

Opening Statement

His Excellency Mr. Francisco Kalbuadi Lay Vice Prime Minister, Coordinating Minister of Economic Affairs, Minister of Tourism and Environment and Chief Negotiator of The Government of The Democratic Republic of Timor-Leste

as an Acceding Country to The World Trade Organization

6th Working Party Meeting

Geneva, Switzerland, 11th October 2023

Your Excellency Ambassador Rui Macieira, Permanent Representative of Portugal and Chair of the Working Party on the Accession of Timor-Leste to the WTO;

Your Excellency Deputy Director-General of the WTO, Ambassador Xiangchen Zhang, and Director of Accessions, Madam Maika Oshikawa;

Your Excellencies Ambassadors, Representatives of WTO Members and International Organizations;

Excellences, Ladies and Gentlemen,

Good morning.

First, let me start by thanking the Working Party Chair and the WTO Secretariat for the warm reception given to me and my delegation in Geneva and for the sustained dedication to this process.

I would also like to thank Members of the Working Party for their unshaken support and constructive engagement that made it possible to move the process this far, including our gathering today.

Following the Parliamentary Election in May, Timor-Leste now has its new Government that took office since 1 July. The recent Election demonstrated the strong adherence of the Timorese people to democracy and an open and free society. The new Government, led by our Prime Minister, His Excellency Kay Rala Xanana Gusmão, is committed to building a strong economic our country's foundation for sustainable and inclusive including through early WTO development, and ASEAN accessions.

On my recent appointment as Vice-Prime Minister, Coordinating Minister for Economic Affairs, and Minister of Tourism and Environment, I am pleased to inform you that I have the pleasure to continue the role of my predecessor, Eng. Joaquim Amaral, as Timor-Leste's new Chief Negotiator for our accession to the WTO.

Excellences, Ladies and Gentlemen,

As I pay tribute to Eng. Joaquim Amaral for leading and maturing this process from zero to this point, I am particularly honoured to be here to move this work forward exactly 3 years after the start of the active phase of our work in October 2020. As you are aware, since Timor-Leste started down this road, it has worked relentlessly, reflecting its commitment in concrete action. The team has engaged with Members bilaterally and multilaterally, answering questions and accommodating requests. Together with Members and led by the Chair, a tremendous effort has been made to adapt and progress, constructively and creatively, to keep Timor-Leste on a fast-accession track.

Building on this excellent work, I would like to assure all distinguished participants of my strong personal commitment to leading this process through its final steps, and I hope you will all agree with me that Timor-Leste is now in the very final stretch of joining the WTO. I am confident that the Working Party will be in a position to adopt our Accession Package soon, looking ahead towards the upcoming 13th Ministerial Conference in February.

Thus, me and my esteemed colleagues come to this 6th Working Party Meeting with the very concrete purpose and mandate to conclude all discussions in the Working Party, so that it could proceed to final procedural stage. I am confident that the great effort from the previous Working Party cycles and our recent progress on closing the remaining negotiations would enable us to achieve today's goal.

Mr. Chairman, Distinguished Members of the Working Party,

Let me update you of the progress made since the last meeting, which includes developments on the bilateral, multilateral and legislative fronts.

First, I am pleased to report on the substantial progress achieved in our bilateral market access negotiations with Members and proudly inform you that all negotiations have now been concluded.

You would recall that, right after the 5th meeting, Timor-Leste signed bilateral agreements with Japan and Cambodia, in April. We have also coordinated with Thailand, with who the negotiations were concluded in April, regarding the signing of the agreement following the establishment of a new Government in Bangkok.

I am also most pleased to inform you that, after relentlessly working with the United States and Indonesia in the past months, our negotiations with both of these Members are formally concluded. The agreement with the United States will be signed this afternoon, while the agreements with Indonesia and Thailand are to be signed as early as possible in the coming weeks.

Let me thank all ten involved Members for their constructive and substantive engagement in the negotiations, which allowed us to expeditiously progress and conclude on this front. **Second**, on the multilateral track, we provided comprehensive responses to Members' questions and updated our inputs for the Draft Report of the Working Party prepared by the Secretariat. As reflected in the revised Draft Report, we have undertaken a total of 30 commitments, which now include 28 commitments unbracketed at the last meeting, and 2 draft commitments for consideration by the Working Party today. We appreciate Members active participation, in particular, the United States' language suggestions and we look forward to concluding all discussions.

Mr. Chairman, Distinguished Members,

We would like to highlight that, as it has been demonstrated until today, Timor-Leste is fully committed to go beyond what's expected from it as an LDC. This is reflected in the ambitious set of commitments which we are ready to undertake, including on joining the ITA and ITA Expansion Agreement.

I am pleased to update that last month Timor-Leste delivered a presentation to the Committees on ITA and ITA Expansion on its draft ITA and ITA-II schedules, following the verification and circulation of the schedules in August. Following the meetings, we actively engaged with two Members to provide technical clarifications on the schedules, whereby concluding all exchanges on this matter. We would like to thank these two Members – European Union and Japan, for their active involvement in this process. Timor-Leste looks forward to the upcoming Committees decision on Timor-Leste's membership to these plurilateral agreements on **19 October**. I trust that this process is another evidence of Timor-Leste's readiness to fully participate in the multilateral trading system.

<u>Third</u>, my report would be incomplete without an update on where we are on the legislative front. Consolidating and revising our legal framework has been a priority pillar of our work during this whole process. Since the meeting in April, despite the change of Government, we have continued drafting and adopting the legislation needed for the accession and the post-accession period.

While I will provide a more detailed report later, let me highlight that Timor-Leste has already put the majority of the committed pieces of legislation in place. Over the past three years, Timor-Leste has been diligently addressing the requirements of the accession, with a focus on bridging the legislative and regulatory gaps identified by our dedicated team, Members and the WTO Secretariat. The number of legislations which remain for adoption is minimal.

In our July submission, we have included several newly adopted legislations. These include: Decree-Law on Animal Health and Quarantine, the Decree Law on Phytosanitary and Quarantine; first amendment to the Decree-Law on Business Registration; first amendment to the Decree-Law on Business Registration and Verification Service, I.P. (SERVE); first amendment to the Government Resolution on the establishment of the National Commission for Trade Facilitation (CONFAC); Government Decree on the Establishment of the National Secretariat for WTO Accession; and the Law on Safety, Health, and Hygiene at Work.

In addition, the Investment Reform Map and Guide were approved just days ago, while the Parliament Resolution on the Ratification of the HS Convention and the Decree-Laws on the Establishment of the IP Institute, the National Registry of Ships and Vessels, and the Regulation for the Organization of Ship Inspection Services are in pipeline for adoption shortly after this meeting. Let me also inform the Working Party that, upon careful consideration, the new Government has made the principal decision to continue adhering to the agreed Legislative Action Plan which the Working Party has in front of it today. I would like to stress that our strong commitment to the adoption of WTO-consistent legislation remains steadfast.

We will only be requesting for a minor technical alignment which is the removal of the Decree-Law on the Land Transport Authority from Part 1(A) of the LAP, which is no longer relevant under the programme of the new Government, and the removal of the revision of the Tax Proceedings Code from Part 1(B) of the LAP, as the necessary provisions have already been incorporated in the revision of the Tax and Duties Act, which is also part of the LAP. We hope that this will be agreeable and will be happy to elaborate on this under the respective agenda item.

Having said that, I would like to re-confirm that our overarching goal remains unaltered: which is the timely completion of all legislations for pre-accession, ensuring their adoption as soon as possible, no later than December 2023, with parallel advancement on the legislation for post-accession. In this regard, I would like to thank Members once again for having agreed to the Legislative Action Plan that offers Timor-Leste the flexibility to meet its legislative commitments in the post-accession period while addressing the challenges that confront us today. We highly appreciate Members' special consideration of our LDC needs in this regard.

I would also like to extend special thanks to Members and partners who have supported us in this work. We are very grateful and continue to count on your assistance in this final stretch and in the post-accession phase.

Mr. Chairman, Distinguished Members,

For Timor-Leste, this process remains, first and foremost, an opportunity to accelerate the important reforms which are essential to unleash the potential of our economy and to transform the country into a growing, healthy and well-educated middle-class Nation.

While my predecessors have started this process, today, along with the members of the current Government, I am fully confident that, with your support, Timor-Leste can meet its target of becoming the 165th Member of the WTO at the upcoming MC13 in Abu Dhabi. I hope that our discussions today will confirm this and I look forward to the big day.

Thank you very much.