

FISCAL REFORM COMMISSION

PRESS RELEASE

Government holds Public Financial Management Seminar for Growth and Sustainable Development

Dili, 28 February, 2019 –

Timor-Leste, under the auspices of the Prime Minister, held a two day Public Financial Management (PFM) Seminar on the 14-15 February 2019 to outline the key public financial management priorities



for Timor-Leste to consider in a PFM White Paper. H.E. the Prime Minister, Taur Matan Ruak said *“the Seminar is important for the Government to strengthen the public expenditure framework for sustainable growth and development, essential to job creation and poverty reduction”*.

The Seminar brought together 170 participants from a wide cross section of government practitioners and Municipal representatives as well as the oversight institutions, namely, the Honorable Members of Parliament from Committee C and D, Court of Accounts, Ombudsman for Human Rights and Justice, Anti-Corruption Commission and the Scientific, Investigation and Criminal Police (PSIC), the Inspector General and Internal Audit of the Ministry of Finance.



The Minister for Legislative Reform and Parliamentary Affairs, Fidelis Magalhães in his opening statement said, *“these financial management reforms are government wide and of a specialized nature, they cannot be implemented centrally, by a single agency, they need to be well coordinated and properly sequenced to work together in a coherent and consistent way.”*

The Member of Parliament and Chair of Committee for Public Finance, Honorable Fernanda Lay *“is pleased that the process has started and expressed full support for the reform program”*.

The Seminar counted on presentations from the ADB, IMF, WB and OECD regarding PFM concepts to build on the technical assistance provided in the past as well as sharing of global and regional experiences, in particular, lessons learnt from Cambodia.

Participants heard from the Secretary General of the Ministry of Economy and Finance from the Kingdom of Cambodia who highlighted that *“the PFM Reform Program is a long and complex mission which requires strong commitment of the stakeholders, in particular, the leadership of the government to achieve the common objective of promoting public service delivery and improved standard of living for the citizen.”*

The knowledge imparted from all the experts on the purpose, concepts and processes provided the key elements to focus in a PFM reform program. For example, Professor Ehtisham Ahmad, (London School of Economics, Bonn and Zhejiang Universities and Chinese Academy of Fiscal Science) argued that *“a modern PFM system should enhance governance and institutions with better information for the Government to achieve its objectives for decentralized accountability, sustainable growth and employment generation”*.

While Sanjay Vani, Lead Financial Management Specialist for the World Bank, based in Washington stressed that *“two of the key lessons from PFM reforms around the world in the last two decades indicate the need to have 100% country ownership and*

commitment for reforms as well as effective coordination amongst donors and other stakeholders in supporting Timor Leste's next phase of PFM reforms".

Then next step is for the Ministry of Finance and World Bank joint PEFA Assessment team to validate the PEFA results with all stakeholders and to release the findings in the near future.

The Government would like to acknowledge and thank all the multilateral and bilateral institutions for their support in the realization of the PFM Seminar and the active involvement of the participants during the seminar.

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