

**The Secretary of State for the Council of Ministers and  
Official Spokesperson for the Government of Timor-Leste  
Ágio Pereira**

**December 4, 2009  
Dili, Timor-Leste**



**The 2010 General State Budget for Timor-Leste passed by National Parliament**

The General State Budget for 2010 has been approved by the National Parliament; final voting included 39 in favor, 19 against (all members of Fretilin) and 4 abstentions (KOTA and PUN).

After debates in speciality were completed, the **total budget** to be approved by the Parliament was: **US \$659.996** million, consisting of the original amount proposed by the Government of **\$636.8** million plus an additional **\$23.137** million as result of the total of proposals (propostas de aditamento) that were approved by the plenary during the speciality debates.

The fiscal deficit will be \$572.6 million of which \$502 million will be financed by the Petroleum Fund, \$87.3 million financed from non- Petroleum Fund revenue and \$70.6 million financed from the Consolidated Fund.

Support for the Xanana Gusmão Governments' key social policies was strong this year with opposition endorsing many of the Gusmão Government initiatives that have defined their administration, including pensions for the elderly, pensions for veterans and subsidy benefits for chefes de sucos and chefes de aldeias (village leaders).

All members of National Parliament voted in favor of a wage increase for village leaders in 2010 (chefes de sucos and chefes de aldeias), a proposal readily accepted by the Government.

Two proposals N 10 and 49 (both addressing the same issue) proposed an increase of \$600,000 to the budget of \$22,354 for subsidies of 60 ex-combatants who fought 15-24 years. The proposal was also accepted by the Government and approved by plenary: 49 in favor, 0 against and 5 abstentions.

AMP, Fretilin and Mateus de Jesus (an independent), all agreed to sponsor one proposal to raise the current pension for the elderly, which resulted in a \$10.00 increase to \$30 per month for all elderly pensioners. The proposal was passed by National Parliament with 48 in favor, 2 against, and 6 abstentions.

The budget for 2010 was designed to support poverty reduction, stimulate the economy and fast track development. The National Priorities were clearly defined by the Government as Infrastructure (water supply and roads); Food Security (agricultural productivity); Human Resources Training; Access to Justice; Social Services and Administrative Decentralization; Good Governance; and Public Security.

The largest allocation in the budget for 2010 is for Infrastructure, 90% of which was destroyed in 1999 upon Popular Consultation and a further 2,000 homes and buildings were destroyed in the crisis of 2006. Rebuilding the roads and water supplies of Timor-Leste was deemed crucial by the Government, particularly in the districts where an estimated US\$96.1 million will be injected into the economy for rural development. The Infrastructure projects are set to create much needed employment opportunities and stimulate local trade.

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Gusmão Government policies for 2010 were designed to build on the strong foundations firmly establishing the nation as one of the fastest growing economies in the world, with a 12.8% economic growth in 2008 and the outlook for 2009 positioned to reach the 8% needed for sustainable development.

At the end of the session, The Prime Minister, his Excellency Xanana Gusmão thanked National Parliament for their ideas, criticisms and recommendations and for the tireless efforts of everyone involved in the debate process. Gusmão also reminded National Parliament that the nation was still considered fragile and cooperation and collaboration was necessary for nation building.

The Chair closed the extraordinary plenary by announcing the extraordinary plenary will reconvene December 4 at 10:00 am to elect the Anti Corruption Commissioner. **ENDS**

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