

Statement of Judith R. Fergin
Ambassador-Designate to the Democratic Republic of Timor-Leste
Senate Foreign Relations Committee
July 21, 2010

Mr. Chairman, Members of the Committee,

I am honored to have the privilege of appearing before you today as President Obama's nominee as Ambassador to the Democratic Republic of Timor-Leste. I am grateful for the trust and confidence the President and Secretary Clinton have shown in nominating me.

As a career Foreign Service Officer, I bring significant experience serving in Southeast Asia and in countries in transition. I hope the understanding of societies undergoing rapid change in conditions of economic and political stress that I gained working in Indonesia and Russia will stand in good stead as we seek to support Timor-Leste's aspirations for a more stable, democratic, and prosperous future. My service in Indonesia, Singapore, and Australia introduced me to the policies and attitudes of some of Timor-Leste's nearest neighbors as well as to their think-tank and academic establishments that are active in areas relevant to Timor-Leste's interests. Having served as a Deputy Chief of Mission and Principal Officer, I also hope to utilize my experience leading sizeable posts that host large

numbers of U.S. Government agencies, and have a particular interest in promoting the work of our military and law enforcement colleagues.

When my predecessor sat before this committee three years ago, Timor-Leste had just emerged from a period of intense internal strife precipitated by violent conflict between the country's police and military forces. Over 10 percent of the population lived in Internally Displaced Persons (IDP) camps and Timor-Leste's future was quite uncertain.

I am pleased to report that, over the past three years, Timor-Leste's security situation has improved dramatically. The government has relocated nearly 150,000 IDPs to permanent housing in their home communities and has begun to construct a social welfare net for the most vulnerable members of society. It has undertaken efforts to professionalize the military and police. As a result of these efforts and general improvements in the security situation, the Department of State lifted its travel warning for Timor-Leste in September 2008, and the Peace Corps recently determined that conditions are adequate to re-open operations in the country after a four-year hiatus.

The United States is committed to helping Timor-Leste maintain peace and security, eliminate poverty, and consolidate its fledgling democracy.

We have facilitated the development of Timor-Leste's first national security policy, which we hope will serve as a roadmap for building a modern security force that protects the rights of its citizens. The U.S. Pacific Command is increasingly engaged in the professionalization of the Timorese military. In February 2009, the first rotation of a permanent 25-person Naval Seabee detachment arrived in country; President Jose Ramos-Horta and the Timorese public have warmly received their work in rebuilding schools and community centers in tandem with the Timorese Army engineers. Two large joint training exercises with the Timorese armed forces conducted over the last year by U.S. Marine Expeditionary Units have been welcomed by Prime Minister Xanana Gusmao and will likely continue in coming years. If given the honor of serving as Ambassador, I will build on these efforts to achieve security sector reforms necessary for a lasting peace.

Timor-Leste is not without its own resources when it comes to developing its economy and lifting its citizens from poverty. In 2008, the Peterson Institute ranked Timor-Leste's \$5 billion Petroleum Fund as the world's third best-managed sovereign wealth fund. Despite its financial assets, however, Timor-Leste lacks adequate human capacity and has struggled to achieve its budgetary objectives that support prosperity. Today,

over 50 percent of the population earns less than 88 cents per day. Social indicators rank near the bottom worldwide in terms of maternal and infant mortality, malnourishment, and illiteracy. Timor-Leste will require foreign support and technical assistance for years to come as it seeks to use its own resources effectively to address its people's pressing needs.

Our \$25 million assistance budget focuses on reducing poverty, stimulating economic growth, and building human capacity. We have identified several areas where we can make a critical difference. Our flagship program, the *Cooperativa Café Timor* (CCT) coffee cooperative, is now a self-sustaining organization supporting some 20,000 families across the country, supplying high quality organic coffee to Starbucks and other firms. In some instances, such as our successful greenhouse project, the Timorese government has begun to replicate our prototype across the country with great success and Timorese leaders have lauded our assistance as a model that other countries should follow. If confirmed, I pledge to work to ensure that taxpayer funds are used wisely to continue to help the Timorese help themselves.

Even as a young nation, Timor-Leste has exhibited a tremendous commitment to the principles of democracy and human rights. It has already conducted several free and fair elections, executed a peaceful transition of

power between political parties, and become a clear voice on the international stage for the defense of human rights. We have a range of assistance programs designed to strengthen democratic institutions and reforms. In addition, the House Democracy Assistance Commission (HDAC) has partnered with the Timorese Parliament to provide legislative capacity-building training to parliamentarians and staff members. In a particularly welcome initiative, HDAC inaugurated Timor-Leste's first parliamentary library in partnership with the Congressional Research Service a year ago.

President Jose Ramos-Horta continues to be an outspoken proponent of democracy and human rights in the region. Time and again, the Government of Timor-Leste has joined with the United States in casting critical votes on human rights issues at the United Nations.

Timor-Leste continues to work to strengthen its underdeveloped justice system and we are contributing to those efforts. Key to the process will be renewed efforts to eliminate impunity and establish accountability and rule of law. If confirmed, I will not only continue to encourage the Timorese to take a principled position on critical human rights issues abroad, but also work to strengthen the domestic justice sector.

As Asia's newest democracy, Timor-Leste has made significant progress. The United States is honored to partner with the Timorese, in concert with their many international friends, to ensure that the country consolidates those gains and continues to advance. Challenges remain, but with the continued support of Congress, we are on track to help the Timorese create a brighter future for its people.

Mr. Chairman and Members of the Committee, thank you again for the honor of appearing before you today. If confirmed, I look forward to working with you and your colleagues in Congress as well as your staffs. I will be pleased to answer any questions you may have.