Update on Progress

- The Government of Timor Leste (GTL) submitted a draft Compact proposal to MCC in February 2007 that included investment proposals in the transportation, power, and water/sanitation sectors, vocational education and skills training, and a complementary private sector development component.

- An MCC delegation visited Timor Leste in March 2007 and requested GTL to conduct wider public consultations and to consider a tighter focus for its proposal. GTL is also planning to conduct technical analysis on the proposed projects, and to examine options for implementation arrangements, taking into account limited capacity of line ministries. Parliamentary elections were held in June 2007 followed by the formation of a new Government in August 2007, which was accompanied by civil unrest.

- Further progress on the proposal and Compact is to be determined by the new Government’s selection of a MCC point of contact and formation of a team.

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*World Development Indicators, World Bank, 2005*