

LEGAL FRAMEWORK SUPPORTING PRIVATE INVESTMENT IN TIMOR-LESTE

The 2017 Private Investment Law encourages and supports investment in Timor-Leste by providing an attractive investment environment and legal framework.

The Private Investment Law considers:

- Incentives offered to investors
- Fiscal and customs benefits
- Private investment promotion and facilitation
- Investment protection
- Investor support in the post-investment phase.

The law follows the guidelines of the Global ASEAN Comprehensive Investment Agreement.

Private Investment Law 15/2017

The Government of Timor-Leste provides incentives for investment and re-investment by national and foreign investors in projects that will contribute to sustainable economic growth, job creation, diversification of income, building resilient infrastructure, and socio-economic development with respect for natural ecosystems. Investors may apply for special benefits and conditions for investment projects through a Declaration of Benefit or Special Investment Agreement. Depending on the terms of the agreement, benefits and incentives may include a combination of:

- Significant income, sales, and service tax exemptions
- Significant customs duty exemptions
- Private land ownership and use
- Lease of state property (50 to 100 years)
- Visas for specialist foreign workers
- Additional benefits for investment in development zones

Private Investment Law No.15/2017

[English](#) [Portuguese](#)

Government Decree 2/2018

The Government of Timor-Leste has acted to reduce bureaucracy and unnecessary approval processes. TradeInvest Timor-Leste facilitates and simplifies the application process for the implementation of investment projects. The Government Decree of Regulation and Procedures complements the Private Investment Law, and mandates the process taken to secure investment benefits. As per Article Six of the Decree, benefits pertaining to work visas and leasing state property are available to investments with a value of at least:

- USD50,000 by national investors
- USD500,000 by foreign investors
- USD250,000 by joint ventures between a foreign investor and a national resident, with some restrictions

Government Decree No. 2/2018: Regulation of Procedures for Private Investment:

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