

Autoridade Bancária e de Pagamentos de Timor-Leste

Banking and Payments Authority of Timor-Leste

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PUBLICATION OF THE FIRST OFFICIAL INTERNATIONAL INVESTMENT POSITIONS

MEDIA RELEASE

The Banking and Payments Authority of Timor-Leste (BPA) as the future central bank of Timor-Leste has establish and publish the first official International Investment Position (IIP) statistics for Timor-Leste. These statistics cover the year 2007-2010 and represent the development of investment position outward and inward of Timor-Leste.

By definition, the IIP is a statistical statement that shows an economy's stock of external financial assets and liabilities of the public and private sectors at period of time. The difference between the stocks of external assets and liabilities is the net IIP.

The concept of the IIP was mainly developed with the widespread liberalization of financial markets in the early 1990s, which facilitated the free movement of capital across borders. Consequently, countries became more exposed to the risk of a sudden and significant outflow of capital, which increased their vulnerability to external shocks.

The BPA started a project to compile the IIP statistics in 2008, with support from the IMF in the form of a series of visit by a BOP statistics specialist.

Going forward, the BPA will continue to expand and improve Timor-Leste external sector statistics. The BPA intend to compile and publish quarterly IIP statistics to measure the country's stock of external assets and liabilities.

The BPA wishes to acknowledge the IMF and the Government of Japan for funding the technical assistance.

The BPA also wishes to express its appreciation for other entities that provided support and data leading to the successful compilation and publication of the IIP data.

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