



Country Operations Business Plan

August 2020

Timor-Leste
2021–2023

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Asian Development Bank

CURRENCY EQUIVALENTS

The currency of Timor-Leste is the United States dollar.

ABBREVIATIONS

| | | |
|----------|---|--|
| ADB | – | Asian Development Bank |
| ADF | – | Asian Development Fund |
| COBP | – | country operations business plan |
| COL | – | concessional OCR lending |
| COVID-19 | – | coronavirus disease |
| CPS | – | country partnership strategy |
| ICT | – | information and communication technology |
| OCR | – | ordinary capital resources |
| RCI | – | regional cooperation and integration |
| TA | – | technical assistance |

NOTE

In this report, “\$” refers to United States dollars.

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I. CONSISTENCY OF BUSINESS PLAN WITH COUNTRY PARTNERSHIP STRATEGY

1. The enhanced country operations business plan (COBP), 2021–2023 of the Asian Development Bank (ADB) for Timor-Leste extends the priorities of the country partnership strategy (CPS), 2016–2020 until a new CPS is prepared for Board consideration in 2022, covering the period 2023–2027.¹ Implementation of the current CPS was interrupted significantly due to the 2017–2018 election process. The government concurs with ADB’s assessment that the CPS remains highly relevant to address the current development priorities in the country.² The current CPS seeks to support economic growth and diversification in Timor-Leste by focusing on five sectors: transport, water and other urban infrastructure and services, energy, finance, and education. The CPS areas also align with the seven operational priorities of ADB’s Strategy 2030.³ The previous COBP, 2020–2022 included agriculture in ADB’s assistance areas and this COBP further enhances the CPS by including projects in the finance and information and communication technology (ICT) sectors.⁴ The pipeline will also address support for health and economic responses to the global coronavirus disease (COVID–19) pandemic and other emergencies. The country assistance areas are shown in Appendix 1.

2. Developing a sustainable non-oil economy is a key challenge for Timor-Leste. The non-oil economy contracted by 3.5% in 2017 and 0.5% in 2018 before growing by an estimated 3.2% in 2019 on the back of a small fiscal stimulus. In forecasts made following the COVID-19 outbreak, 2020 growth is expected to range from –3.7% to –4.8%, while pre-COVID-19 2020 growth forecasts ranged from 4.9% to 5.4%.⁵ The government has acknowledged the non-oil economy could contract further. While some human development indicators show good progress, real gross domestic product per capita has fallen since 2013, highlighting the challenge of achieving sustainable and inclusive growth. Implementing the government’s plan to improve service delivery and accelerate economic development will require well-targeted investments in infrastructure and human capital development and substantive policy reforms.⁶ The indicative pipeline of investment projects, technical assistance (TA) projects, and knowledge activities in this COBP support the government’s plans. The nonlending program will support preparation of high-quality and innovative investment projects to help Timor-Leste with key thematic priorities, such as governance, capacity development, and regional cooperation and integration (RCI).

II. INDICATIVE RESOURCE PARAMETERS

3. Timor-Leste, a group B developing member country, is eligible for regular ordinary capital resources (OCR) lending as well as concessional lending (COL). The indicative resources available for commitment during 2021–2023 for sovereign operations total \$213.99 million, comprising \$56.06 million for regular OCR lending and \$157.93 million for COL. Based on

¹ ADB. 2016. [Timor-Leste Country Partnership Strategy, 2016–2020](#). Manila.

² Government of Timor-Leste. 2011. [Timor-Leste Strategic Development Plan, 2011–2030](#). Dili. The Government agreed to extend the CPS to 2023 vide letter from Vice Minister and Interim Minister of Finance, No. 421/GVMF/VIII/2019-11, dated 18 November 2019. Further delays in program implementation were also on account of the non-passing of the 2020 Budget and the formation of a new coalition in March 2020. ADB’s updated assessment of the CPS relevance is in linked document 2. The extension of CPS priorities will also enable the government to focus on its response to the COVID-19 pandemic in 2020.

³ ADB. 2018. [Strategy 2030: Achieving a Prosperous, Inclusive, Resilient, and Sustainable Asia and the Pacific](#). Manila

⁴ ADB. 2019. [Timor-Leste Country Operations Business Plan, 2020–2022](#). Manila.

⁵ ADB. 2019. [Asian Development Outlook 2019: Strengthening Disaster Resilience](#). Manila; ADB. 2020. [Asian Development Outlook Supplement: June 2020](#). Manila; World Bank. 2019. [Timor-Leste Economic Report, October 2019: Unleashing the Private Sector](#). Washington, DC; and World Bank. 2020. [Timor-Leste Economic Report, April 2020: A Nation Under Pressure](#). Washington, DC.

⁶ Government of Timor-Leste. 2018. [Program of the Eighth Constitutional Government 2018–2023](#). Dili.

discussions with the government and staff assessment, the financing needs for the period amount to \$652.0 million. Given the considerable over-programming, the final decision on projects and the allocation of resources will depend on, among other factors, available resources, project readiness, and the outcome of the country performance assessment. Cofinancing and funding from other sources, including Asian Development Fund (ADF) grants from the ADF 13 thematic pool for projects addressing specific challenges, will be explored.⁷

4. The proposed firm lending program for 2021–2023 (Appendix 3, Table A3.1) includes \$453 million of regular OCR lending and \$199 million of COL. The high level of project readiness for larger projects such as Dili Airport Runway Upgrading Project justifies the increase in OCR lending.⁸ Policy-based lending operations for 2021–2023 will be subject to government's commitment for, as well as progress of, reforms, overall resource availability and available headroom under ADB's policy-based lending ceilings. The nonlending program (Appendix 3, Table A3.2) comprises \$15.9 million in grants from ADB's Technical Assistance Special Fund and \$0.5 million in grants from other sources. Grant-financed TA will support project preparation and help Timor-Leste deepen RCI. The assistance program for the current year (2020) is in Appendix 4, Table A4.1 for lending and Appendix 4, Table A4.2 for nonlending. Knowledge products and events planned for 2021 are in Appendix 5, Table A5.1 and additional knowledge products and events delivered in 2020 are in Appendix 5, Table A5.2.

III. SUMMARY OF CHANGES TO LENDING AND NONLENDING PROGRAMS

5. Following consultations with the Government of Timor-Leste, ADB has reprogrammed lending projects scheduled for 2020–2022 and 2021–2023 with some adjustments in lending volume and modality. The nonlending program reflects a sharper focus on project preparation through increased programming of transaction TA projects.

6. In the transport sector program, the scope of work in the Dili Airport Runway Upgrading Project has been expanded with a significant increase in the resource requirement from \$30 million to \$100 million. The upgraded airport infrastructure will also contribute to emergency situations, such as the COVID-19 pandemic, as well as to accommodate improved regional connectivity and trade. A new road project to support development of the south coast has also been included. This is a substantial investment of \$150 million that supports economic growth and connectivity related to the discovery of new oil in the country, which is also likely to spur significant non-oil sector development.

7. Projects in the water and other urban infrastructure and services sector previously aimed to leverage greater private sector participation and investments. However, there is now a critical need to increase public sector spending in the short-term, necessitated by the current pandemic, heightened uncertainties around private sector investments, increasing vulnerability to climate change and continuing urban migration. The pipeline of projects will also help women and girls who have the primary responsibility for management of household water supply, sanitation, and

⁷ The proposed ADF 13 framework introduces a single thematic pool applicable for group A countries, including International Development Association gap countries, and very selectively for group B countries. The single thematic pool addresses thematic priorities in gender equity; climate change adaptation and disaster risk reduction; and RCI, including regional public goods.

⁸ ADB. 2018. [TA 9702-TIM: Preliminary Assessment for Dili Airport Runway Upgrading Project](#). Manila. The TA conducted a pre-feasibility study for the Dili Airport Upgrading Project. ADB. 2019. [TA 9925-REG: Preparing Transport Sector Projects in Southeast Asia, Phase 2](#). Manila. Consultants have been mobilized under the TA to support the advanced preparation for the processing of the Dili Airport Upgrading Project in 2021.

health in low-income communities. The political uncertainties with the recent reconfiguration of the coalition forming the government, in 2020 has delayed project processing, resulting in the deferment of one project to 2021, with increased resource requirement.

8. The scope and title of the education project were adjusted to reflect support to encompass secondary education and/or post-secondary technical and vocational education and training, which will help address gender inequalities in post-primary education in the country.

9. In energy, the two projects will focus on improving electricity reliability and quality, reducing power grid loss, and enhancing energy efficiency; TA projects will support knowledge and capacity building. Grid modernization enables progress on mitigating the future impacts of climate change. The investment and TA projects will support energy sector development and institutional reform and aim at creating an enhanced environment for private sector investment in the energy sector.

10. To support the CPS objective of economic diversification, the agriculture value chain project has been combined with a new proposed project related to water resource harvesting, listed as standby for 2022 and firm in 2023. This project will also support and scale up activities implemented under the grant-financed Coffee and Agroforestry Livelihood Improvement Project and will expand the value chain approach to other agriculture, natural resources, and rural development subsectors.

11. It is proposed that the finance sector will be supported for the first time through a policy-based loan targeting improved availability and efficiency of financial services to promote inclusive finance and financial sector development. ADB's support for the establishment of Banco Nacional de Comércio de Timor-Leste (BNTCL), the country's first commercial bank, is an example of good corporate governance that can guide the management of other state-owned enterprises in the country.⁹

12. A new and innovative area includes support for digitization and the development of ICT applications for improvement of government services, with prospects for scaling up. The ICT project will promote good governance and improve the country's public service delivery. Feasibility studies will be undertaken on e-government readiness, which will also help identify investment projects and strengthen institutional capacity of the newly established ICT institute.

13. With the devastating impact of the COVID-19 pandemic, health has emerged as a significant new area. ADB responded with \$1.29 million in assistance toward medical supplies, \$1 million grant for food security response, and \$300,000 for water facilities in schools. Staff will continue to monitor the emerging requirements and stand ready to provide TA or propose lending support as necessary.

14. TA projects in the nonlending pipeline for 2021–2023 will directly support the preparation and implementation of the programmed investment projects, including new initiatives. A new TA to continue ADB's support for Timor-Leste's accession to the Association of Southeast Asian Nations is also included.

⁹ ADB. 2014. [TA 8762-TIM: Expansion of Financial Services](#), Manila. The capacity development TA supported the commercial transformation of BNCTL. ADB. 2017. [TA 0027-TIM: Policy and Planning for Public Investments](#), Manila. The TA supports strengthening public investment management in Timor-Leste.

COUNTRY ASSISTANCE RESULTS AREAS

| Key Country Development Outcomes that ADB Contributes to | ADB | | |
|---|---|---|--|
| | Key Areas of Assistance | Indicative Resources Available for Commitment in 2021–2023 | Changes from Last COBP |
| 1. Transport (CPS objective: More inclusive and sustainable growth) | | | |
| Efficient and safe movement of goods and people through sustainable land, sea, and air transport infrastructure and services | Road transport (nonurban) Air transport Transport policies and institutional development | Amount: \$50.0 million (COL) and \$230.0 million (OCR) Share of COBP envelope: 42.9% | |
| 2. Water and Other Urban Infrastructure and Services (CPS objective: Improved human capital) | | | |
| Increased access of urban households to reliable and clean drinking water supplies Improved environmental and human health conditions in urban centers Efficient management of urban service delivery | Urban water supply Urban sanitation Urban solid waste management Urban policy, institutional, and capacity development | Amount: \$109.0 million (COL), \$63 million (OCR), and \$3.0 million (cofinancing) Share of COBP envelope: 26.4% | Key area of assistance “More market-based infrastructure and management” from the previous COBP has been deleted. |
| 3. Education (CPS objective: Improved human capital) | | | |
| Skilled workforce with improved technical and vocational training | Secondary – social protection initiatives Technical and vocational education and training Education sector development | Amount: \$10.0 million (COL) and \$3.0 million (cofinancing) Share of COBP envelope: 1.5% | |
| 4. Energy (CPS objective: More inclusive and sustainable growth) | | | |
| Improved coverage, reliability, and efficiency of electricity services Increased use of renewable energy resources | Electricity transmission and distribution Energy sector development and institutional reform | Amount: \$10 million (COL) and \$75.0 million (OCR) Share of COBP envelope: 13.0% | |
| 5. Agriculture, Natural Resources, and Rural Development (CPS objective: A more productive and diversified economy) | | | |
| Poverty reduction Increased non-oil exports More productive coffee and agroforestry sector | Agricultural production Agro-industry, marketing, and trade Forestry Land-based natural resources management Water-based natural resources management | Amount: \$15.0 million (COL), \$55 million (OCR) and \$6.0 million (cofinancing) Share of COBP envelope: 10.7% | Water-based natural resources management and agricultural policy, institutional and capacity development added as key areas of assistance. |

| Key Country Development Outcomes that ADB Contributes to | ADB | | |
|---|--|---|--|
| | Key Areas of Assistance | Indicative Resources Available for Commitment in 2021–2023 | Changes from Last COBP |
| | Agricultural policy, institutional and capacity development | | |
| 6. Finance (CPS objective: A more productive and diversified economy) | | | |
| Improved availability and efficiency of financial services | Inclusive finance Finance sector development | Amount: \$0 million (COL) and \$25 million (OCR) ^a Share of COBP envelope: 3.8% | This sector has been added for the first time (First policy-based loan project for Timor-Leste). |
| 7. Information and Communication Technology (CPS objective: More inclusive and sustainable growth) | | | |
| Improved public service delivery through digitalize the government services | Public expenditure and fiscal management ICT infrastructure ICT industries and ICT-enabled services ICT strategy and policy, and capacity development | Amount: \$5 million (COL) and \$5 million (OCR) Share of COBP envelope: 1.5% | This sector has been added for the first time. |

ADB = Asian Development Bank, COBP = country operations business plan, COL = concessional OCR lending, COVID-19 = coronavirus disease, CPS = country partnership strategy, ICT = information and communication technology, OCR = ordinary capital resources, TA = technical assistance.

^a Support for the finance sector will be provided through grants and TA to be financed from external sources.

Source: ADB estimates.

LIST OF LINKED DOCUMENTS

[HTTP://WWW.ADB.ORG/DOCUMENTS/COBP/?ID=TIM-2021](http://www.adb.org/documents/cobp/?ID=TIM-2021)

1. Portfolio at a Glance: Timor-Leste
2. Continued Relevance of the Timor-Leste – ADB Country Partnership Strategy 2016–2020

INDICATIVE ASSISTANCE PIPELINE

Table A3.1: Lending Products, 2021–2023

| Project/Program Name ^a | Sector | Poverty Targeting | Operational Priority | Division | Year of TRTA/PRF | Cost (\$ million) | | | | | | |
|---|--------|-------------------|----------------------|----------|------------------|-------------------|--------------|-------------|------------|--------------|-------------|------------|
| | | | | | | ADB | | | | | Gov't | Co-finance |
| | | | | | | Total | Regular OCR | COL | ADF Grants | Total | | |
| 2021 Firm | | | | | | | | | | | | |
| Water Supply and Sanitation Investment Project, Phase 1 | WUS | TI-G | OP1, OP2, OP4, OP6 | SEUW | 2019 | 50.0 | 0.0 | 47.0 | 0.0 | 47.0 | TBC | 3.0 |
| Dili Airport Runway Upgrading Project | TRA | TI-G | OP7 | SETC | 2019 | 130.0 | 60.0 | 40.0 | 0.0 | 100.0 | 30.0 | TBC |
| Road Network Sustainability Project | TRA | TI-G | OP1, OP6 | SETC | 2016 | 50.0 | 25.0 | 10.0 | 0.0 | 35.0 | 15.0 | 0.0 |
| Power Distribution Modernization Project | ENE | GI | OP1, OP3, OP6 | SEEN | 2016 | 50.0 | 35.0 | 0.0 | 0.0 | 35.0 | 15.0 | 0.0 |
| Total | | | | | | 280.0 | 120.0 | 97.0 | 0.0 | 217.0 | 60.0 | 3.0 |
| 2021 Standby | | | | | | | | | | | | |
| Dili Public Transport Project | TRA | TI-G | OP1, OP2, OP6 | SETC | 2019 | 20.0 | 15.0 | 0.0 | 0.0 | 15.0 | 5.0 | TBC |
| Workforce and Skill Development Project | EDU | GI | OP1, OP2, OP6 | SEHS | 2016 | 15.0 | 0.0 | 10.0 | 0.0 | 10.0 | 2.0 | 3.0 |
| Dili Urban Water Supply Project | WUS | TI-G | OP1, OP2, OP4, OP6 | SEUW | 2019 | 75.0 | 33.0 | 42.0 | 0.0 | 75.0 | TBC | TBC |
| Total | | | | | | 110.0 | 48.0 | 52.0 | 0.0 | 100.0 | 7.0 | 3.0 |
| 2022 Firm | | | | | | | | | | | | |
| Dili Public Transport Project | TRA | TI-G | OP1, OP2, OP6 | SETC | 2019 | 20.0 | 15.0 | 0.0 | 0.0 | 15.0 | 5.0 | TBC |
| Workforce and Skills Development Project | EDU | GI | OP1, OP2, OP6 | SEHS | 2016 | 15.0 | 0.0 | 10.0 | 0.0 | 10.0 | 2.0 | 3.0 |
| Dili Urban Water Supply Project | WUS | TI-G | OP1, OP2, OP4, OP6 | SEUW | 2019 | 75.0 | 33.0 | 42.0 | 0.0 | 75.0 | TBC | TBC |
| South Coast Development Program (Roads) | TRA | GI | OP1, OP6 | SETC | 2021 | 150.0 | 130.0 | 00.0 | 0.0 | 130.0 | 20.0 | TBC |
| Total | | | | | | 260.0 | 178.0 | 52.0 | 0.0 | 230.0 | 27.0 | 3.0 |

| Project/Program Name | Sector | Poverty Targeting | Operational Priority | Division | Year of TRTA/ PRF | Cost (\$ million) | | | | | | |
|---|--------|-------------------|----------------------|----------|-------------------|-------------------|--------------|-------------|------------|--------------|------------|------------|
| | | | | | | ADB | | | | | Gov't | Co-finance |
| | | | | | | Total | Regular OCR | COL | ADF Grants | Total | | |
| 2022 Standby | | | | | | | | | | | | |
| Agriculture Value Chain and Water Harvesting Project | ANR | TI-H | OP1, OP2, OP5 | SEER | 2021 | 76.0 | 55.0 | 15.0 | 0.0 | 70.0 | TBC | 6.0 |
| Information and Communication Technology Development Project (e-government readiness project) | ICT | GI | OP6 | SETC | 2021 | 10.0 | 5.0 | 5.0 | 0.0 | 10.0 | TBC | TBC |
| Finance Sector Support Project (policy-based loan) | FIN | GI | OP6 | SEPF | 2020 | 25.0 | 25.0 | 0.0 | 0.0 | 25.0 | TBC | TBC |
| Total | | | | | | 111.0 | 85.0 | 20.0 | 0.0 | 105.0 | 0.0 | 6.0 |
| 2023 Firm | | | | | | | | | | | | |
| Agriculture Value Chain and Water Harvesting Project | ANR | TI-H | OP2, OP2, OP5 | SEER | 2021 | 76.0 | 55.0 | 15.0 | 0.0 | 70.0 | TBC | 6.0 |
| Information and Communication Technology Development Project (e-government readiness project) | ICT | GI | OP6 | SETC | 2021 | 10.0 | 5.0 | 5.0 | 0.0 | 10.0 | TBC | TBC |
| Finance Sector Support Project (policy-based loan) | FIN | GI | OP6 | SEPF | 2020 | 25.0 | 25.0 | 0.0 | 0.0 | 25.0 | TBC | TBC |
| Water Supply and Sanitation Investment Project, phase 2 | WUS | TI-G | OP1, OP2, OP4, OP6 | SEUW | 2020 | 50.0 | 30.0 | 20.0 | 0.0 | 50.0 | TBC | TBC |
| Power Grid Strengthening Project | ENE | GI | OP1, OP3, OP6 | SEEN | 2022 | 50.0 | 40.0 | 10.0 | 0.0 | 50.0 | TBC | TBC |
| Total | | | | | | 211 | 155.0 | 50.0 | 0.0 | 205.0 | 0.0 | 6.0 |

| Project/Program Name | Sector | Poverty Targeting | Operational Priority | Division | Year of TRTA/ PRF | Cost (\$ million) | | | | | | |
|--|--------|-------------------|----------------------|----------|-------------------|-------------------|-------------|-------------|------------|-------------|------------|------------|
| | | | | | | ADB | | | | | Gov't | Co-finance |
| | | | | | | Total | Regular OCR | COL | ADF Grants | Total | | |
| 2023 Standby | | | | | | | | | | | | |
| Dili Urban Water Supply Project, phase 2 | WUS | TI-G | OP1, OP2, OP4, OP6 | SEUW | 2020 | 50.0 | 20.0 | 30.0 | 0.0 | 50.0 | TBC | TBC |
| Total | | | | | | 50.0 | 20.0 | 30.0 | 0.0 | 50.0 | TBC | TBC |

ADB = Asian Development Bank; ADF = Asian Development Fund; ANR = agriculture, natural resources, and rural development; COL = concessional OCR lending; EDU = education; ENE = energy; FIN = finance; GI = general intervention; Gov't = government, ICT = information and communication technology; OCR = ordinary capital resources; OP1 = operational priority 1 (addressing remaining poverty and reducing inequalities); OP2 = operational priority 2 (accelerating progress in gender equality); OP3 = operational priority 3 (tackling climate change, building climate and disaster resilience, and enhancing environmental sustainability); OP4 = operational priority 4 (making cities more livable); OP5 = operational priority 5 (promoting rural development and food security); OP6 = operational priority 6 (strengthening governance and institutional capacity); OP7 = operational priority 7 (fostering regional cooperation and integration); PRF = project readiness financing; SEEN = Energy Division, SERD; SEER = Environment, Natural Resources, and Agriculture Division, SERD; SEHS = Human and Social Development Division, SERD; SEPF = Public Management, Financial Sector, and Trade Division; SERD = Southeast Asia Department; SETC = Transport and Communications Division, SERD; SEUW = Urban Development and Water Division, SERD; TBC = to be confirmed; TI-G = targeted intervention—geographic dimensions of inclusive growth; TI-H = targeted intervention—income poverty at household level; TRA = transport; TRTA = transaction technical assistance; WUS = water supply and other urban infrastructure and services.

^a Given the provisional nature of the indicative lending program, the composition of lending instruments in the actual loan delivery may change. All policy-based loan operations will be subject to resource availability and available headroom. Access to ADF grants under the thematic pool will be subject to the outcome of the 2020 call for proposals.

Source: ADB.

Table A3.2: Nonlending Products and Services, 2021–2023

| Assistance Name | Sector | Division | Assistance Type | Sources of Funding | | | | |
|--|--------|----------|-----------------|--------------------|-----------------|-------------------------|-----------------|----------------|
| | | | | ADB | | Others | | Total (\$'000) |
| | | | | Source | Amount (\$'000) | Source | Amount (\$'000) | |
| 2021 Firm | | | | | | | | |
| Capacity Building of EdTL on Distribution Network Operation and Maintenance | ENE | SEEN | KSTA | TASF | 1,000 | | 0 | 1,000 |
| Preparing for Information and Communication Technology Development Project | ICT | SDCC-DT | TRTA | TBC | 100 | | 0 | 100 |
| Southeast Asia Urban Service Facility (Supplementary) ^a | WUS | SEUW | TRTA | SURF | 5,000 | | 0 | 5,000 |
| Dili Public Transport Project Preparation (Southeast Asia Transport Project Preparatory Facility, Phase 2) | TRA | SETC | TRTA | TBC | 300 | | 0 | 300 |
| South Coast Development Program (Southeast Asia Transport Project Preparatory Facility, Phase 3) | TRA | SETC | TRTA | TBC | 1,000 | | 0 | 1,000 |
| Agriculture Value Chain and Water Harvesting Project Preparation | ANR | SEER | TRTA | TASF | 1,000 | | 0 | 1,000 |
| Total | | | | | 8,400 | | 0 | 8,400 |
| 2022 Firm | | | | | | | | |
| Preparation of Power Grid Strengthening Project | ENE | SEEN | TRTA | TASF | 1,000 | | 0 | 1,000 |
| Strengthening Capacity to Build Resilience in the Agriculture Sector in Timor-Leste | ANR | SEER | TRTA | TASF | 0 | Irish Fund ^b | 500 | 500 |
| Capacity Building for Executing Agency/Implementing Agency on Project Implementation and Operation | PSM | TLRM | KSTA | TASF | 500 | | 0 | 500 |
| South Asia Urban Service Facility (Supplementary) ^a | WUS | SEUW | TRTA | SURF | 5,000 | | 0 | 5,000 |
| Total | | | | | 6,500 | | 500 | 7,000 |
| 2023 Firm | | | | | | | | |
| South Coast Development Program (Southeast Asia Transport Project Preparatory Facility, Phase 3) | TRA | SETC | TRTA | TBC | 1,000 | | 0 | 1,000 |
| Total | | | | | 1,000 | | 0 | 1,000 |

ADB = Asian Development Bank; ANR = agriculture, natural resources, and rural development; EdTL = Electricidade de Timor-Leste; ENE = energy; ICT = information and communication technology; KSTA = knowledge and support technical assistance; PSM = public sector management; SDCC-DT = Sustainable Development and Climate Change Department, Digital Technology for Development Unit; SEEN = Energy Division, SERD; SEER = Environment, Natural Resources, and Agriculture Division, SERD; SERD = Southeast Asia Department; SETC = Transport and Communications Division, SERD; SEUW = Urban Development and Water Division, SERD; SURF = Southeast Asia Urban Services Facility; TA = technical assistance; TASF = Technical Assistance Special Fund; TBC = to be confirmed; TLRM = Timor-Leste Resident Mission; TRA = transport; TRTA = transaction technical assistance; WUS = water and other urban infrastructure and services.

^a This regional TA facility will support the preparation of SEUW projects on a demand basis.

^b The Ireland Trust Fund for Building Climate Change and Disaster Resilience in Small Island Developing States, TBC.

Source: ADB.

ASSISTANCE PROGRAM FOR CURRENT YEAR

Table A4.1: Lending Products, 2020

| Project/Program Name | Sector | Poverty Targeting | Operational Priority | Division | Year of TRTA/ PRF | Cost (\$ million) | | | | | | |
|---|--------|-------------------|----------------------|----------|-------------------|-------------------|-------------|-------------|------------|-------------|-------------|------------|
| | | | | | | Total | ADB | | | Gov't | Co-finance | |
| | | | | | | | Regular OCR | COL | ADF Grants | | | |
| 2020 Firm | | | | | | | | | | | | |
| Coffee and Agroforestry Livelihood Improvement Project | ANR | TI-H | OP1, OP2, OP5 | SEER | 2017 | 3.0 | 0.0 | 0.0 | 0.0 | 0.0 | TBC | 3.0 |
| COVID-19 Food Security Emergency Response | ANR | TI-H | OP1, OP5 | SEER | 2020 | 1.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 1.0 |
| Total | | | | | | 4.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 4.0 |
| 2020 Standby | | | | | | | | | | | | |
| Water Supply and Sanitation Investment Project, phase 1 | WUS | TI-G | OP1, OP2, OP4, OP6 | SEUW | 2019 | 50.0 | 0.0 | 47.0 | 0.0 | 47.0 | TBC | 3.0 |
| Road Network Sustainability Project | TRA | TI-G | OP1, OP6 | SETC | 2016 | 50.0 | 25.0 | 10.0 | 0.0 | 35.0 | 15.0 | 0.0 |
| Total | | | | | | 100.0 | 25.0 | 57.0 | 0.0 | 82.0 | 15.0 | 3.0 |

ADB = Asian Development Bank; ADF = Asian Development Fund; ANR = agriculture, natural resources, and rural development; COL = concessional OCR lending; COVID-19 = coronavirus disease; Gov't = government; OCR = ordinary capital resources; OP1 = operational priority 1 (addressing remaining poverty and reducing inequalities); OP2 = operational priority 2 (accelerating progress in gender equality); OP4 = operational priority 4 (making cities more livable); OP5 = operational priority 5 (promoting rural development and food security); OP6 = operational priority 6 (strengthening governance and institutional capacity); PRF = project readiness financing; SEER = Environment, Natural Resources, and Agriculture Division, SERD; SERD = Southeast Asia Department; SETC = Transport and Communications Division, SERD; SEUW = Urban Development and Water Division, SERD; TBC = to be confirmed; TI-G = targeted intervention—geographic dimensions of inclusive growth; TI-H = targeted intervention—income poverty at household level; TRA = transport; TRTA = transaction technical assistance; WUS = water supply and other urban infrastructure and services.

Source: ADB.

Table A4.2: Nonlending Products and Services, 2020

| Assistance Name | Sector | Division | Assistance Type | Sources of Funding | | | | Total (\$'000) |
|--|--------|----------|-----------------|--------------------|-----------------|--------|-----------------|----------------|
| | | | | ADB | | Others | | |
| | | | | Source | Amount (\$'000) | Source | Amount (\$'000) | |
| 2020 Firm | | | | | | | | |
| Policy and Planning for Public Investments, Subproject 2 (Education) | EDU | SEHS | TRTA | TASF | 400 | | 0 | 400 |
| Support for ASEAN and WTO Accession | FIN | SEPF | KSTA | TASF | 500 | | 0 | 500 |
| Southeast Asia Urban Service Facility (Supplementary) | WUS | SEUW | TRTA | SURF | 5,000 | JFPR | 4,000 | 9,000 |
| Preparing for Dili Airport Runway Upgrading Project (Southeast Asia Transport Project Preparatory Facility, Phase 2) | TRA | SETC | TRTA | TASF | 1,000 | | 0 | 1,000 |
| Total | | | | | 6,900 | | 0 | 10,900 |

ADB = Asian Development Bank; ASEAN = Association of Southeast Asian Nations; EDU = education; FIN = finance; JFPR = Japan Fund for Poverty Reduction; KSTA = knowledge and support technical assistance; SEHS = Human and Social Development Division, SERD; SEPF = Public Management, Financial Sector, and Trade Division, SERD; SERD = Southeast Asia Department; SETC = Transport and Communications Division, SERD; SEUW = Urban Development and Water Division, SERD; SURF = Southeast Asia Urban Services Facility; TASF = Technical Assistance Special Fund; TRA = transport; TRTA = transaction technical assistance; WTO = World Trade Organization; WUS = water supply and other urban infrastructure and services.

Source: ADB.

INDICATIVE KNOWLEDGE PRODUCTS AND EVENTS

Table A5.1: Knowledge Products and Events for 2021

| Title of Publication or Event | Subject | Type | Department or Sector Group or Thematic Group | Funding Source |
|---|---|-------------------------------|---|-----------------------|
| Asian Development Outlook and Update | Economics | Technical study | SERD | Admin |
| Policy Actions for COVID-19 Economic Recovery (PACER) Dialogues | Economics | Events | SERD | TA 9572-REG |
| Fiscal Space for Achieving Sustainable Development Goals in Timor-Leste | Social development and protection | Publication and documentation | SDCC | TA 9341-REG |
| Timor-Leste Energy Sector Assessment | Energy development | Publication and documentation | SERD | TA 9802-REG |
| The Economic Implications of Timor-Leste's ASEAN Accession | Economics | Technical study | SERD | TBC |
| Timor-Leste ASEAN Human Resource Plan | Regional cooperation and integration | Publication | SERD | TA 9070-REG |
| Social Protection Indicator for Asia: Update | Social development and protection | Signature publication | SDCC | TA 9534-REG |
| Timor-Leste: Financial Sector Brief | Finance | Awareness raising brochure | SERD | TBC |
| Handbook on Hydrogen | Energy | Technical study | SDCC | TA 9690-REG |
| Governance Risk Assessment | Governance and fragile and conflict-affected situations | Technical study | SDCC | TA 9181-REG |
| Fragility Assessment | Governance and fragile and conflict-affected situations | Technical study | SDCC | TA 9561-REG |
| Cross-Border Trade and Cooperation with Indonesia | Regional cooperation and integration | Event | SDCC | TA 9767-REG |
| Total number of publications = 10 | | | | |
| Total number of events = 2 | | | | |

Admin = administrative core budget (staff), ASEAN = Association of Southeast Asian Nations, COVID-19 = coronavirus disease, REG = regional, SDCC = Sustainable Development and Climate Change Department, SERD = Southeast Asia Department.

Source: ADB.

Table A5.2: Additional Knowledge Products and Events Delivered in 2020

| Title of Publication or Event | Subject | Type | Department or Sector Group or Thematic Group | Funding Source |
|--|---|-------------------------------|---|-----------------------|
| Asian Development Update 2020 | Economics | Publication and documentation | ERCD | Not applicable |
| Factor Productivity and Growth in Timor-Leste | Economics | Technical study | TLRM | TA 9704-REG |
| Asian Water Development Outlook 2020: Timor-Leste Case Study | Urban development; water | Publication and documentation | SERD | TA 9932-REG |
| Coffee Rehabilitation in Timor-Leste: A Service for Coffee Plantation Monitoring | Agriculture, natural resources, and rural development | Remote sensing tool | SDCC | Grant 9209-TIM |
| Review of the ADB Clean Energy Program | Energy | Technical study | SDCC | TA 8953-REG |
| Handbook on Microgrids for Power Quality and Connectivity | Energy | Technical study | SDCC | TA 9690-REG |
| Waste to Energy in the Time of the Circular Economy: Best Practice Handbook | Energy | Technical study | SDCC | TA 9690-REG |
| Dili–Baucau Highway Inauguration | Transport | Event | TLRM | Loan 3456-TIM |
| Total number of publications = 6 | | | | |
| Total number of events = 2 | | | | |

ADB = Asian Development Bank, ERCD = Economic Research and Regional Cooperation Department, REG = regional, SDCC = Sustainable Development and Climate Change Department, SERD = Southeast Asia Department, TIM = Timor-Leste, TLRM = Timor-Leste Resident Mission.

Source: ADB.

Table A5.3: Innovation, Advanced Technology, and Pilot Initiatives to be Implemented in 2021

| Item | Nature | Project Number | Sector or Theme | Division |
|---|---------------|-----------------------|------------------------|-----------------|
| Power Distribution Modernization Project (technology to improve electricity reliability and quality and reduce grid loss with technical assistance to support knowledge and capacity) | PLT and INO | 49177-002 | Energy | SEEN |
| Total number of innovation, advanced technology, and pilot initiatives = 1 | | | | |

INO = innovation; PLT = pilot; SEEN = Energy Division, Southeast Asia Department.
Source: ADB.