

A Fact Sheet

Timor-Leste

and

ADB

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The Asian Development Bank (ADB) is a multilateral development finance institution owned by 63 members, 45 from Asia and the Pacific and 18 from other parts of the globe. ADB's vision is an Asia and Pacific region free of poverty. Its mission is to help its developing member countries reduce poverty and improve their living conditions and quality of life. ADB pursues a strategic agenda—sustainable economic growth, inclusive social development, and governance for effective policies and institutions—with three crosscutting themes: private sector development, regional cooperation, and environmental sustainability.

ADB's main instruments in providing help to its developing member countries are policy dialogues, loans, technical assistance, grants, guarantees, and equity investments. In 2003, ADB's total lending volume was US\$6.1 billion. Technical assistance, which is used for preparing and implementing projects, supporting advisory activities, and undertaking regional activities, amounted to US\$176.5 million. Grants totaling US\$483.5 million were also provided.

ADB was established in 1966. Timor-Leste became the 61st member country of ADB on 23 July 2002.

ADB's headquarters is in Manila. It has 23 offices around the world.

ADB's staff numbers more than 2,000 employees from over 50 countries.

Asian Development Bank

31 December 2003

Shareholding and Voting Power

Timor-Leste is the 31st largest shareholder in ADB among its regional members. Overall, the Timor-Leste is the 39th largest shareholder.

| | |
|-------------------------------|---|
| Number of shares held: | 350 (0.010% of total shares) |
| Votes: | 14,235 (0.33% of total membership, 0.50% of total regional membership) |
| Overall capital subscription: | US\$5.20 million |
| Paid-in capital subscription: | US\$0.37 million |

Strategy and Policy Dialogue

Since Timor-Leste's independence in May 2002, assistance to the country has shifted from relief and rehabilitation to longer-term development programs. In 2003, ADB's strategy continued to support the improvement of public infrastructure, largely through investment projects funded by the multidonor Trust Fund for East Timor. ADB technical assistance in 2003 supported these projects with capacity building. It also focused on strengthening the microfinance institution—enhancing its sustainability and enabling it to expand to rural areas and improve the microcredit access of the rural poor, particularly women. The Government's public financial management capacity was strengthened by continuing advisory support on the issue of Timor Sea oil and gas and by assisting in the development of trade statistics.

Several technical assistance grants helped the Government develop a policy framework for poverty analysis including the establishment of baseline data on its extent, nature, and dimensions. They also helped the Government to decide on its poverty reduction strategy. Assistance was provided to develop infrastructure expenditure programs to enhance the Government's ability to develop a financially viable and fiscally responsible budget. This work enhanced the linkages between the national development plan and the combined budget sources and supported government decision making and priority setting within and across sectors.

In October 2003, ADB signed a poverty reduction partnership agreement with the Government.

Loans and Technical Assistance

No loans were approved in 2003. One advisory technical assistance grant for US\$550,000.00 was approved.

Share of ADB's Procurement Contracts

Each year, ADB provides loans to fund projects and activities in its Asian and Pacific developing members and several billion US dollars' worth of contracts to procure goods and consulting services.

From 1 January 1999 to 31 December 2003, ADB approved US\$27.66 billion in loans for 318 projects and US\$839.3 million in technical assistance for 1,503 projects. As of 31 December 2003, the cumulative totals were US\$105.07 billion in loans for 1,818 projects in 39 countries and US\$2.20 billion for 5,053 technical assistance projects, including regional technical assistance projects.

Procurement contracts for goods and related services, civil works, and consulting services under loan and technical assistance operations totaled US\$4.46 billion in 2002 and US\$3.50 billion in 2003. Cumulative procurement as of 31 December 2003 was US\$70.94 billion. Most contracts were awarded on the basis of international competition, which is open to firms and individuals from any ADB member country, regional or nonregional.

Timor-Leste's share of procurement contracts, 2002–2003.

| Item | 2002 | | 2003 | | Cumulative (as of 31 Dec. 2003) | |
|---|--------------------------|---------------|--------------------------|---------------|------------------------------------|---------------|
| | Amount (US\$ million) | % of Total | Amount (US\$ million) | % of Total | Amount (US\$ million) | % of Total |
| Goods and Related Services, and Civil Works | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Consulting Services | 0.87 | 0.34 | 0.52 | 0.15 | 1.75 | 0.03 |

ADB Governor

The Honorable Maria Madalena Brites Boavida, Minister of Planning and Finance, is the Governor for the Democratic Republic of Timor-Leste in ADB.

ADB Alternate Governor

Ms. Aicha Bassarewan, Vice-Minister of Planning and Finance, is the Alternate Governor for the Democratic Republic of Timor-Leste in ADB.

Special Office in Timor-Leste

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