



## PRESIDÊNCIA DA REPÚBLICA

### PRESS RELEASE

#### HIS EXCELLENCY, THE PRESIDENT OF THE REPUBLIC OF TIMOR-LESTE, *TAUR MATAN RUAK* VETOED THE GENERAL STATE BUDGET FOR 2016

Today, His Excellency, the President of the Republic, *Taur Matan Ruak* vetoed the proposed State Budget (OGE) for the year 2016, submitted by the National Parliament. The veto was accompanied by a message today directed to the National Parliament which develops the fundamentals of political veto, in accordance with art. 88 of the Constitution.

His Excellency the President of the Republic, had already explained his disagreement with the priorities of the State Budget for 2016, then under discussion in the National Parliament. At the time, he expressed the divergence of the proposed 2016 State Budget to increase investment in infrastructure projects without effective return, such as ZEESM or the Tasi Mane project, and at the same time, reducing public spending in sectors such as Health, Education and Agriculture. The President had, on that occasion, also warned of the need to promote investment in drinking water and basic sanitation to improve basic living conditions. In the message that accompanied the veto of the State Budget, His Excellency also warned of the need to ensure sustained development of the country, increasing non-oil revenues and decreasing the use of the Petroleum Fund, whose annual limit of estimated sustainable income has been exceeded by more than double. The creation of a new "Infrastructure Fund" by the 2016 State Budget, outside the rules of the Budget and Financial Management Law relating to special funds, was also analyzed by His Excellency, the President, in the message submitted to the National Parliament.

The legislative process for the 2016 State Budget is now in the hands of the Members of the National Parliament.

Nicolau Lobato Presidential Palace, 29 December 2015