



DEMOCRATIC REPUBLIC OF TIMOR-LESTE

BASE LAW ON ENVIRONMENT

Explanatory memorandum

Having the need for conservation and environmental protection as a duty of states, the IV Constitutional Government recognizes the importance of creating an environmental legal system capable of defining the principles and rules of conservation and environmental protection, sustainable use of natural resources and environmental management in a global and integrated approach that protects the fundamental rights of citizens of Timor-Leste.

With an expanding market economy, the environment and natural resources represent an important source of wealth and support economic growth and survival of communities. However, both require balanced and sustainable management that can provide citizens with more and better quality of life within a sustainable development framework.

The right to a clean and healthy environment is a universally recognized human right, and in this field, 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 right of citizens.

Thus, Article 6 of the Constitution of the Republic states that a key objective of the State is environmental protection and preservation of natural resources. Article 61, in turn, reiterates this goal and specifies that the State should promote actions to protect and safeguard the environment, recognizing, on one side the right of all citizens to safe, healthy and ecologically balanced human life, specifying the duty incumbent on all to conserve and protect the environment for future generations.

At the international level, Timor-Leste has ratified a series of international conventions such as the United Nations Framework Convention on Climate Change and the Kyoto Protocol, the International Convention to Combat Desertification, the Convention on Biological Diversity and the Convention of Vienna for Protection of the Ozone Layer and its Montreal Protocol. It is now recognized, so the responsibility falls on the state to implement obligations under these international instruments.

The approval of the Base Law on Environment is therefore necessary to establish a legal framework that responds to the constitutional imperative of environmental protection and international responsibilities simultaneously assumed by the state.

We also heard representatives of national and international associations for defense and conservation of the environment, advisors, and national and international experts, relevant ministries, various officials and leaders of public administration, and also carried out a public consultation process in the districts.

Thus,

The National Parliament decrees, pursuant to Article 96.1(h) of the Constitution, to serve as Law, the following:

CHAPTER I **General Provisions**

Article 1 **Definitions**

For purposes of interpretation and application of this Act, the following definitions are adopted, for the words and concepts used in its statement:

- a) **Activity:** Any action by public or private initiative, relating to exploration or the use of environmental components, the application of technologies or processes, policies, legislation, regulations, plans or programs that affect or could affect the environment.
- b) **Environment:** the set of physical, chemical and biological systems, and their relations with the economic, social and cultural factors, with direct or indirect effect, mediated or immediate, on living and quality of human life.
- c) **Protected Area:** an area of land or sea especially dedicated to the protection and maintenance of biological diversity, natural resources and associated cultural resources, managed through legal or other effective means.
- d) **Strategic Environmental Assessment:** a preventive instrument of environmental policy, supported and carried out by studies, consultation and assessment tools and environmental management that is aimed at decision-making on environmental sustainability and implementation of certain projects.
- e) **Biodiversity:** the diversity among living organisms from all sources including, inter alia, terrestrial ecosystems, marine and other aquatic ecosystems and the ecological complexes of which they are part, including diversity within species, between species and ecosystems.
- f) **Environmental components:** are the various elements that make up the environment and whose interaction allows balance, including air, water, soil, subsoil, living beings, renewable and non-renewable natural resources, and socio-economic conditions.
- g) **Degradation or environmental damage:** is the adverse change in the characteristics of the environment, and includes, among others, pollution, desertification, erosion and deforestation.
- h) **Sustainable development** is development based on effective environmental management that meets the needs of the present generation without compromising the environmental balance and the ability of future generations to meet their own needs.
- i) **Ecosystem:** a dynamic complex of plant, animal and micro-organisms and their nonliving environment interacting as a functional unit.
- j) **Erosion** is the detachment of the soil surface by the natural action of wind or water, which can be intensified by human practices of removing vegetation
- k) **Environmental management** is the planned, coordinated and directed process to making and implementing decisions to regulate the interaction of humans with the natural environment to ensure sustainable use of environmental components, due to protection of endangered species and their habitats and sustainable economic development.
- l) **Habitat:** any place or location that offers climate, physical and food conditions for reproduction and development of organisms and their populations.
- m) **Environmental impact:** a 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 particular area, resulting from the implementation of a project, compared with the situation that would have occurred during this period of time in this area if the project had not been implemented.
- n) **Spatial planning** is the integrated process of organizing biophysical space, aiming to use and transform the territory according to their capacity, vocations, maintaining the values of biological equilibrium and geological stability, with a view to maintaining and increasing its ability to support life.

- o) Environmental emission standards: the set of rules that define the maximum amount of a pollutant that can be discharged from a single fixed or mobile source.
- p) Environmental quality standards: the set of rules that define the maximum allowable concentration levels of pollutants allowed to environmental components.
- q) Pollution: the introduction as a direct or indirect result of human activity, of substances, vibrations, heat, light or noise in environmental components that could harm human health or the quality of the environment, result in damage to property, impair or affect the use and enjoyment and other legitimate uses of the environment.
- r) Genetic resources: This includes any material of plant, animal, microorganism or other origin, that have functional units of heredity of actual or potential value.
- s) Natural resources: includes all living and nonliving components existing in the ecosystem.
- t) Nonrenewable natural resources: includes all living and nonliving components existing in the ecosystem with finite nature and not subject to regeneration within a relevant time period for humans.
- u) Repair, rehabilitation, or restoration of environmental damage or degradation, including any activities to restore the environmental conditions existing prior to the determination of degradation or damage to environmental components.
- v) Hazardous waste is waste whose flammable, explosive, corrosive, toxic, infectious, radioactive, or other characteristics constitute a danger to human health and the environment.
- w) Waste: includes any waste, substances and / or material objects considered useless, superfluous, and / or no value, generated by human activity, commercial and industrial areas they need to be eliminated.
- x) Pollutants: are any gases and waste, including hazardous, which can temporarily or irreversibly alter the natural characteristics and qualities of the environment, interfere with their normal maintenance or evolution or have any harmful effect.
- y) Tara Bandu: it is a customary part of the culture of Timor-Leste, which regulates the relationship between people and the environment around them.
- z) Sustainable use: the use of environmental components in a balanced way, able to effectively meet the needs of present generations without compromising the balance of the environment and the possibility of future generations to meet their own needs.

Article 2

Purpose

This law defines the framework of environmental policy, the guiding principles for the conservation and environmental protection and conservation and sustainable use of natural resources to promote quality of life of citizens.

Article 3

Scope

1. This law and other environmental legislation are applicable throughout the national territory, including the land area, inland waters, territorial sea, the airspace over the territorial sea, as well as to its bed and subsoil and the Exclusive Economic Zone.
2. This law applies to natural and legal persons, national, international or stateless persons, residing or engaged in activities in Timor-Leste, including public entities.

Article 4

Objectives

The State is responsible to promote a healthy and ecologically balanced environment conducive to human health and well-being, and the preservation and sustainable use of natural resources, the definition and implementation of environmental policy, legislation, programs, plans and projects which aim, respectively at:

- a) The reduction of environmental pressures at each stage of the life cycle of natural resources, decoupling the use of these resources for economic growth, increased efficiency, while maintaining capacity for renewal and good ecological status, with respect to the principle of solidarity between generations, promoting a proper land management and safeguarding of the landscape;
- b) Improving the environmental performance of public and private entities;
- c) Ensuring the existence and effectiveness of mechanisms for environmental assessment of policies, plans, programs, projects and decisions which may have significant effects on the environment;
- d) The creation, development and management of hazardous areas, the protection of species and habitats, to ensure the conservation of nature and preservation of biodiversity and other environmental values, and the appreciation and conservation of natural heritage;

Article 5 **Guiding Principles**

The definition and implementation of environmental policy, of this law, other legislation, programs, plans and environmental projects should follow the following guiding principles:

- a) Principle of sovereignty: within the limits of its jurisdiction, the Democratic Republic of Timor-Leste is paramount to exploit its own resources, and is responsible to ensure that activities within its jurisdiction or control do not harm the environment of other States or areas beyond the limits of its jurisdiction.
- b) Principle of solidarity between generations: the environment must be protected and improved for the benefit of present and future generations.
- c) Preventive principle: Programs, plans or projects with environmental impact must anticipate, prevent, reduce or eliminate the primary causes and correct the effects which may alter the quality of the environment.
- d) Precautionary principle: the lack of full scientific certainty of the existence of a risk of serious or irreversible damage to the environment should not be used as a reason for postponing the adoption of effective measures to prevent or minimize the change in quality.
- e) Participatory principle: different social groups should be involved in environmental decision-making, the formulation and implementation of environmental policy and legislation, either through collective bodies which are represented, either through public consultations on specific projects that interfere with their interests or environmental equilibrium;
- f) Polluter pays principle: the costs of measures to prevent, combat, reduce and offset activities likely to cause a negative impact on the state of the environment are borne by the polluter;
- g) Principle of international cooperation: determines the search for joint solutions with other states, international organizations, governmental and private sector entities on national and cross-border issues of environment and conservation and use of natural resources and the fulfillment of the objectives of regularly ratified international conventions or agreements;
- h) Principle of integration: environmental policy should be integrated into other sectoral policies, so that, in their definition and implementation, the requirements of conservation and environmental protection, preservation, and sustainable use of natural resources are taken into account.
- i) Principle of seeking the most appropriate level of action: this implies that the implementation of environmental policy measures take into account the most appropriate level of action, be it international, national, regional, local or sectoral level.

Article 6 **Rights of Citizens**

1. Everyone is guaranteed the right to participate in conservation and environmental protection, either individually or through collective organizations.

2. Everyone is guaranteed the right of access to environmental information, under the law, without prejudice to the legally protected rights of others.
3. Everyone is guaranteed the right of access to environmental education to ensure effective participation of citizens in conservation and environmental protection.
4. Anyone who considers that the provisions of this Act or any legislative or regulatory environmental protection have been or are being violated has the right to use the courts to ask, in general terms of law, the cessation of the causes of violations and their compensation, regardless of whether he has suffered or could suffer damage or has any personal interest in demand.
5. The rights mentioned in this article extend to legal persons, with appropriate adaptations.

Article 7 **Duties of Citizens**

1. All citizens have a duty to conserve, protect and improve the environment and promote the conservation and sustainable use of natural resources for the benefit of present and future generations.
2. All citizens have a duty to participate in the mechanisms and processes of environmental decisions.
3. All citizens have the duty to preserve, protect and improve air, water, sea, soil and subsoil quality and biodiversity in order to promote sustainable development and quality of life of citizens.
4. All citizens who are aware of the activities, actions or omissions that constitute a threat to the environment, infringements of this law, any legislative or regulatory environmental protection shall inform the appropriate legal authorities.
5. The obligations 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 a customary part of the culture of Timor-Leste and as a traditional mechanism regulating the relationship between humans and the environment around them.
2. Actions of *Tara Bandu* can be carried out, according to the rituals instituted by local customary law that are intended to promote conservation and the environment, the conservation and sustainable use of natural resources, provided that such action is consistent with the objectives and principles established in this law.
3. Having carried out an action of *Tara Bandu* in accordance with this Article, the State must guarantee the effective protection of the area involved.

CHAPTER II **Responsible Bodies**

Article 9 **State Agency**

The state agency responsible for protection of the environment must, in accordance with the principle of integration, to establish a central institutional structure responsible for coordinating with other central, district or local public entities, policies, programs, plans, or projects with significant environmental effects.

Article 10
Collaboration

1. Public bodies in the exercise of their powers to develop legislation, programs, plans or projects likely to have a significant effect on the environment must take into account the provisions of this law.
2. The public bodies referred to in the preceding paragraph have the duty to collaborate and cooperate with the state agency responsible for environmental protection, and the implementation of environmental policy, to ensure the unity and uniformity in its application.
3. The state agency responsible for protection of the environment should promote coordination and planning of public policy development at central, district and local levels to ensure that they are compatible with the environmental policy.

Article 11
Community authorities

1. Notwithstanding the preceding paragraph, the State should promote the involvement of the community in conservation and environmental protection and the preservation and sustainable use of natural resources and their involvement in decision-making processes and in environmental activities.
2. The Community powers in the paragraph above are defined in separate legislation.

Article 12
Local Communities

1. The State recognizes the importance of involving local communities, either alone or together with non-governmental organizations, in the definition, implementation and monitoring of environmental policy and environmental decision-making processes.
2. The participation of local communities under the previous paragraph is done through public consultation, in accordance with law.
3. Notwithstanding the preceding paragraph, the State must create structures and communications media necessary for the participation of local communities in environmental decision-making, the sharing and exchange of information on the definition and implementation of environmental policy and legislation, and oversight of activities with environmental impacts.

CHAPTER III
Instruments and relations to other sectors

Section I
Instruments

Article 13
Strategic Environmental Assessment

1. The State shall ensure before the adoption of any policy, legislation, program, plan or project potentially causing impacts on the environment, the carrying out of a strategic environmental assessment to identify, describe and assess the significant environmental effects and to ensure the integration of environmental values in decision-making procedures.
2. Strategic environmental assessment is a of preventive nature, and should ensure that the implementation of policies, legislation, programs, plans or projects likely to produce significant environmental effects, avoid, minimize or compensate for these effects and are equipped with monitoring mechanisms to assess the state of the surrounding environment.
3. The assessment provided for in this Article is made in particular for agriculture forestry, fisheries, energy, industry, transport, waste management and water management, telecommunications, tourism, land management and use of soil and subsoil .

Article 14

Environmental Standards

1. The State should issue and publish standards of environmental quality for the following environmental components:
 - a. Water;
 - b. Sea;
 - c. Air;
 - d. Soil and subsoil;
2. The State should issue and publish standards for environmental emissions and discharge for the environmental components of the above paragraph, as well as light levels, vibration and noise allowable, applicable to the whole country or to particular areas for specific processes, industries, sectors or products.
3. The law defines the mechanisms for the enforcement of environmental quality and emissions standards, in view of the integrated control of pollution in the terms provided in this law.

Article 15

Environmental Assessment and Licensing

1. It is prohibited to implement of programs, projects or plans, under the responsibility or initiative of public or private institutions, which may affect the environment, the territory, the quality of life and health of citizens and environmental components, which are not in accordance with the system of environmental assessment and licensing and do not have the necessary license, under the law.
2. For the purposes of the preceding paragraph, the law defines the system of environmental assessment and licensing which applies to programs, plans or projects, public or private in nature, size, impact, scale, characteristics or location have effects on the environment, territory, the quality of citizens life and health, and environmental components.
3. The system of environmental assessment and licensing shall provide, among other things:
 - a. The procedures for conducting technical analysis of the programs, plans or proposed projects;
 - b. The guiding principles of decision-making;
 - c. The procedures for public consultation and participation of citizens in decision-making;
4. The law defines the mechanisms for monitoring the implementation of programs, plans or projects subject to environmental assessment and licensing system during the various stages of construction, completion and decommissioning.

Article 16

Environmental Monitoring

1. The State is will create a transparent, comprehensive and decentralized environmental monitoring system able to exercise integrated control of pollution, assess the quality of environmental components, the state of exploitation of natural resources, environmental impacts caused by economic activities and to collect information needed to comply with this law.
2. The monitoring process provided for in paragraph one shall include:
 - a. Periodic collection and analysis of samples of air, surface water, groundwater and sea water, soil and subsoil;
 - b. Periodic review of the management of all types of wastes and their impact on the environment;
 - c. The identification of cross-border environmental impacts in the country.
3. Environmental monitoring is the responsibility of the State, without prejudice to the possible intervention of outside independent entities, as defined by law.

Section II
Relationship with other sectors

Article 17
Mainstreaming and integration

The implementation of environmental policy should be integrated into other public sector policies, including policies for agriculture, forestry, fisheries, energy, industry, transport, waste management and water management, telecommunications, tourism, land use territory, and the use of soils and subsoils.

Article 18
Spatial planning

1. The State should ensure a smooth and proper organization and use of national territory, in terms of its valuation, in order to safeguard and promote the principles and objectives of environmental policy with a view toward sustainable economic, social and cultural development.
2. Territorial planning and management should consider the specific needs of residential areas, including the creation of basic infrastructure, sanitation, waste disposal, toxic waste, water treatment, control of sound, light and vibration pollution, and the preservation of green areas.
3. In planning and building of commercial industrial zones, the specific environmental needs of each area should be taken into account, ensuring the compliance with environmental standards for pollution control, noise, water and air, light and vibration especially when burning fuels, industrial, agricultural and domestic.
4. The ordering and planning of inland areas should frame the need for integrated management of water resources, taking into account any impact they may have on coastal areas.

Article 19
Energetic and Industrial

1. The implementation of environmental, energy and industrial should be made compatible and complementary in order to promote the sustainable use of energy sources and renewable resources, energy efficiency and the encouragement of environmentally sustainable economic activities and generate value.
2. The State will define and implement a strategy for alternative energy production to ensure national energy security that would:
 - a. The production, promotion and encouragement of use of clean technologies and alternative energy from renewable natural resources;
 - b. The conduct of research on appropriate technologies for energy efficiency in urban and rural areas;
 - c. The phased increase in the use of alternative energy in total consumption of energy produced;
 - d. International cooperation and investment in production and consumption of energy from alternative sources.
3. The rules on the promotion, use and distribution of alternative energy should be integrated into the national strategy for the energy sector and in national development and poverty reduction.

Article 20
Agriculture, Forestry and Fisheries

The implementation of environmental, agricultural, forestry and fisheries policies should be compatible and complementary in order to foster the development of economic activities and the means of rural and maritime areas and the sustainable use of natural resources, including the soil, water and sea.

Article 21

Tourism

The implementation of environmental policy and tourism policy should be made compatible and complementary in order to promote the use of the natural heritage as a source of wealth, appreciation and preservation practices by promoting environmentally sustainable tourism.

CHAPTER IV

Protection, conservation and sustainable use of environmental components

Article 22

Protection, conservation and sustainable use

1. The State shall promote the protection, conservation and sustainable use of environmental elements for the benefit of all citizens through the implementation of policies, legislation, programs, plans and projects needed for their sustainability and regeneration.
2. The law defines rules on the protection, conservation and sustainable use of environmental components, taking into account their particular features and their integration into social, economic and cultural surroundings.
3. Without prejudice to the polluter pays principle and due environmental responsibility, the state must promote the repair of different environmental components affected by pollution or contamination to ensure their preservation, with a view to their sustainable use.

Article 23

Air

The State will create necessary mechanisms to protect, maintain and improve air quality within quality and environmental emission standards, defining and adopting appropriate measures for integrated control of air pollution, production, use, import or export of substances that have harmful effects on the ozone layer, in order to prevent and reduce the harmful effects of air pollution on human health and environmental components.

Article 24

Surface and groundwater

1. The State shall protect, conserve and improve the quantity and quality of surface water and groundwater and promote the sustainable use of water resources by adopting an integrated water management plan that includes, inter alia:
 - a. Access to and sharing of water resources by different users;
 - b. River basin management;
 - c. Regulation of well drilling;
 - d. Regulation of water use for agricultural, industrial and mining activities;
 - e. Prevention of pollution and contamination of water resources;
 - f. Incentives for carbon capture and rainwater storage or other measures to conserve water resources;
 - g. Construction of dams and water diversion for various purposes;
 - h. Participation of the local community and particularly of women and water management;
 - i. Mechanisms for conflict resolution.

Article 25

Seacoast

1. The State shall ensure the integrated management of marine coast as the basis for the conservation, protection and sustainable use of marine resources, ecosystems and marine species.

2. The definition of an integrated management plan of the sea coast must take into account the limits of natural processes and long-term equilibrium of environmental, economic, social, cultural and recreational components, including:
 - a. The control and prevention of pollution and the discharge of wastes from land or sea sources;
 - b. The regulation of fishing and aquaculture;
 - c. The measures necessary for adaptation to climate change;
 - d. The measures in response to natural disasters;
 - e. Measures to promote ecotourism.
3. It is strictly forbidden to use explosives, poisons or other toxic substances in the exploitation of marine ecosystems and species.

Article 26 **Soil and subsoil**

1. The State through the development and implementation of an integrated policy, will ensure the conservation, protection, sustainable use and restoration of soil and subsoil to prevent their degradation, erosion and pollution and ensure their productive capacity.
2. The State shall encourage the implementation of measures to promote the adoption of alternative methods to the use of agronomic crop production.
3. The government should implement necessary preventive and healing measures to prevent and minimize the effects of soil erosion and subsoil in order to ensure their productive capacity.
4. The definition of a plan for the management of soil and subsoil must take into account:
 - a. Prevention and reduction of land degradation;
 - b. The rehabilitation of partly degraded land;
 - c. The recuperation of degraded land.
5. The definition and implementation of the integrated soil and subsoil management plan should be done in a manner consistent with and complementary to the policy of spatial planning and sectoral plans, including agriculture, forestry, tourism, industry, transport, waste management and water management.

Article 27 **Conservation of biodiversity**

1. The State shall define and implement a strategy to ensure conservation of biodiversity:
 - a. The protection and conservation *in situ* and *ex situ* populations of species and their habitats, and ecosystems;
 - b. Reproduction in quality and quantity of the species, especially threatened and endangered species;
 - c. The rehabilitation and restoration of degraded habitats and ecosystems and recovery of threatened or endangered species;
 - d. The creation and maintenance of a national system of protected areas ensure the ecological coherence of the territory and the continuity of species and ecosystems;
 - e. Access and equitable sharing of benefits arising from sustainable use of genetic resources and traditional knowledge.
2. All necessary measures should be taken to ensure the proper development, handling, transport, use, release, transfer internally or across borders of any genetically modified, living organism to prevent and minimize risks to biological diversity and human health.

Article 28
Species and ecosystems

1. The State must ensure the protection, conservation and sustainable use of terrestrial, coastal, marine, wetlands or other aquatic species and ecosystems and their components, through the adoption of targeted measures, in particular:
 - a. The maintenance and regeneration of the species through habitat and damaged ecosystem restoration;
 - b. The control of threats and invasive, exotic species and the activities and the use of substances which may degrade and affect species and their habitats;
 - c. The control or use of substances which may degrade or harm species and their habitats.
2. Terrestrial, coastal, marine, wetlands or other aquatic species and ecosystems that are threatened or endangered due to their genetic potential, size, age, rarity, scientific and cultural value, are in need of special protection, are subject of specific legislation.
3. Are still defined by separate statute:
 - a. The regime of domestic and international trade of endemic and endangered species;
 - b. Appropriate measures for the conservation of wetlands and their ecosystems;
 - c. Appropriate measures for conservation and protection of estuaries;
 - d. Appropriate measures for conservation and protection of mangroves and the underlying ecosystems;
 - e. Appropriate measures for conservation and protection of corals, coral reefs and the underlying ecosystems.

Article 29
Environmental Heritage

The State shall promote the adoption of policies, programs, plans or projects designed to prevent degradation, and adopt permanent measures of defense, recovery and preservation of environmental assets, including the natural, cultural, historical and landscape, ensuring appropriate community involvement.

Article 30
Extractive industry

1. The special legislation applicable to the mining sector does not affect the application of this law to the activities therein.
2. Without prejudice to special legislation, the extraction of nonrenewable natural resources must be made in a sustainable manner, in certain areas specifically for this purpose and in accordance with other legislative requirements.
3. The law shall determine, taking into account the size and volume of extraction, measures to minimize and mitigate the direct and cumulative environmental impact of extractive activities on the environment, including:
 - a. Integrated management and monitoring of extractive activities to ensure compliance with the law;
 - b. The adoption of mandatory environmental measures in contracts for the extraction of natural resources;
 - c. The establishment of environmental quality and emission standards at all stages of extraction, especially in its completion;
 - d. The establishment of environmental management plans at all stages of extraction, especially in its completion;
 - e. Minimising environmental impact where mining activities are carried out near a protected area.
 - f. Measures to respond to accidents during development activities.

Article 31
Extraction of sand and gravel

1. The special legislation applicable to the extraction of sand and gravel shall not affect the application of this law to the activities therein.
2. Notwithstanding the preceding paragraph, the extraction of sand and gravel from rivers, river beds, beaches or any other area, can only be made in areas specifically designated for the purpose, subject to compliance with the law, upon obtaining approval for the purpose from the competent authorities and upon payment of a fee, if applicable.
3. The costs of rehabilitation of the area subject to environmental degradation or damage arising from the process of extracting sand or gravel are the responsibility of the extractor.

CHAPTER V
Pollution and Waste Management

Section I
Pollution

Article 32
Pollution control

1. The state must ensure that appropriate measures are taken to avoid, minimize and reduce the production of damage, environmental degradation, risks to public health, peace and human welfare, for the environmental components and the ecological sustainability of economic development caused by pollution.
2. The release, discharge, contamination or the introduction of any form of polluting substances in water, sea, air, soil, subsoil or in any other environmental component, is subject to quality and emission standards and other environmental legislation, in compliance with the provisions of this law.
3. Human activities should be conducted using the best available techniques and best environmental practices to ensure the prevention of emissions and waste production and minimize its negative effects.

Article 33
Air pollution

1. The release of greenhouse gases or other pollutants into the atmosphere must be reduced, controlled and maintained within the limits set by environmental quality and emissions standards and other legislation in force.
2. All facilities, machinery, equipment, transportation, buildings or any other activity that may affect air quality must be equipped with filters and elements to reduce and neutralize pollutants, under the law.
3. The importation and production of controlled substances, as defined in the Montreal Protocol on substances that deplete the ozone layer, is prohibited.

Article 34
Climate change

The State should implement measures for mitigation and adaptation to climate change to promote the reduction of emission of greenhouse gases into the atmosphere, or their removal by sinks and minimize the negative effects of climate change impacts on biophysical and socioeconomic systems.

Article 35
Water Pollution

1. The release or discharge, by sea or land, of any pollutants into rivers, lakes, ponds, groundwater, sea or any current or local water storage should be reduced, controlled and kept within the limits defined by the standards of environmental quality and emissions and other legislation.
2. The State shall build and maintain the necessary means to ensure the treatment and control of water pollution, including that from torrential rains.

Article 36
Noise and vibration

The issue of noise and vibration arising from domestic, commercial, industrial, construction and means of transport activities that adversely affect public health, peace and human welfare and environmental components, especially in residential areas, must be kept within the limits set by the standards of environmental quality and emissions and other legislation in force.

Article 37
Visual pollution

1. The existence of any type of light, steady or intermittent by its size, characteristics or location that may disrupt or have adverse effects on public health, peace, well-being, environmental components, especially on endangered species or species in the process of extinction, should be kept within the limits set by the standards of environmental quality and emissions and other legislation in force.
2. The State shall build and maintain the necessary means to control visual pollution resulting from economic activities, including advertising or other activities with harmful effects on the countryside.

Article 38
Hazardous chemicals

The import of hazardous chemicals is subject to prior informed consent by the State, under the conditions prescribed by law.

Section II
Waste

Article 39
Solid Waste Management

1. The law defines the mechanisms of collection, transportation, storage, processing, reduction, reuse and recycling of solid waste, in compliance with the provisions of this article.
2. It is the responsibility of public bodies to collect, transport, storage, process, reduce, reuse and recycle solid household and commercial waste.
3. The collection, transport, storage, processing, reduction, reuse and recycling of solid waste from hospitals, due to industrial and construction activities or any others not foreseen in the previous paragraph is the responsibility of the producer, in accordance with the law.
4. It is the responsibility of every citizen to ensure that the solid waste disposal is done at the locations indicated for the purpose.
5. Mechanisms and the necessary means should be established to ensure the use of solid waste as a source of alternative energy production.

Article 40
Landfills

1. It is the responsibility of the state to create and maintain landfill sites as sites designated specifically for controlled storage, above or below the natural surface, of waste generated by human, commercial or industrial activity, built using the appropriate methods and technologies in order to prevent contamination of groundwater and prevent negative impacts on public health and well-being, environmental components and promote environmental sustainability.
2. The discharge of wastes can only be made in locations determined specifically for this purpose by the competent authorities and the conditions authorized under the law.

Article 41
Wastewater

1. The state creates the necessary mechanisms and means to ensure proper treatment of domestic wastewater, commercial and industrial wastewater and sewage, with a view to preserving the quality of fresh water, surface water, groundwater, and the sea.
2. Any establishment or installation which evacuates waste water is required to ensure its decontamination, according to the environmental standard set for this purpose.

Article 42
Hazardous waste

1. The importation of hazardous waste is prohibited.
2. The identification, control, production, transportation, storage, export and use of hazardous waste is subject to special legislation.

CHAPTER VI
Financial measures and economic instruments

Article 43
Budget

1. The environment should be considered, in planning and budget of the state, as a national priority.
2. The annually approved general government budget should provide details of suitable activities for conservation and environmental protection, and designate finance for the costs of recovery and rehabilitation of the environment caused by natural disasters and emergencies.

Article 44
Environmental fund

1. It is created by law, an environmental fund, managed jointly by the relevant Ministry and the Ministry of Finance, to finance the environmental management, conservation and protection.
2. The environmental fund is created through a single budget allocation for this purpose.
3. Besides the provisions in the preceding paragraph, the following shall constitute revenue of the environmental fund, including:
 - a. Contributions from national and international sources according to their conventions;
 - b. The amount paid for environmental infractions under law.
 - c. The environmental fees charged under law;
 - d. The provision of financial guarantees provided under the principle of environmental responsibility;
 - e. Values may come from donations, contractual obligations, or any revenue sources.

Article 45 **Fees**

In addition to the fees provided for the licensing process, the law may establish specific fees for services provided by the environment.

Article 46 **Economic instruments**

1. The state must ensure that appropriate measures are taken to:
 - a. Determine the economic value of environmental components of the country and based on it, determine the 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 evaluation of environmental components and depreciation of environmental components in gross domestic product;
 - c. Promote the development of investment in environmental sustainability services to be offered and produced in Timor-Leste with environmentally sustainable technologies;
 - d. Promoting investment in the development and use of 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 industrial mechanisms created by international agreements ratified by Timor-Leste.

Article 47 **Exemptions and benefits**

1. Can be created by law benefits and tax exemptions to promote:
 - a. The transfer of clean and environmentally sustainable technologies;
 - b. Production and import of machinery, equipment and means of transport that use clean and environmentally sustainable technologies;
 - c. Domestic and external investment which use clean and environmentally sustainable technologies;
 - d. Production or import of alternatives to the use of chemical pesticides and fertilizers;
 - e. Creating a system of payment for environmental services;
 - f. Investing in activities that contribute to environmental economic sustainability.
2. The law defines the forms of revocation of benefits granted in the preceding paragraph, especially as they are used with a purpose contrary to that which they are intended.

Article 48 **Access and benefit-sharing**

The law defines the forms of access and equitable distribution of tangible and intangible benefits arising from the sustainable exploitation of environmental components and natural resources for the communities located in the area of exploitation.

CHAPTER VII **Environmental information and education**

Article 49 **Environmental information system**

1. The State shall establish an environmental information system containing the state of environmental components, the exploitation of natural resources and the identification of

programs, plans and projects likely to have significant impact on public health and well-being, environmental components and ecological sustainability.

2. The environmental information system under the previous paragraph is intended to facilitate the systematization, access, distribution and sharing of environmental information, to promote environmental education and citizen participation in decision-making in conservation and environment and natural resources protection.
3. The environmental information system will be managed by a public entity responsible for collecting, processing, systematization and dissemination of relevant environmental information in a clear and accessible form to the general public.
4. Other public or private performance entities with duties to provide services or develop programs, plans and projects related to the environment have the duty to cooperate and provide relevant information with the entity referred to in the preceding paragraph and without prejudice to legally protected, third party rights.

Article 50

Access to environmental information

1. The systematized environmental information in the preceding article or any other relevant information should be freely accessible to the general public in the official languages, without prejudice to confidential information in accordance with the legal provisions.
2. For the purposes of the preceding paragraph, the law defines the mechanisms to ensure the provision and consultation to the public sufficient information on programs, plans or projects subject to environmental licensing, environmental licensing and strategic environmental assessment in order to realize for fundamentally environmentally sound choices.

Article 51

Environmental reports

1. Public entities that develop programs, plans or projects with significant environmental effects must submit an annual report thereof to the ministry responsible for environmental protection.
2. The ministry responsible for environmental protection shall submit an annual report to the council of ministers on the state of the environment, taking into account the reports received under the preceding paragraph.
3. The reports referred to in the preceding paragraphs shall be published for consultation in the official languages.

Article 52

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 matters of conservation and environmental protection systems in formal and non-formal education and media systems.
2. Education and environmental training programs are made jointly by the ministry responsible for education, training and environment.

Article 53

Civic education

Civic education about the environment should be organized on a permanent basis, in successive campaigns directed at civil society in general and civil servants in particular, to increase everyone's knowledge and awareness of the need for conservation and protection of the environment, preservation and sustainable use of natural resources.

Article 54
Scientific and technological research

The state must encourage, promote and finance scientific and technological studies and research oriented toward optimization, conservation, protection and sustainability of environmental components, biodiversity and natural resources and the prevention of environmental degradation or damage.

CHAPTER VIII
Enforcement, emergency, liability insurance and warranty

Article 55
Enforcement and monitoring

1. The state must create mechanisms and resources needed to implement this law and to establish a decentralized system of environmental enforcement, in compliance with the provisions of this article.
2. The environmental enforcement can be triggered at any time whenever there are indications of breaches of environmental legislation.
3. Public entities, citizens and legal persons are subject to the duty to cooperate with the authorities responsible for environmental enforcement, under the law.
4. The public body responsible for environmental enforcement may, whenever it is concerned there are violation of environmental laws, issue guidelines for the enforcement of law and order the violator to cease polluting activities, cleaning and rehabilitation of the site subject to environmental damage or degradation, or issue any other orders as may be appropriate for the replacement of the status before the event that caused the injury.
5. Any attempt to interfere in the activities of environmental enforcement, provision of false information or failure to follow the guidelines and orders prescribed in the preceding paragraph is subject to administrative sanction or criminal prosecution under the law.

Article 56
Citizen participation in environmental enforcement

1. For purposes of paragraph three of the previous article, the State must promote the participation of public entities, citizens and legal persons in the process of implementing this law and environmental enforcement, including through the establishment of mechanisms for receiving allegations of suspected violations of environmental legislation.
2. For the purposes of the preceding paragraph, the law defines a decentralized and transparent system for the receipt of allegations of environmental violations to ensure their registration and a rapid response from the relevant departments.

Article 57
Emergencies

1. The State shall establish an integrated system of prevention and response to environmental emergencies caused by human intervention or natural disasters that cause damage, harm or imminent threat of a very significant danger of serious, irreparable damage to the environment.
2. The previous paragraph does not exempt the authorities responsible for activities causing potential damage, imminent threat of harm or a very significant danger of serious, irreparable damage to the environment, from maintaining a response system for environmental emergencies.
3. Management plans and plans for environmental decommissioning required under the law must include provisions relating to incident prevention and emergency response, to prevent damage from occurring, imminent threat of damage or a very significant danger of serious, irreparable damage to the environment.

4. Whoever suspects or detects the existence of an environmental emergency is obliged to notify the public entities of the occurrence of the event to ensure public safety and prevent damage from occurring, imminent threat of damage or a very significant danger of serious, irreparable damage to the environment.
5. Transitional environmental measures may be adopted specific to emergency situations in order to facilitate the rehabilitation of affected areas, prevent damage from occurring, imminent threat of damage or a very significant danger of serious, irreparable environmental damage, and restore the ecosystems and species.
6. The State shall promptly notify other states which may be affected by an emergency situation occurring within the jurisdiction of Timor-Leste.

Article 58
Public liability insurance

1. Those who implement programs, projects or plans that involve risk of harm, imminent threat of harm or a significant danger of serious damage to the environment irreparably must hold liability insurance.
2. The obligation in the preceding paragraph shall apply to programs, projects or plans subject to the terms of the environmental assessment and licensing under the law.

Article 59
Guarantee

1. The programs, plans and projects provided subject to environmental assessment and licensing, may be subject to a deposit guarantee, designed to deal with any negative environmental impacts, including environmental disasters that may occur during the construction, implementation or dismantlement.
2. The guarantee provided under this Article is returned with the dismantling of activities which have taken place without negative environmental impacts.
3. The law defines the terms of provision of the guarantee provided in this article.

CHAPTER IX
Liability and legal protection

Section I
Responsibility

Article 60
Liability for infraction

1. Infractions of this law are considered misdemeanors punishable by a fine whose minimum and maximum is set by law depending on the seriousness of the offense.
2. The liability for infraction is independent of civil or criminal liability that might take place, under the law.
3. If the same conduct is punishable under both the crime and offense, the offender will always be punished as a crime, without prejudice to the sanctions provided for the offense.
4. Negligence and attempts are always punishable.
5. The State should develop guidelines and guidelines for assessing environmental damage for the purposes of determining liability of the offender.

Article 61
Strict liability

1. There's obligation to pay compensation, regardless of fault, if an agent has caused damage to the environment.

2. Assessment of the severity of the damage and the determination of quantitative compensation is made by the courts, in general terms of law, taking into account the provisions of paragraph five of the previous article.

Article 62
Additional Sanctions

1. The following sanctions may apply for violations of this law and other environmental legislation, without prejudice to the following article:
 - a. Prohibition to exercise a profession or activity;
 - b. Revocation of licenses or permits to exercise activity;
 - c. Seizure, loss or removal to the state of objects or equipment used or produced at the time of the offense;
 - d. Loss of entitlement to subsidies granted by public bodies or services;
 - e. Loss of tax benefits, the benefits of credit and financing lines of credit institutions which had been in effect;
 - f. Restitution to the State of an amount equal to the market value of natural resources exploited in violation of the provisions in environmental legislation, and environmental degradation or verified damage, plus interest;

Article 63
Repair, rehabilitation and compensation

1. Whoever, in violation of laws or regulations, causes damage to one or more environmental components, is obliged to restore to the status before the act which caused the harm, notwithstanding the provisions of Article 60.
2. Whenever the duty of restoration of the previous paragraph is not voluntarily complied with, the competent authority will arrange for demolition, construction and necessary work to restore to the situation prior to the violation and rehabilitation at the expense of the offender.
3. If it is not possible to return to the status before the event that caused the injury or is not possible to adopt other measures to this restoration, the offender is liable to pay compensation in accordance with general law.
4. The compensation provided for in the preceding paragraph shall be distributed equitably between the local communities affected.

Section II
Judicial

Article 64
Jurisdictional trusteeship

1. The Public Prosecutor shall take action before the competent courts for the protection of the environment, implementation and enforcement of this law and other environmental legislation.
2. Any natural or legal person who feels his rights are threatened or prejudiced is entitled to go to court to ask for the cessation of conduct which threatens or prejudices his rights, and for compensation and jurisdiction under general law.
3. It also recognized the legitimacy of any person, regardless of personal interest in demand, as well as associations, foundations and local communities to propose and act on key processes and protective measures for environmental protection.
4. All interested members of the public have legal standing to challenge the substantive or procedural legality of any decision, act or omission of public entities.
5. The right of access to court under this article may be directly carried out without prior administrative review.

Article 65
Alternative Dispute Resolution

1. It is for the State to foster the creation of means of environment alternative dispute resolution, such as arbitration, conciliation and mediation, and create mechanisms and resources to ensure their use, without prejudice to the preceding article.
2. Local communities can use local institutions and mechanisms recognized for environmental alternative dispute resolution, regarding the purposes and principles established in this law.
3. Resolution of environmental disputes shall not apply to environmental crimes.
4. The preceding paragraphs shall not prejudice the right of appeal to the competent courts of the Democratic Republic of Timor-Leste, under the law.

CHAPTER X
Final and transitional provisions

Article 66
International cooperation

The State shall, in accordance with the principle of international cooperation and general principles of international law, cooperate with other States, for the management of shared components and cross-border environmental risks and to meet the targets set out in regularly ratified international conventions and agreements.

Article 67
International conventions and agreements

The regulation of this law and approval of environmental legislation should take into account the international conventions and agreements regularly ratified by Timor-Leste.

Article 68
Environmental quality standards

In addition to definition of environmental quality standards in domestic law, environmental quality standards approved by the World Health Organization are applied.

Article 69
Environmental Audits

1. All programs, plans and projects undertaken by public or private entities, which as of the date of entry into force of this Act are operating without the application of environmental protection measures, resulting in the knowledge that damage, imminent threat of damage or a significant risk of serious irreparable harm to the environment, are subject to environmental audits.
2. Audits carried out in the preceding paragraph to confirm the existence of damage to environmental components should identify the necessary rehabilitation measures and establish a plan for long-term management.
3. The audit process is triggered by an indication of the ministry responsible for environment on its own motion or on request.
4. Environmental audits are carried out by an independent body and submitted to the ministry responsible for environment.
5. The costs of repairing environmental damage eventually found by the audit are the responsibility of the executors.
6. The result of audits undertaken is independent of the civil, administrative or criminal proceedings that may take place to comply with the obligations prescribed by law.

Article 70
Complementary legislation

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

Article 71
Revocation

All legislation inconsistent with this law is hereby repealed.

Article 72
Entry into force

This law shall enter into force on 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
