

TIMOR-LESTE

December 2016 through February 2017

OIL & GAS

NEW RULES ON TRADING ACTIVITIES

By means of Regulation No. 2/2016, of 14 December 2016, the *Autoridade Nacional do Petróleo e Minerais* (ANPM) approved the Trading Activities Regulations, which set forth the principles, rules and conditions to be complied with in the performance of trading activities involving fuels, biofuels and lubricants in Timor-Leste. The Regulations apply to all entities that perform, or wish to trade fuel, biofuel and lubricants in the country, irrespective of their nationality and nature. The Regulations are comprised of six chapters, including rules on registration, licensing, organization and operation of such activities, fees and duties, inspection, and offences.

MARITIME BOUNDARIES

UNILATERAL TERMINATION OF CMATS

By means of Resolution No. 1/2017, of 16 January 2017, the National Parliament approved the unilateral termination of the 2006 Treaty on Certain Maritime Arrangements in the Timor Sea ("CMATS") entered into between Timor-Leste and Australia, effective as of 10 April 2017. As a result, henceforth the Timor Sea Treaty shall apply in its original form, according to the version in force prior to the amendment introduced by the CMATS, as a temporary agreement, until the final delimitation of the maritime boundaries with Australia is concluded.

STATE ADMINISTRATION

NATIONAL SOCIAL SECURITY INSTITUTE CREATED

The Government of Timor-Leste, through Decree-Law No. 47/2016, of 14 December 2016, created the National Social Security Institute ("INSS") and approved its by-laws. The INSS is a public legal entity vested with administrative and financial autonomy and with its own assets. Its mission is managing and implementing the social security system, including preparing and monitoring the social security budget, the recognition of the rights and compliance with the obligations deriving therefrom, as well as to apply international agreements within the scope of the social security system.

NEW LEGAL FRAMEWORK FOR PASSPORTS

Through Decree-Law No. 52/2016, of 28 December 2016, the Government of Timor-Leste approved the new rules applicable to passports. The new statute aims at adapting the existing rules to the amendments introduced by the electronic passport. In line with the systems adopted by most countries, the new rules contribute to increasing the security of this document, thus facilitating the movement of national citizens. The statute also foresees the existence of four types of passports, all electronic: regular/ordinary passport, diplomatic passport, official/service passport and foreign citizen's passport.

NEW GENERAL STATE BUDGET FOR 2017

The 2017 General State Budget was approved by the National Parliament, by means of Law No. 13/2016, of 29 December 2016. Pursuant to such statute, the State of Timor-Leste foresees a total of USD 1,414,400 million in revenue to finance State expenditures in 2017, of which USD 1,106.300 million respect to petroleum revenue and USD 199.300 million to non-petroleum revenue. This statute has also approved the rules applicable to the Social Security Budget for 2017. By means of Government Decree No. 1/2017, of 9 February 2017, the Government further approved the rules applicable to the execution, monitoring and reporting related to the General State Budget and Social Security Budget for 2017.

NEW TEMPORARY RULES ON RECRUITMENT OF NON-TIMORESE JUDGES, PUBLIC PROSECUTORS AND PUBLIC DEFENDERS AND AMENDMENT TO THE FRAMEWORK OF THE AUDIT CHAMBER

Due to the insufficiency of human resources, mainly judges and public prosecutors, which constitutes an obstacle to the normal functioning of Timorese Courts, the National Parliament approved, by means of Law No. 1/2017, of 18 January 2017, new rules on temporary recruitment of non-Timorese citizens as judges, public prosecutors and public defenders, and the amendment of the Audit Chamber's framework (which was approved by Law No. 9/2011, of 17 August 2011). This statute aims at regulating the recruitment and selection of non-Timorese judges, public prosecutors and public defenders by the respective disciplinary body, to temporarily exercise their functions at the Courts, including the Audit Chamber.

RAEOA SETS LEGISLATIVE PRIORITIES

By means of Resolution No. 1/2017, of 18 January 2017, the Authority of the Special Administrative Region of Oé-Cusse Ambeno (RAEOA) set out the legislative priorities for the RAEOA. This statute contains a list of laws which must be prepared and approved for the RAEOA, including, but not limited to, the RAEOA Legal Framework Law, the RAEOA Tax Regime, the Maritime Registry of the RAEOA, the RAEOA Air Registry, and the RAEOA Financial Regime.

RULES ON CERTIFICATION OF SEAFARERS APPROVED

Through Ministerial Diploma No. 3/2017, of 25 January 2017, the Minister of Public Works, Transports and Communications approved the rules on certification of seafarers in Timor-Leste. These rules shall apply until the 1978 International Convention on Standards of Training, Certification and Watchkeeping for Seafarers is ratified by the State of Timor-Leste. The new statute includes, amongst others, provisions on employment of Timorese citizens aboard vessels, and the issuance, suspension and registry of certificates and documents required for such purpose. Under the new statute, the issuance of certificates depends on the seafarer being a national of Timor-Leste, being at least 18 years old and having served as a seafarer on board of a vessel operating in Timor-Leste's ports for at least 12-months.

ADVERTISING

NEW RULES ON ADVERTISEMENT

The Government of Timor-Leste, by means of Decree-Law No. 51/2016, 28 December 2016, approved new rules for licensing of advertising messages. The new statute applies to all types of advertising of a commercial nature (e.g. visual, sound, etc.), irrespective of the means used for display (e.g., outdoors, placards, flags, banners, awnings, etc.), whenever same is visible or noticeable from public space. The placement or affixing of advertisements in assets or spaces for public use or visible therefrom is subject to prior licensing with the Municipal Administration or Municipal Authority and to the payment of a fee, which depends on the type of advertisement, location, dimension and/or displaying period. According to the new rules, companies and other entities that currently have any signage at their facilities (including simple signs or plaques identifying their offices) have 6 months as of the entry into force of the new rules to license the said signage. After this deadline has elapsed, the Municipal Authorities may remove the same, forfeit them, and apply fines.

CRIMINAL

FIGHT AGAINST ILLICIT TRAFICKING OF DRUGS

The National Parliament, through Law No. 2/2017, of 25 January 2017, approved the Law on Fighting against Illicit Drug Trafficking. In addition to the definition of "drugs", this statute also includes, amongst others, provisions on activities subject to control by the Ministry of Health, as well as on trafficking and illicit activities, criminal association, trafficker-consumer, abandonment of syringes, trafficking and consumption in public places, voluntary and compulsory treatment, penalties, etc.

FIGHT AGAINST HUMAN TRAFFICKING

By means of Law No. 3/2017, of 25 January 2017, the National Parliament approved the Law on Prevention and Fighting against Human Trafficking and the fourth amendment to the Criminal Code. The new statute defines human trafficking and sets forth, amongst others, provisions on non-discrimination, non-participation, criminal liability, penalties, forfeiture of property to the State, protection of victims and witnesses, exclusion of publicity of the judicial process, information on values and funds, lifting of secrecy, bank account control and secrecy obligations.

ELECTRICITY

NEW TARIFFS APPROVED

By means of Ministerial Diploma No. 1/2017, of 4 January 2017, the Minister of Public Works, Transports and Communications approved the electricity power connection and participation fees. This statute includes, amongst others, provisions on the power rating and low voltage circuit breaker measurement, power change fees (for single-phase or three-phase energy meters), connection fees and costs of technical equipment and electrical materials.

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