

Timor-Leste
Country Partnership Framework
November 26, 2019
Chair Summary*

Executive Directors discussed the World Bank Group's Country Partnership Framework (CPF) for the Democratic Republic of Timor-Leste for the period FY20-FY24.

Directors expressed support for the CPF's goal of helping Timor-Leste translate its financial assets into sustained and broad-based increases in living standards for its people. They welcomed the focus on supporting investments in human capital and infrastructure as well as on economic diversification and increasing the role of the private sector in the economy.

Directors commended the Government for accumulating financial assets in the Petroleum Fund over the years. They noted that the country's dependence on petroleum revenues and the dollarization of the economy could pose challenges to economic diversification. They underscored the importance of strengthening the government's institutional and implementation capacity to ensure fiscal sustainability and improve the quality of public spending. They also encouraged the WBG to share the lessons learned in translating the wealth fund into sustained prosperity.

Directors stressed the need to continuously improve the business environment and remove constraints to private sector development and regional integration. Directors inquired about the progress on the country's aspiration to join the Association of South East Asian Nations (ASEAN) and the World Trade Organization (WTO).

Directors welcomed the strong collaboration across the WBG in preparing the CPF and increased effort by IFC and MIGA to maximize finance for development. Directors encouraged the WBG to continue collaboration with other development partners to tackle the CPF goals, including reducing gender gaps and gender-based violence, and strengthening resilience to risks, particularly those associated with climate change.

*This Summary is not an approved record.