

Timor-Leste

AT A GLANCE



Country data *(2005 figures, unless otherwise noted)*

- 2006 Human Development Index: 0.512, ranked 142 of 177 countries
- Population (2006): 1 million
- GNI per capita Atlas method (2006, current US\$): 840
- Life expectancy: 56.7
- Under-five infant mortality rate: 61.3 per 1,000
- Population undernourished (2001–2003): 8 percent
- Population with sustainable access to improved water source: 58 percent
- Primary education completion rate: NA
- Gender-related development index (2006): NA
- Official development assistance (ODA): 184.7 million
- 2006 Corruption Perception Index: 2.6, ranked 111 out of 163 countries

Sources: World Bank; United Nations Development Programme, 2006; Transparency International, 2006.

The crisis

- A strike by soldiers deteriorated into riots, looting, and clashes between political opponents, divided along east and west lines;
- The April to June violence left 37 civilians dead;
- 1,650 homes were destroyed and 2,350 damaged, in addition to destruction of infrastructure and businesses;
- 150,000 people were displaced, or 15 percent of the population;
- According to UNICEF, 15 percent of children in IDP camps suffered from malnutrition;
- The World Food Programme estimated that 57 percent of IDPs had to cease their primary income or livelihood activity.

Sources: United Nations, 2006a; UNICEF, 2006; World Food Programme, 2006.

The humanitarian response

- The largest donors of humanitarian aid were Australia (US\$5,111,006 or 16.4 percent of the total), Japan (US\$5,004,512 or 16.1 percent), the EC/ECHO (US\$4,029,495 or 13 percent) and the UN Central Emergency Response Fund (CERF, US\$3,274,047 or 10.5 percent);
- OECD-DAC members contributed US\$29,337,648;
- The 2006 UN Flash Appeal requested US\$24 million and eventually received US\$25, 103.5 percent coverage;
- The crisis was both well funded and underfunded, with some sectors and agencies well funded and others not; the World Food Programme received 103 percent of the amount requested, while UNHCR was under-funded and had to withdraw

Source: OCHA, Financial Tracking Service.

Timor-Leste

Relapse and Open Wounds

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Introduction

The crisis that affected Timor-Leste in 2006 illustrates the fragility of this small, new nation and the broad range of difficulties the country and its population face. In May and June 2006, nearly seven years after the successful struggle for independence, the country was once again ravaged by unrest in the capital, Dili. This conflict polarised the nation along the lines of a supposed east-west divide and support for either former Prime Minister Mari Alkatiri or for the current and former Presidents Ramos Horta and Xanana Gusmao. These divisions were also reflected in the security forces. Street protests in Dili turned violent and were exploited by criminal gangs who looted and destroyed property. The

violence resulted in massive civilian displacement which continues today. Before this recent conflict, international intervention in the country had been praised—including by then UN Secretary-General Kofi Annan—for its exemplary nation-building and successful post-conflict development, a perspective now seen as overly optimistic.

At the government's request, international forces and the UN mission (UNMIT) filled the security vacuum and stabilised the situation. However, the humanitarian response to the 2006 crisis was both over- and underfunded, with some needs, such as food, covered much better than protection. In fact, the response was based on an unrealistic and too short-term analysis of

* The opinions expressed here are those of the author and do not necessarily reflect those of DARA.

the situation. A more long-term approach, with greater local participation and ownership is required.

Causes of the crisis: A fragile situation and the east-west divide

The immediate origins of the 2006 crisis lay in the dismissal of the 594 of the army's 1,400 soldiers, who went on strike in February over alleged discrimination against western soldiers and officers and poor service conditions. The issue escalated and split the government, security forces, bureaucracy, and sections of the population, and eventually erupted in April and May in a series of riots, violent assaults, and political struggles.

In April, protests in Dili by the dismissed soldiers and civilian supporters turned violent, resulting in attacks on the Government Palace, and on market stalls and property belonging to easterners. However, much of the violence was instigated by street gangs and later the east-west divide was manipulated for political reasons. The police, unable or unwilling to control the situation, withdrew. In apparent violation of the Constitution, Prime Minister Alkatiri deployed the remaining soldiers to suppress the violence. Chaos ensued, in the midst of heavy automatic gunfire, and church officials alleged that 60 persons were massacred by the army—a charge subsequently proven false. The rapid deterioration of the situation, marked by the east-west divide, factionalism, and the virtual breakdown of law and order, caught Timorese and the international community by surprise.

While the east-west divide is a new phenomenon, it is rooted in inequalities of ownership by easterners and westerners and their respective access to land and property in Dili. East-west identities were popularised in the 1940s when both groups competed for limited market spaces and property. Following the 1999 independence referendum, pro-Indonesian forces forced hundreds of thousands from Dili into West Timor as refugees. Up to 30 percent of the housing in Dili was damaged—80 percent throughout the country as a whole¹—and many formal records were destroyed. The first to return to Dili and occupy properties were predominantly from the east. The large number of returnees, housing shortages across the country, and the lack of economic activity outside Dili caused a population boom in the capital, exacerbating competition and east-west tensions.

The crisis has even deeper roots in the legacy of the brutal Indonesian occupation (1975–1999) and Timorese political rivalries. The most salient political

fracture is between Prime Minister Mari Alkatiri and President Xanana Gusmao, stemming from ideological and political disputes during the occupation between the pro-independence FRETILIN (Frente Revolucionária do Timor-Leste Independente) party and its military wing FALINTIL (Forças Armadas de Libertação Nacional de Timor-Leste). This political cleavage was reflected in the formation of the new armed forces and the police force.

The crisis was also characterised by underlying structural problems, including a weak economy, poor service delivery, fragile state institutions, and a vulnerable population. Timor is one of the world's poorest nations, ranked 142 of 177 countries in the UN Human Development Index. The population is, therefore, disillusioned by the fact that independence has not improved their standard of living and that human rights abuses and corruption by state agents continue. In fact, high unemployment—up to 70 percent in Dili—is regarded as an important destabilising factor, with gangs of young men heavily involved in the violence.

A final factor in the crisis was the vulnerability of an already traumatised population, easily swayed by rumours.² During the crisis, Timorese were convinced that many massacres occurred and were covered up. Furthermore, the level of displacement was enormous and arguably disproportionate to the actual level of violence which occurred.

Impact of the crisis: Displacement in a climate of fear

The most immediate impact of the 2006 crisis was the death of 37 civilians, the destruction of an estimated 1,650 homes (and a further 2,350 damaged), and the displacement of 150,000 people, mainly in Dili, representing 15 percent of the total population.³ At one stage, the population of the Internally Displaced Persons (IDP) camps grew by 300 percent in only 24 hours. IDP camps numbered up to 52, while many displaced people took shelter in public areas, such as the central hospital, or in rural households. Those in makeshift camps required protection, food, and water and sanitation services, etc. According to UNICEF,⁴ 15 percent of children in the IDP camps needed immediate treatment for malnutrition. The World Food Programme (WFP)⁵ estimated that 57 percent of those displaced lost their primary income or livelihood. A year after the crisis (2007), most of the tents in which IDPs live are severely

damaged and the government estimates that 5,000 new ones, at a cost of US\$1 million, are needed. Access to water and sanitation in the camps also remains poor and below internationally recognised SPHERE⁶ standards. In addition, food shortages occurred in camps and in households hosting displaced persons. The displacement therefore affected the situation of those in rural areas, the nation's poorest and most vulnerable even before the crisis. The climate of fear and insecurity also impeded access to some social services, such as health. Many westerners felt unsafe in the national medical hospital.⁷

The economic and human development impact of the crisis was considerable because of the already precarious situation. Timor-Leste stands at the bottom of all ASEAN⁸ countries on the UN Human Development Index. For example, malnutrition rates are comparable to those of some African countries, with 60 percent of households food insecure for four months of the year. Illiteracy affects practically half of the population. Out of every 1,000 live births, around 90 children die before their first birthday and 136 before their fifth year.⁹ Many of these deaths are related to malnutrition or immunisable diseases; some 58 percent of children under two years have never been immunised and 95 percent of children are not fully protected.¹⁰

The crisis and life in the camps exacerbated these trends. Infrastructure was damaged and property looted, including 4,000 houses, many businesses, shops, public buildings, and essential utilities. Economic activity was brought to a halt and livelihoods destroyed, with a serious effect on the government's revenue base and long-term development. Furthermore, cropping cycles were interrupted and food imports were temporarily cut off when cross-border trade with Indonesia and maritime transport were halted. As Timor-Leste is a food deficit country and relies on imports, this led to rice shortages, the population's basic staple, increasing food insecurity across the country.

As is common in humanitarian crises, women and children were disproportionately affected. According to the Human Development Report, approximately half of Timorese women in intimate relationships suffer from some form of gender violence. Because of the increasing levels of sexual and gender violence in the camps, the government is considering making protection for women and children a priority, through the introduction of Timorese camp managers and an awareness-raising campaign.¹¹

Indeed, the climate of fear which fuelled the displacement still remains, and the majority of the popula-

tion has suffered increased trauma due to the crisis. A year on, those displaced in camps still cite fear and insecurity as their main concern, although it is possible that the aid they receive is a perverse incentive for them to remain in the camps. The crisis and perceived insecurity also had an impact on people's freedom of movement and the free flow of goods. The existence of east-west "transit camps," located immediately to the west of Dili, illustrate this perceived insecurity. The camps were established because bus drivers from the west will not drive further east. As of June 2007, this sense of fear, compounded by the outstanding land law issue, was considered by implementing agencies and IDPs to be one of the key obstacles to recovery.¹²

International response to the crisis: The role of regional donors

Following the government's prompt request for assistance, the international response to the crisis was considered timely in stabilising the situation and responding to immediate humanitarian needs. This included the establishment of the large integrated UN mission, UNMIT, mandated to facilitate "the provision of relief and recovery assistance and access to the Timorese people in need, with a particular focus on the segment of society in the most vulnerable situation, including internally displaced and women and children."¹³

Most donors already present in Timor with development programmes at the time of the crisis also provided humanitarian funding. The majority of humanitarian aid funding (including that of the UN Appeal as well as other mechanisms) was provided by Australia (US\$5,111,006 or 16.4 percent of the total), Japan (US\$5,004,512 or 16.1 percent), the EC/ECHO (US\$4,029,495 or 13 percent) and the UN Central Emergency Response Fund (CERF, US\$3,274,047 or 10.5 percent). Humanitarian aid to Timor-Leste in 2006 from OECD-DAC members—therefore signatories to the GHD *Principles*—amounted to US\$29,337,648.¹⁴ The 2006 UN Flash Appeal requested US\$24 million and eventually received US\$25 million, representing 103.5 percent coverage.

Several donors, less visible in other crises, were actively engaged in Timor, including, Australia, Japan, New Zealand, and, to a lesser extent, Portugal. Some more traditional donors, such as DFID, were less in evidence, due to Australia's significant engagement.¹⁵ Australia and New Zealand claim that geographic

proximity justifies their greater involvement. They also both share an interest in promoting regional stability and have similar concerns regarding immigration issues. It should also be noted that Australia has rights to exploit the oil resources in the Timor Sea. The involvement of Portugal is explained by their historical ties and other interests, including economic and commercial linkages. Despite the fact that non-DAC Asian donors are engaged in development activities, OCHA's Financial Tracking Service indicates that only South Korea and Singapore have provided humanitarian funding, while, in contrast to development aid contributions, there is no record of Chinese funding. Other donors, such as the EC, Ireland, and Norway, are also present in Timor, despite the lack of regional interests.

The traditional donor-recipient relationship in the case of Timor is complicated by the paradox that, despite poor human development indicators, the country is regarded as wealthy. High global oil and gas prices have raised current and potential revenue inflows. Petroleum production from Bayu Undan in the Timor Sea can now fully finance an annual budget at a sustainable level of income, and as of 30 June 2007, the capital of the fund was almost US\$1.4 billion. However, the government's capacity to respond to development and humanitarian needs is constrained by weak state institutions, poor delivery of social services, and severe fiscal restrictions.

Overall, as was mentioned earlier, the crisis was both well funded and underfunded, with some sectors and agencies receiving sufficient funding, and others finding it particularly difficult to access resources. This occurred partly because of donor fatigue, resulting from a lack of progress and poor assessment and planning at the onset.

Reflecting this, CERF provided US\$3,274,047 (10.5 percent) of humanitarian assistance in 2006, to cover needs not addressed immediately by donors. At the beginning of the crisis, the Humanitarian Coordinator explained that, "while we have had a good response to the Flash Appeal there are critical shortfalls in the area of food supplies and health. The displaced population is incredibly vulnerable and the camps have the potential to become flashpoints if we cannot continue to provide basic humanitarian needs."¹⁶ However, at the onset of the crisis, WFP immediately sought funding from the Australian government and in the end received 103 percent of the amount requested from seven donors.

Thus, while in the end, as in other crises, the basic areas of the Appeal, such as food aid, were well funded,

other key areas were not. For example, the UN High Commissioner for Refugees (UNHCR) is currently underfunded and has had to withdraw from the country. This presents a serious problem, for not only is it the lead agency for protection, but the official registration process of IDPs has not yet taken place. On the other hand, the International Organisation for Migration (IOM) has received considerable support and has increased its protection operations. NGOs such as Oxfam are also attempting to cover the protection gap. In fact, funding was directed towards agencies viewed as most capable of absorbing the resources. Several UN agencies which experienced shortfalls were less well staffed and did not foresee the need to upgrade their capacity at the onset of the crisis. Moreover, the heads of those agencies which received the most funds, including WFP and IOM, were highly experienced.¹⁷ Donors felt that although certain underfunded sectors were key to the response, aid was better channelled through NGOs outside the Appeal, and that limited resources were best directed at those sectors in which both priorities and capacity existed.

Implementation of the humanitarian response: Realistic and long-term local-ownership approach needed

As mentioned earlier, although the overall level and timeliness of the international response was sufficient to address immediate needs, there were some shortcomings in implementation. Among these were the following: first, assistance lacked an overall strategy and long-term perspective, as programmes and appeals failed to acknowledge that there are no short-term solutions to the internal displacement situation; second, due to the overly optimistic diagnosis of the situation, many UN agencies had not planned for the required level of presence and resources.

Reflecting this, the Timor-Leste Institute for Reconstruction Monitoring and Analysis (La'o Hamutuk) cautioned that the UN mission was "being designed in an emergency atmosphere. Although immediate humanitarian and security concerns must be dealt with, there are deeper-seated causes of the current problems, and crises will recur if they are not addressed."¹⁸ Similarly, far from presenting a genuine strategic planning process, with analysis, strategy, and objectives being discussed and agreed in the appropriate order, the UN Consolidated Appeals Process (CAP) was an arduous

process undertaken by OCHA to identify the projects of different agencies in the best possible way. In practice, the process was undermined by the absence of clear prioritisation which, however difficult, would have focussed the response and ensured greater governmental and donor engagement.

CAP projects and donor responses emphasised resource procurement, rather than substantive policy issues at the level of strategic decision making. So, for example, the issue of land titles and the housing shortage was not addressed. By way of illustration of this lack of a long-term perspective, UNHCR was overfunded in 2006 and underfunded in 2007. OCHA's departure was also partly prompted by overly optimistic assumptions regarding the relocation of IDPs. Responses to the IDP problem were inconsistent and wavered between encouragement and ultimatums. In fact, there is still no official registration of IDPs. At the same time, the humanitarian response and the registration process now foreseen have focused on the IDP issue without following a needs assessment or considering levels of vulnerability within the entire Timorese population. In contrast, a recent joint food and crop supply assessment carried out by the Food and Agriculture Organisation (FAO) and WFP highlighted the need to improve food security policies, strategies, and implementation mechanisms across the board.

While the challenge of providing aid that supports and empowers the most vulnerable is common to all crises, in Timor one finds extremely low levels of local participation, both by government agencies and the population more generally. However, judging the extent to which donors supported local government capacity is extremely difficult, given the unique context, that is, the infancy of the Timorese state.¹⁹ Indeed, concern exists about the impact of international aid in perpetuating a sense of dependency and in providing a form of exoneration for the government, as its responsibilities are carried out by external actors. In addition, cultural and language differences made communication and cooperation between Timorese and foreign staff difficult.²⁰ Limited local participation, compounded by limited expatriate understanding of the specific needs of the Timorese made the task of providing the right people with the right aid all the more complex. For example, awareness of the fact that the population suffers from post-traumatic stress disorder may caution against the usual procurement-based response. Thus, efforts should not only focus on nation-building but on creating greater participation and a

sense of ownership by Timorese in order to better address their concerns.

The context of political struggles, tension, mistrust and insecurity, coupled with widespread poverty, also presented a challenge. By August, the government announced that there were 168,000 internally displaced persons, half of whom were in Dili. Charges were soon expressed that the number of IDPs was inflated, either because IDPs were double-registering, or because people who had not been displaced managed to sign up for assistance. Donors and implementation agencies were also concerned that food aid could be used for political reasons and, more recently, that aid was politicised prior to elections.²¹ This happened, in part, because food can be used as currency. The fact that the number of food aid recipients has remained practically unchanged since the onset of the crisis also raises questions concerning clientelism. However, reducing rations and limiting food aid would be a difficult task given the delicate political and humanitarian situation.

An inter-agency Humanitarian Coordination Group (HCG)²² was established in May 2006 and its work was facilitated by the existing closely knit humanitarian community. However, the UN cluster approach mechanism was never introduced. According to observers, this was largely due to lack of knowledge of the cluster system on the part of the UN country team and the heads of agencies.²³ Nevertheless, attempts were made for coordination efforts to largely follow the cluster sectors.

International aid personnel suggested that UN agencies were too caught up in coordinating themselves and in feeding information into the different echelons of the UN system.²⁴ Furthermore, UN personnel themselves complained that the system is still unpredictable. Finally, many feel that the UN lacks the means to develop a holistic view in order to properly coordinate efforts and assist the government and international community to develop a transition strategy.

Conclusion

A year after the crisis, the situation remains bleak for the majority of those who are still displaced and who face severely deteriorated conditions. The current humanitarian situation requires a greater effort to assess and respond to the needs of the most vulnerable.²⁵ There is a need to focus on the IDP issue and develop a strategy for addressing needs in a coherent manner, and for a

realistic exit. If UN Appeals had better reflected humanitarian needs from the start, donors would have been better able to uphold GHD *Principles*. This is at the heart of the GHD definition of humanitarian action (Principle 1) and refers to need-based funding through Consolidated Appeals (Principle 14), the need to “allocate humanitarian funding in proportion to needs” (Principle 6), and the need to “contribute responsibly, and on the basis of burden sharing” (Principle 14).

In relation to the humanitarian response and the Principles of Good Humanitarian Donorship, the case of Timor raises several issues and related challenges. First, there is a need for greater accuracy and realism in assessments, specifically with respect to timing and duration, to ensure an appropriate response. In Timor, the challenge of building effective local capacity in a new and fragile nation was underestimated.

Second, the need to take into account the complexity of providing needs-based humanitarian aid in a context of high levels of poverty.

Third, the importance of having an overall articulated humanitarian aid strategy that prioritises actions. Donors, as all actors in Timor, would welcome far more guidance on the planning and prioritisation of programmes. In this regard, the crisis highlighted the need for greater comprehensiveness and complementarity within and between the humanitarian response and development agendas. With its newly acquired income from oil reserves, foreign donors are eager to see the government assume a greater role and responsibility in responding to needs. Therefore, while the problem of displacement remains, there has been insufficient planning and synchronisation of activities both to build effective local capacity and to provide more durable or realistic solutions to specific pressing problems. At another level, the longer-term planning must prioritise activities and sectors—namely, housing and land ownership—so as to offer durable solutions to the crisis.

Finally, beneficiary involvement is all the more critical in a situation where the population has been greatly disempowered and traumatised. The Timorese must start to develop some sense of ownership of the current processes and international donors must make this an urgent priority.

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Notes

- 1 Harrington, 2007.
- 2 A sign of this trauma and perception of risk is the exodus that took place in January 2005, when the population, encouraged by security personnel, fled into the mountains, fearing a tsunami; some stayed up to 10 days in the belief that Dili had been destroyed.
- 3 United Nations, 2006a.
- 4 UNICEF (2006).
- 5 World Food Programme, 2006.
- 6 The SPHERE Project, launched in 1997 by a group of humanitarian NGOs and the Red Cross and Red Crescent movement, has developed the Humanitarian Charter and Minimum Standards in Disaster Response.
- 7 DARA field interview, June 2007.
- 8 ASEAN: Association of Southeast Asian Nations.
- 9 UNICEF, 2007.

- 10 Ibid.
- 11 DARA field interview, June 2007.
- 12 DARA field interview, June 2007.
- 13 United Nations, 2006b.
- 14 97 percent of global CERF funding is provided by OECD-DAC members.
- 15 DARA field interview, June 2007.
- 16 UNDP, 2006.
- 17 DARA field interview, June 2007.
- 18 Scheiner, 2006.
- 19 Timor-Leste became a sovereign state on 20 May 2002.
- 20 DARA field interview, June 2007.
- 21 DARA field interview, June 2007.
- 22 The HCG includes members of UNDP, UNICEF, the United Nations Population Fund (UNFPA), WFP, WHO, IOM, UNHCR, the International Committee of the Red Cross (ICRC), the International Federation of Red Cross and Red Crescent Societies (IFRC) and international and local NGOs such as CARE, Caritas, Christian Children's Fund, Catholic Relief Services (CRS), Cruz Vermelha do Timor-Leste, OXFAM, Plan International, and World Vision.
- 23 DARA field interview, June 2007.
- 24 DARA field interview, June 2007.
- 25 The WFP/FAO mission estimated that some 210,000 to 220,000 vulnerable rural people—not exclusively IDPs—will require emergency food assistance from October 2007 to March 2008.