



Security Council

Distr.: General
16 January 2001

Original: English

Report of the Secretary-General on the United Nations Transitional Administration in East Timor (for the period 27 July 2000 to 16 January 2001)

I. Introduction

1. The present report is submitted pursuant to Security Council resolution 1272 (1999) of 25 October 1999 and covers the activities of the United Nations Transitional Administration in East Timor (UNTAET) and developments in East Timor since 27 July 2000. During that period, the Security Council received three oral briefings, which have been published in the Council's records (S/PV.4191, S/PV.4203, S/PV.4236). The Council also received a report from its own mission that visited the region in November (S/2000/1105).

II. Main developments

Political transition

2. One of the main developments during the past six months has been the emergence of a growing consensus among the Timorese people to seek independence by the end of 2001. The political transition was the subject of intensive discussion in the Cabinet, the National Council and with other East Timorese leaders. On 12 December the National Council endorsed the outlines of a political calendar proposed by Xanana Gusmão in his capacity as president of the National Council of Timorese Resistance (CNRT). Broad public consultations on the proposed calendar began in December, led by the National Council's Committee on Political Affairs.

3. Those discussions have resulted in agreement on the following sequence of steps. Phase one includes

nationwide consultation and decisions regarding the electoral modalities and the composition of the Constituent Assembly. In phase two, the Constituent Assembly will draft a constitution. The modalities for its adoption, whether by the Assembly itself or by referendum, are still under discussion. This will be followed by the establishment of a government. If a presidential form of government is adopted, as seems to be the current consensus, elections may be held. It is expected that the Constituent Assembly will become the first legislature of the independent State.

4. The timetable will be affected by a number of factors, including the security situation, possible technical difficulties in organizing the election and the complex political decision-making process. It is anticipated that under the shortest possible time frame, elections could be held in summer and independence declared late in the year.

5. UNTAET will be fully responsible for the conduct of the elections. The Electoral Assistance Division of the Department of Political Affairs at United Nations Headquarters carried out an initial needs-assessment mission in August and an electoral pre-planning session in Canberra in September, in cooperation with the Australian Electoral Commission. It also dispatched an electoral system education team in October and an advance planning and design team that has been in East Timor since mid-November. Special emphasis is being placed on sustainability and capacity-building in all aspects of electoral planning to enable the East Timorese to conduct their own elections in the future. It is envisaged that an

independent commission, composed of eminent Timorese and others, will oversee the elections.

6. During the reporting period, political activity increased. A major event was the CNRT congress, which was held in Dili last August and saw in-depth discussions of a range of national policy issues. Mr. Gusmão was re-elected as president and José Ramos-Horta and Mario Carrascalão were elected as vice-presidents. The congress brought to light differences between the leadership of CNRT and its main component party, the East Timor National Liberation Front (FRETILIN), as well as the Timorese Democratic Union. Neither of the two has joined the Permanent Council of CNRT. However, by the end of the year there were signs of improving relations. As political competition develops outside CNRT, many of its cadres are returning to their original parties or joining new ones. FRETILIN has embarked on a national restructuring and held subdistrict elections to prepare for a national congress in early 2001. The rival Popular Council for the Defence of the Democratic Republic of East Timor (CPD-RDTL) has campaigned for a return to the independent State proclaimed in 1975. The Social Democratic Party, established on 20 September and led by Mr. Carrascalão, offers a centrist political alternative and has attracted a number of younger CNRT leaders.

7. The campaigning of CPD-RDTL has drawn violent reactions from supporters of FRETILIN and CNRT, mainly in the Ainaro, Baucau, Bobonaro and Covalima districts. In the most serious incident, FRETILIN supporters attacked the home of the local CPD-RDTL leader in Venilale (Baucau district) on 3 December. Three CPD-RDTL members, including a senior national leader, were injured. The police have received cooperation from both parties and have served warrants against several suspects. In the light of the events of 1975, the East Timorese tend to associate political party activity with violence. A civic education programme to be launched in the near future will address those concerns.

8. The establishment of the National Council on 23 October significantly enhanced the participation of the Timorese in the political decision-making process. The National Council consists of 36 members — 13 from districts, 7 from civic organizations, 13 from political parties and three from religious groups. In its first session, Mr. Gusmão was elected Speaker and Milena Pires was elected Deputy Speaker. The National

Council has seven standing committees, which correspond to the cabinet portfolios.

9. On 19 October, José Ramos-Horta was sworn in as cabinet member for foreign affairs, so that East Timorese now hold five of the nine cabinet portfolios; the others are held by international staff. It is intended gradually to replace the international cabinet members with Timorese in the course of the year. While retaining the ultimate executive and legislative authority conferred upon him by the Security Council, the Special Representative of the Secretary-General has largely delegated these powers to the Cabinet and the National Council.

Security

10. During the summer, the situation in the western districts gave cause for concern, as a result of a relatively high level of activity by militia groups that had infiltrated from West Timor. On 24 July a New Zealand soldier was killed in Covalima district in an encounter with militia members. On 10 August a Nepalese soldier was killed and two were wounded in the same district. In August militia groups also launched a number of brief but aggressive operations from West Timor into border areas of East Timor. At their peak, it was estimated that up to 150 militia members were operating in East Timor. The activities of the militias caused the temporary displacement of more than 3,000 persons. These activities decreased towards the end of September, following the launching of operations by UNTAET that put pressure on the militias. Following the onset of the rainy season, no major militia operations were observed. However, incidents on 2 December and 1 January in the Bobonaro district demonstrate that the problem persists.

11. In view of the militia activity, UNTAET suspended a planned reduction of the military component, brought in an additional rifle company and strengthened its surveillance and information capacity as well as its civil-military affairs elements.

Refugees

12. The militias are based in the refugee camps in West Timor, where large numbers of East Timorese refugees continue to live in very difficult conditions

and are subject to intimidation by the militias. There are no indications of tangible progress in disbanding the militias and enabling the refugees to decide freely whether to return to their homes or to resettle in Indonesia. UNTAET has distributed factual information about East Timor in the refugee camps through non-governmental organizations, the Church and the Indonesian army. It has also arranged a number of visits to Dili by Indonesian journalists based in West Timor.

13. On 6 September three staff members of the United Nations High Commissioner for Refugees were killed in Atambua. As a result, all United Nations international staff were withdrawn from West Timor. On 8 September the Security Council adopted resolution 1319 (2000), in which it insisted, among other things, that the Government of Indonesia take additional steps to disarm and disband the militia and that it ensure safety and security in the refugee camps. The Security Council's mission to East Timor and Indonesia in November found that despite the collection of some arms, resolution 1319 (2000) remained largely unfulfilled. Following the mission, the Indonesian authorities met with UNTAET in Denpasar, Indonesia, on 30 November, with a view to implementing the agreement on a joint border committee that had been signed on 14 September.

14. On 6 December the Security Council adopted a presidential statement (S/PRST/2000/39) in which it stated that the Government of Indonesia must take decisive action to put an end to the activities of the militia, allow international relief agencies to return to West Timor and improve the flow of information to refugees. In order to ensure the security of the international personnel, the Council urged that discussions be held between the Government of Indonesia and the United Nations to facilitate an expert assessment of the security situation in West Timor. On 22 December the Government of Indonesia convened a meeting with the United Nations resident coordinator in Jakarta to discuss the question of a mission to assess security conditions in West Timor. There have been no further developments on this matter so far. On 11 January the trial of the six suspects in the Atambua murders opened in a Jakarta court.

15. In October divisions emerged within the pro-autonomy umbrella group and between the militias in West Timor and the Indonesian military. Eight militia leaders announced that they were prepared to return to

East Timor to face justice, and claimed that thousands of refugees would follow them if their security were assured. UNTAET has encouraged reconciliation efforts between CNRT and pro-Indonesia militias. In December East Timorese community leaders met with pro-autonomy supporters in Denpasar; this meeting was arranged with the help of the Indonesian authorities. Also in December, a group of East Timorese former reservists of the Indonesian armed forces and their families, more than 400 in all, returned to East Timor, principally to the Lautem and Viqueque districts. Over the Christmas holiday some 250 refugees visited East Timor. Efforts are under way in collaboration with the Indonesian army and the Government of Indonesia Task Force for Refugees to arrange further exploratory visits by militia leaders in early 2001.

III. East Timor Transitional Administration

16. The East Timor Transitional Administration was established on 7 August 2000 to integrate East Timorese into all major decision-making areas within the Administration. In the Transitional Administration Cabinet, East Timorese now hold five of nine portfolios, namely foreign affairs, internal administration, infrastructure, economic affairs and social affairs (see attached chart).

17. The East Timor Transitional Administration has hired nearly 7,000 of the 10,554 civil servants projected for fiscal year 2000/01. Pre-placement language training and induction programmes have been organized, as well as computer courses. Some 25 courses are being offered in governance, public participation and management. More than 1,500 people, including political leaders and senior officials, have participated in those courses so far. A special unit has been established to expedite the replacement of international staff with qualified East Timorese civil servants.

Finance

18. A revision of the East Timor combined sources budget for 2000/01 was agreed upon by the National Council and presented to the donor conference held in Brussels in December. Donors favourably received the

revised budget. Expenditure under the Consolidated Fund for East Timor and the World Bank-operated Trust Fund for East Timor for 2000/01 is estimated to be US\$ 123.95 million, with bilateral donors contributing \$95.69 million. The revenue to be raised in East Timor is estimated at \$25 million for the fiscal year. This reflects progress in implementing a taxation system.

Foreign affairs

19. The Department of Foreign Affairs was created in October. A group of 50 trainees have completed a one-month diplomacy course, and 20 of those candidates will join the department as civil servants in early 2001. The department has had regular contacts with member countries of the Association of South-East Asian Nations with respect to eventual membership and the establishment of representative offices in their capitals.

20. Relations with Indonesia, a key concern, have been affected by the problem of the militias and refugees in West Timor. The fourth round of bilateral negotiations with Indonesia, which had been scheduled for early September, was postponed and will not be held before the end of January. Unresolved issues include the restoration of public records, archives and cultural artifacts, the terms under which East Timorese students will be able to continue their studies at Indonesian institutions and arrangements for free and unhindered movement of people and goods between the Oecussi enclave and the rest of East Timor, which is essential for the economic well-being of the enclave. In a most welcome step, the Government of Indonesia has informed UNTAET that all East Timorese people who are eligible for pensions as a result of their employment in the Indonesian Administration will receive pensions beginning in February 2001.

21. In accordance with an understanding reached last February and under the guidance of the Cabinet, UNTAET began negotiations with Australia to reach a new legal arrangement relating to petroleum activities in the Timor Sea. The first round took place in Dili in October. A second round is scheduled to take place in March. It is envisaged that the new arrangement would come into force upon independence.

Defence

22. In preparing East Timor for independence, UNTAET has had to address the question of East Timor's security needs after the UNTAET military component is withdrawn. Based on a study coordinated by King's College (London), the Cabinet decided in September to establish the East Timor Defence Force (ETDF) as a light infantry force of 1,500 regular soldiers and 1,500 reservists, drawn initially from the Armed Forces for the National Liberation of East Timor (FALINTIL), the former guerrilla force. From 21 to 23 November, UNTAET met in Dili with the representatives of a number of interested Governments to discuss how the new force might best be set up. Australia and Portugal pledged significant support and undertook to play a leading role in this effort. Some 500 to 800 recruits are to be trained in 2001, so one battalion will have completed basic training by the time of independence. Training, infrastructure and equipment for ETDF depends on voluntary contributions. Personnel, operating and maintenance costs will be borne by the Government of East Timor. Enabling legislation for ETDF, providing for civilian oversight and accountability of the Force, will be adopted prior to the enlistment of soldiers. At the same time, the International Organization for Migration and the World Bank are organizing the reintegration of those FALINTIL members who will not join ETDF.

Justice

23. The justice system is currently investigating more than 180 cases. To date, 240 cases have been settled through court-brokered mediation, and indictments have been filed in 42 cases. Fifteen trials are currently being held in district courts for crimes of murder, rape and theft. A shortage of skilled translators has hampered efforts at all levels. The Department of Justice has made progress in building the capacity of its Timorese personnel. On-the-job training and mentoring continued for 25 judges, 13 prosecutors, 8 public defenders, 25 court clerks and 131 prison officers. Four district courts opened and are now dealing with criminal and civil matters on a daily basis. A third district-level prison has opened.

24. The Serious Crimes Investigation Unit focused on two categories of crimes committed in September 1999. First, the Office of the General Prosecutor

submitted 10 indictments on cases to be tried under the Indonesian penal code. Those cases are expected to come to trial before the Special Panel for Serious Crimes at the end of January 2001. Second, the Unit is prosecuting suspects accused of crimes against humanity (murder, torture and the deportation or forcible transfer of the civilian population). Investigations in this category have focused on five priority cases: the Liquiça church massacre of 6 April 1999; the killings at the house of Manuel Carrascalão on 17 April 1999; the killings at the Maliana police station on 8 September 1999; the killings of clergy and other persons and the deportation or forcible transfer of the civilian population in the Lautem district from April to September 1999; and a case of violence against women in Lolotoe (Bobonaro district). The first indictment for crimes against humanity, relating to events in the Lautem district, was filed on 11 December. Of the 11 accused, 9 are currently detained in East Timor and 2 are at large, one of whom is an officer in Indonesia's Special Forces Command who was based in Los Palos East Timor, in 1999.

25. Under the terms of the Memorandum of Understanding between Indonesia and UNTAET regarding cooperation in legal, judicial and human rights matters, a team from the Serious Crimes Investigation Unit sought in December to interview witnesses in Jakarta. There is, however, considerable opposition in Indonesia to such cooperation and, although the Indonesian Attorney-General summoned the witnesses, they questioned the validity of the Memorandum of Understanding and did not appear. The Attorney-General has since stated that investigators from the Unit were welcome to return to Jakarta to interview suspects and that an attempt would be made to arrange a second visit. In November the Government of Indonesia passed an act concerning human rights courts to resolve gross violations of human rights with retroactive jurisdiction. The Attorney-General of Indonesia expects the first Human Rights Court to begin processing cases in February. The first lists of suspects include those from military, police, militia and civil administration categories in East Timor.

Human rights

26. The Human Rights Unit has played an active role in the safe reintegration of refugees returning from

West Timor, in monitoring the returnees' security and in establishing mechanisms to prevent attacks against returnees. A steering committee of East Timorese community leaders and UNTAET representatives has drafted a regulation for the Truth, Reception and Reconciliation Commission, the formation of which was approved by the Cabinet on 13 December. This proposal is now the subject of consultations with communities and non-governmental organizations and is expected to be brought to the National Council early this year. The Commission will enable the East Timorese to create a public record of human rights abuses since 1975, to facilitate the reintegration of returning refugees and to promote community reconciliation by dealing with low-level offences committed in 1999.

Police

27. Public safety has improved. Over the past six months, civilian police deployment has risen from 1,330 to 1,439 officers, including Rapid Reaction Unit officers trained in crowd control. In addition to the 300 Timor Lorosa'e Police Service currently providing police services, 50 former Indonesian police officers have graduated from the Police Training College after undergoing an intensive training course, which included instruction in democratic policing, ethics, human rights and community policing. The police have set up a special unit to prepare for security during the electoral process. Systems of traditional justice play an important role in preventing or settling minor crimes in districts through the establishment of a law and order committee composed of the head of the village, a priest, representatives of local organizations and a civilian police officer.

Infrastructure

28. Significant progress has been made in repairing the infrastructure destroyed in 1999, although the speed of repairs has not met Timorese expectations. Rehabilitation of the ports has continued, with the completion of lighting, communications and fender facilities at the Dili port. Under the World Bank-operated Trust Fund for East Timor, the container hardstand area at the Dili port has been rehabilitated. The refurbishment of the arrival hall at the Dili airport was completed in August. Repair work to the Dili airport

runway has been completed, and conditions now comply with international standards. A regime of landing fees and charges has been implemented. Work was completed on three of the five major road projects. The deployment of district road supervisor engineers since September has assured proper monitoring of road conditions.

29. A government telephone exchange was established in November using equipment salvaged from the existing telephone exchange in Dili. Postal services have been restored to Dili and Baucau, and plans are under consideration for expansion. The programme of rehabilitation of the power network continues. At present 30 of 58 power stations are operational. In addition to the East Timor Transitional Administration programme, the Japanese and Portuguese Governments are restoring generators for subdistricts. The Cabinet endorsed the introduction of electricity charges, initially for larger institutional and commercial consumers of power.

30. Repairs to East Timor's water systems were undertaken through Japanese and Portuguese aid programmes complemented by Trust Fund for East Timor projects undertaken by the Asian Development Bank. The Government of Australia is funding a three-year rural water and sanitation project. Services at the district level have been improved with the deployment of water supply personnel responsible for the operation and maintenance of water systems. Under the public works programme for the renovation and refitting of public buildings, several refurbishments in Dili and the districts have been completed, including the Dili Court of Appeals and police headquarters. Arrangements are now in place for the registration of private motor vehicles, and an order has been placed for the first batch of 6,000 motor vehicle plates.

Education

31. More than 820 schools as well as the National University of East Timor are now open. Some 200,000 students and 5,000 teachers in primary and secondary schools resumed classes in October. More than 600,000 new school textbooks, about two thirds of the total required, have been distributed to the districts. The rehabilitation and refurbishment of the country's schools is proceeding, although repairs have at times been delayed. More than 2,000 classrooms will be brought up to a basic operational level by April 2001.

The National University of East Timor opened on 17 November, with an enrolment of 4,442 students. More than 120 teachers are conducting courses in agriculture, economics, education and social and political science. Japan continues to provide funding for more than 300 East Timorese students in universities in Indonesia.

Health

32. Three hospitals are functioning, in Baucau, Dili and Oecussi, as well as 71 community health centres at the district and subdistrict levels. Some 85 health posts have been established at the village level, as well as 116 mobile clinics. The Division of Health Services, formed in August from the Interim Health Authority, coordinates all activities in the health sector. The health programme consists of two main components: restoring access to basic services and addressing the immediate needs of the population of East Timor, including urgent reconstruction of health infrastructure; and developing appropriate medium- and long-term health policies.

Land issues

33. The Cabinet's decision to delay the creation of a Land Commission until after independence has limited the work of the Land and Property Unit to issuing temporary use agreements and assisting in conflict resolution. A legal framework and an institutional mechanism have been designed by East Timorese and international land experts to assess and register uncontested rights and to adjudicate disputed land claims. East Timorese land dispute officers have now been trained. Assisted by a team of conflict resolution experts, they handle land conflicts, some of which are highly complex and date back to the 1950s and earlier. A significant number of simpler cases are being resolved on an ongoing basis. More than 200 temporary use agreements have been entered into with a variety of East Timorese and international companies and individuals. This has expedited the renovation and reconstruction of public and abandoned buildings. Rents raised from the administration of these properties are expected to generate about \$1 million in revenue for the East Timor consolidated budget during the current financial year.

Civil registry

34. A civil registry has been established with German support and is now issuing birth, marriage and death certificates. The task of registering all inhabitants and issuing identity cards to all those aged 16 and older to verify identity and residence will begin in February 2001. The electoral roll will be drawn from data gathered in the national civil registry.

Border control

35. The western border station in Batugade is operating effectively, while the Maliana station continues to function on a part-time basis. New stations are planned for Baucau, Covalima and Oecussi. As at 19 December, the Border Service had collected over \$6.8 million in taxes and duties, exceeding original projections. This figure includes approximately \$230,000 in fines and administrative penalties. The service is staffed by 179 Timorese officers.

Economic affairs

36. Efforts to promote economic activity, including foreign investment continued. However, unemployment is very high and the needs far exceed the available resources and capacity. The lack of long-term security of land titles is a disincentive to both local and foreign investors. The Small Enterprises Project has generated economic activity, creating almost 1,000 jobs in 15 sectors. The project has distributed \$1.25 million of an approved amount of \$2.25 million. Many viable businesses have been funded, including restaurants, shops, mechanical repair, carpentry and agricultural processing firms. More than 3,400 businesses have been registered since April 2000, more than 84 per cent owned by Timorese. A microfinance development project funded by the Asian Development Bank has been approved to facilitate community-based opportunities for income generation and the creation of sustainable farm to non-farm employment. The project has three major components: institution-building and strengthening; rural finance for microenterprise activities; and project management. The first grant agreement is for \$4 million, out of a planned total of \$7.7 million.

37. Agriculture is the single largest contributor to the gross domestic product. Efforts to increase crop

productivity with the aim of ensuring food self-sufficiency and food security have been increased. One significant development in the rehabilitation of the agricultural sector has been the establishment of pilot agriculture service centres in eight districts. These provide services, goods and supplies required by the community. Sustainable development efforts have included the use of cheap and effective organic fertilizers by farmers on various food crops that now yield significant production. The production of rice, an important staple, has increased 20 per cent. The Cabinet supported this trend with its decision that East Timor coffee would be grown organically, in order to enhance its export value. Another significant development in the agricultural sector was a livestock vaccination programme. The fisheries sector is facing difficulty in protecting valuable fish stocks because East Timor is not in a position to maintain an exclusive economic zone offshore. Progress is being achieved in community irrigation programmes, enhanced by the repair of feeder roads leading to villages. Many dams, intakes, canals and dikes have been repaired and rivers rechannelled to provide water to farming areas. Local communities have taken the lead in these efforts.

Inspector General

38. The office of Inspector General was created in July 2000. A senior East Timorese lawyer was appointed to lead the unit, which is responsible for developing a culture of accountability and transparency in the new government. One of his first activities was to investigate allegations of malfeasance in the recruitment of schoolteachers. The findings from this investigation have been implemented through measures approved by the Cabinet. The Inspector General has also investigated payroll fraud in the Covalima district, and audits are under way into customs, the power sector and the East Timor Trust Fund.

IV. Humanitarian assistance

39. The humanitarian situation in East Timor continued to improve during the course of the second half of 2000. However, some communities remain vulnerable. Recovery from the widespread destruction of September 1999 has moved slowly forward. Prolonged rains damaged standing crops at the end of the last agricultural season. Although ongoing and

completed shelter programmes cater to an estimated 45,000 families with a target completion date sometime in the first half of 2001, an estimated 80,000 to 85,000 homes were destroyed in the violence of 1999, leaving approximately 35,000 to 40,000 families who may still be in need of some form of shelter assistance.

40. Food assistance continues to reach approximately 180,000 persons. The World Food Programme, through its implementing partners, will manage food assistance needs during the course of 2001. Continued food assistance is not a long-term solution in a country where ample land offers sufficient potential for production. However, nearly all agricultural vehicles were either stolen or destroyed in 1999, and this has weakened the transport and distribution networks required for agricultural markets to be reactivated. Plans for a disaster management office and a national disaster plan are currently under review in the National Council. The humanitarian assistance and emergency relief component was closed at the end of December. Its services will continue under the auspices of development-oriented offices within the East Timor Transitional Administration.

V. Public information

41. Radio UNTAET, after some delay, can now be heard in most of East Timor's 13 districts and by nearly 70 per cent of Timorese, as well as by the large population of refugees and others in West Timor. A number of programmes have focused on providing information to the refugees to assist them in deciding whether to return. The subdistrict audience has been significantly increased with the distribution of 8,000 solar-powered receivers, a gift of the Government of Japan. Two community radio stations supported by the United Nations Educational, Scientific and Cultural Organization and the United States Agency for International Development, operate in Maliana and Los Palos. The Television Unit runs *Televisão Timor Lorosa'e* (TVTL), a round-the-clock station that broadcasts up to two hours of original programming per day, produced by East Timorese. As the transmission so far covers only greater Dili, a three-hour compilation of the highlights is sent by tape to the 13 districts once a week for viewing on mobile cinema units. Hundreds regularly gather at these events.

42. The Publication Unit produces a biweekly newspaper, *Tais Timor*, which has a circulation of

100,000 copies nationwide, in four languages. The Unit also produces the monthly East Timor Update, posters, brochures and other informational materials, usually keyed to important UNTAET or Transitional Administration campaigns. The Press Office holds press briefings, in English and Tetun, for Timorese and international journalists twice weekly, and at critical times. The Media Development and Training Unit focuses on helping the independent East Timor press to re-establish itself.

VI. Organizational matters

43. As at 31 December, the strength of the UNTAET military component was 7,886 all ranks, including 120 military observers. The soldiers came from the following countries: Australia (1,600), Bangladesh (551), Bolivia (2), Brazil (83), Canada (3), Chile (32), Denmark (4), Egypt (75), Fiji (191), France (3), Ireland (44), Jordan (723), Kenya (264), Malaysia (35), Mozambique (12), Nepal (162), New Zealand (682), Norway (6), Republic of Korea (440), Pakistan (788), Peru (23), Philippines (640), Portugal (768), Russian Federation (2), Singapore (24), Sweden (2), Thailand (714), Turkey (2), Uruguay (5), United Kingdom of Great Britain and Northern Ireland (4) and United States of America (2).

44. The international civilian police comprised 1,402 officers from the following countries: Argentina (5), Australia (102), Austria (10), Bangladesh (45), Bosnia and Herzegovina (12), Brazil (10), Canada (20), Cape Verde (2), China (55), Egypt (15), Ghana (86), Jordan (222), Kenya (26), Malaysia (41), Mozambique (3), Namibia (9), Nepal (47), New Zealand (27), Nigeria (51), Norway (2), Pakistan (7), Philippines (105), Portugal (165), Russian Federation (4), Senegal (25), Singapore (40), Slovenia (2), Spain (18), Sri Lanka (29), Sweden (10), Thailand (37), Turkey (18), United Kingdom (15), Ukraine (8), United States (80), Vanuatu (24), Zambia (5) and Zimbabwe (20). Included in the above are two rapid response units of 120 each from Jordan and Portugal.

45. At the end of the year, UNTAET comprised 2,668 civilian staff, 877 of whom were internationally recruited and 1,791 were locally recruited. In addition, the mission was supported by 513 United Nations Volunteers. The delegation of authority by United Nations Headquarters to the mission for the recruitment of substantive staff, effective early December 2000, is

expected to speed up the identification, recruitment and deployment of staff for the East Timor Transitional Administration. The mission continues to face a shortage of senior experienced staff in the areas of administration, personnel and communications.

VII. Financial aspects

46. The General Assembly, in its resolution 55/228 of 23 December 2000, appropriated \$563 million gross for the operation of UNTAET for the period from 1 July 2000 to 30 June 2001, at a monthly rate of \$46,916,666 gross. Should the Council decide to extend the mandate of the Transitional Administration, the cost of maintaining UNTAET will be limited to the monthly rate approved by the Assembly. The proposed budget for UNTAET for the period from 1 July 2001 to 30 June 2002 is currently under preparation for consideration by the Assembly at the resumed part of its fifty-fifth session. As at 15 December 2000, unpaid assessments to the Special Account for UNTAET for the period since its inception on 1 December 1999 amounted to \$146.9 million. The total outstanding assessed contributions for all peacekeeping operations amounted to \$1,990.4 million.

VIII. Observations

47. In the past six months there has been a concerted effort to accelerate the transfer of authority to the Timorese. With the all-Timorese National Council, the Timorese majority in the Cabinet and the all-Timorese judiciary, they now exercise substantial governmental powers. Timorese civil servants and United Nations international staff work side-by-side in an integrated administration. While the United Nations retains overall responsibility in accordance with Security Council resolution 1272 (1999), I envisage the further progressive delegation of authority until authority is finally transferred to the government of the independent State. This is an innovative approach, which requires a great deal of understanding and flexibility from all involved. However, it is designed to meet the Security Council's objective of preparing the Timorese for self-government and responds directly to the desire of the Timorese to take charge of their own fate.

48. Another innovation is the involvement of UNTAET in the creation of the East Timor Defence Force as a consequence of its responsibility to prepare East Timor for independence. The establishment of this force is coordinated by the East Timor Transitional Administration but depends entirely on the support of the Governments that have expressed their readiness to assist. I appeal to these Governments to continue their assistance in this important endeavour.

49. The question of security remains a matter of concern. Although infiltration by militia groups from West Timor has decreased in recent months, the threat will remain as long as the Government of Indonesia does not disband those groups. This is also an essential step towards the overdue solution of the problem of the refugees who are still in camps in West Timor. As emphasized by the Security Council, it is incumbent upon the Indonesian authorities to ensure safety and security in the refugee camps and for international personnel.

50. The goal of reaching independence before the end of this year is, no doubt, ambitious and leaves little room for technical or political delays. However, I believe that setting this target assists the process of transition, and the United Nations will certainly do all it can to help achieve it. At the same time, it must be recognized that, once independent, East Timor will still require substantial international support that goes well beyond the kind of assistance normally provided to a developing country. For example, the East Timor Defence Force will not be fully established by the end of the year and it may therefore be necessary to maintain what is now the UNTAET military component at a strength to be determined in the light of developments. Similarly, building up the Timorese police will take well beyond 2002, so that an international police presence will continue to be needed. The same applies to a broad range of functions within the various departments, where it will take some time until all the international staff are replaced by Timorese civil servants. The judicial sector, to mention just one, will require international support for several years.

51. In the interest of effectiveness, I believe that such support should be provided through an integrated mission under a Special Representative of the Secretary-General, mandated by the Security Council and funded from assessed contributions. Of course, financial assistance to East Timor will have to come, as

it does now, from voluntary contributions. However, I wish to recall in this connection that the Security Council requested the President of the General Assembly last November to give consideration to increasing flexibility in the use of assessed resources allocated to complex peacekeeping operations such as UNTAET. This should also apply to the follow-on operation. Subject to the decision of the Security Council, the new operation would function in the independent East Timor in accordance with an agreement to be concluded with the new Government. I have asked UNTAET to draw up plans for such an operation in close consultation with the Timorese and the partner organizations. I shall in due course submit my recommendations on this matter to the Council for consideration.

52. Bearing in mind the calendar of transition and the changes that independence will bring, I recommend that the Security Council at this stage extend the UNTAET mandate until the end of the year, that is, until 31 December 2001.

53. Finally, I wish to express my deep appreciation to the Member States that have continued to give their steadfast support to this mission. I also wish to pay a warm tribute to Mr. Vieira de Mello, my Special Representative, and to all the men and women of UNTAET and its partner organizations. The United Nations has cause to be proud of what they have accomplished.

Organization chart

East Timor Transitional Administration



