General State Budget for 2018 approved in the National Parliament with a large majority

The General State Budget (OGE) for 2018 was approved today, September 7, in the National Parliament with 42 votes in favor, 9 against and 14 abstentions. The approved budget has a total amount of US $1,279.6 million, distributed mainly in the categories of Wages and Salaries, US $200.312 million, Goods and Services, US $ 421.666 million, Public Transfers, US $261.925 million, Minor Capital, with $3.659 million, and Development Capital (including the Infrastructure and Loans Fund), with $392.037 million.

The initial budget proposal presented by the Government was generally approved without any vote against it on the 29th of August. Following the question and debate session on various issues, Members tabled 99 amendments for the consideration of the National Parliament.

Following the general vote, Prime Minister Taur Matan Ruak thanked members of the National Parliament for their “serious, constructive and committed participation” during the debate on the State Budget for 2018.

The proposal for the General State Budget Law was delivered to the President of the National Parliament, Arão Noé Amaral, by the Minister for Legislative Reform and Parliamentary Affairs, Fidelis Leite Magalhães and the acting Minister of Finance, Sara Lobo Brites, on 7 August 2018, accompanied by a request from the Prime Minister to give the bill the “highest priority and urgency in its discussion and approval”.

Taur Matan Ruak, in his address to the National Parliament, stressed that the preparation of the GSB proposal “took place under relative difficult conditions, taking into account the need to ensure that it was presented, as fast as possible, in just under 60 days after the swearing in of Government, saying this urgency was justified “not only because of the need to secure the financial and budgetary resources necessary for the good provision of public services, but also to restore, without further delay, confidence in our economy, especially to the private sector that is more dependent on investment or expenses of the State”.

The General State Budget for 2018 shows a saving of USD 107.226 million compared to the value of the 2017 Budget and US $663 million compared to the 2016 Budget. The now approved Budget will allow normal budgetary execution to be restored and allow that priority needs be met, favoring the resumption of economic growth, providing conditions for the installation of the VIII Government and for launching the bases for the implementation of the governance program approved by the National Parliament on July 27, 2018.

The Government Program summarizes the main public policies to be adopted to reinforce and optimize the sectors of governance and their resources, shortening the road map to transform the 2030 vision into reality and is based on five key areas for the future of the country:

In the sector of social capital development, the program presents a package of measures to maximize
its potential, promoting inclusion, empowerment, qualification and health;

In the sector of **Infrastructure development**, considered crucial for economic and social development, the Government intends to implement a quality infrastructural network, with a guarantee of cost-effectiveness so as to sustain productivity, job creation and development the private sector;

In the sector of **economic development**, the program presents measures for its modernization and diversification, boosting the productive sectors around three essential industries – agriculture, tourism and oil – with measures that stimulate creativity, innovation, entrepreneurship, enabling increased income opportunities, improved productivity, the ability to generate wealth and the creation of new markets;

In the sector of **Government Consolidation**, the Government proposes to continue investing in strategic planning for a modern and diversified economy, with the goal of creating 60,000 new jobs per year, reducing poverty by 10% and 7%, increasing the contribution of the private and productive sectors, and enabling fiscal sustainability.

In the sector of **Good Governance and anti-corruption**, the program proposes to implement mechanisms for evaluating, performing and promoting the principles of transparency, accountability, integrity and leadership, to increase trust in governance and increase the competence and efficiency of the public sector.

The 2018 General State Budget Law will now be presented to the President of the Republic, Francisco Guterres Lú Olo, for promulgation.

Taur Matan Ruak during the debate in the National Parliament stated that this Budget will “provide the Government with the financial and budgetary conditions necessary to realize the vision reflected in the second phase of the National Development Strategic Plan (NSDP 2016-2020) and the Roadmap for Implementation sustainable development objectives, whose efforts are aimed at developing infrastructures, human resources and diversification of the non-oil economy, “adding that this is” a vision that aims to transform Timor-Leste into a Rich, Strong and Secure Country, from the list of countries “with low incomes and turning it into a thriving middle-income society by 2030”.

To read the speech of the Prime Minister presenting the OGE, [click here](http://timor-leste.gov.tl/?p=20396).

To read the speech of the Prime Minister closing the presentation of the OGE, [click here](http://timor-leste.gov.tl/?p=20396&print=1&lang=en).