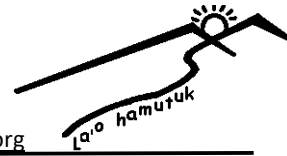


La'ó Hamutuk

Timor-Leste Institute for Development Monitoring and Analysis

Rua Dom Alberto Ricardo, Bebora, Dili, Timor-Leste

Tel : +670 332 1040 Email: laohamutuk@gmail.com Website: www.laohamutuk.org



Press Release – 6 November 2019

LA'Ó HAMUTUK IS CONCERNED THAT THE 2020 STATE BUDGET CONTINUES TO DEPEND ON MONEY FROM THE PETROLEUM FUND

After the Government submitted its 2020 State Budget proposal to National Parliament, La'ó Hamutuk - as a member of FONGTIL who analyzes the State Budget and the Petroleum Fund - participated in the public hearing held by Parliament Committee C on 30 October, to communicate its analysis of the proposed budget.

Febe Elizaria Gomes, a state finance researcher at La'ó Hamutuk, appreciated the increased funding for rural development through community transfers. She also asked that the Government be mindful of the mechanisms that guarantee transparency and accountability, and establish monitoring mechanisms to ensure that rural communities actually benefit from community transfers.

La'ó Hamutuk is also concerned that the proposed 2020 Budget shows again that Timor-Leste has not yet established a way to escape from dependency on the Petroleum Fund.

Regarding the Tasi Mane mega project, La'ó Hamutuk continues to call for an independent study of the costs, benefits, and risks before Parliament agrees to allocate large amounts for the project. According to Ms. Gomes, the studies that are presently available are not objective because they were generated or financed by groups with interests in the project.

“The Tasi Mane project will exhaust most of Timor-Leste’s resources, which could otherwise be used to develop sectors that will provide sustainable benefits to Timor-Leste’s people, such as education, health, water and sanitation, as well as to develop agriculture, tourism and small industry,” she said.

La'ó Hamutuk also raised concerns at the public hearings about the Government’s request to increase the debt ceiling, which will allow the Government to sign new loan contracts in 2020 to borrow an additional \$750 million. La'ó Hamutuk urges Parliament not to approve this because it enables Timor-Leste to take on massive debt that will burden our people, both the current generation and generations to come.

The Public Hearing was held in the National Parliament Conference Room. Other Fongtil members including the Core Group on Transparency, the Land Network (*Rede ba Rai*), and the Law, Human Rights, and Justice Association (*Asosiasaun HAK*), also participated.

Members of Parliament Committee C expressed appreciation for civil society’s input and encourage ongoing participation in discussions around the proposed 2020 State Budget.

We welcome media inquiries via laohamutuk@gmail.com. More information is available at <http://www.laohamutuk.org/econ/OGE20/19OGE20.htm>, and our submission can be downloaded from <http://www.laohamutuk.org/econ/OGE20/parl/LHSubOJE2020-30Oct2019en.pdf>.