

**GOVERNMENT RESOLUTION No. 31/2020
of 2 September 2020**

**CREATES THE INTERMINISTERIAL COMMISSION FOR
TAX REFORM AND PUBLIC FINANCE MANAGEMENT AND THE
INTERMINISTERIAL SUBCOMMITTEE
FOR STATE ASSET MANAGEMENT REFORM**

Bearing in mind the commitment made in the Government Program to comprehensively reform the area of public finances with a view to increasing revenues for the State, strengthening and promoting sustainability, quality, transparency and accountability in fiscal policy and financial management;

Recognizing that the reform of tax and public finance management is essential to ensure the promotion of economic growth and a greater capacity to finance the State from alternative sources to the Petroleum Fund;

Valuing and giving continuity to the work that has been done on fiscal reform and the management of public finances since the VI Constitutional Government;

Giving new political impetus to the fiscal reform and public finance management programs, reinforcing the role and involvement of the members of the Government with responsibilities in these areas or whose activities have an important impact on them;

Seeking to ensure that the drafting of a significant part of the legislation necessary for tax and public finance reform will be completed during the year 2020;

Whereas by Government Resolution No. 29/ 2020 of August 19, the Commission for the Coordination and Monitoring of Institutional Reforms was established, under the chairmanship of the Prime Minister, assisted by the Minister of the Presidency of the Council of Ministers, to better ensure, and at the highest level, the central coordination of the development, implementation and monitoring of these reforms;

Whereas, furthermore, in two of the ongoing reforms, the Government resolutions framing them (Government Resolutions nos. 7/2019, of February 6 and 18/2019, of May 8), assign the Prime Minister the power to chair the sectorial Commissions, thus making it necessary to make some adjustments in order to allow the Prime Minister to focus on the overall coordination of the institutional reforms;

The Government resolves, pursuant to Article 115(a) of the Constitution of the Republic and Article 6(3) of Decree Law No. 14/2018, of August 17, as follows:

1. The Interministerial Commission for Tax Reform and Public Finance Management, hereinafter referred to as the Commission, is hereby established.
2. The Commission be composed of the Minister of Finance, who shall preside, and the members of the Government responsible for the following areas of governance:
 - a) Coordination of Economic Affairs;
 - b) Justice;
 - c) State Administration;
 - d) Planning and Organization;
 - e) Petroleum and Minerals.

3. Other personalities may participate in Commission meetings when convened by the Minister of Finance on his or her own initiative or at the request of any of its members.
4. The Commission shall be responsible for:
 - a) Promoting the elaboration of a fiscal policy and management of public finances;
 - b) Promoting the preparation of the legislative initiatives necessary to reform the normative framework relative to the execution of tax policy and the management of public finances;
 - c) Promoting the necessary studies regarding the implementation of tax policy and the management of public finances;
 - d) Defining and approve the measures that allow for the implementation of program-based budgeting and the application of the new public accounting system and Value Added Tax;
 - e) Monitoring and evaluate the implementation of tax policy and public finance management;
 - f) Carrying out any other tasks that may be assigned to it by law, regulation or determination of the Council of Ministers or the Prime Minister.
5. The Commission shall meet ordinarily every two months and extraordinarily whenever it is convened by the Minister of Finance.
6. A technical unit may be established next to the Commission, composed of one representative from each of the members of the Government referred to in number 2 of the services affected by the reform.
7. The Interministerial Subcommittee for the Reform of the Management of State Assets, hereafter referred to as the Subcommittee, is also established within the Interministerial Commission for Tax Reform and the Management of Public Finances.
8. The Subcommittee is composed of the Minister of Finance, who chairs it, and the members of the Government responsible for the following areas of governance:
 - a) Justice, co-chair;
 - b) State Administration;
 - c) Tourism.
9. Other personalities may participate in the Sub-Commission's meetings when summoned by the Minister of Finance, on his own initiative or at the request of any of its members.
10. The Sub-Commission is responsible for:
 - a) Promoting the preparation of a national plan for the reform of the inventory and management of the State's patrimony;
 - b) Promoting the preparation of the necessary legislative initiatives to reform the normative framework relative to the inventorying and management of the State's heritage;
 - c) Promoting and guarantee interdepartmental articulation in the implementation of the national plan for the inventory and management reform of the State's heritage;
 - d) To promoting and guarantee interdepartmental articulation in the identification of the State's assets;
 - e) Monitoring and evaluate the implementation of the national plan for the reform of the inventory and management of the State's assets;

- f) Pronouncing on the adequacy of the annual provisioning plans with regards to the acquisition of goods to be integrated in the State's patrimony;
 - g) Performing other tasks that are determined by law, regulation, deliberation of the Council of Ministers or decision of the Prime-Minister.
11. The Sub-Commission shall meet ordinarily once a month and extraordinarily whenever it is convened by its President.
 12. A technical unit may be established next to the Subcommission, composed by one representative of each member of the Government referred in number 8.
 13. The technical and administrative support to the work of the Commission and the Subcommittee is the responsibility of the unit responsible for public finance management reform of the Ministry of Finance.
 14. The technical units of the Commission and the Sub-Commission are coordinated by the representative of the member of the Government responsible for the area of governance of finance.
 15. The powers and functioning of the technical units of the Commission and the Sub-Commission are defined by internal regulation, to be approved by the Commission and the Sub-Commission, respectively.
 16. All organs and services of the public administration have the duty to collaborate with the Commission and the Subcommission, as appropriate, as well as with the respective technical units.
 17. The following are hereby revoked:
 - a) Government Resolution No. 26/2015, of August 5;
 - b) Paragraphs 2 to 7 of Government Resolution No. 17/2017, of April 5;
 - c) Government Resolution no. 7/2019, of February 6;
 - d) Government Resolution no. 18/2019, of May 8.
 18. This resolution shall enter into force on the day following its publication.

Approved by the Council of Ministers on 6 august, 2020.

Be it published.

The Prime Minister,

Taur Matan Ruak