

ASIAN DEVELOPMENT BANK MEMBER FACT SHEET



Timor-Leste: 2021 Commitments (\$ million)^a

Product Type	Sovereign	Nonsovereign	Total	COVID-19 Response
Loans	217.00	–	217.00	–
Grants	4.00	–	4.00	–
Technical Assistance ^b	6.73	0.09	6.82	0.29
Total	227.73	0.09	227.82	0.29

– = nil, COVID-19 = coronavirus disease, DMC = developing member country, TA = technical assistance.

Notes:

Commitment is the financing approved by ADB's Board of Directors or Management for which the legal agreement has been signed by the borrower, recipient, or the investee company and ADB.

Grants and TA include ADB-administered cofinancing.

^a Numbers may not sum precisely because of rounding.

^b Financing for TA projects with regional coverage is distributed to their specific DMCs where breakdown is available.

ADB supports Timor-Leste in strengthening its basic infrastructure and services and building a sound country system as it moves to expand its assistance to other sectors.

TIMOR-LESTE

Timor-Leste: Cumulative Commitments^{a, b, c, d}

Sector	No.	Total Amount (\$ million) ^e	% of Total Amount ^e	COVID-19 Response (\$ million) ^e
Agriculture, Natural Resources, and Rural Development	5	7.70	1.15	1.00
Education	3	13.50	2.01	–
Energy	5	4.32	0.64	–
Finance	5	2.63	0.39	–
Health	–	2.13	0.32	2.13
Industry and Trade	1	1.58	0.24	–
Information and Communication Technology	–	0.17	0.03	–
Multisector	4	18.20	2.71	–
Public Sector Management	20	11.53	1.72	0.06
Transport	31	534.98	79.68	0.03
Water and Other Urban Infrastructure and Services	10	74.72	11.13	–
Total	84	671.45	100.00	3.21

– = nil, COVID-19 = coronavirus disease, DMC = developing member country, TA = technical assistance.

^a Grants and TA include ADB-administered cofinancing.

^b Includes loans, grants, and TA.

^c Using primary sector in the reporting of commitments.

^d From 2020, financing for TA projects with regional coverage is distributed to their specific DMCs where breakdown is available.

^e Numbers may not sum precisely because of rounding.

Timor-Leste demonstrated resilience amid the resurgence of the coronavirus disease (COVID-19) pandemic since March 2021 and the severe flooding that struck the country caused by cyclone Seroja in April 2021. In response to the devastating impact of the flooding, the Asian Development Bank (ADB) provided a \$1 million grant for immediate relief efforts for the *Hamutuk Serbi Komunitade* cash-for-work project.

ADB accelerated its assistance to other sectors to support the Government of Timor-Leste's pandemic response through Timor-Leste's first loans in the urban water, air transport, and energy sectors. The \$47 million loan for urban water services will bring reliable access to 62,000 people in the municipal capitals of Lospalos, Viqueque, and Same. The \$135 million loan for the expansion of Dili's Presidente Nicolau Lobato International Airport will improve international connectivity and boost trade and tourism in the country. The \$35 million energy sector loan will modernize the power distribution system, enhance electricity access, and provide a more resilient and reliable power system. Two additional projects are proposed in the road transport and urban water sectors for 2022.

To date, ADB has committed 76 public sector loans, grants, and technical assistance totaling \$619 million to Timor-Leste. Cumulative loan and grant disbursements to Timor-Leste amount to \$248.5 million. These were financed by regular and concessional ordinary capital resources, the Asian Development Fund, and other special funds. ADB's ongoing sovereign portfolio in Timor-Leste includes 12 loans and 1 grant worth \$449 million.¹

¹ Sovereign portfolio consists of loans, grants, equity investment, and sovereign guarantee committed and not financially closed. Regional projects with loans/grants to multiple countries are reported separately.



ADB's active portfolio comprises 4 active road projects to rehabilitate or upgrade 337 kilometers of national roads. Support to urban water and other urban infrastructure services are essential to improve the health outcomes and address malnutrition, a major challenge for the country. ADB's ongoing and future activities in the agriculture sector will also contribute to improving food security and accelerate rural development.

ADB also provided technical assistance for project implementation and knowledge work. ADB is a leading partner supporting regional cooperation and has been working closely with the government on its proposed accession to the Association of Southeast Asian Nations (ASEAN) and the World Trade Organization (WTO). ADB also helps strengthen governance, fiscal policies, data, and statistical capacity, and promote gender-responsive judicial systems through ongoing technical assistance projects.

ADB has been supporting Timor-Leste since 1999, with focus on basic infrastructure—in particular, land transport and enhancing state capacity. Since its independence, there has been significant progress in the state's capacity to deliver basic services and manage external shocks. ADB assistance helped reduce transport and energy infrastructure bottlenecks, identified as key constraints for poverty reduction and economic development. Additional investments and policy changes are still required to strengthen basic infrastructure and services, and human capital for long-term inclusive and sustainable development, as well as private sector growth.

Creating the enabling legal and institutional framework is fundamental for private sector development in Timor-Leste. ADB is supporting the preparation of a Strategic Roadmap 2022-2030 for TradeInvest, Timor-Leste's investment and export promotion agency and the legal and regulatory framework for the electronic business registration platform (SERVE). An ongoing loan and completed technical assistance to expand Olam's coffee operations has involved training 4,200 coffee farming households to improve the productivity and quality of their production. ADB has identified transaction advisory opportunities in waste management, renewable energy and information and communications technology (ICT) sectors.

Operational challenges. Although Timor-Leste's handling of the COVID-19 pandemic showed its capacity to respond to external shocks, the country needs to further build its capacity to manage large and complex projects. Governance and institutional capacity for infrastructure management, budgeting and planning, and project implementation and monitoring also need strengthening. Several large-scale reforms to improve public sector management and the quality-of-service delivery are underway. ADB is supporting institutional strengthening through project-based technical assistance, capacity development, and knowledge transfer.

KNOWLEDGE WORK

ADB provided capacity development support through different projects including training on operations and maintenance in the urban water projects and support to the establishment of Timor-Leste's new water and electricity utility state-owned enterprises. The government's core organizing structure for

Timor-Leste: Share of Procurement Contracts for Loan, Grant, and Technical Assistance Projects

Item	Goods, Works, and Related Services	
	Amount (\$ million)	% of Total
2020	1.25	0.01
2021	–	–
Cumulative (as of 31 Dec 2021)	28.25	0.01

Item	Consulting Services	
	Amount (\$ million)	% of Total
2020	0.63	0.09
2021	0.36	0.05
Cumulative (as of 31 Dec 2021)	11.12	0.07

Item	Total Procurement	
	Amount (\$ million)	% of Total
2020	1.88	0.01
2021	0.36	0.00
Cumulative (as of 31 Dec 2021)	39.37	0.02

– = nil.

Top 5 Contractors/Suppliers from Timor-Leste Involved in Goods, Works, and Related Services Contracts under ADB Loan and Grant Projects, 1 January 2017–31 December 2021

Contractor/Supplier	Sector	Contract Amount (\$ million)
United Nations Development Programme	ANR	1.00
Morrison Unipessal Lda	WUS	0.08
Venjus Unipessoal Lda	WUS	0.05
Tebedej Solutions Lda	EDU	0.01
Tampin Unipessoal Lda	WUS	0.01
Others		0.64
Total		1.78

ANR = agriculture, natural resources, and rural development; EDU = education; WUS = water and other urban infrastructure and services.

Note: Numbers may not sum precisely because of rounding.

Top 5 Consultants from Timor-Leste Involved in Consulting Services Contracts under ADB Loan, Grant, and Technical Assistance Projects, 1 January 2017–31 December 2021

Consultant	Sector	Contract Amount (\$ million)
Geotechnik Ltd.	TRA	0.08
CrocfaeK Unipessoal LDA	TRA	0.07
Individual Consultants		2.77
Others		0.11
Total		3.03

TRA = transport.

economic integration matters and legislative plan have been supported by ADB. Reports were published on topics that include COVID-19 management, [investing in technical skills for the youth](#), [sustainable road maintenance](#), and [climate risks](#).

ADB also regularly meets with nongovernment organizations to share information on projects and knowledge work. The bank's support for Timor-Leste's accession to ASEAN and WTO includes harmonization of policies and regulations related to transport connectivity, trade, and tourism development.

FINANCING PARTNERSHIPS

Financing partnerships enable ADB's partner governments or their agencies, multilateral institutions, and private organizations to participate in ADB projects. The additional funds may be in the form of loans and grants, technical assistance, and nonsovereign cofinancing.

Cumulative cofinancing commitments in Timor-Leste:

- Sovereign cofinancing: \$148.82 million for 6 investment projects and \$15.08 million for 8 technical assistance projects since 2007

A summary of projects with cofinancing from 1 January 2017 to 31 December 2021 is available at www.adb.org/countries/timor-leste/cofinancing.

FUTURE DIRECTIONS

ADB is currently preparing the country partnership strategy for 2023–2027, which will support Timor-Leste's pandemic recovery and inclusive development with focus on climate-resilient infrastructure and services and the development of an environment conducive for economic diversification. ADB will also continue to emphasize support to governance and institutional capacity, promote knowledge and innovation, and accelerate gender equality. Regional cooperation and integration will remain a key element of the program.

ADB investments in Timor-Leste will continue to expand in the coming years with additional projects in transport, agriculture, and water and other urban services. In addition, ADB plans to support digitization, e-governance readiness, and education, to address gaps in vocational and technical education services.

Timor-Leste: Portfolio Performance Quality Indicators for Sovereign Lending and Grants, 2020–2021

No. of Ongoing Loans ^a (as of 31 Dec 2021)	2020 (\$ million)		2021 (\$ million)	
Contract Awards ^{b,c}		0.39		0.27
Disbursements ^b		20.73		14.43
No. of Ongoing Grants ^{a,d} (as of 31 Dec 2021)	2020 (\$ million)		2021 (\$ million)	
Contract Awards ^{b,c,d}		0.23		1.00
Disbursements ^{b,d}		1.74		1.15
At Risk Projects (%) (as of 31 Dec 2021)				57

^a Based on commitments.

^b Includes closed loans/grants that had contract awards or disbursements during the year.

^c Excludes policy-based, results-based, financial intermediation/credit, CPRO (COVID-19 Pandemic Response Option), and cofinanced loans and grants.

^d Includes only Asian Development Fund and other ADB special funds.

Timor-Leste: Independent Evaluation Ratings for Sovereign and Nonsovereign Operations, 2012–2021

	Total Number of Validated and Evaluated Projects and Programs	Evaluation Ratings		
		Highly successful and successful	Less than successful	Unsuccessful
Sovereign Operations	2	–	2	–
Nonsovereign Operations	–	–	–	–

– = nil, IED = Independent Evaluation Department.

Note: The numbers indicate sovereign operations in the country that have been validated or evaluated by the IED and their overall performance ratings. The coverage consists of all validated or evaluated project completion reports circulated by ADB within the 10-year period from 1 July 2011 to 30 June 2021. See [evaluations](#) related to Timor-Leste.

Source: IED success rate database.

Timor-Leste: Projects Cofinanced, 1 January 2017–31 December 2021

Cofinancing	No. of Projects	Amount (\$ million)
Sovereign	5	51.03
Grants	3	50.00
Technical Assistance	2	1.03

ADB AT A GLANCE

ADB is committed to achieving a prosperous, inclusive, resilient, and sustainable Asia and the Pacific, while sustaining its efforts to eradicate extreme poverty. It has 68 members—of which 49 are from Asia and the Pacific and 19 outside. ADB headquarters is in Manila, Philippines and has 43 offices around the world, with 3,693 staff from 65 of its members as of 31 December 2021.

ADB maximizes the development impact of its assistance to its developing members by providing financing and tailored knowledge solutions through policy dialogue and advisory services, among others. It mobilizes financial resources through cofinancing from official, commercial, and export credit sources.

ADB pivoted swiftly to answer the needs of its developing members and will remain agile and responsive in the years ahead. It has started to see the shoots of a green recovery, but the long-term effects of the COVID-19 pandemic, climate change, and the outbreak of conflicts still threaten lives and prosperity. ADB will continue to work closely with members and development partners through these challenges to achieve a better future for all in Asia and the Pacific.

ADB operations. In 2021, ADB committed \$22.8 billion in loans, grants, equity investments, private sector programs, and technical assistance both to the public and private sectors of its borrowing members. ADB bolstered its total support with cofinancing of \$12.9 billion.

As of 31 December 2021, ADB's cumulative commitments in 45 countries stood at \$342 billion covering 4,061 loans, \$11.7 billion in 521 grants, and \$5.2 billion in technical assistance grants, including regional technical assistance grants.

In addition to loans, grants, and technical assistance, ADB uses guarantees and equity investments to help its developing member countries.

Total commitments in nonsovereign loans and equity investments from ADB's own funds in 2021 amounted to \$1.2 billion for 35 transactions in economic and social infrastructure, finance sector, and agribusiness.

In 2021, ADB mobilized \$1.7 billion of long-term project cofinancing and \$5.8 billion of cofinancing through its Trade and Supply Chain Finance Program and Microfinance Program. Total outstanding balances and undisbursed commitments of nonsovereign transactions funded by ADB's own resources stood at \$14 billion as of 31 December 2021.

FINANCING PARTNERSHIPS

Total sovereign and nonsovereign cofinancing commitments, 2021

- \$12.93 billion for 187 projects, of which:
 - » \$12.38 billion, 75 investment projects,
 - » \$134.67 million, 110 technical assistance projects,
 - » \$422.87 million transaction advisory services for 2 projects.

Cumulative sovereign and nonsovereign cofinancing commitments, 1970–2021

- \$140.43 billion for 3,165 projects, of which:
 - » \$136.6 billion, 1,098 investment projects,
 - » \$2.8 billion, 2,061 technical assistance projects,
 - » \$1.07 billion transaction advisory services for 6 projects.

PROCUREMENT

ADB's Procurement Contracts, 2021

Goods, Works, and Related Services

ADB's procurement contracts in Asia and the Pacific for goods, works, and related services under loan and grant operations:

- \$22.93 billion in 2020
- \$15.6 billion in 2021
- \$232.16 billion covering 225,336 contracts, cumulative procurement since 1966

Consulting Services

ADB's procurement contracts in Asia and the Pacific for consulting services under loan, grant, and technical assistance operations:

- \$730.78 million in 2020
- \$697.03 million in 2021
- \$14.86 billion covering 71,348 contracts, cumulative procurement since 1966

MORE ABOUT TIMOR-LESTE AND ADB

Shareholding and Voting Power

Number of shares held:	1,050 (0.01% of total shares)
Votes:	40,164 (0.3% of total membership, 0.46% of total regional membership)
*Overall capital subscription:	\$14.7 million
*Paid-in capital subscription:	\$0.74 million

*United States dollar figures are valued at rate as of 31 December 2021.

ADB Governor: Rui Augusto Gomes

ADB Alternate Governor: Antonio Freitas

ADB Director: Noor Ahmed (Pakistan)

ADB Alternate Director: Paul Dominguez (Philippines)

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Established: 2000

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Useful ADB websites

Asian Development Bank
www.adb.org

Annual Report
www.adb.org/documents/series/adb-annual-reports

Asian Development Outlook
www.adb.org/publications/series/asian-development-outlook

ADB Data Library
data.adb.org

Notes: (i) Figures are estimated by ADB unless otherwise stated. "\$" refers to United States dollars. (ii) Data are updated as of 31 December 2021 unless otherwise indicated.