

Press Release

Meeting of the Council of Ministers on September 30th, 2025

In accordance with the proposals presented by the Minister for Petroleum and Mineral Resources, Francisco da Costa Monteiro, the Council of Ministers resolved to **authorise expenditure from the General State Budget under Programme A18 for the implementation of the Tasi Mane Project on the South Coast**, in the amounts of US\$22.84 million and US\$13.57 million, and to launch the respective procurement procedures through a public tender.

The expenditure is intended for the procurement of project management and supervision services, covering the Suai Supply Base and the Centre of Excellence in Oil and Gas Science and Technology, as well as for the construction works on the motorway between Zumalai and Natarbora, on the Uma Berloic–Natarbora section, and for the access road between the motorway and the industrial cluster area.

The Council of Ministers has decided to grant **full powers to the Vice Prime Minister, Coordinating Minister of Economic Affairs and Minister for Tourism and the Environment, Francisco Kalbuadi Lay, to sign, on behalf of the Democratic Republic of Timor-Leste, the ASEAN Framework Agreement on the Digital Economy (DEFA), and to the Minister for Trade and Industry, Nino Pereira, to sign, also on behalf of the Democratic Republic of Timor-Leste, the ASEAN Framework Agreement on Competition (AFAC).**

The DEFA aims to promote an integrated digital economy within ASEAN by harmonising standards and procedures amongst Member States, covering areas such as e-commerce and electronic payments, digital identity, data protection, cybersecurity, and artificial intelligence.

The AFAC establishes a regional framework for cooperation on competition matters, based on the fair, transparent, and non-discriminatory application of relevant rules, and on strengthening competition authorities and cooperation between Member States.

Lastly, the Council of Ministers approved the **2027 General State Budget draft (2027 GSB)**, presented by the Minister for Finance, Santana José Rodrigues F. Viegas Cardoso, with a total consolidated amount of US\$ 2,568,500,000. The budget allocates US\$ 2,487 million to the Central Government and US\$ 56.1 million to the Oe-Cússe Ambeno Special Administrative Region (RAEOA). Social Security has a budget of US\$ 186.55 million.

Under the motto “Strengthening Resilience through Transformation: Diversifying the Economy for a Sustainable Future”, the 2027 GSB continues the priorities set out in the Programme of the 9th Constitutional Government and in the 2011–2030 Strategic Development Plan. The proposal combines the continuity of essential public services with investments and reforms aimed at strengthening productive capacity, creating jobs, improving the population’s living conditions and reducing the economy’s vulnerability to external shocks.

Among the key measures set out in the 2027 GSB, the following are particularly noteworthy:

- the development of the oil and mineral resources sectors, with an additional allocation of US\$ 244.8 million for the policy priorities approved for 2027;
- the strengthening of education and health services, with allocations of US\$ 194.2 million and US\$ 182.6 million, respectively, to the Central Administration and the RAEOA, in accordance with the functional classification of expenditure;
- the continuity of the electricity supply, through a transfer of US\$ 127.4 million to EDTL, E.P., which also supports the expansion of generation capacity at Oe-Cússe Ambeno and the solar power station at Ataúro;
- the continuation of support for National Liberation Fighters and vulnerable families, including US\$ 156.2 million for the recognition and support of veterans, combatants, and martyrs, and US\$ 11.7 million for mothers and children, primarily through the *Bolsa da Mãe* (Mother’s Allowance) programme;
- funding for school meals through local authorities, with an allocation of US\$ 24.7 million, covering primary and pre-school education;
- strengthening fiscal equity and sub-national governance, with an additional allocation of US\$ 17.3 million, aimed at supporting decentralisation and the delivery of public services across the country;
- funding for election-related needs and commitments relating to ASEAN, with an additional allocation of US\$ 27.5 million;
- strengthening public order and security, with an additional allocation of US\$ 13.6 million;
- promoting economic diversification through initial funding of US\$ 8.8 million for niche tourism priorities and US\$ 6 million for fisheries, supporting the preparation of interventions and capacity building in these sectors;
- strengthening the domestic revenue system with an additional allocation of US\$ 5 million, as part of measures aimed at improving revenue mobilisation;
- and the reduction of inefficiencies in public spending, with projected savings of US\$ 53.6 million across 62 organisations, as well as the reorientation of the Infrastructure Fund, with projected savings of US\$ 51.6 million in 2027.

The preparation of the 2027 GSB also builds on stronger medium-term planning, with estimates for 2027 to 2031 that identify the costs of continuing existing policies and services and allow the Government’s new priorities to be analysed separately. This approach aims to improve resource allocation, increase expenditure predictability, and strengthen results assessment, while maintaining the annual nature of budgetary authorisation, in accordance with Law No. 3/2025 of April 23rd, on the Framework for the General State Budget and Public Financial Management. **END**