

DECREE-LAW No 42/2022 of 8 June
CREATES THE DESIGNATED NATIONAL AUTHORITY TO FIGHT AGAINST
CLIMATE CHANGE, I.P., AND
APPROVES ITS STATUTES

The Kyoto Protocol to the United Nations Framework Convention on Climate Change, ratified by Timor-Leste through National Parliament Resolution No. 6/2008 of 7 May, is a historic milestone in recognizing the need to implement mitigation and adaptation programs for climate change and to impose objective targets for the global reduction of greenhouse gas emissions.

In this area, the said protocol established three flexibility mechanisms: the international emissions trading mechanism, the joint implementation mechanism and the clean development mechanism, in a global attempt to reduce gas emissions capable of having a negative impact on the environment.

Fulfilling the designs of the Marrakech Agreement, adopted at the First Conference of the Parties to the Kyoto Protocol, the implementation of these flexibility mechanisms in Timor-Leste is dependent on the creation of a Designated National Authority, as the entity responsible for the promotion, registration, assessment and authorisation of clean development mechanism projects, with a view to promoting sustainable development.

In turn, created in 2010 in the context of the United Nations Framework Convention on Climate Change, the Green Climate Fund was established as the operational entity of the Convention's financing mechanisms to support developing countries in adaptation and mitigation practices to combat the effects of climate change. This Fund also provides for the designation of a national authority to act as liaison between it and a given country.

It is therefore important to proceed with the creation of a separate public legal entity, with autonomy, which can play a role both in the implementation of the flexibility mechanisms of the Kyoto Protocol and in the context of the Green Climate Fund. Such an institution may have a positive impact on the country, the local economy and community development, as well as strengthen Timor-Leste's role in the international arena, in terms of combating climate change.

The creation of a designated national authority is expressly provided for in the Strategic Development Plan 2011-2030, which would establish "a Designated National Authority for the Kyoto Protocol Mechanisms so that Timor-Leste can be part of the global carbon market. This market will also allow us to increase revenues through the sale of carbon credits by our tree planting industries.

Thus, the Government decrees the following, under the terms of paragraph 3 of Article 115 of the Constitution of the Republic, to be valid as law:

Article 1
Creation

The Designated National Authority for Combating Climate Change, I.P., abbreviated to AND, is hereby established.

Article 2

Nature

1. The DNA is a public corporate body, integrated into the State's indirect administration, in the form of a public institute, endowed with technical, administrative and financial autonomy and its own assets.
2. The DNA shall be governed by this Decree-Law, by its statutes and by other legislation applicable to public corporate bodies, in general, and to public institutes, in particular.
3. The DNA shall act in close conformity with the relevant legal system, namely in environmental matters.

Article 3

Purpose

The DNA shall exercise the functions of the Designated National Authority for the flexibility mechanisms of the Kyoto Protocol to the United Nations Framework Convention on Climate Change, ratified by Timor-Leste through National Parliament Resolution No. 6/2008, of May 7, with the mission, namely, to approve the participation of national public and private entities in projects within the context of clean development and emissions trading, and to serve as an interlocutor between the Democratic Republic of Timor-Leste and the Green Climate Fund.

Section 4

Supervision and oversight

The member of the Government responsible for the execution of policies in the area of environment shall exercise powers of tutelage and superintendence over the DNA.

Article 5

Approval of the Statutes

The Statutes of the DNA, attached to this statute, which are an integral part of it, are hereby approved.

Article 6

Succession

1. The DNA succeeds, in all rights and obligations, the National Authority Designated for the implementation of clean development mechanism projects created by Government Decree No. 1/2012, of 1st February.
2. The assets allocated to the National Authority Designated for the implementation of clean development mechanism projects shall be transferred to the DNA, through an inventory carried out in accordance with the relevant procedures.
3. Staff assigned to the National Authority Designated for the implementation of clean development mechanism projects shall be transferred to the DNA, and shall subsequently be registered with the Civil Service Commission as staff assigned to it.

Article 7
Revocation Law

Government Decree No. 1/2012, of 1st February, which creates the Designated National Authority for the implementation of clean development mechanism projects, is hereby revoked.

Article 8
Operation in 2022

During 2022, the functioning of the DNA and its activity shall be ensured by the budget approved for the Secretary of State for the Environment, in terms of combating climate change, clean development and emissions trading.

Article 9
Entry into force

This diploma comes into force 90 days after its publication.

Approved by the Council of Ministers on 27 April 2022.

The Prime Minister,

Taur Matan Ruak

The Coordinating Minister for Economic Affairs, _____
Joaquim Amaral

Promulgated on 1 June 2022.

To be published.

The President of the Republic, _____
José Ramos-Horta