

# Newsletter



## Briefing - A Proof of Democratic Maturity



The Democratic Republic of East Timor held its presidential elections on 20 March.

There are two aspects that deserve special attention in this elections: the high number of popular participation (which has become the rule in East Timor) and the tranquility that marked the whole pre-election and post-election process.

About 71% of the registered voters voted, demonstrating a clear vitality of the Timorese democratic and electoral system. A lesson on patriotism that would certainly embarrass many democracies with centuries of history, where citizens and politics are increasingly alienated.

But the best surprise - and, I dare say, the greatest success - of the elections was the peace and tranquility which was lived, from the presentation of the first candidacy to the presentation of the final results, certainly also due to the high level in which Candidates presented themselves and discussed their manifestos.

Democracy in East Timor has arrived and with each passing day it sedates more firmly.

We congratulate the President-elect, Francisco Guterres Lu Olo for the clear victory achieved and wish him the very best as he assumes office.

For the sake of democracy, for the benefit of the Timorese people.

*Luís Moreira Cortez, Managing Senior Associate*

## Analysis - Do you know that...?

### Gambling Law

One year ago the Timor Leste Government approved the **Decree-Law no. 6/2016, of de 20 April, which sets out the Licensing Regime for the exploration and control of Gambling Activities**

#### and Diversion, Gambling Machines and Traditional Games?

The Government acknowledges that gambling activities are an important **"source of income for the State and can be in parallel a favorable factor for the creation and development of areas of tourist"**.

Until now, and even after the approval of this Decree-Law, the authorities were very conservative towards these activities. However, the Ministry of Tourism, Commerce and Industry has recently expressed the importance of these activities and that the majority of the small casinos existing in the country are already legalized.

Being a renowned attractive sector among the South East Asia nations, this step by Timor Leste shall be another important development towards diversifying the economic needs (today almost dependent of the Oil & Gas revenues).

CRA Timor has extensive experience in Casinos and Gambling matters, especially through its office in Macau, the Asia's Gambling Mecca. CRA Timor has a representative office in Macau where it deals with major Casino and gambling issues. In Timor Leste CRA Timor advises local gambling companies and follows the implementation of this Decree-Law since its very beginning.

We look forward to receiving more investors on this area.

## LEX - Global Overview on the New Regulations

**Law n.º 1/2017 18 January** – Transitory Regime for recruiting non Timorese Judges and Public Defenders and second amendment to Law 9/2011, 17 August, which approves the Organic of the Accounting Chambers of the Superior, Administrative, Fiscal and Accounts Court

**National Parliament Resolution n.º 01/2017 of 16 January** – Denunciation of the Treaty between the Government of the Democratic Republic of Timor-Leste and the Government of Australia on Certain Maritime Adjustments in the Timor Sea and Transitional Agreement regarding the validity of the Timor Sea Treaty

### Resolutions Approved by the Ministers Council:

The **Air Services Agreement between Timor-Leste and Australia**, proposed by the Minister of Foreign Affairs and Cooperation and the Minister of State, Coordinator of Economic Affairs and Minister of Agriculture and Fisheries, was approved.

Approved the making of a **Draft Law on Legislative Authorization regarding business recovery and insolvency** is that the National Parliament grant to the Government the legislative competence to approve, by decree-law, a Recovery and Insolvency Code.

Approved the **Decree-Law of the Commercial Register** which defines the rules applicable to the legalization of companies. This document is currently under discussion in the National Parliament.

The Council of Ministers also approved the **additional subscription of shares allocated to the Democratic Republic of Timor-Leste in the International Bank for Reconstruction and Development**.

The establishment of the national mining company, called **Murak-rai Timor-Leste, SA**, proposed by the minister of Petroleum and Mineral Resources was approved.



BE GLOBAL FOR LOCAL

## Francisco Lu-Olo Guterres

Francisco Lu-Olo Guterres was elected the 6<sup>th</sup> President of Timor Leste on 20 March 2016, and shall assume office on the 20 May, the day Timor Leste celebrates 15 years as a sovereign nation, and 17 years after Lu-Olo himself read the proclamation of independence for Timor Leste after the Indonesian occupancy.

Francisco Lu-Olo Guterres was the President of the National Parliament between 2002-2007 and is one of the most respectable politicians in Timor Leste. He is also the President of FRETILIN – Frente Revolucionária de Timor Leste Independente

He won the election with 57% of votes and was already confirmed by the Court of Appeal.

CRA Timor wishes all the success to the new President as well as all the Timorese Nation and People.

**Congratulations President Francisco Lu-Olo Guterres!**



## Speed Notes

- The Timor-Leste Lawyers Bar Association set to be established soon
- For the past two years, The International Bar Association's Human Rights Institute (IBAHRI) has worked towards the creation of a Timor Leste Lawyers Bar Association
- The IBAHRI has held meetings with the Timor-Leste government, parliament, universities, civil society organizations and legal professionals. For this purpose, the IBAHRI, together with the Judicial System Monitoring Program (JSMP) has organized two workshops in Dili
- The conclusions of the discussions enriched the content of a formal submission that IBAHRI and JSMP will present to Commission A in Parliament, advocating for the revision and approval of the existing draft law for the creation of the local Bar Association. The draft law may be reviewed during the first semester of 2017

Source: ETAN

## The Employee(s) in Focus

### Dr.<sup>a</sup> Deliana Lopes

Deliana is another of our Princesses. She joined the Firm since the very early stages and has been fantastic for CRA Timor.

She is a key member for our legal team and has extensive experience with the Authorities and Public Bodies.

Deliana has recently studied in Australia where she acquired even greater experience which she uses on a daily basis. She is one of CRA Timor`s most trusted collaborators and certainly someone in whom CRA Timor invests for the future.

CRA Timor is grateful for all the commitment and hard work Deliana has showed since the very beginning and wishes her all the success.

**Thank you Deliana for being part of the Family!**



## Confidential

- CRA Timor will be advising TradelInvest Timor Leste in 2017.
- The national investment agency entrusted CRA Timor with the task of advising the agency on matters related with international investment in the Country.
- CRA Timor has, in its foundation, the will to assist and help international investment into Timor Leste. These principles are in CRA Timor`s DNA and is surely an honor to be advising such an important Agency in the country.
- CRA Timor wishes that, together, we can contribute further to development of the Country of Timor Leste.

## Calendar

### **Business Mission to Timor Leste in April**

Between 21 and 28 April there shall be a Business Mission from Portugal to Timor Leste organized by AIP - Associação Industrial Portuguesa and CCI - Chamber of Commerce and Industry.

A workshop on Timor-Leste is also planned to be held in Lisbon on 6 April

**Thank you to the Cra Timor team, and Timor Leste.**

## Direito Fiscal

## Timorense

TIMORESE TAX LAW

Rui Botica Santos  
Hugo Pinheiro Ferreira



## **Timor Leste Tax Law Manual**

Rui Botica Santos and Hugo Pinheiro Ferreira are the Authors of the very first Tax Law Manual of Timor Leste.

CRA Timor has been dealing with high profile Clients in Taxation Matters in Timor Leste for the past years and through our practice we understood the need for detailed and extensive information on taxation law in the Country.

Thus, this Manual aims to contribute for a greater certainty in the relations between the Tax Administration and the taxpayers as well as contribute to the standardization of the taxation applicable criteria and for an increased stability in the Timor Leste fiscal panorama.

We are very proud to be part of this project and wish the Authors all the success with this publication.

## **CRA Timor present in PLG International Lawyers Meeting in Berlin**

Our Managing Associate Luís Moreira Cortez and our Coordinator Senior Associate Gonçalo Neves Lestro were present in Berlin for the latest meeting of **PLG International Lawyers**, a network of international Law Firms of which CRA is part of.

Luís and Duarte are both part of the correspondent Executive Committees of PLG and YPLG and have extensive knowledge and experience on international investments both in Portugal (and Macau) and Timor Leste.

CRA Timor is proud to have an important international presence, not only through PLG but also through CRA Global, CRA's own network for the Portuguese speaking countries.



**Gonçalo Neves Lestro** participates in YPLG meeting of which he is the Vice-president. **Luís Moreira Cortez** represents CRA in the Board and Executive Committee of PLG Network

## **CRA welcomes the Chinese New Year of the Rooster**

CRA took part in the welcoming ceremony of the Chinese New Year in its office in Macau.

The year of the Rooster shall be yet another important year for the Firm. We are keen to continue our steady progress and development, both in Timor Leste but also in Macau.

CRA's presence in Asia-pacific area is of paramount importance to the Firm and enables us to be well positioned to assist our international Clients in an efficient and high performance fashion.

### **Kung Hei Fat Choi**



**Gonçalo Neves Lestro** - Coordinator Senior Associate and head of CRA Timor Macau Office



## **CRA present at the Hong Kong Race Week International Sailing Regatta**

Our Coordinator Senior Associate and Head of Macau Office Gonçalo Neves Lestro represented CRA in the **Hong Kong International Regatta - Hong Kong Race Week**, where he finished in 13<sup>th</sup> position. Gonçalo commented that it was a great pleasure to be back to competition after more than 10 years without racing and focused on the Firm.

CRA is known to have several sailing fans within its Team and Gonçalo is a proud ambassador of CRA's spirit in the seas.

Gonçalo was also in Timor Leste where he also developed sailing skills with local sailors. CRA is a focal point of connection between Timor Leste, Macau and Portugal being present in these three jurisdictions.



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