

GOVERNMENT RESOLUTION No 24/2023 of 24 May

FIRST AMENDMENT TO GOVERNMENT RESOLUTION No 6/2016, of 17 February, ESTABLISHING THE NATIONAL COMMISSION FOR TRADE FACILITATION (CONFAC)

Government Resolution No 6/2016, of 17 February, established the National Commission for Trade Facilitation (CONFAC) and approved its Statutes, which define its essential functions in relation to the facilitation of imports and exports.

Government Resolution No. 11/2022 of 16 March, which "Approves for Accession the Framework Agreement for Paperless Cross-Border Trade Facilitation in Asia and the Pacific", reinforces the pressing importance of trade as an engine for national growth and development.

In turn, Decree-Law No 12/2019 of 14 June, which contains the Organic Law of the Ministry of Tourism, Trade and Industry, as amended by Decree-Law No 66/2020 of 22 December, recognises the Directorate-General of Trade of the Ministry of Tourism, Trade and Industry, in Article 19(2)(d), as having the role of promoting the operation of CONFAC, in coordination with the Ministry of Finance and the relevant entities.

The amendment to the CONFAC Statutes that is made by this resolution aims to improve, streamline and monitor the implementation of procedures related to trade facilitation in accordance with WTO and ASEAN rules.

Thus, the Government resolves, under the terms of Article 115(1)(n) of the Constitution of the Republic, the following:

Article 1 Object

The present resolution proceeds with the first amendment to Government Resolution No. 6/2016, of 17 February, establishing the National Commission for Trade Facilitation (CONFAC).

Article 2 Amendment to the Annex to Government Resolution 6/2016, of 17 February

Articles 2, 3, 4, 5 and 6 of the Annex to Government Resolution No. 6/2016, of 17 February are amended to read as follows:

"Article 2

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- a) [...];
- b) To promote the examination of policies, legislation and procedures applicable to importation and exportation and to determine the implementation of measures for their simplification and harmonisation;
- c) [...];
- d) [...];
- e) [...];
- f) To support the Government in the implementation of the "National Single Window" system for imports and exports
- g) To support the Government in the implementation of paperless cross-border trade in Timor-Leste
- h) To support the Government in the creation and management of a trade information portal
- i) To support the Government in the creation and operation of the Trade Integration Working Group.

Article 3

[...]

- CONFAC shall be composed of the Executive Members, the Technical Working Group, the Permanent Secretariat, the Non-Executive Members and Observer Members.
- 2. The Executive Members shall be
 - a) The Coordinating Minister for Economic Affairs;
 - b) [...];
 - c) [...];
 - d) [...];
 - e) The Minister of Tourism, Trade and Industry
 - f) []
 - g) The Minister of Agriculture and Fisheries.
- 3. [...]:
 - a) The Commissioner of the Customs Authority;
 - b) [...];
 - c) [...];
 - d) [...];
 - e) The Inspector General of the Inspection and Supervision Authority of Economic, Health and Food Activity, I.P.;
 - f) [...];
 - g) [...];
 - h) [...];
 - i) [...];
 - j) The Export Promotion Director of the Investment and Export Promotion Agency of Timor-Leste, I.P;

- k) The Executive Director of the Business Registration and Verification Service, I.P;
- I) The President of the Quality Institute of Timor-Leste, I.P;
- m) The Executive Director of the Information and Communication Technologies Agency, I.P. TIC TIMOR;
- n) The Director-General of Transport and Communications;
- o) The National Director of Foreign Trade of the Ministry of Tourism, Trade and Industry;
- p) The Manager for Licensing and Regulation of the Central Bank of Timor-Leste (BCTL).
- 4. The following private sector representatives shall be Non-Executive Members:
 - a) [...];
 - b) [...];
 - c) The President of the Timor-Leste Women's Business Association or her representative
 - d) A representative of the Port of Timor-Leste
 - e) A representative of the maritime agents:
 - f) A representative of the passenger and cargo airlines;
 - g) A representative of the banks;
 - h) A representative of insurance companies.
- 5. Observer Members are the International Finance Corporation of the World Bank Group, the Asian Development Bank, the United Nations Conference on Trade and Development (UNCTAD) and the United States Agency for International Development (USAID).
- 6. The Director General for Trade of the Ministry of Tourism, Trade and Industry and the Commissioner of the Customs Authority shall jointly coordinate the Technical Working Group.

Article 4

- 1. CONFAC shall be jointly chaired by the Minister of Tourism, Trade and Industry, the Coordinating Minister of Economic Affairs and the Minister of Finance, and the respective function may be delegated to another Executive Member in their absences or impediments.
- 2. [...].
- 3. The Presidency of CONFAC shall submit relevant legislative proposals on trade facilitation to the Council of Ministers.
- 4. [Former No. 3].
- 5. The Chair of CONFAC shall ensure that the work plan is implemented, that all agenda items are addressed, that the views of all stakeholders are heard and discussed, that clear decisions are reached and accepted, and that the

Technical Working Group and the Permanent Secretariat follow up to ensure that agreed actions are carried out in accordance with CONFAC decisions.

Article 5 Permanent Secretariat

- CONFAC shall be assisted by a Permanent Secretariat which shall be responsible
 for coordinating the Executive and Technical Working Group meetings, as well as
 for recording the content of the dialogues and the decisions taken, archiving the
 respective minutes, preparing reports and establishing the monitoring and followup system for national reforms in trade facilitation using key performance
 indicators.
- 2. The composition of the Permanent Secretariat shall be jointly defined by the Ministry of Tourism, Trade and Industry and the Ministry of Finance.
- 3. The Permanent Secretariat, with prior authorisation from the Presidency, may invite other agencies or private sector representatives to participate in the meeting if there are any issues concerning trade facilitation to which they can significantly contribute.
- 4. The invitees may clarify issues and facilitate discussions during CONFAC meetings, but CONFAC is free to accept or not their views in decision-making.
- 5. The work of the Permanent Secretariat is carried out through the use of a computerised platform which is also useful for the management and coordination of the technical groups.

Article 6

With regard to legislative, procedural and procedural reforms, CONFAC shall be advised by trade facilitation experts, notably from the International Finance Corporation of the World Bank Group, and experts from the Asian Development Bank, the United Nations Conference on Trade and Development (UNCTAD) and the United States Agency for International Development (USAID), without prejudice to technical support from other organisations related to the subject."

Article 3 Systematic amendment to Government Resolution No. 6/2016, of 17 February

The Annex to Government Resolution No 6/2016, of 17 February, without heading, is hereby amended to read as follows: "Statutes of the National Commission for Trade Facilitation".

Article 4 Republication

Government Resolution No. 6/2016, of 17 February, with the current wording and the necessary grammatical and legalistic corrections, is republished in annex to the present resolution, which is an integral part thereof.

Article 5 Entry into force

This resolution shall enter into force on the day following its publication.	
Approved by the Council of Ministers on 3 May 2023. To be published.	

The Prime Minister,
Taur Matan Ruak

ANNEX (referred to in Article 4)

Government Resolution 6/2016 of 17 February

Creates the National Commission for Trade Facilitation (CONFAC)

Considering that the Programme of the VI Constitutional Government, as advocated by the Strategic Development Plan and, more recently, by the Tax Reform programme, highlights the need to adopt measures to diversify our economy, which are essential to reduce dependence on revenues from mineral resources and to make our economic growth sustainable

Recognising that the growth of the non-oil economy requires, amongst other things, a joint effort to facilitate trade, in its national and international aspects, that enhances the increase of exports, reduces the price of imports and simultaneously facilitates the interaction of our economy with the surrounding regional economies and on a global scale;

Taking into account that trade facilitation implies that cross-cutting measures be taken to simplify administrative and logistical procedures and harmonise procedures and standards, and to promote the best use of information and communication technologies to provide a quality service to citizens and companies

Considering that the importance of trade facilitation is internationally recognised as a determining factor in reducing transaction costs in international trade, inter alia by the Association of Southeast Asian Nations (ASEAN) and the World Trade Organisation (WTO);

Taking into account the effort and institutional commitment of Timor-Leste's State to join ASEAN in a first moment and the WTO in a subsequent moment, as well as the need to adapt our legal and economic system to the challenges imposed by the integration in the ASEAN economic community, namely at the level of the creation of a National Commission for Trade Facilitation;

The Government resolves, under the terms of subparagraph n) of paragraph 1 of article 115 and of subparagraph c) of article 116 of the Constitution of the Republic, the following:

- 1. To approve the creation of the National Commission for Trade Facilitation and its statutes in annex to the present resolution, which shall form an integral part thereof;
- 2. To determine that the present resolution shall enter into force on the day following its publication.

Approved by the Council of Ministers on 9 February 2016.

To be published.

The Prime Minister, Dr. Rui Maria de Arauìjo

ANNEX (referred to in paragraph 1)

Statutes of the National Commission for Trade Facilitation

Article 1 National Commission for Trade Facilitation

The National Commission for Trade Facilitation, hereinafter referred to as CONFAC, is hereby established as a consultative forum to promote dialogue between the Government, the private sector and other stakeholders on trade facilitation, to advise and make recommendations to the Government aimed at promoting import and export facilitation and to coordinate all Government work involving the facilitation of this process.

Article 2 Functions

CONFAC has the following functions:

- a) To promote dialogue between Government, the private sector and other stakeholders on import and export facilitation;
- b) b) To promote the analysis of policies, legislation, and procedures applicable to importation and exportation, and to determine the implementation of measures for their simplification and harmonisation;
- c) To coordinate consultations and the preparation of recommendations to the Government aimed at facilitating and simplifying importation and exportation;
- d) To assist the Government in implementing legislative, procedural and procedural reforms for the facilitation of importation and exportation;
- e) To coordinate all Government work involving import and export facilitation:
- f) To support the Government in the implementation of the "National Single Window" system for imports and exports;
- g) To support the Government in the implementation of Paperless Cross-Border Trade;
- h) To support the Government in the creation and management of a trade information portal;
- i) To support the Government in the creation and functioning of the Economic Integration Working Group.

Article 3 Composition

- 1. CONFAC is composed of the Executive Members, the Technical Working Group, the Permanent Secretariat, the Non-Executive Members and Observer Members.
- 2. The Executive Members shall be:
 - a) The Coordinating Minister for Economic Affairs;
 - b) b) The Minister of Finance
 - c) The Minister of Public Works
 - d) The Minister of Transport and Communications
 - e) The Minister of Interior
 - f) The Minister of Tourism, Trade and Industry
 - g) The Minister of Foreign Affairs and Cooperation
 - h) The Minister of Agriculture and Fisheries.
- 3. The Members of the Technical Working Group shall be:
 - a) The Commissioner of the Customs Authority;
 - b) The Coordinator of the Tax Reform Programme;
 - c) The Representative of the Coordinating Minister for Economic Affairs;
 - d) The representative of the Ministry of Foreign Affairs and Cooperation for ASEAN affairs;
 - e) The Inspector General of the Authority for Inspection and Monitoring of Economic, Sanitary and Food Activities, I.P;
 - f) The Director of the Timor-Leste Ports Administration (APORTIL);
 - g) The Director-General of the Civil Aviation Authority of Timor-Leste (AACTL);
 - h) The National Director of the Migration Service
 - i) The National Director of Quarantine and Biosecurity
 - j) The Director of Promotion and Export of the Investment and Export Promotion Agency of Timor-Leste, I.P;
 - k) The Executive Director of the Business Registration and Verification Service, I.P:
 - The Chairman of the Board of Directors of the Quality Institute of Timor-Leste, I.P:
 - m) The Executive Director of the Information and Communication Technologies Agency, I.P. TIC TIMOR;
 - n) The Director-General of Transport and Communications
 - The National Director of Foreign Trade of the Ministry of Tourism, Trade and Industry;
 - The Manager for Licensing and Regulation of the Central Bank of Timor-Leste (BCTL).
- 4 The following private sector representatives are Non-Executive Members:
 - a) The President of the Chamber of Commerce and Industry or his representative;
 - b) The President of the Customs Clearing Agents Association or his or her representative;
 - c) The President of the East Timor Women's Business Association or his/her representative;
 - d) A representative of the Port of Timor;

- e) A representative of the shipping agents;
- f) A representative of the passenger and cargo airlines;
- g) A representative from the banks;
- h) A representative from the insurance companies.
- 4. Observer Members are the International Finance Corporation of the World Bank Group, the Asian Development Bank, the United Nations Conference on Trade and Development (UNCTAD) and the United States Agency for International Development (USAID).
- 5. The Director General for Trade of the Ministry of Tourism, Trade and Industry and the Commissioner of the Customs Authority shall jointly coordinate the Technical Working Group.

Article 4 Presidency

- 1. CONFAC shall be jointly chaired by the Minister of Tourism, Commerce and Industry, the Coordinating Minister of Economic Affairs and the Minister of Finance; the respective function may be delegated to another Executive Member in their absences or impediments.
- 2. At the invitation of the Presidency of CONFAC, other members of the Government or representatives of the Public Administration and the private sector may participate in the executive meetings and in the meetings of the Technical Working Group.
- 3. The Presidency of CONFAC shall submit relevant legislative proposals on Trade facilitation to the Council of Ministers.
- 4. The Presidency of CONFAC shall present to the Council of Ministers, every six months or whenever requested, the outcome of the implemented reforms, as well as recommendations for the effective implementation of the proposed activities.
- 5. The Chair of CONFAC shall ensure that the work plan is implemented, that all agenda items are addressed, that all stakeholders' views are heard and discussed, that clear decisions are reached and accepted, and that the Technical Working Group and the Permanent Secretariat follow up to ensure that agreed actions are carried out in accordance with CONFAC decisions.

Article 5 Permanent Secretariat

 CONFAC shall be assisted by a Permanent Secretariat which shall be responsible for coordinating the Executive and Technical Working Group meetings, as well as for recording the content of the dialogues and the decisions taken, archiving the respective minutes, preparing reports and establishing the monitoring and follow-up system for national reforms in trade facilitation using key performance indicators.

- 2. The composition of the Permanent Secretariat shall be jointly defined by the Ministry of Tourism, Trade and Industry and the Ministry of Finance.
- 3. The Permanent Secretariat, with prior authorisation from the Presidency, may invite other agencies or private sector representatives to participate in the meeting if there are any issues concerning trade facilitation to which they can contribute significati- vely.
- 4. Invitees may clarify issues and facilitate discussions during CONFAC meetings, but CONFAC is free to accept or not their views in decision making.
- 5. The work of the Permanent Secretariat is carried out through the use of a computer platform whose usefulness extends to the management and coordination of the Technical Groups.

Article 6 Technical advice

Regarding legislative, procedural and procedural reforms, CONFAC shall be advised by trade facilitation experts, namely from the International Finance Corporation of the World Bank Group, and experts from the Asian Development Bank, the United Nations Conference on Trade and Development (UNCTAD) and the United States Agency for International Development (USAID), without prejudice to technical support from other organisations related to the matter.

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