

# CASE STUDY Institution Building in Timor Leste

# Establishing the Sustainable Development Goals Working Group

#### **Background Information**

Established in 2002, Timor Leste is a Southeast Asian nation that has been designated as a Least Developed Country (LDC), as well as one of the 37 Small Island Developing States (SIDS). In September 2015, the nation's government passed a resolution that adopted the 2030 Agenda and the Sustainable Development Goals (SDGs). That resolution also called for the creation of a working group that would be chaired by the Prime Minister's Office as it led the country's efforts on the SDGs. In December 2015, the government issued a directive that formally established the SDG Working Group, and in February 2016, it further issued a decree requiring the integration of the SDGs with the country's annual budgets and plans. The group has since formed and began leading Timor Leste's work on the SDGs.

Alongside their internal efforts, Timor Leste's government has championed the goals beyond the country's borders via the High-Level Group on SDG Implementation. That group includes global leaders who are working to build support for implementation of the goals, while also securing commitment across all levels of the organizations that will deliver the SDGs. Then Prime Minister Rui Maria de Araújo joined the group when it was created in 2015.

### Approach, Delivery, & Challenges

After Timor Leste's Government adopted the 2030 Agenda and the SDGs, it created a roadmap to integrate the goals with its 2011-2030 Strategic Development Plan (SDP). The goal of the SDP is to maximize economic growth, while also addressing social and environmental issues. Since the SDP runs through 2030, and the Timorese government has mandated that the goals should be integrated with their development plan, the two efforts can now be aligned towards their common end date.

Prime Minister H.E. Dr. Rui Maria de Araújo referred to the SDP as the backbone of the country's roadmap and claimed that annual planning and budgeting should take it into account going forward. Minister of State Agio Pereira added that aligning the SDGs in the SDP will help Timor-Leste achieve the SDGs, and that doing so "also provides an example for other countries as they consider how to align the UN goals to their own national development plans."



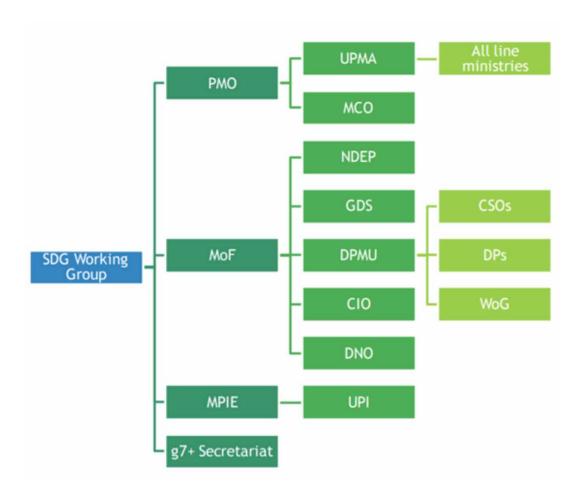




When asked why they had chosen to integrate the SDGs with their development plans, Alex Tilman, Public Policy Officer in Timor Leste's Office of the Prime Minister, said it was "only natural for them to ensure their budget and planning systems were consistent with their commitment to the 2030 Agenda. He added that challenges in the country's history help amass support for the goals, saying "Our country has emerged from destruction and literally had to build the country from zero. We have to develop infrastructure especially the institutions. So, the SDGs for us actually frame the process of reconstruction and building the national statehood."

In May 2017, the Timorese government held the Global Conference on the 2030 Agenda. They launched the country's Roadmap for the Implementation of the 2030 Agenda and the SDGs at that event. The roadmap represents Timor Leste's commitment to the goals.

Timor Leste's government established the SDG Working Group right after adopting the 2030 Agenda. The working group was expected to localize the SDGs in accordance with the SDP. The group found that all the SDGs could be aligned with their existing development plans, and they began to plan and prioritize their efforts across the three phases of the SDP.



Timor Leste's SDG Working Group Composition<sup>1</sup>

The various Ministries and agencies with SDP planning, budgeting, monitoring, and implementation responsibilities were asked to help the SDG Working Group identify the agencies for leading the efforts on each of the 169 SDG targets, along with the units who would support those efforts. The SDG targets were then aligned with SDP sub goals to facilitate the integration of those efforts. The figure below summarizes the alignment of SDP sectors with the SDG goals, while also providing the number of SDG targets by SDP sector.

<sup>1</sup> Alex Tilman, "Implementing the SDGs," Ministry of Finance - Timor Leste, April 22, 2016, https://www.mof.gov.tl/wp-content/uploads/2016/04/SDGWG\_20160421\_QDPM.pdf.



Timor-Leste's Strategic Development Plan Sector	Matching SDGs	# Matching SDGs Target
Socila Capital	Goal 1: No poverty	71
	Goal 2: Zero hunger	
	Goal 3: Good health and well-being	
	Goal 4: Quality education	
	Goal 5: Gender equality	
	Goal 10: Reduce inequality	
	Goal 12: Responsible consumption and production	
	Goal 13: Climate action	
	Goal 14: Life below water	
	Goal 15: Life on land	
	Goal 16: Peace, justice and strong institutions	
Economic Development	Goal 1: No poverty	52
	Goal 2: Zero hunger	
	Goal 8: Decent work and economic growth	
	Goal 9: Industry, innovation and infrastructure	
	Goal 10: Reduce inequality	
	Goal 12: Responsible consumption and production	
	Goal 14: Life below water	
	Goal 17: Partnership for the goals	
Infrastructure Development	Goal 6: Clean water and sanitation	25
	Goal 7: Affordable and clean energy	
	Goal 11: Sustainable cities and communities	
	Goal 12: Responsible consumption and production	
Institutional Framework	Goal 10: Reduce inequality	18
	Goal 12: Responsible consumption and production	
	Goal 16: Peace, justice and strong institutions	
	Goal 17: Partnership for the goals	

Alignment of the SDGs with SDP sectors.2



The Working Group also mapped specific SDG Indicators to the SDP as shown in the figure below.

Goals		SDG Indicators	Aligned with SDP
1	No poverty	9	6
2	No hunger	15	7
3	Good health	25	14
4	Quality education	11	10
5	Gender equality	14	3
6	Clean water and sanitation	10	9
7	Clean energy	6	6
8	Good jobs and economic growth	15	4
9	Innovation and infrastructure	12	5
10	Reduced inequalities	12	3
11	Sustainable cities and communities	13	6
12	Responsible consumption	12	4
13	Protect the planet	5	4
14	Life below water	10	7
15	Life on land	15	8
16	Peace and justice	21	14
17	Partnerships for the goals	24	0
Total		229	110

Alignment of the SDG Indicators with the SDP.3

The SDG Working Group first met in February 2016. Those meetings were attended by General and National Directors, leads from each of the government Ministries, as well as representatives from other government agencies. The Working Group is represented by members of all Government agencies and directorates, as well as all line ministries.

The group initiated discussions around SDG implementation, with a focus on integrating the SDGs in the country's 2017 budget plan. As Alex Tilman, Officer of Public Policies Analysis and Monitoring, shared, the group would "work together with the ministerial structures to identify the main objectives, which are aligned with our Strategic Plan, and start implementing them from 2017." Mr. Tilman added that they would be looking to developing a monitoring mechanism to use in tracking the program's implementation. These meetings were aimed at starting the debate on the process of implementing the SDGs in Timor-Leste. Discussions also included the need to integrate SDG objectives in the 2017 budget plan. Through those meetings, each of the Ministries identified the parts of the SDGs that fell under the responsibility of their organization.

Besides, the SDG Working Group has worked to advance debate around the SDGs within Timor Leste. Members of the group cooperated with Ministries to identify and implement opportunities that are aligned with the current strategic plan and to promote integration of the SDGs within national planning efforts. They've also led the efforts to integrate the 2030 Agenda with the Strategic Development Plan 2011-2030, Timor Leste's national development framework.

<sup>3 &</sup>quot;Timor-leste's Roadmap for the Implementation of the 2030 Agenda and the Sdgs," Government of Timor Leste, July 22, 2017, http://timor-leste.gov.tl/wp-content/uploads/2017/08/UNDP-Timor-Leste\_SDP-Roadmap\_doc\_v2\_English\_220717.pdf.



Prioritizing the goals to best meet the needs of Timor Leste's people has also fallen on the SDG Working Group. Initially, the working group asked that SDG 2 (Hunger), 4 (Education), and 9 (Infrastructure) receive the most attention. This led to increased funding for nutrition — particularly for women and children — a move that was hailed by the World Food Program (WFP).

It's important to note a couple of the goals that are important to Timor Leste's circumstances. As a member of the Association of Small Island States — nations that are among those that have the greatest challenges related to climate change — its leaders took a particular interest in the drafting of goal 13 (climate action) to help ensure its interests were proudly addressed. At the same time, the country also led g7+ country efforts (g7+ is a group of nations that are transitioning to the next stage of development after having been affected by conflict) to get goal 16 (peace, stability and effective institutions) included in a way that supported the needs of those "fragile" nations.

Timor Leste's economy is highly dependent on oil and gas revenues, which adds a layer of complication for the SDG Working Group, as the nation's path to Sustainable development requires significant public-sector investment. One of the distinct challenges facing Timor Leste's SDG efforts is that those who committed to the goals were replaced in elections soon after making that commitment. In September 2016, former President Taur Matan Ruak shared what he believed to be the key failings of his administration, which included a continued dependence on fossil fuels, and a lack of citizen participation in transformation. Timor Leste's new government had to pick up the pieces of early stage planning and quickly move forward in a productive manner.

How to monitor progress is a key question for Timor Leste. The SDG Working Group has been working to develop a SDG monitoring tool that would handle this task at the national level. In doing so, the country's leaders have worked together with members of the g7+, an intergovernmental voluntary organization that gathers countries that have faced conflicts, to prioritize indicators for the goals in those states. An early report on Timor Leste's SDG progress noted the importance of consulting with a diverse group, including village leaders, the private sector, religious leaders, civil society organizations (CSOs) and donor countries to create the conditions necessary for success. Timor Leste has a strong contingent of non-government organizations (NGOs), CSOs, and cooperatives that are supporting the SDGs; especially around health, education, and the environment. The SDG Working Group has the opportunity to increase engagement with this group to leverage their bottom-up community development efforts in future collaborations.

#### Benefits & Lessons Learned

Achieving the SDGs takes a collaborative approach, wherein the leaders in the SDG Working Group encourage the contributions of a broad set of actors across civil society. This should include participants at the local level, like farmers, cooperative managers, and new entrepreneurs, who can help identify and develop sustainable economic opportunities (for instance, eco-tourism, and natural food production). The SDG Working Group can help lead this shift by using the SDGs to help guide their efforts as they work to diversify Timor Leste's economy. Doing so offers the chance to build a more resilient private sector, while also bolstering the public sector.

Timor Leste's new government has worked to place the SDGs on even footing with development efforts. Small steps that have brought together people across political divides with development efforts that addressed the SDGs in small, but radical ways. Further such efforts towards the SDGs can help unite the country. Top-down programs partnering with major development agencies can be integrated within a portfolio that includes smaller scale projects at the local level supported by a range of community development organizations.

Jerry Courvisanos, a research scholar for the Binzagr Institute for Sustainable Prosperity, spent six months researching Timor Leste's progress on the SDGs. This effort culminated in a March 2018 report in which he offered nine recommendations for harmonizing the country's efforts toward the goals. Among those,



the four were directly relevant to the SDG Working Group's work. Those recommendations were: (1) the benefits of decentralizing authority to local leaders to enable efficient, effective decision-making, (2) the opportunities fostered by a financial system that supports sustainable development, (3) the gains available from partnering local NGOs with foreign donors and business experts, and (4) the need of seeking Foreign Direct Investment (FDI) to support sustainable manufacturing.

# Opportunities & Next Steps

The SDG Working Group is continuing to learn as it leads Timor Leste's work on the goals. This enables the sustainable progress the goals are meant to bring about. Early communication efforts focused on raising awareness of the SDGs among the general public, a move that was welcomed and supported by CSOs. Early implementation efforts focused on education, health, nutrition, gender equality, agriculture, and infrastructure. Those efforts will continue as the SDG Working Group broadens its focus.

Timor Leste can use the SDGs as a stimulant for environmentally-friendly innovation in both private and social enterprises. In pursuing the goals, social and cooperative enterprises can help reduce inequality by adopting practices that support the goals. For them to do so, the SDG Working Group must lead on important issues like land tenure and avoiding corruption, while also ensuring the participation of a broad swath of actors from public and private institutions, as well as CSOs.

The SDG Working Group needs to ensure related governance issues are addressed in an inclusive nature, while support is sought from beyond formal power structures. They also should work to provide proper legal protection for those launching high-risk start-up ventures and help entrepreneurs understand and comply with legislative changes. As such, fostering mentorship is a necessity. Partnering with the Chamber of Commerce and Industry Timor-Leste (CCITL) offers the possibility of leveraging an existing network for this work. Developing local networks between universities, associations, financial institutions, media, and regulatory bodies will also help foster the necessary entrepreneurship.

Timor Leste needs to unlock significant funding for the work that has to be done, both in the form of finance for private sector activities, as well as public spending for the work that will not be undertaken by the private sector. The SDG Working Group will have to help uncover that funding, while helping to direct it to efforts that offer the greatest return towards the country's SDG targets.

Developing and supporting effective communication channels is another important task for the SDG Working Group. Doing so will foster support for the SDGs among the people of Timor Leste, while helping align efforts broadly. In doing so, they need to take care in addressing youth, who represent the majority of the nation's population, and women, as driving gender equality through economic, social, and political empowerment is a critical element of Timor Leste's SDG aspirations. Thirty-eight per center of Timor Leste's Parliament is made up of women. This stands as a testament to the country's commitment to equality. Developing female entrepreneurship will further facilitate this transition.

Timor Leste is committed to driving progress through the SDGs. The country has contributed to success at the global level both through Prime Minister Araújo's participation in the High-Level Support Group for SDG implementation, as well as through its membership in the Association of Small Island States. Minister of State Agio Pereira cited the importance of the integration of the goals with the country's development work in achieving what he called "a better development paradigm." While giving his country credit for the gains they had made, he also admitted the need to achieve much more in the period of the SDGs.

Timor Leste is embodied by a common identity that flows from the country's 1999 vote for self-determination. As Victor Soares put it, one generation fought to "free the country." The next is now fighting to "free the people" from such things as poverty and illiteracy. The SDG Working Group is charged with leading this work. It is their task to bring the people of Timor Leste together to deliver on the goals.



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