

PRESS RELEASE

## Meeting of the Council of Ministers of March 9<sup>th</sup>, 2016

The Council of Ministers met this Wednesday, March 9<sup>th</sup>, 2016, at the Government Palace in Díli, and approved:

### 1. Draft Law on the Social Welfare Contributory Framework

This Draft Law presented by the Ministry of Social Solidarity, establishes a social welfare contributory framework, as provided for under the Constitution of the Republic, which aims to protect workers and their families in situations such as maternity, paternity, adoption, old age, disability and death. This framework we be applied gradually to all workers in all sectors.

Since 2008, the Government has developed a set of programmes and social protection measures, based on its commitment to the right of citizens to Social Security and social assistance, namely, the pension for the elderly and the disabled, the transitional Welfare scheme in old age, disability and death for civil servants, maternity and paternity leave, Bolsa da Mãe and the funeral transport service.

In 2010, the Council of Ministers approved the establishment of the Working Group for the Study and Design of the Welfare Scheme set up to present "concrete proposals to create a contributory and definitive Welfare Scheme, based on a distribution model, with the possibility of establishing complementary schemes". Subsequently several proposals were put forward at the meetings of the Council of Ministers of August 4<sup>th</sup>, 2010 and April 13<sup>th</sup>, 2011.

In 2011, the Government approved the Draft Law on the Transitional Welfare Scheme, funded by the General State Budget and exclusively for civil servants. This draft law defined the principles and the major options for a general Social Security scheme for the country. The Law was approved by the National Parliament in February 2012.



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pcm.gov.tl@gmail.com 670) 33 310 608 In April 2012, the Council of Ministers approved the Decree-Law that defines the procedures for the payment of old-age, disability and death pensions, representing the initial operation of a Social Security scheme in Timor-Leste.

The Draft Law on the Social Welfare Contributory Framework, which was approved today, contains the amendments proposed by the Council of Ministers, who studied the issue in 2014.

It is a public, single, mandatory, self-financing scheme, managed mostly by redistribution between employee and employer, also incorporating part of the public stabilization capitalization.

#### 2. Decree-Law on the statute of the diplomatic career

This diploma, submitted by the Ministry of Foreign Affairs and Cooperation (Portuguese acronym MNEC), defines the operating mechanisms of the diplomatic career and all the rights and duties of officials from diplomatic services, while carrying out their duties in the country and abroad.

The 1961 and 1963 Vienna Conventions on Diplomatic Relations and on Consular Relations, respectively, as well as the new organizational structure of MNEC and the Civil Service Statute have been taken into account in the elaboration of this Decree-Law.

This measure aims at promoting the defense of the State values and interests abroad, and at dignifying the diplomatic function as a special Civil Service career.

#### 3. Government Decree on amendment to the Decree no. 1/2016, of February 1<sup>st</sup> (Budget Execution)

Following the work presented by the Ministry of Finance, members of the Council of Ministers have proposed changes to the budget execution decree. These changes aim at speeding up the fixed-term contract workers and temporary officials' payments.

The Council of Ministers also analyzed:

#### 1. Report on payments in 2015

The Ministry of Finance, through the Directorate General for Treasury, presented to the Council of Ministers a report on monitoring payments for the year 2015.

The document presents the facts and figures on the 2015 requests for payment and analyzes the change to the decentralized payment process, which has begun this year.



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#### 2. Timor Telecom situation

The Ministry of Finance, together with the Ministry of Public Works, Transport and Communications, presented an analysis on Timor Telecom, regarding the development of the telecommunications sector and the company's position in the national economy. The presentation included a study on the evolution of Timor Telecom and its financial situation, as well as an analysis of the costs and benefits of any eventual increase in the State's holding in the company, taking into account the current status of the telecommunications market.

# 3. Decision of the Court of Appeals on the litigious appeal for annulment of the decision to dismiss the Chief of General Staff of F-FDTL and Deputy Chief of General Staff of F-FDTL

The Council of Ministers analyzed the decision of the Court of Appeal on the litigious appeal for annulment of the decision to dismiss the Chief of General Staff of F-FDTL and Deputy Chief of General Staff of F-FDTL, approved in the meeting of the Council of Ministers of February 24<sup>th</sup>, 2016.

#### 4. Support of the Government of Japan

The Council of Ministers authorized the signing of agreements between Timor-Leste and Japan on the construction of the UNTL Faculty of Engineering building, in Hera, and on the acquisition of equipment to APORTIL. The Deputy Minister of Foreign Affairs and Cooperation will sign these agreements next week, during the official visit of the President of the Republic to Japan.



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