



DEMOCRATIC REPUBLIC OF TIMOR-LESTE

Secretary of State for Environment

Draft Basic Law on Environment

Preamble

Recognizing the need for conservation and environmental protection as a duty of all States, the Fourth Constitutional Government has as its goal the creation of an environmental legal system capable of defining the principles and rules of sustainable use of natural resources, a holistic and integrated approach to environmental management, reinforcing the mechanisms of protecting fundamental rights of citizens.

With a clearly growing market economy, natural resources and the environment represent a source of wealth and support the economic growth of Timor-Leste. However, both require balanced management to be able to provide the citizens with more and better quality of life.

Good governance is closely associated with the strengthening of democracy and ensuring domestically and internationally recognized human rights and fundamental freedoms requires, therefore, and necessarily, appropriate environmental management. In this field the environment is widely recognized as a value in itself. In the Constitution of the Democratic Republic of Timor-Leste, environmental protection faces a dual perspective, considering it as a fundamental task of the state, and simultaneously as a fundamental citizens' right.

Thus, recognizing the quality of the environment as an integral and essential quality of life for all Timorese, the RDTL Constitution provides in Article 61 that everyone has the right to a humane, healthy, and ecologically balanced environment and the duty to protect it and improve it for the benefit of future generations.

In this context, is constitutionally recognized the need for preservation and enhancement of natural resources and the need to determine promotion and protection of the environment as an essential vehicle for sustainable development of Timor-Leste's economy.

An integrated view of this Basic Law may say that it aims at the conservation and improvement of environmental quality, protection of human health, sustainable use of natural resources and pollution control, as one of the most serious problems resulting from human action.

We also heard from representatives of national and international associations of environmental conservation for sustainable development, advisors and national and international experts, several officials and leaders of public administration, having carried out a public consultation process in all districts.

The National Parliament enacts, in accordance with paragraph 1 of Article 95 of the Constitution, to be enforced as law, the following:

CHAPTER I Scope and Principles

Article 1 Scope

This law defines the bases of environmental policy, the basic principles of sustainable use, conservation, preservation and protection of natural resources and promoting quality of life of citizens in compliance with the provisions of paragraph f) of Article 6 and Article 61, Constitution of the Democratic Republic of Timor-Leste.

Article 2 Definitions

For purposes of interpretation and enforcement of this Act, it adopts the following definitions of words and concepts used in its statement:

1. Activity: Is any action for public or private initiative, related to the operation or use of environmental components, the application of technologies or processes, policies, legislation or regulations, plans, programs, which affect or could affect the environment.
2. Environment: A set of physical, chemical and biological systems, and their relationship with economic, social and cultural rights.
3. Protected Environmental Area. It is an area of land and or sea especially dedicated to the protection and maintenance of biological diversity and of natural and associated cultural resources, and managed through legal or other effective means.
4. Environmental assessment: Instrument of preventive environmental policy, supported in the studies, consultation and assessment tools and environmental management that are aimed at decision-making on environmental sustainability and implementation of certain projects.
5. Biodiversity is the variability among living organisms from all sources including, among others, terrestrial ecosystems, marine and other aquatic ecosystems and the ecological complexes of which they are part, including diversity within species, between species and ecosystems.
6. Environmental components: Are the various elements that comprise the environment and whose interaction allows its equilibrium, including air, water, soil, subsoil, living beings, non-renewable natural resources and socio-economic conditions.
7. Degradation or environmental damage: It is the adverse change in the characteristics of the environment, and includes, among others, pollution, desertification, erosion and deforestation.
8. Deforestation: It is the destruction, the disappearance of mass or indiscriminate felling of woods and forests without ecologically appropriate replacement.
9. Sustainable development is development based on an effective environmental management that meets the needs of the present generation without compromising the environmental equilibrium and the ability of future generations to meet their own needs.
10. Desertification: Land degradation in arid, semi-arid and dry sub-humid, or dry zones, resulting from various factors, including climatic variations and human activities.
11. Ecosystem: A dynamic complex of plant, animal and micro-organisms and their nonliving environment interacting as a functional unit.
12. Alternative Energy: Is that which originates from natural sources that are capable of regeneration, such as wind, sun, sea water, geothermal, biomass and other renewable sources.
13. Erosion is the detachment of soil surface by the natural action of wind or water which is often intensified by human practices of removal of vegetation.
14. Environmental impact assessment: document based on research and technical consultation, with public participation, prepared by the proponent, which contains a brief description of the project, identification and assessment of likely impacts, both positive and negative effects that the project may have on the environment, the expected development of the factual situation

- without the project, and environmental management measures designed to avoid, minimize or compensate for adverse impacts expected and a non-technical summary of this information.
15. Environmental management: The planned, coordinated and directed process to make and implement decisions to regulate the interaction of humans with the natural environment to ensure sustainable use of environmental components, the appropriate protection of endangered species and their habitats and sustainable development of economy.
 16. Environmental impact: Set of positive and negative changes produced in the environment, social and environmental parameters, including people and their economic and social structures, air, water, flora, fauna or their habitats in a given period of time and a given area, resulting from the completion of a project, compared to a situation that would occur in this period of time in this area if the project was not implemented.
 17. Spatial planning: Is the integrated organization process for biophysical space, aiming to use and transformation of the territory according to capacity, permanent vocations to keep the values of biological equilibrium and geological stability, with a view to maintaining and increasing their ability to support life.
 18. Environmental quality standards: A set of standards that define the maximum levels of pollutants allowed to environmental components.
 19. Environmental decommissioning plan - A document that identifies the potential environmental impacts of the decommissioning phase of the project and provides the way they are managed and monitored.
 20. Environmental management plan - A document that identifies the potential environmental impacts during construction and development and provides the way they are managed and monitored.
 21. Pollution: Direct or indirect introduction as a result of human activity, of substances, vibrations, heat, light, or noise in air, water or land which may harm human health or environmental quality, result in damage to property or cause entries, compromise or impair the use and enjoyment of fruits and other legitimate uses for the environment.
 22. Genetic Resources: Includes any material of plant, animal, microbial or other origin, that have functional units of heredity of actual or potential value.
 23. Natural resources: includes all living and nonliving components of the ecosystem.
 24. Nonrenewable natural resources: living and nonliving components to ecosystem with finite nature and not subject to regeneration within a relevant time period for humans.
 25. Repair and rehabilitation of degradation or environmental damage: It includes any activity to restore the environmental conditions existing before the occurrence of degradation or damage to environmental components.
 26. Hazardous waste: waste that has flammable, explosive, corrosive, toxic, infectious or radioactive, characteristics, or constitutes a danger to other people's health and the environment.
 27. Waste: Includes all waste, substances or objects and material considered worthless, unnecessary, and/or of no value, generated by human activity, commerce and industry which needs to be eliminated.
 28. Pollutants: Are any gases and waste, including hazardous, which may temporarily or irreversibly alter the natural characteristics and qualities of the environment, may interfere with the normal conservation or evolution or have any other damage.
 29. Controlled substances: Those defined in the Montreal Protocol on Substances that Deplete the Ozone Layer.
 30. Tara Bandu: It is a custom in the culture of Timor-Leste to regulate the relationship between humans and the environment around them.
 31. Sustainable use: Use of environment in a balanced way, able to effectively meet the needs of the present generation without compromising the balance of the environment and the possibility of future generations to meet their own needs.

Article 3 General Principle

Everyone is entitled to a healthy and ecologically balanced environment and a duty to ensure the sustainable use of environmental components and improve for the benefit of future generations.

Article 4 Specific Principles

The general principle of the previous article implies that the following specific principles:

- a. Principle of sovereignty: as a sovereign state, Timor-Leste is the owner of natural resources in its territory, with the right to operate them according to its own environmental and development policies, and the responsibility to ensure that activities within its jurisdiction or under its control do not cause damage to the environment of other States or areas outside the limits of national jurisdiction.
- b. Principle of solidarity between generations: The right to development must be exercised in such a way that responds equally to the development needs and environmental impacts of present and future generations.
- c. Principle of prevention: all actions or actions with immediate effects or long-term environment should be considered in advance, so as to reduce or eliminate the causes of environmental degradation. Actions with immediate or short-term effects should be considered in advance, reducing or eliminating the causes, primarily to correct the effects of these actions or activities that may alter the quality of the environment.
- d. The Precautionary Principle: establishes a presumption of validity in favor of measures aimed at protecting the environment, so that the lack of absolute scientific certainty that there is danger of serious or irreversible damage to the environment should not be used as a reason for postponing the adoption of effective measures, as a function of cost, prevent environmental degradation.
- e. Principle of Participation: different social groups should be involved in the formulation and implementation of environmental policy and planning, either through collective bodies which are represented, either through public consultations for specific projects that interfere with their interests or the environmental balance;
- f. Polluter pays principle: It should be encouraged internalization of environmental costs being made, where possible, be on the polluter's obligation to correct or restore the environment, supporting the resulting burdens and courses of cessation of polluting action.
- g. Principle of international cooperation: determines the search for joint solutions to the problems of environment and natural resources management with other countries or international organizations.
- h. Principle of integration: Environmental issues should be integrated into other general and sectoral public policies, so that in their definition and application, the requirements of environmental protection are taken into account.
- i. Principle of seeking the most appropriate level of action: it implies that the implementation of environmental policy measures take into account the most appropriate level of action, be it at international, national, regional, local or sectoral level.

Article 5 Responsibilities of the State

Considering the implementation of this Act, the State, namely:

- a. Define and implement in an integrated form, an environmental policy that ensures sustainable use of natural resources and promotes sustainable development, making published legislation to allow its workability.
- b. Promote environmental education among different social sectors, through the systems of formal and informal education and community participation in activities of environmental preservation.
- c. Enforce international conventions that Timor-Leste has legally ratified.
- d. Adopt comprehensive global and sectoral policies of planning and integrated land use as well as programs of sustainable management and use of natural resources as a means of promoting the welfare of the population and guaranteeing the quality of the environment.
- e. Promote and maintain the quality of air, water, soil and subsoil to ensure sustainable development of Timor-Leste and the quality of life.
- f. Ensure equitable sharing of benefits arising from the use of natural resources.

Article 6 **Citizens' rights**

1. It is guaranteed to all citizens the right to participate in environmental management and protection, either individually or through membership organizations, and must be heard in public consultations to approve environmental projects.
2. All citizens have the right of access to environmental information, subject to the legally protected rights of third parties.
3. It is guaranteed the right of access to environmental education to ensure effective participation in environmental management.
4. Anyone who considers that they have been violated or are about to have the rights conferred by this Act violated, may apply to the courts, to ask, under general law, the cessation of the causes of violation and related compensation.
5. The state and other legal persons of public and private law are guaranteed participation and ensure the involvement of women and vulnerable groups of citizens in environmental decision making processes.

Article 7 **Duties of Citizens**

1. All citizens have a duty to maintain and improve the environment of human life for the sake of future generations by promoting sustainable development of the country.
2. All citizens have a duty to participate in the mechanisms of public environmental decision making.
3. All citizens have the duty to preserve, conserve, restore and promote sustainable use of natural resources.
4. All citizens have the duty to promote and maintain the quality of air, water, soil and subsoil to ensure the sustainable development of Timor-Leste and promote quality of life of citizens.
5. Every citizen with knowledge of the activities or actions that constitute violations of this law are obliged to inform the legal authorities.
6. The duties under this article extend to legal persons with the necessary adaptations.

Article 8 **Tara Bandu**

1. The State recognizes the importance of *Tara Bandu* as integrated into the culture of Timor-Leste, as regulator of the relationship between man and the environment around them.
2. Actions of *Tara Bandu* can be carried out, according to the established rituals aiming at promoting sustainable use of natural resources and environmental preservation.

CHAPTER II
Environmental management agencies

Article 9
State Agencies

The State in accordance with the principle of integration, establishes a central institutional structure responsible for the needs of sustainable use of natural resources and pollution control, notwithstanding the need for the involvement of district and municipal governments and in this task.

Article 10
Chefes do Suco

1. Notwithstanding the preceding paragraph, the importance of participation of Chefes do Suco in the general awareness of the population to environmental protection and the level of monitoring and auditing of environmental management activities is recognized.
2. The powers of the Chefes do Suco under the preceding paragraph are defined in statute.

Article 11
Local Community

1. It ensured the participation of local communities and vulnerable groups, alone or acting together with non-governmental organizations in setting environmental policy, its implementation and monitoring.
2. Community participation under the preceding paragraph is made through public consultation to the population about the definition of environmental policy, the creation of structures of communication between state agencies and local community to enable information sharing and monitoring of environmental activities by the local community.

CHAPTER III
Quality, planning, evaluation, environmental monitoring

Article 12
Environmental quality standards

1. The criteria and rules to be observed for the control of pollution levels, are defined by the adoption and publication of standards of environmental quality applicable to the whole country or particular areas and for certain processes or products.
2. Environmental quality standards of the preceding paragraph are defined for:
 - a. Fresh water;
 - b. Seawater;
 - c. The levels of effluents;
 - d. The Air;
 - e. The soil and subsoil;
 - f. The levels of noise, light and vibration.
3. Notwithstanding the preceding paragraph, environmental quality standards can be set for other areas in accordance with the requirements of the country's development.
4. Failure to comply with environmental quality standards require the issuer to pay fines provided for in statute.

Article 13
Planning

1. The State shall establish a coordinated planning of public development policies at central, regional and local levels to ensure that they are compatible with the need to conserve and improve the environment and with a view to implementing sustainable management of natural resources.
2. For purposes of the above, planning should include, in an integrated way, the following:
 - a. Land use and zoning in conjunction with environmental management;
 - b. Inventory and valuation of environmental components;
 - c. Systematization of information on the environmental components;
 - d. Scientific and technological research;
 - e. Citizen participation.

Article 14
Spatial planning

The State must define a land-use planning policy to ensure proper organization and use of national territory, from the perspective of increasing their value, with the goals of economic, social, cultural and environmental development, harmonious and sustainable in the country and districts.

Article 15
Environmental Licensing

1. The public and private activities likely to produce environmental and social impacts on the environment are subject to an environmental licensing procedure, as defined by statute.
2. The environmental licensing system is a system based on assessing the scale and potential environmental impact of activities in view of their nature, size, technical characteristics and location.
3. The public and private activities that cause potential environmental impacts, are subject to an environmental management plan and an environmental decommissioning plan or the issuance of any other licenses or permits under existing legislation.

Article 16
Warranty

1. The activities envisaged in the preceding paragraph, are subject to a security deposit of money intended to deal with any environmental damage or deterioration including environmental disasters that may occur during the construction, development or dismantling them.
2. The terms of guarantee provided for in the preceding paragraph are defined in statute.

Article 17
Environmental Monitoring

1. The State must create a decentralized system of environmental monitoring able to exercise integrated control of pollution, the quality of environmental components, the state of exploitation of natural resources, environmental impacts caused by economic activities and to ensure the collection of information needed to comply with this law.
2. The monitoring process provided for in the previous paragraph shall comprise:
 - a. The periodic collection of samples of air, surface water, groundwater and sea water and soil for quality analysis;

- b. The periodic review of changes in the quantity and quality of renewable and nonrenewable natural resources;
 - c. The periodic review of the management of all types of waste and its impact on the environment;
 - d. The identification of transboundary environmental impacts in the country.
3. Mechanisms should be developed for monitoring the implementation of activities subject to environmental licensing during the various stages of construction and after completion, ensuring their compliance with the rules and regulations.

CHAPTER IV
Natural Resources Management

SECTION I
Renewable Resources

Article 18
Sustainable use

1. The State recognizes the importance of sustainable use of renewable natural resources for the benefit of all citizens, and creates mechanisms and resources needed for their sustainability and regeneration.
2. Rules for the use of renewable natural resources must be defined by statute, taking into account their individual characteristics and their integration in the social, economic and cultural environment and as outlined in the following articles.

Article 19
Air

It is the duty of the State to create the mechanisms needed to maintain quality of air within the environmental quality standards defined to control air pollution and the production, use, import or export of substances that have harmful effects on the ozone layer.

Article 20
Surface and ground water

1. Maintaining the quantity and quality of surface water and groundwater and optimizing their use must be guaranteed by an integrated management plan that regulates:
 - a. The management of watersheds;
 - b. The regulation of well drilling;
 - c. The regulation of water use for agricultural, industrial and mining activities;
 - d. The participation of women and the local community on water management;
 - e. The mechanisms for conflict resolution;
 - f. The incentives for capturing and storing rainwater.

Article 21
Soil and subsoil

The State through an adequate policy of territorial planning to ensure the use, conservation and recovery of soil and subsoil to ensure its productive capacity, conservation and regeneration preventing their loss and degradation.

Article 22
Conserving biodiversity

1. It is the responsibility of the State to define a strategy and national program for conservation and sustainable use of biological diversity, which must ensure:
 - a. Biodiversity conservation inside and outside of natural ecosystems and habitats;
 - b. Reproduction in quality and quantity of species, especially endangered ones;
 - c. The rehabilitation and restoration of degraded ecosystems and recovery of endangered species.
 - d. The creation and maintenance of a national system of protected areas to ensure ecological coherence of the territory and continuity of the species.
 - e. The access and equitable sharing of benefits arising from genetic resources.
2. All appropriate measures must be taken to ensure the development, handling, transport, use, transfer and release of any modified living organism in order to prevent and reduce the risks to biological diversity and human health.

Article 23
Species and ecosystems

3. The protection and sustainable use of terrestrial, coastal, marine and other aquatic ecosystems is made, namely:
 - a. Through the maintenance and regeneration of the species through the recovery of damaged habitats;
 - b. Through the control of exotic species and the activities or use of substances that can degrade and harm species and their habitats.
4. The species of terrestrial, coastal, marine and other aquatic ecosystems that are endangered or have scientific and cultural value by their genetic potential, size, age or rarity, are in need of special protection, are subject to regulation itself.

Article 24
Marine and coastal environment

1. The planning and land in coastal areas should be done with respect for diversity of marine and coastal environment, with a view to sustainability, the need for prevention and waste discharges into the sea and creating an emergency response plan.
2. It is strictly forbidden to use explosives, poisons or other substances, means or tools in the destructive exploitation of marine natural resources.
3. Are defined by statute appropriate measures for the regulation:
 - a. Aquaculture activities;
 - b. Conservation of mangroves;
 - c. Conservation of corals.

SECTION II
Non-renewable Natural Resources

Article 25
Extractive industry

1. The extraction of nonrenewable natural resources is subject to special legislation.

2. Notwithstanding the preceding paragraph, the extraction of nonrenewable natural resources can only be done in areas specifically determined by law, in accordance and pursuant to the environmental license granted and upon the payment provided for by law.
3. Under the regulation of the sector of the industry, taking into account the extent of extraction, measures must be adopted:
 - a. Which ensure integrated management and monitoring of extractive activities;
 - b. Which provide for the adoption of environmental measures required in contracts for the extraction of natural resources.
 - c. To establish environmental quality standards at all stages of extraction especially in its completion.
 - d. To establish environmental management plans at all stages of extraction especially in its completion.
 - e. To minimize environmental impacts when extractive activities take place near a protected area.
 - f. Contingency to respond to accidents during the development of activities.
4. Household, micro or small-scale non-industrial uses are excluded from the scope of this Act.

Article 26
Extraction of sand and gravel

1. The extraction of sand and gravel is subject to special legislation.
2. Notwithstanding the preceding paragraph, the extraction of sand and gravel from rivers, the beds of rivers or any other area except the beaches, can be done only in areas specifically designated for the purpose, subject to compliance with the provisions in licensing and environmental matters in obtaining permission from the competent authorities for this purpose and may be subject to a fee.
3. The costs of rehabilitation of the area subject to environmental degradation or damage arising from the process of extraction of sand or gravel are the responsibility of the hood.

SECTION III
Alternative Energy

Article 27
Alternative Energy

1. The State should implement a strategy to ensure national energy security through the promotion, production and consumption of clean and alternative energy from renewable natural resources, including:
 - d. The conduct of research about the use of appropriate technologies for energy efficiency in urban and rural areas;
 - e. The phased increased use of alternative energy in total consumption of energy produced;
 - f. International cooperation and investment in generation and consumption of energy from alternative sources.
2. The rules on the use, promotion and distribution of alternative energy should be integrated in the national strategy for the energy sector and in national development and poverty reduction.

CHAPTER V

Urban environment, pollution and waste management

Section I

Urban environment

Article 28

Urban environment

1. The planning and management of urban areas should consider the personal residential areas, including the creation of basic infrastructure, sanitation, waste disposal, toxic waste, water treatment, noise pollution control, light and vibration and preservation of green areas.
2. In planning and building of industrial zones are taken into account the specific environmental needs of each area, ensuring the compliance of environmental standards for pollution control, noise, water and air, light and vibration especially the industrial, agricultural and domestic burning of fuels.

Section II

Pollution

Article 29

Pollution control

1. The state must ensure that appropriate measures are taken to prevent environmental degradation, risk to public health, animal life and the sustainability of economic development caused by pollution.
2. The release, discharge or introduction of any form of polluting substances into water, soil, air, underground, or in any other environmental component, is subject to quality standards and environmental legislation.
3. Should be promoted measures to facilitate the adoption of alternatives to the use of agrochemicals and fertilizers in agricultural production.

Article 30

Air pollution

1. The release of pollutants into the atmosphere should be reduced, controlled and maintained within the limits set by environmental quality standards and the law in force.
2. All facilities, machinery, equipment, transportation or construction activity which may affect air quality, must be equipped with filters and devices that reduce and counteract pollutants in accordance with the limits defined by the standards of environmental quality.
3. The import and production of controlled substances is banned.

Article 31

Water Pollution

1. The release or discharge, by sea or land, any pollutants to rivers, lakes, ponds, groundwater, sea or any other place of water storage must be reduced, controlled and maintained within the limits defined by the standards of quality environmental and other legislation in force.
2. The State should construct and maintain the necessary means to ensure the treatment of sewage and other effluents and control water pollution made in its exclusive economic zone.

Article 32
Noise and vibration pollution

The issue of noise and vibration arising from domestic, commercial, industrial and transportation activities, which adversely affect the health, human welfare, especially in residential areas should be kept within the limits set by the standards of environmental quality.

Article 33
Visual pollution

The existence of any fixed or intermittent light, which by its size, nature or location may disturb the peace, welfare and health of citizens and endangered species must be maintained within the limits set by the standards of environmental quality and in terms of regulation.

Section III
Waste Management

Article 34
Objectives

The state's policy on waste management is based on the principles of reduce, recycling and reuse to ensure the preservation of natural resources, minimizing the negative impacts of these on public health and the environment.

Article 35
Solid Waste Management

1. Are defined by separate statute the ways of collecting, transporting, storing, processing, disposal, recycling or reuse of solid waste, in compliance with the provisions of this article.
2. The management of solid waste from households and business are the responsibility of local authorities.
3. The management of hospital and industrial solid wastes, arising from construction activities or any others not foreseen in the previous paragraph are the responsibility of the producer who is responsible for their proper disposal in terms of the law.
4. Mechanisms and the necessary means should be established to ensure the use of solid waste as a source of alternative energy production.

Article 36
Landfills

1. It is the responsibility of the state to construct and maintain landfill sites as specifically intended for the controlled storage, above or below the natural surface, of waste generated by human, commercial or industrial activity, constructed to prevent contamination of groundwater.
2. The discharge of waste can only be made in certain places determined specifically for that purpose by the competent authorities and under the conditions of approval granted under the law.

Article 37
Wastewater

1. The state creates the mechanisms and means to ensure proper treatment of domestic industrial, and commercial wastewater, in order to preserve the quality of freshwater, groundwater, surface and sea water.
2. Any establishment which evacuates waste water is required to ensure its decontamination.

Article 38
Hazardous waste

The identification, control, production, transportation, storage and use of hazardous waste is subject to special legislation.

CHAPTER VI
Financial measures and economic instruments

SECTION I
Financial Measures

Article 39
Budget

1. The environment is considered in the preparation of plans and budget of the State, as a national priority.
2. The annually approved general State budget should provide appropriations for specific environmental management and protection activities.
3. For the purposes of the preceding paragraph, the amount to be allocated each year must be greater than the expenditures recorded in the previous year.
4. Notwithstanding the preceding paragraph, the general government budget must be approved annually to provide specific budget allocations to finance the cost of environmental recovery due to natural disasters and emergencies.

Article 40
Fees

In addition to the fees provided for the licensing process, the state may establish specific rates for the provision of services related to the environment.

Article 41
Environmental fund

1. The State shall establish, by statute, an environment fund, managed jointly by the supervising Ministry and the Ministry of Finance, to finance environmental management activities.
2. The Environmental Fund is established through a single budget allocation for this purpose.
3. Beyond that provided in the preceding paragraph, environmental fund revenue includes:
 - a. Contributions from national or international sources in agreement with respective conventions;
 - b. The amount of offenses charged under environmental law.

SECTION II
Economic instruments

Article 42
Economic instruments

1. The State shall ensure that appropriate measures are taken to:
 - a. Determine the economic value of environmental components in the country and on that basis, to determine appropriate levels of fines and compensation for environmental degradation and the national system of environmental accounting;

- b. Create a national system of environmental accounting that incorporates the assessment of environmental components and the depreciation of environmental components in gross domestic product;
 - c. Promote the acquisition and development of investment in environmental sustainability services to be offered and produced in Timor-Leste with environmentally sustainable technologies;
 - d. Promote investment in developing and using clean technologies and alternative energy from renewable sources;
 - e. Develop a system of carbon trading, emissions trading and other market mechanisms to allow the participation of national industry in the mechanisms created by international agreements.
2. Tax benefits and exemptions can be created to promote:
- a. The transfer of clean and environmentally sustainable technologies;
 - b. Imports of machinery and equipment and means of transport that use these technologies;
 - c. Domestic and foreign investment that uses these technologies;
 - d. Imports of alternative goods to the use of chemical pesticides and fertilizers;
 - e. Investing in activities that contribute to economic environmental sustainability.

Article 43
Distribution of benefits

The State will define of the forms of equitable distribution of benefits from exploitation of natural resources for the communities located in the same area of exploration.

CHAPTER VII
Information, education, training and environmental research

Article 44
Environmental Information System

1. The environmental information system designed to facilitate the systematization, access and distribution of environmental information and the exchange of information to support decision-making, management and environmental education.
2. The environmental information system will be administered by an entity belonging to the indirect state administration, under tutelage of the Minister who oversees the environment, and will be responsible for collecting and processing of relevant information.
3. Public institutions with environmental expertise, as well as judicial persons providing public services, either at national, regional and local level are required to cooperate with the entity mentioned above, providing all information obtained in carrying out its activities.

Article 45
Access to environmental information

The environmental information systematized in the preceding article shall be accessible to the general public in the official languages, to be referred to, without compromising confidential information in accordance with legal provisions in force.

Article 46
Environmental Education and Training

1. Environmental education and training of citizens is promoted, as a strategic factor for sustainable development of the country through the introduction of environmental conservation issues in formal and nonformal education system and the media.
2. Environmental education and training programs are made jointly by the Ministry of Education, the Secretary of State for Professional Training and the Ministry with responsibility for the portfolio of the environment.

Article 47
Civic education

Civic education on the environment should be organized on a permanent basis, in successive campaigns directed for civil society in general and state officials in particular in order to increase everyone's knowledge and awareness of the need for environmental conservation, special protection of certain natural resources, and sustainable use of environmental components.

Article 48
Scientific and technological research

The State encourages, promotes and funds carrying out studies and scientific and technological research oriented towards optimization and sustainability of natural resources, biodiversity conservation and the prevention of degradation or environmental damage.

CHAPTER VIII
Inspections, emergencies and communication

Article 49
Inspections

1. The necessary mechanisms and means for establishing a decentralized system of environmental enforcement will be created by separate instrument, in compliance with the provisions of this article.
2. Public entities, citizens and legal persons are subject to the duty to cooperate with the authorities responsible for environmental monitoring in accordance with law.
3. Environmental control can be initiated at any time whenever there are indications of violations of this law.
4. The government agency responsible for environmental enforcement may issue an order to cease the polluting activity, clean and rehabilitate the location of environmental damage.
5. Providing false information or attempting to interfere in the activities of environmental enforcement is subject to administrative sanction or criminal prosecution.
6. Failure to follow the orders of the entity responsible for environmental enforcement is subject to administrative sanction or criminal prosecution.

Article 50
Citizen involvement in environmental monitoring

In view of paragraph two of the previous article, the government should promote the participation of citizens in environmental enforcement, including, among others, reporting mechanisms for environmental offenses.

Article 51
Emergencies

1. The state creates a system for preventing and responding to environmental emergencies caused by human intervention or natural disasters.
2. Notwithstanding the preceding paragraph, the entities responsible for activities causing potential environmental impacts must create and maintain a system of response to emergency situations.
3. The environmental management plans and environmental decommissioning plans, under the law, must contain provisions concerning the prevention of incidents and emergency response activities to avoid environmental degradation or damage.
4. In case of emergency, all citizens have a duty to notify local authorities of the event, to ensure public safety and minimize environmental degradation or damage.
5. Transitional environmental standards may be adopted applicable to specific emergency situations in order to facilitate the rehabilitation of affected areas, to prevent degradation or environmental damage and restore ecosystems and species.
6. The State shall promptly notify other States likely to be affected by an emergency situation occurring within the jurisdiction of Timor-Leste.

Article 52
Communication

1. Government entities must annually submit to the Ministry responsible for environmental stewardship a report on activities that have environmental implications.
2. The Minister responsible for the protection of the environment, submits, annually, to the Council of Ministers, a report on the state of the environment, taking into account the reports received under the preceding paragraph.

CHAPTER IX
Civil liability and infractions and criminal

Article 53
Strict liability

1. There is an obligation to compensate the injured party, regardless of fault, where the agent has caused damage to the environment.
2. Assessment of the severity of the damage and setting of quantitative compensation for environmental degradation or damage is done by the courts under general law.

Article 54
Public liability insurance

1. Liability insurance for compensation is encouraged for environmental damage or degradation.
2. Natural or legal persons engaged in activities that involve risk of environmental degradation or damage as determined by the environmental licensing system must hold liability insurance.

Article 55
Responsibility for infractions

1. Infractions of this law are considered misdemeanors punishable by fine, in terms defined by complementary legislation, harmonizing the various levels of administration depending on the seriousness of the offense.
2. The responsibility for infractions is independent of civil or criminal liability that might take place, under the law.

3. If the same conduct is both a crime and an infraction, the offender shall always be punished as a crime, subject to the penalties provided for the offense.
4. Depending on the severity of the offense and the culpability of the offender, the following additional sanctions may apply:
 - a. Prohibition to conduct a profession or activity;
 - b. Deprivation of the right to subsidies granted by public bodies or services;
 - c. Termination of licenses or permits relating to the conduct of his business;
 - d. Seizure and confiscation by the state of objects made or used during the offense;
 - e. Loss of tax benefits, credit benefits and financing lines of credit that were in place.
5. Negligence and intent are always punishable.
6. Without prejudice to criminal liability, legal and natural persons engaged in business without license or required legal authorization must:
 - a. Repay the state an amount equal to the market value of exploited natural resources and verified environmental degradation or damage, plus interest set by the responsible Ministry, in an amount not exceeding the legal rate.
 - b. Lose the right to any infrastructure or equipment used in such activities or remove such infrastructure or equipment or pay for their removal.
 - c. Clean all pollution resulting from activities or to pay for their removal.
7. The liability referred to in paragraph 8 may or may not be cumulative with a view to restoring the environment to the state it would have been if the activity had been carried out with the license.
8. A fine is applied for delays in complying with the legally applied infraction.

Article 56 Complaints

1. Natural and legal persons have the right to submit complaints to the competent authority about activities that cause environmental damage or degradation, which may constitute breaches of this law.
2. For purposes of the previous section, a decentralized system is created to receive complaints of environmental offenses and to ensure a rapid response to them and create a system of disclosure about the handling of complaints received.

CHAPTER X Dispute resolution, judicial protection, reparation and compensation

Article 57 Alternative Dispute Resolution

1. The State must promote the creation of a means of alternative resolution of environmental disputes, such as arbitration, conciliation, mediation, conciliation and, among others, and create the mechanisms and means to ensure their use, without prejudice to the following article.
2. Local communities can use local, legally recognized, institutions and mechanisms for alternative resolution of environmental disputes.
3. Resolution of environmental disputes shall not apply to environmental crimes.

Article 58
Jurisdictional Trusteeship

1. The Prosecutor General and any natural or legal person who feels threatened or harmed in their rights can defend the values protected by this law, through an action before the competent court of law relevant to the cessation of the threatening conduct or affecting values and compensation for damages that it may have resulted.
2. It is also open to any person, regardless of personal interest to sue, as well as foundations and associations that defend the interests involved and the local communities, the right to propose and act, in the manner provided by law, procedures and protective measures to uphold the values protected by this law.

Article 59
Repair, rehabilitation and compensation

1. The entities responsible for infringements of this law are obliged to restore to the prior situation, by rehabilitation of the degraded or affected ecosystem.
2. If offenders do not meet the above obligations within the indicated period, the authorities will arrange for demolition, and necessary construction work to restore the situation prior to the violation and rehabilitation at the expense of the offenders.
3. If it is impossible to restore the situation preceding the offense, offenders are required to pay special compensation to be determined by law and to the works required to minimize the consequences caused.
4. The compensation provided in the preceding paragraph shall be distributed equally among the affected communities.

CHAPTER XI
Final and Transitional Provisions

Article 60
International cooperation

The State must, under the principle of international cooperation, cooperate with other States for the shared management of transboundary components and environmental risks to achieve the objects set out in international conventions and agreements to which Timor-Leste is a party.

Article 61
International conventions and agreements

The regulations, standards and, generally, all matters included in the special legislation governing the implementation of this law takes into account the international agreements and conventions accepted and ratified by Timor-Leste which have to do with the matter in question, as well as the standards and criteria approved multi-or bilaterally between Timor-Leste and other countries.

Article 62
Environmental quality standards

To define environmental quality standards by law, the standards approved by the World Health Organization are applied.

Article 63
Environmental Audits

1. All activities at the date of entry into force of this Act which are in operation without application of environmental and social protection measures, resulting in known damage to the environment, are subject to environmental audits.
2. The costs of repairing the environmental damages eventually found by the audit are the responsibility of the person conducting the activity.

Article 64
Complementary legislation

The bases contained in this law are developed at the initiative of the Government, through the adoption of complementary legislation.

Article 65
Entry into force

This law enters into force the day following its publication.

Approved on __ of _____ 2011.

The President of the National Parliament'

Promulgated on __/__/201__

To be published.

The President of the Republic,
