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1. PROGRAM BASED BUDGET DEVELOPMENT;
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DEVELOPMENT OF PROGRAM BASED BUDGET

- 2015: Program based budgeting initiated
- 2020: State Budget 2021 fully presented by programs (Total 145 Programs)
- 2021: Program Structure Rationalization for 2022 State Budget (from 145 to 43 programs)
OBJECTIVE OF PROGRAM STRUCTURE RATIONALIZATION

1. To ensure benefit of programs to the population;
2. To promote strategic investments;
3. To ensure efficient and effective public services;
4. To ensure linkage between budget and program activities’ objectives, targets, outputs and outcomes;
5. To facilitate monitoring & evaluation of program implementation and budget execution;
6. To ensure transparency and accountability.
COMPOSITION OF PROGRAM STRUCTURES FOR 2022 BUDGET

- Total Programs for State Budget 2022:
  - 43 programs, composed of:
    - Strategic Development Plan (SDP) Program Structure (31 Programs):
      - Economic Development = 9 Programs;
      - Social Capital including Human Capital Development Fund (HCDF) = 8 Programs;
      - Infrastructure Development = 6 Programs
      - Institutional Strengthening = 8 Programs
    - Autonomous Institutions Program Structure (12 Programs).
- Details programs are provided in next slides:
SDP SECTORAL (27) + HCDF (4) PROGRAMS = 31

- Administrative Decentralization and Local Power
- State Reforms
- National Security
- National Defence
- Access to Justice
- RDTL Foreign Policy
- Good Governance and Institutional Management
- Contingency

- Education & Training
- Health
- Gender Equality and Social Inclusion
- Culture and Heritages
- Human Capital Development Fund (HCDF) Programs
  - Professional Training
  - Technical Training
  - Scholarships
  - Other Types of Training

- Roads and Bridges
- Telecommunications
- Water and Sanitation
- Electrical Energy
- Airports
- Ports

- State/Public Finance
- Investment & Economic Diversification
- Territorial Planning and Urban & Rural Development
- Tourism
- Agriculture
- Management of Petroleum and Mineral Resources
- Transports
- Investment of ZEESM
- Environment Protection

- Economic Development (9)
- Social Development (4+4=8)
- Infrastructure Development (6)
- Institutional Strengthening (8)
OTHER PROGRAMS (12)

- National Identity
- Democratic rule of law
- International and diplomatic relations
- Sustainable Development

- Ensure the exercise of the constitutional functions of parliament
- Promote a culture of openness and transparency in parliament;
- Fostering International Relations and Parliamentary Cooperation

- Ensure Permanent Territorial and Maritime Boundaries with Indonesia
- Establish the Maritime Borders Office as a Centre of Excellence on Maritime Borders and Maritime Jurisdiction of Timor-Leste - Blue Economy
- Human Rights and Good Governance

- Bringing the Courts Services closer to the Population
- Ensuring freedom of expression and access to information
Government theme for 2022 budget is “Quality, sustainable and inclusive growth budget”;

In yellow road workshop 29th June 2021 for budget 2022, government decided 6 priorities, namely:

- Social Capital Developments (Education, Training and Health);
- Housing and Social Inclusion;
- Productive Sector Developments (Agriculture and Tourism), Environment and Connectivity;
- Private Sector and Cooperative Development
- Rural Development;
- Good Governance.
GOVERNMENT PRIORITIES FOR 2022 BUDGET (1)

Social Capital Development
- Education, Training
- Health

Housing & Social Inclusion
- Housing
- Access to clean water, basic sanitation, etc.

Productive Sector Development, Environment and Connectivity
- Agriculture, community based tourism
- Environment
- Connectivity: fiber optic installation, port, airport, roads, etc.
## GOVERNMENT PRIORITIES FOR 2022 BUDGET (2)

<table>
<thead>
<tr>
<th>Category</th>
<th>Priorities</th>
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| **Private Sector and Cooperative Development** | • Conditions for private sector development  
• Cooperatives                                                                   |
| **Rural Development**             | • PNDS program  
• PDIM projects                                                                 |
| **Good Governance**               | • Introduction of entities Medium Term Plans  
• Continuation of 4 pillar reforms (Administrative, judiciary, economic and public finance) |
Conclusion: The VIII Constitutional Government is committed to improving the linkage between budget and its program by rationalizing the program structure which will lead to expenditure rationalization as well as improvements in transparency and accountability;

Recommendation: Development partners are encouraged to assist in implementing government programs and priorities set for 2022.
THANK YOU!