



**USAID**  
HUSI POVU AMERIKANU



**Submission to the Ministry of Defense and the Council of Ministers for the Strategic Concept for National Security and Defense**

Mahein's Voice No. 109, March 29<sup>th</sup> 2016



**This Report of Fundasaun Mahein's Voice is supported by the People of America through the United States Agency for International Development (USAID).**

**The views expressed in this report do not represent the views of the United States Agency for International Development (USAID).**

Fundasaun Mahein (FM)

Website: [www.fundasaunmahein.org](http://www.fundasaunmahein.org)

2016



## Contents

Contents	2
Introduction	3
Methodology	3
Assessment and Analysis	4
Recommendations	6
Bibliography	7



## **Introduction**

Fundasaun Mahein (FM) is a civil society organization that functions as a security-sector monitor, researcher, and policy reform advocate in Timor-Leste. FM would like to clearly convey their appreciation to the Ministry of Defense for considering perspectives within civil society in the construction of the Strategic Concept for National Defense and Security (KEDSN).

In the early September 2015 draft of the KEDSN, the government made a primary consultation with the relevant ministries. This was followed with civil societies in October 2015. The purpose of this consultation was to accumulate ideas to contribute for the construction of the KEDSN.<sup>1</sup>

The final draft of the KEDSN project was presented to the President of the Republic by the Ministry of Defense in January 2016. According to the terms of article 10, no. 3 “Law of National Defense,” for KEDSN to discuss and improve together with the Republic President at the Supreme Council of Defense and Security and the National Parliament. This draft has been discussed by the Supreme Council of Defense and Security, and the President of the Republic has expressed his appreciation for this KEDSN draft. According to the plan that the government has drafted for the KEDSN project, the Ministry of Defense will submit to the Council of Ministers for discussion and approval in (March) 2016.

FM previously published a report in October 2015 as a basic idea for constructing the KEDSN. Formulation of the final KEDSN draft by the Ministry of Defense has been finalized after discussions with the relevant entities such as the President of the Republic, the Supreme Council of Defense and Security, and the National Parliament.

This submission is an analysis and assessment of the KEDSN draft that the Ministry of Defense submitted to the Council of Ministers for final deliberation and approval.

## **Methodology**

Data and information for this report was sourced from official documents such as the Constitution of the Republic Democratic of Timor-Leste, the Law of National Defense and Security, and the draft project of the Strategic Concept for National

---

<sup>1</sup> Report of Fundasaun Mahein (FM), October 29<sup>th</sup> 2015.



Defense and Security. To conclude this report, FM adopts a method called *Security Sector Discussion (SSD)*.

## **Assessment and Analysis**

### 1. Aim of KEDSN

As FM presented previously during the consultation with civil societies for the construction of KEDSN: the purpose of KEDSN is to define the fundamental aspects of state global strategy in keeping with preexisting national defense policy and the priorities of the National Security Policy Board. The KEDSN draft finalized by the Ministry of Defense stated as follows:

*O CEDSN tem como finalidade definir os aspectos fundamentais da estratégia global do Estado para o cumprimento dos objectivos da Política de Defesa Nacional, no quadro da Política de Seguransa Nacional.<sup>2</sup>*

This means that the KEDSN is going to respond to general policy inside the security sector, because the KEDSN defines some fundamental aspects of the global strategy for the state to obey, and the board of the national security policy.

The national security policy identifies the essential interests of the state,<sup>3</sup> which in turn defines the national defense policy in the best interest of the state. In this scope, the KEDSDN determines the mechanism or orientation on how to implement these policies.<sup>4</sup>

However, at the time of publication, Timor-Leste does not have an official national security policy. The discussion surrounding national security policy started in 2007, and continued to 2012, but a definitive product was not released. Discussions on national security policy were organized not only in Timor-Leste, but also in Hawaii, United States of America (USA). From 2012 to date, there have been no continued efforts to finalize this policy.

Is the national defense strategy defined in the Force 2020 plan the official national defense strategy? Force 2020 is undergoing continuing change,

---

<sup>2</sup> Draft project concept of the strategic defense and national security.

<sup>3</sup> Geneva Centre for the Democratic Control of Armed Forces. *Sobre a Gestão e a Reforma do Setor de Segurança: Política de Segurança Nacional*. March 2008.

<sup>4</sup> Rudzit, Gunther & Nogami, Otto. *Segurança e Defesa Nacionais: conceitos básicos para uma análise*. July 2010.



particularly with regards to regional contests, threat, and risk. Therefore, a definitive national defense policy is needed.

The KEDSN demands the formulation of the national defense and security policies, in order to have coherence for national policy in terms of national security. This is because the KEDSN defines the fundamental aspects in the outward global strategy of the state and determines the mechanism of implementation for the national defense and board policy for national security.

## 2. Threats and Risks

On the subject of identifying threats and risks, the KEDSN draft states as follows:

*Agressão armada, terrorismo, crime organizado transnacional, Estados frgeisl, má governação, aumento da capacidade militar na Ásia-Pacífico, dificiente aplicação da justiça, exclusão e desigualdade sociais, A instabilidade política interna, as alterações climáticas, desastres naturais ou calamidades, ameaças ao ecossistema e a saúde pública, violação da soberania da ZEESM e os riscos associados ao crime económico.*<sup>5</sup>

FM believes that a sophisticated capacity to identify threats and risks is crucial, because the diversity of security-related risks in present-day Timor-Leste are so broad. This identification capacity is considered as a potential mid to long term goal.<sup>6</sup>

FM does not consider threat identification capacity as a threat or risk in the mid or short term, because civil society is most concerned with dependence on the petroleum fund as the unique resource that sustain Timor-Leste's development. At least 90% of the state general budget (OJE) is coming from the petroleum fund. At the same time, the remaining supply of oil is steadily decreasing, and production is slowing as well. Today, the price of oil in the market is strongly down (US\$31/barrel).<sup>7</sup> The prediction of the international economic analyst stated that it may continue to decrease.

90% of OJE is used to finance the government's activities and pay for pensions (vitalities, veterans, and the elderly) and some physical projects that come from the loan funds. FM finds particular reason for concern with this situation because

---

<sup>5</sup> Draft project concept of the strategic defense and national security.

<sup>6</sup> As described on footnote 5.

<sup>7</sup> Available at: <http://www.bloomberg.com/energy>



recently Timor-Leste has such limited sources of income to finance the state's activities. Therefore, Timor-Leste is now in peace and stability because of money. Yet, when the oil has dried up, and all of the money has been spent, what will happen to national stability? It is important to consider that not all threats identified by KEDSN for the mid to long term will involve organized crime, and that threats such as terrorism and other acts of aggression may not be our greatest problem. A greater risk exists in the proper management of the petroleum fund, because the ability of the state itself to combat all other threats depends on the fund's proper management.

### 3. Addressing Increasing Sophistication in Transnational Organized Crime

Transnational organized crime and terrorism are a key threat to justice in present-day Timor-Leste. Timor-Leste faces a variety of complex, organized criminal activities, including drug and human trafficking. Within illicit international trafficking flows, Timor-Leste functions both as a transit point and a destination point. A high profile case will involve comments from Prime Minister Xanana Gusmao when he gives testimony at the Tribunal court in 2015.

In order to address this increasingly significant challenge, the Public Ministry is leading the investigation for different organs of the criminal polices. However, the Ministry faces the ongoing challenge of developing capacity to discuss scientific police criminal investigation (PSIK) with other institutions such as the National Police of Timor-Leste (PNTL), The Anti-Corruption Commission (KAK) and Migration Services.

The creation of the PSIK has revoked services of the PNTL, KAK and migration service for the organized crimes. It is not yet clear who will be responsible for which types of cases, because there are so many institutions with overlapping services. This complexity may result in confusion and destructive competition between those institutions for whom their responsibilities overlap, at the state's expense.

Therefore, a clear definition of responsibility must be set for each type of organized crime, hopefully in accordance with each institutions special competencies. The case of crime related to capital banking and finance, for example, require special competencies. Will such crime be the responsibility of the PSIK, another institution, or a team of institutions?



If multiple institutions are to be involved, mechanisms for effective information sharing and communication must be set in place before activation. It should not appear to the public and other observing bodies that there are multiple agencies separately performing the same service.

### **Recommendations**

1. Recommends to the Ministry of Defense and the developers of KEDSN need to further discuss the national defense and security policies. The KEDSN will not formulate as a complete document simply as a result of the generalized security guidelines that are officially in place at this moment.
2. Recommends to the Ministry of Defense and the Council of Ministers perform detailed analysis for threats and risks not only for mid and long terms, but also in the short term.



## **Bibliography**

Draft project of the strategic concept of national defense and security (KEDSN)

Geneva Centre for the Democratic Control of Armed Forces. Sobre a Gestão e a Reforma do Setor de Segurança: Política de Segurança Nacional. March 2008.

Constitution of RDTL

Law organic of the F-FDTL.

Law No. 2/2010, Law of the National Security

Law No. /2010, Law of the National Defense

Report of Central Bank of Timor-Leste, October – December 2015.

Report of Fundasaun Mahein (FM), October 29 2015

Rudzit, Gunther & Nogami, Otto. Segurança e Defesa Nacionais: conceitos básicos para uma análise. July 2010.