



**REPÚBLICA DEMOCRÁTICA DE TIMOR-LESTE**  
**MINISTÉRIO DAS FINANÇAS**  
**2008 – Ano da Reforma**

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**Media Release**

**Minister of Finance addresses parliamentary vehicle purchases**

Today, The Minister of Finance, Ms Emilia Pires, formally clarified the issue of vehicle purchases for 2008.

Pires confirmed the 2008 state budget included expenditure for 26 parliamentary vehicles. “We are charged with ensuring parliamentarians, and staff, have transport for official Government business. We are also charged with ensuring the transport is safe, reliable and most importantly, the expenditure for transport is allocated following the principles of value for money.”

Pires released the figures of Government expenditure on both **maintenance of older vehicles** and **renting vehicles**, which is common practice because of the lack of transport available to Government officials, “In the past four years (from fiscal years 2004 to 2007), the Government spent a total of **\$13,005,151.00 USD** on rental cars and maintenance of older vehicles.’

“This cannot be evaluated as best practice when considering value for money. This amount seems to be the equivalent of approximately **389 new vehicles**. Considering the challenges of the nation, we must be more prudent in analyzing and allocating transport expenditure across ministries.”

The total amount allocated under the 2008 State budget for the 26 new cars was US\$901,800, (\$33,400.00 USD per base model Toyota Prado), an additional vehicle was negotiated for the allocated budget due to the bulk purchase.

“We have only budgeted for 26 vehicles, because of the bulk purchase; we will be receiving 27 vehicles. We consider the 2008 vehicle purchase a measured approach to building our operational infrastructure. We also intend to review transport cost cutting measures across ministries; however, Government transport is not an aspect of Government operations that can be ignored, it is part of a functioning administration. I will say that all expenditure allocated is monitored to ensure best practice fiscal management, and transport is no exception.”

Pires also released the statistics from the transport audit, initiated after taking over from the previous Government, which was evaluated when looking at the decision to purchase new vehicles:

When the new Government took office, the state auditors reported **2642** as the total number of vehicles.

From those 2642 cars:

1. Number of working vehicles requiring high maintenance: 1736
2. Number of cars which were in no working condition and not repairable: 707
3. Number of cars classified as “lost” at handover: 109
4. Number of cars with no Government registration: 21
5. Number of cars in dispute: 69

These numbers include some donor vehicles, which seemed to have been allocated by the previous Government direct to line ministries without being registered with the Government Assets department. By example, one donor contributed 50 Land Cruisers to the State, only five are registered to the Government.

Pires continued, "All of these variables are considered during the planning process, we expect the some 25,000 members of the public service to contribute to, evaluate and monitor progress of the nation in various capacities, with some 1736 working vehicles. Considering there are remote regions that must be accessed, and we have the responsibility to serve every man, woman and child in this nation, efficient transport is an imperative."

Pires pointed out the price of each base model four wheel drive which was purchased, represents less than half the dollar value of the luxury vehicle thresh hold legislated in Timor-Leste fiscal law.

Pires closed by saying, "There has been a robust discussion on the vehicle expenditure within Parliament, in the media and with civil society. Part of being an open and transparent Government is being accountable to public scrutiny. All debates on Government expenditure are encouraged. It is a positive sign for our young democracy." **ENDS**

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