



## IV CONSTITUTIONAL GOVERNMENT SECRETARIAT OF STATE OF THE COUNCIL OF MINISTERS

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### PRESS RELEASE

Council of Ministers Meeting, April 6, 2011

The Council of Ministers met this Wednesday, April 6, 2011 in the Council of Ministers meeting room, in the Government Palace, in Dili and analysed:

#### **1. Public-Private Partnerships (PPP) in Timor-Leste**

This presentation about PPP reflects the Government's strong commitment in obtaining better infrastructure services through a greater private sector involvement in the financing, construction and functioning of these public infrastructures.

The infrastructures construction through PPP agreements results in a larger development of the private sector, and may contribute for the growth of the gross national product (GNP) throughout the duration of the Strategic Development Plan from 2011 to 2030.

#### **2. Law Proposal regarding the First Amendment to the Petroleum Fund Law**

The Law n.º 9/2005, of 3<sup>rd</sup> August 2005 (Petroleum fund Law) determines a revision after five years of the Petroleum Fund's constitution.

This diploma intends to change the investment rules and principles, allowing for a greater flexibility in the diversification of the application portfolio, in a way as to increase, in the future, the return of investment, clearly defining the limits for risk exposure. Additionally, the law clarifies the requirements to be fulfilled by the Government, in case it's necessary to carry out a transfer, to the State Budget, above the Estimated Sustainable Interest, promoting, in the future, a greater flexibility regarding the entity directly responsible for the Operational Management of the Fund. The rules for the appointment of the members of the Advisory Committee for Investment are also changed.

One of the main documents considered during the revision of the current law was produced by the International Working Group for: "Sovereign Wealth Funds" (Sovereign Funds): Generally Accepted Principles and Practice, also designated as: "Santiago Principles". These Principles represent an international cooperation effort for the identification of better management practices for these funds,

particularly, in the governance and investment policy areas, thus the Government has proposed the current revision of the Petroleum Fund Law according to these principles, with the objective of ensuring that Timor-Leste continues to be an example of best international practice for managing these type of Funds.

### **3. Decree-Law that creates the National Liberation Combatants Counsel**

The present diploma predicts the structure for the National Liberation Combatants Counsel. The counsel was created in February this year by the National Parliament through the amendment of the article 35.<sup>o</sup> of the National Liberation Combatant Statute. According to the referred article, the National Liberation Combatants Counsel is the body that represents the interests of all National Liberation Combatants, and is “the Government consultation body for the issues related with the defence of the veterans’ interest (...) as well as for others that concern the National Liberation Combatants”.

The referred article also defines that “the structure of the National Liberation Combatants Counsel is defined by Decree-Law, in consultation with the organizations that represent the National Liberation Combatants”

### **4. Decree Law about the Commercial Activities License**

This Decree-Law has the objective of establishing the mechanism to correct the weaknesses verified in the commerce sector, and that, at the same time, allow for the creation of a better approach, organization and convergence of all types of commerce. It is thus intended to guarantee a greater discipline of the commercial activity, to respond to the evolution verified in this sector. It is highlighted that the commerce constitutes a fundamental element for a modern economic structure, due to its influence in the structuring of the territory and population of society, in the creation of businesses and jobs.