

DECREE LAW NO. 10/2018

of 9 April 2018

BY LAWS OF THE INSTITUTE FOR QUALITY IN TIMOR-LESTE, I.P.

Considering that Quality is a determining factor for the productivity and competitiveness of all economic and social agents where State services are included, also as an essential element to safeguard citizen's quality of life in general and the consumer's in particular;

Taking into account that Quality is a factor that can differentiate national products and support their positioning in the markets and structuring for Timor-Leste development;

Considering also that Quality is a horizontal concept that covers all activities, all sectors of the economy and society in general, therefore a challenge and a responsibility of the whole society,

Thus,

The Government decrees, under the terms of paragraph e) of no. 1 and no. 3 of article 115 of the Constitution of the Republic, and paragraph u) of article 2 of Decree-Law no. 39/2015, of 4 September, to have the following as law:

CHAPTER I

General Provisions

Article 1

Creation and Nature

The Institute for Quality in Timor-Leste, IP, hereinafter IQTL, IP, is created, as a public institute integrated in the indirect administration of the State, endowed with administrative and financial autonomy, and autonomy of assets.

Article 2

Headquarters

IQTL, IP, is based in Dili and operates throughout the country, and may expand through the creation of regional offices.

Article 3

Mission and Attributions

1. IQTL, IP, is the national regulatory entity for Qualification, Standardization and Metrology and its mission is to implement and manage the national quality system and other regulatory qualification systems conferred by law, to promote and coordinate activities aimed at contributing to demonstrate the credibility of the action of economic agents, as well as to develop actions necessary for its function as a national metrology laboratory.
2. IQTL, IP shall be responsible for the following:
 - a) To implement, manage and coordinate a national quality system, in a perspective of integration of all relevant components to improve the quality of products and services, contributing to the increase of productivity, competitiveness and innovation in the public and private sectors;
 - b) To propose to the government measures leading to the definition of national policies on the national quality system, within the scope of standardization, qualification and metrology;

- c) To implement and manage the national metrology laboratory in the scientific and applied components, ensuring the implementation, maintenance and development of national standards of units of measurement and their traceability to the International System (IS) promoting their dissemination throughout the national territory;
 - d) To ensure and manage the legal metrological control system of measuring instruments, to recognize entities competent for the delegated exercise of such control, whenever this proves necessary to guarantee the national coverage and to coordinate the network constituted by those entities;
 - e) To establish the quality marks of the national quality system and ensure its management;
 - f) To promote and develop training actions in the scope of quality, namely qualification, standardization and metrology;
 - g) To guarantee and develop quality through the establishment of protocols and strategic partnerships with public and private entities, as well as scientific and technological entities that voluntarily or inherently congregate efforts to define principles and means that aim at quality standards;
 - h) To coordinate, qualify and recognize, as sector standardization bodies, the public and private entities to which the IQTL, IP delegates technical standardization functions to specific sectors of activity;
 - i) To develop cooperation activities and provide services to national and foreign entities interested in quality;
 - j) To ensure and promote the participation of Timor-Leste as a member of organizations, working groups and other international bodies within the scope of its attributions and competences;
 - k) To ensure the participation of Timor-Leste as a member of international metrology organizations and the obligations arising therefrom, namely the participation in their work;
3. To carry out its attributions, the IQTL, IP, shall promote the articulation and collaboration with services and organisms of the Ministry of Commerce and Industry (MCI) and other ministries in their respective areas of action, as well as with other national and international entities, of public or private nature.

Article 4

Definitions

For the purposes of this statute and especially of the provisions of the previous article, the following definitions shall apply

- a) ***“Quality”*** means the set of attributes and characteristics of a product or service that determines its ability to meet society's needs and expectations;
- b) ***“National Quality System”*** means the integrated set of interrelated and interactive entities and organizations that, according to internationally accepted principles, rules and procedures, unite efforts for the dynamization of quality in Timor-Leste through the implementation and development of three subsystems – standardization, qualification and metrology;
- c) ***“Standardization subsystem”*** means the subsystem that provides a framework for the development of standards and other normative documents of national, regional and international scope;

- d) ***“Qualification subsystem”*** means a subsystem covering activities such as accreditation, certification and other recognition of competence and assessment of conformity;
- e) ***“Metrology subsystem”*** means the subsystem that ensures the accuracy and precision of the measurements performed, ensuring their comparability and traceability, at national and international level, and the performance, maintenance and development of the standards of the units of measurement.

Article 5

Oversight

IQTL, IP, operates under the oversight of the Minister responsible for Commerce and Industry:

- a) To approve, upon proposal of the Board of Directors, the guidelines to which the preparation of activity plans and budgets must obey;
- b) To approve the Internal Rules of Procedure;
- c) To request all necessary information to monitor the activity of IQTL, IP, as well as determine audits to its operation;
- d) To approve, upon proposal of the Board of Directors, the acquisition or disposal of real estate, in compliance with the legal powers and procedures;
- e) To approve the tariffs and prices, to be published by joint ministerial diploma with the Minister of Planning and Finance;
- f) To approve the annual and multi-annual plans of activities and budgets, as well as the annual management report.

Article 6

Structure of IQTL, IP

IQTL, IP is managed by a Board of Directors and a Supervisory Board, appointed by the Council of Ministers, in consultation with the oversight Minister.

Article 7

Approval of the Statute

The By-Laws of IQTL, IP, attached to the present document, which forms an integral part of it, is hereby approved, and its publication is sufficient for registration purposes.

Article 8

Establishment plan

1. IQTL, IP employees are subject to the legislation applicable to the Civil Service.
2. The staff and the number of managerial and supervisory staff shall be approved by a joint ministerial decree of the Minister in charge, in agreement with the member of the government responsible for the Civil Service Commission.

CHAPTER II

TRANSITIONAL AND FINAL PROVISIONS

Article 9

Installation Commission

1. The IQTL Installation Commission, IP hereinafter referred to as “the Installation Commission”, is hereby established.
2. The Installation Commission shall be under the authority of the Minister of Commerce and Industry.

Article 10

Mission

The Installing Commission's mission is to organize the process of setting up the Institute, in particular the organizational skills, staff, assets and document collection, and to ensure the process of setting up the bodies and services of IQTL, IP, so that its full operation begins with the appointment of the Management Board.

Article 11

Powers

It is the responsibility of the Installation Commission:

- a) To draw up regulations concerning the organization and operation of IQTL, IP;
- b) To draw up the establishment plan for IQTL, IP;
- c) To prepare the Annual Plan, the Budget proposal, as well as the Procurement Plan, for the financial year 2018;
- d) To prepare the final report of the installation activities of IQTL, IP.

Article 12

Collaboration between entities

Public bodies, in particular the Ministry of Commerce and Industry, shall provide the Installation Commission with any assistance it may request in relation to the subject matter.

Article 13

Composition

1. The Installation Commission shall be headed by a Coordinator, and two Deputy Coordinators, appointed by order of the Minister of Commerce and Industry.
2. The Ministry of Commerce and Industry shall provide administrative, financial and logistical support to the Installing Commission.

Article 14

Duration of the Installation Period

The Installation Commission is extinguished by a Resolution of the Council of Ministers, which determines the full implementation of IQTL, IP and the appointment of its Board of Directors.

Article 15

Entry into force

This decree-law shall enter into force on the day following its publication in the Official Gazette.

Approved by the Council of Ministers on February 7, 2018.

The Prime Minister,

Dr. Marí Bim Amude Alkatiri

The Minister of Commerce and Industry;

António da Conceição

Enacted on 4 / 4 / 2018

Be it published.

The President of the Republic,

Dr. Francisco Guterres Lú Olo

**ANNEX
(referred to in Article 7)**

BY-LAWS OF THE INSTITUTE FOR QUALITY IN TIMOR-LESTE, IP

**CHAPTER I
GENERAL PROVISIONS**

**Article 1
Subject**

The present by-laws establish and regulate the functioning and organic structure of the Institute for Quality in Timor-Leste, IP, hereinafter also referred to as IQTL, IP.

**Article 2
Legal nature**

1. The Institute for Quality in Timor-Leste, IP, hereinafter also called IQTL, IP, is a public institute, endowed with legal personality and judicial capacity, endowed with administrative and financial autonomy, and autonomy of assets.
2. The IQTL, IP, shall be governed by the present by-laws, by the decree-law that approves the organic structure of the Ministry of supervision and by the rules applicable to the indirect administration of the State.

**Article 3
Headquarters and geographical area of activity**

1. IQTL, IP, has its headquarters in Dili and operates throughout the country, and may be extended through regional delegations, subject to authorization by the oversight authority.
2. The head office of IQTL, IP may be changed by proposal of the Board of Directors approved by the oversight authority.

**Article 4
Mission and Assignments**

1. IQTL, IP, is the national regulatory entity for Qualification, Standardization and Metrology and its mission is to implement and manage the national quality system and other regulatory qualification systems conferred by law, to promote and coordinate activities aimed at contributing to demonstrate the credibility of the action of economic agents, as well as to develop actions necessary for its function as a national metrology laboratory.
2. IQTL, IP shall be responsible for the following:
 - a) To implement, manage and coordinate a national quality system, in a perspective of integration of all relevant components to improve the quality of products and services, contributing to the increase of productivity, competitiveness and innovation in the public and private sectors;
 - b) To propose to the government measures leading to the definition of national policies on the national quality system, within the scope of standardization, qualification and metrology;
 - c) To implement and manage the national metrology laboratory in the scientific and applied components, ensuring the implementation, maintenance and development of national standards of units of measurement and their traceability to the International System (IS) promoting their dissemination throughout the national territory;

- d) To ensure and manage the legal metrological control system of measuring instruments, to recognize entities competent for the delegated exercise of such control, whenever this proves necessary to guarantee the national coverage and to coordinate the network constituted by those entities;
 - e) To establish the quality marks of the national quality system and ensure its management;
 - f) To promote and develop training actions in the scope of quality, namely qualification, standardization and metrology;
 - g) To guarantee and develop quality through the establishment of protocols and strategic partnerships with public and private entities, as well as scientific and technological entities that voluntarily or inherently congregate efforts to define principles and means that aim at quality standards;
 - h) To coordinate, qualify and recognize as sector standardization bodies the public and private entities to which the IQTL, IP delegates technical standardization functions to specific sectors of activity;
 - i) To develop cooperation activities and provide services to national and foreign entities interested in quality;
 - j) To ensure and promote the participation of Timor-Leste as a member of organizations, working groups and other international bodies within the scope of its attributions and competences;
 - k) To ensure the participation of Timor-Leste as a member of international metrology organizations and the obligations arising therefrom, namely the participation in their work.
3. In order to carry out its attributions, the IQTL, IP, shall promote the articulation and collaboration with services and organisms of the Ministry of Commerce and Industry and other ministries in their respective areas of action, as well as with other national and international entities, of public or private nature.

Article 5

Oversight

IQTL, IP, operates under the oversight of the Minister of Commerce and Industry:

- a) To approve the guidelines to which preparation of activity plans and budgets must obey, under proposal of the Board of Directors;
- b) To approve the Rules of Procedures;
- c) To request all necessary information to monitor the activity of IQTL, IP, as well as determine audits to its operation;
- d) To approve, upon proposal of the Board of Directors, the acquisition or disposal of real estate, in compliance with legal powers and procedures;
- e) To approve tariffs and prices, to be published by joint ministerial diploma with the Minister of Planning and Finance;
- f) To approve the annual and multi-annual plans of activities and budgets, as well as the annual management report.

CHAPTER II
COMPETENCIES AND FUNCTIONING OF IQTL, IP BODIES

Article 6
General Structure

1. Organs of IQTL, IP are:
 - a) The Board of Directors, the decision making body of IQTL, IP, consisting of a chairman and two members, appointed by the Council of Ministers, on a proposal from the oversight Minister;
 - b) The Fiscal Council, composed of two members, appointed by the Council of Ministers, one appointed by the Minister of Planning and Finance and the other by the oversight Minister.
2. The terms of office of members of the bodies established in the previous number shall have the duration of four years, renewable for equal periods.

SECTION I
BOARD OF DIRECTORS

Article 7
Powers of the Management Board

The Board of Directors is the decision-making body of IQTL, IP, invested with all the necessary powers to ensure good management and development of the institution, and is particularly responsible:

- a) To propose the approval of the Rules of Procedures containing the internal organization aspects, description of functions of operational services, work organization and professional categories;
- b) To ensure the direction and management of IQTL, IP;
- c) To propose the approval of the management policy of IQTL, IP;
- d) To propose the approval of the financial plan and the annual and multiannual activity plan;
- e) To propose to the oversight projects the acquisition of property, infrastructure and other logistic equipment;
- f) To submit for approval by the supervisory authority the acts and documents that under the terms of the Law must be submitted for approval;
- g) To decide on the signing of contracts, protocols or other legal instruments of the contractual type to be granted by IQTL, IP, without prejudice to compliance with the legal procedures formally required;
- h) To resolve on the acquisition, encumbrance or disposal of rights, assets and furniture subject to registration;
- i) To ensure the representation of IQTL, IP in the relationship with other entities, including internationally;
- j) To carry out any other acts that may become necessary for the performance of IQTL, IP's duties.

Article 8
Functioning of the Administrative Board

1. The Board of Directors shall meet bi-weekly in ordinary and extraordinary sessions whenever convened by its chairman, or at the request of the members or of the Audit Committee.
2. The Board of Directors can only deliberate by majority and minutes shall be drawn up of the meetings.
3. The members of the Board of Directors shall be remunerated on the basis of the scales provided for in Government Decree No. 6/2015 of 18 November.

Article 9

Chairman of the Board of Directors

1. The Chairman of the Board of Directors, or his or her replacement, shall be responsible for the coordination and general guidance of the Board's activities, and in particular:
 - a) to convene and chair meetings of the Board of Directors,
 - b) to coordinate its activity and ensure the execution of its deliberations;
 - c) to represent IQTL, IP, in and out of court when other representatives have not been appointed.
2. The Chairman of the Board of Directors shall be replaced in the event of his or her absence or impediment by the member appointed by him or her.
3. The Chairman of the Board of Directors or his legal substitute shall have the casting vote in the resolutions that have to be taken.

Article 10

Members of the Board of Directors

The members of the Board of Directors shall exercise the powers delegated to them by the Board of Directors.

Article 11

Termination of office

The members of the Board of Directors shall cease to hold office:

- a) by the end of their term in office;
- b) by permanent incapacity or supervening incompatibility;
- c) by resignation;
- d) following a conviction for a felonious crime; and;
- e) by decision of the Council of Ministers, after hearing the oversight Minister.

SECTION II

AUDIT COMMITTEE

Article 12

Members of the Audit Committee

1. The Audit Committee is composed of 2 members, appointed by the Council of Ministers, one appointed by the Minister of Planning and Finance and the other by the oversight Minister.
2. The members of the Audit Committee shall be equivalent to national directors for all purposes of remuneration and allowances, with a 4-year renewable mandate.

Article 13

Powers of the Audit Committee

1. The Audit Committee is the supervisory body for the management of IQTL, IP, and it is particularly responsible for:
 - a) Verifying the financial acts or those with direct financial implications, made by IQTL, IP bodies, their compliance with the statutes and other applicable legislation;
 - b) Regularly examining the IQTL, IP accounts and budget implementation;
 - c) Monitoring financial implementation of the plan and programs of activities;
 - d) Issuance of an annual opinion on each financial year in the form of the report and accounts of IQTL, IP and submit it to the Board of Directors;

- e) Performing other functions in accordance with the statute and other relevant legal provisions;
 - f) Taking part in meetings of the Board of Directors, without voting rights.
2. The Audit Committee meets monthly and whenever its Chairman calls it, at his initiative or at the request of another member.

CHAPTER III OPERATIONAL SERVICES

Article 14 Departments

1. IQTL, IP is organized, in operational terms, through the following Departments:
- a) Department of Administration and Finance;
 - b) Department of Standardization;
 - c) Department of Metrology;
 - d) Department of Qualification and International Affairs.
2. The directors of each of the services referred to in the sub-paragraphs of the preceding number shall be treated, for all legal purposes, as national directors:
3. The officers and heads of IQTL, IP are appointed in accordance with the applicable Civil Service legislation.
4. The duties of the Departments of IQTL, IP are defined in the Rules of Procedures as well as the functional content and description of the activities of its employees.

Article 15 Administration and Finance Department

The Department of Administration and Finance, abbreviated as DAF, is the unit responsible for the day-to-day management of the activities defined in the areas of administrative, financial, budgetary, human resources and assets, procurement, logistics and IT technology.

Article 16 Department of Standardization

The Standardization Department, abbreviated to DN, is the unit responsible for the implementation and development of the standardization subsystem, development of standards and other normative documents, representing IQTL, IP, in the technical coordination bodies of regional and international standardization organizations.

Article 17 Metrology Department

The Metrology Department, abbreviated to DM, is the unit responsible for implementing the metrology subsystem, ensuring its comparability and traceability at national and international level, and the implementation, maintenance and development of unit of measurement standards.

Article 18 Department of Qualification and International Affairs

The Department of Qualification and International Affairs, abbreviated as DQAI, is the unit responsible for implementation and development of the qualification subsystem, comprising accreditation, certification and other skills recognition and conformity assessment activities within the National Quality System, as well as intervening in international cooperation projects, namely regional communities, CPLP and ASEAN.

Article 19
Human Resources

1. The human resources of IQTL, IP are governed by the applicable Civil Service legislation.
2. The establishment plan shall be approved by a joint ministerial decree of the Minister for the Finance and the member of the government responsible for the Civil Service Commission.
3. IQTL, IP may resort to the temporary hiring of specialized technicians, under the terms foreseen in the Legal Regime of Fixed Term Employment Contracts in the Public Administration.

CHAPTER IV
PROVISIONS FINANCES AND ASSETS

Article 20
Management planning

1. The asset and financial management of IQTL, IP is governed by the following planning instruments:
 - a) Annual program, including activity plan and budget;
 - b) Expansion plan that reflects the needs of infrastructure and other equipment.
2. The financial management of IQTL, IP is subject to the budgetary principles and rules foreseen in the Budget and Financial Management Law and other applicable legislation.
3. The acquisition of goods and services of IQTL, IP are governed by the Legal Regime of Procurement and Legal Regime of Public Contracts.

Article 21
Assets

The assets of IQTL, IP, are the universality of assets, rights and obligations transmitted to it by the State and by others that it may acquire under the terms of the law.

Article 22
Binding Obligation

The IQTL, IP is obligated by the joint signature of the president or his substitute and a member.

Article 23
Accounting

1. IQTL, IP has the accounts organized in such a way as to allow permanent budgetary control and easy verification of the accounting values.
2. The Accounting services are subordinated to the head of Administration and Finance and follow the directives of the Fiscal Council.

Article 24
Revenues

1. The IQTL, IP, has revenues from appropriations allocated to it in the General State Budget.
2. The IQTL, IP, also has the following own revenue:
 - a) The product of services rendered;
 - b) The product resulting from the edition or sale of publications;

- c) Income from its activities;
- d) Grants, subsidies, co-payments, donations and legacies granted by any entity;
- e) The amounts provided for in annual or multiannual program contracts concluded with the Ministry of Commerce and Industry or other Ministries;
- f) Any other revenue assigned to it by law, contract or title.

Article 25

Expenses

IQTL expenses are those resulting from the fulfilment of the respective tasks.