Main Investment Cost

Main Investment Cost

Land & Utilities

Land

Timor-Leste land area is approx.15.000 km² of which 10% is arable land. There are a range of **regulations regarding the purchase/rent of land** in Timor-Leste and these regulations are continually reviewed as the country develops.

Government owned land may be leased and involves lodging an application to the Land and Property Office (DNTPSC). Duration of lease agreements are typically between 3 and 50 years depending on the investment proposal submitted to TradeInvest. The lease is renewable up to 150 years depending on a range of criteria.

There are no Real Estate Agents in Timor-Leste so searching for privately owned land and property requires some local knowledge. Privately owned land requires direct negotiation with the land owner.

Zone	Timorese Business (per m²)	Foreign Business (per m²)
1 (Dili)	\$1	\$1.80
2 (Dili)	\$0.5-\$0.65	\$1
3 (Dili)	\$0.25-\$0.5	\$0.65-\$0.75

Typical land prices in Timor-Leste are shown below:

Zone	Timorese Business (per m ²)	Foreign Business (per m²)
4 (Municipalities)	\$0.10	\$0.25

Access to land in Timor-Leste for foreign investors can be summarised as follows:

Access to Land	State Property	Private Property	Communal Land
Can a foreign citizen buy?	No	No	No
Can a foreign legal entity buy?	No	No	No
Can a foreign citizen lease?	Yes	Yes	Yes
Can a foreign legal entity lease?	Yes	Yes	Yes

Utilities

Cost of electricity supply to commercial users is approx. US 24 Cents/kwh.

Cost of water supply to commercial users is approx. US 60

Cents/1.000 litres.

According to World Bank (2020) 86% of population in Timor-Leste territory have accessed to the electricity where Timor-Leste is performing better than some of its regional peers. In Timor-Leste, 100% of urban population have used the electricity, while about 80% of rural population accessed to electricity.

For more details on Timor-Leste land and utilities download TradeInvest's factsheet: <u>https://www.tradeinvest.tl/node/files/Factsheets/06_Factsheet_</u> Land.pdf

Source: TradeInvest Timor-Leste, Land & Utilities