



MINISTRO DE ESTADO
COORDENADOR DOS
ASSUNTOS ECONÓMICOS



Gabinete do
Ministro

Guide for Economic Reform and Growth for Timor-Leste 2015 - 2017

What is the SDP vision for 2030?

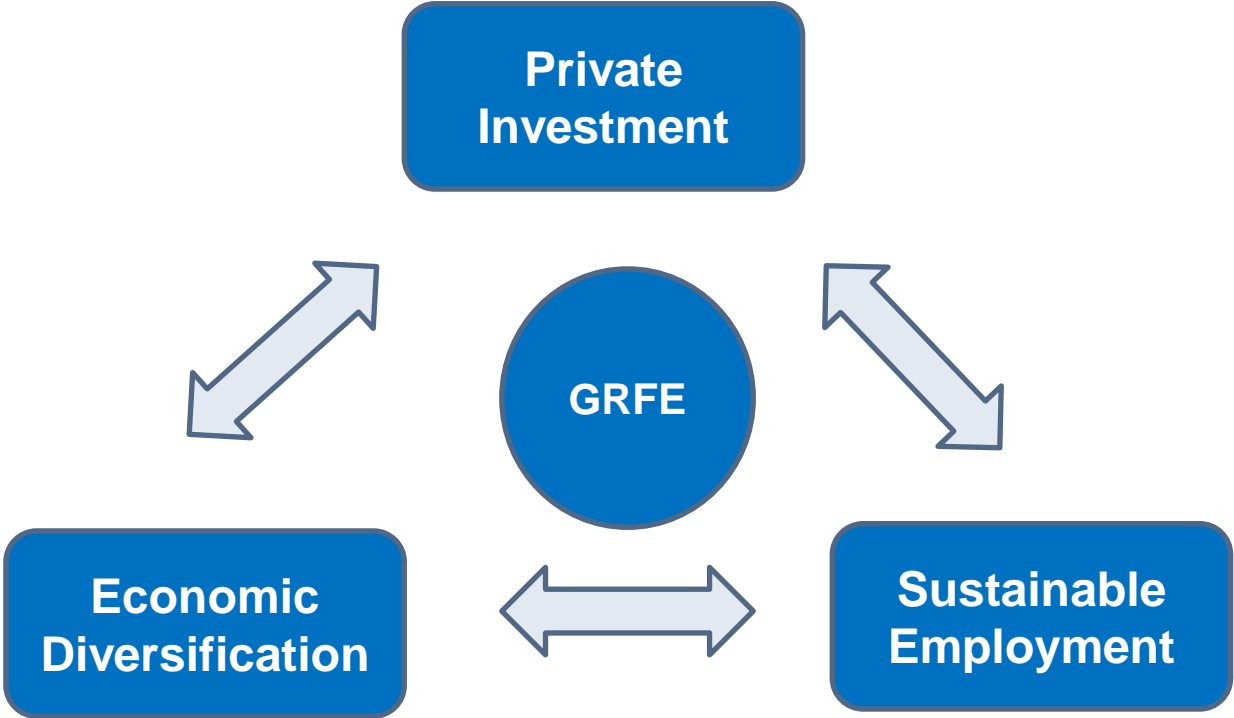
“The economic vision of the SDP is that by 2030, Timor-Leste will be part of the group of the middle-upper income countries, extreme poverty will be eradicated and a non-oil sustainable and diversified economy will be established. (in SDP 2011-2030)”

Where does the GRFE come from?

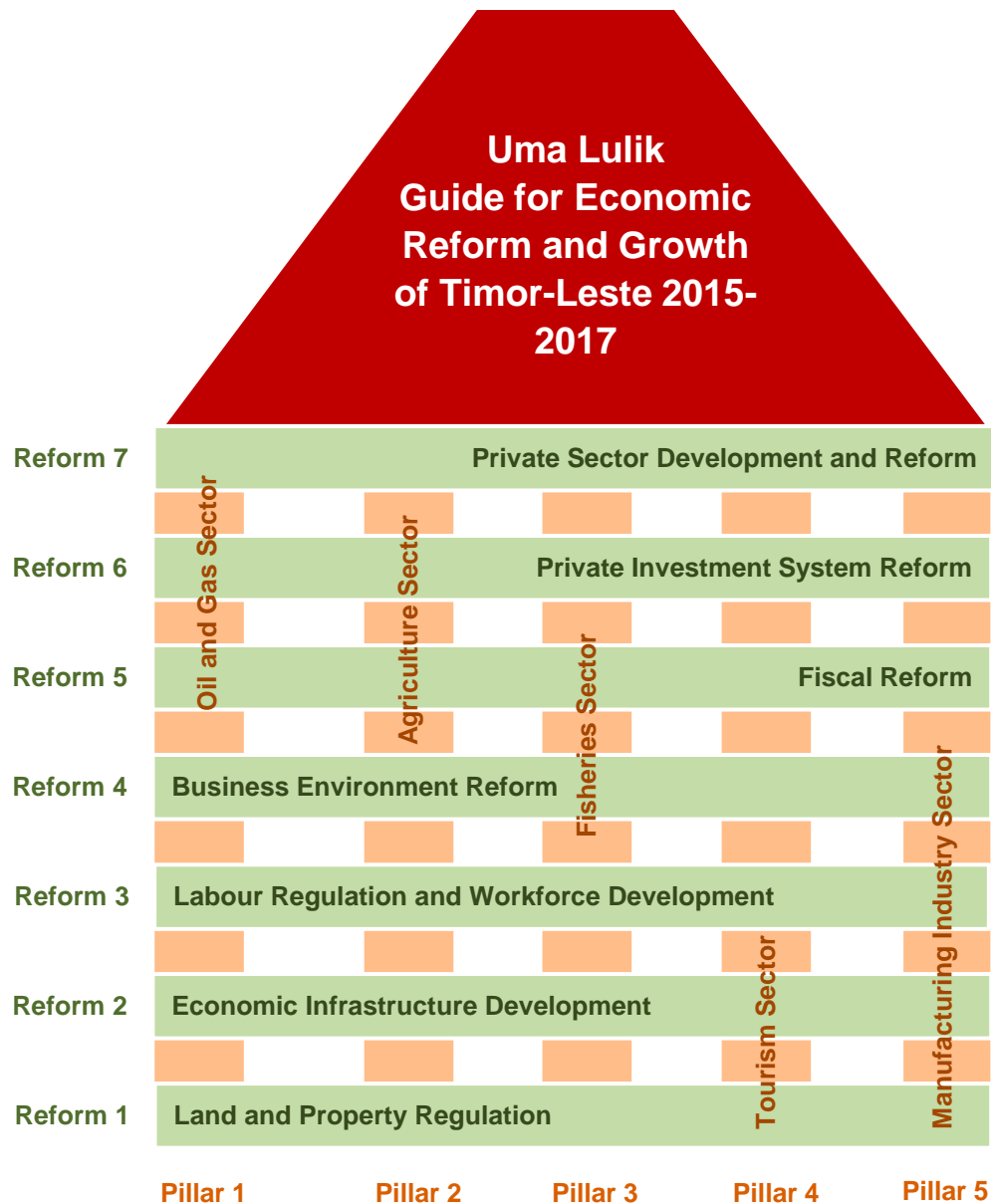
GRFE is framed within two guiding strategic documents, proposed by the Government and approved by the National Parliament:

- The Sixth Constitutional Government Program,
- The Strategic Development Plan of Timor-Leste 2011-2030.

Objectives of the GRFE



Graphic Representation of the GRFE



Progress and Status Report on the Implementation of GRFE

✓ Pillars 2 and 3: Agriculture and Fisheries

- Developed an economic model to estimate the potential production of the forestry sub-sector. Presented the model to Council of Ministers.
- Using the model developed for forestry to estimate potential production in coffee, industrial crops, livestock, horticulture and fisheries.
- In conjunction with MAP, preparing Investment Plans for the Forestry and Coffee sectors.

✓ Pillar 4– Tourism

- Developing an economic model to estimate current impact of tourism expenditure in the economy and forecast potential of the sector.
- In conjunction with Ministry of Tourism and ILO, developing a Tourism Policy for Timor-Leste.

✓ Pillar 5 – Manufacturing

- Developing an economic model to estimate current impact of manufacturing in the economy and forecast potential of the sector.
- In conjunction with Ministry of Commerce, Industry and the Environment, finalizing the Industrial Policy for Timor-Leste.



Progress and Status Report on the Implementation of GRFE

✓ Reform 1 - Land and Property Regulation

- Contributed to passing the Land Law through the Council of Ministers and participating in lobbying in Parliament.

✓ Reform 2 - Economic Infrastructure

- Construction of Tibar Port – contract has been awarded
- Proposed Industrial Park in Tibar - studies underway
- Rural Road Master Plan completed

✓ Reform 3 - Labour Regulation and Workforce Development

- Revising the National Employment Strategy and Action Plan in conjunction with SEPFOP and ILO.
- Working with GIZ in a preparation of revising a Labour Law. (Background assessment on the implementation of the Labour Law to be ready in September)



Progress and Status Report on the Implementation of GRFE

✓ Reform 4 – Business Environment Reform

- Undertaking an assessment of the business enabling environment. Following the assessment, MECAE will develop a policy action plan to improve the business enabling environment.
- Revising the legal regime for business registration and SERVE(Decree Law), and its regulations (Government Decree).
- Revising a Company Law n.º 4/2004 and is on the National Parliament to be approved;
- Policy discussion for insolvency and bankruptcy law to be prepared;
- Policy discussions for competition law to be prepared;
- Policy discussions for a commercial code to be prepared.



Progress and Status Report on the Implementation of GRFE

- MECAE working currently with IFC on revising SERVE's Decree Law

✓ Reforms 6 and 7 – Private Investment System Regime and Private Sector Development

- Revising Private Investment Law. It's going to be submitted to Council of Ministers
- Working currently with ADB on preparation of the Government Decree of negative list for investment.
- Export Promotion Law to be discussed in the NP and Government Decree to regulate export promotion to be approved in CoM
- Approved the Decree Law for designation and rules of origin (waiting promulgation) Government Decree to regulate to be approved in CoM
- Working with IFC on revising business licensing system (Decree Law).
- MECAE will present the draft of the Arbitration, Mediation and Conciliation Law for commercial litigation separately with the draft of the Ministry of Justice.

Progress and Status Report on the Implementation of GRFE

✓ Leading Council of Ministers Resolutions

- Investment Resolution of TL cement;
- Creation of the resolution of the Trade Facilitation Committee in collaboration with the Ministry of Finance;
- Proposed Resolution, in consultation with MNEC, to strengthen the initiative for Timor-Leste's accession to ASEAN.

Legislation Priority during 2016

Laws for Parliament approval

- Private Investment Law
- Export Promotion Law
- Company Law
- Fiscal Laws (General and VAT)
- Land and Property Law
- Spatial Planning Act
- Arbitration and Mediation Law
- Regime Act
- Offenses
- Insolvency Law and Company Restructuring
- Mobile and Immovable Property Guarantees Act

Laws for Council of Ministers approval

- Government Decree to regulate Private Investment
- Government Decree to regulate the Export Promotion Law
- Decree Law to regulate SERVE
- Decree Law to regulate licensing and business activities
- Government Decree to regulate the General Labour Law
- Decree Laws and Government Decrees to regulate the Tourism sector
- Decree Law to regulate public institutions
- Decree Law to regulate agencies and authorities
- Decree Law for designation and rules of origin

