



# **Program Support Initiative**

## **EAST TIMOR**

**Contract No. HDA-C-00-01-00136-00**  
**Semi-Annual Performance Report for the Period:**  
**December 2003 – May 2004**

## I. INTRODUCTION

### *Background on the PSI Contract*

On December 1, 2001, the DAI contract with USAID/OTI in East Timor changed from SWIFT contract number AOT-I-00-98-00199-00 01 to Program Support Initiative (PSI) contract number HDA-C-00-01-0136-00. The transition between contracts was seamless. Like other contracts with Office of Transition Initiatives (OTI), PSI is being implemented under a class deviation for grants under contracts. This deviation allows OTI to make grants under contracts to U.S. organizations and public international organizations, as well as to local, regional, and national government organizations, with a total grant value of up to \$100,000 per grant.

As of October 1, 2002, based on an understanding between USAID/ANE and USAID/OTI, oversight of the PSI contract was transferred to the USAID Jakarta mission from USAID/OTI. USAID/OTI worked closely with the USAID/East Timor mission's programs in implementing activities in civil society strengthening, media development, rule of law, economic recovery, and in pilot projects on community policing and civilian-military relations.

The OTI original program areas transitioned into USAID East Timor's two key strategic objectives: promoting economic growth and strengthening democratic institutions. The PSI small grants program areas continue to provide support to these two strategic objectives in strict collaboration with the USAID Mission's strategic objective teams. The PSI teams both in Indonesia and in East Timor now coordinate with and report to their respective USAID Jakarta Cognizant Technical Officers.

During the 6 months from December 1, 2003 to May 30, 2004, the PSI program staff worked closely with the USAID strategic objective teams to identify and fund many activities that support USAID's programs. During this period, DAI's grant program was able to make 49 grants totaling \$2,207,403. Details on specific grant activities in the areas of civil society, governance, media, rule of law, and economic growth can be found below.

	<b>Total # Grants</b>	<b>Total \$</b>
<b>Civil Society and Media</b>	8	\$202,612
<b>Governance</b>	6	\$331,360
<b>Rule of Law</b>	8	\$387,428
<b>Economic Growth</b>	27	\$1,286,003
<b>TOTAL</b>	<b>49</b>	<b>\$2,207,403</b>

### *Website*

DAI's information officer continued updating the USAID East Timor web site(<http://www.usaideasttimor.net>) during the reporting period. The twenty-seven program highlights that were posted on the website are attached in **Annex 1**. They include seven democracy and governance highlights, five highlights that cover economic growth activities, and fifteen small grant examples.

The May 2004 web site statistics report shows an average of 41 visitor sessions per day. DAI will continue hosting and updating the website.

## II. DAI PROGRAMS and SMALL GRANTS in EAST TIMOR

### ❖ CIVIL SOCIETY and MEDIA

PSI approved **8** grants in the Civil Society/Media program area for a total of **\$206,612**. This section highlights activities that received civil society and media support during this reporting period.

#### December 2003

##### *Grants Approved*

One new grant under the media portfolio, **DAIXT 215**, “*Lafaek* special edition on Civic Education”, totaling \$99,821, funded *Lafaek* Magazine’s production of a special edition on civic education. To date, 14 issues of *Lafaek* have been produced. Twelve of these were regular *Lafaek* magazines, and two were special editions on agriculture and health & hygiene. After the distribution of the 10<sup>th</sup> edition of *Lafaek*, which included a pullout map of Timor and an explanation of the government structure, CARE East Timor commissioned an impact survey involving focus group discussions with kids, parents and teachers. Findings indicated that there is a huge demand from both adults and children for information about East Timor as a new country. The survey also showed a marked difference in levels of understanding between that of children in and near Dili and that of those in the remote districts. For example, surveys with rural children showed a lack of knowledge of how the government works. When asked about a story on visiting the (National) Assembly, rural children assumed the Assembly was a river or mountain in another district. This has led CARE to design a special issue containing 16 pages exclusively devoted civic education.

Subjects ranged from an explanation of the government system, including interviews with leaders at national, district and sub district levels to a review of geographic, demographic and historical information on East Timor. The accompanying “Teacher Guide” contained suggestions to teachers on how children can develop a voice in civil society, such as choosing class representatives or visiting and interviewing local leaders about policies that impact their lives.

##### *Significant Accomplishments*

In a grant approved in the previous reporting period, the Neon Metin news summary (**DAIXT175**), which provided up-to-date political and cultural news in Tetum, was distributed to all districts in East Timor through the student network created by the organization RENETIL(Resistencia Nacional dos Estudiantes de Timor-Leste).

#### January 2004

##### *Grants Approved*

One media grant, **DAIXT 219**, “Vox Populi Newspaper”, was approved with a total budget of \$29,898. The grant was made to Vox Populi Foundation to publish a weekly newspaper. The lack of media providing in-depth and investigative reporting has inspired some East Timor journalists to re-publish Vox Populi, a newspaper initially founded during the 1999 CNRT's (Comisao Nacional Resistencia de Timor Leste) campaign for independence. It is currently a weekly newspaper supported by skilled and experienced journalists that aims to provide in-depth and investigative reporting, one of the most important contributions that the press makes to democracy. It provides a valuable mechanism for monitoring the performance of democratic institutions as they are broadly defined to include governmental bodies, civic organizations, and publicly held corporations. Based on careful research, analytical communication skills, Vox Populi will produce high-impact investigative reports to help build the media's credibility, develop a culture of press accountability to public, and represent citizens as a public watchdog.

### *Significant Accomplishments*

Vox Populi's first issue looked at possible ethnic disparities in recruitment for the Defense Force of East Timor (FDTL) and included interviews with Brigadier General Taur Matan Ruak, head of FDTL, other senior members of the army, and members of Parliament. Residents also gave their opinions on the issue. Several pages provide national news and interviews. The first issue is written entirely in Indonesian, the most widely spoken language in East Timor. Future issues will include summaries in Tetum, one of the official languages, and English.

The addition of an independent news source will give the East Timorese more comprehensive access to information about their government and its activities, improve the level of public awareness on important issues, and encourage involvement in civic affairs.

## **February 2004**

### *Grants Approved*

Three new grants were approved during the month of February, totaling \$39,570.

**DAIXT 227**“RTK-Radio Timor Kmanek” provided computers and other equipment to Radio Timor Kmanek (RTK), for a total grant value of \$20,520. Quality equipment allowed RTK to increase the quality of its service and in turn better inform the public and disseminate balanced news and information. Programs and news are currently broadcast in Portuguese, Tetum, and Bahasa Indonesia. RTK airs basic health and education programs, news, and a live talkback program called “Public Opinion”, when listeners are invited to phone in and discuss relevant issues. RTK also has an innovative current affairs program called "Spektrum" that incorporates role-play to help the audience better understand current affairs. RTK has the broadest coverage of any radio station in East Timor, and programs reach all regions in East Timor, West Timor, and parts of Flores (Larantuka, Lembata and Manggarai).

USAID provided funds for the re-tuning of the antennas and re-tensioning of the masts at Radio Lospalos and Radio Maliana in **DAIXT241**, entitled “Technical support to RCL, RCM and Radio Tokodede”, for a total grant value of \$11,000. The grant also funded the installation of an electrical earth and lightning protection at Radio Comunidade Los Palos, Tokodede and Maliana.

In mid 2003, Internews's technician found some problems associated with antennas and lightning protection at the community radio stations in Maliana, Tokodede, and Lospalos. The Internews technician reported that these problems threatened the equipment in the radio stations and exposed transmitters to failure. In order to ensure uninterrupted balanced media programming, it is critical to resolve these problems immediately. USAI/DAI acted quickly to install adequate protection systems and to bring an antenna specialist from Australia to re-tune the antennas under the coordination of Internews.

**DAIXT240** funded REDE Feto, the East Timorese Women's Network, to enable two representatives to attend the Commission on the Status of Women (CSW) meeting in New York, for a total of \$8,050. The commission focused on three thematic issues relevant to East Timor; the role of men and boys in achieving gender equality; women's equal participation in conflict prevention, management and conflict resolution and post-conflict peace-building. Through this meeting, REDE Feto expected to gain advocacy skills as well as bring the perspectives of East Timorese women to the discussion on women's role in the peace process. As a women's organization network, REDE expected its visit to produce new contacts as well as an understanding of a breadth of experiences from women in other post-conflict nations.

#### **April 2004**

##### *Grants Approved*

Two new grants were approved during the month of April, totaling \$21,723.

**DAIXT255** funded \$5,323 towards the total costs of RENETIL's national congress held in Dili May 7 to 9, 2004. The congress's topic, "the role of RENETIL in national development", aimed to help RENETIL evaluate its current strategies and formulate new strategies, culminating in the production of a strategic plan for the next four years. The congress was attended by representatives from international and national youth groups, NGO's, the government of East Timor, Parliament, political parties, international agencies and international observers.

Under **DAIXT254**, the East Timor Sun Newspaper received \$16,400 for the creation of a website that will become the most widely available international source of information on East Timor. At present, there is no regularly-updated news on East Timor available to the international community. With electronic media capabilities in three languages (Portuguese, English and Indonesian), this project will benefit East Timor globally in terms of dissemination of information on tourism, investment, current events, politics, culture, and day-to-day life.

##### *Significant Accomplishments*

Under **DAIXT240**, REDE Feto's delegation shared its positive experiences with other delegations from Africa, the Middle East, and Latin America at the Commission of the Status of Women in New York. The experiences served in an exchange of international lessons-learned, as East Timorese women now face many similar challenges to those of other post-conflict countries during the post-crisis nation building process. The East Timor delegation received remarkable recognition during the session when the UN named East Timor as the most successful nation in implementing the UN Security Council resolution 1325. Through the establishment of this successful national entity, the Office for the Promotion of Equality for the Advisor to the Prime

Minister, East Timor took one of its first steps towards being able to institutionalize gender into the mainstream at the government level.

## ❖ GOVERNANCE

PSI approved 6 grants totaling **\$331,360** to support activities in the governance program area between December 1, 2003 and May 30, 2004. This section highlights several of these activities, and important events and accomplishments during this period.

### **December 2003**

This month, the National Parliament approved a proposed law on the elections of village chiefs and village councils. Submitted by the Ministry of State Administration, this law consists of 63 articles. During the debate, one point in Article 10 was eliminated, and it was confirmed that no civil servants were allowed to be nominated for any position at the village council level.

On December 11 there was a meeting of the GIS users group, participated by representatives of various Departments and Ministries, such as of Energy and Mineral Resources, Environment, Land and Property, Agriculture, Planning and Statistics/Census, and Public Works. During this meeting the discussion focused on the need for a Spatial Data Coordination Body to regulate the exchange of data among the government institutions. Some of these institutions have previously compiled digital datasets, useful not only for their own operation but also to other agencies involved in projects dealing with spatial information. They realized that access to digital spatial data should not be restricted from one government institution to the other. They also discussed the capability of national staff and the sustainability of all the institutions currently using GIS. Some points suggested were to ensure that all involved use the same base maps to establish standard formats for GIS spatial and database data, and to use the same Arc View 8 software.

#### *Significant Accomplishments*

Through grant **DAIXT213**, Pedro de Sousa Xavier, Land and Property Unit(LPU) Director, was able to participate in the International Conference on Land Reform Administration Systems held in Manila. The conference focused on the presentation and discussion of lessons and challenges of land reform programs supported by the World Bank and AusAID in several Asian countries including the Philippines, Lao, Cambodia, Sri Lanka and Thailand. Edwin Urresta, one of the delegates from East Timor, presented a paper on the East Timor's Land Law Program supported by USAID. According to the LPU Director, it was interesting to listen to presenters from other countries share their experiences. Lessons learned included the realization that most countries are currently focusing on land titling projects, but that East Timor is in an earlier stage of the land administration system which deals with the development of land policy and legislation. In addition, participants learned that customary law is essential for the Timorese development of policy and legislation. Unfortunately, little was mentioned during the conference and that land titling processes generally take time from 10 years onwards to implement and process, and all projects require a strong administrative institution and trained staff.

### **January 2004**

Three meetings regarding the suco (village) elections were held in January, including a meeting chaired by Dra. Ana Pessoa Pinto, Minister of State Administration, with 13 deputy district administrators present. USAID and UNDP were invited and participated as observers in the meeting. Presentations were made by STAE, IFES, and reports were given by every district. IFES presented a model electoral registration card, and a customized database system that had been designed for the voter registration process. STAE talked about preparations and processes of the elections, and the district officers reported on their districts plans to support the elections. The main issues of concern were included accurate reporting for the number of sucos and their official registration, disruption and protest against the suco election process and questions about the security situation for the border districts. Responding to those issues, Minister Pessoa said that a ministerial decree known as 'Diploma Ministeria' No. 6/2003 issued on July 23, 2003, states that 443 villages are recognized by the government, and only these will have official elections. She added that the PNTL would provide country-wide security, with special consideration for districts near the border.

A follow-up meeting was held on January 21, 2004 for all donors. During this meeting they explained more about the preparation and implementation mechanisms for the suco elections. However, no accurate calendar or global budget was presented to the donors. Donors were informed that the political party law of 32 articles had been drafted and was being discussed by parliament. Voter registration will be held simultaneously throughout the nation after the election law has been promulgated by the President. The first phase of the elections will include Oecusse, Bobonaro, Covalima, and Viqueque Districts.

#### *Grants Approved*

The Democracy Council Grant, **DAIXT222**, with a total budget of \$65,491, aimed to conduct a seminar on transparency and accountability in government.

#### **February 2004**

The President of RDTL has circulated the law regarding suco elections on February 18, 2004. STAE, the government body that is responsible for the implementation of suco elections, conducted a public information campaign regarding this law in 13 districts of East Timor.

Maria Isilda Simoes, an advisor for archiving, documentation and information, is to train and advise three staff in the Administration Department of the office of the President of RDTL. The advisor launched the training in systems to manage the flow of correspondence and information through the office, and establishing a library and documentation center for the Office of the President.

Sara Ribeiro, the GIS expert from Portugal, arrived on February 4, 2004 and conducted advanced GIS training for the national staff of Land Information System and Cadastre of the Land Property Unit. The staff found the training to be very useful and the training materials appropriate. They now are able to produce some of the district maps, and there has been a significant improvement in map quality overall.

LAIFET conducted a roundtable workshop on in February to address government policies on land and property issues February 19, 2004 as the first step before going to the districts to train village chiefs and other local authorities. Members of other NGOs like KSI and F. HAK that are

also dealing with land and property issues were present as participants. Speakers included Silverio Pinto from F. HAK, Waren Wright from University of San Francisco, and Rui Pereira, a judge from Dili Court. The topic of the workshop was the government's policies on land and property issues in East Timor.

### *Grants Approved*

**DAIXT229**, entitled "Legal Training - Land and Property Law" covered wages, training and public information materials for LAIFET. The grant allowed the NGO to carry out legal training on laws and regulations concerning land and property to local authorities including village and sub village chiefs in Lospalos and Oecusse Districts. The total amount for this grant is US\$4,620.

The Land and Property Unit received funding for "Development and Training for Implementation of Land Registry" to cover additional software such as Arc View Analysts, a plotter together with necessary accessories, an international advisor to advance skills and operational capacity of the national staff regarding land registration legislation, and field survey activities of cadastral project to continue for three months. **DAIXT231**'s grant budget was US\$120,000.

**DAIXT242** supported an international study tour under the grant entitled "International Workshop and Study Tour for Selected Local Authorities". The grant helped build the capacity of 18 local authorities in good local governance through their participations in an international workshop and the study tour to Manila, Bulacan, and Naga City in the Philippines. This grant also covered costs for holding a post study tour workshop in East Timor that helped refine the re-entry plans prior to implementation. The budget amount was US\$77,358.

### *Significant Accomplishments*

The roundtable workshop by LAIFET was conducted, and LAIFET began to prepare to conduct the training in the Lospalos District. The workshop was very effective since many participants raised some critical questions during the workshop. Many participants showed interest in Law 1/2003 regarding the immovable property.

## **March 2004**

On March 19, 2004 the President of RDTL officially recognized the 13 members of the National Electoral Commission. Three were nominated by the President, four by the National Parliament, three by government, and three by the General Prosecutor, Public Defender and Judge.

The Council of Ministers approved the Decree Law regarding the competences and responsibilities of village chiefs. The law contains 9 articles and was approved on March 26.

### *Significant Accomplishments*

Under **DAIXT229**, LAIFET completed the training regarding existing land law regulations in Lospalos and Aileu. The training went well in both districts.

The advisor for the LPU trained and helped the national staff in advanced GIS, which has enabled the staff to produce detailed district maps as part of the activities planned under **DAIXT231**.

The Democracy Council implemented **DAIXT220**, the “Transparency and Accountability in Government” workshop, and it was successful according to feedback from all participants.

### **April 2004**

On April 1, 2004 The President of RDTL promulgated the Decree Law NR5/2004 on Community Authorities.

On April 12, 2004 STAE, the government institution under the Ministry of State Administration, conducted a seminar regarding its preparation for upcoming village chief elections. Related government institutions such as National Printing, and INAP, all District Administrators, donors and NGOs were invited. They also presented the tentative calendar for the electoral process.

#### *Grants Approved*

USAID East Timor approved grant **DAIXT256**, “Renovation of Facilities at UNTL(National University of Timor-Leste)”, for \$26,650. This grant provided in-kind materials, tools and labor costs to rehabilitate UNTL facilities, which will house UNDP's pilot-project for capacity building of national translators and interpreters. The intensive training course will advance the capacity of national translators and interpreters in legal translation and in judicial interpreting.

#### *Significant Accomplishments*

Under **DAIXT210**, the advisor for the archiving and documentation to the Office of the President completed her mission to train two national staff regarding archiving and documentation systems for the cabinet of the President.

**DAIXT229** saw LAIFET's completion of a very successful training regarding existing land law regulation in Lospalos and Aileu.

The workshop and study tour on local governance and decentralization was conducted in the Philippines under **DAIXT242**. 18 selected government officials including 4 District Administrators, 3 Deputy District Administrators, 5 Sub-District Administrators, 2 District Development Officers, Director of DNAT and Director of INAP were in attendance

### **May 2004**

Registrations for suco/village elections began on May 31, 2004. The registration is scheduled to finish on July 31, 2004. STAE is coordinating several national and international NGOs regarding a public information campaign regarding the suco elections.

#### *Significant Accomplishments*

Under **DAIXT235**, USAID East Timor funded the travel expenses for 12 members of the Office of the Treasury to go to Bangladesh to attend a training specifically designed by the Bangladesh

agency FIMA (Financial Management Academy) for East Timor's Office of the Treasury staff members.

Many of the participants stated that the training was useful, and they appreciated the focus on the treasury manual that is used in East Timor and how to interpret the manual. Following the training, participants recognized that there is no general auditor in East Timor, although it is mandated in the RDTL Constitution. Their recommendations are to be addressed to the national parliament.

## ❖ RULE OF LAW

In this reporting period, the rule of law program area approved **8** grants totaling **\$387,428**. In this section, we highlight PSI's work during this period to support initiatives to foster the rule of law in East Timor.

### **December 2003**

Given its legacy of human rights violations and non-respect of the rule of law, East Timor is committed to taking up the great challenge of developing and implementing a national human rights action plan. The Government has repeatedly indicated its intention to create and sustain a secure human rights environment in which human rights considerations are at the heart of policy development and therefore, is committed to translating into reality the international human rights instruments ratified in 2002. The workshop on the "Development of Timor-Leste's National Human Rights Action Plan" represented an excellent opportunity to consult civil society experts on a full range of human rights issues, identify East Timor's priorities for action, and enable the Government to develop a practical structure through which human rights can effectively be protected and promoted in East Timor.

#### *Significant Accomplishments*

The Office of the Human Rights advisor to the Prime Minister conducted a successful consultative workshop on the development of a National Human Rights Action Plan. More than 150 participants representing Government, National Parliament, the judiciary, civil society and the international community also attended this important forum. Their recommendations on the priority rights and the priority actions to address those rights, together with their views on a realistic and sustainable planning process signified a great contribution to the development of the Office of the Human Rights advisor's strategic plan.

### **January 2004**

In September 2002, the President of East Timor created the Commission of Support for Ex-Combatants - Comissão para os Assuntos dos Antigos Combatentes (CAAC) and the Commission of Support for Veterans of Falintil - Comissão para os Assuntos dos Veteranos das Falintil (CAVF). The objective of the commissions is to identify veterans of East Timor's 24-year resistance to Indonesia's occupation of East Timor, and submit a definitive list of ex-combatants and veterans to the Government of East Timor. The commissions were established in response to the growing public demand for recognition of ex-combatants and veterans, combined with concerns about the potentially destabilizing effects of disenchantment among the former

fighters. Over 300 district and sub-district level staff have been employed during the different phases of the commission process which requires a community-level presence. The CAAC-CAVF have identified ex-combatants and veterans through a multi-stage process, including an initial registration; posting of provisional lists and acceptance of corrections and claims; verification of claims; and public consultations on criteria for recognition as a veteran.

### *Grants Approved*

**DAIXT224**, totaling \$28,522, supported the veterans commission's public debates held in 26 locations across 13 districts in East Timor. The goal of the debates was to get the public's feedback on the criteria used for the recognition of veterans. Four public debate facilitators and one national consultant assisted the Veterans Commission with the debates.

### *Significant Accomplishments*

The Judicial System Monitoring Program (JSMP), under grant **DAIXT158**, conducted a workshop on the results from their district court monitoring activity. Several organizations were invited to the workshop including Government, Ministry of Justice, District Courts, Court of Appeals, National and International NGO's involved in the justice sector. No one from the Government or Ministry of Justice was present. Following the workshop, participants indicated their interest in attending regular workshops on the justice sector in the future.

## **February 2004**

### *Grants Approved*

Two grants were approved during the month of February. One grant, **DAIXT243**, in the amount of \$55,842, has been approved to fund a needs assessment on Anti Trafficking activities in East Timor. Alola Foundation will work with an international expert in anti-trafficking to prepare and conduct the assessment.

Another grant, **DAIXT247**, for \$99,560, has been approved to CAVR (Truth and Reconciliation Commission) to cover additional operational costs necessary to complete its mandate. As of February, this grant brought the total of USAID assistance to CAVR to \$350,000.

The CAVR has implemented an open and participatory program at the village level across the country, providing an opportunity for communities and individuals to establish claims and begin to heal the pain of past violations and in contributing to building real reconciliation based on respect for human rights, justice and the rule of law. The commission has also shared these experiences nationally by strategic use of media, helping to disseminate news and history throughout the country.

### *Significant Accomplishments*

The veterans' commissions completed public debates across East Timor and are currently preparing a final report with their recommendations to the government. The final report and recommendations will be presented to the President by the end of March, which will mark the end of Veterans Commissions mandate.

## March 2004

Trafficking of persons is widely considered a modern form of slavery, and it exists today in East Timor. Since March 2003 to the present, sixteen foreign women have alleged that they were trafficked to East Timor and forced into sex work against their will. At present, East Timor is ill prepared to handle the problem. The current legal framework is inadequate to combat trafficking or to assist its victims. The laws that do exist are being misused to criminalize the victim and not the trafficker. No victim support services are in place and the government has been slow to undertake measures to combat and prevent the industry's growth.

The Alola Foundation was the ideal non-governmental organization (NGO) to assess and advocate on issues related to trafficking. Founded in 2001 to raise awareness about the problem of sexual and gender based violence as experienced by women in East Timor, the Alola Foundation has since become the leading NGO on women's issues in East Timor. The needs assessment study funded by USAID through grant **DAIXT243** was a critical first step in addressing trafficking. Without reliable information on trafficking victims' needs and current obstacles in preventing trafficking, it is impossible to assess what steps must be taken to combat this transnational crime.

### *Significant Accomplishments*

CAVR conducted its last public hearing on youth and conflict. Fourteen youth gave their testimonies, all of whom were involved in the conflict during the Indonesian occupation.

## April 2004

The Veterans Commissions (CAAC-CAVF) completed the work of identifying and registering veterans and conducting broad community level consultations on the criteria for the definition of a veteran. The process has been well received and deemed publicly credible, and produced a database including more than 36,974 registered veterans. By the end of April, CAAC-CAVF will complete a final report which will include activities of the commissions; global figures by district, sub-district, and duration of struggle; the structure of the armed forces during the phases of the struggle; proposed criteria for the definition of a veteran; and a provisional list of those who have registered. The CAAC-CAVF will present its final report and recommendations to the President, including the database and the provisional list.

### *Grants Approved*

In order to have up to date statistics on cases processed in the courts in East Timor, USAID/DAI approved grant **DAIXT252** for \$8,906 to JSMP to collect the data from the district courts throughout East Timor.

### *Significant Accomplishments*

The Office of Human Rights Advisor to the Prime Minister completed its final report on the National Human Rights Action Plan. This report has been translated into Tetum, Portuguese and English and will be distributed widely to several institutions.

## ❖ ECONOMIC GROWTH

USAID/DAI's Economic Growth Small Grants Program focuses on supporting local economic organizations, financial intermediaries, business associations, socially-conscious enterprises, non-governmental organizations, informal groups, government and advocacy groups. In addition to East Timorese organizations and groups, USAID supports international organizations with an established presence and core funding from other sources to support economic growth initiatives, particularly when they work with Timorese partners. USAID Economic Growth Small Grants Program support lays the foundation for longer-term development interventions, and fills key gaps as longer-term development funding or national government revenues become available.

The economic growth and income generation program areas approved **27** grants totaling **\$1,286,003** during this reporting period. This section provides a month-by-month description of activities supported by PSI to increase employment and promote economic growth.

### December 2003

**DAIXT232**, “Capacity Building and Training of new staff” project supported Moris Rasik Timor Leste in building an efficient and sustainable microfinance institution, managed by professionally trained Timorese staff, which can continue to provide financial services to rural Timor in the future. The project funded an international trainer from AIM Malaysia to provide capacity building training to existing local staff and 12 new staff members, and other necessary equipment to be used for the NGO’s training.

Another grant to Fundacao Timor Harii(**DAIXT223**) allowed the foundation to provide marketing, management and accounting training to forty selected small enterprises (kiosk operators) in Baucau district. As a result of the training, the grant supports forty small traders in Baucau district through the transition to a market based economy, while providing critical information on price and competition.

#### *Grants Approved*

Two grants were approved during December.

The first grant, **DAIXT217**, entitled “Advisor and Equipment for Timor-Leste's 2004 Census project”, was given to the National Statistic Directorate of East Timor. The \$67,740.00 grant supported and strengthened the National Statistics Directorate’s capacity to undertake the 2004 Census of Population and Housing. Through the provision of a Chief Technical advisor, this grant assisted the Directorate to develop its census questionnaire; to set up field enumeration management teams employing over 3,500 people to visit the 200,000 households throughout East Timor while conducting the census; to set up Census central headquarters in Dili to support the field team, and to establish a program to train Timorese nationals in census-taking techniques.

The “Expertise and Capacity Building for border demarcation: ET- RI” grant **DAIXT218**, with a budget of \$129,020, supported the Office of Ministry of Foreign Affairs & Cooperation. The objective was to support normalization of relations between East Timor and Indonesia by strengthening the technical capacity and knowledge of the Ministry of Foreign Affairs and Cooperation in negotiating border demarcation and border arrangements with Indonesia. Expected results were increased capacities of a number of East Timorese officers of the Ministry

of Foreign Affairs, and staff trained at the National Institute of Geodesy in mapping/surveying, use of satellite imagery and associated technical know-how on border demarcation issues.

### *Significant Accomplishments*

CARE International hosted three seed fairs in Ainaro District in mid-December, attracting seed vendors from several districts and more than a thousand farmers. The largest fair was in Maubisse, a major market town in East Timor's central highlands south of Dili. The week before the Maubisse seed fair, CARE staff distributed coupons, each worth \$7.50 to more than 700 poor families who farm the more remote areas above the hill town. USAID supports CARE's activities through grant **DAIXT211**, which hosted six seed fairs in two of the poorest districts in East Timor, encouraged wider distribution of suitable seed, improved seed stock, broadened marketing opportunities, expanded the range of agricultural commodities, and conducted a nutritional survey that will provide a clearer picture of the nutritional situation among vulnerable groups. The total budget was \$98,835.

## **January 2004**

### *Grants Approved*

Five grants were approved during the month of January.

**DAIXT220**- "Transparency and Accountability in Government (TAG)" was approved through the DG program with a budget of \$65,491. The Democracy Council managed TAG, a practical training and skills transfer program consisting of a series of intimate, interactive training workshops, designed to address specific needs, pertaining to accountability and transparency, expressed by local stakeholders and international observers. TAG aims to promote further transparency and accountability of government activity through enhancing the skills, knowledge, and capability of selected representatives of the local civil society and other interested stakeholders.

**DAIXT221**, the "Supply of printing needs for 2004 Census in Timor-Leste", supported the Ministry of Planning and Finance's National Statistics Office for a total budget of \$163,156. This in-kind grant assisted the Ministry of Planning and Finance with the printing of the 2004 Census forms, accompanying instructions and training manuals and facilitated their delivery to East Timor. Forms and manuals were printed in Tetum, Portuguese, Indonesian, and English. The objectives was to equip the National Statistics Office with the forms, instructions, and materials needed to undertake the full-scale 2004 Census, which will be used to compile demographic, economic, and social data necessary to create better informed policy and development decisions.

The "Support to Kiwanis International's Fuiloro Dairy Project", **DAIXT222**, was approved for a total budget of \$47,000. This grant supports Kiwanis International Australia's project entitled "Supplementary Assistance for Milk for the Children of Timor Leste". USAID provided funding to procure much-needed equipment to the Fuiloro Agricultural College's dairy faculty. The main objective was to assist the Agricultural College at Fuiloro with equipment needed to sustain dairy operations, to increase dairy quality and quantity, and to expand its distribution and potential sales.

**DAIXT223**, entitled “Small Enterprises Business Training in Baucau District” was awarded for \$3,275. This grant allowed Fundacao Timor Harii to provide marketing, management and accounting training to the forty selected small enterprises (Kiosk operators) in Baucau district. The main objective is to strengthen businesses skills of forty selected small and medium enterprise proprietors in Baucau.

**DAIXT225**, “TB Facility Upgrade for Bairro Pite Clinic”, was approved for a total of \$2,380 to assist the clinic in upgrading the TB facilities in three rooms. The rehabilitation promoted recovery from the disease and minimize the spread of infection.

### February 2004

The United States Ambassador to East Timor, Grover Joseph Rees, visited the Secretary of State for Labor and Solidarity’s income generation for women, small business training in Liquica district. During the visit, presentations were made by DA Liquica and the ambassador. The U.S. Ambassador also participated in a handover ceremony of an initial set of USAID funded equipment in support of the NGO Loroleon’s salted and dried fish project in the subdistrict Atabae district of Maliana.

#### *Grants Approved*

12 grants were approved during February.

**DAIXT246**, the “Rehabilitation of 2 buildings for DIT Professional Training Center” assisted the growing Dili Institutue of Technology(DIT) for the total amount of US\$63,638. The grant included building materials, equipments and labor cost to renovate 2 buildings in DIT’s Training Center in Bairopite, Dili. The objective was to make DIT more sustainable by improving class quality and scope, which will help DIT to improve their fee generation and overall program development to better prepare students to make or find sustainable employment.

The “PSA Production and Traveling Environmental Awareness Expo”, **DAIXT245**, supported the Secretary of State for Tourism, Environment & Investment, Directorate of Environmental Services with a budget of US\$28,145. PSAs related to environmental issues such as decreasing pollution and solid waste, and the grant showed videos in 4 locations during a traveling environmental awareness exposition (Dili, Maliana, Ermera, and Suai). This project also included a ‘Clean Up Dili Day’. The government partnered with a Timorese NGO to implement this project to increase community understanding and awareness of new environmental laws.

**DAIXT244**, entitled “Training in Salted, Dried Fish Production and Marketing in Atabae Subdistrict District of Maliana” was funded for a total of US\$11,408. Timorese NGO Loroleon will provide training to fishing cooperatives in the production of salted, dried fish in the subdistrict of Atabae. As a subsection of this grant, NGO Loroleoan staff provided additional training in bookkeeping, finance management, and marketing to the members of the cooperative in order to strengthen the economic prospects in Atabae’s fishing community.

In order to support efforts towards a commercially viable photographic archive for East Timor, USAID supported **DAIXT239**, entitled “Land of Discovery and Photographic Archive Project”, for a total of US\$76,119. Timor Aid planned to use this archive to showcase East Timor’s vast and diverse landscape, its myriad species of wildlife and sea life, and the richness and diversity

of its traditions and culture. The photographic archive is one component of a bigger project, which will culminate in an extended collection of photographic images, as well as a top quality, beautifully designed and printed 'coffee table' book consisting of some 160 pages. The photographic archive will be donated to the government of East Timor when this project is finished, and training will be conducted to ensure that members of the ministry and other Timorese will know how to use the images and market East Timor using those images.

**DAIXT237**, entitled "Increasing Maize Yields Through Velvet and Sword Beans (Green Manure)" funded the National University of Timor Lorosa'e/Agriculture Faculty for a total of US\$54,30. The first objective was to demonstrate and train agricultural workers on the benefits of green manures, especially velvet bean and sword bean. Secondly, the grant attempted to improve the facilities of the UNTL research station at Hera by installing a 6" water bore and associated electrical work to allow supplementary irrigation of 2 hectares of land, and install an automated weather station to allow the students to monitor long-term climactic conditions for agricultural productivity. By allowing off season seed production of green manure seeds for distribution, the schools will have more supplies for agricultural training.

The "Rumpong (Fish Aggregating Device) Project for fishing Cooperatives" project, **DAIXT236**, was granted to the Ministry of Agriculture, Fisheries Department with total budget of US\$31,592. The grant helped the Ministry provide training in the use of rumpongs (fish aggregating devices) to four fishing cooperatives in Manatutu and Vemase, Baucau district, as an environmentally friendly new method of catching fish. By increasing the quantity of fish in the market, the price of fish is expected to drop. In conjunction with this grant, MAFF's staff will provide an additional training in fish salting to the members of the cooperatives. Rumpongs provide an alternative to the use of bombs for fishing, and as a result of the training, MAFF hopes that there will be an increase in the incomes of the fishermen and a reduction of unemployment in Manatutu and Baucau district. The materials provided through this grant were four fishing boats; rumpongs, and nets.

**DAIXT234** supported Christian Children's Fund(CCF)'s "Capacity Building for Micro-Enterprises & Live hood Improvement" grant for a total of \$95,575. Capacity building trainings will help build the financial management capacity for targeted poor families and communities, and improve livelihoods through the development of sustainable microenterprise plans. CCF worked with 12 Community organizations (COs) in seven districts, namely Lautem, Manatuto, Dili, Ermera, Liquica, Bobonaro and Covalima. In addition to the microfinance training, the project provided \$25,000 in grants for start-up funds to groups to stimulate and encourage savings and credit activities within the groups.

CARE implemented the "Improved Seed Selection and storage, Phase 1"(**DAIXT233**), with a total budget of US\$36,669. As a follow up activity to CARE's Seed Fair activity, the grant helped improve seed selection and storage through farmer training and the support of seed fairs. Phase I involved assessments and workshops to evaluate the constraints to long-term food security that these farmers face. It involved detailed PRA (participatory rural appraisal) activities and village workshops to evaluate constraints to year-long food security, with a particular emphasis on seed selection and storage. The communities will identify suitable interventions to improve seed at the village level and maintain secure stocks of seed and grain. Phase I evaluated the traditional systems of communal granaries and assess how seed banks or communally held seed stocks can be introduced in targeted communities. Following the identification of interventions, CARE will undertake a Training of Trainers workshop with

selected farmers from each village. These farmers will assist CARE in facilitating the technical training during phase II of the project. Overall, the objective is to recover capacity at the household level to achieve minimum levels of food availability in the ten months following the grant period.

USAID/DAI funded the Secretary of State of Labor and Solidarity, Division Social Service to implement **DAIXT230**, “Small Business Training and Income Generation for Women”, for a total budget of US\$5,984. This grant supported training on small business development in 4 districts. The objective was to transfer knowledge and build capacity for local women and stimulate the local economy of Aileu, Liquica, Ermera and Manatuto Districts by providing training to 80 women in 4 districts. As a result, there will be added value to local agricultural production, and potential for improved income generation in these districts.

**DAIXT228**’s “Microfinance Program: Training and Assessment Activities” supported International NGO CRS - Tuba Rai Metin for a total budget of US\$42,268. CRS - Tuba Rai Metin conducted a market assessment in Manatutu and Lautem districts, developed a “constitution” for microfinance institutions, conducted trainings for Tuba Rai Metin’s Board of Directors, conducted one organizational self-assessment workshop and one business planning workshop. The grant assisted CRS-Tuba Rai Metin with operational expenses such as salaries, motorbikes, fuel, computers, and training materials. As a result of this grant, CRS-Tuba Rai Metin hopes to help raise household incomes and the quality of lives of poor women by providing them reliable access to credit and saving services.

Cooperative Malasona (CCM) received \$19,030 in funding for **DAIXT226**’s “Office Equipment for Cooperative Credit Malasona” to support and strengthen microfinancial activities to provide credit services to small businesses in Manatuto District.

### *Significant Accomplishments*

The roundtable training for small business and income generation for women by Secretary of State Labor and Solidarity was conducted in Manatuto and Liquica districts. The training was very effective in relaying information and methodology training to the small businesses. Participants put their skills to use in presentations about papaya juicing and other small business ideas.

### **March 2004**

During this month, the EG small grants team worked on many active grants and collected new proposals. This was complemented by the monitoring visits to on-going projects in the southern and western regions.

### *Grants Approved*

Three new grants were approved during March.

The successful East Timor Microfinance Working Group(MFWG) was awarded \$24,722 under **DAIXT250** to develop a code of conduct and a uniform performance monitoring tool for the group to report on its activities. Objectives included improved cohesion and credibility of the

MFG through the development of a code of conduct, thereby establishing an identity as a group of "good practice" practitioners and the provision of comparable information on the growth of the microfinance industry. MFWG members hope to work with donors to accept a standard set of indicators and measures, and provide a baseline of such measures across all members of the MFWG.

**DAIXT248** was awarded to the Diocese of Baucau in the sum of \$78,668, in a grant entitled "St. Jose Foundation Baucau: Industrial Carpentry Design, Production and Marketing". The grant supported the introduction of a proto-industrial production model for furniture production in East Timor. Starting by introducing new ways of organizing group work and increasing productivity, the St. José Foundation strived to centralize management, monitor, distribution and quality control, and share production with smaller sub-contracted carpentries. This grant funded for the structures, computers and transportation cost during the two-month inception on phase of the twelve-month project. The Portuguese's IPAD funds will cover the remaining ten months of the activity after USAID's funds expire. The main objectives were to introduce an economically viable model of mass production of school furniture with high and low technologies, and to promote capacity building on job training directed at production and management personnel (carpenters and production managers) participating in the mass production process.

**DAIXT249's** "AHCAE (Assosiao Haburas Capacidade): Sustainable Agriculture Pilot Project" was awarded in the amount of \$7,271 to Associasao Haburas Capasidade Atoni Enclave (AHCAE) to deliver training on the use of organic fertilizer to the 20 rice farmers in Oecussi district. The project divided the 1-hectare project area into two demonstration plots. Half of the area was used to demonstrate the use of organic fertilizer in planting rice, and the other half demonstrated rice farming without the use of any fertilizer. The project also trained farmers in composting, cultivation, maintenance, and harvest. Main objectives included the establishment of a successful pilot project in organic fertilization to be replicated throughout East Timor that should improve farmer production, and subsequent improved quality and increased incomes as a result of the use of local materials with cheaper, less labor intensive inputs.

#### **April 2004**

During April, the program team focused on collecting data from new proposals and monitoring the active projects. By the end of the month, the Economic Growth Small Grants team received 28 new proposals. Of these number proposals, 7 have been considered as potential projects to fund. Most of these proposals involved training and capacity building in the sectors of agriculture, microfinance and health. However, the team also rejected more than 10 proposals because they did not fit USAID's current objectives and priorities.

#### *Grants Approved*

Three new grants were approved during April.

**DAIXT251**, the "Support for Distribution and Collection of 2004 Census Materials" was awarded to the National Statistic Directorate of RDTL in the amount of \$22,330. Material support from AID enabled field enumeration teams to efficiently distribute, collect, and store vital 2004 Census materials in all districts of East Timor.

Fundacao Amizade de Timor, (**DAIXT 253**) was awarded \$8,557 to implement the “Business Training for Microfinance Clients in Ermera District” grant. This grant will allow Fundacao Amizade de Timor (FAT) to provide management, accounting and sociology training to the thirty clients from Microfinance Institute Timor Leste (IMFTL) branch in Gleno who are currently expressing problems with repayment issues as well as fifty potential borrowers from Ermera district. Training materials, facilitator’s fees, and transportation costs associated with the trainings will be covered by the grant. The project will strengthen and increase the business management and finance skills capacity for the thirty IMFTL clients and fifty selected potential borrowers in Ermera District so that they can become better microfinance clients in the future.

**DAIXT257**’s “Maternal Health Training in Jakarta” grant was awarded to the Ministry of Health of RDTL in the amount of \$3,172 to fund the transportation of four midwives and midwife educators to attend the Jakarta-based "mini-university" training entitled ‘Making Pregnancy Safer’. The training enabled the midwives to learn and share information on best practices and new approaches to promoting skilled midwives in East Timor, and establish professional networks between the midwives and midwife educators in the two countries.

### *Significant Accomplishments*

**DAIXT230**’s Labor and Solidarity completed the Small Business Training and Income Generation for widows and poor women trainings in 4 districts. According to participants, the training was effective well received.

Under **DAIXT253**, FAT has trained 30 clients from the Microfinance Institute and 50 potential borrowers in District Ermera. Participants enjoyed the training and provided feedback for improvement of the training in the future.

## **May 2004**

During May 2004, the EG team received 10 new proposals and waited on approval for 10 proposals from previous months. Samples proposals subjects included credit union development, fishpond projects, capacity building trainings, agriculture and microfinance projects.

### *Grants Approved*

Three new grants were approved during May.

**DAIXT263**’s “Small Business Training and Income Generation for Women in 9 Districts” was awarded to the Secretary of State for Labor and Solidarity for a total of \$ 25,841. This project hope to help stimulate the local economies of Lospalos, Baucau, Viqueque, Ainaro, Same, Suai, Maliana, Oecusse and Dili (Atauro) districts by providing training to 180 women in small business management and agricultural development and marketing.

**DAIXT259**’s “Seed quality and post harvest storage for long term food security” was awarded to CARE for \$85,340. The aim of this grant was to work with the same farmers who participated in the seed fairs funded under a previous small grant, and assess their capacity to select and store seed. The project will evaluate the traditional systems of communal granaries and assess how seed banks or communally held seed stocks can be introduced in targeted communities.

Following the identification of interventions, CARE will undertake a 'Training of Trainers' workshop with selected farmers from each village.

### *Significant Accomplishments*

Under **DAIXT224**, Loroleon East Timor completed trainings on salted and dried fish production and marketing in Subdistrict Atabae.

## **III. ADMINISTRATION & OPERATIONS**

During this semester, DAI hired three additional temporary staff to alleviate some of the burden of grants management.

Dean Smith, the Deputy Chief Of Party, who arrived in October last year, returned to the home office. He will be replaced in June by Kate Heuisler.

### *Office Space*

The directorate of Land and Property has approved a short term extension of UNTAET Property Use Agreement for the office through September 2004 as the contract of DAI with USAID has been extended through the same end date.

After the security bars were installed on the windows, USAID had purchased new solid wood doors and keys and has replaced all the original locks. A small space in the front storage room has been developed as a western standard toilet. This toilet is made available to VIPs and visitors from Jakarta and Washington.

### *Maintenance*

Vehicles and motorbikes are always sent to the workshop for regular maintenance as scheduled. One of the project vehicles was hit from the back by an unknown truck. This project vehicle was repaired. Spare parts for the automatic starter motorbikes were ordered from Australia to keep these motorbikes functioning.

Air Conditioners in office and residences are constantly serviced on a monthly basis. The maintenance for ACs is performed by Arafura Air Conditioning.

The monthly servicing schedule is also set for generators in the office and residences. TAM Electrics, a Timorese owned company, is now giving services to all projects generators in the office and staff's residences.

### *Internet & Computers*

DAI has also signed an extended agreement with UNDP for the use of the Internet and handsets. DAI was also able to negotiate down the monthly price for Internet, from \$1,600 to \$1,250. Most of old project computers have been upgraded. Virus updates were performed and checked on weekly basis.

### *Houses & Security*

DAI has extended the lease of houses for staff through September 30, 2004. The rent of one of the houses has been successfully negotiated down while the others are kept at the same rate. To increase security, DAI has also removed all private security services from three residences and signed contracts with a professional security service ( CHUBB ).

## Annex 1

### Program Highlights

#### Democracy and Governance

##### Senior U.S. Judge Aids the East Timor Justice Sector

January 29, 2004

A senior U.S. judge visited East Timor government officials and members of the judiciary recently to help them understand the challenges and opportunities facing the country's emerging justice sector. Judge J. Clifford Wallace serves on the U.S. Court of Appeals for the Ninth Circuit and acts as a senior advisor on legal systems and judicial administration to The Asia Foundation.

Judge Wallace has 33 years of experience as a judge in the United States and as an expert advisor in 65 countries. During his visit he met Judge Jacinta Correia da Costa of the Court of Appeals, Judge Carmelita Moniz of Dili District Court, Prosecutor General Longuinhos Monteiro, Justice Minister Domingos Sarmento and Vice Minister Manual Abrantes.



U.S. Court of Appeals Judge J. Clifford Wallace meets with members of the East Timor justice sector: (left to right) Nicholas Koumjian, deputy prosecutor in the Serious Crimes Unit, Felicidade Guterres, TAF program officer, and East Timor's Prosecutor General Longuinhos Monteiro.

Photo by Jenee Wallace

Among the issues discussed during Judge Wallace's visit were how to strengthen the independence of the judiciary and how to develop the means to enforce high standards of judicial performance. Participants also considered ways to attract more U.S. support. "Due to his extensive global experience, Judge Wallace offered valuable insights into the potential for adapting the lessons learned by other justice systems for the benefit of East Timor's justice sector development," said Judge Moniz.

Judge Wallace is scheduled to return to East Timor in early 2004 to assist further with activities in the justice sector.

USAID supports The Asia Foundation's Access to Justice program as it works to build an independent judicial system, establish legal aid services, and improve citizens' knowledge of and access to East Timor's legal infrastructure.

## Monitoring Unit Documents Gender Inequalities in the Media

February 24, 2004

A recent analysis of how women are portrayed in East Timor's media shows that women's views and voices are seriously underrepresented. In addition, stories about women often focus only on traditional roles or entertainment or on women as victims of violence.

These are the findings of a two-week study of gender balance in East Timor's media by Internews' Media Monitoring Unit (MMU). MMU researchers studied stories printed in two newspapers and broadcast on two Dili-based radio stations. They presented their findings at a two-day workshop organized by the Prime Minister's Office for Promotion of Equality (OPE).

The OPE requested the analysis after the publication of a report by the International Rescue Committee on gender-based violence [see *New Report Shines a Light on Gender-Based Violence and Local Justice*] showed that nearly a quarter of East Timor's women experience some form of violence in their relationships with men.

MMU monitors Alberico Junio, Hopolito Da Costa Gama, and Francisco Da Silva presented their findings at a two-day OPE workshop that focused on gender balance. The media outlets that the MMU monitored also received the report.

During its monitoring, the MMU found that few stories broadcast on the radio or printed in Dili's two daily newspapers are by women, about women, offer women's viewpoints, or promote positive images of women. The MMU report recommends that all media outlets ensure more proportionate coverage of women and women's issues, including:

- searching for more stories about women, emphasizing their diverse roles in society, not just stereotypical roles
- interviewing more women and promoting a more positive image of women
- seeking the opinions of a wider range of women, including ordinary women and those in positions of authority.

USAID works in partnership with Internews to strengthen East Timor's democracy through a vigorous and independent media. It supports the MMU and other Internews activities aimed at improving the quality of information disseminated by East Timor's media.



Participants explore gender balance issues through role play at a recent workshop on gender sensitivity in East Timor's media.

Photo courtesy of Internews

## National Debate Focuses on Justice System Issues

March 11, 2004

A series of public meetings held across East Timor about the country's justice system culminated recently in a three-day National Dialogue on Justice held in Dili. Opened by President Xanana Gusmao, the Dili sessions attracted capacity crowds to hear speakers and moderators from the top levels of all the country's major justice institutions. All the discussions were broadcast live by national radio and television. The meetings at the district and national levels were organized by the Office of the President with support from The Asia Foundation.

Among the participants were the president of the Court of Appeals, the prosecutor general, the public defender, the minister and vice minister of justice, the vice president of Parliament, and the chairman of the Commission for Reception, Truth, and Reconciliation. The sessions focused on three basic issues:

- the current state of the nation's justice system
- the role of justice systems in society, including traditional and local dispute resolution processes
- the structure and purpose of the prison system.

However, debate and discussion were not limited to these three topics, and lively exchanges on a variety of issues took place.

At the end of the sessions, participants offered a range of recommendations in four areas: legislation, investigation, implementation processes, and human resources. For example, many participants agreed that there is a need to create statutes for judicial institutions to establish competencies and to regulate interaction between judicial institutions and other branches of government. The government should ensure that the prison system adheres to human rights principles. Alternatives to prison terms are also needed, such as community service or fines.

Many participants applauded the ongoing efforts to translate laws used in East Timor into Tetum, one of the official languages. Many reaffirmed the need for more private lawyers and for a government effort to inform local communities across the country about new and amended laws. They also strongly recommended that the government study and regulate the use of traditional and local justice systems. A booklet detailing all the recommendations will be published and distributed by the Office of the President.

In partnership with The Asia Foundation, USAID supports national dialogue process. It is an integral part of The Asia Foundation's work to enhance East Timor's emerging justice system, raise public awareness and understanding of how the system works, and facilitating informed public participation in legal development efforts.



Senior members of East Timor's government participated in the National Dialogue on Justice. Among them were (left to right) Prosecutor General Longuinhos Monteiro, President of the Court of Appeal Claudio Ximenes, East Timor President Xanana Gusmao, and Minister of Justice Domingos Sarmento.

Photo by Nelson Goncalves, USAID/DAI Small Grants Program

## Journalists Plan Draft of New Media Law

March 29, 2004

A recent one-day workshop on media and the law in East Timor brought together 34 journalists and legal specialists to discuss the country's current legal framework and consider ways to improve it. At the end of the workshop, the participants created a special working group to draft a new media law to present to Parliament. Members of the working group include journalists from East Timor's print and broadcast media and legal advisors.

Current media law is based on Indonesian law, and journalists have highlighted areas that should be revised to better suit the East Timor context. The Indonesian law's libel fines, in particular, have come under criticism after a controversial decision last year by the Dili District Court to impose a potentially bankrupting fine of \$50,000 on one of the country's two daily newspapers after finding it guilty of defaming an Indonesian businessman. Members of the new working group also agreed to evaluate regulations and best practices from other countries.

Journalists have also raised concerns about portions of the Indonesian law that allows journalists to be jailed for critical reporting of government officials and other forms of dissent. Likely recommendations for new legislation include decriminalizing defamation and establishing in detail the right to free expression.

The recent workshop, organized by Internews, followed a high-level conference last year organized by Internews and The Asia Foundation that featured a panel of experts from three countries and opened by President Xanana Gusmao. Internews continues to support media law development by organizing meetings and providing international advisors and information on best practices from around the world.

Internews is one of USAID's implementing partners in East Timor. USAID supports its efforts to enhance the skills of journalists, improve the sustainability of media outlets, and encourage public debate on key issues related to legislation and justice.



Many of East Timor's journalists, including Pedro de Oliveira, president of the East Timor Community Radio Association, gathered recently to discuss ways to improve the country's media laws. Photo courtesy of Internews

## Women Gain Stronger Voices for Civic Participation

April 8, 2004

Almost 200 women have gained new confidence in voicing their opinions after a series of 3-day public speaking training sessions by the National Democratic Institute (NDI) held across East Timor. The sessions are part of NDI's Civic Forum program to increase citizen participation in the new country's political life. Through its local training partner, Grupo Feto Foinsae Timor Lorosa'e (East Timor Young Women's Group), NDI recently conducted its second round of training sessions, focusing on young women at the village level, especially those who excelled in the initial sessions.

The aim of the training sessions is to give women the self-confidence they need to voice their ideas and opinions at Civic Forum meetings and elsewhere, including in their own homes. Much of East Timor's society still expects women to limit their activities and voices, both in public and in private settings. By expanding the women's speaking skills and boosting their confidence, the sessions also improve their organizational and leadership skills.

Sabina da Silva participated in the training sessions in Baucau and explained that the benefits are not limited to public speaking. "In the house, the husband always beats the wife because he says he paid for her so he can hit her when she doesn't do what he says. So from this training, we can be brave enough to stand up to our husbands and tell them that just because they paid a bride price doesn't mean that they have the right to beat us. We can tell them that everyone in the family should respect one another, especially husband and wife," she said. Participants have asked NDI to plan another series of training sessions for them.

USAID supports the Civic Forum program through its partnership with NDI. The program works with community groups to provide information on East Timor's political activities, support democratic values, and develop skills necessary for community advocacy on community issues. It also encourages direct interaction between ordinary citizens, local government institutions, and elected representatives.



Women from Dato village in Liquica district gain new confidence for public speaking.

Photo by Isabel Ximenes, USAID/East Timor

## Parliamentarians and Citizens Build Their Law-Making Skills

April 10, 2004

East Timor's parliamentarians and civil society organizations (CSOs) are learning how to develop legislative policy and draft and evaluate legislation in a series of workshops hosted by the University of San Francisco. USF's Legislative Drafting Initiative is designed to increase the capacity of Parliament as a law-making institution and develop links between Parliament and CSOs as key participants in the lawmaking process.

As a new country, East Timor is modifying a legal system inherited from the 24-year Indonesian occupation and interim UN administration to address the complex social problems of its colonial past. Informed and participatory development of legislative policy and draft legislation is vital. The USF workshops teach participants a detailed legislation-drafting methodology and techniques that identify social problems, the individuals and institutions that generate them, and the causes of problematic behavior to help find solutions and make recommendations for new legislation that can be implemented transparently and effectively.



At a legislation-drafting skills workshop, participants begin the process of making laws to tackle important issues. Representatives of civil society organizations include (left to right) Pascoal da Costa Soares (Tane Timor Legal Aid Agency), Maria Jose da Fonseca M. de Jesus (Dili Institute of Technology), and Vincencia Hoar (HMTOP).

Photo by Lisa Rogers, USAID/DAI East Timor

The USF workshops for parliamentarians have generated a great deal of interest. For example, 75 members of Parliament out of 88 attended a USF workshop focusing on budget law analysis. Afterwards, parliamentarians agreed to an extended series of hands-on workshops to be held in July. CSOs have also responded positively. At a recent workshop focusing on the issues facing Parliament's seven main committees, 40 participants representing 21 East Timorese organizations took part. Two more CSO workshops in May and August will use recommendations from earlier workshops as their starting points and focus more specifically on legislative drafting techniques.

Addressing important but problematic areas, USF workshop participants have drafted recommendations on land rights, the role of the national defense force in national defense and security, strengthening small industry, protecting fisheries, housing policy, and urban residential development. Previous workshops have tackled many major issues, including the national budget process, serious crimes and amnesty, illegal logging, urban planning, the national education curriculum, local government, and regional health services.

USAID supports USF's Legislative Drafting Initiative through its partnership with The Asia Foundation. USF's work helps parliamentarians develop and evaluate legislation and encourages more informed and effective engagement between the legislature and civil society.

## Forums Explore the Role of Democracy in East Timor

May 3, 2004

More than 200 participants in East Timorese civic life gathered recently to discuss the meaning of democracy and its place in the new nation. Organized by the International Republican Institute (IRI) and the Office of the President, the discussions sought to explore citizens' roles and responsibilities in a democracy. IRI's "Road to Democracy" program provided open forums for political leaders, members of the government, and citizens of East Timor to express their views on important issues facing the country and gain insights into how other young democracies have fared.

To find out more about how democracy works in other countries, President Xanana Gusmao invited Cambodian Minister for Veterans' and Women's Affairs Mo Sochua and Lithuanian Member of Parliament Edidijus Vareikis to speak at the sessions. Five special forums and a visit to Liquica targeted different audiences, including civil society organizations (CSOs), the media, political parties, and members of Parliament. All were well attended. At the civil society forum, for example, more than 65 participants discussed the role of CSOs as advocates in a democracy. Minister Sochua argued that CSOs should not wait for the government to act, but should be agents of change. Dr. Vareikis emphasized the need for CSOs to learn how to operate independently, adding that in Lithuania local people have learned to be self-sufficient and no longer need to rely on international NGOs.

Minister Sochua summarized her impressions of the week's events by saying, "The road to democracy is the same whether it is in Timor-Leste or Cambodia...Nation building cannot be done by just rebuilding roads and schools. Nation building is about protecting the fundamental rights of the people. The millions of dollars from world aid will never give our people the freedom they deserve if we fail to protect these basic and most fundamental rights."

Through its partnership with IRI, USAID supports important events such as the Road to Democracy forums. IRI creates and implements a range of programs that strengthen democratic institutions in East Timor, including its Caucus program to expand women's participation in politics, political party training, and electoral research and analysis.



President Xanana Gusmao (left) listens as Cambodian Minister for Veterans and Women's Affairs Mo Sochua describes her country's experience of democracy.

Photo by Nicole Seibel, USAID/East Timor

## Economic Growth

### Cattle Project Builds Incomes and Skills

December 19, 2003

In a pilot project to boost farm incomes and expand food supplies, 75 families in two East Timor districts are fattening 150 young Bali cattle for market. The families are members of local cooperative groups supported by Cooperativa Cafe Timor (CCT), the country's largest cooperative organization. The young bulls will spend up to a year under the farmers' care and then be sold at market. Over time, CCT expects the projects to develop into profitable community ventures, offering rural families a new source of income.

Families in Loes and Hera are raising the cattle after learning zero grazing techniques. They have built special shelters for their cows and bring the fodder there. By keeping their cattle confined, farm families gain valuable time and resources that they would otherwise spend building and maintaining fences around their crops and gardens. Some studies estimate that farmers devote more than four hours a day to fence maintenance in areas where cattle roam free.



Paulina Mendonza helps tend her son's CCT bulls in Loes, west of Dili.

Photo by Lisa Rogers, DAI/PSI East Timor

Using the zero grazing technique, farmers regain those hours, but they must spend some of that time collecting fodder for their cattle. CCT aims to help reduce fodder collection time by providing tree seedlings. Varieties of the *Leucaena* tree are especially valuable because they are fast growing, produce fodder high in nutrients, provide shade and moisture retention, and boost soil fertility for interplanting.

CCT based the East Timor pilot projects on its successful cattle-growing project in West Timor. There more than 1,000 farm families are fattening 3,000 bulls for market. When the cattle have doubled their weight to 300 kilograms, they are ready to sell. Proceeds from the sale of each CCT bull will be divided three ways. First, the cost of buying a new yearling comes out of the selling price. Then the farmer takes 70% of the remaining profit. CCT receives 30% to cover the cost of transport, veterinary services, and technical training and support to the farmers. By setting aside the cost of a new yearling each time a CCT bull goes to market, the community group will be able continue its activities. CCT anticipates that farmers will use their profits from the sale of the CCT project cattle to buy their own cattle.

According to CCT Production Technician Fernando Candido, the Loes pilot project has already attracted the attention of other farmers in the area. "Although we haven't finished the pilot project with our first 50 farmers, a lot of other farmers are interested in joining," he said. "I have explained to them that there is a lot of work to do before more cattle can come here: establishing community farmers' groups, training, identifying adequate sources of fodder for the cattle, and building shelters for them. The farmers still want to join."

USAID supports CCT through a partnership with the National Cooperative Business Association (NCBA). NCBA helps CCT manage its diverse activities, including coffee production and export, business training, and a nationwide network of primary health clinics. CCT's cattle projects further USAID's efforts to expand business opportunities and generate income among East Timor's rural residents.

## Investment Advisor Helps Plan East Timor's Economic Future

February 24, 2004

Dr. Jose Goncalves has his attention firmly focused on expanding investment opportunities in East Timor. He is a senior investment advisor at the Ministry of Development and Environment, providing technical assistance on policies, legislation, and programs to attract capital, technology, and know-how to the new nation.

Dr. Goncalves recently facilitated the first investment forum held by the government of East Timor. Among those attending were representatives of the private and public sectors, including local business associations, directors of several government ministries, East Timor's 13 district administrators, academics, and members of the donor community. During the forum, stakeholders worked through and agreed on a strategy on private investment policy. The issues ranged from where the businesses community should get information to facilitate new investment and improve their business skills, to whether East Timor should have one law covering all investors or two laws--one for domestic investors and another for foreign investors that would spell out the guarantees, incentives, and benefits for domestic and foreign investors.



Senior government officials participated in the recent investors' forum, including Secretary of State for Trade and Industry Arlindo Rangel da Cruz (left) and Secretary of State for Investment, Tourism, and Environment Jose Teixeira (center). Jose Goncalves (right) acted as facilitator.

Photo by Miguel Sarmiento for the government of East Timor

The stakeholders agreed to recommend a three-tiered system to support economic development.

- Those in the first tier--microentrepreneurs--will receive support from social and economic affairs officers assigned recently in East Timor's 13 districts.
- Small and medium-scale enterprises will have access to advice from business development centers. Four of these centers are open for business already in Dili, Baucau, Oecusse, and Maliana. A fifth center is planned for Maubisse.
- Foreign investors and Timorese exporters will be supported through an autonomous agency specially created by the government to promote and support this level of investment.

"The government will support the creation of an investment promotion framework to allow the private sector to take a lead role in economic development," Dr. Goncalves said. "This framework is expected to be friendly to investment and promote job creation."

Dr. Goncalves is an investment expert with Nathan Associates, Inc, a USAID implementing partner. USAID supports Dr. Goncalves' work at the Ministry of Development and Environment, and through it the promotion of a robust free-market economy that is open to trade and foreign investment to create employment and increase incomes.

## New Study Documents Land Dispute Mediation

April 9, 2004

Professors and graduate students at the National University of Timor Lorosa'e (UNTL) recently completed an important study on land dispute mediation with the help of international specialists at the Dili-based Land Law Program, managed by Associates in Rural Development (ARD). Detailed data and analysis of land disputes are needed to help East Timor develop policies and laws to resolve complex land-tenure issues resulting from more than four centuries of colonial rule and foreign occupation.

The development of the study began with a series of training sessions by the Land Law Program on research methodology. The study focused on two types of data gathering: key persons and random sampling. Key persons were interviewed at sites across the country. The random sampling plan targeted two subdistricts, one with a high incidence of land conflicts and the second with a low incidence. The sampling designers chose the survey locations in each subdistrict through random generation of geographic positions. Researchers then found these positions using hand-held global positioning system (GPS) receivers.

With Land Law Program support, field staff from UNTL's National Research Center and the Ministry of Justice's Directorate of Land and Property conducted more than 140 detailed interviews and collected data in all 13 of the country's districts, 26 of its 65 subdistricts, and 52 of its more than 500 villages. They interviewed village heads, government officials, representatives of local civil society organizations, members of the clergy, and residents.

The Land Law Program team then compiled and analyzed the data to produce its report, "A Legal Framework on Land Dispute Mediation." The report has been presented to the government and a special roundtable discussion produced additional recommendations that the government can use to draft land dispute legislation.

The Land Law Program's work with UNTL is supported by USAID through its partnership with ARD. Among its activities, ARD is assisting in the establishment of the first land-tenure research center in East Timor, an integral step in promoting sound land issue policies and legislation.



Dr. Faustino Cardoso Gomes (right) and his survey team from the National Research Center collect data for a new land dispute mediation study.

Photo by Rod Nixon, ARD

## Report Findings Help the Government Tackle Land Dispute Legislation

May 5, 2004

A special roundtable held recently in Dili to discuss land dispute mediation attracted a capacity crowd of more than 70 senior stakeholders from government, civil society, academia, and the private sector. The roundtable was hosted by the Land Law Program of Associates in Rural Development, Inc. (ARD) to discuss its new study of land disputes around East Timor and how they are resolved.

Four and a half centuries of colonial rule and conflict have resulted in a complex web of land tenure claims in East Timor. ARD's new study, "A Legal Framework on Land Dispute Mediation," provides extensive data, detailed analysis, and a mediation mechanism for land disputes based on field research in all 13 of East Timor's districts, more than a third of its subdistricts, and 10 percent of its villages.

With a clearer understanding of types of land disputes, where they arise, and how they are resolved, the country's new government can tackle the problem more effectively through policy and legislation. Disputes over land can pose disincentives for domestic and foreign investors, jeopardize economic growth, and reduce agricultural production. Mechanisms that can facilitate quick resolutions of such disputes help boost economic development and agricultural productivity.

Among the participants at ARD's roundtable were the minister and vice minister of justice, the vice minister of development and environment, United States Ambassador Grover Joseph Rees, representatives from the Directorate of Land and Property, the Dili District administrator, senior police officers, village heads, and representatives from the donor community and local and international CSOs. They discussed the report's findings and made a wide range of recommendations on how laws on mediating land disputes might best be formulated.

"This roundtable discussion gave many people an opportunity to comment on the land mediation report," said the Land Law Program Chief of Party Edwin Urresta. Land Law Program experts are compiling the views and recommendations expressed at the workshop to add to their report, which the government can use to support the drafting of its proposed legislation on land dispute mediation. The mediation mechanism proposed in the report offers an alternative to bringing land disputes to the overburdened court system. Government officials have already requested more information on the mechanism and are considering it for use in other situations, such as business disputes.

USAID supports the Land Law Program through its partnership with ARD. Working with the Ministry of Justice, ARD assists the government in developing policies and legislation related to a wide range of land matters. A study released by the Land Law Program last October on leasing of government and private property assisted in the drafting of two new leasing laws currently under discussion by the government.



Silverio Pinto Batista, deputy director of the East Timor rights group Fundasaun HAK, offers his group's views on a new report on land dispute mediation.

Photo courtesy of ARD Land Law Program

## Expanded Factories Mean Bigger Coffee Exports for 2004

May 23, 2004

East Timor's President Xanana Gusmao and Prime Minister Mari Alkatiri opened one of the world's largest wet-processing coffee factories recently in Estado, East Timor. The factory is owned and operated by Cooperativa Cafe Timor (CCT), East Timor's largest cooperative, with some 20,000 farmer members.

The Estado factory takes in fresh coffee cherries, bought by CCT from farmers' cooperative groups in the highland areas of Ermera District. As the cherries move through the factory, they are washed, pulped, fermented, and readied for drying. Expanded production capacity at both the Estado and Maubisse factories means that CCT will be able to buy about 25,000 metric tons of coffee cherries in 2004, twice as much as last year.

The coffee harvest begins in May and lasts until August. During the season, CCT is East Timor's largest employer, providing more than 3,000 jobs in transportation, factory operations, drying, processing, and sorting coffee. The process of hand sorting the beans lasts longer than the harvest and offers much sought-after jobs to 700 Timorese women.

CCT is the world's largest producer and seller of certified organic coffee. With a reputation for consistent quality built up over the past 10 years, CCT's East Timor organic and FairTrade arabica coffee commands a premium price on the international market. As a specialty coffee, it earns about \$4.4m more than it would as the typical grade of East Timor coffee sold by other producers.

CCT members see other benefits in addition the premium price for their coffee crop. CCT operates rural health clinics that provide primary medical care, its farmers receive free mulch made from coffee husks, and CCT's extension service gives farmers shade tree seedlings to replace the old coffee shade trees now falling victim to storms and pests.

USAID supports CCT through its partnership with the US-based National Cooperative Business Association (NCBA), a not-for-profit federation of cooperatives. NCBA helps CCT manage its diverse activities, including coffee production and export, cattle fattening projects, tree nurseries, vanilla production, small business training, and a network of primary health clinics. USAID's support helps CCT expand East Timor's agricultural base, increase its high-value exports, boost economic activity, and generate income among its farm families.



East Timor's President Xanana Gusmao (center) and Prime Minister Mari Alkatiri (right) inspect the first coffee fruit of the 2004 harvest at the opening ceremony of CCT's Estado factory.  
Photo by Lisa Rogers, DAI/PSI East Timor

## Small Grants Program

### Village Chiefs Quiz Officials on Upcoming Elections

December 4, 2003

Village chiefs (*chefe do suco*) in Bobonaro District took the opportunity of a special meeting recently to find out more about the upcoming elections, the first-ever nationwide local elections in East Timor. Voters in the country's 433 villages and around 3,000 subvillages will elect village chiefs, subvillage chiefs, and village councils.

The village chiefs came to Maliana, Bobonaro's capital, for the swearing in of Leonel de Jesus Carvalho as the new district administrator. Senior Minister of State for State Administration Ana Pessoa Pinto also attended the meeting. Her office has responsibility not only for the district administrators, but also for the administration of elections in East Timor.

At the meeting Tomas do Rosario Cabral, director of the Technical Secretariat for Electoral Administration (STAE) in the Ministry of State Administration, explained STAE's activities in the run-up to the local elections, planned to start in the western districts of East Timor in April 2004. Among STAE first tasks will be to conduct surveys to find the most suitable locations for polling stations and to register voters and candidates. In Bobonaro, these activities will be coordinated through District Administrator Carvalho's office.

Minister Pessoa and Director Cabral answered a range of questions from the village chiefs. Among them were concerns about the participation of women in the electoral process. A few village chiefs said that traditional leaders had complained to them that long-standing cultural restrictions prohibit women not only from taking part in the selection of candidates, but also from becoming candidates or taking office as village chief.

In response, Pessoa and Cabral reminded the village chiefs that East Timor's constitution, which guarantees equal political rights for women, takes precedence over local traditions. They advised the village chiefs to encourage those traditional leaders to both respect the constitution as the nation's highest law and accept the will of the people if they elect a woman to represent them.

STAE is preparing for the upcoming elections with meetings in Oecusse, Covalima, and Bobonaro. Work in East Timor's other ten districts will follow. USAID supports STAE and its activities with direct grants totaling \$12,880. Through a USAID partnership with the International Foundation for Election Systems, STAE also receives on-going technical assistance. STAE's work helps establish the democratic process across East Timor from the local to the national level. It expands individuals' and communities' political participation and strengthens the country's electoral system. Other USAID-funded programs have provided leadership training to women in the districts to better prepare women to participate actively in local elections through their political parties or as independent candidates.



Minister of State Administration Dra. Ana Pessoa Pinto (left) congratulates Leonel de Jesus Carvalho as he assumes the post of Bobonaro district administrator. Beatriz Martins (right), deputy district administrator, also attended the swearing-in ceremony.

Photo by Nelson Goncalves, USAID/ET Small Grants Program

## Seed Vendors and Farmers Meet in Maubisse

December 17, 2003

CARE International hosted three seed fairs in Ainaro District in mid-December, attracting seed vendors from several districts and more than a thousand farmers. The largest fair was in Maubisse, a major market town in East Timor's central highlands south of Dili. In the week before the Maubisse seed fair, CARE staff distributed coupons worth \$7.50 to more than 700 poor families who farm more remote areas above the hill town.

CARE encouraged vendors who attended its seed fairs earlier in the season to bring their seeds the extra distance to Maubisse. They brought two types of corn seed (a local yellow variety and an introduced white variety), mung and soy beans, peanuts, and potatoes (a favorite at the higher altitudes around Maubisse). Packets of vegetables seeds, including cabbage, carrots, mustard greens, and tomatoes, sold out so quickly that the vendor who brought them sent a motorbike courier to get more from his base two districts away.

After checking the quality and seed germination rates of vendors' stock, CARE selected six vendors to attend the Ainaro seed fairs.

Jacinta da Silva, one of the vendors, brought 160 bags of corn in two rented trucks. Despite the transportation costs, she said that still makes money--she estimates that her profit from CARE's seed fair in Edi the previous week was \$900. The seed fair business is so good that Ms. Da Silva plans to attend all of CARE's events, and interest from farmers has convinced her to sell her remaining stocks at local markets. Ms. da Silva started her seed business with a loan from a CARE-partnered microfinance project last year.

CARE's Jill Salmon said she expects the seed fair idea to take off on its own. The next step will be for CARE to facilitate the seed fairs without a distribution of coupons, she explained. Once the links between vendors and buyers are established, she believes that the markets will develop on their own.

USAID supports CARE's activities with a grant of \$98,835 over three and a half months to host six seed fairs in two of the poorest districts in East Timor and to conduct a nutritional survey that will provide a clearer picture of the nutritional situation for vulnerable groups. CARE's seed fairs encourage wider distribution of suitable seed, improve farmers' seed stocks, broaden marketing opportunities for vendors, and expand the range agricultural commodities available around the country.



CARE's seed fair in Maubisse attracted hundreds of farm families.  
Photo by Lisa Rogers, DAI/PSI East Timor

## Contest Draws Budding Artists from Schools Across East Timor

December 20, 2003

A young student from East Timor's Oecusse District has won a nationwide art contest on the importance of water in everyday life. More than 23,000 elementary school students from across the country participated in the competition, which was organized by the staff of CARE International's *Lafaek* children's magazine. Since January 2003, students from all 13 of East Timor's districts have been creating images on the topic of "Be'e Mak Fo Moris" ("Water Gives Life"). In June, 200 drawings made the final cut for the national competition, with the prizes awarded in November.

The overall winner was Zebeno Falo from Benaef Manat Primary School in Oecusse, an exclave of East Timor in the Indonesian province of West Timor. Leandro Pires Viana from Viqueque District in the east of the country took second prize, and Angela Morais from Alieu District in the central highlands took third.

*Lafaek* is one of the few classroom materials that all elementary schoolchildren in East Timor have in common. Research shows that *Lafaek* is often the only teaching material available in schools, particularly in remote areas. Additionally, it offers them the only written material available in Tetum, one of East Timor's two official languages. In its recent impact survey, CARE found a huge demand from children and adults, particularly those living outside the capital, for information about East Timor as a new country. For example, when asked about a *Lafaek* story on visiting Parliament, some rural children responded that Parliament was a river or mountain.

In response to this demand, CARE is planning a special issue of *Lafaek* to teach children about the role and structure of their government. The special issue will supplement the regular editions of the magazine, and like them, it will go to all 698 elementary schools in the country. CARE estimates that *Lafaek* reaches more than 80% of East Timor's 184,000 elementary school students and all of their teachers. Indirectly, it reaches a significant number of rural households, as well as government offices and development agencies.

USAID has supported CARE's publication of *Lafaek* since May 2001. The latest grant of \$99,820 will fund the special civic education issue. Through its articles on such topics as government, history, culture, children's rights, reconciliation and peace building, environment, and community development, *Lafaek* helps strengthen East Timor's democracy by improving its citizens' understanding of civic and community issues.



Zebeno Falo, a student from Oecussi, won first place in *Lafaek*'s recent art competition.  
Photo By Expedito Belo, DAI/PSI East Timor

## East Timorese Listen to History on Their Radios

December 29, 2003

In homes and offices, schools and shops across the country, East Timorese listened intently to the radio for four days in mid-December. What held their attention were formal hearings about the turbulent period of their history between the departure of Portugal and the invasion of Indonesia in the mid-1970s.

The hearings were held by the Commission on Reception, Truth, and Reconciliation (CAVR) and brought testimony from many of the most important political and military leaders of the time. The December hearings shed new light on the decision by Portugal to leave its colony and on the divisions among East Timor's political factions that led to a brief but bloody civil war. With public interest so high, CAVR's radio technicians ensured gavel-to-gavel coverage.

The hearings at CAVR's Dili offices, a former Indonesian prison, attracted a large audience. Outside Dili, most East Timorese get news and information from the radio. Two nationwide radio stations and several community stations broadcast the CAVR radio coverage. In addition to the radio coverage of its public hearings, CAVR produces a weekly radio program, "Dalan Ba Dame" (Road to Peace), covering a wide range of topics, including community reconciliation, victim support, and mortality surveys.

CAVR plans two more public hearings on international involvement in the years of Indonesian occupation and the role of children in conflict before its mandate expires in May 2004. Feedback from listeners has been very positive, according to CAVR, especially in rural areas with no television coverage. The organization is planning a detailed survey of its audience in early 2004.

USAID has supported CAVR with grants totaling more than \$250,000 since July 2001. These grants include \$72,000 specifically for broadcasts of its public hearings and weekly radio programs. By facilitating open discussion of the country's troubled history, CAVR encourages public participation in civic affairs, provides citizens with better access to justice, and helps East Timor build a stronger democracy.



CAVR Vice President Father Juvito do Rego (left) swears in witness Mario Carrascalao, former Governor of East Timor during the Indonesian period and currently the president of a major East Timorese political party.  
Photo by Cristina Freitas, DAI/PSI East Timor

## School Children Learn Agroforestry Skills

January 20, 2004

More than 2,500 school children, their teachers, and their neighbors in two rural East Timor districts are looking after almost 150,000 young tree seedlings. They are also managing 10 new community-run tree nurseries. They received their training and their trees as part of World Vision's agroforestry pilot project to expand rural economies. The project established nurseries and distributed seedlings to schools and community-based organizations in the western district of Bobonaro and the central district of Aileu.

The initial plantings in the nurseries included 65 different tree species. Among them were fruit and nut trees, shade trees for coffee, fodder trees, trees for windbreaks and slowing fires, and trees for furniture and woodcarving.

Because the Ministry of Agriculture, Forestry, and Fisheries does not yet have its own seed stocks, residents joined World Vision in collecting suitable seeds, sometimes traveling to neighboring districts to find the best trees.

During the project, students, teachers, and interested community members learned a variety of new skills. They can collect seeds, make compost and organic fertilizer, care for seedlings at the nursery, choose a good place for permanent planting, water and weed seedlings, and protect the young trees from livestock. Neighboring communities have already expressed interest in learning the techniques, too.

USAID supported World Vision's 6-month agroforestry pilot project with a grant of \$91,500. Seedlings from the new community nurseries will expand the availability of food and forestry products in the communities, support existing agricultural activities, and generate income for residents.



A father and daughter plant a tree together in Bobonaro District.  
Photo by Augusto E. Soares, World Vision

## News Weekly Takes on Watchdog Role

February 2, 2004

East Timorese now have another source for news with the launch of *Vox Populi*, a weekly newspaper focused on the country's political and social issues. It joins the media ranks of two daily newspapers and a biweekly news magazine that are available in Dili and most district capitals. The founders based their idea for a new publication on the original *Vox Populi*, a pro-independence newspaper published in the run up to the 1999 referendum on independence from Indonesia.

Director Marcelino Magno says that the newspaper intends to provide in-depth and investigative reporting and act as a watchdog for the public, something he says the existing periodicals do not focus on. "We will have our own research team separate from our reporters," he explained. Magno gained much of his journalistic experience in Indonesia at *Forum* and *Tempo*, two respected news weeklies.

*Vox Populi's* first issue looked at possible ethnic problems within East Timor's armed forces, the Falantil-Forças de Defesa de Timor-Leste (F-FDTL), and included interviews with Brigadier General Taur Matan Ruak, head of F-FDTL, other senior members of the army, and members of Parliament. Residents also gave their opinions on the issue. Several pages provide national news and interviews. The first issue is written in Indonesian, one of the most widely spoken languages in East Timor. Future issues will include summaries and articles in Tetum, one of the official languages, and English.

USAID/East Timor is supporting *Vox Populi* with a grant of \$29,900 during its start-up phase, providing some basic office equipment, computers, and Internet access, and covering the costs of its investigative reporting program for three months. The addition of an independent news source will give the East Timorese more comprehensive access to information about their government and its activities, improve the level of public awareness on important issues, and encourage involvement in civic affairs.



*Vox Populi* staff review the paper as it arrives from the printer (left to right: finance manager Leopoldo da Cunha, editor José Pompeia, business manager Antonio Gonçalves, and secretary Joana de Araujo).

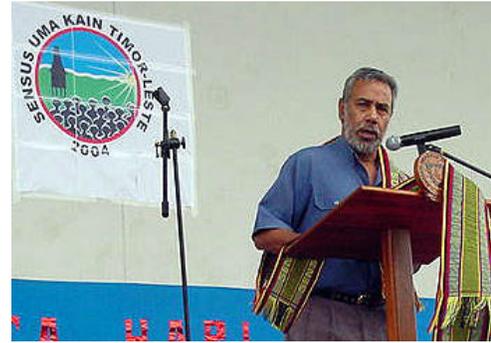
Photo by Expedito Belo, USAID/ET Small Grants Program

## Countdown Begins to East Timor's First Census

February 20, 2004

With a specially commissioned song and dance performance, East Timor's Ministry of Planning and Finance launched its 2004 census in Dili. It is the first full count of East Timor's residents undertaken in the new country, and the first collection of data since an Indonesian census in 1990. Local residents crowding the perimeter outnumbered invited guests at the ceremony, listening to the speeches and enjoying the music and dancing.

At the ceremony, East Timor President Xanana Gusmao encouraged all of the country's residents to take part. "I would like to ask you to participate in this census. All Timorese should take time out of their daily activities to take part in the count." He singled out students as vital participants in the process, asking them to tell their families when and how to provide census information.



President Xanana Gusmao encourages all East Timorese to take part in the 2004 census.

Photo by Osorio Correia, DAI/PSI East Timor

East Timor's first-ever national census will start on July 11, 2004. The National Statistics Directorate is recruiting some 3,500 managers, district supervisors, and enumerators to visit the country's estimated 180,000 households. Using a detailed census questionnaire, enumerators will spend two weeks collecting information on health, education, socio-economic status, and housing. The demographic data collected will include age, sex, family size, and ethnic group.

Enumerators will use global positioning system (GPS) technology to link specific census data to detailed maps of East Timor, the first time such technology has been used in this role in East Timor. The result will be a detailed picture of the country's residents, from where they live to how quickly their families are growing.

USAID supports the Ministry of Planning and Finance in its preparations for the 2004 census with grants totaling \$231,000. The support provides an expert advisor, vehicles, equipment, and the printing of the census questionnaires and training materials in Tetum, Portuguese, Indonesian, and English. Data from the census will help the government better understand the economic, demographic, and social conditions of the country's residents and inform policy-making decisions at every level of government.

## Women Learn New Small Business Skills

March 5, 2004

In a new pilot project, women in four of East Timor's district capitals are learning new bookkeeping and marketing skills to boost the productivity of their small businesses. The project teaches women how to add value to local agricultural products and then find new markets for them. It also teaches the women how to work out sales prices based on the cost of ingredients and cooking fuel.

Training Coordinator Joana Cunha and her team from the Social Services Division of the Labor and Solidarity Department specialize in helping illiterate women acquire business skills and confidence. In the first pilot training sessions in Manatutu, 22 women from two self-help groups attended. A week later when the training team arrived in Liquica, more than 40 women had signed up for the two-day workshop. On a visit to the area, US Ambassador to East Timor Grover Joseph Rees opened the Liquica workshop and took the opportunity to talk to the participants about how better skills will improve their businesses.



Women in Liquica learn how to make profitable new products for their small businesses.

Photo by Fernando da Silva, PSI/DAI East Timor

Training focuses on how to convert fresh local produce into marketable (and storable) commodities and how to price them to sell at a profit. Among the most popular products are:

- *abon* - a coveted main course made from fish, spices, coconut, and peanuts
- *sutati ikan* - a thick sauce made from fish and spices
- *hudi sona* - thin-sliced fried banana chips
- pumpkin and cassava cakes.

The pilot project will also conduct workshops in two other districts, Ermera and Aileu, where participants will learn how to convert the plentiful local papayas into juice. To help them improve and expand future workshops, staff members from the Social Services Division will monitor the success of all the trainees in marketing their value-added products.

USAID supports the Social Services Division pilot project with a \$6,000 grant for equipment and training. The grant expands small business opportunities for poor women and stimulates local economic activity.

## Government Land Office Gains Mapping Skills

March 8, 2004

The East Timor government's Land and Property Unit (LPU) is now printing detailed maps of each of the country's 13 districts. Seven staff members are learning to apply the finer points of geographic information system (GIS) software to the maps, aided by a specialist trainer funded by USAID.

The work by LPU staff is part of the government's efforts to resolve many of the long-standing land ownership disputes in East Timor. As part of the Ministry of Justice, the LPU is responsible for land titling, cadastre (a catalog of real estate ownership), mapping, land management, and policy and legislation development on land issues. The nation's turbulent history over the past quarter century has resulted in many conflicting claims over land.

Accurate and detailed maps supplied by the LPU help local administrators resolve disputes using the new land law, passed in 2003.

LPU staff members in the 3-month training program are using the latest GIS software programs for their work, including ArcView, which is used around the world for mapping applications. In conjunction with the computer training, staff members have conducted field surveys to ensure the accuracy of their maps.

Jaime Xavier Lopes, head of the cadastre and land information section of the LPU, said, "This training is very important to us. In just a few weeks we have learned so many things." He added that because the trainer speaks Portuguese and English, there is no communication problem with the students, which allows them to get to grips with the training materials faster.

USAID has supported the LPU with a series of grants totaling almost \$330,000 since December 2002. The current grant covers the cost of the specialist trainer, software licenses, and a large-format plotter for printing detailed maps. With more accurate and detailed maps, East Timor's government will be better able to address issues of land tenure and policy, investors will have a more reliable basis for their business decisions, and citizens will have access to better information about their property.



Jaime Xavier Lopes uses state-of-the-art GIS software to produce maps.  
Photo by Joao Noronha, USAID/DAI Small Grants Program

## Community Radio Offers Everyone a Voice

March 15, 2004

In Southeast Asia's poorest country, and one with a literacy rate of only about 50%, televisions and newspapers are rare commodities. For the majority of East Timor's residents, news and information come by radio. Volunteer-run community radio stations across the country fill this need--one in each of the 12 districts outside Dili and 3 in the capital.

The oldest of these is Radio Timor Kmanek (RTK), founded in 1993 by the Diocese of Dili. Its broadcast area is the biggest in the country, and it plays a major role in disseminating social and political news. With AM and FM signals, RTK reaches listeners across East Timor and into Indonesia's province of West Timor.

RTK broadcasts its programs in Portuguese, Tetum, and Indonesian, offering basic health and education information, news, and music. Among the most popular programs is "Public Opinion," a daily call-in program for listeners to discuss current issues. Indra Monemnesi, RTK's coordinator of production and broadcasting, says that news and public opinion programs were listeners' favorites according to a listener survey completed by the station in September 2003.

Since the beginning of this year, RTK has also been broadcasting a government-produced program once a week. It introduces government activities to the public and responds to questions and issues raised by listeners in "Public Opinion." Monemnesi explained, "The Office of the Prime Minister has appointed a person to listen regularly to our public opinion programs."

USAID's small grants program has supported RTK since September 2000. The most recent grant of \$21,000 provided the station with office equipment and computers. With USAID support, RTK can help East Timor's residents better understand their communities and their government and offer them an opportunity to express their views about social and civic affairs.



RTK broadcaster Luisa da Silva prepares a program.  
Photo by Expedito Belo, USAID/DAI Small Grants Program

## A Fishing Community Finds New Ways to Sell its Catch

March 30, 2004

A new cooperative in the fishing village of Atabae is adding value to the daily catch to open up new markets and boost members' incomes. Salt, sun, and careful preparation turn their unsold sardines into a sought-after commodity. With help from Loroleon, a local NGO, members of the cooperative are also learning bookkeeping, marketing, and business management skills as they bring their product to consumers.

Local fishermen land many species of fish on Atabae's broad beach, but the plentiful sardines often don't find buyers. Instead of throwing away the unsold fish, members of the new cooperative salt and dry them. *Halo maran ikan* (salted, dried fish) is a popular food throughout East Timor, and unlike fresh fish, stays in prime eating condition for up to four months.

The freshly caught sardines go straight from the beach to the cooperative's workshop where they are cleaned, salted, wrapped in special plastic, and put in the sun to dry. In good weather, the process takes only two or three days. According to a recent market survey commissioned by Loroleon, the dried fish will find ready buyers in several district capitals as well as in Dili, about an hour and a half away by truck. A national food distributor has already agreed to buy some of the group's output.

The cooperative has about 30 members. Several of them discussed their plans with U.S. Ambassador Grover Joseph Rees, who attended the formal opening of the project. With an eye to the future, members say they will set aside 20% of their income to cover the cooperative's recurring expenses and possible expansion.

USAID supports Loroleon's work with the Atabae cooperative through a grant of \$11,400 for equipment, training, and supplies. The project will increase incomes among the cooperative's members, stimulate local economic activity, and expand rural employment opportunities.



U.S. Ambassador Grover Joseph Rees talks to local fishermen in Atabae about their new dried fish project.

Photo by Lisa Rogers, USAID/AI Small Grants Program

## Workshop Uses Timor Sea Issues to Examine Government Transparency

April 8, 2004

A 5-day training program aimed at improving transparency and accountability in government drew more than 40 participants from East Timor's media and civil society organizations (CSOs). The sessions included presentations by government officials and technical experts, question-and-answer periods, and hands-on workshops on investigative reporting and accessing and analyzing government information.

Organized by the U.S.-based Democracy Council, the program used the complex and controversial issue of the Timor Sea petroleum resources as its basis. Significant oil and gas reserves lie under the sea that borders East Timor, Australia, and Indonesia. Temporary exploitation agreements exist among the three countries, but no permanent maritime boundaries have been set between East Timor and Australia, and there is no agreement on the long-term allocation of billions of dollars in potential revenue from the area. Under the temporary agreements, revenues are already coming to East Timor. The government is beginning the process of deciding how to manage and use them.

Journalists from East Timor's two daily newspapers, the Public Broadcast Service (radio and television), a new weekly investigative newspaper in Dili, a newspaper in Oecussi, and several community radio stations attended the sessions. Among the CSOs present were those involved in civil and human rights, the justice sector, environmental issues, and women's rights.

President Xanana Gusmao opened the program, reiterating his support for transparent government and public participation in decisions about Timor Sea issues. Representatives from the government's Banking and Payments Authority and the Timor Sea Designated Authority provided technical details about Timor Sea revenues and activities. Participants also heard from Secretary of State Tourism, Environment and Investment Jose Teixeira and Francisco da Costa Monteiro, the officer for industrial and natural resources in the Office of the President.

Several of the sessions generated immediate print and broadcast coverage. With a better understanding of Timor Sea issues at the end of the program, the media and CSOs will be able to offer their audiences more comprehensive and useful reporting. In their turn, East Timor's citizens will be able to participate more effectively in the government's decision-making processes.

Through its grant of \$65,500, USAID supported the Democracy Council's program to increase the skill and knowledge of civil society and media organizations and promote transparent and accountable government in East Timor.



More than 40 journalists and members of civil society organizations attended a recent workshop on transparency in government, including (left to right) Dircia Andrade from the Commission for Reception, Truth and Reconciliation, and Zulmira da Silva and Florentino Fernandes from *Lifau Post* in Oecussi.  
Photo by Lisa Rogers, USAID/DAI East Timor

## East Timor Wins Praise at International Meeting in New York

May 5, 2004

Representatives of East Timor's largest women's network attending a major international conference recently on women's issues were congratulated on their country's efforts to bring gender issues into the mainstream of political and civic life.

At the annual meeting of United Nations Commission on the Status of Women (CSW) in New York City in March, East Timor received recognition as the country most successfully implementing UN Security Council Resolution 1325 (2000) on Women, Peace, and Security. Singled out for praise was East Timor's establishment of the Office for the Promotion of Equality within the Office of the Prime Minister to focus on gender issues.

Two East Timorese representatives attended the conference: Olandina Caeiro from ETWAVE (East Timor Women Against Violence) and Ivete de Oliveira from REDE Feto, the network of East Timor's women's organizations. At the CSW meeting they had many opportunities to describe their experiences and learn from other women from around the world. Many of the discussions focused on how to overcome the challenges facing post-conflict societies and on ways to involve women in the country's development. CSW meets every year to bring together women from civil society, governments, and UN agencies to discuss priority issues that affect the lives of women everywhere.

On their return to East Timor, the delegates reported on their trip to REDE Feto's four regional congresses. The women will also make further presentations to REDE Feto's national congress at the end of June and to their own organizations and community groups around the country.

With a USAID grant of \$8,000, Caero and de Oliveira represented REDE Feto and their country at the CWS meeting. Women's rights and gender violence remain significant challenges in East Timor, and REDE Feto plays an important role in providing information and support through its campaigns and its member groups' activities.



Participants at REDE Feto's regional congress in Dili hear of international praise for East Timor's progress gender issues.

Photo by Antonio Goncalves

## Microfinance Lender Reaches Out to Rural Poor

May 12, 2004

Microfinance provider Moris Rasik has doubled the number of its offices serving the rural poor over the past eight months and has moved into two more districts. The expansion means that some 8,000 poor rural families now have access to credit.

With 12 offices in six of East Timor's 13 districts, Moris Rasik is one of the country's largest and most successful microfinance organizations. It is a member of CASHPOR Technical Services, a network of Asian microfinance institutions based on the Grameen Bank model from Bangladesh.

Established in 1999, Moris Rasik's target client base is poor women in rural parts of East Timor. The first loan is usually between \$50 and \$100. When that is repaid successfully, a client can move on to the next cycle. Repayments rates are high, and many clients have already reached the fourth cycle, with loans of up to \$600. From its 12 offices, Moris Rasik currently supports more than 5,500 clients.

Moris Rasik's 37 staff members give applicants its basic asset test, evaluate the needs of new members, train group leaders, and support clients as they learn to improve their businesses. Most loans go to help clients open or expand their small businesses--buying and selling basic food and household items, coffee, clothing, *tais* (hand-woven traditional cloth), livestock, and fuel.

USAID has supported Moris Rasik through CASHPOR since the beginning of 2001 with a series of grants totaling \$209,000. The grants have helped the organization provide loan services to a vulnerable sector of East Timor's population and expand economic activity and employment opportunities in rural communities.



Wendelina Vital (right) makes her weekly loan repayment to Antonio Salcina, a Moris Rasik staff member, at the Rae Ubu group meeting in Same District.  
Photo by Osorio Correia, USAID/DAI Small Grants Program

## Veterans Commissions Ready Final Report to President

May 19, 2004

East Timor's two veterans' commissions have finished their work of identifying and registering more than 37,000 veterans of the nation's 24-year struggle for independence. President Xanana Gusmao will receive the commissions' final report at the end of May, and the names and detailed data about the veterans in commissions' new database will be handed over to the government.

The data is based on the responses to more than 60,000 questionnaires sent out by the commissions last August. In December 2003, the commissions published their first provisional list in each of East Timor's 13 districts. The posting was followed by a series of public meetings to discuss the list and consider the criteria for the commissions' definition of a veteran. The meetings were well attended and elicited broad community support.

The two commissions were established in 2002 by President Xanana Gusmao to research and provisionally register veterans. One commission, the Commissions for Former Combatants' Affairs (CAAC), focuses on those who fought between 1975 and 1979. The second commission, the Commission for Falintil Veterans' Affairs (CAVF), is concerned with those who fought between 1979 and 1999. Though they represent veterans from two periods, the two commissions have worked together.

Inclusion in the commissions' list is one of the first steps to formal recognition for those who fought for independence between 1975 and 1999. The commissions are wrapping up their work and writing their final reports, which will offer demographic details of the conflicts, including who fought where, for how long, and for which organization.

The government of East Timor is in the process of deciding which of its departments will be responsible for veterans' policies and legislation, and which will produce the final list of veterans. A special seminar set for August will include presentations by international speakers on how other countries have addressed these issues.

Through its small grants program, USAID has supported the veterans' commissions since November 2002 with grants totaling more than \$235,000. Establishing a formal registry and providing appropriate recognition and support to veterans are important issues in East Timor. The commissions' work furthers the process of reintegration, reconciliation, and representation of veterans, which are vital to the continued stability and security of East Timor.



Abilio, known as Lian Timor (voice of Timor) during East Timor's struggle for independence, speaks at a public hearing on veterans' issues in Ermera. Photo by Nelson Goncalves USAID/DAI Small Grants Program