East Timor





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Chapter 1 Country Overview

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Country Overview

EAST TIMOR

East Timor is located in Southeast Asia, on the southernmost edge of the Indonesian archipelago. The Portuguese began to trade with the island in the early 16th century and colonized it in midcentury. Imperial Japan occupied East Timor from 1942 to 1945, but Portugal resumed colonial authority after the Japanese defeat in World War II. East Timor declared itself independent from Portugal in November 1975, but was invaded and occupied by Indonesian forces nine days later, and in July 1976 it was incorporated into a province of Indonesia.

In August 1999, in an United Nations-supervised popular referendum, an overwhelming majority of the people of East Timor voted for independence from Indonesia. However, the announcement of the voting results was followed by a surge of violence and destruction on the part of anti-independence militias. In the end, thousands of East Timorese were killed or injured, and more than 500,000 were displaced. Despite the presence of peacekeepers, ongoing violence against journalists, peacekeepers and civilians continued throughout 2000. A transitional government was formed in 2001, and in August 2001, thousands of voters in East Timor turned out to vote for the 88 members of the constituent assembly and established the country's first parliament.

Since achieving independence, East Timor has focused on nation-building. The government has taken measures to reconstruct the economy from the severe destruction that took place in 1999. The early adoption of prudent fiscal and monetary policies contributed to low inflation and accelerating economic growth. The country's large petroleum wealth offers the potential for a prosperous future. However, East Timor remains one of the least developed countries in the world, with about 50 percent of the population still living in poverty. Large swaths of the population suffers from a so-called annual "hungry season" when food shortages are rampant, with the result being malnutrition. Other challenges include a lack of basic services and infrastructure, unemployment, particularly among the youth, as well as cronyism and corruption benefiting a small elite.

In April 2002, independence leader Jose Alexandre "Xanana" Gusmao won the presidency by a landslide victory, becoming East Timor's first president. But security hwas precarious. An outbreak of gang violence in 2006 prompted the United Nations Security Council to set up a new peacekeeping force that helped restore stability. In February 2008, a rebel group staged an unsuccessful attack against the president -- at the time, President Jose Ramos-Horta -- and the prime minister; the ringleader was killed in the attack. The majority of the rebels surrendered to the

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government in April 2008. Since that time, presidential elections were held in 2012 and brought Taur Matan Ruak -- a national hero who fought against Indonesian occupation -- to power.

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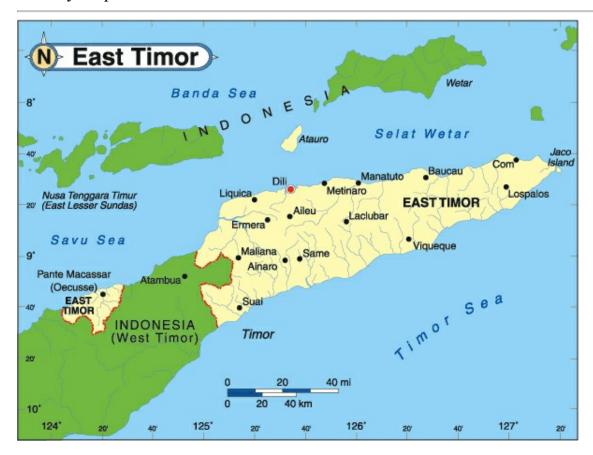
Key Data

Key Data	
Region:	Asia
Population:	1272060
Climate:	Tropical with high mountains and plains, arid and moist lowlands, vast coastal zones; there is a cool and dry season from May through November; a hot and wet season occurs from December through April with monsoons and flooding on occasion
Languages:	12 Timorese languages of which Tetun is the most widely used; Portuguese is the other major language; (both of these are official languages). Indonesian and English are spoken within certain segments of the population and are considered
Currency:	1 USD = 100 cents
Holiday:	Independence Day is 20 May (2002), Liberation Day is 20 September
Area Total:	14874
Area Land:	14874
Coast Line:	1035

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East Timor

Country Map



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Asia

Regional Map



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Chapter 2 Political Overview

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History

East Timor is the eastern half of the island of Timor, with an area of over 14,000 square kilometers and a population of approximately 800,000. It became a Portuguese colony in 1524. The first Portuguese trading post in East Timor was established in 1562. Prior to the establishment of the Portuguese trading post, however, the area surrounding and including East Timor was visited by Chinese traders. Over the centuries, it became well-known for products such as sandalwood, honey, coffee and beeswax. Sandalwood in East Timor became almost a non-entity by the 1900s as a consequence of over-exploitation.

During World war II, East Timor was briefly invaded by Japanese forces. In 1960, the United Nations General Assembly placed East Timor on the international agenda by adding the territory to its list of Non-Self-Governing Territories. At that time, East Timor was still administered by its colonial power, Portugal. Over the years, it had also developed a close relationship with neighboring Indonesia, which intensified when Portugal enacted a policy of decolonization in East Timor

In 1974, Portugal looked to establish a provisional government and a popular assembly, both of which were intended to determine the status of East Timor. Civil war soon erupted between those parties which favored independence and those parties which advocated integration with Indonesia. Unable to control the situation, Portugal withdrew from East Timor and Indonesia intervened militarily soon thereafter. The result was the integration of East Timor as Indonesia's 27th province. The United Nations never recognized this integration, and both the Security Council and the General Assembly called for Indonesia's withdrawal.

In 1982, successive Secretaries-General held regular talks with Indonesia and Portugal with the intention of resolving the status of the territory. Finally, in June 1998, Indonesia proposed limited autonomy for East Timor within Indonesia. In light of the diplomatic progress, the talks rapidly developed, ultimately resulting in a set of accords between Indonesia and Portugal, which were signed in New York on May 5, 1999. In sum, the accords stated that the two governments entrusted the Secretary-General with the tast of conducting a "popular consultation" to determine whether the East Timorese people accepted the status of special autonomy for East Timor within the unitary Republic of Indonesia.

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In this regard, the Security Council of the United Nations established the United Nations Mission in East Timor (UNAMET) on June 11, 1999, which would not only determine the will of the East Timorese people, but also oversee the transition of any decisions made. Finally, on Aug. 30, 1999, 98 percent of all registered voters went to the polls and voted against proposed autonomy within the unitary Republic of Indonesia and for the transition toward full and complete independent status.

The announcement of the voting results was followed by a surge of violence and destruction on the part of anti-independence (also known as "pro-integration") militias, which were backed by some Indonesian security forces. The violence had, in fact, begun at the time of the May 5, 1999, agreement, but increased exponentially after the referendum in August of 1999.

Meanwhile, the Indonesian authorities failed to deal with the chaos, even though the May 5, 1999 accords clearly stipulated that the Indonesian government was expected to be responsive to any potential political turmoil. In the end, thousands of East Timorese were killed or injured, and more than 500,000 were displaced. Many were forced to flee their homes to escape the violence while others were compelled to leave by militia groups. Victims included pro-independence activists and supporters, as well as civilians, journalists and United Nations personnel.

In the face of Indonesian refusal to deal with the unrest, the United Nations Security Council undertook intensive diplomatic maneuvering, even sending representatives to visit the Timorese capital of Dili, as well as the Indonesian capital of Jakarta, to consolidate support for the establishment of a multi-national force tasked with bringing the situation under control. On Sept. 12, 1999, the Government of Indonesia agreed to accept the idea of a multi-national force and the restoration of peace and security in East Timor. The Australian government was given the responsibility of heading the multi-national force. Peacekeeping troops began to arrive in East Timor on Sept. 20, 1999. At the time, most of East Timor's infrastructure was completely destroyed, and a formidable reconstruction task lay ahead, in the wake of the devastation.

On Oct. 19, 1999, the Indonesian People's Consultative Assembly formally recognized the result of the vote against Indonesian integration. On Oct. 25, 1999, the United Nations Transitional Administration in East Timor (UNTAET) was established and Indonesia authority was officially handed over to the peacekeepers. The United States dollar was established as an interim form of currency.

In late February 2000, the Indonesian President Wahid visited East Timor and formally apologized to the Timorese people for their treatment over the course of Indonesian rule. He also pledged to begin a new relationship with East Timor, signed a declaration aimed at erasing the bitter relationship between Indonesia and East Timor over a quarter century, and noted that Indonesia would work toward establishing diplomatic bilateral relations. A commitment toward good governance, human rights and fundamental freedoms, as well as the establishment of a border

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regime which would permit the unimpeded passage of goods and people between East Timor and Indonesia, were also put into force.

Later that year, various Indonesian military chiefs, personnel and officers were indicted for gross human rights violations. They were to face trial in Indonesia since the Indonesian government rejected setting up any international tribunal. Other suspects taken into custody under UNTAET jurisdiction were placed under United Nations prosecution, sometimes resulting in heavy sentences for human rights violations. Several other suspects, however, remain free, while many individuals taken into custody and indicted never faced actual prosecution. Also in 2000, many of the anti-independence militia moved from East Timor across the border to West Timor where they continued cross-border attacks. Refugee camps in this area populated by displaced Timorese were controlled by these militias and prevented East Timorese natives from returning home. Ongoing violence against journalists, peacekeepers and civilians continued throughout 2000.

In early 2001, thousands of East Timorese who fled to West Timor in the violence after the independence returned to East Timor. About 100,000 refugees remain in West Timor hoping to return home, but it is impossible for them to escape this area controlled by militias without international assistance.

Under UNTAET administration, a transitional government, including a transitional cabinet covering various administrative areas, was established. In addition, UNTAET announced the establishment of the East Timor National Council, acting as a precursor of a future parliament for the territory. The 36-member council was composed exclusively of local people, 13 from political parties, 13 from the districts, seven from civil organizations and three from religious groups.

On August 30, thousands of voters in East Timor turned out to vote for the 88 members of the constituent assembly and established the country's first parliament.

East Timor's political leaders also opened their first multi-party congress. It was organized by the Council of National Resistance of Timor, a group of East Timorese factions set up to oppose Indonesian occupation. During the meeting, pro-independence leader Jose Alexandre Gusmao called on the 450 delegates from across the territory to embrace democracy and lay safe foundations for the very first new country of the 21st century. In April 2002, independence leader Gusmao won the presidency by a landslide victory, becoming East Timor's first president.

East Timor celebrated its official independence on May 21, 2002. The East Timor Parliament drafted a constitution that was adopted upon its independence in May 2002. World leaders, including former United States President Bill Clinton, Indonesia's Megawati Sukarnoputri, and Australia's John Howard, were present to witness the historic event.

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Supplementary sources: Assessing Environmental Needs and Priorities in East Timor by Sandlund, de Carvalho, Narve Rio, da Silva, and Silva; The Maubere Culture -- http://www.uc.pt/timor/culture.html; Solidamor -- http://www.solidamor.org, East Timor, the Nation -- http://www.sjc.uq.edu.au/projects/East Timor project/nation, the British Broadcasting News Agency -- http://www.bbc.com.

Note on History: In certain entries, open source content from the State Department Background Notes and Country Guides have been used. A full listing of sources is available in the Bibliography.

Political Conditions

Background

In August 1999, the East Timorese people voted in a referendum against proposed autonomy within the unitary Republic of Indonesia and for the transition toward full and complete independent status.

The announcement of the voting results was followed by a surge of violence and destruction on the part of anti-independence (also known as "pro-integration") militias, which were backed by some Indonesian security forces. Meanwhile, the Indonesian authorities failed to deal with the chaos. In the end, thousands of East Timorese were killed or injured, and more than 500,000 were displaced. Despite the presence of peacekeepers, ongoing violence against journalists, peacekeepers and civilians continued throughout 2000.

Nevertheless, a transitional government was formed by 2001. In August 2001, thousands of voters in East Timor turned out to vote for the 88 members of the constituent assembly and established the country's first parliament. East Timor's political leaders were also able to finally convene their first multi-party congress. In April 2002, independence leader, Jose Alexandre "Xanana" Gusmao, won the presidency by a landslide victory, becoming East Timor's first president.

Official independence came a month later when East Timor celebrated its official independence on May 21, 2002. The adoption of a constitution was adopted at that time.

Post-independence elections and developments

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Voting was peaceful and orderly, according to the Independent Electoral Commission in regard to East Timor's presidential elections of 2002. The tenor of the voting aside, there were early concerns over voter turnout, due to an absence of queues at polling stations. Some observers suggested that the new system without electoral rolls may well have expedited the voting process. Under the new system, voters simply showed their hands and presented various relevant registration documents, which were then labeled with an icon to prevent multiple voting. A supplemental security measure entailed voters having a finger dipped in ink.

The presidential elections followed the 1999 vote to separate from Indonesia and the 2001 vote to elect the congressional assembly, which was tasked with formulating a constitution. Meanwhile, thousands of refugees who were displaced by the turmoil following the 1999 referendum returned from West Timor in the days leading up to the election.

Reflecting the deep-felt national desire for peace, reconciliation and security, East Timor's two presidential candidates conducted their campaigns with mutual benevolence and friendliness, even embracing as voting began in the first ever presidential election of this newly-independent state.

The candidates - former resistance leader Jose "Xanana" Gusmao and parliamentary Deputy Speaker Francisco Xavier do Amaral - maintained highly amicable attitudes throughout the of campaign. The spirit of mutual friendliness and respect continued with their respective arrivals at St. Paulus School in central Dili where they were expected to cast their ballots.

Gusmao was regarded as the front runner and it was generally expected that he would win the vast majority of the votes cast at the country's 282 polling centers. Gusmao led East Timor's guerrilla army against occupying Indonesian forces. He was captured in 1992 and imprisoned in a Jakarta jail for seven years.

For his part, do Amaral stated he did not expect to win, but in the interests of democracy, he felt it was imperative that voters be given a choice of leaders. Do Amaral, the leader of a short-lived independence campaign in 1975 when the Indonesians first took de facto power, kissed his rival's baby just before entering the polling station together. It was noted that even the most jaded observer would likely view his gesture as an act of genuine affection and not a function of political posturing.

In the aftermath of the voting, Xanana Gusmao easily won East Timor's first presidential election. According to figures released by election officials, which were confirmed by the Independent Electoral Commission, Gusmao won 82.7 percent of all ballots cast while do Amaral won 17.3 percent of all ballots cast. The election paved the way for East Timor to become the world's newest country on May 20, 2002.

On May 20, 2002, the United Nations handed over power to the East Timorese people after more

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than two years of transitional administration. The independence ceremony was attended by a variety of world leaders, including former United States President Bill Clinton, Indonesia's Megawati Sukarnoputri, and Australia's John Howard. The former US president was on hand to raise the US flag at the new US embassy in East Timor. Clinton noted that the US and other countries had been insufficiently sensitive to the violence and destruction that raged in the aftermath of the 1999 referendum to separate from Indonesia. In total, over 90 countries sent representatives to witness the entry of the world's newest nation state into the global family. East Timor thus became the first new nation of the millennium. The new official name of the country is the Democratic Republic of Timor-Leste.

Following his midnight inauguration ceremony as president and a national night-long celebration, President Gusmao swore in a 24-member cabinet, including the country's first Prime Minister, Mari Alkatiri. The new Prime Minister's job began with a signing ceremony with Australia over an oil and gas deal which would garner 90 percent of revenues derived from an area within the jointly-controlled area around the Timor Sea. (The terms of agreement on other potentially lucrative areas of the Sea have not yet been determined.) It is hoped that the treaty will generate much needed revenue in the long-term for this impoverished and devastated country.

At the parliament's inaugural session, Alkatiri presented the program and policies of his new government, which emphasize health and education, noting that over the next three years, almost half the entire national budget might well be used in these two specific arenas. Indeed, East Timor's gravest challenges seem to be that it is a fairly isolated country with a limited infrastructure and a very poorly-educated population base. Alkatiri also noted that national reconciliation would be essential for a foundation of national stability.

East Timor was the poorest territory of Indonesia and has been deemed the poorest of the Asian countries. Yet East Timor begins its life as an independent country with debt-free status, and with the benefit of substantial infusions of capital and resources from donor countries and international groups. Observers note that East Timor's dependence on foreign aid could end within five to ten years, if offshore oil and gas deposits are discovered. Windfalls from oil and gas have benefited other emerging nation states, which went on to squander revenues and indulge in corrupt practices. In contrast, the East Timorese government has stated that if all these revenues are actualized, they will not be spent quickly. Instead, they plan to place the lion's share of revenues into a trust fund, using the interest to help develop the country, while actually retaining the majority in the trust fund, in order to ensure that there are cash reserves for future generations. Nevertheless, immediate international assistance and support will be vital to the long-term development of this fledgling democracy.

In July 2002, East Timor joined the International Monetary Fund and the World Bank. Entry into these two global financial bodies will be vital to the country's dependence, given its reliance upon foreign aid.

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Political developments from 2002 to 2005

In August 2002, a former East Timorese police chief was tried in Indonesia on charges of human rights violations during East Timor's independence struggle. The police chief was the freed of all charges when the judge deemed that there was no conclusive evidence linking the chief with attacks on civilian targets. A few days before this controversial verdict, a court handed down a three-year sentence for a governor accused of similar human rights violations; the sentence was viewed as enormously lenient by international observers. These were only two of about 18 individuals charged with human rights abuses during the independence struggle and resulting chaos. Meanwhile, another five junior officers were acquitted of similar charges.

These respective juridical outcomes provoked outrage by international observers, the United Nations, as well as by many East Timorese people. Reports suggested that the voluminous body of evidence implicating both the police and the military in gross abuses of power and violations of human rights were not even presented in any of the cases. Indeed, most of the witnesses called in the trials were from the police and the military. Advocacy groups, such as Human Rights Watch, condemned the trials as shams, noting they simply made a mockery of justice. Amnesty International and Judicial System Review have both called for independent inquiries into these cases. As well, United Nations Human Rights chief, Mary Robinson, harshly criticized the trials on a visit to East Timor in August 2002. She noted that the verdicts were not acceptable as they did not meet the standard of international human rights.

Meanwhile, however, the United Nations noted that it looked forward to welcoming East Timor into the international fold in September 2002 as the newest member of the world body. Representatives from the United Nations Security Council also noted that the schedule for peace-keeping in East Timor would extend until mid-2004, when a complete withdrawal of external peace-keeping forces was projected to take place. The Security Council representatives were, however, quick to note that while the peacekeeping effort would end at that time, it was anticipated that economic assistance as well as other developmental activities would be ongoing for several years in the post-independence period.

On the local front, by September 2002, there were some rumblings about a cabinet shuffle since after 100 days in office, certain cabinet ministers had not accomplished enough. Another complaint about the government was that it was too centralist in nature, thus alienating certain people in the outlying areas. Nevertheless, many observers noted that Prime Minister Alkatiri's government had done its best in the months since independence.

In late September 2002, three years after the Timorese people voted for sovereignty and autonomy, the United Nations General Assembly voted to admit East Timor into the world

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organization.

In early October 2002, following its entry into the United Nations, East Timor became the newest member of the World Health Organization. The new minister of health, Dr. Rui Maria de Araujo, noted that the main health-oriented objective of the government was to improve the overall standard of health among the Timorese people, and to help mothers and children. The second priority was notable given the fact that the infant mortality rate in the country was approximately 70 to 95 deaths per 1000 live births (the numbers vary depending on the source of information). The most disturbing cause of the majority of infant deaths was communicable diseases and as such, Dr. de Araujo noted that dealing with this particular issue would be an immediate concern. Being a member of the World Health Organization would likely present a great advantage in this regard to the health ministry of the country since the organization can provide technical expertise, and most importantly, it could continue its efforts in creating a communicable disease surveillance system, which could assist in detecting, researching, controlling and responding to disease outbreaks.

Poverty, malaria and AIDS/HIV were other significant health and human welfare issues. Another key consideration was the question of health care and medical field workers who were terribly difficult to find in a country where many people left due to political turmoil. It was hoped that the World Health Organization could help in the recruitment and education of new health care workers and other medical professionals.

With regard to the matter of refugees who left the country after the political violence ensued, President Gusmao in November 2002 put forth a call to exiled refugees to return to East Timor. On a visit to Indonesia for the purpose of asking exiled Timorese people to return home, he appealed to refugees in Indonesian areas such as Kupang, Naibonat and East Nusa Tenggara. While he noted that all refugees should make their own personal choices with no coercion from either the East Timorese or Indonesian governments, Gusmao noted that relatives at home had asked him to make the request.

By November 2002, President Gusmao observed that without economic development, the fledgling democracy could not flourish. As the poorest country in Asia, and as one of the very poorest countries in the world, East Timor would have a formidable challenge to overcome. In addition to the economic imperative, Gusmao also continued to stress the importance of political reform. Gusmao's vision for political reform included political power sharing as well as participation among the country's citizenry. Gusmao stated that he believed political stability, good governance, as well as a fair and transparent political structure, were essential elements because without them, people would lose their motivation and the chance for development would then be squandered.

In an interesting development, the Catholic Church began its efforts to train a group of people as community radio journalists. The measure was considered to be of vital importance since a free

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press and media is one of the hallmarks of a democratic country. Moreover, a citizenry that is informed about issues and policies is more engaged and able to participate fully in democracy.

In March 2003, a court in Jakarta sentenced Indonesia's former military chief in East Timor, Brigadier General Noer Muis, to five years in jail for crimes against humanity. He was accused of failing to prevent attacks on civilians in East Timor following the 1999 independence vote.

On the home front, the world's newest nation was beset by security problems. The United Nations Mission of Support in East Timor warned in March 2003 that well-trained militia groups posed a "real threat" to security in parts of the country. Meanwhile, hundreds of United Nations troops were deployed to hunt down a group that attacked a bus, killing two civilians, on Feb. 24, 2003, in the Maliana district bordering West Timor. Other incidents included an attack in January by an armed gang that left six people dead in the Atsabe district. Also, a December 2002 riot killed two and destroyed dozens of buildings.

Many in East Timor blamed pro-Indonesian rebels for the attacks - the same rebels who were behind 1999 violence triggered by the overwhelming East Timorese vote for independence. East Timor's ambassador to the United Nations, Luis Guterres, stated publicly his belief that some of the rebels captured after recent attacks had confessed to being armed by soldiers in the Indonesian army. But, in March 2003, Indonesian officials maintained their country was not to blame for the recent violence.

In May 2004, celebration over the country's second independence anniversary was muted as a result of rising economic challenges. At the center of the economic conundrum was a dispute with neighboring Australia over oil revenues in the Timor Sea. Although a close ally of East Timor, Australia was claiming a far more substantial area of the sea as well as its associated revenues. Without a greater share of the potential billions of oil and gas wealth in the Timor Sea, Oxfam said the country could well devolve into being a failed state. The disputed oil and gas fields lay, rather ironically, between the region's richest and poorest countries -- Australia and East Timor respectively. The leadership of East Timor said it wished to have its fair share of the revenues, given the fact that the oil and gas reserves were located in much closer proximity to its shores, however, Australia argued that its maritime borders should extend further. While Australia has refused international arbitration on the matter, demonstrations ensued in East Timor's capital of Dili with citizens ravaging Australian Prime Minister John Howard's leadership and decrying what they termed Australia's "illegal occupation."

Meanwhile, East Timor was also faced with security challenges as the United Nations reduced its presence in that country, having passed security duties on to local security personnel. With only 700 United Nations' personnel in East Timor, it was difficult to know how the country's security would be affected

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Anxieties of these sorts in the first part of 2004 led to small demonstrations in front of government buildings in July. The protestors were calling for reform and new elections. They also expressed discontent with the country's Falintil resistance movement which holds a strong influence on the present government. The protestors said they sought greater access and power in the governing of the country.

November 2004 marked the end of a two-year process in which 18 people were tried by Indonesian courts for human rights abuses in East Timor during the bloody and violent period of surrounding Timorese independence. Only one conviction of a militia leader, Eurico Guterres, was left intact. As a result, several questions arose about justice being served.

Another process instituted for the purpose of bringing some closure to the controversy surrounding alleged human rights abuses during the drive for Timorese independence has been the Commission of Friendship and Truth (CFT). The CFT was established jointly by the governments of East Timor and Indonesia and has been mandated to find the truth

behind the apparent human rights abuses by Indonesia forces and militias against the Timorese people.

In August 2005, the Indonesian President Susilo Bambang Yudhoyono and the East Timorese leader, Xanana Gusmao, were scheduled to meet in Bali to officially inaugurate the joint secretariat office of the CTF. With the CTF installed as a joint commission, the CTF members would be granted with free access to travel to both countries for investigatory purposes. Unlike the traditional court system in which suspects are charged and tried, the CTF has been based on the "reconciliation approach" and the investigation will not lead to prosecutions or tribunals.

Meanwhile, in April 2005, East Timor and Indonesia signed a landmark border agreement. The signing of the deal took place during Indonesian President Yudhoyono's first visit to Dili since coming to power in Indonesia. Also regarding bilateral relations was the matter of the agreement reached between East Timor and Australia on the division of billions of dollars in anticipated revenues from oil and gas deposits in Timor Sea. The contentious dispute over the Australian-East Timorese maritime boundary was, however, left off the discussion table.

A return to unrest in 2006

The first part of 2006 in East Timor was marked by escalating violence involving a dispute between the government and the military. The situation was sparked originally in February 2006 when 600 troops went on strike to complain about their salaries and working conditions. Hailing mostly from the west part of the country, they also complained of discrimination against them by leaders from the east. These complaints were compounded by the fact that many of the striking soldiers -- veterans of the 25-year long fight for independence from Indonesia -- were having

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trouble making the transition to peacetime operations. The soldiers experienced hardship during the integration process into the regular military and they were resentful that their efforts on behalf of the country were never properly recognized. This sense of discontent among their ranks was not helped by the decision to fire the 600 striking soldiers a month later in March 2006.

By April 2006, the decision to fire the soldiers gave rise to a spate of violence between police and former soldiers that left several people dead. Modern mobile messaging between people appeared to have fueled rumors about the violence and exacerbated the chaos on the ground. In the first part of May 2006, residents fled the East Timor's capital city of Dili for mountains and villages in the surrounding area, as well as international missions. The United Nations reported that up to 75 percent of the city's population had left, presumably due to fears of further clashes between police and former soldiers.

Overall, that situation appeared to have evoked deep-set anxieties in the East Timorese people who had watched the destruction of Dili years prior during the independence fight. Fearing that the outbreak of violence would exponentially increase, and unwilling to take any chances of a repeat of the suffering during the independence conflict, many residents of the capital made the decision to leave. In this regard, East Timor's Foreign Minister Jose Ramos-Horta said, "Democracy is still young in our country and people react fearfully to incidents by leaving the city." He called on his fellow East Timorese people to remain calm.

By the third week of May 2006, the situation was no less problematic. The situation had moved beyond the matter of the sacked soldiers and into the realm of lawlessness with armed gangs roaming the streets. As well, militias toting "make-shift" weapons went on rampages, torching houses, shops and vehicles in the capital city of Dili. The violence resulted in the deaths of scores of people and another mass exodus of tens of thousands of fearful people from their homes. Many of those who fled their homes sought refuge at churches and aid camps. Widespread looting was also reported.

East Timorese Foreign Minister Jose Ramos-Horta admitted that the government had not adequately addressed the problem in the military, which had sparked the latest outbreak of violence and threatened to escalate into a full-scale civil war. Still, analysts noted that the dispute with the sacked soldiers may have been only one aspect in a more complex political situation transpiring in East Timor. One clue as to the other factors contributing to the chaos gripping the country was the revelation about stolen crime files. Attorney-General Longuinhos Monteiro admitted that close around 15 percent of East Timor's criminal archive were missing-- many of them related to East Timor's bloody independence fight with Indonesia following the 1990 referendum on sovereignty. There was no conclusive evidence as to who might have absconded with the files or for what purpose. Still, it was possible that the political farrago may have been partially fueled by discontent over the lack of justice regarding human rights abuses committed during that difficult period.

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On May 28, 2006, there was an uneasy lull in the mob violence, thanks to the efforts of Australian-led peacekeeping forces on the ground. Reporters stationed in the capital city said that the sound of gunfire in Dili was subsiding, however, a sense of unpredictability prevailed. Moreover, there was no plan on the table to resolve the regional tensions, military discontent, and other political factors that sparked the chaos in the first place.

Meanwhile, food and supplies were running low since shops stayed closed since the outbreak of the violence. Desperation may have been the motive behind the looting of a food warehouse administered by the World Food Programme in Dili. Spokespersons for several aid agencies, however, warned that looting would only hamper the distribution of food and water to the tens of thousands of displaced people who had no resources of their own to drawn upon. As well, Tim Costello, the head of the World Vision aid agency, warned that his staff was "under fire" and that unless order was fully restored, East Timor would be faced with a humanitarian crisis.

By May 29, 2006, East Timor's President Xanana Gusmao was holding crisis talks with Prime Minister Mari Alkatiri, aimed at restoring law and order to the country. Whereas Gusmao continued to wield a great deal of influence among the East Timorese people, Alkatiri was not so fortunate. As the two men met, incensed crowds convened outside the presidential palace in Dili calling for the prime minister's resignation and accusing him of being a terrorist. Prime Minister Alkatiri had been blamed by some -- including those within the government -- for mishandling the dispute with the striking soldiers, and then for failing to stop the violence before it escalated to current levels.

A day later on May 30, 2006, amidst a fresh wave of violence, President Gusmao announced that he was taking control of the country's national security and defense forces in an effort to stave off further unrest. In so doing, the president would be able to exercise emergency powers and manage the army and police, while coordinating stabilization efforts with the Australian-led peacekeeping forces. President Gusmao said the measures were intended to "prevent violence and avoid further fatalities," and for the "rapid re-establishment of public order." He also noted that he had made the decision to assume full executive and emergency powers following "close collaboration" with Prime Minister Mari Alkatiri, who still maintained his head of government post, despite his devolving popularity.

On June 2, 2006, as violence and looting continued to plague the country, it was announced that Jose Ramos Horta would administer East Timor's top security posts. The move was oriented toward ending the bitter divisions that were driving the conflict. Then, a few days later, East Timor's parliament began debating the violent unrest that had gripped the country. The absence of some parliamentarians at the session was attributed to the rampant violence raging outside. Concerned about the whereabouts of the missing parliamentarians, Francisco Guterres of the ruling Fretilin party said, "We have to find out what happened and where they are." Another

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parliamentarian, Antonio Cardozo, asked for a protective escort him to future sessions saying, "Without any security we cannot do anything."

With East Timor wracked by escalating violence, Prime Minister Alkatiri was still being blamed by some for mishandling the dispute with the striking soldiers that spurred the situation, and then for failing to stop the violence once it began. As the situation grew worse, and as his popularity dropped, there were increasing calls by the public for the prime minister to resign. Complicating matters was the fact that he became increasingly ensconced in a power struggle with the far more popular President Xanana Gusmao. Moreover, in June 2006, Alkatiri was associated with allegations that he helped to recruit a "hit squad" oriented toward attacking his political opponents.

For his part, Prime Minister Alkatiri denied the allegations and said he would resign if the ruling Freitlin party requested that he step down from office. However, at a meeting in the capital city of Dili, rather than calling for his resignation, Freitlin decided to back the country's embattled head of government instead.

The move caused great consternation among the public, and drove the country's two most popular figures to take drastic measures. President Gusmao sent a letter to Alkatiri demanding that he resign, and promising that if the prime minister failed to do so, he would resign as president himself. Foreign and Defense Minister, Jose Ramos-Horta, tendered his resignation from cabinet. A Nobel Peace Prize laureate for his pro-independence efforts and a popular national figure, Ramos-Horta resigned to protest Freitlin's support for Alkatiri.

There were great anxieties about the stability of the country, given the conflict within the government and the conflict on the streets between a number of armed factions. With this situation showing little sign of improvement, in June 2006, reports began to emerge suggesting that East Timor's Prime Minister Alkatiri, who had been largely sidelined over the course of the previous month, would likely resign from office. Then, on June 26, 2006, East Timorese Prime Minister Mari Alkatiri announced his resignation.

In July 2006, following months of instability and violence, former Foreign Minister Jose Ramos-Horta was selected to be East Timor's new prime minister. It was hoped that a new government under the leadership of the exceedingly popular Jose Ramos-Horta would be able to successfully restore stability to the country. To this end, President Gusmao said, "The programs of this new government will focus on solving this crisis so that the people can return home and the situation can be normalised."

Jose Ramos-Horta was expected to serve as prime minister and head of government until new elections were held. Two other candidates for leadership positions in government from the ruling Fretilin Party -- Stanislau da Silva and Rui Maria Araujo -- were selected to serve as First Deputy Prime Minister and Second Deputy Prime Minister respectively.

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On August 30, 2006, dozens of prisoners escaped from the East Timor prison in the capital city of Dili. Among the 56 individuals who escaped was rebel leader Alfredo Reinado. As a result, there were anxieties that fresh political tensions could spark another burst of violence of the kind that plagued the country in May 2006.

East Timorese Prime Minister Jose Ramos-Horta placed some of the blame for the prison break on Australian-led international peacekeepers, saying that they had not increased security at the prison even after being implored to do so by government officials. To this end, the prime minister said, "I am personally just puzzled why, in spite of our repeated requests for static forces to be outside the prison, this was not done."

For his part, Australian Foreign Minister Alexander Downer said that the incident was "a matter of very real concern" to his government. He was expected to travel to East Timor, along with Indonesian Foreign Minister Hassan Wirajuda, to convene crisis talks with Prime Minister Jose Ramos-Horta on September 3, 2006. On the agenda was the matter of a new United Nations mission in East Timor to replace the existing international force there. A week earlier, the United Nations Security Council voted in favor of sending troops numbering 1,500 in total to east Timor.

Meanwhile, local and international forces were in the process of trying to find the escaped prisoners, in the hopes of preventing any further destabilization to the country.

Elections of 2007

On April 9, 2007, voters in one of the world's newest independent countries went to the polls to select a new president. It was the first election since independence was gained in 2002.

Outgoing President Xanana Gusmao said that he would like to become the prime minister following parliamentary elections in June 2007, in order to take on a more "hands on" role in the day-to-day political affairs of the country. As President Gusmao prepared to step down from office, eight candidates were contesting the election in the hopes of succeeding him.

Among the contenders was Prime Minister Jose Ramos-Horta. Earlier, at the start of 2007, Prime Minister Jose Ramos-Horta formally announced that he would contest the country's presidential elections. His announcement was issued in the town of Laga where he spent much of his childhood. He said that the situation in the country had motivated his decision to seek the presidency. To this end, he said, "I know many people, many people know me around the country. If the country were [was] free, prosperous, stable, I wouldn't run." As the former foreign minister and Nobel Peace Prize winner, the popular Ramos-Horta has been regarded as one of the most recognized and respected statesmen in East Timor. His record as one of the key

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founders of East Timor's independence movement secured his nationalist credentials, while his other qualifications included fluency in several languages and a professional background in journalism.

His two main rivals -- Francisco "Lu-Olo" Guterres, the chairman of the ruling Fretilin Party, and Fernando "Lasama" De Araujo, the chairman of the opposition Democrat Party -- promised to pose tough challenges.

Just ahead of the election, outgoing President Gusmao called for a calm and peaceful election. In a radio address, he said, "Don't use intimidation, don't use violence to force people to vote for your candidate or other candidates." He went on to urge the presidential contenders to show goodwill after the election results were made know, stating, "I ask all the candidates in the name of society to accept the result of the election."

Nevertheless, during the campaign period prior to the election, East Timor saw some degree of political and social turbulence as supporters of rival candidates engaged in clashes that left around 30 people injured. Still, those incidences did not seem to prevent people from turning out at polling stations to vote. In fact, turnout on election day was high, with more than half the country's total population registered to vote. Reports on the ground noted that voters were arriving at polling stations to cast ballots before sunrise in the capital city of Dili. Meanwhile, there were approximately 3,000 international police and troops stationed in the streets to ensure election security.

Overall, there were high hopes that the presidential and parliamentary elections would augur the restoration of effective governance and stability, given the climate of political tension and crisis that had beset East Timor over the course of recent months. Indeed, in mid-2006, the country had plagued by violent clashes spurred by tensions within the military.

The election itself was deemed to have been a success, according to international observers. There were some technical problems and extra paper ballots had to be delivered using United Nations helicopters in some districts. As well, there were reports of some altercations across the country. Still, the election seemed to have taken place in a relatively calm climate and was seemed to be mostly fair and free from fraudulence. Indeed, United Nations Secretary General Ban Ki-moon praised the conduct of the election.

After the election, the country's Electoral Commission said that the votes of the eight candidates appeared to be close, and likely indicated the prospect of a run-off. To this end, a spokesperson for the electoral body said that a second round would be held in May 2007, with a new government in power by September 2007.

Early election results suggested that no one candidate had captured an absolute majority, although Prime Minister Ramos Horta was leading the vote share, with 30 percent of the total votes cast.

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The opposition Democratic Party's Araujo was in second place with 25 percent, and the Fretilin Party chairman, Guterres, had about 20 percent. Meanwhile, the ruling Fretilin Party celebrated the fact that its candidates, or those allied with the party, together commanded a significant portion of the vote share.

On April 11, 2007, it was announced that Jose Ramos Horta and Francisco "Lu-Olo" Guterres were expected to contest the second round poll.

Then, on May 9, 2007, voters again went to the polls to vote in the run-off election between Ramos-Horta and Guterres. Turnout was said to be high and the voting procedures ensued smoothly. Election results were not immediately available.

Whomever was ultimately chosen as president, Prime Minister Ramos-Horta observed that the ultimate winner would be the East Timorese people. To this end, he said, "The people will win. Whatever the result is, I believe democracy wins if everybody respects the results."

Two days later, election officials reported that Ramos-Horta had secured approximately 70 percent of the vote share, which would give him a clear majority. Guterres, his rival in the second round, was reported to have garnered around 30 percent. He conceded defeat saying that he was bowing "to the will of the people," while offering his support to the newly-elected Ramos-Horta.

For his part, Ramos-Horta said that his apparent election victory was not cause for celebration, but the impetus for concerted effort. Giving a glimpse of his forthcoming priorities as president, he said, "I will honor what I told the people in the campaign: I will work for the poor, with the entire country, to unite it, and heal its wounds."

Parliamentary elections followed the presidential elections in East Timor. On June 30, 2007, East Timorese voters went to the polls to cast their ballots for the 65 seats at stake in the county's parliament. Voting took place in a free, fair, and peaceful manner, according to European Union election observers, while security was monitored by United Nations police.

Although 14 parties contested the parliamentary elections, the main contenders included the candidates of the ruling Fretilin party, led by former Prime Minister Alkatiri, and the newly-formed National Congress for the Reconstruction of East Timor (CNRT), led by former President Gusmao. While Fretilin held the distinction of being the country's dominant political entity in recent years, CNRT enjoyed the cachet of being the newest and freshest entity on the political scene under the strong leadership of the former president. In the pre-election campaign, Alkatiri accused Gusmao of being quasi-authoritarian in stance, while Gusmao decried Alkatiri's failure to successfully govern the country.

Days later, with the votes now counted, Fretilin claimed victory -- albeit with a small plurality of 29 percent of the vote share and 21 seats in the 65-member parliament, rather than a majority.

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Indeed, Fretilin slipped from close to 60 percent support in the 2001 elections to half that level of support in these elections. Fretilin's decreased support was attributed to public frustration with the slow pace of development since the country gained independence. Meanwhile, the CNRT boasted 24 percent of the vote share and 18 seats, despite being a new entity on the political scene. Smaller political parties made up the rest of the vote share.

Without a clear winner, a coalition government had to be formed. With the search commencing for coalition partners, former Prime Minister Alkatiri of Fretilin said that talks were ongoing with other political parties, although he foreclosed the possibility of forging an alliance with Gusmao's CNRT. That said, many of the other political parties expressed little or no interest in joining a Fretilin coalition. As such, political experts suggested that the new government would likely involve CNRT and these smaller parties, with Gusmao at the helm as the prime minister.

On July 6, 2007, Gusmao had proposed a ruling coalition made up of CNRT, along with the Association of Timorese Democrats-Social Democrat Party and the Democrat Party, under the rubric of the Alliance of the Parliament Majority. Together, the bloc won 51 percent of the vote share and 37 seats in the 65-member parliament. Therefore, it was capable of commanding a majority in parliament. To this end, the bloc issued a statement which read, "We hope this alliance is able to guarantee a strong and lasting majority."

But by the close of July 2007, the country was still at a political impasse. This was because the coalition proposed by Gusmao excluded Fretilin -- a proposition that was deemed unacceptable by that party, which had garnered slightly more representation in parliament than CNRT. Subsequent efforts to forge a grand power-sharing government were unsuccessful. Ultimately, it was up to President Jose Ramos-Horta to determine which party should form the new government.

The state of uneasy spilled over into the streets with riots and clashes occurring on the streets of the capital city of Dili on July 29, 2007. There were rising anxieties that the continued deadlock could spur political dissonance and ultimately destabilize this fragile democracy.

On August 6, 2007, President Ramos-Horta was set to decide who would be tasked with forming a government. The president called on Xanana Gusmao and his CNRT-led alliance to form a new government. President Jose Ramos-Horta announced that Gusmao would be East Timor's new prime minister at the helm of the new government, saying, "I have taken the decision to invite the Alliance of the Parliament Majority to form the government." He went on to note, "The AMP has proposed that leader Xanana Gusmao become the prime minister. I have accepted it."

Fretilin party leader Mari Alkatiri, reacted angrily to the decision, even denouncing it as illegal. To this end, he said, "We regard it as a political and illegal decision. He also warned that Fretilin would not make the new government's job easy, warning, "The government... will never have the co-operation of Fretilin - because this is an illegal government." The party continued to argue that because it won the most votes, Fretilin should be given the opportunity to form the government.

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Nevertheless, the conventional wisdom was that due to the lack of interest by other parties in forming a government with Fretilin, President Ramos-Horta made his decision on the basis of which group could best ensure stable governance. He may have perhaps concluded that a minority government by Fretilin would be even more destabilizing for the country.

On August 8, 2007, Gusmao's government was sworn into office. In a ceremony that was boycotted by Fretilin, Prime Minister Gusmao said, "I will abide by and enforce the constitution and the laws, and will dedicate all my energy to the defense and consolidation of independence and national unity." Jose Luis Guterres, a former foreign minister, was named as the country's deputy prime minister. In addition, the cabinet was formalized.

In the streets of the capital city of Dili, angry and sometimes violent supporters of Fretilin took to the streets to protest the decision by the president. Some young people hurled rocks and set government buildings ablaze in the chaos. In the capital city, more than 100 houses were set on fire. Several days later, violent episodes continued to grip not only Dili but other parts of the country. Included in the list of targets was a United Nations convoy in the central part of the country. Prime Minister Gusmao deployed military and police to quell the unrest, while United Nations police and international peacekeepers still functioning in East Timor also did their part to achieve that end. Meanwhile, scores of people were arrested in connection with the violence.

Recent Developments:

In February 2008, President Jose Ramos-Horta was reported to be in "serious but stable" condition after being shot by rebel soldiers at his home in the capital of Dili. Prime Minister Xanana Gusmao was also attacked by gunmen but escaped unhurt. He characterized the attacks, allegedly orchestrated by a renegade soldier, Alfredo Reinado, to be an attempted coup d'etat and called on the people of East Timor to stay calm. Reneido was killed in the clashes that ensued between the authorities and the rebels. Australian Prime Minister Kevin Rudd confirmed the prime minister's claim saying that there had been an attempt "to assassinate the democratically elected leadership of a close friend and neighbour of Australia." Rudd noted that Australia would deploy more peacekeepers to East Timor in response to the attack.

Two months later, the president was recovering and Gastao Salsinha, the new chief of the rebel enclave behind the attempted assassination of President Ramos-Horta, surrendered along with 12 fighters to the authorities.

In May 2008, attention was on the country's political stability with President Ramos-Horta calling on the United Nations to maintain their mission in the East Timor for a further five years, on the basis of security concerns. The United Nations was expected to consider the request in 2009

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when the existing mandate was set to expire. In February 2009, the United Nations Security Council made the decision to renew the United Nations Integrated Mission in Timor-Leste (East Timor) mandate until February 2010. Nevertheless, the United Nations peacekeeping mission turned over security responsibility to East Timorese police in certain areas in May 2009.

Meanwhile, in July 2008, the brutal and violent scene in East Timor before independence in 1999 was on the agenda when a final report by joint Indonesian-East Timorese Truth Commission was released. That report placed the blame for the bloodshed and human rights violations on Indonesia and demanded an apology from the government of that country. To that end, Indonesian President Yudhoyono conveyed his "deep regret" about what transpired ahead of independence in 1999, but did not actually issue an apology.

In July 2009, twenty-seven people went on trial for the 2008 attempted assassination of President Ramos-Horta. Key defendants included Angelita Pires -- an Australian citizen who was the partner of deceased rebel leader, Alfredo Reinado. By March 2010, the court convicted the rebels of the attempted assassination of the president, with the defendants receiving sentences of jail time for 16 years. President Ramos-Horta subsequently said that he would either grant them pardons or commute their sentences.

Meanwhile, the issue of corruption was on the agenda in 2010 with East Timor's first anticorruption commissioner, Aderito Soares, being sworn into office. Soares was charged with investigating claims of corruption against officials.

Elections of 2012:

Primer on Presidential Election in East Timor

(first round March 17, 2012; second round April 16, 2012)

A presidential election was set to take place in East Timor on March 17, 2012. This election would constitute the third time voters went to the polls to vote for a president since attaining sovereignty from controversial Indonesian rule. The president is elected for a five-year term to be head of state and is eligible for a second term.

Incumbent President Jose Ramos-Horta, who won the presidency in 2007, was eligible for a second term as president and announced his intent to again seek the presidency. Ramos-Horta was initially resistant to the notion of another election bid, preferring instead the notion of retirement; however, when a "draft Ramos-Horta movement" yielded more than 120,000 signatures favoring his candidacy, he decided to contest the 2012 election. Speaking of the efforts by activists to draft him into running for a second term, Ramos-Horta said, "The petition was not organized by any political party, least of all my office, it was done by real grassroots people with very little money. I was really sometimes shocked, or touched... overwhelmed, the way they would go around the

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country on mini buses, on motorbikes on foot [to collect signatures]." Still, Ramos-Horta opted not to campaign for another term in office.

Ramos-Horta's record included being one of the key founders of East Timor's independence movement. Indeed, he won the Nobel Peace Prize for his pro-independence efforts. Ramos-Horta's other qualifications included fluency in several languages and a professional background in journalism. Also noteworthy was the fact that he survived an assassination attempt in 2008.

Other candidates for the presidency included Francisco X. Do Amaral, a member of the national parliament and leader of the Timorese Social Democratic Association; Fernando de Araujo, president of the national parliament and head of the Democratic Party; Francisco "Lo-Olo" Guterres, a member of the Revolutionary Front of Independent Timor-Leste or FRETILIN -- one of East Timor's dominant political entity in recent years; Jose Luis Guterres, a former foreign minister; Lucia Lobato, the minister of justice and a member of the Social Democratic Party; and Taur Matan Ruak, a former commander of the defense forces of East Timor and the preferred candidate of the ruling National Reconstruction Congress of Timor Leste.

On March 18, 2012, a day after voters in East Timor went to the polls to vote in the country's presidential election, the ballots were being counted. Preliminary results gave the advantage to Francisco "Lu-Olo" Guterres, who garnered 28 percent of the vote share. Former armed forces chief General Taur Matan Ruak secured 25 percent of the vote and was in second place. Incumbent President Jose Ramos-Horta secured third place with 19 percent of the vote. Democratic Party chief Fernando Lasama de Araujo had 18 percent of the vote.

With no candidate in position to secure an outright majority, the people of East Timor were headed for a runoff or second round election between the two top performers -- Francisco "Lu-Olo" Guterres and Taur Matan Ruak. Meanwhile, Jose Ramos-Horta was out of the running for another term as president and conceded defeat.

The second round of the presidential election was slated for April 16, 2012. On that day, voter turnout was said to be as high as 70 percent. After voters cast their ballots, it was Taur Matan Ruak who emerged as the winner in the presidential contest. Election results showed that Ruak won over 61 percent of the vote share while "Lu-Olo" Guterres took around 39 percent. The result was something of a surprise as Taur Matan Ruak outperformed expectations of a much closer race against "Lu-Olo" Guterres. Still, observers attributed Taur Matan Ruak's victory to his determined campaign style, in conjunction with the fact that although he was nominally independent, he had the support from Prime Minister Xanana Gusmao's party.

Two days after the second election round, Taur Matan Ruak finally delivered a victory speech to his supporters as he expressed his thanks to his supporters, as well as the political operatives and parties that helped him secure his presidential victory. "My Victory Team! All and each one of you, thank you very much!" he said. Taur Matan Ruak also made a point of praising the

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contributions of "Lu Olo" Guterres to East Timor.

On May 20, 2012, Taur Matan Ruak was sworn into as East Timor's president. The inauguration coincided with the 10th anniversary of the country's independence from Indonesia. The inauguration ceremony marked the transition of power from outgoing President Jose Ramos-Horta to the new president -- Taur Matan Ruak.

A national hero who fought against Indonesian occupation, Taur Matan Ruak served as the chief of the general staff of the armed forces before resigning his post to contest the recent presidential elections. He won those elections in the second round and would now be tasked with leading the nation. To that end, during his inauguration address, Ruak called for unity of the East Timorese people, the maintenance of peace and stability, as well as movement toward economic prosperity. Speaking of this task, he said: "In the past, we need your blood to fight for the independence of our country, but now we need your sweat to develop it." The president's name is actually Jos Maria Vasconcelos but his popular name of Taur Matan Ruak translates into "two sharp eyes" in East Timor's Tetun language.

Primer on Parliamentary Elections in East Timor (June 2012)

Parliamentary elections were expected to be held in East Timor on July 7, 2012. At stake was the composition of the unicameral National Parliament. In that body, the number of seats in parliament can vary from 52 to 65; members are elected by popular vote to serve five-year terms. Some of the major parties expected to contest these elections include: the ruling National Reconstruction Congress of Timor Leste, the Revolutionary Front of Independent Timor-Leste or Fretilin -- one of East Timor's dominant political entity in recent years; as many as 19 other parties, including the Timorese Social Democratic Association; the Social Democratic Party; and the Democratic Party.

In those July 7, 2012 parliamentary elections, the ruling National Congress for Timorese Reconstruction (CNRT) won 30 seats in parliament -- three seats shy of the 33 needed for an absolute majority in the 65-seat parliament. The Fretilin party was the second most popular party with 25 seats.

Note that in mid-July 2012, East Timorese Prime Minister Xanana Gusmao's party indicated that it would form a coalition with two smaller parties, while excluding the main opposition group, Fretilin, from government. The coalition would include the ruling National Congress for Timorese Reconstruction (CNRT), the Democratic Party, and Frente-Mudanca. That being said, the proposed alliance was in the discussion stages at the time of writing.

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East Timorese PM Xanana Gusmao resigns from office; former health minister Araujo inaugurated as successor

All eyes were on the possible successor to East Timor's head of government, Xanana Gusmao, who was set to move forward with his retirement from office. Ahead of his likely retirement, Prime Minister Gusmao carried out a cabinet shuffle, purging the government of several cabinet ministers under investigation for alleged corruption.

Gusmao's retirement plans were not a surprise. Going back to the start of 2014, Prime Minister Gusmao had announced his intent to resign from office, paving the way for a "new generation" of leaders to take control of the country. At the time, he said that having been an active political participant in East Timorese politics, the time was coming for him to step away from the reins of power.

While Gusmao was well-regarded given his political legacy and contributions to the independence movement, he was nonetheless less effective at the task of governing. Indeed, East Timor remains one of the most impoverished countries of Asia. As such, all eyes were on a possible successor on the political landscape. While Gusmao did not name or endorse a successor, one name being discussed as a likely contender was Gusmao's presidential chief of staff, Agio Pereira. Of course, it was hard to see how a Gusmao stalwart would necessarily augur a shift in policies. Another possibility was a former health minister, Rui Araujo.

The opposition party, Fretilin, was undoubtedly jockeying for position in the executive branch of government. There were suggestions that some members of the opposition Fretilin party might be brought in to participate in a newly restructured government.

Note that on Feb. 6, 2015, Prime Minister Gusmao officially resigned from office although a successor was not yet chosen. An official statement on the government's website read as follows: "The government confirms that the prime minister of Timor-Leste, H.E. Kay Rala Xanana Gusmão, has sent his letter of resignation from the post of prime minister to the president of the republic, H.E. Taur Matan Ruak. It is now for the president of the republic to consider and respond to the letter of resignation."

Note that on Feb. 10, 2015, East Timorese Taur Matan Ruak chose former health minister and medical doctor, Rui Araujo, to be the new prime minister of the country. Araujo was sworn into power by mid-February 2015 as East Timor's fifth prime minister since it secured its independence from Indonesia in 2002.

In an interview with the media, Araujo hinted to his governing style when he said, "My style is to look carefully at the issues and weigh up the pros and cons. As a doctor I'm used to weighing

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evidence before making a diagnosis and determining a course of treatment. As prime minister, I'll do the same."

Of note was the fact that Araujo was from the opposition Fretilin party, yet he was reportedly hand-picked by outgoing Prime Minister Gusmao despite their partisan differences. Gusmao was apparently looking for serious technocrat for the job and trying to advance the goal of political rapprochement.

For his part, Gusmao was not exiting the political scene. He was set to remain in government as investment minister in a forthcoming unity cabinet.

Note: Xanana Gusmao led East Timor's guerrilla army in the 1980s against occupying Indonesian forces. He was captured in 1992 and imprisoned in a Jakarta jail for seven years. He then went on to be a key player in East Timor's pro-independence movement that culminated in a referendum, an Australian-led military intervention, the establishment of a United Nations transitional administration, and the path leading to formal independence in 2002. Gusmao was then elected as sovereign East Timor's first president, serving a five-year term until 2007. He has served since that time as East Timor's prime minister and has been regarded as a stabilizing figure on the post-independence East Timorese landscape.

Editor's Note:

East Timor is located in Southeast Asia, on the southernmost edge of the Indonesian archipelago. The Portuguese began to trade with the island in the early 16th century and colonized it in midcentury. Imperial Japan occupied East Timor from 1942 to 1945, but Portugal resumed colonial authority after the Japanese defeat in World War II. East Timor declared itself independent from Portugal in November 1975, but was invaded and occupied by Indonesian forces nine days later, and in July 1976 it was incorporated into a province of Indonesia.

In August 1999, in an United Nations-supervised popular referendum, an overwhelming majority of the people of East Timor voted for independence from Indonesia. However, the announcement of the voting results was followed by a surge of violence and destruction on the part of anti-independence militias. In the end, thousands of East Timorese were killed or injured, and more than 500,000 were displaced. Despite the presence of peacekeepers, ongoing violence against journalists, peacekeepers and civilians continued throughout 2000. A transitional government was formed in 2001, and in August 2001, thousands of voters in East Timor turned out to vote for the 88 members of the constituent assembly and established the country's first parliament.

In April 2002, independence leader Jose Alexandre "Xanana" Gusmao won the presidency by a landslide victory, becoming East Timor's first president. But security has been precarious. An

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outbreak of gang violence in 2006 prompted the United Nations Security Council to set up a new peacekeeping force that helped restore stability. In February 2008, a rebel group staged an unsuccessful attack against the president -- now, President Jose Ramos-Horta -- and the prime minister; the ringleader was killed in the attack. The majority of the rebels surrendered to the government in April 2008.

Since achieving independence, East Timor has focused on nation-building. The government has taken measures to reconstruct the economy from the severe destruction that took place in 1999. The early adoption of prudent fiscal and monetary policies contributed to low inflation and accelerating economic growth. The country's large petroleum wealth offers the potential for a prosperous future. However, East Timor remains one of the least developed countries in the world, with about 50 percent of the population still living in poverty. Large swaths of the population suffers from a so-called annual "hungry season" when food shortages are rampant, with the result being malnutrition. Other challenges include a lack of basic services and infrastructure, unemployment, particularly among the youth, as well as cronyism and corruption benefiting a small elite.

-- January 2016

Written by Dr. Denise Youngblood Coleman

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Political Risk Index

Political Risk Index

The **Political Risk Index** is a proprietary index measuring the level of risk posed to governments, corporations, and investors, based on a myriad of political and economic factors. The <u>Political Risk Index</u> is calculated using an established methodology by CountryWatch's Editor-in-Chief and is based on varied criteria* including the following consideration: political stability, political representation, democratic accountability, freedom of expression, security and crime, risk of conflict, human development, jurisprudence and regulatory transparency, economic risk, foreign investment considerations, possibility of sovereign default, and corruption. Scores are assigned from 0-10 using the aforementioned criteria. A score of 0 marks the highest political risk, while a score of 10 marks the lowest political risk. Stated differently, countries with the lowest scores pose the greatest political risk. A score of 0 marks the most dire level of political risk and an ultimate nadir, while a score of 10 marks the lowest possible level of political risk, according to this proprietary index. Rarely will there be scores of 0 or 10 due to the reality that countries contain complex landscapes; as such, the index offers a range of possibilities ranging from lesser to greater risk

Country	Assessment
Afghanistan	2
Albania	4
Algeria	6
Andorra	9
Angola	4
Antigua	8

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Armenia 4-5 Australia 9.5 Austria 9.5 Azerbaijan 4 Bahamas 8.5 Bahrain 6 Bangladesh 3.5 Barbados 8.5-9 Belarus 3 Belarus 3 Belarus 8 Belize 8 Benin 5 Bhutan 5 Bolivia 5 Bosnia-Herzegovina 4	Argentina	4
Austria 9.5 Azerbaijan 4 Bahamas 8.5 Bahrain 6 Bangladesh 3.5 Barbados 8.5-9 Belarus 3 Belgium 9 Belize 8 Benin 5 Bhutan 5 Bolivia 5	Armenia	4-5
Azerbaijan 4 Bahamas 8.5 Bahrain 6 Bangladesh 3.5 Barbados 8.5-9 Belarus 3 Belgium 9 Belize 8 Benin 5 Bhutan 5 Bolivia 5	Australia	9.5
Bahamas 8.5 Bahrain 6 Bangladesh 3.5 Barbados 8.5-9 Belarus 3 Belgium 9 Belize 8 Benin 5 Bhutan 5 Bolivia 5	Austria	9.5
Bahrain 6 Bangladesh 3.5 Barbados 8.5-9 Belarus 3 Belgium 9 Belize 8 Benin 5 Bhutan 5 Bolivia 5	Azerbaijan	4
Bangladesh Barbados Belarus Belgium Belize Benin Bhutan 5 Bolivia 3.5 8.5-9 8.5-9 8 5 5 6 7 8 8 8 8 8 8 8 8 8 8 8 8	Bahamas	8.5
Barbados 8.5-9 Belarus 3 Belgium 9 Belize 8 Benin 5 Bhutan 5 Bolivia 5	Bahrain	6
Belarus 3 Belgium 9 Belize 8 Benin 5 Bhutan 5 Bolivia 5	Bangladesh	3.5
Belgium 9 Belize 8 Benin 5 Bhutan 5 Bolivia 5	Barbados	8.5-9
Belize 8 Benin 5 Bhutan 5 Bolivia 5	Belarus	3
Benin 5 Bhutan 5 Bolivia 5	Belgium	9
Bhutan 5 Bolivia 5	Belize	8
Bolivia 5	Benin	5
	Bhutan	5
Bosnia-Herzegovina 4	Bolivia	5
	Bosnia-Herzegovina	4
Botswana 7	Botswana	7
Brazil 7	Brazil	7

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Brunei	7
Bulgaria	6
Burkina Faso	4
Burma (Myanmar)	4.5
Burundi	3
Cambodia	4
Cameroon	5
Canada	9.5
Cape Verde	6
Central African Republic	3
Chad	4
Chile	9
China	7
China: Hong Kong	8
China: Taiwan	8
Colombia	7
Comoros	5
Congo DRC	3
Congo DRC	3

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Congo RC	4
Costa Rica	8
Cote d'Ivoire	4.5
Croatia	7
Cuba	4-4.5
Cyprus	5
Czech Republic	8
Denmark	9.5
Djibouti	4.5
Dominica	7
Dominican Republic	6
East Timor	5
Ecuador	6
Egypt	5
El Salvador	7
Equatorial Guinea	4
Eritrea	3
Estonia	8

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Ethiopia	4
Fiji	5
Finland	9
Fr.YugoslavRep.Macedonia	5
France	9
Gabon	5
Gambia	4
Georgia	5
Germany	9.5
Ghana	6
Greece	4.5-5
Grenada	8
Guatemala	6
Guinea	3.5
Guinea-Bissau	3.5
Guyana	4.5
Haiti	3.5
Holy See (Vatican)	9

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Honduras	4.5-5
Hungary	7
Iceland	8.5-9
India	7.5-8
Indonesia	6
Iran	3.5-4
Iraq	2.5-3
Ireland	8-8.5
Israel	8
Italy	7.5
Jamaica	6.5-7
Japan	9
Jordan	6.5
Kazakhstan	6
Kenya	5
Kiribati	7
Korea, North	1
Korea, South	8

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Kosovo	4
Kuwait	7
Kyrgyzstan	4.5
Laos	4.5
Latvia	7
Lebanon	5.5
Lesotho	6
Liberia	3.5
Libya	2
Liechtenstein	9
Lithuania	7.5
Luxembourg	9
Madagascar	4
Malawi	4
Malaysia	8
Maldives	4.5
Mali	4
Malta	8

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Marshall Islands	6
Mauritania	4.5-5
Mauritius	7
Mexico	6.5
Micronesia	7
Moldova	5
Monaco	9
Mongolia	5
Montenegro	6
Morocco	6.5
Mozambique	4.5-5
Namibia	6.5-7
Nauru	6
Nepal	4
Netherlands	9.5
New Zealand	9.5
Nicaragua	5
Niger	4

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Nigeria 4.5
forway 9.5
Oman 7
akistan 3.5
Palau 7
anama 7.5
New Guinea 5
nraguay 6.5-7
Peru 7
ilippines 6
Poland 8
ortugal 7.5
Qatar 7.5
omania 5.5
Russia 5.5
wanda 5
tts and Nevis 8
nt Lucia 8
Peru 7 Peru 7 Ilippines 6 Poland 8 Portugal 7.5 Qatar 7.5 Omania 5.5 Russia 5.5 Ewanda 5 Itts and Nevis 8

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Saint Vincent and Grenadines	8
Samoa	7
San Marino	9
Sao Tome and Principe	5.5
Saudi Arabia	6
Senegal	6
Serbia	5
Seychelles	7
Sierra Leone	4.5
Singapore	9
Slovak Republic (Slovakia)	8
Slovenia	8
Solomon Islands	6
Somalia	2
South Africa	7
Spain	7.5
Sri Lanka	5
Sudan	3.5

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Suriname	5
Swaziland	5
Sweden	9.5
Switzerland	9.5
Syria	2
Tajikistan	4.5
Tanzania	6
Thailand	6.5
Togo	4.5
Tonga	7
Trinidad and Tobago	8
Tunisia	6
Turkey	7
Turkmenistan	4.5
Tuvalu	7
Uganda	6
Ukraine	3.5-4
United Arab Emirates	7

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United Kingdom	9
United States	9.5
Uruguay	8
Uzbekistan	4
Vanuatu	7
Venezuela	4
Vietnam	5
Yemen	3
Zambia	4.5
Zimbabwe	3

*Methodology

The <u>Political Risk Index</u> is calculated by CountryWatch's Editor-in-Chief and is based on the combined scoring of varied criteria as follows --

- 1. political stability (record of peaceful transitions of power, ability of government to stay in office and carry out policies as a result of productive executive-legislative relationship, perhaps with popular support vis a vis risk of government collapse)
- 2. political representation (right of suffrage, free and fair elections, multi-party participation, and influence of foreign powers)
- 3. democratic accountability (record of respect for political rights, human rights, and civil liberties, backed by constitutional protections)
- 4. freedom of expression (media freedom and freedom of expression, right to dissent or express political opposition, backed by constitutional protections)

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- 5. security and crime (the degree to which a country has security mechanisms that ensures safety of citizens and ensures law and order, without resorting to extra-judicial measures)
- 6. risk of conflict (the presence of conflict; record of coups or civil disturbances; threat of war; threats posed by internal or external tensions; threat or record of terrorism or insurgencies)
- 7. human development (quality of life; access to education; socio-economic conditions; systemic concern for the status of women and children)
- 8. jurisprudence and regulatory transparency (the impartiality of the legal system, the degree of transparency within the regulatory system of a country and the durability of that structure)
- 9. economic conditions (economic stability, investment climate, degree of nationalization of industries, property rights, labor force development)
- 10. corruption (the degree of corruption in a country and/or efforts by the government to address graft and other irregularities)

Editor's Note:

As of 2015, the current climate of upheaval internationally -- both politically and economically -- has affected the ratings for several countries across the world.

North Korea, Afghanistan, Somalia, and Zimbabwe -- retain their low rankings.

Several Middle Eastern and North African countries, such as <u>Tunisia</u>, <u>Egypt</u>, <u>Libya</u>, <u>Syria</u>, <u>Iraq</u> and <u>Yemen</u> were downgraded in recent years due to political instability occurring in the "season of unrest" sweeping the region since 2011 and continuing today. The worst downgrades affected <u>Syria</u> where civil war is at play, along with the rampage of terror being carried out by Islamist terrorists who have also seized control over part of Syrian territory. <u>Iraq</u> has been further downgraded due to the rampage of Islamist terrorists and their takeover of wide swaths of Iraqi territory. <u>Libya</u> has also been downgraded further due to its slippage into failed state status; at issue in <u>Libya</u> have been an ongoing power struggle between rival militias. <u>Yemen</u> continues to hold steady with a poor ranking due to continued unrest at the hands of Houthi rebels, secessinionists, al-Qaida in the Arabian Peninsula, and Islamic State. Its landscape has been further complicated by the fact that it is now the site of a proxy war between <u>Iran</u> and <u>Saudi Arabia</u>. Conversely, <u>Tunisia</u> and <u>Egypt</u> have seen slight upgrades as these countries stabilize.

In Africa, Zimbabwe continues to be one of the bleak spots of the world with the Mugabe regime

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effectively destroying the country's once vibrant economy, and miring Zimbabwe with an exceedingly high rate of inflation, debilitating unemployment, devolving public services, and critical food shortages; rampant crime and political oppression round out the landscape. Somalia also sports a poor ranking due to the continuing influence of the terror group, al-Shabab, which was not operating across the border in Kenya. On the upside, Nigeria, which was ineffectively dealing with the threat posed by the terror group, Boko Haram, was making some strides on the national security front with its new president at the helm. Mali was slightly upgraded due to its efforts to return to constitutional order following the 2012 coup and to neutralize the threat of separatists and Islamists. But the Central African Republic was downgraded due to the takeover of the government by Muslim Seleka rebels and a continued state of lawlessness in that country. South Sudan -- the world's newest nation state -- has not been officially included in this assessment; however, it can be unofficially assessed to be in the vicinity of "3" due to its manifold political and economic challenges. Burkina Faso, Burundi and Guinea have been downgraded due to political unrest, with Guinea also having to deal with the burgeoning Ebola crisis.

In Europe, <u>Ukraine</u> was downgraded due to the unrest facing that country following its Maidan revolution that triggered a pro-Russian uprising in the eastern part of the country. <u>Russia</u> was also implicated in the Ukrainian crisis due to its intervention on behalf of pro-Russian separatists, as well as its annexation of the Ukrainian territory of Crimea. Strains on the infrastructure of southern and eastern European countries, such as <u>Serbia</u>, <u>Croatia</u>, and <u>Hungary</u>, due to an influx of refugees was expected to pose social and economic challenges, and slight downgrades were made accordingly. So too, a corruption crisis for the Romanian prime minister has affected the ranking of that country. Meanwhile, the rankings for <u>Spain</u>, <u>Portugal</u>, <u>Ireland</u>, and <u>Italy</u> were maintained due to debt woes and the concomitant effect on the euro zone. <u>Greece</u>, another euro zone nation, was earlier downgraded due to its sovereign debt crisis; however, no further downgrade was added since the country was able to successfully forge a bailout rescue deal with creditor institutions. Cyprus' exposure to Greek banks yielded a downgrade in its case.

In Asia, <u>Nepal</u> was downgraded in response to continuous political instability and a constitutional crisis that prevails well after landmark elections were held. Both <u>India</u> and China retain their rankings; <u>India</u> holds a slightly higher ranking than <u>China</u> due to its record of democratic representation and accountability. Increasing violence and political instability in <u>Pakistan</u> resulted in a downgrade for this country's already low rating. Meanwhile, <u>Singapore</u> retained its strong rankings due to its continued effective stewardship of the economy and political stability.

In the Americas, ongoing political and economic woes, as well as crime and corruption have affected the rankings for <u>Mexico</u>, <u>Guatemala</u>, and <u>Brazil</u>. <u>Argentina</u> was downgraded due to its default on debt following the failure of talks with bond holders. <u>Venezuela</u> was downgraded due to its mix of market unfriendly policies and political oppression. For the moment, the <u>United States</u> maintains a strong ranking along with <u>Canada</u>, and most of the English-speaking countries of the Caribbean; however, a renewed debt ceiling crisis could cause the <u>United States</u> to be downgraded

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in a future edition. Finally, a small but significant upgrade was attributed to <u>Cuba</u> due to its recent pro-business reforms and its normalization of ties with the Unitd States.

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Dr. Denise Youngblood Coleman, Editor in Chief, CountryWatch Inc. www.countrywatch.com

Updated:

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Political Stability

Political Stability

The **Political Stability Index** is a proprietary index measuring a country's level of stability, standard of good governance, record of constitutional order, respect for human rights, and overall strength of democracy. The <u>Political Stability</u>Index is calculated using an established methodology* by CountryWatch's Editor-in-Chief and is based on a given country's record of peaceful transitions of power, ability of a government to stay in office and carry out its policies vis a vis risk credible risks of government collapse. Threats include coups, domestic violence and instability, terrorism, etc. This index measures the dynamic between the quality of a country's government and the threats that can compromise and undermine stability. Scores are assigned from 0-10 using the aforementioned criteria. A score of 0 marks the lowest level of political stability and an ultimate nadir, while a score of 10 marks the highest level of political stability possible, according to this proprietary index. Rarely will there be scores of 0 or 10 due to the reality that countries contain complex landscapes; as such, the index offers a range of possibilities ranging from lesser to greater stability.

Country	Assessment
Afghanistan	2

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Albania	4.5-5
Algeria	5
Andorra	9.5
Angola	4.5-5
Antigua	8.5-9
Argentina	7
Armenia	5.5
Australia	9.5
Austria	9.5
Azerbaijan	5
Bahamas	9
Bahrain	6
Bangladesh	4.5
Barbados	9
Belarus	4
Belgium	9
Belize	8
Benin	5

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Bhutan	5
Bolivia	6
Bosnia-Herzegovina	5
Botswana	8.5
Brazil	7
Brunei	8
Bulgaria	7.5
Burkina Faso	4
Burma (Myanmar)	4.5
Burundi	4
Cambodia	4.5-5
Cameroon	6
Canada	9.5
Cape Verde	6
Central African Republic	3
Chad	4.5
Chile	9
China	7

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China: Hong Kong	8
China: Taiwan	8
Colombia	7.5
Comoros	5
Congo DRC	3
Congo RC	5
Costa Rica	9.5
Cote d'Ivoire	3.5
Croatia	7.5
Cuba	4.5
Cyprus	8
Czech Republic	8.5
Denmark	9.5
Djibouti	5
Dominica	8.5
Dominican Republic	7
East Timor	5
Ecuador	7

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Egypt	4.5-5
El Salvador	7.5-8
Equatorial Guinea	4.5
Eritrea	4
Estonia	9
Ethiopia	4.5
Fiji	5
Finland	9
Fr.YugoslavRep.Macedonia	6.5
France	9
Gabon	5
Gambia	4.5
Georgia	5
Germany	9.5
Ghana	7
Greece	6
Grenada	8.5
Guatemala	7

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Guinea	3.5-4
Guinea-Bissau	4
Guyana	6
Haiti	3.5-4
Holy See (Vatican)	9.5
Honduras	6
Hungary	7.5
Iceland	9
India	8
Indonesia	7
Iran	3.5
Iraq	2.5
Ireland	9.5
Israel	8
Italy	8.5-9
Jamaica	8
Japan	9
Jordan	6

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Kazakhstan	6
Kenya	5
Kiribati	8
Korea, North	2
Korea, South	8.5
Kosovo	5.5
Kuwait	7
Kyrgyzstan	5
Laos	5
Latvia	8.5
Lebanon	5.5
Lesotho	5
Liberia	3.5-4
Libya	2
Liechtenstein	9
Lithuania	9
Luxembourg	9.5
Madagascar	4

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Malawi	5
Malaysia	8
Maldives	4.5-5
Mali	4.5-5
Malta	9
Marshall Islands	8
Mauritania	6
Mauritius	8
Mexico	6.5-7
Micronesia	8
Moldova	5.5
Monaco	9.5
Mongolia	6.5-7
Montenegro	8
Morocco	7
Mozambique	5
Namibia	8.5
Nauru	8

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Nepal	4.5
Netherlands	9.5
New Zealand	9.5
Nicaragua	6
Niger	4.5
Nigeria	4.5
Norway	9.5
Oman	7
Pakistan	3
Palau	8
Panama	8.5
Papua New Guinea	6
Paraguay	8
Peru	7.5
Philippines	6
Poland	9
Portugal	9
Qatar	7

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Romania	7
Russia	6
Rwanda	5
Saint Kitts and Nevis	9
Saint Lucia	9
Saint Vincent and Grenadines	9
Samoa	8
San Marino	9.5
Sao Tome and Principe	7
Saudi Arabia	6
Senegal	7.5
Serbia	6.5
Seychelles	8
Sierra Leone	4.5
Singapore	9.5
Slovak Republic (Slovakia)	8.5
Slovenia	9
Solomon Islands	6.5-7

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Somalia	2
South Africa	7.5
Spain	9
Sri Lanka	5
Sudan	3
Suriname	5
Swaziland	5
Sweden	9.5
Switzerland	9.5
Syria	2
Tajikistan	4.5
Tanzania	6
Thailand	6
Togo	5
Tonga	7
Trinidad and Tobago	8
Tunisia	5
Turkey	7.5

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Turkmenistan	5
Tuvalu	8.5
Uganda	6
Ukraine	3.5-4
United Arab Emirates	7
United Kingdom	9
United States	9
Uruguay	8.5
Uzbekistan	4
Vanuatu	8.5
Venezuela	4.5-5
Vietnam	4.5
Yemen	2.5
Zambia	5
Zimbabwe	3

*Methodology

The Political Stability Index is calculated by CountryWatch's Editor-in-Chief and is based on the combined scoring of varied criteria as follows --

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- 1. record of peaceful transitions of power (free and fair elections; adherence to political accords)
- 2. record of democratic representation, presence of instruments of democracy; systemic accountability
- 3. respect for human rights; respect for civil rights
- 4. strength of the system of jurisprudence, adherence to constitutional order, and good governance
- 5. ability of a government to stay in office and carry out its policies vis a vis risk credible risks of government collapse (i.e. government stability versus a country being deemed "ungovernable")
- 6. threat of coups, insurgencies, and insurrection
- 7. level of unchecked crime and corruption
- 8. risk of terrorism and other threats to national security
- 9. relationship with regional powers and international community; record of bilateral or multilateral cooperation
- 10. degree of economic strife (i.e. economic and financial challenges)

Editor's Note:

As of 2015, the current climate of upheaval internationally -- both politically and economically -- has affected the ratings for several countries across the world. The usual suspects -- North Korea, Afghanistan, and Somalia -- retain their low rankings. The reclusive and ultra-dictatorial North Korean regime, which has terrified the world with its nuclear threats, has exhibited internal instability. Of note was a cut-throat purge of hundreds of high ranking officials deemed to be a threat to Kim Jung-un. Despite their attempts to recover from years of lawlessness, war, and warlordism, both Afghanistan and Somalia continue to be beset by terrorism and turmoil. In Afghanistan, while international forces have seen success in the effort against the terror group, al-Qaida, the other Islamist extremist group, the Taliban, continues to carry out a vicious insurgency using terrorism. In Somalia, while the government attempts to do the nation's business, the terror group, al-Shabab continues to make its presence known not only in Somalia, but across the border into Kenya with devastating results/ Also in this category is Iraq, which continues to be rocked by horrific violence and terrorism at the hands of Islamic State, which has taken over wide swaths of Iraqi territory.

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Syria, <u>Libya</u>, and <u>Yemen</u> have been added to this unfortunate echelon of the world's most politically unstable countries. <u>Syria</u> has been mired by the twin hazards of 1. a civil war as rebels oppose the Assad regime; and 2. the rampage of terror being carried out by Islamic State, which also seized control over vast portions of Syrian territory. Meanwhile, the post-Qaddhafi landscape of <u>Libya</u> has devolved into chaos as rival militias battle for control -- the elected government of the country notwithstanding. Rounding out this grim triad is <u>Yemen</u>, which was dealing with a Houthi rebellion, secesionists in the south, as well as the threat of terrorism from al-Qaida in the Arabian Peninsula as well as Islamic State, while also being the site of a proxy war between Shi'a <u>Iran</u> and Sunni <u>Saudi Arabia</u>.

Meanwhile, several Middle Eastern and North African countries, such as Tunisia, Egypt, and Bahrain were downgraded in recent years due to political instability occurring in the "season of unrest" sweeping the region since 2011 and continuing today. All three of these countries have stabilized in recent years and have been upgraded accordingly. In Bahrain, the landscape had calmed. In Egypt, the secular military-backed government has generated criticism for its crackdown on the Muslim Brotherhood; however, the country had ratified the presidency via democratic elections and were on track to hold parliamentary elections as the country moved along the path of democratization. Perhaps the most impressive story was coming out of Tunisia -- the country whose Jasmine Revolution sparked the entire Arab Spring -- and where after a few years of strife, a new progressive constitution was passed into law and a secular government had been elected to power. Tunisia, Egypt, and Bahrain have seen slight upgrades as these countries stabilize.

In Africa, the <u>Central African Republic</u> was downgraded the previous year due to the takeover of the government by Muslim Seleka rebels. Although the country has been trying to emerge from this crisis, the fact of the matter was that it was difficult to halt the precipitous decline into lawlessness in that country. Zimbabwe has maintained its consistently poor ranking due to the dictatorial regime of Mugabe, who continues to hold a tight grip on power, intimidates the opposition, squashes dissent, and oppresses the white farmer population of the country. Moving in a slightly improved direction is Nigeria, which has sported abysmal ratings due to the government's fecklessness in dealing with the threat posed by the Islamist terror group, Boko Haram. Under its newly-elected government, there appears to be more of a concerted effort to make national security a priority action item. Mali was also slightly upgraded due to its efforts to return to constitutional order following the 2012 coup and to neutralize the threat of separatists and Islamists. Political instability has visited <u>Burkina Faso</u> and <u>Burundi</u> as the leaders of those countries attempted to side-step constitutional limits to hold onto power. In Burundi, an attempted coup ensued but quelled, and the president won a (questionable) new term in office; unrest has since punctuated the landscape. In <u>Burkina Faso</u>, the political climate has turned stormy as a result of a successful coup that ended the rule of the president, and then a putsch against the transitional government. These two African countries have been downgraded as a result.

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It should be noted that the African country of South <u>Sudan</u> -- the world's newest nation state -- has not been officially included in this assessment; however, it can be unofficially assessed to be in the vicinity of "3" due to its manifold political and economic challenges. <u>Guinea</u> has endured poor rankings throughout, but was slightly downgraded further over fears of social unrest and the Ebola heath crisis.

In Europe, <u>Ukraine</u> was downgraded due to the unrest facing that country following its Maidan revolution that triggered a pro-Russian uprising in the eastern part of the country. <u>Russia</u> was also implicated in the Ukrainian crisis due to its intervention on behalf of pro-Russian separatists, as well as its annexation of the Ukrainian territory of Crimea. <u>Serbia</u> and <u>Albania</u> were slightly downgraded due to eruptions of unrest, while <u>Romania</u> was slightly downgraded on the basis of corruption charges against the prime minister. <u>Spain</u>, <u>Portugal</u>, <u>Ireland</u>, and <u>Italy</u> were downgraded due to debt woes and the concomitant effect on the euro zone. <u>Greece</u>, another euro zone nation, was downgraded the previous year due to its sovereign debt crisis; however, the country successfully forged a rescue deal with international creditors and stayed within the Euro zone. Greek voters rewarded the hitherto unknown upstart party at the polls for these efforts. As a result, <u>Greece</u> was actually upgraded slightly as it proved to the world that it could endure the political and economic storms. Meanwhile, <u>Germany</u>, <u>France</u>, <u>Switzerland</u>, the <u>United Kingdom</u>, the <u>Netherlands</u>, and the Scandinavian countries continue to post impressive ranking consistent with these countries' strong records of democracy, freedom, and peaceful transfers of power.

In Asia, Nepal was downgraded in response to continuous political instability well after landmark elections that prevails today. Cambodia was very slighly downgraded due to post-election instability that has resulted in occasional flares of violence. Despite the "trifecta of tragedy" in Japan in 2011 -- the earthquake, the ensuing tsunami, and the resulting nuclear crisis -- and the appreciable destabilization of the economic and political terrain therein, this country has only slightly been downgraded. Japan's challenges have been assessed to be transient, the government remains accountable, and there is little risk of default. Both India and China retain their rankings; India holds a slightly higher ranking than China due to its record of democratic representation and accountability. Increasing violence and political instability in Pakistan resulted in a downgrade for this country's already low rating.

In the Americas, <u>Haiti</u> retained its downgraded status due to ongoing political and economic woes. <u>Mexico</u> was downgraded due to its alarming rate of crime. <u>Guatemala</u> was downgraded due to charges of corruption, the arrest of the president, and uncertainty over the outcome of elections. <u>Brazil</u> was downgraded due to the corruption charges erupting on the political landscape, the stalling of the economy, and the increasingly loud calls for the impeachment of President Rousseff. <u>Argentina</u> was downgraded due to its default on debt following the failure of talks with bond holders. <u>Venezuela</u> was downgraded due to the fact that the country's post-Chavez government is every bit as autocratic and nationalistic, but even more inclined to oppress its political opponents. <u>Colombia</u> was upgraded slightly due to efforts aimed at securing a peace deal

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with the FARC insurgents. A small but significant upgrade was attributed to <u>Cuba</u> due to its recent pro-business reforms and its normalization of ties with the Unitd States. Meanwhile, the <u>United States</u>, <u>Canada</u>, <u>Costa Rica</u>, <u>Panama</u>, and most of the English-speaking countries of the Caribbean retain their strong rankings due to their records of stability and peaceful transfers of power.

In the Pacific, Fiji was upgraded due to its return to constitutional order and democracy with the holding of the first elections in eight years.

In Oceania, <u>Maldives</u> has been slightly downgraded due to the government's continued and rather relentless persecution of the country's former pro-democracy leader - former President Nasheed.

Source:

Dr. Denise Youngblood Coleman, Editor in Chief, CountryWatch Inc. www.countrywatch.com

<u>Updated:</u>

2015

Freedom Rankings

Freedom Rankings

Freedom in the World

Editor's Note: This ranking by Freedom House quantifies political freedom and civil liberties into a single combined index on each sovereign country's level of freedom and liberty. The initials "PR" and "CL" stand for Political Rights and Civil Liberties, respectively. The number 1 represents the most free countries and the number 7 represents the least free. Several countries fall in the continuum in between. The freedom ratings reflect an overall judgment based on survey results.

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Country	PR	CL	Freedom Status	Trend Arrow
Afghanistan	6 ?	6	Not Free	
Albania*	3	3	Partly Free	
Algeria	6	5	Not Free	
Andorra*	1	1	Free	
Angola	6	5	Not Free	
Antigua and Barbuda*	3 ?	2	Free	
Argentina*	2	2	Free	
Armenia	6	4	Partly Free	
Australia*	1	1	Free	
Austria*	1	1	Free	
Azerbaijan	6	5	Not Free	
Bahamas*	1	1	Free	
Bahrain	6?	5	Not Free?	
Bangladesh*	3 ?	4	Partly Free	
Barbados*	1	1	Free	
Belarus	7	6	Not Free	
Belgium*	1	1	Free	

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Belize*	1	2	Free	
Benin*	2	2	Free	
Bhutan	4	5	Partly Free	
Bolivia*	3	3	Partly Free	
Bosnia-Herzegovina*	4	3	Partly Free	
Botswana*	3 ?	2	Free	
Brazil*	2	2	Free	
Brunei	6	5	Not Free	
Bulgaria*	2	2	Free	
Burkina Faso	5	3	Partly Free	
Burma	7	7	Not Free	
Burundi*	4	5	Partly Free	ſſ
Cambodia	6	5	Not Free	\
Cameroon	6	6	Not Free	
Canada*	1	1	Free	
Cape Verde*	1	1	Free	
Central African Republic	5	5	Partly Free	
Chad	7	6	Not Free	

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Chile*	1	1	Free	
China	7	6	Not Free	
Colombia*	3	4	Partly Free	
Comoros*	3	4	Partly Free	
Congo (Brazzaville)	6	5	Not Free	1
Congo (Kinshasa)	6	6	Not Free	1
Costa Rica*	1	1	Free	
Cote d'Ivoire	6	5	Not Free	
Croatia*	1 ?	2	Free	
Cuba	7	6	Not Free	
Cyprus*	1	1	Free	
Czech Republic*	1	1	Free	
Denmark*	1	1	Free	
Djibouti	5	5	Partly Free	
Dominica*	1	1	Free	
Dominican Republic*	2	2	Free	1
East Timor*	3	4	Partly Free	
Ecuador*	3	3	Partly Free	

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Egypt	6	5	Not Free	
El Salvador*	2	3	Free	
Equatorial Guinea	7	7	Not Free	
Eritrea	7	7 ?	Not Free	
Estonia*	1	1	Free	
Ethiopia	5	5	Partly Free	1
Fiji	6	4	Partly Free	
Finland*	1	1	Free	
France*	1	1	Free	
Gabon	6	5 ?	Not Free?	
The Gambia	5	5 ?	Partly Free	
Georgia	4	4	Partly Free	
Germany*	1	1	Free	
Ghana*	1	2	Free	
Greece*	1	2	Free	
Grenada*	1	2	Free	
Guatemala*	4 ?	4	Partly Free	
Guinea	7	6 ?	Not Free	

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Guinea-Bissau*	4	4	Partly Free	
Guyana*	2	3	Free	
Haiti*	4	5	Partly Free	
Honduras	4 ?	4 ?	Partly Free	
Hungary*	1	1	Free	
Iceland*	1	1	Free	
India*	2	3	Free	
Indonesia*	2	3	Free	
Iran	6	6	Not Free	\
Iraq	5 ?	6	Not Free	
Ireland*	1	1	Free	
Israel*	1	2	Free	
Italy*	1	2	Free	
Jamaica*	2	3	Free	
Japan*	1	2	Free	
Jordan	6 ?	5	Not Free?	
Kazakhstan	6	5	Not Free	Ψ
Kenya	4	4 ?	Partly Free	

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Kiribati*	1	1	Free	
Kosovo	5 ?	4 ?	Partly Free ?	
Kuwait	4	4	Partly Free	
Kyrgyzstan	6 ?	5 ?	Not Free?	
Laos	7	6	Not Free	
Latvia*	2	1	Free	
Lebanon	5	3 ?	Partly Free	
Lesotho*	3 ?	3	Partly Free ?	
Liberia*	3	4	Partly Free	
Libya	7	7	Not Free	
Liechtenstein*	1	1	Free	
Lithuania*	1	1	Free	
Luxembourg*	1	1	Free	
Macedonia*	3	3	Partly Free	Ϋ́
Madagascar	6 ?	4 ?	Partly Free	
Malawi*	3 ?	4	Partly Free	
Malaysia	4	4	Partly Free	
Maldives*	3 ?	4	Partly Free	

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Mali*	2	3	Free	
Malta*	1	1	Free	#
Marshall Islands*	1	1	Free	
Mauritania	6	5	Not Free	
Mauritius*	1	2	Free	
Mexico*	2	3	Free	
Micronesia*	1	1	Free	
Moldova*	3 ?	4	Partly Free	
Monaco*	2	1	Free	
Mongolia*	2	2	Free	ft
Montenegro*	3	2 ?	Free ?	
Morocco	5	4	Partly Free	\
Mozambique	4 ?	3	Partly Free	
Namibia*	2	2	Free	
Nauru*	1	1	Free	
Nepal	4	4	Partly Free	
Netherlands*	1	1	Free	
New Zealand*	1	1	Free	

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Nicaragua*	4	4 ?	Partly Free	
Niger	5 ?	4	Partly Free	
Nigeria	5	4	Partly Free	1
North Korea	7	7	Not Free	ψ
Norway*	1	1	Free	
Oman	6	5	Not Free	
Pakistan	4	5	Partly Free	
Palau*	1	1	Free	
Panama*	1	2	Free	
Papua New Guinea*	4	3	Partly Free	
Paraguay*	3	3	Partly Free	
Peru*	2	3	Free	
Philippines	4	3	Partly Free	ψ
Poland*	1	1	Free	
Portugal*	1	1	Free	
Qatar	6	5	Not Free	
Romania*	2	2	Free	
Russia	6	5	Not Free ↓	

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Rwanda	6	5	Not Free	
Saint Kitts and Nevis*	1	1	Free	
Saint Lucia*	1	1	Free	
Saint Vincent and Grenadines*	2	1	Free	
Samoa*	2	2	Free	
San Marino*	1	1	Free	
Sao Tome and Principe*	2	2	Free	
Saudi Arabia	7	6	Not Free	
Senegal*	3	3	Partly Free	
Serbia*	2 ?	2	Free	
Seychelles*	3	3	Partly Free	
Sierra Leone*	3	3	Partly Free	
Singapore	5	4	Partly Free	
Slovakia*	1	1	Free	1
Slovenia*	1	1	Free	
Solomon Islands	4	3	Partly Free	
Somalia	7	7	Not Free	
South Africa*	2	2	Free	

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South Korea*	1	2	Free	
Spain*	1	1	Free	
Sri Lanka*	4	4	Partly Free	
Sudan	7	7	Not Free	
Suriname*	2	2	Free	
Swaziland	7	5	Not Free	
Sweden*	1	1	Free	
Switzerland*	1	1	Free	1
Syria	7	6	Not Free	
Taiwan*	1 ?	2 ?	Free	
Tajikistan	6	5	Not Free	
Tanzania	4	3	Partly Free	
Thailand	5	4	Partly Free	
Togo	5	4 ?	Partly Free	
Tonga	5	3	Partly Free	
Trinidad and Tobago*	2	2	Free	
Tunisia	7	5	Not Free	
Turkey*	3	3	Partly Free	1

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Turkmenistan	7	7	Not Free	
Tuvalu*	1	1	Free	
Uganda	5	4	Partly Free	
Ukraine*	3	2	Free	
United Arab Emirates	6	5	Not Free	
United Kingdom*	1	1	Free	
United States*	1	1	Free	
Uruguay*	1	1	Free	
Uzbekistan	7	7	Not Free	
Vanuatu*	2	2	Free	
Venezuela	5 ?	4	Partly Free	
Vietnam	7	5	Not Free	1
Yemen	6 ?	5	Not Free ?	
Zambia*	3	4 ?	Partly Free	
Zimbabwe	6 ?	6	Not Free	

Methodology:

PR and CL stand for political rights and civil liberties, respectively; 1 represents the most free and 7 the least free rating. The ratings reflect an overall judgment based on survey results.

? ? up or down indicates a change in political rights, civil liberties, or status since the last survey.

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- \uparrow up or down indicates a trend of positive or negative changes that took place but that were not sufficient to result in a change in political rights or civil liberties ratings of 1-7.
- * indicates a country's status as an electoral democracy.

Source:

This data is derived from the latest edition of Freedom House's Freedom in the World 2010 edition

Available at URL: http://www.freedomhouse.org

Updated:

Reviewed in 2015

Human Rights

Overview of Human Rights in East Timor

East Timor is a parliamentary republic. Still in its early years of independence after twenty-five years of occupation by Indonesia, East Timor is working to improve its poor human rights record. Still, there are problem areas and challenges left from its period occupation.

When Indonesia withdrew, it left behind a legacy of human rights abuses such as arbitrary arrests, detentions, torture, and extrajudicial killings. While a United Nations tribunal convicted some of those responsible, there are limitations on the ability to extradite suspects from Indonesia, thus hindering the quest for justice. In May 2005, the tribunal was shut down and resultantly, thousands of crimes have gone uninvestigated and unpunished.

In March 2005, the Commission of Truth and Friendship (CTF) was established to investigate these crimes. However, this body has been widely criticized by victims as essentially promoting impunity, and for being unrepresentative of their wishes for proper accountability and punishment for atrocities committed.

In July 2008, the brutal and violent scene in East Timor before independence in 1999 was on the agenda when a final report by joint Indonesian-East Timorese Truth Commission was released.

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That report placed the blame for the bloodshed and human rights violations on Indonesia and demanded an apology from the government of that country. To that end, Indonesian President Yudhoyono conveyed his "deep regret" about what transpired ahead of independence in 1999, but did not actually issue an apology.

Due to lack of proper training and resources, law enforcement authorities in East Timor are known to use excessive force when arresting and detaining suspects. There are currently no internal or external disciplinary measures which can effectively deal with this situation.

In 2004, parliament passes the Law on Freedom, Assembly and Demonstration. This law is in direct violation of international law and the East Timorese constitution since it effectively restricts citizens' rights to demonstrate and stage peaceful protests against the government. Freedoms of expression and association are also limited by the government.

In March 2005, the nation elected its first Provedor, similar to an ombudsman in other nations. While a good first step, the Provedor does not have the power to make enforceable rulings; it can only act as a mediator if both parties choose to come to the table.

It should be noted that in recent years, political violence -- including the attempted assassination of the president -- have been on the increase and could shape the climate of human rights in the future.

Human Development Index (HDI) Rank:

See Social Overview of Country Review for full listing of rankings for all countries.

Human Poverty Index Rank: Not Ranked Gini Index: N/A Life Expectancy at Birth (years): 66.94 years

Unemployment Rate:

50%

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Note-This statistic does not include the thousands of underemployed workers in East Timor.

Population living on \$1 a day (%):

Population living on \$2 a day (%):

N/A

N/A

Population living beneath the Poverty Line (%):

42%

Internally Displaced People:

N/A

Total Crime Rate (%):

N/A

Health Expenditure (% of GDP):

Public: 6.2%

% of GDP Spent on Education:

N/A

Human Rights Conventions Party to:

- International Convention on the Elimination of All Forms of Racial Discrimination
- International Covenant on Civil and Political Rights
- International Covenant on Economic, Social and Cultural Rights
- Convention on the Elimination of All Forms of Discrimination against Women
- Conventions on the Rights of the Child
- Convention relating to the Status of Refugees
- Rome Statute of the International Criminal Court

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^{*}Human Development Index (HDI) is a composite index that measures the level of well-being in

177 nations in the world. It uses factors such as poverty, literacy, life-expectancy, education, gross domestic product, and purchasing power parity to assess the average achievements in each nation. It has been used in the United Nation's Human Development Report since 1993.

- *Human Poverty Index Ranking is based on certain indicators used to calculate the Human Poverty Index. Probability at birth of not surviving to age 40, adult literacy rate, population without sustainable access to an improved water source, and population below income poverty line are the indicators assessed in this measure.
- *The Gini Index measures inequality based on the distribution of family income or consumption. A value of 0 represents perfect equality (income being distributed equally), and a value of 100 perfect inequality (income all going to one individual).
- *The calculation of the total crime rate is the % of the total population which has been effected by property crime, robbery, sexual assault, assault, or bribery (corruption) related occurrences.

Government Functions

Background

Upon separation from Indonesia rule, which had itself followed colonial Portuguese rule, East Timor was administered by the United Nations Transitional Administration in East Timor (UNTAET). This transitional administration, together with the East Timorese people, established a newly-independent nation state, including a democratic parliamentary system of government.

The path to independence started on Aug. 30, 1999, when an overwhelming majority of the East Timorese voted to separate from Indonesia, which had controlled the territory since 1974. In response, militia groups, backed by elements of the Indonesian armed forces, launched a campaign of violence and destruction that ended only when United Nations forces intervened and UNTAET became the transitional governing body.

Under UNTAET administration, a transitional government, including a transitional cabinet covering various administrative areas, was established. In addition, UNTAET announced the establishment of the East Timor National Council, acting as a precursor of a future parliament for the territory.

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The 36-member council was composed exclusively of local people, 13 from political parties, 13 from the districts, seven from civil organizations and three from religious groups.

Elections and Constitution

In February 2001, the East Timor National Council announced that Aug. 30, 2001, would be election day for the existing Constituent Assembly as part of measures leading to full independence. The council also decided that by December 15, a constitution was to be proclaimed and the assembly was to be transformed into a national parliament.

In this regard, on Aug. 30, 2001, two years after the Popular Consultation referendum, the people of East Timor went to the polls again. In this voting exercise, which was organized by the Council of National Resistance of Timor, their public's mission was to elect a Constituent Assembly. As aforementioned, the Constituent Assembly was tasked with the writing and adoption of a new Constitution, the establishment of a framework for future elections, and a transition to full independence.

East Timor officially gained independence on May 20, 2002; new leaders and a newly-established system of government was put into effect. The new Constitution went into effect on May 22, 2002.

Branches of Government

Under the new system, governed by the newly-established constitution, East Timor's leader is a democratically elected President, who serves for five years in office and then faces re-election. It should be noted that the President who is the head of state, plays a largely symbolic role but is able to veto legislation, dissolve parliament, and call national elections.

The Prime Minister is the head of government and the chief minister within the Cabinet; the Prime Minister leads the everyday functions of governance. The Prime Minister is typically the leader of the ruling party or coalition, and should be able to command a majority within parliament for the purpose of effective governance.

Together, the President, Prime Minister, and Cabinet lead the executive branch of government of newly-independent East Timor.

At the legislative level, a democratically-elected and multi-party body serves parliamentary functions. This unicameral National Parliament is composed of between 52 and 65 seats; members elected by popular vote to serve five-year terms.

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At the judicial level, there is a Supreme Court of Justice. The constitution calls for one judge to be appointed by National Parliament and rest appointed by Superior Council for Judiciary. It should be noted that until the Supreme Court is established, the Court of Appeals is the highest functioning court.

The legal system is officially based on Portuguese civil and penal codes, however, remnants of the Indonesian legal system and United Nations-drafted law remain in place.

Editor's Note

The constitution states that the predominantly Catholic country will not have an official religion. The constitution also guarantees freedom of the press and stipulates that the country will be defended by politically neutral armed forces.

Supplementary source: East Timor Government -- http://www.gov.east-timor.org

Government Structure

Name:

conventional long form:

Democratic Republic of Timor-Leste

conventional short form:

East Timor

local long form:

Republika Demokratika Timor Lorosa'e [Tetum]; Republica Democratica de Timor-Leste [Portuguese]

local short form:

Timor Lorosa'e [Tetum]; Timor-Leste [Portuguese]

former:

Portuguese Timor

Type:

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Parliamentary democracy

Executive Branch:

Head of State:

President Taur Matan Ruak (Jose Maria de Vasconcelos) (since 2012); see Election Primer below for details related to the 2012 election contest.

Note:

The president is elected for a five-year term (eligible for a second term) by the people and is head of state. The president plays a largely symbolic role but is the commander in chief of the military and is able to veto legislation, dissolve parliament, and call national elections.

Primer on Presidential Election in East Timor

first round March 17, 2012; second round April 16, 2012 --

A presidential election was set to take place in East Timor on March 17, 2012. This election would constitute the third time voters went to the polls to vote for a president since attaining sovereignty from controversial Indonesian rule. The president is elected for a five-year term to be head of state and is eligible for a second term.

Incumbent President Jose Ramos-Horta, who won the presidency in 2007, was eligible for a second term as president and announced his intent to again seek the presidency. Ramos-Horta was initially resistant to the notion of another election bid, preferring instead the notion of retirement; however, when a "draft Ramos-Horta movement" yielded more than 120,000 signatures favoring his candidacy, he decided to contest the 2012 election. Speaking of the efforts by activists to draft him into running for a second term, Ramos-Horta said, "The petition was not organized by any political party, least of all my office, it was done by real grassroots people with very little money. I was really sometimes shocked, or touched... overwhelmed, the way they would go around the country on mini buses, on motorbikes on foot [to collect signatures]." Still, Ramos-Horta opted not to campaign for another term in office.

Ramos-Horta's record included being one of the key founders of East Timor's independence movement. Indeed, he won the Nobel Peace Prize for his pro-independence efforts. Ramos-Horta's other qualifications included fluency in several languages and a professional background in journalism. Also noteworthy was the fact that he survived an assassination attempt in 2008.

Other candidates for the presidency included Francisco X. Do Amaral, a member of the national parliament and leader of the Timorese Social Democratic Association; Fernando de Araujo, president of the national parliament and head of the Democratic Party; Francisco "Lo-Olo" Guterres, a member of the Revolutionary Front of Independent Timor-Leste or FRETILIN -- one

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of East Timor's dominant political entity in recent years; Jose Luis Guterres, a former foreign minister; Lucia Lobato, the minister of justice and a member of the Social Democratic Party; and Taur Matan Ruak, a former commander of the defense forces of East Timor and the preferred candidate of the ruling National Reconstruction Congress of Timor Leste.

On March 18, 2012, a day after voters in East Timor went to the polls to vote in the country's presidential election, the ballots were being counted. Preliminary results gave the advantage to Francisco "Lu-Olo" Guterres, who garnered 28 percent of the vote share. Former armed forces chief General Taur Matan Ruak secured 25 percent of the vote and was in second place. Incumbent President Jose Ramos-Horta secured third place with 19 percent of the vote. Democratic Party chief Fernando Lasama de Araujo had 18 percent of the vote.

With no candidate in position to secure an outright majority, the people of East Timor were headed for a runoff or second round election between the two top performers -- Francisco "Lu-Olo" Guterres and Taur Matan Ruak. Meanwhile, Jose Ramos-Horta was out of the running for another term as president and conceded defeat.

The second round of the presidential election was slated for April 16, 2012. On that day, voter turnout was said to be as high as 70 percent. After voters cast their ballots, it was Taur Matan Ruak who emerged as the winner in the presidential contest. Election results showed that Ruak won over 61 percent of the vote share while "Lu-Olo" Guterres took around 39 percent. The result was something of a surprise as Taur Matan Ruak outperformed expectations of a much closer race against "Lu-Olo" Guterres. Still, observers attributed Taur Matan Ruak's victory to his determined campaign style, in conjunction with the fact that although he was nominally independent, he had the support from Prime Minister Xanana Gusmao's party.

Two days after the second election round, Taur Matan Ruak finally delivered a victory speech to his supporters as he expressed his thanks to his supporters, as well as the political operatives and parties that helped him secure his presidential victory. "My Victory Team! All and each one of you, thank you very much!" he said. Taur Matan Ruak also made a point of praising the contributions of "Lu Olo" Guterres to East Timor.

A national hero who fought against Indonesian occupation, Taur Matan Ruak served as the chief of the general staff of the armed forces before resigning his post to contest the presidency. The president-elect's name is actually Jos Maria Vasconcelos but his popular name of Taur Matan Ruak translatesinto "two sharp eyes" in East Timor's Tetun language. Taur Matan Ruak was set to assume the presidency on May 20, 2012 when the tenure of outgoing President Jose Ramos-Horta comes to an end.

Head of Government:

Prime Minister Rui Araujo (since 2015); see "Note" below.

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Note on head of government:

All eyes were on the possible successor to East Timor's head of government, Xanana Gusmao, who was set to move forward with his retirement from office. Ahead of his likely retirement, Prime Minister Gusmao carried out a cabinet shuffle, purging the government of several cabinet ministers under investigation for alleged corruption.

Gusmao's retirement plans were not a surprise. Going back to the start of 2014, Prime Minister Gusmao had announced his intent to resign from office, paving the way for a "new generation" of leaders to take control of the country. At the time, he said that having been an active political participant in East Timorese politics, the time was coming for him to step away from the reins of power.

While Gusmao was well-regarded given his political legacy and contributions to the independence movement, he was nonetheless less effective at the task of governing. Indeed, East Timor remains one of the most impoverished countries of Asia. As such, all eyes were on a possible successor on the political landscape. While Gusmao did not name or endorse a successor, one name being discussed as a likely contender was Gusmao's presidential chief of staff, Agio Pereira. Of course, it was hard to see how a Gusmao stalwart would necessarily augur a shift in policies. Another possibility was a former health minister, Rui Araujo.

The opposition party, Fretilin, was undoubtedly jockeying for position in the executive branch of government. There were suggestions that some members of the opposition Fretilin party might be brought in to participate in a newly restructured government.

Note that on Feb. 6, 2015, Prime Minister Gusmao officially resigned from office although a successor was not yet chosen. An official statement on the government's website read as follows: "The government confirms that the prime minister of Timor-Leste, H.E. Kay Rala Xanana Gusmão, has sent his letter of resignation from the post of prime minister to the president of the republic, H.E. Taur Matan Ruak. It is now for the president of the republic to consider and respond to the letter of resignation."

Note that on Feb. 10, 2015, East Timorese Taur Matan Ruak chose former health minister and medical doctor, Rui Araujo, to be the new prime minister of the country. Araujo was sworn into power by mid-February 2015 as East Timor's fifth prime minister since it secured its independence from Indonesia in 2002.

In an interview with the media, Araujo hinted to his governing style when he said, "My style is to look carefully at the issues and weigh up the pros and cons. As a doctor I'm used to weighing evidence before making a diagnosis and determining a course of treatment. As prime minister, I'll do the same."

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Of note was the fact that Araujo was from the opposition Fretilin party, yet he was reportedly hand-picked by outgoing Prime Minister Gusmao despite their partisan differences. Gusmao was apparently looking for serious technocrat for the job and trying to advance the goal of political rapprochement.

For his part, Gusmao was not exiting the political scene. He was set to remain in government as investment minister in a forthcoming unity cabinet.

Cabinet:

24-member cabinet

Legislative Branch:

Unicameral National Parliament:

The number of seats in parliament can vary from 52 to 65; members elected by popular vote to serve five-year terms

2012 Elections:

See 2012 Elections Primer below for details.

Primer on 2012 Parliamentary Elections in East Timor:

July 2012 --

Parliamentary elections were expected to be held in East Timor on July 7, 2012. At stake was the composition of the unicameral National Parliament. In that body, the number of seats in parliament can vary from 52 to 65; members are elected by popular vote to serve five-year terms. Some of the major parties expected to contest these elections include: the ruling National Reconstruction Congress of Timor Leste, the Revolutionary Front of Independent Timor-Leste or Fretilin -- one of East Timor's dominant political entity in recent years; as many as 19 other parties, including the Timorese Social Democratic Association; the Social Democratic Party; and the Democratic Party.

In those July 7, 2012 parliamentary elections, the ruling National Congress for Timorese Reconstruction (CNRT) won 30 seats in parliament -- three seats shy of the 33 needed for an absolute majority in the 65-seat parliament. The Fretilin party was the second most popular party with 25 seats.

Note that in mid-July 2012, East Timorese Prime Minister Xanana Gusmao's party indicated that it would form a coalition with two smaller parties, while excluding the main opposition group, Fretilin, from government. The coalition would include the ruling National Congress for Timorese

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Reconstruction (CNRT), the Democratic Party, and Frente-Mudanca. That being said, the proposed alliance was in the discussion stages at the time of writing.

Note that in early 2014 Prime Minister Xanana Gusmão of East Timor announced his intent to resign from office later in the year, paving the way for a "new generation" of leaders to take control of the country. He made that official in 2015 when he stepped down from office.

Judicial Branch:

Supreme Court of Justice - constitution calls for one judge to be appointed by National Parliament and rest appointed by Superior Council for Judiciary; note - until Supreme Court is established, Court of Appeals is highest court

Constitution:

March 22, 2002 (based on the Portuguese model)

Legal System:

Based on a mixture of Portuguese and Indonesian law; framed by newly-established constitutional provisions

Administrative Divisions:

13 administrative districts; Aileu, Ainaro, Baucau, Bobonaro (Maliana), Cova-Lima (Suai), Dili, Ermera, Lautem (Los Palos), Liquica, Manatuto, Manufahi (Same), Oecussi (Ambeno), Viqueque

Political Parties and Leaders:

Democratic Party or PD [Fernando "Lasama" de ARAUJO]

Frenti-Mudanca [Jose Luis GUTERRES]

National Congress for Timorese Reconstruction or CNRT [Kay Rala Xanana GUSMAO]

Revolutionary Front of Independent Timor-Leste or FRETILIN [Mari ALKATIRI]

Note that the leadership of these parties was current at the time of writing, according to source materials. Leadership is dynamic and subject to change.

Suffrage:

Universal right to vote to all adult citizens

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Principal Government Officials

Leadership of East Timor:

Executive Branch:

Head of State:

President Taur Matan Ruak (Jose Maria de Vasconcelos) (since 2012); see Election Primer below for details related to the 2012 election contest.

Note:

The president is elected for a five-year term (eligible for a second term) by the people and is head of state. The president plays a largely symbolic role but is the commander in chief of the military and is able to veto legislation, dissolve parliament, and call national elections.

Primer on Presidential Election in East Timor

first round March 17, 2012; second round April 16, 2012 --

A presidential election was set to take place in East Timor on March 17, 2012. This election would constitute the third time voters went to the polls to vote for a president since attaining sovereignty from controversial Indonesian rule. The president is elected for a five-year term to be head of state and is eligible for a second term.

Incumbent President Jose Ramos-Horta, who won the presidency in 2007, was eligible for a second term as president and announced his intent to again seek the presidency. Ramos-Horta was initially resistant to the notion of another election bid, preferring instead the notion of retirement; however, when a "draft Ramos-Horta movement" yielded more than 120,000 signatures favoring his candidacy, he decided to contest the 2012 election. Speaking of the efforts by activists to draft him into running for a second term, Ramos-Horta said, "The petition was not organized by any political party, least of all my office, it was done by real grassroots people with very little money. I was really sometimes shocked, or touched... overwhelmed, the way they would go around the

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country on mini buses, on motorbikes on foot [to collect signatures]." Still, Ramos-Horta opted not to campaign for another term in office.

Ramos-Horta's record included being one of the key founders of East Timor's independence movement. Indeed, he won the Nobel Peace Prize for his pro-independence efforts. Ramos-Horta's other qualifications included fluency in several languages and a professional background in journalism. Also noteworthy was the fact that he survived an assassination attempt in 2008.

Other candidates for the presidency included Francisco X. Do Amaral, a member of the national parliament and leader of the Timorese Social Democratic Association; Fernando de Araujo, president of the national parliament and head of the Democratic Party; Francisco "Lo-Olo" Guterres, a member of the Revolutionary Front of Independent Timor-Leste or FRETILIN -- one of East Timor's dominant political entity in recent years; Jose Luis Guterres, a former foreign minister; Lucia Lobato, the minister of justice and a member of the Social Democratic Party; and Taur Matan Ruak, a former commander of the defense forces of East Timor and the preferred candidate of the ruling National Reconstruction Congress of Timor Leste.

On March 18, 2012, a day after voters in East Timor went to the polls to vote in the country's presidential election, the ballots were being counted. Preliminary results gave the advantage to Francisco "Lu-Olo" Guterres, who garnered 28 percent of the vote share. Former armed forces chief General Taur Matan Ruak secured 25 percent of the vote and was in second place. Incumbent President Jose Ramos-Horta secured third place with 19 percent of the vote. Democratic Party chief Fernando Lasama de Araujo had 18 percent of the vote.

With no candidate in position to secure an outright majority, the people of East Timor were headed for a runoff or second round election between the two top performers -- Francisco "Lu-Olo" Guterres and Taur Matan Ruak. Meanwhile, Jose Ramos-Horta was out of the running for another term as president and conceded defeat.

The second round of the presidential election was slated for April 16, 2012. On that day, voter turnout was said to be as high as 70 percent. After voters cast their ballots, it was Taur Matan Ruak who emerged as the winner in the presidential contest. Election results showed that Ruak won over 61 percent of the vote share while "Lu-Olo" Guterres took around 39 percent. The result was something of a surprise as Taur Matan Ruak outperformed expectations of a much closer race against "Lu-Olo" Guterres. Still, observers attributed Taur Matan Ruak's victory to his determined campaign style, in conjunction with the fact that although he was nominally independent, he had the support from Prime Minister Xanana Gusmao's party.

Two days after the second election round, Taur Matan Ruak finally delivered a victory speech to his supporters as he expressed his thanks to his supporters, as well as the political operatives and parties that helped him secure his presidential victory. "My Victory Team! All and each one of you,

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thank you very much!" he said. Taur Matan Ruak also made a point of praising the contributions of "Lu Olo" Guterres to East Timor.

A national hero who fought against Indonesian occupation, Taur Matan Ruak served as the chief of the general staff of the armed forces before resigning his post to contest the presidency. The president-elect's name is actually Jos Maria Vasconcelos but his popular name of Taur Matan Ruak translatesinto "two sharp eyes" in East Timor's Tetun language. Taur Matan Ruak was set to assume the presidency on May 20, 2012 when the tenure of outgoing President Jose Ramos-Horta comes to an end.

Head of Government:

Prime Minister Rui Araujo (since 2015); see "Note" below.

Note on head of government:

All eyes were on the possible successor to East Timor's head of government, Xanana Gusmao, who was set to move forward with his retirement from office. Ahead of his likely retirement, Prime Minister Gusmao carried out a cabinet shuffle, purging the government of several cabinet ministers under investigation for alleged corruption.

Gusmao's retirement plans were not a surprise. Going back to the start of 2014, Prime Minister Gusmao had announced his intent to resign from office, paving the way for a "new generation" of leaders to take control of the country. At the time, he said that having been an active political participant in East Timorese politics, the time was coming for him to step away from the reins of power.

While Gusmao was well-regarded given his political legacy and contributions to the independence movement, he was nonetheless less effective at the task of governing. Indeed, East Timor remains one of the most impoverished countries of Asia. As such, all eyes were on a possible successor on the political landscape. While Gusmao did not name or endorse a successor, one name being discussed as a likely contender was Gusmao's presidential chief of staff, Agio Pereira. Of course, it was hard to see how a Gusmao stalwart would necessarily augur a shift in policies. Another possibility was a former health minister, Rui Araujo.

The opposition party, Fretilin, was undoubtedly jockeying for position in the executive branch of government. There were suggestions that some members of the opposition Fretilin party might be brought in to participate in a newly restructured government.

Note that on Feb. 6, 2015, Prime Minister Gusmao officially resigned from office although a successor was not yet chosen. An official statement on the government's website read as follows: "The government confirms that the prime minister of Timor-Leste, H.E. Kay Rala Xanana Gusmão, has sent his letter of resignation from the post of prime minister to the president of the

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republic, H.E. Taur Matan Ruak. It is now for the president of the republic to consider and respond to the letter of resignation."

Note that on Feb. 10, 2015, East Timorese Taur Matan Ruak chose former health minister and medical doctor, Rui Araujo, to be the new prime minister of the country. Araujo was sworn into power by mid-February 2015 as East Timor's fifth prime minister since it secured its independence from Indonesia in 2002.

In an interview with the media, Araujo hinted to his governing style when he said, "My style is to look carefully at the issues and weigh up the pros and cons. As a doctor I'm used to weighing evidence before making a diagnosis and determining a course of treatment. As prime minister, I'll do the same."

Of note was the fact that Araujo was from the opposition Fretilin party, yet he was reportedly hand-picked by outgoing Prime Minister Gusmao despite their partisan differences. Gusmao was apparently looking for serious technocrat for the job and trying to advance the goal of political rapprochement.

For his part, Gusmao was not exiting the political scene. He was set to remain in government as investment minister in a forthcoming unity cabinet.

Cabinet:

24-member cabinet

-- as of 2016

Leader Biography

Leader Biography

President of East Timor

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Foreign Relations

General Relations

On May 20, 2002, the United Nations handed over power to the East Timorese people after more than two years of transitional administration. East Timor then set about the task of establishing diplomatic relations within the international community.

Bilateral and Regional Relations

The independence ceremony was attended by a variety of world leaders, including former United States president Bill Clinton. President Clinton was on hand to raise the flag at the new United States embassy in East Timor. China was one of the first countries to officially formulate diplomatic relations with East Timor, although Indonesia had earlier pledged the normalization of relations between the two countries in the aftermath of bilateral strife and intensive discord. Canada recognized the new state and asserted its intent to open diplomatic relations soon, while Thailand and Russia announced full diplomatic ties with the new government. Japan, Singapore and the Phillipines offered congratulations to the world's newest country. Australia, the country which led the United Nations peacekeeping effort, named James Batley as its first ambassador to East Timor and signed an oil treaty with East Timor.

International donors, most significantly form East Timor's former colonial power, Portugal, will provide a much-needed boost to this country's development. The reconstruction effort in East Timor has benefited from capital infusions from international sources. The United Nations Security Council agreed to spend over \$600 million on an annual basis to pay for United Nations civilian administration, international peacekeepers and a police force. In addition, the World Bank was able

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to solicit more than \$500 million in assistance from donor nations, with an additional \$360 million to be given over the next three years. The US government has also offered \$25 million in an annual aid program.

The Asian Development Bank (ADB) established a microfinance institution to offer impoverished families access to institutional financial services. It is hoped that the east Timorese people can benefit from the benefits of a sustainable microfinance system. The ADB currently adminsiters four projects in East Timor, amounting to \$52.8 million in total, and financed by the multi-donor Trust Fund for East Timor (TFET). The projects include an infrastructure rehabilitation project, a water supply and sanitation project, a microfinance development project, and a project intended to develop fisheries facilities at a port near Dili. The ADB has also committed \$8 million of its own money for technical assistance grants.

India promised rural and educational support for East Timor, in the form of rural development programs and offering scholarships to East Timorese for post-secondary study at Indian universities. Japan offered funding toward the peacekeeping effort, separate from the UN fund in this regard.

Meanwhile, Australia (as noted above) signed an oil treaty with East Timor that has the potential to be highly lucrative for this newly-independent country that is economically damaged after years of political turmoil and a damaged infrastructure. Indeed, in the provisions of the treaty, 90 percent of all oil and gas revenues derived from exploration in the Timor Sea administered jointly by both East Timor and Australia, would go to the East Timorese coffers. (The terms of agreement on other potentially lucrative areas of the Sea were not yet been determined at the time of signing.) Observers note that East Timor's dependence on foreign aid could end within five years, if offshore oil and gas deposits are discovered.

On a less optimistic note, East Timor's foray into the world community was met with coolness by the Association of Southeast Asian Nations (ASEAN), who have not promised automatic entry for the world's newest country into its regional group. Instead, leaders of ASEAN have said that East Timor can be a "guest" at their upcoming meetings, leaving the question of this new country's membership in the group unanswered. Leaders of ASEAN also stated that East Timor can make its case for entry into the regional entity, and its potential membership will discussed among existing member states.

Indonesia, for its part, has asked for compensation for its "investments" in East Timor, however, the East Timorese government has been steadfast in its refusal. Indeed, East Timor's Foreign Minister Jose Ramos-Horta has stated that his country is debt-free and will not enter such discussions, especially given the amount of destruction that occured during the time of Indonesian occupation. It is unknown whether or not this issue will cause further tensions between the two countries.

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Relations between East Timor and Indonesia reached a difficult point in August of 2002 when a number of military personnel and police officers were acquitted of charges, or given lenient sentences, in trials regarding human rights abuses during the independence struggle.

Then, in March 2003, a court in Jakarta sentenced Indonesia's former military chief in East Timor, Brigadier General Noer Muis, to five years in jail for crimes against humanity. He was accused of failing to prevent attacks on civilians in East Timor following the 1999 independence vote.

In 2004, celebration over the country's second independence anniversary was muted as a result of rising economic challenges. At the center of the economic conundrum was a dispute with neighboring Australia over oil revenues in the Timor Sea (see above). Although a close ally of East Timor, Australia is claiming a far more substantial area of the sea as well as its associated revenues. Without a greater share of the potential billions of oil and gas wealth in the Timor Sea, Oxfam has said that the country could well devolve into being a failed state. The disputed oil and gas fields lay, rather ironically, between the region's richest and poorest countries -- Australia and East Timor - respectively. The leadership of East Timor has said that it wishes to have its fair share of the revenues, given the fact that the oil and gas reserves are located in much closer proximity to its shores, however, Australia has argued that its maritime borders should extend further. While Australia has refused international arbitration on the matter, demonstrations ensued in East Timor's capital of Dili with citizens ravaging Australian Prime Minister John Howard's leadership and decrying what they termed Australia's "illegal occupation."

November 2004 had marked the end of a two-year process in which 18 people were tried by Indonesian courts for human rights abuses in East Timor during the bloody and violent period of surrounding Timorese independence. Only one conviction of a militia leader, Eurico Guterres, was left intact. As a result, several questions arose about justice being served.

Another process instituted for the purpose of bringing some closure to the controversy surrounding alleged human rights abuses during the drive for Timorese independence has been the Commission of Friendship and Truth (CFT). The CFT was established jointly by the governments of East Timor and Indonesia and has been mandated to find the truth

behind the apparent human rights abuses by Indonesia forces and militias against the Timorese people.

In August 2005, the Indonesian President Susilo Bambang Yudhoyono and the East Timorese leader, Xanana Gusmao, were scheduled to meet in Bali to officially inaugurate the joint secretariat office of the CTF. With the CTF installed as a joint commission, the CTF members would be granted with free access to travel to both countries for investigatory purposes. Unlike the traditional court system in which suspects are charged and tried, the CTF has been based on the "reconciliation approach" and the investigation will not lead to prosecutions or tribunals.

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Meanwhile, in April 2005, East Timor and Indonesia signed a landmark border agreement. The signing of the deal took place during Indonesian President Yudhoyono's first visit to Dili since coming to power in Indonesia. Also regarding bilateral relations was the matter of the agreement reached between East Timor and Australia on the division of billions of dollars in anticipated revenues from oil and gas deposits in Timor Sea. The contentious dispute over the Australian-East Timorese maritime boundary was, however, left off the discussion table.

In July 2008, the brutal and violent scene in East Timor before independence in 1999 was on the agenda when a final report by joint Indonesian-East Timorese Truth Commission was released. That report placed the blame for the bloodshed and human rights violations on Indonesia and demanded an apology from the government of that country. To that end, Indonesian President Yudhoyono conveyed his "deep regret" about what transpired ahead of independence in 1999, but did not actually issue an apology.

Other Significant Relations

In July of 2002, East Timor joined the World Bank and the International Monetary Fund.

Also in 2002, East Timor entered the international family of nations at the United Nations; the country applied for entry into the international governing body and was successfully granted "fast-track" status. United Nations Secretary Generay Kofi Annan noted that the international body will welcome nations states, both small and large.

The United Nations has been lauded for its efforts in establishing sovereighty, autonomy, independent status, as well as democracy, to this tiny, troubled and traumatized region of the world. For the first time since its inception, the United Nations had to construct an entirely new government for a country, and organize elements as complicated as cabinet ministries to more basic tasks, such as organizing the logistical details for telecommunications services and trash collection.

At the same time, the United Nations has had to help the world's newest nation deal with its security problems. The United Nations Mission of Support in East Timor warned in March 2003 that well-trained militia groups posed a "real threat" to security in parts of the country. Meanwhile, hundreds of United Nations troops were deployed to hunt down a group that attacked a bus, killing two civilians, on Feb. 24, 2003, in the Maliana district bordering West Timor. Other recent incidents include an attack in January by an armed gang that left six people dead in the Atsabe district. Also, a December 2002 riot killed two and destroyed dozens of buildings. Many in East Timor blamed pro-Indonesian rebels for the attacks. In fact, in recent years, East Timor has been faced with security challenges as the United Nations reduced its presence in that country, having passed security duties on to local security personnel. With only 700 United Nations

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personnel in East Timor, it was difficult to know how the country's security could be maintained.

The first part of 2006 in East Timor was marked by escalating violence involving a dispute between the government and the military. The situation was sparked originally in February 2006 when 600 troops went on strike to complain about their salaries and working conditions. These complaints were compounded by the fact that many of the striking soldiers -- veterans of the 25-year long fight for independence from Indonesia -- were having trouble making the transition to peacetime operations. The soldiers experienced hardship during the integration process into the regular military and they were resentful that their efforts on behalf of the country were never properly recognized. This sense of discontent among their ranks was not helped by the decision to fire the 600 striking soldiers a month later in March 2006. By April 2006, the decision to fire the soldiers gave rise to a spate of violence between police and former soldiers that left several people dead. In May 2006, the situation was no less problematic. The situation had moved beyond the matter of the sacked soldiers and into the realm of lawlessness with armed gangs roaming the streets. As well, militias toting "make-shift" weapons went on rampages, torching houses, shops and vehicles in the capital city of Dili. The violence resulted in the deaths of scores of people and a mass exodus of tens of thousands of fearful people from their homes.

Some months later, with the security situation uneasy, there was discussion of a new United Nations mission in East Timor to replace the existing international force there. As well, the United Nations Security Council voted in favor of sending troops numbering 1,500 in total to East Timor.

In February 2008, President Jose Ramos-Horta was reported to be in "serious but stable" condition after being shot by rebel soldiers at his home in the capital of Dili. Prime Minister Xanana Gusmao was also attacked by gunmen but escaped unhurt. He characterized the attacks, allegedly orchestrated by a renegade soldier, Alfredo Reinado, to be an attempted coup d'etat and called on the people of East Timor to stay calm. Reneido was killed in the clashes that ensued between the authorities and the rebels. Australian Prime Minister Kevin Rudd confirmed the prime minister's claim saying that there had been an attempt "to assassinate the democratically elected leadership of a close friend and neighbour of Australia." Rudd noted that Australia would deploy more peacekeepers to East Timor in response to the attack.

Two months later, the president was recovering and Gastao Salsinha, the new chief of the rebel enclave behind the attempted assassination of President Ramos-Horta, surrendered along with 12 fighters to the authorities.

In May 2008, attention was on the country's political stability with President Ramos-Horta calling on the United Nations to maintain their mission in the East Timor for a further five years, on the basis of security concerns. The United Nations was expected to consider the request in 2009 when the existing mandate was set to expire. In February 2009, the United Nations Security Council made the decision to renew the United Nations Integrated Mission in Timor-Leste (East

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Timor) mandate until February 2010. Nevertheless, the United Nations peacekeeping mission turned over security responsibility to East Timorese police in certain areas in May 2009.

On balance, United Nations officials are reluctant to refer to the East Timor democracy and independence effort as a success, noting that the country is only in its genesis stages with many challenges yet to be dealt with. Still, East Timor can fairly claim that it has demonstrated peaceful transfers of power following elections since gaining independence.

Written by Dr. Denise Youngblood Coleman, Editor in Chief, <u>www.countrywatch.com</u>.

See Bibliography for list of research sources.

Supplementary Sources: The British Broadcasting Company -- http://www.bbc.com; the Globe and Mail -- http://www.washingtonpost.com; the Washington Post -- http://www.washingtonpost.com;

National Security

External Threats

East Timor has had an extremely tumultuous relationship with Indonesia. It occupies the eastern half and a small enclave on the western half of the island of Timor, which it shares with Indonesia. East Timor began an active struggle for self-rule in 1975 and declared its independence from Portugalon Nov. 28, 1975. Nine days later, Indonesia invaded, occupied and asserted its sovereignty over East Timor, spawning a popular guerilla resistance movement. With support from allies in the provincial government that it established, Indonesiaused brutal means to suppress the rebellion. Estimates of Timorese who lost their lives due to hunger or violence during the occupation range from 100,000 to 250,000. Indonesialabeled its principle opposition, the Revolutionary Front for an Independent East Timor (FRETILIN), a communist insurgency. At the zenith of the Cold War and in the wake of communist victories in Cambodia and Vietnam, that moniker elicited concern in the West that the ideological rival to democracy would continue to spread throughout Southeast Asia. Thus, while the United Nations never sanctioned the occupation, many Western nations turned a blind eye to it.

In January 1999, aspirations for self-rule were renewed when Indonesia 's President, B.J. Habibie, announced plans to hold a referendum that would allow East Timor to choose between independence and greater autonomy within Indonesia. In August of that year, East Timor voted

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overwhelmingly in favor of independence. In order to prevent the outbreak of hostilities, pro-independence guerrillas had been detained in United Nations (U.N.) supervised camps. Outraged by the election results and supported by Indonesia's military, however, pro-integration militias went on the assault. During their campaign of violence, they killed approximately 1200 people, burned over 75 percent of the homes in East Timor, and sparked the exodus of 300,000 refugees into Western Timor. An Australian-led U.N. peacekeeping force deployed to East Timor in late September facilitated an end to the violence.

After approximately two and a half years under the authority of the United Nations Transitional Administration in East Timor (UNTAET), East Timor made its debut as the world's newest independent state on May 20, 2002. Since the cessation of hostilities in 1999, it has maintained equitable relations with Indonesia. However, pro-integration militias based there continue to pose a threat to its national security. Most of the refugees displaced by the violence have returned home. U.N. peacekeeping forces maintain a presence in the region. They were scheduled to withdraw in June 2004, but about 1000 of the peacekeeping forces remain.

Crime

The United States (U.S.) Department of State reports the prevalence of petty crime – including pick pocketing, theft, and residential break-ins – throughout the country. However, the U.S. State Department also indicates that incidences occur with greater frequency in the capital, Dili. Gang related violence is also on the rise in urban areas. Political unrest since 2006 has also contributed to an increase in violence.

Insurgencies

For the greater part of the last three decades, insurgent movements have been fixtures in East Timorese politics. During the Indonesian occupation, which lasted from 1975 until 1999, rebels fought for East Timor 's independence. During a 1999 referendum sanctioned by the Indonesian government, East Timor voted in favor of self-rule. In protest, militias supported by the Indonesian military initiated a campaign of violence. An Australian-led U.N. peacekeeping force restored order. Open hostilities have not resumed, but the presence of pro-integration militias in the Indonesian portion of Timor precipitates the ongoing threat of violence. United Nations peacekeeping forces remain in East Timor. Although they were scheduled to withdraw in June 2004, approximately 1000 remain. (See above section on external threats for more information on East Timor's struggle for independence from Indonesia). Since 2006, East Timor suffered a spate of political violence, largely spurred by unrest in the military; it subsided with the appointment of a new prime minister, but reached new heights with the attempted assassination of the president in early 2008.

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Terrorism

In 2002, the bombing of two nightclubs in Bali underscored the general threat of terrorism in the region. In May 2005, Australiawarned of a possible terrorist attack on the government buildings in Dili. While nothing came of the threat, East Timor is still on alert to possible terrorist activities in and around the region.

Note:

It should be noted that in recent years, political violence -- including the attempted assassination of the president in early 2008 -- have been on the increase and could shape the climate of national security in the future.

Defense Forces

Military Data

Military Branches:

East Timor Defense Force (Forcas de Defesa de Timor - L'este, FDTL): Army, Navy (Armada)

Eligible age to enter service:

18

Mandatory Service Terms:

N/A

Manpower in general population-fit for military service:

Males age 16-49: 243,120 Females age 16-49: 251,061

Manpower reaching eligible age annually:

Males: 12,737

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Females: 12,389

Military Expenditures-Percent of GDP:

2.92%

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Chapter 3 Economic Overview

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Economic Overview

Overview

Since achieving independence in May 2002, East Timor has focused on nation-building. The government has taken measures to reconstruct the economy from the severe destruction that took place in 1999 following the national referendum overwhelmingly supporting independence from Indonesia. The early adoption of prudent fiscal and monetary policies contributed to low inflation and accelerating economic growth. The economy suffered a severe contraction in 2006 as a result of the civil unrest that paralyzed the government and disrupted private sector activity. But economic growth rebounded strongly in the following two years supported by public spending and improved security. Despite the impact of the global economic crisis through decline in exports, the economy of East Timor still grew 5 percent in 2009 with government spending continuing to support domestic demand. Robust offshore petroleum revenues have enabled the government to support economic activity through expenditure on infrastructure and public service delivery.

Growth continued in 2010 and money was spent on basic infrastructure but limited experience in procurement and infrastructure building hampered the projects. In late 2011, the government of East Timor announced ambitious plans to triple the country's infrastructure spending to more than \$1 billion in 2012 as part of an effort to diversify the economy and reduce its reliance on energy revenues. The 2012 budget called for development spending of \$1.06 billion to fund better roads, irrigation systems, new schools and hospitals, defense facilities, sea ports and a national electricity grid. The move was part of a 20-year plan to become a middle income nation. Meanwhile, talks with Australia's Woodside Petroleum to develop a massive gas field that would give a huge boost to government revenues were stalled.

On May 20, 2012, Taur Matan Ruak was sworn in as East Timor's president. The inauguration coincided with the 10th anniversary of the country's independence from Indonesia. As of September 2012, the country still lacked much basic infrastructure although it boasted a special oil fund with assets of more than \$10 billion. Coffee is East Timor's second-largest export, with U.S. giant Starbucks a major customer. However, as of 2012, East Timor remained one of the least developed countries in the world, with about 40 percent of whom live on less than a dollar a day. In September 2012, U.S. officials expressed a desire to work cooperatively with China, citing East Timor as an area where the countries' interests could converge. Overall, East Timor had a balanced budget in 2012 with government expenditures of \$1.7 billion focusing on development of public

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infrastructure. On the strength of its oil-wealth, the economy has achieved real growth of about 10 percent per year for the last several years, among the highest sustained growth rates in the world.

As of 2013, East Timor's economy continued to perform well. Bank deposits grew by 10.5 percent year-over-year in the first half of 2013, according to the Asian Development Bank. Meanwhile, private sector credit was 10.3 percent higher in June 2013 than a year earlier, reaching a new high of \$165.6 million. Bank lending grew strongly as well in the first half of 2013, as credit to individuals climbed by 13.1 percent and credit to commercial and financial companies spiked by 25.2 percent. Lending to agricultural producers also saw double-digit growth, which suggested expanded investment in coffee farms.

But by February 2014, the Wall Street Journal reported that East Timor's economic outlook was becoming less certain as its once-prosperous huge natural gas field ran low on reserves. In October 2014, the World Bank reported that East Timor was the economy that improved the ease of starting a business the most over the previous year, reducing the time required to do so from 94 days to 10. The country introduced East Timor's introduction of a one-stop shop, or Serviço de Registo e Verificação Empresarial (SERVE), to streamline start-up formalities and centralize services. The one-stop shop allows entrepreneurs to reserve a company name, submit company documents, apply for registration and publish company statutes all in the same place.

"Entrepreneurs in Timor-Leste now spend around 90 percent less time to register a start-up, business registration is free of charge, and a new risk-based licensing system has eliminated the need for many businesses to obtain a license," said Jonathon Kirkby, Senior Operations Officer at the International Finance Corporation (IFC), the World Bank Group member focused exclusively on the private sector. "The SERVE one-stop shop has reduced red tape for existing registered businesses and encouraged more people to register their informal businesses."

Government expenditure—the main driver of the nonpetroleum economy—increased by 36.7 percent in the first seven months of 2015 over the same period a year earlier. Increased funding for the Special Administrative Region of Oecusse, with offsetting reductions in planned transport and electricity investments, caused a large spike in government expenditure on transfers. Inflation has remained low, averaging only 0.8% year on year from January to June 2015, but

Inflation has remained low, averaging only 0.8% year on year from January to June 2015, but picked up in the second half of 2015 as food prices rose moderately.

The continued appreciation of the US dollar (which East Timor uses as its currency) against the currencies of trading partners has contributed to low inflation. From January to June 2015, the dollar appreciated by 7 to 13 percent against the currencies of Indonesia, Malaysia, and Singapore.

In August 2015, East Timor's Finance Minister issued a press release claiming that the new country was already among the richest countries in the world. The statement cited a report of the Global Finance magazine which ranked East Timor's GDP per capita on a purchasing power parity

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basis as the 87th highest in the world, according to The Diplomat. The global survey involved 184 countries. In Southeast Asia, Timor-Leste ranked fifth behind Singapore, Brunei, Malaysia, and Thailand.

But La'o Hamutuk, a non-government organization, made a simple fact-checking and discovered that the statistics used for East Timor were already outdated. It made reference to the latest IMF World Economic Outlook published in April 2015 which gave East Timor a rank of 122 (not 87th) in the world in 2013. Furthermore, the country's ranking was expected to decline by six places in 2014.

Economic Performance

Following an economic contraction in 2006, real GDP growth rebounded strongly in 2007 and 2008 underpinned by high government expenditure. Growth slowed in 2009 as the economy was affected by the global economic crisis through a decline in exports, before recording growth in 2010.

With adoption of the U.S. dollar as its legal tender, the dollar-based monetary and exchange regime has helped keep East Timor's inflation in check. As such, inflation fell from 140 percent in 1999 to low single-digit levels from 2003 to 2005. In 2006, inflation increased, driven by higher transportation costs and supply disruptions owing to the unrest. Inflation climbed in 2007 and 2008, driven by rising world food and fuel prices, before declining dramatically in 2009 and 2010 along with falling world commodity prices.

Large offshore petroleum revenue has led to a sizable fiscal surplus, notwithstanding sharply increased government spending. As a result, the overall fiscal surplus widened from 46 percent of non-oil GDP in 2004 to 102 percent of non-oil GDP in 2005, and reached around 400 percent of non-oil GDP in 2008 as petroleum revenue almost doubled due to a surge in world oil prices in the first half of the year. Despite a large increase in government expenditure, the overall fiscal balance still recorded a surplus of about 145 percent of non-oil GDP in 2009. As it follows a policy of avoiding domestic or external borrowing, East Timor does not have public debt.

According to CountryWatch estimated calculations for 2014:

Real GDP growth rate was: 9.0 percent

The fiscal deficit/surplus as percent of GDP (%) was: 35.2 percent

Inflation was measured at: 10.9 percent

Updated in 2015

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*Please note that the figures in our Economic Performance section are estimates or forecasts based on IMF-based data that are formulated using CountryWatch models of analysis.

Supplementary Sources: Reuters, Wall Street Journal, The Diplomat, World Bank and Asian Development Bank

Nominal GDP and Components

Nominal GDP and Components					
	2011	2012	2013	2014	2015
Nominal GDP (LCU billions)	5.788	6.807	5.596	4.970	4.231
Nominal GDP Growth Rate (%)	42.244	17.614	-17.7958	-11.1848	-14.8654
Consumption (LCU billions)	0.7617	0.9751	1.080	0.7750	0.8460
Government Expenditure (LCU billions)	0.9344	1.068	0.8868	0.7900	0.8622
Gross Capital Formation (LCU billions)	0.8167	0.7806	0.5774	0.5947	0.4454
Exports of Goods & Services (LCU billions)	5.527	6.526	5.318	4.745	3.507
Imports of Goods & Services (LCU billions)	2.253	2.543	2.266	1.935	1.430

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Population and GDP Per Capita

Population and GDP Per Capita									
	2011	2012	2013	2014	2015				
Population, total (million)	1.120	1.156	1.193	1.231	1.270				
Population growth (%)	2.847	3.214	3.201	3.185	3.168				
Nominal GDP per Capita (LCU 1000s)	5,167.46	5,888.41	4,690.39	4,037.19	3,331.50				

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Real GDP and Inflation

Real GDP and Inflation					
	2011	2012	2013	2014	2015
Real Gross Domestic Product (LCU billions 2005 base)	4.582	4.823	4.154	3.608	3.961
Real GDP Growth Rate (%)	12.606	5.268	-13.8771	-13.1385	9.777
GDP Deflator (2005=100.0)	126.320	141.136	134.714	137.744	106.824
Inflation, GDP Deflator (%)	26.320	11.729	-4.5502	2.249	-22.4474

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Government Spending and Taxation

Government Spending and Taxation 2011 2012 2013 2014 2015 Government Fiscal Budget (billions) 1.105 1.247 1.081 1.404 1.422 Fiscal Budget Growth Rate 12.851 -13.3119 29.880 45.395 1.282 (percentage) National Tax Rate Net of Transfers 61.649 60.129 72.521 49.982 43.087 (%)Government Revenues Net of 3.568 4.093 4.058 2.484 1.823 Transfers (LCU billions) Government Surplus(-) Deficit(+) 2.463 2.846 2.977 1.080 0.4010 (LCU billions) Government Surplus(+) Deficit(-) 42.557 41.810 53.202 21.731 9.478 (%GDP)

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Money Supply, Interest Rates and Unemployment

Money Supply, Interest Rates and Unemployment 2011 2013 2015 2012 2014 Money and Quasi-Money (M2) 0.3224 0.4069 0.5002 0.5998 0.5107 (LCU billions) Money Supply Growth Rate (%) 9.288 26.213 22.904 19.928 -14.8654 Lending Interest Rate (%) 11.043 12.210 12.866 11.864 12.413 Unemployment Rate (%) 3.616 3.604 3.585 3.376 3.272

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Foreign Trade and the Exchange Rate

Foreign Trade and the Exchange Rate									
	2011	2012	2013	2014	2015				
Official Exchange Rate (LCU/\$US)	0.9999	1.000	0.9999	1.0000	1.000				
Trade Balance NIPA (\$US billions)	3.275	3.983	3.052	2.810	2.077				
Trade Balance % of GDP	56.584	58.515	54.533	56.544	49.099				
Total Foreign Exchange Reserves (\$US billions)	0.4616	0.8836	0.6870	0.3115	0.3082				

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Data in US Dollars

Data in US Dollars					
	2011	2012	2013	2014	2015
Nominal GDP (\$US billions)	5.788	6.807	5.596	4.970	4.231
Exports (\$US billions)	5.528	6.526	5.318	4.745	3.507
Imports (\$US billions)	2.253	2.543	2.266	1.935	1.430

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Energy Consumption and Production Standard Units

Energy Consumption and Production Standard Units								
	2011	2012	2013	2014	2015			
Petroleum Consumption (TBPD)	1.264	1.264	1.300	1.348	1.365			
Petroleum Production (TBPD)	83.752	78.957	79.003	74.780	74.673			
Petroleum Net Exports (TBPD)	82.487	77.693	77.703	73.432	73.309			
Natural Gas Consumption (bcf)	0.0000	0.0000	0.0000	0.0000	0.0000			
Natural Gas Production (bcf)	0.0000	0.0000	0.0000	0.0000	0.0000			
Natural Gas Net Exports (bcf)	0.0000	0.0000	0.0000	0.0000	0.0000			
Coal Consumption (1000s st)	0.0000	0.0000	0.0000	0.0000	0.0000			
Coal Production (1000s st)	0.0000	0.0000	0.0000	0.0000	0.0000			
Coal Net Exports (1000s st)	0.0000	0.0000	0.0000	0.0000	0.0000			
Nuclear Production (bil kwh)	0.0000	0.0000	0.0000	0.0000	0.0000			
Hydroelectric Production (bil kwh)	0.0000	0.0000	0.0000	0.0000	0.0000			
Renewables Production (bil kwh)	0.0000	0.0000	0.0000	0.0000	0.0000			

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Energy Consumption and Production QUADS

Energy Consumption and Production QUADS 2011 2012 2013 2014 2015 Petroleum Consumption (Quads) 0.0027 0.0028 0.0029 0.0029 0.0027 Petroleum Production (Quads) 0.1788 0.1697 0.1692 0.1633 0.1274 Petroleum Net Exports (Quads) 0.1761 0.1670 0.1665 0.1604 0.1245 Natural Gas Consumption (Quads) 0.0000 0.0000 0.0000 0.0000 0.0000 Natural Gas Production (Quads) 0.0000 0.0000 0.00000.00000.0000Natural Gas Net Exports (Quads) 0.00000.0000 0.00000.00000.0000 Coal Consumption (Quads) 0.00000.0000 0.0000 0.0000 0.0000Coal Production (Quads) 0.0000 0.00000.0000 0.0000 0.0000 Coal Net Exports (Quads) 0.0000 0.0000 0.0000 0.0000 0.0000 Nuclear Production (Quads) 0.00000.00000.00000.00000.0000Hydroelectric Production (Quads) 0.0000 0.0000 0.00000.0000 0.0000Renewables Production (Quads) 0.0000 0.0000 0.0000 0.0000 0.0000

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World Energy Price Summary

World Energy Price Summary					
	2011	2012	2013	2014	2015
Petroleum-WTI (\$/bbl)	95.054	94.159	97.943	93.112	48.709
Natural Gas-Henry Hub (\$/mmbtu)	3.999	2.752	3.729	4.369	2.614
Coal Thermal-Australian (\$/mt)	121.448	96.364	84.562	70.130	57.511

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CO2 Emissions

CO2 Emissions					
	2011	2012	2013	2014	2015
Petroleum Based (mm mt C)	52.933	55.010	55.912	58.923	60.239
Natural Gas Based (mm mt C)	0.0000	0.0000	0.0000	0.0000	0.0000
Coal Based (mm mt C)	0.0000	0.0000	0.0000	0.0000	0.0000
Total CO2 Emissions (mm mt C)	52.933	55.010	55.912	58.923	60.239

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Agriculture Consumption and Production

Agriculture Consumption and Production 2011 2012 2013 2014 2015 Corn Total Consumption 53.605 63.455 101.496 103.146 92.450 (1000 metric tons) Corn Production (1000 49.691 100.378 104.041 96.967 62.648 metric tons) Corn Net Exports (1000 -3.9143 -0.8071-1.1176 0.8947 4.516 metric tons) Soybeans Total Consumption (1000 metric 1.554 1.650 1.700 1.340 1.171 tons) Soybeans Production (1000 1.556 1.647 1.690 1.318 1.175 metric tons) Soybeans Net Exports 0.0020 -0.0030 -0.0103 -0.0217 0.0041 (1000 metric tons) Rice Total Consumption 98.297 119.166 109.942 88.824 77.519 (1000 metric tons) Rice Production (1000 98.363 87.294 88.789 83.679 119.164 metric tons) Rice Net Exports (1000 0.0663 -0.0019 -22.6485 -0.0349 6.159 metric tons)

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	2011	2012	2013	2014	2015
Coffee Total Consumption (metric tons)	0.0000	0.0000	0.0000	0.0000	0.0000
Coffee Production (metric tons)	8,050.40	8,700.63	9,792.68	9,154.24	8,706.88
Coffee Net Exports (metric tons)	8,050.40	8,700.63	9,792.68	9,154.24	8,706.88
Cocoa Beans Total Consumption (metric tons)	161.000	161.000	160.000	150.828	143.178
Cocoa Beans Production (metric tons)	162.788	167.118	169.739	157.317	159.395
Cocoa Beans Net Exports (metric tons)	1.788	6.118	9.739	6.488	16.217
Wheat Total Consumption (1000 metric tons)	0.0000	0.0000	0.0000	0.0000	0.0000
Wheat Production (1000 metric tons)	0.0000	0.0000	0.0000	0.0000	0.0000
Wheat Net Exports (1000 metric tons)	0.0000	0.0000	0.0000	0.0000	0.0000

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World Agriculture Pricing Summary

World Agriculture Pricing Summary									
	2011	2012	2013	2014	2015				
Corn Pricing Summary (\$/metric ton)	291.684	298.417	259.389	192.881	169.750				
Soybeans Pricing Summary (\$/metric ton)	540.667	591.417	538.417	491.771	390.417				
Rice Pricing Summary (\$/metric ton)	458.558	525.071	473.989	425.148	386.033				
Coffee Pricing Summary (\$/kilogram)	5.976	4.111	3.076	4.424	3.526				
Cocoa Beans Pricing Summary (\$/kilogram)	2.980	2.392	2.439	3.062	3.135				
Wheat Pricing Summary (\$/metric ton)	316.264	313.242	312.248	284.895	203.177				

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Metals Consumption and Production

Metals Consumption and Production								
	2011	2012	2013	2014	2015			
Copper Consumption (1000 mt)	0.0444	0.0444	0.0444	0.0444	0.0444			
Copper Production (1000 mt)	0.0000	0.0000	0.0000	0.0000	0.0000			
Copper Net Exports (1000 mt)	-0.0444	-0.0444	-0.0444	-0.0444	-0.0444			
Zinc Consumption (1000 mt)	38.017	38.017	38.017	38.017	38.017			
Zinc Production (1000 mt)	0.0000	0.0000	0.0000	0.0000	0.0000			
Zinc Exports (1000 mt)	-38.0172	-38.0172	-38.0172	-38.0172	-38.0172			
Lead Consumption (1000 mt)	0.0000	0.0000	0.0000	0.0000	0.0000			
Lead Production (1000 mt)	0.0000	0.0000	0.0000	0.0000	0.0000			
Lead Exports (1000 mt)	0.0000	0.0000	0.0000	0.0000	0.0000			
Tin Consumption (1000 mt)	0.0000	0.0000	0.0000	0.0000	0.0000			

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	2011	2012	2013	2014	2015
Tin Production (1000 mt)	0.0000	0.0000	0.0000	0.0000	0.0000
Tin Exports (1000 mt)	0.0000	0.0000	0.0000	0.0000	0.0000
Nickel Consumption (1000 mt)	0.0000	0.0000	0.0000	0.0000	0.0000
Nickel Production (1000 mt)	0.0000	0.0000	0.0000	0.0000	0.0000
Nickel Exports (1000 mt)	0.0000	0.0000	0.0000	0.0000	0.0000
Gold Consumption (kg)	0.0000	0.0000	0.0000	0.0000	0.0000
Gold Production (kg)	0.0000	0.0000	0.0000	0.0000	0.0000
Gold Exports (kg)	0.0000	0.0000	0.0000	0.0000	0.0000
Silver Consumption (mt)	240.000	240.000	240.000	240.000	240.000
Silver Production (mt)	6.411	6.727	6.835	7.074	6.501
Silver Exports (mt)	-233.5893	-233.2735	-233.1647	-232.9264	-233.4991

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World Metals Pricing Summary

World Metals Pricing Summary 2011 2012 2013 2014 2015 Copper (\$/mt) 8,828.19 7,962.35 6,863.40 7,332.10 5,510.46 Zinc (\$/mt) 2,193.90 1,950.41 1,910.26 2,160.97 1,931.68 Tin (\$/mt) 26,053.68 21,898.87 16,066.63 21,125.99 22,282.80 Lead (\$/mt) 2,400.81 2,064.64 2,139.79 2,095.46 1,787.82 Nickel (\$/mt) 22,910.36 17,547.55 15,031.80 16,893.38 11,862.64 Gold (\$/oz) 1,569.21 1,669.52 1,411.46 1,265.58 1,160.66 Silver (\$/oz) 35.224 31.137 23.850 19.071 15.721

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Economic Performance Index

Economic Performance Index

The Economic Performance rankings are calculated by CountryWatch's editorial team, and are based on criteria including sustained economic growth, monetary stability, current account deficits, budget surplus, unemployment and structural imbalances. Scores are assessed from 0 to 100 using this aforementioned criteria as well as CountryWatch's proprietary economic research data and models.

	Bank stability risk	Monetary/ Currency stability	Government Finances	Empl./ Unempl.	Econ.GNP growth or decline/ forecast
	0 - 100	0 - 100	0 - 100	0 - 100	%
North Americas					
Canada	92	69	35	38	3.14%
United States	94	76	4	29	3.01%
Western Europe					
Austria	90	27	30	63	1.33%
Belgium	88	27	19	23	1.15%
Cyprus	81	91	16	80	-0.69%
Denmark	97	70	45	78	1.20%
Finland	89	27	41	33	1.25%

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France	87	27	18	27	1.52%
Germany	86	27	22	21	1.25%
Greece	79	27	5	24	-2.00%
Iceland	90	17	2	34	-3.04%
Italy	85	27	37	24	0.84%
Ireland	92	27	11	10	-1.55%
Luxembourg	99	27	28	66	2.08%
Malta	77	27	41	51	0.54%
Netherlands	91	27	26	74	1.30%
Norway	98	44	10	76	1.08%
Portugal	77	27	13	20	0.29%
Spain	83	27	9	3	-0.41%
Sweden	94	72	54	32	1.23%
Switzerland	97	86	55	77	1.53%
United Kingdom	85	12	9	37	1.34%
Central and Eastern Europe					
Albania	44	60	33	6	2.30%
Armenia	45	59	49	30	1.80%

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Azerbaijan	56	4	84	99	2.68%
Belarus	59	21	83	98	2.41%
Bosnia and Herzegovina	34	68	69	N/A	0.50%
Bulgaria	58	75	88	49	0.20%
Croatia	69	68	94	9	0.18%
Czech Republic	80	89	29	70	1.67%
Estonia	72	90	66	92	0.80%
Georgia	36	60	53	56	2.00%
Hungary	70	66	26	54	-0.16%
Latvia	67	100	65	44	-3.97%
Lithuania	65	91	87	79	-1.65%
Macedonia (FYR)	53	69	56	2	2.03%
Moldova	23	36	81	67	2.50%
Poland	74	74	38	12	2.72%
Romania	62	56	70	62	0.75%
Russia	73	18	90	8	4.00%
Serbia	48	49	52	5	1.97%

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Montenegro	39	27	73	1	-1.70%
Slovak Republic	80	62	30	14	4.06%
Slovenia	81	27	36	65	1.12%
Ukraine	41	11	57	N/A	3.68%
Africa					
Algeria	57	18	96	7	4.55%
Angola	49	1	97	N/A	7.05%
Benin	19	91	20	N/A	3.22%
Botswana	68	58	76	N/A	6.33%
Burkina Faso	16	91	13	N/A	4.41%
Burundi	2	91	6	N/A	3.85%
Cameroon	26	91	91	N/A	2.58%
Cape Verde	52	87	4	N/A	4.96%
Central African Republic	9	91	32	N/A	3.18%
Chad	22	91	89	N/A	4.42%
Congo	52	87	87	N/A	12.13%
Côte d'Ivoire	25	91	82	28	2.98%
Dem. Republic					

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Congo	4	91	47	N/A	5.44%
Djibouti	31	76	50	N/A	4.47%
Egypt	37	20	24	69	5.01%
Equatorial Guinea	82	91	85	N/A	0.94%
Eritrea	1	3	1	18	1.81%
Ethiopia	6	45	8	N/A	6.96%
Gabon	64	91	96	N/A	5.36%
Gambia	8	48	86	N/A	4.82%
Ghana	9	11	69	N/A	4.50%
Guinea	10	7	91	N/A	3.03%
Guinea-Bissau	5	91	46	N/A	3.47%
Kenya	20	41	59	N/A	4.11%
Lesotho	13	40	12	N/A	2.98%
Liberia	12	73	74	N/A	5.92%
Libya	73	2	94	N/A	5.22%
Madagascar	4	22	24	N/A	-1.02%
Malawi	7	25	55	N/A	5.96%
Mali	20	91	82	N/A	5.12%

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Mauritania	15	13	93	N/A	4.58%
Mauritius	65	52	56	55	4.10%
Morocco	37	72	48	26	3.23%
Mozambique	12	23	71	N/A	6.45%
Namibia	40	39	62	N/A	1.70%
Niger	10	91	21	N/A	4.41%
Nigeria	30	6	61	N/A	6.98%
Rwanda	21	40	68	N/A	5.39%
Sao Tome & Principe	1	61	100	N/A	3.40%
Senegal	24	91	63	N/A	3.44%
Seychelles	60	67	97	N/A	4.01%
Sierra Leone	5	10	39	N/A	4.77%
Somalia	2	38	59	N/A	3.19%
South Africa	61	37	70	N/A	2.59%
Sudan	16	5	73	N/A	5.52%
Swaziland	32	44	79	N/A	1.09%
Tanzania	15	45	32	N/A	6.17%
Togo	8	91	92	N/A	2.56%

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Tunisia	50	61	44	39	4.00%
Uganda	11	17	54	N/A	5.59%
Zambia	29	20	49	N/A	5.84%
Zimbabwe	0	8	16	N/A	2.24%
South and Central America					
Argentina	66	3	80	36	3.50%
Belize	47	76	80	N/A	1.00%
Bolivia	32	51	61	81	3.99%
Brazil	71	47	78	11	5.50%
Chile	78	25	92	73	4.72%
Columbia	47	52	34	47	2.25%
Costa Rica	60	42	39	57	3.45%
Ecuador	43	76	75	64	2.51%
El Salvador	35	76	67	N/A	1.04%
Guatemala	46	59	58	N/A	2.52%
Honduras	27	47	58	N/A	2.00%
Mexico	69	42	52	61	4.07%
Nicaragua	23	49	42	N/A	1.75%

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Panama	66	76	72	45	5.00%
Paraguay	35	46	66	16	5.27%
Peru	59	66	75	22	6.33%
Suriname	58	26	81	59	4.02%
Uruguay	70	26	27	N/A	5.71%
Venezuela	55	1	28	13	-2.63%
Caribbean					
Antigua & Barbuda	72	76	15	N/A	-2.01%
Bahamas	74	76	45	87	-0.50%
Barbados	67	76	33	15	-0.50%
Bermuda	N/A	N/A	N/A	N/A	N/A
Cuba	45	76	18	95	0.25%
Dominica	53	76	65	N/A	1.40%
Dominican Republic	54	39	43	4	3.50%
Grenada	63	76	48	N/A	0.80%
Guyana	28	56	17	N/A	4.36%
Haiti	11	27	89	N/A	-8.50%
Jamaica	42	9	85	19	-0.28%

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St Lucia	55	76	67	N/A	1.14%
St Vincent & Grenadines	49	76	95	N/A	0.50%
Trinidad & Tobago	82	37	77	72	2.13%
Middle East					
Bahrain	84	76	62	91	3.48%
Iran	51	19	40	58	3.01%
Iraq	48	9	8	N/A	7.27%
Israel	87	62	12	48	3.20%
Jordan	41	51	3	N/A	4.10%
Kuwait	96	4	99	N/A	3.10%
Lebanon	63	54	2	N/A	6.00%
Oman	76	16	88	N/A	4.71%
Qatar	99	16	83	N/A	18.54%
Saudi Arabia	76	8	98	N/A	3.70%
Syria	61	24	40	N/A	5.00%
Turkey	75	23	27	60	5.20%
United Arab Emirates	96	24	98	94	1.29%

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Yemen	28	2	78	N/A	7.78%
Asia					
Afghanistan	17	70	74	N/A	8.64%
Bangladesh	13	43	25	N/A	5.38%
Bhutan	24	55	5	N/A	6.85%
Brunei	78	19	99	75	0.48%
Cambodia	18	67	42	N/A	4.77%
China	54	90	19	68	11.03%
Hong Kong	89	76	14	82	5.02%
India	31	38	34	35	8.78%
Indonesia	42	46	37	31	6.00%
Japan	88	89	6	71	1.90%
Kazakhstan	62	13	76	42	2.40%
Korea North	18	65	23	N/A	1.50%
Korea South	83	63	22	85	4.44%
Kyrgyz Republic	24	15	84	88	4.61%
Laos	17	54	7	N/A	7.22%
Macao	91	76	14	82	3.00%

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Malaysia	68	65	44	90	4.72%
Maldives	44	55	17	N/A	3.45%
Mongolia	33	5	77	93	7.22%
Myanmar	3	41	72	N/A	5.26%
Nepal	3	14	25	N/A	2.97%
Pakistan	19	15	31	41	3.00%
Papua New Guinea	75	50	11	N/A	7.96%
Philippines	30	48	53	43	3.63%
Singapore	93	75	63	40	5.68%
Sri Lanka	38	22	10	N/A	5.50%
Taiwan	84	88	35	89	6.50%
Tajikistan	6	6	60	97	4.00%
Thailand	56	64	90	96	5.46%
Turkmenistan	51	53	68	N/A	12.00%
Uzbekistan	40	10	60	100	8.00%
Vietnam	25	12	20	N/A	6.04%
Pacific					
Australia	96	63	31	46	2.96%

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Fiji	46	53	3	N/A	2.06%
Marshall Islands	27	76	46	N/A	1.08%
Micronesia (Fed. States)	N/A	N/A	N/A	N/A	N/A
New Caledonia	96	73	51	52	2.00%
New Zealand	98	73	51	52	2.00%
Samoa	34	88	64	N/A	-2.77%
Solomon Islands	14	71	1	N/A	3.36%
Tonga	26	57	38	N/A	0.60%
Vanuatu	33	58	47	N/A	3.80%

Source:

CountryWatch Inc. www.countrywatch.com

<u>Updated</u>:

This material was produced in 2010; it is subject to updating in 2012.

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Chapter 4

Investment Overview

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Foreign Investment Climate

Background

In late 1999, about 70% of the economic infrastructure of Timor-Leste was laid waste by Indonesian troops and anti-independence militias. Three hundred thousand people fled westward. Over the next three years a massive international program, manned by 5,000 peacekeepers (8,000 at peak) and 1,300 police officers, led to substantial reconstruction in both urban and rural areas. By the end of 2005, refugees had returned or had settled in Indonesia. The country continues to face great challenges in rebuilding its infrastructure, strengthening the civil administration, and generating jobs for young people entering the work force. The development of oil and gas resources in offshore waters has begun to supplement government revenues ahead of schedule and above expectations. The technology-intensive industry, however, has done little to create jobs for the unemployed because there are no production facilities in Timor. Gas is piped to Australia. In June 2005, the National Parliament unanimously approved the creation of a Petroleum Fund to serve as a repository for all petroleum revenues and preserve the value of Timor-Leste's petroleum wealth for future generations. The underlying economic policy challenge the country faces remains how best to use oil-and-gas wealth to lift the non-oil economy onto a higher growth path and to reduce poverty.

Foreign Investment Assessment

East Timor is now in the process of reconciliation and rebuilding. Given the need to develop many areas of the economy simultaneously, foreign investment has been identified as one of the key areas that will contribute towards the development of East Timor. With the establishment of the Investment Promotion Unit in the Governance and Public Administration pillar of the transitional administration, UNTAET has set up a mechanism for providing a coordinated response to investment proposals, to develop an investment policy and to promote East Timor as an investment destination.

Note: As of May 15, 2001, there were 4,286 businesses registered with the East Timor Transitional Administration. Of these, 806 were foreign investors involved either in independent trading or in joint ventures.

Labor Force

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Total: N/A

By occupation: N/A

Agriculture and Industry

Agriculture products: coffee, rice, maize, cassava, sweet potatoes, soybeans, cabbage, mangoes, bananas, vanilla

Industries:

printing, soap manufacturing, handicrafts, woven cloth

Import Commodities and Partners

Commodities: food, gasoline, kerosene, machinery

Partners: Indonesia, Australia, Singapore, Vietnam, Portugal, Malaysia, China

Export Commodities and Partners

Commodities: coffee, sandalwood, marble; note - the potential for oil and vanilla exports

Partners: Portugal, Taiwan, Germany, U.S., Indonesia, Australia

Telephone System

Telephones- main lines in use: N/A

Telephones- mobile cellular: N/A

General Assessment: N/A

Domestic: N/A
International: N/A

Internet

Internet Hosts: N/A

Internet users: N/A

Roads, Airports, Ports and Harbors

Railways: N/A

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Highways: 3,800 km

Ports and harbors: Dili

Airports: 8; w/paved runways: 3

Legal System and Considerations

The legal system in East Timor is a U.N.-drafted legal system based on Indonesian law remains in place but will be replaced by civil and penal codes based on Portuguese law

Corruption Perception Ranking

As rated by Transparency International, from least corrupt to most corrupt, East Timor ranks as one of the more corrupt countries in the world. See listing in this Country Review for precise and current ranking.

Cultural Considerations

Greetings are relatively Westernized in nature. One should shake hands with people upon meeting for the first time and again upon each subsequent meeting. Women may "cheek kiss" although this must be done European-style on both sides of the face. It is also noteworthy that, in East Timor it is considered impolite to refuse to partake in food and drink offered by the native peoples.

For More information see:

United States' State Department Commercial Guide

Foreign Investment Index

Foreign Investment Index

The Foreign Investment Index is a proprietary index measuring attractiveness to international investment flows. The Foreign Investment Index is calculated using an established methodology by CountryWatch's Editor-in-Chief and is based on a given country's economic stability (sustained economic growth, monetary stability, current account deficits, budget surplus), economic risk (risk of non-servicing of payments for goods or services, loans and trade-related finance, risk of sovereign default), business and investment climate (property rights, labor force and laws, regulatory transparency, openness to foreign investment, market conditions, and stability of government). Scores are assigned from 0-10 using the aforementioned criteria. A score of 0 marks the lowest level of foreign investment viability, while a score of 10 marks the highest level of

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foreign investment viability, according to this proprietary index.

Country	Assessment
Afghanistan	2
Albania	4.5
Algeria	6
Andorra	9
Angola	4.5-5
Antigua	8.5
Argentina	5
Armenia	5
Australia	9.5
Austria	9-9.5
Azerbaijan	5
Bahamas	9
Bahrain	7.5
Bangladesh	4.5

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Barbados	9
Belarus	4
Belgium	9
Belize	7.5
Benin	5.5
Bhutan	4.5
Bolivia	4.5
Bosnia-Herzegovina	5
Botswana	7.5-8
Brazil	8
Brunei	7
Bulgaria	5.5
Burkina Faso	4
Burma (Myanmar)	4.5
Burundi	4
Cambodia	4.5
Cameroon	5
Canada	9.5

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Cape Verde	6
Central African Republic	3
Chad	4
Chile	9
China	7.5
China: Hong Kong	8.5
China: Taiwan	8.5
Colombia	7
Comoros	4
Congo DRC	4
Congo RC	5
Costa Rica	8
Cote d'Ivoire	4.5
Croatia	7
Cuba	4.5
Cyprus	7
Czech Republic	8.5
Denmark	9.5

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Djibouti	4.5
Dominica	6
Dominican Republic	6.5
East Timor	4.5
Ecuador	5.5
Egypt	4.5-5
El Salvador	6
Equatorial Guinea	4.5
Eritrea	3.5
Estonia	8
Ethiopia	4.5
Fiji	5
Finland	9
Former Yugoslav Rep. of Macedonia	5
France	9-9.5
Gabon	5.5
Gambia	5
Georgia	5

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Germany	9-9.5
Ghana	5.5
Greece	5
Grenada	7.5
Guatemala	5.5
Guinea	3.5
Guinea-Bissau	3.5
Guyana	4.5
Haiti	4
Holy See (Vatican)	n/a
Hong Kong (China)	8.5
Honduras	5.5
Hungary	8
Iceland	8-8.5
India	8
Indonesia	5.5
Iran	4
Iraq	3

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Ireland	8
Israel	8.5
Italy	8
Jamaica	5.5
Japan	9.5
Jordan	6
Kazakhstan	6
Kenya	5
Kiribati	5.5
Korea, North	1
Korea, South	9
Kosovo	4.5
Kuwait	8.5
Kyrgyzstan	4.5
Laos	4
Latvia	7
Lebanon	5
Lesotho	5.5

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Liberia	3.5
Libya	3
Liechtenstein	9
Lithuania	7.5
Luxembourg	9-9.5
Madagascar	4.5
Malawi	4.5
Malaysia	8.5
Maldives	6.5
Mali	5
Malta	9
Marshall Islands	5
Mauritania	4.5
Mauritius	7.5-8
Mexico	6.5-7
Micronesia	5
Moldova	4.5-5
Monaco	9

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Mongolia	5
Montenegro	5.5
Morocco	7.5
Mozambique	5
Namibia	7.5
Nauru	4.5
Nepal	4
Netherlands	9-9.5
New Zealand	9.5
Nicaragua	5
Niger	4.5
Nigeria	4.5
Norway	9-9.5
Oman	8
Pakistan	4
Palau	4.5-5
Panama	7
Papua New Guinea	5

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Paraguay	6
Peru	6
Philippines	6
Poland	8
Portugal	7.5-8
Qatar	9
Romania	6-6.5
Russia	6
Rwanda	4
Saint Kitts and Nevis	8
Saint Lucia	8
Saint Vincent and Grenadines	7
Samoa	7
San Marino	8.5
Sao Tome and Principe	4.5-5
Saudi Arabia	7
Senegal	6
Serbia	6

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Sierra Leone 4 Singapore 9.5 Slovak Republic (Slovakia) 8.5 Slovenia 8.5-9 Solomon Islands 5 Somalia 2 South Africa 8 Spain 7.5-8 Sri Lanka 5.5 Sudan 4 Suriname 5 Swaziland 4.5 Sweden 9.5
Slovak Republic (Slovakia) 8.5 Slovenia 8.5-9 Solomon Islands 5 Somalia 2 South Africa 8 Spain 7.5-8 Sri Lanka 5.5 Sudan 4 Suriname 5 Swaziland 4.5
Slovenia 8.5-9 Solomon Islands 5 Somalia 2 South Africa 8 Spain 7.5-8 Sri Lanka 5.5 Sudan 4 Suriname 5 Swaziland 4.5
Solomon Islands 5 Somalia 2 South Africa 8 Spain 7.5-8 Sri Lanka 5.5 Sudan 4 Suriname 5 Swaziland 4.5
Somalia 2 South Africa 8 Spain 7.5-8 Sri Lanka 5.5 Sudan 4 Suriname 5 Swaziland 4.5
South Africa 8 Spain 7.5-8 Sri Lanka 5.5 Sudan 4 Suriname 5 Swaziland 4.5
Spain 7.5-8 Sri Lanka 5.5 Sudan 4 Suriname 5 Swaziland 4.5
Sri Lanka 5.5 Sudan 4 Suriname 5 Swaziland 4.5
Sudan 4 Suriname 5 Swaziland 4.5
Suriname 5 Swaziland 4.5
Swaziland 4.5
Sweden 9.5
Switzerland 9.5
Syria 2.5
Tajikistan 4
Taiwan (China) 8.5

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Tanzania	5
Thailand	7.5-8
Togo	4.5-5
Tonga	5.5-6
Trinidad and Tobago	8-8.5
Tunisia	6
Turkey	6.5-7
Turkmenistan	4
Tuvalu	7
Uganda	5
Ukraine	4.5-5
United Arab Emirates	8.5
United Kingdom	9
United States	9
Uruguay	6.5-7
Uzbekistan	4
Vanuatu	6
Venezuela	5

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Vietnam	5.5
Yemen	3
Zambia	4.5-5
Zimbabwe	3.5

Editor's Note:

As of 2015, the global economic crisis (emerging in 2008) had affected many countries across the world, resulting in changes to their rankings. Among those countries affected were top tier economies, such as the <u>United Kingdom</u>, <u>Iceland</u>, <u>Switzerland</u> and <u>Austria</u>. However, in all these cases, their rankings have moved back upward in the last couple of years as anxieties have eased. Other top tier countries, such as <u>Spain</u>, <u>Portugal</u>, <u>Ireland</u>, and <u>Italy</u>, suffered some effects due to debt woes and the concomitant effect on the euro zone. Greece, another euro zone nation, was also downgraded due to its sovereign debt crisis; however, Greece's position on the precipice of default incurred a sharper downgrade than the other four euro zone countries mentioned above. Cyprus' exposure to Greek bank yielded a downgrade in its case. Slovenia and <u>Latvia</u> have been slightly downgraded due to a mix of economic and political concerns but could easily be upgraded in a future assessment, should these concerns abate. Meanwhile, the crisis in eastern <u>Ukraine</u> fueled downgrades in that country and neighboring <u>Russia</u>.

Despite the "trifecta of tragedy" in <u>Japan</u> in 2011 -- the earthquake, the ensuing tsunami, and the resulting nuclear crisis -- and the appreciable destabilization of the economic and political terrain therein, this country has only slightly been downgraded. Japan's challenges have been assessed to be transient, the government remains accountable, and there is little risk of default. Both <u>India</u> and China retain their rankings; <u>India</u> holds a slightly higher ranking than <u>China</u> due to its record of democratic representation and accountability.

There were shifts in opposite directions for <u>Mali</u> and <u>Nigeria</u> versus the <u>Central African Republic</u>, <u>Burkina Faso</u>, and <u>Burundi</u>. <u>Mali</u> was slightly upgraded due to its efforts to return to constitutional order following the 2012 coup and to neutralize the threat of separatists and Islamists. Likewise, a new government in <u>Nigeria</u> generated a slight upgrade as the country attempts to confront corruption, crime, and terrorism. But the <u>Central African Republic</u> was downgraded due to the takeover of the government by Seleka rebels and the continued decline into lawlessness in that country. Likewise, the attempts by the leaders of <u>Burundi</u> and <u>Burkina Faso</u> to hold onto power by by-passing the constitution raised eybrows and resulted in downgrades.

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Political unrest in <u>Libya</u> and <u>Algeria</u> have contributed to a decision to marginally downgrade these countries as well. <u>Syria</u> incurred a sharper downgrade due to the devolution into de facto civil war and the dire security threat posed by Islamist terrorists. <u>Iraq</u> saw a similar downgrade as a result of the takeover of wide swaths of territory and the threat of genocide at the hands of Islamist terrorists. <u>Yemen</u>, likewise, has been downgraded due to political instability at the hands of secessionists, terrorists, Houthi rebels, and the intervention of external parties. Conversely, <u>Egypt</u> and <u>Tunisia</u> saw slight upgrades as their political environments stabilize.

At the low end of the spectrum, devolving security conditions and/or economic crisis have resulted in countries like <u>Pakistan</u>, <u>Afghanistan</u>, <u>Somalia</u>, and <u>Zimbabwe</u> maintaining their low ratings.

The <u>United States</u> continues to retain its previous slight downgrade due to the enduring threat of default surrounding the debt ceiling in that country, matched by a conflict-ridden political climate. In the case of <u>Mexico</u>, there is limited concern about default, but increasing alarm over the security situation in that country and the government's ability to contain it. In <u>Argentina</u>, a default to bond holders resulted in a downgrade to that country. Finally, a small but significant upgrade was attributed to <u>Cuba</u> due to its recent pro-business reforms and its normalization of ties with the United States

Source:

CountryWatch Inc. www.countrywatch.com

Updated:

2015

Corruption Perceptions Index

Corruption Perceptions Index

Transparency International: Corruption Perceptions Index

Editor's Note:

Transparency International's <u>Corruption Perceptions Index</u> is a composite index which ranks countries in terms of the degree to which corruption is perceived to exist among public officials.

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This index indicates the views of national and international business people and analysts about the levels of corruption in each country. The highest (and best) level of transparency is indicated by the number, 10. The lower (and worse) levels of transparency are indicated by lower numbers.

		CPI 2009 Score	Surveys Used	Confidence Range
1	New Zealand	9.4	6	9.1 - 9.5
2	Denmark	9.3	6	9.1 - 9.5
3	Singapore	9.2	9	9.0 - 9.4
3	Sweden	9.2	6	9.0 - 9.3
5	Switzerland	9.0	6	8.9 - 9.1
6	Finland	8.9	6	8.4 - 9.4
6	Netherlands	8.9	6	8.7 - 9.0
8	Australia	8.7	8	8.3 - 9.0
8	Canada	8.7	6	8.5 - 9.0
8	Iceland	8.7	4	7.5 - 9.4
11	Norway	8.6	6	8.2 - 9.1
12	Hong Kong	8.2	8	7.9 - 8.5
12	Luxembourg	8.2	6	7.6 - 8.8
14	Germany	8.0	6	7.7 - 8.3

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14	Ireland	8.0	6	7.8 - 8.4
16	Austria	7.9	6	7.4 - 8.3
17	Japan	7.7	8	7.4 - 8.0
17	United Kingdom	7.7	6	7.3 - 8.2
19	United States	7.5	8	6.9 - 8.0
20	Barbados	7.4	4	6.6 - 8.2
21	Belgium	7.1	6	6.9 - 7.3
22	Qatar	7.0	6	5.8 - 8.1
22	Saint Lucia	7.0	3	6.7 - 7.5
24	France	6.9	6	6.5 - 7.3
25	Chile	6.7	7	6.5 - 6.9
25	Uruguay	6.7	5	6.4 - 7.1
27	Cyprus	6.6	4	6.1 - 7.1
27	Estonia	6.6	8	6.1 - 6.9
27	Slovenia	6.6	8	6.3 - 6.9
30	United Arab Emirates	6.5	5	5.5 - 7.5
31	Saint Vincent and the Grenadines	6.4	3	4.9 - 7.5
32	Israel	6.1	6	5.4 - 6.7

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32	Spain	6.1	6	5.5 - 6.6
34	Dominica	5.9	3	4.9 - 6.7
35	Portugal	5.8	6	5.5 - 6.2
35	Puerto Rico	5.8	4	5.2 - 6.3
37	Botswana	5.6	6	5.1 - 6.3
37	Taiwan	5.6	9	5.4 - 5.9
39	Brunei Darussalam	5.5	4	4.7 - 6.4
39	Oman	5.5	5	4.4 - 6.5
39	Korea (South)	5.5	9	5.3 - 5.7
42	Mauritius	5.4	6	5.0 - 5.9
43	Costa Rica	5.3	5	4.7 - 5.9
43	Macau	5.3	3	3.3 - 6.9
45	Malta	5.2	4	4.0 - 6.2
46	Bahrain	5.1	5	4.2 - 5.8
46	Cape Verde	5.1	3	3.3 - 7.0
46	Hungary	5.1	8	4.6 - 5.7
49	Bhutan	5.0	4	4.3 - 5.6
49	Jordan	5.0	7	3.9 - 6.1

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49	Poland	5.0	8	4.5 - 5.5
52	Czech Republic	4.9	8	4.3 - 5.6
52	Lithuania	4.9	8	4.4 - 5.4
54	Seychelles	4.8	3	3.0 - 6.7
55	South Africa	4.7	8	4.3 - 4.9
56	Latvia	4.5	6	4.1 - 4.9
56	Malaysia	4.5	9	4.0 - 5.1
56	Namibia	4.5	6	3.9 - 5.1
56	Samoa	4.5	3	3.3 - 5.3
56	Slovakia	4.5	8	4.1 - 4.9
61	Cuba	4.4	3	3.5 - 5.1
61	Turkey	4.4	7	3.9 - 4.9
63	Italy	4.3	6	3.8 - 4.9
63	Saudi Arabia	4.3	5	3.1 - 5.3
65	Tunisia	4.2	6	3.0 - 5.5
66	Croatia	4.1	8	3.7 - 4.5
66	Georgia	4.1	7	3.4 - 4.7
66	Kuwait	4.1	5	3.2 - 5.1

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69	Ghana	3.9	7	3.2 - 4.6
69	Montenegro	3.9	5	3.5 - 4.4
71	Bulgaria	3.8	8	3.2 - 4.5
71	FYR Macedonia	3.8	6	3.4 - 4.2
71	Greece	3.8	6	3.2 - 4.3
71	Romania	3.8	8	3.2 - 4.3
75	Brazil	3.7	7	3.3 - 4.3
75	Colombia	3.7	7	3.1 - 4.3
75	Peru	3.7	7	3.4 - 4.1
75	Suriname	3.7	3	3.0 - 4.7
79	Burkina Faso	3.6	7	2.8 - 4.4
79	China	3.6	9	3.0 - 4.2
79	Swaziland	3.6	3	3.0 - 4.7
79	Trinidad and Tobago	3.6	4	3.0 - 4.3
83	Serbia	3.5	6	3.3 - 3.9
84	El Salvador	3.4	5	3.0 - 3.8
84	Guatemala	3.4	5	3.0 - 3.9
84	India	3.4	10	3.2 - 3.6

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84	Panama	3.4	5	3.1 - 3.7
84	Thailand	3.4	9	3.0 - 3.8
89	Lesotho	3.3	6	2.8 - 3.8
89	Malawi	3.3	7	2.7 - 3.9
89	Mexico	3.3	7	3.2 - 3.5
89	Moldova	3.3	6	2.7 - 4.0
89	Morocco	3.3	6	2.8 - 3.9
89	Rwanda	3.3	4	2.9 - 3.7
95	Albania	3.2	6	3.0 - 3.3
95	Vanuatu	3.2	3	2.3 - 4.7
97	Liberia	3.1	3	1.9 - 3.8
97	Sri Lanka	3.1	7	2.8 - 3.4
99	Bosnia and Herzegovina	3.0	7	2.6 - 3.4
99	Dominican Republic	3.0	5	2.9 - 3.2
99	Jamaica	3.0	5	2.8 - 3.3
99	Madagascar	3.0	7	2.8 - 3.2
99	Senegal	3.0	7	2.5 - 3.6
99	Tonga	3.0	3	2.6 - 3.3

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99	Zambia	3.0	7	2.8 - 3.2
106	Argentina	2.9	7	2.6 - 3.1
106	Benin	2.9	6	2.3 - 3.4
106	Gabon	2.9	3	2.6 - 3.1
106	Gambia	2.9	5	1.6 - 4.0
106	Niger	2.9	5	2.7 - 3.0
111	Algeria	2.8	6	2.5 - 3.1
111	Djibouti	2.8	4	2.3 - 3.2
111	Egypt	2.8	6	2.6 - 3.1
111	Indonesia	2.8	9	2.4 - 3.2
111	Kiribati	2.8	3	2.3 - 3.3
111	Mali	2.8	6	2.4 - 3.2
111	Sao Tome and Principe	2.8	3	2.4 - 3.3
111	Solomon Islands	2.8	3	2.3 - 3.3
111	Togo	2.8	5	1.9 - 3.9
120	Armenia	2.7	7	2.6 - 2.8
120	Bolivia	2.7	6	2.4 - 3.1
120	Ethiopia	2.7	7	2.4 - 2.9

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120	Kazakhstan	2.7	7	2.1 - 3.3
120	Mongolia	2.7	7	2.4 - 3.0
120	Vietnam	2.7	9	2.4 - 3.1
126	Eritrea	2.6	4	1.6 - 3.8
126	Guyana	2.6	4	2.5 - 2.7
126	Syria	2.6	5	2.2 - 2.9
126	Tanzania	2.6	7	2.4 - 2.9
130	Honduras	2.5	6	2.2 - 2.8
130	Lebanon	2.5	3	1.9 - 3.1
130	Libya	2.5	6	2.2 - 2.8
130	Maldives	2.5	4	1.8 - 3.2
130	Mauritania	2.5	7	2.0 - 3.3
130	Mozambique	2.5	7	2.3 - 2.8
130	Nicaragua	2.5	6	2.3 - 2.7
130	Nigeria	2.5	7	2.2 - 2.7
130	Uganda	2.5	7	2.1 - 2.8
139	Bangladesh	2.4	7	2.0 - 2.8
139	Belarus	2.4	4	2.0 - 2.8

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139	Pakistan	2.4	7	2.1 - 2.7
139	Philippines	2.4	9	2.1 - 2.7
143	Azerbaijan	2.3	7	2.0 - 2.6
143	Comoros	2.3	3	1.6 - 3.3
143	Nepal	2.3	6	2.0 - 2.6
146	Cameroon	2.2	7	1.9 - 2.6
146	Ecuador	2.2	5	2.0 - 2.5
146	Kenya	2.2	7	1.9 - 2.5
146	Russia	2.2	8	1.9 - 2.4
146	Sierra Leone	2.2	5	1.9 - 2.4
146	Timor-Leste	2.2	5	1.8 - 2.6
146	Ukraine	2.2	8	2.0 - 2.6
146	Zimbabwe	2.2	7	1.7 - 2.8
154	Côte d'Ivoire	2.1	7	1.8 - 2.4
154	Papua New Guinea	2.1	5	1.7 - 2.5
154	Paraguay	2.1	5	1.7 - 2.5
154	Yemen	2.1	4	1.6 - 2.5
158	Cambodia	2.0	8	1.8 - 2.2

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158	Central African Republic	2.0	4	1.9 - 2.2
158	Laos	2.0	4	1.6 - 2.6
158	Tajikistan	2.0	8	1.6 - 2.5
162	Angola	1.9	5	1.8 - 1.9
162	Congo Brazzaville	1.9	5	1.6 - 2.1
162	Democratic Republic of Congo	1.9	5	1.7 - 2.1
162	Guinea-Bissau	1.9	3	1.8 - 2.0
162	Kyrgyzstan	1.9	7	1.8 - 2.1
162	Venezuela	1.9	7	1.8 - 2.0
168	Burundi	1.8	6	1.6 - 2.0
168	Equatorial Guinea	1.8	3	1.6 - 1.9
168	Guinea	1.8	5	1.7 - 1.8
168	Haiti	1.8	3	1.4 - 2.3
168	Iran	1.8	3	1.7 - 1.9
168	Turkmenistan	1.8	4	1.7 - 1.9
174	Uzbekistan	1.7	6	1.5 - 1.8
175	Chad	1.6	6	1.5 - 1.7
176	Iraq	1.5	3	1.2 - 1.8

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176	Sudan	1.5	5	1.4 - 1.7
178	Myanmar	1.4	3	0.9 - 1.8
179	Afghanistan	1.3	4	1.0 - 1.5
180	Somalia	1.1	3	0.9 - 1.4

Methodology:

As noted above, the highest (and best) level of transparency with the least perceived corruption is indicated by the number, 10. The lower (and worse) levels of transparency are indicated by lower numbers.

According to Transparency International, the <u>Corruption Perceptions Index</u> (CPI) table shows a country's ranking and score, the number of surveys used to determine the score, and the confidence range of the scoring.

The rank shows how one country compares to others included in the index. The CPI score indicates the perceived level of public-sector corruption in a country/territory.

The CPI is based on 13 independent surveys. However, not all surveys include all countries. The surveys used column indicates how many surveys were relied upon to determine the score for that country.

The confidence range indicates the reliability of the CPI scores and tells us that allowing for a margin of error, we can be 90% confident that the true score for this country lies within this range.

Note:

Kosovo, which separated from the Yugoslav successor state of <u>Serbia</u>, is not listed above. No calculation is available for <u>Kosovo</u> at this time, however, a future corruption index by Transparency International may include the world's newest country in its tally. Taiwan has been listed above despite its contested status; while Taiwan claims sovereign status, <u>China</u> claims ultimate jurisdiction over Taiwan. Hong Kong, which is also under the rubric of Chinese sovereignty, is listed above. Note as well that Puerto Rico, which is a <u>United States</u> domain, is also included in the list above. These inclusions likely have to do with the size and fairly autonomous

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status of their economies.

Source:

Transparency International's Corruption Perception Index; available at URL: http://www.transparency.org

Updated:

Uploaded in 2011 using most recent ranking available; reviewed in 2015.

Competitiveness Ranking

Competitiveness Ranking

Editor's Note:

The Global Competitiveness Report's competitiveness ranking is based on the Global Competitiveness Index (GCI), which was developed for the World Economic Forum. The GCI is based on a number of competitiveness considerations, and provides a comprehensive picture of the competitiveness landscape in countries around the world. The competitiveness considerations are: institutions, infrastructure, macroeconomic environment, health and primary education, higher education and training, goods market efficiency, labour market efficiency, financial market development, technological readiness, market size, business sophistication, and innovation. The rankings are calculated from both publicly available data and the Executive Opinion Survey.

Country/Economy	GCI 2010 Rank	GCI 2010 Score	GCI 2009 Rank	Change 2009-2010
Switzerland	1	5.63	1	0
Sweden	2	5.56	4	2
Singapore	3	5.48	3	0

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United States	4	5.43	2	-2
Germany	5	5.39	7	2
Japan	6	5.37	8	2
Finland	7	5.37	6	-1
Netherlands	8	5.33	10	2
Denmark	9	5.32	5	-4
Canada	10	5.30	9	-1
Hong Kong SAR	11	5.30	11	0
United Kingdom	12	5.25	13	1
Taiwan, China	13	5.21	12	-1
Norway	14	5.14	14	0
France	15	5.13	16	1
Australia	16	5.11	15	-1
Qatar	17	5.10	22	5
Austria	18	5.09	17	-1
Belgium	19	5.07	18	-1
Luxembourg	20	5.05	21	1
Saudi Arabia	21	4.95	28	7

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Korea, Rep.	22	4.93	19	-3
New Zealand	23	4.92	20	-3
Israel	24	4.91	27	3
United Arab Emirates	25	4.89	23	-2
Malaysia	26	4.88	24	-2
China	27	4.84	29	2
Brunei Darussalam	28	4.75	32	4
Ireland	29	4.74	25	-4
Chile	30	4.69	30	0
Iceland	31	4.68	26	-5
Tunisia	32	4.65	40	8
Estonia	33	4.61	35	2
Oman	34	4.61	41	7
Kuwait	35	4.59	39	4
Czech Republic	36	4.57	31	-5
Bahrain	37	4.54	38	1
Thailand	38	4.51	36	-2
Poland	39	4.51	46	7

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Cyprus	40	4.50	34	-6
Puerto Rico	41	4.49	42	1
Spain	42	4.49	33	-9
Barbados	43	4.45	44	1
Indonesia	44	4.43	54	10
Slovenia	45	4.42	37	-8
Portugal	46	4.38	43	-3
Lithuania	47	4.38	53	6
Italy	48	4.37	48	0
Montenegro	49	4.36	62	13
Malta	50	4.34	52	2
India	51	4.33	49	-2
Hungary	52	4.33	58	6
Panama	53	4.33	59	6
South Africa	54	4.32	45	-9
Mauritius	55	4.32	57	2
Costa Rica	56	4.31	55	-1
Azerbaijan	57	4.29	51	-6

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Brazil	58	4.28	56	-2
Vietnam	59	4.27	75	16
Slovak Republic	60	4.25	47	-13
Turkey	61	4.25	61	0
Sri Lanka	62	4.25	79	17
Russian Federation	63	4.24	63	0
Uruguay	64	4.23	65	1
Jordan	65	4.21	50	-15
Mexico	66	4.19	60	-6
Romania	67	4.16	64	-3
Colombia	68	4.14	69	1
Iran	69	4.14	n/a	n/a
Latvia	70	4.14	68	-2
Bulgaria	71	4.13	76	5
Kazakhstan	72	4.12	67	-5
Peru	73	4.11	78	5
Namibia	74	4.09	74	0
Morocco	75	4.08	73	-2

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Botswana	76	4.05	66	-10
Croatia	77	4.04	72	-5
Guatemala	78	4.04	80	2
Macedonia, FYR	79	4.02	84	5
Rwanda	80	4.00	n/a	n/a
Egypt	81	4.00	70	-11
El Salvador	82	3.99	77	-5
Greece	83	3.99	71	-12
Trinidad and Tobago	84	3.97	86	2
Philippines	85	3.96	87	2
Algeria	86	3.96	83	-3
Argentina	87	3.95	85	-2
Albania	88	3.94	96	8
Ukraine	89	3.90	82	-7
Gambia, The	90	3.90	81	-9
Honduras	91	3.89	89	-2
Lebanon	92	3.89	n/a	n/a
Georgia	93	3.86	90	-3

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Moldova	94	3.86	n/a	n/a
Jamaica	95	3.85	91	-4
Serbia	96	3.84	93	-3
Syria	97	3.79	94	-3
Armenia	98	3.76	97	-1
Mongolia	99	3.75	117	18
Libya	100	3.74	88	-12
Dominican Republic	101	3.72	95	-6
Bosnia and Herzegovina	102	3.70	109	7
Benin	103	3.69	103	0
Senegal	104	3.67	92	-12
Ecuador	105	3.65	105	0
Kenya	106	3.65	98	-8
Bangladesh	107	3.64	106	-1
Bolivia	108	3.64	120	12
Cambodia	109	3.63	110	1
Guyana	110	3.62	104	-6
Cameroon	111	3.58	111	0

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Nicaragua	112	3.57	115	3
Tanzania	113	3.56	100	-13
Ghana	114	3.56	114	0
Zambia	115	3.55	112	-3
Tajikistan	116	3.53	122	6
Cape Verde	117	3.51	n/a	n/a
Uganda	118	3.51	108	-10
Ethiopia	119	3.51	118	-1
Paraguay	120	3.49	124	4
Kyrgyz Republic	121	3.49	123	2
Venezuela	122	3.48	113	-9
Pakistan	123	3.48	101	-22
Madagascar	124	3.46	121	-3
Malawi	125	3.45	119	-6
Swaziland	126	3.40	n/a	n/a
Nigeria	127	3.38	99	-28
Lesotho	128	3.36	107	-21
Côte d'Ivoire	129	3.35	116	-13

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Nepal	130	3.34	125	-5
Mozambique	131	3.32	129	-2
Mali	132	3.28	130	-2
Timor-Leste	133	3.23	126	-7
Burkina Faso	134	3.20	128	-6
Mauritania	135	3.14	127	-8
Zimbabwe	136	3.03	132	-4
Burundi	137	2.96	133	-4
Angola	138	2.93	n/a	n/a
Chad	139	2.73	131	-8

Methodology:

The competitiveness rankings are calculated from both publicly available data and the Executive Opinion Survey, a comprehensive annual survey conducted by the World Economic Forum together with its network of Partner Institutes (leading research institutes and business organizations) in the countries covered by the Report.

Highlights according to WEF --

- The <u>United States</u> falls two places to fourth position, overtaken by <u>Sweden</u> and <u>Singapore</u> in the rankings of the World Economic Forum's Global Competitiveness Report 2010-2011
- The People's Republic of <u>China</u> continues to move up the rankings, with marked improvements in several other Asian countries
- Germany moves up two places to fifth place, leading the Eurozone countries
- Switzerland tops the rankings

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World Economic Forum; available at URL: http://www.weforum.org

Updated:

2011 using most recent ranking available; reviewed in 2015.

Taxation

Information on the taxation in East Timor is not yet available.

Stock Market

There is no stock market currently operating in East Timor. Please see other Asian countries for stock market information about this region of the world.

Partner Links

Partner Links

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Chapter 5 Social Overview

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People

Demographic Background

East Timor, also called Timor Lorosa'e or "Timor of the rising sun," is located on the eastern side of the island of Timor. The western side of Timor is controlled by Indonesia. The population figures for this country are estimated at approximately one million in recent years. The number of East Timorese people approximated here is imprecise as it may not accurately account for the high rates of death that occurred during Indonesian occupation, the displacement that occurred following the political turmoil in 1999, the population living as refugees in West Timor, or the subsequent return of significant numbers of these refugees in the last several years.

Lifestyle and Livelihood

Historically, the East Timorese have been farmers, living in scattered rural areas and growing sufficient food to live. Even today, among the rural population, the primary livelihood is based on subsistence agriculture. Interestingly, despite the fact that East Timor is part of an island with a lengthy coastline, fishing is not particularly common in East Timor. In fact, only a few coastal East Timorese enclaves are home to fishermen. Meanwhile, the Chinese population have been merchants for generations, controlling trade, commerce and mercantile outlets.

For decades until the mid-1990s, about 90 percent of the population lived in rural areas. In the last several years, however, there has been a notable change in demography with a high level of urbanization. The 100,000 people who now live in Dili are reflective of this urbanization trend. (Note: this figure includes not only metropolitan Dili, which is the capital city, but also all the areas surrounding Dili's city center in the general area of Dili's administrative division. In this way, it includes towns such as Dare and Metinaro within the administrative division of Dili.)

Religion

In terms of religion, 93 percent of the East Timorese population is Christian. Of this Christian majority, over 90 percent are Roman Catholic and about three percent are Protestant. Islam,

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Hinduism, Buddhism and other religions make up the remaining five percent. Despite its proximity to Muslim countries, such as Indonesia, East Timor has had a strong Christian tradition. Legends and historical data suggest that the village chiefs had an aversion to Islamic beliefs and as such, Islamicization never took hold in East Timor. Likewise, Hinduism and Buddhism were also lacking in influence.

Animist beliefs, however, prevail alongside Christianity. Animism is generally understood as a spiritual ideology whereby all elements of nature have souls and transcend material form. Animism in East Timorese culture is illustrative of an enduring connection between the spiritual and natural realms. As is the case in many countries touched by Christian missionaries, the Christian religion often exists simultaneously with indigenous spiritual practices and attitudes. In some places, the two world views morph into a syncretic amalgamation while in other places, these two belief systems exist together. Anthropologists suggest that the East Timorese are religiously Christian, while being influenced by the spirituality and mysticism of animism.

Cultural Diversity

The population of East Timor is more culturally diverse than its religious breakdown suggests. In terms of ethnicity, about 78 percent of the population is Timorese; less than 20 percent of the population is Indonesian; about two percent of the population is Chinese; and less than one percent is Portuguese. Most of the Portuguese population left East Timor when Indonesian occupation began. The Timorese population is composed of about 12 different ethnic groups, some of which are Austronesian and others which are Papuan. Within this Timorese population, however, there is also a strong enduring Portuguese presence attributable to the fact that many Timorese are actually Mestizos of mixed Timorese and Portuguese ancestry. The 78 percent figure noted here does not distinguish between people of Timorese ancestry and those of mixed Timorese and Portuguese ancestry. Furthermore, it does not illuminate any specific Timorese ethnic group.

Languages

Linguistically, there is even greater variance. Each of the 12 ethnic groups of East Timor has its own language, which are themselves rooted in either the Austronesian or Papuan ethno-liguistic families. The nine Austronesian languages are as follows: Tetun, Mambai, Tokodede, Kemak, Galoli, Idate, Waima'a, Naueti and Uab Meto or Dawan. The three Papuan languages are: Bunak, Makasae, Fatuluku. The official languages of East Timor are Tetun and Portuguese; English and Indonesian are well-used spoken languages. A dialect of Tetun (actually a simplified version of Tetun) has also been used in parts of East Timor, such as the capital city of Dili. This version spread from Dili throughout the East Timor so that it now functions, along with English and Indonesian, as another spoken language for a significant part of the population.

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Human Development

The gross domestic product (GDP) per capita of East Timor was estimated at approximately \$500 USD in 2001. it is believed that more than half of the East Timorese population live below the poverty line on an income of \$1 USD per day. The devastating events following East Timor's independence referendum in 1999 resulted in significant shifts in population, settlement patterns, agricultural production, and economic activities. Indeed, about 70 percent of all houses and most of East Timor's infrastructure were utterly decimated. Meanwhile, the national economy and basic infrastructure will have to be rebuilt almost in its entirety. It is generally believed that international aid will play a vital role in reconstructing this newly-independent country.

Life expectancy for the East Timorese people is 66.94 years (64.6 years for males and 69.39 years for females), according to recent estimates. With the dubious distinction of being one of Asia's poorest countries, the East Timorese people suffer from a devastated economy, a turmoil-ravaged infrastructure and an under-educated and traumatized population. It is believed that 75 percent of the entire population was displaced and about 25 percent of the East Timorese people died during the years of occupation. Since Indonesian occupation lasted for about a quarter of a century, this means that approximately one percent of the entire population died per year of occupation.

In terms of health and human welfare, the minister of health noted that the main health oriented objective of the government is to improve the overall standard of health among the Timorese people, and to help mothers and children. The second priority is notable given the fact that the infant mortality rate in the country is approximately 41.98 deaths per 1,000 live births, according to the CIA World Factbook (the numbers vary depending on the source of information). The most disturbing cause of the majority of infant deaths is communicable diseases. Being a new member of the World Health Organization will likely present a great advantage in this regard since the organization can provide technical expertise, and most importantly, it can continue its efforts in creating a communicable disease surveillance system, which could assist in detecting, researching, controlling and responding to disease outbreaks. Poverty, malaria and AIDS/HIV are other significant health and human welfare issues. Another key consideration is the question of health care and medical field workers who are a terribly difficult to find in a country where many people left due to political turmoil. It is hoped that the World Health Organization can help in the recruitment and education of new health care workers and other medical professionals.

The country's overall average literacy rate is 58 percent. Despite its dire socio-economic straits and lack of infrastructure, East Timor has a small but well-educated segment within its population. Members of this echelon benefited from a European-style education in both colonial schools and the Catholic seminary. Not surprisingly, this element of East Timorese society produced the voices

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of nationalist sentiment and the leaders of the independence movement. Many of these people are now represented within East Timor's new government. Understanding the value of education in an emerging independent democracy, these individuals have been forthright in calling for education to be one of the top priorities in the new national budget. Rebuilding the country's infrastructure and developing the economy are the other two obvious priorities aimed at improving the socioeconomic conditions of the East Timorese people.

Meanwhile, in the realm of human development, females suffer discrimination. Approximately 60 percent of rural women in East Timor are illiterate. Many families feel that educating a female child is a waste of money. In the rare instances in which girls attend school, their tenure is usually only for a few years. Higher education for this segment of the population is rarely on option.

Written by Dr. Denise Youngblood Coleman, Editor in Chief, www.countrywatch.com.

See Bibliography for list of research sources.

Supplementary sources: Assessing Environmental Needs and Priorities in East Timor by Sandlund, de Carvalho, Narve Rio, da Silva, and Silva; The Maubere Culture -- http://www.uc.pt/timor/culture.html; Solidamor -- http://www.solidamor.org, East Timor, the Nation -- http://www.sjc.uq.edu.au/projects/East Timor project/nation.

Human Development Index

Human Development Index

Human Development Index (Ranked Numerically)

The Human Development Index (HDI) is used to measure quality of life in countries across the world. The HDI has been compiled since 1990 by the United Nations Development Programme (UNDP) on a regular basis. The HDI is a composite of several indicators, which measure a country's achievements in three main arenas of human development: longevity, education, and economic standard of living. Although the concept of human development is complicated and cannot be properly captured by values and indices, the HDI offers a wide-ranging assessment of human development in certain countries, not based solely upon traditional economic and financial indicators. For more information about the methodology used to calculate the HDI, please see the "Source Materials" in the appendices of this review.

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Very High Human Development	High Human Development	Medium Human Development	Low Human Development
1. Norway	43. Bahamas	86. Fiji	128. Kenya
2. Australia	44. Lithuania	87. Turkmenistan	129. Bangladesh
3. New Zealand	45. Chile	88. Dominican Republic	130. Ghana
4. United States	46. Argentina	89. China	131. Cameroon
5. Ireland	47. Kuwait	90. El Salvador	132. Myanmar (Burma)
6. Liechtenstein	48. Latvia	91. Sri Lanka	133. Yemen
7. Netherlands	49. Montenegro	92. Thailand	134. Benin
8. Canada	50. Romania	93. Gabon	135. Madagascar
9. Sweden	51. Croatia	94. Surname	136. Mauritania
10. Germany	52. Uruguay	95. Bolivia	137. Papua New Guinea
11. Japan	53. Libya	96. Paraguay	138. Nepal
12. South Korea	54. Panama	97. Philippines	139. Togo
13. Switzerland	55. Saudi Arabia	98. Botswana	140. Comoros
14. France	56. Mexico	99. Moldova	141. Lesotho
15. Israel	57. Malaysia	100. Mongolia	142. Nigeria

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16. Finland	58. Bulgaria	101. Egypt	143. Uganda
17. Iceland	59. Trinidad and Tobago	102. Uzbekistan	144. Senegal
18. Belgium	60. Serbia	103. Micronesia	145. Haiti
19. Denmark	61. Belarus	104. Guyana	146. Angola
20. Spain	62. Costa Rica	105. Namibia	147. Djibouti
21. Hong King	63. Peru	106. Honduras	148. Tanzania
22. Greece	64. Albania	107. Maldives	149. Cote d'Ivoire
23. Italy	65. Russian Federation	108. Indonesia	150. Zambia
24. Luxembourg	66. Kazakhstan	109. Kyrgyzstan	151. Gambia
25. Austria	67. Azerbaijan	110. South Africa	152. Rwanda
26. United Kingdom	68. Bosnia and Herzegovina	111. Syria	153. Malawi
27. Singapore	69. Ukraine	112. Tajikistan	154. Sudan
28. Czech Republic	70. Iran	113. Vietnam	155. Afghanistan
29. Slovenia	71. The former Yugoslav Republic of Macedonia	114. Morocco	156. Guinea
30. Andorra	72. Mauritius	115. Nicaragua	157. Ethiopia
31. Slovakia	73. Brazil	116. Guatemala	158. Sierra Leone

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32. United Arab Emirates	74. Georgia	117. Equatorial Guinea	159. Central African Republic
33. Malta	75. Venezuela	118. Cape Verde	160. Mali
34. Estonia	76. Armenia	119. India	161. Burkina Faso
35. Cyprus	77. Ecuador	120. East Timor	162. Liberia
36. Hungary	78. Belize	121. Swaziland	163. Chad
37. Brunei	79. Colombia	122. Laos	164. Guinea- Bissau
38. Qatar	80. Jamaica	123. Solomon Islands	165. Mozambique
39. Bahrain	81. Tunisia	124. Cambodia	166. Burundi
40. Portugal	82. Jordan	125. Pakistan	167. Niger
41. Poland	83. Turkey	126. Congo RC	168. Congo DRC
42. Barbados	84. Algeria	127. Sao Tome and Principe	169. Zimbabwe
	85. Tonga		

Methodology:

For more information about the methodology used to calculate the HDI, please see the "Source

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Materials" in the appendices of this Country Review.

Reference:

As published in United Nations Development Programme's Human Development Report 2010.

Source:

United Nations Development Programme's <u>Human Development Index</u> available at URL: http://hdr.undp.org/en/statistics/

Updated:

Uploaded in 2011 using ranking available; reviewed in 2015

Life Satisfaction Index

Life Satisfaction Index

Life Satisfaction Index

Created by Adrian G. White, an Analytic Social Psychologist at the University of Leicester, the "Satisfaction with Life Index" measures subjective life satisfaction across various countries. The data was taken from a metastudy (see below for source) and associates the notion of subjective happiness or life satisfaction with qualitative parameters such as health, wealth, and access to basic education. This assessment serves as an alternative to other measures of happiness that tend to rely on traditional and quantitative measures of policy on quality of life, such as GNP and GDP. The methodology involved the responses of 80,000 people across the globe.

Rank	Country	Score
1	Denmark	273.4
2	Switzerland	273.33

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3	Austria	260
4	Iceland	260
5	The Bahamas	256.67
6	Finland	256.67
7	Sweden	256.67
8	Iran	253.33
9	Brunei	253.33
10	Canada	253.33
11	Ireland	253.33
12	Luxembourg	253.33
13	Costa Rica	250
14	Malta	250
15	Netherlands	250
16	Antiguaand Barbuda	246.67
17	Malaysia	246.67
18	New Zealand	246.67
19	Norway	246.67
20	Seychelles	246.67
20	Seychelles	246.67

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21	Saint Kitts and Nevis	246.67
22	United Arab Emirates	246.67
23	United States	246.67
24	Vanuatu	246.67
25	Venezuela	246.67
26	Australia	243.33
27	Barbados	243.33
28	Belgium	243.33
29	Dominica	243.33
30	Oman	243.33
31	Saudi Arabia	243.33
32	Suriname	243.33
33	Bahrain	240
34	Colombia	240
35	Germany	240
36	Guyana	240
37	Honduras	240
38	Kuwait	240

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39	Panama	240
40	Saint Vincent and the Grenadines	240
41	United Kingdom	236.67
42	Dominican Republic	233.33
43	Guatemala	233.33
44	Jamaica	233.33
45	Qatar	233.33
46	Spain	233.33
47	Saint Lucia	233.33
48	Belize	230
49	Cyprus	230
50	Italy	230
51	Mexico	230
52	Samoa	230
53	Singapore	230
54	Solomon Islands	230
55	Trinidad and Tobago	230
56	Argentina	226.67

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57	Fiji	223.33
58	Israel	223.33
59	Mongolia	223.33
60	São Tomé and Príncipe	223.33
61	El Salvador	220
62	France	220
63	Hong Kong	220
64	Indonesia	220
65	Kyrgyzstan	220
66	Maldives	220
67	Slovenia	220
68	Taiwan	220
69	East Timor	220
70	Tonga	220
71	Chile	216.67
72	Grenada	216.67
73	Mauritius	216.67
74	Namibia	216.67

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75	Paraguay	216.67
76	Thailand	216.67
77	Czech Republic	213.33
78	Philippines	213.33
79	Tunisia	213.33
80	Uzbekistan	213.33
81	Brazil	210
82	China	210
83	Cuba	210
84	Greece	210
85	Nicaragua	210
86	Papua New Guinea	210
87	Uruguay	210
88	Gabon	206.67
89	Ghana	206.67
90	Japan	206.67
91	Yemen	206.67
92	Portugal	203.33

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94 Tajikistan 203.33 95 Vietnam 203.33 96 Bhutan 200 97 Comoros 196.67 98 Croatia 196.67 99 Poland 196.67 100 Cape Verde 193.33 101 Kazakhstan 193.33 102 South Korea 193.33 103 Madagascar 193.33 104 Bangladesh 190 105 Republic of the Congo 190 106 The Gambia 190 107 Hungary 190 108 Libya 190 109 South Africa 190 110 Cambodia 186.67	93	Sri Lanka	203.33
96 Bhutan 200 97 Comoros 196.67 98 Croatia 196.67 99 Poland 196.67 100 Cape Verde 193.33 101 Kazakhstan 193.33 102 South Korea 193.33 103 Madagascar 193.33 104 Bangladesh 190 105 Republic of the Congo 190 106 The Gambia 190 107 Hungary 190 108 Libya 190 109 South Africa 190	94	Tajikistan	203.33
97 Comoros 196.67 98 Croatia 196.67 99 Poland 196.67 100 Cape Verde 193.33 101 Kazakhstan 193.33 102 South Korea 193.33 103 Madagascar 193.33 104 Bangladesh 190 105 Republic of the Congo 190 106 The Gambia 190 107 Hungary 190 108 Libya 190 109 South Africa 190	95	Vietnam	203.33
98 Croatia 196.67 99 Poland 196.67 100 Cape Verde 193.33 101 Kazakhstan 193.33 102 South Korea 193.33 103 Madagascar 193.33 104 Bangladesh 190 105 Republic of the Congo 190 106 The Gambia 190 107 Hungary 190 108 Libya 190 109 South Africa 190	96	Bhutan	200
99 Poland 196.67 100 Cape Verde 193.33 101 Kazakhstan 193.33 102 South Korea 193.33 103 Madagascar 193.33 104 Bangladesh 190 105 Republic of the Congo 190 106 The Gambia 190 107 Hungary 190 108 Libya 190 109 South Africa 190	97	Comoros	196.67
100 Cape Verde 193.33 101 Kazakhstan 193.33 102 South Korea 193.33 103 Madagascar 193.33 104 Bangladesh 190 105 Republic of the Congo 190 106 The Gambia 190 107 Hungary 190 108 Libya 190 109 South Africa 190	98	Croatia	196.67
101 Kazakhstan 193.33 102 South Korea 193.33 103 Madagascar 193.33 104 Bangladesh 190 105 Republic of the Congo 190 106 The Gambia 190 107 Hungary 190 108 Libya 190 109 South Africa 190	99	Poland	196.67
102 South Korea 193.33 103 Madagascar 193.33 104 Bangladesh 190 105 Republic of the Congo 190 106 The Gambia 190 107 Hungary 190 108 Libya 190 109 South Africa 190	100	Cape Verde	193.33
103 Madagascar 193.33 104 Bangladesh 190 105 Republic of the Congo 190 106 The Gambia 190 107 Hungary 190 108 Libya 190 109 South Africa 190	101	Kazakhstan	193.33
104 Bangladesh 190 105 Republic of the Congo 190 106 The Gambia 190 107 Hungary 190 108 Libya 190 109 South Africa 190	102	South Korea	193.33
105 Republic of the Congo 190 106 The Gambia 190 107 Hungary 190 108 Libya 190 109 South Africa 190	103	Madagascar	193.33
106 The Gambia 190 107 Hungary 190 108 Libya 190 109 South Africa 190	104	Bangladesh	190
107 Hungary 190 108 Libya 190 109 South Africa 190	105	Republic of the Congo	190
108 Libya 190 109 South Africa 190	106	The Gambia	190
109 South Africa 190	107	Hungary	190
	108	Libya	190
110 Cambodia 186 67	109	South Africa	190
	110	Cambodia	186.67

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111	Ecuador	186.67
112	Kenya	186.67
113	Lebanon	186.67
114	Morocco	186.67
115	Peru	186.67
116	Senegal	186.67
117	Bolivia	183.33
118	Haiti	183.33
119	Nepal	183.33
120	Nigeria	183.33
121	Tanzania	183.33
122	Benin	180
123	Botswana	180
124	Guinea-Bissau	180
125	India	180
126	Laos	180
127	Mozambique	180
128	Palestinian Authority	180

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129	Slovakia	180
130	Myanmar	176.67
131	Mali	176.67
132	Mauritania	176.67
133	Turkey	176.67
134	Algeria	173.33
135	Equatorial Guinea	173.33
136	Romania	173.33
137	Bosnia and Herzegovina	170
138	Cameroon	170
139	Estonia	170
140	Guinea	170
141	Jordan	170
142	Syria	170
143	Sierra Leone	166.67
144	Azerbaijan	163.33
145	Central African Republic	163.33
146	Republic of Macedonia	163.33

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147	Togo	163.33
148	Zambia	163.33
149	Angola	160
150	Djibouti	160
151	Egypt	160
152	Burkina Faso	156.67
153	Ethiopia	156.67
154	Latvia	156.67
155	Lithuania	156.67
156	Uganda	156.67
157	Albania	153.33
158	Malawi	153.33
159	Chad	150
160	Côte d'Ivoire	150
161	Niger	150
162	Eritrea	146.67
163	Rwanda	146.67
164	Bulgaria	143.33

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165	Lesotho	143.33
166	Pakistan	143.33
167	Russia	143.33
168	Swaziland	140
169	Georgia	136.67
170	Belarus	133.33
171	Turkmenistan	133.33
172	Armenia	123.33
173	Sudan	120
174	Ukraine	120
175	Moldova	116.67
176	Democratic Republic of the Congo	110
177	Zimbabwe	110
178	Burundi	100

Commentary:

European countries, such as <u>Denmark</u>, <u>Iceland</u>, <u>Finland</u>, <u>Sweden</u>, <u>Switzerland</u>, <u>Austria</u> resided at the top of the ranking with highest levels of self-reported life satisfaction. Conversely, European countries such as <u>Latvia</u>, <u>Lithuania</u>, <u>Moldova</u>, <u>Belarus</u> and <u>Ukraine</u> ranked low on the index. African countries such as Democratic Republic of Congo, <u>Zimbabwe</u> and <u>Burundi</u> found themselves at the very bottom of the ranking, and indeed, very few African countries could be

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found in the top 100. Japan was at the mid-way point in the ranking, however, other Asian countries such as Brunei and Malaysia were in the top tier, while Pakistan was close to the bottom with a low level of self-identified life satisfaction. As a region, the Middle East presented a mixed bad with Saudi Arabians reporing healthy levels of life satisfaction and Egyptians near the bottom of the ranking. As a region, Caribbean countries were ranked highly, consistently demonstrating high levels of life satisfaction. The findings showed that health was the most crucial determining factor in life satisfaction, followed by prosperity and education.

Source:

White, A. (2007). A Global Projection of Subjective Well-being: A Challenge To Positive Psychology? Psychtalk 56, 17-20. The data was extracted from a meta-analysis by Marks, Abdallah, Simms & Thompson (2006).

<u>Uploaded:</u>

Based on study noted above in "Source"; reviewed in 2015

Happy Planet Index

Happy Planet Index

The Happy Planet Index (HPI) is used to measure human well-being in conjunction with environmental impact. The HPI has been compiled since 2006 by the New Economics Foundation. The index is a composite of several indicators including subjective life satisfaction, life expectancy at birth, and ecological footprint per capita.

As noted by NEFA, the HPI "reveals the ecological efficiency with which human well-being is delivered." Indeed, the index combines environmental impact with human well-being to measure the environmental efficiency with which, country by country, people live long and happy lives. The countries ranked highest by the HPI are not necessarily the ones with the happiest people overall, but the ones that allow their citizens to live long and fulfilling lives, without negatively impacting this opportunity for either future generations or citizens of other countries. Accordingly, a country like the <u>United States</u> will rank low on this list due to its large per capital ecological footprint, which uses more than its fair share of resources, and will likely cause planetary damage.

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It should be noted that the HPI was designed to be a counterpoint to other well-established indices of countries' development, such as Gross Domestic Product (GDP), which measures overall national wealth and economic development, but often obfuscates the realities of countries with stark variances between the rich and the poor. Moreover, the objective of most of the world's people is not to be wealthy but to be happy. The HPI also differs from the Human Development Index (HDI), which measures quality of life but not ecology, since it [HPI] also includes sustainability as a key indicator.

Rank	Country	HPI
1	Costa Rica	76.1
2	Dominican Republic	71.8
3	Jamaica	70.1
4	Guatemala	68.4
5	Vietnam	66.5
6	Colombia	66.1
7	Cuba	65.7
8	El Salvador	61.5
9	Brazil	61.0
10	Honduras	61.0
11	Nicaragua	60.5
12	Egypt	60.3

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13	Saudi Arabia	59.7
14	Philippines	59.0
15	Argentina	59.0
16	Indonesia	58.9
17	Bhutan	58.5
18	Panama	57.4
19	Laos	57.3
20	China	57.1
21	Morocco	56.8
22	Sri Lanka	56.5
23	Mexico	55.6
24	Pakistan	55.6
25	Ecuador	55.5
26	Jordan	54.6
27	Belize	54.5
28	Peru	54.4
29	Tunisia	54.3
30	Trinidad and Tobago	54.2

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31	Bangladesh	54.1
32	Moldova	54.1
33	Malaysia	54.0
34	Tajikistan	53.5
35	India	53.0
36	Venezuela	52.5
37	Nepal	51.9
38	Syria	51.3
39	Burma	51.2
40	Algeria	51.2
41	Thailand	50.9
42	Haiti	50.8
43	Netherlands	50.6
44	Malta	50.4
45	Uzbekistan	50.1
46	Chile	49.7
47	Bolivia	49.3
48	Armenia	48.3

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49	Singapore	48.2
50	Yemen	48.1
51	Germany	48.1
52	Switzerland	48.1
53	Sweden	48.0
54	Albania	47.9
55	Paraguay	47.8
56	Palestinian Authority	47.7
57	Austria	47.7
58	Serbia	47.6
59	Finland	47.2
60	Croatia	47.2
61	Kyrgyzstan	47.1
62	Cyprus	46.2
63	Guyana	45.6
64	Belgium	45.4
65	Bosnia and Herzegovina	45.0
66	Slovenia	44.5

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67	Israel	44.5
68	South Korea	44.4
69	Italy	44.0
70	Romania	43.9
71	France	43.9
72	Georgia	43.6
73	Slovakia	43.5
74	United Kingdom	43.3
75	Japan	43.3
76	Spain	43.2
77	Poland	42.8
78	Ireland	42.6
79	Iraq	42.6
80	Cambodia	42.3
81	Iran	42.1
82	Bulgaria	42.0
83	Turkey	41.7
84	Hong Kong	41.6

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85	Azerbaijan	41.2
86	Lithuania	40.9
87	Djibouti	40.4
88	Norway	40.4
89	Canada	39.4
90	Hungary	38.9
91	Kazakhstan	38.5
92	Czech Republic	38.3
93	Mauritania	38.2
94	Iceland	38.1
95	Ukraine	38.1
96	Senegal	38.0
97	Greece	37.6
98	Portugal	37.5
99	Uruguay	37.2
100	Ghana	37.1
101	Latvia	36.7
102	Australia	36.6

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103	New Zealand	36.2
104	Belarus	35.7
105	Denmark	35.5
106	Mongolia	35.0
107	Malawi	34.5
108	Russia	34.5
109	Chad	34.3
110	Lebanon	33.6
111	Macedonia	32.7
112	Republic of the Congo	32.4
113	Madagascar	31.5
114	United States	30.7
115	Nigeria	30.3
116	Guinea	30.3
117	Uganda	30.2
118	South Africa	29.7
119	Rwanda	29.6
120	Democratic Republic of the Congo	29.0

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121	Sudan	28.5
122	Luxembourg	28.5
123	United Arab Emirates	28.2
124	Ethiopia	28.1
125	Kenya	27.8
126	Cameroon	27.2
127	Zambia	27.2
128	Kuwait	27.0
129	Niger	26.9
130	Angola	26.8
131	Estonia	26.4
132	Mali	25.8
133	Mozambique	24.6
134	Benin	24.6
135	Togo	23.3
136	Sierra Leone	23.1
137	Central African Republic	22.9
138	Burkina Faso	22.4

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139	Burundi	21.8
140	Namibia	21.1
141	Botswana	20.9
142	Tanzania	17.8
143	Zimbabwe	16.6

Source: This material is derived from the Happy Planet Index issued by the New Economics Foundation (NEF).

Methodology: The methodology for the calculations can be found at URL: http://www.happyplanetindex.org/

Status of Women

Overview

Colonial rule facilitated the current patriarchal system in East Timor that continues to marginalize women. To date, many customary practices also actively discriminate against women.

From the the period in the 1970s when East Timor was annexed by Indonesia to independence two decades later, women have worked side by side with men. During the independence efforts, women helped run camps, manage supplies, smuggle information, and fight alongside their male counterparts. Since independence, women have worked hard not to return to their traditional roles of uneducated homemaker. As the country has moved forward in its post-struggle stage, women are often being compelled to follow more traditional roles.

Meanwhile, in the realm of human development, females suffer discrimination. Approximately 60

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Maternal Mortality Ratio:

percent of rural women in East Timor are illiterate. Many families feel that educating a female child is a waste of money. In the rare instances in which girls attend school, their tenure is usually only for a few years. Higher education is rarely on option.

Domestic violence against women is a significant problem in the country. While most women do not report crimes of violence, the authorities often ignore those who do. Rape and sexual harassment are also widespread problems.

Fortunately, there are a few dedicated women's organizations who are working towards improving the lives of women in East Timor. While many work at community levels to educate women in areas such as literacy, health, and small income projects, others are establishing shelters for victims of domestic violence and working to pass laws that punish those who commit crimes against women

women.
Gender Related Development Index (GDI) Rank:
Not Ranked
Gender Empowerment Measure (GEM) Rank:
Not Ranked
Female Population:
522,000
Female Life Expectancy at birth:
69 years
Total Fertility Rate:
3.5

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N/A
Total Number of Women Living with HIV/AIDS:
N/A
Ever Married Women, Ages 15-19 (%): N/A
Mean Age at Time of Marriage: N/A
Contraceptive Use Among Married Women, Any Method (%): N/A
Female Adult Literacy Rate:
58 percent Combined Female Gross enrollment ratio for Primary, Secondary and Tertiary schools:
N/A
Female-Headed Households (%):
N/A
Economically Active Females (%):
73.1%

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Female Contributing Family Workers (%):

N/A

Female Estimated Earned Income:

N/A

Seats in Parliament held by women (%):

Lower or Single House: 25.3% Upper House or Senate: N/A

Year Women Received the Right to Vote:

N/A

Year Women Received the Right to Stand for Election:

N/A

*The Gender Development Index (GDI) is a composite index which measures the average achievement in a country. While very similar to the Human Development Index in its use of the same variables, the GDI adjusts the average achievement of each country in terms of life expectancy, enrollment in schools, income, and literacy in accordance to the disparities between males and females.

*The Gender Empowerment Measure (GEM) is a composite index measuring gender inequality in three of the basic dimensions of empowerment; economic participation and decision-making, political participation and decision-making, and power over economic resources.

*Total Fertility Rate (TFR) is defined as the average number of babies born to women during their reproductive years. A TFR of 2.1 is considered the replacement rate; once a TFR of a population reaches 2.1 the population will remain stable assuming no immigration or emigration takes place. When the TFR is greater than 2.1 a population will increase and when it is less than 2.1 a population will eventually decrease, although due to the age structure of a population it will take years before a low TFR is translated into lower population.

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- *Maternal Mortality Rate is the number of deaths to women per 100,000 live births that resulted from conditions related to pregnancy and or delivery related complications.
- *Economically Active Females are the share of the female population, ages 15 and above, whom supply, or are able to supply, labor for the production of goods and services.
- *Female Contributing Family Workers are those females who work without pay in an economic enterprise operated by a relative living in the same household.
- *Estimated Earned Income is measured according to Purchasing Power Parity (PPP) in US dollars.

Global Gender Gap Index

Global Gender Gap Index

Editor's Note:

The Global Gender Gap Index by the World Economic Forum ranks most of the world's countries in terms of the division of resources and opportunities among males and females. Specifically, the ranking assesses the gender inequality gap in these four arenas:

- 1. Economic participation and opportunity (salaries and high skilled employment participation levels)
- 2. Educational attainment (access to basic and higher level education)
- 3. Political empowerment (representation in decision-making structures)
- 4. Health and survival (life expectancy and sex ratio)

2010 rank	2010 score	2010 rank among 2009 countries	2009 rank	2009 score	2008 rank	2008 score	2007 rank

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Country								
Iceland	1	0.8496	1	1	0.8276	4	0.7999	4
Norway	2	0.8404	2	3	0.8227	1	0.8239	2
Finland	3	0.8260	3	2	0.8252	2	0.8195	3
Sweden	4	0.8024	4	4	0.8139	3	0.8139	1
New Zealand	5	0.7808	5	5	0.7880	5	0.7859	5
Ireland	6	0.7773	6	8	0.7597	8	0.7518	9
Denmark	7	0.7719	7	7	0.7628	7	0.7538	8
Lesotho	8	0.7678	8	10	0.7495	16	0.7320	26
Philippines	9	0.7654	9	9	0.7579	6	0.7568	6
Switzerland	10	0.7562	10	13	0.7426	14	0.7360	40
Spain	11	0.7554	11	17	0.7345	17	0.7281	10
South Africa	12	0.7535	12	6	0.7709	22	0.7232	20
Germany	13	0.7530	13	12	0.7449	11	0.7394	7
Belgium	14	0.7509	14	33	0.7165	28	0.7163	19
United Kingdom	15	0.7460	15	15	0.7402	13	0.7366	11
Sri Lanka	16	0.7458	16	16	0.7402	12	0.7371	15

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Netherlands	17	0.7444	17	11	0.7490	9	0.7399	12
Latvia	18	0.7429	18	14	0.7416	10	0.7397	13
United States	19	0.7411	19	31	0.7173	27	0.7179	31
Canada	20	0.7372	20	25	0.7196	31	0.7136	18
Trinidad and Tobago	21	0.7353	21	19	0.7298	19	0.7245	46
Mozambique	22	0.7329	22	26	0.7195	18	0.7266	43
Australia	23	0.7271	23	20	0.7282	21	0.7241	17
Cuba	24	0.7253	24	29	0.7176	25	0.7195	22
Namibia	25	0.7238	25	32	0.7167	30	0.7141	29
Luxembourg	26	0.7231	26	63	0.6889	66	0.6802	58
Mongolia	27	0.7194	27	22	0.7221	40	0.7049	62
Costa Rica	28	0.7194	28	27	0.7180	32	0.7111	28
Argentina	29	0.7187	29	24	0.7211	24	0.7209	33
Nicaragua	30	0.7176	30	49	0.7002	71	0.6747	90
Barbados	31	0.7176	31	21	0.7236	26	0.7188	n/a
Portugal	32	0.7171	32	46	0.7013	39	0.7051	37
Uganda	33	0.7169	33	40	0.7067	43	0.6981	50

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Moldova	34	0.7160	34	36	0.7104	20	0.7244	21
Lithuania	35	0.7132	35	30	0.7175	23	0.7222	14
Bahamas	36	0.7128	36	28	0.7179	n/a	n/a	n/a
Austria	37	0.7091	37	42	0.7031	29	0.7153	27
Guyana	38	0.7090	38	35	0.7108	n/a	n/a	n/a
Panama	39	0.7072	39	43	0.7024	34	0.7095	38
Ecuador	40	0.7072	40	23	0.7220	35	0.7091	44
Kazakhstan	41	0.7055	41	47	0.7013	45	0.6976	32
Slovenia	42	0.7047	42	52	0.6982	51	0.6937	49
Poland	43	0.7037	43	50	0.6998	49	0.6951	60
Jamaica	44	0.7037	44	48	0.7013	44	0.6980	39
Russian Federation	45	0.7036	45	51	0.6987	42	0.6994	45
France	46	0.7025	46	18	0.7331	15	0.7341	51
Estonia	47	0.7018	47	37	0.7094	37	0.7076	30
Chile	48	0.7013	48	64	0.6884	65	0.6818	86
Macedonia, FYR	49	0.6996	49	53	0.6950	53	0.6914	35
Bulgaria	50	0.6983	50	38	0.7072	36	0.7077	25

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Kyrgyz Republic	51	0.6973	51	41	0.7058	41	0.7045	70
Israel	52	0.6957	52	45	0.7019	56	0.6900	36
Croatia	53	0.6939	53	54	0.6944	46	0.6967	16
Honduras	54	0.6927	54	62	0.6893	47	0.6960	68
Colombia	55	0.6927	55	56	0.6939	50	0.6944	24
Singapore	56	0.6914	56	84	0.6664	84	0.6625	77
Thailand	57	0.6910	57	59	0.6907	52	0.6917	52
Greece	58	0.6908	58	85	0.6662	75	0.6727	72
Uruguay	59	0.6897	59	57	0.6936	54	0.6907	78
Peru	60	0.6895	60	44	0.7024	48	0.6959	75
China	61	0.6881	61	60	0.6907	57	0.6878	73
Botswana	62	0.6876	62	39	0.7071	63	0.6839	53
Ukraine	63	0.6869	63	61	0.6896	62	0.6856	57
Venezuela	64	0.6863	64	69	0.6839	59	0.6875	55
Czech Republic	65	0.6850	65	74	0.6789	69	0.6770	64
Tanzania	66	0.6829	66	73	0.6797	38	0.7068	34
Romania	67	0.6826	67	70	0.6805	70	0.6763	47

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Malawi	68	0.6824	68	76	0.6738	81	0.6664	87
Paraguay	69	0.6804	69	66	0.6868	100	0.6379	69
Ghana	70	0.6782	70	80	0.6704	77	0.6679	63
Slovak Republic	71	0.6778	71	68	0.6845	64	0.6824	54
Vietnam	72	0.6776	72	71	0.6802	68	0.6778	42
Dominican Republic	73	0.6774	73	67	0.6859	72	0.6744	65
Italy	74	0.6765	74	72	0.6798	67	0.6788	84
Gambia, The	75	0.6762	75	75	0.6752	85	0.6622	95
Bolivia	76	0.6751	76	82	0.6693	80	0.6667	80
Brueni Darussalem	77	0.6748	77	94	0.6524	99	0.6392	n/a
Albania	78	0.6726	78	91	0.6601	87	0.6591	66
Hungary	79	0.6720	79	65	0.6879	60	0.6867	61
Madagascar	80	0.6713	80	77	0.6732	74	0.6736	89
Angola	81	0.6712	81	106	0.6353	114	0.6032	110
Bangladesh	82	0.6702	82	93	0.6526	90	0.6531	100
Malta	83	0.6695	83	88	0.6635	83	0.6634	76
Armenia	84	0.6669	84	90	0.6619	78	0.6677	71

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Brazil	85	0.6655	85	81	0.6695	73	0.6737	74
Cyprus	86	0.6642	86	79	0.6706	76	0.6694	82
Indonesia	87	0.6615	87	92	0.6580	93	0.6473	81
Georgia	88	0.6598	88	83	0.6680	82	0.6654	67
Tajikistan	89	0.6598	89	86	0.6661	89	0.6541	79
El Salvador	90	0.6596	90	55	0.6939	58	0.6875	48
Mexico	91	0.6577	91	98	0.6503	97	0.6441	93
Zimbabwe	92	0.6574	92	95	0.6518	92	0.6485	88
Belize	93	0.6536	93	87	0.6636	86	0.6610	94
Japan	94	0.6524	94	101	0.6447	98	0.6434	91
Mauritius	95	0.6520	95	96	0.6513	95	0.6466	85
Kenya	96	0.6499	96	97	0.6512	88	0.6547	83
Cambodia	97	0.6482	97	104	0.6410	94	0.6469	98
Malaysia	98	0.6479	98	100	0.6467	96	0.6442	92
Maldives	99	0.6452	99	99	0.6482	91	0.6501	99
Azerbaijan	100	0.6446	100	89	0.6626	61	0.6856	59
Senegal	101	0.6414	101	102	0.6427	n/a	n/a	n/a
Suriname	102	0.6407	102	78	0.6726	79	0.6674	56

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United Arab Emirates	103							
Elimates	103	0.6397	103	112	0.6198	105	0.6220	105
Korea, Rep.	104	0.6342	104	115	0.6146	108	0.6154	97
Kuwait	105	0.6318	105	105	0.6356	101	0.6358	96
Zambia	106	0.6293	106	107	0.6310	106	0.6205	101
Tunisia	107	0.6266	107	109	0.6233	103	0.6295	102
Fiji	108	0.6256	108	103	0.6414	n/a	n/a	n/a
Guatemala	109	0.6238	109	111	0.6209	112	0.6072	106
Bahrain	110	0.6217	110	116	0.6136	121	0.5927	115
Burkina Faso	111	0.6162	111	120	0.6081	115	0.6029	117
India	112	0.6155	112	114	0.6151	113	0.6060	114
Mauritania	113	0.6152	113	119	0.6103	110	0.6117	111
Cameroon	114	0.6110	114	118	0.6108	117	0.6017	116
Nepal	115	0.6084	115	110	0.6213	120	0.5942	125
Lebanon*	116	0.6084	n/a	n/a	n/a	n/a	n/a	n/a
Qatar	117	0.6059	116	125	0.5907	119	0.5948	109
Nigeria	118	0.6055	117	108	0.6280	102	0.6339	107
Algeria	119	0.6052	118	117	0.6119	111	0.6111	108

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Jordan	120	0.6048	119	113	0.6182	104	0.6275	104
Ethiopia	121	0.6019	120	122	0.5948	122	0.5867	113
Oman	122	0.5950	121	123	0.5938	118	0.5960	119
Iran	123	0.5933	122	128	0.5839	116	0.6021	118
Syria	124	0.5926	123	121	0.6072	107	0.6181	103
Egypt	125	0.5899	124	126	0.5862	124	0.5832	120
Turkey	126	0.5876	125	129	0.5828	123	0.5853	121
Morocco	127	0.5767	126	124	0.5926	125	0.5757	122
Benin	128	0.5719	127	131	0.5643	126	0.5582	123
Saudi Arabia	129	0.5713	128	130	0.5651	128	0.5537	124
Côte d'Ivoire*	130	0.5691	n/a	n/a	n/a	n/a	n/a	n/a
Mali	131	0.5680	129	127	0.5860	109	0.6117	112
Pakistan	132	0.5465	130	132	0.5458	127	0.5549	126
Chad	133	0.5330	131	133	0.5417	129	0.5290	127
Yemen	134	0.4603	132	134	0.4609	130	0.4664	128
Belarus	n/a	n/a	n/a	34	0.7141	33	0.7099	23
Uzbekistan	n/a	n/a	n/a	58	0.6913	55	0.6906	41

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*new country 2010

Commentary:

According to the report's index, Nordic countries, such as <u>Iceland</u>, <u>Norway</u>, <u>Finland</u>, and <u>Sweden</u> have continued to dominate at the top of the ranking for gender equality. Meanwhile, France has seen a notable decline in the ranking, largely as a result of decreased number of women holding ministerial portfolios in that country. In the Americas, the United States has risen in the ranking to top the region, predominantly as a result of a decreasing wage gap, as well as higher number of women holding key positions in the current Obama administration. Canada has continued to remain as one of the top ranking countries of the Americas, followed by the small Caribbean island nation of Trinidad and Tobago, which has the distinction of being among the top three countries of the Americans in the realm of gender equality. Lesotho and South African ranked highly in the index, leading not only among African countries but also in global context. Despite Lesotho still lagging in the area of life expectancy, its high ranking was attributed to high levels of female participation in the labor force and female literacy. The Philippines and Sri Lanka were the top ranking countries for gender equality for Asia, ranking highly also in global context. Philippines has continued to show strong performance in all strong performance on all four dimensions (detailed above) of the index. Finally, in the Arab world, the **United Arab Emirates** held the highest-rank within that region of the world; however, its placement near the bottom of the global list highlights the fact that Arab countries are generally poor performers when it comes to the matter of gender equality in global scope.

Source:

This data is derived from the latest edition of The Global Gender Gap Report by the World Economic Forum

Available at URL:

http://www.weforum.org/en/Communities/Women%20Leaders%20and%20Gender%20Parity/Gende

Updated:

Based on latest available data as set forth in chart; reviewed in 2014

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Culture and Arts

Culture and Society

East Timorese culture has been shaped and influenced by its own geographical boundaries. The country's mountainous terrain has contributed to isolation, which itself led to the development of small kingdoms and farming communities, with very little trade. Portuguese colonial authority and Indonesian rule have both had limited influence on the customs and traditions of this country.

Christianity has been the major European influence in East Timor and Roman Catholicism is not only the major religion, but also a central cultural force in East Timorese society. In the local language, the word "mass" has a direct translation, thus demostrating the cultural importance of religious practice. There is political significance to the church as well since it provided protection to people during occupation, as well as being a source of hope and potential freedom. Visitors to East Timor should recognize the significance of Christianity -- and specifically, Roman Catholicism -- within East Timorese culture, and show demonstrable respect for Roman Catholic traditions, such as mass, sacraments and other orthodox practices and beliefs.

Central to the East Timorese culture are the values placed on family and the importance of community ties; both are integral parts of East Timorese social structure and culture. The oral tradition of storytelling, as well as music and song, also play vital roles in daily life, while handicrafts demonstrate how basic tools and clothing have both practical usage as well as symbolic meanings.

Arts

Dance is particularly important in East Timorese culture. The Likurai is particularly noteworthy as the main dance form of the East Timorese Tutum. Historically, it was performed to welcome warriors when they returned home after battle. Typically, women dance with small drums under one of their arms, and sometimes, the women would also dance through the streets with the severed heads of enemies killed in battle. Today, it is a far less morose performance and instead, it is more of a courtship dance than post-battle revelry.

Supplementary sources: The Maubere Culture -- http://www.uc.pt/timor/culture.html; Solidamor -

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- <u>http://www.solidamor.org</u>, E as t T i m o r, t h e N a t i o n - - <u>http://www.sjc.uq.edu.au/projects/East%20Timor%20project/nation</u>; T i m o r T o d a y - - \leq <u>http://www.timoraid.org/timortoday></u>.

Etiquette

Dos and Taboos in Social Settings

Generally, the East Timorese people are known to be friendly and hospitable to visitors, typically offering food, drinks and other refreshments to guests. In this poor country, such generosity should be graciously accepted; failing to partake of offered food and drink would be viewed as impolite and ungrateful.

If you are invited to an East Timorese home, taking a small gift is good practice. A souvenir from one's home country would be most appropriate.

Visitors can take photographs of locals, however, it is polite to ask before acting upon impulse.

Greetings

Greetings in East Timor are relatively Westernized. One should shake hands with people upon meeting for the first time and again upon each subsequent meeting. Women may "cheek kiss" although this must be done European-style on both sides of the face.

Typical verbal greetings are as follows:

Good morning is Bondia; Good Evening is *Botarde*; Good Night is *Bonoite*. Goodbye is *Adeus*; How are you? is *Di'ak ka lae*? and Thank you is *Ha'u di'ak*.

Dress

East Timor is a conservative country where visitors should show modesty in their dress despite the warm temperatures in certain regions. Most important is the practice of being well dressed and

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clothed conservatively when visiting churches. Outside of church, the equivalent practice of dressing modestly should be maintained. Shorts on men and revealing dresses on women are simply not acceptable. Swimwear should be worn only at the beach. People should also try to appear clean and well-groomed. Although the people of this country are not wealthy, cleanliness as well as neat and tidy self-presentation are the norm.

Supplementary sources: The Maubere Culture -- http://www.solidamor.org. East Timor, the Nation -- http://www.sjc.uq.edu.au/projects/EastTimor-project/nation; Timor Today -- http://www.timoraid.org/timortoday.

Travel Information

Please Note: This is a generalized travel guide and it is intended to coalesce several resources, which a traveler might find useful, regardless of a particular destination. As such, it does not include travel warnings for specific "hot spot" destinations.

For travel alerts and warnings, please see the United States Department of State's listings available at URL:

http://travel.state.gov/content/passports/english/alertswarnings.html

Please note that travel to the following countries, based on these warnings, is ill-advised, or should be undertaken with the utmost precaution:

Afghanistan, Algeria, Burundi, Cameroon, Central African Republic, Chad, Colombia, Democratic Republic of Congo, Djibouti, El Salvador, Eritrea, Ethiopia, Guinea, Honduras, Iraq, Iran, Lebanon, Liberia, Libya, Mali, Mauritania, Mexico, Nepal, Niger, Nigeria, North Korea, Pakistan, Palestinian Territories of West Bank and Gaza, Philippines areas of Sulu Archipelago, Mindanao, and southern Sulu Sea, Saudi Arabia, Sierra Leone, Somalia, South Sudan, Sudan, Syria, Ukraine, Venezuela, and Yemen.

International Travel Guide

Checklist for Travelers

1. Take out travel insurance to cover hospital treatment or medical evacuation. Overseas medical

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costs are expensive to most international travelers, where one's domestic, nationalized or even private health insurance plans will not provide coverage outside one's home country. Learn about "reciprocal insurance plans" that some international health care companies might offer.

- **2.** Make sure that one's travel insurance is appropriate. If one intends to indulge in adventurous activities, such as parasailing, one should be sure that one is fully insured in such cases. Many traditional insurance policies do not provide coverage in cases of extreme circumstances.
- **3.** Take time to learn about one's destination country and culture. Read and learn about the place one is traveling. Also check political, economic and socio-cultural developments at the destination by reading country-specific travel reports and fact sheets noted below.
- **4.** Get the necessary visas for the country (or countries) one intends to visit but be aware that a visa does not guarantee entry. A number of useful sites regarding visa and other entry requirements are noted below.
- **5.** Keep in regular contact with friends and relatives back at home by phone or email, and be sure to leave a travel itinerary.
- **6.** Protect one's personal information by making copies of one's passport details, insurance policy, travelers checks and credit card numbers. Taking copies of such documents with you, while leaving another collection copies with someone at home is also good practice for travelers. Taking copies of one's passport photograph is also recommended.
- 7. Stay healthy by taking all possible precautions against illness. Also, be sure to take extra supplies of prescription drugs along for the trip, while also taking time to pack general pharmaceutical supplies, such as aspirin and other such painkillers, bandages, stomach ailment medication, anti-inflammatory medication and anti-bacterial medication.
- **8.** Do not carry illicit drugs. Understand that the punishment for possession or use of illegal drugs in some countries may be capital punishment. Make sure your prescription drugs are legal in the countries you plan to visit.
- **9.** Know the laws of one's destination country and culture; be sure to understand the repercussions of breaking those laws and regulations. Often the transparency and freedoms of the juridical system at home is not consistent with that of one's destination country. Become aware of these complexities and subtleties before you travel.
- 10. For longer stays in a country, or where the security situation is volatile, one should register one's self and traveling companions at the local embassy or consulate of one's country of citizenship.
- 11. Women should take care to be prepared both culturally and practically for traveling in a different country and culture. One should be sure to take sufficient supplies of personal feminine products and prescription drugs. One should also learn about local cultural standards for women, including norms of dressing. Be aware that it is simply inappropriate and unsafe for women to travel alone in some countries, and take the necessary precautions to avoid risk-filled situations.
- 12. If one is traveling with small children, one should pack extra supplies, make arrangements with the travel carrier for proper seating that would adequately accommodate children, infants or toddlers. Note also that whether one is male of female, traveling with children means that one's hands are thus not free to carry luggage and bags. Be especially aware that this makes one

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vulnerable to pickpockets, thieves and other sorts of crime.

- 13. Make proper arrangements for accommodations, well in advance of one's arrival at a destination. Some countries have limited accommodation, while others may have culturally distinctive facilities. Learning about these practicalities before one travels will greatly aid the enjoyment of one's trip.
- **14.** Travel with different forms of currency and money (cash, traveler's checks and credit cards) in anticipation that venues may not accept one or another form of money. Also, ensuring that one's financial resources are not contained in one location, or by one person (if one is traveling with others) can be a useful measure, in the event that one loses a wallet or purse.
- **15.** Find out about transportation in the destination country. In some places, it might be advisable to hire a local driver or taxi guide for safety reasons, while in other countries, enjoying one's travel experience may well be enhanced by renting a vehicle and seeing the local sights and culture independently. Costs may also be prohibitive for either of these choices, so again, prior planning is suggested.

Tips for Travelers

- Obtain medical and travel insurance for whole duration of proposed trip.
- Check with your embassy, consulate, or appropriate government institution related to travel before traveling.
- Carry enough money and make sure you have a fall back for emergencies.
- Take sensible security precautions by avoiding displays of jewelry or money; take extra care at banks and money machines; beware of pickpockets, especially in malls, train stations.
- Ensure your passport has a validity of six months more than your intended stay.
- Medical advice should be sought regarding malaria.
- Leave a copy of your passport and itinerary with a contact in your home country.
- Enter next of kin details into the back of your passport.
- Enjoy your visit but please respect any local laws and customs, which are usually well documented in guidebooks.
- Don't carry drugs, especially if asked by another person, penalties can be severe.

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• Don't overstay your visa or the usual sixty days granted on entry.

<u>Note</u>: This information is directly quoted from the United Kingdom Foreign and Commonwealth Office.

Sources: United Kingdom Foreign and Commonwealth Office

Online Resources Regarding Entry Requirements and Visas

Foreign Entry Requirements for Americans from the United States Department of State http://travel.state.gov/travel/cis pa tw/cis/cis 1765.html

Visa Services for Non-Americans from the United States Department of State http://travel.state.gov/visa/visa_1750.html

Visa Bulletins from the United States Department of State http://travel.state.gov/visa/frvi/bulletin/bulletin_1360.html

Visa Waivers from the United States Department of State http://travel.state.gov/visa/temp/without/without_1990.html - new

Passport and Visa Information from the Government of the United Kingdom http://www.bia.homeoffice.gov.uk/

Visa Information from the Government of Australia http://www.dfat.gov.au/visas/index.html

Passport Information from the Government of Australia https://www.passports.gov.au/Web/index.aspx

Passport Information from the Government of Canada http://www.voyage.gc.ca/preparation_information/passport_passeport-eng.asp

Visa Information from the Government of Canada http://www.voyage.gc.ca/preparation information/visas-eng.asp

Online Visa Processing by Immigration Experts by VisaPro http://www.visapro.com

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Sources: United States Department of State, United Kingdom Foreign and Commonwealth Office, Government of Australia: Department of Foreign Affairs and Trade, Government of Canada Department of Foreign Affairs and International Trade

Useful Online Resources for Travelers

Country-Specific Travel Information from United States http://travel.state.gov/travel/cis pa tw/cis/cis 1765.html

Travel Advice by Country from Government of United Kingdom http://www.fco.gov.uk/en/travelling-and-living-overseas/travel-advice-by-country/

General Travel Advice from Government of Australia http://www.smartraveller.gov.au/zw-cgi/view/Advice/General

Travel Bulletins from the Government of Australia http://www.smartraveller.gov.au/zw-cgi/view/TravelBulletins/

Travel Tips from Government of Australia http://www.smartraveller.gov.au/tips/index.html

Travel Checklist by Government of Canada http://www.voyage.gc.ca/preparation information/checklist sommaire-eng.asp

Travel Checklist from Government of United Kingdom http://www.fco.gov.uk/en/travelling-and-living-overseas/staying-safe/checklist

Your trip abroad from United States Department of State http://travel.state.gov/travel/tips/brochures_1225.html

A safe trip abroad from United States Department of State http://travel.state.gov/travel/tips/safety/safety_1747.html

Tips for expatriates abroad from United States Department of State http://travel.state.gov/travel/living/residing/residing/1235.html

Tips for students from United States Department of State <a href="http://travel.state.gov/travel/living/studyin

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Medical information for travelers from United States Department of State http://travel.state.gov/travel/tips/health/health_1185.html

US Customs Travel information http://www.customs.gov/xp/cgov/travel/

Sources: United States Department of State; United States Customs Department, United Kingdom Foreign and Commonwealth Office, Foreign and Commonwealth Office, Government of Australia; Government of Canada: Department of Foreign Affairs and International Trade

Other Practical Online Resources for Travelers

Foreign Language Phrases for Travelers

http://www.travlang.com/languages/

http://www.omniglot.com/language/phrases/index.htm

World Weather Forecasts

http://www.intellicast.com/

http://www.wunderground.com/

http://www.worldweather.org/

Worldwide Time Zones, Map, World Clock

http://www.timeanddate.com/

 $\underline{http://www.worldtimezone.com/}$

International Airport Codes

 $\underline{http://www.world\text{-}airport\text{-}codes.com/}$

International Dialing Codes

http://www.kropla.com/dialcode.htm

http://www.countrycallingcodes.com/

International Phone Guide

http://www.kropla.com/phones.htm

International Mobile Phone Guide

http://www.kropla.com/mobilephones.htm

International Internet Café Search Engine

http://cybercaptive.com/

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Global Internet Roaming

http://www.kropla.com/roaming.htm

World Electric Power Guide

http://www.kropla.com/electric.htm

http://www.kropla.com/electric2.htm

World Television Standards and Codes

http://www.kropla.com/tv.htm

International Currency Exchange Rates

http://www.xe.com/ucc/

Banking and Financial Institutions Across the World

http://www.123world.com/banks/index.html

International Credit Card or Automated Teller Machine (ATM) Locator

http://visa.via.infonow.net/locator/global/

http://www.mastercard.com/us/personal/en/cardholderservices/atmlocations/index.html

International Chambers of Commerce

http://www.123world.com/chambers/index.html

World Tourism Websites

http://123world.com/tourism/

Diplomatic and Consular Information

United States Diplomatic Posts Around the World

http://www.usembassy.gov/

United Kingdom Diplomatic Posts Around the World

http://www.fco.gov.uk/en/about-the-fco/embassies-and-posts/find-an-embassy-overseas/

Australia's Diplomatic Posts Around the World

http://www.dfat.gov.au/missions/

http://www.dfat.gov.au/embassies.html

Canada's Embassies and High Commissions

http://www.international.gc.ca/ciw-cdm/embassies-ambassades.aspx

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Resources for Finding Embassies and other Diplomatic Posts Across the World http://www.escapeartist.com/embassy1/embassy1.htm

Safety and Security

Travel Warnings by Country from Government of Australia http://www.smartraveller.gov.au/zw-cgi/view/Advice/

Travel Warnings and Alerts from United States Department of State http://travel.state.gov/travel/cis_pa_tw/tw/tw_1764.html
http://travel.state.gov/travel/cis_pa_tw/pa/pa_1766.html

Travel Reports and Warnings by Government of Canada http://www.voyage.gc.ca/countries_pays/menu-eng.asp http://www.voyage.gc.ca/countries_pays/updates_mise-a-jour-eng.asp

Travel Warnings from Government of United Kingdom
http://www.fco.gov.uk/en/travelling-and-living-overseas/travel-advice-by-country/?
http://www.fco.gov.uk/en/travelling-and-living-overseas/travel-advice-by-country/?
http://www.fco.gov.uk/en/travelling-and-living-overseas/travel-advice-by-country/?
http://www.fco.gov.uk/en/travelling-and-living-overseas/travel-advice-by-country/?
http://www.fco.gov.uk/en/travelling-and-living-overseas/travel-advice-by-country/?
http://www.fco.gov.uk/en/travelling-and-living-overseas/travel-advice-by-country/?
http://www.fco.gov.uk/en/travelling-and-living-overseas/travel-advice-by-country/?
http://www.fco.gov.uk/en/travelling-and-living-overseas/travel-advice-by-country/
http://www.fco.gov.uk/en/travelling-and-living-overseas/travel-advice-by-country/
http://www.fco.gov.uk/en/travelling-advice-by-country/
http://www.fco.gov.uk/en/travelling-advice-by-country/
http://www.fco.gov.uk/en/travelling-advice

Sources: United Kingdom Foreign and Commonwealth Office, the United States Department of State, the Government of Canada: Department of Foreign Affairs and International Trade, Government of Australia: Department of Foreign Affairs and Trade

Other Safety and Security Online Resources for Travelers

United States Department of State Information on Terrorism http://www.state.gov/s/ct/

Government of the United Kingdom Resource on the Risk of Terrorism http://www.fco.gov.uk/servlet/Front?
http://www.fco.gov.uk/servlet/Front?
http://www.fco.gov.uk/servlet/ShowPage
http://www.fco.gov.uk/servlet/ShowPage
http://www.fco.gov.uk/servlet/ShowPagename=Openmarket/Xcelerate/ShowPagename=Openmarket/Xcelerate/ShowPagename=Openmarket/Xcelerate/ShowPagename=Openmarket/Xcelera

Government of Canada Terrorism Guide http://www.international.gc.ca/crime/terrorism-terrorisme.aspx?lang=eng

Information on Terrorism by Government of Australia http://www.dfat.gov.au/icat/index.html

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FAA Resource on Aviation Safety http://www.faasafety.gov/

In-Flight Safety Information for Air Travel (by British Airways crew trainer, Anna Warman) http://www.warman.demon.co.uk/anna/inflight.html

Hot Spots: Travel Safety and Risk Information http://www.airsecurity.com/hotspots/HotSpots.asp

Information on Human Rights http://www.state.gov/g/drl/hr/

Sources: The United States Department of State, the United States Customs Department, the Government of Canada, the Government of United Kingdom, the Government of Australia, the Federal Aviation Authority, Anna Warman's In-flight Website, Hot Spots Travel and Risk Information

Diseases/Health Data

Health Information for Travelers to East Timor (Region of Southeast Asia)

Food and waterborne diseases are the number one cause of illness in travelers. Travelers' diarrhea can be caused by viruses, bacteria, or parasites, which are found throughout the region and can contaminate food or water. Infections may cause diarrhea and vomiting (*E. coli*, *Salmonella*, cholera, and parasites), fever (typhoid fever and toxoplasmosis), or liver damage (hepatitis). Make sure your food and drinking water are safe. (See below.)

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Malaria is a preventable infection that can be fatal if left untreated. Prevent infection by taking prescription antimalarial drugs and protecting yourself against mosquito bites (see below). Malaria risk in this region exists all year in some cities and all rural areas of these countries, except for Brunei Darussalam and Singapore. For specific locations, see Malaria Information for Travelers to Southeast Asia (http://www.cdc.gov/travel/regionalmalaria/seasia.htm). Most travelers to Southeast Asia at risk for malaria should take mefloquine to prevent malaria.

A certificate of yellow fever vaccination may be required for entry into certain parts of these countries if you are coming from a country in tropical South America or sub-Saharan Africa. (There is no risk for yellow fever in Southeast Asia.) For detailed information, see Comprehensive Yellow Fever Vaccination Requirements (http://www.cdc.gov/travel/yelfever.htm).

Dengue, filariasis, Japanese encephalitis, and plague are diseases carried by insects that also occur in this region. Protecting yourself against insect bites (see below) will help to prevent these diseases.

Do not swim in fresh water (except in well-chlorinated swimming pools) in certain areas of Cambodia, Indonesia, Laos, Philippines, and Thailand to avoid infection with schistosomiasis. (For more information, please see the Swimming Precautions on the Making Travel Safe page at URL http://www.cdc.gov/travel/safety.htm.)

Because motor vehicle crashes are a leading cause of injury among travelers, walk and drive defensively. Avoid travel at night if possible and always use seat belts.

CDC Recommends the Following Vaccines (as Appropriate for Age):

See your doctor at least four to six weeks before your trip to allow time for shots to take effect.

- Hepatitis A or immune globulin (IG).
- Hepatitis B if you might be exposed to blood (for example, health-care workers), have sexual contact with the local population, stay longer than six months in the region, or be exposed through medical treatment.
- Japanese encephalitis, only if you plan to visit rural areas for four weeks or more, except under special circumstances, such as a known outbreak of Japanese encephalitis.
- Rabies, if you might be exposed to wild or domestic animals through your work or recreation.
- Typhoid vaccination is particularly important because of the presence of *S. typhi* strains resistant to multiple antibiotics in this region.
- As needed, booster doses for tetanus-diphtheria and measles, and a one-time dose of polio for adults. Hepatitis B vaccine is now recommended for all infants and for children ages 11-12 years who did not complete the series as infants.

To Stay Healthy, Do:

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- Wash hands often with soap and water.
- Drink only bottled or boiled water, or carbonated (bubbly) drinks in cans or bottles. Avoid tap water, fountain drinks, and ice cubes. If this is not possible, make water safer by BOTH filtering through an "absolute 1-micron or less" filter AND adding iodine tablets to the filtered water. "Absolute 1-micron filters" are found in camping/outdoor supply stores.
- Eat only thoroughly cooked food or fruits and vegetables you have peeled yourself. Remember: boil it, cook it, peel it, or forget it.
- If you visit an area where there is risk for malaria, take your malaria prevention medication before, during, and after travel, as directed. (See your doctor for a prescription.)
- Protect yourself from insects by remaining in well-screened areas, using repellents (applied sparingly at 4-hour intervals), and wearing long-sleeved shirts and long pants from dusk through dawn.
- To prevent fungal and parasitic infections, keep feet clean and dry, and do not go barefoot.
- Always use latex condoms to reduce the risk of HIV and other sexually transmitted diseases.

To Avoid Getting Sick:

- Don't eat food purchased from street vendors.
- Don't drink beverages with ice.
- Don't eat dairy products unless you know they have been pasteurized.
- Don't share needles with anyone.
- Don't handle animals (especially monkeys, dogs, and cats), to avoid bites and serious diseases (including rabies and plague). (For more information, please see the Animal-Associated Hazards on the Making Travel Safe page.)
- Don't swim in fresh water. Salt water is usually safer. (For more information, please see the Swimming Precautions on the Making Travel Safe page.)

What You Need To Bring with You:

- Long-sleeved shirt and long pants to wear while outside whenever possible, to prevent illnesses carried by insects (e.g., malaria, dengue, filariasis, and Japanese encephalitis).
- Insect repellent containing DEET (diethylmethyltoluamide), in 30%-35% strength for adults and 6%-10% for children.
- Over-the-counter antidiarrheal medicine to take if you have diarrhea.
- Iodine tablets and water filters to purify water if bottled water is not available. See Do's above for more detailed information about water filters.
- Sunblock, sunglasses, hat.
- Prescription medications: make sure you have enough to last during your trip, as well as a copy of the prescription(s).

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After You Return Home:

If you have visited an area where there is risk for malaria, continue taking your malaria medication weekly for four weeks after you leave the area. If you become ill after travel -- even as long as a year after your trip -- tell your doctor the areas you have visited.

For More Information:

Ask your doctor or check the CDC web sites for more information about how to protect yourself against diseases that occur in Southeast Asia, such as:

For information about diseases-

Carried by Insects Dengue, Japanese encephalitis, Malaria, Plague

Carried in Food or Water Cholera, *Escherichia coli*, diarrhea, Hepatitis A, Schistosomiasis, Typhoid Fever

Person-to-Person Contact Hepatitis B, HIV/AIDS

For more information about these and other diseases, please check the Diseases (http://www.cdc.gov/travel/diseases.htm) section and the Health Topics A-Z (http://www.cdc.gov/health/diseases.htm).

Note the Outbreaks section for important updates on this region (http://www.cdc.gov/travel/outbreaks.htm).

Note:

East Timor is located in the Southeast Asia health region.

Sources:

The Center for Disease Control Destinations Website: http://www.cdc.gov/travel/destinat.htm

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Chapter 6 Environmental Overview

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Environmental Issues

General Overview:

East Timor is a newly-independent state after five centuries of colonialism that was directly followed by a quarter of a century of foreign occupation, during which natural resources were exploited for short-term profits. Under external jurisdiction, management practices have included compelled transmigration and other unsustainable developmental policies. To compound matters, the political violence and chaos following the 1999 referendum resulted in a decimated infrastructure and a damaged economy. It may take several years before East Timor can recover from these events.

Given this scenario, emphasis should be placed on reconstruction and the establishment of political institutions. As these priorities relate to the environment, policies and legislation should be developed to protect natural habitats and important resources for local communities. Indeed, it should be noted that in a country that is dependent on subsistence agriculture, the maintenance of natural habitats allows local communities to harvest biomass for food, as well to collect fuelwood and building materials for everyday life. In East Timor, medicinal substances and other non-timber forest products are also very important resources harvested from natural habitats.

Current Issues:

- -Deforestation is a serious environmental problem and is related to the wider environmental problem of poor watershed management. There is a significant need to protect the natural forest cover by protecting affected areas, reforestation programs, and the adoption of watershed management programs and ecological agro-forestry methods. Improved agricultural practices for steep terrain are also advisable.
- -Problems concerning availability and quality of drinking water are also related to poor watershed management. Generally, water quality deteriorates during the rainy season, thus contributing to diseases, childhood diseases and infant mortality. In the capital city of Dili, water availability is also a problem and attributable to the decimated infrastructure. In areas of the country which are less moist, the lack of water availability is attributable to problems with irrigation and the dependency on seasonal sources

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-The coastal zone of East Timor remains remarkably untouched. If used in a non-destructive, well-planned manner, and sustainable manner, this eco-system can provide promising possibilities for economic development, while simultaneously offering sustainability to the coastal population. If not dealt with in an ecologically sound manner, however, economic interests relating to the coastal zone, (for example in oil exploration and tourism development) significant threats to this unique resource will arise

-Solid waste is restricted to the urban centers, particularly Dili, as well as in various coastal areas, visited by tourists. In rural inland areas, however, this is not a significant problem at present.

-Pollution of soil and water is also present, although significantly confined to urban areas. The uncontrolled use of agrochemicals in irrigated agricultural production, however, could compromise this favorable situation.

Total Greenhouse Gas Emissions (Mtc):

N/A

Country Rank (GHG output):

N/A

Natural Hazards:

- -Floods
- -Landslides
- -Earthquakes
- -Tsunamis
- -Tropical cyclones

Environmental Policy

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Regulation and Jurisdiction:

The regulation and protection of the environment in East Timor is under the jurisdiction of the following:

• East Timor became an independent entity in 2002; it has no existing record of regulation and jurisdiction.

Major Non-Governmental Organizations:

• East Timor has no existing record of national policy or organizational participation.

International Environmental Accords:

Party to:

• None

Signed but not ratified:

None

Kyoto Protocol Status (year ratified):

East Timor is not a signatory to the Kyoto Protocol

Greenhouse Gas Ranking

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Greenhouse Gas Ranking

GHG Emissions Rankings

Country Rank	Country
1	United States
2	China
4	Russia
5	Japan
6	India
7	Germany
8	United Kingdom
9	Canada
10	Korea, South
11	Italy
12	Mexico
13	France
14	South Africa

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15	Iran
16	Indonesia
17	Australia
18	Spain
19	Brazil
20	Saudi Arabia
21	Ukraine
22	Poland
23	Taiwan
24	Turkey
25	Thailand
26	Netherlands
27	Kazakhstan
28	Malaysia
29	Egypt
30	Venezuela
31	Argentina
32	Uzbekistan

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33	Czech Republic
34	Belgium
35	Pakistan
36	Romania
37	Greece
38	United Arab Emirates
39	Algeria
40	Nigeria
41	Austria
42	Iraq
43	Finland
44	Philippines
45	Vietnam
46	Korea, North
47	Israel
48	Portugal
49	Colombia
50	Belarus

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51	Kuwait
52	Hungary
53	Chile
54	Denmark
55	Serbia & Montenegro
56	Sweden
57	Syria
58	Libya
59	Bulgaria
60	Singapore
61	Switzerland
62	Ireland
63	Turkmenistan
64	Slovakia
65	Bangladesh
66	Morocco
67	New Zealand
68	Oman

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69	Qatar
70	Azerbaijan
71	Norway
72	Peru
73	Cuba
74	Ecuador
75	Trinidad & Tobago
76	Croatia
77	Tunisia
78	Dominican Republic
79	Lebanon
80	Estonia
81	Yemen
82	Jordan
83	Slovenia
84	Bahrain
85	Angola
86	Bosnia & Herzegovina

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87	Lithuania
88	Sri Lanka
89	Zimbabwe
90	Bolivia
91	Jamaica
92	Guatemala
93	Luxembourg
94	Myanmar
95	Sudan
96	Kenya
97	Macedonia
98	Mongolia
99	Ghana
100	Cyprus
101	Moldova
102	Latvia
103	El Salvador
104	Brunei

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105	Honduras
106	Cameroon
107	Panama
108	Costa Rica
109	Cote d'Ivoire
110	Kyrgyzstan
111	Tajikistan
112	Ethiopia
113	Senegal
114	Uruguay
115	Gabon
116	Albania
117	Nicaragua
118	Botswana
119	Paraguay
120	Tanzania
121	Georgia
122	Armenia

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123	Congo, RC
124	Mauritius
125	Nepal
126	Mauritius
127	Nepal
128	Mauritania
129	Malta
130	Papua New Guinea
131	Zambia
132	Suriname
133	Iceland
134	Togo
135	Benin
136	Uganda
137	Bahamas
138	Haiti
139	Congo, DRC
140	Guyana

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141	Mozambique
142	Guinea
143	Equatorial Guinea
144	Laos
145	Barbados
146	Niger
147	Fiji
148	Burkina Faso
149	Malawi
150	Swaziland
151	Belize
152	Afghanistan
153	Sierra Leone
154	Eritrea
155	Rwanda
156	Mali
157	Seychelles
158	Cambodia

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159	Liberia
160	Bhutan
161	Maldives
162	Antigua & Barbuda
163	Djibouti
164	Saint Lucia
165	Gambia
166	Guinea-Bissau
167	Central African Republic
168	Palau
169	Burundi
170	Grenada
171	Lesotho
172	Saint Vincent & the Grenadines
173	Solomon Islands
174	Samoa
175	Cape Verde
176	Nauru

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177	Dominica
178	Saint Kitts & Nevis
179	Chad
180	Tonga
181	Sao Tome & Principe
182	Comoros
183	Vanuatu
185	Kiribati
Not Ranked	Andorra
Not Ranked	East Timor
Not Ranked	Holy See
Not Ranked	Hong Kong
Not Ranked	Liechtenstein
Not Ranked	Marshall Islands
Not Ranked	Micronesia
Not Ranked	Monaco
Not Ranked	San Marino
Not Ranked	Somalia

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Not Ranked	Tuvalu

* European Union is ranked 3rd Cook Islands are ranked 184th Niue is ranked 186th

Global Environmental Snapshot

Introduction

The countries of the world face many environmental challenges in common. Nevertheless, the nature and intensity of problem vary from region to region, as do various countries' respective capacities, in terms of affluence and infrastructure, to remediate threats to environmental quality.

Consciousness of perils affecting the global environment came to the fore in the last third or so of the 20th century has continued to intensify well into the new millennium. According to the United Nations Environment Programme, considerable environmental progress has been made at the level of institutional developments, international cooperation accords, and public participation. Approximately two-dozen international environmental protection accords with global implications have been promulgated since the late 1970s under auspices of the United Nations and other international organizations, together with many additional regional agreements. Attempts to address and rectify environmental problems take the form of legal frameworks, economic instruments, environmentally sound technologies and cleaner production processes as well as conservation efforts. Environmental impact assessments have increasingly been applied across the globe.

Environmental degradation affects the quality, or aesthetics, of human life, but it also displays potential to undermine conditions necessary for the sustainability of human life. Attitudes toward the importance of environmental protection measures reflect ambivalence derived from this bifurcation. On one hand, steps such as cleaning up pollution, dedicating parkland, and suchlike, are seen as embellishments undertaken by wealthy societies already assured they can successfully perform those functions deemed, ostensibly, more essential-for instance, public health and education, employment and economic development. On the other hand, in poorer countries, activities causing environmental damage-for instance the land degradation effects of unregulated logging, slash-and-burn agriculture, overgrazing, and mining-can seem justified insofar as such activities provide incomes and livelihoods.

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Rapid rates of resource depletion are associated with poverty and high population growth, themselves correlated, whereas consumption per capita is much higher in the most developed countries, despite these nations' recent progress in energy efficiency and conservation. It is impossible to sequester the global environmental challenge from related economic, social and political challenges.

First-tier industrialized countries have recently achieved measurable decreases in environmental pollution and the rate of resource depletion, a success not matched in middle income and developing countries. It is believed that the discrepancy is due to the fact that industrialized countries have more developed infrastructures to accommodate changes in environmental policy, to apply environmental technologies, and to invest in public education. The advanced industrialized countries incur relatively lower costs in alleviating environmental problems, in comparison to developing countries, since in the former even extensive environmental programs represent a rather minuscule percentage of total expenditures. Conversely, budget constraints, lagged provision of basic services to the population, and other factors such as debt service and militarization may preclude institution of minimal environmental protection measures in the poorest countries.

A synopsis for the current situation facing each region of the world follows:

Regional Synopsis: Africa

The African continent, the world's second-largest landmass, encompasses many of the world's least developed countries. By global standards, urbanization is comparatively low but rising at a rapid rate. More heavily industrialized areas at the northern and southern ends of the continent experience the major share of industrial pollution. In other regions the most serious environmental problems typically stem from inefficient subsistence farming methods and other forms of land degradation, which have affected an increasingly extensive area under pressure of a widely impoverished, fast-growing population. Africa's distribution of natural resources is very uneven. It is the continent at greatest risk of desertification, especially in the Sahel region at the edge of the Sahara but also in other dry-range areas. Yet at the same time, Africa also harbors some of the earth's richest and most diverse biological zones.

Key Points:

Up to half a billion hectares of African land are moderately to severely degraded, an occurrence reflecting short-fallow shifting cultivation and overgrazing as well as a climatic pattern of recurrent droughts.

Soil degradation is severe along the expanse directly south of the Sahara, from the west to the east coasts. Parts of southern Africa, central-eastern Africa, and the neighboring island of Madagascar

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suffer from serious soil degradation as well.

Africa contains about 17 percent of the world's forest cover, concentrated in the tropical belt of the continent. Many of the forests, however, are severely depleted, with an estimated 70 percent showing some degree of degradation.

Population growth has resulted in continuing loss of arable land, as inefficient subsistence farming techniques affect increasingly extensive areas. Efforts to implement settled, sustainable agriculture have met with some recent success, but much further progress in this direction is needed. Especially in previously uninhabited forestlands, concern over deforestation is intensifying.

By contrast, the African savanna remains the richest grassland in the world, supporting a substantial concentration of animal and plant life. Wildlife parks are sub-Saharan Africa's greatest tourist attraction, and with proper management-giving local people a stake in conservation and controlling the pace of development-could greatly enhance African economies.

Significant numbers of mammal species in parts of northern, southern and eastern Africa are currently threatened, while the biological diversity in Mauritania and Madagascar is even further compromised with over 20 percent of the mammal species in these two countries currently under threat.

With marine catch trends increasing from 500,000 metric tons in the 1950s to over 3,000,000 metric tons by 2000, there was increasing concern about the reduction in fisheries and marine life, should this trend continue unabated.

Water resource vulnerability is a major concern in northeastern Africa, and a moderate concern across the rest of the continent. An exception is central Africa, which has plentiful water supplies.

Many Africans lack adequate access to resources, not just (if at all) because the resources are unevenly distributed geographically, but also through institutional failures such as faulty land tenure systems or political upheaval. The quality of Africa's natural resources, despite their spotty distribution, is in fact extraordinarily rich. The infrastructure needed to protect and benefit from this natural legacy, however, is largely lacking.

Regional Synopsis: Asia and the Pacific

Asia-earth's largest landmass-and the many large and nearly innumerable small islands lying off its Pacific shore display extraordinarily contrasting landscapes, levels of development, and degrees of environmental stress. In the classification used here, the world's smallest continent, Australia, is also included in the Asia-Pacific region.

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The Asia-Pacific region is home to 9 of the world's 14 largest urban areas, and as energy use for utilities, industry and transport increases in developing economies, urban centers are subject to worsening air quality. Intense population density in places such as Bangladesh or Hong Kong is the quintessential image many people have of Asia, yet vast desert areas such as the Gobi and the world's highest mountain range, the Himalayas, span the continent as well. Forested areas in Southeast Asia and the islands of Indonesia and the Philippines were historically prized for their tropical hardwood, but in many places this resource is now severely depleted. Low-lying small island states are extremely vulnerable to the effects of global warming, both rising sea levels and an anticipated increase in cyclones.

Key Points:

Asian timber reserves are forecast to be depleted in the next 40 years. Loss of natural forest is irreversible in some areas, but plantation programs to restore tree cover may ameliorate a portion of the resulting land degradation.

Increased usage of fossil fuels in China and other parts of southern Asia is projected to result in a marked increase in emissions, especially in regard to carbon dioxide. The increased usage of energy has led to a marked upsurge in air pollution across the region.

Acidification is an emerging problem regionally, with sulfur dioxide emissions expected to triple by 2010 if the current growth rate is sustained. China, Thailand, India, and Korea seem to be suffering from particularly high rates of acid deposition. By contrast, Asia's most highly developed economy, Japan, has effected substantial improvements in its environmental indicators.

Water pollution in the Pacific is an urgent concern since up to 70 percent of the water discharged into the region's waters receives no treatment. Additionally, the disposal of solid wastes, in like manner, poses a major threat in a region with many areas of high population density.

The Asia-Pacific region is the largest expanse of the world's land that is adversely affected by soil degradation.

The region around Australia reportedly suffers the largest degree of ozone depletion.

The microstates of the Pacific suffer land loss due to global warming, and the consequent rise in the levels of ocean waters. A high-emissions scenario and anthropogenic climate impact at the upper end of the currently predicted range would probably force complete evacuation of the lowest-elevation islands sometime in this century.

The species-rich reefs surrounding Southeast Asia are highly vulnerable to the deleterious effects of

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coastal development, land-based pollution, over-fishing and exploitative fishing methods, as well as marine pollution from oil spills and other activities.

With marine catch trends increasing from 5,000,000 metric tons in the 1950s to over 20,000,000 metric tons by 2000, there was increasing concern about the reduction in fisheries and marine life, should this trend continue unabated.

Significant numbers of mammal species in parts of China and south-east Asia are currently threatened, while the biological diversity in India, Japan, Australia, the Philippines, Indonesia and parts of Malaysia is even further compromised with over 20 percent of the mammal species in these countries currently under threat.

Water resource vulnerability is a serious concern in areas surrounding the Indian subcontinent.

Regional Synopsis: Central Asia

The Central Asian republics, formerly in the Soviet Union, experience a range of environmental problems as the result of poorly executed agricultural, industrial, and nuclear programs during the Soviet era. Relatively low population densities are the norm, especially since upon the breakup of the U.S.S.R. many ethnic Russians migrated back to European Russia. In this largely semi-arid region, drought, water shortages, and soil salinization pose major challenges.

Key Points:

The use of agricultural pesticides, such as DDT and other chemicals, has contributed to the contamination of soil and groundwater throughout the region.

Land and soil degradation, and in particular, increased salinization, is mostly attributable to faulty irrigation practices.

Significant desertification is also a problem in the region.

Air pollution is prevalent, mostly due to use of low octane automobile fuel.

Industrial pollution of the Caspian Sea and the Aral Sea, as a result of industrial effluents as well as mining and metal production, presents a challenge to the countries bordering these bodies of water.

One of the most severe environmental problems in the region is attributable to the several billion tons of hazardous materials stored in landfills across Central Asia.

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Uzbekistan's particular problem involves the contraction of the Aral Sea, which has decreased in size by a third, as a consequence of river diversions and poor irrigation practices. The effect has been the near-total biological destruction of that body of water.

Kazakhstan, as a consequence of being the heartland of the former Soviet Union's nuclear program, has incurred a high of cancerous malignancies, biogenetic abnormalities and radioactive contamination.

While part of the Soviet Union, the republics in the region experienced very high levels of greenhouse gas emissions, as a consequence of rapid industrialization using cheap but dirty energy sources, especially coal.

By contrast, however, there have recently been substantial reductions in the level of greenhouse gas emissions, especially those attributable to coal burning, with further decreases anticipated over the next decade. These changes are partially due to the use of cleaner energy technologies, such as natural gas, augmented by governmental commitment to improving environmental standards.

Regional Synopsis: Europe

Western Europe underwent dramatic transformation of its landscape, virtually eliminating large-scale natural areas, during an era of rapid industrialization, which intensified upon its recovery from World War II. In Eastern Europe and European Russia, intensive land development has been less prevalent, so that some native forests and other natural areas remain. Air and water pollution from use of dirty fuels and industrial effluents, however, are more serious environmental problems in Eastern than in Western Europe, though recent trends show improvement in many indicators. Acid rain has inflicted heavy environmental damage across much of Europe, particularly on forests. Europe and North America are the only regions in which water usage for industry exceeds that for agriculture, although in Mediterranean nations agriculture is the largest water consumer.

Key Points:

Europe contributes 36 percent of the world's chlorofluorocarbon emissions, 30 percent of carbon dioxide emissions, and 25 percent of sulfur dioxide emissions.

Sulfur and nitrogen oxide emissions are the cause of 30 to 50 percent of Central and Eastern Europe's deforestation.

Acid rain has been an environmental concern for decades and continues to be a challenge in parts of Western Europe.

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Overexploitation of up to 60 percent of Europe's groundwater presents a problem in industrial and urban areas.

With marine catch trends increasing from 5,000,000 metric tons in the 1950s to over 20,000,000 metric tons by 2000, there was increasing concern about the reduction in fisheries and marine life, should this trend continue unabated.

Significant numbers of mammal species in parts of western Europe, Eastern Europe and Russia are currently threatened, while the biological diversity on the Iberian Peninsula is even further compromised with over 40 percent of the mammal species in this region currently under threat. As a result, there has been a 10 percent increase in protected areas of Europe.

A major environmental issue for Europe involves the depletion of various already endangered or threatened species, and most significantly, the decline of fish stocks. Some estimates suggest that up to 50 percent of the continent's fish species may be considered endangered species. Coastal fisheries have been over-harvested, resulting in catch limits or moratoriums on many commercially important fish species.

Fortunately, in the last few years, these policies have started to yield measurable results with decreasing trends in marine fish catch.

Recently, most European countries have adopted cleaner production technologies, and alternative methods of waste disposal, including recycling.

The countries of Eastern Europe have made air quality a major environmental priority. This is exemplified by the Russian Federation's addition to the 1995 "Berlin Mandate" (transnational legislation based on resolutions of the Rio Earth Summit) compelling nations to promote "carbon sinks" to absorb greenhouse gases.

On a relative basis, when compared with the degree of industrial emissions emitted by many Eastern European countries until the late 1980s, there has been some marked increase in air quality in the region, as obsolete plants are closed and a transition to cleaner fuels and more efficient energy use takes place.

Regional Synopsis: The Middle and Near East

Quite possibly, the Middle East will exemplify the adage that, as the 20th century was a century fixated on oil, the 21st century will be devoted to critical decisions about water. Many (though far from all) nations in the Middle East rank among those countries with the largest oil and gas

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reserves, but water resources are relatively scarce throughout this predominantly dry region. Effects of global warming may cause moderately high elevation areas that now typically receive winter "snowpack" to experience mainly rain instead, which would further constrain dry-season water availability. The antiquities and religious shrines of the region render it a great magnet for tourism, which entails considerable economic growth potential but also intensifies stresses on the environment.

Key Points:

Water resource vulnerability is a serious concern across the entire region. The increased usage of, and further demand for water, has exacerbated long-standing water scarcity in the region. For instance, river diversions and industrial salt works have caused the Dead Sea to shrink by one-third from its original surface area, with further declines expected.

The oil industry in the region contributes to water pollution in the Persian Gulf, as a result of oil spills, which have averaged 1.2 million barrels of oil spilt per year (some sources suggest that this figure is understated). The consequences are severe because even after oil spills have been cleaned up, environmental damage to the food webs and ecosystems of marine life will persist for a prolonged period.

The region's coastal zone is considered one of the most fragile and endangered ecosystems of the world. Land reclamation, shoreline construction, discharge of industrial effluents, and tourism (such as diving in the Red Sea) contribute to widespread coastal damage.

Significant numbers of mammal species in parts of the Middle East are currently threatened.

Since the 1980s, 11 percent of the region's natural forest has been depleted.

Regional Synopsis: Latin America and the Caribbean

The Latin American and Caribbean region is characterized by exceedingly diverse landforms that have generally seen high rates of population growth and economic development in recent decades. The percentage of inhabitants residing in urban areas is quite high at 73.4 percent; the region includes the megacities of Mexico City, Sao Paulo, and Rio de Janeiro. The region also includes the world's second-highest mountain range, the Andes; significant expanses of desert and grassland; the coral reefs of the Caribbean Sea; and the world's largest contiguous tropical forest in the Amazon basin. Threats to the latter from subsistence and commercial farming, mineral exploitation and timbering are well publicized. Nevertheless, of eight countries worldwide that still retain at least 70 percent of their original forest cover, six are in Latin America. The region accounts for nearly half (48.3 percent) of the world's greenhouse gas emissions derived from land clearing, but as yet a

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comparatively minuscule share (4.3 percent) of such gases from industrial sources.

Key Points:

Although Latin America is one of the most biologically diverse regions of the world, this biodiversity is highly threatened, as exemplified by the projected extinction of up to 100,000 species in the next few decades. Much of this loss will be concentrated in the Amazon area, although the western coastline of South America will also suffer significant depletion of biological diversity. The inventory of rainforest species with potentially useful commercial or medical applications is incomplete, but presumed to include significant numbers of such species that may become extinct before they are discovered and identified.

Up to 50 percent of the region's grazing land has lost its soil fertility as a result of soil erosion, salinization, alkalinization and overgrazing.

The Caribbean Sea, the Atlantic Ocean, and the Pacific Ocean have all been contaminated by agricultural wastes, which are discharged into streams that flow into these major waters. Water pollution derived from phosphorous, nitrates and pesticides adversely affects fish stocks, contributes to oxygen depletion and fosters overgrowth of aquatic vegetation. Marine life will continue to be severely compromised as a result of these conditions.

Due to industrial development in the region, many beaches of eastern Latin America and the Caribbean suffer from tar deposits.

Most cities in the region lack adequate sewage treatment facilities, and rapid migration of the rural poor into the cities is widening the gap between current infrastructure capacity and the much greater level needed to provide satisfactory basic services.

The rainforest region of the Amazon Basin suffers from dangerously high levels of deforestation, which may be a significant contributory factor to global warming or "the greenhouse effect." In the late 1990s and into the new millennium, the rate of deforestation was around 20 million acres of rainforest being destroyed annually.

Deforestation on the steep rainforest slopes of Caribbean islands contributes to soil erosion and landslides, both of which then result in heavy sedimentation of nearby river systems. When these sedimented rivers drain into the sea and coral reefs, they poison the coral tissues, which are vital to the maintenance of the reef ecosystem. The result is marine degradation and nutrient depletion. Jamaica's coral reefs have never quite recovered from the effects of marine degradation.

The Southern Cone of Latin America (Argentina, Brazil, Chile, Paraguay, and Uruguay) suffers the effects of greatly increased ultraviolet-B radiation, as a consequence of more intense ozone

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depletion in the southern hemisphere.

Water resource vulnerability is an increasingly major concern in the northwestern portion of South America.

Regional Synopsis: North America

North American nations, in particular the United States and Canada, rank among the world's most highly developed industrial economies-a fact which has generated significant pollution problems, but also financial resources and skills that have enabled many problems to be corrected. Although efforts to promote energy efficiency, recycling, and suchlike have helped ease strains on the environment in a part of the world where per capita consumption levels are high, sprawling land development patterns and recent preferences many households have demonstrated for larger vehicles have offset these advances.

Meanwhile, a large portion of North America's original forest cover has been lost, though in many cases replaced by productive second-growth woodland. In recent years, attitudes toward best use of the region's remaining natural or scenic areas seem to be shifting toward recreation and preservation and away from resource extraction. With increasing attention on the energy scarcity in the United States, however, there is speculation that this shift may be short-lived. Indeed, the energy shortage on the west coast of the United States and associated calls for energy exploration, indicate a possible retrenchment toward resource extraction. At the same time, however, it has also served to highlight the need for energy conservation as well as alternative energy sources.

Despite generally successful anti-pollution efforts, various parts of the region continue to suffer significant air, water and land degradation from industrial, vehicular, and agricultural emissions and runoff. Mexico, as a middle-income country, displays environmental problems characteristic of a developing economy, including forest depletion, pollution from inefficient industrial processes and dirty fuels, and lack of sufficient waste-treatment infrastructure.

Key Points:

Because of significantly greater motor vehicle usage in the United States (U.S.) than in the rest of the world, the U.S. contribution of urban air pollution and greenhouse gas emissions, especially carbon dioxide, is disproportionately high in relation to its population.

Acid rain is an enduring issue of contention in the northeastern part of the United States, on the border with Canada.

Mexico's urban areas suffer extreme air pollution from carbon monoxide, nitrogen oxides, sulfur

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dioxide, and other toxic air pollutants. Emissions controls on vehicles are in their infancy, compared to analogous regulations in the U.S.

The cities of Mexico, including those on the U.S. border, also discharge large quantities of untreated or poorly treated sewage, though officials are currently planning infrastructure upgrades.

Deforestation is noteworthy in various regions of the U.S., especially along the northwest coastline. Old growth forests have been largely removed, but in the northeastern and upper midwestern sections of the United States, evidence suggests that the current extent of tree cover probably surpasses the figure for the beginning of the 20th century.

Extreme weather conditions in the last few years have resulted in a high level of soil erosion along the north coast of California; in addition, the coastline itself has shifted substantially due to soil erosion and concomitant landslides.

Agricultural pollution-including nitrate contamination of well water, nutrient runoff to waterways, and pesticide exposure-is significant in various areas. Noteworthy among affected places are California's Central Valley, extensive stretches of the Midwest, and land in the Chesapeake Bay watershed.

Inland waterways, especially around the Great Lakes, have substantially improved their water quality, due to concentrated efforts at reducing water pollution by governmental, commercial and community representatives. Strict curbs on industrial effluents and near-universal implementation of sewage treatment are the chief factors responsible for this improvement.

A major environmental issue for Canada and the United States involves the depletion of various already endangered or threatened species, and most significantly, the decline of fish stocks. Coastal fisheries have been over-harvested, resulting in catch limits or moratoriums on many commercially important fish species. In the last few years, these policies have started to yield measurable results with decreasing trends in marine fish catch.

Due to the decay of neighboring ecosystems in Central America and the Caribbean, the sea surrounding Florida has become increasingly sedimented, contributing to marine degradation, nutrient depletion of the ecosystem, depletion of fish stocks, and diseases to coral species in particular.

Polar Regions

Key Points:

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The significant rise in sea level, amounting 10 to 25 centimeters in the last 100 years, is due to the melting of the Arctic ice sheets, and is attributed to global warming.

The Antarctic suffers from a significant ozone hole, first detected in 1976. By 1985, a British scientific team reported a 40 percent decrease in usual regeneration rates of the ozone. Because a sustained increase in the amount of ultraviolet-B radiation would have adverse consequences upon all planetary life, recent environmental measures have been put into effect, aimed at reversing ozone depletion. These measures are projected to garner significant results by 2050.

Due to air and ocean currents, the Arctic is a sink for toxic releases originally discharged thousands of miles away. Arctic wildlife and Canada's Inuit population have higher bodily levels of contaminants such as PCB and dioxin than those found in people and animals in much of the rest of the world.

Global Environmental Concepts

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1. Global Warming and Greenhouse Gases

The Greenhouse Effect:

In the early 19th century, the French physicist, Jean Fourier, contended that the earth's atmosphere functions in much the same way as the glass of a greenhouse, thus describing what is now understood as the "greenhouse effect." Put simply, the "greenhouse effect" confines some of the sun's energy to the earth, preserving some of the planet's warmth, rather than allowing it to flow back into space. In so doing, all kinds of life forms can flourish on earth. Thus, the "greenhouse effect" is necessary to sustain and preserve life forms and ecosystems on earth.

In the late 19th century, a Swedish chemist, Svante Arrhenius, noticed that human activities, such as the burning of coal and other fossil fuels for heat, and the removal of forested lands for urban development, led to higher concentrations of greenhouse gases, like carbon dioxide and methane, in the atmosphere. This increase in the levels of greenhouse gases was believed to advance the "greenhouse effect" exponentially, and might be related to the trend in global warming.

In the wake of the Industrial Revolution, after industrial development took place on a large scale and the total human population burgeoned simultaneously with industrialization, the resulting

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increase in greenhouse gas emissions could, many scientists believe, be significant enough to have some bearing on climate. Indeed, many studies in recent years support the idea that there is a linkage between human activities and global warming, although there is less consensus on the extent to which this linkage may be relevant to environmental concerns.

That said, some scientists have argued that temperature fluctuations have existed throughout the evolution of the planet. Indeed, Dr. S. Fred Singer, the president of the Science and Environment Policy Project has noted that 3,000-year-old geological records of ocean sediment reveal changes in the surface temperature of the ocean. Hence, it is possible that climate variability is merely a normal fact of the planet's evolution. Yet even skeptics as to anthropogenic factors concur that any substantial changes in global temperatures would likely have an effect upon the earth's ecosystems, as well as the life forms that inhabit them.

The Relationship Between Global Warming and Greenhouse Gases:

A large number of climatologists believe that the increase in atmospheric concentrations of "greenhouse gas emissions," mostly a consequence of human activities such as the burning of fossil fuels, are contributing to global warming. The cause notwithstanding, the planet has reportedly warmed 0.3°C to 0.6°C over the last century. Indeed, each year during the 1990s was one of the very warmest in the 20th century, with the mean surface temperature for 1999 being the fifth warmest on record since 1880.

In early 2000, a panel of atmospheric scientists for the National Research Council concluded in a report that global warming was, indeed, a reality. While the panel, headed by Chairman John Wallace, a professor of atmospheric sciences at the University of Washington, stated that it remained unclear whether human activities have contributed to the earth's increasing temperatures, it was apparent that global warming exists.

In 2001, following a request for further study by the incoming Bush administration in the <u>United States</u>, the National Academy of Sciences again confirmed that global warming had been in existence for the last 20 years. The study also projected an increase in temperature between 2.5 degrees and 10.4 degrees Fahrenheit by the year 2100. Furthermore, the study found the leading cause of global warming to be emissions of carbon dioxide from the burning of fossil fuels, and it noted that greenhouse gas accumulations in the earth's atmosphere was a result of human activities.

Within the scientific community, the controversy regarding has centered on the difference between surface air and upper air temperatures. Information collected since 1979 suggests that while the earth's surface temperature has increased by about a degree in the past century, the atmospheric temperature five miles above the earth's surface has indicated very little increase. Nevertheless, the panel stated that this discrepancy in temperature between surface and upper air does not invalidate the conclusion that global warming is taking place. Further, the panel noted that natural events,

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such as volcanic eruptions, can decrease the temperature in the upper atmosphere.

The major consequences of global warming potentially include the melting of the polar ice caps, which, in turn, contribute to the rise in sea levels. Many islands across the globe have already experienced a measurable loss of land as a result. Because global warming may increase the rate of evaporation, increased precipitation, in the form of stronger and more frequent storm systems, is another potential outcome. Other consequences of global warming may include the introduction and proliferation of new infectious diseases, loss of arable land (referred to as "desertification"), destructive changes to existing ecosystems, loss of biodiversity and the isolation of species, and concomitant adverse changes in the quality of human life.

International Policy Development in Regard to Global Warming:

Regardless of what the precise nature of the relationship between greenhouse gas emissions and global warming may be, it seems that there is some degree of a connection between the phenomena. Any substantial reductions in greenhouse gas emissions and global warming trends will likely involve systematic changes in industrial operations, the use of advanced energy sources and technologies, as well as global cooperation in implementing and regulating these transformations.

In this regard, the United Nations Framework Convention on Climate Change (UNFCCC) stipulated the following objectives:

- 1. To stabilize "greenhouse gas" concentrations within the atmosphere, in such a manner that would preclude hazardous anthropogenic intervention into the existing biosphere and ecosystems of the world. This stabilization process would facilitate the natural adaptation of ecosystems to changes in climate.
- 2. To ensure and enable sustainable development and food production on a global scale.

*** See section on "International Environmental Agreements and Associations" for information related to international policies related to limiting greenhouse gases and controlling climate change emanating from historic summits at Kyoto, Copenhagen, Doha, and Paris. ***

2. Air Pollution

Long before global warming reared its head as a significant issue, those concerned about the environment and public health noted the deleterious effects of human-initiated combustion upon the atmosphere. Killer smogs from coal burning triggered acute health emergencies in London and

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other places. At a lower level of intensity motor vehicle, power plant, and industrial emissions impaired long-range visibility and probably had some chronic adverse consequences on the respiratory systems of persons breathing such air.

In time, scientists began associating the sulfur dioxide and nitrogen oxides released from coal burning with significant acid deposition in the atmosphere, eventually falling as "acid rain." This phenomenon has severely degraded forestlands, especially in Europe and a few parts of the United States. It has also impaired some aquatic ecosystems and eaten away the surface of some human artifacts, such as marble monuments. Scrubber technology and conversion to cleaner fuels have enabled the level of industrial production to remain at least constant while significantly reducing acid deposition. Technologies aimed at cleaning the air and curtailing acid rain, soot, and smog may, nonetheless, boomerang as the perils of global warming become increasingly serious. In brief, these particulates act as sort of a sun shade -- comparable to the effect of volcanic eruptions on the upper atmosphere whereby periods of active volcanism correlate with temporarily cooler weather conditions. Thus, while the carbon dioxide releases that are an inevitable byproduct of combustion continue, by scrubbing the atmosphere of pollutants, an industrial society opens itself to greater insolation (penetration of the sun's rays and consequent heating), and consequently, it is likely to experience a correspondingly greater rise in ambient temperatures.

The health benefits of removing the sources of acid rain and smog are indisputable, and no one would recommend a return to previous conditions. Nevertheless, the problematic climatic effects of continually increasing emissions of carbon dioxide and other greenhouse gases pose a major global environmental challenge, not as yet addressed adequately.

3. Ozone Depletion

The stratospheric ozone layer functions to prevent ultraviolet radiation from reaching the earth. Normally, stratospheric ozone is systematically disintegrated and regenerated through natural photochemical processes. The stratospheric ozone layer, however, has been depleted unnaturally as a result of anthropogenic (man-made) chemicals, most especially chlorine and bromide compounds such as chloroflorocarbons (CFCs), halons, and various industrial chemicals in the form of solvents, refrigerants, foaming agents, aerosol propellants, fire retardants, and fumigants. Ozone depletion is of concern because it permits a greater degree of ultraviolet-B radiation to reach the earth, which then increases the incidences of cancerous malignancies, cataracts, and human immune deficiencies. In addition, even in small doses, ozone depletion affects the ecosystem by disturbing food chains, agriculture, fisheries and other forms of biological diversity.

Transnational policies enacted to respond to the dangers of ozone depletion include the 1985 Vienna Convention on the Protection of the Ozone Layer and the 1987 Montreal Protocol on Substances that Deplete the Ozone Layer. The Montreal Protocol was subsequently amended in

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London in 1990, Copenhagen in 1992 and Vienna in 1995. By 1996, 155 countries had ratified the Montreal Protocol, which sets out a time schedule for the reduction (and eventual elimination) of ozone depleting substances (OPS), and bans exports and imports of ODS from and to non-participant countries.

In general, the Protocol stipulates that developed countries must eliminate halon consumption by 1994 and CFC consumption by 1996, while developing countries must eliminate these substances by 2010. Consumption of methyl bromide, which is used as a fumigant, was to be frozen at the 1995 in developed countries, and fully eliminated in 2010, while developing countries are to freeze consumption by 2002, based on average 1995-1998 consumption levels. Methyl chloroform is to be phased out by 2005. Under the Montreal Protocol, most ODS will be completely eliminated from use by 2010.

4. Land Degradation

In recent decades, land degradation in more arid regions of the world has become a serious concern. The problem, manifest as both "desertification" and "devegetation," is caused primarily by climate variability and human activities, such as "deforestation," excessive cultivation, overgrazing, and other forms of land resource exploitation. It is also exacerbated by inadequate irrigation practices. Although the effects of droughts on drylands have been temporary in the past, today, the productivity and sustainability of these lands have been severely compromised for the long term. Indeed, in every region of the world, land degradation has become an acute issue.

Desertification and Devegetation:

"Desertification" is a process of land degradation causing the soil to deteriorate, thus losing its nutrients and fertility, and eventually resulting in the loss of vegetation, known as "devegetation." As aforementioned, "desertification" and "devegetation" are caused by human activities, yet human beings are also the greatest casualties. Because these forms of land degradation affect the ability of the soil to produce crops, they concomitantly contribute to poverty. As population increases and demographic concentrations shift, the extent of land subject to stresses by those seeking to wrest subsistence from it has inexorably risen.

In response, the United Nations has formed the Convention to Combat Desertification-aimed at implementing programs to address the underlying causes of desertification, as well as measures to prevent and minimize its effects. Of particular significance is the formulation of policies on transboundary resources, such as areas around lakes and rivers. At a broader level, the Convention has established a Conference of Parties (COP), which includes all ratifying governments, for directing and advancing international action.

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To ensure more efficacious use of funding, the Convention intends to reconfigure international aid to utilize a consultative and coordinated approach in the disbursement and expenditure of donor funds. In this way, local communities that are affected by desertification will be active participants in the solution-generation process. In-depth community education projects are envisioned as part of this new international aid program, and private donor financing is encouraged. Meanwhile, as new technologies are developed to deal with the problem of desertification, they need to be distributed for application across the world. Hence, the Convention calls for international cooperation in scientific research in this regard.

Desertification is a problem of sustainable development. It is directly connected to human challenges such as poverty, social and economic well-being and environmental protection as well. Broader environmental issues, such as climate change, biological diversity, and freshwater supplies, are indirectly related, so any effort to resolve this environmental challenge must entail coordinated research efforts and joint action.

Deforestation:

Deforestation is not a recent phenomenon. For centuries, human beings have cut down trees to clear space for land cultivation, or in order to use the wood for fuel. Over the last 200 years, and most especially after World War II, deforestation increased because the logging industry became a globally profitable endeavor, and so the clearing of forested areas was accelerated for the purposes of industrial development. In the long term, this intensified level of deforestation is considered problematic because the forest is unable to regenerate itself quickly. The deforestation that has occurred in tropical rainforests is seen as an especially serious concern, due to the perceived adverse effects of this process upon the entire global ecosystem.

The most immediate consequence of deforestation is soil degradation. Soil, which is necessary for the growth of vegetation, can be a fragile and vital property. Organically, an extensive evolution process must take place before soil can produce vegetation, yet at the same time, the effects of natural elements, such as wind and rain, can easily and quickly degrade this resource. This phenomenon is known as soil erosion. In addition, natural elements like wind and rain reduce the amount of fertile soil on the ground, making soil scarcity a genuine problem. When fertile topsoil that already exists is removed from the landscape in the process of deforestation, soil scarcity is further exacerbated. Equally significant is the fact that once land has been cleared so that the topsoil can be cultivated for crop production, not only are the nutrient reserves in the soil depleted, thus producing crops of inferior quality, but the soil structure itself becomes stressed and deteriorates further.

Another direct result of deforestation is flooding. When forests are cleared, removing the cover of

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vegetation, and rainfall occurs, the flow of water increases across the surface of land. When extensive water runoff takes place, the frequency and intensity of flooding increases. Other adverse effects of deforestation include the loss of wildlife and biodiversity within the ecosystem that supports such life forms.

At a broader level, tropical rainforests play a vital role in maintaining the global environmental system. Specifically, destruction of tropical rainforests affects the carbon dioxide cycle. When forests are destroyed by burning (or rotting), carbon dioxide is released into the air, thus contributing to an intensified "greenhouse effect." The increase in greenhouse gas emissions like carbon dioxide is a major contributor to global warming, according to many environmental scientists. Indeed, trees themselves absorb carbon dioxide in the process of photosynthesis, so their loss also reduces the absorption of greenhouse gases.

Tropical rainforest destruction also adversely affects the nitrogen cycle. Nitrogen is a key nutrient for both plants and animals. Plants derive nitrogen from soil, while animals obtain it via nitrogen-enriched vegetation. This element is essential for the formation of amino acids, and thereby for proteins and biochemicals that all living things need for metabolism and growth. In the nitrogen cycle, vegetation acquires these essential proteins and biochemicals, and then cyclically returns them to the atmosphere and global ecosystem. Accordingly, when tropical rainforest ecosystems are compromised, not only is vegetation removed; the atmosphere is also affected and climates are altered. At a more immediate level, the biodiversity within tropical rainforests, including wildlife and insect species and a wealth of plant varieties, is depleted. Loss of rare plants is of particular concern because certain species as yet unknown and unused could likely yield many practical benefits, for instance as medicines.

As a result of the many challenges associated with deforestation, many environmental groups and agencies have argued for government policies on the sustainable development of forests by governments across the globe. While many countries have instituted national policies and programs aimed at reducing deforestation, and substantial research has been advanced in regard to sustainable and regenerative forestry development, there has been very little progress on an international level. Generally speaking, most tropical rainforests are located in developing and less developed countries, where economic growth is often dependent upon the exploitation of tropical rainforests. Timber resources as well as wildlife hunting tend to be particularly lucrative arenas.

In places such as the Amazon, where deforestation takes place for the construction of energy plants aimed at industrialization and economic development, there is an exacerbated effect on the environment. After forests are cleared in order to construct such projects, massive flooding usually ensues. The remaining trees then rot and decay in the wake of the flooding. As the trees deteriorate, their biochemical makeup becomes more acidic, producing poisonous substances such as hydrogen sulphide and methane gases. Acidified water subsequently corrodes the mechanical equipment and operations of the plants, which are already clogged by rotting wood after the

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floodwaters rise.

Deforestation generally arises from an economically plausible short-term motivation, but nonetheless poses a serious global concern because the effects go beyond national boundaries. The United Nations has established the World Commission on Forest and Sustainable Development. This body's task is to determine the optimal means of dealing with the issue of deforestation, without unduly affecting normal economic development, while emphasizing the global significance of protecting tropical forest ecosystems.

5. Water Resources

For all terrestrial fauna, including humans, water is the most immediate necessity to sustain life. As the population has increased and altered an ever-greater portion of the landscape from its natural condition, demand on water resources has intensified, especially with the development of industrialization and large-scale irrigation. The supply of freshwater is inherently limited, and moreover distributed unevenly across the earth's landmasses. Moreover, not just demand for freshwater but activities certain to degrade it are becoming more pervasive. By contrast, the oceans form a sort of "last wilderness," still little explored and in large part not seriously affected by human activity. However, coastal environments - the biologically richest part of the marine ecosystem-are experiencing major depletion due to human encroachment and over-exploitation.

Freshwater:

In various regions, for instance the Colorado River in the western <u>United States</u>, current withdrawals of river water for irrigation, domestic, and industrial use consume the entire streamflow so that almost no water flows into the sea at the river's mouth. Yet development is ongoing in many such places, implying continually rising demand for water. In some areas reliant on groundwater, aquifers are being depleted at a markedly faster rate than they are being replenished. An example is the San Joaquin Valley in California, where decades of high water withdrawals for agriculture have caused land subsidence of ten meters or more in some spots. Naturally, the uncertainty of future water supplies is particularly acute in arid and semi-arid regions. Speculation that the phenomenon of global warming will alter geographic and seasonal rainfall patterns adds further uncertainty.

Water conservation measures have great potential to alleviate supply shortages. Some city water systems are so old and beset with leaking pipes that they lose as much water as they meter. Broad-scale irrigation could be replaced by drip-type irrigation, actually enhancing the sustainability of agriculture. In many areas where heavy irrigation has been used for decades, the result is deposition of salts and other chemicals in the soil such that the land becomes unproductive for

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farming and must be abandoned.

Farming is a major source of water pollution. Whereas restrictions on industrial effluents and other "point sources" are relatively easy to implement, comparable measures to reform hydraulic practices at farms and other "nonpoint sources" pose a significantly knottier challenge. Farm-caused water pollution takes the following main forms:

- Nitrate pollution found in wells in intensive farming areas as a consequence of heavy fertilizer use is a threat to human health. The most serious danger is to infants, who by ingesting high-nitrate water can contract methemoglobinemia, sometimes called "blue baby syndrome," a potentially fatal condition.
- Fertilizer runoff into rivers and lakes imparts unwanted nutrients that cause algae growth and eventual loss of oxygen in the body of water, degrading its ability to support fish and other desirable aquatic life.
- Toxic agricultural chemicals insecticides, herbicides, and fungicides are detectable in some aquifers and waterways.

In general, it is much easier to get a pollutant into water than to retrieve it out. Gasoline additives, dry cleaning chemicals, other industrial toxins, and in a few areas radionucleides have all been found in water sources intended for human use. The complexity and long time scale of subterranean hydrological movements essentially assures that pollutants already deposited in aquifers will continue to turn up for decades to come. Sophisticated water treatment processes are available, albeit expensive, to reclaim degraded water and render it fit for human consumption. Yet source protection is unquestionably a more desirable alternative.

In much of the developing world, and even some low-income rural enclaves of the developed world, the population lacks ready access to safe water. Surface water and shallow groundwater supplies are susceptible to contamination from untreated wastewater and failing septic tanks, as well as chemical hazards. The occurrence of waterborne disease is almost certainly greatly underreported.

Marine Resources:

Coastal areas have always been desirable places for human habitation, and population pressure on them continues to increase. Many types of water degradation that affect lakes and rivers also affect coastal zones: industrial effluents, untreated or partially treated sewage, nutrient load from agriculture figure prominently in both cases. Prospects for more extreme storms as a result of global warming, as well as the pervasiveness of poorly planned development in many coastal areas,

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forebode that catastrophic hurricanes and landslides may increase in frequency in the future. Ongoing rise in sea levels will force remedial measures and in some cases abandonment of currently valuable coastal property.

Fisheries over much of the globe have been overharvested, and immediate conservation measures are required to preserve stocks of many species. Many governments subsidized factory-scale fishing fleets in the 1970s and 1980s, and the resultant catch increase evidently surpassed a sustainable level. It is uncertain how much of the current decline in fish stocks stems from overharvesting and how much from environmental pollution. The deep ocean remains relatively unaffected by human activity, but continental shelves near coastlines are frequently seriously polluted, and these close-to-shore areas are the major biological nurseries for food fish and the smaller organisms they feed on.

6. Environmental Toxins

Toxic chemical pollution exploded on the public consciousness with disclosure of spectacularly polluted industrial areas such as Love Canal near Buffalo, New York. There is no question that pollutants such as organophosphates or radionucleides can be highly deleterious to health, but evidence to date suggests that seriously affected areas are a localized rather than universal problem.

While some explore the possibilities for a lifestyle that fully eschews use of modern industrial chemicals, the most prevalent remediative approach is to focus on more judicious use. The most efficient chemical plants are now able to contain nearly all toxic byproducts of their production processes within the premises, minimizing the release of such substances into the environment. Techniques such as Integrated Pest Management (IPM) dictate limited rather than broadcast use of pesticides: application only when needed using the safest available chemical, supplemented as much as possible with nontoxic controls.

While heightened public awareness and growing technical sophistication suggest a hopeful outlook on limiting the damage from manmade environmental toxins, one must grant that previous incidents of their misuse and mishandling have already caused environmental damage that will have to be dealt with for many years to come. In the case of the most hazardous radioactive substances, the time scale for successful remediation actually extends beyond that of the recorded history of civilization. Moreover, in this era of high population density and rapid economic growth, quotidian activities such as the transport of chemicals will occasionally, seemingly inevitably result in accidents with adverse environmental consequences.

7. "Islandization" and Biodiversity

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With increased awareness regarding the adverse effects of unregulated hunting and habitat depletion upon wildlife species and other aspects of biodiversity, large-scale efforts across the globe have been initiated to reduce and even reverse this trend.

In every region of the world, many species of wildlife and areas of biodiversity have been saved from extinction. Nationally, many countries have adopted policies aimed at preservation and conservation of species, and one of the most tangible measures has been the proliferation of protected habitats. Such habitats exist in the form of wildlife reserves, marine life reserves, and other such areas where biodiversity can be protected from external encroachment and exploitation.

Despite these advances in wildlife and biodiversity protection, further and perhaps more intractable challenges linger. Designated reserves, while intended to prevent further species decline, exist as closed territories, fragmented from other such enclaves and disconnected from the larger ecosystem. This environmental scenario is referred to as "islandization." Habitat reserves often serve as oversized zoos or game farms, with landscapes and wildlife that have effectively been "tamed" to suit. Meanwhile, the larger surrounding ecosystem continues to be seriously degraded and transformed, while within the islandized habitat, species that are the focus of conservation efforts may not have sufficient range and may not be able to maintain healthy genetic variability.

As a consequence, many conservationists and preservationists have demanded that substantially larger portions of land be withheld as habitat reserves, and a network of biological corridors to connect continental reserves be established. While such efforts to combat islandization have considerable support in the <u>United States</u>, how precisely such a program would be instituted, especially across national boundaries, remains a matter of debate. International conservationists and preservationists say without a network of reserves a massive loss of biodiversity will result.

The concept of islandization illustrates why conservation and preservation of wildlife and biodiversity must consider and adopt new, broader strategies. In the past, conservation and preservation efforts have been aimed at specific species, such as the spotted owl and grizzly bear in North America, the Bengal tiger in Southeast Asia, the panda in China, elephants in Africa. Instead, the new approach is to simultaneously protect many and varied species that inhabit the same ecosystem. This method, referred to as "bio-regional conservation," may more efficaciously generate longer-term and more far-reaching results precisely because it is aimed at preserving entire ecosystems, and all the living things within.

More About Biodiversity Issues:

This section is directly taken from the United Nations Environmental Program: "Biodiversity Assessment"

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The Global Biodiversity Assessment, completed by 1500 scientists under the auspices of United Nations Environmental Program in 1995, updated what is known (or unknown) about global biological diversity at the ecosystem, species and genetic levels. The assessment was uncertain of the total number of species on Earth within an order of magnitude. Of its working figure of 13 million species, only 13 percent are scientifically described. Ecological community diversity is also poorly known, as is its relationship to biological diversity, and genetic diversity has been studied for only a small number of species. The effects of human activities on biodiversity have increased so greatly that the rate of species extinctions is rising to hundreds or thousands of times the background level. These losses are driven by increasing demands on species and their habitats, and by the failure of current market systems to value biodiversity adequately. The Assessment calls for urgent action to reverse these trends.

There has been a new recognition of the importance of protecting marine and aquatic biodiversity. The first quantitative estimates of species losses due to growing coral reef destruction predict that almost 200,000 species, or one in five presently contributing to coral reef biodiversity, could die out in the next 40 years if human pressures on reefs continue to increase.

Since Rio, many countries have improved their understanding of the status and importance of their biodiversity, particularly through biodiversity country studies such as those prepared under the auspices of UNEP/GEF. The <u>United Kingdom</u> identified 1250 species needing monitoring, of which 400 require action plans to ensure their survival. Protective measures for biodiversity, such as legislation to protect species, can prove effective. In the USA, almost 40 percent of the plants and animals protected under the Endangered Species Act are now stable or improving as a direct result of recovery efforts. Some African countries have joined efforts to protect threatened species through the 1994 Lusaka Agreement, and more highly migratory species are being protected by specialized cooperative agreements among range states under the Bonn Agreement.

There is an emerging realization that a major part of conservation of biological diversity must take place outside of protected areas and involve local communities. The extensive agricultural areas occupied by small farmers contain much biodiversity that is important for sustainable food production. Indigenous agricultural practices have been and continue to be important elements in the maintenance of biodiversity, but these are being displaced and lost. There is a new focus on the interrelationship between agrodiversity conservation and sustainable use and development practices in smallholder agriculture, with emphasis on use of farmers' knowledge and skills as a source of information for sustainable farming.

Perhaps even more important than the loss of biodiversity is the transformation of global biogeochemical cycles, the reduction in the total world biomass, and the decrease in the biological productivity of the planet. While quantitative measurements are not available, the eventual economic and social consequences may be so significant that the issue requires further attention.

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Online resources used generally in the Environmental Overview:

Environmental Protection Agency Global Warming Site. URL: http://www.epa.gov/globalwarming

Food and Agriculture Organization of United Nations: Forestry. URL: http://www.fao.org/forestry/site/sofo/en/

Global Warming Information Page. URL: http://globalwarming.org

United Nations Global Environmental Outlook. URL: http://www.unep.org/geo/geo4/media/

Note on Edition Dates:

The edition dates for textual resources are noted above because they were used to formulate the original content. We also have used online resources (cited above) to update coverage as needed.

Information Resources

For more information about environmental concepts, CountryWatch recommends the following resources:

The United Nations Environmental Program Network (with country profiles)

The United Nations Environment Program on Climate Change

http://climatechange.unep.net/

The United Nations Environmental Program on Waters and Oceans

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The United Nations Environmental Program on Forestry: "Forests in Flux"

FAO "State of the World's Forests"

World Resources Institute.

Harvard University Center for Health and the Global Environment

The University of Wisconsin Center for Sustainability and the Global Environment

http://sage.aos.wisc.edu/

International Environmental Agreements and Associations

International Policy Development in Regard to Global Warming:

Introduction

Regardless of what the precise nature of the relationship between greenhouse gas emissions and global warming may be, it seems that there is some degree of a connection between the phenomena. Any substantial reductions in greenhouse gas emissions and global warming trends will likely involve systematic changes in industrial operations, the use of advanced energy sources and technologies, as well as global cooperation in implementing and regulating these transformations.

In this regard, the United Nations Framework Convention on Climate Change (UNFCCC) stipulated the following objectives:

1. To stabilize "greenhouse gas" concentrations within the atmosphere, in such a manner that would preclude hazardous anthropogenic intervention into the existing biosphere and ecosystems of

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the world. This stabilization process would facilitate the natural adaptation of ecosystems to changes in climate.

2. To ensure and enable sustainable development and food production on a global scale.

Following are two discussions regarding international policies on the environment, followed by listings of international accords.

Special Entry: The Kyoto Protocol

The UNFCCC was adopted at the Rio Earth Summit in 1992, and entered into force in 1994. Over 175 parties were official participants.

Meanwhile, however, many of the larger, more industrialized nations failed to reach the emissions' reduction targets, and many UNFCCC members agreed that the voluntary approach to reducing emissions had not been successful. As such, UNFCCC members reached a consensus that legally binding limits were necessitated, and agreed to discuss such a legal paradigm at a meeting in Kyoto, Japan in 1997. At that meeting, the UNFCCC forged the Kyoto Protocol. This concord is the first legally binding international agreement that places limits on emissions from industrialized countries. The major greenhouse gas emissions addressed in the Kyoto Protocol include carbon dioxide, nitrous oxide, hydrofluorocarbons, perfluorocarbons, sulfur hexafluoride, and methane.

The provisions of the Kyoto Protocol stipulate that economically advanced nations must reduce their combined emissions of greenhouse gases, by approximately five percent from their 1990 levels, before the 2008-2010 deadline. Countries with the highest carbon dioxide emissions, such as the <u>United States</u> (U.S.), many of the European Union (EU) countries, and <u>Japan</u>, are to reduce emissions by a scale of 6 to 8 percent. All economically advanced nations must show "demonstrable progress" by 2005. In contrast, no binding limits or timetable have been set on developing countries. Presumably, this distinction is due to the fact that most developing countries - with the obvious exceptions of <u>India</u> and <u>China</u> -- simply do not emit as many greenhouse gases as do more industrially advanced countries. Meanwhile, these countries are entrenched in the process of economic development.

Regardless of the aforementioned reasoning, there has been strong opposition against the asymmetrical treatment assigned to emissions limits among developed and developing countries. Although this distinction might be regarded as unfair in principle, associations such as the Alliance of Small Island States have been vocal in expressing how global warming -- a result of greenhouse gas emissions - has contributed to the rise in sea level, and thus deleteriously affected their very existence as island nation states. For this reason, some parties have suggested that economically advanced nations, upon returning to their 1990 levels, should be required to further reduce their

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greenhouse gas emissions by a deadline of 2005. In response, interested parties have observed that even if such reductions were undertaken by economically advanced nations, they would not be enough to completely control global warming. Indeed, a reduction in the rate of fossil fuel usage by developing nations would also be necessary to have substantial ameliorative effect on global warming. Indeed, a reduction in the rate of fossil fuel usage by developing nations would also be necessary to have substantial ameliorative effect on global warming.

As such, the Protocol established a "Clean Development Mechanism" which permits developed countries to invest in projects aimed at reducing emissions within developing countries in return for credit for the reductions. Ostensibly, the objective of this mechanism is to curtail emissions in developing countries without unduly penalizing them for their economic development. Under this model, the countries with more potential emissions credits could sell them to other signatories of the Kyoto Protocol, whose emissions are forecast to significantly rise in the next few years. Should this trading of emissions credits take place, it is estimated that the Kyoto Protocol's emissions targets could still be met.

In 1999, the International Energy Outlook projected that Eastern Europe, the former Soviet Union and Newly Independent States, as well as parts of Asia, are all expected to show a marked decrease in their level of energy-related carbon emissions in 2010. Nations with the highest emissions, specifically, the U.S., the EU and Japan, are anticipated to reduce their emissions by up to 8 percent by 2012. By 2000, however, the emissions targets were not on schedule for achievement. Indeed, the U.S. Department of Energy estimates forecast that by 2010, there will be a 34 percent increase in carbon emissions from the 1990 levels, in the absence of major shifts in policy, economic growth, energy prices, and consumer trends. Despite this assessment in the U.S., international support for the Kyoto Protocol remained strong, especially among European countries and island states, who view the pact as one step in the direction away from reliance on fossil fuels and other sources of greenhouse gases.

In 2001, U.S. President, George W. Bush, rejected his country's participation in the Kyoto Protocol, saying that the costs imposed on the global economic system, and especially, on the US, overshadowed the benefits of the Protocol. He also cited the unfair burden on developed nations to reduce emissions, as another primary reasons for withdrawal from the international pact, as well as insufficient evidence regarding the science of global warming. Faced with impassioned international disapproval for his position, the U.S. president stated that his administration remained interested in dealing with the matter of global warming, but would endorse alternative measures to combat the problem, such as voluntary initiatives limiting emissions. Critics of Bush's position, however, have noted that it was the failure of voluntary initiatives to reduce emissions following the Rio Summit that led to the establishment of the Kyoto Protocol in the first place.

In the wake of the Bush administration's decision, many participant countries resigned themselves to the reality that the goals of the Kyoto Protocol might not be achieved without U.S. involvement.

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Nevertheless, in Bonn, Germany, in July 2001, the remaining participant countries struck a political compromise on some of the key issues and sticking points, and planned to move forward with the Protocol, irrespective of the absence of the U.S. The key compromise points included the provision for countries to offset their targets with carbon sinks (these are areas of forest and farmland which can absorb carbon through the process of photosynthesis). Another compromise point within the broader Bonn Agreement was the reduction of emissions cuts of six gases from over 5 percent to a more achievable 2 percent. A third key change was the provision of funding for less wealthy countries to adopt more progressive technologies.

In late October and early November 2001, the UNFCC's 7th Conference of the Parties met in Marrakesh, Morocco, to finalize the measures needed to make the Kyoto Protocol operational. Although the UNFCC projected that ratification of the Protocol would make it legally binding within a year, many critics noted that the process had fallen short of implementing significant changes in policy that would be necessary to actually stop or even slow climate change. They also maintained that the absence of U.S. participation effectively rendered the Protocol into being a political exercise without any substance, either in terms of transnational policy or in terms of environmental concerns.

The adoption of the compromises ensconced within the Bonn Agreement had been intended to make the provisions of the Kyoto Protocol more palatable to the U.S. In this regard, it failed to achieve its objective as the Bush administration continued to eschew participation in the international accord. Still, however, the Bonn Agreement did manage to render a number of other positive outcomes. Specifically, in 2002, key countries, such as <u>Russia</u>, <u>Japan</u> and <u>Canada</u> agreed to ratify the protocol, bringing the number of signatories to 178. The decision by key countries to ratify the protocol was regarded as "the kiss of life" by observers.

By 2005, on the eve of a climate change conference in London, British Prime Minister Tony Blair was hoping to deal with the problems of climate change beyond the provisions set forth in the Kyoto Protocol. Acknowledging that the Kyoto Protocol could not work in its current form, Blair wanted to open the discussion for a new climate change plan.

Blair said that although most of the world had signed on to Kyoto, the protocol could not meet any of its practical goals of cutting greenhouse gas emissions without the participation of the United States, the world's largest polluter. He also noted that any new agreement would have to include India and China -- significant producers of greenhouse gas emissions, but exempt from Kyoto because they have been classified as developing countries. Still, he said that progress on dealing with climate change had been stymied by "a reluctance to face up to reality and the practical action needed to tackle problem."

Blair also touted the "huge opportunities" in technology and pointed toward the possibilities offered by wind, solar and nuclear power, along with fuel cell technology, eco-friendly biofuels, and

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carbon capture and storage which could generate low carbon power. Blair also asserted that his government was committed to achieving its domestic goal of reducing carbon dioxide emissions by 20 percent by 2010.

In the United States, President George W. Bush has said that global warming remained a debatable issue and despite conclusions reached by his own Environmental Protection Agency, he has not agreed with the conclusion that global warming and climate change are linked with human activities. Bush has also refused to ratify Kyoto on the basis of its economic costs.

Australia, an ally of the United States, has taken a similarly dim view of the Kyoto Protocol. Ahead of the November 2005 climate change meeting in Canada in which new goals for the protocol were to be discussed, Australia 's Environment Minister, Ian Campbell, said that negotiating new greenhouse gas emission levels for the Kyoto Protocol would be a waste of time. Campbell said, "There is a consensus that the caps, targets and timetables approach is flawed. If we spend the next five years arguing about that, we'll be fiddling and negotiating while Rome burns." Campbell, like the Bush administration, has also advocated a system of voluntary action in which industry takes up new technologies rather than as a result of compelling the reduction of emissions. But the Australian Conservation Foundation (ACF) has called on its government to ratify the Kyoto Protocol, to establish a system of emissions trading, and to set binding limits on emissions. Interestingly, although it did not sign on to Kyoto, Australia was expected to meet its emissions target by 2012 (an 8 percent increase in 1990 levels in keeping with the country's reliance on coal). But this success has nothing to do with new technologies and is due to state-based regulations on land clearing.

Note: The Kyoto Protocol calls for developed nations to cut greenhouse emissions by 5.2 percent of 1990 levels by 2012.

Special Entry: Climate Change Summit in Copenhagen (2009) --

In December 2009, the United Nations Climate Change Summit opened in the Danish capital of Copenhagen. The summit was scheduled to last from Dec. 7-18, 2009. Delegates from more than 190 countries were in attendance, and approximately 100 world leaders, including British Prime Minister Gordon Brown and <u>United States</u> President Barack Obama, were expected to participate. At issue was the matter of new reductions targets on greenhouse gas emissions by 2020.

Despite earlier fears that little concurrence would come from the conference, effectively pushing significant actions forward to a 2010 conference in Mexico City, negotiators were now reporting that the talks were productive and several key countries, such as South Africa, had pledged to reduce greenhouse gas emissions. The two main issues that could still lead to cleavages were questions of agreement between the industrialized countries and the developing countries of the world, as well as the overall effectiveness of proposals in seriously addressing the perils of climate

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change.

On Dec. 9, 2009, four countries -- the <u>United Kingdom</u>, <u>Australia</u>, <u>Mexico</u> and <u>Norway</u> -- presented a document outlining ideas for raising and managing billions of dollars, which would be intended to help vulnerable countries dealing with the perils of climate change. Described as a "green fund," the concept could potentially help small island states at risk because of the rise in sea level. <u>Bangladesh</u> identified itself as a potential recipient of an assistance fund, noting that as a country plagued by devastating floods, it was particularly hard-hit by climate change. The "green fund" would fall under the rubric of the United Nations Framework Convention on Climate Change, for which developed countries have been committed to quantifying their emission reduction targets, and also to providing financial and technical support to developing countries.

The <u>United Kingdom</u>, <u>Australia</u>, <u>Mexico</u> and <u>Norway</u> also called for the creation of a new legal treaty that would replace the Kyoto Protocol. This new treaty, which could go into force in 2012, would focus largely on the reduction of greenhouse gas emissions by 2020. But <u>Australia</u> went even further in saying that the successor treaty to the Kyoto Protocol, should be one with provisions covering all countries. Such a move would be a departure from the structure of the Kyoto Protocol, which contained emissions targets for industrialized countries due to the prevailing view that developed countries had a particular historic responsibility to be accountable for climate change. More recently, it has become apparent that substantial reductions in greenhouse gas emissions demanded by scientists would only come to pass with the participation also of significant developing nation states, such as <u>China</u> and <u>India</u>. Indeed, one of the most pressing critiques of the Kyoto Protocol was that it was a "paper tiger" that failed to address the impact of the actions of emerging economies like <u>China</u> and <u>India</u>, with its focus on the developed economies.

Now, in 2009, <u>China</u> -- as the world's biggest greenhouse gas emitter -- was responding this dubious distinction by vocalizing its criticism of the current scenario and foregrounding its new commitments. Ahead of the Copenhagen summit, <u>China</u> had announced it would reduce the intensity of its carbon emissions per unit of its GDP in 2020 by 40 to 45 percent against 2005 levels. With that new commitment at hand, <u>China</u> was now accusing the <u>United States</u> and the European Union of shirking their own responsibilities by setting weak targets for greenhouse gas emissions cuts. Senior Chinese negotiator, Su Wei, characterized the goals of the world's second largest greenhouse gas emitter -- the <u>United States</u> -- as "not notable," and the European Union's target as "not enough." Su Wei also took issue with <u>Japan</u> for setting implausible preconditions.

On Dec. 11, 2009, China demanded that developed and wealthy countries in Copenhagen should help deliver a real agreement on climate change by delivering on their promises to reduce carbon emissions and provide financial support for developing countries to adapt to global warming. In so doing, China's Vice Foreign Minister He Yafei said his country was hoping that a "balanced outcome" would emerge from the discussions at the summit. Echoing the position of the Australian government, He Yafei spoke of a draft agreement as follows: "The final document we're going to

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adopt needs to be taking into account the needs and aspirations of all countries, particularly the most vulnerable ones."

China's Vice Foreign Minister emphasized the fact that climate change was "a matter of survival" for developing countries, and accordingly, such countries need wealthier and more developed countries to accentuate not only their pledges of emissions reduction targets, but also their financial commitments under the aforementioned United Nations Framework Convention on Climate Change. To that end, scientists and leaders of small island states in the Indian Ocean, the Pacific Ocean and the Caribbean Sea, have highlighted the existential threat posed by global warming and the concomitant rise in sea level.

China aside, attention was also on <u>India</u> -- another major player in the developing world and a country with an industrializing economy that was impacting the environment. At issue was the Indian government's decision to set a carbon intensity target, which would slow emissions growth by up to 25 percent by the 2020 deadline. This strong position was resisted by some elements in <u>India</u>, who argued that their country should not be taking such a strong position when developed wealthy countries were yet to show accountability for their previous commitments to reduce greenhouse gas emissions. The matter grew so heated that the members of the opposition stormed out of the parliament in protest as Indian Environment Minister Jairam Ramesh defended the policy. But the political pressure at home in <u>India</u> was leaving the Indian delegation in Copenhagen in a state of chaos as well. In fact, India's top environmental negotiator refused to travel to Copenhagen in protest of the government's newly-announced stance.

China and India were joined by Brazil and South Africa in the crafting of a draft document calling for a new global climate treaty to be completed by June 2010. Of concern has been the realization that there was insufficient time to find concurrence on a full legal treaty, which would leave countries only with a politically-binding text by the time the summit at Copenhagen closed. But Guyana's leader, President Bharrat Jagdeo, warned that the summit in Denmark would be classified as a failure unless a binding document was agreed upon instead of just political consensus. He urged his cohorts to act with purpose saying, "Never before have science, economics, geo-strategic self-interest and politics intersected in such a way on an issue that impacts everyone on the planet."

Likewise, <u>Tuvalu</u> demanded that legally binding agreements emerge from Copenhagen. Its proposal was supported by many of the vulnerable countries, from small island states and sub-Saharan Africa, all of whom warned of the catastrophic impact of climate change on their citizens. <u>Tuvalu</u> also called for more aggressive action, such as an amendment to the 1992 agreement, which would focus on sharp greenhouse gas emissions and the accepted rise in temperatures, due to the impact the rise in seas. The delegation from <u>Kiribati</u> joined the call by drawing attention to the fact that one village had to be abandoned due to waist-high water, and more such effects were likely to follow. Kiribati's Foreign Secretary, Tessie Lambourne, warned that the people of <u>Kiribati</u> could well be faced with no homeland in the future saying, "Nobody in

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this room would want to leave their homeland." But despite such impassioned pleas and irrespective of warnings from the Intergovernmental Panel on Climate Change that the rise in sea level from melting polar ice caps would deleteriously affect low-lying atolls such as such as <u>Tuvalu</u> and <u>Kiribati</u> in the Pacific, and the <u>Maldives</u> in the Indian Ocean, the oil-giant <u>Saudi Arabia</u> was able to block this move.

Meanwhile, within the developed countries, yet another power struggle was brewing. The European Union warned it would only agree to raise its target of 20 percent greenhouse gas emissions reductions to 30 percent if the <u>United States</u> demonstrated that it would do more to reduce its own emissions. It was unknown if such pressure would yield results. <u>United States</u> President Barack Obama offered a "provisional" 2020 target of 17 percent reductions, noting that he could not offer greater concessions at Copenhagen due to resistance within the <u>United States</u> Congress, which was already trying to pass a highly controversial "cap and trade" emissions legislation. However, should that emissions trading bill fail in the Senate, the <u>United States</u> Environment Protection Agency's declaration that greenhouse gases pose a danger to human health and the environment was expected to facilitate further regulations and limits on power plants and factories at the national level. These moves could potentially strengthen the Obama administration's offering at Copenhagen. As well, President Obama also signaled that he would be willing to consider the inclusion of international forestry credits.

Such moves indicated willingness by the Obama administration to play a more constructive role on the international environmental scene than its predecessor, the Bush administration. Indeed, ahead of his arrival at the Copenhagen summit, President Barack Obama's top environmental advisors promised to work on a substantial climate change agreement. To that end, <u>United States</u> Environmental Protection Agency Administrator Lisa Jackson said at a press conference, "We are seeking robust engagement with all of our partners around the world." But would this proengagement assertion yield actual results?

By Dec. 12, 2009, details related to a draft document prepared by Michael Zammit Cutajar, the head of the Ad-hoc Working Group on Long-Term Cooperative Action, were released at the Copenhagen climate conference. Included in the document were calls for countries to make major reductions in carbon emissions over the course of the next decade. According to the Washington Post, industrialized countries were called on to make cuts of between 25 percent and 40 percent below 1990 levels -- reductions that were far more draconian than the <u>United States</u> was likely to accept. As discussed above, President Obama had offered a provisional reduction target of 17 percent. The wide gap between the released draft and the United States' actual stated position suggested there was much more negotiating in the offing if a binding agreement could be forged, despite the Obama administration's claims that it was seeking greater engagement on this issue.

In other developments, the aforementioned call for financial support of developing countries to deal with the perils of climate change was partly answered by the European Union on Dec. 11, 2009.

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The European bloc pledged an amount of 2.4 billion euros (US\$3.5 billion) annually from 2010 to 2012. Environment Minister Andreas Carlgren of Sweden -- the country that holds the rotating presidency of the European Union at the time of the summit -- put his weight behind the notion of a "legally binding deal." Meanwhile, Yvo de Boer, a top United Nations climate change official, focused less on the essence of the agreement and more on tangible action and effects saying, "Copenhagen will only be a success if it delivers significant and immediate action that begins the day the conference ends."

The division between developed and developing countries in Copenhagen reached new heights on Dec. 14, 2009, when some of the poor and less developed countries launched a boycott at the summit. The move, which was spurred by African countries but backed by China and India, appeared to be geared toward redirecting attention and primary responsibility to the wealthier and more industrialized countries. The impasse was resolved after the wealthier and more industrialized countries offered assurances that they did not intend on shirking from their commitments to reducing greenhouse gases. As a result, the participating countries ceased the boycott.

Outside the actual summit, thousands of protestors had gathered to demand crucial global warming, leading to clashes between police and demonstrators elsewhere in the Danish capital city. There were reports of scattered violence across Copenhagen and more than 1,000 people were arrested.

Nevertheless, by the second week of the climate change summit, hopes of forging a strong deal were eroding as developed and developing nations remained deadlocked on sharing cuts in greenhouse gases, and particularly on the matters of financing and temperature goals. In a bid to shore up support for a new climate change, <u>United States</u> President Barack Obama joined other world leaders in Copenhagen. On Dec. 14, 2009, there was a standoff brewing between the <u>United States</u> and <u>China</u>. At issue was China's refusal to accept international monitoring of its expressed targets for reducing greenhouse gas emissions. The <u>United States</u> argued that China's opposition to verification could be a deal-breaker.

By the close of the summit, the difficult process eventually resulted in some consensus being cultivated. A draft text called for \$100 billion a year by 2020 to assist poor nations cope with climate change, while aiming to limit global warming to two degrees Celsius compared with preindustrial levels. The deal also included specific targets for developed countries to reduce greenhouse gas emissions, and called for reductions by developing countries as a share of their economies. Also included in the agreement was a mechanism to verify compliance. The details of the agreement were supported by President Barack Obama, Chinese Premier Wen Jiabao, Indian Prime Minister Manmohan Singh and Brazilian President Luiz Inacio Lula da Silva.

This draft would stand as an interim agreement, with a legally-binding international pact unlikely to materialize until 2010. In this way, the summit in Copenhagen failed to achieve its central

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objective, which was to negotiate a successor to the Kyoto Protocol on greenhouse gas emissions.

Editor's Note

In the background of these developments was the growing global consciousness related to global warming and climate change. Indeed, as the Copenhagen summit was ongoing, it was clear there was enormous concurrence on the significance of the stakes with an editorial on the matter of climate change being published in 56 newspapers in 45 countries. That editorial warned that without global action, climate change would "ravage our planet." Meanwhile, a global survey taken by Globescan showed that concern over global warming had exponentially increased from 1998 -- when only 20 percent of respondents believed it to be a serious problem -- to 64 percent in 2009. Such survey data, however, was generated ahead of the accusations by climate change skeptics that some climate scientists may have overstated the case for global warming, based on emails derived in an illicit manner from a British University.

Special Entry: Climate change talks in Doha in *Qatar* extend life of Kyoto Protocol (2012)

December 2012 saw climate talks ensue in the Qatari city of Doha as representatives from countries across the world gathered to discuss the fate of the Kyoto Protocol, which seeks to minimize greenhouse gas emissions. The summit yielded results with decisions made (1) to extend the Kyoto Protocol until 2020, and (2) for wealthier countries to compensate poorer countries for the losses and damage incurred as a result of climate change.

In regards to the second matter, Malia Talakai of Nauru, a leading negotiator for the Alliance of Small Island States, explained the necessity of the compensation package as follows: "We are trying to say that if you pollute you must help us."

This measure was being dubbed the "Loss and Damage" mechanism, and was being linked with <u>United States</u> President Barack Obama's request for \$60 billion from Congress to deal with the devastation caused by Hurricane Sandy months before. The sight of a hurricane bearing down on the northern Atlantic seaboard, along with the reality of the scope of reconstruction, appeared to have illustrated the economic costs of climate change -- not so much as a distant environmental issue -- but as a danger to the quotidian lives of people. Still, there was blame to be placed on the <u>United States</u> and European countries -- some of world's largest emitters -- for failing to do more to reduce emissions.

To that latter end, there was in fact little progress made on the central issue of reducing greenhouse gas emissions. Had those emissions been reduced, there would have been less of a need to financially deal with the devastation caused by climate change. One interpretation was that the global community was accepting the fact that industrialization was contributing to global warming,

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which had deleterious effects on the polar ice caps and concomitantly on the rise of sea level, with devastating effects for small island nations. Thus, wealthier countries were willing to pay around \$10 billion a year through 2020, effectively in "damages," to the poor countries that could be viewed as the "collateral damage" of industrial progress. But damages today could potentially be destruction tomorrow, leaving in place the existential challenges and burdens to be born by some of the world's smallest and least wealthy island countries.

Perhaps not surprisingly, the representative for the small island nation states at the Doha summit responded with ire, characterizing the lack of progress on reducing emissions as follows: "We see the package before us as deeply deficient in mitigation (carbon cuts) and finance. It's likely to lock us on the trajectory to a 3,4,5C rise in global temperatures, even though we agreed to keep the global average temperature rise of 1.5C to ensure survival of all islands. There is no new finance (for adapting to climate change and getting clean energy) -- only promises that something might materialize in the future. Those who are obstructive need to talk not about how their people will live, but whether our people will live."

Indeed, in most small island countries not just in the Pacific, but also the Caribbean and Indian Ocean, ecological concerns and the climate crisis have been dominant themes with dire life and death consequences looming in the background for their people. Small island nations in these region are already at risk from the rise of sea-level, tropical cyclones, floods. But their very livelihoods of fishing and subsistence farming were also at risk as a result of ecological and environmental changes. Increasingly high storm surges can wipe out entire villages and contaminate water supplies. Accordingly, the very existence of island nations, such as Kiribati and Tuvalu, are at severe risk of being obliterated from the map. Yet even with the existential threat of being wiped off the map in the offing, the international community has been either slow or restrictive in its efforts to deal with global warming, climate change, economic and ecological damage, as well as the emerging global challenge of environmental refugees.

A 2012 report from the United Nations Environment Program (UNEP) and the Pacific Regional Environment Program underlined the concerns of small island nations and their people as it concluded that the livelihoods of approximately 10 million people in Pacific island communities were increasingly vulnerable to climate change. In fact, low-lying islands in that region would likely confront losses of up to 18 percent of gross domestic product due to climate change, according to the report. The report covers 21 countries and territories, including Fiji, Kiribati, Samoa and Tonga, and recommended environmental legislation intended to deal with the climate crisis facing the small island countries particularly. As noted by David Sheppard, the director general of the Pacific Regional Environment Program that co-sponsored this study: "The findings... emphasize the need more than ever to raise the bar through collective actions that address the region's environmental needs at all levels."

Regardless of the failures of the summit in Qatar (discussed above), the meeting did facilitate a

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process starting in 2015, which would bind both wealthy and poor countries together in the mission of forging a new binding treaty that would replace the Kyoto Protocol and tackle the central causes of climate change.

For more information on the threats faced in small island nations by climate change and the measures being undertaken to lobby for international action, please see the Alliance for Small Island States available online at the URL: http://aosis.org/

Special Report

COP 21 summit in Paris ends with historic agreement to tackle climate change; rare international consensus formed on environmental crisis facing the planet (2015) --

In mid-December 2015, the highly-anticipated United Nations climate conference of parties (COP) in Paris, France, ended with a historic agreement. In fact, it would very likely be understood as the most significant international agreement signed by all the recognized countries of the world since the Cold War. Accordingly, the Paris Agreement was being distinguished as the first multilateral pact that would compel all countries across the world to cut its carbon emissions -- one of the major causes of increasing greenhouse gas emissions, which contribute to global warming, and its deleterious effects ranging from the dangerous rise in sea level to catastrophic climate change.

The accord, which was dubbed to be the "Paris Agreement," was the work of rigorous diplomacy and fervent environmental advocacy, and it aimed to address the climate change crisis facing the planet. As many as 195 countries were represented in the negotiations that led to the landmark climate deal. Indeed, it was only after weeks of passionate debate that international concurrence was reached in addressing the environmental challenges confronting the world, with particular attention to moving beyond fossil fuels and reducing greenhouse gas emissions.

The success of the COP 21 summit in Paris and the emergence of the landmark Paris Agreement was, to some extent, attributed to the efforts of France's Foreign Minister Laurent Fabius who presided over the negotiations. The French foreign minister's experience and credentials as a seasoned diplomat and respected statesman paid dividends. He skillfully guided the delegates from almost 200 countries and interest groups along the negotiations process, with ostensibly productive results and a reasonably robust deal to show for it.

On Dec. 12, 2015, French Foreign Minister Fabius officially adopted the agreement, declaring: "I now invite the COP to adopt the decision entitled Paris Agreement outlined in the document. Looking out to the room I see that the reaction is positive, I see no objections. The Paris agreement is adopted." Once Foreign Minister Fabius' gavel was struck, symbolically inaugurating

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the Paris Agreement into force, the COP delegate rushed to their feet with loud and bouyant cheers as well as thunderous applause.

In general, the Paris Agreement was being hailed as a victory for environmental activists and a triumph for international diplomats, while at the same time being understood as simply an initial -- and imperfect -- move in the direction of a sustainable future. China's chief negotiator, Xie Zhenhua, issued this message, saying that while the accord was not ideal, it should "not prevent us from marching historical steps forward."

United States President Barack Obama lauded the deal as both "ambitious" and "historic," and the work of strenuous multilateral negotiations as he declared, "Together, we've shown what's possible when the world stands as one." The <u>United States</u> leader acknowledged that the accord was not "perfect," but he reminded the critics that it was "the best chance to save the one planet we have."

Former <u>United States</u> Vice President Al Gore, one of the world's most well known environmental advocates, issued a lengthy statement on the accompishments ensconced in the Paris Agreement. He highlighted the fact that the Paris Agreement was a first step towards a future with a reduced carbon footprint on Planet Earth as he said, "The components of this agreement -- including a strong review mechanism to enhance existing commitments and a long-term goal to eliminate global-warming pollution this century -- are essential to unlocking the necessary investments in our future. No agreement is perfect, and this one must be strengthened over time, but groups across every sector of society will now begin to reduce dangerous carbon pollution through the framework of this agreement."

The central provisions of the Paris Agreement included the following items:

- Greenhouse gas emissions should peak as quickly as possible, with a move towards balancing energy sources, and ultimately the decrease of greenhouse gases in the second half of this century
- Global temperature increase would be limited to 1.5 degrees Centigrade above pre-industrial levels and would be held "well below" the two degrees Centigrade threshold
- Progress on these goals would be reviewed every five years beginning in 2020 with new greenhouse gas reduction targets issued every five years
- \$100 billion would be expended each year in climate finance for developing countries to move forward with green technologies, with further climate financing to be advanced in the years beyond

It should be noted that there both legally binding and voluntary elements contained within the Paris Agreement. Specifically, the submission of an emissions reduction target and the regular review of that goal would be legally mandatory for all countries. Stated differently, there would be a system in place by which experts would be able to track the carbon-cutting progress of each country. At the same time, the specific targets to be set by countries would be determined at the discretion of the countries, and would not be binding. While there was some criticism over this

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non-binding element, the fact of the matter was that the imposition of emissions targets was believed to be a major factor in the failure of climate change talks in Copenhagen, <u>Denmark</u>, in 2009.

In 2015, the talks faced challenges as several countries, such as China and India, objected to conditions that would stymie economic and development. In order to avoid that kind of landmine, a system Intended Nationally Determined Contributions (INDCs) was developed and formed the basis of the accord. As such, the Paris Agreement would, in fact, facilitate economic growth and development, as well as technological progress, but with the goal of long-term ecological sustainability based on low carbon sources. In fact, the agreement heralded as "the beginning of the end of the fossil fuel era." As noted by Nick Mabey, the head of the climate diplomacy organization E3G, said, "Paris means governments will go further and faster to tackle climate change than ever before. The transition to a low carbon economy is now unstoppable, ensuring the end of the fossil fuel age."

A particular sticking point in the agreement was the \$100 billion earmarked for climate financing for developing countries to transition from traditional fossil fuels to green energy technologies and a low carbon future. In 2014, a report by the International Energy Agency indicated that the cost of that transition would actually be around \$44 trillion by the mid-century -- an amount that would render the \$100 billion being promised to be a drop in the proverbial bucket. However, the general expectation was that the Republican-controlled Senate in the <u>United States</u>, which would have to ratify the deal in that country, was not interested in contributing significant funds for the cause of climate change.

A key strength of the Paris Agreement was the ubiquitous application of measures to all countries. Of note was the frequently utilized concept of "flexibility" with regard to the Paris Agreement. Specifically, the varying capacities of the various countries in meeting their obligations would be anticipated and accorded flexibility. This aspect presented something of a departure from the 1997 Kyoto Protocol, which drew a sharp distinction between developed and developing countries, and mandated a different set of obligations for those categories of countries. Thus, under Kyoto, China and India were not held to the same standards as the United States and European countries. In the Paris Agreement, there would be commitments from all countries across the globe.

Another notable strength of the Paris Agreement was the fact that the countries of the world were finally able to reach consensus on the vital necessity to limit global temperature increases to 1.5 degrees Centrigrade. Ahead of the global consensus on the deal, and as controversy continued to surface over the targeted global temperature limits, the leaders of island countries were sounding the alarm about the melting of the Polar ice caps and the associated rise in seal level. Prime Minister Enele Sopoaga of <u>Tuvalu</u> issued this dismal reminder: "Tuvalu's future ... is already bleak and any further temperature increase will spell the total demise of <u>Tuvalu</u>. No leader in this

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room carries such a level of worry and responsibility. Just imagine you are in my shoes, what would you do?" It was thus something of a victory for environmental advocates that the countries of the world could find ensensus on the lower number -- 1.5 degrees rather than 2 degrees.

A significant weak point with regard to the Paris deal was a "loss and damage" provision, which anticipates that even with all the new undertakings intended to reduce greenhouse gas emissions and move to a low carbon future, there would nonetheless be unavoidable climate change consequences. Those consequences ranged from the loss of arable land for farmers as well as soil erosion and contamination of potable water by sea water, to the decimation of territory in coastal zones and on small islands, due to the rise in sea level, with entire small island countries being rendered entirely uninhabitable. The reality was that peoples' homes across the world would be destroyed along with their way of life.

With that latter catastrophic effect being a clear and present danger for small island countries, the Association of Small Island States (AOSIS) demanded that the developed world acknowledge its responsibility for this irreversible damage. Despite the fact that greenhouse gas emissions and the ensuing plague of global warming was, indeed, the consequence of development in the West (the United States and Europe) and the large power house countries, such as Russia, China and India, there was no appetite by those countries to sign on to unlimited liability. Under the Paris Agreement, there was a call for research on insurance mechanisms that would address loss and damage issues, with recommendations to come in the future.

The call for research was being regarded as an evasion of sorts and constituted the weakest aspect of the Paris Agreement. Not surprisingly, a coalition of small island nations demanded a "Marshall Plan" for the Pacific. Borrowing the term "Marshall Plan" from the post-World War II reconstruction effort, the coalition of Pacific island nation, which included Kiribati, Tuvalu, Fiji, and the Marshall Islands, called for an initiative that would include investment in renewable energy and shoreline protection, cultural preservation, economic assistance for economies in transition, and a plan for migration and resettlement for these countries as they confront the catastrophic effects of the melting of the Polar ice caps and the concomitant rise in sea level. The precise contours of the initiative remained unknown, unspecified, and a mere exercise in theory at the time of writing. Yet such an initiative would, at some point, have to be addressed, given the realities of climate change and the slow motion calamity unfolding each day for low-lying island nations across the world.

As noted by Vice President Greg Stone of Conservation International, who also functions as an adviser to the government of <u>Kiribati</u>, "Imagine living in a place where you know it's going to go away someday, but you don't know what day that wave's going to come over and wash your home away." He added, "It's a disaster we know is going to happen." Meanwhile, the intervening years promised to be filled with hardship for small island nations, such as <u>Kiribati</u>. Stone explained, "For every inch of sea-level rise, these islands lose 10 feet of their freshwater

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table to saltwater intrusion," Stone explained. "So it's not just about the day the water finally goes over the island; it's also about the day that there's just not enough water left and everyone has to move off the island." Presaging the future for island nations that could face submersion, Stone said, "If you look ahead 50 years, a country like <u>Kiribati</u> could become the first aqueous nation. possibility of migration. That is, they own this big patch of ocean, and they administer it from elsewhere."

Foreign Minister Minister Tony Debrum of the Marshall Islands emerged as the champion advocating on behalf of small island nation states and a loose coalition of concerned countries from the Pacific to the Caribbean, but with support from the United States. He addressed the comprehensive concerns of small island nations regarding the weaknesses of the deal, while simultaneously making clear that the Paris Agreement signified hope for the countries most at risk. In a formal statement, Debrum declared: "We have made history today. Emissions targets are still way off track, but this agreement has the tools to ramp up ambition, and brings a spirit of hope that we can rise to this challenge. I can go back home to my people and say we now have a pathway to survival." Debrum highlighted the imperatives of Pacific island nations, saying, "Our High Ambition Coalition was the lightning rod we needed to lift our sights and expectations for a strong agreement here in Paris. We were joined by countries representing more than half the world. We said loud and clear that a bare-bones, minimalist agreement would not fly. We instead demanded an agreement to mark a turning point in history, and the beginning of our journey to the post-carbon era."

Debrum of the <u>Marshall Islands</u> espoused the quintessential synopsis of the accord and its effects for those most likely to be affected by climate change as he noted, "Climate change won't stop overnight, and my country is not out of the firing line just yet, but today we all feel a little safer."

Editor's Entry on **Environmental Policy**:

The low-lying Pacific island nations of the world, including <u>Kiribati</u>, <u>Tuvalu</u>, the <u>Marshall Islands</u>, <u>Fiji</u>, among others, are vulnerable to the threats posed by global warming and cimate change, derived from carbon emissions, and resulting in the rise in sea level. Other island nations in the Caribbean, as well as poor countries with coastal zones, were also at particular risk of suffering the deleterious effects of climate change.

Political policy in these countries are often connected to ecological issues, which have over time morphed into an existential crisis of sorts. Indeed, ecological concerns and the climate crisis have also been dominant themes with life and death consequences for the people of island nations in the Pacific. Indeed, the very livelihoods of fishing and subsistence farming remain at risk as a result of ecological and environmental changes. Yet even so, these countries are threatened by increasingly high storm surges, which could wipe out entire villages and contaminate water supplies. Moreover, because these are low lying island nations, the sustained rise in sea level can potentially lead to the

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terrain of these countries being unihabitable at best, and submerged at worst. Stated in plain terms, these countries are at severe risk of being obliterated from the map and their plight illuminates the emerging global challenge of environmental refugees. In these manifold senses, climate change is the existential crisis of the contemporary era.

Since the time of the 1997 Kyoto Protocol, there have been efforts aimed at extending the life of that agreement, with an eye on minimizing greenhouse gas emissions, and thus minimizing the effects of climate change. Those endeavors have largely ended in failure, as exemplified by the unsuccessful Copenhagen talks in 2009 and the fruitless Doha talks in 2012 respectively. The success of the COP 21 talks in France, with the adoption of the landmark Paris Agreement in 2015, was regarded as the first glimmer of hope. Not only did the Paris Agreement signify the triumph of international diplomacy and global consensus, but it also marked the start of the end of the fossil fuel era, with the path forward toward a low carbon future reliant on greener technologies. Most crucially, the Paris Agreement stood as the first significant response in recent times to the central challenge of climate change and its quotidian effects on the lives of real human beings across the world.

1. Major International Environmental Accords:

General Environmental Concerns

Convention on Environmental Impact Assessment in a Transboundary Context, Espoo, 1991.

Accords Regarding Atmosphere

Annex 16, vol. II (Environmental Protection: Aircraft Engine Emissions) to the 1044 Chicago Convention on International Civil Aviation, Montreal, 1981

Convention on Long-Range Transboundary Air Pollution (LRTAP), Geneva, 1079

United Nations Framework Convention on Climate Change (UNFCCC), New York, 1002

Vienna Convention for the Protection of the Ozone Layer, Vienna, 1985 including the Montreal Protocol on Substances that Depleted the Ozone Layer, Montreal, 1987

Accords Regarding Hazardous Substances

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Convention on the Ban of the Import into Africa and the Control of Transboundary Movements and Management of Hazardous Wastes within Africa, Bamako, 1991

Convention on Civil Liability for Damage Caused during Carriage of Dangerous Goods by Road, Rail and Inland Navigation Vessels (CRTD), Geneva, 1989

Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal (Basel Convention), Basel, 1989

Convention on the Transboundary Effects of Industrial Accidents, Helsinki, 1992

Convention to Ban the Importation into Forum Island Countries of Hazardous and Radioactive Wastes and to Control the Transboundary Movement and Management of Hazardous Wastes within the South Pacific Region (Waigani Convention), Waigani, 1995

European Agreement Concerning the International Carriage of Dangerous Goods by Road (ADR), Geneva 1957

FAO International Code of Conduct on the Distribution and Use of Pesticides, Rome, 1985

2. Major International Marine Accords:

Global Conventions

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Conventions within the UNEP Regional Seas Programme

Convention on the Protection of the Black Sea against Pollution, Bucharest, 1992

Convention for the Protection and Development of the Marine Environment of the Wider Caribbean Region, Cartagena de Indias, 1983

Convention for the Protection, Management, and Development of the Marine and Coastal Environment of the Eastern African Region, Nairobi, 1985

Kuwait Regional Convention for Co-operation on the Protection of the Marine Environment from Pollution, <u>Kuwait</u>, 1978

Convention for the Protection and Development of the Marine Environment and Coastal Region of the Mediterranean Sea (Barcelona Convention), Barcelona, 1976

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Regional Convention for the Conservation of the Red Sea and Gulf of Aden Environment, Jeddah, 1982

Convention for the Protection of the Natural Resources and Environment of the South Pacific Region, Noumea, 1986

Convention for the Protection of the Marine Environment and Coastal Area of the South-East Pacific, Lima, 1981

Convention for Co-operation in the Protection and Development of the Marine and Coastal Environment of the West and Central African Region, Abidjan, 1981

3. Major Conventions Regarding Living Resources:

Marine Living Resources

Convention on the Conservation of Antarctic Marine Living Resources (CCAMLR), Canberra, 1980

International Convention for the Conservation of Atlantic Tunas (ICCAT), Rio de Janeiro, 1966

International Convention for the Regulation of Whaling (ICRW), Washington, 1946

Nature Conservation and Terrestrial Living Resources

Antarctic Treaty, Washington, D.C., 1959

Convention Concerning the Protection of the World Cultural and Natural Heritage (World Heritage Convention), Paris, 1972

Convention on Biological Diversity (CBD), Nairobi, 1992

Convention on the Conservation of Migratory Species of Wild Animals (CMS), Bonn, 1979

Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES), Washington, D.C., 1973

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Freshwater Resources

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4. Major Conventions Regarding Nuclear Safety:

Convention on Assistance in the Case of a Nuclear Accident or Radiological Emergency (Assistance Convention), Vienna, 1986

Convention on Early Notification of a Nuclear Accident (Notification Convention), Vienna, 1986

Convention on Nuclear Safety, Vienna, 1994

Vienna Convention on Civil Liability for Nuclear Damage, Vienna, 1963

5. Major Intergovernmental Organizations

Commission on Sustainable Development (CSD)

European Union (EU): Environment

Food and Agriculture Organization (FAO)

Global Environment Facility (GEF)

International Atomic Energy Agency (IAEA)

International Council for the Exploration of the Sea (ICES)

International Fund for Agricultural Development (IFAD)

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International Labour Organization (ILO)

International Maritime Organization (IMO)

International Monetary Fund (IMF)

International Oil Pollution Compensation Funds (IOPC Funds)

Organization for Economic Co-operation and Development (OECD), Environment Policy Committee (EPOC)

United Nations Children's Fund (UNICEF)

United Nations Development Programme (UNDP)

United Nations Educational, Scientific, and Cultural Organization (UNESCO)

United Nations Environment Programme (UNEP)

United Nations Industrial Development Organization (UNIDO)

United Nations Population Fund (UNFPA)

World Bank

World Food Programme (WFP)

World Health Organization (WHO)

World Meteorological Organization (WMO)

World Trade Organization (WTO)

6. Major Non-Governmental Organizations

Atmosphere Action Network East Asia (AANEA)

Climate Action Network (CAN)

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Consumers International (CI) Earth Council Earthwatch Institute Environmental Liaison Centre International (ELCI) European Environmental Bureau (EEB) Forest Stewardship Council (FSC) Friends of the Earth International (FoEI) Greenpeace International International Chamber of Commerce (ICC) International Confederation of Free Trade Unions (ICFTU) International Planned Parenthood Federation (IPPF) International Solar Energy Society (ISES) **IUCN-The World Conservation Union** Pesticide Action Network (PAN) Sierra Club Society for International Development (SID) Third World Network (TWN) Water Environment Federation (WEF) Women's Environment and Development Organization (WEDO) World Business Council for Sustainable Development (WBCSD)

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World Federalist Movement (WFM)

World Resources Institute (WRI)

World Wide Fund For Nature (WWF)

7. Other Networking Instruments

Arab Network for Environment and Development (RAED)

Global Legislators for a Balanced Environment (GLOBE)

Regional Environmental Center for Central and Eastern Europe (REC)

United Nations Non-Governmental Liaison Service (UN-NGLS)

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Appendices

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The demographic information for language, ethnicity and religion listed in CountryWatch content is

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Exceptions to this method were used for:

- Bosnia-Herzegovina
- Nauru
- Cuba
- Palau
- Holy See
- San Marino
- Korea, North
- Serbia & Montenegro
- Liberia
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- Liechtenstein
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Methodology Notes for the HDI:

Since 1990, the United Nations Development Programme, in concert with organizations across the globe, has produced the <u>Human Development Index</u> (or HDI). According to the UNDP, the index measures average achievement in basic human development in one simple composite index, and produces from this index a ranking of countries. The HDI is a composite of three basic components of human development: longevity, knowledge and standard of living. Longevity is measured by life expectancy. Knowledge is measured by combination of adult literacy and mean

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years of schooling. Standard of living is measured by purchasing power, based on real GDP per capita (in constant US\$) adjusted for differences in international living costs (or, purchasing power parity, PPP). While the index uses these social indicators to measure national performance with regard to human welfare and development, not all countries provide the same level of information for each component needed to compute the index; therefore, as in any composite indicator, the final index is predicated on projections, predictions and weighting schemes. The index is a static measure, and thus, an incomplete measure of human welfare. In fact, the UNDP says itself the concept of human development focuses on the ends rather than the means of development and progress, examining in this manner, the average condition of all people in a given country.

Specifically, the index is calculated by determining the maximum and minimum for each of the three components (as listed above) and then measuring where each country stands in relation to these scales-expressed as a value between 0 and 1. For example, the minimum adult literary rate is zero percent, the maximum is 100 percent, and the reading skills component of knowledge in the HDI for a country where the literacy rate is 75 percent would be 0.75. The scores of all indicators are then averaged into the overall index.

For a more extensive examination of human development, as well as the ranking tables for each participating country, please visit: http://www.undp.org

Note on History sections

In some CountryWatch Country Reviews, open source content from the State Department Background Notes and Country Guides have been used.

Environmental Overview

Environmental Profiles: A Global Guide to Projects and People. 1993. Linda Sobel Katz, Sarah Orrick, and Robert Honig. New York: Garland Publishing.

The Environment Encyclopedia and Directory, 2nd Edition. 1998. London: Europa.

Environmental Protection Agency Global Warming Site. URL: http://www.epa.gov/globalwarming

Food and Agriculture Organization of United Nations: Forestry. URL: http://www.fao.org/forestry/site/sofo/en/

Global Warming Information Page. URL: http://globalwarming.org

Introduction to Global Environmental Issues, 2nd Edition. 1997. Kevin Pickering and Lewis Owen.

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London: Routledge.

Trends: Compendium of Data on Global Change. URL: http://cdiac.esd.ornl.gov/trends/emis/em_cont.htm

United Nations Environmental Program. URL: http://www.unep.org/GEO/GEO/Products/Assessment Reports/

United Nations Global Environmental Outlook. URL: http://www.unep.org/geo/geo4/media/

United States Department of Energy, Country Analysis Briefs. URL: http://www.eia.doe.gov/emeu/cabs/contents.html

World Climate Data Online. URL: http://www.worldclimate.com

World Directory of Country Environmental Studies. 1996. The World Resource Institute.

World Factbook. US Central Intelligence Agency. Washington, D.C.: Printing and Photography Group.

1998-1999 World Resources Guide to the Global Environment by the World Resources Institute. May, 1998.

1998/1999 Yearbook of International Cooperation on Environment and Development. 1998. London: Earthscan Publications.

Note on Edition Dates:

The earlier edition dates are noted above because they were used to formulate the original country reviews and serve as the baseline for some of the information covered. Later editions have been used in some cases, and are cited as such, while other more recent online resources (cited above) contain recent and ever-updated data sets used for research.

Other Sources:

General information has also been used in the compilation of this review, with the courtesy of governmental agencies from this country.

News Services:

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CANA Daily Bulletin. Caribbean Media Agency Ltd., St. Michael, <u>Barbados</u>.

Central and Eastern Africa Report, United Nations Office for the Coordination of Humanitarian Affairs - Integrated Regional Information Network for Central and Eastern Africa.

Daily News, Panafrican News Agency. Dakar, Senegal.

PACNEWS, Pacific Islands Broadcasting Association. Suva, Fiji.

Radio Free Europe/Radio Liberty. Washington D.C. USA.

Reuters News. Thomson Reuters. New York, New York. USA.

Southern Africa Report, United Nations Office for the Coordination of Humanitarian Affairs - Integrated Regional Information Network for Southern Africa.

Voice of America, English Service. Washington D.C.

West Africa Report, United Nations Office for the Coordination of Humanitarian Affairs - Integrated Regional Information Network for West Africa. 1998-1999

<u>Note:</u> Some or all these news services have been used to research various sections of this Country Review.

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For items in a "Works Cited" list, Country Watch.com suggests that users follow recommended patterns for indentation given in the *MLA Handbook*, 4th edition.

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Basic form, using an Internet protocol:

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Examples:

Youngblood-Coleman, Denise. *Country Review: France*. 2003. Houston, Texas: CountryWatch Publications, 2003. *Country Review: France*. Online. Available URL: http://www.countrywatch.com/cw_country.asp?vCOUNTRY=61 October, 12, 2003.

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This is the citation format used when the print version is not used in the reference.

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Examples:

Youngblood-Coleman, Denise. "People." *CountryWatch.com: France*. 2003. Houston, Texas: CountryWatch Publications, 2003. *CountryWatch.com: France*. Online. Available URL: http://www.countrywatch.com/cw_topic.asp? vCOUNTRY=61&SECTION=SOCIAL&TOPIC=CLPEO&TYPE=TEXT. October 12, 2003.

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This is the citation format used when the print version is not used in the reference.

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The offices of CountryWatch are located at:

CountryWatch, Inc. 5005 Riverway Suite 220 Houston, Texas 77056 U.S.A.

Tel: 800-879-3885 Fax: 713-355-3770

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Email: support@countrywatch.com

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