



SEVENTH CONSTITUTIONAL GOVERNMENT

PROGRAM OF THE SEVENTH CONSTITUTIONAL GOVERNMENT

1 Today the Timorese people have reason to feel optimistic about the future. What unites us is the sovereignty of our borders, the valorization of our national territory, our history, people and our identity. In an increasingly globalized world, we must prioritize innovation by dedicating more of our own time, knowledge and experience to national production. We must together consolidate our social cohesion, combat asymmetries and poverty, and make Timor-Leste a country which is credible, open and favorable to foreign investment.

2 Although young as Nation and State, we have taken giant steps. We transitioned from post-conflict to development. Peace reigns and stability prevails among us. As a sovereign Nation and State, we can together embark on a new national agenda for economic transformation and social modernization. Many things have been done, but many more are needed in several areas.

3 In the last decade, the Timorese economy has grown at 5% per year despite two negative effects of the 2006 political crisis and the international, economic and financial recession in 2007/2008, whose impacts we still feel today. Although we are a country still on the road to development, the Prime-Minister, Kay Rala Xanana Gusmão, bet on a strategic investment in electric energy, that came to benefit more than 80% of families. The country's infrastructure, like roads, bridges, electricity, drinking water, clinics, schools, begins to benefit countless citizens scattered across the National territory. This results in an environment favorable to private sector growth, reform of public sector and investment in the people. We have ensured macroeconomic stability with low inflation and we improved the income available to families which, in terms of GDP per capita, reaches double what it was a decade ago. For example, in 2002, our non-oil GDP per capita was \$651 and twelve years later, increased to \$1,004, a growth of 54%. We are like this, to expand our economic base, albeit very slowly.

4 The economic growth and strategic interventions conducted have decreased two important poverty indexes, with poverty falling down from about 50% in 2008 to 41.8% in 2014.

5 Timor-Leste has also made significant progress in many others areas besides economic growth and poverty reduction. Between these we find a credible international institution, EITI. Timor-Leste is today a point of reference in terms of democracy, freedom of expression and management of your sovereign fund.

6 There is no other area where we have invested as much as in infrastructure. We know what only with suitable and modern infrastructure we can achieve the objective of economic transformation. The result was that we managed to manage well the crises that plagued our country and at the same time laid the foundations for growth. We have now one airport at the South coast of the Country and another international one in the Special Administrative Region in Oe-Cusse Ambeno (RAEOA). We are expanding and modernizing the road network.

7 We also made a number of strategic decisions in the social sector to support our most needy families. Among them is the expansion of social protection in order to reach universal coverage.

With regard to capacity building, we have invested substantial resources in the education system. The aim has always been to create the skills needed for the new economy. Through the creation of the Human Capital Development Fund, we have introduced strong programs in scholarships, public grants and school meals for students.

8 We have also made progress in the reform effort to make Timor-Leste more attractive to the private sector. These efforts are producing results. The capitalization of our private sector, especially of our companies has been a concern and today we have managed to create access to financial resources to stimulate competition, we have created a single window policy through the SERVE agency.

9 Even so, there are still big challenges ahead of us and others are emerging.

10 The global context also presents challenges. The drop in oil prices since 2014 has not been beneficial to Timor-Leste.

11 But we are united. What unites us is our common vision, that is, *to continue to build an inclusive, just country, where there are equal opportunities for all Timorese citizens.*

12 Desires for the next five years of governance:

13 The great political objective of this Government is to govern people, for the population and respond to their greatest desire, a better quality of life, better education, better health, better access to energy and potable water, better quality food, decent housing, finally responding to constitutional determinations. The definitive establishment and defense of our borders are, and continue to be, one of the great priorities to guarantee the sovereignty of our country.

14 The Seventh Constitutional Government commits itself to: combating the isolation of the population, creating quality infrastructure, streamlining the provision of public services, paying special attention to measures of social action and health care, working on the development of a quality economy which will bring positive returns in improving the living conditions of the Timorese.

15 In the fight against isolation we will continue to support the efforts of Special Administrative Region in Oe-Cusse Ambeno Authority to develop means of communication to bring the enclave and Ataúro closer to the rest of the country.

16 Currently, critical areas of our society are education, health, employment, and poverty. The Executive proposes to implement a new model of global and integrated development, relaunching the economy and concrete measures of job creation, sustained in the consolidation of public finances.

17 We will continue the process of building a more inclusive, just and prosperous Timor-Leste with equal opportunities for all, as part of the transformation agenda embodied in the Strategic Development Plan (SDP) and the Sustainable Development Goals (SDG).

18 Achieving this Vision will not be easy without the involvement of the population, associations and private sector. What we want to see is the strengthening of citizenship, civil associations, and the private sector that are capable of initiating and undertaking actions.

19 We need to improve the articulation between the central government and the municipalities. We must implement necessary changes and reforms in order to ensure that the State and its public administration are efficient, effective and results-oriented and quality results.

20 Objectives for the next five years of governance:

21 SOCIAL SECTOR

1. Access to quality education for all
2. Access to quality health services for all
3. Support for vulnerable people
4. Sustainable development for all generations
5. Vibrant creative industry and promotion of national culture
6. Healthy, educated and ethical youth

22 INFRASTRUCTURE DEVELOPMENT

7. Increase productive capacity and increase potential GDP
8. Improve people's access to services
9. Improve the sustainability of infrastructure

23 DEVELOPMENT OF THE ECONOMIC SECTOR

10. Increase agricultural production
11. Develop the natural resources industry
12. Increase household income through job creation
13. Environment conducive to economic diversification

24 INSTITUTIONAL MODERNIZATION

14. Guarantee of national defense, security and stability
15. Ensuring an accessible and effective justice system
16. Global integration and positioning of Timor-Leste
17. Strengthening democratic culture through accountability and transparency
18. Effective, efficient and accountable public sector management

25 The Seventh Constitutional Government derives from an electoral result in which the People clearly expressed the desire for a permanent compromise between the various political forces with parliamentary seats. This Government demonstrates this idea at its core, since being made up of a coalition of two parties, FRETILIN and PD, but did not fail to get people with value from other political areas represented in the National Parliament or, even, independent. It is, therefore, this idea of permanent compromise, and with all the political areas that will guide the Seventh Constitutional Government during its mandate, until 2022.

I SOCIAL AREA

26 The Constitution of the Democratic Republic of Timor-Leste is clear in stating that the State must guarantee all citizens the right to education by promoting equal opportunities. The right to education is one of the foundations of citizenship and an essential condition for the development of a just, prosperous and solidarity society.

27 It is therefore fundamental that we have an educational system that adequately and competently prepares our citizens for the demands of today's globalized world marked by fierce economic and financial competition. As enshrined in the Strategic Development Plan 2011-2030 (SDP 2011-2030), the education system must ensure that our country has the capacity to implement a strategy of economic diversification and sustainable development, not mainly dependent on petroleum revenues.

28 This Government intends to implement measures to ensure the quality of education, equal access to the public school and reduction of school failure of students, particularly in Primary Education, enshrined in the Basic Law, as universal, compulsory and, to the extent possible, free of charge. To this end, the Government will strengthen partnership in this field with the Catholic Church and other religious denominations, in the sense of permanent quest for quality in our Education.

29 As far as **Pre-School Education** is concerned, the education system faces limited access by children from 3 to 5 years of age, as the number of available school infrastructures is limited. Because it does not exist in operation, we urgently need to create an initial training course for Early Childhood Educators.

30 Access to pre-school education is a determining factor to ensure the reduction of school failure of students in the 1st and 2nd cycles of primary education. The challenges identified should be seen as an investment, since the advantages of providing quality Pre-School Education translate into important educational, economic and social returns.

31 The Government will make efforts to increase access to Pre-School Education by increasing the number of infrastructures and school equipment and initial training for new teachers. In order to

promote the improvement of the quality of this level of education, it will be given continuity to the programs of continuous training of teachers in the curriculum contents, School meals and grants and evaluation and accreditation of pre-school education institutions.

32 With regard to **Primary Education**, the main challenge relates to the quality of teaching. In order to try to solve this problem, it will be necessary not only to increase the number of schools and classrooms, to reduce the number of pupils per class, to ensure the scheduling and shifts of schools, but also to adequately prepare the human resources for education so that they can teach and administer the schools with competence.

33 Thus, in order to ensure that all pupils complete primary education with a quality education based on a variety of learning in the official languages, mathematics, computer science, social sciences, natural sciences, arts, languages physical education and citizenship, the Government intends to reinforce the number of infrastructures and school equipment, intensify the continuous training of teachers in curricular content and in the field of four compulsory competences, requalify teachers with inadequate academic qualifications to teach and value curricular enrichment activities, integrating them fully into the pedagogical life of schools and contributing to the creation of the “full-time school” principle.

34 The Government will also continue the School Lunch and Concession Programs, with the intention of creating a Special Fund that can guarantee its execution in an uninterrupted manner.

35 Regarding **Secondary Education**, in the general and technical-vocational aspects, there is a need to improve access and promote the quality of teaching for teachers and students.

36 With regard to technical-vocational education, there is an urgent need to expand and diversify supply in order to help reduce school drop-out rates and foster the system’s ability to enable students to study at a higher level.

37 In order to promote this level of education and to enable students to gain practical skills for better integration into society, easier access to the labor market and greater entrepreneurship capacity, the Government will continue to improve the quality of the infrastructures and to intensify the continuous training of teachers in curricular contents, especially those that teach the disciplines of productive areas in Secondary Technical-Vocational Education.

38 The Government will evaluate the current mapping of the public offer of Technical-Vocational Education with the objective of avoiding dispersion of resources and promoting alignment with the regional development poles.

39 In addition, the Government also intends to study the extension of the range of courses with specific and vocational qualifications and to strengthen the mechanisms for linking schools and enterprises to provide support to trainees in training in the work context.

40 With regard to **recurrent education**, one of the major challenges of this level of education is the difficulty in coordinating activities at central and municipal level, since most of them are carried out at the community level and with a reduced sense of ownership by local authorities.

41 The Government intends to implement actions that promote the revitalization of adult education and training, as a pillar of the qualifications system, ensuring the continuity of lifelong learning policies.

42 The Government will also continue the implementation of Literacy and Post-literacy programs and, in order to strengthen the provision for people above school age who did not have opportunities to attend regular education, will reinforce the implementation of the Equivalence Program for Primary Education.

43 At this level of education, the Government intends to strengthen and formalize the establishment of Community Learning Centers in all municipalities that serve as a driving force for recurrent education activities.

44 **Higher education** faces a number of challenges, in particular as regards the quality of education and the low employability of graduates. The rapid increase in the number of students meant that many

of the institutions did not comply with minimum quality criteria, level of material resources, the adequacy of the teaching staff and compliance with minimum curricular loads.

45 Thus, the Government intends to strengthen and consolidate the role of the Agency for Accreditation and Academic Evaluation (ANAAA), in order to effectively, transparently and independently exercise its competencies in academic evaluation and accreditation.

46 Quality Higher Education is essential to guarantee the sustainability of national development through the training of qualified human resources. Therefore, the Government intends to elaborate and approve a Management and Organization Policy for Higher Education, which establishes guidelines on the diversification of supply minimum standard and official languages curriculum and the principles of public higher education and higher tertiary education, where the latter meets national priorities.

47 With regard to Technical Higher Education, the Government intends to strengthen the current conditions of the Polytechnic Institute in Betano and diversify supply by establishing a new Polytechnic Institute of Hospitality and Tourism in Lospalos and an Academy of Fisheries and Marine Studies in Manatuto.

48 The Government also intends to continue the Scholarship Program, through the Human Capital Development Fund, in priority and strategic areas for national development, namely in the countries of the Community of Portuguese Speaking Countries (CPLP) and in the Association of Southeast Asian Nations (ASEAN).

49 In order to ensure the necessary conditions for achieving the goal of quality education, the Government will also implement **measures and actions which cut across all levels of education.**

50 The Government intends to continue the implementation of the Learning and Training Centers, as a model school, to review the parameters of the performance evaluation of Childhood Educators and teachers, implement a system of recruitment and placement of teachers, according to the needs of the Staff cadres of schools, and promote training actions for administrators and school administrators.

51 In order to increase access to school, the Government intends to evaluate the current school mapping in order to build dormitories for students living far from school and implement a School Transport Program in priority areas.

52 The Government will also promote measures to support the Inclusive Education Policy, Gender Equality, including the issue of early pregnancy of adolescent girls, and raise awareness of the problem of violence in schools.

53 For the **Culture** sector, the Government will make a cross-cutting tool for education and the process of learning values of national identity, citizenship and mutual respect.

54 Documentation of the diversity of knowledge, expressions and cultural elements that characterize our country will be a priority of this Government, as well as the investment in the training of technical and superior staff and in research in areas relevant to the Culture Sector.

55 To safeguard, enjoy and disseminate the heritage values that constitute the identity base of our country - from architectural expressions to traditional handicrafts and music, through oral history and language, as a vehicle for secular knowledge - will be given fundamental importance.

56 The Government will promote the institutional strengthening of the Culture Sector by promoting the creation and sustainable development of a National Library and Museum, an Academy of Creative Arts and Cultural Industries, an Institute of Cultural Heritage and Cultural Centers in the Municipalities.

57 It is also incumbent on the State to stimulate artistic creativity and curiosity, and the Government will attach particular importance to formal and non-formal education in the arts, either by developing curricula and specific teaching paths, or by supporting institutions and individuals of recognized merit or artistic vocation.

58 The Government will pursue a coherent cultural policy, respecting the historical and geographic specificities in which the country is inserted. In addition, in addition to supporting official and national languages, particular attention will be given to historical, cultural, linguistic and artistic links, including music, with the Community of Portuguese Speaking Countries (CPLP), as well as closer links with the countries of the region, including the countries of the Association of Southeast Asian Nations (ASEAN) and the Pacific.

59 Regarding **Health**, we will focus on strengthening the response and governance capacity of the National Health Service, in order to ensure universal coverage of the country with quality primary health care and promote the adequate use of hospital care, citizen in the center of attention.

60 The Government is urged to promote the reorganization of the **National Health Service**, accompanied by appropriate legislation, aimed at effective access and quality of preventive health care, promotion, curative and rehabilitation.

61 In order to improve the quality of specialized medical care and solve the challenges associated with the transfer of patients for medical treatment abroad, the Government undertakes to strengthen the technical capacity of hospitals, focusing on the autonomy and accountability of integrated management, and on the articulation among the assistance, teaching, pre- and post-graduate training and scientific research functions.

62 In the coming years, the Government will seek to institutionalize **Family Health** through a new policy of harmonizing health services and programs, taking into account the health needs of the individual throughout the different cycles and stages of life, and from the home to the highest level. of health care delivery.

63 More specifically, for the protection of public health, we will:

- Emphasize health promotion and health education, involving schools, the community and civil society in awareness campaigns on healthy lifestyles and lifestyles;
- Pay special attention to cardiovascular diseases, diabetes and oncology pathology, as well as to diseases likely to cause greater social stigma, including mental health disorders, HIV/AIDS and Leprosy;
- Deepen preventive initiatives related to tobacco, alcohol, illicit drug use and risk behaviors for serious chronic and communicable diseases.

64 The Government will value continuous professional development, increasing its motivation, developing the spirit of teamwork and ensuring equity and transparency in its management.

65 The Government will ensure the availability and equitable allocation of medicines, pharmaceuticals and medical equipment and will improve **Health Information Systems** in order to gather the clinical information of each user in a single registry, allowing it to be consulted promptly and, at the same time, electronic prescription of medicines and the use of complementary means of diagnosis.

66 Incentive mechanisms for public-private partnerships will be adopted, with a clear focus on **cross-sectoral and cooperation partnerships**, enabling the sharing of health determinants.

67 The contemporary history of Timor-Leste is the history of the Struggle for Resistance and the **Combatants of National Liberation**. Today, their effort and commitment should be an example of determination and preservation of Timorese culture, history and identity. The Government will continue the program of identification and payment of cash benefits and pensions, support to the families of martyrs through funeral ceremonies, construction of gardens cemeteries honoring Heroes, scholarships to the children of martyrs and combatants. We will, in this field, give priority to the creation of the National Council of Combatants of National Liberation, approving and proposing the legislation that is necessary to “give body” to this legitimate and important organ of aggregation and consolidation of all the Combatants.

68 Within the social area, the Government will establish a **National Program to Support the Social and Solidarity Economy** for the promotion of social cohesion and job creation. Mechanisms of administrative simplification like the On-Time Cooperative (“Cooperativa na Hora”) will be modernized - social economy networks and promotion of new organizations or social initiatives. We will support the valuation and training of social entrepreneurs and project promoters aimed at creating new solutions to identified social problems, developing the social market economy.

69 The Government commits itself to combating precariousness and enhancing the dignity of **labor** by reducing the number of temporary contracts; increasing the conversion rate of temporary contracts into permanent ones; penalize those companies that manifestly present precarious industrial relations; promote compliance with labor regulations, and ensure implementation of social protection for workers. We will submit to social consultation and negotiate an agreement that articulates different policy areas, fostering competitiveness and social cohesion.

70 The 2017-2030 National Employment Strategy will be implemented, based on three main pillars: increasing labor market demand; improve labor market supply and continue to strengthen labor market institutions. These three foundations therefore include the creation of jobs for young people, for adults and for women, thus ensuring the principle of gender equality.

71 In addition, labor market-oriented professional qualifications tend to enhance the technical-professional skills of Timorese human capital and thereby improve and raise *per capita* income and their dynamic participation in national development. Equally important is the equal participation of women with equal opportunities at the level of the labor market, at the level of education and vocational training.

72 The Technical and Vocational Education and Training Plan for Timor-Leste that began in 2012 to further develop and guide vocational training policy will continue, ensuring the improvement and development of national qualifications geared to the labor market and taking into account the participation integrated and active participation of the primary industries; The training to be offered will tend to be financed, administered by the providers of accredited training, and later, the trainees will have the opportunity to enjoy work experience in both private and public establishments.

73 On the other hand, with the collaboration of the relevant ministries, an effort will be made to increase the number of Timorese workers working abroad. South Korea and Australia have offered outside employment to Timorese workers, and these international programs have been successful and have provided added value to Timorese workers in acquiring work experience, as well as representing a significant source of income for families, through the remittances mechanism, which contributes to the country’s socioeconomic development.

74 The Government will continue to support entrepreneurship projects for people with disabilities, unemployed and graduates, with the aim of minimizing the unemployment rate and increasing domestic production in several areas with economic potential.

75 The Government intends to specialize in the resolution of individual and collective labor conflicts, through mechanisms of mediation, conciliation and arbitration as compulsory extrajudicial means of solving individual and optional labor conflicts in the resolution of collective labor conflicts.

76 Continuing the work carried out by the VI Constitutional Government, the Government will approve and consolidate the **National Social Protection Strategy** (ENPS), containing the Social Protection Floors, and approve the Basic Social Protection Law. The Government therefore intends to meet the concerns of Timorese society and international commitments, including the Sustainable Development Goals (SDGs). Different social protection measures can contribute in a variety of ways to achieving the seventeen objectives set out in the 2030 agenda, in particular target 1.3, which establishes the commitment by 2030 to implement adequate social protection systems and to achieve substantial coverage of the poor and vulnerable.

77 **Social assistance** programs aimed at the most vulnerable citizens and families, including, but not limited to, the Bolsa da Mãe Program and social cash benefits for the most needy families, will

continue. The evaluation and consequent review of these social programs will be a priority, aiming at combating poverty and the need to guarantee minimum standards of social dignity for all citizens.

78 In the scope of **Social Security**, the Government will consolidate the Social Security System, including the Contributive and Non-Contributory Regimes, and the articulation between both, based on the principles of guaranteeing lifetime Social Protection and economic and social sustainability.

79 Within the scope of **Social Services**, the Government undertakes to improve coordination between the different social areas (education, health and social protection) and its relationship with the area of work and productivity.

80 The Government will implement the diploma that establishes the relationship between the State and Social Solidarity Institutions, promoting close partnerships with these institutions, and will give special attention to children, committing themselves to continue the efforts for approval and implementation of the Child Protection Law.

81 The Government also intends to improve interministerial coordination and articulation with civil society organizations, in view of the implementation of the **National Disability Policy** and the guarantee of social protection for citizens with disabilities, as well as the incentive for their economic and social participation in the development of a society that is intended to be inclusive.

82 **Support for civil society** will be maintained through support for community projects, contributing to the development of socio-educational, cultural, religious and economic activities, promoting their sustainability and, consequently, improving the living conditions of various communities in the country. Likewise, partnerships established with CPLP countries will be maintained and implemented, as well as support for the actions of the Civil Society Forum of Portuguese-Speaking Countries, as well as funding for the participation of Timorese NGOs in events promoted by Asian civil society.

83 The Government will continue the awareness-raising programs and actions on **gender equality** and civic education, in particular with a focus on the social, labor and political rights and duties of individuals. Campaigns on respect and sharing among peers and combating domestic violence, predominantly against women and training of victims and abusers will be continued in order to minimize deviant and/or aggressive behavior and to develop skills as well as provide vocational training, create opportunities for access to the labor market in order to promote the financial and social autonomy of individuals identified as vulnerable to physical and psychological ill-treatment (Maubisse Declaration), in particular through programs training in finance, accounting, business management with women to make effective funding for women-led start-ups.

“In the defense of Gender Equality, the Government will ensure the implementation of the **National Plan of Action against Gender-Based Violence 2017-2021**, as well as the **National Plan of Action on Women, Peace and Security** and contribute to the implementation of the **Gender Responsive Budgeting policy**.

84 Young people are one of the priorities in the socio-economic development of the country. Therefore, in partnership as a National Youth Development Council, the Government will create measures that will, in fact, promote coordination among the different public and private entities that ensure the dynamism of technical-professional educational actions that return initiatives of access to the labor market in the areas of horticulture, livestock, aquaculture, mechanics, electromechanics, carpentry, among other labor skills, with the aim of making young people personally and professionally independent and with conditions to build a socially and professionally integrated life.

85 The Government also wants to create conditions for the implementation of policies and implementation of national action plans related to the strategies adopted in national youth policy and to link development with the incentive for work as a basis for improving the quality of life.

86 Human education is based on personal and social skills such as good self-esteem, respect, responsibility, compliance with social norms, among others. **Sport** is a means of assimilation and accommodation of these competences, which is why it is an important area to develop, particularly among the school population and young people.

87 The Government intends to plan continuing actions for national school sports and community sports at the municipality level, as well as participation in ASEAN university games and CPLP Fames. In addition, we will also improve the conditions of municipal school sports clubs and facilities that promote sports, children's and youth activities such as football, volleyball, basketball, tennis, table tennis, badminton, etc. The Government also intends to identify and develop talents, supporting them, to encourage the promotion of high-level competition.

88 In the social sphere, the Government also proposes to improve the lives of citizens in terms of **housing, linked to planning and sustainability**. The Government will design and implement a National Urban Development and Capacity Building Program, which will mainly benefit the capitals of all municipalities in the country, promoting housing rehabilitation and urban regeneration, including the extension of the water and sanitation network, construction of Wastewater Treatment Stations (ETAR), public lighting, squares and public spaces for leisure and practice of physical education, green spaces and all other social facilities considered necessary. The program will gradually be extended to all the population clusters of the country in order to ensure a more dignified life for all Timorese in their places of residence.

89 The Government will implement, with due updating, the **National Housing Policy** approved in 2007 and will create a **National Housing Program** aimed at guaranteeing in the long term a decent housing for all Timorese, with access to drinking water and reservoirs, individual sanitation facilities (bathrooms), kitchens, electricity, and the level of comfort of modern standards. The program will introduce modern techniques and building materials more appropriate to the culture, tradition and climate of Timor-Leste, encouraging the participation of local communities throughout the process and self-construction. The Government will develop tax and para-fiscal incentive mechanisms for access to urban land for housing construction and will take measures to guarantee the financial sustainability of the National Housing Policy. The policy will also include the promotion of municipal plans for orderly urbanization, with a sewage network, water supply and sanitation, electricity, garbage collection and treatment, as well as the construction of community neighborhoods surrounded by forested and organized areas that promote family gardening and environmental preservation and protection. A Guarantee Fund for Construction or Rehabilitation of community dwellings will be created.

90 In terms of the **environment**, we also intend to approve measures for the protection and management and conservation of the environment following the Paris Declaration on the Implementation of the Conservation of Climate Change and to continue biodiversity protection programs already in place, orderly reforestation programs to promote soil sustainability and water abstraction, collection and recycling of waste (solid and liquid), cleaning beaches and combating pollution of the sea, air and land, basic sanitation in municipalities, water supply, reduction of the use of firewood through the expansion of the use of clay stoves, use of renewable energies, among other measures in the short and medium term.

II INFRASTRUCTURE DEVELOPMENT

91 The Government will continue to use proceeds from the Petroleum Fund sustainably to finance productive investments in physical infrastructure, making a closer link between infrastructure and the priority economic sectors, which would provide more consistent economic returns, as the accessibility with the construction of highways or the use of sea and air transport, infrastructure that helps to increase production areas must also be built.

92 At the same time, the Government will promote the improvement of the public investment management system as well as the improvement of the quality of the constructed infrastructure, reinforcing competition in the economy through more competitive public procurement processes.

93 In addition to due attention to investments in other areas of the country's life, the Government will provide Timor-Leste with **modern and strategic economic infrastructure**, which will be built with quality and cost-benefit in the context of development and effectiveness of results, to support and back up the rapid and efficient logistics of people and goods in the private investment sphere.

94 Thus, the Government, aware of the improvement of the quality of public expenditure on infrastructure and improvement of the decision-making process, will give priority to the development of strategic infrastructure according to the priorities of economic diversification, will review and reform the public investment management system, strengthening the capacity to evaluate potential projects in both the Major Projects Secretariat and within relevant Ministries with responsibilities for infrastructure development; will strengthen coordination between rural road building projects and **sectoral development plans** for Coffee and Tourism; and increase funding for the maintenance of existing and growing infrastructure assets.

95 The Government will implement the existing **Road Network** development projects in the country, namely the construction, rehabilitation and maintenance of roads; the reconstruction of national and municipal roads, according to international standards; the construction of road infrastructures necessary to support the development of the South Coast, the continuation of the construction of road infrastructure in RAEOA, the water supply network, the school network, bridges and health centers, agricultural infrastructure,. The Government will prioritize the development of **rural roads** to access and open localities, in the perspective of the “Roads for Development” approach, already in progress, and following the recommendations of the Rural Road Master Plan.

96 The Government will promote “**access to sufficient, safe, acceptable, physically accessible and affordable water** for personal and domestic use” for all Timorese.

97 The Government will also promote the entrepreneurship of the water and sanitation sector, the creation of Municipal and Inter-municipal Water and Sanitation Companies and the attraction of the private sector to Public-Private Partnerships (PPP) and concession management; will create the conditions for the implementation of an effective technical and economic regulation of the sector of the water and sanitation and development of the sustainability and the institutional autonomy of the sector.

98 The Government will promote the construction of surface water retention dams for **irrigation** and protection of critical urban centers; will identify new water sources, including desalination, reservoir construction, **water treatment system** facilities in various parts of the country.

99 The Government will approve the appropriate legislation for the **reorganization of the electric sector** and implementation of its plan; approve and implement a Tariff Policy that includes differentiated rates for several layers of consumers, both private and commercial and industrial; will carry out studies for the restructuring of **EDTL - Eletricidade de Timor-Leste**, aiming at greater operational and economic efficiency; will attract the private sector to the country’s energy sector; carry out feasibility studies for the introduction of alternative energy solutions; and will introduce new sources of fuel into the production of electricity, such as natural gas.

100 The Government will commission the preparation and approval of the Master Plan of the **Presidente Nicolau Lobato International Airport** in Dili and the **Baucau International Airport** (this being dedicated to the Air Force and Tourism), including the rehabilitation of the respective runways and extension (in the Dili case); as well as feasibility studies for **municipal aerodromes**, in conjunction with the Master Plans for international airports. The Government will strengthen the capacity of the **Civil Aviation Authority of Timor-Leste (AACTL)** to effectively regulate the air transport sector and will also strengthen the capacity of the **Airport and Air Navigation Administration of Timor-Leste (ANATL)** including capacity building options through the use of innovative contracting and management mechanisms. In this area, the Government will respect the administrative, patrimonial and financial autonomy of RAEOA/ZEESM.

101 The Government will facilitate and support the implementation of the Public / Private Partnership (PPP) for the construction of **Tibar Port**, as an alternative to **Dili Port**; modernize the Dili Port and its conversion into a City Marina and Cruise Port; will ensure the construction of the **Suai Port and Supply Base**, as well as of **Fishing Ports in Laga and Lautém**, the **Port of Kairabela**, in the sub-district of Vemasse, this being to facilitate access to the sea in the Municipality of Baucau and to support tourism. The Government will promote studies for the construction of the port of Manatuto and the creation of a national maritime line in order to facilitate coastal navigation and shipping and

provide maritime transport services for people and goods between points on the coast of Timor-Leste. Always with respect for the autonomy of the RAEOA, the Government will cooperate with the Authority in the expansion and development of the commercial port of RAEOA.

102 The Government will institutionally strengthen the **National Communications Agency (ANC)**, including the revision and modernization of its regulatory framework; deepen the dialogue with private telecommunications operators to ensure investment in the connection to a fiber optic cable; and spread Internet access.

III ECONOMIC DEVELOPMENT

103 Since the restoration of independence, we have made considerable progress in establishing a market economy sensitive to social issues and laying the foundations for a **private sector-led** economy.

104 The Seventh Constitutional Government is aware that the foundations of peace, stability and social cohesion in Timor-Leste lie in the constant improvement of the quality of life of all Timorese, to be gradually built up by the **reduction of poverty levels** in which about 1/3 of the population still live. It is therefore necessary to strengthen the foundations for prosperity and happiness, which the Government will make possible through the revival of the economy and employment and the attraction of private investment, as we explore the paths of inclusive and sustainable development. a broad program of **Social Market Economy** aimed at increasing the disposable income of families, solving the problem of financing and promoting employment, combating precariousness. The work of the Government will focus on the implementation of economic reforms, which will result in the reduction of the unemployment rate to a single digit (i.e., less than 10%) and the poverty rate to at least 20% by 2022.

105 The Seventh Constitutional Government carries out the 2011-2030 Strategic Development Plan, which articulates the ambitions of the Timorese People as a result of a broad national consensus. The Government will draw up and approve an SDP implementation guide and mobilize ways and means to transform Timor-Leste into a high-middle income economy by 2030, with an educated, healthy and secure population and will work to eradicate extreme poverty and establish a sustainable and diversified non-oil economy.

106 The Government proposes to set up 4 economic development zones, in addition to the Oe-cusse and Ataúro ZEESM TL, following the experience and learning already developed with the ZEESM in Oe-cusse Ambeno.

107 Government action in the economic area also implements the Sustainable Development Goals (SDGs, particularly “Goal 8: Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.”

108 The Sixth Constitutional Government has given a new impetus to economic reforms. In many areas - tourism, agriculture, aviation, public finance management - the bases for the Seventh Constitutional Government are already launched. Positioning the State as a private sector guarantee cushion, the Economic Program of the Seventh Constitutional Government ensures the continuity of the economy’s ongoing reform and diversification efforts, giving priority to the People, who will be at the center of Government actions, as well as agents and direct beneficiaries of progress. The Government promotes strong and sustainable economic growth that benefits all segments of the population, regardless of their geographic location.

109 The economic growth of the country will always be aligned with the **creation of employment** and the promotion of social cohesion, safeguarding and promoting the environmental balance. This is the sense of building a dynamic, competitive and innovative economy, and of relaunching sustainable development with prosperity shared by all and capable of ensuring a better life for all Timorese without compromising the ability of future generations to come to meet their own needs.

110 To this end, the Seventh Constitutional Government will articulate solutions for **economic development that cut across governance**, in order to address fundamental issues related to the provision of basic services to the population and macroeconomic policies, and will promote a strategy of economic diversification, including interventions for the improving the business environment, increasing access to credit, increasing investment and trade and developing the productive sectors of Timor-Leste, with actions in particular on the following axes: Development of Priority Economy Sectors; Promotion and Business Facilitation; Promotion of Investments and Opening of Export Markets; Strengthening the Capacity of Public Institutions in the Economic Sector; Promotion of the Social Market Economy; Rural Development; and Development of Economic Infrastructures.

111 **Sector development** requires a concentration of financial and human resources. This strategy highlights three sectors of the economy - **agriculture and fisheries, tourism and manufacturing** - in which value-added chains for economic diversification will be stimulated and developed as priorities for the Government's mandate.

112 The most important non-oil sector in the country is **Agriculture**, which involves more than 70% of the Timorese population. The Government will continue to focus on the development of agriculture, forestry, livestock and fisheries, in a more consistent manner, in order to reduce poverty, ensure **food and nutrition security** and promote economic growth and **employment in rural areas**. The Government will invest in the creation of integrated agricultural production and community and rural tourism units.

113 **Food Security**, the Government chooses to improve food and nutrition security as one of the central axes of its agrarian development policy, aware that it cuts across the entire economy and the country's development process. In this sense, it will provide the services of agriculture, horticulture, forestry, irrigation, livestock and fisheries in support of the guarantee of food security in the country and will promote the improvement of production and productivity in the agriculture sector and the use of new techniques for harvest, post-harvest and storage of cereals and other granular agricultural products, namely beans.

114 The Government will encourage economic operators in the agricultural sector to adopt and disseminate new irrigation technologies and to introduce high quality varieties and market demand and update the legal framework of the sector in order to allow the extension of areas of irrigated agriculture, including the use of potential agricultural land, always respecting private property. The Government will mobilize farmer groups and associations, including young people and women, as well as **cooperatives**, to promote agricultural production and multiplication of certified and commercial seed of food crops (e.g. rice, maize, legumes and tubers) namely green belts of horticulture and fruit growing and diversification of food crops of altitude, livestock and apiculture.

115 The Government will continue to invest in the rehabilitation, extension, and/or construction of water retention, storage and sustainable water supply dams in irrigable areas, maximizing the use of irrigation schemes and supporting integrated agriculture in new potential irrigation areas. At the same time, the Government will promote agricultural mechanization by disseminating the use of appropriate agricultural machinery.

116 **Coffee**, Coffee cultivation involves more than 25% of Timorese families. A coffee rehab program has already started in the country. A partnership between the Government, the Timor-Leste Coffee Association (ACTL) and development partners has enabled the elaboration of a Coffee Development Plan. The Government will consider as one of the priorities the implementation of actions to preserve the **quality of Timorese coffee** and will encourage measures to increase its production and productivity in order to significantly increase exports and income for Timorese families.

117 **Forests**, the Government will pay attention to forestry as a subsector for increasing livelihoods and income generation for the Timorese and will mobilize resources for the implementation of the

Forest Investment Plan, in order to make viable strategic and sustainable investments in the if torque will benefit, the generations to come. These investments will include subsector physical and regulatory infrastructures that are needed to support local communities and the private sector by encouraging them to invest in commercially managed forests. It will therefore continue to invest in afforestation, reforestation and rehabilitation of degraded areas, including planting campaigns for native species such as sandalwood (*Santalum album*), mahogany (*Toona sureni*), narra (*Pterocarpus indicus*) and eucalyptus (*Eucalyptus globulus*). In order to ensure integrated and sustainable management of river basins, the Government will promote the expansion of **Community Based Natural Resource Management** programs, maintaining and strengthening the participation of communities in forest sector development. The Government will continue to develop the **National System of Protected Areas, National Park and Biodiversity Conservation**, and will adopt, in particular, the “Nino Conis Santana” National Park, the “Kay Rala Xanana Gusmão” National Park and the “Francisco Xavier do Amaral” for Integrated and Sustainable Management Plans.

118 **Spices and other Industrial Plants**, the Government will implement rural extension programs aimed at the development of value chains around the spices produced in Timor-Leste, namely: Pepper, Indian Clove, Vanilla, Cashew, Cinnamon, Saffron, Ginger, Paprika, etc. To mention also the production of Candlenut and Bamboo, among other industrial plants with immediate return in terms of more income for Families. Bamboo will continue to be promoted as a commercial crop to support renewable materials in furniture manufacturing. The Government will carry out the necessary studies and develop Investment Plans aimed at increasing the production of Timorese spices and industrial plants for export.

119 **Fisheries and Aquaculture**, the Government will continue to implement programs to support the sustainable exploitation of marine resources, with a view to providing, in the medium and long term, nutritional and economic benefits to Timorese people by promoting research and optimal management of living marine resources and maintaining the conservation and sustainable use of marine resources. The Government will develop concrete support programs to benefit and **modernize artisanal fisheries**. At the same time, in view of the country’s potential in fishery resources, the Government will also encourage the development of industrial fisheries, issue fishing licenses to increase sustainable catch and create conditions to enable fish to be landed and, as far as possible, processed in the country. It is also proposed to promote aquaculture activities in rural areas with a view to increasing fish consumption per capita in these areas. **Livestock and Veterinary**, the Government will continue to implement the breeding plan for cows, buffalo and goats and will encourage the introduction of genetically improved breeds for meat and dairy production and pig farming. The Government will encourage the development of the avian industry in Timor, including particular attention to the development of native species. The Government will also promote the establishment of **Animal Health Services**, including vaccination programs and general animal treatment, and will introduce improvements in the **Livestock Development and Training Centers**, National Slaughterhouse of Tibar, and Animal slaughterhouses at regional level with technical and technological capacity.

120 **Agribusiness and Access to Added-Value Markets**, the Government will also give priority to strengthening the entrepreneurship of the agricultural sector, promoting the graduation from subsistence agriculture to an agriculture of added value for the supply of the national market and for export. To this end, the Government will design and implement an **Agribusiness Development Program**, which will include the establishment of an **Agribusiness Development Support Center (CADA)**, whose mission will include certification of the quality of Timorese agricultural products to supply markets. This Center will ensure the implementation of the Standardized Procedures of the **Quarantine Operational Plan**, in support of **Sanitary and Phytosanitary Control Measures**, applicable in particular to imported and exported agricultural products.

121 The Government will promote business activities of products with manufacturing potential, such as rice (milling and packaging), coconut (oil processing and bottling and utilization of its residues,

particularly in feed production), bamboo (processing and furniture), coffee and peanuts (processing and packaging), cassava and maize (processing), and animal feed (especially for poultry and aquariums). The Government will mobilize Timorese families, entrepreneurs and cooperatives and promote the structuring of agricultural enterprises, operating in the agribusiness value chain in the country, boosting the supply of the national market and the export of agricultural products from Timor-Leste.

122 Aware that secure access to land is essential to increase private sector investment in agriculture, the Government will assess the State's land for agriculture and determine the plots that may be ceded to the private sector through lease agreements. **Agricultural Research**, the Government will help to ensure that agricultural production will happen at higher levels of quality, productivity and competitiveness, which are knowledge-intensive, such as new applicable technologies and biotechnologies for animal and plant breeding, and fisheries . Therefore, it will promote the necessary studies and mobilize technical partnerships for the establishment of a public institution for **Agricultural Research and Development of Timor-Leste**, which will include a National Laboratory for the agricultural sector and will strengthen agricultural statistics, agro-climatic information and forecasting,

123 **Organizational Development and Legal Framework**, the Government will pay particular attention to the institutional strengthening of public entities in the agriculture sector for the implementation of the Government Program and will complete the legal and policy framework for each sub-sector. The Ministry of Agriculture and Fisheries will establish an **Economic and Legal Unit** that can provide technical advice to the Ministry.

124 The Government will be guided by the principles of efficient and transparent management of the country's **hydrocarbon** resources to ensure the maximum benefit to the Timorese and to stimulate the growth and professionalization of the national private sector in order to compete in the regional and global markets.

125 The country's mineral resources will continue to contribute to economic development by helping to obtain foreign currency to finance imports. The Government will aim at policies to extract more added value from this industry, namely through the promotion of downstream processing activities in the country and start of petrochemical industries, in order to better add value to the product. In the meantime, knowing that **oil and gas** are not renewable resources, the Seventh Government will integrate energy diversification policies, promoting diversification of energy sources and reduction of greenhouse gas emission levels.

126 As anticipated in the Strategic Development Plan 2011-2030, the Government will maintain the development of support infrastructure in the South Coast of the country, led by the **Tasi-Mane Project and will create a high authority for the administration and commercial management of this project of partnership between private and public investors** and will promote multi-year development of three industrial clusters, which will form the backbone of Timor-Leste's oil industry. The project will involve the development of a coastal zone from Suai to Beço and will ensure that the necessary infrastructure is available to support a growing domestic oil industry. The Government will develop the clusters of **Supply Base, Refinery and Petrochemical Industry and Liquefied Natural Gas** in an integrated way, enhancing the interdependencies between them.

127 Aware of the country's potential in other mineral resources in addition to oil and gas, the Government will review and promote the approval of the **Mining Code** in order to facilitate the strengthening of the mining industry in Timor-Leste, promote investments and exploration initiatives for Timorese minerals, such as Limestone/Cement, Marble, Granite, Gold, Copper, Magnesium, Silver, among others, attracting investments in the sector, after the necessary studies on economically interesting reserves that may exist in the country, and encourage quarrying in order to respond to demand for civil construction in the country and export markets.

128 Timor-Leste has considerable tourism potential, which should be exploited within a framework of public sector, private sector, civil society and development partner interventions that, in close and joint relationship, will contribute to the development of a **tourism industry** with operational skills that can assure the quality of service delivery, and is supported by adequate air, sea and land transportation infrastructure and health infrastructure in support of tourism and sports as well as decent hotel facilities.

129 Thus, the Government will promote the tourism sector, making the tourist industry a true catalyst for economic diversification in Timor-Leste, with the potential of bring along other important sectors of the economy, such as agriculture, fisheries, construction, light industry and crafts, with added value. The Government will mobilize (domestic and foreign) private investment and the participatory involvement of local communities in the tourism industry in order to overcome the capital shortage.

130 The Government will strengthen the legal and **regulatory framework of the tourism sector** to ensure that the interests of local workers, owners and investors are adequately protected, while furthering studies aimed at establishing a National Tourism Authority and the capacity for planning and implementation of policies and management of resources at the level of public institutions. The Annual Activity Plans and respective budgets of public institutions linked to tourism will be aligned with the National Tourism Policy.

131 The Government will approve and implement a resource-based **Industrial Policy** to increase the production and supply of Timorese products as well as a broader Investment Policy in response to the demand for business opportunities in the country. The Government's industrial focus will be on attracting international companies to settle in Timor-Leste and absorbing know-how and cutting-edge technology in order to stimulate the manufacturing sector as it is essential for the support of engineering, and complementary activities in support of the strategic sectors already identified in the Strategic Development Plan 2030 (e.g. agriculture, mining, tourism and construction). The Government will promote the adaptation and adoption of best practices by means of Foreign Direct Investment (FDI) and knowledge flows for national companies, in order to absorb the foreign technology that is the main means for the development of production capacities in Timor-Leste. The Government will develop the **Industrial Park in Tibar Bay** and in other localities of the country, with vocation for the housing of industrial companies.

132 The Achilles' heel for the transformation of light industry into a significant factor of Timor-Leste's economic growth lies in the training of skilled labor and the attraction of Foreign Direct Investment (FDI), and the Government will promote the creation of training institutions and **Research and Development Centers (R & D)** to coordinate and support the development of micro, small and medium-sized enterprises of creative adaptation of national and foreign technologies.

133 On the other hand, the Government will support the extension of value chains to include the design, customization, packaging and processing of products, in addition to energy-related added value activity, which will also be encouraged, such as the petrochemical industry and transformation.

134 The Government will strive to encourage the **private sector to invest in the manufacture of civil construction components** (such as cement, concrete, wood and bricks) in the country in order to reduce imports and attend to market requirements. The construction also generates complementary synergies for the agriculture, mining and quarrying sectors, and tourism of the country.

135 High transaction costs constitute a binding constraint on economic growth in Timor-Leste. These costs force companies to make extra efforts to produce goods and services at internationally competitive prices. The strengthening of the business environment is a cross-cutting intervention that will allow other sectors to improve their attractiveness for domestic and foreign investors. Thus, the Government will pay attention to the improvement of the business environment, the financial sector and the labor market and qualification of the workforce, in the following terms.

136 The Government will design and implement a long-term program to develop capacity to deal with and give due treatment to cases of commercial disputes in order to promote law enforcement and enforce contracts when one of the parties is at fault. The Government will create an Arbitration Court with the support of courts of the same nature with international credibility

137 The Government will regulate the new **Immigration and Asylum Law** in order to allow the efficient and effective processing of visas for foreign investors and highly qualified foreign workers.

138 On the other hand, the Government will regulate the **Land and Property Law** in order to enhance legal certainty in property transactions and give investors more guarantees.

In addition, the Government will design and implement a comprehensive and transversal Program of interventions by public institutions in each of the major indicators of “Doing Business” in Timor-Leste, namely Starting a business; Dealing with construction permits; Getting electricity; Registering property; Getting credit; Protecting minority investors; Paying taxes; Enforcing contracts; Resolving insolvency; Labor market regulation; Energy Supply; Land and Property Management System; Judicial process; Building Regulations, and Export and Import.

140 The Government will promote the establishment of a **general register of real guarantees on movable property**, as well as an asset register so that lenders can verify the ability of a borrower to have collateral in the perspective of development and economic diversification and facilitating access to financing. To this end, the Government will implement a reform of the real guarantees on movable property and provide the country with a **system of business recovery and insolvency**.

141 The Government will carry out technical studies and initiatives for the promotion and development of the financial sector, aware of the potential of Timor-Leste for the development of a competitive international financial sector.

142 The Government will implement the **National Employment Strategy 2017-2030 (ENE)**, which provides a framework for relations between all parties with an interest in increasing employment and develop the skills and training of Timorese, and create a coordinating body and formal articulation between the Academic and Vocational Training Systems and updating the **National Professional Technical Training Plan**.

143 The Government will regulate the **Labor Law** and implement a new mechanism for dialogue, linked to improvements in labor productivity, in order to improve the international competitiveness of Timor-Leste.

144 The Government will take measures to combat precarious employment and promote the formalization of the economy and better application of the Labor Law, in addition to strengthening the labor market information system, which provides information that can help to better match supply and demand. the demand for labor.

145 Aware that trade and investment are “two sides of the same coin” and that it is essential that Timor-Leste continues to strengthen its **system of promoting investments simultaneously with access to markets**, the Government will follow up the processes of accession to the World Trade Organization (WTO) and the Association of Southeast Asian Nations (ASEAN), which will allow access to export markets and the building of trade and investment links with global and regional trading partners.

146 The Government will develop a **Trade Policy**, allied to an **Industrial Policy**, to strengthen the country’s productive capacity, including preferential trade agreements, to meet the needs of the domestic market and increase exports. The Government will encourage the Timorese diaspora spread around the world to invest in their country of origin, bringing capital, know-how and technology in

order to contribute to the economic diversification of the country and also benefit from the business opportunities that the economy is creating. In the framework of trilateral cooperation, between Timor-Leste, Indonesia and Australia (Northern Territory), the Government will encourage the development of complementary economic values, which could contribute to the intensification of trade benefiting the three neighboring countries.

147 In the case of the **CPLP**, the Government will support **Timorese entrepreneurs** in the development of close cooperation, collaboration and partnership, particularly with the Union of Exporters and the Business Confederation of the CPLP, who were born after the first meeting of Heads of State held in 2014 in Dili, and will also support the development of relations with the newly created Union of Banks, Insurers and Financial Institutions of CPLP (UBSIF-CPLP), which represents a decisive step towards financial cooperation between the nations of the Community.

148 On the other hand, the Government will continue to give priority to **membership of the World Trade Organization (WTO) and the World Intellectual Property Organization**, which would help to leverage ongoing improvements in country infrastructure, human capital and administrative capacity, in order to accelerate growth and economic diversification.

149 The Government will strengthen the institutional position of **TradeInvest** Timor-Leste, as a one-stop shop for attracting new domestic and foreign private investment and export promotion. Through TradeInvest and its diplomatic network around the world, the Government will work towards the attraction of **Foreign Direct Investment (FDI)** as a strategy for increasing aggregate demand, thus contributing to employment opportunities, promoting economic growth, transferring knowledge, technology and skills of foreign companies to domestic enterprises and workers, and thereby improve the productivity and competitiveness of the economy.

150 Thus, the Government will implement the **Plan of Action of the Investment Reform Framework**, which provides a set of political priorities aimed at the effective increase of private investment; establish a mechanism for the presentation and treatment of complaints and claims from investors with the Public Administration in general; develop an investment promotion strategy to support the development of the priority sectors of the economy (i.e., Coffee, Tourism); and strengthen links between public institutions responsible for investment promotion, sectoral development, land-use planning and economic infrastructures.

151 As support for private sector development, the Government will strengthen the coordination of government work to promote alignment of priorities with common governance objectives; will develop the practice of sectoral planning within the institutions of the economic area; and will establish harmonized procedures for the preparation of legal, economic and other strategic documents of the Government.

152 The Government will promote the Social Market Economy as a guideline of complementary economic policy for the strengthening of well-being and social justice. In this context, the **Cooperative, Associative and Mutualist Movements** will be encouraged in order to ensure community participation and benefit from the dynamics of the so-called Third Sector in the fight against social and economic inequalities. In this way, organized responses from civil society to social needs will be encouraged, through the concession of goods and the provision of services and a social use of surpluses obtained.

IV INSTITUTIONAL MODERNIZATION

153 Timor-Leste will have a strong Government, with a leadership in permanent dialogue with the **National Parliament**, with a strong voice with international institutions in defending the definition of its borders and asserting its sovereignty and having an increasingly active voice in international forums.

154 We will adopt standards of **public transparency** and a General State Budget, with the aim of promoting the quality of life. At the same time we will develop the project “**Questions to the Government**” to facilitate the contact between the Government - the Public Administration - and the citizens and to promote the clarification within a reasonable time.

155 We will draw up a **Strategic Consultation Agreement** with parties with parliamentary seats, in the medium term, which will articulate economic, fiscal, income, employment and social protection policies.

156 The historical and institutional features of Timor-Leste, constitutional and legislative options, as well as strategic, political and programmatic orientations point to a comprehensive definition of the concept of **national security**, as well as to increased integration, coordination and collaboration between the defense, security and foreign policy sectors. The Constitution of the Democratic Republic of Timor-Leste enunciates as the fundamental objective of the State the defense and guarantee of the sovereignty of the country (article 6). The Strategic Development Plan (SDP) 2011-2030 defines Timor-Leste’s development objective as the consolidation of security and stability, as well as the building of institutions of democratic rule of law, recognizing the development goals and the promotion of the welfare of Timorese citizens.

157 These strategic orientations reflect short-term issues related to changing contemporary challenges and threats and the subsequent evolution of defense and security missions, including the contribution to internal security and support for the State’s foreign policy, thus inserting itself in the current paradigm of cooperative security. The co-operative security paradigm reflects the trend of the last two decades of increased bilateral and multilateral cooperation among states. The notion of cooperative security differs from the notions of collective security or collective defense (incorporating it) and is linked to economic interdependence, the emergence of common normative frameworks, and the strengthening of mutual trust between States. In this vein the Seventh Government proposes to create the National Security Council, which is inserted in the political-legal context, and in particular in the Strategic Concept of Defense and National Security, which defines the strategic guidelines and guidelines of the State in matters of national security, as well as in the National Security Law, which governs the coordinated exercise of State activities in defense of its essential elements, through the definition of a National Security Policy; ensuring the integrated development of defense and security activities, as well as within the framework of collective security systems. The National Security Council shall be an advisory body to the Government for advice and support for decision-making by the Prime Minister and the Government, but also for advice and support for the development of national security policy, including defense policy, security policy and foreign policy; within the scope of their competence in these matters.

158 The National Security Council will also be responsible for articulating and coordinating these distinct and interconnected areas, contributing to the construction of a univocal and coherent view of state policy, as well as for greater stability, efficiency and effectiveness of the integrated functioning of these different aspects.

159 Internally, the policies of **Security** have a fundamental role for the development of the Country by contributing to the feeling of security and to the improvement of the quality of life and well-being of the populations.

160 In general terms, the construction of effective, speedy and close **Internal Security** and **Civil Protection Systems** which deserve citizens’ trust continues to demand greater investment in human resources, in the consolidation and development of institutions, in the legal framework, the provision of more logistical resources, the construction of infrastructure and the promotion of more efficient management.

161 Fifteen years after independence, the Internal Security and Civil Protection sectors have played a key role in consolidating peace and stability and in promoting the rule of law in the course of our young democracy. But it is necessary to continue to develop these two sectors so that they can fulfill their primary functions, with greater efficiency and professionalism, meeting the expectations of citizens.

162 To this end, it is necessary to strengthen and consolidate the functioning of the Institutions of Internal Security and Civil Protection, to change, assess and correct deficiencies, not only in the operational area, but also in the legislative area, in the area of economic efficiency and mechanisms capable of operating the promotion of systems that have been called to resolve ever more complex disputes, being tested every day.

163 The training of the professionals of the institutions of Internal Security and Civil Protection continues to be the main theme and, therefore, the one that must be considered in the first line.

164 The development and consolidation of the different Training Centers is therefore vital, providing them with new cadres, leaders, trainers and teachers, bringing them closer to the cultures of **Safety and Security and Relief** and improving their operation and standardization of training rules with a view to strengthening specialized training as a fundamental pillar for the training of institutions in the Internal Security and Civil Protection sectors and for the consolidation of their systems.

165 The legal framework for the Internal Security and Civil Protection sectors needs to be continually improved, with a legal framework that is adequate and reflects current reality and where the gender perspective is fostered. In addition, the simplification of the language of normative acts and the guarantee of a uniform and harmonious system are also important challenges that we face in these sectors that favor the knowledge of the laws by the professionals of the areas and of the citizens themselves.

166 For their part, maintaining good relations of cooperation and coordination is vital for the strategy of consolidation and development of the Institutions of Internal Security and Civil Protection, which should focus on supporting training, training and technical monitoring of professionals in these sectors and strengthening their institutional capacity.

167 The Government assumes as a priority of its action the continuity by adopting policies and concrete measures that contribute to making Timor-Leste a safer country with the objective of strengthening the authority of the State and the development and consolidation of the effectiveness of the Forces and Security Services and Civil Protection agents.

168 To that extent, it is not intended a new program, but rather the continuation, with an updated and innovative vision, of the policies defined in the Strategic Development Plan 2011-2030 and that were transposed and initiated by the Program of the 5th Constitutional Government. Thus, the present program is formulated in a context of continuity, giving at the same time the opportunity to re-evaluate and adjust the ongoing projects.

169. In this mandate and in the area of Security, the Government will continue to implement the **Strategic Plan for Internal Security 2030** as a way of ensuring optimum performance with regard to the peace, security and prosperity of our People. This will continue the implementation of the 2nd Phase (2016-2020) of that Plan dedicated to the Enlargement and Development of Internal Security.

170 In this regard, and over the next five years, we will continue to develop efforts to improve effective operational capacity in **crime prevention and investigation, consolidation of public security and border control**. We will also continue to encourage the community policing model and maintain stability and public safety as key responsibilities of the Timor-Leste National Police.

171 The Government will continue to focus on the qualification of human resources and the professionalization of Security Institutions, guiding recruitment and training to respond to current and future needs.

172 The simultaneous achievement of the objectives of organic rationalization and better use of human resources, in particular with a view to gender equality, material resources and financial resources, will be another major goal to achieve in the process of development, consolidation, modernization and optimization of operation of the Ministry of Defense and Security.

173 During this parliamentary term, a program will be implemented to modernize and monetize the infrastructures and equipment needed to carry out the tasks assigned to central services that are part of the Ministry of Defense and Security.

174 Let us modernize our **Armed Forces** and enhance the exercise of functions in the area of National Defense, dignify the **veteran combatants** and give support to the **families of the military**.

175 A common **Training Entity** will be established, responsible for training the Officers of the **F-FDTL** and the **PNTL** in order to maximize the training of human resources in the areas of Defense and Security and optimize the implementation of the Integrated National Security System provided for in the **National Security Law**.

176 The Government had also completed its program of legal framework and support for the development of the **National Civil Protection Authority**, namely Fire Brigade, with the prospect of further expansion to municipalities.

177 In short, the continuation of the development and consolidation of the Security Institutions will, in this area, be the key concerns that will guide the Government's action in an overall logic that takes into account the concern for complementarity and allows better results to be obtained in a more efficient way through the simplification, clarification and coordinated use of modern and timely means and processes.

178 In terms of **external relations and international politics** Timor-Leste is guided by the continuity and consistent coherence of constitutional principles. In this sense, a proactive policy in the promotion and defense of national interests is assumed based on two main axes of action: greater dynamization of the foreign policy and institutional development of the Ministry.

179 Thus, the Seventh Constitutional Government will continue to favor the strengthening of relations of friendship and cooperation with neighboring countries and countries with which historical, cultural and values of solidarity and fraternity are shared, namely the **Community of Portuguese Speaking Countries - CPLP**.

180 Within the regional and multilateral framework, the Seventh Constitutional Government will actively participate in debates and solutions to the challenges that plague societies, nations and the world, including environmental issues, piracy, illegal immigration, human trafficking, exploitation and sexual slavery, drug trafficking, money laundering, terrorism and crimes against humanity.

181 It is the strategic objective of this Government to develop the three pillars required for full membership of **ASEAN** and the consolidation of mutually beneficial relations with the countries of the region, with the aim of affirming Timor-Leste's position as the 11th Member State.

182 Commitment to cooperative relations with fragile states through **g7+** will continue, as well as the continuation of an active intervention as a permanent observer at the **Pacific Islands Forum**.

183 The Seventh Constitutional Government will continue its efforts in cooperative relations with Australia, Indonesia, Portugal, the United States of America, the BRICS countries (Brazil, Russia, India, China and South Africa), Japan, South Korea and the countries of the Gulf region.

184 On the basis of the established political dialogue and the guiding principles of the Cotonou Agreement, the Seventh Constitutional Government recognizes the progress made in partnership with the **European Union** in development cooperation and support for good governance projects and, subsequently, in continuation of these projects and in the expansion to new areas of cooperation under the principles of the promotion of democracy and fundamental freedoms, peace and security and sustainable development.

185 The Seventh Constitutional Government will focus on strengthening Timor-Leste's position with the **United Nations (UN)**, in particular on the participation of special police and military units in Peace Operations. active participation in the UN and, where appropriate, to voice its voice in the debate on the need for reform, expansion and democratization of the Security Council in order to achieve the objectives of the UN Charter in the areas of conflict prevention and peaceful resolution and balance of forces.

186 As regards the axis of action for the **institutional development of the Ministry of Foreign Affairs and Cooperation**, the Seventh Constitutional Government assumes the guidance of good practices of transparent and responsible internal management, always supported by rules of a continuous internal audit. A continuing training plan for officials and the regulation of the Diplomatic Career are specific objectives to be fulfilled in the present mandate.

187 Timor-Leste is a coastal country in Southeast Asia, situated between two larger neighbors. To the north, west and east, lies the Indonesian archipelago. To the south, extends the vast Australian continent, about 300 nautical miles across the Timor Sea. However, to date, there are no permanent maritime **borders** between Timor-Leste and these two neighbors.

188 The **delimitation of permanent borders** with Australia and Indonesia is a national priority since Timor-Leste, since its independence, legitimately aspires to exercise full sovereignty over the national territory, including the maritime territory which, under the terms of international law, lies within its jurisdiction.

189 This means that in addition to giving priority to negotiations to finalize the delimitation of land and sea borders with Indonesia and the maritime borders with Australia, it will be necessary to implement strategic programs and measures for territorial protection and preservation, and to focus on improvement projects of the conditions for the supervision of the land, sea and air space, within the framework of a national plan for the defense of sovereignty.

190 Thus, the establishment of permanent borders will enable Timor-Leste to map its internationally recognized land and maritime borders, allowing greater security and certainty for the development of a range of industries and services, including in the areas of security, immigration, fisheries, tourism and customs. On the other hand, it can also boost business development and investment, including in the oil sector, as growth and economic diversification represent the building of a prosperous, secure and sustainable future for Timor-Leste.

191 The Seventh Constitutional Government intends a strong **governance** in its role of coordination and in the defense of the public interest, which will be both intelligent and modern in defense of the improvement of the quality of service provision, with simplified procedures guided by innovation and digitalization, ensuring a coordination and effective regulation and streamlining of the legislative process.

192 The Government will stimulate **public confidence in the Government**, promoting social cohesion, the image of the Government and the salutary relationship between organs of sovereignty, through measures that promote:

193 The improvement of the quality of democracy, adopting mechanisms that expand and stimulate **democratic participation**:

- In the maintenance of relations between organs of sovereignty, as is the case of continuous communication with the National Parliament and following up the concerns of the citizens, communicated through the Members;
- Ensure greater transparency, accountability, democratic scrutiny and legality control;
- Disseminate information and broaden communication channels with citizens.

194 **Governance focused on mission and results**:

- Results-oriented policy involves adapting the organizational structure of the Government to the cross-cutting policies of the various ministerial departments;
- Support to the Prime Minister and concrete responses to the challenges faced by the Executive, which require a decision by the Head of Government.

195 The Executive will maintain its responsibilities for the creation of a **legal and normative order of Timorese genesis**, the cornerstone of a true Democratic State under Rule of Law. In this regard, taking into account the recommendations of the Commission on Legislative Reform and the Justice Sector, we will promote the reinforcement of the intervention of the Presidency of the Council of Ministers, which is the central entity of the Government with responsibilities in the coordination of legislative activity, to promote based on the following key measures: **a)** the adoption of a legislative policy aiming at the quality of laws, aligned with the objectives of simplification, accessibility and better enforcement; **b)** the insertion of a culture of legal practice in the legislative sphere, based on respect for fundamental principles of law, on the development of a law-making methodology, essential for law enforcement to achieve its objectives and compliance with rules of formal legislation, which contribute to the clarity and determinability of the law and to increase the level of consistency of the legal system and its legal certainty; **c)** the reform of the governmental legislative procedure, through the adoption of uniform and clear legal and procedural rules, the definition of the entities that intervene in each phase of the process of elaboration of the laws and the organization of its means, centralizing the effectively bilingual and more accessible to the legislative system and reinforcing the appreciation of legislative projects; **d)** adoption of measures to simplify, revise and consolidate existing laws; **e)** continuous promotion of the construction of the legal system, aiming to create a healthy and positive environment of rule of law, through measures that promote the fulfillment of the essential legal framework and the adoption of complementary legislation of the laws in force, and **f)** the increase of accessibility knowledge of laws, which translates one of the fundamental requirements of the rule of law, through the organization of the official publication of laws, which should be gradually electronic and free, and the implementation of an effectively bilingual system, ensuring the translation of all laws into Tetum, thus promoting the transparency of the sense of the laws and the universality of their access.

Legislative activity planning mechanisms will be established that focus on priority setting and oversight of legislative activity. A strong and structured investment in the training and specialization of legal technical staff, with the support of international advisory services, is essential to promote a growing number of capable and well-prepared national legal advisors.

196 In terms of legislation, the Presidency of the Council of Ministers will have specific responsibilities in promoting models and rules of simplicity to facilitate the drafting of laws, their language and translation, in order to ensure the use of the two official languages in parallel and that

transform the legal system into an **effectively bilingual system, more accessible** to professionals and the population in general.

197 The Government will continue to promote **legislative and justice sector reform**, following the proposals of the Commission on Legislative Reform and the Justice Sector, through methodologies conducive to the modernization, simplification, harmonization, adequacy and effectiveness of laws and the development of with a special focus on the adequacy and development of the substantive criminal law, so as to better match the national needs and expectations as well as the international and regional commitments assumed by the State,

198 At the same time, this Government also proposes to ensure the monitoring of the legislative program of the initiative of the sectors of activity of the Government for the period of the legislature and to ensure its implementation, in particular by monitoring its implementation on an annual basis. Likewise, the creation and operation of the Dialogues of Law and Justice forum will be ensured, which will promote regular meetings, based on legislative reform and the justice sector, for an informed, motivated, participatory, sequential, consequential and effective national debate.

199 To create an **efficient and effective communication within the Government**, with structured communication channels within the ministries, and between ministries, for a better internal knowledge of the work developed by the Government, allowing the existence of a single message abroad.

200 After the restructuring of the **Gráfica Nacional em INTL - Imprensa Nacional de Timor-Leste I.P.**, it is necessary to formalize its organic and technical structure and to promote the training of the technical staff and the dynamization of the services and products offered.

201 Having created the basic structures and the legal framework of support for the media, namely: the **Press Council; the Community Radio Center and the Timor-Leste News Agency - TATOLI**, a new phase of promotion and support is now required for initiatives to create and diversify the media, in particular in support of national journalists' associations,

Improve the physical infrastructures of **RTTL, E.P.** and the establishment of the Training Institute for journalists.

202 The achievement of a system of justice that is close to citizens, which is based on criteria of high professionalism and immunity and that responds to the aspirations of citizens and other social actors, is a fundamental requirement of the rule of law. In this regard, and taking into account the proposals of the Commission for Legislative Reform and the Justice Sector, the Government will promote structural reform of the administration of justice, taking into account the following main vectors: **a)** strengthening training and capacity building of agents and professionals in the justice sector through the adoption of an appropriate training model and the implementation of the reform of the Center for Legal and Judicial Training, providing it with the organizational, financial and human conditions necessary for its functioning as a true school of law; **b)** reform and judicial organization, by broadening the judicial map and establishments of the courts with constitutional provisions; **c)** the establishment of technical-legal support for the courts and other judicial actors; **d)** strengthening criminal investigation; **e)** promoting mechanisms for access to justice and law, ensuring that all citizens have access to fair, equitable and fair justice irrespective of their socio-cultural or economic status; and **f)** promoting alternative means of dispute resolution, such as arbitration, mediation and conciliation, in areas that present higher conflict rates, bringing justice closer to more informal means.

203 Justice services should be improved through a comprehensive program to bring them closer to citizens, transparency in their legal and administrative procedures, improvement of their functioning so as to better serve citizens and businesses. This reform program should cover central and municipal services and should be based on administrative simplification, efficiency and improvement of procedures, promotion of services closer to citizens, reinforcement of training to raise the quality and

the competence of its workers and the continued promotion of the dematerialisation of public services. Areas such as registries and notary, prison services and land and property will be a priority.

204 The Government will promote the exponentiation of cooperation with the CPLP and ASEAN countries and with other international organizations that are justice partners, particularly in areas such as the administration of justice and strengthening of judicial institutions, registries and notaries, prisons and social reintegration services, legal translation, legislation and human rights, aiming to create an environment conducive to the development of an adequate, efficient and effective legal system.

205 The Government will continue the implementation of current public policies in the area of land and property, improving and complementing the solutions already adopted, paying special attention to the implementation of the recently adopted laws on the definition of ownership of real estate and the regime of expropriation for public utility. To this end, the Land and Property Commission must be implemented in particular, with the completion of the cadastral survey and the inauguration of real estate registration.

206 Fundamentally, priority will be given to: the prevention and control of serious, violent and organized crime, the system for the protection of victims of crime and people at risk, restorative justice, the system for the enforcement of sentences and precautionary measures and the reintegration social security, prevention of recidivism, the effectiveness of civil protection, prevention and relief conditions and the promotion of road safety and the reduction of accidents.

207 There is poor management of the justice system and a lack of coordination in the way skills and services are provided to those who need it. It is therefore urgent to **modernize the tools for processing cases in court**, to reduce redundant, useless or non-value-added procedural acts and to rethink the role of the various actors. We will **bring justice closer to citizens and improve the quality of the public service of justice**.

208 Timor-Leste has made considerable progress in terms of sustainable development over the fifteen years since its restoration of independence in 2002. The country has achieved good macroeconomic stability and relatively strong rates of non-oil real GDP growth in 5 percent per year. These solid growth rates have been driven by increases in **public spending** along with the government's temporary strategy of anticipating expenditures by borrowing and withdrawing excessively from the Petroleum Fund.

209 We propose to carry out an exhaustive survey in all ministries of the sources of unjustified generation of expenditure, as well as the identification of measures to rationalize and qualify expenditure. Regulatory and supervisory functions need to be reorganized, regulators and supervisors must be more independent vis-à-vis the regulated sectors and prevention of financial sector abuses.

210 Overall, the fiscal challenge for Timor-Leste concerns the transition to a more sustainable economy and the shift to private sector-led growth over the next 5 to 10 years. As oil revenues are falling, and the discovery of significant new reserves is not guaranteed, in addition to Greater Sunrise, the country needs to use the wealth from oil and gas to develop the non-oil economy and put it on a path to inclusive growth, while improving education and health and reducing poverty and youth unemployment, especially in rural areas.

211 The **policy of anticipating expenditures** has been part of the strategy to create the necessary foundations for long-term sustainable development led by the private sector with revenues associated with securing sustainable government finances. Fiscal sustainability will be an essential aspect of Timor-Leste's economic viability and should therefore be closely monitored. Timor-Leste is committed to introducing a performance budgeting system as well as a **Medium-Term Expenditure**

Framework to better integrate planning and budgeting. The budget has to be based on programs and not on the means of production. To this end, the Government proposes to:

- **Continue institutional reforms to enable a more transparent and efficient public sector**, including the Program Budgeting process, and strengthening mechanisms for transparent and accountable governance, limiting the risks of corruption, strengthening existing systems for monitoring and improving budgetary transparency;
- **Ensure the sustainability of public finances** by setting well-defined goals and targets for Timor-Leste through a clear country-aligned vision, ensuring a prudent allocation of scarce resources.

212 The Constitution provides that the **Public Administration** works to promote the public interest and should bring services closer to the people. In the 15 years of its history, the civil service of Timor-Leste has tripled in size and grew exponentially in complexity. There are now 20 career categories and over 100 professional categories in the public service which, however, show certain disharmony in providing services.

213 The Government, via the **Civil Service Commission**, will carry out an in-depth study of the productivity and size of the civil service workforce in order to determine the real needs of personnel in the Public Administration and their placement on the basis of qualifications, skills and professional experience, as well as the implementation of productivity stimulus instruments, such as performance-by-results evaluation.

214 The proper functioning of the public administration requires the depoliticization of the public function and the reinforcement of measures to combat familiarism. The Government will be steadfast in applying the principles of merit in the recruitment and promotion of personnel as an instrument to achieve the impartiality of the public sector.

215 It is also the Government's priority to strengthen the capacity of the civil service to provide effective, efficient and accessible services to the people of Timor-Leste, including fortification and continuous development of **e-government** systems. It is fundamental to develop a competent civil service and which possesses the skills and abilities necessary to provide good services to citizens, now and in the future. The civil service should have a system that guarantees civil servants opportunities for access to training and development, with a focus on improving performance and service effectiveness and promoting continuous professional development.

216 The promotion of management capacities is a special challenge for the Seventh Constitutional Government, which will focus efforts to select and train better managers with solid technical knowledge and leadership skills.

217 Human resource difficulties will be mitigated in part by the use of IT tools, especially in recruitment and promotion of staff, performance appraisal and workforce management, in order to promote impartiality and impersonality and reduce the margin of error.

218 At the level of State, central and local government, the Seventh Government proposes to readjust the **policy of administrative reform** and local development at the municipal level, from a legislative point of view, to strengthen governance and to create training **programs for administrative frameworks of municipalities, sucos and neighborhoods**, due to the implementation of municipal public management in the medium and long term.

219 At the same time, the Government intends to develop the legal framework for **territorial management instruments** which define the main rules on land planning, such as the national spatial planning policy, sectoral plans, regional planning plans of the territory, the inter-municipal plans of

land-use planning, the special territorial planning plans, the municipal master plan, the urbanization plan, etc.

220 Thus, the Government will provide the country with all the necessary legislation in the area of **Spatial Planning and Urban Planning**, proceeding to the regulation of the National Plan of Spatial Planning and developing the entire hierarchy of territorial planning, which will introduce Regional Spatial Planning Schemes (EROT), Municipal Planning Plans (PDM), Urban Development Plans (PDU) and Detailed Plans (PD), up to the level of allotments, according to a National Regulation of Spatial Planning, to be prepared and approved as soon as possible. At the same time, the Government will pay particular attention to strengthening and updating the technological continuity of the national geodetic network, in order to ensure topographical coordinates of minimum error; will create an institution of indirect state administration to manage the **National Land Registry** and take care of technical issues related to land and property management in Timor-Leste.

221 Finally, the Government intends to adopt a new **Political-administrative Statute of the city of Dili**, transforming it from Municipality to Metropolitan City as a territorial administrative unit of supra-municipal character in which are integrated the neighborhoods that previously were denominated by sucos.

222 In order to define national policies and structuring lines for the consolidation of the State, the Government will promote a national conference with the broadest participation of the entire society in order to ensure that the interests of the People and the State are at the center of attention today and in the future for any government.

V. CONCLUSION

223 In conclusion, this generic document does not exhaust all the measures and work of this Government over the next five years. The Government's activity will be flexible enough to adapt and integrate measures that it has to take due to emergency or the normal evolution of economic and social activity in the country and in the world; the Government's activity will be flexible enough to adapt and integrate measures proposed by the other parties represented in the National Parliament and that fit the philosophy and principles to which this coalition of Government committed itself with the People.

Approved by the Council of Ministers on October 6, 2017.

The Prime Minister,

/s/

Mari Bim Amude Alkatiri