



REPÚBLICA DEMOCRÁTICA DE TIMOR-LESTE
MINISTÉRIO DAS FINANÇAS
Gabinete da Ministra
- 2009 Ano de Infraestrutura -

OVERVIEW

The Ministry of Finance is pleased to release the 2008 Report on the external assistance to Timor-Leste. The data contained in this report was compiled by the National Directorate of Aid Effectiveness (NDAE) of the Ministry of Finance. The information contained in this report consists of data provided by individual Development Partners representatives.

Only those projects that provide development, humanitarian and emergency assistance are entered into the database. Thus, military and security-related assistance to Timor-Leste have not been included in this report, at this stage. The Government acknowledges the efforts made by these individual Development Partners who have provided updated information in a timely manner.

The reliability of the data recorded is dependent on the cooperation of Development Partners to provide the necessary and accurate information. The most recent update was in February 2009 which is incorporated in this compiled report. It is envisaged that the Government and Development Partners will update project information on a regular basis.

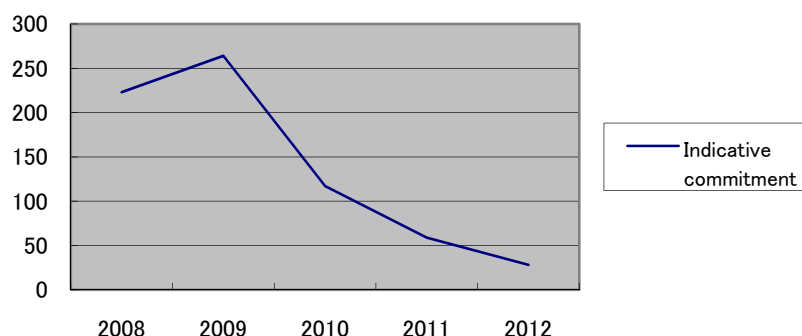
The purpose of this compiled report is to help the Government of Timor-Leste and Development Partners to gain a comprehensive overview of the development assistance extended to the country as well as assisting in policy decision making.

The Government of Timor-Leste is grateful for the cooperation of our Development Partners in updating the database. The production of the report would not have been possible without their continual support.

April 2009

Development Partners Spending in 2008

Development Partners committed a total of \$236.4M for development assistance in Timor-Leste and \$223.0M was disbursed in 2008. The graph below shows the downward trend of assistance from Development Partners in the next 4 years from \$264.0M in 2009, \$117.0M in 2010, \$58.9M in 2011 and \$28.2M in 2012.



In the most recent update in February 2009, NDAE received updated project information from 24 bilateral Donors, 5 Multilateral Agencies and 13 UN Agencies. In addition to 24 bilateral donors, NDAE identified that Czech Republic, Denmark and Belgium also extended assistance to Timor-Leste through UN Agencies.

Bilateral donors' contributions amounted to \$198.8M. Top five bilateral donors in 2008 included Australia (\$52.9M), Japan (\$21.3M), Portugal (\$20.4M), the European Community (\$19.9M) and the USA (\$18.3M). Their spending represents 67.0% of total spending of all bilateral donors.

The disbursed \$223.0M consists of:

- \$211.5M for support to the Government Office and its related sector
- \$11.5M for Non Government sectors whose activities can't be categorized to particular government Ministry (e.g. support to civil society)
- Out of the \$211.5M, \$31.1M is spent for projects related to the Ministry of Health. It is followed by Ministry of Agriculture and Fisheries' \$28.6M and \$21.8M for Ministry of Education (Please see Chart 1 below).

Donors' spending by sectors in 2008 can be seen in Chart 2. The majority of donors spending is attributed to 4 main sectors: Health (15%), Public Sector Management (15%), Education (14%) and Agriculture (14%). Chart 3 shows that Development Partners implement 82 projects with the largest numbers of projects, in Dili. Dili is

followed by Oecusse with 58 projects and Baucau with 54 projects. However it should be noted that existing data doesn't allow breakdown of amounts in districts. NDAE intends to collect information on spending from development partners in the near future.

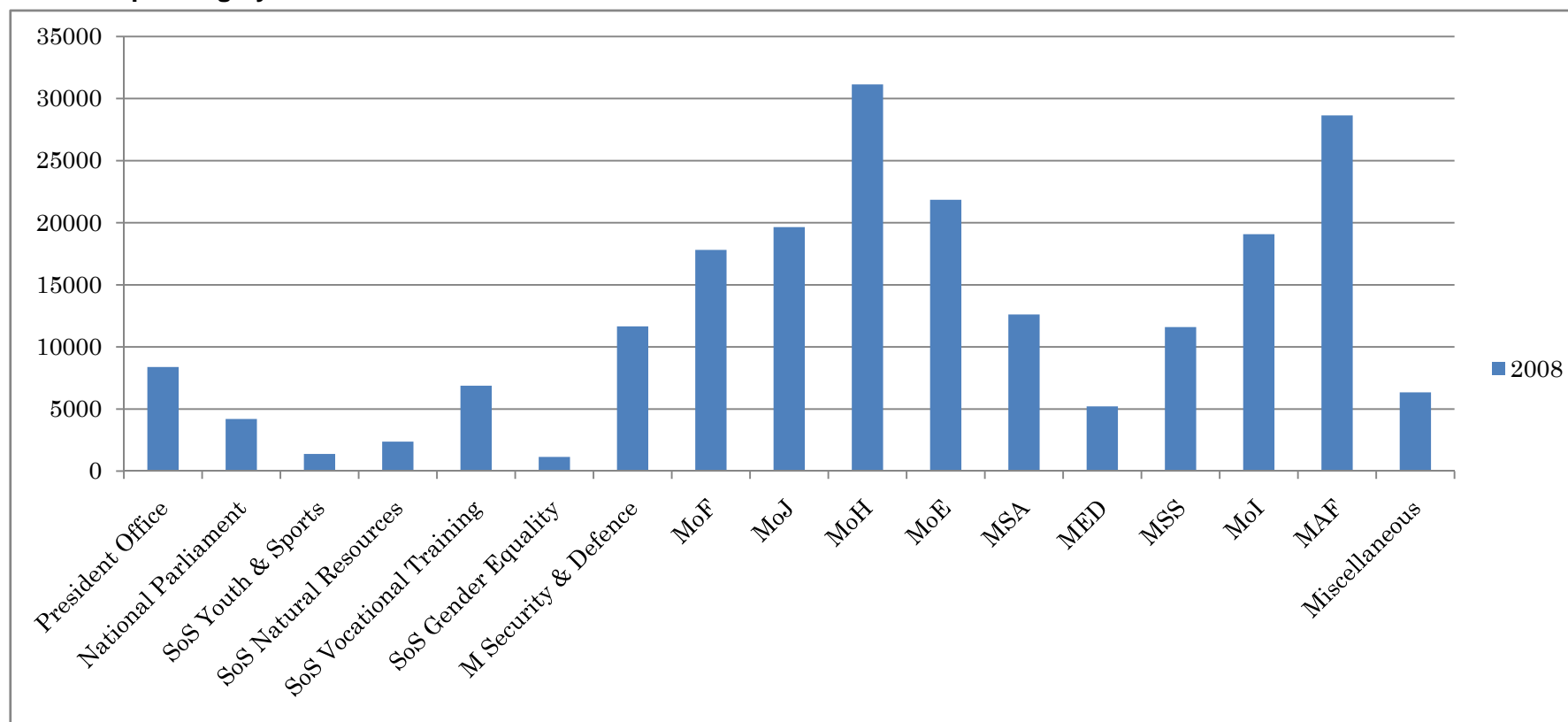
More detailed information is contained in the circulated CD.

National Directorate of Aid Effectiveness
Ministry of Finance

Chart 1:

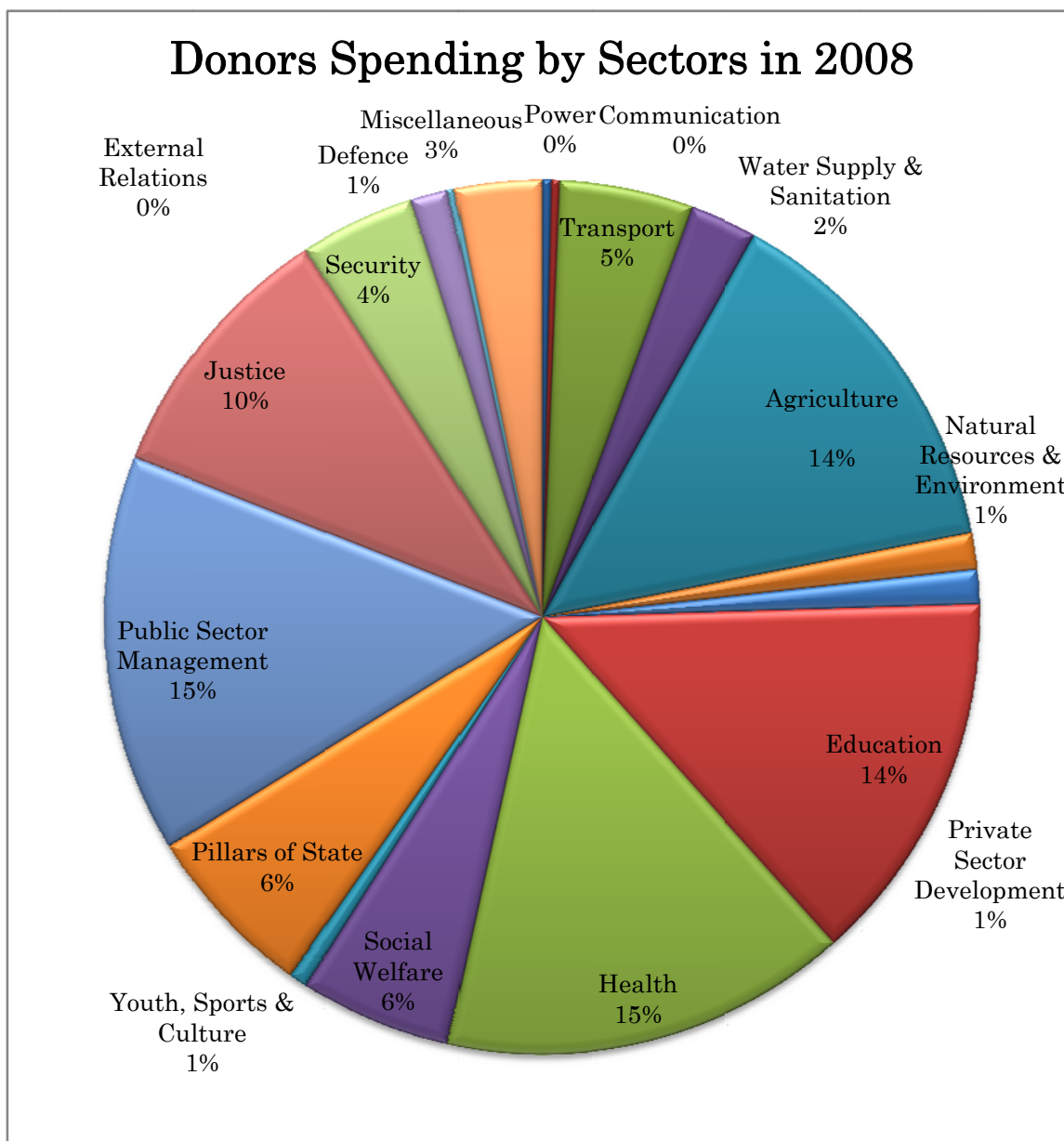
Donors' Spending by Ministries/SoS in 2008

USD,000



Note: Only Ministries which received more than \$1M in 2008 are listed.

Chart 2:

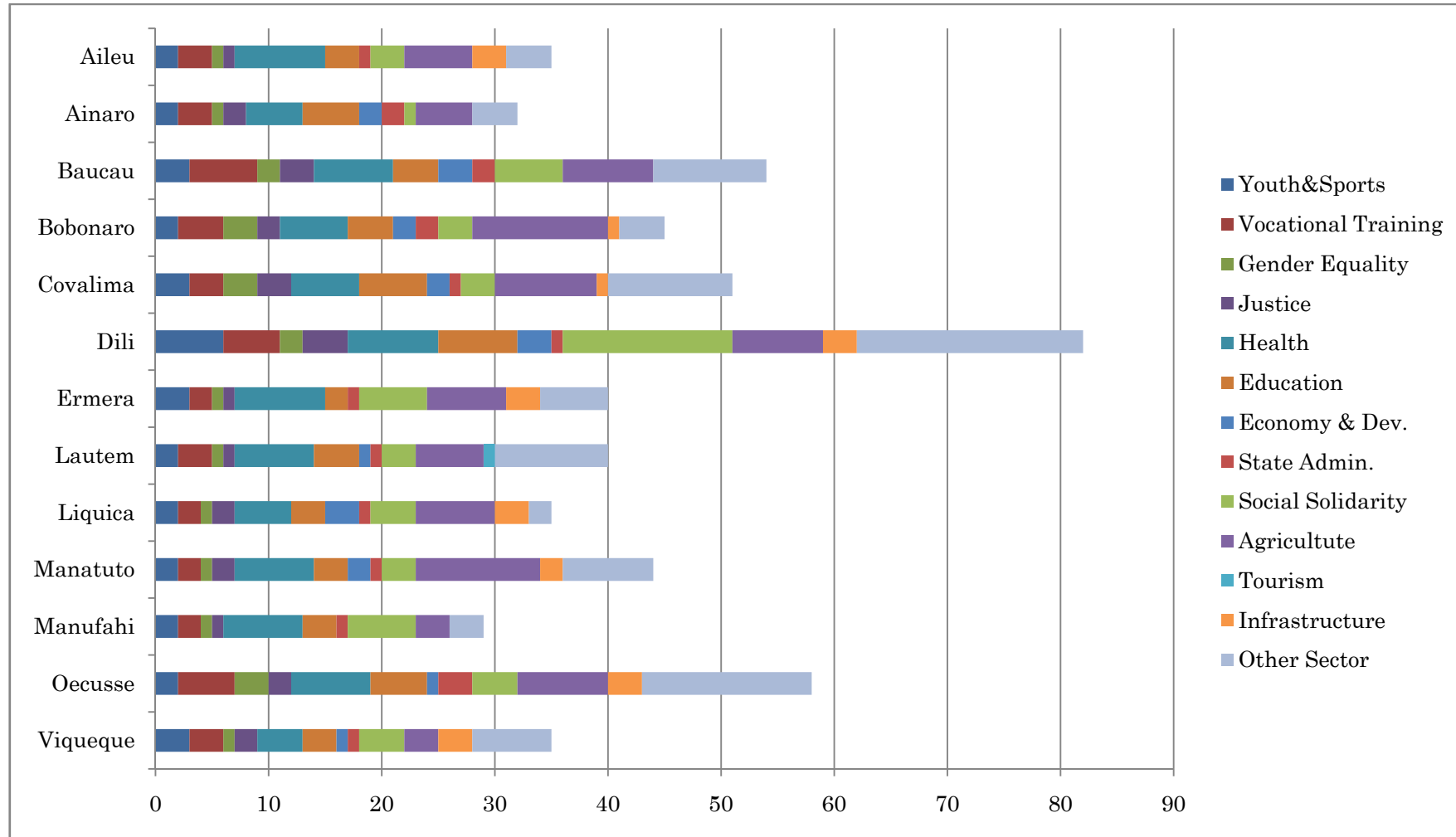


NOTE:

- 1) Public Sector Management includes support to the Ministry of Finance and Ministry of State Administration and Territorial Management.
- 2) Pillars of State include support to Office of the President, National Parliament, Office of the Prime Minister and Council of Ministers.
- 3) Support to SoS for Vocational Training and Employment is included in Education sector.

Chart 3:

Number of Donors' projects by Districts and Sectors (project whose impact is 'national' is not included)



INFORMATION REQUIRED

In order to ensure accurate and timely reporting, the minimum data requirements for each project are listed here. All the items below are included in template Ministry of Finance provided.

- Donor:
The funding agency or country making a financial commitment to project from its core funding.
- Project Name:
Project may include *technical cooperation* (such as technical cooperation project, feasibility studies, supply of adviser, supply of teacher, provision of scholarship, training course, student, research and development-oriented social and cultural program), *investment project*, *Development food aid* and *humanitarian aid*.
- Government Office receiving the assistance:
Here it is expected that counterpart Ministry, Secretary of State or other government office (usually government signatory of MOU with donors)
- Implementing Agency:
The name of organization actually conducting the work on behalf of the donor. Implementing agency can be multilateral agency, bilateral agency, NGOs and other organization.
- Expected Outcomes:
Expected outcomes may be described in project document agreed by the government. In case project outcomes are not available, project objectives are sufficient.
- Areas benefited
Areas benefited from project are selected from below.
 - 1) Aileu
 - 2) Ainaro
 - 3) Baucau
 - 4) Bobonaro
 - 5) Covalima
 - 6) Dili
 - 7) Ermera
 - 8) Lautem

- 9) Liquica
- 10) Manatuto
- 11) Manufahi
- 12) Oecussi
- 13) Viqueque
- 14) All Districts
- 15) National

There are project which does not have particular geographic areas such as supply of policy adviser and a project which supports to Ministry's management capacity. Those projects don't benefit particular areas but it is expected to have national impact. In such case, 'National' is selected.

- **Project Status**

Project status can be divided into 3 categories; Ongoing, Under preparation and Completed. Under preparation means that an indicative budget and purpose of the project has been agreed and approved by the donor and Government (e.g., MoU is signed), but has yet to be mobilized.

- **Project Start/ Project Complete**

The definition of 'project start' may vary across donors. The Ministry of Finance is interested in the date the project was signed by the Timor-Leste Government.

- **Currency**

Ideally currency is in the currency of the country making the donation. These values will be converted by the Ministry of Finance to US\$ based on the standard exchange rates.

- **Exchange Rates Applied**

Exchange rates applied for actual disbursement for 2008 (January – December) are described below. (Average exchange rates during the period)

Currency	Exchange Rate (2008's average)
Australian dollar	0.853798
Canadian dollar	0.938355
Euro	1.470755
Japanese yen	0.009670
NZ dollar	0.713674

Norwegian krone	0.177308
Swedish krona	0.151638
Swiss franc	0.923175
Thai baht	0.029953
U.K. pound sterling	1.853691

Source: IMF's website, http://www.imf.org/external/np/fin/data/param_rms_mth.aspx

Exchange rates temporarily used for 2009 onwards are described below.
(Average exchange rates from January 2009 to the end of February 2009)

Currency	Exchange Rate (Average of Jan-Feb 2009)
Australian dollar	0.663703
Canadian dollar	0.809395
Euro	1.301722
Japanese yen	0.010934
NZ dollar	0.534356
Norwegian krone	0.144501
Swedish krona	0.120224
Swiss franc	0.871417
Thai baht	0.028518
U.K. pound sterling	1.441802

Source: IMF's website, http://www.imf.org/external/np/fin/data/param_rms_mth.aspx

- Capital Development (%)
This is the percentage of the total amount that will be used for physical works.
- Total Funding
Total funding is the total amount of fund which may be an agreed figure appearing in an agreement or MOU. The amount may be changed after additional funding is committed.
- Core Funding:
Core funding is the amount of funds being provided from reporting donor, excluding from any amounts that are coming other donors and channelled through your organization.
- Non-Core Funding:
Non-core funding is the amount of funds that your organization is managing on

behalf of another donor.

- Source of Non –core Funding

In addition to the name of organization, it is expected that the amount of funds provided by the organization.

- Actual Disbursement

In the Paris Declaration, Development Partners undertook to provide reliable indicative pledge of aid over a multi-year span, and disburse aid in a timely and predictable fashion. Actual disbursement here is the amount actually disbursed from January to December 2008.

- Breakdown of actual disbursement

Development Partners are requested to provide the breakdown of disbursement. For your reference, the following is the government's classification of expenditure.

1) Salaries/Wages

- ✓ Salary
- ✓ Overtime/Allowance

2) Goods & Services

- ✓ Local Travel
- ✓ Overseas Travel
- ✓ Training and Workshop
- ✓ Utilities
- ✓ Rental of Property
- ✓ Vehicle Operation Fuel
- ✓ Vehicle Maintenance
- ✓ Vehicle Rental, Insurance and Services
- ✓ Office Stationery and Supplies
- ✓ Operational Material and Supplies
- ✓ Fuel for Generators
- ✓ Maintenance of Equipment and Buildings
- ✓ Operational Expenses
- ✓ Professional Services
- ✓ Translation Services
- ✓ Other Miscellaneous Services
- ✓ Payment of Membership
- ✓ Current Transfer

3) Minor Capital

- ✓ Security Equipment
- ✓ EDP Equipment
- ✓ Communication Equipment
- ✓ Generators
- ✓ Water Equipment
- ✓ Office Equipment
- ✓ Other Miscellaneous Equipment
- ✓ Furniture and Fitting
- 4) Capital and Development
 - ✓ Infrastructure Assets
 - ✓ Major Capital Equipment

All updates are preferably done electronically via email in a standard Excel spreadsheet provided by the NDAE, Ministry of Finance.

NDAE Team

Table: Status of Updates

Name of DPs	Last Update	Remarks
Bilateral DPs		
Australia	17 Mar, 2009	Confirmed (no comments on final version)
Brazil	17 Mar, 2009	Confirmed (no comments on final version)
Canada	9 Mar, 2009	Data confirmed on 11 Mar, 2009.
China	13 Mar, 2009	Data confirmed on 20 Mar, 2009.
Cuba	19 Feb, 2009	Confirmed (no comments on final version)
European Community	13 Mar, 2009	Suggestions were made and they were included. Data confirmed on 24 March, 2009.
Finland	13 Mar, 2009	Confirmed (no comments on final version)
France	18 Mar, 2009	Confirmed (no comments on final version)
Germany	17 Mar, 2009	Confirmed (no comments on final version)
Indonesia	12 Feb, 2009	Confirmed (no comments on final version)
Ireland	16 Mar, 2009	Suggestions were made and they were included. Confirmed on 23 March, 2009.
Italy	26 Feb, 2009	Confirmed (no comments on final version)
Japan	19 Mar, 2009	Confirmed (no comments on final version)
Korea	19 Mar, 2009	Confirmed (no comments on final version)
Malaysia	10 Mar, 2009	Confirmed (no comments on final version)
New Zealand	13 Mar, 2009	Confirmed (no comments on final version)
Norway	16 Mar, 2009	Confirmed on 20 March, 2009
Portugal	13 Mar, 2009	Suggestions were made and they were included in the database.
Spain	20 Mar, 2009	Suggestions were made and they were included in the database.
Sweden	24 Feb, 2009	Confirmed (no comments on final version)
Switzerland	23 Feb, 2009	Confirmed (no comments on final version)
Thailand	17 Mar, 2009	Confirmed (no comments on final version)
United Kingdom	28 Feb, 2009	Confirmed (no comments on final version)
U.S.A.	20 Mar, 2009	Confirmed on 24 March, 2009
Multilateral DPs		
ADB	10 Mar, 2009	Confirmed (no comments on final version)

IFC	12 Mar, 2009	Confirmed (no comments on final version)
IMF	19 Mar, 2009	Confirmed (no comments on final version)
WB	16 Mar, 2009	Confirmed. Additional information was provided to NDAE and it will be updated in next update.
Global Fund	17 Mar, 2009	Confirmed (no comments on final version)
UN Agencies		
FAO	16 Mar, 2009	Confirmed (no comments on final version)
IOM	13 Mar, 2009	Suggestions were made and they were included.
ILO	12 Feb, 2009	Confirmed (no comments on final version)
UNCDF	12 Mar, 2009	Confirmed on 25, 2009
UNDP	11 Mar, 2009	Suggestions were made and they were included.
UNESCO	20 Mar, 2009	Data confirmed on 21 Mar, 2009
UNFPA	5 Jan, 2009	Data confirmed on 24 Mar, 2009
UNHCR	18 Mar, 2009	Confirmed (no comments on final version)
UNICEF	7 Mar, 2009	Confirmed (no comments on final version)
UNIDO	Sep, 2008	No update this time.
UNIFEM	12 Mar, 2009	Confirmed (no comments on final version)
WFP	20 Mar, 2009	Confirmed on 24 March, 2009.
WHO	19 Mar, 2009	Confirmed (no comments on final version)

Note:

- The first E-mail was sent to Development partners on 11 February 2009.
- Remind email was sent on 6 March 2009.

ANNEX:

Table: Disbursement rate and the breakdown of spending in 2008

No.	Name	2008 Plan	2008 Actual	Disb. Rate	Breakdown			
					salary/wages	Goods & services	minor capital	capital dev.
Bilateral Donors								
1	Australia	53,435	52,917	99.0%				
2	Brazil	1,287						
3	Canada	1,257	852	67.8%	0	852	0	0
4	China	17,320	13,500	77.9%				
5	Cuba							
6	EC	21,628	19,964	92.3%				
7	Finland	1,877	1,844	98.2%				
8	France	429	429	100.0%				
9	Germany	6,705	6,458	96.3%	347	6,111	0	0
10	Indonesia	143	143	100.0%				
11	Ireland	7,256	7,215	99.4%				
12	Italy	0	0	0.0%				
13	Japan	21,339	21,339	100.0%	211	4,900	0	10,376
14	Korea	2,270	2,080	91.6%	150	550	740	640
15	Malaysia							
16	New Zealand	3,988	4,372	109.6%	455	727	82	33
17	Norway	9,624	4,852	50.4%				
18	Portugal	20,791	20,477	98.5%	7,306	4,520	0	199
19	Spain	16,621	16,621	100.0%				
20	Sweden	4,989	4,989	100.0%				
21	Switzerland	249	249	100.0%	0	249	0	2
22	Thailand	119	119	100.0%				
23	UK	2,039	2,039	100.0%				
24	USA	18,367	18,367	100.0%				
Multilateral Agency								

25	ADB	3,462	5,411	156.3%	1,143	429	246	0
26	WB	27,512	27,961	101.6%	10,161	4,759	5,118	7,946
27	IMF	493	493	100.0%	493	0	0	0
28	IFC	215	200	93.0%	155	45	0	0
29	Global Fund	2,510	2,208	88.0%				
UN Agency								
30	FAO	3,280	3,977	121.3%	828	1,881	845	419
31	IOM	4,756	4,709	99.0%	2,108	1,360	212	0
32	ILO	3,578	3,454	96.5%	1,266	575	482	1,131
33	UNCDF	910	579	63.6%	121	403	55	0
34	UNDP	28,382	20,607	72.6%	5,042	13,614	961	0
35	UNESCO	114	72	63.2%	0	72	0	0
36	UNFPA	2,323	1,890	81.4%				
37	UNHCR	40	35	87.5%	0	35	0	0
38	UNICEF	5,902	4,593	77.8%				
39	UNIDO	130						
40	UNIFEM	579	595	102.8%	247	337	11	0
41	WFP	6,899	6,670	96.7%	0	4,831	0	0
42	WHO	1,065	1,123	105.4%				

Note:

1. The amount of disbursement by Multilateral and UN Agencies above includes funding reported by bilateral donors.
2. Ideally the total of breakdown items should equal to disbursement amount. However, some donors have difficulty in disaggregating its spending. NDAE can only present information as given.

Table: Donors' Spending by Ministry in 2008

USD, 000

Name of Ministry	2008 Plan	2008 Actual	Disb. Rate	Breakdown			
				salary / wages	goods & services	minor capital	capital dev.
Office of the President	8,430	8,384	99.5%	218	91	0	0
National Parliament	3,497	4,200	120.1	1,791	1,001	40	0
Office of the Prime Minister	562	564	100.4%	77	148	4	0
SoS for Council of Ministers	285	285	100.0%	76	5	0	0
SoS for Youth and Sports	1,408	1,380	98.0%	192	156	0	0
SoS for Natural Resources	2,725	2,367	86.9%				
SoS for Vocational Training and Employment	8,370	6,876	82.2%	2,006	1,272	565	925
SoS for Promotion of Gender Equality	1,398	1,143	81.8%	247	337	11	0
Ministry of Security and Defence	13,392	11,653	87.0%	195	266	61	0
Ministry of Foreign Affairs	1,336	495	37.1%		294		
Ministry of Finance	18,532	17,819	96.2%	5,373	766	1,316	0
Ministry of Justice	19,263	19,648	102.0%	2,293	6,061	399	0
Ministry of Health	26,996	31,151	115.4%	1,630	3,537	3,611	7,618
Ministry of Education	25,370	21,853	86.1%	8,311	8,356	570	0
Ministry of State Administration and Territorial Management	14,292	12,617	88.3%	485	2,603	288	13
Ministry of Economy and Development	4,965	5,216	105.1%	262	1,901	43	0
Ministry of Social	13,137	11,603	88.3%	1,452	2,692	1,831	199

Solidarity							
Ministry of Infrastructure	21,564	19,076	88.5%	1,225	2,717	248	611
Ministry of Tourism & Commerce	488	209	42.8%	35	5	0	0
Ministry of Agriculture and Fisheries	31,421	28,650	91.2%	2,443	8,983	1,230	5,652
Provedor of Human Rights and Justice	873	820	93.9%	142	249	2	0
Public Broadcast of Timor-Leste	1,169	1,560	133.4%	12	398	1	0
Support to the government but no particular ministry	5,515	3,966	71.9%	65	385	0	0
SUB TOTAL	224,988	211,535	94.0%	28,530	42,223	10,220	15,018
Banking Payment Authority	287	351	122.3%	221	130	0	0
Superior Council of Judiciary	65	65	100.0%				
Superior Council of Prosecution	68	68	100.0%				
Support to NGOs	11,076	10,995	99.3%	75	1,029	56	20
Grand TOTAL	236,484	223,014	94.3%	28,826	43,382	10,276	20,538
				28.0%	42.1%	10.0%	19.9%

Table: Number of Projects in Districts and Sectors

No.	District	Youth & Sports	Vocational Training & Employment	Gender Equality	Justice	Health	Education	Economy & Dev.	State Admin.	Social Solidarity	Tourism &Commerce	Agriculture	Infrastructure	Other Sector	TOTAL
1	Aileu	2	3	1	1	8	3	0	1	3	0	6	3	4	35
2	Ainaro	2	3	1	2	5	5	2	2	1	0	5	0	4	32
3	Baucau	3	6	2	3	7	4	3	2	6	0	8	0	10	54
4	Bobonaro	2	4	3	2	6	4	2	2	3	0	12	1	4	45
5	Covalima	3	3	3	3	6	6	2	1	3	0	9	1	11	51
6	Dili	6	5	2	4	8	7	3	1	15	0	8	3	20	82
7	Ermera	3	2	1	1	8	2	0	1	6	0	7	3	6	40
8	Lautem	2	3	1	1	7	4	1	1	3	1	6	0	10	40
9	Liquica	2	2	1	2	5	3	3	1	4	0	7	3	2	35
10	Manatuto	2	2	1	2	7	3	2	1	3	0	11	2	8	44
11	Manufahi	2	2	1	1	7	3	0	1	6	0	3	0	3	29
12	Oecusse	2	5	3	2	7	5	1	3	4	0	8	3	15	58
13	Viqueque	3	3	1	2	4	3	1	1	4	0	3	3	7	35