

**Decree-Law no. 9/2017**

**of March 29**

**ORGANIC STATUTE OF THE CUSTOMS AUTHORITY**

The Customs Authority (AA) occupies, by its attributions, insertion and positioning in the State organization, a prominent position in the context of State Administration.

In the context of the Fiscal Reform initiated by the VI Constitutional Government, the present diploma aims at completing the organization of the organic and functional structure of Customs, adapting it to the pursuit of the objectives that are assigned to it.

In fact, AA's mission is to exercise control over Timor-Leste's borders and the customs territory for tax, economic and social protection purposes, in particular in the fields of culture, the environment and public security and health, as well as to administer value added tax and excise taxes.

With the recent approval of the Customs Code, the adoption of the rules of the revised Arusha Declaration, as well as the upcoming coming into force of the new Timor-Leste Customs Tariff, it is necessary to readjust and reorder the current Customs structure, within a more light and efficient framework, according to the true size of the services and the technical principles of administrative organization and modernization.

This restructuring will adjust its performance to the best international practices, in particular those of the Association of Southeast Asia (ASEAN), the World Customs Organization (WCO), the Community of Portuguese Speaking Countries (CPLP) and the World Trade Organization (WTO), in particular by supporting its implementation in the new Port of Tibar, facilitating trade and ensuring the implementation of the One Stop Shop.

The present diploma thus establishes an organic restructuring of the AA based on fundamental orientations such as the modernization, transparency and rationalization of resources and human resources.

Thus, the Government decrees, pursuant to paragraph 3 of article 115 of the Constitution of the Republic, to enforce as law the following:

**CHAPTER I  
GENERAL PROVISIONS**

**Article 1**

**Object**

This decree-law establishes the organic structure of the Customs Authority.

**Article 2**

**Nature**

1. The Customs Authority, shortly designated AA, is a service of the direct administration of the State with administrative and financial autonomy, without own revenues.

2. The AA functions in the direct dependence of the member of the Government responsible for the area of Finance.

3. In addition to the centralized services, AA also has deconcentrated services, designated by Customs, delegations and customs posts.

### **Article 3**

#### **Mission and Tasks**

1. The general mission of the AA is to exercise control over the entire national customs territory for fiscal, economic and social protection purposes, in particular in the areas of safety, the environment, culture and public health, as well as administering the collection of taxes and customs and other fees that are legally committed to it.

2. To fulfill its mission, AA shall carry out the following attributions:

- a) To guarantee the customs inspection action, preventing and combating tax fraud and evasion;
- b) To control the exchange of goods and means of transport for tax, economic and social protection purposes by applying procedures and controls relating to the entry, exit and movement of goods in the national customs territory;
- c) To carry out customs enforcement actions on persons and goods, carrying out control actions, namely checks, searches and seizures, inspections, audits and personal searches in order to ensure the correct application of customs and fiscal regulations;
- d) To prevent and combat customs and tax evasion and avoidance and illicit trafficking, in particular narcotic drugs, psychotropic substances and their precursors, strategic products and other products subject to prohibitions or restrictions;
- e) To guarantee the settlement, collection and accounting of import and export duties, excise taxes and other indirect taxes that are committed to it;
- f) To ensure the application of the rules to which goods brought into the customs territory are subject, until they are assigned a customs-approved treatment;
- g) To ensure the assignment of a customs-approved treatment to the goods in accordance with the legislation in force;
- h) To guarantee the collection of fees and other charges in accordance with the provisions of the Customs Code;
- i) To ensure the monitoring of all customs procedures before the Courts;
- j) To study, propose, coordinate, implement and evaluate customs policy programs and measures in relation to the indirect taxation of customs duties, as well as those relating to the prevention and suppression of customs and tax fraud, ensuring the application of all national and international regulations;
- k) To elaborate, promote and disseminate strategies and procedures in the areas of its competence and to contribute to the reforms of the areas related to Customs;
- l) To study and promote the improvement of the customs system;
- m) To promote forums for clarification to the public, in particular on the content and interpretation of customs legislation, in order to facilitate their correct compliance;
- n) To promote the training of civil servants and institutional collaboration in the Customs field, allowing efficient flows of information and the realization of training actions;

- (o) To cooperate and articulate with other services, national and international bodies, in particular through mutual assistance and coordination with the customs administrations of other States, with a view to the regular exchange of information on matters within their competence;
- p) To inform the public of their customs and fiscal obligations and support them in their compliance;
- q) To ensure participation in the work of the competent organs and institutions of international organizations to which Timor-Leste is a party, as well as of any national or international meeting dealing with matters of interest to the AA;
- r) To develop and manage information, control and reporting systems, using technologically advanced and integrated systems, necessary for the exercise of its functions;
- s) To promote the study and application of legal and administrative measures to ensure the quality, training and integrity of AA employees;
- t) To promote the correct application of the legislation and administrative decisions related to the attributions that it pursues;
- u) To perform other functions as assigned by law.

3. For the purposes of subparagraph c) of the previous paragraph, the inspection action consists of:

- a) Supervising and carrying out fiscal control without interruption, at any place, day or hour when goods are handled, or intermittently through customs inspection visits;
- b) Supervising and exercising fiscal control over the entry, stay, movement and exit of persons, means of transport, cargo units and goods from the border areas;
- c) Carrying out investigations, searches and seizures, audits and requesting documents and records that prove compliance with the customs law;
- d) Proceeding either to personal searches, or to searches in public, private or commercial stores, warehouses, vessels, aircraft and other means of transport or any other places, when there are reasonable grounds for suspected breach of customs law.

4. In addition to the powers referred to in the preceding paragraph, customs officials, in the pursuit of their duties and within the limits established by law, shall have the prerogative to:

- a) Wear an identification uniform and the AA emblem on them, as well as other legally assigned badges;
- b) Arrest in *flagrante delicto*, both individuals who insult them in the exercise of their functions, and offenders who commit acts punishable by fiscal laws, presenting them immediately to the appropriate police or judicial authority.
- c) In the exercise of their functions, freely enter sea lanes, aerodromes, heliports and airports, ships, aircraft and any other vehicles, as well as in any premises subject to customs supervision;
- d) Request the support of the security and defense forces to assist AA officials in the performance of their duties;
- e) Seize weapons, instruments, goods, means of transport, documents and any other property that has been used for the commission of a customs offense or is the subject of tax offenses;
- f) Other applicable prerogatives provided for under the law.

5. In the areas of customs jurisdiction, as defined by law, the attributions referred to in subparagraphs a) to d) of paragraph 2, are AA's exclusive competence, without prejudice to the competences in criminal investigations attributed to other entities.

## **Article 4**

### **Bodies**

1. The AA is headed by a Director General.
2. The National Directorates are headed by a National Director.
3. The Technical-Customs Council is also a body of the AA.

## **Article 5**

### **Technical-Customs Council**

1. The Technical-Customs Council, under the responsibility of the Director General, is responsible for issuing technical opinions related to the tariff classification, origin or value of the goods raised at the time of check of the goods or after their customs clearance.
2. The constitution and operation of the Technical-Custom Council, as well as the handling of dispute processes on tariff classification, origin and value of the goods, shall be regulated by a separate diploma.

## **Article 6**

### **Organizational principles**

1. The organization of the AA is governed by the following principles:
  - a) Legality;
  - b) De-bureaucratization;
  - c) Administrative de-concentration;
  - d) Organizational flexibility;
  - e) Valorization of human resources.
2. The principle of legality implies that the pursuit of AA's duties must be guided by the strict observance of the legal provisions that regulate all its activities.
3. The purpose of the de-bureaucratization principle is to rationalize administrative procedures for the fulfillment of customs obligations, in particular by simplifying the information media to be provided to and by economic operators;
4. The principle of de-concentration tends to devolve to the de-concentrated services the tasks of design, planning, regulation, evaluation and control, as well as operational tasks, which cannot be performed at another level.
5. The principle of flexibility aims at continuously improving through regulatory norms and administrative decisions the organizational structure in order to adapt the services to the objectives to be pursued in each moment.
6. The principle of valorization of human resources aims to foster the motivation and active participation of customs officials through their continuing training and career paths that promote performance and merit.

**Article 7**  
**Tutelage and Superintendence**

AA performs its functions under the tutelage and superintendence of the member of the Government responsible for the area of Finance.

**Article 8**  
**Duties of collaboration**

1. AA collaborates with national and international services and bodies that perform functions relevant to its area of activity.
2. In carrying out the duties referred to in article 3, AA acts in institutional coordination with the entity responsible for collecting taxes. It also collaborates with other public services involved in the customs area, namely the entity responsible for quarantine as well as with the entity responsible for the inspection of the economic activity, and receives special cooperation of the security forces and services with respect to the physical security of their employees during the execution of their duties, when requested.
3. AA may establish collaboration protocols, in particular with the Public Prosecution Service for the purpose of investigating and following up on customs procedures; and Municipal Administrations, as well as the Special Administrative Region of Oe-cusse Ambeno.
4. The Municipal Authorities and Administrations, as well as the Special Administrative Region of Oe-cusse Ambeno, establish mechanisms of collaboration with AA within the scope of the responsibilities of its de-concentrated services.
5. With a view to combating corruption, increasing institutional integrity and good governance, the AA establishes protocols with entities responsible for fighting corruption, supporting regular preventive actions and drafting the anti-corruption plan and institutional integrity.
6. AA may set up joint work teams with other services and units in the field of its activity.
7. The bodies and services of the State administration and other public and private entities, namely financial and banking institutions, shall provide the AA with the information and collaboration requested for the exercise of its functions.
8. The administrative authorities shall inform AA, when requested, of the content of the decisions on infringements which have been communicated to them by AA.

**CHAPTER II**  
**POWERS OF AUTHORITY**

**Article 9**  
**Equivalent authority in criminal process**

1. AA exercises complementary Internal Security functions, under subparagraph d) of article 15 and article 17 of the National Security Law, approved by Law no. 2/2010, of 21 April.

2. In the exercise of the procedural acts referred to in the preceding paragraph, customs officials shall act under the direction and functional dependence of the competent judicial authority.
3. The acts determined by the judicial authorities shall be carried out by the customs services and officials designated for that purpose by their respective hierarchical chain, within the framework of their technical autonomy.
4. AA employees, who hold the prerogatives provided for in this article, shall display, while in duty, a personal identification document.

#### **Article 10**

##### **Measures and means of coercion**

1. Within the scope of its duties, AA uses the measures legally established, under the conditions and terms of the Constitution and the Internal Security Law, and may not impose restrictions or make use of the means of coercion beyond what is strictly necessary under the law.
2. Anyone who fails due obedience to lawful order or warrant, regularly communicated and emanating from an AA officer, shall be punished in accordance with the law.

### **CHAPTER III**

#### **EMPLOYEE REQUIREMENTS AND SERVICES**

#### **Article 11**

##### **Requisition of customs officials**

1. The judicial and administrative authorities may request the AA to act as customs officials for the performance of certain functions.
2. The requisition of customs officials is presented to the DG of the AA, indicating the nature of the service to be performed and the reason or order that justifies it, and the manager may, by means of a reasoned order, refuse to satisfy the requisitions.
3. The requested customs officials shall act within the framework of their competences and in order to carry out their duties, while maintaining full subordination to the departments on which they depend.

#### **Article 12**

##### **Provision of services outside AA**

1. AA may maintain customs officials in public interest bodies, under the terms of the Civil Service Statute and under conditions to be defined by the Minister responsible for the area of Finance.
2. Customs officials may be appointed on a commission of service to international organizations or foreign countries, in accordance with national interests and commitments undertaken in the framework of international cooperation, under legally established terms.

**Article 13**  
**Recruitment of human resources**

In order to carry out its duties, the AA may have recourse to the contracting of national and international consultants and specialized companies, according to the law.

**CHAPTER IV**  
**ORGANIC STRUCTURE**

**Article 14**  
**Territorial Structure**

At the territorial level, AA has the following services:

- a) Central services;
- b) De-concentrated services.

**Section I**  
**Central Services**

**Article 15**  
**Scope of Intervention**

AA's central services respond directly to the Director-General, and are generally responsible for:

- a) The preparation of decisions relating to the application of customs and taxation policy and laws, with the planning, coordination and control of the customs administration and its services;
- b) The execution of activities related to AA's functions or to its operation which, by law or superior decision, must be ensured at central level;
- c) The performance of operational tasks which, due to their complexity and specificity, or for reasons of efficiency, should be centralized.

**Article 16**  
**General Organization**

1. AA's central services shall consist of the following National Directorates:

- a) The National Directorate of Operations;
- b) The National Directorate of Risk Management;
- c) The National Directorate of Customs Management and Conformity;
- d) The National Directorate of Administration of Internal Resources;

2. The central services shall also comprise the following support units:

- a) The Internal Audit and Ethics Unit;
- b) The Appeal and Legal Advisory Unit;
- c) The Unit of Strategic Planning, Institutional Relations and Communication;
- d) The Unit of Information Technology (IT) and Customs Statistics.

**Section II**  
**Structure and functioning of National Directorates**

**Subsection I**  
**National Directorate of Operations**

**Article 17**  
**Tasks**

1. The National Directorate of Operations, abbreviated as DNO, has the following main attributions, besides others determined by law:
  - a) Ensure the management of all AA's operational activity;
  - b) Ensure the activity related to the supervision, prevention and repression of customs and tax fraud, through the decentralized services.
2. The DNO is headed by a National Director, appointed under the terms of the law, who is directly dependent on the DG of the AA.

**Article 18**  
**Organization of the National Directorate of Operations**

The structure of the National Directorate of Operations integrates the Operations Department and the following de-concentrated services:

- a) The Customs of Maliana;
- b) The Customs of Covalima;
- c) The Customs of Baucau;
- d) The Customs of Oe-cusse Ambeno;
- e) The Customs of the Dili Port;
- f) The Customs of the Dili Airport;
- g) The Customs of the Port of Tibar;
- h) The Delegation of Ataúro;
- i) The Sub-Unit of Maritime Surveillance.

**Article 19**  
**Operations Department**

1. The Operations Department, abbreviated as DO, shall carry out the following tasks:
  - a) Draw up, disseminate and ensure the coordination of compliance with the directives and guidelines relating to the surveillance and investigative tasks entrusted to AA, in particular as regards:
    - i. Land monitoring;
    - ii. Maritime Surveillance;
    - iii. Maritime surveillance and coastal control, in coordination with the Maritime Authority of Timor-Leste;
  - b) Control the movement of imported and exported goods and those of temporary importation;
  - c) Carry out studies and submit proposals for the organization of the territorial apparatus of the AA;
  - d) Set the principles to which the exercise of the audit activity must be subject to and to control the



development of the action programs elaborated and executed by the operational, central and de-concentrated services;

- e) Carry out studies and the preparation of instructions, in particular for the standardization of procedures related to inspection and inspection activities;
- f) Elaborate the statistical data related to the operational activity and others that are committed to it;
- g) Carry out technical studies relevant to the activities of the customs authorities;
- h) Plan, coordinate and supervise the execution of missions of surveillance, investigation, mobile controls and other operational actions of cross-border cooperation;
- i) Ensure the development of other functions that, within the scope of its competences, are superiorly assigned to it.

2. The DO is headed by a Head of Department, appointed accordingly to the law, which operates in direct dependence of the DNO.

**Subsection II**  
**National Directorate of Risk Management**  
**Article 20**  
**Attributions**

1. The National Directorate of Risk Management, abbreviated as DNGR, has as main attributions, besides others determined by law:

- a) To ensure the identification of risk situations for customs activities;
- b) To ensure the activity related to the supervision, prevention and repression of customs and fiscal fraud.

2. The DNGR is headed by a National Director, appointed according to the law, who operates under the direct authority of the DG of the AA.

**Article 21**  
**Organization of the National Directorate of Risk Management**

The following departments and sections integrate the structure of the National Direction of Risk Management:

- a) The Department of Risk Analysis;
- b) The Anti-Fraud Department.

**Article 22**  
**Department of Risk Analysis**

1. It is the responsibility of the Risk Analysis Department, abbreviated as DAR to:

- a) Develop activities of research and treatment of information related to its specific attributions, namely in the scope of the identification of risk profiles;
- b) Analyze all the information received and use the results to update the risk profiles for all customs activities;
- c) Collaborate in the exercise of its functions with all security and information institutions in promoting a national approach to the identification of illegal activities in the customs area;

- d) Prepare strategic information studies, on its own initiative or requested by the hierarchy;
- e) Ensure the development of other functions that, within the scope of its competences, are superiorly assigned to it.

2. The DAR is headed by a Head of Department, appointed in accordance with the law, which functions directly under DNGR.

### **Article 23**

#### **Organization of the Department of Risk Analysis**

The Risk Analysis Department is composed of the following sections:

- a) The Information Section;
- b) The Analysis Section.

### **Article 24**

#### **Information Section**

1. It is incumbent upon the Information Section, hereinafter abbreviated as SI:

- a) To centralize and process integrated customs and fiscal data of a strategic nature necessary for the definition of policy measures for the prevention and suppression of customs fraud;
- b) To centralize and process information of an operational nature with a view to preventing and suppressing customs and tax fraud, in particular in the traffic of goods whose marketing is subject to prohibitive or restrictive measures, by disseminating such information directly to operational and de-concentrated services, in order to guide their activity;
- c) To elaborate, disseminate and monitor compliance with the directives, implementation rules and technical guidelines by the different AA services, as well as to prepare studies relating to customs information activities;
- d) To research, analyze and disseminate news and information of interest to the mission of the AA;
- e) To collect information and report on a priority basis, ensuring that all information is available in order to enable timely completion of:
  - i. Detailed reports of all investigations, seizures and sanctions;
  - ii. Information reports on all suspicious activities;
- f) To proceed with the dissemination of news and information to the services of the AA and other entities to which, according to the law, they must be communicated;
- g) To support AA's decentralized services in collecting the information needed to carry out their missions;
- h) To guide the remaining AA services in news search with interest to the AA mission;
- i) To elaborate studies on the sociological and criminological reality and analytical reports of delinquency in the intervention areas of the AA;
- j) To centralize, maintain and ensure and manage the development and maintenance of the customs information system;
- k) To define and ensure coordination of security procedures and archiving of information and reserved material, defining internal security standards;
- l) To create an internal information classification system;
- m) To supervise the exchange of internally classified correspondence;

- n) To ensure liaison with other national and international institutions for the exchange of information on cross-border crime;
- o) To ensure the development of other functions that, within the scope of its competences, are superiorly assigned to it.

2. The SI is headed by a Head of Section, appointed according to the law, which functions directly under the DAR.

## **Article 25**

### **Analysis Section**

1. It is incumbent upon the Analysis Section, abbreviated as SA:
  - a) To coordinate the operation of AA activities in the domain of customs research;
  - b) To elaborate, disseminate and ensure compliance with the technical standards by AA services, in the context of the investigation of customs activities;
  - c) To provide technical support to AA's de-concentrated services by proposing and disseminating instructions, in particular for crimes and occurrences of greater gravity, complexity or territorial dispersion, which justify the concentrated management of research;
  - d) To guarantee support to the de-concentrated services in the activities that depend on the use of centralized means;
  - e) To process customs information in coordination with the information section and to ensure the dissemination of news and information to the AA Services;
  - f) To monitor developments in crime and the emergence of new techniques for customs investigation;
  - g) To identify, analyze and evaluate specific risks associated with the performance of AA missions;
  - h) To define criteria, apply risk analysis methodologies in the treatment of collected information and disseminate results through services, in a direct and targeted manner;
  - i) To ensure, through the information available, the development of appropriate profiles to detect illegal activities;
  - j) To guarantee, through the effective analysis of threats and vulnerabilities, that the operational commitment can be directed towards the areas of greatest risk;
  - k) To verify and validate the alerts registered by ASYCUDA, ensuring the availability of updated and necessary information for the investigation of customs activities;
  - l) To ensure the development of other functions that, within the scope of its competences, are superiorly assigned to it.

## **Article 26**

### **Anti-Fraud Department**

1. The Anti-Fraud Department, shortly designated as DAF, prepares the strategy, plans, supervises, directs, executes and evaluates, at a national level, the activities related to the prevention and repression of customs and fiscal fraud, as well as all the investigation committed to AA.
2. It is incumbent upon the DAF, in particular:
  - a) To promote, prepare and control surveillance actions as well as those of customs and fiscal supervision;
  - b) To implement the national customs inspection and supervision plan, the surveillance and customs and tax supervision activities, and any other operational activities;

- c) To promote the operationalization and optimization of non-intrusive control equipment, in the control of goods and means of transport, at the border;
- d) To carry out investigations within the framework of proceedings related to customs offenses, or to others, when the investigation is committed to AA;
- e) To promote and coordinate the necessary contacts, at national and international level, with competent entities, in the context of investigations and proceedings related to customs and fiscal crime, ensuring the necessary articulation with the de-concentrated services in the same field;
- f) To collaborate with other public entities, namely, police authorities, nationally and internationally, in order to ensure the execution and optimization of supervision and control actions;
- g) To ensure the functioning of an operational unit research and collection of information of criminal nature, centralizing the main means and special resources of research, of evidence gathering and of technological support to investigations;
- h) To ensure the development of other functions that, within the scope of its competences, are superiorly committed to it.

3. The DAF is headed by a Head of Department, appointed under the terms of the law, which operates under the direct control of DNGR.

## **Article 27**

### **Structure**

The Anti-Fraud Department is composed of the following Sections:

- a) Supervision and Inspection Section.
- b) Research Section.

## **Article 28**

### **Supervision and Inspection Section**

1. It is incumbent upon the Supervision and Inspection Section, abbreviated as SFI:

- a) To supervise ships and boats in ports, inlets, anchorages or zones bordering on the land tax zone and also to inspect those within the maritime zone, without prejudice to the supervision to be exercised by the Navy, in both cases with the exception of ships, auxiliary units and naval vessels;
- b) To supervise the runways, aerodromes, civil airports, as well as the civil aircraft parked in them. The inspection of aerodromes and military aircraft, national or foreign, will be done when requested by the competent authority;
- c) To carry out supervision of international means of transportation by road;
- d) To supervise goods that remain within ports, airports, land, sea and air border stations or that are subject to any movement;
- e) To supervise all merchandise subject to transit, exportation, re-exportation, transshipment, importation and re-importation;
- f) To carry out the inspection in cases of shipwreck, air loss, bounces and findings at sea;
- g) To prevent, discover and repress the circulation and deposit, within the country, of infringing goods;
- h) To prepare and carry out inspection, surveillance, any other operational activities to be carried out to economic operators and other entities involved in the customs activity;
- i) To promote documentary control actions, either in the context of the use of simplified procedures for the issuing of proofs of origin or in the field of post-clearance checks, in accordance with the methods of administrative cooperation provided for under the various preferential arrangements;

- j) To document and organize information resulting from the inspection and surveillance actions carried out;
- k) To verify the accounting of economic operators and others involved in the customs activity, using its own auditing techniques, confirming the veracity of the declarations made, by substantive verification of the respective supporting accounting elements;
- l) To control the assets in circulation and the respective supporting documents;
- m) To participate detected judicial infractions to the competent judicial authorities or other authorities;
- n) To ensure the development of other functions that, within the scope of its competences, are superiorly assigned to it.

2. The SFI is headed by a Head of Section, appointed under the terms of the law, which responds directly to the DAF.

### **Article 29** **Investigation Section**

1. It is incumbent upon the Investigation Section, abbreviated as SI:
- a) To keep information on criminal cases and on cases of misconduct constantly updated;
  - b) In the field of criminal investigation, to conduct inquiries permitted by law;
  - c) To investigate and instruct customs misconducts;
  - d) To assist the judicial magistrates of the Public Prosecution Service and to carry out the diligences requested by them according to the law.
  - e) To ensure the development of other functions that, within the scope of its competences, are superiorly assigned to it.

2. The SI is headed by a Head of Section, appointed under the terms of the law, which functions directly under the DAF.

### **Subsection III** **National Directorate for Customs Management and Compliance**

#### **Article 30** **Tasks**

1. The National Directorate of Customs Management and Compliance, shortly designated DNGCA, has as its main attribution, besides others determined by law, to ensure the mechanisms related to the area of taxation, customs regulation and selective taxes.
2. The DNGCA is headed by a National Director, appointed under the terms of the law, who works directly under the DG.

#### **Article 31** **Organization of the National Directorate of Customs Management and Compliance**

The following departments are part of the National Directorate of Customs Management and Compliance:

- a) The Department of Customs Regulation;
- b) The Department of Storage Sites, Warehouses and Free Zones

- c) The Department of Customs Taxation;
- d) The Department of Excise Taxes;
- e) The National Revenue Department.

## **Article 32**

### **Department of Customs Regulation**

1. The Department of Customs Regulation, abbreviated as DRA, is responsible for developing the technical-regulatory activity related to the implementation of commercial policy measures, namely:

- a) In the domain of trade of goods and the uniform application of procedures in the field of the external trade of goods and their stay in the customs territory of Timor-Leste;

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2. It is incumbent upon the DRA, in particular:

- a) To draw up instructions for the application of the provisions relating to the customs declaration in its various forms and to carry out studies aimed at simplifying and rationalizing the documents and formalities necessary for the clearance of goods, including the granting of the status of authorized economic operator;
- b) To undertake studies and to draw up instructions for applying the legal provisions relating to the customs procedures previewed in customs legislation;
- c) To study and draw up instructions for the uniform operation of the services with respect to goods brought into the customs territory and submitted to customs until they are assigned a customs-approved treatment;
- d) To carry out studies and to draw up instructions for applying the legal provisions relating to the destruction and abandonment of goods;
- e) To study and propose measures for goods suspected of infringing intellectual property rights;
- f) To carry out studies and the development of instructions for the correct application of legal provisions governing the control of international trade of endangered species of flora and fauna (CITES Convention), the export of cultural goods and the supervision and control of entry and exit of hazardous waste from the territory.
- g) To ensure the development of other functions that, within the scope of its competences, are superiorly assigned to it.

3. The DRA is headed by a Head of Department, appointed under the terms of the law, which operates directly under the DNGCA.

## **Article 33**

### **Department of Storage Sites, Warehouses and Free Zones**

1. It is incumbent to the Department of Storage Sites, Warehouses and Free Zones, abbreviated as DAEZF:

- a) To examine applications for warehouse permits and draw up their authorization procedure;
- b) To study and prepare instructions for the granting of the statutes of temporary storage warehouse and export warehouse;

- c) To study and prepare instructions for the correct application of the legal provisions concerning customs warehouses, free warehouses and free zones;
- d) To monitor the application of the regime of customs warehouses, free warehouses and free zones;
- e) To ensure the development of other functions that, within the scope of its competences, are superiorly assigned to it.

2. The DAEZF is headed by a Head of Department appointed under the terms of the law, which functions directly under the DNGCA.

#### **Article 34**

##### **Department of Customs Taxation**

1. The Customs Taxation Department, hereinafter referred to as DTA, shall be responsible for developing the technical-regulatory activity related to the implementation of commercial policy measures, namely:

- a) In the field of the factors on the basis of which import and export duties are applied;

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2. It shall be incumbent upon the DTA, in particular:

- a) To issue prior decisions and information in order to enable importers to voluntarily seek decisions before importing;
- b) To ensure that the exemptions are applied in accordance with the law;
- c) To promote the relationship with official dispatchers, including their certification, licensing and monitoring;
- d) To instruct administrative sanctions procedure and report to the AA services responsible for the investigation if justified;
- e) To hold periodic meetings with other departments on matters of common interest;
- f) To voluntarily collect customs duties on imports, value added tax, excise tax and other taxes, duties and other charges;
- g) To study and prepare instructions for the correct application of legislation on the origin of goods;
- h) To collaborate with other entities in the elaboration and application of the agreements and other instruments of national and international cooperation;
- i) To apply customs legislation on the value and origin of goods;
- j) To draw up instructions for the application of the rules on the customs value of goods;
- k) To carry out the preliminary examination and summary of the files in dispute on origin and customs value;
- l) To ensure the development of other functions that, within the scope of its competences, are superiorly assigned to it.

3. The DTA is headed by a Head of Department appointed under the terms of the law, which operates directly under the DNGCA.

#### **Article 35**

##### **Organization of the Customs Taxation Department**

The Customs Taxation Department is included in the following section:

- a) The Tariff Management Section.

**Article 36**  
**Tariff Management Section**

1. It is incumbent upon the Tariff Management Section, abbreviated as SGP:
  - a) To elaborate, maintain keep up-to-date and disseminate the Timor-Leste Customs Tariff on its various forms;
  - b) To integrate into the service tariff, in cooperation with other regulatory services, the national measures applicable to the clearance of goods, in particular in the areas of sanitary, phytosanitary and product quality protection;
  - c) To ensure, in tariff matters, the dissemination of information on the uniform classification of goods;
  - d) To issue technical opinions and recommendations on classification;
  - e) To ensure the issuance and management of binding tariff information, including its integration into a database in a coherent and non-contradictory manner;
  - f) To make available and keep up-to-date, in the official languages, the versions of the Harmonized System Nomenclature and their Explanatory Notes, the World Customs Organization (WCO) classification technical opinions and the Explanatory Notes to the Combined Nomenclature;
  - g) To ensure the development of other functions that, within the scope of its competences, are superiorly assigned to it.
2. The SGP is headed by a Head of Section appointed under the law, which operates in direct dependence of the DTA.

**Article 37**  
**National Revenue Department**

1. It is incumbent upon the National Revenue Department, abbreviated as DRN, to ensure and coordinate the management of the process of centralizing revenues, processing of information and customs debt.
2. The DRN shall in particular:
  - a) Prepare the monthly forecast of the revenues to be collected by AA and participate in the monitoring of the respective budget execution;
  - b) Collect and process all the information related to the different types of accounting movements established in the State revenue accounting system;
  - c) Carry out the reimbursements and refunds requested by the services;
  - d) Participate in the preparation of fiscal statistics;
  - e) Ensure the proper application of the tables regarding the fees to be charged;
  - f) Coordinate the information regarding taxpayers' tax situation for the purpose of granting fiscal benefits;
  - g) Develop instructions, information and advice on debt related to import and export duties;
  - h) Examine cases in which doubts arise as to whether a subsequent entry in the accounts is to be made;
  - i) Analyze cases of reimbursement and waiver of duties, covered by the Customs Code, whenever this is justified;
  - j) Prepare the decisions to suspend payment obligation, when a waiver request to be analyzed by this service is submitted, under the provisions referred to in the previous paragraph;



- k) Coordinate matters relating to customs and tax guarantees by setting up and disseminating their instructions;
- l) Ensure the development of other functions that, within the scope of its competences, are superiorly assigned to it.

3. The DRN is headed by a Head of Department appointed according to the law, which operates under the direct dependence of the DNGCA.

### **Article 38**

#### **Department of Excise Taxes**

1. It is incumbent upon the Department of Excise Taxes, abbreviated as DISC, to administer selective consumption taxes on petroleum and energy products, alcohol and alcoholic beverages, manufactured tobaccos and vehicles.

2. It shall be incumbent upon DISC, in particular:

- a) To study, design and propose legislative and regulatory measures in matters related to excise taxes;
- b) To standardize the application of tax rules and service procedures, in particular by systematizing administrative decisions and drawing up instructions;
- c) To assess applications for tax exemption which are to be handled centrally;
- d) To control the assignment of special or fiscal marks and stamps;
- e) To collaborate in the elaboration of identification standards and conditions of measurement of petroleum and energy products;
- f) To collaborate with the competent departments in the elaboration of identification standards and the conditions of measurement of alcohol and alcoholic beverages;
- g) To deal with questions relating to the general regime for the holding, circulation and control of products subject to excise tax;
- h) To collaborate with other competent bodies and services in the control of the use and destination of products and vehicles benefiting from exemption or reduction of tax;
- i) To collaborate with the relevant departments in the preparation of integrated policy measures in the fields of environment, energy and transport;
- j) To ensure the development of other functions that, within the scope of its competences, are superiorly assigned to it.

3. The DISC is headed by a Head of Department appointed under the law, which operates in the direct dependence of the DNGCA.

### **Subsection IV**

#### **National Directorate of Internal Resources Administration**

### **Article 39**

#### **Attributions**

1. The National Directorate of Internal Resources Administration, abbreviated as DNARI, has as its main attribution, together with others determined by law, to ensure the direction of all AA activity in the domains of human, material and financial management .

2. The DNARI is headed by a National Director, appointed according to the law, who works directly under the DG of the AA.

#### **Article 40**

##### **Organization of the National Directorate of Administration of Internal Resources**

The structure of the National Directorate of Internal Resources Administration is composed of:

- a) The Human Resources Management Department;
- b) The Training Department;
- c) The Logistics and Financial Department.

#### **Article 41**

##### **Department of Human Resources Management**

1. It is the responsibility of the Department of Human Resources Management, abbreviated as DGRH, to develop the activity related to the recruitment, selection, administration and evaluation of AA's human resources.

2. It is incumbent upon the DGRH, in particular:

- a) To organize and guarantee the updating of the biographical and assiduity records and employees' individual evaluation forms;
- b) To manage the employees and to promote the elaboration of the processes of retirement;
- c) To manage and organize the placement and rotation scales of human resources and to promote their placements;
- d) To evaluate and propose the number of personnel necessary to maintain the general framework of distribution of posts and services approved by law for AA;
- e) To carry out studies, surveys and other works tending to the definition and development of the human resources administration;
- f) To issue, with the competent services, the identification documents of the AA staff;
- g) To define internal methods and ways of evaluating the performance of AA employees;
- h) To manage the process of evaluating the performance of AA employees;
- i) To carry out, in coordination with the other bodies and services of the State Administration with competence in the matter, the recruitment and selection actions to be proposed for admission to AA staff;
- j) To promote, in coordination with the other bodies and services of the State Administration with competence in the matter, the dissemination of the staff admission announcements for recruitment into the AA;
- k) To organize, in coordination with the other organs and services of the State Administration with competence in the matter, the staff admission announcements to the different categories of personnel;
- l) To carry out, in coordination with the other organs and services of the State Administration with competence in the matter, the candidates selection and to propose their appointment, when applicable;
- m) To issue any certificates required by the employees;
- n) To ensure the development of other functions that, within the scope of its competences, are superiorly assigned to it.

3. The DGRH is headed by a Head of Department, appointed under the terms of the law, which operates in the direct dependence of DNARI.

**Article 42**  
**Training Department**

1. It is incumbent upon the Training Department, abbreviated DF:
  - a) To propose training profiles and plans of development of competences, based on management models and evaluation by competences;
  - b) To elaborate and disseminate the overall planning of training;
  - c) To propose the creation and curricular restructuring of courses and internships for the training of customs officials;
  - d) To manage the execution of any external training actions, in national territory or abroad, in the area of competences of the AA;
  - e) To establish training protocols or partnerships with national and international entities with competence in the area of education and training;
  - f) To create and keep up-to-date a pool of trainers;
  - g) To create and keep up-to-date the records, files, statistics and other information related to the training activities of the AA;
  - h) To guarantee the technical-professional training of customs officials and also the updating, specialization and valorization of their knowledge;
  - i) To ensure the training of official dispatchers;
  - j) To ensure the development of other functions that, within the scope of its competences, are superiorly assigned to it.
2. The DF is headed by a Head of Department appointed under the terms of the law, which operates in the direct dependence of DNARI.

**Article 43**  
**Logistics and Financial Department**

1. It is the responsibility of the Logistics and Financial Department, abbreviated as DLF:
  - a) To elaborate the annual plan of logistical needs;
  - b) To undertake studies and submit proposals, within the scope of the policies of acquisition and management of goods and services, in articulation with the other AA services;
  - c) To elaborate, disseminate and supervise technical norms related to the management of assets, to the use of AA transport and to maintenance activities;
  - d) To promote the acquisition and distribution of uniforms, vehicles and related accessory and technical material and other equipment necessary for AA activity, in conjunction with other AA services;
  - e) To ensure oversight of AA logistics activities in the area of refueling and transportation and maintenance;
  - f) To support the performance of procurement procedures of the AA for the acquisition of goods and services;
  - g) To elaborate the technical conditions for the specifications of the procurement procedures for the acquisition of goods and services;
  - h) To propose practices and procedures that promote the reduction of expenses, planning and a greater efficiency in the acquisition of goods and services;
  - i) To make and keep up-to-date statistics on the logistics activity developed by AA;
  - j) To organize and keep up-to-date the inventory of movable assets under AA's management;
  - k) To prepare AA's budget management reports and tools;

- l) To promote the execution and control of the AA budget;
- m) To ensure the financial management of the AA;
- n) To promote the uniformity of AA's financial administration, through the elaboration of norms of procedures, guaranteeing the coordination and the adequate support to the bodies and services of the AA;
- o) To study and follow up on matters related to administrative and financial litigation;
- p) To analyze and propose the retail price for printed matter and other publications and services, as well as to support, instrumentally, the graphic and electronic publication of technical documentation;
- q) To ensure the administration of AA's revenues and propose appropriate measures for the use of the resources allocated to it;
- r) To prepare studies and make recommendations for the rationalization and optimization of the available financial resources of the AA;
- s) To ensure the development of other functions that, within the scope of its competences, are superiorly assigned to it.

2. The DLF is headed by a Head of Department, appointed under the terms of the law, which operates in the direct dependence of DNARI.

## **Subsection V**

### **Internal Audit and Ethics Unit**

#### **Article 44**

#### **Attributions**

1. The Internal Audit and Ethics Unit, hereinafter referred to as the UAIE, is responsible for the development of audit and audit activities of the AA and functions directly under the responsibility of the Director General of the AA.
2. The UAIE shall support the DG in the exercise of its monitoring and evaluation functions for:
  - a) The operational activity of the AA;
  - b) The training of AA officials;
  - c) The administration of the human, material and financial resources allocated to AA;
  - d) The compliance with the legal provisions applicable to the AA and internal regulations and instructions;
  - e) The study and implementation of internal quality standards.
3. In particular, the following tasks shall be carried out by the UAIE:
  - a) Prepare the national internal audit plan of the AA, and coordinate and evaluate its execution;
  - b) Develop, in close cooperation with other entities with competence in this area, action plans that guarantee the integrity and exemplary conduct of employees in situations of high risk, where corruption practices can be verified;
  - c) Promote the performance, under the direction of the DG, of audits of the various AA services;
  - d) Promote, in particular, audits to verify compliance with the standards of conduct of AA employees;
  - e) Report to the competent authorities indications of irregularities or criminal wrongdoing detected in internal audits;
  - f) Promote awareness and information measures for all AA employees on the standards of conduct applicable to them;

- g) Maintain an internal audit procedure to monitor the effectiveness, efficiency and quality of the AA structure;
- h) Instruct disciplinary processes;
- i) Ensure the development of other functions that, within the scope of its competences, are superiorly assigned to it.

4. The UAIE is headed by a Coordinator, who is treated as National Director for all legal purposes.

5. Within the UAIE, groups or work teams may be set up to carry out specific tasks proposed by the UAIE Coordinator.

## **Subsection VI**

### **Appeals and Legal Advisory Unit**

#### **Article 45**

##### **Tasks**

1. The Appeals and Legal Advisory Unit, abbreviated as URAJ, functions directly under the responsibility of the Director General of the AA and has as main attribution, as well as others determined by law, to monitor the administrative and tax litigation processes, to provide legal technical support in the preparation of legal diplomas and legal advice in other matters submitted to it by higher determination.

2. URAJ pursues the following tasks:

- a) Provide legal advice to the DG and DN in order to ensure compliance of the action with the legislation, regulations, guidelines and policies defined for AA;
- b) Support AA services in the interpretation of customs legislation and policies, as well as in the decision-making process and response to official requests;
- c) Prepare policy and legislation proposals in accordance with international standards promoted by ASEAN and the World Customs Organization and identify the due training needs;
- d) Support the competent authorities in the judicial patronage and representation in court of the AA organs;
- e) Support the competent authorities in the judicial patronage of AA employees in the situation of offenders or defendants in legal proceedings, for acts or omissions occurring during the year or because of the performance of their duties;
- f) Collaborate with the Public Prosecutor's Office in the defense of the interests of the State, providing the technical support requested;
- g) Collaborate in the preparation of drafts of diplomas that fall under the attributions of other services, ensuring their coordination among services and participating in the preparation of other drafts of diplomas;
- h) Give technical opinion, under superior determination, regarding the possible occurrence of disciplinary proceedings, in relation to participations presented by the services;
- i) Coordinate and direct the preparation of technical opinions on complaints, appeals, or other similar proceedings pending in the AA;
- j) Ensure the development of other functions that, within the scope of its competences, are superiorly assigned to it;

3. The URAJ is headed by a Coordinator, who is treated as National Director for all legal purposes.

4. Within URAJ, groups or work teams may be set up to carry out specific tasks proposed by the URAJ Coordinator.

**Subsection VII**  
**Unit of Strategic Planning, Institutional Relations and Communication**

**Article 46**  
**Tasks**

1. The Unit of Strategic Planning, Institutional Relations and Communication, hereinafter referred to as UPERIC, functions directly under the responsibility of the Director General of the AA and carries out the following duties:

- a) Maintain a system of archiving of all policies and procedures, for consultation of all civil servants and the private sector;
- b) Draw up the AA Plan and Activity Report;
- c) Prepare notices and promote clarification to the public, in matters within its competence;
- d) Coordinate the international relations of Customs with other national and international entities;
- e) Organize and keep up-to-date the collection of international conventions, treaties and agreements relevant to customs matters;
- f) Issue technical advice and coordinate the implementation of customs cooperation and mutual administrative assistance agreements at the international level with a direct impact on the prevention and repression of customs and tax fraud;
- g) Advise the DG on international relations by specifically coordinating the activities arising from the direct involvement of the AA in international organizations;
- h) Function as a point of contact for the relationship with foreign entities and organizations, promoting the referral of the subject matter to the respective bodies and services and monitoring their operation;
- i) Promote administrative cooperation between the AA and other public or private entities with a view to the regular exchange of information on the fight against fraud;
- j) Define and analyze the indicators for the periodic evaluation of inspection and control actions and propose any corrective measures that may prove necessary;
- k) Coordinate the cross-cutting projects that integrate different DNs;
- l) Carry out and promote prospective studies on subject matters that, due to their innovative or evolutionary nature, involve medium- and long-term programming;
- m) Propose and instruct the application processes of projects to be submitted to external financing programs and coordinate their execution;
- n) Technically support the direction, in the area of translation and interpretation of languages;
- o) Study and present measures of simplification and rationalization of administrative processes, procedures and circuits;
- p) Hold periodic meetings on matters of common interest with other AA services;
- q) Establish bilateral and multilateral contacts with international customs entities on subject matters of mutual interest;

- r) Internally promote the application of best practices and procedures followed at the global level, in particular those defined in the international conventions promoted by the World Customs Organization and the Oceania Customs Organization;
  - s) Promote the development of the institutional image and public relations and protocol activities of the AA;
  - t) Guarantee the protocol and representation of the AA to foreign entities.
  - u) Plan, coordinate and execute public information activities;
  - v) Plan, coordinate and carry out internal communication activities;
  - w) Ensure the updating of the contents of the AA website;
  - x) Operate an AA telephone system for taxpayers and the general public;
  - y) Ensure the development of other functions that, within the scope of its competences, are superiorly assigned to it.
2. The UPERIC is headed by a Coordinator, who is treated as National Director for all legal purposes.
3. Within the UPERIC and under the respective Coordinator proposal, groups or work teams may be set up to carry out specific tasks proposed by the UPERIC Coordinator.

### **Subsection VIII**

#### **The Unit of Information Technology (IT) and Customs Statistics**

#### **Article 47**

##### **Tasks**

1. The Unit of IT and Customs Statistics, abbreviated as UIEA, functions directly under the Director General of the AA and carries out the following duties:
- a) Propose, disseminate and ensure compliance with the technical standards necessary for the selection and distribution of information and communication equipment and systems;
  - b) Draw up the necessary plans for the implementation and optimization of telecommunications and data communications and those aimed at adopting methodologies and norms of procedures;
  - c) Coordinate Information Systems projects to ensure their development, management and operation and their adequacy to the needs of the services;
  - d) Ensure the management of software development services, either through the provision of services or in the context of information systems;
  - e) Ensure the maintenance of AA computer systems;
  - f) Ensure the maintenance of technological infrastructures;
  - g) Provide technical support to users of computer applications;
  - h) Guarantee the operability and safety of computer applications;
  - i) Ensure the functioning and updating of the AA internet pages and website;
  - j) Propose computer equipment and programs to be acquired by AA;
  - k) Provide technical support at national level to all AA services in the area of information technology;
  - l) Support the production, by computer, of statistics on AA activity;
  - m) Propose and implement the policy of circulation of statistical information within AA and for dissemination;
  - n) Encourage user training in the IT area;

- o) Ensure the development of other functions that, within the scope of its competences, are superiorly assigned to it.
2. The UIEA is headed by a Coordinator, who is treated as National Director for all legal purposes.
3. Within the UIEA, groups or work teams may be set up to carry out specific tasks proposed by the IAEA Coordinator.

### **Section III**

#### **De-concentrated services**

#### **Article 48**

##### **Nature and types**

1. De-concentrated services are AA's organic units, which are intended to ensure the continuation of AA's assignments within its respective area of jurisdiction.
2. The de-concentrated services are:
  - a) Customs;
  - b) Customs Delegations;
  - c) Customs Posts;
  - d) Sub-unit of Maritime Surveillance.

#### **Subsection I**

##### **Customs**

#### **Article 49**

##### **Nature**

Customs are decentralized services, created and extinguished by a diploma of the Minister who oversees the area of Finance.

#### **Article 50**

##### **Scope of intervention**

1. It is generally the responsibility of Customs to ensure the execution of activities of an operational and day-to-day management nature related to the duties of the AA which, by law or superior decision, must be pursued at the level of the decentralized services.
2. The member of the Government responsible for the area of Finance may determine by order, on a proposal from the DG, that certain Customs are of a specialized nature, executing only partially the operational duties of the AA, based on the nature of the goods or the customs regime to which they should be subject.
3. The member of the Government responsible for the area of Finance may also determine, by diploma, based on the rationalization of procedures, that certain duties of a given area assigned to Customs are pursued by a specific organizational unit.



**Article 51**  
**Direction**

1. The Customs are headed by Customs Directors, hierarchically dependent on the National Director of Operations.
2. The Customs Directors shall maintain close cooperation with the Municipal Authorities, as well as with the Oe-Cusse Special Administrative Region.

**Article 52**  
**Structure**

1. Customs have operational services and support services.
2. The Customs structure shall be appropriate to its area of jurisdiction, as well as to the specificity, nature and volume of the service, and shall reflect, with appropriate adaptations, the corresponding functional structure of the central services.
3. The organization of customs and customs delegations may not comprise more than 6 sections.

**Article 53**  
**Generic Customs Duties**

1. The customs authorities, in light of their specificities, in the case of air, sea or land transport, shall:
  - a) Visit, when they deem it appropriate, any vessels navigating within their jurisdiction, to inspect manifestos and other documents on board, or to obtain any clarification relevant to customs supervision, as well as upon their arrival at ports, in order to comply with the formalities prescribed by laws and regulations;
  - b) Agree with other competent authorities on the designation of anchorages for vessels in the various ports and exercise customs authority, either on board vessels or externally, at anchorages and their margins;
  - c) Visit aircrafts, when they deem it appropriate, whether on arrival or departure, to verify that the customs documents are in order, exercise, under the terms of regulations, duties similar to those indicated for sea and land transport;
  - d) Receive declarations and documents relating to cargo and passengers from military ships and aircraft arriving at ports and airports where appropriate;
  - e) Carry out, with due legal formalities, searches, whether personal, in commercial establishments, warehouses, vessels and other means of transportation or any other places;
  - f) Superintend and supervise, within ports and airports, the movement of cargo, unloading, transshipment, circulation, transit, re-exportation of goods;
  - g) Superintend the entire freight dispatch service, proceeding with the settlement and collection of the duties and taxes that are due and organize their accounting and statistical elements;
  - h) Store in warehouses under its direct administration or in any other warehouses under a customs procedure, goods which may enjoy such benefit;
  - i) Decentralized services should focus on supporting the public by providing all necessary information;

- j) Prevent tax offenses under the Customs Code and intervene in order to punish the respective offenders in accordance with the applicable provisions;
- k) Proceed with the sealing or stamping of goods, in the cases established by the regulations;
- l) Intervene in cases of damage to the goods to be imported, in accordance with the respective legal provisions;
- m) Collect the estates arriving in the customs territory and organize the competent process, in the regulatory terms;
- n) Intervene in cases of shipwreck, in agreement with the maritime authorities, supervising the competent services or taking the necessary measures to safeguard the interests of the State and of private individuals, and provide passengers and ships crews in distress with all possible aid and assistance, and proceed in accordance with the laws and regulations in all cases of daring and in cases of finding at sea;
- o) Inspect vessels in special cases within their competence;
- p) Carry out the settlement and collection of customs duties and other charges, in addition to other revenues which, by special legislation, are committed to it;
- q) Ensure the protection of the economic, moral and property interests of the national territory;
- r) Assist health authorities in carrying out their duties in accordance with the relevant regulations and also assist the postal services in the implementation of postal regulations;
- s) Provide the aid requested by the maritime, aeronautical or police authorities, for the full performance of the services entrusted to it;
- t) Provide, in a general manner, the aid that is requested by any authorities, for full compliance with the laws, without prejudice to customs and fiscal services;
- u) Superintend in surveillance and supervision under the legal terms and exercise other surveillances necessary for the complete defense of the interests of the State;
- v) Provide all dispatch arrangements prescribed in the customs legislation;
- w) Provide in all others cases in which, by their own function or not, they have or will have to intervene in the performance of any duties specified in current laws and regulations;
- x) Collect information and report on a priority basis, ensuring that all information is sent to the competent authority in order to allow timely completion of:
  - i. Comprehensive reports on all inspections;
  - ii. Detailed reports of all detections and seizures;
  - iii. Reports of information on all suspicious activities;
- z) Ensure the development of other functions that, within the scope of their competences, are superiorly assigned to it.

2. The procedures referred to in subparagraphs a) and f) of the preceding paragraph may be carried out in all parts of the vessels or aircrafts.

3. Customs are directed by a Director, equated for remuneration purposes to the Municipal Director.

#### **Article 54**

##### **Structure of a Customs**

Customs comprise the following structures:

- (a) Delegations;
- b) Customs Post;

c) Sections.

**Subsection II**  
**Delegations and customs offices**

**Article 55**  
**Nature**

Customs Delegations and Posts are local organic units of the AA decentralized services, created and extinguished by a diploma of the member of the Government responsible for the area of Finance.

**Article 56**  
**Scope of intervention**

1. Delegations and Customs Posts are generally responsible for carrying out the operational and day-to-day management activities of the AA, which, by law or superior decision, must be pursued at local level within the area of jurisdiction of a Customs.
2. Customs Delegations shall perform essentially the acts and operations of customs management, control and inspection relating to the dispatch of goods and means of transport.
3. Customs Posts are essentially responsible for the surveillance and inspection of tax zones and customs buildings.

**Article 57**  
**Management**

1. The Delegations are headed by Heads of Delegation, directly dependent on the Customs Directors and shall be treated as Head of Department.
2. The Customs Posts when composed of five or more employees are directed by a Head of Post, who shall be treated as Head of Section, being dependent on Customs or Delegations, as the case may be.

**Subsection III**  
**Sub-unit of Maritime Surveillance**

**Article 58**  
**Attributions**

1. The Sub-unit of Maritime Surveillance is an organic unit of the de-concentrated services of the AA, which is responsible for the exercise of customs supervision through the use of aquatic means.
2. The Sub-unit of Maritime Surveillance is headed by a Head of Section, directly dependent on the National Director of Operations.

**CHAPTER V**  
**DIRECTION AND HEAD OFFICE COMPETENCES**

**Article 59**  
**On the Director General of the Customs Authority**

1. The Director General of the Customs Authority shall be responsible for directing, planning, organizing, inspecting, controlling and disciplining all AA customs services, including:

- a) Direct the services of the AA, coordinate and direct its activity in accordance with the law and in accordance with the guidance of the member of the Government responsible for the area of Finance;
- b) Ensure the monitoring and evaluation of policies, plans, programs, budgets and procedures approved for AA's area of competence;
- c) Approve the administrative rules and / or instructions necessary for the functioning of the AA, including the application of customs legislation;
- d) Decide on the application of administrative sanctions and hierarchical resources;
- e) Participate in the selection process for positions of direction and leadership within the AA;
- f) Exercise administrative and disciplinary authority over all AA personnel, including processing performance appraisal, disciplinary proceedings and sanctions, as provided by law;
- g) Administer the application of the Codes of Conduct to AA employees;
- h) Implement a correct communication strategy among AA employees;
- i) Ensure the regular rotation of personnel through the different bodies and services of the AA;
- j) Resolve conflicts of competence between the different AA services;
- k) Ensure the exercise of powers of the National Directors in case of vacancy of post or in cases of absence or impediments;
- l) Report to the member of the Government responsible for the area of finance the progress of AA's activities, in particular, regarding customs revenue and management of the AA activity;
- m) Issue technical opinions and provide technical support in its area of competence to the Government in general and, in particular, to the member of the Government responsible for Finance;
- n) Promote the evaluation of the results achieved by the AA and its organization and functioning, namely through the use of external entities with experience and credibility in the area;
- o) Present to the member of the Government responsible for the area of Finance the reports with the presentation of the results of evaluations and audits to the AA by external entities;
- p) Exercise any other powers conferred by law or delegated or sub-delegated by the member of the Government responsible for the area of Finance.

2. The Director General shall in particular:

- a) Promote the correct execution of the customs and fiscal policy and regulations;
- b) Protect the public interest, while respecting the rights and guarantees of operators and customs tax obligations;
- c) Collaborate in the elaboration of public policies in customs and fiscal matters, preparing and presenting to the member of the Government responsible for the Finance area the necessary information for this purpose;
- d) Ensure, in articulation with the entities responsible in the area of anti-corruption, regular preventive actions and the elaboration of the anti-corruption plan;
- e) Direct and control the services of the AA and oversee the management of resources allocated to them, in order to promote their effectiveness and efficiency and the quality of the respective services;
- f) Propose the creation and amendment of the laws and regulations necessary for the effectiveness and efficiency of the customs and tax system for taxes administered by the AA;
- g) Act as representative of the AA at national and international organizations in the customs area;
- h) Safeguard the integrity and security of AA facilities and officials, based on surveillance mechanisms, safeguarding privacy and other constitutionally protected rights.

3. The Director General shall also exercise the powers conferred upon him/her by customs and tax legislation and other legislation, and those delegated or sub-delegated thereto.
4. In the performance of his/her duties, the Director General shall be supported by an administrative support office composed of a maximum of two customs officials and one legal adviser.
5. The Director General may delegate, in accordance with the law, the powers referred to in paragraph 1 (c), (f), (g), (h) and (i) and paragraph 2 (d) and (f).
6. The DG shall be appointed in accordance with the law and shall be replaced in his/her absences and impediments by the National Director of Operations who, in his/her absence and impediment, shall be replaced by the National Director of Risk Management and successively by the National Director of Customs Management and Conformity and by the National Director of Internal Resources Administration.

#### **Article 60** **On National Directors**

1. AA National Directors are competent to technically manage and supervise the departments of the National Directorate under their responsibility, ensuring technical rigor in the implementation of the competences that are legally committed to them.
2. It is incumbent upon the National Director to, namely:
  - a) Ensure technical direction and guarantee the operational management of the respective National Directorate, in accordance with the guidelines of the Director General;
  - b) Prepare the necessary instructions for the functioning of the departments and sections that comprise the respective National Directorate, and present them to superior decision;
  - c) Ensure the exercise of the competences of the Heads of Department that integrate the respective Direction, in case of vacancy of post or in cases of absence or impediments;
  - d) Report any violations of Codes of Conduct and support the Director General in the exercise of disciplinary authority;
  - e) Participate in current management meetings established for the AA;
  - f) Issue technical opinions and provide technical support to the Director General within his/her area of competence;
  - g) Exercise any other powers conferred by law or superiorly delegated to them.
3. National Directors shall report directly to the Director General.

#### **Article 61** **On Unit Coordinators**

1. The Unit Coordinators are responsible for managing the unit which they are in charge of, guaranteeing the exercise of its competences.
2. It is the responsibility of the Unit Coordinator to, namely:
  - a) Direct the services of the Unit, coordinate and direct its activity according to the law and according to the orientation of the Director General;
  - b) Propose administrative norms and or instructions necessary for the implementation of the attributions and competences of the respective Unit;

- c) Exercise such other powers as may be conferred by law or delegated by the Director General.
- 3. Unit Coordinators respond directly to the Director General.

**Article 62**  
**On Directors of Customs and Heads of Departments**

- 1. Customs Directors and Heads of Departments are responsible for managing the Customs or the Department which they are in charge of, including Sections, where appropriate, ensuring the exercise of the competences of the respective Customs or Department.
- 2. It is incumbent upon the Directors of Customs or Heads of Department to, namely:  
.....
  - d) Direct the Services of the respective Customs or Department, coordinate and direct its activity according to the law and the orientation of the National Director;
  - e) Ensure the exercise of the competences of the Heads of Section that integrate the respective Customs or the respective Departments, in case of vacancy of post or in cases of absence or impediments;
  - f) Propose administrative norms and/or instructions necessary for the implementation of the attributions and competences of the respective Customs or of the respective Department;
  - g) Exercise any other powers conferred by law or superiorly delegated to them.
- 3. Customs Directors and Heads of Department respond directly to the respective National Director.

**Article 63**  
**On Heads of Section**

- 1. Heads of Section shall be responsible for managing the sections within their competence, ensuring the exercise of the competences of the respective Section.
- 2. It shall be incumbent upon the Heads of Section, in particular, to:
  - a) Direct the services of the respective Section, coordinate and direct its activity according to the law and in accordance with the guidance of the National Director or the Head of Department, as the case may be;
  - b) Exercise any other powers conferred by law or superiorly delegated to them.
- 3. Section Chiefs respond directly to the National Director or Head of Department as the case may be.

**CHAPTER VI**  
**STAFF**

**Article 64**  
**Staff Regulations**

1. AA staff shall have a special career regime to be approved by an autonomous diploma, taking into account the high degree of competence, specialization and integrity required in the performance of their duties. For that purpose they must have the appropriate academic qualifications.
2. AA officials are recruited, under the law, in accordance with highly demanding merit selection procedures, which are designed to assess technical knowledge and ethical behavior and standards.
3. Without prejudice to the previous paragraph, the AA may resort, under the law, to other officials and agents of the State Administration.

#### **Article 65** **Rules of Conduct**

In addition to the rules applicable to State Administration officials, in relation to conflicts of interests, impediments and incompatibilities and general duties, AA officials are still obliged to comply with standards, to be defined in a specific diploma, namely:

- (a) The special rules of conduct;
- b) The presentation of declarations of interests;
- c) The disciplinary liability regime.

#### **Article 66** **Training and Evaluation**

1. AA officials shall be subject to a permanent evaluation system which aims to achieve the following objectives:
  - a) Assess the competences of employees;
  - b) Allow the planning and execution of the actions tending to the adequacy of the personnel to the requirements of their current functions or of others that they may assume;
  - c) Allow greater objectivity in evaluating the merit of employees, with a view to their promotion and progression in their respective careers.
2. AA staff are also subject to a system of ongoing training, which is designed to provide employees with the skills appropriate to the technical, professional, ethical and human requirements related to the positions and functions they carry out or they may assume.
3. The system of training and evaluation of AA employees is approved by an autonomous diploma.

### **CHAPTER VII** **FINANCIAL ARRANGEMENTS AND MANAGEMENT INSTRUMENTS**

#### **Article 67** **Revenues**

AA revenues come from appropriations allocated to it in the State Budget.

#### **Article 68** **Collection**

1. AA may charge voluntarily under the law:
  - a) The amounts derived from the supply of IT goods and services in the areas of its attributions;

- b) The amount of the fees and emoluments that may be collected by law;
  - c) The proceeds from the sale of printed matter and publications;
  - d) Fines;
  - e) The product of the reimbursement of expenses with paper, photocopies and mail, made in the interest of the interested parties;
  - (f) The amount due for the urgent provision of binding information;
2. The amounts referred to in the previous paragraph are defined by order of the member of the Government responsible for the area of Finance.
3. 40% of the amounts collected pursuant to paragraph 1 may be allocated to the acquisition of capital goods and the acquisition of services to the AA.

#### **Article 69**

##### **Expenses**

AA expenses are those that result from charges arising from the pursuit of the attributions that are committed to it under the law.

#### **Article 70**

##### **Management, evaluation and control instruments**

1. In the exercise of its functions, AA uses the following management, evaluation and control instruments, without prejudice to others that are defined by law:
- a) Annual plan;
  - b) Budget Proposal;
  - c) Procurement Plan;
  - d) Implementation Report
2. Without prejudice to others that may be defined, the AA also has the following internal management instruments:
- a) Strategic plan;
  - b) Professional training plan;
  - c) Plan to combat corruption and institutional integrity;
  - d) National inspection and customs inspection plan;
  - e) Studies plan.

### **CHAPTER VIII**

#### **FINAL AND TRANSITIONAL PROVISIONS**

#### **Article 71**

##### **Succession**

1. The AA succeeds in the duties of the Directorate General of Customs (DGA), the Ministry of Finance, as well as in its legal obligations and contractual obligations.
2. The AA also succeeds the DGA in any procedures and proceedings initiated, or with the participation of the DGA, and that are in progress at the date of entry of this decree-law.



3. After the entry into force of this law, references made in any laws or documents to the DGA, are considered as made to the AA.

## **Article 72**

### **Staff Map**

1. AA's staff positions shall be established in accordance with the law, taking into account human resources needs, in view of the duties and technical quality required of AA officials.
2. The replacement in positions of direction and leadership, due to the vacancy of posts, is carried out according to the law.

## **Article 73**

### **Regulation**

1. The following are determined by a ministerial diploma of the member of the Government responsible for the area of Finance:
  - a) The area of territorial jurisdiction of the AA, within the scope of the exercise of its territorial jurisdiction in its area of jurisdiction, as well as that of the de-concentrated services;
  - b) The representative symbols of the AA;
  - c) The respective uniform of the officials;
  - d) The creation and extinction of Delegations, Sections, Sub-units and Customs Posts.
2. The model of the employee identification card shall also be regulated by order of the Minister responsible.

## **Article 74**

### **Revocatory rule**

The following norms are revoked:

- a) Ministerial Diploma No. 18/2014, of June 16, approving the Code of Conduct of the General Directorate of Customs;
- b) Article 5 (1) (b) and Articles 14 to 21 of Decree-Law No 38/2015 of 7 October approving the Organic Law of the Ministry of Finance;
- c) Ministerial Diploma no. 25/2016 of March 23, which approves the framework of competence of the Customs Services.

## **Article 75**

### **Installing Commission**

1. The Customs Installing Commission, hereinafter referred to as the Commission, shall be set up to carry out the tasks necessary for the installation of AA's bodies, services and personnel.
2. The Commission shall:
  - a) Approve the staff positions of the AA;
  - b) Ensure all procedures leading to the recruitment required for the AA;
  - c) Promote training actions and tests to assess knowledge;
  - d) Approve the planning and management instruments of the AA arising from the law, namely those aimed at the exercise of the powers of the entity;

e) Submit to the Council of Ministers semiannual reports on the establishment of the AA and the exercise of its powers.

3. The Installing Commission includes the following elements:

- a) The member of the Government responsible for strategic planning and investment, who chairs;
- b) The Deputy Minister of Finance, who is responsible for the tax reform;
- c) The member of the Government who coordinates economic affairs;
- d) The Coordinator of the Fiscal Reform Commission;
- e) A Commissioner of the Civil Service Commission.

4. The Fiscal Reform Commission shall provide secretariat and technical support to the Commission.

5. The Commission shall be terminated within one year of its establishment.

6. DGA bodies and services provide full cooperation to the Installing Commission.

### **Article 76** **Transitional regime**

1. The performance of duties in the DGA, including those of direction and management, at the date of entry into force of this decree-law does not imply integration in the personnel map of the AA. The employees and agents must be transferred from the DGA, under the terms of the law, to the other bodies and services of the State Administration.

2. Without prejudice to the provisions of the previous paragraph, officials, officers and directors who hold office at the DGA at the date of entry into force of this Decree-Law may apply for the recruitment process of AA staff.

3. The recruitment of AA staff is subject to a prior knowledge test, being that only candidates with academic qualifications may be eligible.

4. Candidates who obtain a positive classification in the knowledge test referred to in the previous paragraph, are subject to a training action, evaluated in new knowledge tests, for certification of competences.

5. Staff and officers of the DGA who carry out functions on the date of entry into force of this Decree-Law who do not have academic qualifications but who have proven professional experience may apply for the knowledge tests.

6. In the cases referred to in the preceding paragraph, once a positive classification in the knowledge test is obtained, it is mandatory to carry out training, evaluated in new evidence of knowledge, with a view to obtaining a certificate proving the competences necessary for the performance of the duties.

7. Candidates who have obtained the competency certification referred to in paragraphs 4 and 6 may apply for admission to the AA special careers scheme.

### **Article 77** **Production of effects**

1. This Decree-Law shall take effect 180 days from the date of its entry into force.

2. Notwithstanding the provisions of the preceding paragraph, article 75 shall take effect on the date of entry into force of this Decree-Law.

**Article 78**  
**Entry into Force**

This Decree-Law shall enter into force on the day following its publication.

Approved by the Council of Ministers, November 15, 2016

The Prime Minister,

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Dr. Rui Maria de Araújo

The Minister of Finance

Santina Cardoso

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Promulgated on 03/17/2017

The President of the Republic

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