

Timor-Leste and the US Millenium Challenge Corporation Sign a \$7.5 Million Financing Agreement

Dili, May 3, 2019 – Minister Fidelis Magalhães, on behalf of the Government of Timor-Leste, and Executive Director Caroline Nguyen of the US Millenium Challenge Corporation, this Friday signed an agreement for a \$ 7.38 million grant to enable the preparation of a Compact for Growth and Employment in Timor-Leste.

The Minister for Legislative Reform and Parliamentary Affairs who leads the government side of the development of the Compact with the MCC said that the grant will be used to prepare projects for improving citizens' living conditions and the Compact will address economic growth and employment with a holistic, comprehensive approach.

“The development of the Compact for Growth will also be a stimulus to the responsiveness of the public services and the enhancement of the quality of the public administration,” he added.

The signing ceremony was attended by the Minister for Education, Youth and Sports, Dulce de Jesus Soares, the Minister for Public Works, Salvador Soares dos Reis Pires, the Secretary of State for Social Communication, Merício Juvenal dos Reis 'Akara', Members of the Parliament, the US Ambassador for Timor-Leste, Kathleen Fitzpatrick, the President of Timor-Leste Chamber for Commerce and Industry, Óscar Lima, and representatives of civil society organizations and other guests.

Minister Fidelis Magalhães conveyed the government's appreciation for the United States MCC leadership and staff's commitment in assisting Timor-Leste implementation of key government-defined development goals. The Minister added that in implementing the compact, best management practices and good governance principles will be adopted, which will follow international quality standards.

Executive Director Caroline Nguyen said that the 7,38 million grant ensures the immediate realisation of social impact and feasibility studies to help select the most effective projects to achieve the objectives of the Compact.

Ms. Caroline Nguyen exemplified the integrated approach that Compact will follow, exemplifying with malnutrition and rickets, whose eradication will involve the construction of basic sanitation infrastructure, infrastructure to provide access to clean water for everybody, the adoption of specific nutritional programs and improved access to quality public health services, among other measures that the Compact will develop.

The areas previously defined by the Council of Ministers for intervention of this Compact for Growth include eradicating malnutrition and creating a national infrastructural of vocational training to raise the quality of the country's human resources. The implementation of the Compact is accompanied by reforms of the legal system and administrative procedures in order to enabling the business environment, to attract more investment and create more jobs across the country.

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