

REPÚBLICA DEMOCRÁTICA DE TIMOR-LESTE
V CONSTITUTIONAL GOVERNMENT
SECRETARIAT OF STATE FOR THE COUNCIL OF MINISTERS

PRESS RELEASE

MEETING OF THE COUNCIL OF MINISTERS 24 NOVEMBER 2008

The Council of Ministers met this Monday, 24th November 2008, in the Council of Ministers Meeting Room, Government Building in Dili, where it approved:

1- Draft-law on the State General Budget for 2009

In today's meeting, the Council of Ministers approved the draft-law on the State General Budget for the Fiscal Year 2009, which will now be submitted to National Parliament for consideration and approval.

The Budget that was prepared by the Government aims, on one hand to accelerate the national reconstruction process at a social and infrastructural level and on the other, to allow the development of the economy, job creation and poverty reduction.

The 2009 SGB includes all revenues and expenditures of Timor-Leste. The total annual estimated revenues of 2009 from all sources – oil, non-oil, development partners aid and other non fiscal revenues – amount to \$1,344,1 million united states dollars.

The total of the budgetary appropriations for the State Budget is of 680,873 million dollars, which corresponds to the estimated total for expenditures. The non-oil revenues are estimated to be \$91,045 million USD, this the fiscal deficit amounts to \$589,828 million USD, which will be covered with moneys coming from the Petroleum Fund.

In accordance with the Petroleum Fund Law, the Fund's Sustainable Income is three per cent (3%) of the oil wealth per year. For the Budget of 2009, we estimate that the Sustainable Income will be \$407,8 million USD, which will see the Government withdraw an amount from the Petroleum Fund that exceeds the Sustainable Income by \$181,2 million USD.

The budgetary appropriations for the State are distributed as follows:

- \$93,123 millions for Salaries and Wages;
- \$248,548 millions for Goods and Services;
- \$38,053 millions for Minor Capital;
- \$205,334 millions for Capital Development; and
- \$95,815 millions for Public Transfers.

The SGBO for the Fiscal Year 2009 will ensure the continuity of the work that has been initiated by the IV Constitutional Government. One should be reminded that in 2008 the Government initiatives were dubbed "2008 Year of the Reform" were based in four main components:

- To have a Public Administration free of political interferences;
- To establish processes and mechanisms to fight corruption;
- To improve the remuneration and the management of the income of the civil servants; and
- To reform the financial and budgetary in the Government.

The continuation of these reforms in 2009 is a component of the SGB. The Government considers that the continuous reform of the public sector is crucial to the success and economic growth of the country.

2- Decree-Law that approves the Organic Law of the Ministry of Finance

The diploma that the Council of Ministers approved in today's meeting establishes the organic structure of the Ministry of Finance as well as the competencies and attributions of each service.