Basic Statistics

• More than half of Timor-Leste’s people live in poverty, and the number is growing.

• Two-thirds of our people live in rural areas, largely by subsistence farming.

• About 1,200 Timorese children under 5 years old die from preventable conditions every year ... 20 times the number of people who die from physical violence.

• Poor sanitation and malnutrition are endemic.

The rest of these slides were not shown during the talk, although some were used during the question-and-answer period which followed.
Basic Statistics

By 2021, 200,000 more babies will have been born, and the only producing oil and gas fields will be used up.

How will they survive?
Most people live in rural areas by subsistence agriculture.

Agriculture will get 1.9% of state expenditures in 2016, although it is the livelihood of 65% of the population.
This map from the 2010 Census shows the value of things people own – one measure of wealth or poverty. Outside the national and district capitals, there isn’t much left.
About half of Timor-Leste’s people get by on less than one dollar per person per day.
This shows that in 2009, 71% of Dili’s population was among the richest 20% of Timor-Leste’s population.

If we consider the lowest two quintiles as living in extreme poverty, only 2.5% of Dili’s population were below the poverty line.
The graph shows legal goods trade only. About 89% of donor spending and more than 70% of state spending leaves the country.
After correcting for inflation, oil GDP has been more-or-less constant since 2006. It is declining since 2011 as fields are depleted.
# Timor-Leste’s GDP is falling and uncertain

<table>
<thead>
<tr>
<th>Real growth in total GDP</th>
<th>Date used</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>2014 (proj)</th>
</tr>
</thead>
<tbody>
<tr>
<td>RDTL National Accounts (2013)</td>
<td>Jun-15</td>
<td>12.6%</td>
<td>5.2%</td>
<td>-13.9%</td>
<td></td>
</tr>
<tr>
<td>IMF Article IV Consultation (2014)</td>
<td>Oct-14</td>
<td>7.9%</td>
<td>-10.4%</td>
<td>-10.7%</td>
<td>-10.2%</td>
</tr>
<tr>
<td>RDTL 2015 State Budget</td>
<td>Oct-14</td>
<td>9.8%</td>
<td>5.6%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>World Bank EAP Economic Update</td>
<td>Oct-14</td>
<td>5.7%</td>
<td>-3.2%</td>
<td>-6.9%</td>
<td></td>
</tr>
<tr>
<td>IMF Article IV Report (2013)</td>
<td>Dec-13</td>
<td>7.3%</td>
<td>5.7%</td>
<td>-3.2%</td>
<td>-6.9%</td>
</tr>
</tbody>
</table>

Non-oil GDP per capita also fell in 2013, as the population grew faster than the economy.
Their logical behavior is rent-seeking: get a government contract, and spend as little as possible in order to get paid and get another one. Entrepreneurs work harder and don’t make as much money.
Both green parts are from the Petroleum Fund. The lower (dark) part is the sustainable level – the amount which theoretically could be withdrawn every year, forever. The lighter green is the withdrawal in excess of the sustainable level. The red part, which is loans, will eventually have to be repaid – probably mostly with petroleum money if there is any left.
Timor-Leste includes 50% of Greater Sunrise.
Duration calculated based on 2014 reserve/production ratios. Australia is likely to find more reserves and have higher production rates in the future, but TL may not.

<table>
<thead>
<tr>
<th></th>
<th>Timor-Leste</th>
<th>TL without Sunrise</th>
<th>Australia</th>
<th>Brunei</th>
</tr>
</thead>
<tbody>
<tr>
<td>Known oil and gas reserves</td>
<td>605 barrels</td>
<td>168 barrels</td>
<td>1,170 barrels+</td>
<td>6,438</td>
</tr>
<tr>
<td>per person</td>
<td></td>
<td></td>
<td>(1,150 without Sunrise)</td>
<td>barrels</td>
</tr>
<tr>
<td>How long reserves will</td>
<td>16 years</td>
<td>4 years</td>
<td>51 years+</td>
<td>23 years</td>
</tr>
<tr>
<td>last at 2014 production</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>rates</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Oil and gas income is falling since 2012.
Production is falling faster than the oil price, and will not go back up.
The price will be irrelevant when we have nothing left to sell.
Where TL’s oil income comes from

Where the money comes from

- Overdue taxes
- Elang-Kakatua
- Kitan
- Bayu-Undan gas
- Bayu-Undan liquids
- Total oil and gas revenue
- Petroleum Fund Investment earnings

Annual revenue to TL (billion USD)

Graph by Le'a Hamutuk based on data from RDTL National Petroleum Authority, EITI reports, Ministry of Finance and Central Bank. November 2015
ESI and past and future transfers from the Petroleum Fund

The white graph is from the Ministry of Finance 2014 Petroleum Fund Annual Report. Lao Hamutuk added the yellow part to show planned withdrawals and ESI for 2015-2020, as described in the proposed budget for 2016.

Figure 5 - Transfer to the State Budget in 2014

US$ Million

<table>
<thead>
<tr>
<th>Year</th>
<th>Withdrawals</th>
<th>ESI</th>
</tr>
</thead>
<tbody>
<tr>
<td>2005/06</td>
<td>103</td>
<td>0</td>
</tr>
<tr>
<td>2006/07</td>
<td>133</td>
<td>40</td>
</tr>
<tr>
<td>2007</td>
<td>396</td>
<td>408</td>
</tr>
<tr>
<td>2008</td>
<td>396</td>
<td>512</td>
</tr>
<tr>
<td>2009</td>
<td>408</td>
<td>592</td>
</tr>
<tr>
<td>2010</td>
<td>811</td>
<td>734</td>
</tr>
<tr>
<td>2011</td>
<td>1,055</td>
<td>606</td>
</tr>
<tr>
<td>2012</td>
<td>1,495</td>
<td>723</td>
</tr>
<tr>
<td>2013</td>
<td>1,736</td>
<td>734</td>
</tr>
<tr>
<td>2014</td>
<td>1,318</td>
<td>515</td>
</tr>
<tr>
<td>2015</td>
<td>1,284</td>
<td>605</td>
</tr>
<tr>
<td>2016</td>
<td>1,451</td>
<td>515</td>
</tr>
<tr>
<td>2017</td>
<td>1,937</td>
<td>605</td>
</tr>
<tr>
<td>2018</td>
<td>1,734</td>
<td>515</td>
</tr>
<tr>
<td>2019</td>
<td>1,734</td>
<td>515</td>
</tr>
<tr>
<td>2020</td>
<td>1,494</td>
<td>515</td>
</tr>
</tbody>
</table>
At the last Timor-Leste update, ANP President Gualdino da Silva was optimistic that there are more oil and gas fields waiting to be found. Although none has been discovered since then (and Kitan has shut down, while Oilex and Minza gave up looking), this should not be too surprising as there has been a lot of exploration for the last several decades.

Laminaria-Corallina, which will soon shut down, has provided more than $2 billion to the Australian government since starting production in late 1999 – more than all Australian aid to Timor-Leste since then.
Australia is still stealing 40%.

This graph includes known fields which would belong to Timor-Leste under the international law median line principle: Bayu-Undan, Elang-Kakatua, Greater Sunrise, Kitan, Laminaria-Corallina and Buffalo.
The Greater Sunrise stalemate

- The project is stalled because Timor-Leste and the companies do not agree on how it should be developed.

- Woodside and its partners Shell, ConocoPhillips and Osaka Gas believe a floating LNG plant in the sea is the most profitable.

- Timor-Leste wants a pipeline from Sunrise to Beacu, to get more tax revenues and anchor the Tasi Mane project.

- Under contracts and treaties, the companies can choose the path, but both governments need to approve it.

- TL can withdraw from most of CMATS any time before a development plan is approved.

- Because of Australian spying, TL is trying to invalidate CMATS.
Oil revenues started in 2005-2007. From 2008-2012, Timor-Leste state expenditures grew more than 25% annually, higher than every nation except Zimbabwe. Although the fiscal envelope has shrunk since 2012, increase rates of execution mean that state spending continue to increase.

The narrow bars show revenues, with pink and purple coming from the Petroleum Fund. However, the blue (carryover) and yellow/red (debt) also come from the Petroleum Fund in the past and the future.
Vice Minister of Finance Helder Lopes presented this slide to Parliament last week. If only it were true.
Health and education are cut in this year’s budget, and Timor-Leste is still spending about 40% less than well-managed developing countries, although our large child population makes our needs higher than average.
The Vice Minister’s other “priorities” – water and maintaining infrastructure – get almost nothing.

Although pensions for veterans are not an official priority, they still get a lot of money, even though the proposed 2016 budget will reduce it.
The 2016 budget increases infrastructure and cuts everything else.

**Appropriated spending in RDTL annual budgets**

<table>
<thead>
<tr>
<th>Year</th>
<th>Physical infrastructure</th>
<th>Administration</th>
<th>Health &amp; Education</th>
<th>Public cash transfers</th>
<th>Economic development</th>
<th>Police &amp; Military</th>
</tr>
</thead>
<tbody>
<tr>
<td>GSB 2011</td>
<td>$1.31b</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rev. 2012</td>
<td>$1.81b</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>GSB 2013</td>
<td>$1.65b</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>GSB 2014</td>
<td>$1.50b</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rev. 2015</td>
<td>$1.57b</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Prop. GSB 2016</td>
<td>$1.56b</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Graph by La’a Hamutuk based on Budget Books published by RDTL Ministry of Finance. November 2015
In addition to the Consolidated Fund, the State Budget allocates $34 million for training and scholarships, and $377 million through a Fund for large or multi-year physical infrastructure projects.
Only a very small upper class have their own cars, and a tiny minority of the population uses airports or will benefit from petroleum infrastructure. However, all the decision-makers will.
The poverty estimates are from the 2011 Household Income and Expenditure Survey, of people who spend less than a dollar a day. However, Timor-Leste has no solid data more recent than 2007.
As 2015 isn’t over, we don’t have full-year figures, and the state spends much more in November and December.
Spending peaks at year-end.

Government executed spending during 2014 and 2015
Million USD per month

- Development Capital
- Minor Capital
- Transfers
- Contingency
- Goods & Services
- Salary & Wages
Donor support is less important now.

Percentage of Donor Support in Timor-Leste's Combined Sources Budget

- 90%
- 80%
- 70%
- 60%
- 50%
- 40%
- 30%
- 20%
- 10%
- 0%

The Tasi Mane Project includes the Suai supply base, Betano refinery, Beaçu LNG plant, 150-km highway, onshore and offshore pipelines, 2 airports and 2 seaports.
Tasi Mane petroleum infrastructure project

• In 2010, Timor-Leste began the South Coast Petroleum Corridor.
• Total project costs could be at least $15 billion (much more if Timor-Leste pays for the refinery, gas pipeline or LNG plant).
• The state has already spent $94 million on TMP.
• The proposed budget allocates $97 million in 2016 and $1.6 billion in 2017-2020, but leaves out the largest items.
• The most expensive contract in the nation’s history was signed in August: $719 million to build the Suai Supply Base.
Suai Supply Base

- RDTL just signed a $719,212,000 contract with Hyundai Engineering and Construction to build the Suai seawall and Supply Base.
- This is more than Timor-Leste has spent on education since independence in 2002.
- The Audit Court has rejected the contract, but Government is appealing.
- Other TMP contracts for Suai will cost at least $100 million more.
## Intent to Award

<table>
<thead>
<tr>
<th>Tender Number</th>
<th>Description</th>
<th>Winning Contractor</th>
<th>Contract Price</th>
</tr>
</thead>
</table>

The National Procurement Commission will respond to any protest in writing received at the Office of the National Procurement Commission, Rua dos Direitos Humanos, Dili, Timor-Leste no later than five (5) working days from the posting of this tender result.

Timor-Leste and Hyundai Engineering signed this $719 million contract on 27 August 2015. It is the largest contract in the nation’s history, more than the total spent on education since independence was restored in 2002.

Hyundai is currently blacklisted by the Korean government for collusion.
Allocations for Suai Supply Base and Airport for the whole project cycle.

- Total project appropriation
- Total contractual obligation

$163 million to be borrowed

Final state budget for each year:

- 2011
- 2012 (ret.)
- 2013
- 2014
- 2015 (ret.)
- 2016 (proposed)
What will the Tasi Mane Project cost?

Total Project cost in subsequent 5 years (USD millions)

- Sual urban plan
- Environmental studies
- Analyze gas pipeline route
- Detailed survey for Beaçu infrastructure
- Survey for Betano Petrochemical
- Design Beaçu infrastructure (Pre-Feed)
- Studies for Dato Rua and Tolu water supply
- Rehabilitate Viqueque airport
- Rehabilitate Sual airport
- Design and Build first 30 km of Sual-Beaçu highway
- Build Sual Supply Base

Budget for Fiscal Year:
- 2011
- 2012 orig.
- 2013
- 2014
- 2015
- 2016 proposed

-$0 - $250 - $500 - $750 - $1,000 - $1,250 - $1,500
Problems with the Tasi Mane project

- It makes TL more dependent on the oil and gas sector.
- Dubious concepts and planning; it is unlikely to provide a reasonable return on the multi-billion-dollar investment.
- It neglects sustainable development (agriculture, tourism, small industries etc.), exemplifying the obsession with oil.
- Nearly all the money will go to foreign companies, providing hardly any local jobs or subcontracts.
- It will create social conflict, take up land, displace people, worsen health and degrade and endanger the environment.
- Cost projections leave out most expenditures, including nearly all of the highway, LNG plant and refinery.
- What if Sunrise gas doesn’t come to Timor-Leste?

The Government has made many unrealistic promises to local communities about profit-sharing, jobs and other benefits.
For 2016, ZEESM has $218 million with no accountability.

What are Oecusse’s competitive advantages?

Can ZEESM recover a $4 billion investment?

Who benefits: residents of Oecusse or political ex-opposition?
The ZEESM economic zone in Oecusse is being funded by public transfers, so it has very little financial transparency. In 2016, ZEESM will absorb 14% of the state budget, although only 6% of Timorese citizens live in Oecusse. Unlike Tasi Mane, we have little information about what ZEESM will be, how much it will cost or what benefits are expected.
Overbuilding ports and airports

- IFC is encouraging Timor-Leste to build Tibar port and Dili airport far beyond realistic traffic expectations.
- How will the country pay for a $6 billion annual trade deficit after the oil is gone?
The rising U.S. dollar lowers inflation, but it also lowers oil prices (both selling and buying) and makes imports cheaper. However, the part of the Petroleum Fund invested in other currencies loses value. Inflation in TL is nearly zero, but it should be negative 5% when exchange rates and inflation in Indonesia and other countries we import from is considered. Importers are doing well.
The post-war baby boom is working its way through primary school, but we are losing another generation from poor education, nutrition, sanitation and health care.
Timor-Leste is going deeper into debt.

- Laws since 2009 paved the way for foreign loans.
- Between 2012 and 2015, Timor-Leste signed contracts to borrow $211 million from Japan, the ADB and the World Bank to build roads.
- During 2016-2020, TL plans to borrow more than a billion dollars for physical infrastructure:

<table>
<thead>
<tr>
<th>Year</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>$107m</td>
</tr>
<tr>
<td>2017</td>
<td>$348m</td>
</tr>
<tr>
<td>2018</td>
<td>$366m</td>
</tr>
<tr>
<td>2019</td>
<td>$160m</td>
</tr>
<tr>
<td>2020</td>
<td>$39m</td>
</tr>
</tbody>
</table>

But the 2015 State Budget had different numbers:

<table>
<thead>
<tr>
<th>Year</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>$194m</td>
</tr>
<tr>
<td>2016</td>
<td>$135m</td>
</tr>
<tr>
<td>2017</td>
<td>$160m</td>
</tr>
<tr>
<td>2018</td>
<td>$50m</td>
</tr>
</tbody>
</table>
Most loans will pay for roads.

Projects to be financed with borrowed money, 2012-2016

- **Dili-Long stead**
  - Length: 13 km
  - Total cost: $95 million
  - Loan: $68.7 million
  - RTOF: $26 million
  - Lender: China Exim Bank, Grant and Lender: World Bank
  - Design 2013-14, Construction 2014

- **Dili-Macau-Tuacau**
  - Length: 12.5 km
  - Total cost: $130 million
  - Loan: $20 million
  - RTOF: $40 million
  - Lender: China Exim Bank, World Bank
  - Design 2013-14, Construction 2015

- **Liquica-Qano**
  - Length: 10 km
  - Total cost: $5 million
  - Loan: $4 million
  - RTOF: $1 million
  - Lender: ADB
  - Design 2011, Construction 2012

- **Manatuto-Airt Airport**
  - Length: 81 km
  - Total cost: $483.3 million
  - Loan: $483 million
  - RTOF: $10 million
  - Lender: ADB
  - Design 2011-12, Construction 2013

- **South-Beau South coast highway**
  - Length: 87 km
  - Total cost: $173 million
  - Loan: $173 million
  - RTOF: $0.3 million
  - Lender: ADB
  - Design 2010, Construction 2011

- **Manatuto-Naterbore**
  - Length: 81 km
  - Total cost: $500 million
  - Loan: $500 million
  - RTOF: $0 million
  - Lender: ADB
  - Design 2011-12, Construction 2013

- **Dili-Macau**
  - Length: 12.5 km
  - Total cost: $130 million
  - Loan: $20 million
  - RTOF: $40 million
  - Lender: China Exim Bank, World Bank
  - Design 2013-14, Construction 2015

- **South-Coast highway**
  - Length: 87 km
  - Total cost: $173 million
  - Loan: $173 million
  - RTOF: $0.3 million
  - Lender: ADB
  - Design 2010, Construction 2011

**Graphic by C.S. Hamadah, March 2012**
**Borrowing in GSB 2016. Many projects after 2018 are left out.**

This table is from Book 6 of the proposed 2016 State Budget, showing loan-financed projects. Many projects after 2018 are not included.

<table>
<thead>
<tr>
<th>Programa de Empréstimos</th>
<th>Orçamento ED 19 Final Aprovado $'000</th>
<th>Despesas Estimativas Dezembro 2015 $'000</th>
<th>Orçamento 2016 $'000</th>
<th>Orçamento 2017 $'000</th>
<th>Orçamento 2018 $'000</th>
<th>Orçamento 2019 $'000</th>
<th>Orçamento 2020 $'000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Construção e Supervisão de Estradas Dili-Liquiça (L)</td>
<td>70,000</td>
<td>28,563</td>
<td>107,002</td>
<td>348,385</td>
<td>366,213</td>
<td>160,451</td>
<td>39,178</td>
</tr>
<tr>
<td>Construção e Supervisão de Alinhamento de Estradas desde Cruzamento Tibr a Rolunda Latala Quatro Vias (L)</td>
<td>9,500</td>
<td>2,950</td>
<td>-</td>
<td>6,721</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Construção e Supervisão Estradas Tibr-Giero (L)</td>
<td>3,000</td>
<td>4,372</td>
<td>-</td>
<td>3,772</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Construção e Supervisão de Estradas Dili-Manatuto-Bausu (L)</td>
<td>11,550</td>
<td>3,900</td>
<td>10,520</td>
<td>12,000</td>
<td>10,800</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Construção e Supervisão de Estradas Manatuto-Katarbora (L)</td>
<td>14,250</td>
<td>8,720</td>
<td>-</td>
<td>9,780</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Construção e Supervisão de Estradas Aileu-Mausisse e Anar (L)</td>
<td>11,700</td>
<td>8,837</td>
<td>11,409</td>
<td>14,219</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Construção e Supervisão de drenagem de Dili (Esgoto) (L)</td>
<td>5,000</td>
<td>5,000</td>
<td>31,830</td>
<td>14,880</td>
<td>3,720</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Construção e Supervisão de Estradas Aluto-Hatubutubu-Velho-Ermara-Giero (L)</td>
<td>-</td>
<td>14,500</td>
<td>16,160</td>
<td>8,520</td>
<td>2,150</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Construção e Supervisão do Aeroporto Internacional Nicolau Lobato [Fase + Terceiro Fase I]</td>
<td>-</td>
<td>15,600</td>
<td>98,840</td>
<td>117,790</td>
<td>58,740</td>
<td>14,680</td>
<td>-</td>
</tr>
<tr>
<td>Construção e Supervisão de Estradas Baucal-Leulum</td>
<td>-</td>
<td>7,900</td>
<td>14,000</td>
<td>16,000</td>
<td>9,500</td>
<td>2,618</td>
<td>-</td>
</tr>
<tr>
<td>Construção e Supervisão de Estradas Maubara - Matain e Artabae - Matain</td>
<td>-</td>
<td>2,583</td>
<td>4,988</td>
<td>3,133</td>
<td>1,771</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Construção e Supervisão de Estradas Baucal-Viqueque</td>
<td>-</td>
<td>7,500</td>
<td>14,800</td>
<td>16,580</td>
<td>8,840</td>
<td>2,210</td>
<td>-</td>
</tr>
<tr>
<td>Construção e Supervisão detalhadas relativamente a Estradas e Pontes - Auto Estrada Suai-Bolano-Bausu (L)</td>
<td>10,000</td>
<td>-</td>
<td>15,000</td>
<td>84,000</td>
<td>109,200</td>
<td>37,440</td>
<td>9,360</td>
</tr>
<tr>
<td>Concessão da construção e Supervisão para o Desenvolvimento de Infraestruturas na Costa Sul em Suai - Base de Fornecimentos (L)</td>
<td>-</td>
<td>10,000</td>
<td>53,550</td>
<td>59,670</td>
<td>31,620</td>
<td>7,980</td>
<td>-</td>
</tr>
</tbody>
</table>
Ten years from now, as grace periods end and repayments are over $100 million per year, the Petroleum Fund may be entirely gone.
Important to consider

- Implementing the SDP will require billions of dollars in loans, probably at commercial rates.
- Even at concessional rates, repaying a loan will permanently reduce money in the Petroleum Fund. The yen loan makes us hostage to a strong dollar.
- TL's oil and gas reserves are limited, non-renewable, and 75% depleted already.
- TL will have to make loan repayments before spending money on people's needs or developing other sectors.
- Our children and grandchildren will inherit the debt after the oil wells have run dry.
Budgeted & executed spending

Graph by La'o Hamutuk based on data in RDTL State Budgets, General State Accounts and Transparency Portal. November 2015
If current plans continue, TL will be unable to finance its budget in ten years.

**Nominal dollars-of-the-day**

**Results:** Peak Petroleum Fund balance of $17 billion in 2015.

Austerity starts in 2016, cutting 68% from planned outlays in 2027-2030.

**Petroleum Fund balance**
- Petrol. revenue + Petrol. Fund return
- Total expenditures
- Domestic revenues

**Expenditures** 2013-2016, calculated from TP model. Spending grew up 0.3%/yr now and 1.0%/yr after 2020. By 2022-2014, recurrent spending [excl. EO1, fuel] went up 21%/yr.

Annual maintenance costs 8% of installed capital.

**Includes** Saipem Supply Base & airport ($500m), S. Coast Way ($100m), ZEFSM ($200m), Dill airport ($150m) and 16 Pier ($50m).

Includes $1.127m in contracted and budgeted loans.
Revenues
Nominal dollars-of-the-day

Austerity starts in 2026, cutting 68% from planned outlays in 2027-2030.

- Loans received
- Petroleum income
- Petroleum Fund return
- Tax on govt spending
- EDTL income
- Other domestic rev.
- Petrol. Fund withdrawal
- Spending (excl. debt serv.)
- ESI

Sunrise plan approved in 2021 with floating LNG. Sunrise has 5.1tcf gas and T.I. eats 50% of it. Natural gas is worth 33% as much as oil.

Petroleum Fund investments return 5.0%/yr nominal. During 2014 the fund earned 3.3%/yr.

Domestic revenues increase 12.5%/yr now and 14.0%/yr after 2030. During 2010-2014, these revenues (without EDTL or taxes from the state) increased 15%/yr. EDTL recovers 25% of fuel cost from users. It recovered 20% in 2014.

Expenditures 2016 per 2016 GSB then calculated from LH model. Spending goes up 9.3%/yr now and 7.8%/yr after 2030. In 2012-2014, recurrent spending (excl. EDTL fuel) went up 21%/yr.

Annual maintenance costs 8% of installed capital.

Includes: Fuel Supply Base & airport ($900m), C unveil T1 (21,000m), CEOM ($1,000m), Dill airport ($300m) and fiber port ($150m).

Includes $1,127m in contracted and budgeted loans.
Spending

Austerity starts in 2026, cutting 0.8% from planned outlays in 2027-2030.

- Debt service
- Development Capital
- Minor Capital
- Operation & Maint.
- Generator Fuel
- Other goods & services
- Travel
- Salaries
- Spending (excl. debt serv.)
- ESI

Sunrise plan approved in 2021 with floating LNG. Sunrise has 5.1tcf gas and T1 gets 50% of it. Natural gas is worth 33% as much as oil.

Petroleum Fund investments return 5.0%/yr nominal. During 2014 the fund earned 3.3%/yr.

Domestic revenues increase 12.5%/yr now and 14.0%/yr after 2030. During 2010-2014, these revenues (without EDTO or taxes from the state) increased 15%/yr.

EDTO recovers 25% of fuel cost from users. It recovered 20% in 2014.

Expenditures 2016 per 2015 GSB, then calculated from LiH model. Spending goes up 9.3%/yr now and 7.0%/yr after 2030. In 2012-2014, recurrent spending (excl. EDTO fuel) went up 21%/yr.

Annual maintenance costs 8% of installed capital.

Includes fuel Supply base & airport ($900m), S.Coast lrvy ($1000m), 2 ECOM ($2000m), Oil airport ($300m) and Tiber port ($150m).

Includes $1.127m in contracted and budgeted loans.