

TOWARDS A DIVERSIFIED ECONOMY



HELDER LOPES
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OUTLINE

- Characteristic of Timor-Leste's Economy
- Timor-Leste's Economic Policies
- Update of Key Economic Indicators



CHARACTERISTIC OF TIMOR-LESTE'S ECONOMY



TIMOR-LESTE'S ECONOMIC POLICIES

VISION: TIMOR-LESTE TO BE AN UPPER-MIDDLE INCOME COUNTRY WITH EDUCATED AND HEALTHY POPULATION IN 2030

Phase I: 2011-2015

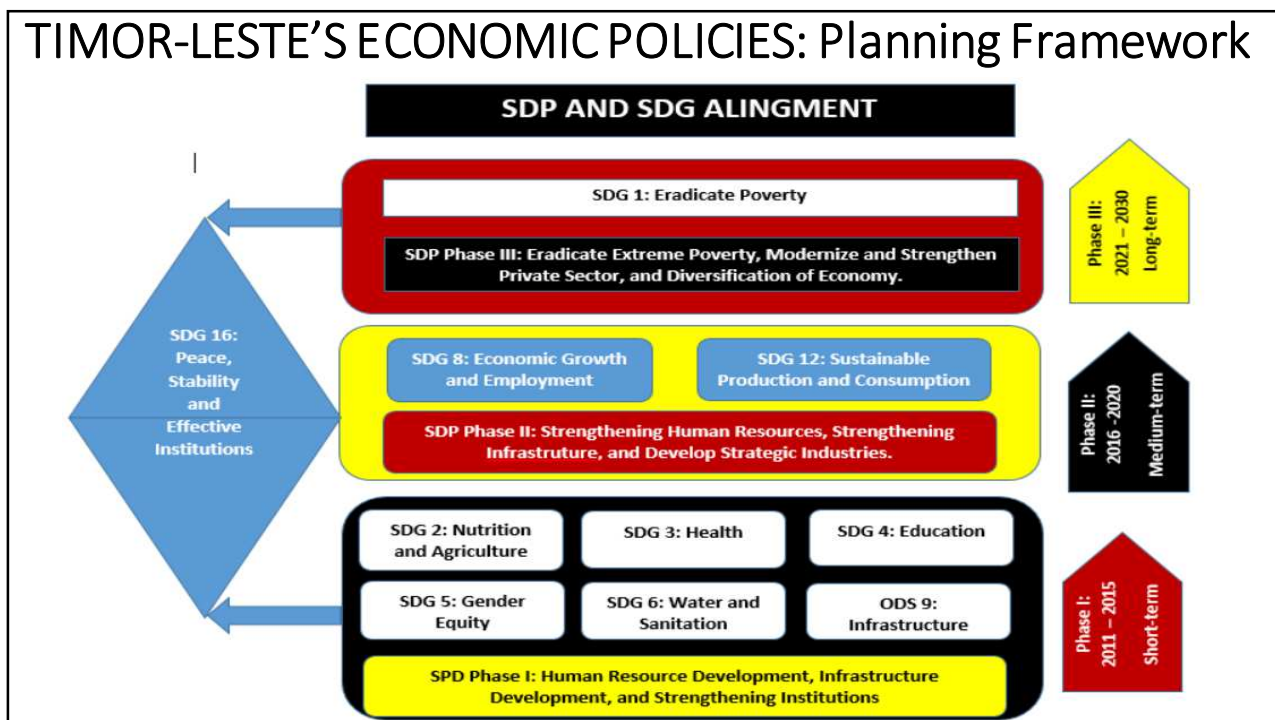
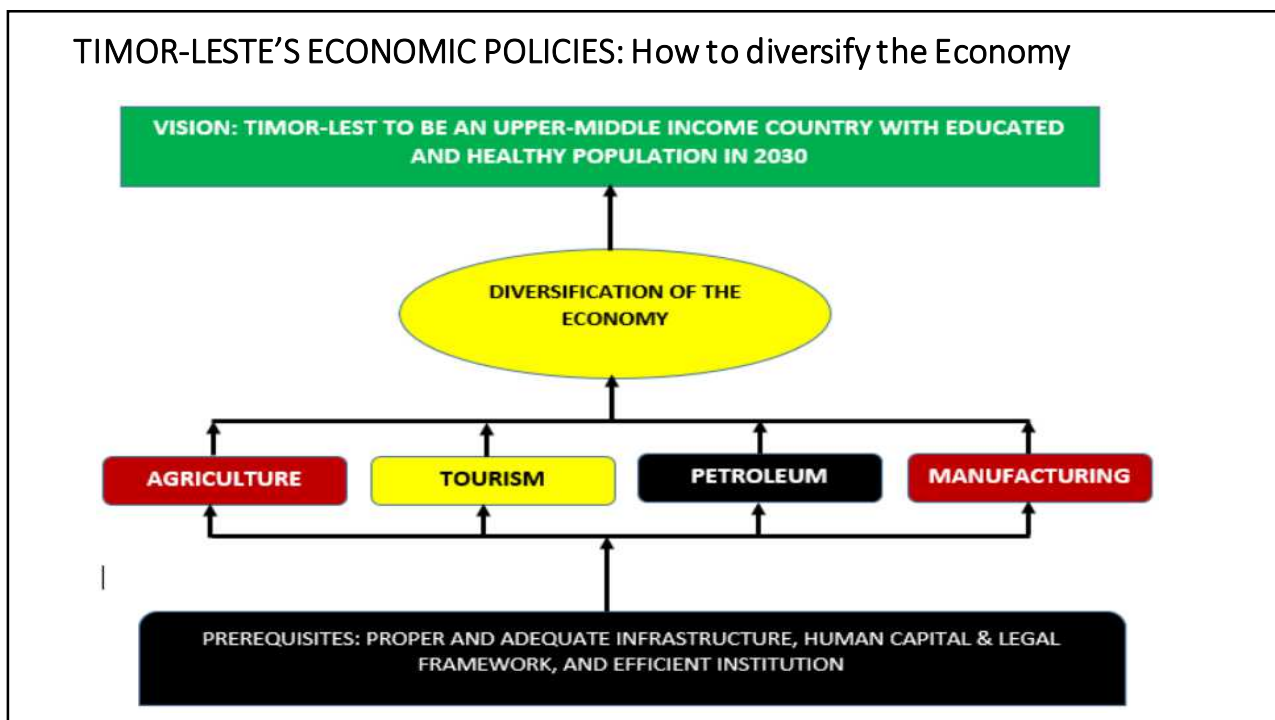
- Human Resource Development.
- Infrastructure Development.
- Strengthening Institutions

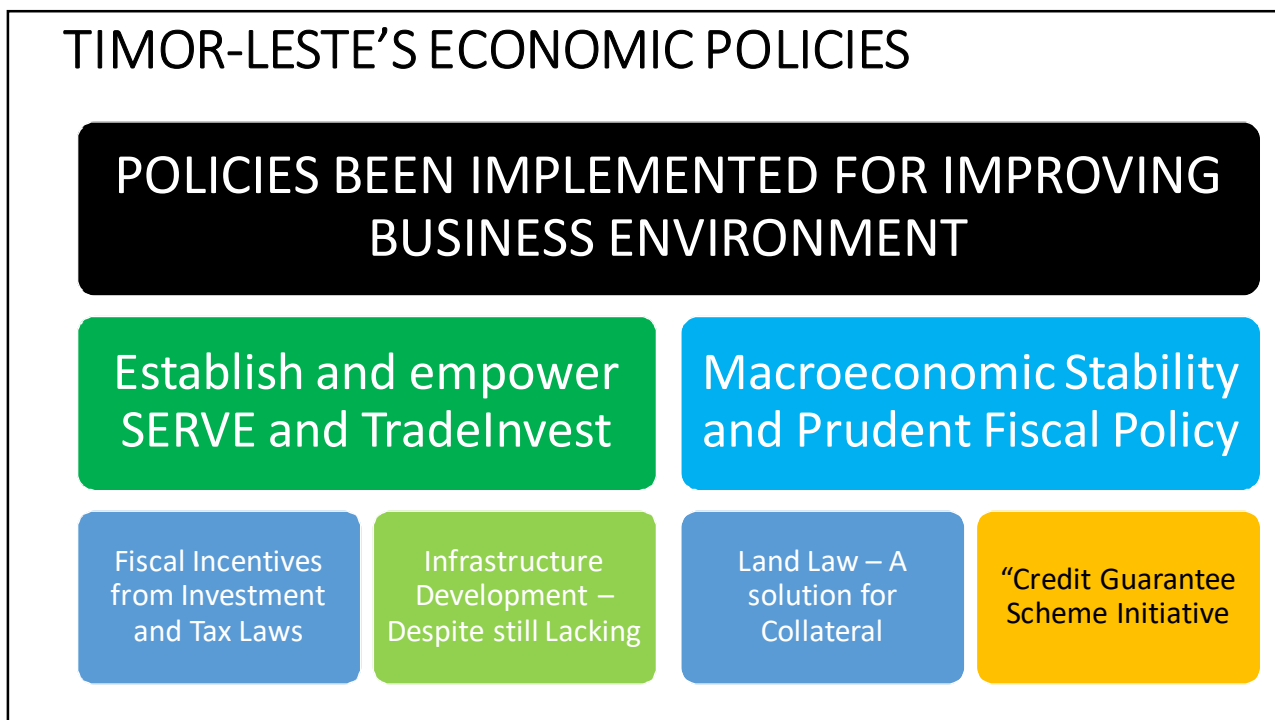
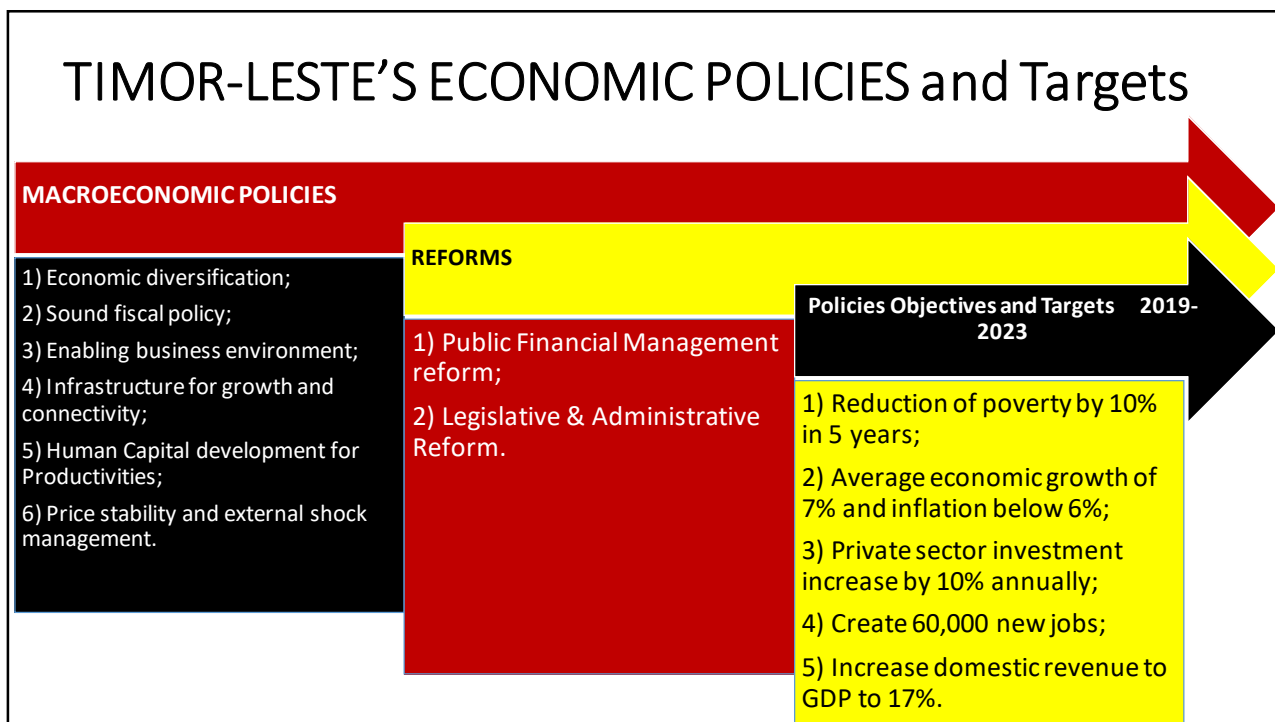
Phase II: 2016 -2020

- Strengthening Human Resources.
- Strengthening Infrastructure.
- Develop Strategic Industries.

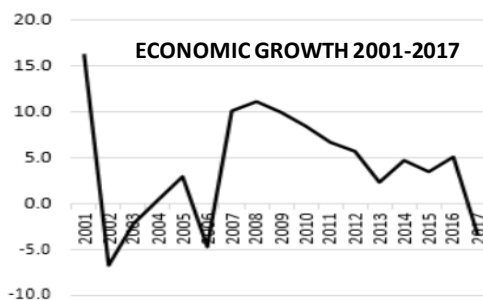
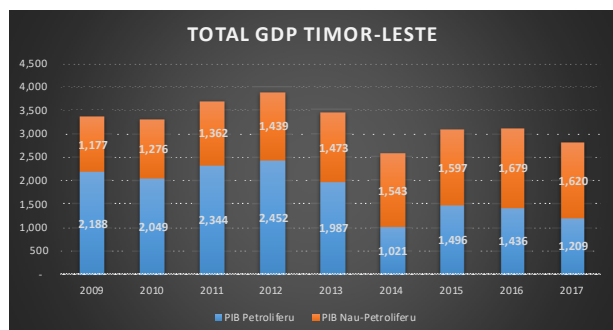
Phase III: 2021 - 2030

- Eradicate Extreme Poverty.
- Modernize and Strengthen Private Sector.
- Diversification of Economy.

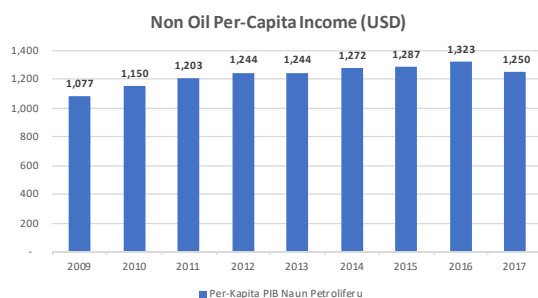




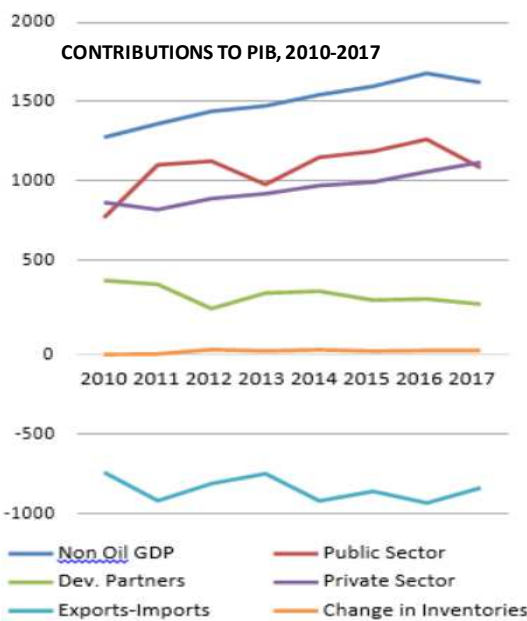
Key Economic Indicators: GDP



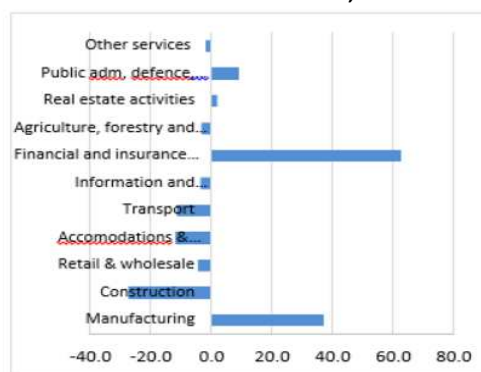
- Timor-Leste experienced negative GDP growths in 2002, 2006 and 2017.
- Negative GDP growth in 2017 was -3.5%.
- Non-oil per-capita income in 2017 was \$1,250, lower relative to \$1,323 in 2016.
- To be an upper-middle income country (the vision of SDP) in 2030, the required per-capita income is \$4,000



Key Economic Indicators: GDP

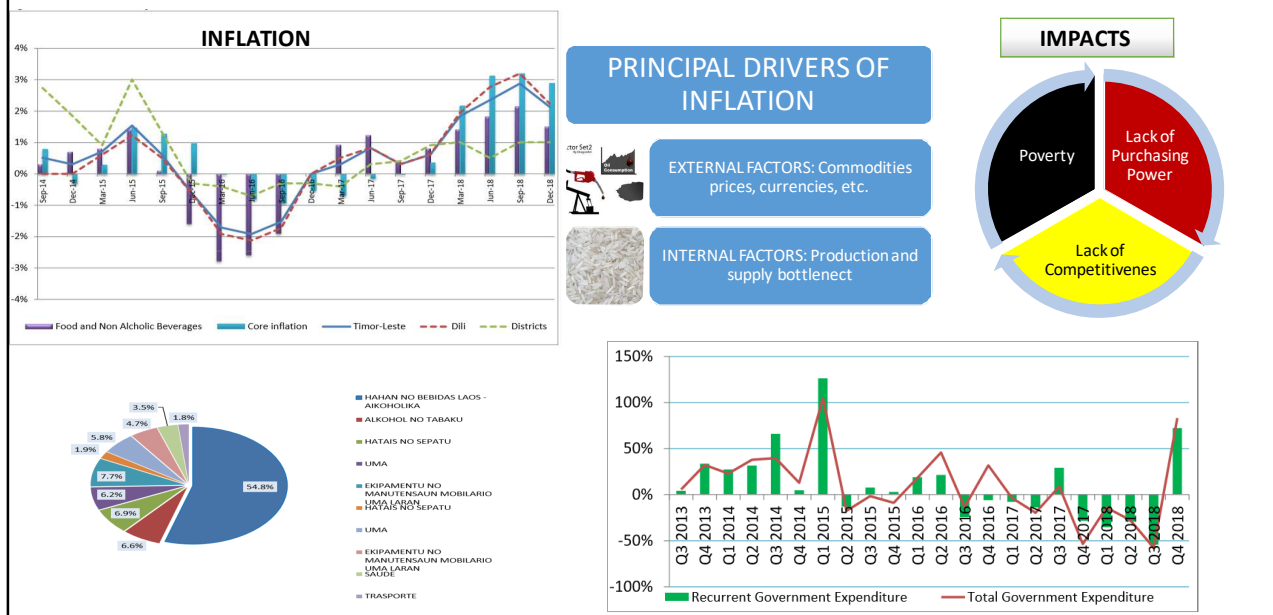


CONTRIBUTIONS TO PIB, 2017

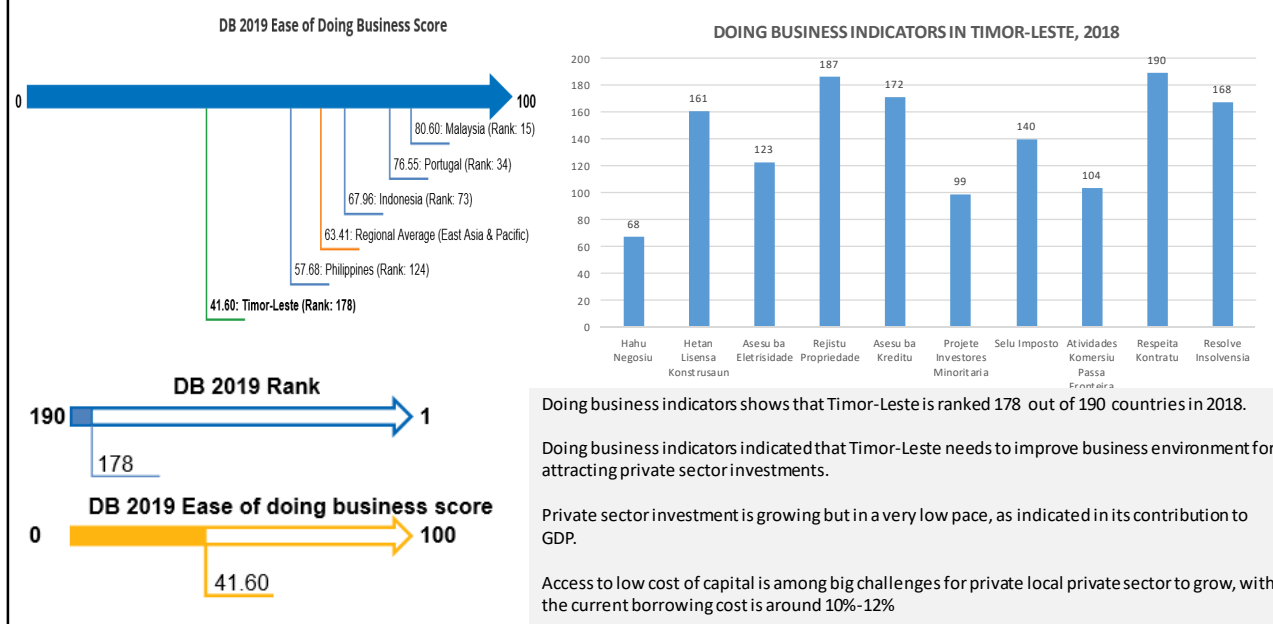


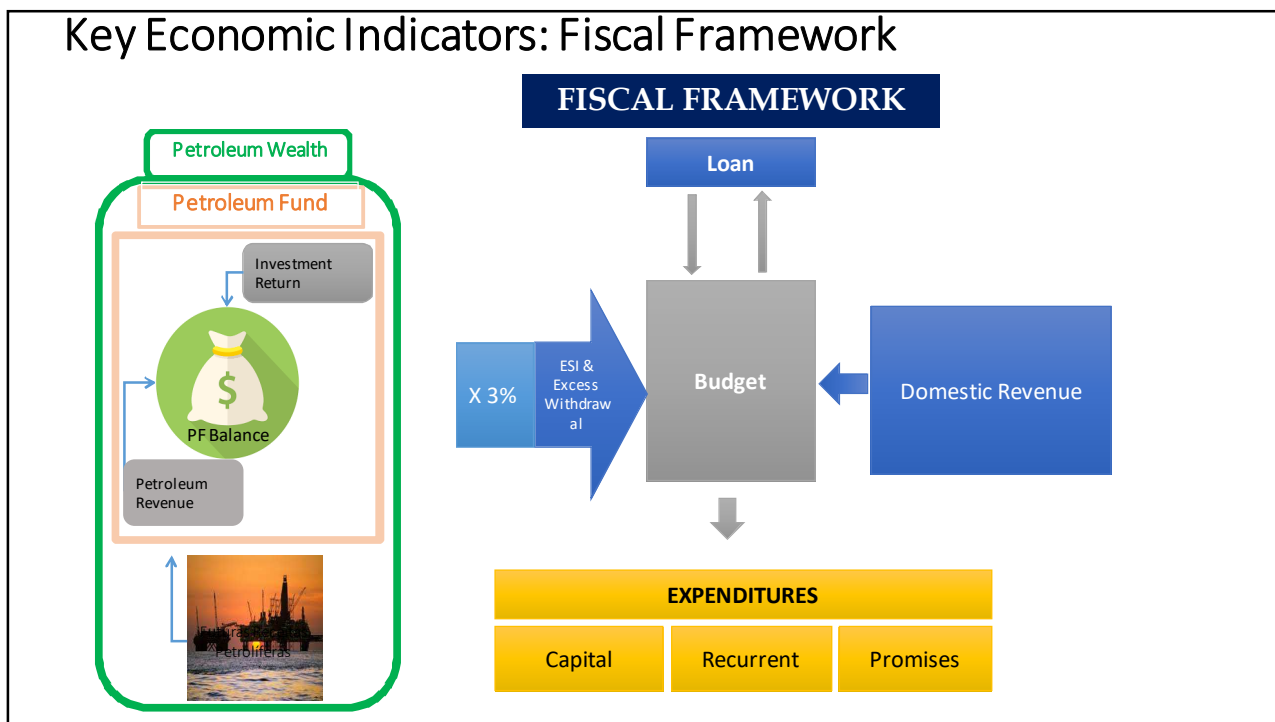
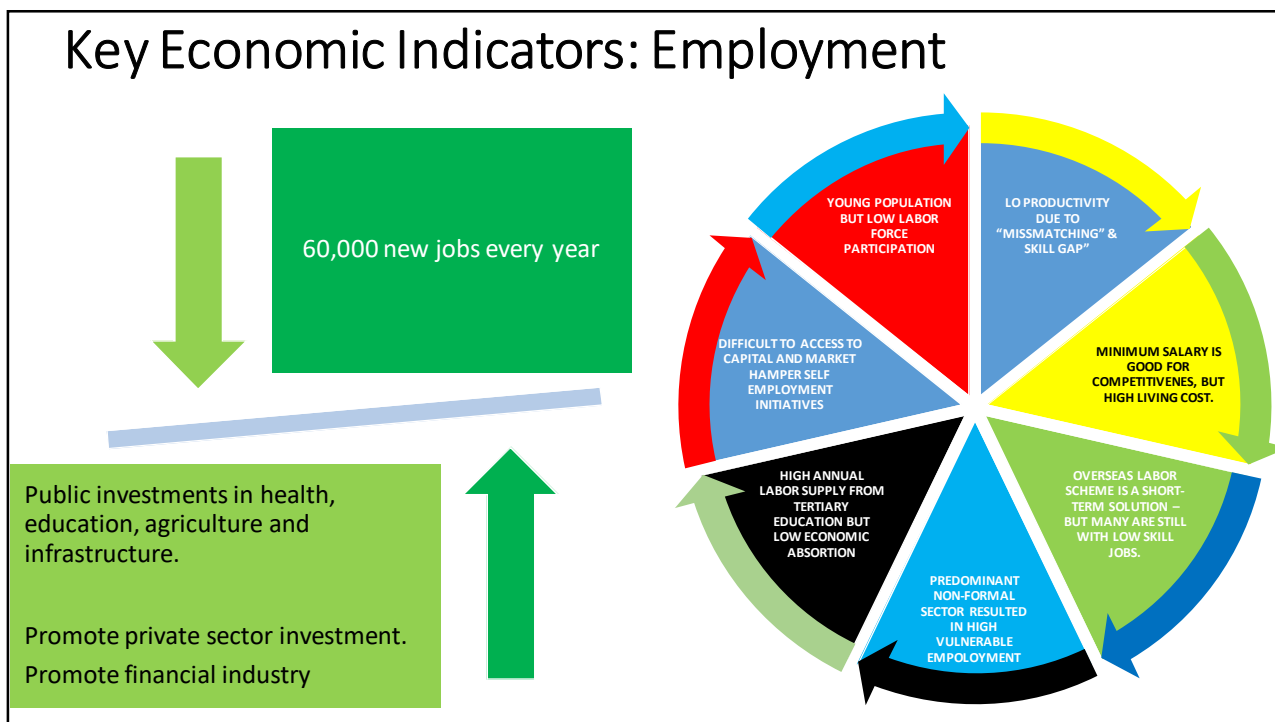
- Economy of Timor-Leste is still dominated by public sector expenditures, therefore so called "Public Sector Driven Economy" or "Oil Economy".
- This economic structure has to be change to an economic that is more inclusive and sustainable.

Key Economic Indicators: Inflation

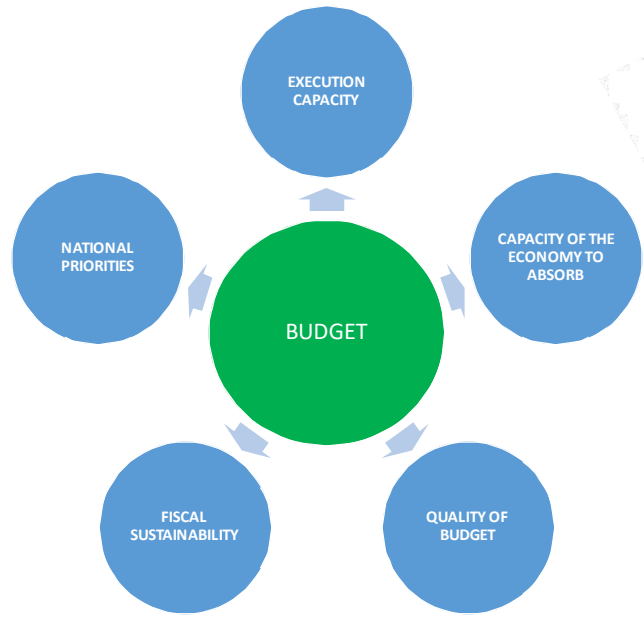


Key Economic Indicators: Doing Business

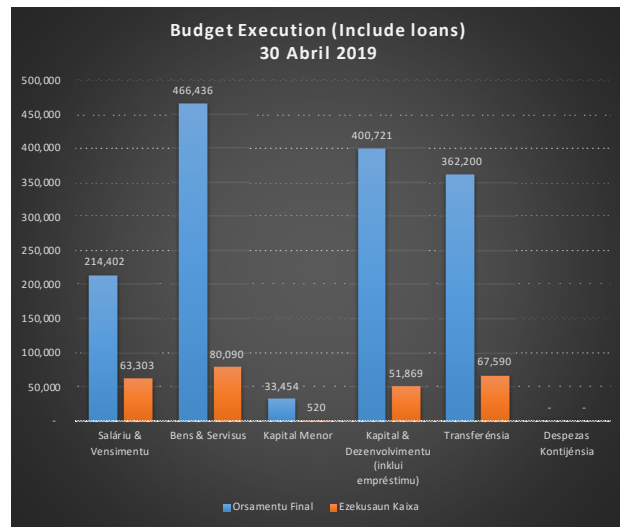
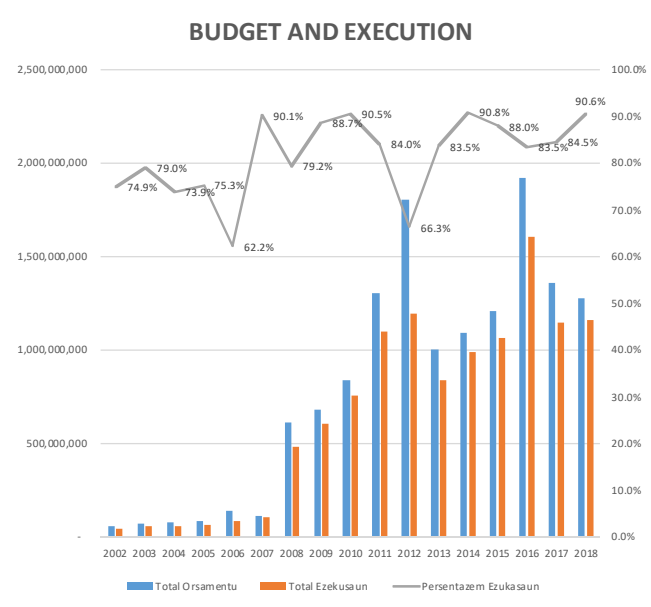




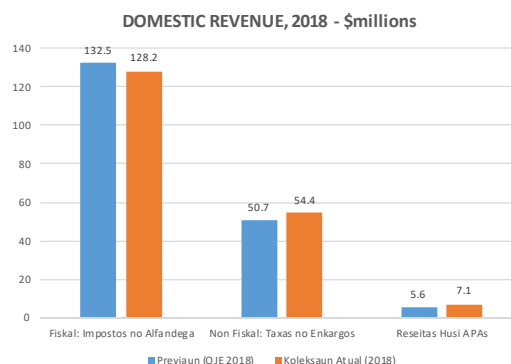
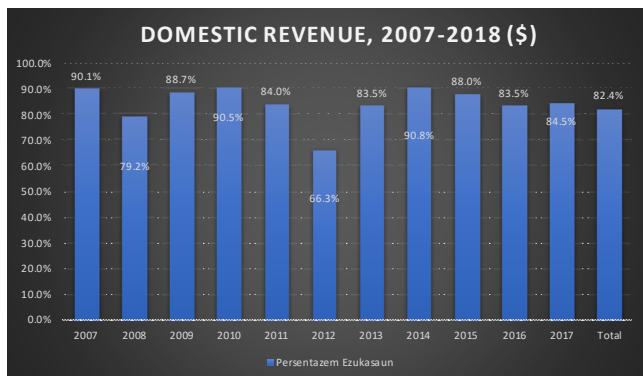
Key Economic Indicators: Expenditure Framework



Key Economic Indicators: Budget and Exenditure



Key Economic Indicators: Domestic Revenue



- Domestic revenues are from taxes and fees and charges.
- Tax revenues include direct and indirect taxes collected by Tax and Custom Authorities – taxes are the main source of domestic revenue.
- Domestic revenue from fees and charges include fees from electricity, rent and others.
- Annual domestic revenue is still smaller relative to total expenditure for salary and wages.

Key Economic Indicators: Petroleum Fund of Timor-Leste

