



## Democratic Republic of Timor-Leste

*Monica Costa*

*Rhonda Sharp*

*Diane Elson*

©2009

### Contents

---

<i>1</i>	<i>Socio-cultural, political and economic background</i>	<i>2</i>
<i>2</i>	<i>Gender equality</i>	<i>4</i>
<i>3</i>	<i>Budgetary context</i>	<i>7</i>
<i>4</i>	<i>Gender-responsive budgeting</i>	<i>9</i>
	<i>References</i>	<i>11</i>
	<i>Links to electronic resources for Timor-Leste</i>	<i>13</i>

*(This country profile is available online at [www.unisa.edu.au/genderbudgets](http://www.unisa.edu.au/genderbudgets))*

# 1 Background

Socio-economic indicators	
Population in 2008	1.1 million
Projected population change 2008–50	179%
Percent urban (% of total population) 2008	22%
GDP per capita, (PPP \$US) 2004	US\$732
Human Development Index 2005	0.514
Human Development Index rank 2005	150th (of 177)
Proportion (percent) of population below the Poverty Line (\$1 PPP a day) 2005	20%

Sources: UNDP (2007) Human Development Report 2007/08; Population Reference Bureau, (2008) World Population Data Sheet. Asian Development Bank (2008) Key Indicators for Asia and the Pacific 2008. (See Explanatory Notes for details).

Timor-Leste is located in the Timor Sea between Indonesia and Australia. The country forms the eastern half of the island of Timor, adjacent to Indonesian West Timor, the islands of Atauro and Jaco, and an enclave in West Timor, Oecussi. About thirty languages and dialects have been identified in Timor-Leste, although Tetum is spoken by 46.2% of the population (Timor-Leste Planning Commission 2002; Durand 2006; Timor-Leste National Commission for Research and Development (NCRD) 2008). A commitment to multiculturalism is outlined in the Constitution, which acknowledges Tetum and Portuguese as the official languages, and Indonesian and English as working languages (NCRD 2008). More than 90% of the population described itself as Roman Catholic (Timor-Leste Government date unspecified; Durand 2006). With an annual population growth rate estimated at 3% between 2008 and 2015, the population is expected to more than double by 2050 (see table above). As a result Timor-Leste has a very young population, with an estimated 62% of the population under the age of 24 (NCRD 2008: 17).

Several key moments in Timor-Leste's recent history can be identified (World Bank 2005: 3). On the 28<sup>th</sup> November 1975 Timor-Leste declared independence from Portugal but shortly afterwards was invaded by Indonesia. It then remained occupied until May 2002 when independence was restored. However, throughout the Indonesian occupation armed resistance existed, and was supported by local citizens and an extensive Timorese diaspora. It has been estimated that during the occupation, one third of the Timorese population died due to conflict, malnutrition and poor health services (Timor-Leste Government and UN 2004: 10).

In 1999, following the resignation of Indonesia's President Suharto (see Case Study: Indonesia), the Indonesian Government, led by President B. J. Habibie, proposed a 'Popular Consultation' on the status of Timor-Leste. This offered a choice between autonomous status within Indonesia and independence (Hicks 2004: 140). On 30 August 1999, 98% of the eligible voters participated, of which 78% voted against autonomy and opted for independence (Durand 2006: 15; Hicks 2004: 140). The Timor-Leste Government and the United Nations (2004: 11) brought to light that pro-integration militia gangs, with the support of the Indonesian military, responded to the election result with violence and intimidation. It was revealed that the withdrawal of the Indonesian military had resulted in the displacement of one-third of the population, up to 2,000 reported deaths and the destruction of 70% of infrastructure. In September 1999 a multi-lateral peacekeeping intervention, the International Force for East Timor (INTERFET), led by Australia, was deployed to bring an end to the unrest. In the following month, Timor-Leste was placed under a United Nations Transitional Administration (UNTAET) executive, judicial and legislative administration in preparation for independence in 2002 (Durand 2006; Timor-Leste Government and UN 2004; World Bank 2005).

## 2 Republic of Timor-Leste

In the aftermath of independence, Timor emerged as one of the world's youngest democracies. Parliament, the judiciary system and the Office of the President were established but lacked appropriate legal frameworks, qualified staff, offices and equipment (World Bank 2005). Since then the Timorese government has argued that it has successfully established 'the core institutional infrastructure of a democratic sovereign State, essential for the running of a market-based economy' (NCRD 2008: 15). However, Rosser (2008: 11) has observed that the lack of skilled bureaucrats and standard administrative procedures maintain weak institutional capacity at the government level.

A crisis triggered in 2006 by a split within the Armed Forces revealed the vulnerability of institutions in the justice, defense and security sectors (NCRD 2008). This unrest led to a social, political and humanitarian crisis and to an estimated contraction of 5.8% of the domestic economy. With international support, including an expanded United Nations Security Council mandate, peace and stability have been restored in Timor-Leste. In 2007 the first post-independence national elections managed by Timorese was held. These elections resulted in a National Parliament with representation of seven of the fourteen competing political parties and coalitions (NCRD 2008: 18). The current government is composed of a coalition with former independence leaders Kay Rala Xanana Gusmão as Prime Minister, and José Ramos Horta as the country's President.

Of on-going concern is Timor's economic outlook. With one-third of the population engaged in subsistence agriculture, Timor-Leste is one of the least developed economies in South East Asia. With a per capita income of only US\$732 (see table), the World Bank has classified Timor-Leste as a low middle income economy (World Bank 2009). The government's 2008 *State of the Nation Report* (NCRD 2008: 36) highlighted the problem that while economic growth has been built on oil and gas revenues, these have not trickled down to the population. While in 2002 oil and gas income represented a mere 3% of the Gross National Income (GNI), by 2006 its share was 58% (Rosser 2008: 1). A stagnant non-oil economy; a high unemployment rate, particularly in urban areas and among youth; vulnerable public service; fragile social cohesion; and a weak and government-dependent indigenous private sector have been identified as the structural issues that need to be tackled for the future viability of the state and the democratic process (NCRD 2008: 24).

Overall, Timor-Leste's human development index position (150/177) is at the tail-end of countries in the Asia Pacific region (see table). While it is on track to meet the 2015 *Millennium Development Goals* (MDGs) targets that boys and girls complete a full course of primary schooling and to reduce gender disparity in all of education (UNDP 2008), it is unlikely to meet other goals without significant changes (UNDP 2008). This has been further confirmed by the 2009 *The Millennium Development Goals – Timor-Leste* (Timor-Leste Government and UN 2009: 9), produced by the government in partnership with the United Nations. This report noted that enrolment rates in primary education have increased from 65% in 1999 to 74% in 2007. However, the Administrative data from the Ministry of Education demonstrated that only 56% of students enrolled in Grade 2 in 2003 reached Grade 5 in 2006 a result of the high repetition and drop-out rates (NCRD 2008: 45). In 2007 adult literacy was only 58%, confirming the non-universality of primary education (NCRD 2008: 17). The CEDAW government report notes the importance of economic status for determining educational opportunities. In 2001-2002, 64% of the poorest quintile were enrolled in primary education whereas 90% of the wealthiest quintile were enrolled (Timor-Leste SEPI 2007: 230).

Poverty is widespread and has been increasing. The 2007 Timor-Leste Survey of Living Standards (TLSLS), which uses the new poverty line of \$0.88 per person per day, shows that the incidence of poverty has increased significantly from 36% in 2001 to 50% in 2007 (UNDP 2008). While the labour force participation rate was 64% in 2006, a mere 10% of the workforce was

actually receiving pay (Timor-Leste Government and UN 2009: 20). The tensions faced by the government are summarised in the *2008 National Priorities*: '[t]he 400 or so formal jobs created each year are not contributing to job creation when compared with the 15-16,000 new entrants to the labor market' (Timor-Leste Government 2008: 3).

Donor support has been critical in restoring infrastructure, establishing governance structures and institutions, developing a civil service and preparing the first National Development Plan, which draws its specific targets from the Millennium Development Goals (Timor-Leste Government and UN 2004: 53; NCRD 2008: 38). A joint Timor-Leste Government and AusAID report (2008: 4) highlighted that while regular donor coordination meetings and development partners meetings have been held every six-months since January 2000, there is a degree of 'partner government fatigue'. The diversity of donors present in Timor – with competing agendas, requirements, programs and modalities – has resulted in difficulties for government. It was further noted in the joint report that development efforts have fallen short of reaching the rural communities and that the government has been perceived as being responsive to the donor community yet poorly accountable to the Timorese.

## 2 Gender equality

Gender equality indicators	
Gender Development Index (GDI) value 2005	Not available
Gender Development Index (GDI) rank 2005	Not available
Gender Empowerment Measure (GEM) value, 2007/08	Not available
Gender Empowerment Measure (GEM) rank, 2007/08	
Gender Gap Index (GGI) value 2007	Not available
Gender Gap Index (GGI) rank 2007	Not available
Seats in parliament held by women (% of total) 2007	25.3%
Population Sex Ratio (males per 100 females) 2005	103.01
Maternal Mortality Ratio (per 100,000 live births) 2005	380
Adult literacy rate, female (aged 15 and older) 2005	Not available
Adult literacy rate, male (aged 15 and older) 2005	Not available
Gross secondary enrolment: Ratio of female rate to male rate 2005	1
Gross secondary enrolment: Female ratio (% of the female secondary school aged population) 2005	52%
Share of women in wage employment in the non-agricultural sector (% of total employment in the sector) 2004	35%
Ratification to CEDAW (year)	2003

Sources: UNDP (2007) *Human Development Report 2007/08*; World Economic Forum (2007) *The Global Gender Gap Report*; UN Statistics Division (2008) *Millennium Development Goal Indicators*; United Nations Population Division (2008) *World Population Prospects*. (See Explanatory Notes for details).

Since independence in 2002 Timor-Leste has made progress in formally recognizing women's rights and adopting gender equity goals. In 2003 it ratified the Convention for the Elimination of All Forms of Discrimination Against Women (CEDAW). The principles of gender equality were incorporated into the Constitution and the 2002-2007 National Development Plan adopted the principle of gender mainstreaming (ADB and UNIFEM 2005; Timor-Leste Secretary of State for Promotion of Equality (SEPI) 2007). Significantly, gender equity goals were absent in the 2008 National Priority commitments, which outlined the chief priorities for the country's road to stabilization and recovery from the 2006 crisis.

Gender inequalities remain widespread across social, economic and political arenas (NCRD 2008: 17). While there has been progress in adult literacy, women's literacy rates have

## 4 Republic of Timor-Leste

consistently been lower than men's (NCRD 2008). In 2001 the ratio of literate women to literate men was 96% but by 2007 it had dropped to 93%. Women's illiteracy levels have been particularly evident in rural areas (Timor-Leste Government and UN 2009: 33) where only 30 to 40% of girls reach high school and women's literacy level is below 50% (Timor-Leste NGO Forum 2009: 9).

Gross school enrolments are low for both boys and girls, but female enrollment rates drop off rapidly at secondary and tertiary levels. The gross primary school enrolment ratio (2000–2007) for girls was 67%, falling to 54% at secondary level (UNICEF 2006). At the tertiary level women's enrollment rates are half the number of males' and the number of tertiary education male graduates is 2.6 times the number of female graduates (Timor Institute of Development Studies (TIDS) 2007). Research on student achievements in selected grades within the primary schools in 2003 drew attention to the girls lower achievement grades when compared with the boys, a result of the girls' lack of time to dedicate to schooling and their additional role within the household (Asian Development Bank and UNIFEM 2005: 35). The government's CEDAW Report in 2007 noted several reasons preventing girls from going to school including: long distances between schools and the communities; parents concerns with exercise of discipline; poor toilet facilities; and cultural beliefs and roles in the community (SEPI 2007: 14).

The gender division of labor in Timor-Leste's economy remains inflexible (Diamond 2004). Women have a smaller participation in the work force and are usually at the lower ranks of the hierarchies, with lower salaries, fewer benefits and less possibility to advance in their professional careers (SEPI 2007). In 2007 women's comprised only 36% of the non-agricultural sector workforce (Timor-Leste Government and UN 2009: 33). In 2005, women represented around 25% of the civil service, but held only 2% of the highest positions (Ospina 2008). The Asian Development Bank and UNIFEM (2005: 23) estimate that the gender wage gap is high, with women earning one eighth of men's earnings.

In the sphere of health, maternal mortality in Timor-Leste is amongst the highest in the world. In 2000 it was 380 per 100,000 births (see table) but was more recently estimated at 420-660 per 100,000 live births (NCRD 2008: 47). Malnutrition among pregnant women is also high (SEPI 2007). Domestic violence remains prevalent. The 2006 crisis and political instability aggravated women's vulnerability to violence, particularly in the internal displaced camps (Ellsberg *et al.* 2008; Araujo 2004).

In the political arena, women's participation in key decision-making positions is improving. For example, in the first national Parliament 26% of members were women (UNDP 2006). However, Ospina (2008) observes that women's high level of representation in Parliament does not equate with influence in decision-making. Voting is broadly along hierarchical and along party lines, and as a result, mobilization against the party line is uncommon. Furthermore a study undertaken in 2007 highlighted that in 2006 only 1.5 percent of the 442 head of villages elected were women. On the other hand, within the village councils women outnumber men (TIDS 2007: 26).

Since independence efforts to improve performance on gender equality have led to significant 'institutional and policy initiatives and successes' (Trembath and Grenfell 2007: 12). A Secretary of State for Promotion of Equality (SEPI) was set up by the government elected in 2007. SEPI draws from the experience of the Office of the Advisor of the Prime Minister on the Promotion of Equality (OPE), which operated between 2002 – 2006, and the UNTAET Gender Unit active between 2000 - 2002. SEPI's responsibility is to ensure that gender-responsive systems, resources and instruments are implemented (Timor-Leste Ministry of Finance 2008). The Secretary of State holds a seat in the Council of Ministers.



The Asian Development Bank and UNIFEM (2005: xii) have highlighted that the government is pursuing a strategy of affirmative action evident by establishing quotas for women's representations in the *suco* (village) council elections. Gender mainstreaming approaches have been initiated in four key sectors – education, justice, health and police – resulting in the establishment of working groups and task forces in each sector, the development of gender-sensitive targets and indicators and of sex-disaggregated databases in sector ministries and the provision of gender training programs (ADB and UNIFEM 2005: 13).

Further, an inter-ministerial working group has been created to develop gender focal points in each Ministry to provide advice on gender mainstreaming strategies. The 2006 crisis resulted in a stall of these steps towards gender mainstreaming. Since 2007 SEPI has been re-activating some of these initiatives including the gender focal points working groups, at Ministerial and District Levels, and expanding its activities and the quality of its team to effectively fulfil its mandate. In the Parliament a Women's Political Caucus was established in 2006 (Johnston and Stanislaus 2008). In 2008 the Council of Ministers, through a resolution, attempted to garner high-level support and re-energise the gender focal points at the ministries and the district level to support gender mainstreaming efforts (NCRD 2008). However, a number of factors hinder gender mainstreaming in both development agencies and in government. Nelson (2008: 58) has identified a number of challenges including: the lack of political will and poor technical skills; resistance to change; the male nature of the existing organizational cultures which marginalize gender equality concerns; and, finally, inadequate financing to progress gender equality at all levels.

The commitment to gender equality has found support in donor agencies, which have been the main source for funding gender equality (SEPI 2007). UNDP, Irish, Australian, Swedish, Spanish and Norwegian Governments, European Union, UNIFEM, UNCDF are some of the donor agencies engaged in this sector. For example, UNIFEM, with support from the Irish government, has been leading assistance to gender mainstreaming through the deployment of advisory support in the gender mainstreaming flag areas – education, health, SEPI, justice, agriculture and finance (email communication with donor 04/05/09).

Civil society groups have had some success in pursuing gender equality in the political sphere (Ospina 2008: 44). Trembath and Greenfell (2007: 11) have highlighted that since Independence, numerous organisations have been engaged in activities aimed at reducing the inequities faced by women, ranging from advocacy and public education campaigns to service delivery. NGO advocacy and campaigning for the establishment of services have contributed to nation-building efforts and the development process. Moreover several civil society networks have been established to build a common ground for responding to gender-based issues (such as gender-based violence and political participation). At four year intervals since 2000, women's NGOs have met as the National Women's Congress in Timor-Leste in order to discuss priorities and concerns for national development. Rede Feto, the umbrella network for gender-focused organizations, was one of the outcomes of this Congress (Trembath and Grenfell 2007: 12). Redo Feto now facilitates the four yearly National Women's Congress, which identifies priorities for women and lobbies the government to implement of these priorities. This umbrella organization has been important in promoting gender mainstreaming within government and advocating for the proposed domestic violence law. Trembath and Grenfell (2007: 12) have observed that these local organisations have been supported by international organisations, particularly through the provision of technical advice. Further, Diamond (2004) notes that most research on gender issues is funded by donor agencies, with academia in Timor-Leste poorly engaged with this sector.

### **3 Budgetary context**

Budgetary indicators	
Central Government tax revenue (% of GDP) 2003	Not available
Central Government total expenditure (% of GDP) 2003	Not available
General Government public expenditure on education (% of GDP) 2002–05	Not available
General Government public expenditure on education (% of total expenditure) 2008	6.7%
General Government public expenditure on health (% of GDP) 2004	8.8%
General Government public expenditure on health (% of total government expenditure) 2008	4%*
Central Government military expenditure (% of GDP) 2005	1.2%
Central Government public expenditure on defence (% of total outlays) 2008	2.9%*
General Government total debt service (% of GDP) 2005	Not available
Open Budget Index: Overall score	Not available

Sources: UNDP (2007) Human Development Report 2007/08; UNESCAP (2008) Statistical Yearbook for Asia and the Pacific; IMF (2007) Government Finance Statistics; Open Budget Initiative (2008).

\* These figures were not available in general sources used. Estimates have been calculated by the research team using 2008 mid-year appropriation budget documents (available at [www.mof.gov.tl](http://www.mof.gov.tl)). The budget increased significantly in the mid-year appropriation drawing from the Petroleum Fund.

As a post-conflict state Timor-Leste has undergone significant institutional reforms often as a result of donor assistance. Since 1999 donors have given technical expertise, provided individual training to civil servants and supported the development and improvement of administrative procedures (Rosser 2008). In particular, aid has been provided to improve centralized budgeting functions and the Ministry of Finance has started to include donor aid within the annual budget (Timor-Leste Government and AusAID 2008).

The government has put considerable effort into connecting the national planning process to the budgeting process (World Bank 2005: 8). The East Timor Vision 2020 drew on a large-scale participatory exercise involving 980 communities and 38,293 people (Timor-Leste Planning Commission 2002). Based on this exercise, a medium-term planning exercise was undertaken, the 2002-2007 National Development Plan (NDP). The aim of this Plan was to anchor the annual planning exercises and to guide donor-funded projects. However, lack of oversight has led to limited consultation within the annual planning and budgeting processes of the NDP (NCRD 2008: 9). Since 2003 all ministries prepare and submit Annual Action Plans (AAPs) and Quarterly Reporting Matrices (QRMs) which aim to translate the development priorities as stated in the 2002-2007 National Development Plan into a national expenditure plan (Timor-Leste Government 2003). Informing the AAPs are also the Sector Investment Programs (SIP), which describe medium-term priorities for policies and programs and indicate expenditure programs for funding including from the donor community. However, the SIPs have been put on hold by the government elected in 2006 (NCRD 2008: 9). Some commentators have pointed to continuing weak links between the planning process and the implementation of the budget (Bowles *et al.* 2008; Linpico 2007). On the other hand, budgetary documentation has been remarkably detailed and the World Bank (2004) has noted the quantity of information on external financing, agency and program expenditure levels and estimates.

The most recent assessment on the current status of development within Timor-Leste is provided within the *State of the Nation Report* (NCRD 2008: 34). This report has highlighted that 'poverty reduction, regional and rural development' effectively received a mere 5% of total budget expenditure in 2007. In 2004, the World Bank (2004: vi) drew attention to the fact that social sectors were allocated resources below the targets outlined in the 2002–2007 National

Development Plan while police and defence expenditures were above their targeted commitments.

A major problem in implementing the budget is the government's poor capacity to implement its programs resulting in budgets not being spent as planned (Linpico 2007: 15; NCRD 2008). The *State of the Nation Report* (NCRD 2008: 33) highlighted that in the previous two years cash disbursement was 50% of the total budget and was mainly directed at short-term investments. Such problems can be partially attributed to the lack of skilled staff and effective administrative procedures (Rosser 2008: 13). Contributing to this state of affairs are highly centralized procurement processes, centralized controls prior to the commitment of funding, poor capacity and lack of communication between the Ministry of Finance and line departments, and the lack of a system to disburse funds at the district level (Linpico 2007: 15; World Bank 2005). To address these issues in 2004 an inter-ministerial commission was established to improve budget execution. Other initiatives undertaken to improve budget execution include: identification and detailing of the capital development allocations for specific ministries to improve transparency; and mandating specific staff and advisers with past experience and capacity to execute capital development allocations (World Bank 2005). It has been further noted that an integrated financial management information system is required to improve analysis on expenditure execution at agency level (Linpico 2007). Recently there has been a call for the implementation of Medium Term Fiscal Framework in Timor-Leste (NCRD 2008: 37).

While the budget is subject to scrutiny through an annual external financial audit, this assessment of the government's performance has been considered insufficient. Corruption has been identified as a growing issue in the bureaucracy (Drysdale 2007: 69; Rosser 2008: 12; World Bank 2005). Indeed, Timor-Leste ranked 145 worst of 180 countries in the 2008 Corruption Perception Index, with an index of 2.2 (the index ranging from 10, low perception of corruption, to 0 implying a high degree of perceived corruption) (Transparency International 2008). Recently civil society organizations have argued that the general public has been facing obstacles in accessing 'information about and giving input to government decisions and legal information, and therefore understanding rule of law and accessing rights and justice'. The lack of debate on the civil code which was not made available in Tetum or Bahasa Indonesia has been provided as an example (Timor-Leste NGO Forum 2009: 3). With 2008 coined as *Year of Administrative Reform*, the government has committed itself to improved internal audit and parliamentary scrutiny (Timor-Leste Government 2008). Efforts to strengthen internal audits however are constrained by the significant gaps in the legal framework, as the High Administrative, Tax and Audit Court is yet to be established (Linpico 2007: 18).

A central feature of Timor-Leste's public finances is the reliance on a single revenue source. Currently the revenues derived from the Petroleum Fund contribute to more than 90% of the government revenue from non-aid sources (NCRD 2008). In 2005, following broad consultations, the government established a Petroleum Fund to accumulate and manage the financial resources derived from the exploitation of the oil and gas revenues in the Timor Sea. This Fund was designed to, on the basis of the fiscal year, fund the national budget deficit while saving wealth for future Timorese generations (Drysdale 2007; NCRD 2008; World Bank 2005). As outlined in the law that created this Fund, such transfers to the annual budget should not surpass the Estimated Sustainable Income, calculated annually as 3% of the estimated petroleum wealth. While national and international voices have risen arguing for caution on withdrawals from the Petroleum Fund to finance the budget deficit, the mid 2008 budget appropriation was passed which implied doubling the budget transfer (Costa 2008). Civil society organisations have voiced their concern with the fact that this was financed by a transfer of US\$686.8 million, implying that more than 85% of the budget was supported from the Petroleum Fund. This amount has been estimated as being higher than the calculated Estimated Sustainable Income at



US\$ 396.1 million (Lao Hamutuk 2008). In 2009 civil society organisations drew attention to the fact that the 2009 budget was also funded by a resource allocation from the Petroleum Fund at a higher level than the Estimated Sustainable Income arguing that this would lead to 'bringing the "resource curse" to Timor-Leste' (Scheiner 2009: 1).

Civil society, Parliament and media have been active in discussions on budget policies and processes, particularly with regards to the sustainable and transparent management of petroleum revenues. Civil society organisations have voiced their concerns with the increased draw on the Petroleum Fund and poor discussion on policymaking (Lao Hamutuk 2008). As recently as early 2009, local and international NGOs released a statement, as part of the Development Partners meeting, encouraging the government to be conservative with spending and focus on sustainability (Timor-Leste NGO Forum 2009). Budget issues have in fact been increasingly subject to analysis. Demonstrations in the streets were recorded in 2008 over the mid-term budget discussions over perceived inappropriate budget allocations and claims of corruption (Costa 2008). However Drysdale (2007) has noted that the capacity to engage in monitoring the management of the petroleum revenues is limited to a few organisations and individuals.

#### **4 Gender-responsive budgeting**

Some initial work has been done by the Timor-Leste government to make gender-responsive budgeting (GRB) part of its gender mainstreaming strategy. This has taken the form of establishing an institutional framework for undertaking GRB work and providing awareness raising and training opportunities.

Gender equality and the empowerment of women are embedded in the National Development Plan 2002-2007 (NDP), with gender mainstreaming identified as being integral to the national development strategy (Timor-Leste Planning Commission 2002). The national women's machinery of government has argued that for the gender commitments in the NDP to be reflected in the budget, funds will need to be allocated to gender-specific initiatives and capacity strengthening in implementing gender mainstreaming. It was proposed that each Ministry should allocate around 5% of its budget to mainstream gender in its activities including the implementation of gender specific initiatives (SEPI 2007: 84). This approach, drawing from international experience, was not pursued by the government.

The government's commitment to GRB has been further outlined in the 2008 budget papers with a short Gender Statement. The 2008 Gender Statement indicates that the government, through the program of SEPI, will develop an 'integrated Whole of State Policy for Women in 2008 and that the government intends to initiate a gender approach to the formulation of the second National Development Plan and the 2009 Budget' (Timor-Leste Ministry of Finance 2008: 34). Further, the Statement specifies:

'As training and awareness develop, the Gender Aware Budget Statement will form part of the Budget documentation. Gender equality will also be integrated into Ministry Annual action Plans and performance indicators' (Timor-Leste Ministry of Finance 2008: 34).

This was followed by an agreement signed by representatives of government, Parliament and civil society on 8 March 2008, confirming their commitment to collaborate on the implementation of gender-responsive budgeting. On the same day, the Prime-Minister re-affirmed the government's commitment to increasing allocations to gender specific initiatives and implementing a gender-responsive budget. During the approval process of the 2009 budget, which included a short Gender Statement, the National Parliament inquired into progress made in implementing the GRB. It recommended that the government mainstream gender in the

budget process and argued for the incorporation of gender issues in annual Ministry action plans and related indicators to enable the Parliament to scrutinize progress.

In July 2009 the national Parliament approved a resolution (no. 28/II) requiring gender mainstreaming in the budget. The aim is to increase the engagement of women in the development process. This resolution was led by the Parliament Women's Caucus (email communication with representatives from donor community 20/08/09).

Gender awareness training was made available throughout 2003-04 to trainers, gender focal points and senior staff in the Ministry of Finance and Planning to overcome the lack of technical skills in gender analysis in the planning process. This training aimed 'to improve capacity to analyze budgets and policies from a gender perspective and to integrate gender into policy development' (SEPI 2007: 84; email communication with consultant 01/07/09). To support the planning process through the Sector Investment Programs (mentioned above), the government established sector working groups which included a permanent representative of the national women's machinery (SEPI 2007). It has been noted by government officials that, at the time, some progress was achieved in integrating gender issues in the AAPs and the SIPs.

However a combination of factors prevented the sustainability of progress in gender mainstreaming in the planning process. These included a lack of skills within the women's machinery and in the Ministry of Finance to monitor and support the Ministries in their efforts, and the 2006 crisis (communication with government officials 2008). Additional constraints have been brought to light such as a lack of analysis of the data collected to support policy-decisions (SEPI 2007: 77). Currently, the Secretary of State for Promotion of Equality (SEPI) is assessing possibilities to implement GRB 'but without clear and integrated systems for needs assessment, planning and budgeting, this will be difficult to implement' (Nelson 2008: 58).

With support from donor agencies including UNDP and UNIFEM, members of Parliament have also benefited from policy advice on how to ensure scrutiny of the budget through a gender lens (Johnston and Stanislaus 2008). In March 2005 the United Nations assisted Parliament with reporting on treaties and gender analysis of budget submissions (SEPI 2007). Recently a gender resource centre was established in the Parliament with donor support and the guarantee that it would be integrated into the Parliament's core business. This center provides support to the members of Parliament across a range of areas (communication with representatives from the donor community 26/01/09). Commentators have argued that the fact that gender issues were discussed during the 2008 budget approval process in the Parliament, was a result of the advisory support provided by the United Nations (Johnston and Stanislaus 2008).

In 2008 further GRB training was delivered, under the leadership of the SEPI and with AusAID support, to gender focal points across ministries and to planning and budget Directors in key Ministries. The Ministry of Justice advisors and key NGOs participated in a training initiative on the implementation of the domestic violence (DV) law, drawing from the GRB approach. This training, supported by AusAID, included analysis of the budget processes and its key actors, service delivery outlined in the proposed domestic violence law and costing to support the implementation of the domestic violence law. The government has informed the general public of its initiatives on GRB by engaging the media in its work.

In late 2008 UNIFEM and UNDP held, in partnership with SEPI and the parliament, a two-day training on GRB directed at members of parliament and a one-day training program which engaged civil society. Assistance is also being provided to SEPI and Ministry of Finance for the preparation for the 2010 budget particularly in sectors that are implementing gender mainstreaming such as health, education, justice and social services (email communication with representative from donor community 04/05/2009). Further the World Bank is supporting the government to improve gender mainstreaming in the budget process focusing on education on

health sectors (Nelson 2008). At the local level, both UNIFEM and UNCDF have been forging opportunities for further support, in particular on training on gender responsive budgeting and planning for women elected for the village (*suco*) councils and awareness raising on the potential of this approach directed at the village (*suco*) council representatives (communication with representatives from donor agencies 2008). In mid 2009 UNIFEM advertised for a national coordinator for GRB under the Spanish funded 3 year joint program 'Supporting Gender Equality and Women's Rights in Nation Building of Timor-Leste'.

## References

- Araujo, Mario (2004) "'Liberation for everyone, not just men" - A case study of the Men's Association against violence' (AMKV) in Timor-Leste' in Ruxton, Sandy (sd.) *Gender Equality and Men: Learning from Practice*. Oxfam Great Britain: Oxford.
- Asian Development Bank (ADB) and UNIFEM (2005) *Gender and Nation Building in Timor-Leste. Country Gender Assessment*. Asian Development Bank: Manila.  
[www.adb.org/Documents/Reports/Country-Gender-Assessments/cga-timor-leste.pdf](http://www.adb.org/Documents/Reports/Country-Gender-Assessments/cga-timor-leste.pdf) (accessed 07/05/09).
- Bowles, Edith; Holford, Bryan; Wilson, Bu; Mousaco, Jose; Clark, Sam; Willis, Marcela; Anderson, Catherine; Wiederhofer, Ingo; Ender, Elke; Porter, Doug, Anderson, Catherine and Keogh, Paul (2008) *Timor-Leste National Priorities 2008 – Independent peer review mission*. The World Bank: Dili.
- Costa, Monica (2008) *Gender analysis of revenue raising instruments in resource-rich and fragile states: The case of the Petroleum Fund in Timor-Leste*. Seventh Australian Society of Heterodox Economists Conference Proceedings. Society of Heterodox Economists (SHE): Sydney.
- Diamond, Nancy (2004) *Gender Assessment for USAID/Timor-Leste Country Strategy Plan FY 2004-2009*. DevTech Systems Inc. / USAID: Washington.  
[www.usaid.gov/our\\_work/cross-cutting\\_programs/wid/pubs/ga\\_easttimor.pdf](http://www.usaid.gov/our_work/cross-cutting_programs/wid/pubs/ga_easttimor.pdf) (accessed 07/05/09).
- Drysdale, Jennifer (2007) *Sustainable development or resource curse? An exploration of Timor-Leste's institutional choices* - PhD Thesis. Australian National University: Canberra.  
[www.jenniferdrysdale.com/PhD.html](http://www.jenniferdrysdale.com/PhD.html) (accessed 07/05/09).
- Durand, Frederic (2006) *East Timor – A country at the crossroads of Asia and the Pacific*. Silkworm Books: Bangkok.
- Ellsberg, Mary; Bradley, Christine; Egan, Andrew and Haddad, Amy (2008) *Violence against women in Melanesia and East Timor – Building on global and regional promising approaches*. AusAID: Canberra.
- Hicks, David (2004) *Tetum – Ghosts and Kin: Fertility and Gender in East Timor* - Second edition. Waveland Press Inc.: Illinois.
- Johnston, Niall and Stanislaus, Arusha (2008) *Mid-Term Evaluation of the UNDP Timor-Leste Parliamentary Project Strengthening Parliamentary Democracy in Timor-Leste*. NORAD: Oslo.  
[www.norad.no/default.asp?V\\_ITEM\\_ID=12476](http://www.norad.no/default.asp?V_ITEM_ID=12476) - 30k (accessed 07/05/09).
- Lao Hamutuk (2008) *RDTL doubles 2008 budget in mid-year - Later ruled unconstitutional (14 November 2008)*. Lao Hamutuk: Dili.  
<http://www.laohamutuk.org/econ/MYBU08/RDTLMYBU08.htm> (accessed 16/11/08).
- Linpico (2007) *Timor-Leste Public Financial Management Performance Report*, Linpico.  
[www.ec.europa.eu/europeaid/what/economic-support/public-finance/documents/timor\\_leste\\_en.pdf](http://www.ec.europa.eu/europeaid/what/economic-support/public-finance/documents/timor_leste_en.pdf) (accessed 07/05/09).
- Lundahl, Mats and Sjöholm, Fredrik (2006) *Economic Development in Timor-Leste 2000–2005*. Country Economic Report 2006:4. SIDA: Stockholm.  
[www.sida.se/sida/jsp/sida.jsp?d=118&a=24124&language=en\\_US](http://www.sida.se/sida/jsp/sida.jsp?d=118&a=24124&language=en_US) - 19k (accessed 07/05/09).
- Nelson, Gayle (2008) *Gender Profiles of Asian Development Bank's Pacific Developing Member Countries*. Asian Development Bank.

- Ospina, Sofi (2008) *Participation of women in politics and decision-making in Timor-Leste: A recent history*. UNIFEM: Dili.
- Rosser, Andrew (2008) *Timor-Leste's vulnerability to the resource curse: An assessment*. Paper presented to the 'Timor-Leste: Security, Development and the Nation-Building Agenda' conference, Finders University 19-20 September 2008.
- Scheiner, Charles (2009) 'General State Budget 2009 - Who does it benefit?'. Fokupers - 26 January 2009. Fokupers: Dili.
- Timor Institute of Development Studies (TIDS) (2007) *Baseline Study on Feminization of Poverty in Timor-Leste – Deprivation of Women across Sectors*. SEPI, UNDP, EU and UNIFEM: Dili.
- Timor-Leste Government (date unspecified) *Brief History of Timor-Leste: A History*. Timor-Leste Government: Dili.  
<http://www.timor-leste.gov.tl/AboutTimorleste/history.htm> (accessed 09/12/08).
- Timor-Leste Government (2003) *Road Map – for the implementation of the NDP programs (Final Draft)*. Timor-Leste Government: Dili.
- Timor-Leste Government (2008) *Working Together to Build the Foundations for Peace and Stability and Improve Livelihoods of Timorese Citizens - 2008 National Priorities*. Timor-Leste Government: Dili.
- Timor-Leste Government and AusAID (2008) *A Balancing Act: Implementation of the Paris Declaration in Timor-Leste - Background Paper for the Third High Level Forum on Aid Effectiveness - Roundtable 7: Aid Effectiveness in Situations of Fragility and Conflict - Session 3: Improving the delivery of international assistance for the reduction of fragility and conflict*. AusAID: Canberra.  
[http://ode.aisaid.gov.au/publications/pdf/implementation\\_paris\\_declaration.pdf](http://ode.aisaid.gov.au/publications/pdf/implementation_paris_declaration.pdf) (01/07/09).
- Timor-Leste Government and United Nations Country Team (UN) (2004) *Timor-Leste Millennium Development Goals - Report*. United Nations: Dili.  
[http://www.undg.org/archive\\_docs/5382-Timor-Leste MDG Report 2004 - Timor-Leste MDG Report.pdf](http://www.undg.org/archive_docs/5382-Timor-Leste_MDG_Report_2004_-_Timor-Leste_MDG_Report.pdf) (accessed 01/07/09).
- Timor-Leste Government and United Nations Country Team (UN) (2009) *2009 The Millennium Development Goals - Timor-Leste*. United Nations: Dili.  
[http://www.tl.undp.org/MDGs/MDGs\\_File/UNDP MDGReport\\_Final.pdf](http://www.tl.undp.org/MDGs/MDGs_File/UNDP_MDGReport_Final.pdf) (accessed 01/07/09).
- Timor-Leste Ministry of Finance (2008) *General budget of the state 2008*. Timor-Leste Government: Dili.  
<http://www.mof.gov.tl/en/sf/DB/Default.htm> (accessed 02/07/09).
- Timor-Leste National Commission for Research and Development (NCRD) (2008) *State of the Nation Report – Volume I and II Macroeconomic management and fiscal policy and thematic reports*. Timor-Leste Government: Dili.
- Timor-Leste Non-Governmental Organisations Forum (NGO Forum) (2009) *Statement by NGOs - Timor-Leste and Development Partners' Meeting (3 April 2009)*. Timor-Leste NGO Forum: Dili.  
[www.laohamutuk.org](http://www.laohamutuk.org) (accessed 12/05/09).
- Timor-Leste Planning Commission (2002) *National Development Plan 2002-2007*. Timor-Leste Government: Dili.
- Timor-Leste Secretary of State for Promotion of Equality (SEPI) (2007) *Relatorio Inicial – Convencao sobre a Eliminacao de todas as formas de discriminacao contra as mulheres (CEDAW)*. Timor-Leste Government: Dili.
- Transparency International (2008) *Corruption perception index*. Transparency International: Berlin.  
[http://www.transparency.org/policy\\_research/surveys\\_indices/cpi/2008](http://www.transparency.org/policy_research/surveys_indices/cpi/2008) (accessed 17-04-2009).
- Trembath, Anne and Grenfell, Damian (2007) *Mapping the pursuit of gender equality – Non-Government and international agency activity in Timor-Leste*. Globalism Institute - RMIT: Melbourne.  
<http://www.timor-leste.org/gender.html> (accessed 07/05/09).

- United Nations Development Programme (UNDP) (2006) *Timor-Leste: Human Development Report 2006 - The path out of poverty*. UNDP: Dili. <http://www.lanipolis.iiep.unesco.org/upload/Timor-Leste/Timor-Leste%20HDR%202006.pdf> (accessed 08/05/09).
- United Nations Development Programme (UNDP) (2008) *Timor-Leste - Millennium Development Goals*. [http://www.tl.undp.org/undp/MDGs\\_in\\_TL.html](http://www.tl.undp.org/undp/MDGs_in_TL.html) (accessed 16/04/09).
- UNICEF (2006) *At a Glance: Timor-Leste*. UNICEF. [http://www.unicef.org/infobycountry/Timorleste\\_1034.html](http://www.unicef.org/infobycountry/Timorleste_1034.html) (accessed 17/04/09).
- World Bank (2004) *The democratic Republic of Timor-Leste Public Expenditure Review*. Report 27886-TP. World Bank: Washington. [http://www-wds.worldbank.org/external/default/WDSContentServer/WDSP/IB/2004/07/29/000160016\\_20040729122907/Rendered/INDEX/278860TP.txt](http://www-wds.worldbank.org/external/default/WDSContentServer/WDSP/IB/2004/07/29/000160016_20040729122907/Rendered/INDEX/278860TP.txt) (accessed 01/07/09).
- World Bank (2005) *Country Assistance Strategy for Timor-Leste FY 2006/8 – Creating the Conditions for Sustainable growth and poverty reduction*. Report 32700-TP. World Bank: Washington. <http://www.siteresources.worldbank.org/INTTIMORLESTE/Resources/Timor-Leste-CAS-Full.pdf> (accessed 07/05/09).
- World Bank (2009) *World Bank list of economies (July 2009) - Country Classification*. World Bank: Washington. <http://web.worldbank.org/WBSITE/EXTERNAL/DATASTATISTICS/0,,contentMDK:20420458~menuPK:64133156~pagePK:64133150~piPK:64133175~theSitePK:239419,00.html> (accessed 29/07/09).

### **Links to electronic resources for Timor-Leste**

- Government of Timor-Leste  
<http://www.mof.gov.tl/>
- Ministry of Finance  
<http://www.mof.gov.tl/>
- National Statistics Office  
<http://dne.mof.gov.tl>
- World Bank  
[www.worldbank.org/tl](http://www.worldbank.org/tl)
- UNMIT  
<http://www.unmit.org/>
- UNDP  
<http://www.tl.undp.org/>
- UNIFEM East and Southeast Asia – Timor-Leste  
<http://unifem-eseasia.org/country/timor.htm>
- Millennium Development Goals  
[http://www.tl.undp.org/undp/MDGs\\_in\\_TL.html](http://www.tl.undp.org/undp/MDGs_in_TL.html)
- ADB  
<http://www.adb.org/Timor-Leste/default.asp>