Dili, 15 August, 2016

Mining Code approval latest achievement in fulfilling Government Program

On Tuesday the 9th of August the Council of Ministers approved the Draft Mining Code. The development and Government approval of the Code marks another achievement in executing the Program of the Sixth Constitutional Government. The legislation now goes before National Parliament for consideration.

The Draft Code is a comprehensive piece of legislation that regulates all mining activities including recognition, prospecting, research, evaluation, development, exploitation, processing, refining and trading. As noted in the preamble of the Code the regulation “is of extreme importance to the Democratic Republic of Timor-Leste in view of the impact of these activities will have on the provision of materials essential to the development, economic growth and prosperity of the Nation.”

In order to develop the Code in an informed and inclusive way broad consultations were undertaken with stakeholders. These included public consultations in all municipalities and zones, consultations with expert international law firms, dialogue with industry groups and companies, interaction with leading academics, and advice from the World Bank. Detailed opinions were also issued in the process of its development by the Ministry of the Interior, the Ministry of Planning and Strategic Investment, the Authority of the Special Administrative Region of Oe-Cusse Ambeno and the Secretary of State of the Council of Ministers. The Ministry of Petroleum and Mineral Resources led the process.

With its 20 sections, 148 articles and 3 annexes, the Code covers all phases of mining activities and includes provisions on Health and Safety, Environmental Protection, inclusion of Local Content, the Labor Scheme, applicable Offences and Penalties, Mining Registry, Transparency and Good Practices.

Preliminary studies have shown Timor-Leste to be prospective in metallic minerals such as manganese, gold, silver and copper, and non-metallic mineral such as limestone, marble, gypsum and sand and gravel. Timor-Leste’s Institute of Petroleum and Geology, Division of Mineral Resources, is continuing to research the nation’s potential in metallic minerals [precious and base metals], gems, radioactive ores, industrial minerals [construction, manufacturing materials and ornamental rocks], rare ores and charcoal.

In February this year legislation was passed setting up the National Petroleum and Minerals Authority [ANPM] whose tasks include the supervision of all mining activities to ensure compliance with the enacted
version of the Mining Code. The development and passing of this legislation establishing the mineral regulatory authority also marked the achievement of a legislative goal of the Program of the Government.

Spokesperson for the Sixth Constitutional Government, Minister of State Agio Pereira noted “the preparation of the Draft Mining Code has been an intense effort, with the Government seeking to deliver to National Parliament a world class Code which is appropriate for the context of Timor-Leste. We have sought to prepare something that is sensitive to culture and environment and also able to unlock the potential of our Nation’s mineral sector to bolster our economic growth and lift the prosperity of our people. The Draft Code represents another achievement of the Government which is focused on executing its Program and delivering results.”ENDS