

**GOVERNMENT DECREE No. 5/2005**  
**of 27 July 2005**  
**REGULATION OF NATIONAL INVESTMENT PROCEDURES**

It is convenient to define the procedures and practical rules for the implementation of Law No. 4/2005 of 7 June 2005, on national investment in the country.

Thus, the Government decrees, under Article 22 of Law No. 4/2005 of 7 June 2005, to be enforced as a Regulation, the following:

**CHAPTER I**  
**General Provisions**

**Article 1**  
**Definitions**

The expressions, terms and concepts defined in Article 3 of Law No. 4/2005 of 7 June 2005 have, for this Regulation, the same legal meaning and understanding as those given in that Article.

**Article 2**  
**Object**

The purpose of this Regulation is, in particular, the:

- a) Definition of the areas of prohibited economic activities, those reserved to the State for making investments, with or without the involvement of the private sector, and those areas of economic activity in which national private investment is the subject of specific legislation;
- b) Establishment of rules for determining the real value of national investments made;
- c) Establishment of rules and deadlines for submission, analysis, appraisal and decision making, as well as for monitoring and verification of the processes for carrying out national investment undertakings;
- d) Definition of the levels of power and deadlines for the decision on requests for national investment and the procedures to be followed when proposals are not decided within the stipulated deadline;
- e) Establishment of rules for the issuance of national investor certificates, as well as for their repeal;
- f) Definition of the rules, deadlines and procedures to be followed in the provision for the resolution of any complaints or disputes;
- g) Establishment of procedures for access to the national investor's certificates, as well as their repeal;

**Article 3**  
**Scope of application**

This Regulation shall apply to:

- a) Applications for national investment authorizations submitted for examination and approval;
- b) Cases of capital increase, offer and acquisition of corporate units within the framework of the National Investment Law;
- c) Applications from investors who have made investments in a business unit in Timor-Leste before the entry into force of the present regulation.

**CHAPTER II**  
**PROHIBITED, RESERVED AND EXCLUDED**  
**ECONOMIC ACTIVITIES**

**Article 4**

**Prohibited activities**

No national investment is allowed in the following areas of activity:

- a) Those that constitute a crime or contravention under the legislation in force in the country;
- b) Those which, by the location of their implementation, adversely interfere with the object and purposes of the parks or natural reserves declared as such by law.
- c) Those declared as such in the general law;
- d) Those that offend public morals and the good customs of the Country.

**Article 5**

**Reserved activities**

1. These are areas reserved for exploration and economic use by the State of Timor-Leste, with or without the participation of the private sector:
  - a) Those related to:
    - i. Provision of universal postal service and public communications service;
    - ii. Development and exploitation of national parks or reserves, marine or terrestrial or other protected areas under the terms of the law;
    - iii. Production, distribution and sale of arms and ammunition.
  - b) Those declared as such by law.
2. Areas reserved for the exploration and economic exploitation of national natural and legal persons are those declared as such in the law.
3. The conditions and terms for private participation in the exploitation and economic exploitation of reserved areas shall be defined in specific legislation.

**Article 6**

**Excluded activities**

These are economic activities excluded from the incentives and benefits scheme established by the National Investment Law:

- a) Prospecting, research and production of gas and oil, as well as those in the area of mining and mineral resources;
- b) Those that are or will be subject to specific legislation;
- c) Domestic, wholesale and retail trade.

**CHAPTER III**  
**INVESTMENT APPLICATION AND REGISTRATION**

**SECTION I**  
**INITIAL REQUEST**

**Article 7**

**Submission of the application**

The application for a national investment authorization shall be submitted to IADE<sup>1</sup> directly by the applicant or by his/her duly accredited representative.

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<sup>1</sup> IADE, *Instituto de Apoio ao Desenvolvimento Empresarial* / Institute for Business Development Support

**Article 8**  
**Documents accompanying the application**

The application for a national investment authorization shall be submitted in a folder containing the following documents:

- a) A duly completed form, in accordance with the template in Annex I;
- b) A photocopy of the applicant's valid passport, being a natural person or, in the case of a business unit, its legal representative;
- c) Criminal record certificate of the applicant or, in the case of a business unit, of its legal representative, issued in the last six months by the competent authorities of the place of the respective usual residence;
- d) Bank references regarding the national investment promoter;
- e) Documents proving the legal existence of the sponsor, in the case of a legal person;
- f) The report and accounts for the last financial year, as well as any catalogues, brochures and other publications illustrating the activity carried out by the promoter, in the case of a business unit;
- g) "Curriculum vitae" of the main person(s) responsible for the implementation and operation of the project;
- h) Draft articles of association of the business unit to be set up, through which the national investment enterprise is to be implemented;
- i) Proposal of possible amendments to the respective memorandum and articles of association, in the case of a business unit already incorporated, as well as the shareholders' agreement, if any;
- j) A deliberative minute of the competent body of the applicant business unit that proves the decision taken to establish the business unit in Timor-Leste, duly translated into Portuguese or Tetum, and the translation must be legalized by the competent body.

**Article 9**  
**Applications in the Event of Increases or**  
**Acquisitions of Share Capital**

- 1. In addition to the documents required under the preceding paragraph, applications for investment proposals involving capital increases, offers or acquisitions of shares in business units, in accordance with the law, shall be accompanied by the following:
  - a) Project or information justifying the economic or legal need for the increase of share capital and the national investment participation;
  - b) A certified copy of the minutes of general meeting or of another competent body under the terms of the articles of association of the business unit that proves the resolution taken to increase the share capital or the offer or acquisition of shares, as the case may be;
  - c) A certified copy of the certificate of business registration of the business unit in question;
  - d) Reports and accounts for the last two financial years of the business unit in question, except when the business unit has been formed for a shorter period;
- 2. If the business unit is a joint-stock company, in addition to the documents referred to in the preceding paragraph, tenderers must indicate:

- a) The nominal value and number of shares to be issued, the form of their subscription, the issue price and the terms of realization;
  - b) Any rights or privileges to be enjoyed by the new shares to be issued and the shareholders participating in the capital increase, as well as the number of shares to be subscribed, the form and date of realization of the respective shares.
3. If the business unit is a private limited company, in addition to the documents referred to in subsection 1 of this Section, the identity of the shareholders who shall participate in the increase of capital shall be provided, as well as an indication of the values and forms of payment of the respective participations and the time limits established for their payment.

#### **Article 10**

##### **Determination of the value of national investment**

1. The actual value of the national investment made, for the purposes of eligibility for the incentives and benefits established by law in favor of investors in the framework of the national investment or for other purposes in accordance with the law or with this Regulation, shall be the sum of the equity values, including shareholder loans and supplementary capital payments actually invested in the investment enterprise in question and the sum of the dividends reinvested in the same business unit and registered as such with the IADE.
2. Proof of the national investment actually made shall be produced by the respective investor through duly organized records and confirmed by means of supporting documents issued or certified in Timor-Leste by banking institutions, customs authorities or both, depending on the nature or form of the respective investment.
3. If the national investment takes the form of imported equipment, machinery and other material goods, the respective investment values shall be considered, for the purposes of this article, at CIF prices.
4. Whenever and when the respective values referred to in the preceding number are not prepared or certified by a reputable entity, the authority, in coordination with the IADE and the General Directorate of Customs, may determine that, at the expense of the national investor, a technical team or a reputable entity specialized in the matter shall evaluate and supervise the prices, value, quality and specifications of the equipment, machinery, goods and materials imported for incorporation in an authorized national investment venture, as well as of the imported goods intended for use in the production of goods and services of the said venture.
5. If in the valuation referred to in the preceding paragraph it is found that there have been situations of over-invoicing of the assessed goods, the investor shall pay the resulting expenses, without prejudice to the application of other penalties provided for by law.

#### **Article 11**

##### **Assessment of the application and opinion of the National Investment Committee**

1. The Executive Director of IADE shall, upon receipt of a request as referred to in Article 7, promote the assessment thereof as soon as possible by organizing and submitting the relevant folder for assessment and opinion to the relevant departments of the government concerned
2. The request for an opinion to the relevant services of the government departments referred to in the preceding paragraph shall be made within three days of the submission to IADE of the national investment application, and that opinion or any additional requests for documents, data or information shall be sent to IADE within five days of the date of the request for an opinion by IADE.

3. The National Investment Committee shall be convened to assess the application for the national investment authorization at the latest 10 days after the date of its submission to IADE and shall, in particular, verify the:
  - a) compliance of the application with the requirements laid down in the National Development Plan, this Regulation and other applicable legislation;
  - b) suitability, capacity, experience and availability of financial resources necessary for the completion and start-up of the proposed investment enterprise;
  - c) ability, experience and technical characterization of the promoter or its managers in order to ensure implementation and operation of the undertaking;
  - d) positive balance sheet of the operation of the venture envisaged in the project proposal;
  - e) environmental, infrastructural or social implications which may condition the feasibility of the enterprise or which may result from the investment enterprise;
  - f) conditions for:
    - i. the availability of the land necessary for the installation and operations of the investment enterprise;
    - ii. ensuring consistency of the forecast of new jobs to be created, in the short and medium term;
    - iii. establishment of the interconnection with other sectors of the economy;
4. The National Investment Committee's opinion report on the application for national investment authorization shall be sent, duly documented in accordance with the law and applicable regulations, to the member of the Government of the Ministry of Finance, within a maximum period of 25 days from the date of submission of the application to IADE.
5. IADE may, during the assessment of the application and prior to the submission of the report referred to in the preceding paragraph, request the submission by the applicant of additional documents or information.
6. The request for additional documents or information referred to in the previous paragraph shall give rise to the suspension of the time limit established in Article 13(2), which shall begin to run again as soon as the applicant has submitted the documents or information requested.
7. The complementary documents or information referred to in number 5 of this article shall be submitted to IADE within a maximum period of 30 days.

## **Article 12**

### **Proposal for authorization**

1. The National Investment Committee's opinion report, submitted under the terms of paragraph 4 of the preceding article for the approval of the member of the supervising Government or the Council of Ministers, as the case may be, shall be accompanied by a draft national investor certificate, according to the model in Annex II, for signature of the supervising Government member, if the decision is favorable.
2. The report referred to in the preceding paragraph shall contain the terms of the granting of authorization, which shall include, inter alia, the:
  - a) Identification of the investors or promoters;
  - b) Designation of the object of the project and of the goods or services to be produced, specifying the goals and results to be achieved;

- c) Location and scope of the project;
- d) Regime of authorization for the concession or license for the exploitation of natural resources and the use of State land and facilities and, possibly, the respective equipment;
- e) Value and form of remuneration for the use and enjoyment of the resources and other assets referred to in the previous paragraph;
- f) Nature, values and methods of carrying out the investment;
- g) Number and categories of domestic and foreign workers to be employed;
- h) Legal nature of the business unit to be established to carry out the enterprise;
- i) Import regime and the nature of goods to be imported;
- j) Incentives or benefits to be granted;
- k) Period for starting implementation of the enterprise or of each of its phases, when the respective implementation has to be carried out in a phased manner;
- l) Availability and size of land required for the implementation of the investment project, in accordance with information from the cadastral services;

### **Article 13**

#### **Maximum time limit for the decision**

1. The member of the Government with oversight power or the Council of Ministers, as the case may be, shall take the decision on the national investment application, based on the opinion of the National Investment Committee, within a maximum period of 5 days from the date of submission of the Committee's report.
2. In any case, the final decision on the application for the national investment authorization shall be taken no later than 30 days after the submission of the application to IADE, without prejudice to Article 11(5) to (7) of this Regulation.

### **Article 14**

#### **Powers**

The power of approval and authorization of national investment applications is incumbent on:

- a) The Council of Ministers, in cases where one of the following circumstances occurs:
  - i. The investment project is for an amount equal to or greater than USD \$10 million;
  - ii. The project requires the use of State land with areas equal to or greater than 5 hectares for tourism purposes or 100 hectares for agricultural, livestock or forestry purposes;
  - iii. Any other project that the member of the Government is responsible for, due to its foreseeable political, social, economic, financial or other implications, it intends to submit for approval and authorization by the Council of Ministers.
- b) To the member of the Government holding oversight authority, in all cases that the requests do not fall under the previous subparagraph.

### **Article 15**

#### **Tacit authorization**

1. Upon expiry of the period referred to in Article 13(1), and without a decision on the application having been taken by the competent authority, the proposal included in the report shall be submitted to the Committee for National Investment:

- a) If favorable, it shall be considered, for all purposes, as tacitly approved in its precise terms, and IADE shall proceed with the registration of the investment, carrying out the acts foreseen in the law and following the other procedures foreseen in this Regulation for the authorized national investment;
  - b) If it is unfavorable, it shall be deemed for all purposes to have been tacitly denied in its precise terms, and IADE shall proceed accordingly, carrying out the acts provided for by law and following the other procedures laid down in this Regulation relating to the denied national investment authorization.
2. Any other decision taken on the application after the tacit authorization or refusal referred to in this Article shall be null and void.

#### **Article 16**

##### **Notification of the decision taken**

1. IADE shall, on the day after the decision has been taken or, in the case of an authorization or implied refusal, on the day after the expiry of the period for a decision by the competent authority, inform the applicant or his/her legal representative of the decision which has been taken on the application, stating the reasons for the decision and, where favorable, the terms of the authorization.
2. Notification of the granting of authorization shall entitle the national investor to immediately start the process of implementing the authorized project in accordance with the terms of its authorization and with this Regulation.

#### **Article 17**

##### **Changes to the terms of the authorization**

1. The terms and conditions of the authorization may be amended by the competent authority which granted it when powerful circumstances so require, at the express and duly motivated request of the authorization holder or his authorized representative.
2. The provisions of this Regulation governing the handling of the application for a national investment authorization shall apply mutatis mutandis to the application referred to in the preceding paragraph.

#### **Article 18**

##### **Rejection of the application**

1. Applications for national investment authorization may be rejected only on the basis of the following circumstances:
  - a) they target areas that are prohibited, reserved and not open to national investment or are excluded from the scheme of incentives and benefits, in accordance with the National Investment Law and this Regulation;
  - b) They violate the fundamental principles of public order or international commitments of the State of Timor-Leste;
  - c) Present a danger to national security, public health, ecological balance or to the archaeological, historical and cultural or countryside, natural or built heritage;
  - d) They involve potential adverse effects or do not fit into the economic development objectives of the Country, taking into account the principles established in the National Development Plan;
  - e) The respective projects do not demonstrate economic and financial sustainability;
  - f) There is no availability of land or natural resources in the indicated location, when there is no viable alternative;

- g) There is a substantiated forecast that the implementation of the investment project to which the request for authorization refers constitutes an unreasonable burden for the infrastructures or general services existing in the Country, unless the applicant guarantees, through a protocol to be signed with the Government, the financing of the charges corresponding to the installation or reinforcement of such infrastructures or services and their operation, for a minimum period of 5 years;
  - h) The applicant manifestly lacks technical or financial capacity to implement and carry out the operations of the intended investment project;
  - i) The applicant has made false declarations or included falsified documents in the application dossier;
  - j) Not to be in accordance with the law of the Democratic Republic of Timor-Leste.
- 2. The decision to reject the application for national investment authorization shall be communicated to the applicant or his/her representative by e-mail or fax, within the period referred to in article 16.
  - 3. The applicant whose investment application has been refused may re-submit it in accordance with this Regulation and other applicable legislation.
  - 4. The rejection of the investment authorization application shall be subject to appeal in accordance with the law.

#### **Article 19**

##### **Effects of refusal**

The rejection of the application for national investment authorization has the direct effect of not fitting the intended investment undertaking in the incentives and benefits scheme provided for in the National Investment Law.

## **SECTION II**

### **REQUEST FOR EXISTING INVESTMENT FRAMEWORK**

#### **Article 20**

##### **Requests for existing investment guidelines**

- 1. The application for the framework of investments existing on the date of entry into force of this law in the incentives and benefits scheme of the National Investment Law shall be made to IADE within 180 days of the entry into force of this regulation.
- 2. The application referred to in the preceding paragraph shall be delivered and accompanied by the following documents:
  - a) Duly completed form, according to the model in Annex I;
  - b) Photocopy of a valid passport or other official identification document of the applicant or his/her legal representative;
  - c) Document proving the legal existence of the business unit in which the investment has been made;
  - d) A document issued by the competent tax authority certifying that there is no debt to the national tax authorities, either on the part of the investor or on the part of the business unit, of the respective investment;
  - e) Bank references relating to the business unit;

- f) Report and accounts for the last financial year, and any catalogues, brochures or other publications illustrating the activity carried out by the business unit in the country;
  - g) The curriculum vitae of the person or persons principally responsible for the business unit;
  - h) A document certifying the appointment of the manager or the management board;
  - i) Document proving that the investment has been made, detailing and specifying, for each co-investor, the investment made, whether in the formation of the share capital or in shareholder loans, supply of equipment and other material goods or in other specified ways;
  - j) A copy of the shareholders' agreement, where applicable;
3. The procedures laid down in this Regulation for processing and deciding on the application for a national investment authorization shall apply mutatis mutandis to applications referred to in this Article.

### **SECTION III REGISTRATION**

#### **Article 21**

##### **Registration of authorized national investment**

1. Once the national investment application has been authorized, IADE shall register it and give it a number, taking into account its annotation order in the register.
2. The register shall be initialed by IADE's Executive Director and shall be kept with the necessary care in IADE's archives and may be consulted by any duly accredited public entity or service.
3. Authorized investment proposals may also be consulted by any duly accredited public entity or service, while safeguarding the confidentiality of data and information in the proposal that constitutes ownership or copyright.
4. This Article shall also apply to requests for existing investment guidelines that are approved.

#### **Article 22**

##### **Organization of the register**

1. Taking into account the provisions of the preceding article, IADE shall organize, for each authorized national investment, a registration process containing sufficient information to characterize the investor and his investments and to monitor their development.
2. The registration process shall include, in particular:
  - a) Copies of the authorization orders and certificates issued on behalf of the national investor and its investment, as well as the orders for renewal, cancellation or repeal which have fallen upon the authorized investment;
  - b) Copies of the orders or other documents, attesting to the incentives and benefits enjoyed by the national investor;
  - c) A list of all authorized national investments, as well as the respective increases and disinvestments made by the national investor, indicating the nature of each transaction, its type and value;
  - d) Documents proving that the registered national investment operations were actually carried out;
  - e) The expiry date of the national investment authorization.

## **CHAPTER IV INVESTMENTS**

### **Article 23**

#### **Start of project implementation**

1. The effective implementation of the national investment enterprise, the authorization for which has been granted under this Regulation, shall be the responsibility of the respective investors or their agents and shall commence within 180 days of the date of notification to investors of the decision taken on their application.
2. The entity that approved the application for a national investment authorization may, in the event of force majeure, extend the period referred to in the preceding paragraph for an additional period of 90 days, if the holder of the authorization requests the extension before the expiry of the said period.

### **Article 24**

#### **Lapse of the authorization**

If the actual implementation of the enterprise does not start within the deadlines set out in the previous article, as the case may be, the national investment authorization shall lapse.

### **Article 25**

#### **Notification of the expiry of the authorization**

IADE shall bring to the attention of the authority and of the competent departments of public administration the occurrence of the fact that led to the expiry of the national investment authorization, in accordance with the previous article.

### **Article 26**

#### **Monitoring and verification of national investments**

1. Monitoring and verification of the implementation of national investment projects shall be carried out by IADE to:
  - a) Verify compliance by the national investor with the respective investment authorization, the National Investment Law, this Regulation and other applicable legislation;
  - b) Request the investor, the manager of the business unit or both, to provide information regarding the evolution of each national investment undertaking;
  - c) Carry out on-site verification visits in order to ascertain the situation of each specific enterprise.

### **Article 27**

#### **Enjoyment of incentives and benefits**

The effective enjoyment of the incentives and benefits provided by law in favor of the national investor is subject to prior confirmation by IADE:

- a) In the case of customs incentives and benefits, upon presentation of the invoice proving the acquisition of the goods and materials in question;
- b) In the case of tax incentives, by means of a document confirming the number of Timorese citizens employed in an effective regime by the business unit, based on the data and information verified by IADE with the competent public services that oversee labor and employment matters and the tax authorities;
- c) In the case of reinvestments, through proof of documentation.

**Article 29**

**Non-transferability of the national investor certificate**

The status of national investor and the corresponding certificate are not transferable.

**CHAPTER V**

**COMPLAINTS, REPEAL OF AUTHORIZATION AND APPEALS**

**Article 30**

**Complaints**

1. Complaints by national investors arising in the process of implementation and carrying out of the respective national investment enterprise, resulting from issues related to the enforcement of the National Investment Law and these regulations shall be made to IADE.
2. Upon receipt of the complaint, IADE shall, within 7 days, submit it to the competent entity, with its opinion, requesting the assessment of the complaint and measures for its resolution.
3. If, within 15 days from the date of the request referred to in the previous paragraph, no answer is given and no measures are taken to resolve the complaint submitted pursuant to the previous paragraph, IADE shall refer the matter to the consideration and decision of the body or public service to which the complaint was sent.
4. Duly substantiated complaints addressed to IADE itself shall be submitted directly to the member of the Government holding oversight power, through the respective relevant departments.
5. The provisions of this article do not limit the right of appeal and complaint of the interested parties, under the terms of the law, nor the application of the dispute resolution procedures foreseen in the National Investment Law.

**Article 31**

**Repeal for non-compliance**

Without prejudice to other sanctions provided for by law, national investment authorization may be withdrawn by order of the relevant authority in the following cases:

- a) Where the information provided by the applicant or his/her representative in the authorization process is subsequently found to be false, if the veracity of that information, if known at the time of the examination of the national investment authorization application, had led to its refusal;
- b) Where the content or the date of validity of the certificate has been fraudulently altered by its holder or by third parties with his/her knowledge;
- c) Where information is refused or access to the premises of the business unit is refused or prevented to officials or agents of the competent services accredited for that purpose for the verification and monitoring of national investment undertakings;
- d) If the implementation of the project or the operation of the national investment enterprise is interrupted for a continuous period exceeding three months or for interpolated periods totaling more than four months in any year, in the absence of any substantial reason and without the prior written consent of the competent authority which granted the investment authorization;
- e) The occurrence of serious breaches of the provisions of the Law on National Investment and of this Regulation and of the conditions laid down in the relevant authorization;

**Article 32**  
**Repeal by liquidation**

Domestic investment authorization shall be withdrawn from the investor whose receiving business unit is in liquidation before the respective period of authorization expires.

**Article 33**  
**Appeal**

An appeal may be lodged, in accordance with the law, against the order for repeal referred to in Articles 32 and 33 of these Regulations.

**Article 34**  
**Powers of repeal**

The withdrawal of a national investment authorization shall be the responsibility of the entity which granted it under this Regulation.

**Article 35**  
**Return of the national investor certificate**

In all cases of expiry or withdrawal of the national investment authorization, the investor shall return the relevant national investor certificate to IADE within 15 days of the date of expiry or of its notification of withdrawal of the authorization.

**Article 36**  
**Notification**

Decisions to withdraw national investment authorization under this Regulation shall be communicated forthwith to all competent Public Administrative authorities.

**Article 37**  
**Effects of expiry or repeal**

The expiry or repeal of the authorization of the national investment shall have the effect of automatically forfeiting the rights, incentives and benefits under the National Investment Law and this Regulation.

**CHAPTER VI**  
**DISPUTE RESOLUTION**

**Article 38**  
**Procedures**

1. If no other procedure is established by agreement between the Democratic Republic of Timor-Leste and the national investor, disputes arising from the application or interpretation of the National Investment Law or the present regulation, as well as from the implementation of the project or the operation of the national investment business unit, shall be submitted to the conciliation process in accordance with Timorese law.
2. In the event of a dispute which, under the terms of the preceding paragraph, may be submitted to conciliation, the national investor shall have the right to request the Government member holding oversight authority on the Institute the conciliation procedure to resolve the dispute, and the oversight authority shall appoint, within 7 days of receipt of the investor's request, the Government representative on the conciliation committee.

3. The conciliation committee shall be composed of the supervisory representative and the investor or its designee sufficiently and shall reach a resolution of the dispute within no more than 30 days from the date of appointment of the government representative.
4. If, within the period referred to in paragraph 2 of this Article, the relevant Government member fails to appoint the Government representative to the conciliation commission or, if the conciliation commission has been constituted, the commission fails to reach a final resolution of the dispute within the period referred to in the preceding paragraph, either party shall be entitled to institute the arbitration procedure in accordance with the law of Timor-Leste.
5. The provisions of the preceding subsections shall not preclude the appeal to the competent courts of the Democratic Republic of Timor-Leste, whenever and wherever both parties to the dispute so desire.
6. For the purposes of this article, a dispute shall exist whenever there is a difference of opinion between the national investor and the Government on a matter of fact or of law.

## **CHAPTER VII TRANSITIONAL AND FINAL PROVISIONS**

### **Article 39 Templates**

The templates contained in Annexes I and II shall form an integral part of this legal diploma and may be amended at any time by a legal diploma of the member of the Government holding oversight authority.

### **Article 40 Derogation**

The provisions of this Regulation shall take precedence over any regulatory provisions which conflict with its application.

### **Article 41 Entry into force**

This legal diploma shall enter into force on the day following its publication.

Approved by the Council of Ministers on July 8, 2005.

Be it published.

The Prime Minister

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**Mari Bim Amude Alkatiri**

The Minister for Development and the Environment

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**Mari Bim Amude Alkatiri**