



SPOKESPERSON SIXTH CONSTITUTIONAL GOVERNMENT



**MEDIA
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2016 General State Budget presented in National Parliament

Yesterday the 2016 State Budget was presented to the National Parliament of Timor-Leste marking the beginning of the 2016 Budget Plenary. Prime Minister H.E. Dr. Rui Maria de Araújo explained that the Budget proposal “represents the financial, economic and social programs and policies that are essential for the Sixth Constitutional Government to lead the country to improve the living situation of our people.”

A central theme of the Prime Minister’s speech was the priority given by the Government to promote quality spending. He said that when preparing the proposed Budget the Government was “demanding and focused on providing better services to the people and on eliminating superfluous expenditure, while not neglecting the economic and social growth and development of the country and people.”

The proposed budget for 2016 is US \$1.562 billion including loans. This covers the various budget categories:

- Salaries and Wages: \$181.529 million
- Goods and Services [including the Human Capital Development Fund]: \$468.988 million
- Public Transfers: \$475.775 million
- Minor Capital: \$17.565 million
- Capital Development [including the Infrastructure Fund]: \$418.376 million

Earlier in the year the Government aimed to cap the “fiscal envelope” at \$1.3 billion, however after close scrutiny the Political Review Committee made a decision to adjust this to properly resource the needs of the country at the current phase of national development.

The 2016 Budget aims to be the most efficient and effective to date. Reforms guiding its planning and implementation are comprehensive. For the first time ever, all planned expenditure within each ministry is linked to specific programs and activities, ensuring a stronger connection between public expenditure and services provided. Greater autonomy is being given to agencies, institutions and ministries for more efficiency, whilst at the same time they are to be rigorously monitored to evaluate evidence of their achieved outcomes. Monitoring and evaluation measures established will “result in greater transparency and accountability regarding a ministry’s performance in responding to the commitments made.”



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The draft law N. 33/III (4th) The General State Budget for 2016, now under consideration, will be voted in its general terms tomorrow on the 3rd of December. The process of analyzing each individual section then begins on Friday, December 4th and is to be completed within ten business days (i.e. must conclude on or before December 21st, 2015). Should a Provisional Committee for Collection and Analysis of Proposals for Consensual Amendments to the Draft Law be formed, it would analyze the amendment proposals as well as the single substitute text, for the Draft Law N. 33/III (4th) - The General State Budget for 2016, between the 4th and 13th of December. This body will then present the proposed single substitute text to be voted on after discussion by the Members of Parliament. The approved text will then be incorporated in the draft law.

After the conclusion of the discussion and voting of all the articles of the draft law, a final overall vote on the text of the draft law with the approved amendments will be conducted and the final document, the General State Budget Law for 2016, will then be sent to the President of the Republic for promulgation.

Spokesperson for the Sixth Constitutional Government, Minister of State Pereira thanked all those involved in the rigorous preparation of the proposed budget. He noted “reforms to strengthen the link between programs and expenditure, increase autonomy, increase transparency and closely evaluate achievements against set goals will be instrumental in improving value for money and better serving the people.” He said “the Government welcomes the scrutiny of National Parliament and looks forward to a constructive debate in the coming days where all are focusing on what is best for the nation.” **ENDS**



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