



VIII GOVERNO
CONSTITUCIONAL

RETRATO DA
GOVERNAÇÃO DO

MINISTRO COORDENADOR DOS ASSUNTOS ECONÓMICOS

julho de 2019 a junho de 2020





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ÍNDISE



INTRODUÇÃO

O presente relatório descreve as principais atividades do Ministro Coordenador dos Assuntos Económicos na coordenação da atividade política dos membros do Governo com competência em matérias de cariz económico, de desenvolvimento do setor privado e cooperativo, da formação profissional, criação de emprego e do ambiente.



Na sua ação, o Ministro Coordenador dos Assuntos Económicos coadjuva o Primeiro-Ministro na coordenação e supervisão da implementação da execução da política geral para as áreas de governação de cariz eminentemente económico e é responsável pelo trabalho desenvolvido pelo: Ministério do Turismo, Comércio e Indústria, de que é Ministro; Secretaria de Estado da Formação Profissional e Emprego; Secretaria de Estado de Cooperativas; Secretaria de Estado do Ambiente, bem como outros órgãos e serviços.

É também contemplado no relatório os projetos legislativos elaborados no âmbito do mandato do Ministro Coordenador dos Assuntos Económicos e os dados referentes à execução orçamental.

São também descritas as atividades relativas à reativação e implementação do processo de adesão de Timor-Leste à Organização Mundial do Comércio.

No âmbito da política económica de resposta à COVID-19, apresenta-se também a descrição do trabalho realizado para a preparação do pacote de estímulo e resposta económica para responder aos efeitos negativos esperados do coronavírus na economia.

São ainda descritas as análises económicas e políticas para a resposta aos desafios do desenvolvimento. Realização de 36 Contratos de Trabalho entre os quais 3 funcionários públicos, 18 funcionários contratados, 3 Nomeações política 2, assessores Internacionais e 10 assessores Nacionais.



CAPÍTULO 1

COORDENAÇÃO DA ÁREA ECONÓMICA E DO GRFE



Realização de duas visitas ao estrangeiro para participar nos seguintes eventos:

- Conferência do “Singapura Business Fórum”, realizada em Singapura, no Mês de Julho;
- Primeira “Pacific Exposition” realizada em Auckland, Nova Zelândia aonde participaram 19 Países da região do Pacífico, em Julho.
- Participação no encontro da WTO em Bangkok em Janeiro e no Camboja em Fevereiro 2020.
- Foi também realizada uma viagem local de identificação e inspeção a potencialidades turísticas ao Monte Kablaki no Município de Manufahe em Agosto.
- Participação do Fórum da WTO na Rússia em Dezembro
- Foram também realizadas várias reuniões de coordenação com diversas entidades:
- Em julho com as Agências tuteladas para introduzir aos diretores das agências do MCAE sobre a realização das atividades a serem desenvolvidas.
- Também em Julho houve reuniões com os Secretários de Estado sob a tutela do MCAE tais como o Secretário de Estado das Cooperativas, o Secretário Estado do Ambiente, o Secretario de Estado para a Formação Profissional e Emprego. (SEFOPE)
- Em Agosto houve reunião de trabalho entre o MCAE, Ministérios e Agências Tuteladas e os parceiros do desenvolvimento (World Bank, ADB, UNDP, IFC no ILO) acerca dos desafios e soluções para se poder melhorar a situação económica interna.
- Reunião com o sector Privado e Público, com o objetivo de melhorar a eficácia dos mecanismos de coordenação nas áreas económicas. Nesta reunião também foram focadas as preocupações e desafios no sector Privado relacionados “com a Lei de Terras e Propriedades, vistos de Trabalho, taxas da segurança Social, juros de Crédito e sobre atrasos dos pagamento para o Setor Privado” que foi realizado em Agosto na Sala Suai no Timor Plaza, e que contou com a presença de 50 participantes do Sector privado e Público. S.E. o Ministro Interino também propôs a realização de reuniões trimestrais.



- No Mês de Agosto com o Empresário Jape Kong Su e o Administrador, do Díli Development Company foi apresentado o próximo plano do desenvolvimento da área do Timor Plaza. Projetos esses formulados com o objetivo de aumentar o emprego em Timor Leste.
- Também em Agosto houve um encontro no TradelInvest com o Empresário da Pelica Paradise. Foi nesse encontro apresentado pelo Empresário da Pelican Paradise detalhes do processo do referido projeto e as dificuldades enfrentadas.

Reunião com S.E. o Ministro dos Transportes e Desenvolvimento Económico da Nova Zelândia, no dia 28 de Agosto, no Palácio do Governo, acerca da Cooperação bilateral do Governo de Timor Leste e o da Nova Zelândia nas áreas do Turismo, Comércio, Economia e Tecnologia digital.

Foram realizados 3 contratos com Empresas, nomeadamente: fornecimento de Bilhetes de Avião, Combustíveis e manutenção eletrónica.

Realizada a manutenção das motorizadas e foi feita a aquisição de material de escritório.

Realização do encontro de Coordenação com os parceiros do desenvolvimento no setor privado relacionado com os assuntos económicos; Realizada reunião de coordenação trimestral com o Ministro e as Agências Tuteladas para as atividades Económicas; Finalizada a Lei do Registo Comercial e a Lei da Vistoria.

O Gabinete preparou com a contribuição de todos os funcionários do Gabinete a Justificação e Defesa da proposta do Orçamento Geral do Estado no CRO no Ministério das Finanças e nas Audiências Públicas na Comissão B no Parlamento Nacional e posteriormente no Parlamento.

Os Processos das Subvenções Públicas foram todos revistos e reavaliados desde o ano de 2016. Nesta reavaliação foram detetadas algumas anomalias e estão de momento em fase de retificação.

Foi também monitorizado pelo Gabinete o Processo da Pelican Paradise, IGT (Vistos de Trabalho) IADE, (Tomada de Posse do Novo Corpo Diretivo) Serve I.P (Inauguração do Novo Sistema e Instalações e participação na entrega dos Diplomas dos Novos Formandos no SNAE em Becora presenciados por S.E O Ministro do MCAE.

Também foram planeado as atividades para o ano de 2020 a serem realizadas pelo Gabinete MCAE estando pendente da Autorização do Ministro e Aprovação do Orçamento Geral do Estado para o ano de 2020.



CAPÍTULO 2

RECURSOS HUMANOS



Realização de 36 Contratos de Trabalho entre os quais 3 funcionários públicos, 18 funcionários contratados, 3 Nomeações política 2, assessores Internacionais e 10 assessores Nacionais.

Disseminação da Lei e do Decreto-lei da Função Publica aos Funcionários do Gabinete MCAE, composto por 3 funcionários públicos e 18 funcionários contratados em julho.

Pagamentos das despesas da formação Da Língua Portuguesa e Inglesa dos funcionários do Gabinete MCAE.

No mês de Novembro os Funcionários contratados e os da Função Pública deslocaram-se a Sorabaia Indonésia para atenderem a um curso de capacitação com a duração de 7 dias

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Os Funcionários do Gabinete MCAE que participaram na formação da Língua Portuguesa e Inglesa no total de 16 dos quais 6 no nível Pre-Intermédio da Língua Portuguesa, 8 no nível Básico, na língua Portuguesa e 2 no nível Básico na /língua Inglesa.

O Gabinete foi reestruturado para assim se poder dar mais oportunidades aos funcionários e para assim poderem adquirirem maior experiência nas várias áreas do Gabinete.

Três (3) funcionários concorreram para vagas no SERVE I.P. e foram aceites e por conseguinte o Gabinete teve que formar Três (3) funcionários para ocuparem os cargos deixados vagos.



Dois (2) funcionários foram nomeados temporariamente para os cargos de Oficial das Finanças e Oficial do Aprovisionamento.

Foi implementado um novo Sistema de Gestão mais Profissionalizado e Eficiente no Gabinete.

Foi ativado o Procedimento Legal com a Função Pública para a Transferência dos Funcionários Contratados, para Agente para assim ser atingir uma melhor Gestão dos Recursos Humanos e Financeiros.

Foi elaborado um cartão pessoal do NISS de todos os Funcionários, Contratados, Funcionários da Função Pública e Assessores.



CAPÍTULO 3

PROJETOS LEGISLATIVOS



No departamento legal foram elaborados os seguintes Projetos legislativos:

- Estudo de projetos legislativos apresentados pela Inspeção-Geral do Trabalho, pela AIFAESA, IP. e pela Secretaria de Estado do Ambiente (projetos da Autoridade Nacional Licenciamento Ambiental e Autoridade Nacional Designada).
- Elaboração de projecto legislativo sobre estrutura orgânica da Inspeção-Geral do Trabalho. Foi pedido o agendamento para discussão e aprovação em Conselho de Ministros, após despacho do Sr. Primeiro-Ministro que autorizou a criação de serviços desconcentrados. O projeto ainda não foi apresentado em Conselho de Ministros.
- Após a aprovação e entrada em vigor deste projeto de diploma legal, deveria seguir-se a revisão da carreira especial de inspeção, com a elaboração de um novo diploma legal, tal como sugerido pela jurista do MCAE e pela IGT.
- Foi feito o pedido de circulação e agendamento em Conselho de Ministros do projeto legislativo remetido pela SEFOPE, para fixação do salário mínimo nacional, após análise e emissão de parecer. Aguarda-se o agendamento pela PCM.
- Elaboração de parecer sobre o projeto de Decreto-Lei sobre ALIENAÇÃO, IMPORTAÇÃO E PRODUÇÃO DE SACOS, EMBALAGENS E OUTROS OBJETOS DE PLÁSTICO. Participação pela Jurista do MCAE em reuniões técnicas, com juristas da PCM e do Gabinete do PM, para redação final do projeto antes do envio para promulgação.
- Preparação de pareceres jurídicos sobre vários assuntos, designadamente, sobre projetos legislativos propostos por organismos tutelados pelo MCAE e coordenação de pedidos de agendamento para discussão em Conselho de Ministros de projetos legislativos
- Preparação de pareceres jurídicos sobre diferentes assuntos, nomeadamente, sobre as solicitações da Heineken Timor (sobre cervejas importadas - quanto a este assunto foi inicialmente recomendada a produção de legislação, nomeadamente tributária, sobre bebidas alcoólicas, com a criação de um imposto sobre as mesmas, progressivo, tendo em conta o teor de álcool



apresentado) e de outras empresas como a Pelican Paradise (dois casos urgentes, que necessitam de decisão), bem como dos serviços instituições na dependência do MCAE, designadamente a AIFAESA (parecer sobre a tabela remuneratória da AIFAESA).

- Preparação de pareceres jurídicos e despachos (em colaboração com o assistente jurista, Dr. Dâmaso Guterres, para sua formação técnica) sobre diferentes assuntos, nomeadamente, sobre o Secretariado da Estratégia Nacional de Emprego.
- Participação em reuniões, nomeadamente sobre a reforma legislativa e sobre o regime de licenciamento de atividades económicas e esclarecimento de questões, com prestação de aconselhamento jurídico acerca de vários temas, em colaboração com o SERVE, IP.
- Preparação de pareceres jurídicos e cartas, nomeadamente, sobre a nomeação do diretor executivo da TradelInvest, IP. e elaboração da Resolução do Conselho de Ministros que reconduziu o atual Diretor Executivo ao cargo.
- Prestação de aconselhamento jurídico sobre o processo de adesão de Timor-Leste à Organização Mundial de Comércio e participação na elaboração dos respectivos documentos.
- Preparação de pareceres jurídicos sobre vários assuntos, designadamente, sobre assuntos relativos ao SERVE, IP.
- É urgente e necessário que se proceda à nomeação, por despacho conjunto do MCAE e do membro do Governo responsável pela área das Finanças, de um Fiscal Único do SERVE,IP. (este é um assunto pendente: foi enviada carta ao MF mas, ainda não se obteve resposta). O mesmo deverá suceder em todas as instituições tuteladas pelo MCAE que careçam de nomeação de órgãos de fiscalização.
- Preparação de pareceres jurídicos sobre vários assuntos, designadamente, sobre assuntos relativos ao SERVE, IP. e sobre memorandos de entendimento a celebrar entre instituições como a AIFAESA e a sua homóloga Indonésia (é um assunto pendente: já foi feito o pedido de agendamento em para discussão e aprovação em Conselho de Ministros, à PCM, mas, ainda não houve agendamento) acordos internacionais a celebrar com a Indonésia,



para promoção de investimentos (este é um assunto pendente que está a ser tratado com o Ministério dos Negócios Estrangeiros).

- Participação no workshop e apresentação do projeto da UNSCAR (United Nations Trust Facility Supporting Cooperation on Arms Regulation) sobre “Technical and Legal Assistance Project to Support Democratic Republic of Timor-Leste in the Implementation of the UN Programme of Action on SALW and the ATT (12 e 13 de Fevereiro, no MNEC).
- Participação da Assessora jurídica em reuniões, designadamente, sobre a adesão de Timor-Leste à Organização Mundial de Comércio e esclarecimento de questões, com prestação de aconselhamento jurídico.
- Reunião com a KOIKA, sobre possível MoU. A empresa coreana Poshtech pretendia assinar um Memorando de Entendimento com o MCAE, para formação de profissionais de soldadura. O assunto encontra-se pendente após reuniões com a Poshtech, Centro Nacional de Formação e Emprego de Tíbar, Centro Nacional de Formação Profissional de Becora e a KOIKA, agência de cooperação sul-coreana. Os termos do MdE ainda não foram esclarecidos.
- Participação em reuniões, designadamente, sobre a adesão de Timor-Leste à Organização Mundial de Comércio e esclarecimento de questões, com prestação de aconselhamento jurídico e participação na elaboração de documentos necessários ao processo de adesão à Organização Mundial de Comércio.
- Preparação de parecer jurídico sobre questões ligadas ao imposto selectivo de consumo – a empresa LOKAL quer fabricar álcool sanitário sem ser sujeita à taxa aplicável ao álcool não desnaturado – este é um assunto urgente que se encontra pendente, pois aguarda-se resposta do Ministério das Finanças.
- Elaboração de uma apresentação sobre a questão da importação de cervejas para ser decidida em Conselho de Ministros: diploma legal que proíba a comercialização de cervejas importadas com alto teor alcoólico; instrução à Autoridade Aduaneira/Autoridade Tributária para cobrança de imposto selectivo de consumo aplicável; criação de imposto sobre as bebidas alcoólicas, progressivo tendo em conta o teor de álcool apresentado.



CAPÍTULO 4

PROCESSO DE ADESÃO À ORGANIZAÇÃO MUNDIAL DO COMÉRCIO

(capítulo em língua inglesa)



TIMOR-LESTE ACCESSION PROCESS TO THE WORLD TRADE ORGANIZATION

BACKGROUND

According to the VIII Constitutional Government Program, “the Government will continue to implement measures to regulate commercial activities and approve policies to expand markets, including dissemination of economic value-added products, through marketing and public relations strategies that promote Timor-Leste and its products in the region and the world”. More specifically, the Government will “finalize the accession process as a full member of the World Trade Organization.” (Section 4.4 - Trade)

The commitment for Timor-Leste to accede to the WTO has been on the agenda since 2015, with the following main achievements (in Chronological Order):

- Timor-Leste submitted its application letter for WTO membership on 7 April 2015.
- On 31 October 2016, the government established the WTO Inter-Ministerial Technical Working Group through the Prime Minister Dispatch No. 032/2016/X/PM, which was active until April 2017.
- Timor-Leste was granted WTO Observer Status in December 2016, when the General Council meeting also established a Geneva Based WTO Working Party, open for interested WTO member countries to participate in the Timor-Leste’s negotiations for the accession process.
- The Memorandum of Foreign Trade Regime (MFTR) was completed and endorsed by the Council of Ministers in June 2017, and then submitted to the WTO Secretariat for further distribution to the interested member countries for comments.
- In September 2017, the Portuguese Ambassador to the WTO, was appointed as the Chairperson of the Geneva Based WTO Working Party for Timor-Leste accession process. The current Ambassador is Mr. Rui Macieira.



- In August/September 2017, Timor-Leste received a total of 75 (seventy-five) questions regarding the MFTR document from four (4) countries [Canada (12), United States (56), Japan (4) and Thailand (10)].
- Timor-Leste participated in the Eighth China Round Table on WTO Accessions, which took place in Moscow, Russian Federation in December 2019, and met with Ambassador Alan Wm. Wolff, WTO Deputy Director-General, Maika Oshikawa, WTO Director of Accessions Division, and the Informal Group of Acceding Governments. The current state of play was reviewed and the accession process was reactivated. Timor-Leste ensured the WTO its strong commitment to advance with the process and reassured its intention to conclude the examination phase with WTO members. A road map was established with the WTO Accessions Division with the primary aim to schedule the First Working Party Meeting in 2020 and begin preparations for it with the Chairperson. A broad view was shared in the discussions to adopt as much as possible a flexible and streamlined approach that would speed up the process for Timor-Leste considering its LDC status. The WTO encouraged Timor-Leste to attend the Twelfth WTO Ministerial Conference, which is to be held in 2021, and the meetings of other Working Parties as an Observer.
- The Question and Reply document (Q&R) was completed, endorsed by the Council of Ministers and sent to the WTO Secretariat on the 18th of May 2020, opening the way for the first meeting of the WTO Working Party to be scheduled and convene. The submission of the Questions and Replies document concludes the first round of examination of Timor-Leste's trade policy and practices for WTO accession. The document is over 45 pages and clarifies information on the economy and domestic economic policies, foreign trade and investment, and it further describes legislative frameworks and administrative processes for making and enforcing policies affecting trade. All replies are based on policies and over 200 legal texts in force in Timor-Leste and were appropriately articulated with over 12 relevant national institutions, including Banco Central Timor-Leste, Ministry of Finance, Ministério Público, MNEC, MAP, TradeInvest, SERVE, and CNA-Procurement, among others.
- The Legislation Action Plan (LAP) was also developed and submitted in May 2020 to the WTO, together with the Q&R document. The LAP has two parts: Part I - key reforms to be



implemented and Part II - list all Timor-Leste's trade-related policies and regulatory framework, with supporting documents (files in electronic format) of all legal texts mentioned in the MFTR document.

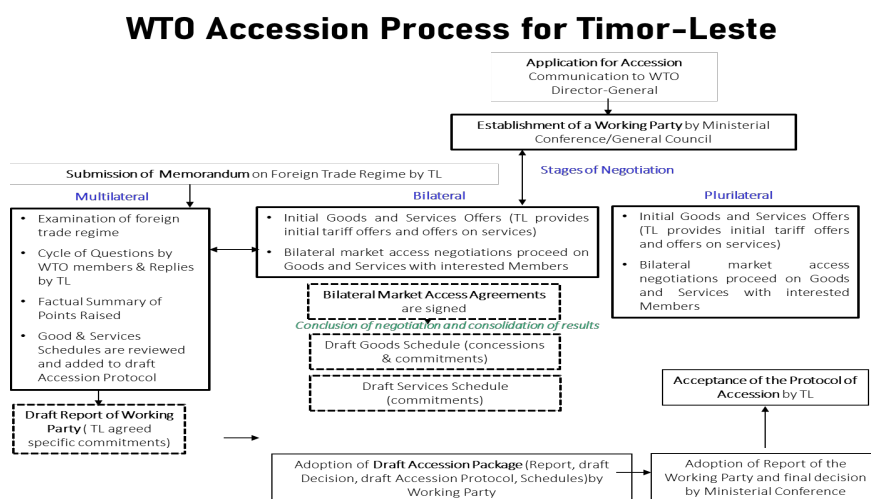
- The WTO issued a formal notice to WTO members with the document WT/ACC/TLS/5 circulating Timor-Leste's Legislation Action Plan (LAP) on 2 June 2020.
- The WTO formally circulated the Question and Reply document (Q&R) to WTO members on 3-4 June 2020.
- Minister Fidelis Magalhaes Leite held a meeting with the Chairperson of the Working Party, Amb. Rui Maiciera, and the WTO Accessions Division Director, Maka Oshikawa, on June 3, to review the status of the accession, concluding that there is sufficient basis to move with the Working Party process and the first meeting.
- The Chairperson of the Working Party, Amb. Rui Maiciera sent out communications to interested WTO members for the organization of the Timor-Leste's first meeting.
- The WTO Secretariat will confirm the date of the first meeting of the Working Party in June 2020, which is provisionally scheduled to occur in second or third week of July (before July 21). The final decision on the time and date is yet to be confirmed in the upcoming days.
- Minister Fidelis Magalhaes Leite met with WTO Deputy Director General, Amb. Wolff, the the WTO Accessions Division Director, Maka Oshikawa, and the Informal Group of Acceding Governments (IGAG) on June 9 to present the progress of Timor-Leste's accession process and its commitment to the multilateral trading system during this challenging period amidst the COVID-19 global crisis. Timor-Leste's plan was shared on the preparations for the first meeting of Working Party as well as its response to the coronavirus effects.



STATE OF PLAY AND SCHEDULED FOLLOW-UP ACTIONS

- Second/Third Week of July 2020: The first meeting of WTO Working Party for Timor-Leste's Accession, to be held via videoconference. The exact date and time are yet to be confirmed by the WTO Accessions Division in the upcoming days.

The process for Timor-Leste is described in the graph below:



- Much attention is to be devoted to the preparation of the first meeting of the Working Party. The dynamics would be the following: Timor-Leste is invited to make an introductory statement. Members then normally welcome Timor-Leste and those intending to take an active part in the negotiations may also make some of their expectations known. According to the procedures, representatives from Timor-Leste and members of the Working Party examine the Memorandum and the questions and answers provided with a view to seeking any further clarifications that may be required based on the WTO Agreement and the Multilateral Trade Agreement. During this technical work each of the topics in the MFTR is examined in turn using this document as a basis,



together with the questions and answers and the other supporting legal and policy documentation circulated. Members may ask for copies of relevant laws and regulations. Discussions are normally based on questions from interested WTO Members. The Timorese delegation would have to provide oral answers to these questions. It is customary for the leader of the delegation to answer but other members of the delegation may also do so if asked by the leader. The discussions on the questions and answers could reveal the changes that may be necessary to make to ensure conformity with WTO requirements. After the meeting, WTO members would submit further requests and comments in writing and Timor-Leste would have to prepare written replies to all the questions raised and forward them to the WTO Secretariat for due circulation.

- The introductory statement in the first meeting is a good opportunity to recall what the national interest is or what the country expects to achieve with the accession, which is always a powerful rapport element with the WTO member countries. Among the potential objectives to reiterate: accession aligns with much needed domestic reforms and improvement of Timorese legislation (support rule of law), accession enhances Timor-Leste's international stature; accession as the arrowhead that could eventually boost trade promotion and improve the investment climate.

It's relevant to take into account that the first meeting will center on the review of the answers that Timor-Leste has provided to members' questions and will also serve for Timor-Leste to respond to further standard requests from WTO members.

Once the examination is over or sufficiently advanced, possibly after the First Meeting of the Working Party, Timor-Leste will be requested to prepare the offer of the commitments and concessions it would be prepared to make on tariffs, market access, domestic support, export subsidies, and services, in order to begin bilateral, multilateral and, plurilateral negotiations on the terms of its accession.

It's worth noting that the current development context of the country may allow advancing accession as much as possible. Timor-Leste also has a window of opportunity to accelerate accession before it completes its graduation from Least Developed Country (LCD) status, which could be in 2023 (no definite date yet, but



approximation provided by UN). As an LCD country, Timor-Leste can strategically pursue in every stage of the process to obtain the corresponding special and preferential treatment with its commitments in line with WTO rules and decisions.

- **Legislative Action Plan (LAP):** This is an evolving document that will change during the course of the accession process. Translating efforts of the remaining legal texts (approximately 50) should be carried out for the immediate submission to the WTO Accessions Division for publication. Important to note that all supporting legislation was submitted in Portuguese, and about 60% of them in English. However, since Portuguese is not an official language of the WTO, Timor-Leste is to complete translation of the remaining legal texts to English.
- **Meeting of the WTO Inter-Ministerial Commission and Inter-Ministerial Technical Working Group:** The Inter-Ministerial Commission for WTO Accession and an Inter-Ministerial Technical Working Group should remain active during the accession process for the preparation of the technical work.
- **Country Commitments and Concessions:** Timor-Leste needs to start drafting a proposal for the Schedule on Goods (tariffs, domestic support, export subsidies), and Schedule on Services (market access) in order to begin bilateral, multilateral and plurilateral negotiations on the terms of accession (Timor-Leste would be requested to prepare after the First Meeting of the Working Party). At the same time, consideration should be given to possible commitments to other areas of focus (i.e. in the accession process, as detailed in the Memorandum on the Foreign Trade Regime (MFTR).

Goods schedules establish maximum tariffs on specific types of goods, agreements on quotas, export subsidies, and domestic supports for particular industries. Services schedules normally take the form of commitments to open domestic markets to services provided by firms in other member states, as well as specific exemptions from these commitments.

Important to note for this task, WTO Members are to “exercise restraint in seeking concessions and commitments on trade in goods and services from acceding LDCs, taking into account the levels of concessions and commitments undertaken by



existing WTO LDCs' Members", according to WTO decisions¹. Furthermore, members have agreed that there shall be flexibility for acceding LDCs for opening fewer sectors, liberalizing fewer types of transactions, and progressively extending market access in line with their development situation. Acceding LDCs shall not be expected to offer full national treatment, nor are they expected to undertake additional commitments under Article XVIII of the GATS on regulatory issues which may go beyond their institutional, regulatory, and administrative capacities.

Also, WTO rules on this matter establish what is to be specified in the Schedule, as follows:

Each Member shall set out in a schedule the specific commitments it undertakes under Part III of this Agreement. With respect to sectors where such commitments are undertaken, each Schedule shall specify:

- (a) terms, limitations and conditions on market access;
- (b) conditions and qualifications on national treatment;
- (c) undertakings relating to additional commitments;
- (d) where appropriate the time-frame for implementation of such commitments; and
- (e) the date of entry into force of such commitments.

A simplified version of the technical work involved in the preparation of the schedule containing the initial offer on tariffs, looks like this:

1 The 2002 guidelines stipulate that Members are to exercise restraint in seeking market access concessions from acceding LDCs, while the latter are expected to offer reasonable concessions commensurate with their individual development, financial and trade needs. Further, the Decision on LDC accession adopted at the MC8 Conference directs the Sub-Committee to develop recommendations to further strengthen, streamline and operationalize the 2002 guidelines, and in this context, inter alia, develop benchmarks in the area of goods taking into account the level of commitments undertaken by existing LDC Members.



HS number (national nomenclature of the applicant)	Description of each product	Currently Applied Rate*	Proposed Bound Rate at Accession	Other Duties and Charges (ODC)
(1)	(2)	(3)	(4)	(5)

*While these will not appear in the final Schedule, the currently applied rates of duty need to be supplied, particularly as some WTO Members expect these to provide a reference point for the negotiations. This can be done either in a column in the initial offer as indicated above or in a separate communication

Furthermore, based on WTO decisions some principles have emerged for LDC countries as they decide about how to make tariffs commitments:

Agriculture	Pursuant to the provisions of the Agreement on Agriculture, Members had bound all their agricultural tariff lines at the time of joining the WTO. This will also be required from the acceding LDCs. With regard to average bound rates, the acceding LDCs shall bind all of their agricultural tariff lines at an overall average rate of 50 per cent.
Non - Agricultural	<p>While comprehensive binding coverage is a fundamental objective, flexibilities shall be provided to acceding LDCs consistent with their individual development, financial and trade needs.</p> <p>The acceding LDCs shall undertake commitments in the area of non-agricultural market access as follows:</p> <p>a) Acceding LDCs shall bind 95 per cent of their non-agricultural tariff lines at an overall average rate of 35 per cent.</p> <p>b) Acceding LDCs that choose to undertake comprehensive bindings of NAMA tariff lines may do so and be afforded proportionately higher overall average rates than provided for in paragraph a), with the precise level of bindings and average rates to be agreed between the acceding LDC and the Members. In such cases the acceding LDC shall be entitled to transition periods of up to 10 years for up to 10 per cent of their tariff lines</p>



Additionally, with regards to services, the key principles to take into account are:

- Acceding LDCs shall identify their priority services sectors and sub-sectors and make reasonable offers commensurate with their individual development, financial and trade needs as well as their regulatory and institutional capacities. Acceding LDCs shall be provided with technical assistance, as appropriate, to enhance their regulatory and institutional capacities.
- Acceding LDCs shall have the flexibility to undertake commitments, whether full or partial, under different modes of supply. They shall have the flexibility to phase in such commitments, as appropriate, over an adequate period of time.
- Acceding LDCs shall not be required to undertake commitments in services sectors and subsectors beyond those that have been committed by existing WTO LDC Members, nor in sectors and sub-sectors that do not correspond to their individual development, financial and trade needs. Accordingly, WTO Members shall exercise restraint in seeking commitments in trade in services from the acceding LDCs.

WORD INTELLECTUAL PROPERTY ORGANIZATION (WIPO)

On another note, the process of Timor-Leste's accession to the Convention Establishing the World Intellectual Property Organization (WIPO) has been promoted concurrently with the WTO accession process since they are intertwined, as the latter requires measures to be taken for the establishment of a regime Intellectual Property. In effect, the National Parliament Resolution no. 14/2017, of 25th July, allowed the deposit of the instrument of ratification with the Director General of WIPO, with the result that Timor-Leste has been a member of this Convention since September 12th, 2017. The signature of the Memorandum of Understanding with WIPO (draft attached in CD) should be high in the agenda in order to operationalize the technical support for the development and implementation of a legal framework and institution building for intellectual property.



TECHNICAL ASSISTANCE NEEDS

Timor-Leste needs technical assistance to quickly complete required documentation on Country Commitments and Concessions (schedule on goods and schedule on services), including technical preparation of the negotiations (preparation of documents; legal, economic and trade analyses and impact assessments are of vital importance). Important to identify with anticipation wherever possible any surprise factor or special stages during the negotiations.

In order to assist the Timorese Government's role, it is indispensable to work with WTO agreements and rules in Portuguese and, as much as possible, in Tetum.

Need to jointly analyze all stages of the process and define required assistance as Timor-Leste has limited administrative capacities to do what needs to be done. Negotiations could be demanding on Timorese institutions. Important to note that Timor-Leste needs entire legal frameworks and establishment of new institutions on areas such as technical barriers to trade (TBT), sanitary and phytosanitary (SPS) measures and intellectual property, some of which will be necessary to pass and adopt during accession. All of this has to be harmonized to WTO rules. Therefore it could be relevant to explore what kind of support measures can be put in place for this short to medium term activity.

PENDING INVITATIONS TO VISIT DILI

The Chairperson of the WTO Working Party, the Portuguese Ambassador Rui Macieira, and the Director of WTO Accessions Division, Maika Oshikawa, have already been formally invited to pay a visit to Timor-Leste as soon as travel bans are alleviated. Such visits could be an opportunity to know the country and its development challenges, leverage institutional and societal support, promote advocacy and outreach initiatives to sensitive key accessions stakeholders on WTO related matters (benefits inherent to joining this multilateral organization), as well as courtesy calls to key authorities (i.e. Members of Parliament, Cabinet Members).



CAPÍTULO 5

ECONOMIC POLICY FOR COVID-19

(capítulo em língua inglesa)



- **Economic Policy Plan for COVID-19 (economic stimulus package). Includes:**
 - Several presentations to the Council of Ministers
 - Stakeholder coordination (pre-council of ministers policy debate session, coordination with President's team, collection of data, information and proposal development with relevant ministries, commentaries to all proposals)
 - Development of the budget, growth projections, implementation schedule
 - Development of policy brief documents on key prioritized areas by the executive (Cash Transfer, Social Protection, Utilities, Transport Connectivity, Distribution of Goods and Supplies, Credit, Overview of the Stimulus Package)
 - Presentation to international community
- **Evaluation process of the COVID-19 measures. Implementation of review mechanism for 19 economic measures, through questionnaires and indicator identification with each executing institution.**

Potential activities for the future:

- Much attention is to be devoted to the preparation of the first meeting of the WTO Working Party to be held in July 2020.
- Once the WTO examination sufficiently advanced, possibly after the First Meeting of the Working Party, Timor-Leste will be requested to prepare the offer of the commitments and concessions it would be prepared to make on tariffs, market access, domestic support, export subsidies, and services, in order to begin bilateral, multilateral and, plurilateral negotiations on the terms of its accession. Timor-Leste needs to start drafting a proposal for the Schedule on Goods (tariffs, domestic support, export subsidies), and Schedule on Services (market access) in order to begin negotiations.
- Timor-Leste's accession to the Convention Establishing the World Intellectual Property Organization (WIPO) should be



concluded and actively pursued. This involves proceeding to the signature of the Memorandum of Understanding with WIPO to initiate the legal and institutional building for intellectual property.

- Development of project proposals for technical support during the WTO negotiations to be funded and presented to the Geneva based Enhanced Integrated Framework (EIF) and the UN system, which allocate resources for LDC countries. In the pipeline, EIF engaged Fairtrade Australia and New Zealand to support Timor-Leste, having presented in early June a project on “Gender Sensitive, Climate Resilient Agriculture for Market Access for Timor-Leste”, focused on coffee production which delivers on trade capacities and integration into global value chains with a Fairtrade label/certification and Fairtrade Premium for farmers, and empowerment of women within a national coffee cooperative in the country.
- Review, update/develop the following policy documents: Economic Reform and Growth Guide (2020-2023), Industrial Policy, Trade Policy, Investment Policy, Tourism Policy, Coffee Policy, Agricultural Policy.



CAPÍTULO 6

ANÁLISE DE POLÍTICA ECONÓMICA

(capítulo em língua inglesa)



Economic, policy, political economy analyses of development challenges.

- Economic growth and paths to prosperity presentation, to be presented to the Council of Ministers
- Policy Memo and statement on the economy for the minister, delivered at the World Bank's 2019 TLER October report
- Review and analysis of the World Bank's 2020 TLER report
- Speech on economic development and state building for the minister, delivered at the Science and Technology Summit in Timor-Leste
- Policy Memo on Quality Infrastructure and Economic Growth
- Policy Memo on Crisis Management during COVID-19
- Policy Memo on the Policy Response for the Informal Sector
- Policy Memo on Post-COVID Policy Reforms
- Draft articles and short briefs for the national and international media on the Economic Policy response during COVID-19

Consultation meetings with economic actors in participation with the minister. Main outcomes:

- Meetings with several applicant private investors going through the investment process with TradeInvest or presenting updates with existing investments (in the energy, transport, beverages, tourism, mining areas). Several applications are advancing through the agency and others report progress or constraints.
- Meetings with Ambassadors of several countries who have cooperation programs with Timor-Leste in the areas of economic development. Government to Government coordination is strong and supportive of governmental policy.



- Meetings with World Bank officials developing policy analysis. TLER reports are analyzed and launched together between government and World Bank.
- Meetings with UN system officials executing socio-economic programs. Coordination is strong and supportive of governmental policy.
- Periodic Visits to review the work of dependant agencies under the supervision of MCAE (Sefope, Serve, TradeInvest, IADE, etc)



CAPÍTULO 7

ANEXOS







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