

## Timorese Rectification Budget blocked by opposition

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<http://noticias.sapo.tl/portugues/info/artigo/1519671.html>

**The Timorese majority opposition today blocked the Rectification Budget (OR) for 2017 by approving an appeal against the decision of the president of the National Parliament to admit the procedure of the document which, in practice, would only increase the value of the duodecimal spending<sup>1</sup> for 2018.**

The extended debate was marked by a sudden announcement by the two parties in the government's coalition, the Revolutionary Front for an Independent East Timor (Fretilin) and the Democratic Party (PD), who left moments before the vote.

The appeal, which won 35 votes in favor and five against – only the five at the presiding table - was voted on after almost seven hours of debate in the plenary of the National Parliament.

“The appeal of the admission passes. It means that the OR is rejected. Flunked. The first time in Timor-Leste's history. It happened on the eve of Christmas in Timor-Leste. This is a political decision of the deputies in the National Parliament, deputies representing the people,” said the president of parliament, Aniceto Guterres Lopes.

The OR was blocked after a controversial parliamentary process, with opposition contesting from the outset a document they considered to be prematurely timed because the executive had not resubmitted the government's program after its first rejection by the majority opposition.

In the first phase, the opposition blocked the Government's request for urgent consideration, and the President of Parliament, Aniceto Guterres Lopes, admitted it as normal procedure, something that the opposition appealed.

This implied that the OR had reached the specialized committees in which it was the subject of a report – this was also blocked by the opposition – having been put on this week's agenda for plenary debate, in generality and in specialty.

After several hours of discussion about the agenda, the president then scheduled the debate and vote on the appeal for today, clarifying that the adoption of the opposition text implies, in practice, the failure of the OR.

From the current appropriation of almost \$1.39 billion in the 2017 State Budget (OGE), the OR proposal was expected to increase spending for this year to \$1.61 billion. Because the revised amount of duodecimal was not approved, it will be around \$115.5 million per month until the 2018 OGE is approved.

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<sup>1</sup> Under the Budget and Financial Management Law, if an annual budget has not yet been enacted, the State is allowed to spend an amount equal to one-twelfth (duodecimal) of the previous year's appropriation each month until the new budget is passed.

An amount that, according to Health Minister Rui Araújo - who intervened in the parliament on behalf of the prime minister - "is insufficient for the needs of the State in 2018."

On 20 November, the day on which it was announced by the opposition in plenary, the appeal challenges the decision of the President of Parliament to admit the OR, considering that "it has not met the conditions to be admitted ... and therefore should be rejected."

Among the contested elements, the opposition argues that the OR's explanatory memorandum is not complete - the document has included a number of errata - lacking, for example, "brief information on the benefits and consequences" of approving the proposal.

They also refer to the lack of "approval of the authorization to transfer the Petroleum Fund" - which was only included later - and information on the impact it will have on the Fund's Estimated Sustainable Income.

Budget execution tables, justification for "greatly reduced" execution of revenues, information on the State's assets and liabilities and other documents are also missing, the opposition said.

The missing documents have been delivered in recent weeks.

Delaying the decision on the OR meant that, in practice, the document would not be able to be implemented, only serving to increase the value of the one-twelfth with which Timor-Leste will start 2018, for which it has no approved State Budget.

The budget process, both in terms of the amendment and the OGE, was affected by the political uncertainty in Timor-Leste after the opposition rejected the executive's program.

Still pending for debate and voting are a motion of no confidence in the Government and a proposal to remove the president of the National Parliament.

The parliament resumes its session on January 8.