

2016 Timor-Leste & Development Partners Meeting(TLDPM)

Financing for Sustainable Development in Timor-Leste

Implementing SDG9

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Dili Convention Centre, 04-05 July 2016



SDG 9 Definition: Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation.



- ❑ **Develop** quality, reliable, sustainable & resilient **infrastructure** for economic and Human development
- ❑ **Promote** inclusive and sustainable **industrialization** and, by 2030, significantly raise industry's share of employment and GDP
- ❑ **Increase** the access of small-scale industrial and other enterprises to **finance**
- ❑ **Enhance** scientific research, upgrade the **technological capabilities** of industrial sectors

Making the case for Industrial Development

Relevance of SDG9 to Timor-Leste:

- ❑ **Economic** diversification; SDP & Economic Policy Reform
- ❑ **Infrastructure** development progressing steadily
- ❑ **Resource** availability and market demand
- ❑ **Manufacturing** industries can create jobs
- ❑ **Reduction** of Poverty
- ❑ **Preparing** capabilities for access to highly competitive markets (ASEAN)

Where Are We Now?

Pre-Industrialization- Policy Development phase

- ❑ **Situation analysis**; National Industrial Survey -2014
- ❑ **Industrial** Development Policy final stages.
- ❑ **Industrial competitiveness** identification and capabilities assessment
- ❑ **Access to finance** assessment “Small and medium industries and enterprises”
- ❑ **Demonstrative pilots** Small agro-transformation industries

TL approach to Industrial Development (SDG9)

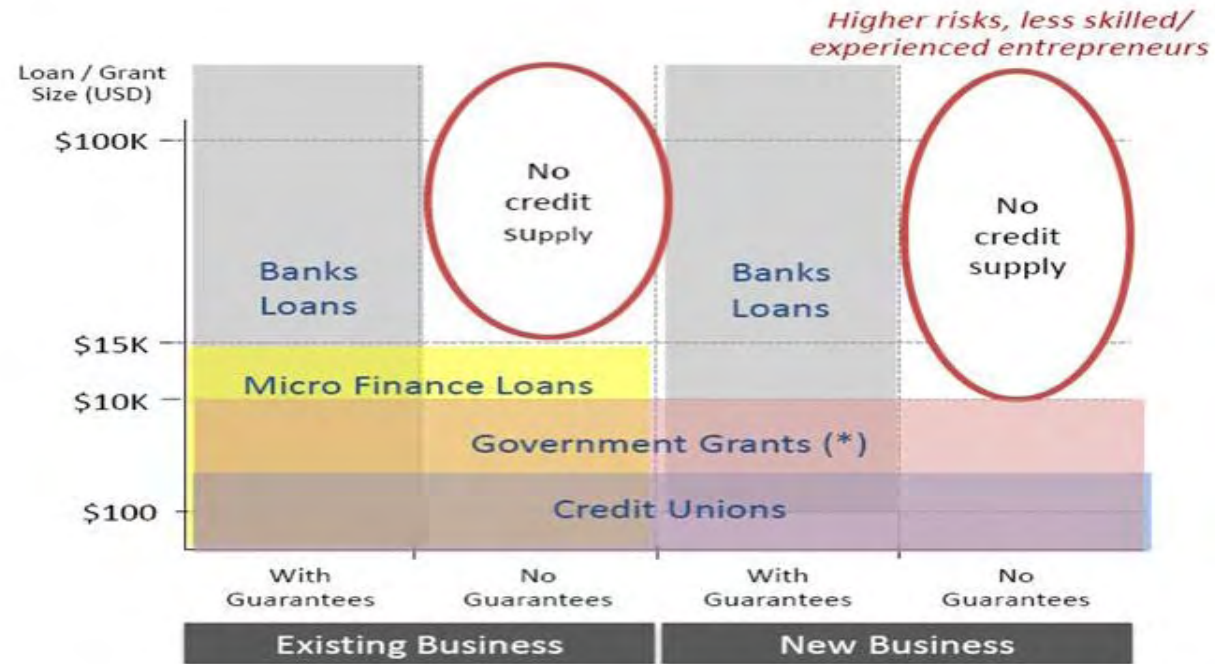
Integrated multi-partnership approach:

- ❑ **Enhancing** Timor Leste Business Environment competitiveness: fiscal, economic and legal reforms
- ❑ **Improving** infrastructure
- ❑ **Dynamic** framework for Resource and Demand based Industrial action plan
- ❑ **Skills** and technological catch up.
- ❑ **Small** and Medium Enterprises enhancement: business skills and access to finance

Small and Medium-sized Enterprises/industries Promotion

ENTERPRISE FINANCING: SEGMENTS NOT SERVED

Entrepreneurs of small and medium sizes with no guarantees are not served by the current financial market



(*) Government grants based on the ministries' and secretaries' programmes (sector, activity, location)

Targets and Potential Partners

SDG 9 key targets by 2030: Promote inclusive and sustainable industrialization, Employment & SMEs.

- ❑ **Gov.:** Ministry of: Industry Commerce and Environment, Economic Coordination, Education, Central Bank, SEM and SEFOPE
- ❑ **Private Sector:** Chamber of Commerce and Industry Investing in industrial development (Business owners, Banks and financial services providers)
- ❑ **Development partners:** Government of Korea, UNDP, Government of Japan and the German Cooperation
- ❑ **CSO:** Cooperatives

Moving from Pre-Industrialization Challenges and Opportunities

- ❑ **Development** Partners commitment “questioning the relevance of the agenda, the target and goal”
- ❑ **Technological** and skills catch-up in Industrialization
- ❑ **Finance** availability
- ❑ **Private** sector capability
- ❑ **Product** Quality assurance
- ❑ **Market** competitiveness

Salt Industry: to improve manufacturing, create Job and Reduce Poverty



The Way Forward

Areas for Government, Donor, CSO, and Private Sector Collaboration

- ❑ **Mobilize** more development assistance for the industrial development sector.
- ❑ **Support** innovation and technological catch up
- ❑ **Private sector** investment
- ❑ **CSO:** sustainable “green” Inclusive Industrial Policy development



**Together for
Development
Progress and
Better working conditions**

Thank You