

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



**January 21, 2011
Díli, Timor-Leste**

**Timor-Leste embraces more coordinated and transparent budget process as the
Prime Minister leads the televised debates to inform the citizenry**

It's not often you see the Prime Minister of a Nation in National Parliament defending his line budget item by item but Prime Minister Xanana Gusmão of Timor-Leste has turned the tide by ensuring bureaucratic systems never devalue the budget process of the nascent nation of Timor-Leste by exempting any Member of Government from transparency and accountability, including himself as Head of Government. The Prime Minister today defended line items of The Office of the Prime Minister, engaged in a constructive debate with full pellucidity.

By example, Opposition presented 20 proposals reducing the budget allocation for the Office of the Prime Minister including, amongst others, halving the amount for the Procurement Agency and eliminating funding for the National Development Agency (NDA). The NDA is considered crucial in establishing the foundations to ensure that major national infrastructure projects are carefully monitored. Agency staff members to be recruited for their technical expertise will quality control project submissions to ensure specifications and costs are appropriate and scrutinize projects from planning to implementation with transparent reporting mechanisms in order to achieve quality outcomes and value for money.

Professional Services allocation was proposed by opposition to be reduced from US\$449,000 to \$176,000, however, most agreed that qualified human resources is and will be a challenge for Timor-Leste in the short and medium term and is considered a high priority for the OPM at this stage in development. Advisors and capable cadres to deliver services are still required to attend to the exigencies of the capital budget allocation as well as analyze complex documents amongst other demands.

Even small allocations like fuel allocation (\$3,000) and domestic travel (\$200,000) were constructively debated and defended with full transparency by the Prime Minister; demonstrating to the People that the Head of Government, along with the rest of the Council of Ministers, is answerable to the People which they serve.

The 2010 Corruption Percpetion Index (CPI) from Transparency International showed a massive shift in rankings for Timor-Leste over the last twelve months, with an increase in rank by 19 counties compared to the 2009 index. This was the first year that the CPI was reflective of the Gusmao Governments policy initiatives with the Index analyzing data from two to three years prior.

Greater transparency in the Budget process has been one of the underlying successes with the national agenda firmly coordinated to the Budget process and monitored in real time with the enhanced FreeBalance systems, allowing the Government and line Ministries to analyze project implimentation and budget execution throughout the year and know where every dollar has been spent from each Ministry and Institution on a daily and hourly basis as demand necessitates. Soon systems will go live on an e-portal so that each citizen can monitor the Budget and procurement process; an innovative and unprecedented initiative for transparency for any developed or developing nation globally.

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Secretary of State Ágio Pereira commented “Timor-Leste is very lucky to have a Prime Minister who has always served our People, with their best interest as his primary and only motivation. His leadership has set an example for a committed and dedicated Government to serve uncompromised by any other agenda than that which best serves our national interest. Prime Minister Xanana Gusmão was the first to open the Government to this level of scrutiny and trust the People to involve themselves in Nation Building through the Budget process. This has set the example for all future Governments and brought the nation to a new level of dialogue which was a necessary and vital step in statebuilding.” **ENDS**

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