



Security Council

Distr.: General
28 August 2007

Original: English

Report of the Secretary-General on the United Nations Integrated Mission in Timor-Leste (for the period from 27 January to 20 August 2007)

I. Introduction

1. The present report is submitted pursuant to Security Council resolution 1745 (2007), by which the Council extended the mandate of the United Nations Integrated Mission in Timor-Leste (UNMIT) until 26 February 2008 and requested me to keep it regularly informed of developments on the ground. It covers major developments in Timor-Leste and the implementation of the Mission's mandate since my report of 1 February 2007 (S/2007/50).

2. As of 20 August 2007, UNMIT consisted of a civilian component comprising 321 international staff (113 women), 824 national staff (140 women) and 1,635 police officers (94 women); and 34 military liaison and staff officers (1 woman). My Special Representative, Atul Khare, continued to lead the Mission and to coordinate with all United Nations system actors. He was assisted by two Deputy Special Representatives: Eric Tan Huck Gim for Security Sector Support and Rule of Law; and Finn Reske-Nielsen for Governance Support, Development and Humanitarian Coordination.

II. Political developments since February 2007

A. Support for dialogue and reconciliation

3. The three rounds of elections in Timor-Leste concluded in June, characterized by high voter participation of 80 to 82 per cent (47 to 48 per cent for women), a generally calm security environment and results widely accepted by all political actors, demonstrated that there has been considerable progress in dialogue and reconciliation since the April-May 2006 crisis. During the electoral process, whenever divergences between candidates and parties arose, as they did over the parliamentary election date and the use of party symbols on the presidential ballot, these were settled through dialogue and within established legal frameworks. As a result of these elections, former Prime Minister José Ramos-Horta was sworn in as the new President on 20 May, succeeding Kay Rala Xanana Gusmão, and the new 65-member Parliament was inaugurated on 30 July, with 7 of the 14 parties/coalitions gaining seats: Frente Revolucionária de Timor-Leste Independente (Fretilin), 21 seats;



Congresso Nacional de Reconstrução de Timor-Leste (CNRT), 18 seats; Associação Social Democrática Timorence/Partido Sosial Democratico (ASDT/PSD), 11 seats; Partido Democratico (PD), 8 seats; Partido Unidade Nacional (PUN), 3 seats; Partido Unidade Nacional Democrática da Resistência Timorence (UNDERTIM), 2 seats; and Klibur Oan Timor Asuwain/Partido Povo Timor (KOTA/PPT), 2 seats.

4. With no party winning an absolute majority of seats, the process of forming a new Government was a major challenge. Both Fretilin and the Alliance for a Parliamentary Majority (AMP), formed after the elections and comprising CNRT, ASDT/PSD and PD, interpreted relevant articles of the Constitution as giving them the right to nominate the Prime Minister. Over several weeks following the 30 June elections, President Ramos-Horta held a series of consultations and urged both sides to agree to an inclusive Government. On 30 July, the new Parliament elected its President, nominated by AMP; other members of the parliamentary bureau, also nominated by AMP, were elected the following day. On 6 August, President Ramos-Horta invited AMP to form the new Government. On 8 August, CNRT President Xanana Gusmão, proposed by AMP, was sworn in as Prime Minister, together with 10 ministers (including 2 women) and 14 vice-ministers and secretaries of state. In a 7 August statement to Parliament, Fretilin announced that it considered that AMP had no legal basis and was unconstitutional; therefore Fretilin did not accept the President's decision. Fretilin also announced that it would temporarily suspend its participation in the Parliament in order to explain its position to its electorate. However, Fretilin members have now resumed participation in the Parliament.

5. Political parties agreed in principle on the need for moderate political statements during the campaign period and increasingly presented party platforms and policies to appeal to voters, although criticism of competing parties remained prominent. When potentially divisive issues arose, the UNMIT leadership assisted in finding a solution acceptable to all, as in the case of the compromise reached on the parliamentary election date. The Committee on High-Level Coordination met regularly to coordinate, as mandated, the activities of UNMIT and the Government, and proved to be a valuable forum for collaboration and consensus-building. Throughout the electoral period, the Committee members engaged in constructive discussions on various aspects of the elections and reached consensus on ways to improve the process, including on needed amendments to electoral legislation, the adoption of a political party accord and various codes of conduct, and a constructive post-electoral role for the opposition.

6. My Special Representative also held regular joint meetings with the political parties, which provided them with useful opportunities for dialogue with UNMIT and among themselves. Other international partners offered their support for dialogue and electoral initiatives, including the Club de Madrid, the Global Leadership Foundation and high-level electoral observer delegations from Australia, Brazil, Indonesia, Japan, New Zealand, South Africa, the European Union and the Community of Portuguese-speaking Countries.

7. UNMIT facilitated a national political party accord which was signed by all registered political parties on 25 May, before the parliamentary election campaign commenced, along with a code of conduct formulated by the National Electoral Commission. The code of conduct mainly related to candidate and party behaviour during the electoral campaign, while the complementary accord consisted of commitments to condemn all forms of violence, adhere to principles of good

governance and ensure a meaningful role for the opposition in Parliament after the elections. During the course of the electoral process, the Mission's regular meetings with the political parties provided an important forum for discussing election-related issues. These meetings will continue, including with those parties that did not obtain seats in Parliament but together received around 10 per cent of the votes. UNMIT also facilitated district-level political accords and community dialogues in specific districts where there had been security problems. In addition, numerous dialogue initiatives emerged in communities that experienced security problems during the electoral process, reflecting the desire of the Timorese people to settle conflicts peacefully. UNMIT is supporting President Ramos-Horta's initiative to establish a structure of ongoing national community-led dialogue, and efforts are under way to reinvigorate the Government-led *Simu Malu* ("to receive each other") community dialogue programme.

8. The overall positive impact of the efforts to bring the divergent political forces in Timor-Leste together, originating primarily from the body politic itself, and partly facilitated by my Special Representative, demonstrates the strong will of the political leaders and civil society to move beyond the divisions that affected the country in 2006. However, with the persisting political divides confronting the new Parliament and Government at this critical juncture, it is apparent that democratic processes and culture, while growing in strength, still need to be nurtured and supported.

9. Elections are a fundamental step in consolidating democracy, but only an initial one. While the elections brought the political leadership into competition within democratically sanctioned processes, the announcement of the new Government triggered public disturbances resulting in significant property damage but no loss of life. Further, the new Government, Parliament and President will be faced with a wide range of complex issues that would challenge even parliamentarians and ministers working within robust institutions with well-established norms and traditions. The country needs assistance in developing the capacities necessary to build on security and democratic gains achieved thus far. Many of the challenges relating to the 2006 crisis remain unresolved, such as perceived or real divisions between easterners and westerners, the grievances of the nearly 600 "petitioners" of the Timorese armed forces (see S/2006/628, para. 3), youth gang violence and the situation of internally displaced persons. These are intertwined with the serious economic and social challenges faced by Timor-Leste as a least developed country. The Government will face a delicate balancing act in addressing more immediate problems stemming from last year's crisis while guaranteeing public security and ensuring that effective socio-economic programmes are put in place to tackle long-term issues such as poverty and its associated deprivations.

B. Support for the electoral process

10. Within the reporting period, the Timorese authorities successfully carried out the legal, operational and logistical processes necessary for the elections. The Government's Technical Secretariat for Electoral Administration discharged these responsibilities with support from more than 160 United Nations Volunteers throughout the country. The Technical Secretariat conducted two updates of its voter registration list and organized two rounds of presidential elections on 9 April and 9 May

and the 30 June parliamentary election. Each required voter education programmes in every village, the training of over 4,000 polling officials and a nationwide logistics plan for the distribution and retrieval of sensitive electoral materials. UNMIT provided key legal advice and support for the drafting of electoral regulations, procedures and codes of conduct. Assistance by the Mission enabled the Technical Secretariat to complete the voter registration update and to issue more than 10,000 identification documents for electoral staff, party agents and observers.

11. UNMIT support was crucial for the National Electoral Commission to accomplish its mandate of supervising the electoral process, barely six months after its establishment in January 2007 with limited national capacity. The Commission fielded four officials, supplemented by three United Nations Volunteers, in each of the country's districts to supervise the work of the Technical Secretariat. UNMIT advisers also provided legal advice to the Commission on best legislative practices; analysed and gave recommendations on complaints; drafted internal regulations and procedures; prepared legal opinions on various election-related issues; and advised the Commissioners in their decision-making meetings. The Mission continues to advise on the establishment of the Commission's archives and capacity-building activities for the near and medium term.

12. UNMIT provided logistical support during various stages of the electoral process, including support for the travel of electoral officials to Indonesia to oversee various ballot production processes. UNMIT also assisted all political parties in travelling to the isolated district of Oecussi for campaign activities. The Government conducted the distribution and recovery of electoral materials with significant UNMIT support, including vehicles and helicopter airlift to inaccessible areas. Additional support was provided by the international security forces deployed to Timor-Leste by Australia and New Zealand. As a result, all 504 polling centres in the presidential elections and 520 polling centres in the parliamentary election were able to open on time, except for three remote locations cut off by heavy rain during the parliamentary election, which opened a few hours late. As requested by the Timorese authorities, UNMIT ensured the integrity of the electoral process by having its police provide continuous accompaniment of the ballots from the time of delivery to Timor-Leste to the final counting and tabulation. Party agents were also allowed to accompany the ballot boxes during transportation, contributing to the transparency of the process and acceptance of the results.

13. In parallel to these processes, UNMIT endeavoured through its good offices to ensure that the elections exercise was participatory, constructive, and non-violent. The political party accord and the code of conduct of the National Electoral Commission, as well as the discussion process leading to their adoption, played a significant role in minimizing political disturbances during the electoral period. UNMIT and United Nations agencies supported several initiatives to ensure an inclusive approach to the elections. The United Nations Development Fund for Women (UNIFEM) and the United Nations Development Programme (UNDP) tailored components of the voter education programme to address women voters. With support from UNIFEM, a Timorese women's organization monitored political party programmes to assess commitments to women's rights and gender equality, and offered support to women in political parties, resulting in the signing of a women's political platform by 12 of the parties. One of the eight presidential candidates was a woman, and one of the 16 parties competing in the parliamentary election, which won three seats, was led by a woman. Eighteen of the 65 elected

Parliament members are women. UNDP maintained close cooperation with civil society organizations in promoting broad citizen participation. Dedicated political party resource centres were established in Baucau, Maliana, Oecussi and Dili and used by around 2,000 party members, who praised them as an important support mechanism, and training was also provided. In addition, UNDP provided 2,250 national and 500 international observers with briefings and logistical assistance.

14. The Independent Electoral Certification Team (see S/2007/50, para. 17) undertook eight visits to Timor-Leste during the electoral processes and made a number of observations in its publicly available reports. In line with the Team's recommendations, UNMIT proposed a number of amendments to electoral legislation, several of which were adopted by Parliament. In its final report, the Team concluded that the majority of the benchmarks underpinning the certification exercise were either fully or partially met. In areas where benchmarks were considered unmet, the Team made a number of recommendations to improve the conduct of future elections, including measures to guarantee the independence of the electoral authorities and consolidation of the legal framework. These will be pursued by UNMIT as part of its continuing support for the electoral process, the Technical Secretariat for Electoral Administration and the National Electoral Commission.

III. Restoration and maintenance of public security

A. Security developments

15. The mandated task of interim law enforcement continued to be the priority for UNMIT police throughout the critical electoral period. UNMIT police strength increased from 1,318 on 1 February to 1,641 by the end of July, of whom 991 officers (including 140 in Malaysian formed police units and 210 in Portuguese formed police units) were deployed in Dili and 633 were deployed to other districts (including 142 in Bangladeshi formed police units to Baucau and 140 in Pakistani formed police units to Bobonaro).

16. The increased UNMIT police presence, together with that of the Timorese national police and the international security forces, was instrumental in reducing the number of security incidents throughout the country, owing to augmented police response capability as well as the deterrent effect of this enhanced presence on would-be perpetrators. Dili remained the most troublesome district, but violent incidents also occurred in the districts of Viqueque, Ermera and Bobonaro during the electoral period. There were occasional spikes in violence attributable to the rice shortage in the second half of February and to the attempt by the international security forces to capture prison escapee and deserting military police commander Alfredo Reinado in early March (see S/2007/50, para. 10). Another sudden increase in violent disturbances occurred after the announcement of the new Government on 6 August. Overall, however, there was a visible improvement in security, especially in Dili. The incidence of serious crimes such as murder, abduction and rape continued to decrease, from about 29 cases per month in the last reporting period to about 9 in the current reporting period.

17. The violence in Dili in February related to the rice shortage was caused by a combination of a bad harvest and a delay in the arrival of imported rice. Some

frustrated members of the population vented their anger by attacking Government buildings as well as Government and UNMIT vehicles, and by looting Government and World Food Programme (WFP) rice warehouses. Forty-two incidents of property damage and 51 arson-related crimes were recorded in February, representing a threefold increase from January. Two serious incidents unrelated to the rice shortage also occurred. On 17 February, six detainees escaped from Becora prison; one was immediately recaptured and another on 17 July. On 23 February, while addressing a disturbance at the internally displaced persons' camp near the Dili airport, the international security forces responded to an attack from residents of the camp that resulted in fatal injuries to two camp residents.

18. On 3 and 4 March, Timorese authorities authorized an operation by the international security forces in Manufahi district to apprehend Alfredo Reinado that resulted in the death of five members of his armed group, although he eluded capture. This provoked youth in several neighbourhoods in Dili and Ermera to set up roadblocks with burning tyres and large boulders and to stone international vehicles throughout the night. In dispersing gangs of youths, UNMIT police were forced to resort at times to the use of rubber bullets and tear gas. Reinado's reappearance in public in Manufahi district in mid-July set off similar incidents, although the scale was much smaller owing in part to improved police response. Since mid-June, State institutions have sought the fugitive's submission to the formal justice process in a peaceful manner to safeguard public security. In response to Reinado's written indication of his readiness to submit to justice, President Ramos-Horta decided on 19 June that all police and military operations aimed at capturing Reinado should cease with a view to starting a dialogue to create the necessary conditions for him to surrender to justice together with the weapons in his possession. A meeting between the President and Reinado took place on 19 August.

19. The UNMIT police, together with the national police and the international security forces, were able to provide the security necessary for the electoral process, including political party campaigning, voting and counting. As mentioned above, my Special Representative's repeated appeal to parties on the need for the peaceful conduct of political activities and moderation of political rhetoric also helped resolve political disagreements before they could spill onto the streets. The political parties also deserve credit for working to uphold the code of conduct and the political party accord. Still, there were instances of assault and rock throwing directly related to the elections. During the last days of campaigning for both the first round of the presidential election and the parliamentary election, there were a number of fights and instances of rock throwing in Dili, partly because a number of campaign events were held simultaneously in close proximity, often involving convoys of trucks travelling to and from campaign events. A spate of arson attacks in Ermera district between April and June, not all related to elections, resulted in the destruction of about 100 houses. On 3 June, there were two shooting incidents resulting in two deaths in Viqueque district. One of these involved a national police officer at a campaign rally who was promptly arrested and later sentenced to six years' imprisonment by the Baucau District Court on 17 August.

20. Following the President's 6 August announcement on the formation of the new Government, the security situation deteriorated, particularly in the eastern parts of the country, with serious disturbances (including fighting, arson attacks, tyre burning and roadblocks) occurring in the districts of Baucau and Viqueque and to a lesser degree in Lautem as well as Dili. Also disturbing was the closure of a number

of Government offices and schools in the eastern districts. On 10 August, a convoy of three UNMIT vehicles travelling from Baucau to Viqueque was ambushed by a group that blocked the road near Fatumaca and threw Molotov cocktails and stones at the vehicles. UNMIT police, hearing gunshots, responded with several rounds of gunfire to provide cover for the convoy vehicles to leave the ambush site. One stranded UNMIT vehicle was set ablaze, but no United Nations personnel were injured.

21. These serious, albeit temporary, escalations of violence in the second half of February, the beginning of March and again in the first half of August, serve as a reminder of the fragility of the security situation. They also demonstrate that, despite the peaceful conduct of elections and wide acceptance of the results, there is still a need to nurture a culture of non-violence and promote the peaceful resolution of differences.

22. Despite the increased effectiveness of the UNMIT police, there are still considerable ongoing challenges to public security in Timor-Leste. While UNMIT police and the national police worked well together in many districts, further improvements in collaboration need to be made in some districts. There is frustration among some national police officers who question the need for UNMIT police, as the national force did not disintegrate in the districts as it did in Dili. The backlog of cases at the Prosecutor-General's office and weaknesses in the judicial sector adversely affect police efforts, both by delaying the processing of specific criminal cases and by feeding into a public perception that the entire rule of law system is not functioning well. The effective deployment of UNMIT police throughout the country, in some respects, masks the fragility of the security situation. As seen by the spikes of violence that were triggered by the rice shortage, the operation to apprehend Alfredo Reinado and the announcement of the new Government, security problems can flare up at any time.

23. The Commission of Notables established in May 2006 to address the grievances of the dismissed armed forces petitioners (see S/2007/50, para. 9) submitted its report on 31 January 2007. It concluded that both the Government and the President were responsible for neglecting to pay due attention to the problems within the armed forces, and recommended various institutional reforms to improve relations between the Prime Minister, the Defence Minister and the commander of the armed forces, the creation of a joint council to improve relations between the national police force and the army; and the establishment of "frank and open" dialogue between the petitioners, the armed forces high command and the President. The Commission also recommended a number of support measures, including payment of outstanding salaries and the provision of scholarships for petitioners who meet certain criteria. However, it concluded that it would not be prudent to reincorporate the petitioners into the armed forces. Efforts are being made by the Timorese leadership to resolve the grievances of the petitioners, which Prime Minister Gusmão has identified as one of the new Government's priorities.

24. The good cooperation between the Indonesian authorities and the Government of Timor-Leste, reinforced by the presence of UNMIT military liaison officers, contributed to ensuring that the border area remained stable. The establishment of a military liaison team in Baucau and the placement of military liaison officers with the international security forces and the Timorese armed forces further enhanced the Mission's access to security-related information. The military liaison officers also

proved effective as a direct line of communication with the armed forces as the Government deployed soldiers in some locations to take on a greater role in the provision of static security.

B. Support and institutional strengthening of the security institutions

25. In accordance with the “policing arrangement” agreed to by the Government and UNMIT in December 2006 (see S/2007/50, para. 33), UNMIT police, in partnership with the Ministry of the Interior and with the support of the UNMIT Human Rights and Transitional Justice Section, the Office of the Provedor for Human Rights and Justice and civil society organizations, proceeded with the registration and certification programme for the Timorese national police. Priority was given to the police force in Dili, which virtually disintegrated during the 2006 crisis. As of 20 August, 1,247 of the estimated 1,258 Dili-based police officers (including 189 women) had registered for screening. Of these, 981 (168 women) were provisionally certified and returned to active duty under the mentorship of UNMIT police; 56 (3 women) required further investigation due to allegations of criminal acts or human rights violations; 76 (no women) who completed integrity inquiries were referred to the evaluation panel for a decision on suitability; and 44 (no women) were granted final certification after satisfactory completion of the six-month mentoring programme. The remaining Dili-based officers are still in the screening process. In the districts, 1,804 of 1,949 police officers registered, and screening has commenced. On 22 April, UNMIT facilitated a human rights training session for senior police commanders which focused on the need for strengthening accountability within the service.

26. The national police force is still fragile, and there are many institutional, policy and capacity weaknesses that require further substantial support, on which the reform, restructuring and rebuilding plan for the national police will focus. The low passing rate for final certification — reflected by the qualification of only 44 of the first 88 officers who underwent six-month mentoring — is an indication of the need for continued mentoring and close supervision by UNMIT police. In addition, a 43 per cent failure rate in the firearms training necessitated that it be administered to smaller groups to allow instructors to focus on problem areas. The arrest of a police officer arising from the 3 June shooting incident in Viqueque and subsequent events in that district indicate that some officers may have acted in a politically biased manner. There were also two cases where the Ministry of the Interior appointed officers with alleged human rights violations and/or other misconduct to high-level positions, though one person was subsequently cleared and the other suspended after my Special Representative raised the matter.

27. In the context of the Trilateral Coordination Forum security arrangements for the elections (see S/2007/50, para. 40), the Timorese armed forces contributed by providing static security at key Dili installations. The army also performed other limited security roles, such as occasional escorts of humanitarian convoys. Despite clear rules of engagement requiring that police first be called in the event of any threat, the armed forces on some occasions resorted to firing warning shots as an initial response. However, the army command was responsive when concerns arising from these incidents were raised. Through the ongoing security sector reform process, the Government has indicated its resolve to working with UNMIT and the

wider international community to develop institutional policies and frameworks appropriate for a military force in a peacetime setting.

C. Comprehensive review of the security sector

28. The challenges to the security sector, which include the need to improve relations between the security forces, strengthen the legal framework, increase operational capabilities and enhance civilian oversight, will be addressed in the context of the security sector reform process. The Security Sector Review Joint Working Group, co-chaired by senior representatives of the Ministry of Defence, the Ministry of the Interior and UNMIT (see S/2007/50, para. 38), continued to meet during the reporting period, and three workshops were held to review various sector components. The first seminar, on 18 July, was dedicated to the draft police reform plan (see para. 26 above). Input from that seminar will be used by UNMIT police and the national police to finalize the plan. The second seminar, on 26 July, examined plans for the further development of the police and military, and identified several areas for interoperability. The third seminar, on 16 August, involving the President, the Prime Minister and other new ministers as well as senior military and police officers, discussed means by which the security sector review process could be taken forward. The Timorese leaders expressed their strong commitment to conduct the comprehensive review and welcomed the support of UNMIT.

IV. Promotion of human rights and administration of justice

A. Support for the monitoring, promotion and protection of human rights

29. While dialogue and reconciliation are important elements for overcoming last year's crisis, equally important are efforts to establish respect for human rights and the judicial system. UNMIT, through its Human Rights and Transitional Justice Section, continued to monitor and report on the human rights situation and focused on further strengthening the capacity of non-governmental organizations and the Office of the Provedor for Human Rights and Justice. To this end, a database of alleged human rights violations established in 2005 was upgraded in June 2007, and training was provided to non-governmental organizations. Training of civil society members on monitoring economic, social and cultural rights also continued.

30. One important factor for strengthening the rule of law in Timor-Leste is accountability for crimes committed during April-May 2006, particularly those identified by the Independent Special Commission of Inquiry (see S/2007/50, paras. 18-24). In February, the Prosecutor-General closed the investigation into allegations of weapons distribution against former Prime Minister Mari Alkatiri, without issuing an indictment, for lack of evidence. In May, the Court of Appeal upheld the Dili District Court's convictions against the former Minister of the Interior for manslaughter and the distribution of weapons as well as those against two co-defendants for unauthorized possession of a firearm (see S/2007/50, para. 22). In June, the Prosecutor-General's office closed the investigation into alleged weapons offences by former national police commander Paulo Martins and former Member of Parliament Leandro Isaac. On 8 August, the Dili District Court

convicted the former deputy police commander of Dili district to four years' imprisonment for illegal possession of weapons in relation to the attack on the house of the army commander on 24-25 May 2006 as well as theft. The three co-defendants were sentenced to one-and-a-half years' imprisonment. The trial of 11 army members and one police sub-inspector indicted for manslaughter in relation to the shooting of unarmed police officers on 25 May 2006 that led to eight deaths is scheduled to commence on 18 September. Investigations into 13 other cases are being carried out by the Prosecutor-General's office.

31. Despite these developments, a number of factors impeded the speedy resolution of other cases identified by the Commission of Inquiry, including the lack of sufficient judicial personnel. Two senior international prosecutors under the UNDP justice programme have been appointed by the Prosecutor-General to handle these cases. The Office of the United Nations High Commissioner for Human Rights (OHCHR) is also funding the recruitment of an international prosecutor to assist the Prosecutor-General's office in implementing the Commission's recommendations. Contributions are being sought by UNDP for the recruitment of additional judicial personnel to investigate and prosecute the cases, requiring an estimated \$9 million budget.

32. A number of factors appear to have hampered speedy investigations into criminal acts in general, including varying interpretations of current legal procedures and difficulties in communication between police and judicial actors. In spite of these challenges, the percentage of detainees released without charge fell from 71 per cent in February 2007 to just 3 per cent in June.

33. UNMIT had serious concerns that progress in the protection of human rights could face a serious setback if the Law on Truth and Measures of Clemency for Diverse Offences adopted by the Parliament on 4 June was promulgated by the President. A ruling by the Court of Appeals on the 4 July request by President Ramos-Horta to review the law's constitutionality was pending as of mid-August. A number of ongoing police and prosecutorial investigations into a range of crimes committed between 20 April 2006 and 30 April 2007 would have to cease if the Law were promulgated. UNMIT, on several occasions, reiterated to the Timorese leadership that there is a clear need for accountability for the crimes committed during the 2006 crisis.

34. UNMIT continues to give high priority to the zero tolerance policy on sexual exploitation and abuse. The Mission's Conduct and Discipline Unit is providing training for all United Nations personnel in the prevention of sexual exploitation and abuse. A module on harassment in the workplace, including sexual harassment, was included in the induction programme for new staff. During the reporting period, eight allegations of sexual exploitation and abuse were reported, of these three were found to be unsubstantiated, three are under preliminary investigation, one is under investigation by the Office of Internal Oversight Services and one resulted in disciplinary action.

B. Support for capacity-building and strengthening of the justice system

35. On 21 June 2007, after 18 months of training, 27 national judges, prosecutors and public defenders graduated from the Legal Training Centre, supported by the

UNDP justice programme, and took the oath of office. They will continue to work with and receive mentoring from 14 UNDP advisers. A second group of 15 professionals entered the Centre in January 2007, and will finish their studies at the end of 2007. In future, law graduates from the National University of Timor-Leste, supported by Portugal, will have access to courses at the Centre. In addition, UNDP will provide advanced training for judges, updates on new legislation for magistrates and training for court clerks. Despite this remarkable progress, however, the judicial system is likely to remain dependant on international judges and public prosecutors, especially at higher levels, and on international mentoring programmes for some time.

36. The UNMIT Human Rights and Transitional Justice Unit continued to assist the Office of the Provedor in developing its capabilities as the country's principal national human rights institution. UNDP and OHCHR commenced a joint capacity-building project with the Provedor's Office earlier this year, which has so far provided training for staff of the Office and non-governmental organization partners on human rights principles, human rights and election monitoring and civic education. This complements earlier efforts by the Office of the United Nations High Commissioner for Refugees (UNHCR) to strengthen the Provedor's Office in monitoring the human rights situation of internally displaced persons. As of mid-June, the Provedor's Office had received 66 cases of alleged human rights violations, of which 16 were closed for statutory reasons (including lack of jurisdiction) and 23 submitted with recommendations to the competent authorities. In addition, the Office submitted 12 cases of alleged abuse of authority to the national police in July.

37. UNMIT finalized restoration of the former Serious Crimes Unit records partially destroyed in the violence of May 2006, and established its Serious Crimes Investigation Team. The Team will assist the Prosecutor-General in completing outstanding investigations of the former Serious Crimes Unit. Presently, an agreement on the rules of operation of the Team and on access to the former Serious Crimes Unit archives and databases is being negotiated with the Prosecutor-General.

38. The prisons component of the justice system also continued to present challenges. Little progress has been made since the Becora Prison escapes on 30 August 2006 (see S/2007/50, para. 10) and 17 February 2007, despite recommendations for follow-up measures by inquiry commissions initiated by the Ministry of Justice. There is still no strategic plan for the corrections system, procedures are largely ad hoc, and executive and management structures are weak or non-existent. The UNDP justice programme recently established a corrections component that developed a workplan, submitted to the Government, to address immediate concerns. Further, UNMIT, UNDP and other United Nations agencies are collaborating to propose a strategic plan to the Minister of Justice for the long-term development of the corrections system.

39. The rights of children and women and gender-based violence continue to be issues of particular concern. An Administration of Justice Support Section, consisting of gender, juvenile and corrections officers, was established within UNMIT. It will initially focus, in cooperation with the Timorese authorities, on an independent review of the justice sector. The United Nations Children's Fund (UNICEF), UNIFEM and the United Nations Population Fund (UNFPA) continued to support the Office of the Prime Minister for the Promotion of Equality by

assisting with the drafting of legislation and policies, engaging in capacity-building and conducting advocacy on issues of concern to women and children, including domestic violence and child protection. Together with the Vulnerable Persons Unit of the national police force, they also helped the Ministry of Labour and Community Reinsertion and the Ministry of Health to strengthen services for victims of abuse and gender-based violence. The International Organization for Migration is supporting the Interagency Counter-Trafficking Working Group, chaired by the Ministry of Foreign Affairs and Cooperation.

V. Support for the “compact”, democratic governance, socio-economic development and humanitarian assistance

A. Facilitation of the “compact” process

40. The “compact” between Timor-Leste and the international community will ensure that there is one coherent framework to deal with the country’s priority needs. On 6 February, at the first high-level compact meeting between the Government and the international community, participants agreed on six priority areas emanating from the crisis: public safety and security; elections; public sector strengthening with a focus on human resource development, decentralization and budget execution; youth employment and skills development; justice sector strengthening; and social reinsertion of internally displaced persons, humanitarian assistance, dialogue and reconciliation, healing of societal trauma and support to vulnerable groups. In late May, a series of six workshops, bringing together all stakeholders, identified strategies and activities to be implemented within the two-year compact period. Government ownership of the compact process has been strong, and civil society representatives have been invited to be part of the compact secretariat, supported by UNMIT and the World Bank, to ensure their participation in the process.

B. Enhancing democratic governance

41. UNMIT continued to provide advice to the Government on key governance issues such as the balance of powers between the organs of sovereignty, the need for an effective parliamentary opposition, decentralization and local governance and the electoral process. In addition, UNDP and other United Nations agencies, funds and programmes as well as development partners have well-established projects in the governance area. UNDP prepared, in cooperation with the Inter-Parliamentary Union, an induction programme for new parliamentarians. UNDP advisers also provided on-the-job training and mentoring to the Parliament’s secretariat staff in such areas as administration and committee support. The decentralization process was supported by UNDP and the United Nations Capital Development Fund, and pilot local assemblies in four districts were supplied with necessary equipment and technical support. The Office of the Prime Minister for the Promotion of Equality, with assistance from UNIFEM, supported dialogue initiatives involving 727 women to develop linkages between leaders and community support structures for women’s leadership. UNDP also supported the Ministry of State Administration in developing the personnel information management system, the first phase of which is scheduled for completion by the end of August 2007.

C. Socio-economic development

42. Poverty continues to be one of the major causes of instability in Timor-Leste. On 2 and 3 February, the Government, with support from UNDP and the Norwegian Government, hosted a conference entitled “Justice for the poor: time to deliver”, which led to the establishment of a presidential commission for poverty reduction. UNDP and the Prime Minister’s Office formulated a tax reform package which will particularly benefit the poor. The World Health Organization, UNFPA and UNICEF have assisted in the formulation of the basic service package for primary health care and hospitals, within the framework of the national health sector strategic plan. The Timor-Leste Petroleum Fund generates a considerable stream of revenue for the Government, currently averaging more than \$100 million a month. However, efforts to address poverty and unemployment are adversely affected by the Government’s low capacity to execute the budget. United Nations system partners, including the international financial institutions, together with the Australian Agency for International Development, are working with the Government to improve its capacity for effective budget execution.

43. Youth unemployment, particularly in Dili, also continues to be a major cause of instability. UNDP and the International Labour Organization (ILO) have launched an initiative to create short-term employment opportunities, including in rural areas, which has enrolled more than 16,300 young people throughout all districts. ILO, with support from the World Bank, UNDP and international non-governmental organizations, prepared a study that analyses youth employment issues relevant to the Government’s national youth employment action plan, which is under preparation. UNHCR, in cooperation with a Timorese NGO, initiated a number of community peace projects which taught non-violence techniques to youths and gang members in and around Dili.

D. Humanitarian assistance

44. The humanitarian situation continued to present challenges. A fluctuating but significant part of the population, approximately 100,000 (including 49,000 women and girls), remained displaced for a prolonged period, living in poor conditions in camps or with host families. The overall humanitarian response, led by the Ministry of Labour and Community Reinsertion, has been positive, with no outbreaks of disease or shortages of relief items during the first half of 2007, attributable in part to bilateral donor support and mobilization of resources from the Central Emergency Response Fund. Following continued Government appeals and offers of support, some families moved into transitional housing. The World Food Programme (WFP) distributed more than 9,000 tons of food, primarily to internally displaced persons. Assistance was also provided to displaced women and children by other United Nations country team members, including UNICEF, through its maternal and child health programme, and UNFPA. A consolidated appeal for Timor-Leste was launched on 17 January for the period from January to June 2007 and was revised in July to request an additional \$17.9 million to sustain financial support for the humanitarian response through December 2007.

45. A major locust outbreak occurred in the western districts of Timor-Leste in March, causing heavy losses to maize and rice production. The quick release of funds (\$1,090,993) from the Central Emergency Response Fund enabled the Food

and Agriculture Organization of the United Nations to undertake manual and helicopter spraying covering approximately 3,000 hectares, and brought the outbreak under control. The collaboration extended by the Indonesian authorities to Timor-Leste has helped address the cross-border nature of the problem.

VI. Recommendations on adjustments to the Mission's mandate and strength

46. With the exception of the electoral support area, I do not envision any change to the current mandate. The security situation in Timor-Leste improved overall during the reporting period but continues to be volatile and subject to spikes in violence, such as the serious disturbances that erupted following the 6 August announcement of the new Government. While screened and certified national police officers are increasingly assuming responsibilities alongside their UNMIT police counterparts, they still require extensive training and further institutional development of the national police force is needed. On occasions when security incidents suddenly increased, as in August, it was UNMIT police officers, particularly those in formed policed units, who were most effective in responding quickly and containing the incidents. Thus, I recommend strongly that four of the Mission's five formed police units be maintained at least until the end of the current mandate, taking account of the continued presence of the international security forces.

47. Meanwhile, election-related activities have been successfully completed, and the additional 80-strong formed police unit, deployed to provide support during the election period will be repatriated on 10 October. In the upcoming period, the UNMIT police will focus on programmes and activities for the reform, restructuring and rebuilding of the national police. The transition from executive policing to a strictly mentoring and observation role will be phased in accordance with the registration and certification programme for the national police, as provided in the policing arrangement. In Dili, considering the number of provisionally certified police officers and the final certification pass rate, it is expected that up to 100 officers could be issued final certification per month as from August. At that rate, it will take about 10 months, to May 2008, to complete final certification of the national police officers in Dili.

48. For the 1,804 registered police officers in the 12 districts outside Dili, the provisional certification courses began in August 2007. As up to 300 officers can be accommodated monthly in the course, it is envisaged that the last group of district officers could be issued provisional certification by the end of January 2008. With the first batch of these officers then becoming candidates for final certification by February 2008, and the last batch by August 2008, it is estimated that up to 240 officers could be issued final certification per month starting as early as February. The passing rate for units in the districts is expected to be better than for those in Dili, and so the final certification of all district officers could be completed as early as September 2008.

49. While the first handover of responsibility for the conduct of police operations to a national police district or unit could be possible as early as March 2008, it will depend on three factors: (a) completion of the registration and certification programme for the district/unit members; (b) achievement of the benchmarks and

attainment of the performance targets in the reform, restructuring and rebuilding plan; and (c) the general law and order situation in Timor-Leste. The priorities and sequencing of the handover will therefore require careful study. As UNMIT police would continue to be responsible for the maintenance of law and order until the national police force is fully reconstituted, I recommend that the current UNMIT police strength (except for the 80-strong formed police unit referred to in para. 47 above) be maintained at least until the end of the current mandate.

50. The stable border situation has enabled the UNMIT military liaison officers to focus more on liaison with the international security forces and the Timorese armed forces. Such liaison has proved effective for UNMIT to exchange information, coordinate activities and advise my Special Representative on military matters. I therefore recommend retaining the current number of military liaison officers.

51. Many UNMIT electoral staff worked closely with Timorese officials during this reporting period. While most left the Mission following the successful completion of the 2007 electoral process, the Technical Secretariat for Electoral Administration and the National Electoral Commission are still young entities which could benefit from continuing advice and support. For this purpose, a small team of up to 10 electoral advisors will be maintained in UNMIT. Further, as local elections for 442 village chiefs and 442 village councils are planned for late 2008, additional assistance could be required if requested by the Government.

52. UNMIT regional offices in Baucau, Bobonaro, Covalima and Oecussi districts functioned well during the electoral and post-electoral periods. Electoral and public information officers conducted voter education and outreach activities, covering even remote villages, and ensured that the public was fully informed of the process. Regional public information officers continued their capacity-building efforts with district-based media. Regional political officers were instrumental in reporting on political and security developments in the districts, undertaking good offices efforts vis-à-vis the local authorities, political parties and civil society, as well as providing advice to UNMIT police. Regional human rights officers reported on the human rights situation and conducted other human rights activities in areas where there was a limited presence of civil society organizations carrying out such activities. The continued need for them is reinforced by the fact that the Office of the Provedor has not yet established regional branches. It is therefore recommended that UNMIT maintain the four regional offices, at the same level, until the end of the current mandate.

VII. Financial aspects

53. The General Assembly, by its resolution 61/249 C of 29 June 2007, appropriated the amount of \$160,589,900 for UNMIT for the period from 1 July 2007 to 30 June 2008. The additional resource requirements arising from my recommendation contained in paragraph 46 above with regard to maintaining four formed police units at least until the end of the current mandate would be absorbed from within the approved Mission budget and reported to the General Assembly in the context of the financial performance report for UNMIT for the 2007/08 period. As at 30 April 2007, unpaid assessed contributions to the Special Account for UNMIT amounted to \$63.3 million. The total outstanding assessed contributions for all peacekeeping operations as at that date amounted to \$2,074.6 million. Based on

the availability of cash in the Special Account for UNMIT, the reimbursement of formed police unit costs has been made for the period up to 31 May 2007.

VIII. Observations

54. The successful completion of presidential and parliamentary elections indicates that the efforts to overcome the 2006 crisis are making progress. The country's leaders are to be commended for their joint endeavours to ensure this success and their willingness to engage in meaningful dialogue towards reconciliation. The Timorese people once again demonstrated their faith in democratic processes to move beyond internal divisions. A resonant symbol of political reconciliation was the administration of the presidential oath of office by the President of Parliament, Francisco "Lu-Olo" Guterres, to José Ramos-Horta, his rival in the presidential election. However, the process leading to the formation of the new Government and the violent disturbances following it demonstrate that not all divisions have yet been overcome. Continued efforts to strengthen the culture of truly inclusive and participatory democracy based on rule of law and respect for human rights will be essential for the creation of a stable and prosperous Timor-Leste. The first year of the terms of the new Parliament, Government and President are an opportunity for those institutions to work in partnership with the political opposition, civil society and the international community so as to be responsive to the population's needs in an accountable manner.

55. There can be no enduring reconciliation without justice, and it is critical that a culture of impunity not be allowed to establish itself in Timor-Leste. All recommendations in the Commission of Inquiry report should be expeditiously implemented, including through the formal judicial process. Some progress has been made; however, additional measures need to be taken, such as the passage of a law on the protection of witnesses and adequate provision of personnel for the Prosecutor-General's office. More generally, weaknesses in the judicial sector undermine public confidence in other rule of law institutions, including the police. The recent swearing-in of 27 judges, prosecutors and defenders is a positive step towards increasing the justice system's capacity. UNMIT, together with other international partners, will continue to support the judicial sector, as well as other efforts to strengthen human rights and the rule of law. The needs of the sector are, however, substantial. I encourage bilateral partners to assist with additional funding for UNDP so that it can provide the support needed to follow up on the recommendations of the Commission of Inquiry.

56. In the security sector, the national police screening process and the reform, restructuring and rebuilding plan will provide a solid foundation for the reconstitution of the police service. The institution, however, is still fragile and susceptible to politicization, which could undermine the institutional development exercise. The Ministry of the Interior, the police command and individual police officers must continue to commit themselves to working together, and in partnership with UNMIT, in order to ensure the long-term integrity of the national police force as a neutral service seeking to promote the welfare of all Timorese. The Timorese armed forces face some of the same challenges with regard to institutional framework, operational capacities and inter-institutional coordination. As raised in my earlier reports, I would

strongly encourage the Timorese authorities to adopt a comprehensive and holistic approach to security sector reform (see S/2006/628, para. 62 and S/2007/50, para. 38).

57. The humanitarian challenges linked to the prolonged crisis of internally displaced persons remain. There is no short-term solution to the displacement situation, and its eventual resolution remains highly dependent on prolonged political stability and dialogue, an enabling environment for institutional and legal reforms, development opportunities and law and order. Addressing these issues, including through appropriate public communication processes, will be essential for durable solutions. There is a general consensus on the need to shift the policy framework from a culture of assistance to one of national accountability, and from emergency aid to recovery and development.

58. As explained above, for the remaining mandate period, the Mission's focus will begin shifting from interim law enforcement to support for police reform, restructuring and rebuilding, taking account of the prevailing law and order situation. This will be done within the context of wider security sector reform, which will be a continuing UNMIT priority. In the meantime, UNMIT police will continue to be responsible for the maintenance of public security, which will require retaining, for the time being, four formed police units in the country. The international security forces have also played an invaluable security role, including in support of UNMIT. UNMIT's military liaison officers, who have contributed to the stable border situation, will focus more on liaison with the international security forces and the Timorese armed forces. UNMIT will rely on a small number of electoral advisers to continue assistance to the Technical Secretariat for Electoral Administration and the National Electoral Commission. To build upon the gains made during the reporting period, the UNMIT leadership will continue good offices efforts to support Timor-Leste's leaders during this critical stage, as the new Parliament and Government face numerous and difficult challenges.

59. Despite the recent flare-up in tensions, the advances made by the country thus far are considerable, including continuing progress towards strengthening dialogue and reconciliation, embracing of electoral processes as the appropriate mechanism for constructive political competition and the population's demonstrated faith in those processes, and increased respect for rule of law institutions. These advances will undoubtedly reinforce efforts to strengthen the country's democratic foundations and foster a peaceful future for the entire Timorese people, which will, of course, also depend on their continued perseverance as well as assistance from the international community.

60. In conclusion, I want to thank my Special Representative, Atul Khare, for his leadership of UNMIT through this volatile period, and congratulate all the men and women of UNMIT and the United Nations country team for their dedication and determined efforts to advance the cause of peace and stability in Timor-Leste.