



**2016 Timor-Leste & Development  
Partners Meeting (TLDPM)  
*Financing for Sustainable Development in  
Timor-Leste***

**SDG 9, a Donor Perspective**

*Presented by : xxx*

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# **SDG Status in Timor-Leste**

***Most Timorese citizens do not have access to decent employment. To change this, the government, development partners and the private sector must work together to address 3 core challenges:***

## ***1. Increasing private investment***

- General improvement of business environment
- Specific sector strategies – agriculture, tourism, industry
- Financial sector development

## ***2. Improving human capital and skills development***

- Primary education, health, nutrition
- Relevant secondary education system
- Market oriented tertiary training

## ***3. Improving labor market regulation***

- Realistic minimum wage policies
- Balance between worker protection and flexibility
- Appropriate regulation of labor migration

# Donor Portfolio in this Area

Area	Partners
<b>Increasing Private Investment</b>	
Business enabling environment	ADB, World Bank Group,
Policies and investments for productive sectors	ADB, Australia, China, EU, ILO, JICA, New Zealand, World Bank Group, UNDP, USAID,
Financial sector development	ADB, World Bank Group, UNDP
<b>Building Human Capital</b>	
Primary education, health, nutrition	Australia, Portugal, EU, UNICEF, WFP, World Bank Group,
Secondary education	ADB, KOICA,
Tertiary education	Australia, Japan, JICA, New Zealand, USA
<b>Labor Market Policies</b>	
Professional skills and work readiness	GIZ
Labor regulation	ILO
Labor mobility	IOM

# **Suggested Way Forward for Achievement/Implementation of SDG**

## **□ *Increasing Private Investment***

- *Government strategies are sound – key issues are prioritization, sequencing, and quality of implementation.***
- *Where sector policies are being developed / revised, need to have an explicit focus on private investment with linkages to FDI promotion***

## **□ *Building Human Capital***

- *Need to assess whether current investment in nutrition, primary education and basic healthcare is sufficient.***
- *Develop and implement appropriate policies for secondary & tertiary education.***
- *Use public investment in TVET to strengthen linkages between employers and training providers.***

## **□ *Improving labor market regulation***

- *Use new national survey data to guide review of minimum wage policy.***
- *Work with employers to reduce costs of compliance with the labor code.***
- *Facilitate the use of foreign labor to meet skills gaps while encouraging skills transfer.***
- *Develop systems to support and protect Timorese migrant workers.***

# Areas for Improved Partnerships

## □ *Increasing private investment*

- *Addressing fundamental constraints – e.g. Land, property rights, contract enforcement, will have highest long run pay off. Important to prioritize.*
- *With appropriate supporting policies there is potential to use donor & government funded projects in agriculture, forestry, fisheries & tourism to ‘crowd in’ private investment. Need to work together to map policy requirements and resolve constraints.*
- *Ongoing financial sector reforms are well aligned to fundamental constraints. Potential for innovation but additional actions must be carefully designed.*

## □ *Building human capital*

- *The government is expected to lead the provision of basic healthcare and primary and secondary education with financing and technical support from development partners.*
- *Supporting policies can leverage private expertise for tertiary education and TVET but still likely to require some public financing. Development partners can help to structure these linkages.*

## □ *Improving labor market regulation*

- *National employment strategy will provide guiding framework for partnerships, supported by national conference in August.*
- *Develop information systems to manage/support migrant workers*
- *Resolve / streamline work permit bottlenecks*