



PRESIDENCY OF THE COUNCIL OF MINISTERS

EIGHT CONSTITUTIONAL GOVERNMENT



Office of the
Spokesperson

Press Release

Meeting of the Council of Ministers of July 31, 2019

The Council of Ministers met at the Government Palace in Dili and approved a proposal for a Decree-Law on the Organic of the Ministry of Finance, the governmental department responsible for the design, execution, coordination and evaluation of the policy, defined and adopted by the Council of Ministers, for the areas of planning and annual monitoring of the budget and finances. This Decree-law undertakes a reform of the organic structure of the Ministry of Finance in order to respond to the duties relating to tax reform, customs, public finances, financial management and the implementation of the policy of Budgeting by Programs attributed by the Organic Law of the Eight constitutional Government and also reflects the recent legislative options in the areas of public planning and financing.

The Acting Minister of Finance, Sara Lobo Brites, also presented the proposal of fiscal ceiling and national priorities for the General State Budget (OGE) for 2020.

Three priority areas of action were defined: **the development of social capital**, focusing on education and training, health and supply of drinking water and basic sanitation infrastructures; **Economic Development** with a commitment to encouraging private sector investment, job creation, economic diversification and development of the agriculture sector; and increased **National Connectivity** with the development of ports, airports, rural and urban roads and the development of national logistics with the creation of processing and storage infrastructures and the improvement of maritime, land and air transport.

The Council of Ministers set a maximum of 1.6 billion USD as the fiscal ceiling of the 2020 State Budget.

Of the total value of the 2020 OGE, **30% will be earmarked for the social sector**, with an increase in education of 6% compared to the 2019 Budget and of 19% in comparison with the 2018 Budget. The amount set out for social protection will increase by 1% compared to 2019 and by 9% compared to 2018, the health sector budget will have an increase of 39% over the previous year, with rises in the



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Ministry of Health's budget of 9% and 12% compared to 2019 and 2018 respectively. The **economic and infrastructure sectors will represent 41%** of the total of the 2020 Budget, with 654 million USD allocated to the economic affairs sector and 13.5 million USD for the development of water and sanitation infrastructures. The Budget for the Ministry of Agriculture and Fisheries will see a growth of 29% compared to 2019 and of 153% compared to 2018.

The timetable for the 2020 OGE was also approved, with the Government expecting to approve it in the Council of Ministers at its meeting set for 27th of September 2019, with the OGE submitted to National Parliament on the 15th of October. The discussion, voting and promulgation should take place during the month of December.

Today, the Council of Ministers approved the proposal for a deliberation, presented by the Acting Minister of Finance, concerning a Memorandum of Understanding between the Democratic Republic of Timor-Leste and the Republic of Indonesia, on customs cooperation and mutual assistance in customs matters. This memorandum seeks to promote cooperation between the two countries for the exchange of information and knowledge sharing, for an effective fight against crime, in particular transnational crime and trafficking in illicit property. The memorandum also provides for an institutional development component with education and training activities. The Council of Ministers attributed full powers to the Director-General of the customs Authority, José António Fátima Abílio, to sign said memorandum.

Finally, the Council of Ministers approved the set of names – including States, individuals and institutions, to propose to the President of the Republic to be awarded the "Order of Timor-Leste" on the occasion of the celebrations of the 20th Anniversary of the Popular Consultation. The order of Timor-Leste "is the award with the highest prestige and dignity of the nation, having been created in 2009 to acknowledge and thank nationals and foreigners, who, by their behavior or acts, made a significant contribution benefiting the country, the Timorese or mankind. **ENDS**



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