The UNDP is working with the Regional Authority in Oé-Cusse to operationalize the Special Zones for Social Market Economy (ZEESM TL) to strengthen institutional capacity and ensure the delivery of quality services to Oé-Cusse’s population. The Project aims to create sustainable economic opportunities, promote resilience to climate change, and ensure quality public services. Ultimately, the project aims to contribute to the sustainable development of the region.

**National Priorities**

- **Eradicate extreme poverty and establish a sustainable and diversified non-oil economy.**
- **Development of a thriving agricultural sector to reduce poverty, provide food security and promote economic growth in rural areas.**
- **Development of the public sector to build trust in government.**
- **Sustainably management of natural resources and access to clean water and improved sanitation.**

**Project Main Activities**

- Provide material support and training to new entrepreneurs.
- Support marketing and capacity building for tourism.
- Introduce spice value chains (vanilla, pepper, and clove) to farmers.
- Develop water catchment areas and introduce new wood stoves to stop deforestation and increase water access.
- Construct water harvesting and supply systems for schools and clinics.
- Support the regional government in drafting the Dalan ba Futuru report and designing gender-responsive budgeting and monitoring tools.

**Quick Facts**

- **Project Title**: SAR and ZEESM Project
- **Duration**: 1 June 2022-31 December 2025
- **Total Budget**: US$ 2,921,674
- **Beneficiaries**: 400 farmers, 38 youth entrepreneurs
- **Funded by**: SDG alignment

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Anita Eto, Coffee Farmer

Now I'm happy because there is water, and we can grow 10,000 and more coffee trees every year. Previously, we only planted just over 1000. Our water sources are very far. Even a cup of coffee is difficult to offer to visitors because there is no water. With UNDP support, we have access to water near our homes and cooperatives, and now we can offer Lakufoan coffee to our visitors.

Contact: Patricia Porras, Project Manager, patricia.porras@undp.org

### Key Development Challenges

- **1%**: Agribusiness is unproductive yet vulnerable to climate change, thus not contributing to poverty reduction. Less than 1% of households produce for selling in the market.
- **37%**: The Special Administration’s budget execution rate remains low and inconsistent: 37% in 2021. This has impacted the delivery of basic public services to the population.
- **50%**: Over 50% of the forested area in the region is degraded due to harmful cultivation methods (slash and burn), uncontrolled grazing, and inefficient method of firewood collection.
- **60%**: The SAR Oé-Cusse ranked as the poorest region in Timor-Leste in 2014, with over 60% of the population living under the national poverty line.

### Key Results

**Sustainable Agriculture**

- **7,559 households’ awareness of new policies in forest conservation was raised.**
  - 39,397 plants planted
  - 4 water catchment areas constructed
  - 21 hectares restored and reforested

**Agribusiness**

- **158 farmers experienced improvements in productivity and income with technical support from UNDP.** 104 farmers participated in new value chains, and 10533 spice plants have been supplied to them.

**Tourism**

- **53 entrepreneurs were funded and trained to develop business.**
- **12 schools**
- **16 rainwater harvesting systems were constructed in 12 schools and 4 clinics to provide clean water to students and patients.**

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