

National Parliament unanimously approves Competition Law

DILI, 13 March 2026 (TATOLI) – During a regular plenary session, the National Parliament unanimously approved Law Proposal No. 19/VI (2nd) – Competition Law, with 60 votes in favour, no votes against, and no abstentions. The law establishes the legal framework for competition applicable to economic activities conducted on a permanent basis in the private, public, and cooperative sectors.

The new legislation sets out rules to encourage fair commercial practices and promote healthy competition among economic operators. Its aims include regulating the behaviour of market participants and protecting consumer rights.

During the plenary session, the Minister of Trade and Industry, Filipus Nino Pereira, referred to the detailed debate held by Committee D of the National Parliament, during which several proposals for amendments to the draft law were presented. The Government assessed the contributions made and accepted the amendments and additions they deemed relevant, which improved the legal text and strengthened the conditions for its implementation.

The law forbids anti-competitive practices, including agreements aimed at price fixing, vertical restrictions that limit competition, and abuse of a dominant position. It also sets out mechanisms to regulate business concentration activities, such as mergers and acquisitions, especially in strategic sectors like energy, transport, finance, and telecommunications.

To ensure enforcement of the legal framework, the law provides for the establishment of an independent competition authority with regulatory and supervisory powers, responsible for adopting corrective measures and imposing sanctions for violations of the established rules.

The law proposal was approved by the Council of Ministers at its meeting on February 26th, 2025, following a proposal by Vice Prime Minister and Coordinating Minister of Economic Affairs Francisco Kalbuadi Lay. The legislative initiative aims to establish an appropriate legal framework to regulate competitive practices in Timor-Leste, in line with relevant international standards, including those of the World Trade Organisation and the ASEAN integration process.

The plenary session was chaired by Maria Fernanda Lay, the President of the National Parliament, and was attended by Filipus Nino Pereira, the Minister of Trade and Industry; Adérito Hugo da Costa, the Vice Minister for Parliamentary Affairs; and Mateus dos Santos Tallo, the Secretary of State for Local Development.