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TITLE

BUSINESS ACTIVITY SURVEY
2023

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PREFACE

We are proud to announce that this is the twelfth edition of the Business Activity Survey (BAS) for the 2023 calendar year, released by the National Institute of Statistics of Timor-Leste.

The BAS 2023 comprises a sample of 3,200 out of 7,500 businesses relevant to this study. These non-petroleum producing businesses are spread out across the country and mainly located in the major towns of each Municipality. The BAS includes all public and private financial enterprises (banks and insurance companies) as well as all public and private non-financial businesses, with a few major exceptions: general government agencies (administration, health, education etc.), agricultural production and other informal economic activities conducted by households. Not-for-profit institutions (NGOs, charities, churches etc.) were surveyed only if they earned more than 50 percent of their income in 2023 from trading activities. Estimates of the economic contribution of subsistence farming and other informal economic activities can be made based on data previously collected in household surveys.

The Business Activity Survey (BAS) serves as a crucial information source for the development and monitoring of economic policies. The data it provides enables the government to identify and address policy issues related to the overall performance of the Timorese business environment or specific sectors of the economy. The survey also provides valuable information to the government, business sector, and other stakeholders. It offers insights into employment figures and reveals details about the revenues, expenses, and profits of enterprises operating in different segments of the economy. The BAS is also a key input into the compilation of the Timor-Leste National Accounts for the non-petroleum producing business sector.

Due to COVID-related restrictions, no surveys were conducted for 2019 and 2020. To estimate industry value added for both years, we used indicators from Tax Authority data.

A closer look at the results of BAS 2023 indicates that between 2022 and 2023 industry value added increased by 4.7 percent in Timor-Leste. 'Dili' continued to employ around 78.7 percent of all persons employed and contributed 86.5 percent to the Industry Value Added (IVA) during 2023.

The BAS was conducted by the National Institute of Statistic Timor-Leste (INETL) with technical support from the Australian Bureau of Statistics, which in turn received financial support from the Australian Department of Foreign Affairs and Trade. We are very grateful for the support of both institutions in assisting us with the development of official statistics in Timor-Leste.

Finally, we would like to express our immense gratitude to the business community for its support of this survey and to the specific businesses that provided us with detailed information about their activities.

Dili, September 2024

Elias dos Santos Ferreira
President of INETL, I.P

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ABBREVIATIONS

BAS	Business Activity Survey
COE	Compensation of Employees
GDP	Gross Domestic Product
INE-TL	Instituto Nacional Estatistica Timor-Leste
ISIC	International Standard Industrial Classification
IVA	Industry Value Added
RSE	Relative Standard Error
TIN	Tax Identification Number

CHAPTER 1 SUMMARY DESCRIPTION

1.1 Introduction

This publication presents the results from the twelfth edition of the annual Business Activity Survey (BAS) of Timor-Leste as an annual activity survey conducted by National Institute of Statistics Timor-Leste (INETL) in respect of the 2023 calendar year, conducted annually since 2010. The BAS provides detailed measures of the performance and structure of non-petroleum producing businesses operating in Timor-Leste.

The scope of the BAS includes the non-petroleum producing business sector of Timor-Leste that actively traded during the 2023 calendar year. This includes:

- Private non-financial businesses (excluding agricultural production)
- Private financial businesses
- Public non-financial and financial businesses where more than 50 percent of their revenue was generated from trading activities
- Not-for-profit institutions earning more than 50 percent of their revenue from trading activities

The survey scope excludes petroleum producing businesses, general government agencies (e.g. administration, health, education) and the informal economic activity of households. The informal sector is expected to involve large number of very small businesses, however their collective contribution to the economic estimates for industries presented in this report is expected to be very small.

The budget for the survey operation was provided by the Directorate of Cooperative Services under Ministry of Finance, and technical staff of INETL undertook almost all the work of the survey starting from prepared the budget plan, field work training, survey monitoring, data entry, data processing, data analysis, until dissemination. The Australian Bureau of Statistics provided assistance under an Australian Department of Foreign Affairs and Trade project.

The results of BAS are presented by geography (Dili and Municipalities) and by industry (Manufacturing, Construction, Retail and Wholesale Trade, Accommodation and Food

Services, Financial and Insurance and Other industries). The information tables in this publication will be provided in a five-year time series from 2019 to 2023.

This publication and a series of the tables by geography and industry, can be read and downloaded on our website www.inetl-ip.gov.tl for free.

Technical notes, a glossary of terms and the questionnaire are presented at the end of this report. The INETL is fully committed to improving the statistical information released to the public. The INETL welcomes comments and suggestions from users regarding future surveys of Timor-Leste businesses.

1.2 Purpose of the Survey

The purpose of the survey is to measure the structure and economic performance of the non-petroleum formal business sector in Timor-Leste, and to provide an indicator for the National Account compilation.

1.3 Data Reliability

The INETL aims to produce high quality data from BAS while minimising the reporting burden on businesses. To achieve this, the data estimated from the BAS have been obtained from a sample of businesses. When a sample, rather than the entire population, is surveyed, the data are subject to sampling error. That is, the difference between estimates based on a sample and those that would have been obtained had data been collected from all businesses in the population via a census.

One measure of the likely difference is given by the standard error, which indicates the extent to which an estimate might have varied by chance because the data were obtained from a sample of units. There is about a 67 percent chance that a sample estimate will differ by less than one standard error from the figure that would have been obtained if all units had been included in the survey, and about a 95 percent chance that the difference will be less than two standard errors.

Sampling variability can also be measured by the relative standard error (RSE), which is obtained by expressing the standard error as a percentage of the estimate to which it refers. The RSE is a useful measure in that it provides an immediate indication of the percentage errors likely to have occurred because of random sampling and this avoids the need to refer also to the size of the estimate.

To illustrate, the estimate of total income for Timor-Leste in 2023 was $2,206.2 million (see Table 2.1). The RSE of this estimate is shown as 0.8 percent, giving a standard error of approximately $11 million. Therefore, there is a 95 percent chance (i.e. a confidence interval of 95 percent) that the figure would have been within the range of $2,184.1 million to $2,228.3 million.

Table 1.1 Relative standard errors by geography, non-petroleum producing businesses in 2023.

		Dili		Municipalities		Timor-Leste	
		Estimate	RSE (%)	Estimate	RSE (%)	Estimate	RSE (%)
Total employment*	**n**	51,300	0.2	13,900	0.2	65,200	0.2
Total income	**$m**	2,032.0	0.8	174.2	0.8	2,206.2	0.8
Total expenses	**$m**	1,577.8	0.9	105.7	0.9	1,683.5	0.9
Total output	**$m**	982.4	0.6	138.3	0.7	1,120.7	0.7
Total intermediate use	**$m**	471.8	0.3	58.7	0.3	530.5	0.3
Industry value added	**$m**	510.6	1.2	79.6	1.3	590.2	1.3
Compensation of employees	**$m**	174.8	0.3	17.9	0.3	192.7	0.3
Capital expenditure	**$m**	13.0	1.7	3.1	1.7	16.1	1.7

*Estimates of employment have been rounded to the nearest 100 persons.

Table 1.2 Relative standard errors by industry, non-petroleum producing businesses in 2023.

		Manufacturing		Construction		Retail and Wholesale Trade		Transportation and Storage	
		Estimate	RSE (%)	Estimate	RSE (%)	Estimate	RSE (%)	Estimate	RSE (%)
Total employment*	**n**	3,800	0.2	9,000	0.1	16,500	0.2	1,000	0.1
Total income	**$m**	80.2	0.0	346.7	0.1	1,261.9	1.0	43.1	0.1
Total expenses	**$m**	60.9	0.0	180.1	0.1	1,105.9	1.0	24.9	0.0
Total output	**$m**	73.1	0.1	342.6	0.3	285.2	1.2	40.9	0.1
Total intermediate use	**$m**	42.7	0.1	162.3	0.3	93.8	0.3	19.1	0.1
Industry value added	**$m**	30.4	0.1	180.2	0.3	191.5	2.2	21.7	0.2
Compensation of employees	**$m**	10.5	0.1	23.5	0.5	45.3	0.2	5.4	0.0
Capital expenditure	**$m**	0.4	0.0	3.7	10.5	7.6	1.3	0.7	0.3

		Information and Communication		Accommodation and Food Services		Financial and Insurance		Other industries	
		Estimate	RSE (%)	Estimate	RSE (%)	Estimate	RSE (%)	Estimate	RSE (%)
Total employment*	**n**	3,600	0.0	6,500	0.1	1,700	0.0	23,100	0.1
Total income	**$m**	112.6	0.0	67.3	0.3	120.6	0.0	173.7	0.0
Total expenses	**$m**	74.4	0.0	44.4	0.1	35.0	0.0	157.7	0.0
Total output	**$m**	110.8	0.0	58.1	0.6	65.9	0.0	144.1	0.1
Total intermediate use	**$m**	81.5	0.1	22.9	0.1	18.1	0.0	90.1	0.1
Industry value added	**$m**	29.3	0.0	35.1	1.1	47.8	0.0	54.0	0.1
Compensation of employees	**$m**	15.9	0.0	15.9	0.3	22.5	0.0	53.7	0.1
Capital expenditure	**$m**	0.1	0.3	2.4	2.2	0.0	0.0	1.2	0.3

*Estimates of employment have been rounded to the nearest 100 persons.

Statistical collections are also subject to non-sampling error, which arises from accuracies in collecting, recording, and processing the data. Every effort was made to minimise reporting error, by the careful design of questionnaires, training of survey analysts, and efficient data processing procedures.

Non-sampling error also occurs when information cannot be obtained from all businesses selected in the survey. For BAS 2023 there was an 85 percent response rate from all businesses that were surveyed and found to be operating during the reference period. Data were imputed for the remaining 15 percent of operating businesses.

Note also that estimates for Dili may be overestimated. Businesses with the main office in Dili which undertook work in the Districts outside Dili would have their activity included in Dili estimates.

The INETL is committed to making continuous improvements in data quality, including the BAS.

CHAPTER 2 KEY DATA ITEMS RESULTS

This chapter contains summary information about non-petroleum producing businesses for selected employment, income, expense, profit, and capital expenditure data items.

Employment

As of December 2023, there were 65,200 persons employed in Timor-Leste businesses. This represented a 3.0 percent increase in employment since December 2022. About 66 percent of the total persons employed were male (or 43,000 persons). Between 2022 and 2023, male employment increased by 1.9 percent and female employment by 4.7 percent.

Most of the persons employed in Timor-Leste were employed in businesses operating in Dili (78.7 percent or 51,300 persons).

In 2023 average wage per employee was $2,900 in Timor-Leste. Wages per employee were higher in Dili ($3,300) than in the other municipalities ($1,200).

The 'Other' industry had the highest level of employment, accounting for 35.4 percent (or 23,100 persons) of all employed persons. The second largest individual industry was 'Retail & Wholesale Trade' industry contributing 25.1 percent (or 16,400 persons) to total employment.

Income

During 2023, Timor-Leste non-petroleum producing businesses income experienced growth by 8.0 percent since 2022. Total income was 2,206.2 million, with the Retail & Wholesale Trade and Construction industries together contributing around 57.2 percent (or $1,261.9 million). About 92.1 percent (or $2,032.0 million) was generated by business operating in Dili.

Expenses

During 2023 total operating expenses incurred by non-petroleum producing businesses in Timor-Leste was $1,683.5 million, an increase of 11.3 percent since 2022. Purchase of supplies and materials and finished goods increased by 10.4 percent (or $1,338.0 million) during 2023. Non-wage benefits and other expenses increased by 23.3 percent and 15.9 percent. There was also a decrease in inventories of finished goods and raw materials held by businesses.

About 93.7 percent (or $1,577.8 million) of total operating expenses were incurred by businesses operating in Dili. Purchases of supplies and materials and finished goods accounted for 95 percent (or $1,270.9 million) of all operating expenses. The 'Retail and Wholesale Trade' industry accounted for $1,005 million. Total labour costs accounted for 11.4 percent (or $192.6 million) of total operating expenses.

Profit

Total profit generated by Timor-Leste non-petroleum businesses during 2023 was $525.7 million, decreasing by 1.7 percent since 2022. The 'Construction' industry accounted for 31.9 percent (or $167.9 million) of all profit generated during the year, the highest proportion of all industries.

Capital Expenditure

During 2023 the purchase of capital assets was $16.1 million. The 'Retail and Wholesale Trade' and 'Construction' industries reinvested the greatest proportion of their profit into capital expenditure, investing $7.6 million and $3.7 million in capital expenditure respectively.

Table 2.1 Key structural data by geography, non-petroleum producing businesses, 2019-2023.

		Dili					Municipalities				
		2019	2020	2021	2022	2023	2019	2020	2021	2022	2023
Employment											
Male *	n			31,800	35,300	33,700			4,600	6,800	9,400
Female *	n			14,200	18,300	17,600			1,700	2,800	4,500
Total employment *	**n**			**46,000**	**53,600**	**51,300**			**6,200**	**9,600**	**13,900**
Income											
Income from sales of goods and	$m			1,721.1	1,866.3	1,968.5			129.8	121.1	171.8
Other income	$m			50.1	54.6	63.5			0.6	1.2	2.3
Total income	**$m**			**1,771.2**	**1,920.9**	**2,032.0**			**130.4**	**122.2**	**174.2**
Expenses											
Labour Costs											
Wages and salaries	$m			156.6	147.9	169.3			10.6	16.4	17.2
Non-wage benefits	$m			7.8	4.5	5.4			0.3	0.4	0.7
Total labour costs	$m			164.4	152.4	174.7			10.9	16.8	17.9
Purchases of supplies, materials and finished goods	$m			1,057.3	1,160.0	1,270.9			60.3	51.6	67.2
Other expenses	$m			230.1	127.0	132.2			16.3	4.9	20.7
Total expenses	**$m**			**1,451.8**	**1,439.4**	**1,577.8**			**87.5**	**73.3**	**105.7**
Profit	**$m**			**322.6**	**486.0**	**457.2**			**43.0**	**48.9**	**68.5**
Average wages per employee **	**$**			**3,400.0**	**2,800.0**	**3,300.0**			**1,700.0**	**1,700.0**	**1,200.0**
Capital expenditure	**$m**			**19.8**	**10.8**	**13.0**			**2.1**	**4.0**	**3.1**

		Total Timor-Leste								
		2019	2020	2021	2022	2023	2019-20	2020-21	2021-22	2022-23
Employment										
Male *	n			36,400	42,200	43,100			15.9	2.1
Female *	n			15,900	21,100	22,100			32.7	4.7
Total employment *	**n**			**52,200**	**63,300**	**65,200**			**21.3**	**3.0**
Income										
Income from sales of goods and	$m			1,850.9	1,987.5	2,140.3			7.4	7.7
Other income	$m			50.7	55.8	65.8			9.9	18.1
Total income	**$m**			**1,901.6**	**2,043.2**	**2,206.2**			**7.4**	**8.0**
Expenses										
Labour Costs										
Wages and salaries	$m			167.2	164.3	186.5			(1.7)	13.5
Non-wage benefits	$m			8.1	4.9	6.1			(39.1)	23.3
Total labour costs	$m			175.3	169.3	192.6			(3.4)	13.8
Purchases of supplies, materials and finished goods	$m			1,117.6	1,211.6	1,338.0			8.4	10.4
Other expenses	$m			246.4	131.9	152.8			(46.5)	15.9
Total expenses	**$m**			**1,539.3**	**1,512.7**	**1,683.5**			**(1.7)**	**11.3**
Profit	**$m**			**365.6**	**534.9**	**525.7**			**46.3**	**(1.7)**
Average wages per employee **	**$**			**3,200.0**	**2,600.0**	**2,900.0**			**(18.8)**	**11.5**
Capital expenditure	**$m**			**21.9**	**14.8**	**16.1**			**(32.7)**	**9.3**

*Estimates of employment have been rounded to the nearest 100 persons.

** Estimates of average wages per employee have been rounded to the nearest $100.

Table 2.2 Key structural data by industry, non-petroleum producing businesses, 2019-2023.

		Manufacturing					Construction				
		2019	2020	2021	2022	2023	2019	2020	2021	2022	2023
Employment											
Male *	n			3,800	4,700	3,000			7,400	9,200	7,900
Female *	n			1,100	1,900	800			800	1,100	1,100
Total employment *	**n**			**4,900**	**6,700**	**3,800**			**8,300**	**10,300**	**9,000**
Income											
Income from sales of goods and	$m			68.9	108.8	79.9			328.6	340.7	345.7
Other income	$m			0.5	0.3	0.3			0.6	1.1	1.0
Total income	**$m**			**69.4**	**109.0**	**80.2**			**329.3**	**341.8**	**346.7**
Expenses											
Labour Costs											
Wages and salaries	$m			10.6	14.1	10.4			24.1	24.4	23.1
Non-wage benefits	$m			0.1	0.2	0.1			1.5	0.5	0.4
Total labour costs	$m			10.8	14.3	10.5			25.6	24.9	23.5
Purchases of supplies, materials and finished goods	$m			36.6	60.6	43.6			108.6	131.3	143.8
Other expenses	$m			9.7	8.3	6.8			60.2	17.9	12.8
Total expenses	**$m**			**57.0**	**83.2**	**60.9**			**194.5**	**174.0**	**180.1**
Profit	**$m**			**13.0**	**26.7**	**22.6**			**134.7**	**167.5**	**167.9**
Average wages per employee **	**$**			**2,200.0**	**2,100.0**	**2,700.0**			**2,900.0**	**2,400.0**	**2,600.0**
Capital expenditure	**$m**			**0.7**	**0.4**	**0.4**			**1.6**	**2.3**	**3.7**

		Retail and Wholesale Trade					Transportation and Storage				
		2019	2020	2021	2022	2023	2019	2020	2021	2022	2023
Employment											
Male *	n			9,800	12,300	10,500			900	800	800
Female *	n			5,500	7,200	6,000			200	200	200
Total employment *	**n**			**15,300**	**19,500**	**16,500**			**1,100**	**1,000**	**1,000**
Income											
Income from sales of goods and	$m			1,053.2	1,145.7	1,255.5			42.7	38.2	42.8
Other income	$m			2.1	3.6	6.5			0.0	0.0	0.3
Total income	**$m**			**1,055.2**	**1,149.3**	**1,261.9**			**42.8**	**38.2**	**43.1**
Expenses											
Labour Costs											
Wages and salaries	$m			41.9	46.0	44.3			7.2	4.7	4.9
Non-wage benefits	$m			1.2	1.2	1.0			0.1	0.2	0.5
Total labour costs	$m			43.1	47.2	45.3			7.3	4.9	5.4
Purchases of supplies, materials and finished goods	$m			863.4	919.7	1,005.0			20.1	15.5	18.2
Other expenses	$m			49.6	47.0	55.6			4.8	1.9	1.3
Total expenses	**$m**			**956.1**	**1,013.8**	**1,105.9**			**32.2**	**22.3**	**24.9**
Profit	**$m**			**100.7**	**140.0**	**154.1**			**10.6**	**15.9**	**18.4**
Average wages per employee **	**$**			**2,700.0**	**2,400.0**	**2,700.0**			**6,500.0**	**4,700.0**	**4,900.0**
Capital expenditure	**$m**			**8.2**	**6.1**	**7.6**			**-**	**0.0**	**0.7**

*Estimates of employment have been rounded to the nearest 100 persons.

** Estimates of average wages per employee have been rounded to the nearest $100.

Table 2.2 Key structural data by industry, non-petroleum producing businesses, 2019-2023 cont.

		Accommodation and Food Services					Information and Communication				
		2019	2020	2021	2022	2023	2019	2020	2021	2022	2023
Employment											
Male *	n			1,800	2,200	2,800			1,000	2,000	2,400
Female *	n			2,700	3,400	3,700			500	1,000	1,200
Total employment *	**n**			**4,600**	**5,600**	**6,500**			**1,500**	**2,900**	**3,600**
Income											
Income from sales of goods and	$m			48.4	50.3	66.1			91.1	106.5	112.4
Other income	$m			1.5	1.5	1.2			0.3	0.2	0.2
Total income	**$m**			**49.9**	**51.9**	**67.3**			**91.4**	**106.7**	**112.6**
Expenses											
Labour Costs											
Wages and salaries	$m			11.2	10.0	15.7			11.4	13.7	14.3
Non-wage benefits	$m			0.2	0.2	0.2			1.5	1.7	1.6
Total labour costs	$m			11.5	10.2	15.9			12.9	15.4	15.9
Purchases of supplies, materials and finished goods	$m			17.3	12.5	19.8			9.7	10.4	18.8
Other expenses	$m			12.1	2.9	8.7			51.4	34.7	39.8
Total expenses	**$m**			**40.8**	**25.6**	**44.4**			**74.0**	**60.5**	**74.4**
Profit	**$m**			**9.2**	**26.5**	**22.9**			**18.3**	**45.9**	**38.2**
Average wages per employee **	**$**			**2,400.0**	**1,800.0**	**2,400.0**			**7,600.0**	**4,700.0**	**4,000.0**
Capital expenditure	**$m**			**0.6**	**1.1**	**2.4**			**9.0**	**3.3**	**0.1**

		Financial and Insurance					Other industries				
		2019	2020	2021	2022	2023	2019	2020	2021	2022	2023
Employment											
Male *	n			1,200	1,200	1,100			10,500	9,800	14,600
Female *	n			700	600	600			4,400	5,700	8,500
Total employment *	**n**			**1,900**	**1,800**	**1,700**			**14,600**	**15,400**	**23,100**
Income											
Income from sales of goods and	$m			52.9	55.7	65.9			165.0	141.7	171.9
Other income	$m			39.1	48.1	54.7			6.7	0.9	1.7
Total income	**$m**			**91.9**	**103.8**	**120.6**			**171.7**	**142.6**	**173.7**
Expenses											
Labour Costs											
Wages and salaries	$m			14.9	13.0	21.9			45.7	38.3	52.1
Non-wage benefits	$m			1.4	0.3	0.6			2.1	0.7	1.6
Total labour costs	$m			16.3	13.4	22.5			47.8	39.0	53.7
Purchases of supplies, materials and finished goods	$m			14.0	4.0	1.2			47.9	57.6	87.6
Other expenses	$m			24.3	8.1	11.4			34.2	11.2	16.4
Total expenses	**$m**			**54.7**	**25.5**	**35.0**			**130.0**	**107.8**	**157.7**
Profit	**$m**			**37.2**	**78.3**	**85.5**			**41.9**	**34.0**	**16.0**
Average wages per employee **	**$**			**7,800.0**	**7,200.0**	**12,900.0**			**3,100.0**	**2,500.0**	**2,300.0**
Capital expenditure	**$m**			**0.2**	**0.1**	**0.0**			**1.6**	**1.4**	**1.2**

*Estimates of employment have been rounded to the nearest 100 persons.

** Estimates of average wages per employee have been rounded to the nearest $100.

CHAPTER 3 KEY ECONOMIC DATA ITEMS

This chapter presents data and analysis of some key economic data items.

Timor-Leste Industry Value Added

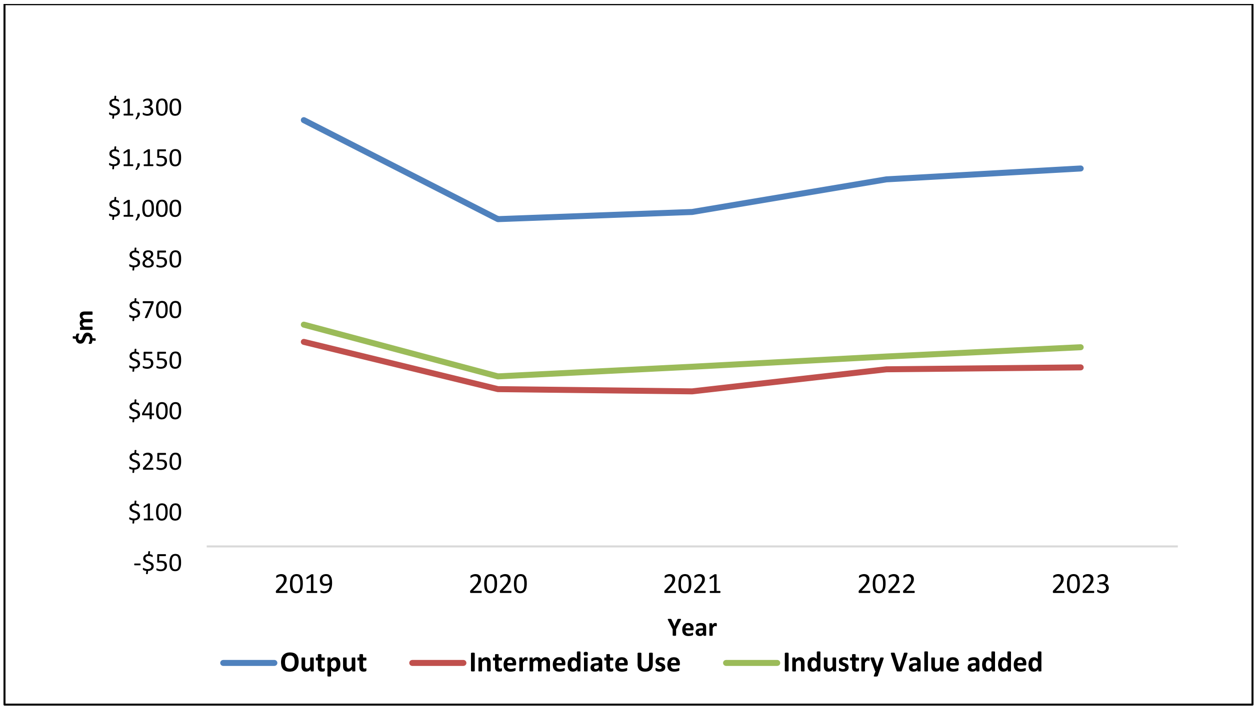
Industry value added (IVA) is a measure of industry contribution to the national economy. It is calculated as the difference between the market value of the output of an industry (output) and the purchases of materials and expenses incurred in the production of that output (intermediate use).

The graph below shows the level of Timor-Leste IVA over a five year period. In the period since the pandemic the economy has continued to grow.

During 2023 total IVA for all non-petroleum producing businesses operating in Timor-Leste increased by 4.7 percent (or $563.5 million to $590.2 million) since 2022, where output was 2.9 percent (or $1,120.7 million) increased contributed from 'Construction' industry around 30.6 percent.

The 5.8 percent increase in purchases of supplies and materials, combined with a fall in other intermediate use 5.2 percent, resulted in total intermediate use in 2023 increasing by 1.0 percent (from $525.1 million to $530.5 million). See below.

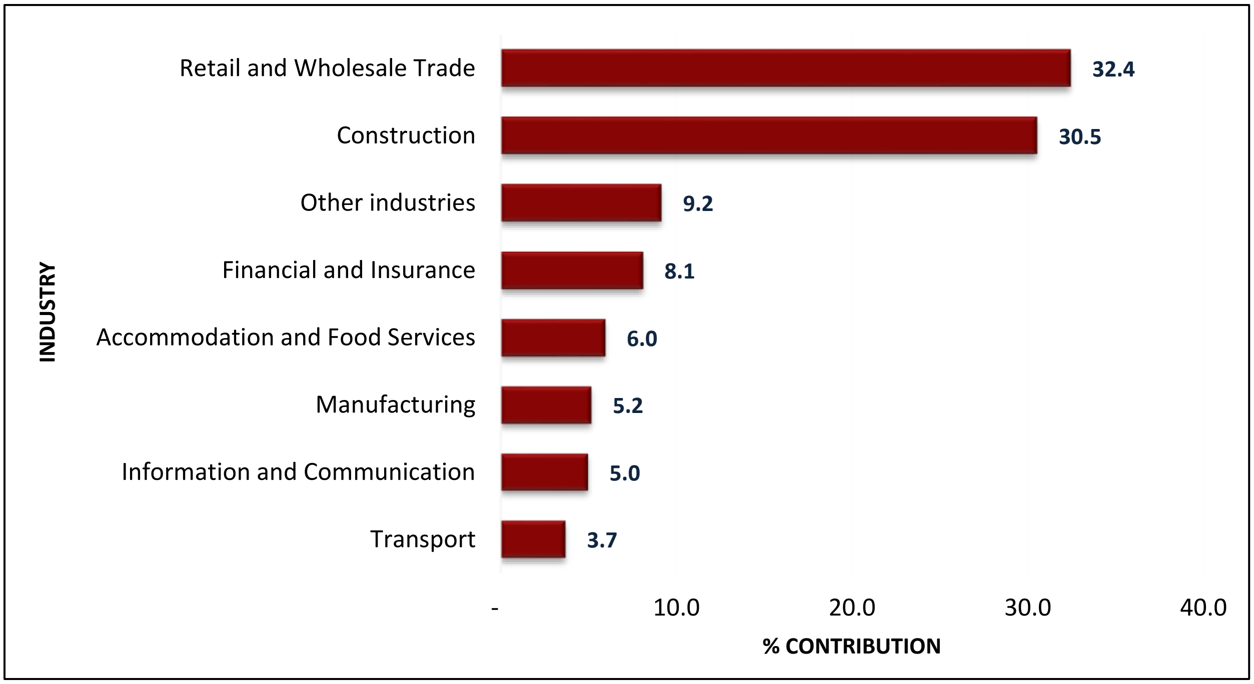
Graph 1. Timor-Leste Industry Value Added in 2019-2023



Value Added by Each Industry

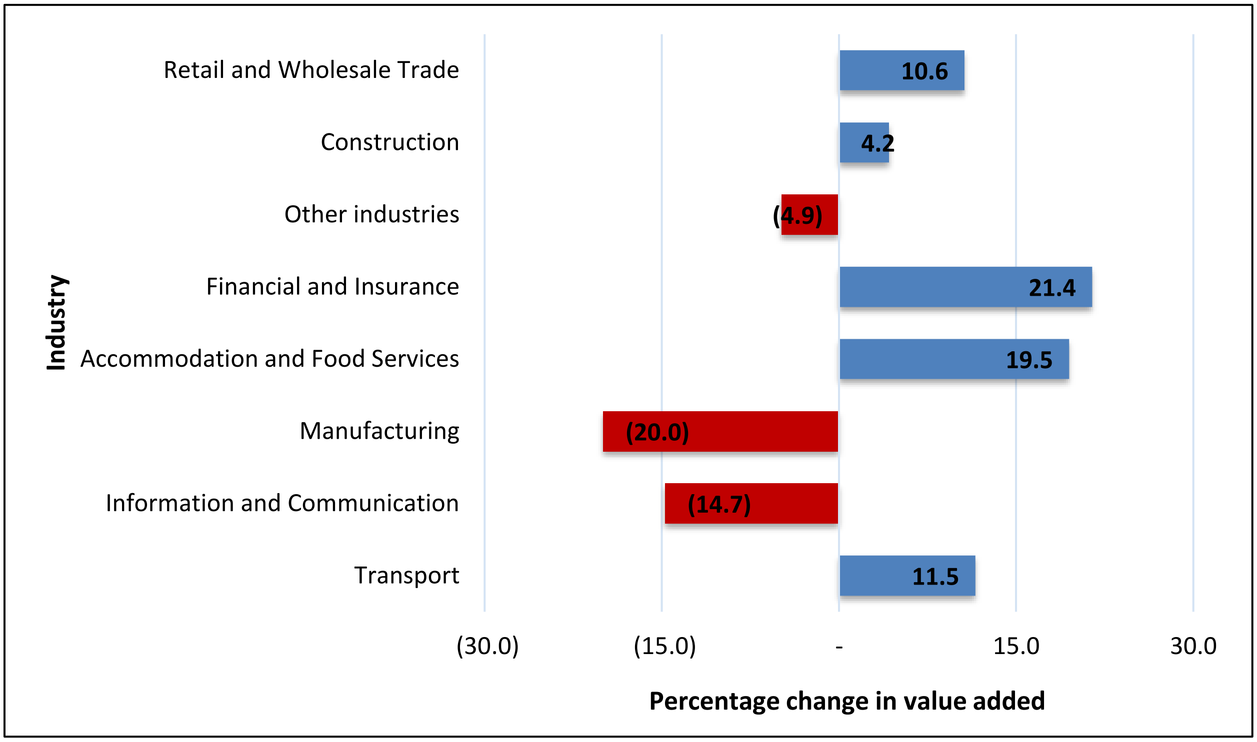
During 2023 'Retail and Wholesale Trade' industry made a large contribution to IVA in Timor-Leste, accounting for 32.4 percent (or $191.5 million). The 'Construction' industry made the second largest contribution (30.5 percent or $180.2 million), while the 'Other' industry was the third largest contribution with 9.2 percent (or $54.0 million) of total IVA. The smallest contribution to total IVA during 2023 was the 'Transport' industry, contributing 3.7 percent (or $21.7 million). see the graph below.

Graph 2. Percentage Contribution of Value Added by Industry to Total Timor-Leste in 2023



The graph below shows the change of value added by industry between 2022 and 2023. 'Information and Communication', 'Manufacturing', and 'Other' industries declined, while the remaining industries increased. The IVA change in 'Construction' industry shows very small by 4.2 percent compare to others. Even then, the 'Construction' industry is still the second largest contributor to total IVA.

Graph 3. Percentage Change in Value Added by Industry between 2022-2023



Compensation of Employees

Compensation of employees (COE) is a measure of the total remuneration, in cash or in-kind, payable by a business to an employee in return for work done by the employee during the calendar year. COE includes salaries and wages, non-wage benefits such as meals and private use of motor vehicles and own account capitalised wages.

During 2023 the total COE for all non-petroleum businesses operating in Timor-Leste was $213.1 million, 13.2 percent more than 2022. Businesses operating in 'Dili' accounted for 90.7 percent ($174.8 million) of total COE. The 'Other' industry accounted for 27.9 percent of total COE $53.7 million.

Table 3.1 Key economic data by geography, non-petroleum producing businesses, 2019-2023.

		Dili					Municipalities				
		2019	2020	2021	2022	2023	2019	2020	2021	2022	2023
Output											
Income from sale of goods and services	$m			1,721.1	1,866.3	1,968.5			129.8	121.1	171.8
(less) Purchases of finished goods	$m			822.3	882.4	990.0			41.7	31.8	33.5
Other output	$m			5.1	15.3	3.9			-	-	-
Total output	**$m**			**903.8**	**999.2**	**982.4**			**88.1**	**89.4**	**138.3**
Intermediate use											
Purchases of supplies and materials	$m			235.0	277.6	280.8			18.7	19.8	33.7
Other intermediate use	$m			189.8	219.3	190.9			16.3	8.4	25.1
Total intermediate use	**$m**			**424.7**	**496.9**	**471.8**			**35.0**	**28.2**	**58.7**
Industry value added	**$m**			**479.1**	**502.3**	**510.6**			**53.2**	**61.1**	**79.6**
Compensation of employees	**$m**			**165.3**	**153.4**	**174.8**			**10.9**	**16.8**	**17.9**

		Total Timor-Leste								
		2019	2020	2021	2022	2023	2019-20	2020-21	2021-22	2022-23
Output										
Income from sale of goods and services	$m			1,850.9	1,987.5	2,140			7.4	7.7
(less) Purchases of finished goods	$m			864.0	914.2	1,023			5.8	12.0
Other output	$m			5.1	15.3	4			198.5	(74.6)
Total output	**$m**	**1,263.9**	**970.3**	**992.0**	**1,088.6**	**1,120.7**	**(23.2)**	**2.2**	**9.7**	**2.9**
Intermediate use										
Purchases of supplies and materials	$m			253.6	297.4	314.5			17.3	5.8
Other intermediate use	$m			206.1	227.7	216.0			10.5	(5.2)
Total intermediate use	**$m**	**606.4**	**466.2**	**459.7**	**525.1**	**530.5**	**(23.1)**	**(1.4)**	**14.2**	**1.0**
Industry value added	**$m**	**657.5**	**504.1**	**532.3**	**563.5**	**590.2**	**(23.3)**	**5.6**	**5.9**	**4.7**
Compensation of employees	**$m**			**176.2**	**170.3**	**192.7**			**(3.4)**	**13.2**

Nil or rounded to zero, 2019* Data estimation, 2020** Data estimation.

Table 3.2 Key economic data by industry, non-petroleum producing businesses, 2019-2023.

		Manufacturing					Construction				
		2019	2020	2021	2022	2023	2019	2020	2021	2022	2023
Output											
Income from sale of goods and services	$m			68.9	108.8	79.9			328.6	340.7	345.7
(less) Purchases of finished goods	$m			1.4	32.9	9.4			1.8	3.5	5.2
Other output	$m			0.2	0.0	2.6			- 0.0	1.0	2.1
Total output	**$m**			**67.7**	**75.9**	**73.1**			**326.8**	**338.1**	**342.6**
Intermediate use											
Purchases of supplies and materials	$m			35.2	27.7	34.2			106.8	127.8	138.6
Other intermediate use	$m			8.3	10.2	8.5			59.2	37.4	23.7
Total intermediate use	**$m**			**43.6**	**37.9**	**42.7**			**166.1**	**165.2**	**162.3**
Industry value added	**$m**			**24.1**	**38.0**	**30.4**			**160.7**	**172.9**	**180.2**
Compensation of employees	**$m**			**10.8**	**14.3**	**10.5**			**25.6**	**25.9**	**23.5**

		Retail and Wholesale Trade					Transportation and Storage				
		2019	2020	2021	2022	2023	2019	2020	2021	2022	2023
Output											
Income from sale of goods and services	$m			1,053.2	1,145.7	1,255.5			42.7	38.2	42.8
(less) Purchases of finished goods	$m			839.1	851.2	969.0			0.6	0.8	2.3
Other output	$m			1.6	6.9	- 1.2			0.0	0.0	0.4
Total output	**$m**			**215.7**	**301.4**	**285.2**			**42.1**	**37.4**	**40.9**
Intermediate use											
Purchases of supplies and materials	$m			24.2	68.4	36.0			19.5	14.7	15.9
Other intermediate use	$m			39.2	59.8	57.8			4.7	3.2	3.2
Total intermediate use	**$m**			**63.5**	**128.3**	**93.8**			**24.2**	**17.9**	**19.1**
Industry value added	**$m**			**152.2**	**173.1**	**191.5**			**17.9**	**19.5**	**21.7**
Compensation of employees	**$m**			**43.1**	**47.2**	**45.3**			**7.3**	**4.9**	**5.4**

Nil or rounded to zero.

Table 3.2 Key economic data by industry, non-petroleum producing businesses, 2019-2023 cont.

		Accommodation and Food Services					Information and Communication				
		2019	2020	2021	2022	2023	2019	2020	2021	2022	2023
Output											
Income from sale of goods and services	$m			48.4	50.3	66.1			91.1	106.5	112.4
(less) Purchases of finished goods	$m			3.4	2.3	8.0			1.0	0.9	1.6
Other output	$m			1.7	0.2	0.0			0.6	6.3	-
Total output	**$m**			**46.8**	**48.3**	**58.1**			**90.7**	**111.8**	**110.8**
Intermediate use											
Purchases of supplies and materials	$m			13.9	10.2	11.8			8.8	9.5	17.2
Other intermediate use	$m			11.6	8.7	11.2			33.4	67.9	64.3
Total intermediate use	**$m**			**25.5**	**18.9**	**22.9**			**42.2**	**77.4**	**81.5**
Industry value added	**$m**			**21.2**	**29.4**	**35.1**			**48.5**	**34.4**	**29.3**
Compensation of employees	**$m**			**11.5**	**10.2**	**15.9**			**12.9**	**15.4**	**15.9**

		Financial and Insurance					Other industries				
		2019	2020	2021	2022	2023	2019	2020	2021	2022	2023
Output											
Income from sale of goods and services	$m			52.9	55.7	65.9			165.0	141.7	171.9
(less) Purchases of finished goods	$m			0.0	0.0	0.0			16.8	22.5	28.0
Other output	$m			-	0.0	-			1.1	0.8	0.1
Total output	**$m**			**52.9**	**55.6**	**65.9**			**149.3**	**120.1**	**144.1**
Intermediate use											
Purchases of supplies and materials	$m			14.0	3.9	1.2			31.1	35.1	59.7
Other intermediate use	$m			16.7	12.3	16.9			32.8	28.2	30.4
Total intermediate use	**$m**			**30.7**	**16.2**	**18.1**			**63.9**	**63.3**	**90.1**
Industry value added	**$m**			**22.1**	**39.4**	**47.8**			**85.4**	**56.8**	**54.0**
Compensation of employees	**$m**			**16.3**	**13.4**	**22.5**			**48.7**	**39.0**	**53.7**

Nil or rounded to zero.

TECHNICAL NOTES

Introduction

This publication presents results from the BAS of Timor-Leste for the 2023 reference period.

Although financial estimates relate to the full twelve months, employment estimates relate to the 15th of December 2023. As a result, estimates of wages and salaries per person employed may be affected by fluctuations in employment during the reference period.

All financial estimates in this report are in $US.

Classifications

The businesses that contribute to the statistics in this publication are classified by:

- Industry – in accordance with the International Standard Industrial Classification of All Economic Activities, Rev 4. (ISIC), 2006 edition (http://unstats.un.org/unsd/default.htm)
- Geography – Dili and the remainder of Timor-Leste under the category 'Municipalities'

Data are presented for the seven largest non-petroleum producing industries operating in Timor-Leste – 'Manufacturing', 'Construction', 'Retail and Wholesale Trade', 'Transportation and Storage', 'Accommodation and Food Services', Communication and Information, 'Financial and Insurance'. The remaining industries, as defined in ISIC, were combined into an 'Other Industries' category.

Scope

The scope for the BAS includes the non-petroleum producing business sector of Timor-Leste that actively traded during the 2022 calendar year.

The scope includes businesses whose primary income is generated from the following activities:

- Private non-financial businesses (excluding agricultural production)
- Private financial businesses
- Public non-financial and financial businesses where more than 50 percent of their revenue was generated from trading activities.
- Not-for-profit institutions earning more than 50 percent of their revenue from trading activities.

Public trading enterprises where most of their income (more than 50 percent) was generated from the direct provision of services were also in-scope of BAS.

The scope excludes the following types of businesses:

- The petroleum producing businesses that submit tax through the National Directorate of Petroleum Revenue
- General government agencies (such as administration, education, and health)
- Public trading enterprises, where most of their income was received from government transfers or payments.
- Non-businesses or non-trading enterprises (such as embassies and missions)
- The informal sector of the economy, including:
    - Subsistence agricultural production
    - Piecemeal and informal manufacturing
    - Street vendors

The BAS does not include the informal sector as there are no robust survey frames from which to survey these micro-businesses. Although this sector is expected to involve a large number of very small businesses, their collective contribution to gross domestic product is expected to be very small. Included in the informal sector are a large number of own account taxi and truck drivers, a large number of (mostly female) piecemeal manufacturing contractors and businesses in agriculture production (subsistence farming).

Survey Frame

A list frame was used for the BAS. The 2023 survey frame was used as the starting point for 2023, with updates and adjustments applied. It comprised of businesses:

- that remitted tax for the 2023 calendar year (or were expected to do so) to the National Directorate of Domestic Revenue (approximately 5,482 businesses)
- The list was obtained from the National Directorate of Treasury. Businesses on this list were included on the frame if they were not required or expected to remit tax through Domestic Revenue for the calendar year 2023.

The survey sample consisted of 3,200 businesses, of which 300 were in the completely enumerated stratum. 2,150 businesses were in Dili and 1,050 businesses in the 'other Municipalities'.

Coverage

The primary coverage source for non-petroleum producing businesses was the list of businesses as described under 'Scope' above.

Several administrative data sources were used for compiling information on the banking industry and the Public Trading Enterprises.

Statistical Unit

The statistical unit is the business or entity associated with a tax identification number (TIN) as assigned by the National Directorate of Domestic Tax. For businesses taken from the eProcurement Portal the statistical unit is the vendor identification.

Survey Design

A stratified simple random sample was used to despatch to 3,177 businesses from a total survey frame count of about 7,500 businesses. This resulted in 2,717 responses.

Stratified number raised estimation was used for the BAS. Weights were applied to businesses that participated in the survey to account for those businesses that were either not surveyed or did not participate in the survey.

Questionnaire Strategy

A two-questionnaire strategy was adopted to limit the reporting load on small businesses. A long questionnaire consisting of 34 questions was used for larger businesses operating in Dili, while a short questionnaire of 21 questions was used for all other businesses.

The content of the long questionnaire included finer level breakdowns of income, expenses, inventories and capital acquisition and disposal of assets. This additional content is considered essential for compiling detailed national accounting aggregate data (see attached questionnaire).

Rounding

Where figures have been rounded, discrepancies may occur between totals and the sums of the component items. Proportions, ratios and other calculated figures shown in this publication have been calculated using unrounded estimates and may be different from, but are more accurate than, calculations based on the rounded estimates.

Estimates of employment have been rounded to the nearest 100 persons. Estimates of average wages per employee have been rounded to the nearest $100.

GLOSSARY

Accommodation and food services

Accommodation and food services refers to the industry defined under 'Section I– Accommodation and food service activities' of the International Standard Industrial Classification of All Economic Activities, Revision 4.

This industry includes the provision of short-stay accommodation for visitors and other travelers and the provision of complete meals and drinks fit for immediate consumption.

Average wages per employee

Average wages are a measure of the average annual cash wages and salaries paid by businesses to persons working for that business.

Average wages per employee is defined as wages and salaries *divided by* total employment.

Capital expenditure

Capital expenditure refers to the expenditure on capital assets.

Capital expenditure includes expenditure on:

- land
- dwellings
- other buildings and structures
- plant, machinery and equipment
- motor vehicles

Capitalised purchases of materials

Capitalised purchases of materials refer to capitalised purchases of goods for use in capital work done by the employees or proprietors of a business, for the business' own use.

Capitalised wages and salaries

Capitalised wages and salaries refer to capitalised payments for work done by own employees in manufacturing, constructing, installing or repairing assets.

Change in inventories

Change in inventories is equal to the value of total inventories at the end of the reference period, *less* the value of total inventories at the start of the reference period.

Change in inventories is defined as:

- closing inventories of raw materials
- *plus* closing inventories of work in progress
- *plus* closing inventories of finished goods
- *less* opening inventories of raw materials
- *less* opening inventories of work in progress
- *less* opening inventories of finished goods

Change in inventories of finished goods

Change in inventories of finished goods is equal to the value of inventories of finished goods at the end of the reference period, *less* the value of inventories of finished goods at the start of the reference period.

Inventories of finished goods include goods, merchandise and trading stock that are bought with the intention of resale, without transformation.

Change in inventories of raw materials

Change in inventories of raw materials is equal to the value of inventories of raw materials at the end of the reference period, *less* the value of inventories of raw materials at the start of the reference period.

Inventories of raw materials include supplies and materials used as inputs, by a business, in producing goods and services.

Change in inventories of work in progress

Change in inventories of work in progress is equal to the value of inventories of work in progress at the end of the reference period, *less* the value of inventories of work in progress at the start of the reference period.

Inventories of work in progress include manufacturing and construction projects that have commenced but are not completed at the end of the reference period.

Construction

Construction refers to the industry defined under ‘Section F – Construction’ of the International Standard Industrial Classification of All Economic Activities, Revision 4.

This industry includes general construction and specialized construction activities for buildings and civil engineering works. It includes new work, repair, additions and alterations, the erection of prefabricated buildings or structures on the site and also construction of a temporary nature.

Compensation of employees

Compensation of employees (COE) is a measure of the total remuneration, in cash or in-kind, payable by a business to an employee in return for work done by the employee during the accounting period.

COE is defined as:

- wages and salaries
- *plus* non-wage benefits
- *plus* capitalised wages and salaries

Dili

Dili refers to the district of Dili, including the island of Atauro.

Municipalities

Municipalities refer to all 12 municipalities in Timor-Leste outside of Dili. This includes the municipalities of Ainaro, Aileu, Baucau, Bobonaro, Covalima, Ermera, Liquica, Lautem, Manufahi, Manatuto, Oecusse and Viqueque.

Employment

Employment refers to all employees on the payroll on 15 December 2023. Employees absent on paid or prepaid leave and owners of the business who also work for the businesses are included. This item includes both Timorese and foreign nationals.

Financial and Insurance

Financial and Insurance refers to the industry defined under 'Section K – Financial and insurance activities' of the International Standard Industrial Classification of All Economic Activities, Revision 4.

This industry includes financial service activities, including insurance, reinsurance and pension funding activities and activities to support financial services. It also includes the activities of holding assets, such as activities of holding companies and the activities of trusts, funds, and similar financial entities.

Income from sale of goods and services

This item includes both income from the sales of goods and income from the provision of services.

Income from the sale of goods includes income from the sale of goods:

- not produced (e.g. imported goods, retail or wholesale sales)
- produced (e.g. goods manufactured)

Income from the provision of services includes:

- income generated from restaurant and hotel operations
- income from accounting, legal service or consulting services
- income from repair and maintenance services
- rent leasing and hiring income
- management fees and charges
- installation charges (e.g. air conditioning installation)
- income from construction services
- income from transport services
- bank fees and bank charges
- other income from the provision of services

Income from sales of goods and services excludes interest income and the profit on the sale of assets.

Industry value added

Industry value added (IVA) is a measure of industry contribution to a national economy. It represents the value added by an industry to the intermediate inputs used by the industry. IVA is calculated as the difference between the market value of the output of an industry (output) and the purchases of materials and expenses incurred in the production of that output (intermediate use).

IVA is defined as output *less* intermediate use.

Intermediate use

Intermediate use is a measure of the value of inputs required by an industry to produce that industry's outputs.

Intermediate use is defined as:

- purchases of supplies and materials
- *plus* other intermediate expenses
- *plus* capitalised purchases of materials
- *less* change in inventories of raw materials

Intermediate use does not include any labour costs or any other remuneration payable to employees. It also excludes bad and doubtful debts, interest expenses and depreciation and amortisation.

Labour costs

Labour costs are defined as wages and salaries *plus* non-wage benefits.

Manufacturing

Manufacturing refers to the industry defined under 'Section C – Manufacturing' of the International Standard Industrial Classification of All Economic Activities, Revision 4.

This industry includes the physical or chemical transformation of materials, substances or components into new products.

Non-wage benefits

Non-wage benefits are the estimated costs of providing in-kind and non-cash remuneration to employees in return for labour. Examples include meals provided to employees or an employee's private use of a business's motor vehicle.

Other expenses

Other expenses refer to all expenses other than labour costs and the purchases of supplies, materials and finished goods. Other expenses exclude capitalised expenditure, but includes.

- contract, subcontract and commission expenses
- rent, leasing and hiring expenses
- telecommunication services

- payments for electricity
- transportation and storage services
- printing and marketing services
- legal and accounting services
- bad and doubtful debts
- depreciation and amortisation
- interest expenses
- other payments for services

In contrast other intermediate expenses do not include bad and doubtful debts, interest expenses and depreciation and amortization.

Other income

Other income includes all income other than income from the sales of goods and income from the provision of services.

Other income includes:

- interest income
- income from the sale of assets
- donations

Other industries

Other industries refer to all industries other than ‘Manufacturing’, ‘Construction’, ‘Retail and Wholesale Trade’, ‘Transportation and Storage’, ‘Accommodation and Food Services’ and ‘Financial and Insurance activities’ Information and Communication.

Other industries are defined as being the industries that make up the following sections of the International Standard Industrial Classification of All Economic Activities, Revision 4:

- A Agriculture, forestry and fishing
- B Mining and quarrying
- D Electricity, gas, steam and air conditioning supply

- E Water supply; sewerage, waste management and remediation activities
- J Information and communication
- L Real estate activities
- M Professional, scientific and technical activities
- N Administrative and support service activities
- P Education
- Q Human health and social work activities
- R Arts, entertainment and recreation
- S Other service activities

As the petroleum producing industry of Timor-Leste is out of scope of this survey, estimates of other industries are exclusive of petroleum producing businesses.

Other intermediate expenses

Other intermediate expenses are the value of inputs used by an industry in creating outputs other than purchases of supplies and materials.

Other intermediate expenses are defined as:

- other expenses
- *less* bad and doubtful debts
- *less* interest expenses
- *less* depreciation and amortisation

Other intermediate expenses <u>exclude</u> capitalised expenditure.

Other intermediate use

Other intermediate use refers to all intermediate use other than purchases of supplies and materials.

Other output

Other output refers to all output other than income from the sales of goods and income from the provision of services.

Output

Output is a measure of the market value of production in an industry. It includes the value of goods produced by an industry, *plus* the value of services provided by an industry, *plus* the margin on goods resold by an industry.

Output is defined as:

- income from the sale of goods and services
- *less* purchases of finished goods
- *plus* change in inventories of finished goods
- *plus* capitalised purchases of materials
- *plus* capitalised wages and salaries
- *plus* change in inventories of work in progress

Profit

Profit is a measure of operating profit (or loss) during the reference period. Profit is derived as:

- total income
- *less* total expenses
- *plus* change in inventories

Purchases of finished goods

Purchases of finished goods are purchases of goods, merchandise and trading stock that are bought with the intention of resale, without transformation. Purchases of finished goods are the major cost incurred by businesses in the 'Retail and Wholesale Trade' industry.

Purchases of finished goods exclude purchases of supplies and materials, payments for services and capitalised purchases.

Purchases of supplies and materials

Purchases of supplies and materials are the cost of non-capitalised goods used in the production of the output of a business.

Purchases of supplies and materials include:

- raw materials used in manufacturing and construction
- foodstuffs for use in preparing meals and take away food

- parts and fuels for motor vehicles
- guest supplies for use in hotel rooms
- other purchases of supplies and materials

Purchases of supplies and materials exclude purchases of finished goods and trading stock that are resold without transformation. It also excludes contract, subcontract and commission expenses, payments for services and capitalised purchases.

Purchases of supplies, materials and finished goods

Purchases of supplies, materials and finished goods are defined as purchases of supplies and materials *plus* purchases of finished goods.

Retail and wholesale trade

Retail and wholesale trade refers to the industry defined under 'Section G – Wholesale and retail trade; repair of motor vehicles and motorcycles' of the International Standard Industrial Classification of All Economic Activities, Revision 4.

This industry includes wholesale and retail sales (that is, sales without transformation) of any type of goods and the provision of services incidental to the sale of these goods. Also included in this industry are the repair of motor vehicles.

Transportation and Storage

Transportation and Storage refers to the industry defined under 'Section H – Transportation and Storage' of the International Standard Industrial Classification of All Economic Activities, Revision 4.

This industry includes the provision of passenger or freight transport by rail, pipeline, water or air and associated activities such as terminal and parking facilities, and cargo handling and storage. It also includes postal and courier activities.

Wages and salaries

Wages and salaries refer to the cash wages and salaries paid to employees of the business in return for labour.

QUESTIONNAIRE

A questionnaire was used to collect data on individual businesses operating in Timor-Leste. A two-questionnaire strategy was used to collect these data. Specifically, a long questionnaire was used to collect business activity from the largest businesses operating in Dili. A shorter questionnaire was used for all other businesses to reduce reporting burden imposed on the smaller operations.

Attached is a copy of the long questionnaire. Please note, not all data collected were directly published. They were used in the compilation of higher-level aggregate data or were not of sufficient quality to publish.

BAS ID: | | | | | | | |

The Democratic Republic of Timor-Leste

BUSINESS ACTIVITY SURVEY 2023

Business Questionnaire_L

PART 1 BUSINESS IDENTIFICATION	
1. TIN	
2. Business Name	
3. Municipality	
4. Sub- Municipality	
5. Suco/Village	
6. Location (e.g. Geocode, location to landmark)	
7. Name of person completing this form	
8. Contact telephone	or
9. E-mail	

PART 2 ENUMERATION PARTICULARS (Office use only)				
Description	Interviewer	Field Supervisor	Office Editor	Data Entry
1. Name				
2. Code				
3. Date Finalized	(......./......./.......) (Day/Month/Year)	(......./......./.......) (Day/Month/Year)	(......./......./.......) (Day/Month/Year)	(......./......./.......) (Day/Month/Year)
4. Signature				
5. Status Visit	Visit Status 1	Visit Status 2	Visit Status 3	
(Insert code)				

Purpose of Collection
The Business Activity Survey will provide key measures of the performance of Timor-Leste industries. These data will be used in the compilation of Timor-Leste National Accounts aggregates. The results will be used by analysts to address policy issues and to monitor actual changes in the operation, structure and performance of Timorese businesses.

Collection Authority
The information asked for is collected under the authority of the Democratic Republic of Timor-Leste Government, Decree-Law No. 17/2003 (1st October 2003). Your co-operation is sought in completing and returning this form by the due date. The Act provides me with the power, if needed, to direct you.

Confidentiality
Your completed form remains confidential to the General Directorate of Statistics.

Due Date
Please complete this form by ☐☐ / ☐☐ / 2024.

Day Month

Elias dos Santos Ferreira
President
National Institute of Statistics, I.P

PART 3 GENERAL INFORMATION

1. Period covered by financial data on this form

Note
- *This form is for the period 1 January 2023 to 31 December 2023*

(a) Did your business operate for the entire period? (Tick one)

Yes ☐ Go to Question 2

No ☐ The period covered ☐☐ / ☐☐ / 2023 to ☐☐ / ☐☐ / 2023

Day Month Day Month

(b) If No, why didn't your business operate for the entire period?

New business ☐

Ceased operation during the year ☐

Other (Please specify) ☐

2. Business Type

Note
- *Not-for-profit institutions (NPIs) include businesses that derive income from government funding, donations, sponsorships, membership fees and fundraising income (e.g., Non-Government Organizations (NGOs), charities)*

(a) Is this a not-for-profit institution (NPI)?

No ☐ Go to Question 3

Yes ☐

(b) If Yes, what is your main activity (e.g. education)?

Is 50% or more of your revenue from trading activities? *(Tick one):*

Yes ☐

No ☐

3. Business Ownership

Note

- *Foreign ownership is when a business is partly or fully owned by an individual or business which is NOT a resident of Timor-Leste*

	Male (i)	Female (ii)	**Total (i) + (ii)**
(a) Total number of directors/owners			

(b) Is any proportion of the business foreign owned?

No ☐ Go to Question 4

Yes ☐

(c) (i) What proportion of the business is foreign owned? ☐ %

(ii) Which country is the main source of foreign ownership? ☐

(iii) Did your company receive any equity funds (cash) from a foreign owner in 2023?

No ☐ Go to Question d

Yes ☐

If yes, how much? $ _ _ _ . _ _ _ . _ _ _ , 0 0

(d) Did your company receive any debt funds (loans, debt securities) from a foreign owner in 2023?

No ☐ Go to Question e

Yes ☐

If yes, how much? $ _ _ _ . _ _ _ . _ _ _ , 0 0

(e) How much money from your profits did you send back to a foreign owner?

$ _ _ _ . _ _ _ . _ _ _ , 0 0

(f) What was the market or net asset value of your company at the end of 2023?

$ _ _ _ . _ _ _ . _ _ _ , 0 0

4. Indicate the activity from which this business/organization derives its main income

Note
- *Choose the activity that derived the most income in 2023*

Please tick one box only for Q4

Agriculture, forestry and fishing ☐

Include
- *Growing and harvesting of crops (e.g. coffee beans, vegetables, maize, bamboo); seaweed and fish farming; chicken and egg production; other animal production (e.g. beef, buffalo, pigs)*

Mining and quarrying ☐

Include
- *Sand, stone and clay quarrying*

Manufacturing ☐

Include
- *Manufacturing of food products (e.g. coconut oil, coffee, maize and bakery products), textiles (e.g. tais), tailors, wood products (e.g. furniture), metal products (e.g. tanks), building materials (e.g. roofs, bricks); repair and installation of machinery and equipment; printing; recording studios*

Exclude
- *Repair of computers and personal household goods (include in other activities)*

Water supply, sewerage, waste management and remediation activities ☐

Include
- *Water collection, treatment and supply; disposal and waste management services*

Exclude
- *Supply of water and waste material (include in Retail trade)*

Construction ☐

Include
- *Construction of buildings, roads, bridges etc.; civil engineering; carpentry; electrical, plumbing and other construction installation activities*

Exclude
- *Supply of construction materials (include in Wholesale trade)*

Wholesale trade ☐

Include
- *Import/export; local wholesale trade; supply of construction materials to construction companies*

Retail trade ☐

Include

- *Suppliers of food and drink products (e.g. supermarkets and corner stores); construction materials (e.g. hardware stores); electricity materials; water and waste material; pharmaceuticals (e.g. pharmacy); sale of motor vehicles and motor cycles*

Maintenance and repair of motor vehicles and motor cycles ☐

Accommodation ☐

Include

- *Short term accommodation activities (e.g. hotels/motels, guest houses, apartment hotels, bed and breakfast, youth hostels, backpackers and camping grounds)*

Exclude

- *Renting and leasing of flats or apartments for permanent use (monthly or annual basis) (include in Real estate activities)*

Food services ☐

Include

- *Restaurants, cafes, bars and event catering services*

Transport and storage ☐

Include

- *Land transport (e.g. buses, trucks); water transport (e.g. sea port, water taxis); air transport (e.g. airport and airlines); warehousing and storage; freight forwarding and courier services*

Information and communication ☐

Include

- *Telecommunication; TV and radio broadcasting and production; newspaper publishing activities; computer programming and consultancy*

Financial and insurance services ☐

Include

- *Financial activities and banking; insurance services; pawn/loan shops*

Real estate activities ☐

Include

- *Buying, selling renting and leasing of houses, flats or apartments for permanent use (monthly or annual basis) and non-residual buildings (e.g. warehouses, shopping malls)*
- *Management of real estate on a fee or contract basis*

Professional, scientific and technical activities ☐

Include

- *Legal and accounting services; management consultants; architectural and engineering activities; scientific research; veterinary*

Exclude

- *Civil engineering (include in Construction activities)*

Administrative and support service activities ☐

Include

- *Rental and leasing activities (e.g. motor vehicles, personal and household goods, machinery and equipment); employment agencies; travel agencies; tour operators; security services; services to buildings (e.g. cleaning); office support*

Exclude

- *Rental and leasing of apartments and flats*

Education ☐

Include

- *Language schools; international schools; training centers*

Human health and social work activities ☐

Include

- *Medical centers; doctors surgeries; physiotherapists; chiropractors; dentists*

Arts, entertainment and recreation ☐

Include

- *Movie theatre, gambling activities, fitness centers, diving activities*

Other activities (please specify) ☐

Include

- *Repair of computers; repair and maintenance of personal household goods (e.g. air conditioners); hair salons*

Please describe the activity had been doing from this business

PART 4 EMPLOYMENT at 15 December 2023

Note

- *If there was no employment at 15 December 2023 report zero*
- *Full- time: Employees who worked 37.5 hours or more per week*
- *Part- time: Employees who worked less than 37.5 hours per week*

Include

- *Directors/owners/proprietors of the business*
- *Employment for all businesses operating under this TIN*
- *Casual workers*

5. Number of persons working for this business/organization as at 15 December 2023

	Male (i)	Female (ii)	**Total** (i) + (ii)
(a) Timorese nationals: Full-time			
(b) Timorese nationals: Part-time			
(c) Foreign employment: Full-time			
(d) Foreign employment: Part-time			
Total number of persons (a) + (b) + (c) + (d)			

PART 5 INCOME in 2023

Include

- *Income for all businesses operating under this TIN during 2023*
- *Payments received for Government for contract work*

6. Sales of goods

Include

- *Payments received for Government contract work*

Exclude

- *Income from sales of assets (report in Part 8)*

(a) Produced by this business

Include

- *Goods manufactured, assembled, grown, mined or extracted*

												.	0	0

(b) **Not** produced by this business

Include

- *Goods resold to the customer without any change to the good (e.g. retailing, wholesaling, importing/exporting)*

$			.				.					,	0	0

7. Income from Services

Include

- *Payments received for Government contract work*
- *Income from restaurant and hotels operations*
- *Building and construction consulting service fees*
- *Repair and service income and fees*
- *Rent, leasing and hiring income*
- *Transportation fees*
- *Contract, sub-contract and commission income (excluding income received for Government contract work)*
- *Other operational income*

Exclude

- *Interest income (include in Q9)*
- *Income from royalties (include in Q10)*

$			.			.			,	0	0

8. Does this activity operate in Dili or Municipality?

(Indicate for business which type of activity construction, manufacturing, and transport)

Dili ☐ Municipality ☐

9. Interest Income

Include

- *Interest from loans and advances made to related and unrelated businesses or individuals*
- *Interest from banks and finance leases*

Exclude

- *Interest on capital repayments received*

$			.			.			,	0	0

10. Other income

Include

- *ONLY 'Other income' for businesses operating under this TIN*
- *Income from royalties*
- *Income from prizes and lotteries*
- *Net profit (loss) from variations in foreign exchange rates*
- *Net profit (loss) from share trading*
- *Net profit (loss) from sale of other assets including sale/transfer of property used for business purposes*
- *Donations*
- *Dividend income*

Exclude

- *Interest on capital repayments received*

$ . . , 0 0

Specify the amount and description of the two largest items included in 'Other income'

(a) $ . . , 0 0

(b) $ . . , 0 0

11. Total income for 2023

Note

- *Sum of Questions 6 to 10*

Exclude

- *Responses to Q10(a) and Q10(b) in this total*

$ . . , 0 0

12. Total income for 2022

Note

- *If this business was trading in 2022, provide income details for the sum of all income items in Q11*

$ . . , 0 0

PART 6 EXPENSES in 2023

Note

- *Capital expenses should be reported in Part 8*
- *Capital expenses are purchases of goods which generally have a life span longer than 12 months and can be depreciated/amortized for tax purposes (e.g. heavy machinery, construction equipment and computers)*
- *Ensure expenses reported are for the full year*

Include

- *Expenses for all businesses operating under this TIN during 2022*

Exclude

- *Import duties paid on purchases and taxes paid*

13. Labour Costs

Include

- *Labour costs of directors/owners/proprietors, executives, staff and employees*

(a) Salaries and wages for Timorese nationals

Include

- *Salaries, wages and bonuses paid*

$ _ _ _ . _ _ _ . _ _ _ , 0 0

(b) Salaries and wages for foreign workers

Include

- *Salaries, wages and bonuses paid*

$ _ _ _ . _ _ _ . _ _ _ , 0 0

(c) Non-wage benefits

Note

- *Non-wage benefits are non-cash benefits payable to persons employed in the business (e.g. Meals provided to employees during overtime work)*

$ _ _ _ . _ _ _ . _ _ _ , 0 0

14. Purchases

(a) Purchases of trading stock (excluding fuel)

Include

- *Finished goods purchased and sold without any transformation*
- *Goods for retail, wholesale and importing activity*

i. Directly imported	$ . . ,00
ii. From a local wholesaler	$ . . ,00
iii. From a local retailer	$ . . ,00

(b) Purchases of supplies and materials (excluding fuel and electricity)

Include

- *Purchase of goods used in the business production process*
- *Purchase of materials, components, containers and packaging material*
- *Computer software purchases*
- *For example, construction and manufacturing supplies and materials; office supplies; restaurant and accommodation supplies; mechanical supplies (e.g. spare parts for repair and maintenance)*

Exclude

- *Payments made to contractors and sub-contractors and commission payments (include in Q16)*
- *Change in inventories (include in Part 7)*
- *Capital expenses (include in Part 8)*

i. Directly imported	$ . . ,00
ii. From a local wholesaler	$ . . ,00
iii. From a local retailer	$ . . ,00

(c) Purchases of fuel

i. Directly imported	$ . . ,00
ii. From a local wholesaler	$ . . ,00
iii. From a local retailer	$ . . ,00

(d) Purchases of electricity $ . . ,00

15. Payments to other businesses for the provision of labour

Include
- *Payments made to other businesses for arranging/using labour for this business (e.g. an employment agency)*

Exclude
- *Payments made to contractors and sub-contractors and commission payments (include in Q16)*

$				.				.				,	0	0

16. Contractor, sub-contractor and commission payments and expenses

Include
- *Payments made to individuals or businesses for services provided under contract*

$				.				.				,	0	0

17. Communication expenses

Include
- *Expenditure relating to the use of telephones, mobile phone and internet connections for business use*

$				.				.				,	0	0

18. Rent and lease expenses paid on land, buildings and equipment

Include
- *Rent paid on land and/or buildings for business use*
- *Finance and operating leases on plant and equipment including motor vehicles*

$				.				.				,	0	0

19. Interest expenses

i. Payments to a local bank (ANZ, Mandiri, BNCTL, BNU)	$			.			.			,	0	0
ii. Payments to another company or business	$			.			.			,	0	0
iii. Payments to another recipient (Please specify) ______	$			.			.			,	0	0

20. Depreciation and amortization

Note

- *Report as per your Annual Income Tax Form 2023 'Tax deductible depreciation' plus 'Tax deductible amortization of intangibles'*

Include

- *Depreciation and amortization of assets that have a useful life exceeding one year.*
- *Depreciation on tangible assets for taxation purposes (e.g. Capital assets)*
- *Depreciation of finance lease assets operated by the business*
- *Amortization of intangible assets for taxation purposes*

$ _ _ _ . _ _ _ . _ _ _ , 0 0

21. Bad and doubtful debts

Note

- *Report as per your Annual Income Tax Form 2017 'Tax deductible bad debts'*

$ _ _ _ . _ _ _ . _ _ _ , 0 0

22. Repair and Maintenance

Include

- *Repair and maintenance of plant, machinery, equipment and property, including motor vehicles*

$ _ _ _ . _ _ _ . _ _ _ , 0 0

23. Insurance premiums

i. Motor vehicles $ _ _ _ . _ _ _ . _ _ _ , 0 0

ii. Buildings $ _ _ _ . _ _ _ . _ _ _ , 0 0

iii. Other (Please specify) ____________ $ _ _ _ . _ _ _ . _ _ _ , 0 0

24. Other expenses

Include

- *Research and development expenses*
- *Scholarship, apprenticeship and training costs*
- *Marketing expenses*
- *Transport expenses*
- *Royalties*
- *Bank charges*
- *Computer software installation and license fees*

Exclude

- *Loss from variations in foreign exchange rates (include in Q10)*
- *Loss from share trading (include in Q10)*
- *Loss from sale of other assets including sale/transfer of property used for business purposes (include in Q10)*

$ . . , 0 0

Specify the amount and description of the two largest items included in 'Other expenses'

(a) $ . . , 0 0

(b) $ . . , 0 0

25. Total expenses for 2023

Note

- *Sum of Questions 13 to 24*

Exclude

- *Responses to Q24(a) and Q24(b) in this total*

$ . . , 0 0

26. Total expenses for 2022

Note

- *If this business was trading in 2022, provide expense details for the sum of all expense items in Q25*

$ . . , 0 0

PART 7 INVENTORIES in 2023

27. Inventories

Note

- ***Opening inventories refer to the amount of stock held by the business on 1 January 2023***
- *Opening inventories on 1 January 2023= Closing inventories on 31 December 2022*
- ***Closing inventories refer to the amount of stock held by the business on 31 December 2023***

	Opening (1 January 2023) (i)	Closing (31 December 2023) (ii)
(a) Raw materials	***Include*** *Materials used in production; Containers and packaging*	
	$ _ _ _ . _ _ _ . _ _ _ . 0 0	$ _ _ _ , _ _ _ , _ _ _ . 0 0
(b) Work in progress	***Include*** *Items being manufactured or constructed from stocks owned by the business (whether undertaken by this or any other contracted businesses) but not yet completed; Services provided by the business (whether undertaken by this or any other contracted businesses) but not yet completed; Work not billed at the end of the year*	
	$ _ _ _ . _ _ _ . _ _ _ , 0 0	$ _ _ _ . _ _ _ . _ _ _ , 0 0
(c) Finished goods	***Include*** *Trading stock; Items manufactured or processed from stocks owned by the business (whether undertaken by this or any other contracted businesses)*	
	$ _ _ _ . _ _ _ . _ _ _ , 0 0	$ _ _ _ . _ _ _ . _ _ _ , 0 0
Total (a) + (b) + (c)	$ _ _ _ . _ _ _ . _ _ _ , 0 0	$ _ _ _ . _ _ _ . _ _ _ , 0 0

PART 8 CAPITAL EXPENSES AND DISPOSAL OF CAPITAL ASSETS in 2023

Note
- *Capital assets are large or expensive items used repeatedly and should be reported in Part 7*
- *Examples include land, dwellings and structures, motor vehicles, other transport vehicles and equipment, industrial machinery and equipment, furniture, electronic equipment including computers, and office equipment*

28. Purchases of land, dwellings & other structures

$			.			.			,	0	0

29. Direct imports of capital goods assets

Include
- *Capital assets imported directly into Timor-Leste by the business*
- *Examples include vehicles, machinery and other equipment*

$			.			.			,	0	0

30. Purchases of other capital assets

Include
- *Capital assets purchased directly from a retailer or wholesaler (or the importer) in Timor-Leste*
- *Examples include vehicles, machinery and other equipment*

$			.			.			,	0	0

31. Capitalized wages and salaries

Note
- *This refers to the value of work undertaken by own employees to improve the value and/or productivity of the assets of the business – own account work*

$			.			.			,	0	0

32. Capitalized purchases of materials

Note
- *This refers to the value of materials purchased to improve the value and/or productivity of the assets of the business – own account work*

$			.			.			,	0	0

33. Disposal/sale of land, dwellings and other structures

Note
- *Report the proceeds from sale of land, dwellings and other structures*

$			.			.			,	0	0

34. Disposal/sale of capital assets

Note
- *Report the proceeds from sale of capital assets*
- *Examples include vehicles, machinery and other equipment*

$			.			.			,	0	0

Notes:

ACKNOWLEDGEMENT

The BAS publication draws extensively on information provided freely by individuals, businesses, government, and other organizations. Their cooperation is very much appreciated; without it, the range of statistics published by the INETL would not be available. Information received by the INETL is treated in strict confidence as required by the Decree Law 17/2003 (1st October 2003).

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