Interpreting a law literally, outside its context and system, aloof from reality, and in violation of the most elementary rules of legal hermeneutics, leads to an absurdity, which may undermine the country’s stability, as it tends to bring about a situation of institutional crisis that would otherwise not exist.

Pursuant to sections 92 and 95.1 of the Constitution of the Republic, the National Parliament enacts the following that shall have the force of law:

**Section 1**
**Authentic interpretation**

Under the terms of the provision of section 1 of Law No. 2/2002, of 7 August, applicable legislation in East Timor on 19 May 2002 means all Indonesian laws applied and that were in force “de facto” in East Timor, prior to 25 October 1999, as provided by UNTAET Regulation No. 1/1999.

**Section 2**
**Sources of law**

1. Legislation is the only immediate source of law in Timor-Leste.
2. Legislation is generic provisions issued by the competent organs of the State;
3. The sources of law in the Democratic Republic of Timor-Leste are:

   (a) The Constitution of the Republic;
   (b) Laws emanated from the National Parliament and from the Government of the Republic;
   (c) Subsidiarily, regulations and other legal instruments from UNTAET, as long as these are not repealed, as well as Indonesian legislation under the terms of section 1 of the present law.
Section 3
Effects

The present law shall take effect as from 20 May 2002.

Approved on 6 October 2003.
The Speaker of the National Parliament,

[Signed]
Francisco Guterres “Lu-Olo”

Promulgated on 20 November 2003.

To be published.

The President of the Republic

[Signed]
Kay Rala Xanana Gusmão