LAW NO. 8/2016 OF 8 JULY

CONSUMER PROTECTION LAW

The Constitution of the Democratic Republic of Timor-Leste guarantees, in its article Article 53 the rights of consumers, in particular, the quality of goods and services consumed, access to truthful information, protection of health, safety and economic interests and compensation for damage.

Without prejudice to the existence, in the Timorese legal system, of various legal instruments laying down specific rules to ensure the protection of the consumer's position, there is the need for the

Recognizing that commercial activity, as a way of boosting economic activity, should be protected and encouraged by establishing uniform criteria that all must meet, and considering the need to safeguard and consolidate the achievements already made in boosting the private sector, encourage its modernization and correct some of the existing weaknesses, the purpose of this decree is to defend consumers in consumer relations, on the one hand, and to promote a qualitative advance in the national business sector, on the other.

Being the protection of the consumer a fundamental element for a balanced consumption relationship, the present diploma aims to reduce the economic difference of relationship, protecting the position of consumers against economic groups and other entities with which they have to relate.

In this sense, this law establishes a normative framework for a genuine consumer protection policy, through a deepening of the legislative framework, particularly in the area of consumer information and training, contractual protection, promotion of access to justice, representation of rights and interests, and market control.

Considering this,

The National Parliament decrees, in accordance with article 95 and article 53 of the Constitution of the Republic, to validate as law, the following:

CHAPTER I GENERAL PROVISIONS

Article 1 Object

The present law establishes the legal regime of protection of consumers, by defining the functions of the State, consumer rights and the involvement of consumer associations.

Article 2 Scope

The present law shall apply to goods and services provided and transmitted by any natural or legal person, national or foreign, public or private, who develops, with a professional nature, production activities, manufacture, export, import, construction, distribution, transport or sale of goods and services, with a view to obtaining benefits.

Article 3 Definitions

For the purposes of this law, the following definitions shall apply:

a) Consumer - Individual or legal person to whom goods or services are provided for nonprofessional use, by a person who carries out an economic activity, with a professional character, in order to obtain benefits;

b) Supplier - Natural or legal person, national or foreign, public or private, who develops, with a professional character, economic activities of production, manufacture, export, import, construction, distribution, transportation or sale of goods and services, with a view of obtaining benefits;

c) Goods - Movable or immovable, tangible or intangible thing that can be object of legal relations;

d) Service - Any activity performed in the consumer market, for remuneration, including activities of a banking, financial, credit and security nature, with the exception of those resulting from labor relations;

e) Normal or reasonably foreseeable use - Any use which is appropriate to the nature or characteristics of the good or which respects the recommended use indicated in a clear and obvious manner by the supplier;

f) General interest - Interest whose ownership belongs to everyone and to each of the citizens, but which cannot be individually appropriated by any of them.

Article 4 General Duty of the State

1. The State and public entities, in particular those with consumer powers, shall adopt and promote appropriate policies and actions to defend consumers' rights and interests, including information and education support to the constitution and functioning of consumer associations, as well as the implementation of the provisions of this law.

2. It is the responsibility of the government to take appropriate measures to ensure

3. Without prejudice to a special regime, in the case of immovable assets, the consumer shall be entitled to a minimum warranty of five years.

- 4. For the purposes of paragraphs 2 and 3, the warranties shall:
 - a) Be provided in writing in one of the two official languages or one of the working languages;
 - b) Establish the object on which the warranty is subject;
 - c) Identify the person responsible for providing the warranty;
 - d) Identify the holder of the warranty;
 - e) Mention the rights of the warranty holder;
 - f) Indicate the duration of the warranty;
- g) Indicate the conditions and forms for triggering the warranty.
- 5. For the duration of the warranty, the holder shall be entitled to at least:

a) Support for information campaigns promoted by consumer associations, or similar ones for their purpose, albeit partial;

b) Creation of consumer information services;

c) Creation of digital databases and archives accessible at the national level, in the field of consumer law, to disseminate general and specific information.

2. Information to consumers shall be provided in the official languages.

3. The State shall take the necessary measures to ensure that the information made available to consumers by the suppliers complies with the provisions of the preceding paragraph.

4. Concrete and objective information contained in the advertising messages of a particular good, service or right shall be deemed to be included in the content of the contracts to be concluded after their issuance or publication, and the contractual clauses have not been written in contrary.

Article 10 Right to information in particular

1. The supplier shall inform the consumer both in the course of negotiations and in the conclusion of the contract in a clear, objective, adequate and readily understandable manner about the characteristics of the goods and services, in particular the correct specification of quantity, composition, quality, price, duration of contract, associated risks, guarantee and the term of delivery and assistance after the legal transaction and consequences of non-payment of the price of the good or service.

2. The reporting obligation shall also be imposed on the producer, manufacturer, importer, distributor, packer and storer in order to ensure that every link in the production-consumption cycle is able to comply with its obligation to inform the immediate link to the consumer.

3. Risks to the health and safety of consumers which may result from the normal use of hazardous goods or services must be communicated in a clear, complete and appropriate manner by the supplier or provider of service to the potential consumer.

4. Information on the nature, characteristics and guarantees of goods or services offered to the public on the national market, either on labels, packaging, prospectuses, catalogs, instruction books for use or other information media, or those offered at the point of sale or disclosed by any advertising medium, shall be provided in one of the two official languages.

5. Information on goods produced, processed or packaged in Timor-Leste which are not intended exclusively for export shall be provided in the official languages, without prejudice to the fact that they are also complementary to any other languages.

6. Goods originating from abroad, irrespective of their origin, may be introduced into the domestic trade, if the information relating to them is written in one of the working languages, and in such cases a summary of essential information in one of the official languages must be included, in a visible and legible place.

7. For written information relating to goods and services which are written in other foreign languages, when they are sold, leased or made available in any way on the national market, their full translation shall be required in one of the two official languages and, as the case may be, the translated text must be affixed to the labels or packaging or added to the information media referred to in the preceding paragraph, incl

9. The Government shall take measures to prevent prejudice to consumers' interests in the field of selling methods which undermine the conscious evaluation of the clauses contained in individual contracts and the free, informed and weighted formation of the decision to bind them.

Article 12 Protection against misleading and abusive advertising

Under the terms of this law, and specifically of the Legal Regime of Advertising Activities, all misleading or abusive advertising is prohibited.

The consumer has the duty to:

a) Respect the commitments made to suppliers of goods and service providers, acting in good faith, with correctness and seriousness;

5. Without prejudice to the provisions of the preceding paragraphs, the consumer shall be entitled to compensation for the property and non-property damages resulting from the supply of defective goods or services.

provisions of this law or that, in any way, does not ensure the right balance between rights and obligations of the parties.

Article 17 Adhesion contract

The contract of adhesion and the general contractual clauses have their regime defined in a special law.

Article 18 Consumer credit

1. In the supply of goods or services involving the granting of credit or the granting of financing to the consu3nCg0, fi

d) Rely on the weakness or ignorance of the consumer, due to a lack of knowledge or vulnerability, as a result of their personal, economic or social condition, to impose their goods or services;

e) Carry out services without previous budgeting and express authorization of the consumer, except those arising from previous practices between the parties;

f) Transmit to third party derogatory information, referring to an act practiced by the consumer in the exercise of his or her rights;

g) Place on the market any good or service that does not comply with applicable legal and regulatory standards;

h) Raise prices of goods and services without just cause;

i) Fail to stipulate a deadline for the fulfillment of its obligation or leave the fixing of its initial term in its sole discretion.

3. The services provided and the goods sent or delivered to the consumer, in the case provided for in sub-paragraph (c), shall be deemed to be free of charge, on the part of the consumer.

Article 21 Supply of goods and services

1. The supply and presentation of goods or services shall ensure correct, clear, precise and objective information on their characteristics, quality, quantity, composition, price, warranty, expiration dates and origin, as well as on the risks they pose to the health and safety of consumers.

2. Supply and information on goods and services shall be provided in one of the two official languages.

3. The supplier shall expressly inform the consumer when the supplied goods are used, have any efficiency, or have been saddled with the production or preparation of used materials or parts.

4. In contracts for the provision of services the purpose of which is the repair of any kind of goods, the supplier undertakes to use, at his or her expense, all materials and equipment necessary for the good, obtaining the prior consent of the consumer for the use of used materials.

Article 22 Advertising and prices

1. Advertising which mentions the selling price of the goods or services must clearly and perfectly indicate the price expressed in the legal tender in the country, including any applicable taxes and charges.

2. Goods displayed in showcases, shel95.44 8416G[p)-3(e)-3(rf)6(e)-3(c)4()-0 1 3427(t)-5(h)-6(e3ng (en-US)

Article 24 Requirement budgeting

3. The right provided for in paragraph 1 (h) shall be conferred on associations of generic or specific interest where that interest is directly related to the goods or services subject to price regulation and, for services of a non-