



PRIME  
MINISTER

**SPEECH BY  
HIS EXCELLENCY THE PRIME MINISTER  
KAY RALA XANANA GUSMÃO**

**ON THE OCCASION OF THE LAUNCH OF THE 2024 TIMOR-LESTE  
ECONOMIC PERFORMANCE REPORT**

Kay Rala Xanana Gusmão Auditorium  
Ministry of Finance

21 March 2025

Your Excellencies

Governor of the Central Bank  
President of the Chamber of Commerce and Industry of Timor-Leste

Members of the Government  
Representatives of the Private Sector  
Development Partners

Distinguished Guests,  
Ladies and Gentlemen,

It is with great satisfaction that I take part in this significant event marking the launch of the Central Bank's Economic Report on Timor-Leste's Economic Development in 2024.

This report provides a comprehensive analysis of our nation's economic trajectory, offering valuable insights into the progress we have made, the challenges we continue to face and the strategic actions needed to achieve sustainable and inclusive growth.

Timor-Leste's economic growth is projected to accelerate to 4.0% in 2024, an improvement from the 2.4% recorded in 2023.

This reflects our collective efforts in strengthening key economic drivers, particularly through the expansion of the public sector, which continues to stimulate private sector activities.

However, while this growth is encouraging, it remains below the Government's target of 5%. This highlights the need for deeper structural reforms, greater private sector participation and more efficient public investment to ensure long-term economic resilience.

Our economy continues to face structural constraints, including limited absorptive capacity, high dependence on imports and an underdeveloped private sector.

These factors have contributed to imbalances in growth, with public expenditure driving much of the economic activity. To address this issue, the Government remains committed to fiscal consolidation, improving domestic revenue mobilisation and prioritising investments in sectors that promote sustainable development, such as agriculture, tourism, and infrastructure.

Financial inclusion and access to financing are also essential for unlocking our economic potential. Strengthening the financial sector, increasing credit availability, and supporting small and medium-sized enterprises (SMEs) will be key to diversifying our economy and reducing reliance on petroleum revenues.

Economic diversification requires a holistic, integrated approach and, indeed, a degree of boldness, particularly from the private sector.

Economic integration with regional and global markets must be actively pursued to enhance trade, attract foreign investment, and create employment and income-generating opportunities for the Timorese people.

The path to sustainable economic growth demands bold, consistent, and, of course, transparent policymaking.

The Government will continue working closely with the Central Bank, the private sector, and development partners to implement reforms that enhance economic competitiveness and improve governance.

It is imperative that the country's growth translates into real benefits for all citizens in a dynamic and inclusive manner.

I would like to congratulate the Central Bank for its dedication in producing this crucial economic report, which serves as a guiding tool for informed policymaking.

To reform, we must first understand. To grow, we must transform knowledge into action.

Let us, therefore, use this knowledge to shape a more resilient and prosperous future for Timor-Leste.

Thank you very much.

Kay Rala Xanana Gusmão