



Update on Progress

- In February 2007 the Government of Timor Leste (GOTL) submitted a draft Compact proposal to MCC that included investment proposals in five sectors. An MCC delegation visited Timor Leste in March 2007 and asked the GOTL to conduct wider public consultations and to consider a more focused proposal, taking into account Timor's capacity. Parliamentary elections were held in June 2007 followed by the formation of a new government in August. The change in government and a period of civil unrest slowed the pace of compact development.
In December 2007, MCC's Board of Directors re-selected Timor-Leste as eligible for MCA assistance in FY 2008.
In April 2008, MCC representatives met with GOTL Minister of Finance to discuss re-starting the compact development process. A re-engagement mission to Timor-Leste was conducted in May 2008.
The GOTL has shown its commitment to the process by allocating a budget for Compact development, appointing principal points of contact for both policy improvement and compact development, including highly qualified, full-time point of contact as well as a dedicated core team.
The government has developed a detailed policy improvement plan, and has committed significant ministerial level attention to improvement on indicator reporting and performance as well as to development of a compact.
MCA Timor is nearing completion of its constraints analysis, focusing on roads, education and property rights as binding constraints to economic growth in Timor Leste. The GOTL plans to commence broad public consultations in August, and plans to submit its concept paper (proposal) for funding by October.

Compact Status

Status.....Eligible

Country Information

Population 1,02,9195*

GNI Per Capita.....\$1510*

Compact Process

Table with 2 columns: Stage, Completed. Rows include Eligibility (checked), Notification, Proposal Receipt, Opportunity Memo, Congressional Notification on Compact Negotiations, Investment Memo, Board Approval, Compact Signing, Entry Into Force, Initial Disbursement.

*World Development Indicators, World Bank, 2007