



# OE-CUSSE OUTLOOK



**ZEESM TL**  
TIMOR-LESTE

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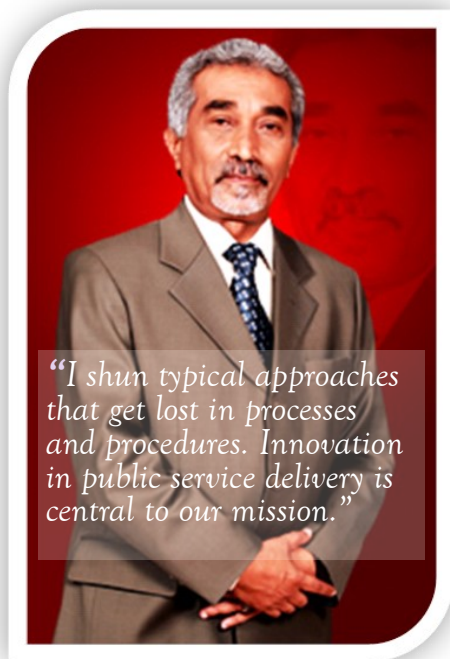
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Meeting Highlights Opportunities for Agri-Business in Oe-Cusse

There is little doubt that improving services for citizens is a challenge for any administration. These challenges become amplified for a new administrations like ours in Oe-Cusse. We inherited weak or non-existent institutions, a legacy of old-school governance approaches that are far from being client-friendly and fragile Citizen-State relations. When we add the need to balance between allocation of resources for improving public infrastructure and public services, readers will appreciate the enormity of our task.

Meeting public expectations in the form of better services and better governance is not easy. The only way to meet these expectations is through delivering on our plans. I am not keen on repeating typical, projectised modes of development that have yielded little to no results in Timor-Leste. We cannot keep trying these in the *hope* that they will work. That has been my message to all development partners working in Oe-Cusse: help us find innovative solutions that are not lost in processes and procedures. I realize that our own governmental processes are cumbersome but my administration is striving hard to unclog the system. It will take time for the impact of these initiatives to be fully felt but there are green shoots, which we will keep sharing with you in this newsletter.

Lastly, I am very happy with the response to the first issue of the *Oe-Cusse Outlook*. Your encouraging feedback has spurred us on and I urge you to continue to share your ideas and suggestions to help create a better future for Oe-Cusse and Timor-Leste.



*“I shun typical approaches that get lost in processes and procedures. Innovation in public service delivery is central to our mission.”*

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As part of its efforts to develop a smarter, more responsive governance regime for citizens and business alike, the Oe-Cusse administration has launched a plan to offer SMS-based services. These plans form part of a digital empowerment strategy that places *Voice and Accountability* at the core of Oe-Cusse's governance model. The SMS-based service will provide a platform for regular and targeted messaging between the Oe-Cusse administration and farmers under a **mAgri (Mobile Agriculture)** initiative. Farmers will receive commodity prices, weather information, guidance on use of agricultural inputs and new farming technologies.



## SMS-Based Services to be Launched in Oe-Cusse

In order to overcome the literacy barrier, efforts are being made to include a Voice Recorded Messaging service as part of the **mAgri** service. The SMS-based service will later be expanded to cover other segments of the population including women (e.g. in relation to health services for pregnant women).



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## HARVARD BUSINESS SCHOOL VISITS OE-CUSSE ON A RESEARCH TRIP

The Authority of the Oe-Cusse Special Administrative Region and Special Zones for Social Market Economy (ZEESM) invited a Harvard Business School (HBS) professor accompanied by two HBS researchers to visit Timor-Leste, where they met with a range of stakeholders in government, private sector, development agencies and civil society. The delegation comprised HBS Professor Sophus Reinert, Dawn Lau, Senior Researcher at the HBS Asia-Pacific Research Center, and Megan Hansen, a recent HBS graduate.

The team was interested in studying sovereign wealth funds and special economic zones. Timor-Leste was therefore a significant region in which to study both those topics, and particular interest was paid to learning more about the development of Oe-Cusse. During the visit, the team was also invited to attend the introductory meeting of the Social Entrepreneurship and Economic Development (SEED) Fund.

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*“Our interest in Oe-Cusse is piqued by the different development model being pursued by the Oe-Cusse administration. The stress on social markets, inclusion and innovation, and the choice of carrying this out in Oe-Cusse, make the whole project a particularly interesting case to study and could potentially offer a new approach for economic diversification in Timor-Leste,”* said Professor Reinert. He added that, *“The Oe-Cusse case is a test case for a country like Timor-Leste, and it is a good place to understand the interplay of political economy and developmental processes.”*

These thoughts were echoed by Ms. Lau, who said, *“It is interesting to be able to study the evolution of a new approach as it happens. This is our second visit to Timor-Leste in two years and we were struck by the pro-*

*gress the country seems to have made in a short time, the pace at which Oe-Cusse’s vision is being rolled out, the initiatives on social entrepreneurship, and the use of partnerships to plug capacity and resource gaps.”*

In addition, Megan Hansen, who graduated in 2016 with high distinction, was tasked to review the potential for raising funds from the global capital markets for Oe-Cusse’s development, and to advise the Authority on possible actions. Talking about her experience, Megan said *“I am delighted to be involved. The experience was rewarding from the twin perspectives of understanding how the Oe-Cusse Authority is thinking ahead and out of the box to find solutions for financing its development, all the while facing the challenge of balancing citizens’ expectations and aspirations within a restricted fiscal framework.”*



Nearly a fifth of all children less than 5 years in Oe-Cusse suffer from wasting and nearly 2/3<sup>rd</sup> suffers from stunting and anemia. To address this situation and as part of its work on Sustainable Development Goal 2 (Zero Hunger), the Oe-Cusse administration teamed up

### Oe-Cusse Administration and WFP Join Hands to Address Malnutrition

with the World Food Program (WFP) to pilot a Treatment and Prevention of Acute Malnutrition Program, which targeted 70% of all children under the age of two years.

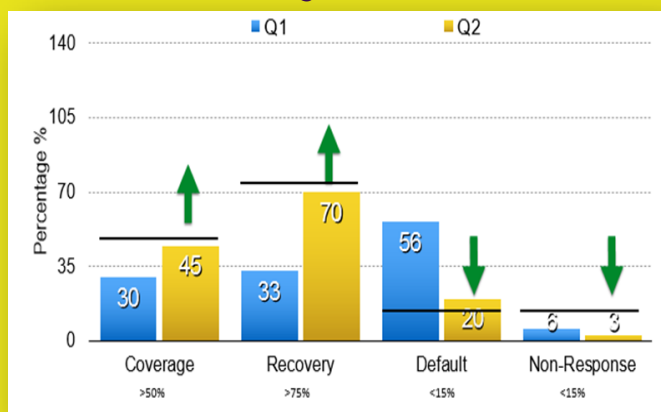
Under the leadership of Lusía Taeki, Regional Secretary for Health, the program was implemented over a 3-month period starting mid-May 2016 and the results of the pilot are encouraging. Just under 3,000 children (2,995) were provided with Ready-to-Use specialized nutritious food, which is made from a peanut paste, was prepared for distribution. Understanding of the causes of malnutrition, particularly around what kinds of foods children need to assist their physical and mental development is very low, and health promotion activities, such as cooking demonstrations and activities on what constitutes good nutrition, were conducted, with community members asked to participate.

The pilot also contributed to the improvement of the existing Mother and Child Health and Nutrition Programme, which provides treatment for children, pregnant and breastfeeding mothers suffering from wasting, a type of malnutrition where a child or woman’s weight is too low for their height. As a result of the pilot combined with the Siscas and strong emphasis on health promotion, the number of women or children targeted under the nutrition programme increased by 15% from the previous quarter (see figure). Moreover the percentage of children

recovery rates in the nutrition treatment program more than doubled, and the rate of women failing to return for follow-up treatment halved.

*“Malnutrition can erode the future by increasing vulnerability of children to disease, impact their learning achievement, participation in the labor force and their productivity”* said President Alkatiri, adding that *“We have to take steps now to secure the future of our children. But my administration alone cannot do it on its own. We need the support of parents, communities and development partners to wage a war on malnutrition”.*

The Country Director WFP, Stephen Kearney praised the leadership provided by Oe-Cusse to this initiative, stating that *“We are proud to be working with Dr. Alkatiri and his team in helping ensure the well-being of the people of Oe-Cusse. Results from the pilot point to the need for continuation of the Program and we look forward to continuing our support for President Alkatiri’s plans for reducing malnutrition”.* The Oe-Cusse administration and WFP are currently in discussions on developing a long term program to reduce acute malnutrition among children in Oe-Cusse.







**A**s part of implementing its Planning, Monitoring and Evaluation Strategy, the Authority of the Oe-Cusse Special Administrative Region and ZEESM organised a first round of trainings for its staff on Performance Management.

Ninety senior SAR-ZEESM officials (including (3 Regional Secretaries) and staff from all the seven Regional Secretariats received this training over three sessions in Oe-Cusse. The training was planned and delivered by Kofi Owusu-Tieku, the Authority’s Planning and M&E Advisor. These training sessions were used to introduce the principles, tools and processes related to using and integrating Performance Management at different tiers of the planning process. Conscious of the fact that this was the first time staff was learning about these concepts, the training was designed to ensure that basic concepts were grasped and embraced by staff and the utility and value of Performance Management was understood.

## Performance Management Training

The Authority intends to gradually introduce Performance Management across all functions to improve the way planning and oversight is carried out. By introducing a more streamlined way of developing budgets, linking with sector plans and monitoring spending, the Performance Management system will reduce inefficiencies and enhance accountability.

Future plans include the use of performance planning and management software for developing results frameworks and imparting further training to staff on the institutions, standards, rules and regulations that would need to be put in place for implementing Performance Management.



## OE-CUSSE CASE STUDY FEATURED IN UNDP ASIA-PACIFIC REPORT

The Regional Bureau of Asia and the Pacific UNDP recently published a report titled *“Together for a Sustainable Future: Achieving the SDGs through Government Co-Financing”*. The report documents efforts of countries in the Asia Pacific region to achieve the SDGs and covers India, Malaysia, Nepal, Pakistan, Palau, Philippines and Timor-Leste.

egy as examples of a strategic approach to improve the economy. It also cites partnership with Singapore International Arbitration Centre, Harvard Business School, WIPO and Temasek Foundation as evidence of the innovative path to building institutional capacities, attracting investment and instituting a fast, responsive and tech-enabled regional governance structure.

The section on Timor-Leste features efforts made by the Oe-Cusse administration to diversify the economy, improve services and introduce innovations in planning and delivery. The report notes that the Oe-Cusse administration, with support from UNDP, has been able *“to focus on issues of strategy and policy orientation, rather than getting bogged down in day-to-day operational challenges”* and highlights the SEED Fund, policies on Partnership Development, Stakeholder Engagement and development of rural economy through the Rural Development Strat-

*“I am pleased to learn that efforts by my administration to improve governance and economic development are being acknowledged at global levels”* said President Alkatiri. *“It boosts our confidence and validates our stress on market led development and using a policy-based approach. We have to continue on this path despite all challenges and results will soon be evident”*.

Click [here](#) to access the case study.

NEWS FLASH !

### TEMASEK FOUNDATION INTERNATIONAL SUPPORTS OE-CUSSE SKILLS BUILDING PROGRAM

Temasek Foundation International, a Singapore-based non-profit philanthropic organization has committed to a S\$422,000 grant to support the Oe-Cusse Skills Building Program. The Program will be implemented by the Authority of the Oe-Cusse SAR-ZEESM and Singapore Polytechnic. This program paves the way for implementing Oe-Cusse’s Skills Building Policy and will help provide relevant skills to Oe-Cussians and prepare them for the job market. More details will be shared in the next issue of Oe-Cusse Outlook.



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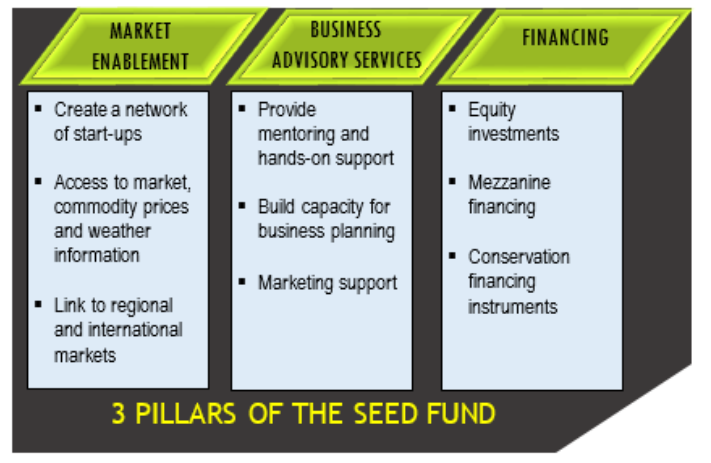
## FIRST SEED FUND MEETING HIGHLIGHTS

The first meeting of the Social Entrepreneurship and Economic Development (SEED) Fund was held recently to discuss its structure and share its plans with stakeholders. The meeting was chaired by Dr. Mari Alkatiri, President of the Authority of the Oe-Cusse Ambeno Special Administrative Region and Special Zones of Social Market Economy (ZEESM) and participants included the Harvard Business School; Oxfam; JICA, Blue Ventures; UNDP; and senior officials of the Authority. Regio Salu, Regional Secretary for Agriculture and Rural Development presented details of the SEED Fund purpose, structure and areas of focus.

## AGRIBUSINESS OPPORTUNITIES

Modelled as a hybrid Incubator and Accelerator, the SEED Fund is the Authority's flagship initiative for promoting, facilitating and supporting agri-businesses in Oe-Cusse. The Fund has been capitalized by the Authority through its own budget while efforts are underway to supplement funding from Angels and Venture Capitalists. In his presentation, Mr. Salu explained the three pillars of the Fund, highlighted the plans for implementing the SEED Fund and underscored the challenges faced, which ranged from institutional to economic and capacity-related. The meeting was informed by Mr. Salu that initial work carried out by his Secretariat in conjunction with Mr. Bill Tan, Agriculture Advisor, identified business opportunities for pepper, cassava and soybeans.

Speaking on the occasion, President Alkatiri said that the SEED Fund was an integral part of the economic strategy for Oe-Cusse, adding that: *"I want to ensure that we are able to transform the rural economy. Our challenge is not just achieve a shift from subsistence agriculture to commercial agriculture, but to change the entire subsistence mindsets. Introduction to new ideas, connecting farmers with markets and creating supply and value chains under the Fund are all part of our plans. We invite partners in private sectors, development agencies and civil society to work with us"*.



The President also emphasized that *"This is a market-driven approach where there is no room for handouts or grants. What I can commit to is that we will finance start-ups that focus on organic farming and agriculture value chains."*

### SHARE YOUR VIEWS !



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## 59.55 %

Proportion of cultivable land actually used for growing rice



2,632 households engaged in rice cultivation



Pante Macassar and Nifibe account for 91% of rice harvests

## 1.5

Average production of rice measured in tons per hectare

### OE-CUSSE FACT FILE

# 2,200

That is the total area in hectares under rice cultivation in Oe-Cusse.



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