

**DECREE-LAW No. 24/2014****of 3 September 2014****CREATES THE LEGAL REGIME THAT ESTABLISHES THE BASIS OF A  
TOURISM POLICY IN TIMOR-LESTE**

The V Constitutional Government Program considers the Tourism sector as having a fundamental role in the economic and social development of the Country.

In addition to the enormous existing tourism potential, which in itself should be a factor of important and encouraging policies of dissemination and offer of the country as a tourist destination, it is necessary to create a diploma that establishes the basic principles of development and tourism promotion, in order to contribute not only to the increase of national wealth but also to a sustainable development of this activity. In fact, in addition to the objectives and guiding principles of a national tourism policy, there was also the need to draw the attention of civil society to the Government's commitment in this matter, both by providing rules in the areas of tourism planning and by encouraging private initiative to invest in this sector, through the granting of support and benefits, not forgetting promotion, education and professional training.

Thus, the Government decrees, under subparagraph o), paragraph 1, Article 115 and subparagraph d), Article 116 of the Constitution of the Republic, to have the following as law:

**CHAPTER I****OBJECT, CONCEPTS AND GENERAL PRINCIPLES****Article 1****Object**

This Decree-Law establishes the basis for public tourism policies, defines the objectives and principles underlying them and identifies the instruments for their implementation, as a strategic sector of the national economy.

**Article 2****Scope**

This Decree-Law applies to tourism activities, public sector activities aimed at promoting tourism, suppliers of tourism products and services, tourists and consumers of tourism products and services.

**Article 3****Definitions**

For the purposes of this legal diploma, the following definitions shall apply

- a) 'tourist activity' means a commercial activity contributing to the provision of accommodation, catering and/or meeting the needs of persons travelling for leisure or professional reasons, or having as their objective a tourist motive;
- b) 'tourism agent' means a natural or legal person who acts as an intermediary between the tourist and a specific undertaking providing services in the field of tourism
- c) 'enterprises of interest to tourism' means establishments, projects and other activities of an economic, cultural, environmental and entertainment nature which, because of their location, which is characteristic of the service provided and of its facilities, constitute relevant support for tourism;

- d) "unit responsible for Tourism", the Directorate General of Tourism or any other unit replacing it;
- e) "tourist resources" means those goods which by their natural, cultural or recreational characteristics have the capacity to motivate tourist visits and enjoyment;
- f) 'tourism' means the temporary movement of persons to destinations other than their usual environment for leisure, business or other reasons, as well as the economic activities generated, and the facilities created to meet their needs;
- g) 'tourist' means a person who spends at least one night in a place other than his usual place of residence and whose travel is not for gainful employment in the place visited;
- h) "user of tourist products and services" means a person who, without having the status of a tourist, uses tourist services and facilities.

#### **Article 4**

#### **Objectives**

The present diploma has as objectives to:

- a) Promote the economic and social development of the country while respecting the forest, fauna, mineral, archaeological and artistic heritage, which must be preserved and passed on to future generations;
- b) Preserve historical and cultural values;
- c) Contribute to the harmonious and balanced development of the country;
- d) Contribute to the creation of employment and economic growth;
- e) Encourage the private sector, both national and international, to participate in the promotion and development of tourism resources;
- f) Promote the conservation of biodiversity and marine and terrestrial ecosystems;
- g) Contribute to the improvement of the living conditions of local communities by encouraging their active participation in the tourism sector;

#### **Article 5**

#### **Principles**

These are general principles of tourism policies:

- a) increasing tourism activity as a means for the economic and social development of the country, reducing regional asymmetries and promoting social inclusion by increasing employment and better distribution of wealth;
- b) the sustainable development of tourism, ensuring a balance between tourism activity, the conservation and enhancement of the cultural heritage and the well-being of local people, particularly in terms of resource management;
- c) free access to the tourist activity and its exercise, in accordance with the law, for all natural and legal persons, national and foreign;
- d) the adoption of mechanisms to simplify administrative procedures, with a view to increasing flexibility and speed of response and decision;
- e) the enhancement of the tourist identity and cultural heritage and traditions of local communities and populations;
- f) the extension of tourism activity to the entire national territory, through the identification, enhancement and promotion of natural, cultural and historical resources, aiming at the creation of new tourist attraction poles;

- g) bringing tourism policies closer to local communities and businesses;
- h) the involvement of the private sector in the pursuit of tourism policies and their financing;
- i) the promotion of mobility of national and foreign citizens, namely through the development and dynamization of road, port and airport infrastructures;
- j) the generalization of access by national citizens to the benefits of tourism;
- k) the articulation and compatibility of public administration services directly or indirectly related to the development of tourism, namely in the areas of land use planning, basic sanitation, internal investment, transport and accessibility, communications, education and training, culture, health, security and civil protection and environment;
- l) the support of public tourism institutions in accordance with the principle of the paying user;
- m) the use of new information and communication technologies in the promotion, dissemination and commercialization of Timor-Leste as a tourist destination.

## **CHAPTER II PUBLIC POLICIES**

### **SECTION I NATIONAL TOURISM POLICY**

#### **Article 6 Legal framework**

The National Tourism Policy is pursued by a coherent set of principles and rules that regulate tourism activities, the organization, tasks and powers of public authorities, as well as the exercise of professions that, for reasons of consumer safety and quality of service, require specific legal protection.

### **SECTION II TOURISM PLANNING TOOLS**

#### **Article 7 Tourism planning tools**

Tourism planning instruments are the National Tourism Policy, the Strategic Tourism Development Plan and the Special Tourism Zones Management Plans.

#### **Article 8 National Tourism Policy**

1. The National Tourism Policy aims at the development of tourism activity with respect for the environment and aims to create the most favorable conditions for increased investment in tourism in order to achieve sustainable economic growth.
2. Public authorities at the central and local levels favor and encourage the development of tourism with the aim of preserving, among other things, forest, wildlife, water, energy resources and protected areas.
3. Urban and architectural design and mode of operation of tourist resorts aims at their better integration into the local economic and social context.

#### **Article 9 Strategic Tourism Development Plan**

1. The Strategic Tourism Development Plan is the periodic assessment and tourism planning instrument that defines the strategic framework for national tourism development and establishes general guidelines for public policies to be considered in tourism development plans.

2. The preparation of the Strategic Tourism Development Plan, is the responsibility of the Government member responsible for the tourism sector and is approved by Resolution of the Council of Ministers, and is in force for the period established in it, being susceptible to revision whenever conjunctural changes justify it.

#### **Article 10**

##### **Special Tourism Areas**

1. Special tourism areas are the ones declared as such due to the relevant characteristics of their natural and cultural resources and historical value, thus being capable of generating national and international tourist flows.
2. Special tourism areas are delimited and declared by government decree on the proposal of the member of the government responsible for tourism.
3. In addition to the specific constraints relating to each of these areas, the statute declaring special tourism areas must contain the geographical coordinates and rules governing their occupation, in accordance with legislation on the environment.
4. Each special tourism area must have a Tourism Development Plan, approved by the member of the Government responsible for the tourism sector, with the following stipulations:
  - a) road scheme;
  - b) definition of landscape, protection and tourist area;
  - c) definition of forested areas and tree species to be planted;
  - d) scheme of service networks and open spaces;
  - e) leisure and social equipment predictably to be installed;
  - f) general program of the area and general development criteria;
  - g) general rules for the implementation and development of the area, respecting, in particular, local customs and habits, types of buildings and their size and carrying capacity.
5. The planning, management and administration of special tourism areas are the responsibility of the State, through the Directorate-General for Tourism, or another unit to be set up with the nature and characteristics to be defined in its own statute.

#### **Article 11**

##### **Protected areas**

1. Ecotourism, recreational diving and other identified activities may be carried out in protected areas in accordance with the management plan and other legal provisions.
2. Tourism in protected areas must not jeopardize the conservation of the ecosystem, habitats and species of that area.

#### **Article 12**

##### **Sustainable tourism development**

1. The development of tourism activity is carried out in respect for the environment and aimed at achieving sustainable economic growth.
2. The urban and architectural design and mode of operation of tourist resorts aims at their better integration into the local economic and social context.

#### **Article 13**

##### **Enterprises of interest for tourism**

1. Establishments, initiatives, projects or activities of an economic, cultural, environmental and entertainment nature are considered to be of interest for tourism, because of their location and characteristics, to complement other tourist activities or developments, or to be a reason for tourist attraction in the areas where they are located.

2. The declaration of interest in tourism is the responsibility of the member of the Government responsible for tourism, on the proposal of the Director-General for Tourism.
3. The declaration of tourist interest is relevant, in particular, for the purposes of determining the eligibility of applications to the incentive schemes for private investment in tourism and the enjoyment of tax benefits.

**Article 14**  
**Tourist utility ventures**

1. Tourist resorts that meet the principles and requirements to be established in their own legislation are declared to be of tourist utility.
2. Tourist utility is assessed taking into account, inter alia, the following assumptions:
  - a) location and type of enterprise and its facilities and services;
  - b) attractiveness of the development in terms of the tourist infrastructure of the region;
  - c) contribution to regional development;
  - d) financial capacity of the sponsoring undertaking;
  - e) suitability of the enterprise to the tourism policy defined by the competent state bodies.
3. The declaration of tourist utility is attributed by order of the member of the Government responsible for the area of tourism, except for projects or activities of an economic nature whose predictable amount of investment exceeds one million American dollars, in which case the Council of Ministers shall issue the declaration, upon proposal of the member of the Government responsible for the area of tourism.
4. The declaration of tourist utility is likely to generate tax benefits, in terms to be defined by law.

**CHAPTER III**  
**EDUCATION AND VOCATIONAL TRAINING IN**  
**PROMOTING TOURISM DEVELOPMENT**

**SECTION I**  
**EDUCATION AND VOCATIONAL TRAINING**

**Article 15**  
**Education and vocational training**

1. Tourism training at various levels of education is the subject of coordination measures between the Ministry responsible for tourism and other public administration services, as well as private institutions, such as professional associations, universities and other educational establishments, with a view to drawing up and developing training plans and programs.
2. The definition of the objectives, and the way in which these objectives are achieved, of the training and qualification policy for human resources in the tourism sector, is carried out by the Ministry responsible for the tourism sector in conjunction with the State body responsible for vocational training.

**SECTION II**  
**PROMOTION AND DEVELOPMENT**

**Article 16**  
**Tourism promotion and development**

1. Tourism promotion and development has as main objectives the growth of tourism revenues, the promotion of the country as a tourist destination, as well as defining actions with a view to establishing agreements with other countries and international bodies, within the scope of the development of tourism cooperation programs and projects.

2. Tourism promotion should be developed, taking into account:
  - a) Timor-Leste's positioning based on solid distinctive factors that sustain an effective and adequate communication to the preferential segments of demand;
  - b) Reinforcement and development of the country's name as a tourism destination;
  - c) Progressive participation of the private sector in the promotion effort, namely in the respective decision and financing processes;
  - d) Increasing professionalism of the entities with responsibility in external promotion, ensuring the representativeness of public and private agents in these entities;
  - e) Attracting international events;
  - f) Promotion and dissemination of Timorese tradition and culture as a distinctive and affirming factor of the Country.

#### **Article 17**

##### **Incentives and support for tourism promotion**

1. Investments in tourist resorts and establishments which, because of their size or object, their economic, social, technological or ecological implications, are of exceptional interest for the development of tourism and tourism supply capacity, are encouraged.
2. Tourism investments in new enterprises, as well as those which are the object of improvements, may, because of their socio-economic interest in the development of the sector, benefit from special incentives to be defined in their own legislation.

#### **CHAPTER IV**

#### **TOUR OPERATORS**

#### **Article 18**

##### **Public agents of tourism**

1. All central, regional and local public entities with competences in the areas of planning, development and implementation of tourism policies are considered public tourism agents, namely:
  - a) the member of the Government responsible for tourism;
  - b) the national tourist authority;
  - c) the regional tourism directorates;
2. The mission of the public tourism agents is to promote the development of the activity through the coordination and integration of public and private initiatives in order to achieve the goals of the Strategic Tourism Development Plan.

#### **Article 19**

##### **Suppliers of tourism products and services**

1. The suppliers of tourism products and services are natural or legal persons engaged in an organized activity for the production, marketing, intermediation and management of products and services that directly contribute to the formation of the national tourism offer.
2. Economic agents operating in sectors of activity other than tourism and responsible for the management and exploitation of equipment and resources relevant to tourism are also considered to contribute to the training of the tourist offer.

**Article 20****Rights of suppliers of tourism products and services**

These are rights of suppliers of tourism products and services:

- a) fully carry out their activity, in accordance with the provisions of this law and other legislation in the sector;
- b) access to support programs, funding or other benefits, in accordance with their own legislation;
- c) appear in the official tourist guides of the sector;
- d) participate in tourism promotion, promotion and training programs, organized by the responsible entities, to which they contribute financially.

**Article 21****Duties of suppliers of tourism products and services**

1. These are duties of the suppliers of tourism products and services:

- a) comply with the specific legislation applicable to their activities;
- b) present prices and tariffs to the public in a visible, clear and objective manner, in national currency and official languages, and optionally in another;
- c) to conserve the environment and comply with the standards for its protection;
- d) develop activities in accordance with cultural expressions, traditions and practices;
- e) preserve and, in the event of damage, repair public and private property which has a connection with tourism;
- f) ensure that appropriate insurance and assistance systems are in place to guarantee, in particular, civil liability for damage caused to tourists and consumers of tourist products and services, as well as to third parties for error of action or omission, with or without fault, occurring in the course of tourist activity.

2. In addition to the duties established in the previous paragraph, suppliers of tourism products and services shall in particular:

- a) provide services for which they have been authorized without discrimination on grounds of nationality, social status, race, sex, ethnic origin, religion or political affiliation;
- b) demarcate smoking and non-smoking areas;
- c) adapt tourist establishments and their equipment to the use of people with physical disabilities.

**Article 22****Operations of tourism activity**

Operations of tourism activities established in accordance with this law depend on prior licensing, to be defined in accordance with the law.

**Article 23****Fees**

Licensing is subject to the payment of fees to be fixed in accordance with the law.

**CHAPTER V****RIGHTS AND DUTIES OF THE TOURIST AND  
CONSUMER OF TOURIST PRODUCTS AND SERVICES****Article 24****Rights**

Without prejudice to the other rights recognized in the legal system in force, tourists and consumers of tourist products and services shall enjoy the following rights:

- a) to obtain objective, accurate and complete information on each and every one of the conditions, prices and facilities offered by suppliers of tourism products and services;
- b) to benefit from tourist products and services under agreed conditions and prices;
- c) to obtain the documents that accredit the terms of their hiring and agreed prices;
- d) enjoy peace of mind, privacy and personal security and their property;
- e) formulate complaints and claims inherent in the supply of tourism products and services in accordance with the law and obtain timely and appropriate responses;
- f) enjoy tourist services in good condition of maintenance, conservation, hygiene and cleaning;
- g) obtain appropriate information for the prevention of accidents and contagious diseases.

#### **Article 25**

##### **Duties**

Tourists and consumers of tourist products and services have the following duties:

- a) comply with the law and regulations in force;
- b) respect the natural, historical and cultural heritage of communities, as well as their customs, traditions, beliefs and behavior;
- c) respect the environment.

#### **CHAPTER VI**

#### **QUALITY STANDARDS AND SUPERVISION OF TOURISM ACTIVITY**

##### **Article 26**

##### **Quality standards**

The suppliers of tourism products and services comply with the relevant quality standards.

##### **Article 27**

##### **Supervision**

The activities that are the object of this statute are subject to supervision, under the terms to be regulated.

#### **CHAPTER VII**

#### **PENALTIES AND CHALLENGE**

##### **Article 28**

##### **Sanctions**

1. Without prejudice to civil and criminal liability, the violation of the duties provided for in this statute shall be punishable by the following sanctions:
  - a) warning;
  - b) fine;
  - c) temporary suspension of the establishment's operation;
  - d) closure of the establishment;
  - e) revocation of the license;
  - f) administrative embargo;
  - g) demolition.
2. The Council of Ministers shall be responsible for approving by decree-law the specific regulations for each tourist activity as well as the respective sanctioning regime.



**Article 29**  
**Complaint and appeal**

Punitive decisions may be appealed against under the general terms of the law.

**CHAPTER VIII**  
**FINANCING**

**Article 30**  
**Financing**

Financial support for tourism is based on the following sources of funding:

- a) State Budget, by the transfer of funds intended for the tourism sector;
- b) Revenue from the special tax on gambling, in an amount to be determined by joint ministerial order of the members of the Government responsible for the areas of finance and tourism;
- c) Collection of taxes;
- d) Financial resources made available by public and private entities;
- e) Financial resources from other public and private, national and international entities.

**Article 31**  
**Taxation**

Within the framework of national tourism policy, the adaptation of fiscal policy measures should be promoted to:

- a) contribute to the further development of economic activities in the tourism sector;
- b) stimulate domestic and foreign private development in the sector;
- c) stimulate domestic tourism consumption,
- d) promote the competitiveness of national enterprises vis-à-vis enterprises from competing destinations;
- e) encourage the adoption of environmentally friendly practices which contribute to the sustainable development of tourism.

**CHAPTER IX**  
**FINAL AND TRANSITIONAL PROVISIONS**

**Article 32**  
**Entry into force**

This decree-law shall enter into force 15 days after the date of its publication.

Approved by the Council of Ministers on May 6, 2014.

The Prime Minister,

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**Kay Rala Xanana Gusmão**

The Minister of Tourism

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**Francisco Kalbuadi Lay**

Enacted on 08/28/2014

Be it published.

The President of the Republic,

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**Taur Matan Ruak**