

**INFORMA – AUSTRALIAN TIMOR-LESTE BUSINESS FORUM
MELBOURNE 26 - 27 MARCH 2019
OUTLINE OF KEY COMMENTS AND RECOMMENDATIONS
CLOSING PANEL - DEVELOPMENT, INVESTMENT & TIMOR-LESTE**

TO HIS EXCELLENCY AMBASSADOR ABEL GUTERRES

PURPOSE

To further promote private investment and tourism in support of the government's nation building program.

PUBLIC HEALTH AND WELFARE

- 1 Water - Dili:
 - The Dili aquifer is in a perilous state. It is recommended that licensing and monitoring of groundwater extraction be implemented and water testing capabilities be expanded so that it is affordable for any Timorese family to test their bore water.
 - Any environmental impact assessment must address the issues of recharge rates, vertical and lateral connectivity, contemporary and future subsidence rates, and pollution drawdown from the surface. This will require a substantially complete characterisation of this tiny aquifer system and its subsidence history at appropriate timescales. A misstep could have severe consequences for Dili's future.
 - Use ground penetration radar (GPR) to detect services and water.
 - Encourage installation of rain fill tanks.
- 2 Invest and educate in schools and raise awareness in communities about risk from earthquake / tsunami (especially relevant to Dili and coastal areas).
- 3 Invest in a weather monitoring project - accurate historical rainfall and climate data is essential for planning and management of transport infrastructure, agriculture and mining.
- 4 Review the national health strategy to ensure quality outcomes are being driven, including:
 - legislation regarding private investment, to make this more accessible to private sector investors;
 - embracing technology to drive health outcomes, to create a supply chain that makes health care more readily accessible in regional areas and villages;
 - helping to mitigate the risk of a shortage of health care professionals;
 - health service infrastructure, to make hospitals and clinics more accessible and of a higher quality which will benefit the community and aid both tourism and business travel (particularly long-term, sustained investment and travel).

LEGAL AND REGULATORY

- 5 Continue to pursue agenda for further regulation in:
 - extractive industry and minerals and resources - to enable onshore properly regulated and licensed extractive industry and minerals and resources sector;

- improved financial systems and banking;
 - land laws (including establishing an online database and having a process and program for its maintenance);
 - insolvency laws;
 - anti-corruption; and
 - urban planning and design.
- 6 Share the draft Mining Code with all stakeholders as soon as practicable.
 - 7 Establish an open transparent competitive public tender process for major infrastructure works and accountability for performance.
 - 8 Improve communication and publication of legislation in the public forum, to enable improved access for all stakeholders.

TOURISM

- 9 More frequent and cheaper flights to Dili/Suai – consider subsidising air fares or establishing a partnership with an airline to promote Timor-Leste (ie. co-operative marketing agreements, eg. Western Australian State Government partnership with Virgin Australia). Growth will come from improved infrastructure (especially water and sanitation) in an around Dili. Alternatively, consider an airfare subsidy program.
- 10 Improve education and marketing to targeted countries (eg. Australia) regarding tourism opportunities in Timor-Leste and distilling myths regarding security and safety in the country.

INFRASTRUCTURE AND ENVIRONMENT

- 11 Lobby Australian Government for 20% of AIFFP (A\$400m) for Timor-Leste for transport and water infrastructure, to be built to Australian standards but with significant local content, local jobs and local skills development. Target all expenditure within 5 years.
- 12 Introduce thorough master/urban planning to strategically plan and build infrastructure, this applies to water and drainage infrastructure, roads, utilities, community, education and health services.
- 13 Consider changing the weighting of key selection criteria (eg. more weight given to technical/quality and track record of service providers rather than price). The planning, design and implementation of infrastructure projects should be assessed based on a long term sustainable economic view as selection of the cheapest tender often ends up more expensive in the long term.
- 14 Ensure adequate geotechnical investigations are made before works are carried out and during construction to ensure engineering specifications are met (eg. assess seismic hazard properly on South coast on Tase Mane project).
- 15 Encourage better structured waste management, capture and treatment including upgrades to the current waste management facility in Tasitolu and promote best practice (ie. recycling, no burning of waste, constructing separate impermeable waste cells to receive dangerous waste (to stop/avoid contaminating

the groundwater), more education programs in schools about litter / importance of waste management, education programs to small businesses, particularly food outlets to choose and select more environmentally friendly packaging (most are polystyrene, small paper bags would be better). Ban plastic bags from all shops, and / or introduce biodegradable plastic bags, or reusable bags. Introduce a plastic / glass bottle recycling program, where the community collects and exchanges for money. Need to actively manage waste streams at the source first.

- 16 Continue to improve infrastructure such as energy, water, airports, ports, roads and telecommunication.
- 17 Continue to improve data capture and security both in Dili and regionally (eg. weather data).
- 18 Establish a more reliable internet service (ie. fibre optic cable).
- 19 Develop new transport asset maintenance procurement approaches so assets are regularly inspected and maintained. New Zealand is a good comparable example for excellent road maintenance approaches including in emergency repair modes, challenging topography, seismically active regions and prone to extreme weather events.

NATURAL RESOURCES

- 20 Continue to invest in establishing a publicly available database of geological data with sufficient and reliable baseline data to be captured and stored in a well-structured centralised repository. Inadequate mechanisms for the capture of data and sharing such data and information can hinder sustainable development.
- 21 Set up a working group (including government and exploration industry) to develop protocols to share data already acquired by the government (eg. LIDAR).
- 22 Environmental impact statements should be freely available for the local and wider community to review and make comment to promote better transparency and ensure proponents earn their “social licence to operate”.

WORKFORCE DEVELOPMENT

- 23 Timor-Leste participates in Australia’s Seasonal Worker Program, with unskilled / semi-skilled employee numbers trending upwards and strong demand for places.
- 24 There would be significant long term economic and social benefits for Timor-Leste if the program was extended to graduates involving professional paid placement in areas such as civil engineering, sanitation, infrastructure, extractive industries, education, and health, providing professionals in these areas a three to six month work placement in Australia.
 - Timorese who participate in the program would be expected to return to Timor-Leste and contribute to the economy and would not be eligible for migration to Australia for at least 3 years to ensure Timor-Leste receives the full benefit of these upskilled employees.
 - The design and implementation of such a program will require input from the governments of both Timor-Leste and Australia but the initiative should be investigated by establishing a working group comprising representatives of both countries.

- The working group should aim to meet 3 - 4 times before the end of November 2019, and present a paper to both governments by mid December 2019.
- One possible funding source for the working group is the AU\$2b Australian Infrastructure Financing Facility for the Pacific.

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