



THE DEMOCRATIC REPUBLIC OF TIMOR-LESTE

STATEMENT

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Excellency the President of the ECOSOC

Distinguished delegates,

Ladies and gentlemen,

It is my pleasure to participate in the virtual Economic and Social Council (ECOSOC) High-Level Political Forum and High-level Segment 2021.

In 2017, the government produced a road map for the implementation of 2030 Agenda and the SDGs to ensure the alignment of its national plan and 2030 Agenda. Timor-Leste believes that an inclusive participation of all elements of society in the implementation of the 2030 Agenda is of paramount importance. Hence, we have made thus far progress in the area of social and economic development and to benefit from the international best practices on how to strengthen efforts toward improving our development trajectory for the prosperity of our people.

Voluntary National Review and Integrated National Financing Framework

In 2019, Timor-Leste presented its first Voluntary National Review at the High Level Political Forum to take stock on the progress made and the existing challenges facing the country to advance the agenda 2030. Positive conclusions of this process included our commitment to reconciliation, just and inclusive societies, democracy, the consolidation of state-building process, as well as, accelerating progress toward a sustainable development. However, it also highlighted the need to tackle health and education disparities between municipalities, focus on quality education, and to ensure vulnerable women and persons with disabilities are not left behind.

Since Timor-Leste has one of the youngest populations globally, the need to support the nascent private sector through diversifying our economy away from reliance on oil is vital to ensure jobs creation and improving the wellbeing of its people. Reducing child

malnutrition is another key focus, given its impact on many aspects of childhood development.

Timor-Leste is applying the Integrated National Financing Frameworks (INFFs); as an integrated financing framework helps bridge-financing policies with long-term priorities of national Strategic Development Plan (SDP 2011-2030) and SDGs. It brings together the full range of financing sources - public finance and tax, aid, borrowing, and private investments. To this end, it aligns existing financing policies and approaches and lay out a strategy to increase investment, manage risks, and achieve sustainable development. However, since the beginning of this year, there have been two events that have dramatically changed our situation:

Firstly, after almost a year of trying to contain the propagation of imported COVID-19 cases within the quarantine facilities in the country, we registered the first confirmed cases of community transmission in February 2021, and since then we have now had over [9,766] cases and [25] deaths.

Secondly, on April 4th, a devastating flood hit the country. The calamity that struck Timor-Leste, with torrential rains that caused damage to public infrastructure (roads, bridges, drinking water systems, electricity) and to private infrastructure (many people lost their homes and their property), and also caused 40 deaths, 16,000 people were displaced.

These two events have caused significant challenges for 2021, a year that had promised to deliver strong growth due to a large budget and political stability following the negative growth of 2020.

GDP Growth Challenges

After two consecutive years of negative growth, the recovery in 2019 was not enough to create productive and decent jobs, raise incomes, and reduce inequalities. The small gain in 2019 was simply erased by the application of a ten-month duodecimal regime as the National Parliament did not pass the 2020 budget and in addition to the emergence

of COVID-19 pandemic and its unprecedented impacts which, caused the economy fall into a third recession just in four years. Therefore, the year 2020 was particularly challenging. Timor-Leste's existing fiscal buffer from the Petroleum Fund could not prevent the fall of the GDP to nearly 7 percent, the largest since independence. Lockdown measures to prevent the spread of COVID-19 along with global economic slowdown and oil price uncertainty plunged the Timor-Leste's economy into severe contraction with real GDP per capita to slip down to the 2009 level.

COVID-19 Our Key Measures

The government fiscal response to COVID-19 has been massive, which helped to mitigate some of its indirect impacts. Public lockdown measures were crucial to prevent the spread of COVID-19 in 2020, however it had a considerable downturn impact on economic activity. To mitigate negative repercussions of health-related lockdown and sanitary fence, the Government introduced an economic stimulus package through the dedicated COVID-19 Fund to support living standards, preserve jobs and protect businesses.

Subsequently to strengthen the allocation of the COVID-19 Fund, to enable the Government to prevent and combat COVID-19 and to respond to the needs of the communities that were most affected by the recent flooding, the National Parliament approved the first proposal to amend the 2021 General State Budget which had been passed on December 29th, 2020. The change in the allocation in the COVID-19 Fund allows the Government to purchase the vaccines for COVID-19 to be able to cover the entire population, to purchase personal protective material and equipment, material for testing and treatment for COVID-19 inpatients, the construction and rental of isolation and quarantine spaces, and the improvement of isolation sites throughout the territory.

Furthermore, the COVID-19 Fund also allocated to fund socioeconomic measures, such as employment support, credit moratorium, tuition fee waivers and internet subsidy for higher education students, the purchase of food products from local producers, or the electricity subsidy, and the Basic Food Basket program.

COVID-19 Vaccination Rollout: International Cooperation

Given our current medical infrastructure and the WHO's recommendation, the Government has decided to use the AstraZeneca vaccine and Sinovac through membership of the COVAX Advanced Market Commitment and the support of our international partners.

The vaccination rollout began in April and has been significant. As of July 5th, 2021, 28.2% of the population had received at least the first dose, while 4% is fully vaccinated. This corresponds with over 239,212 vaccine doses administered so far. The governments of Australia and China have pledged to support the vaccination campaign with 630,000 and 100,000 doses, respectively.

While Timor-Leste is starting to see some positive developments in reversing the rise of COVID-19 cases, the threats of new variant in the region remain as a great concern for all, including Timor-Leste. We share the view that vaccination rollout and promoting economic recovery are keys to a resilient recovery and it's important to ensure that vaccines reach all people without any kind of discrimination, including people in the Least Developed Countries, Small Island Developing States, conflict affected countries and those who live under occupation. In addition, the availability of the vaccines should be treated as a global public good.

We commend the efforts of countries which have donated COVID-19 vaccines to countries in need, particularly through COVAX and other existing frameworks and we thank various assistances rendered by our development partners in coping with this unprecedented situation and our collaboration with the UNRC, WHO and other international organizations.

In conclusion, the rapid spread of COVID-19 and the threats of new variants have reversed the progress toward achieving the SDGs and have disrupted our socio-economic

development and it perpetuates inequality. In the mid of this unprecedented situation, there is a need to strengthen a genuine international cooperation and solidarity for a transformative recovery and revamping our socio-economic development to meet the targets set out in the Agenda 2030.

Thank you.