National Parliament Approves 2027 General State Budget Proposal in General Terms

On Wednesday, 11 November 2026, in Dili, the National Parliament approved, in general terms, the proposed 2027 General State Budget (*GSB*) law, presented by the 9th Constitutional Government, with 41 votes in favour, 0 votes against, and 23 abstentions, following three days of parliamentary debate on the Government's budgetary priorities and options for the coming year.

Under the theme "Strengthening Resilience through Transformation: Diversifying the Economy for a Sustainable Future", the proposal sets out a consolidated overall budget of US$ 2.5685 billion.

The budget proposal of the 9th Constitutional Government sets out economic diversification, productive investment, job creation, improvements in public service delivery, and public financial sustainability as its main priorities, in line with the Government Programme and the Strategic Development Plan 2011–2030.

At the opening of the parliamentary debate on November 9th, Prime Minister Kay Rala Xanana Gusmão emphasised the need to ensure rigorous and responsible management of the State's financial resources, to strengthen national productive capacity, and to progressively reduce dependence on petroleum revenues.

The Head of Government also highlighted that the budget proposal was prepared using a policy-led approach over a five-year horizon, linking financial allocations to programmes and expected results, thereby enabling a more rigorous assessment of public resource utilisation.

The 2027 *GSB* provides for US$ 535.3 million in public investment, of which US$ 505.8 million is earmarked for development capital projects. Key investment priorities include infrastructure, agriculture, tourism, health, education, social protection, and local development.

The proposal also includes measures to improve the efficiency of public spending and to boost domestic revenue, including public financial management reforms and support for private-sector development, all aimed at diversifying sources of economic growth.

The budget further allocates resources for the 2027 presidential elections, the potential holding of municipal elections, and the commencement of preparations for Timor-Leste's ASEAN Chairmanship in 2029.

The draft law was submitted to the National Parliament on October 1st, 2026, and reviewed by the relevant parliamentary committees before the debate in general terms, held between November 9th and 11th.

Following its approval in general terms, the proposal will proceed to detailed debate and voting, scheduled to begin on November 24th. The deadline for submitting proposed amendments is 5:00 p.m. on November 13th.

After the detailed debate, the final overall vote will take place, after which the diploma, if approved, will be submitted to the President of the Republic for promulgation.

url: https://timor-leste.gov.tl?lang=en&p=53780