



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

DILI, NOVEMBER 15TH, 2016

PRESS RELEASE

Council of Ministers meeting on November 15th, 2016

The Council of Ministers met on Tuesday at the Government Palace in Dili, and approved the **Structures of the Tax and Customs Authorities**, proposed by the Ministry of Finance together with the Fiscal Reform Commission.

These measures come in the wake of the Fiscal Reform carried out by the Sixth Constitutional Government to increase and improve the collection of domestic taxes in Timor-Leste.

The **Tax Authority** will be responsible for collecting taxes and other financial contributions for the State. It will be comprised of central services and services at the municipal level to ensure greater proximity to taxpayers. It will integrate areas of fiscal justice, inspection, planning, internal audit, communications and IT support to achieve the best results in revenue processing.

The **Customs Authority** will substitute the Directorate General of Customs, and deal with all customs related taxes and administration. It will have a modern structure in accordance with the best international practices to facilitate international trade, and will control the passage of goods through customs, with emphasis on the future Tibar Port, which will become the main port for the entry and exit of goods from the country.

The Ministry of Social Solidarity presented two proposals which were also adopted: the **amendment to Decree-Law no. 6/2005, of September 14th**, providing the Red Cross of Timor-Leste with a legal framework that guides the support of Government grants to the institution; and the **Social Security Budget for 2017**, an independent budget, which includes money collected from workers and their employers. This proposal will soon be presented to the National Parliament. This is the first time that the Government presents the General State Budget and the Social Security Budget, ensuring the transparent inclusion of all revenues and expenditures. The contributory scheme of Social Security was approved last



Palácio do Governo,
Avenida Presidente Nicolau Lobato,
Dili, Timor-Leste

pcm.gov.tl@gmail.com
+670) 33 310 608

month by the National Parliament.

The **Decree-Law establishing the system for controlling the movement of vehicles, motorcycles and mopeds and goods through land borders, when entering and leaving national territory**, proposed by the Ministry of the Interior was approved. This measure, which will be coordinated with the relevant ministries, complies with the second phase of the Internal Security Plan, mentioned in the Government Programme, as a way to "improve the operational effective capability in the prevention and investigation of crimes, the consolidation of public security and border control". The movement of goods at border posts, in particular motor vehicles, motorcycles and mopeds, relates to the importance of economic transactions and trade between Timor-Leste and Indonesia. The freedom of cross-border movement has resulted in an increase in the entry and exit of goods that should be monitored. The strengthening of border controls will serve to prevent crime and the bolster internal security.

The Council of Ministers approved the signing of two agreements submitted by the Ministry of Health: the Protocol **between the Government of the Democratic Republic of Timor-Leste and the Government of the People's Republic of China** on sending a Chinese medical team to serve in the Guido Valadares National Hospital for a two-year period; and the **Agreement on Cooperation between the Ministry of Health of the Republic of Cuba and the Ministry of Health of the Democratic Republic of Timor-Leste**, for technical assistance and training that the Government of Cuba has been providing to Timor-Leste, through the Health Programme. **ENDS**



Palácio do Governo,
Avenida Presidente Nicolau Lobato,
Dili, Timor-Leste

pcm.gov.tl@gmail.com
+670) 33 310 608