



GOVERNO
MINISTERIO DOS RECURSOS NATURAIS, MINERAIS E POLITICA ENERGETICA
GABINETE DO MINISTRO

MEDIA RELEASE

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One more historic step to entrench Transparency in the Extractive Industries in Timor-Leste

Minister for Natural Resources, Minerals and Energy Policy, José Fernandes Teixeira, has entrenched further the FRETILIN government's commitment to transparency in the management of petroleum and other natural resources in our country by bringing together government agencies, civil society and oil and gas industry representatives as a National Transparency Stakeholder Working Group to commence the validation process of Timor-Leste's adherence to the criteria set down by the EITI Secretariat.

"Timor-Leste's commitment to EITI commenced in June 2003 when ex Prime Minister Dr. Mari Alkatiri participated in the inaugural EITI International Conference in London. At that time there were few nations which had voluntarily made their commitment to the EITI principles. However, Timor-Leste declared its unqualified commitment to the stated transparency objectives of EITI. In fact Timor-Leste began by adopting into practice with vigor these transparency principles. Because of this we became recognized in a few short years for our transparency in this area. We became recognized because our petroleum laws and our management of the receipts from the petroleum sector were undertaken with utmost transparency from the outset. In Timor-Leste we can all see for ourselves with transparency what the government has done, what the companies have done, how much revenue has been received into the state, all these things," said Minister Teixeira today during the opening of the inaugural meeting of the National Working Group in Dili.

Timor-Leste's petroleum and petroleum revenue management laws have been applauded by national and international agencies, NGOs, the industry and development partners for being modern and transparent. Between November 2005 and May 2006, Timor-Leste held its inaugural international bid round for offshore exploration blocks in the Timor Sea. This bid round was very successful in attracting high quality bidders and has been lauded for its highly transparent process, because of the manner in which documents such as the bid evaluation commissions report and bid details were opened for public scrutiny. The management of the petroleum revenues in accordance with the petroleum fund laws in place has also been widely recognized as sound fiscal management practice and transparent.

"But the FRETILIN government and I are still not happy with these results alone. We have to place our commitment to transparency in the management of our people's natural resources even higher, and strive to complete the validation process with the EITI International Secretariat. Our people gave us their complete support to establish transparency by the way they participated in the wide public consultation process for the Petroleum Laws, and all political parties gave their support by unanimously approving the laws in parliament. Now we have to ensure that what we have done gains formal international recognition so that in the future there can be no attempts to reverse or diminish these transparency achievements without the international community becoming aware of it. I for one do not intend to allow the door to remain open for anyone to go back on these principles. Because of this I was determined to ensure that I put this validation process in place before our mandate ended. Now the working group can take the process forward to its conclusion. I fully anticipate that the incoming government will give their full support to the EITI process as per the commitment and actions by this FRETILIN Government to date," the Minister added.

"I would also like to Express my gratitude to all those who have walked along with the FRETILIN government and I in this process thus far. This process has shown that whatever views, whatever political tendencies we may have, when we sit down as Timorese and place our people's and our nation's future wellbeing first and foremost, we can always find a consensus for a path forward. I want especially to thank the members of civil society, civil servants, members of parliament, former Prime Minister Dr. Mari Alkatiri and other members of government, as well as many others who have given their full support to the process of entrenching transparency in the management of our nation's natural resources. Without this support we would not have been able to move forward on this," said the Minister.

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