

**NEGATIVE LIST OF ACTIVITIES AND SECTORS EXCLUDED FROM THE PRIVATE
INVESTMENT**

The negative list is a living document, at any time the investment activities can be deleted from or added into the list depending on sectorial legal framework reforms.

Within the terms and the effects of paragraph n.º 3 of article 9.º of the Private Investment Law No. 15 / 2017 of 23 August, Investment and Export Promotion Agency - TRADEINVEST TIMOR LESTE, publish the following:

I.1. Prohibited/restricted Investment Activities

No	Sector	Type of activity/Remissions
1	Criminal activities	Art. 9.º/1 of Private Investment Law 15/2017, 23 August
2	Activities related to environmental protection areas	Art. 1.º/c) of Decree-Law 26/2012, 4 July, arts. 33.º and 34.º of Decree-Law 5/2016, 16 March.
3	Activities related to offensive of traditional customs	Art. 4.º, Government-Decree 6/2005, 27 July
4	Activities related to arms and ammunition production and distribution	Art. 5.º, Government-Decree 6/2005, 27 July
5	Postal and courier services	Art. 7.º, Decree-Law 17/2004
6	Activities related to funeral services	Art. 2.º, 4.º, 5.º, 20.º of Decree-Law 21/2009

I.2. Investment activities with the possibility of a participation that limits quota/shares to Foreign Investors

No	Sector	Type of Activity	Legal Framework
1	Activities related to public communication services and other media services	Foreign Investment Capital is limited to the maximum amount of 30% of share capital of the communication and media entity	Social Communication Law, 5/2004, art. 24.º (foreign capital)
2	Publishing activities for books, periodicals, newspapers and other publishing activities	The ownership of the majority of the shares of a national media company in general is prohibited to foreigners, except if expressly authorized by the Government. Exception to this rule is written press, aimed only at foreign resident communities who are residents or whose purpose is to disseminate national culture, literature or languages	Law 9/2003 – Law of Immigration and Asylum, Art. 11.º (restrictions)
3	Urban and suburban passenger land transport activities and other passenger land transport activities	This type of activity should be granted to companies that belong to a national or; a company with more than 50% of national citizen's control, and constituted and regulated in accordance with Timorese law; or – people who benefit from the right of equalling to Timorese nationals, pursuant to conventions or international rules binding to the Timorese State	Decree-Law 2/2003, 10 March, Chapter II, Subsection 15 (access to the transportation business)
4	Air transport activities	The Immigration and Asylum Law determines that the foreigner entity cannot hold the majority of the share capital related to a national airline company	Law 9/2003 – Law of Immigration and Asylum, Chapter II, Art. 11.º (restrictions)



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No	Sector	Type of Activity	Legal Framework
5	Air carrier operator activities	The Law stipulates that, except in cases where the operator company provides public air transportation services, in concession regime, the companies that ought to apply for a certificate of air operator in Timor should possess a share capital of minimum: a) US\$3,000,000 (Three million US dollars) for the exercise of the air commercial transportation services by airplanes out of the national public transportation service; b) US\$1,500,000 (One million and five hundred US dollars) for the exercise of the activity of transportation by helicopter out of the public air transportation service	Art. 7.º, Decree-Law 5/2006, 1 March
6	Gambling and other recreational activities	Can be authorized and licensed for the exploitation of social gambling and entertainment and traditional games, as long as they are legally constituted and domiciled in Timor-Leste, natural or legal persons, for profit, who prove to be suitable and demonstrate technical, economic and financial capacity to exercise the activity The right to explore social and entertainment games, including lotteries, is reserved to the State and can only be exercised by companies constituted in the form of companies to which	Art. 10.º and 17.º of Decree-Law 6/2016, 25 May



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No	Sector	Type of Activity	Legal Framework
		the Government adjudicates the respective concession through the execution of a public administrative contract	
7	Insurance activity	Activity limited only to a minimum capital of investment as well as special licensing and other requirements required by law	Art. 9.º, 40.º, 41.º of Law 6/2005, 6 July