

The Challenge

East Timor continues on course as the first new democracy of the millennium. Rural poverty remains a significant challenge, and has been exacerbated by continued high population growth. The maternal mortality and under-five child mortality rates are also among the highest in the world. Despite these challenges, East Timor has made significant progress. Recently the country was selected to be a fully eligible candidate for the Millennium Challenge Account, which should have a significant impact on national development. USAID programs in East Timor will directly contribute to poverty reduction, help strengthen the rule of law, expand more effective democratic governance, and help improve the health of the Timorese people, especially women and children at greatest risk.

Objectives, Sectors and Workforce

USAID Representative: Flynn Fuller

MCA Status: Compact Eligible

PEPFAR Focus Country: No

Provided or Received Services From Other Missions: Received

Program Budget (Appropriations by Objective)

	FY 2004 (\$000)	FY 2005 (\$000)	FY 2006 (\$000)	FY 2007 (\$000)	Percent Change FY 04-07	2005 SO Performance Score	Direct SO Admin. Cost Ratio
472-001 Accelerated Economic Growth	11,367	0	0	0	N/A	1.15	Exceeded
472-003 Support for Democratic Transition	11,000	0	0	0	N/A	1.13	Exceeded
472-004 Accelerated Economic Growth	0	9,908	7,900	6,500	N/A	2.00	Exceeded
472-005 Good Governance Strengthened	0	9,460	6,000	4,000	N/A	N/A	0.08
472-006 Improved health of the Timorese people	0	2,956	4,910	3,000	N/A	1.15	Exceeded
PL 480 Title II not Allocated to a Strategic Objective	669	994			N/A		
Country Total	23,036	23,318	18,810	13,500	-41.4%		

Program Budget (Appropriations by Account)

	FY 2004 (\$000)	FY 2005 (\$000)	FY 2006 (\$000)	FY 2007 (\$000)	Percent Change FY 04-07
Development Assistance	0	500	0	0	N/A
Economic Support Fund	22,367	21,824	18,810	13,500	-39.6%
PL 480 Title II	669	994	0	0	N/A
Total	23,036	23,318	18,810	13,500	-41.4%

Program Budget by Sector and Account

	FY 2004 (\$000)	FY 2005 (\$000)	FY 2006 (\$000)	FY 2007 (\$000)	Percent Change FY 04-07
Economic Growth ESF	11,367	9,908	7,900	6,500	-42.8%
Human Rights DA	0	500	0	0	N/A
Democracy and Governance ESF	11,000	8,960	6,000	4,000	-63.6%
Child Survival and Maternal Health ESF	0	2,956	3,000	1,500	N/A
Other Infectious Diseases ESF	0	0	1,910	1,500	N/A
PL 480 Title II not Allocated to a Sector	669	994			N/A
Total	23,036	23,318	18,810	13,500	-41.4%

Workforce

	FY 2004	FY 2005	FY 2006	FY 2007	Percent Change FY 04-07
US Direct Hires	0	1	1	1	N/A
US Non Direct Hires	0	3	4	4	N/A
Foreign Nationals	0	16	19	19	N/A
Total	0	20	24	24	N/A

Operating Expense

	FY 2004 (\$000)	FY 2005 (\$000)	FY 2006 (\$000)	FY 2007 (\$000)	Percent Change FY 04-07
Salaries and benefits	66	304	229	250	278.8%
Travel	145	100	121	140	-3.4%
Transportation of things	12	48	25	66	450.0%
Rent	21	70	105	57	171.4%
Security	24	37	41	44	83.3%
Equipment	103	46	147	100	-2.9%
ICASS - Operating Expense only	0	128	100	106	N/A
Other Operating Expense	137	342	232	237	73.0%
Total OE Budget	508	1,075	1,000	1,000	96.9%

US direct hire salary and benefits	0	120	148	164	N/A
Program Funded Administrative Expenses				808	
Country Total Administrative Budget				1,972	
Percent of Bureau OE Total				1.4%	

Mission Summary

	FY 2004	FY 2005	FY 2006	FY 2007
Program per US Direct Hire (\$000)	N/A	23,318	18,810	13,500
Program per All US (\$000)	N/A	5,830	3,762	2,700
Program per Position (\$000)	N/A	1,166	784	563
Operating Expense as % of Program Funding				7.4%
Program Funded Admin Expense as % of Total Admin				41.0%
Total Admin Expense as % of Program Funding				14.6%

Other Major Donors:

Bilateral: The United States is the third largest donor in East Timor. The other major bilateral donors include Australia, Portugal, Japan, and the European Commission.

Multilateral: Major multilateral donors include the World Bank, a conglomerate of 18 United Nations agencies, and the Asia Development Bank.