



Timor-Leste: Expansion of Financial Services

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| Project Name | Expansion of Financial Services | |
| Project Number | 47002-001 | |
| Country | Timor-Leste | |
| Project Status | Active | |
| Project Type / Modality of Assistance | Technical Assistance | |
| Source of Funding / Amount | TA 8762-TIM: Expansion of Financial Services | |
| | Technical Assistance Special Fund | US\$ 750,000.00 |
| | TA: Expansion of Financial Services | |
| | Government of Australia | US\$ 298,600.00 |
| Strategic Agendas | Inclusive economic growth | |
| Drivers of Change | Governance and capacity development Partnerships Private sector development | |
| Sector / Subsector | Finance - Inclusive finance | |
| Gender Equity and Mainstreaming | Effective gender mainstreaming | |
| Description | The CDTA will support the commercial transformation of BNCTL through (i) support to the implementation of BNCTL's strategic and business plan, (ii) design and delivery of products (credit, savings, payments, trade finance) that are suited to the Timorese context and that are currently not available for a large part of the population; (iii) the introduction of technologies that improve efficiency; and (iv) building staff capacity and support for the commercial transformation of the institution to underpin commercial objectives and attract strategic investors. | |
| Project Rationale and Linkage to Country/Regional Strategy | The TA is aligned with the country partnership strategy (2011_2015) in that it helps to achieve economic growth and sharing of economic opportunities across the population. ADB's support in infrastructure, financial services and skills training helps to meet the needs of a growing economy and improve competitiveness of the private sector. It is a continuation of previous technical assistance provided and also intends to link or complement existing ADB projects, such as the Technical and Vocational Education and Training program and PSDI Phase III, or those of other development partners. | |
| Impact | Large portion of the population has access to and use a range of financial services | |

Project Outcome

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| Description of Outcome | An improved BNCTL, growing and operating sustainably, consistent with its commercial banking license |
| Progress Toward Outcome | The commercial transformation of BNCTL has completed its first phase. The TA is now in its second phase, supporting the implementation of the transformation plan. |

Implementation Progress

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| Description of Project Outputs | BNCTL management and staff apply commercial banking principles efficiently and effectively Road map and action plan for comprehensive institutional strengthening finalized |
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| Status of Implementation Progress (Outputs, Activities, and Issues) | The first phase of the TA has been successfully completed with the preparation of a transformation roadmap. The second phase has commenced with the fielding of the IT and Operations Advisors and the Transformation Manager. In November 2016, BNCTL rolled a national network of ATMs. BNCTL also implemented real time international transfers to Indonesia, which allows international transfers from Timor-Leste to Indonesia in USD and IDR. |
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Geographical Location

Summary of Environmental and Social Aspects

Environmental Aspects

Involuntary Resettlement

Indigenous Peoples

Stakeholder Communication, Participation, and Consultation

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| During Project Design | The TA fact-finding mission concluded with a memorandum of understanding outlining agreed impact, outcome, outputs, implementation arrangements, and outline terms of reference for consultants. The TA was discussed with BNCTL; development partners and government agencies. |
| During Project Implementation | The project team continues to consult with BNCTL; development partners and government agencies. |

Business Opportunities

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| Consulting Services | The TA will be implemented over 42 months from 30 December 2014 to 30 June 2018, with phase one estimated to take 7 months and phase two 35 months. It is anticipated that a total of 22 person-months of intermittent international consulting services will be required to implement the TA. For phase one, an estimated 6 person-months (international, intermittent) of consulting services will be needed. This will be a banking operations advisor (3 person-months) and a banking information technology expert (3 person-months). The consulting input for phase two is unallocated and will be determined after phase one. |
| Procurement | N/A |

Responsible Staff

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| Responsible ADB Officer | Warid, Liliانا Sera |
| Responsible ADB Department | Pacific Department |
| Responsible ADB Division | Pacific Liaison and Coordination Office in Sydney, Australia |
| Executing Agencies | <i>Banco Nacional de Comercio de Timor-Leste Ave. Martires da Patria Mandarin Dili, Timor Leste</i> |

Timetable

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|---------------------|----------------------------|
| Concept Clearance | 08 Oct 2014 |
| Fact Finding | 08 Oct 2014 to 10 Oct 2014 |
| MRM | - |
| Approval | 20 Nov 2014 |
| Last Review Mission | - |
| Last PDS Update | 30 Mar 2017 |

TA 8762-TIM

| Milestones | | | | | |
|-------------------------------|--------------|------------------|-------------|--------------------------|--------|
| Approval | Signing Date | Effectivity Date | Closing | | |
| | | | Original | Revised | Actual |
| 20 Nov 2014 | 30 Dec 2014 | 30 Dec 2014 | 30 Jun 2018 | - | - |
| Financing Plan/TA Utilization | | | | Cumulative Disbursements | |

| ADB | Cofinancing | Counterpart | | | | Total | Date | Amount |
|------------|-------------|-------------|---------------|-----------------|--------|------------|-------------|------------|
| | | Gov | Beneficiaries | Project Sponsor | Others | | | |
| 750,000.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 750,000.00 | 20 Nov 2014 | 517,117.48 |

Project Page

<https://www.adb.org/projects/47002-001/main>

Request for Information

<http://www.adb.org/forms/request-information-form?subject=47002-001>

Date Generated

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