



PRESIDENCY OF THE
**COUNCIL OF
MINISTERS**
SIXTH CONSTITUTIONAL GOVERNMENT

DILI, OCTOBER 11TH, 2016

PRESS RELEASE

Council of Ministers meeting of October 11th, 2016

The Council of Ministers met on Tuesday, at the Government Palace in Dili, and approved the proposal of a new **Customs Code**, which institutes the new legal basis for the functioning of customs administration. The previous code, introduced in 2004, has now been revised to include the implementation of international standards and practices.

The proposal, submitted by the Ministry of Finance, establishes the general rules and procedures for the import and export of goods, as well as the movement and the use of foreign goods in Timor-Leste. It also defines the rights and obligations of persons involved in the transactions as well as the powers of the customs authority.

The main innovations introduced in this Customs Code are: increasing the transparency and fairness in the customs' procedures; improvements in the process of customs clearance and payment; better supervision of ports and customs activities in general and the possibility of exchanging information electronically, as well as allowing deposits and electronic payments.

These measures facilitate domestic and international trade and contribute to the economic development of Timor-Leste. The implementation of services using sophisticated information systems will support the development of a climate of transparency and effectiveness. The wait times for goods in transit and for customs clearance in general, will reduce.

The Code was drawn up by the Fiscal Reform Commission, a technical body created by the Sixth Constitutional Government, which has as its mandate to evaluate all avenues to improve revenue collection and promote reforms to improve the efficiency and effectiveness of tax revenue. The customs' reform is one of three priority areas of Fiscal Reform. The Commission will work in harmony with the Customs Administration, on the implementation of the adopted reforms.



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Two proposals from the Ministry of Petroleum and Mineral Resources were also adopted. One introduces **changes to the Decree Law no. 1/2012, of February 1st**, regarding the "downstream" sector (activities of transport and distribution of products of the oil industry), providing more opportunities for the participation of Timorese citizens in the sector, specifically in petrol stations. The second was the proposal for a **Government Resolution on reserving the research and extraction of construction materials to companies of Timor-Leste held by Timorese citizens**. Since 2008 the prospecting, exploration and extraction of building materials has been regulated by a Ministerial Decree of the Ministry of Petroleum and Mineral Resources. The resolution adopted today by the Council of Ministers ensures the obligation of a majority participation of companies owned by Timorese citizens in the area of stone extraction for the construction industry.

The Council of Ministers also approved the **granting of financial support to the South-East Asia Region of the World Health Organization** – of which Timor-Leste is a member – for its institutional strengthening and implementation of its mission in the region. This support was requested from all Member States, during the 69th Meeting of the Regional Committee, which took place in September, in Sri Lanka. The World Health Organization's mission is to ensure a more equitable and effective access of all people to health care and information. **ENDS**

