



DEMOCRATIC REPUBLIC OF TIMOR-LESTE
MINISTRY OF FINANCE
OFFICE OF THE MINISTER

Ministry Diploma No. /2009,
of

Organic Statute for the Directorate-General of Revenue and Customs

The Organic Statute of the Ministry of Finance, as approved by the Decree-Law no. 13/2009, dated 25 February, created the central services under the direct administration of the State within the scope of the Ministry of Finance, including *inter alia* the Directorate-General of Revenue and Customs. In view of this, and in conformity with article 24 of Decree-Law no. 13/2009, it is necessary to approve its organic and functional structure.

Thus, the Government, through the Minister of Finance, pursuant to article 24 of Decree-Law no. 13/2009, of 25 February, orders the publication of the following organic diploma:

CHAPTER I
GENERAL ARRANGEMENTS

Article 1

Purpose

The present diploma sets the organic and functional structure for the Directorate-General of Revenue and Customs under the Ministry of Finance.

Article 2

Nature

The Directorate-General of Revenue and Customs, henceforth DGRC for short, is under the direct administration of the State, within the scope of the Ministry of Finance.

Article 3

Mission and Attributions

1. The mission of the DGRC is to ensure general guidance and integrated coordination for all Ministry services with competence in the area of Revenue and Customs.
2. The DGRC has the following tasks:
 - a) Guide and coordinate the administration and collection of State revenue from direct, patrimonial, service, capital and sales taxes, as

- well as the administration of other tributes given to it by law, according to the policies set by the Government regarding taxes;
- b) Guide and coordinate control over borders and national territory regarding tax, economic and society protection purposes, namely within the scope of environment and public security and health;
 - c) Guide and coordinate the administration, supervision and collection of customs duties;
 - d) Guide and coordinate the administration and collection of excise tax, other indirect taxes and other revenues attributed to it by the Government policies and the applicable legislation;
 - e) Guide and coordinate the administration, supervision and collection of taxes related to all activities of petroleum exploration, industry and trade;
 - f) Any others given to it by law.

Article 4
Supervision

1. The DGRC is supervised by the Director-General, who is appointed by the Minister of Finance according to the law.
2. The Director-General reports directly to the Minister of Finance.
3. The Director-General is replaced in his/her absences and impediments by a National Director within the scope of the DGRC, appointed by the Minister of Finance and under proposal of the Director-General.

CHAPTER II
ORGANIC AND FUNCTIONAL STRUCTURE

SECTION I
ORGANIC STRUCTURE

Article 5
General structure

1. The structure of the DGRC includes the following directorates:
 - a) National Directorate of Customs;
 - b) National Directorate of Petroleum Revenues;
 - c) National Directorate of Domestic Revenues;
2. The DGRC also includes the following additional departments:
 - a) Department of Legal Counsel;
 - b) Department of Administration;

SECTION II
STRUCTURE AND OPERATION OF THE NATIONAL DIRECTORATES

SUBSECTION I
NATIONAL DIRECTORATE OF CUSTOMS

Article 6
Attributions

The National Directorate of Customs, NDC for short, is responsible for the following tasks:

- a) Carry out control actions regarding commodities and means of transportation introduced in the customs territory and on the places for storing commodities under tax action, as well as ensure compliance with the necessary customs formalities for the presentation of commodities to customs and, within the clearance process, attribute a customs destination to commodities;
- b) Draft studies and proposals, as well as action rules and techniques within the scope of its goals;
- c) Participate in the definition and management of the tax policy concerning customs rights and Excise Tax, ensuring the liquidation and collection of all taxes, rates or impositions attributed to it by law;
- d) Regulate the applicable customs regimes to the moving of people and goods, at the entry, permanence, transit and departure from the customs territory, and look after their application;
- e) Carry out customs verification over people and goods at ports, airports and national borders, in conformity with the law;
- f) Participate in the definition of an external verification policy and coordinate its application, namely promoting the articulation of customs services with other Public Administration verification bodies so as to maximize results;
- g) Fight tax evasion and fraud, fight illicit smuggling of drugs, guns and other prohibited articles and collaborate with other national, foreign and international bodies in activities related with such activities;
- h) Issue opinions on international conventions, agreements and other normative instruments on customs or that contain provisions concerning customs;
- i) Collaborate with other State departments in the pursuance of their own goals, namely in the areas of economy, defence, security, moral, public hygiene and health, tourism, veterinary and phytopathological control, protection of brands and patents and defence of the national cultural and artistic patrimony, provided that this cooperation is indispensable to the realization of those goals;
- j) Promote clarification to service users, namely regarding the contents and interpretation of customs legislation, so as to make compliance easier;
- k) Be responsible for official clearing agents;
- l) Issue administrative sanctions according to customs legislation;
- m) Carry out surveillance over other activities that may result in breaches to customs legislation;
- n) Any others attributed to it by law.

Article 7

Direction and Supervision

1. The NDC is directed by a National Director, appointed by the Minister of Finance according to the law;
2. The National Director reports directly to Director-General of the DGRC;
3. The National Director is replaced in his/her absences and impediments by a Head of Department within the scope of the DGRC, under proposal of the National Director.

Article 8

Structure

The NDC includes the following Departments:

- a) Department of Commercial Compliance Assurance;
- b) Department of Operations;
- c) Department of Risk Management and Compliance;
- d) Department of Border Control;

Article 9

Department of Commercial Compliance Assurance

1. The Department of Commercial Compliance Assurance, henceforth DCCA for short, is the NDC body responsible for matters related with tax collection and the promotion of compliance with the valid rules by clearing agents and cargo owners.
2. The DCCA is responsible for the following tasks:
 - a) Ensure the collection of customs duties, sales tax, excise duty and fees and charges;
 - b) Apply the ASYCUDA program to ensure that the various modules are utilized correctly;
 - c) Ensure that the harmonized tariff and valuation systems are applied correctly;
 - d) Ensure the moving of cargo, both imports and exports;
 - e) Ensure the regimes for customs warehouses and free warehouses;
 - f) Collect unpaid or pending duties and taxes and reimburse duties and taxes according to the law;
 - g) Apply customs law in relation to the tariff assessment and classification of goods;
 - h) Ensure concessions are applied in accordance with the law;
 - i) Establish procedures and policies consisting with the world best practises and the models of the World Customs Organization;
 - j) Manage relations with clearing agents, including in what concerns registration, monitoring and training;
 - k) Report all infractions to the Code of Conduct;
 - l) Draft annual reports on department operations;
 - m) Participate in the drafting of annual budgets;
 - n) Develop short, medium and long term work plans;
 - o) Perform other functions given by law or delegated by the National Director.

Article 10

Department of Operations

1. The Department of Operations, henceforth DO for short, is the NDC body responsible for issues related with the examination of passengers and cargo including x-ray operations, airport and seaport operations, clearance of postal items, clearance and processing of ships and aircraft and the operating of Customs patrol boats.
2. The DO is responsible for the following tasks:
 - a) Apply the customs regimes concerning the movement of people, goods, ships and aircraft entering into, or transiting through or departing from the customs territory;
 - b) Combat and detect smuggling, especially duty evasion and fraud, and the illegal movement of firearms, drugs and other prohibited goods;
 - c) Combat the falsification of descriptions, quantities and values of traded cargo;
 - d) Screen commercial documents and X-Ray images to determine irregularities;
 - e) Undertake customs patrols using Customs vessels;
 - f) Report all infractions to the Code of Conduct;
 - g) Draft annual reports on department operations;
 - h) Participate in the drafting of annual budgets;
 - i) Develop short, medium and long term work plans;
 - j) Perform other functions given by law or delegated by the National Director.

Article 11

Department of Risk Management and Compliance

1. The Department of Risk Management and Compliance, henceforth DRMC for short, is the NDC body responsible for matters related to Customs investigations, targeting and profiling cargo and passengers that pose risk, auditing records after goods have been Customs cleared, and compiling and analysis of intelligence data.
2. The DRMC is responsible for the following tasks:
 - a) Establish a Customs intelligence system which includes a data base, an analytical unit, and an advisory and assessment unit;
 - b) Gather, store, disseminate information and intelligence with and from the Domestic and Petroleum Revenue Directorates, other law enforcement agencies and overseas authorities and international organizations;
 - c) Undertake investigations of allegations and possible breaches of Customs control, fraud and smuggling;
 - d) Establish and operate a system of auditing trader transactions to monitor the correctness or otherwise of declarations of goods. Recover short payments and arrange refunds where applicable;
 - e) Apply targeting and profiling activities to identify high risk passengers, goods and means of transport;
 - f) Ensure risk management principles are applied to minimize Customs interventions;

- g) Report all infractions to the Code of Conduct;
- h) Draft annual reports on department operations;
- i) Participate in the drafting of annual budgets;
- j) Develop short, medium and long term work plans;
- k) Perform other functions given by law or delegated by the National Director.

Article 12

Department of Border Control

1. The Department of Border Control, henceforth DBC for short, is the NDC body responsible for matters related with the examination of passengers and cargo including x-ray operations, land border, sea and air operations, clearance and processing of ships and aircraft and the operating of Customs patrol boats.
2. The DBC is responsible for the following actions:
 - a) Apply the customs regimes referring to the movement of people, goods, vehicles, ships and aircraft entering into, or transiting through or departing from the Customs territory;
 - b) Combat and detect smuggling, duty evasion and fraud especially and the illegal movement of firearms, drugs and other prohibited goods;
 - c) Combat the falsification of descriptions, quantities and values of traded cargo;
 - d) Screen commercial documents and X-Ray images to determine irregularities;
 - e) Undertake Customs patrols activities using motor vehicles and Customs vessels;
 - f) Report all infractions to the Code of Conduct;
 - g) Draft annual reports on department operations;
 - h) Participate in the drafting of annual budgets;
 - i) Develop short, medium and long term work plans;
 - j) Perform other functions given by law or delegated by the National Director.

Article 13

Leadership and Organizational Structure of the Departments

1. Departments are led by a Head of Department, appointed according to the law.
2. Whenever necessary, departments may be structured into various sections, according to their areas of competence.
3. The definition of competences and the profile of the heads and further staff of the sections, the internal distribution of tasks, the planning of activities and their respective budgeting, are the responsibility of the Head of Department and the approval of the National Director.

SUBSECTION II
NATIONAL DIRECTORATE OF PETROLEUM REVENUES

Article 14
Attributions

The National Directorate of Petroleum Revenues, NDPR for short, is responsible for the following tasks:

- a) Prepare estimates and look after the good collection of petroleum taxes, according to the law;
- b) Calculate and monitor petroleum revenues, in order to contribute to the draft State General Budget;
- c) Coordinate with other entities, such as the Central Bank and the National Petroleum Authority, on activities concerning petroleum and gas revenues;
- d) Prepare terms of reference for NDPR national workers;
- e) Provide professional training for NDPR workers;
- f) Draft and update revenue and tax forms used by NDPR and promote their divulgation to the taxpayers;
- g) Combat tax fraud and evasion, as well as collaborate with other national and international entities on activities related to combat against tax fraud;
- h) Issue opinions on international conventions and agreements, as well as other normative instruments under its area of competence;
- i) Promote clarification to users regarding the content and interpretation of the legislation on petroleum rates and revenues;
- j) Carry out assessment studies on petroleum revenues regarding design, procedures and controls, according to the outcomes;
- k) Register petroleum taxpayers, updating the list of taxpayers and issuing tax compliance certificates;
- l) Maintain permanent collaboration with other national services and bodies, as well as with international institutions with relevance in the petroleum sector;
- m) Draft legislation proposals, as well as administrative instructions, to be submitted to the Director-General;
- n) Draft quarterly and annual reports on the general operations of the NDPR, to be submitted to the Minister by way of the Director-General;
- o) Establish an adequate internal control system to manage the NDPR in an effective and efficient manner;
- p) Any others given to it by law.

Article 15
Direction and Supervision

1. The NDPR is led by a National Director, appointed by the Minister of Finance according to the law;
2. The National Director reports directly to the Director-General of the DGRC;
3. The National Director is replaced in his/her absences and impediments by a Head of department, within the scope of the NDPR, designated by the Director-General of the DGRC and through proposal by the National Director.

Article 16
Structure

The NDPR includes the following Departments:

- a) Department of Petroleum Operations;
- b) Department for Managing Compliance with Petroleum Rules;

Article 17
Department of Petroleum Operations

1. The Department of Petroleum Operations, henceforth DPO for short, is the NDPR body responsible for matters related with the assessment and collection of taxes, proper registration of petroleum taxpayers, and the estimate and assessment of petroleum revenue.
2. The DPO is responsible for the following tasks:
 - a) Administer, manage and monitor the issue of assessments, collection of revenues and maintenance of data in relation to petroleum taxpayers;
 - b) Ensure that petroleum taxpayers operating in the Joint Petroleum Development Area and in Timor-Leste's onshore and offshore territory are administered according to the law;
 - c) Manage and monitor the registration of petroleum taxpayers;
 - d) Administer and enforce laws in order to collect tax properly due from petroleum taxpayers and ensure that appropriate sanctions, penalties and other legal measures are applied against non-compliant taxpayers;
 - e) Reconcile the petroleum tax revenues with petroleum fund deposits and ensure that all petroleum tax revenues are deposited to the Petroleum Fund bank account in accordance with the requirement imposed by the *Timor-Leste Petroleum Fund Act*;
 - f) Estimate and project future petroleum tax collections regularly and finalize a budget revenue forecast in collaboration with the relevant National Directorates;
 - g) Collaborate regularly with other relevant national bodies, as well as with national and international organizations to foster research and exchange economic, financial and any other relevant petroleum industry information under the relevant laws and regulations;
 - h) Develop and maintain systems for the management of taxpayer records, both manually and electronically;
 - i) Draft annual reports on department operations;
 - j) Participate in the drafting of annual budgets;
 - k) Develop short, medium and long term work plans;
 - l) Perform other functions given by law or delegated by the National Director.

Article 18
Department for Managing Compliance with Petroleum Rules

1. The Department for Managing Compliance with Petroleum Rules, henceforth DMCPR for short, is the NDPR body responsible for matters related with the conduct of compliance activities for petroleum taxpayers.
2. The DMCPR is responsible for the following tasks:
 - a) Regularly provide advice and information to petroleum taxpayers in relation to Timor-Leste petroleum tax laws and regulations;
 - b) Educate petroleum taxpayers of the petroleum tax laws and regulations;

- c) Provide legal interpretation and explanation of the petroleum revenue laws as well as initiate proposals for public rulings within the boundaries established by the Department of Legal Counsel;
- d) Prepare and periodically update various tax guides, forms and returns in consultation with the National Director and ensure the regular distribution of these materials to petroleum taxpayers;
- e) Prepare the audit plan for each tax year for final approval by the National Director;
- f) Regularly undertake desk audits to ensure that the proper amount of revenue is collected equitably, and make adjustments where necessary to encourage and foster a high level of voluntary compliance with the petroleum tax laws;
- g) Regularly conduct field audits and issue assessments as required on the basis of field audit findings;
- h) Strictly administer and enforce laws in order to collect tax properly due from petroleum taxpayers and ensure that appropriate sanctions, penalties and other legal measures are applied against non-compliant taxpayers;
- i) Regularly conduct research in relation to oil and gas prices and other relevant industry information to cross check against taxpayers tax returns and other forms and documents;
- j) Collect transfer pricing information and associated documents from petroleum taxpayers and examine pertinent transactions to establish whether transfer pricing issues exist under the petroleum tax law and regulations;
- k) Draft annual reports on department operations;
- l) Participate in the drafting of annual budgets;
- m) Develop short, medium and long term work plans;
- n) Perform other functions given by law or delegated by the National Director.

Article 19

Leadership and Organizational Structure of the Departments

1. Departments are led by a Head of Department, appointed according to the law.
2. Whenever necessary, departments may be structured into various sections, according to their areas of competence.
3. The definition of competences and the profile of the heads and further staff of the sections, the internal distribution of tasks, the planning of activities and their respective budgeting, are the responsibility of the Head of Department and the approval of the National Director.

SUBSECTION III

NATIONAL DIRECTORATE OF DOMESTIC TAXES

Article 20

Attributions

The National Directorate of Domestic Taxes, NDDT for short, is responsible for the following tasks:

- a) Propose measures for improving and regulating taxes under its responsibility, and look after their proper collection;

- b) Contribute towards the drafting of the forecast, the monitoring and the assessment of revenues under its administration, in order to draft the State Budget;
- c) Participate in the definition of the external verification policy and coordinate its application, namely promoting the articulation between customs services and other Public Administration verification services, so as to maximize results;
- d) Combat tax evasion and fraud, collaborating with other national, foreign and international bodies in activities related with the fight against fraud;
- e) Issue opinions on international conventions, agreements and other normative instruments within the scope of its competences and attributions;
- f) In collaboration with the Ministry of Foreign Affairs, negotiate so that there is no double taxing;
- g) Estimate the amount of uncollected revenue due to tax exemptions, reductions or incentives;
- h) Promote the clarification of the users, namely in what regards the contents and interpretation of tax legislation, so as to facilitate compliance;
- i) Maintain an updated taxpayers record and issue certificates stating that the requesting taxpayers have no tax debts;
- j) Maintain a permanent collaboration with other national services and institutions involved with the petroleum sector, as well as with other relevant national and international agencies;
- k) Contribute towards the design of legislative and regulatory projects, as well as administrative instructions;
- l) Prepare quarterly and annual reports on the NDDT activities, to be submitted to the Minister of Finance;
- m) Any others given to it by law.

Article 21

Direction and Supervision

1. The NDDT is led by a National Director, appointed by the Minister of Finance according to the law;
2. The National Director reports directly to the Director-General of the DGRC;
3. The National Director is replaced in his/her absences and impediments by a Head of department, within the scope of the NDDT, designated by the Director-General of the DGRC and through proposal by the National Director.

Article 22

Structure

The NDDT includes the following Departments:

- a) Department of Large Business Taxpayers;
- b) Department of Small Business Taxpayers;

Article 23

Department of Large Business Taxpayers

1. The Department of Large Business Taxpayers, henceforth DLBT for short, is the NDDT body responsible for matters related with the collection of taxes and promoting compliance from large domestic taxpayers.
2. The DLBT is responsible for the following tasks:

- a) Administer, manage and monitor the issue of assessments, collection of revenues and maintenance of data in relation to large domestic taxpayers;
- b) Manage and monitor the registration of taxpayers;
- c) Maintain, update and progressively develop tax systems to facilitate the identification of new domestic large taxpayers and ensure that revenues are properly collected from existing taxpayers;
- d) Administer and enforce laws in order to collect tax properly due from large domestic taxpayers and ensure that appropriate sanctions, penalties and other legal measures are applied against non-compliant taxpayers;
- e) Provide large domestic taxpayers with timely and accurate advice and information in relation to the domestic tax laws and regulations;
- f) Research the taxpayer base to understand compliance in this segment and to identify risks of non-compliance with the revenue laws and the level of that risk;
- g) Design, develop and implement compliance strategies to ensure that the proper amount of revenue is collected equitably, and encourage and foster a high level of voluntary compliance from large domestic taxpayers;
- h) Provide legal interpretation and explanation of the domestic revenue laws as well as initiate proposals for public rulings within the boundaries established by the Department of Legal Counsel;
- i) Assist in the preparation of and periodic updating of various tax guides, forms and returns in consultation with the National Director and ensure the regular distribution of these materials to large domestic taxpayers;
- j) Maintain detailed records for the different types of domestic tax and reconcile these records with SIGTAS and Treasury on a regular basis;
- k) Draft annual reports on department operations;
- l) Participate in the drafting of annual budgets;
- m) Develop short, medium and long term work plans;
- n) Perform other functions given by law or delegated by the National Director.

Article 24

Department of Small Business Taxpayers

1. The Department of Small Business Taxpayers, henceforth DSBT for short, is the NDDT body responsible for matters related with the collection of taxes and promoting compliance from small business taxpayers.
2. The DSBT is responsible for the following tasks:
 - a) Administer, manage and monitor the issue of assessments, collection of revenues and maintenance of data in relation to small business taxpayers;
 - b) Manage and monitor the registration of small business taxpayers;
 - c) Administer and enforce laws in order to collect tax properly due from small business taxpayers and ensure that appropriate sanctions, penalties and other legal measures are applied against non-compliant taxpayers;
 - d) Design, develop and implement compliance strategies to ensure that the proper amount of revenue is collected equitably, and encourage and foster a high level of voluntary compliance from small business taxpayers;
 - e) Provide small business taxpayers with timely and accurate advice and information in relation to the domestic tax laws and regulations;

- f) Research the taxpayer base to understand compliance in this segment and to identify risks of non-compliance with the revenue laws and the level of that risk;
- g) Assist in the preparation of and periodic updating of various tax guides, forms and returns in consultation with the National Director and ensure the regular distribution of these materials to small business taxpayers;
- h) Provide legal interpretation and explanation of the domestic revenue laws as well as initiate proposals for public rulings within the boundaries established by the Department of Legal Counsel;
- i) Maintain detailed records for the different types of domestic tax, and reconcile these records with SIGTAS and Treasury on a regular basis;
- j) Contribute to the formulation of the annual operations report and provide relevant reports/statistics/analysis as required.
- k) Draft annual reports on department operations;
- l) Participate in the drafting of annual budgets;
- m) Develop short, medium and long term work plans;
- n) Perform other functions given by law or delegated by the National Director.

Article 25

Leadership and Organizational Structure of the Departments

1. Departments are led by a Head of Department, appointed according to the law.
2. Whenever necessary, departments may be structured into various sections, according to their areas of competence.
3. The definition of competences and the profile of the heads and further staff of the sections, the internal distribution of tasks, the planning of activities and their respective budgeting, are the responsibility of the Head of Department and the approval of the National Director.

SUBSECTION IV ADDITIONAL DEPARTMENTS

Article 26

Department of Legal Counsel

1. The Department of Legal Counsel, henceforth DLC for short, is the office equivalent to the satellite unit set under the Organic Statute of the Directorate-General of Corporative Services, responsible for providing support to the Director-General of the DGRC in the areas of legislation, regulations, legal interpretation, litigation liaison and legal representation for the DGRC as well as establishing and maintaining international relations on revenue and customs matters.
2. In close articulation with Judicial Support Unit of the Directorate-General of Corporative Services, the DLC is responsible for the following tasks:
 - a) Coordinate the design, approval and promulgation of legislation and regulations for Revenue and Customs matters and liaise with the relevant stakeholders in the development of policies relating to Revenue and Customs;
 - b) Interpret revenue and customs laws to set legal precedents to follow in the administration of those laws;

- c) Develop an escalation policy for interpretation of significant issues and establishing legal precedent;
- d) Provide technical clearance for private and public rulings as well as all publications and training materials;
- e) Provide advice and guidance on the application of administrative penalties for tax offences or recommend court action for serious offences;
- f) Disseminate legislation and regulations to the bodies and services of the Ministry of Finance;
- g) Legally represent the DGRC in the cases presented to the judiciary which involve employees and functions of the DGRC;
- h) Coordinate and provide support to appropriate government bodies in litigation cases;
- i) Participate when requested in inspections conducted by the competent authorities of the Ministry of Finance;
- j) Manage the legislation and regulation archives related to Revenue and Customs areas;
- k) Report all matters relating to breaches of the Code of Conduct;
- o) Draft annual reports on department operations;
- p) Participate in the drafting of annual budgets;
- l) Develop short, medium and long term work plans;
- m) Establish and maintain international bilateral and multilateral relations;
- n) Coordinate on all matters concerning contacts with international bodies and organizations, including exchanges on international agreements;
- o) In cases of contentious appeals, analyse the appeals and the initial decisions by the DGRC authorities with exemption and transparency, as well as issue legal opinions and assume secretariat responsibilities in relation to the Revenue and Customs Council of Appeals;
- p) Provide stakeholders, including members of the public, with information on self-assessment, compliance requirements and changes in laws, policies and procedures;
- q) Coordinate the publication of information products; and
- r) Perform other tasks attributed by law or delegated by the Director-General.

Article 27

Department of Administration

1. The Department of Administration, henceforth called DA, is the office equivalent to the satellite unit set under the Organic Statute of the Directorate-General of Corporative Services, responsible for providing support to the DGRC in matters related to the management of human resources, finance and performance reporting.
2. In close articulation with relevant Departments and Units of the Directorate-General of Corporative Services, the DA is responsible for the following tasks:
 - a) Establish a staff management system in conformity with the valid laws and administrative regulations;
 - b) Set up and manage a training and capacity development centre;
 - c) Maintain a record and documentation management system within secure storage arrangements;
 - d) Ensure an appropriate mechanism in terms of management reports;

- e) Provide support and maintenance to the ASYCUDA and SIGTAS systems;
- f) Ensure appropriate logistic and office services support for the DGRC including the issue of uniforms for Customs and safety equipment;
- g) Ensure strategic and work area planning is undertaken at the DGRC;
- h) Coordinate the preparation of DGRC annual budgets;
- i) Ensure budget execution in conformity with the valid law and administrative rules;
- s) Report all matters relating to breaches of the Code of Conduct;
- q) Draft annual reports on department operations;
- t) Develop short, medium and long term work plans;
- j) Perform other tasks attributed by law or delegated by the Director-General.

Article 28

Organizational Leadership and Structure of Additional Departments

1. Additional departments are led by a Head of Department appointed under the law, through joint proposal by the Director-General of Corporative Services and the Director-General of Revenue and Customs.
2. Heads of additional Departments report to the Director-General of the Directorate-General of Corporative Services in all that concerns the development of new administrative policies, rules and proceedings, as well as to the consistent implementation of the existing ones.
3. Heads of additional Departments report to the Director-General of the DGRC in all that concerns the operational activity of the department.
4. Whenever necessary, departments may be structured into various sections, according to their areas of competence.
5. The definition of competences and the profile of the heads and further staff of the sections, the internal distribution of tasks, the planning of activities and their respective budgeting are the responsibility of the Head of Department and require joint approval by the Director-General of Corporative Services and the Director-General of Revenue and Customs.

CHAPTER III

ATTRIBUTIONS AND COMPETENCES OF MANAGEMENT AND LEADERSHIP POSITIONS

Article 29

Director-General of the DGRC

1. The Director-General of the DGRC is the entity of the Ministry of Finance who provides technical supervision to the departments of this Directorate-General supervising technical accuracy in the execution of policies, plans, programs, budgets, rules and procedures approved for the area of competence of the DGRC.
2. The Director-General is responsible for the following tasks:
 - a) Supervise DGRC services, coordinate and direct their activity under the law and in accordance with the guidance of the Minister or Vice Minister of Finance, as applicable;

- b) Ensure the monitoring and assessment of the policies, plans, programs, budgets and procedures approved for the area of competence of the DGRC;
- c) Approve the administrative rules and / or instructions needed for the operation of the DGRC;
- d) Propose the appointment of personnel, in conformity with the law, for leadership positions within the scope of the DGRC;
- e) Carry out administrative and disciplinary authority over all DGRC personnel, including processing performance evaluations, starting disciplinary cases and applying sanctions under the law;
- f) Participate in the meetings of the Finance Management Consultative Council;
- g) Issue opinions and provide technical support in his/her area of competence to the Government in General, and to the Minister or Vice Minister of Finance in particular;
- h) Perform all other tasks given to them by law or delegated by the Minister or the Vice Minister of Finance.

Article 30

National Directors of the DGRC

1. National Directors of the DGRC are Ministry entities who provide technical management and supervision to the National Directorate departments under them, ensuring technical accuracy in the implementation of the competences given to their National Directorates.
2. National Directors are responsible for the following tasks:
 - a) Ensure technical leadership and assure the operational management of the respective National Directorates, so as to provide full execution of the competences and attributions of those National Directorates, in conformity with the law and according to the guidance of the Director-General;
 - b) Monitor and assess the programs, plans and activities of the departments under the respective National Directorates;
 - c) Prepare the necessary instructions for funding the departments under the respective National Directorates, and present them for higher decision;
 - d) Exercise administrative and disciplinary authority over the entire staff of the respective department, including processing performance evaluations, starting disciplinary cases and applying sanctions under the law;
 - e) Participate in routine meetings set for the DGRC;
 - f) Issue opinions and provide technical support in their area of competence to the Director-General;
 - g) Perform all other tasks given to them by law or delegated by the Director-General.

Article 31
Heads of Department

1. Heads of Department are DGRC entities who provide technical supervision to the relevant department, including the sections, if applicable, assuring technical accuracy in the implementation of the tasks given to their respective department.
2. Heads of Department have the following tasks:
 - a) Supervise the services of their respective department, coordinate and lead their activity under the law and according to the guidance of the National Director;
 - b) Ensure the monitoring and assessment of policies, plans, programs, budgets and procedures approved for their department;
 - c) Proposing to the competent authorities the necessary administrative rules and / or instructions for the implementation of the attributions and competences of the respective department;
 - d) Exercise administrative and disciplinary authority over the entire staff of the respective department, including processing performance evaluations, starting disciplinary cases and applying sanctions under the law;
 - e) All other tasks given by law or delegated by the Director-General.
3. Heads of Department report directly to the National Director or to the Director-General, as the case may be.
4. Heads of Department are immediately above the Heads of Section in the respective department.

CHAPTER IV
FINAL AND TRANSITORY ARRANGEMENTS

Article 32
Staff

1. The necessary staff for the management and leadership positions listed in the present diploma shall be appointed under the law.
2. In the event that no suitable applicant can be found to exercise the management and leadership positions, the Minister of Finance may appoint technical advisors to assume those functions on an interim basis.
3. Once the present diploma comes into force it will be necessary to proceed immediately with the definition of the staffing profile for the respective departments and units, as well as with the definition of the respective functional contents, as well as to process recruitment, confirmation or transfer of staff to fill the positions.

Article 33
Coming into force

The present diploma comes into force on the day following its publication.

Approved by the Minister of Finance and published in the Journal of the Republic, in Dili, Timor-Leste, on March 2009.

Emília Pires
Minister of Finance