



BANKING

Adoption of International Financial Reporting Standards

Instruction No. 11/2021 of 26 November 2021, of the Central Bank of Timor-Leste (BCTL), determines that banks and other deposit-taking institutions must keep complete accounting records, prepare annual financial statements and reports, and also prepare a complete set of audited financial statements, all in accordance with the International Financial Reporting Standards. These measures are aimed at improving the efficiency of the BCTL's supervision of the banking system, and assisting in the preparation of reliable monetary statistics.

Reinforcement of the Intermediation Function of the Banking System

Through Instruction No. 12/2021 of 11 November 2021, the BCTL established new measures aimed at growing the financial system by strengthening the intermediation function of the banking system. Under the new measures banks are required to open a Capital Reserve Account and a Lending Reserve Account with the central bank, and are required to maintain minimum lending requirements and to submit monthly reports to the BCTL in this regard.

REAL ESTATE AND CONSTRUCTION

Amendment of the Legal Framework on Certification and Registration of Civil Construction and Civil Technical Consultancy Companies

Decree-Law No. 17/2021, of 22 September 2021, approved the first amendment to the Legal Framework on Certification and Registration of Civil Construction and Civil Technical Consultancy Companies. With the purpose of promoting the national construction sector and supporting national business development in this area, this amendment revokes the prohibition of national companies to engage in projects worth more than US\$ 7.5 million that was previously in force.

SOCIAL SECURITY

"Bolsa da Mãe-Nova Geração" Allowance

Through Decree-Law No. 22/2021, of 10 November 2021, the Government has created the pregnancy and child allowances, called "Bolsa da Mãe-Nova Geração", and proceeded with the first amendment to Decree-Law No. 18/2012, of 4 April 2012. The "Bolsa da Mãe" allowance is bolstered with a view to ensuring a greater impact on reducing poverty and promoting national human capital. The two subsidies are aimed at protecting pregnant women, and children during early childhood, respectively.

STATE ADMINISTRATION

Amendment to the Electoral Registration Law

By means of Law No. 19/2021, of 8 September 2021, the National Parliament made the first amendment to the Electoral Registration Law. With a view to

better controlling the contents of the electoral database, this statute increases the cooperation with public and private entities regarding data cross-checking. It also seeks to improve the electoral registration system through the collection of biometric data and fingerprints from voters, and the incorporation of an electronic chip in their voter card.

General Bases for the Organization of the Public Administration

The Government approved Decree-Law No. 16/2021 of 15 September 2021, which defines the general bases for the organization of the public administration, with the objective of promoting the coherence of the administrative legal framework, and favoring the unity, efficiency and effectiveness of the public administration. This statute also foresees the enactment of subsequent enabling legislation and establishes the principles to be developed in such regulation.

Local Government and Administrative Decentralization Law

The National Parliament approved, through Law No. 23/2021, of 10 November 2021, the Local Government and Administrative Decentralization Law. The new law establishes a framework of attributions and competences to be exercised by the Municipalities and an organizational model adapted to the reality of the country, and capable of reflecting the objectives of the National Strategic Development Plan, namely the development of the private sector in rural areas, the creation of new opportunities for democratic participation and a more effective provision of services to local populations.

Municipal Electoral Law

Law No. 22/2021, of 4 November 2021, approved the Municipal Electoral Law, with the intention of governing the elections for municipal bodies in a manner that is concise, coherent, and grounded on the reality of the country. This new statute shall apply to elections for Mayor, Vice-Mayor, and the Municipal Assembly, and covers, amongst other matters, the electoral system, organization of the voting process, the political campaign, and electoral propaganda.

National Agency for Planning, Monitoring and Evaluation

By means of Decree-Law No. 24/2021, of 17 November 2021, the government created the National Agency for Planning, Monitoring and Evaluation, which is responsible for organizing, coordinating, and supervising the administrative procedures and processes for medium-term planning, and for monitoring and evaluating the implementation of such plans.

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