

Timor-Leste	
Policy responses	
Containment	<ul style="list-style-type: none"> • March 27. State of Emergency declared from March 28 to April 26. On April 27 extended until end-May. On 27 May, emergency extended until 26 June. This third phase of quarantine was less restrictive, and focused on international travel, travel within the country, and quarantine/isolation when appropriate. • On June 27, State of Emergency was ended. • Collective passenger transport had been suspended and all individuals obligated to wear a protective mask covering mouth and nose, wash their hands before entering commercial or service establishments, and maintain a safe distance of at least one meter from other people. Public transport has now resumed • All schools and training facilities were closed. Schools reopened on 15 June. • Meetings or demonstrations prohibited involving the agglomeration of more than five people and any social, cultural and sporting events. • Public administration limited to essential public services. • Churches and commercial centers allowed to reopen end-May. • Entry of foreigners into national territory is prohibited. International passenger flights remain suspended, except for medical evacuation, humanitarian trips, and government operations. • 29 Oct. The Government extended the country's nationwide state of emergency through December 3, to further curb the spread of the pandemic. Face masks remain mandatory in public spaces, and social distancing measures must be adhered to at all times. The country's borders remain closed to foreign travelers, with exceptions for residents, oil-workers, and other special cases. Regular international passenger flights remain suspended and restrictions are in place at ports and land border posts. • 5 Mar 2021. The nation is preparing for its Covid-19 vaccine rollout, and will receive 20 per cent of its vaccines from COVAX. Australia will also be providing vaccines to Timor Leste. • 7 Mar 2021. Timor Leste put its capital city on a coronavirus lockdown for the first time, its government said on Monday, amid fears it could be facing its first local outbreak. All social, cultural, sporting or religious events that involve gatherings are also temporarily banned during the lockdown • 22 Mar 2021. Timorese authorities have announced that they have detected a record surge in new covid-19 cases – 55 in one day.
Fiscal	<ul style="list-style-type: none"> • On April 20, stimulus package announced of \$150 million, about 10.5 percent of GDP. • Households receive cash transfers with a monthly basic income to over 214,000 households, worth \$100 per month per household, lasting for 3 months; wage subsidies (60 percent of the wage cost) for formal sector employees (for 30,000 workers); and the purchase of three months emergency supply of rice.

	<ul style="list-style-type: none"> • Also waiving for three months (for low-income households) the payment of electricity (up to \$15 per month), water bills, property rental payments owned by the government and social security contributions. • Providing stipends to over 4,200 Timorese students studying overseas. • Deferral of tax payments for two months. • On August 26, East Timor's cabinet approved the draft law of a \$1.49 billion 2020 state budget. Without revealing any details of the budget, the government explained in a statement that the total amount aims to cover the needs of the government programme and national priorities. It highlighted the stabilisation of the social sector and the economic sector, and the institutional reform processes underway. The budget also includes spending on the response to Covid-19 and short-term economic recovery measures, previously approved by the executive. • 17 Mar 2021. The Government is finalizing the process of preparing the next round of financial mechanisms to fund the response to the impact of COVID-19. The proposals for intervention will soon be submitted to the Council of Ministers for their appreciation and deliberation, with a view to their rapid implementation.
Monetary	-
Financial	<ul style="list-style-type: none"> • On April 29, the authorities decided to extend access to the Credit Guarantee System to micro-enterprises, increasing the type of economic activities eligible for the program.
SME measures (last update 22 January 2021)	<p>Loan support:</p> <ul style="list-style-type: none"> • On April 29, the authorities decided to extend access to the Credit Guarantee System to micro-enterprises. • On September 21, the Government's Ministry of Tourism, Commerce and Industry with the support from the United Nation Development Program launched a "social business loan guarantee scheme" for social entrepreneurs with a 3 per cent interest charge fee.¹ <p>Deferral of loan repayment:</p> <ul style="list-style-type: none"> • On May 11, the authorities introduced a moratorium on the fulfillment of capital and interest obligations arising from credit agreements, which delayed maturity by three months and reduced debtors' interest payment obligation to 40 per cent of the original amount with the remaining 60 per cent financed by the government. <p>Other financial support:</p> <ul style="list-style-type: none"> • On April 20, the government approved a stimulus package (USD 150 million, about 10.5 per cent of GDP) to manage economic and financial risks from the COVID-19 including wage subsidies (60 per cent of the wage cost) for formal sector employees (for 30,000 workers). <p>Deferral of tax payment:</p>

¹ <http://www.tatoli.tl/en/2020/09/21/government-launches-social-business-loan-for-social-enterprises/>

	<ul style="list-style-type: none"> • The stimulus package approved by the government includes a deferral of tax payments for two months.
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References:

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