



TIMOR-LESTE
**Customs
Authority**



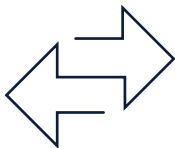
Customs Authority

A Brief Guide on Our
Organization, Our Roles,
and Our Responsibilities

English version

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Information provided within this guidance manual is correct at the time of publication; however, rules and regulations may be subject to change. If you are in any doubt, please visit the Customs Trade Portal for further information at: **www.customs.gov.tl**



Why should you read this guide?

The Government of Timor-Leste is committed to supporting the national economy by encouraging and facilitating legitimate commercial trade. As the government agency charged with the movement of goods across our borders, we play a pivotal role in protecting the country from the import and export of illegal or restricted goods, and we help to ensure that we collect the correct duties and taxes on behalf of the government.

This booklet includes the following parts:

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This booklet aims to help you understand more about the Customs Authority, including our roles, our responsibilities, and some of our legal powers. You can find more helpful information about this process and the other changes that we are making by visiting the Customs Trade Portal at: www.customs.gov.tl

PART I

About Us



About Us

At the Customs Authority, we are responsible for helping the Government of Timor-Leste control the movement of goods, vehicles, ships, and aircraft that enter and leave the country. As well as protecting our borders from those that try and import or export illegal or restricted goods, we also help collect duties and taxes, which is an essential source of national revenue.

In 2017, the Customs Authority was established under Decree-Law 9/2017, succeeding the National Directorate of Customs.

In January 2020, Decree-Law 9/2017 was replaced with a New Organic Structure of the Customs Authority (Decree-Law 2/2020). This new law, which came into effect in April 2020, will act as a basis to help us further professionalize our workforce and to ensure that our service is client-focused. In addition, we are now a semi-autonomous agency, meaning that we report hierarchically to the Ministry of Finance, but we have autonomy over our administrative functions.

Ongoing Reform and Modernization

With assistance from several international development partners, we are continuing to reform and modernize how we deliver our services to create a more robust and transparent organization. Our activities include:

- Updating our laws to enhance organizational efficiencies and to better comply with international requirements and standards;
- Automating and streamlining our procedures to make us more transparent and efficient;
- Delivering a more client-focused service that will help us develop better Customs-to-business relationships;
- Introducing new technologies that will help us to reduce our operating costs and the costs to the trade
- Removing unnecessary fees or charges from our procedures; and
- Professionalizing our workforce by delivering better training;
- Introducing new standards of behavior that help to embody our core values into our daily activities.

Our Mission

Our primary mission is to ensure that we can:

- Secure our nation's borders, and stop illegal or restricted goods from entering or exiting the country;
- Collect appropriate duties and taxes fairly and transparently;
- Prevent significant losses in revenue caused by inefficiencies or illicit activities;
- Make procedures more efficient and better comply with international standards;

- Facilitate trade, and attract investment by making it easier for businesses to import and export goods; and
- Identify and eradicate corruption from within our ranks.

Our Five-Year Strategic Plan

In line with our Five-year Strategic Plan, we will continue to reform our organization, improve our service and ensure that our values reflect what we do. This plan will guide us towards fully transforming into a more efficient and professional authority to ensure we can meet our legal obligations and provide quality customer service.

Complying with International Standards

We are working hard to align our laws, procedures, and operational activities with necessary international standards and conventions, including the:

- World Customs Organization (WCO) Revised Kyoto Convention
- World Trade Organization (WTO) Trade Facilitation Agreement
- Southeast Asian Nations (ASEAN) Trade in Goods Agreement
- WCO Revised Arusha Declaration

By doing so, we directly support our country's vision to join ASEAN and the WTO, enabling us all to access global markets and helping to diversify our economy.

PART II

Our Organization

Our Core Values

As an organization, we always strive to embrace and apply our four core values:



Integrity

Integrity is at our foundation:

Integrity means that our employees will treat people equally and apply the law fairly. Integrity requires that our employees will act with honesty and openness. In this way, our organization will promote good governance and trade facilitation.



Professionalism

Professionalism in all of our practices:

Our procedures are being simplified and standardized to comply with international practices. The Timor-Leste Harmonized tariff classifications will help to facilitate the faster movement of goods across international borders. We will embrace new IT systems, such as ASYCUDAWorld.



Transparency

Transparency in all of our activities:

The Customs Code ensures that we publish rules, directives, or any changes to the Code and allow us to actively consult with the private and public sectors on various issues. The Code also clarifies what information importers and exporters need.



Respect

Respect will form the basis for dealing with our clients:

Respect means we are sensitive and responsive to our clients' rights and needs. Respect requires that employees always act with courtesy and efficiency. Respect for clients also means that we provide excellent customer service.



Our Commissioner

José António Fatima Abílio was born in Fatuberliu, Manufahi. Mr. Abílio earned his political and social science degree at the University of Gadjá Mada, Yogyakarta in Indonesia, and later completed a degree in Public Administration at the Public Administration Academy of Malang, Indonesia in 1989. Mr. Abílio has over 35 years of professional experience in the public sector, having started as a junior officer in the district of Manufahi in 1984. Since then, Mr. Abílio's positions include:

- 2002: Appointed as the Vice Director of Planning and Coordinator of Assistance under the First Constitutional Government.
- 2007 Appointed Chief of Staff of the Office of the Minister of Finance.
- 2009: Appointed as the Director of Aid Effectiveness
- 2016: Appointed as the Director General for the Customs Authority.
- 2021: Appointed as the Commissioner for the Customs Authority for a five-year term.





Our Organizational Structure

Per Decree-Law 2/2020, our new administrative structure includes the following:

- **National Directorate of Operations:** Directs all of our operational activities and ensures the activities related to the inspection, prevention, and repression of Customs and tax fraud through the deconcentrated services.
- **National Directorate of Risk Management:** Identifies risk situations and ensures activities related to the investigation, prevention, and prosecution of customs and tax fraud.
- **National Directorate of Customs Compliance Management:** Ensures mechanisms related to taxation, Customs regulation, and excise duties.
- **National Directorate of Administration, Finance, and Logistics:** Responsible for managing resources, finance, and logistics.
- **Internal Audit and Ethics Unit:** Prepares and manages inspections and audits of importers and exporters and monitors our internal compliance with approved rules and procedures.
- **Legal Unit:** Provides legal support in preparing legal diplomas and legal advice.
- **Appeals Unit:** Coordinates and directs the preparation of opinions, complaints, appeals, or other procedures of a similar nature.
- **Institutional Relations and Communications Unit:** Promotes collaboration and communication between our clients and other national and international institutions.
- **Customs Informatics and Statistics Unit:** Manages and develops computer systems and applications for supporting statistical production.
- **Human Resources Management and Training Unit:** Manages and develops our HR systems, including organizational management and development and delivery of training.

PART III

Our Legal Powers to Stop and Search

Our Legal Powers to Stop and Search

To help us achieve our mission and further to provisions contained within the Customs Code (Decree-Law: 14/2017), we are legally permitted to search any goods, person, vehicle, or other conveyance that enters or exits the territory of Timor-Leste.

We take this power very seriously and aim only to stop and search those persons or consignments (goods) that we consider could pose some risk. When making this assessment, we take into account several factors, including:

- Your previous compliance history with us and other relevant
- government agencies
- The type of goods and where they are arriving from or going to
- Information received from other partner agencies

Occasionally, we may search your consignment to confirm that you or your customs broker still follow the rules.

If you believe you may be exempt from these types of controls because you hold diplomatic status per the Vienna Convention on Diplomatic Relations (1961), then you should advise one of our team immediately if we try and examine your baggage. Our team will require you to provide evidence of your exemption, such as showing us your Diplomatic passport or similar.

Customs Code (Decree-Law: 14/2017)

The Customs Code (Decree-Law: 14/2017) provides us with the legal basis to lawfully undertake our activities. Key articles include:

Article 2 - Customs Territory

The customs territory of the Democratic Republic of Timor-Leste comprises the land surface, the maritime zone and the air space limited by the national boundaries of Timor-Leste, pursuant to the Constitution of the Republic and the applicable law in force and international law, including the enclave of Oecussi Ambeno, the island of Atauro, the islet of Jaco, and the other islands and natural or artificial formations and platforms of prospection and exploration of resources.

Article 8 - Jurisdiction of Customs:

1) The jurisdiction of Customs is exercised permanently, under its direct action:

- a. In ports, bays, rivers, and anchorages
- b. Over territorial waters
- c. In a terrestrial zone of 10 km from the shore
- d. In a terrestrial zone of 10 km from the land border
- e. In airports and airfields and a surrounding terrestrial zone of 2 km
- f. In free zones, warehouses and other customs depots in a surrounding terrestrial zone of 2 km
- g. In maritime platforms and in a surrounding underwater zone of 2 km

2) While performing its duties and under its scope of jurisdiction, the customs authorities may take all necessary supervision and control measures, inside the national territory, for the correct implementation of the customs laws.

Article 58 - Authority to search in ports or facilities

Customs may at any time enter and search:

- a. Any area defined under Article 8.
- b. Any conveyance situated within the limits of such an area, and, subject to the preceding Article, to search any person found in such place or on such conveyance.

Article 59 - Search of persons and places outside the customs jurisdiction

If there is a suspicion that any foreign goods on which customs duties due have not been paid, or which have been imported contrary to law, are held by any person or in any dwelling, shop, or other building or place in Timor-Leste, Customs may make application in accordance with the Code of Criminal Procedure, for a court for the search and seizure of goods or other commodities.

You can download a copy of our laws, procedures, and other helpful information by visiting the Customs Trade Portal at: **www.customs.gov.tl**

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