



REPÚBLICA DEMOCRÁTICA DE TIMOR-LESTE
PARLAMENTO NACIONAL

ADB Presentation to the National Parliament on ADB Operations

Following an invitation from the President of the Committee on Economy, Finance and Anti-Corruption (Committee C), Mr. Manuel Tilman, a team from the Asian Development Bank made a presentation on ADB's operations to Committee C on 11 November 2009. The chairs of the other parliamentary committees were also present. The presentation included financing instruments and options for Timor-Leste.

The team comprised Mr Sungsup Ra, Director, Pacific Operations (Mission Leader), Ms Laurence Pochard (Country Representative), Mr Rajesh Poddar, Senior Treasury Specialist, Mr Jung-woo Kang, Senior Economist, and Mr Jeremy Guthrie, Country Team Leader. The ADB team highlighted that Timor-Leste is currently able to access grant financing from ADB's Asian Development Fund, which provides very low interest rate loans, and grants. Concessional loans have a very long maturity period of up to 40 years, including an 8-year grace period. ADB also explained that as countries continued their economic development, they become eligible to access funding from ADB's Ordinary Capital Resources, which provides loans at a rate below that of commercial loans, with a twenty to twenty-five year maturity period.

Discussions included how concessional, non-concessional and commercial loans operate, and terms and conditions for borrowing and managing concessional loans. The Parliament also discussed with ADB how to ensure the effective and efficient utilization of loans, including the importance of sound public financial management and debt management practices.

Parliament members welcomed the opportunity to learn more about the various financing modalities available to Timor-Leste.

The team also made a call on the President of the Parliament, H. E. Fernando La Sama de Araújo, to brief him on the various types of ADB loans and options available to Timor-Leste.