



TradInvest Timor-Leste

Agência de Promoção de Investimento e Exportação, I.P.

GABINETE DO DIRETOR EXECUTIVO

ESCAP

**7th SESSION OF THE COMMITTEE ON
TRADE AND INVESTMENT**

27 – 29 January, 2021

TIMOR-LESTE, Country Statement

Excellency Mr. Chairman,
Distinguished guests, ladies and gentlemen,

First of all, allow me to wish you all good health and prosperity. Our only world is currently being tested with another extraordinary event. It is a test that we all should once again prove that if we work together, we would definitely prevail and come up even stronger as a community of nations as we have done so in the past years.

Mr. Chairman,
Distinguished guests, ladies and gentlemen,

I am Arcanjo da Silva, the Executive Director of our Investment and Export Promotion Agency, TRADEINVEST Timor-Leste. Thank you for inviting my country, represented by myself, to present our statement in this very privileged forum. It is my intention based on our country's principle, to inform you that our country is committed as ever to the principle of multilateralism.

The current event of COVID-19 should be a tangible proof that **no country will survive alone and no country should struggle alone**. We live in an ever-smaller community, yet more complex than ever. It is therefore irreversible and indispensable that we emphasize on our cooperation, collaboration, collective responsibility and friendship.



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Our country, Timor-Leste, having managed the pandemic well with no casualty until today is also because it benefits a great deal from the kind assistance of our friends in the ASIA Pacific region, such as Australia, Indonesia, China, Cambodia, ASEAN Member States, and organization such as the World Health Organization.

Mr. Chairman,

Distinguished guests, ladies and gentlemen,

The notion of multilateralism is not a concept merely based on perceived pragmatism of smaller country, but rather it is enshrined in Timor-Leste's constitution and it is based on Timor-Leste's first-hand experience in the 24 years resistance as well as the ensuing state building process.

Today, one can witness such commitment in our strategic policy. For instance, through Timor-Leste's Strategic Development Plan 2011-2030. Having reconciled the plan with the Sustainable Development Goals, Timor-Leste sees its economy interlinked with the economy of the ASIA Pacific Region and in the world. Evidently, regional and multilateral economic integration such as accession to ASEAN and WTO are part of Timor-Leste foreign policy objective and strategy to develop economically. Through the plan, Timor-Leste aspires to have a dynamic and open trading economy that is integrated with the regional and global value chains.

That said, Timor-Leste is aware of its challenges in our domestic economic environment. For example, in the enabling environment sector for both domestic and foreign direct investment. The 2020 ease of doing business report recently ranked Timor-Leste at 181 out of 190 countries based on low performance indicators in areas *inter alia*, resolving insolvency, construction permit, property registration, access to credit and others. However, Timor-Leste remains to be characteristically a liberal country amidst the challenge of protectionism by liberalizing its sectors. Timor-Leste allows free flow of capital and skills, and free flow of goods and services. Timor-Leste's current import tariff stands as one of the lowest in the region. Timor-Leste is also home to various investments from the region such as ASEAN



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member states, Australia, New Zealand, China, South Korea, and others. Additionally, Timor-Leste is also home to various professionals and skilled labors from ASEAN member states, Australia, China and others, receiving equal treatment from Timor-Leste regulatory framework.

Furthermore, in addressing those challenges, the Timorese Government is committed to its internal economic reform agenda. Both accession to ASEAN and WTO have also been considered as vehicles that can help Timor-Leste to standardize its policy, legal and regulatory frameworks to those of best practices in the region and in the world.

Mr. Chairman,

Distinguished guests, ladies and gentleman,

Let me kindly inform you that apart from being the Executive Director for Tradeinvest, I have also been recently appointed as the designated Senior Economic Officer of Timor-Leste for ASEAN Economic Pillar, in which I have been instructed to work very closely with the Ministry of Foreign Affairs and Cooperation and the Ministry of Tourism, Commerce and Industry to coordinate the ASEAN accession process on economic pillar. In that respect, allow me to brief you on the recent efforts and progress of our work as it is one of the most tangible commitment to regionalism and multilateralism.

With the conclusion of ASEAN Economic Pillar (AEC) Interface between ASEAN and the Government of Timor-Leste in December 2020, Timor-Leste is currently preparing itself to host the AEC delegations from ASEAN once it is conducive for travelling. However, our technical work continues to focus on standardization of policy, legal and regulatory frameworks, enhancing of institutional capacity and stronger engagement with our private sector as well as stronger engagement between Timor-Leste's private sector and ASEAN Member States' private sectors.

Last week, the Timor-Leste Chambers of Commerce and Industry (CCI-TL), for the first time, historically participated in the ASEAN Advisory Business Council Meeting with the



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objective of broadening both sides' networks and identify areas of collaboration in future investment. The CCI-TL identified areas such as oil, gas and mining, agriculture and fishery, sustainable tourism, industry and manufacturing, and strategic infrastructure in accordance with the Government of Timor-Leste's potential sectors for investment.

It is evident that private sector plays a crucial role in multilateralism and benefit from it. Therefore the strategy of Timor-Leste private sector engagement with ASEAN and ASEAN Member States' private sector is based on that reality. It is also based on Timor-Leste strategic development plan and investment policy where private sector is recognized as drivers of job and income creation, and they are the necessary agents to tackle the persistent poverty in our society.

Mr. Chairman,

Distinguished guests, ladies and gentlemen,

The Government is consulting with the domestic and foreign private sector in Timor-Leste on a regular basis on many different economic frameworks. To name a few, the consultation on the private investment law, the private investment procedures, the trade strategy and procedures, the national single window reform etc.

On private investment, their contribution has been fundamental in guaranteeing an investment policy that provides equal treatment to both domestic and foreign private sector in accordance with regional and global best practices. In addition, while the consultation is still ongoing on trade strategy, we are certain that their contribution will enhance Timor-Leste's attractiveness to foreign investment and boost advantages in regional and global trading. Private sector is key to economic growth and it will definitely benefit from Timor-Leste that is deeply integrated into the regional and global economy.

These technical efforts have continuously received positive feedback from the ASEAN as a whole as well as ASEAN member states and ASEAN private sectors. The recent ASEAN statement by the ASEAN Foreign Minister's Retreat on 21st January also reaffirm ASEAN's



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commitment to redouble their effort to support Timor-Leste through capacity building assistance at the bilateral and regional levels, as well as Timor-Leste's participation in non-policy making meetings/activities of ASEAN.

Mr. Chairman,

Distinguished guests, ladies and gentleman,

In conclusion, allow me to once again profess Timor-Leste's commitment to multilateralism. We really hope that with the discovery of the vaccines and their use in many countries can soon enough help to recover our domestic and global economy through the normalization of the regional and global value chains. Timor-Leste stands ready to learn from this forum and all of you, and we are eager to continue working with all of you to contribute in any way possible for a more integrated region and the world.

I wish you all good health and thank you very much.

Arcanjo da Silva

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