



**UNDP-UNEP POVERTY-ENVIRONMENT INITIATIVE**  
**PNUD-PNUE Initiative Pauvreté-Environnement**  
**PNUD-PNUMA Iniciativa Pobreza-Medio Ambiente**



## **Timor-Leste**

### **Basic facts of the PEI in Timor-Leste**

- The design of the PEI programme in Timor-Leste has just been completed. The preparation included assessing the poverty-environment linkages, raising awareness on sustainable environmental management at district level, and building partnerships for a poverty-environment mainstreaming effort.
- The main national partners of the future PEI programme include the Ministry of Economy and Development and the Ministry of Agriculture and Fisheries.
- Discussions were held with many other UN agencies, including FAO, and with other parts of the UNDP portfolio, including the poverty and governance practice.
- Coordination efforts with the European Union are on-going with regard to its major rural infrastructure development programmes.
- The majority of the funds for the PEI design phase were provided by UNDP TRAC resources.

### **The context of poverty-environment mainstreaming in Timor-Leste**

- Timor-Leste gained independence in May 2002 and remains one of the poorest countries in the world in terms of human development.
- Around 42 per cent of the population lives below the national poverty line (\$0.55 per day). Timor-Leste faces a combination of sluggish growth, rising inequality, and a rapidly expanding population, indicating that the poverty headcount may be expected to increase.
- Investments in infrastructure, social services and programmes to revive economic growth have remained stagnant since independence, resulting in marginal improvements in general living conditions and livelihood opportunities. A key limitation to nation-building activities is a very low human resources skill base. Only 50 per cent of adults are literate, while less than one-third of adults have some secondary education.
- Some 80 per cent of the population is rural and over 80 per cent relies on agriculture as the primary means of livelihood. Twenty per cent of the population is currently food insecure, and an additional 24 per cent are vulnerable to food insecurity. The country suffers from very low agricultural productivity due to traditional practices and a former culture of dependence on Government subsidies.
- About two-thirds of the Timor's land mass is severely degraded with rapid deforestation, grazing, shifting cultivation practices and lack of irrigable land. Rapid population pressures contribute to watershed degradation and erosion. Coastal resources are extremely rich but lie in a narrow patch of fringing reef and are therefore particularly vulnerable to overexploitation. Other issues include indoor air pollution, lack of water supply and sanitation, solid waste and threats to biodiversity.

Timor-Leste is also extremely vulnerable to climate change. About 82 per cent of households do not have access to electricity and 98 per cent use firewood as their primary source of energy.

- In 2002 Timor-Leste set out its vision for development, including the sustainable management of the agriculture, forestry and fisheries sector, in the country's first ever National Development Plan. However, the legislation and policies regarding pro-poor natural resources management and environmental management are still at an infancy stage. Most legislation is currently being drafted and developed, and monitoring procedures and standards are hardly existent.
- The Environmental Impact Assessment Law and the Pollution Law are currently being developed and reviewed by the Council of Ministers. A draft forestry policy paper is currently under consideration. Two draft law proposals on decentralization are currently being finalized. Timor-Leste has no specific laws and policies on land degradation and desertification; issues are addressed under sectoral legislation. There is a strong need for coherent policy planning, taking into account sustainable development principles. All ministries face severe constraints in capacity and resources.
- The Ministry of Economy and Development is responsible for environmental planning, urban environmental services and ecology, whereas the Ministry of Agriculture and Fisheries has prime responsibility for sector-related aspects of environmental management. An Inter-ministerial working group on Environment and Natural Resource management was set up to be a coordinating body.
- The Government of Timor-Leste has shown commitment to adopting sustainable strategies in managing key sectors, such as agriculture, forestry and fisheries. However, the Government has seriously limited capacity to operationalize its commitment.
- UNDP is currently the major partner in Timor-Leste, providing policy-level support on environment issues. PEI is well positioned to contribute to capacity development and supporting processes to integrate poverty-environment considerations into planning processes and through strategies for decentralized development in key sectors. Through UNDP Timor-Leste, PEI is well placed to mobilize other development partners to support a programme to promote pro-poor environmental management.

### **Opportunities for a PEI programme**

- The design phase has highlighted the need for different parts of government and within the Ministry of Economy and Development to work in a more coordinated way to promote pro-poor environmental issues.
- Building public awareness through campaigns and environmental education by targeting youth at local level through promotion of volunteering as strategic tool for sustainable development.
- Strengthening national and decentralized planning and decision making processes through targeted support to major line ministries and interministerial working groups as well as public authorities at district level through scientific assessments, valuation studies and other advisory services.
- Developing sustainable energy approaches and improving energy access for the poor through supporting the development of a sustainable foreign direct investment strategy in non-petroleum sectors that contributes to alternative livelihood development and supporting access to energy for rural poor.

### **Lesson learned**

- Working in Timor-Leste needs time in order to develop government ownership in a crowded donor context.

- Institutional systems such as local government are just developing and so in addition to mainstreaming, there is a need for putting in place basic environmental management systems.
- Despite its pressing environmental problems, poverty-environment issues are not seen as core to the national development priorities of Timor-Leste. For this reason, advocacy and awareness will be core to the proposed PEI programme.

### **Way forward**

- Implement a PEI programme addressing major poverty-environment, structural and related institutional concerns in Timor-Leste and promoting advocacy and awareness.
- Establish a PEI national coordination team.