorosae.com)) and the *Timor Post*; periodicals include *La'ó Hamutuk* ([www.laohamutuk.org](http://www.laohamutuk.org)) a joint government and international organisations publication.

#### Broadcasting

**Radio:** Around 90 per cent of the public receive transmissions from the national public service provided by Radio Nacional de Timor Leste (RTL). There are two other radio stations, Radio Falintil/Voz da Esperanca is a community radio and Radio Timor Kmanek (RTK) is operated by the Catholic Church.

**Television:** Fewer residents have access to Televisão de Timor Leste (TTL), but programmes are broadcast for 24 hours a day in Tetum, Indonesian, English and Portuguese. Rural districts show three-hour videotaped summaries of the week's programming on projection screens.

### Economy

Crude oil sales and hydrocarbon extraction have been the single greatest source of economic growth since 2004, when production first began. According to the International Monetary Fund (IMF) in 2010 growth has been achieved through successfully channelling capital from the petroleum fund into the public sector, while sustaining a level of funding to benefit future generations from the profits of the petroleum wealth. The majority of the population is engaged in subsistence farming, with rice as the principal food crop and coffee as the principal export crop; vanilla is being cultivated for future export.

GDP growth was 14.6 per cent in 2008, a year when world oil prices were at an historic high. The economy was not affected by the global economic crisis in 2009 when most Western economies experienced recession and a fall in production cut oil imports. GDP growth was 12.8 per cent, dropping to 9.5 per cent in 2010, before growing to an estimated 10.6 per cent in 2011.

The financial assets of the Petroleum Fund were US\$6.9 billion in 2010, which helped to underwrite much needed development, such as investment in upgrading Dili airport, the electricity grid, the Comoro power station, roads and a new LNG plant. In 2010 foreign direct investment was a record high of US\$279.6 million, up from an average US\$20 million over 2005–09.

Timor-Leste is one of the poorest countries in the world. In 2011, the UN Human Development Index (HDI) ranked Timor-Leste 147 (out of 187) for national development in health, education and income. Since 2000, Timor-Leste's progress has grown from a level lower than others in East Asia and the Pacific and although in 2011 it still does not match its peer group it has shown improvement in its HDI. In 2010, 52.9 per cent of the population experienced at least one indicator of poverty, while 37.4 per cent lived on less than the equivalent of US\$1.25 per day; the headcount poverty rate was 68.1 per cent of the population (2000–10).

Combined unemployment and under-employment are estimated at around 70 per cent, while the country suffers from a serious shortage of skilled workers throughout the economy.

Timor-Leste has been developing its regulatory framework and administrative capacity as well as new investment, insurance and export laws, which should help create a business climate attractive to investors.

### External trade

In 2011, Timor Leste does not belong to the World Trade Organisation or any other regional economic block, although plans to join the Association of Southeast Asian Nations (Asean) are underway. The country is the recipient of much foreign aid needed to repair and instigate development of not only the physical infrastructure but social and entrepreneurial structures as well. Production in off-shore oil and natural gas fields have begun and provide the majority of the country's income. Coffee is the principal agricultural product for export and vanilla cultivation for export is being encouraged.

### Imports

Principal imports include food, petroleum, building materials, vehicles and machinery.

**Main sources:** Indonesia (39 per cent of total in 2012), Singapore (18.3 per cent), Australia (10.2 per cent).

### Exports

Principal exports are oil and natural gas, coffee.

**Main destinations:** US (43.9 per cent of total in 2012), Germany (25.7 per cent), Singapore (9.1 per cent).

### Agriculture

Livestock has been a traditional source of income for the Timorese and the majority of rural families hold livestock. Livestock has a large social and economic function: it is exchanged in marriage, and can be a source of cash income or a savings account. An IMF-sponsored vaccination programme significantly reduced the incidence of disease among farm animals. Investment is required to recommence and improve poultry and livestock farming. Timor-Leste's agriculture has very low productivity due to a lack of technology, modern techniques and money. The World Bank is encouraging diversification into horticultural products. Vegetables and rice could be grown commercially. The higher elevations in Timor-Leste are ideal for growing pineapples, oranges, mangoes, bananas and papaya.

Coffee is the principal source of foreign exchange. Its production is in the hands of about 45,000 growers with an average of only one-hectare each. There are virtually no large-scale farms. Wet processed *Arabica* beans fetch the highest price but the processing facilities were put out of action during the fighting. *Arabica* beans account for about 80 per cent of the annual harvest. All coffee is produced organically. Renewal and maintenance of the road infrastructure is necessary for the rehabilitation of the coffee industry. Subsistence farming is giving way to a market economy. The government sees

the country's farming future in goods with high margins such as cashew nuts, vanilla and cut flowers. The main priority for now, however, should be food security.

In 2010 an unrelenting rainy season linked to La Niña dragged on for months and left farmers without a June harvest and unsure when to plant for the next one.

Although there are extensive rich fishing areas in the seas surrounding Timor-Leste, only traditional coastal fishing was practised as there was no established structure for offshore or deep-sea fishing. The government is contemplating establishing an exclusive economic zone for Timor-Leste and administering fishing and other activities in this area. Domestic fish consumption is very low. There are plans to promote the consumption of dried fish which could be more easily distributed from the coast to inner areas.

A quarter of Timor-Leste's forested areas are in danger of degradation. Deforestation has caused landslides, and a worsening in soil and water quality. In recent years sandalwood, teak, ebony and redwood have been exploited at an unsustainable rate. The forestry sector, if responsibly managed, has potential for good revenue and significant employment opportunities.

### Industry and manufacturing

The coffee industry is large and a service sector is developing in urban areas. The manufacturing industry in Timor-Leste is virtually non-existent. Priority areas for investment are industries processing raw materials from forests and marine and agricultural resources, and industries fabricating agricultural machinery, tools and small- and medium-sized fishing boats. The government is promoting the development of native handicrafts for export.

### Tourism

The tourist industry is underdeveloped and lacks a range of hotel accommodation, plus other facilities. Transport services are limited and taxis and public services are scarce after dark. Ecotourism will be an important plank of the development of tourism, although there remains a danger from unexploded ordinance in otherwise pristine rural and forest areas. In 2011, the World Wildlife Fund established the MyCoralTriangle conservation campaign, which encompasses six countries, including Timor-Leste, to offer protection to their contiguous marine environment, and by extension six (out of seven) of the world's species of marine turtles. Travel advice from Western governments in 2012 has been moderated so that few warnings are in place. Tourist numbers doubled from 22,000 in 2007 to 44,000 in 2009, but fell to 40,000 in 2010.

The new Archive and Museum of the Timorese Resistance was opened in May 2012 in Díli. It concentrates on displays and documents relating to the independence insurgency.

### Environment

Overfelling of sandalwood trees led to devastating erosion in many areas, and forests and farmland were destroyed in the war.

### Mining

At the moment there is no significant mining activity. There are indications however that there could be economically interesting deposits of marble, granite, limestone and gold. The government is in the process of setting up a fiscal policy and regulatory framework, which would enable surveys and exploration to begin.

### Hydrocarbons

Australia and Timor-Leste signed a treaty in 2006 to equitably share revenue generated by oil and gas fields found between their coastlines.

In 2008 the Italian oil company Eni announced a find of around 80 million barrels of oil in its Kitan 1 and 2 wells drilled in seas between Timor-Leste and Australia. Three other multinational oil companies are exploring in nearby sites. Further licences were auctioned in 2008–09. ConocoPhillips, the third-largest US oil and gas company has offshore natural gas production and Bayu-Undan liquefied natural gas project, plus ongoing exploration projects.

### Energy

The national power system had been managed by Indonesians who had left during the violence of 1999. This departure left a lack of people technically capable of maintaining power supplies following independence. Generating capacity is around 38.3MW. The government has been investing in electrical infrastructure but rural areas still have very limited access to electricity and prices are high throughout the country.

A reliance on biomass, predominantly wood fuel, has led to deforestation and more sustainable energy resources are a matter of urgency.

### Banking and insurance

By 2005, the banking system consisted of four commercial banks, but most bank deposits are invested abroad. The banking sector requires a stronger regulatory framework and more investment opportunities if it is to grow.

The Banking and Payments Authority (BPA) provides currency – US dollars – to the country's banks. It also supervises commercial banking, strives to ensure monetary stability and moderate inflation.

In the future the BPA will develop into a central bank.

### Central bank

Central Bank of Timor-Leste (formerly the Banking and Payments Authority)

### Time

GMT plus eight hours

### Geography

The island of Timor is the largest and furthest east of the Lesser Sundar Islands in the Malay Archipelago, between the Indian and Pacific Oceans. Timor-Leste occupies the eastern part of the island, together with the Oecussi-Ambeno enclave in the north-west of the island. The island of Atauro, to the north of Dili, and the small, uninhabited island of Jaco off the eastern tip are also part of the territory. Indonesia, of which the rest of Timor island is a part, lies to the west and north, New Guinea to the east and Australia to the south.

The terrain is mountainous in the interior. The highest point is Mount Ramelau, which rises to 2,963m. A range of mountains runs the length of the country from east to west, dividing the hot northern coastal region from the milder south coastal plain and its rivers and swamps.

### Hemisphere

Southern

### Climate

The dry season is between July and October when it becomes very hot and dusty with the monsoon winds blowing off the deserts of Australia. Rainy season: Nov–Jun. Temperatures range from 15 degrees Celsius (C) in the mountains to 30 degrees C and above on the north coast. Humidity: 75–85 per cent. There is a risk of tropical cyclones.

### Entry requirements

#### Passports

Required by all, valid for six months beyond date of departure.

#### Visa

Visas are not required in advance, but are issued to passport-holders on arrival for a fee of US\$35 for visits up to 30 days and may be extended.

#### Currency advice/regulations

The import of currency is permitted, subject to declaration of amounts over US\$5,000.

### Health (for visitors)

Comprehensive medical and travel insurance is essential as medical services are severely limited. In the event of a medical emergency, evacuation to Australia is probably the only option for treatment, and insurance policies should cover this eventuality. Such treatment carried out locally will require immediate cash payment for doctors' and hospital services.

### Advisable precautions

Malaria prophylaxis should be taken. Dengue fever and Japanese encephalitis are common throughout the island and tuberculosis is prevalent, while cholera and rabies may also be present.

### Public holidays (national)

#### Fixed dates

1 Jan (New Year's Day), 1 May (Labour Day), 20 May (Independence Day), 15 Aug (Assumption Day), 30 Aug (Constitution Day), 20 Sep (Liberation Day), 1 Nov (All Saints' Day), 12 Nov (Santa Cruz Day), 28 Nov (Independence Manifesto Day), 8 Dec (Immaculate Conception), 25 Dec (Christmas Day).

#### Variable dates

Good Friday

### Working hours

#### Banking

Mon–Fri: 0930–1530.

#### Business

Mon–Fri: 0800–1700.

#### Government

Mon–Fri: 0800–1730.

### Social customs/useful tips

Visitors should expect to pay all expenses in hard cash.

### Getting there

#### Air

**International airport/s:** Nicolau Lobato International Airport (DIL), 5km west of Dili. It has limited commercial flights and few ground facilities. There are scheduled services to Western and Northern Australia.

**Airport tax:** US\$10 departure tax.

#### Surface

The main land route into Timor-Leste from West Timor (Indonesia) is the border crossing at Motaain near the town of Batugede. Entry into the Oecussi-Ambeno enclave is through the border crossing at Oesilo. Travellers entering Timor-Leste from West Timor are issued with Timorese visas on arrival; Indonesian visas for entry into West Timor from Timor-Leste must be obtained in advance.

**Water:** There are weekly shipping services between Dili and Singapore, and Dili and Darwin, Australia.

### Getting about

#### National transport

Outside the capital, infrastructure is extremely limited.

## BUSINESS DIRECTORY

The addresses listed below are a selection only. While World of Information makes every endeavour to check these addresses, we cannot guarantee that changes have not been made, especially to telephone numbers and area codes. We would welcome any corrections.

### Telephone area codes

The international direct dialling (IDD) code for Timor-Leste is +670, followed by the subscriber's number.

### Banking

#### Central bank

Banking and Payments Authority of Timor-Leste, Avenida Bispo Medeiros, PO Box 59, Dili (tel: 331-3712; fax: 331-3713; e-mail: info@bancocentral.tl).

### Travel information

#### National tourist organisation offices

Timor-Leste Government Tourism Office, Ministry of Development, Apartado 194, Edificio do Fomento, Rua Dom Aleixo Corte-Real, Dili (tel: 331-0371; fax: 333-9179; e-mail: info@turismotimorleste.com).

### Ministries

Ministry of Foreign Affairs and Cooperation, GPA Building 1, Rua Avenida Presidente Nicolau Lobato, PO Box 6, Dili (tel: 333-9600; fax: 333-9025).

Ministry of Health, Edificio dos Serviços Centrais do Ministério da Saúde, Rua de Caicoli, PO Box 374, Dili (tel: 332-2467; fax: 332-5189; e-mail: ministerforhealthtl@yahoo.com).

Ministry of Justice, Avenida Jacinto Candido, Dili (e-mail: moj@mj.gov.tl).

Ministry of Planning and Finance, Building 5, Palaco do Governo, Dili (e-mail: itds@mopf.gov.tl).

Prime Minister's Office, Government Palace, Rua Avenida Presidente Nicolau Lobato, Dili (tel: 723-0140; fax: 332-2026; e-mail: mail@primeministerandcabinet.gov.tp).

### Other useful addresses

British Embassy, Deutsche Bank Building, 80 Jalan Imam Bonjol, Jakarta 10310, Indonesia (tel: 331-2652; fax: 331-2652; e-mail: britishembassydili@fco.gov.uk).

Commission for Reception, Truth and Reconciliation in East Timor (CAVR), Comarca Balide, Dalan Balide, PO Box 144, Dili (tel: 331-1263; e-mail: info@cavr-timorleste.org).

Oil, Gas and Energy Directorate, Edificio do Fomento, Rua Dom Aleixo Corte-Real, PO Box 171, Dili (tel: 331-7142; fax: 331-7143; e-mail: emrd@gov.east-timor.org).

US Embassy, Praia de Coqueros, Dili (tel: 332-4684; fax: 331-3206).

### Internet sites

East Timor Action Network: <http://www.etan.org>

Petroleum Transparency: <http://www.transparency.gov.tl>

Timor Leste government: <http://www.timor-leste.gov.tl>