



Opening address by H. E. Sara Lobo Brites, Acting Minister of Finance

Timor-Leste Development Partners Meeting

Thursday, 4th of July 2019

Dili, Timor-Leste

- Your Excellency : Prime Minister, and Excellences Members of Government
- Your Excellency : Vice President and Distinguished Members of National Parliament;
- Your Excellency; President of Court of Appeals,
- Honorable Dr. José Ramos Horta former President and Prime Minister of Timor - Leste ;
- Governor of Central Bank ;
- Honorable Ambassadors and Heads of Delegations,
- Heads of Agencies,
- Representatives of the Church,
- Representatives of the Private Sector and Civil Society,
- Distinguished Guests, Ladies and Gentlemen.....,

Good morning,

On behalf of the Ministry of Finance, it is a great honor and privilege to warmly welcome all of you to the 2019 Timor-Leste Development Partners' Meeting.

We thank you for taking the time to be here with us today. Your presence at this meeting is very important to us; many of our development partners have been with us since the beginning of our nation-building process; and we thank you for your continued assistance and cooperation.

There has been lessons learned from the engagement with our development partners for the last two decades; but we are confident that our cooperation can be further enhanced through deeper coordination, between donors' comparative advantage and Government priorities.

"Deepening Coordination for Financing Development" is the theme, for 2019 Timor-Leste Development Partners' Meeting. Which is jointly chaired by the Ministry of Finance and the Ministry of Foreign Affairs and Cooperation; given that these are the proper institutional channels to initiate and develop any partnership and cooperation with the Government of Timor-Leste.

Shortly, we will be launching a new Foreign Aid Policy based on three principles:

1st Country-owned;

2nd Country-led; and,

Lastly Use of country system.....

These are basic principles that are not foreign to anyone here present, because they have been agreed upon at the Paris Declaration and reaffirmed at the Accra Action Agenda and Busan Declaration between developing countries and development partners.

With the new Foreign Aid Policy, the Government intends to achieve the following:

- Align all development partner's activities to the priorities of the Government;
- Set new guidelines for approval of activities, so that there is better coordination of priority areas, between the Government and the development partners; and,
- Strongly encourage the development partners, to the use of country system.

In line with the Strategic Development Plan (SDP) and Sustainable Development Goals (SDG), the Government Program sets out very ambitious targets. The goals include rapid poverty reduction, jobs creation especially for the young generation, and strong, inclusive and sustainable growth.

In light of these challenges resulting from our ambitious targets, the effectiveness of Government and higher levels of efficiency, in the case of public and development partners' resources, are of the essence.

To this end, the Government is strongly committed to continue reforming the Administrative, Legislative, Fiscal and Public Finance Management

(PFM) System. Following the Public Expenditure Financial Accountability or (PEFA) assessment, we will update the Reform Strategy.

However, we know beforehand that one of the main priorities of the reform, must be better alignment of the budget with the strategic plans. We have already started rolling out the Program Budgeting and began the work on the Medium Term Expenditure Framework (MTEF).

Considering the volume of development assistance in our country, it goes without saying that for these efforts to bear the expected fruits, a better integration of the portfolio of donor funded projects in the national planning and budgeting system is vital.

The Direct Budget Support (DBS) provided by the European Union is a good example of how development assistance can be implemented using our country system and we encourage other countries and agencies to do the same.

In the strategy of the Government to achieve strong and sustainable economic growth, the diversification of the economy and private investment play a key role. It is therefore very helpful to have a holistic approach to development financing, one that also includes private financing and the good use of public private partnerships in some strategic areas. Based on the results of the timely Development Finance Assessment (DFA) exercise now being considered by the Government, we will be working on an Integrated National Financing Framework (INFF).

The assistance of the development partners has been a key factor on our achievements in the development of our country. Let's work together in this new stage of development and find the way to further increase the effectiveness of aid and further maximize its impact on the well-being of the Timorese people.....

Thank you so much and good morning to all of you once again.