

Press Release

Extraordinary Meeting of the Council of Ministers on September 30th, 2025

The Council of Ministers met at the Government Palace in Dili and approved the **State Budget Proposed Law for 2026 (OGE 2026)**, presented by the Minister of Finance, Santina José Rodrigues F. Viegas Cardoso, for a consolidated total of **US\$2.291 billion**. This amount includes US\$2.215 billion for the Central Administration and US\$60 million for the RAEOA. The Social Security budget amounts to US\$170 million.

The proposed 2026 State Budget continues the strategy of the 9th Constitutional Government and the 2011-2030 Strategic Development Plan, channeling resources to strengthen social capital, invest in infrastructure, diversify the economy, and strengthen good governance.

Regarding the macroeconomic outlook for 2026, the Government projects GDP growth of 4.5%, supported by increased private consumption and public investment, and average annual inflation stabilizing at around 1.2%, after falling to 0.5% in 2025.

Among the principal measures, the following stand out:

- **Social sector:** US\$74.2 million for health (including US\$55.9 million for primary health care and US\$4.5 million for rehabilitation and construction of hospitals), US\$35.8 million for education (with reinforcement of the School Meal Program, construction and rehabilitation of classrooms and curriculum reform) and US\$180.4 million for social protection (of which US\$170 million for Social Security and US\$10.4 million for the Bolsa da Mãe program to support early childhood);
- **Infrastructure sector:** US\$436 million for development capital, with US\$300 million allocated to the infrastructure fund, US\$107 million to ministerial lines, and US\$29 million to municipalities. It also includes US\$223.4 million for energy (for electricity, oil infrastructure studies, and the development of the Tasi Mane project) and US\$20.2 million for agriculture (rehabilitation of irrigation systems and increased agricultural productivity and mechanization);
- **Economic sector:** 32.1 million to support micro, small and medium-sized enterprises and cooperatives and promote exports and product quality; 104.7 million for oil and minerals, including studies for the Tasi Mane project; 5.2 million for tourism, with the creation of a Tourism Center to support the National Promotion Program;
- **Institutional Sector and good governance:** strengthening diplomacy, justice, decentralization and public financial management, including 37.1 million for the decentralization process, budgetary modernization and public contracts and 6.2 million for public service reform.

With this proposal, the Government seeks to ensure the sustainable execution of its public policies, consolidate regional integration and promote inclusive development, preparing the country for the economic and social challenges of the 2026-2030 period. **END**

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