



## Gabinete de Comunicação e Relações Públicas

*“Seja um bom cidadão, seja um novo herói para a nossa Nação”*

### PRESS RELEASE

Dili, 5 January 2015

#### **A Unanimous Approval of the Timor-Leste General State Budget for 2015**

The 2015 General State Budget of Timor-Leste was unanimously approved by the 65 members of the National Parliament on the 18<sup>th</sup> of December 2014, just days before Christmas and less than two weeks before the end of 2014. It was another historical moment in Timor-Leste's budget process, where national interest took precedence over political differences. This is the third time that the Opposition voted in favour of the State Budget.

The 2015 State Budget, guided by principles of fiscal sustainability, execution and economic absorptive capacities as well as budget quality, will continue to focus on the Government's "front loading" policy of investing in human resources development and prioritized infrastructure projects. These are the two critical pillars underpinning inclusive and sustainable economic growth, job creation, service delivery and the embryonic productive sectors of the Nation.

The Government's commitment to its citizens' participation in the State affairs was ensured through the live broadcasting of the 2015 budget debate on television and radio throughout the country. The Ministry of Finance, led by Minister Emilia Pires, accompanied the whole budget process very closely including participating in the discussions of the National Parliament Ad-Hoc Commission established to take into consideration concerns raised through formal budget proposals made by Members of Parliament.

The final budget approved for 2015 was \$1.57 billion. Of that amount, \$441 million was allocated to the development of major infrastructures while \$516 million was for goods and services which include \$41 million for Human Capital Development Fund to finance scholarships, professional training and technical assistance for the judicial and tertiary education sectors.

An amount of \$406 million was set aside under Public Transfers to cover pensions, subsidies for elderlies, veterans, single parents, orphans, vulnerable groups and so forth. Included in that figure there was also an allocation of \$81.9 million to the Autoridade da Região Administrativa Especial de Oe-cusse Ambeno (ARAEOA), a pilot social market economic model, led by Dr. Mari Alkatiri, to accelerate inclusive economic development in Oe-cusse. The budgeted amount will also contribute towards developing basic infrastructure to stimulate and promote investment in that region.

The Petroleum Fund will continue to be the cornerstone of the Government's policy for economic development. The good news is that 70% of the 2015 State Budget will be financed by the expected investment return of \$915 million and domestic revenues of \$170 million. As Timor-Leste overtime relies less on oil revenues, it is therefore well on its way to achieving fiscal sustainability – END.