



EXECUTIVE ORDER NO. 2002/1
ON THE ESTABLISHMENT OF
AGRICULTURAL SERVICE CENTER OF AILEU

The Special Representative of the Secretary-General (the Transitional Administrator),

Pursuant to the authority given to him under United Nations Security Council resolution 1272 (1999) of 25 October 1999, as reaffirmed in United Nations Security Council resolution 1338 (2001) of 31 January 2001,

Taking into account United Nations Administration in East Timor (UNTAET) Regulation No. 1999/1 of 27 November 1999 on the authority of the Transitional Administration in East Timor,

Taking into account the Grant Agreement between the International Development Association (as Trustee of the Trust Fund for East Timor) and East Timor, as administered by the United Nations Transitional Administration in East Timor, for the Agriculture Rehabilitation Project,

For the purpose of creating a legal entity that will function as an Agriculture Service Center as provided in Schedule 2, Part C of the Grant Agreement,

After consultation with the Council of Ministers, and in light of the Council of Ministers Decisions No. 2001/6/3 of 30 October, 2001, and 2001/13/7 of 13 December 2001,

Promulgates the following:

Section 1
Definitions

Wherever used in the present Executive Order, the following terms shall have the following meanings:

(a) “*Center*” means the Agricultural Service Center of Aileu, as established in Section 2.1 of the present Executive Order.

(b) “*Founding Documents*” means the Bylaws and Articles of Association of the *Center*.

(c) “*Grant Agreement*” means the Grant Agreement dated 21 June 2000 between the International Development Association (as Trustee of the Trust Fund for East Timor) and the United Nations Transitional Administration in East Timor, for the Agriculture Rehabilitation Project.

Section 2 Establishment of the Center

2.1 The Agricultural Service Center of Aileu is hereby established in accordance with *Founding Documents* annexed hereto.

2.2 The *Center* shall be a domestic legal entity and shall, in connection with the implementation of Schedule 2, Part C, of the *Grant Agreement* and otherwise in furtherance of its objectives, have the capacity to -

- (a) Enter into contracts and incur liabilities;
- (b) Institute legal proceedings and other causes of action, and be subject to the same; and
- (c) Acquire, hold, and dispose of property, whether movable or immovable.

Section 3 Internal Governance and Activities of the Center

The Center shall be governed and shall conduct its affairs as provided in the *Founding Documents*, and, in addition, shall comply with the following:

(a) The *Center* shall submit an annual report on its activities, as well as any other records upon request, for inspection by the Minister for Agriculture and Fisheries and the Minister for Finance, which report shall also be made available for inspection by the public at the principal office of the *Center*.

(b) Any member of the management committee of the *Center* shall recuse himself or herself from the consideration or decision of any matter in which he has a personal or economic interest, and any transaction between the *Center* and its members, officers, members of such management committee or employees of the *Center* shall be concluded at fair market value or on terms more favorable to the *Center*.

(c) The liability of a member of the *Center* to contribute towards the payment of the debts and liabilities of the *Center* or the costs, charges and expenses of the winding up of the *Center* is limited to the amount, if any, unpaid by the member in respect of customer accounts, and any unpaid fees and subscriptions described in Article 7 of the Articles of Association.

(d) Members of the management committee, officers and employees of the *Center* shall not be personally liable to the *Center* or to injured third parties except for willful or grossly negligent performance or neglect of their duties.

(e) The East Timor Public Administration shall not be liable to the *Center* or to injured third parties except for the willful or grossly negligent performance or neglect of the duty of a government representative as a voting member of the management committee.

(f) The *Center* shall not engage in lobbying, fundraising or campaigning to support or oppose political parties or candidates for public office, nor shall it propose, register or in any way endorse candidates for public office either directly or indirectly.

(g) The *Center* may engage in economic activities, provided –

- (1) all such activities shall be reported in the annual report of the *Center*;
and
- (2) the *Center* shall distribute any net earnings or profits only as provided in the *Founding Documents*.

(h) Prior to the commencement of any economic activity, the *Center* shall be registered as a business pursuant to UNTAET Regulation No. 2000/9, and shall maintain its registration under any subsequent law which may become applicable.

(i) The *Center* shall, as soon as practicable, enter into contractual agreements with appropriate entities regarding implementation of the *Grant Agreement*.

Section 4 Amendment of Founding Documents

The Center shall have the authority to amend the *Founding Documents* according to the procedure set forth therein. In particular, *the Center* may avail itself of the opportunity to re-establish itself in another form under future laws which may become applicable.

Section 5 Entry into Force

The present Executive Order shall enter into force upon signature.

Sergio Vieira de Mello
Transitional Administrator