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**The Role and Sustainability of East Timorese NGOs
'How Long Can They Last?'**

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ABSTRACT

Since its independence from the Portuguese and Indonesia, East Timor has had political and humanitarian support from various international organisations, gradually leading to the formation of East Timorese Non Governmental Organisations (NGOs).

This thesis argues that “East Timorese NGOs’ roles for a full engagement in the development process of East Timor are unsustainable.” The reason is that they lack the financial foundation to attract substantial support from international donor-organisations. In addition, they have grown competitive amongst themselves. Therefore, dependency undermined sustainability.

Sustainability espouses the idea that in the long term, income or welfare can be maintained only if the capital-stock from which it is drawn (financial sources from which the East Timorese NGOs had drawn) does not decline.

Independent from government, an NGO works with and within the community towards common goals. Development is therefore a progression of positive changes quantitatively and qualitatively, whereas dependency comes from an unequal international relationship between two sets of countries: the metropolitan core and the periphery. East Timorese NGOs are dependent in two ways: financial and human resources dependency. While East Timor NGOs had played colossal roles during their existence, they had also relied heavily on donors’ support.

This study is supported by reasoned evidence in the form of information and data obtained through descriptive qualitative research methodology (including the systems theory approach), encompassing the following methods: in-depth and email interviews, and participant observation.

Dedication

to the one who waits for the pilgrim's return
even in the despondency of your dreams
there is a place in my inner sanctum for
Eujenia Maria Lidya Fernandes

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During the struggles to acquire education, I put my hopes and wishes solely on God The Almighty. His guidance, in keeping me healthy and on the straight and narrow covered with obstacles and demands, leaves me in perpetual gratitude. Without this blessing beyond all human understanding, an international student - who has left whanau (Ruma-Ralam) behind to joust in the academic arena of a foreign land - could never have survived the ordeal.

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Michael and Marilyn Payne of Wanganui have made New Zealand a second home, a deed which gives special significance when looking back.

This work is also dedicated to uncle *Pio Soares* and my sister *Adelia Soares* who are both no longer with us.

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GLOSSARY

AMCAP	: Ainaro and Manatuto Activation Project
Apodete	: Associacao Popular Democratica Timorese (Timorese Popular Democratic Association)
ASDT	: Associacao Democratica Timorese (Timorese Social Democratic Association)
AusAID	: Australian Agency for International Development
AUSTCARE	: Austalian Caring for Refugees
AVI	: Australian Volunteers International
BPM	: Badan Perwakilan Masyarakat (Community Representative Board)
CIDA	: Canadian International Development Assistance
CIVPOL	: Civilian Police
CNRM	: Conselho Nacional da Resistencia Maubere (National Council of Maubere Resistance)
CNRT	: Conselho Nacional da Resistencia Timorese (National Council of East Timorese Resistance)
CPJ	: Commission of Peace and Justice
CRS	: Catholic Relief Service
CWS	: Catholic World Service
ETADep	: Ema maTa Dalan ba Progreso (East Timor Action for Development)
ETTA	: East Timor Transitional Administration
Fretilin	: Frente Rovolucionaria de Timor Leste Independencia (Front Revolution for East Timor Independence)
GROs	: Grassroots Organisations
GRSOs	: Grassroots Support Organisations
HOF	: Head of Mission Fund
ICRC	: International Committee of the Red Cross
INGOs	: International Non Governmental Organisations
Interfet	: International Force East Timor
KOTA	: Klibur Oan Timor Ass'wain (Sons of the Mountain Warriors)
LDCs	: Less Developed Countries
LPM	: Lembaga Pengabdian Masyarakat (Institute of Community Service)
LSM	: Lembaga Swadaya Masyarakat (Self-reliant Community Institutions –

	Indonesia's equivalent of NGO)
MAFF	: Ministry of Agriculture Forestry and Fisheries
MPR	: Majelis Permusyawaratan Rakyat (People's Consultative Assembly)
NGO	: Non Governmental Organisation
NGOLU	: Non Governmental Organisation Liaison Unit
NPOs	: Non Profit Organisations
NZAID	: New Zealand Agency for International Development
NZODA	: New Zealand Overseas Development Agency
OCHA	: Office for the Coordination of Humanitarian Aid (UN)
Oxfam	: Oxford Committee for Famine and Relief
PCDP	: Participatory Community Development Program
PKF	: Peace Keeping Force
PPSDM	: Pusat Pengembangan Sumber Daya Manusia (Centre of Human Resources Development)
PT	: Perseroan Terbatas (Company)
RTK	: Radio Timor Kmanek
RTL	: Radio Timor Leste
SCDF	: Social and Community Development Fund
Trabalhista	: The labour Party
UDT	: Uniao Democratica Timorese (Timorese Democratic Union)
UN	: United Nations
UNAMET	: United Nations Mission in East Timor
UNDP	: United Nations Development Program
UNICEF	: United Nations Children and Education Fund
UNMISSET	: United Nations Mission Support East Timor
UNTAET	: United Nations Transitional Administration in East Timor
USAID	: United States Agency for International Development
WCC	: World Council of Churches
WFP	: World Food Program

MAP OF THE EAST TIMORESE NGOs ACTIVITIES



CHAPTER ONE

INTRODUCTION

East Timor is a small nation that gained its independence in 2002. It has had a long history of struggle towards becoming a sovereign country. Ruled by the Portuguese for about 450 years, it finally proclaimed its independence on 28 November 1975. However, Indonesia's invasion followed a week after this declaration and they ruled for 24 years. This long period of occupation erupted in violence in 1999, following the overwhelming vote for East Timorese independence, guided by the United Nations (UN) over a period of 2 years. Finally, this new country gained recognition of its full independence on 20 May 2002, from the international community.

During the UN preparation time, the guiding role towards independence was also played by many and various international donor-organisations, including International Non-Governmental Organisations (INGOs).

There were two main and simultaneous processes at that time. The first was the preparatory role of the UN, which included political and social security as well as other issues. The second came in the form of humanitarian support conducted by its multilateral organisations such as UNDP, UNHCR, UNICEF, FAO, WFP; and in the shape of INGOs that had supported East Timor in many ways even before the crisis. All this included funding for the re-establishment of National Non Governmental Organisations (NGOs) that had been ransacked during the 1999 mass destruction.

The re-establishment of East Timor's local and national NGOs¹ enabled them to take the role of 'watchdog' as well as "partner" of the International NGOs, to be a delivery agent of INGO and the UN agencies support to East Timorese people.

In those two years, as an International NGO staff-member overseeing finance and administration, I frequently found myself a sceptic, especially when auditing partners' financial reports. Those reports did not seem to render the total picture of a project completed, and this situation compelled a request for revision and resubmission, in the presence of - occasionally - my non-Timorese manager and programme coordinators. Even though this activity was encouraged as important to guide fellow Timorese through limited funding towards accountability, a sense of culpability prevailed. During these two years, I also played a role as the Secretary of a national NGO based on Atauro Island for a five-month term. I then decided to abdicate from the position after facing difficulties through having to concentrate on both jobs, especially when I had to travel to the island located 24 miles away from Dili.

After completing a two-year contract with an International NGO, I accepted a position of three months as Finance Consultant at UNICEF - in its Dili based office. I assisted in developing a basic accounting system to be used by all partners undertaking a program of Child Friendly Space in a number of districts. It was developed based on different systems used by partner NGOs; the aim was to unite the current diversities of partners' accounting system, to create a simple one and not to make it more complicated. These forms included payment and receipt vouchers, cash requests, financial reports, and reports against budget. I then travelled and had discussions with the finance officers, the

¹ *The distinction between local and national NGOs, in the East Timor sense, referred initially to the coverage areas of an NGO. Local NGOs are those operating within a district whereas National NGOs are those operating in a number of districts. However, at a General Meeting held in June 2000 by the NGO Forum and its members, some participants raised a notion of discrimination. By the end of the meeting, participants agreed to use only the name "local or national NGOs" which referred to all existing Timorese NGOs. Therefore, hereafter I will cite only national NGO or East Timorese NGOs to refer to all existing NGOs in the country.*

directors or program coordinators, and the consultant – if there was one – to introduce all these basic forms. In the discussions with them I was able to find out the reasons why Timorese NGOs could not make their financial reports. One was the lack of experience in finance itself, mostly caused by an educational-background which did not include learning by doing; the second was caused by limited job opportunities, and third, most importantly, was that training for improving their skills had not taken place. Training could have included the use of computer by a finance officer to be able to produce a report, especially when a beautiful and readable piece of hand-writing was not acceptable to almost all donors.

It seemed that – at this stage of the partnership development between an INGO (which I represented), National NGOs (which my manager facilitated) and the East Timorese public (who were establishing National NGOs) – *East Timorese NGOs' roles for a full engagement in the development process of East Timor was unsustainable*: workplaces had no jobs for seekers, and NGOs simply had to be established.

To give the above situation extra clarity, it must be reiterated briefly that national NGOs, then operating in East Timor, were in their formative years with funding provided by International NGOs, the United Nations' multilateral Organisations, and representatives from other nation states. The funding was based on the mutual understanding that those established NGOs were to help the donor organisations and states in delivering humanitarian aid. However, following the total independence of East Timor in May 2002, there had been a shift in the work-focus of many INGOs. East Timor was no longer considered 'a nation in crises' which sought international aid. Some of the INGOs had already departed for their own organisational headquarters, or towards designated support areas such as Afghanistan and Iraq. *The number of East Timorese NGOs had grown competitive.*

Many East Timorese had put their trust and hope heavily on NGOs of both varieties, as a result of the latter's invaluable work during reconstruction. NGOs had worked as catalysts, innovators, developers and often mediators among the public. Most notable was their calibre in humanitarian work. However, the departure of INGOs also put a competitive edge among some East Timorese NGOs, and consequently, national NGOs fell into financial difficulties. In short, NGOs have played substantial and influential roles, operating on the principles of the country's independence. However, this approach has undermined their efforts to sustain themselves, *as they do not have the financial foundation to attract significant assistance from international donor organisations.*

The description above foregrounds the fundamental reasons behind statements which my research was about to unearth, through careful analyses of past situations of East Timorese NGOs, as ordered and described below.

The literature review, addressed in chapter two, starts by defining terms and concepts used in this thesis. It further highlights and explains two main theories used for analytical purposes: the Dependency Theory and the Systems Theory Approach. The final part of the chapter underlines the synthesis of theoretical framework which combines the two theories and clarifies how they are to be used.

Chapter three explores a synopsis of the historical process of East Timor. It begins with an overview of East Timor history, highlighted in five different periods, from East Timor pre Portuguese arrival, under Portuguese's rule, during Indonesia's occupation, and throughout the UN Administration and Independence period. The final part of this chapter addresses the history of NGO's emergence, including an overview of how it emerged in East Timor.

In chapter four, I explain the methodological approach employed. It commences by elucidating research design, the qualitative research, the use of participant observation technique and voluntary participation, treatments of the information and data, the use of multi-methods fieldwork, data collection, recording and triangulation of data.

The roles of East Timorese NGOs during three time-spans are described in chapter five. It begins by addressing the roles NGOs played during the Indonesian period, turning to highlight various roles they played during the UN reconstruction period. The chapter closes with descriptions of the roles East Timorese NGOs maintained in the development era. The descriptions include the informants' views and analyses by the researcher.

One of the crucial points of my research was financial sustainability of NGOs, described in chapter six. It maps the financial foundation of Timorese NGOs, how they managed to establish an NGO using residual funds left by previously existing LSM (Indonesia's equivalent of NGO) and how they put their own money down for establishing an NGO. In addition, it describes and analyses the use of micro-credit and ecotourism as income-generation-activities and obstacles encountered from these two initiatives. It also describes whether there have been any possibilities for NGOs to conduct fundraising activities. The accountability and credibility of an NGO to be able to obtain funding and the dependency on donors' support are described and analysed in the final section of the chapter.

Donors' assistance policies are the subject of chapter seven which starts by drawing a picture of their policies during the Indonesian occupation. Two impetuses are significant to examine, as are the emergency and post-emergency or development eras. This chapter analyses donors' assistance policies at these two critical moments to discern the

effects of the policies on the roles played and continued to be played by East Timorese NGOs.

The growing competition of the NGOs is mapped in chapter eight. It analyses the levels of their competitiveness. It commences by looking at the figures of NGOs established and operating during the three periods: Indonesian, emergency and post-emergency. It further analyses the manner they competed in terms of seeking funding from donors as well as implementing programs, to see whether the competitiveness has affected their sustainability.

As each chapter finishes without remarks, the final chapter collectively draws conclusions from the whole thesis to discern the existence of the East Timorese NGOs to determine whether they are sustainable or otherwise.

Davidson and Tolich asserted that

“Science demands that we do not accept explanations simply on authority, tradition, or common sense. It is not enough to claim that something must be true because Aristotle, the Bible, Einstein, Marx, or your mother ‘said so’; nor because it is ‘the law of land’, or ‘what everyone thinks’; instead, science demands, always, that you *‘prove it’*” (2003:11).

The informants’ views quoted in the following chapters might have been ‘common sense,’ but as their voices were generated from actuality, they held proof in their own hands, and this thesis is a reflection of the truthfulness and actuality of their experience.

The descriptions and quotations of informants’ views in the following chapters are based on careful analyses of both interviews and written documents obtained from selected East Timorese NGOs and donors. The full transcriptions of interviews (mostly in Tetum, Timorese national language) and related documents are available for research verification.

CHAPTER TWO

NON GOVERNMENTAL ORGANISATIONS: THEORETICAL PERSPECTIVES

It has been outlined in Chapter One that East Timorese NGOs depended on international aid to be able to sustain their existence. In this chapter I will firstly underline the basic concepts and terms used throughout this thesis. I will then discuss the theoretical framework, which informs this thesis, focussing on Dependency Theory, the Systems Theory Approach and the combination of these two theories.

The Role

According to Genilloud and Wegmann (2000, n.p.) in their article “A New Definition for the Concept of Role and Why It Makes Sense,” “‘role’ can be defined as an abstraction of the behaviour of an object, that consists of a subset of the interactions of that object, together with a set of constraints on when they may occur. A role always belongs to a specific larger behaviour that involves other roles, called a collaborative behaviour.”

Similarly, the online Hyper Dictionary (n.d.) which has also given an example of government-roles, defines the term ‘role’ as “the actions and activities assigned to, required or expected of a person or a group; the government must do its part; play its role.”

These two definitions confirm that the term role is related to an abstraction of behaviour; it always belongs to a specific and larger behaviour that involves other roles called collaborative behaviour. It consists of actions and activities assigned to, required from or expected of a person or a group. NGOs are groups of people who voluntarily

dedicate their knowledge, skills and time towards the development-process of a country, wherever they exist.

NGOs play an enormous role in the course of a country's development, as Pherrys Kabanda (n.d.) has indicated in his presentation at Uganda's National NGO Forum, identifying NGOs' involvement as follows:

***"Policy Formulation:** There is a marked increase in NGO participation in policy processes as invited participants. Their representatives have had seats at the table in formulation of specific policies, district development plans and on technical committees and sub-committees at all levels. This is highly commendable. **As Pressurisers/Agenda Setting:** NGOs sometimes exert pressure from outside 'the tent' on both formulation and implementation of policies, programmes and plans. They use campaigning - a visible activity directed at a certain constituency, often media-mediated; and lobbying - a direct and often private approach to individuals or small groups of people, as an attempt to influence the decisions of the institutional elite on behalf of a collective interest. NGOs are supposed to act as counter-weight to state power - protecting human rights, opening up channels of communication and participation, providing training grounds for activists and promoting pluralism. **As Service Deliverers:** NGOs engage with policy-makers at implementation or field/action level. Implementation is an important policy phase as it is often at that stage that failures in the policy processes occur. Here NGOs play a bridging role between government and the people. **As Monitors:** NGOs can provide an independent assessment of how public resources are being allocated at the national and local level. After NGOs have advocated for equitable distribution of national resources during the budget process, they monitor whether these resources reach the intended beneficiaries and whether they translate into 'value for money' (getting the best outcome using limited financial and human resources) for end-users. NGOs also have a role to play in assessing how quickly and effectively the private sector is moving into space created for it by liberalization, in rolling back of state institutions from direct production, whether the premise on which this model is based hold for our type of economies. **As innovators:** NGOs are sometimes instrumental in the introduction of new approaches and techniques which, when adopted, bring considerable benefits to the poor. Examples include introduction of new technologies, farming methods, resolution of conflicts etc. **As Partners:** NGOs work in partnership with Governments and Donors in the planning process by offering expertise, experience and, whether possible, logistics and other resources. NGOs are agents of change but their ability to effect change rests on organizational independence, closeness to the poor, representative structures and a willingness to spend a large amount of time in awareness-raising and dialogue. NGOs, particularly those working closely with CBOs [Community Based Organisations] and which believe in the efficacy of 'empowerment' approaches can be an important asset when government wants to mobilize people."*

Some of these roles (such as mediating, service-delivering, monitoring, partnering INGOs, and innovating) have been played by NGOs operating in East Timor.

Non Governmental Organisation

There are diverse types of bodies described as NGOs. There is no generally accepted definition of an NGO, and the term carries different connotations in different circumstances. The term NGO in East Timor context, however, can be defined as an organisation that is independent of government control, conducting voluntary works, working with and within communities to achieve common goals. This is derived from the way in which they are voluntarily working with communities at grassroots levels. NGO, then, is defined as “an independent voluntary association of people acting together on a continuous basis, for some common purpose, other than achieving government office, making money or illegal activities” (Willetts, 2002:5).

Willetts has also identified three generally accepted characteristics of NGOs that exclude particular types of bodies from considerations. He has argued that “an NGO will not be constituted as a political party; it will be non-profit making and it will not be a criminal group, in particular it will be non-violent” (2002:5).

In similar vein, a comparative study of NGOs by Salamon and Anheier (1994 cited by Shigetomi, 2002:6).has described an NGO as “an organization possessing the following six attributes: (1) non-governmental, (2) non-profit making, (3) voluntary, (4) of a solid and continuing form, (5) altruistic, and (6) philanthropic.”

Based on Willetts', Salamon and Anheier's definitions of NGO and the characteristics it has, especially that of 'non-profit making,' the questions that can be raised are, 'How can an NGO be sustainable without making money?' and 'Where will the money for

NGO activities come from?’ Thus, if an NGO fully relies on support from donors or governmental organisations, then how can an NGO manage itself independent from government control?

Furthermore, the notion of voluntarism does not always apply to an NGO. There is paid work in NGO activities. The voluntarism in this sense means dedication and not ‘working without being paid’. As Julie Fisher has asserted, “Volunteers are not always a hallmark of the sector, even in the developed countries. In the third world some GRSOs [Grassroots Support Organisations] are composed entirely of paid staff, although they may work with volunteers from GROs [Grassroots Organizations]” (1993:8).

As the acronym NGO is often assumed to be synonymous with GRSOs and GROs that since 1989 have grown into thousands around the globe, the term NGO is now being defined more broadly to include not only the GRSOs but also GROs, GRO network, and network of GROs involved in development (Fisher, 1993).

Development

Development generally means process of changes and progress. Lay people, however, may define it as ‘disaster,’² which suggests that a broader definition of development exists. From the orthodox economic viewpoint, development is “the achievement of economic growth and hence improved living standards” (Clark, 1991:23). Recently re-defining development and sustainability has focused not only on economic progress, but also the importance of environmental protection and the limited use of unrenewable natural resources for prosperity. Clark further said that development in its broadest

² *Development could mean ‘disaster’ if people are forcibly removed from their places of origin, or are mobilised for a project implementation. This definition is derived from typical conversations with ordinary people in Jakarta and Yogyakarta who had been removed and mobilised as means of development (Budiman: 1995).*

definition meant quite simply “improving the society.” Since the society comprises no more than the people it is made up of, development therefore means “enabling people to achieve their aspirations” (1995:26). Pherrys Kabanda, in the same presentation I have referred to earlier, also believes that

“Development is a progress of positive change quantitatively and qualitatively. Many people define it in their own context according to their surroundings and immediate needs Some therefore define it as a process by which members of a society inspire themselves and their institutions in ways that enhance their ability to mobilize and manage resources sustainably to produce sustainable [advancements] and [to] justify distributed improvements in their quality of life consistent with their aims and aspirations.”

Sustainability

The concept “sustainability” is mainly used for analysing the impact of development on the environment, and the use of unrenewable natural resources. It is based on the simple notion that in the long-term, income and welfare can only be maintained if the capital-stock from which it is drawn does not decline. “It is now evident that the capital-stock includes not just human-made capital, but also the goods and capacities of the natural environment, with the important distinction that ‘natural’ capital was neither produced by humans in the first instance, nor, very often, is reproduced by them” (Victor 1991, cited in Faucheux et al, 1998:19). The capital-stock – in the words of Victor – in relation to the NGOs operating in East Timor could include ‘financial support and its sources’ from the international NGOs, the UN agencies, Embassies and their development agencies.

A. The Dependency Theories

Applied to the key-point (sustainability), and argued in context (East Timor), “Dependency is a form of unequal international relationship between two sets of countries. One set is called the core at the metropolitan centre, and the other set of

countries are called the periphery or satellites. The core represents developed capitalism and the periphery represents underdeveloped region” (Ghosh: 2001:1)

This definition foregrounds the notion from which dependency or interdependency are derived, which suggests that the so-called periphery is a creation rather than an existence by nature. As Ghosh has further said, “the theory of dependency considers the fact that the social and the economic development of less developed countries (LDCs) is conditioned by the external forces which are nothing but central capitalism” (2001:1).

Dos Santos adds that dependency arises because “ ... some countries can expand through self-impulsion while others, being in a dependent position, can only expand as a reflection of dominant countries, which may have positive or negative effects on their immediate development ” (Ghosh, 2001:2).

This notion of dependency sits well with the condition in current East Timor, because the existence of East Timorese NGOs is now fully depending on assistance from international donor organisations.

The dependency of East Timor NGOs was not only financial, but also in the area of human resource and capacity building. Ghosh has noted the ‘conservative lists of some of the neglected areas of dependency relation’ (2001:5). There were ten items, according to Ghosh, and two of them were strongly related to East Timor NGOs’ present conditions.

“The first is *Financial Dependency*: this refers to the dependency of LDCs with respect to capital inflows, direct foreign investment, loans, interest loans, and so on [provision of funding for specific projects]. The second is *Human Resources Dependency*: the training of highly qualified manpower and the ultimate loss of part of this manpower, commonly known as the Brain Drain problem, is the reflection of a dependency relation through which human capital resources are drawn away from LDCs without the payment of compensation” (Ghosh, 2001:6).

Of these two types of dependency, especially the former has been the main concern of research into the core of sustainability. Yet East Timorese NGOs still place their expectations heavily on international funding as a consequence of the minimum income received by Timorese people.

B. Systems Theory Approach and East Timorese NGOs

In the context of the development process, there are not only states and private sectors that play important roles in developing communities, but also NGOs. Because of the nature of the latter's emergence, they have played enormous roles in advocating and assisting vulnerable people within a nation, or worldwide; to have access to goods and services provided; to have voices in the policy-making process; to actively involve communities in the development process; and to maximise limited resources for the better life of the poorest.

In the context of East Timor, however, NGOs have played colossal roles in developing the community ever since the country was ruled by Indonesia, and especially by the time the country was prepared by the United Nations to become independent. As an integral part of the development process of East Timor, it is important to consider East Timorese NGOs in the framework of a systems theory approach, which suggested and argued that "the intricate relationship of parts cannot be treated out of a context of the whole" (Ritzer and Goodman, 2003: 181). From this perspective East Timorese NGOs are part of the development process of East Timor. They cannot be treated apart from the whole process of development, because the communities that are served by NGOs are also the communities that at the same time are served by the government and the private sectors.

There were spaces left out by the state, private sector and the community which could be filled up by NGOs, and these are spaces for East Timorese NGOs to be fully engaged in the development process, too. Shinichi Shigetomi indicated that “the concrete ways in which NGOs manifest themselves in a given county are determined by three factors: (1) characteristics [of NGOs themselves]; (2) the economic space for NGOs; and (3) the political space for NGOs” (2002:9).

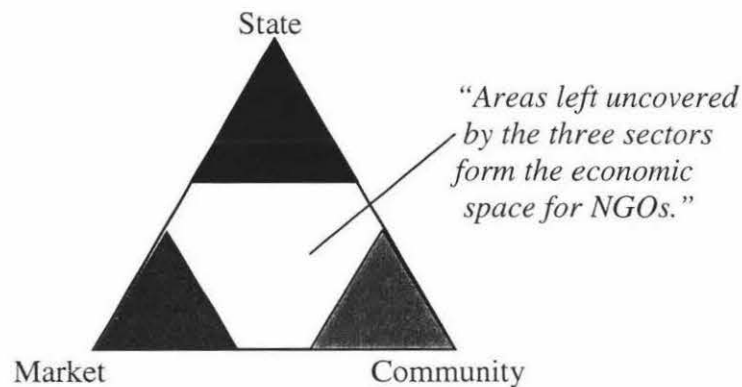
NGOs can only be seen as agents of development and change, or catalysts, if the government has made efforts to create a conducive environment in which an NGO can play its roles. Unlike any other countries, the East Timorese government has not as yet produced any laws or regulations in respect of the existence of NGO's. The only effort that the East Timor government has ever made is the creation of an NGO liaison unit under the Ministry of Planning and Finance to monitor external assistance received by NGOs operating within the country.

East Timorese NGOs were by 1998 being registered by the East Timor NGO Forum. This forum was established in 1998 by some 14 East Timorese NGOs: Yayasan Timor Aid, Yayasan Hope, Yayasan Kasimo, Puskopdit Hanai Malu, Puslawita, Yayasan Ledavo, Yayasan Halarae, Yayasan Biahula, Yayasan ETADEP, Yayasan HAK, Bina Swadaya Tim Tim, YBSL, Fokupers and USC. The NGO Forum, however, was unable to function as it faced difficulty of meeting, from April 1999 onwards, because of the worsening security situation. The forum was reactivated in late 1999 to assist in coordinating meetings within and between East Timorese NGOs and International donor-organisations, and became an umbrella of NGOs formed in East Timor.

C. Synthesis of the Theoretical Framework

There are at least three spaces which could be filled by NGOs. One of them is an economic space. In showing the availability of this space, Shinichi Shigetomi drew the following picture:

Figure 1: Economic Space for NGOs



Source: Shinichi Shigetomi. Figure 1.2 Economic Space for NGOs (2002: 12).

The space left uncovered by three main actors of development could be partly filled by NGOs so as to maximise and extend their roles as the fourth sector of development. Although some scholars have termed NGOs as the third sector, Korten (1990) insisted that "organizations [be] composed of ordinary people [and] should receive a due share of attention along with the government, corporations, and voluntary organizations, [and] proposed to call such organizations collectively the fourth sector", similarly Pestoff (1998) maintained the convention of calling NPOs [Non Profit Organisations] the third sector, and referred to communities as the "fourth sector" (Shigetomi, 2002: 30). However, because East Timor is more affiliated to the Asian region, an NGO should be termed the fourth sector; "when seen in [the] light of the history of emergence and development of NGOs in Asia, it is NGOs that should be called the fourth sector" (Shigetomi, 2002: 30).

For the analytical purpose of this study, Dependency Theory can be combined with a Systems Theory Approach. Fredrich Hegel (1770–1831) formulated the following statements concerning the nature of systems:

“The whole is more than the sum of the parts.
 The whole defines the nature of the parts.
 The part cannot be understood by studying the whole.
 The parts are dynamically interrelated or interdependent”
 (Skyttner, 1996: 30).

This suggests that in studying East Timorese NGOs, one should analyse the whole that determines NGOs’ existence, in terms of the roles they played to fill the gaps left uncovered by East Timor government, markets and communities. To be able to fill the gaps would depend upon their financial sustainability to be fully engaged in the development process of East Timor. Dependency is a creation; it is an inter-reliant relationship between parts (centres and peripheries, developed and less developed countries), which is determined by the nature of the whole system.

East Timorese NGOs are part of the development process as a whole, and they can be understood only by studying the dynamics of their existence of being financially dependent, by drawing a picture of their future engagement in filling those gaps, and by seeing that they can play their roles only if they are financially sustainable.

CHAPTER THREE

NON GOVERNMENTAL ORGANISATIONS:

HISTORY OF NGOs IN EAST TIMOR

To understand the emergence of NGOs in East Timor and dependency on foreign financial support, it is necessary to place them in the context of the history of East Timor. This chapter will explore a historical synopsis of East Timor in its existence before Portuguese' Rule. It will then outline the situation experienced once East Timor had its independence proclaimed unilaterally by Fretilin. It will also underline how Indonesia's military brutally invaded and occupied East Timor; and foreground the struggles of East Timorese during the inhumane situation up to the ballot that led to the ultimate independence of the country. A historical background of NGOs will also be described in the final part of this chapter to see how this emerges in East Timor.

A. Histories of East Timor (an overview)

From the geographical viewpoint, the territory of East Timor lies between latitudes 8 17'S and 10 22'S and longitudes 123 25'S and 127 19'E. It comprises the eastern part of the island of Timor which is located at the top of the Republic of Indonesia archipelago; the enclave Oecusse (Ambeno); the island of Atauro off the northern coast of Timor; and the island of Jaco, off its extreme eastern tip (Gunn 1997). The island of Jaco is unpopulated, but there has been much discussion about developing an exclusive tourist's destination on the island (Fox and Soares, 2000).

According to an often told traditional story, and passed on down the generations, the territory was believed to have come from a crocodile which then became the grandfather of the East Timorese as well. The story appears as follows:

“Long ago a boy saw a baby crocodile fighting for his life while the sun was shining fiercely. He was trying to get from a lagoon to the sea, but the little crocodile wasn't strong and was moving very slowly. The boy took pity on him and carried that crocodile to the sea.

The crocodile was very grateful and promised that he would repay that kindness. He said if the boy wanted to travel he could go to the sea and call, ‘Crocodile, Crocodile’, and he would come to him.

Time passed. The boy remembered the crocodile's promise. He went to the sea and after the third call the crocodile came. They were like two old friends meeting after a long time, very happy to see each other. The crocodile told the boy to sit on his back and took him on a journey. They travelled together like this many times.

Then one day the crocodile felt he would like to eat the boy. It was his instinct, being the animal he was. But his conscience troubled him and before he did this thing he went to ask the opinion of other animals. He met a whale, a tiger and buffalo ... many animals. All of them condemned him, saying he shouldn't repay this favour of the boy with a bad action. Finally he came to a monkey, the finest animal, jumping from one branch to another. For being so ungrateful he called the crocodile the worst name he could and disappeared.

The crocodile was ashamed and gave up the idea of eating the boy. He still took the boy on his back and they travelled together until crocodile became old. He said, ‘Ah, friend, the good deed you did me cannot be repaid. I am obliged to die and I will change into a land where you and your descendants will live from my fat, as payment for your kindness.’

That crocodile became Timor Island, which is the shape of a crocodile, and the Timorese people are descendants of that boy. People there are always kind. They welcome others and have a sense of justice and gratitude to people and they tell this legend to explain it.

Our people call crocodiles ‘Grandfather’. When they cross a river they always call, ‘Crocodile, I am your grandchild, do not eat me’ (Turner, 1995: 53 - 54).

The territory of East Timor, however, prior to Portuguese's occupation since their arrival in the 16th century, was well-known by some merchants for the quality of its sandalwoods. “The island of Timor formed a part of trading networks centred politically in East Java and then in Celebes (Sulawesi). These networks were tied into commercial links with China and India. The commercial value of Timor was highlighted in documents published during the Ming Dynasty in 1436” (Taylor, 1991: 1).

From the political perspective, a Timorese myth recounted to the ethnographer Middelkoop, begins:

'A long, long time ago there was a ruler of this island in Baliko-Babali' (the southern coastal plain). The ritual ruler of this realm appears to have had three subordinate rulers (liurai) immediately after him, each of whom exercised executive power in his own territory. The first liurai was located in South Belu (the coastal plain), the second was in Sonbai (in the west of the island). This triad of [sic] in Suai-Kamanasa (in the south-centre of the island) (Taylor, 1991: 2).

The liurai in this context could have been very different to what nowadays is taken to mean 'Village Head': in East Timor the liurai is under the sub-district administration, because prior to Portuguese's rule, liurai had its rule in quite broad areas.

In a social and cultural perspective, the "Timorese had maintained a society with specific characteristics, distinct from neighbouring societies in Southeast Asian region" (Taylor, 1991: 5).

1. Portuguese's Rule

The first Portuguese settlement in the proximity of Timor was on the island of Solor. In 1566 Dominicans friars built a fortress which they garrisoned with their recent converts from Solor and Alor. At this stage the Portuguese made annual trips to Timor to collect sandalwood and to trade in finished goods. When the trading rivals, the Dutch, managed to capture Solor in 1613, the population of the fortress moved to the neighbouring island of Larantuka (Taylor, 1991).

Because of the Dutch victory over the Portuguese in the area of Kupang (West Timor), the Portuguese started to move into East Timor, although their presence was not really felt until 1642. The Portuguese seem to have been gradually moved towards the sandalwood-land.

Portuguese rule in East Timor faced stagnation of its power as a consequence of the Japanese invasion during World War II. The Japanese landed for the first time in East Timor on 20 February 1942 (Turner, 1995). The East Timorese were suffering because of being supportive of Australian soldiers. A typical personal account of the alliance was described by one of the Australian commandos as follows:

"We rely on the natives to act more or less as a buffer between us and the Japanese; they more or less protected us by letting us know when the Japanese were moving about and where the Japanese were going ... part of my job was to collect food to send away to our headquarters that lived in an area where there was no population. I would go around with the local chief and we'd collect the food. On occasions when the food was scarce the chefe would order the householders to give us food which they had ready to eat that night – they would have to go without because the chefe said we have to be strong to fight their enemy, the Japanese" (Taylor, 1991: 13-14).

It was believed that the Japanese left the territory only after having been defeated by their enemies. The bombardment of two of its cities, namely Nagasaki and Hiroshima, could have been the cause of their immediate departure from East Timor.

The aftermath of the Flowers Revolution (*revolução dos cravos*), that took place in Portugal in 1974,³ led to the formation of political parties in East Timor. Five political parties emerged in East Timor: *União Democrática Timoresense* (UDT); ASDT (Timorese Social Democratic Party) which then became *Frente Revolucionaria de Timor Leste Independencia* (Fretilin); *Associação Popular Democrática Timorense* (Apodeti); *Klibur Oan Timor Ass'wain* (KOTA), and *Trabalhista*, the Labour Party (Fox and Soares, 2000 and Dunn, 2003).⁴

³ On 25 April 1974, the Portuguese Armed Force Movement (AFM) overthrew the Caetano regime, and army officers replaced a fascist government with one committed to capitalist modernization and decolonization.

⁴ The chronology of these party-formations was also described by Taylor in his book entitled *Indonesia's Forgotten War: The Hidden History of East Timor*, pp. 26-28. The description included a political party of which its existence was unknown by many Timorese: ADILTA (*Associação Democrática Integração Timor-Leste Australia*).

In August 1974, UDT launched a surprise coup aimed at quelling the other four political parties and at controlling over the territory. Fretilin reacted quickly to this event, by launching a counter-attack and successfully overthrowing the remaining Portuguese government in the territory (Fox and Soares, 2000).

The subsequent take-over of East Timor by Fretilin forces sparked further political chaos and led to the withdrawal of the Portuguese government (including its governor Lemos Pires) from East Timor in 1975. "Fretilin unilaterally declared the independence of East Timor on 28 November 1975" (Fox and Soares, 2000: 59). This unilateral declaration of independence of East Timor was unrecognised by the international community.

2. Indonesia's Rule and Ungoverned Status

On 7 December 1975 Indonesia's paratroopers brutally invaded East Timor, killing hundreds of thousands of innocent people. Some of Fretilin's founders and supporters safely escaped into the mountain areas to consolidate themselves. Some others escaped abroad. Those who had safely escaped earlier could not survive for long as the result of Indonesia's brutality at searching and killing.

In the capital city of East Timor, Dili, people were killed. People were called out from their houses and shot dead. In the word of Mgr. Costa Lopes, former Bishop of Dili, "The soldiers who landed started killing everyone they could find. There were many dead bodies in the streets – all we could see were the soldiers killing, killing, killing" (Taylor, 1991: 68).

The systematic tortures and killings faced no end even after the territory had been claimed as part of the Republic in 1976. Indonesia used the word

‘integration’ to legitimise its illegal annexation of East Timor as its 27th province.

While most of the Timorese lived under the uncertainty of Indonesian rulers, the Fretilin resistance continued to maintain its position of being independent in the mountains. Having no office and using very limited resources, they continued to organise people to be united and to revolt against Indonesia’s illegal occupation. The spread of Fretilin doctrines and unwillingness of the Indonesian government, especially its military forces to end systematic tortures and killings of innocent people, led to antipathy.

In 1987 Xanana Gusmão and José Ramos Horta left Fretilin and formed CNRM (*Conselho Nacional da Resistencia Maubere [National Council of Maubere Resistance]*), an umbrella organisation established to unite all factions – political parties. However, the term *Maubere* was not accepted by UDT, since it was more affiliated to Fretilin. In 1997 in Peniche, Portugal, all factions agreed to change CNRM into CNRT (*Conselho Nacional da Resistencia Timorese [National Council of East Timorese Resistance]*) (Fox and Soares, 2000: 60-61).

Indonesia’s efforts to win the hearts of the Timorese people never reached its end. The former has never received recognition from the international communities either. Australia, albeit having recognised Indonesia’s *de facto* occupation over East Timor for the sake of its economic development, still faced the Timor Sea expanse of unfinished disputes between East Timor and Australia.

The United Nations, too, never recognised Indonesia’s occupation over East Timor. Instead, this international body continued to recognise Portuguese colonial rule as the administering power. This situation was evident from some

of the resolutions of the UN General Assembly and Security Council presented in their plenary meetings within this international body during Indonesia's occupation.

- ❖ *General Assembly 3485 (XXX) - question on Timor - presented in 2439th plenary meeting on 12 -12-1975. Points four and five stated: Strongly deplores the military intervention of the armed forces of the Indonesia in Portuguese Timor; calls upon the Government of Indonesia to desist from further violation of the territorial integrity of Portuguese Timor and to withdraw without delay its armed forces from the territory in order to enable the people of the territory freely to exercise their right to self-determination and independence.*
- ❖ *Security Council resolution 384 (1975) – 22 December 1975, calls upon government of Indonesia to withdraw without delay all its forces from the territory; calls upon the government of Portugal as administering power to co-operate fully with the United Nations so as to enable the people of East Timor to exercise freely their right to self-determination. (Taylor, 1991:107-238).⁵*

The above resolutions of the UN underpinned the ungoverned status of East Timor to the extent that Indonesia's '**de facto**' administrative rule and its military presence in East Timor were never recognised.

The fall of Soeharto, the dictatorial leader of Indonesia, marked a foreign policy shift on the East Timor case. The vice president Habibie took over the presidency in the middle of Indonesia's political chaos and economic depression, and made a surprising announcement on 9 June 1998 by promising to grant a broad autonomy package for East Timor. On 27 January 1999, while the negotiation on special autonomy package survived between Indonesia's and Portugal's foreign ministers under auspices of the United Nations, Habibie announced that "his government would allow the East Timorese to choose between autonomy within Indonesia and Independence" (Fox and Soares, 2000: 66).

⁵ *The full descriptions of the UN resolution related to East Timor issues during the Indonesian occupation followed, compiled chronologically by the author.*

Indonesia's and Portugal's negotiations over East Timor under the auspices of the UN reached an agreement on 5 May 1999, to give the UN a mandate to consult with the people of East Timor on whether to accept or reject Indonesia's offer of autonomy. This agreement led to a formation of the United Nations Mission for East Timor (UNAMET). The UNAMET and the UN Civilian Police (CIVPOL) marked their presence in East Timor in June 1999 and started to campaign, on whether to accept or reject the autonomy offered by Indonesia, while registering potential voters. Despite an unfavourable security situation, many of Timorese were able to cast their votes on 30 August 1999.

While Indonesia's military-backed militias perpetrated destructions and killings in the main island of Timor, the East Timorese people finally saw the ballot results announced on 4 September 1999 after a desperate wait. It showed 78.5 per cent of the voters overwhelmingly voting for independence. On 19 September 1999, the Indonesian Parliament (MPR) endorsed the ballot result; an official recognition of East Timorese sovereignty was finally made by a former colonial power. The Indonesian MPR also dissolved its decree No. 17/1976 of annexing East Timor.

3. East Timor under the UN

The announcement of the ballot results on 4 September 1999 became a nightmare to many Timorese, including the UN mission in East Timor because of the systematic destructions that followed. The UN mission had to leave East Timor as well, carrying some refugees to Australia. On 15 September 1999, the Security Council of the United Nations established a Peace Keeping Force, given the title 'International Force East Timor (Interfet).' The resolution stated that Interfet was to

“... restore peace and security in East Timor, to protect and support UNAMET in carrying out its tasks and, with force capabilities, to facilitate humanitarian assistance operations, and authorizes the States participating in the multinational force to take all necessary measures to fulfil this mandate” (Crawford and Harper, 2001: 49).

The Interfet landed in East Timor on 20 September 1999 and started its restoration programmes of peace and security, while at the same time witnessing destruction still undertaken by the militias with the backing of Indonesia's military forces. In the hands of Interfet, the security situation gradually became normal and led to the final departure of Indonesia's military forces on 30 October 1999.

On 25 October 1999 the United Nations Security Council unanimously adopted Resolution 1272 which replaced UNAMET with the United Nations Transitional Administration in East Timor (UNTAET). This newly instituted body was given full legislative and executive powers in the territory and tasked with organising its transition to statehood.

In preparing East Timor to become a fully independent country, UNTAET then carried out its activities across the territory. It established collaborative work with local leaders by creating a consultative body – the National Council, chaired by Xanana Gusmao – and dissolved the CNRT. The consultative body consisted of leaders from different factions existing in the territory.

UNTAET also formed the embryonic administration of the nation by creating different departments which included two Timorese leaders who chaired the Department of Infrastructure and Department of Education. They organised the first election for the constituent assembly, a body consisting of eighty-eight members to formalise a constitution for East Timor.

UNTAET also formed the East Timor Transitional Administration (ETTA), twice comprising East Timorese, known as ETTA I and II. It also organised the first presidential election before the transformation of its authority to the new East Timor government. After all necessary tasks had been accomplished, the UNTAET then dissolved on 20 May 2002 and formed the United Nations Mission Support East Timor (UNMISSET) which served as a guide and consultative body to the new-born country.

During the UNTAET mission in East Timor, there were International NGOs that had come from various parts of the world to help rebuild peace and security, with humanitarian aid. This will be discussed in greater detail in the following sections.

4. Independence Period

There would have been no chance for East Timor to exercise its full independence in such a short period, but for the great efforts by the United Nations through its respected representative, the Brazilian born, late Sergio Vieira de Mello.⁶ In his hands lay the hope of the population and, with his excellent leadership, the processes of a transitional administration which had brought the East Timorese dream to reality were completed.

East Timor marked its independence with a celebration that took place on 20 May 2002. In the presence of the United Nations' Secretary General, East Timorese shared their happiness with the international communities, although

⁶ *Sergio Vieira de Mello was a Special Representative of the Secretary General of the UN to East Timor. He headed the UNTAET from late 1999 to May 2002. He returned to the UN Head Quarter after having successfully handed over "authority" to the newly elected government of East Timor. His willingness to rebuilt peace and security in Baghdad tragically took a toll on the rest of his life. He was a hero to East Timorese people. His tragic death was a shock to many Timorese and Jose Ramos Horta (Foreign Minister of East Timor) was present to pay tribute at Sergio's funeral.*

some had denied at a certain point the rights of self-determination of the East Timorese.

The newly elected government took office on 21 May 2002, and deployed a semi presidential system, comprising a President and a Prime Minister (under the Prime Minister, there were to be ministers heading each department), and a Parliamentary body. These members of government were inaugurated on 21 May 2002.

The newly elected government still relied heavily on donors' assistance to run its programmes. Its main natural resource, the Timor Sea revenue, was still under negotiation with the Australian government over sea boundaries, (even though it is clear that the Oil and Gas that lay asleep untouched by human beings are the property of East Timor). On 11 August 2004, the foreign affairs ministers of East Timor (Jose Ramos Horta) and of Australia (Alexander Downer) agreed on a 'framework' for a Timor Sea agreement which, according to Downer, was an agreement that could be reached by Christmas of 2004 (as reported in the *Green Left Weekly* of August 18, 2004). The above agreement added to a memorandum of understanding signed between the two countries on March 6, 2003.⁷

This situation has created a new system of dependency on the part of East Timor. Other resources, such as cement and coffee production and processing, still faced huge constraints as there was no basic modern technology adopted and in use to earn revenue, increase production and provide jobs to the population.

⁷ The MOU related to a transfer of US\$ 1,000,000 per annum by the Australian government, in freely disposable United State currency free of exchange and service charge.

B. Histories of NGOs' Emergence

The INGO data revealed that since 1850 there have been more than 35,000 private, not-for-profit organisations with an international focus debuted on the world-stage, and specified the founding-dates of all (active and dissolved) INGOs between 1875 and 1973. They pointed out that INGOs had been established even before 1850, and stated that "the oldest extant development INGO, for example, is the Moravian Mission in Switzerland (founded 1734)" (Boli and Thomas, 1999: 20-22).

Although the establishment of INGOs is believed to date back to 1734, their existence had not been accounted for before the United Nations was formed, as verified in 2002 by Willetts (in a UNESCO Encyclopedia of Life Support Systems SECTION 1 INSTITUTIONAL AND INFRASTRUCTURE RESOURCE ISSUES, article 1.44.3.7 of Non-Governmental Organizations entitled "*What is a Non-Governmental Organization?*"):

*"the term non-governmental organization or NGO was not in general currency before the UN was formed. When 132 international NGOs decided to co-operate with each other in 1910, they did so under the label, the Union of International Associations. The League of Nations officially referred to its "liaison with private organizations", while many of these bodies at that time called themselves international institutes, international unions or simply international organizations."*⁸

After the formation of the United Nations in 1945, the term NGO then came into currency because of the need of the UN to

"differentiate in its Charter between participation rights for intergovernmental specialized agencies and those for international private organizations. At the UN, virtually all types of private bodies can be recognized as NGOs. They only have to be independent from government control, not seeking to challenge governments either as a political party or by a narrow focus on human rights, non-profit-making and non-criminal" (Willetts, 2002).

⁸ "What is a Non-Governmental Organisation?" Final draft published on 4 January 2002.

As NGOs have gained recognition from the United Nations, the formation of NGOs spread rapidly throughout the globe. The levels and terminology deployed by NGOs also varied from local, provincial, and national, to regional and global or international.

The nature of the emergence of some NGOs is to play crucial roles in delivering overseas humanitarian aid. Some have had international advocacy as their primary motivation. Some other have tended to focus on a particular religious doctrine and have just engaged in developments; as Arnold commented, "Some NGOs, such as the churches and missionary societies, have a long history of overseas activity and have operated at least a century or more in developing countries, although their primary objective has been to spread the Gospel of their particular religion and seek converts to it. Today, a substantial part of their activity is geared to some aspect of development." (1996: 101).

These NGOs through their international development-assistance have influenced the establishment of NGOs around the globe. This also happened during the UN presence in East Timor where hundreds of East Timorese NGOs simply had to be established to become partners of International NGOs and other international aid agencies.

C. Formalisation of NGOs in East Timor (an overview)

Despite the presence of Catholic Missionaries during the Portuguese rule in East Timor who operated on the basis of spreading the Gospel while at the same time engaging in development, NGOs emerged for the first time in East Timor's history in the late 1980s.

There were two international aid organisations permitted to deliver their emergency-aid program in East Timor during the early years of Indonesia's military invasion: The Catholic Relief Services (CRS) and the International Committee of the Red Cross (ICRC). The former, after finishing its emergency-program during two years (1981–1982), continued with development programs mainly focused on agriculture-development for a duration of five years (1982–1987). However, before finishing its agriculture-development in East Timor and because of the difficulties faced during its operations, the CRS then withdrew its presence from East Timor ("Timor Timur," the Indonesian term for East Timor), helped organise and formed a local NGO known as Yayasan ETADEP. Yayasan ETADEP continued the CRS' development-program. Its financial assistance at that time was mainly from USAID, but it also sought other financial assistance. On the other hand, ICRC remained with its aid program to take care of prisoners and dislocated people across the territory.

During Indonesia's occupation, however, NGOs were well-known as LSM (Lembaga Swadaya Masyarakat), literally meaning Self-reliant Community Institutions. Some of the LSM also adopted the name of Yayasan (Foundation), to help secure funding-support from abroad. Yumiko Sakai commented, "By becoming a foundation, an NGO can open a foundation account at a bank, making it easier to receive funds from abroad" (Shigetomi, 2002: 165). Thus, during the UN reconstruction period and following the total independence of East Timor, the name changed. By adopting Portuguese as an official language of the new-born country the name Yayasan was transformed to Fundacao, both literally meaning Foundations.

By 1999 there were at least fourteen organisations registered as Yayasan and LSM (NGOs). They were registered in the government-office, under the Minister of

Justice, to obtain the government's authorisation to be able to implement their programmes in restricted areas so that Indonesian government - especially its army could easily have control over NGOs' activities.

However, despite these changes of names and situations, the roles played by East Timorese NGOs as agents of rural development, advocacy and others remained; and they still relied heavily on foreign assistance to keep the running costs and activities of the offices going.

These various historical processes indicated that Timorese people had been moving through difficult situations (if not being vulnerable to the systematic oppression) during Indonesia's occupation. Thus, the international community's concern for Timorese welfare led to the creation of East Timorese NGOs in late 1980s. This, in turn, resulted in the East Timorese assuming the roles of development-agent, advocacy, and others, to help develop their own community. In taking these roles, however, East Timorese NGOs were reliant on the International community's support, conditioning the system of dependency.

CHAPTER FOUR

THE METHODOLOGICAL APPROACH

In this chapter I will explore the methodological approaches employed. It starts with descriptions of research design, the qualitative research and the observation techniques used by the researcher in collecting relevant and appropriate information and data. It also explore how participants were approached, and how their information was treated, including ethical matters of confidentiality, anonymity, and avoidance of harm. The final parts of this chapter looks at multi-methods fieldwork, data-collection, data-recording and management, and the triangulation of the data.

A. Research Design

When an initial proposal was being written for this study, I assumed that while field work had not yet been undertaken, it was neither necessary nor important to design how a piece of field research for data collection and analysis was going to 'pan out.' I soon realised that it was important to see how the whole process of this study would go; so, finally the preliminary design was seen as follows:

- ❖ The type of this study is 'descriptive qualitative', to which I will return.
- ❖ The setting of this study would be the capital of East Timor, Dili. This choice was based on an assumption that Dili is the location where both national and local NGOs are based, their meetings are held, and their financial supports are announced. The choice is also based on the assumption that Dili is the location of donor-organisations, representatives of bilateral and multilateral organisations, international funding agencies, and INGO offices. I also initially selected three other locations to be part of this study: Lospalos, Liquica and Atauro Island. The former two are districts and the latter is a sub-district.

- ❖ This research was to focus on the roles and financial sustainability of East Timorese NGOs to determine whether they were dependent or independent. It would look at three different phases of establishment of NGOs and their existence. The first phase was the stage when East Timor was ruled by Indonesia. The second was the phase where East Timor was in 'crisis,' known as the reconstruction process, a stage where the UN and many other international agencies had come to Dili, bearing various types of aid and support. The last was the early phase of the country's independence where many international agencies, including some of the UN agencies, had left East Timor. This study would also look at the donors' policies of assistance, focusing on daily expenses, restriction to any specific project or program, and the consequences of these policies on the sustainability of NGOs. This study would then look at the growing competition among NGOs in terms of the quantity and program, and of funding to discern their sustainability.
- ❖ The study would employ a multi-methods fieldwork approach, composed of in-depth interviews, participant-observation and E-mail interviews with selected potential individuals who had had experience working in East Timor.

B. Qualitative Research

As indicated above, I am returning to the topic of the methodology used for this research, "descriptive qualitative." Qualitative methodology is defined as "qualitative study ... an enquiry process of understanding a social or human problem, based on building a complex, holistic picture, formed with words, reporting detailed views of informants, and conducted in a natural setting" (Creswell, 1994: 1-2).

C. Participant Observation

Participant observation is one in which “the observers observe from inside the group, and ideally their identity as a researcher is unknown” (Sarantakos, 1998: 208). However, it is acknowledged in most cases that it is unethical if the identity of a researcher is unknown. When an observation is undertaken in a place where the researcher is well-recognised by the people within the groups or organisations being observed, the identity of the researcher cannot actually be hidden, unless the researcher is unwilling to inform the groups or organisations about the reason for his or her presence.

It is obvious that people in groups or organisations (that a researcher intends to observe) are always curious to know the objectives of visitors, and that is unlikely to be avoided by the researcher. The use of a visitor’s book by security guards in every organisation in East Timor is a reflection of this curiosity.

Having experienced two years working with an INGO and three months with a UN agency, I believe this type of observation to be relevant to the nature of my investigation, even though I had to adapt quickly to the current situation after almost two years absence.

D. Voluntary Participation/ Informed Consent

Participants in this enquiry were given an information sheet to read before they decided either to accept or reject the offer to participate willingly and voluntarily. I also provided the information sheet in two languages: English and Indonesian.

After reading the information sheet thoroughly, the next step was to offer the Consent-Form to the participants to read before the interviews could take place,

because most of the interviews were recorded on tape. It was a participant and researcher's mutual agreement and decision to use a tape-recorder.

I also gave the participants opportunities to ask any questions related to the topic of the enquiry, and answered every question to satisfy them.

E. Confidentiality/ Anonymity

Participants in this research would not have their identities revealed, unless they authorised the researcher to do this. When the field research was carried out, this was again explained to the participants. I also explained the use of a tape-recorder and that only the supervisors and I would have access to the tapes. These explanations took place before the information-sheets and consent-forms were read and signed by the participants.

Some participants gave their authority to the researcher to disclose their identities for the purposes of thesis-writing only, but it would be unethical to mention some and leave out others. Therefore, all participants' identities and those of organisations they belong to have remained anonymous and confidential. These organisations will be identified, using pseudonyms such as Sea, Moon, Star, Meteor, Atoll, Sunrise, Water and Earth. Donor-organisations' names will be revealed as the information on each is intended for the public to have access to.

F. Avoidance of Harm

The avoidance of harm to the participants is one of the concerns of research, since the researcher is asking for information and data. In a proposal submitted to the Massey University Human Ethic Committee, it was explained that there would not

be any harm caused to participants, because this investigation was to seek only information about activities and experiences of the NGOs in East Timor.

It was also explained that the participants might feel discomfort during the interviews, because some might feel they were being challenged, but observations throughout the interviews later showed that discomfort had not appeared to be a participant-concern. Instead, both the researcher and participants reciprocated with exchanges of knowledge during interviews.

G. Multi Methods Fieldwork

Multi-methods fieldwork was employed to maximise sources of information or data. In this study, two methods in particular were employed. One was participant observation (as already explained), and the other in-depth interviews. "Interviewing is a form of questioning characterised by the fact that it employs verbal questioning as its principal technique of data collection" (Sarantakos, 1998:246). In conducting this research, however, unstructured interviews were used so that the interviewer could act freely in wording, formulating questions (as and when required), and employing neutral probing. This selection process was also based on the notion that interviews would have to have flexibility and so restrictions should be minimal. Selection of this type of interview was aimed at giving more space to both interviewers and those being interviewed, to reach effective and efficient dialogue in their communications.

I also attempted to do a documentary analysis but there were difficulties with this. Some of the participants were proactive in answering questions asked and in providing written information related to the topic of inquiry (often they gave without being asked), but others were also reluctant in giving any written documents.

1. Interview: Selected NGOs

The original planning was to interview as many as possible East Timorese NGOs operating in East Timor to get as much as possible information and data related to this study. This was based on an assumption that 'more participants involved would enrich the validity and understanding of the situation faced.' However, the difficulties of finding some NGOs' physical addresses in the field required re-focusing on some potential participants (to represent the others), while keeping the location unchanged.

The interviews were conducted with six East Timorese NGOs, four in the capital city of East Timor, Dili; one in Lospalos, a district located in the eastern part of East Timor; and another on Atauro Island. Two of these I managed to interview in both English and Tetum, as there were volunteers helping those two NGOs. Along with the in-depth interviews, I also managed to hand-out the prepared questions to two East Timorese NGOs, from whom I had not managed to obtain an in-depth interview. The answers were then collected from the respondents, and further questions were also discussed to reach a complete view or response generated by some of the questions. My attempt to interview some of the NGOs operating in the Liquica district was cancelled as a result of logistical problems.

2. Interview: Selected Donor Organisations

The interviews of selected donor-organisations were with those who had been supporting East Timorese NGOs both financially and non-financially, including the United Nations agencies, and both multi and bilateral organisations. These aimed to look for an understanding of their policies of assistance and how these policies influenced East Timorese NGOs in carrying out their activities, especially in relation to the latter's sustainability.

Four International donors were interviewed to get a reasonably comprehensive understanding of their policies of assistance. The four comprised International NGOs, and the donor countries' aid agencies. I also managed to interview two people from the NGO liaison unit office in the Department of Planning and Finance. Unfortunately, I did not manage to interview the UN agencies to obtain some information and data related to their assistance policies. I approached the UNDP as I believed that it has supported East Timorese NGOs, but the officer responsible for the program was on leave.

3. *Email Interviews of Potential Individuals*

In order to get more views from different sources, an initial attempt was made to include E-mail interviews with individuals who had had experience working in East Timor. This option was based on an assumption that during those individuals' presence in East Timor, they had more experience in dealing with the Timorese NGOs and would enrich information-gathering for this study. The questions were sent through E-mail to the selected participants.

H. Data Collection

After the methods had been chosen, the next step was the preparation for data gathering. This study proposed the use of three types of data collection: in-depth interviews, E-mail interviews, and participant observation. An unstructured in-depth interview guide was then prepared for questioning East Timorese NGOs, donor-organisations and potential individuals.

As there was no single method that could be rigorously engaged for the proposed questions to be answered and, as the research-site was often demanding for a new approach to be employed, I then included questionnaires for data gathering.

The only difficulty faced during data collection was related to conducting E-mail interviews. This problem was due to the unreliability and substantial costs of internet access in Dili where the research was conducted. This also caused a significant delay in data-gathering, but was overcome after the researcher returned to Auckland.

I. Recording and Managing the Data

All the interviews were recorded on tapes with participants' consent. For organisations or offices that were well-equipped, the interviews went as smoothly as could be expected, but with other venues, especially the local, there were always distractions. Sometimes the tape had to be turned off to avoid the input of unintended voices. This happened very often, but all these circumstances also made it possible to draw a picture of the East Timorese NGOs' situations.

All tape-recorded information was then transcribed by the researcher during and after field-research. The transcription processes had been managed as follows:

- ❖ The same file names were put onto both the transcriptions and the tapes;
- ❖ Checking and editing were conducted by listening to the tapes and reading through the files;
- ❖ Hard copies were produced and organised by dates of interviews;
- ❖ Documents that had been gained from the organisations were then attached to the hard copies of the transcriptions;

- ❖ The preliminary transcriptions were sent to some of the organisations being interviewed for further comments and alterations (for those who had internet access from their offices);
- ❖ Email interview-replies were printed out and attached to the hard-files.

J. Triangulation of the Data

Triangulation is a process of combining methods employed for a research activity to obtain a variety of information on the same issue. As already described, this research employed the qualitative approach; however, the triangulation would focus on mixing the methods, also known as *intra-method triangulation* (Denzin, 1989; cited by Sarantakos, 1998: 168), which employed two or more techniques of the same method. It is also based on the assumption that “any bias inherent in particular data sources, investigator and method would be neutralized when used in conjunction with other data sources, investigators, and methods” (Jick, 1979; cited in Creswell, 1994: 174).

The reason for triangulation, according to Sarantakos, was thought to allow the researcher

“to obtain a variety of information on the same issue; to use the strengths of each method to overcome the deficiencies of the other; to achieve a higher degree of validity and reliability; and to overcome the deficiencies of single method studies” (1998: 169).

Therefore, by using the combination methods it was then, and is now expected, that all information and data already collected for answering the research question would be rigorously addressed and described.

CHAPTER FIVE

THE ROLES OF THE NGOS

This chapter explores and analyses the roles of the East Timorese NGOs in three time-spans. It starts by exploring the roles played during the Indonesian occupation. It will then highlight the variety of parts they played during the UN reconstruction period. In the the final section I will look at NGOs during the early years of East Timor's independence.

A. The Roles of East Timorese NGOs During the Indonesian Period

Although the East Timorese had established NGOs throughout the Indonesian occupation, they experienced countless obstacles such as repression, intimidation and espionage during their existence. The implementation of their programs was confined to highly restricted work-fields and geographical locations, yet their endeavours did bring insights into the development process of East Timor. The various roles they had played as development-agents, innovators, partners (partnering humanitarian aid), educators (focused on pre-schools, primary to tertiary levels), and catalysts (advocating human, in general, and women's rights in particular) were outstanding. Some of these roles were components of the term 'provision of welfare services' which Dale identified to include "pre-school for children, primary education, water supply and sanitation, health education, and health care" (2000:75), and partnering donor-organisations, as they were operating mainly as 'service-deliverers' to implement their programs. However, the nature of East Timorese NGOs' emergence and the way they nurtured some aspects of development in highly unfavourable situations were telling in different ways. Various activities they were involved in had to be fully analysed for the researcher

to be able to draw a clear picture of their roles which had found articulation in many fields.

1. Rural Development (Agriculture)

NGO Sea established in late 1987 was actively involved in rural development activities. It played its main role as a development agent focused on agriculture, water supply and small scale business.

Agriculture programs included low-land farming (rice, corn and beans) and high-land farming (well-known as agro-forestry). These activities were implemented in a number of districts and sub-districts, and mostly dealt with farmer-groups. These groups were formed by and worked closely with the NGO in collaborative ways.

Each farmer-group consisted of a chairman, a secretary and a treasurer who were responsible for organising activities within the group, setting up meetings with the NGO, and taking responsibilities of re-payment of credit.

The credit was mainly related to the basic agricultural tools which farmers could not afford to pay for all at once (such as hand-tractors, rice-husking machines), while the NGO kept its heavy tractors for controlling wild grass. The credit was given in advance to these farmer-groups to obtain the tools, with an expectation that they would be able to re-pay after they had successfully run their activities and generated income.

Credit management had been very simple and appropriately adapted in line with the capabilities of the farmers. The needs of farmers were identified by and within the groups, with guidance provided either from the NGO or the Churches.

Farmers sent their proposals to be assessed and approved by the NGO who then prepared a contract in which the rights and obligations between the two parties were determined and signed together.

The outcomes of these credits varied. Some of these groups were able to manage their activities, including re-payment of credits. Some others were still in great need for further guidance. As an informant elucidated in an interview,

“Sometimes we felt very sorry because of stagnation in some groups, and the benefit was often for the chairman, the secretary and the treasurer; and sometimes neither the treasurer nor members of the groups received any benefit, in spite of our monitoring programs” (June 8, 2004).

Monitoring was conducted by the NGO itself and the Church in the work-field where the projects were taking place. For instance, in Lospalos farmer-groups were identified, recommended and monitored by the Church.

The geographical locations where NGO Sea operated were also restricted by the Indonesian Government. The Indonesian government only allowed the particular NGO to operate in locations where people had been relocated; mainly prisoners and others who had transmigrated from Indonesia. Apart from the restriction, the availability of funding also suffered constraints, as an informant explained in an interview,

“Our activities were only in the Loes valley, covering farmers from the sub-districts of Hatulia, Maubara, Atabae, and Cailaco. We focused only on those areas authorised by the Indonesian Government. That was during the CRS’ time. After we had become a Yayasan [initially established by CRS], we were able to carry out our activities in a wide range of places. We received support from CIDA to support other groups outside the Loes valley; these groups were in Ermera, Manatuto, Lospalos, Viqueque, Suai and Same” (June 8, 2004).

This NGO then expanded its areas of coverage as well as its activities, having gained more support from international donors. These activities included the

provision of water supply, training in micro-enterprise, credit systems, water catchments systems, and family health systems in a number of areas.

NGO Earth, established early in the 1990s, also focused its activities in rural development on land-care (land-conservation) and reforestation, but these programs were on a very small scale and operated in the sub-districts of Cailaco and Atabae of the Bobonaro district. The founder stated in an interview,

“Our main programs during the Indonesian occupation were small; the components and funding were also small. Our main program was land-care and reforestation. Our base at that time was in the sub-districts of Cailaco and Atabae of the Bobonaro district” (June 23, 2004).

2. Water supply and Sanitation

Water supply was one of the greatest needs for communities both in urban and rural areas. NGO Sea, established in East Timor, also facilitated drilling wells for drinking water, and its reticulation through pipes. This was achieved in collaboration with local people within the locations where the agricultural projects were undertaken.

This program was also carried out by a donor-organisation in conjunction with local partners in the early 1990s, which then helped to formalise a local NGO to continue the project. This NGO, in turn, became well-known for its Water Supply and Sanitation projects. It also consisted of highly trained staff, competent in implementing water and sanitation projects in a number of areas on the main Island and on Atauro Island. The project-management of this NGO was most successful. It started with a community participatory approach in its surveys and assessments, and project implementation. It then formed water users' associations to maintain the projects in the long term.

3. Partnering of Humanitarian Aid

In 1998 East Timorese people faced a natural disaster, drought. That affected food production in the lowland areas that were normally characterised by low rain-fall and poor soil. However, the impact of drought on food production was exacerbated by increased pressure from the Indonesian government and its military (in the form of area-restriction for NGO operations), and by ongoing disruption to traditional farming.

Drought relief was largely delivered by the International NGOs, and this became one of the East Timorese NGOs' activities, as one informant recounted,

"In 1998 we received substantial support from AusAID to intervene in the food program at the time we were facing food-shortage. The Australian Government provided, through us, food delivery to the communities in Balibo and Atabae" (June 23, 2004).

The humanitarian aid continued until 1999. On my return from Indonesia at the completion of my study, I found that each family of the community on Atauro Island received 50 kilogram rice, delivered on a monthly basis. On the rice bag I found the label 'Care International.' This changed the recipients' views dramatically about the way in which they managed their daily life. Recipients, for example, no longer went fishing to earn money; instead, they went fishing for their own consumption. It was interesting to note that the organisations which had delivered food-aid did not explain the reasons why humanitarian aid had come to them, and what would happen to them post-drought.

4. Education

East Timorese NGOs, established later in the 1990s, predominantly dealt with education, both formal and informal. Formal education was mostly founded by

the Catholic Church, generally operating in the Dili area, and schools ranged from primary to tertiary levels. The Catholic Church also founded a private radio station known as Radio Timor Kmanek (RTK-Lian Nain Feto), literally meaning “the voice of the Holy Mary,” which became the second radio station operating in East Timor in addition to the government-owned radio station. The private radio station was actively involved in pre-referendum campaigns, announcing the registration process and what would happen after the referendum.

Some of the NGOs also played a significant role in informal education to teach issues related to human rights, democracy, laws and regulations. This ran simultaneously with the Indonesian government’s wide-spread indoctrination of its Pancasila (the Five Principles) morality, history and others.

5. Advocacy

Some NGOs were also actively involved in advocacy work focused on human and women’s rights. This outlined the establishment of a first ever NGO in the late 1990s to deal with legal aid. A division of this NGO dealt with women’s rights and later became a separate NGO, NGO Star. It focused on women’s rights, and was involved especially in four programs such as guidance to violence-victims, advocacy through lobbying and campaigns, organising basis-groups (women’s groups) and fund-raising for that organisation.

Some NGOs actively advocated for self-determination to end systematic killings and other forms of violence against humanity on the territory. Others were involved clandestinely in supporting both guerrilla-fighters and the diplomatic front by disseminating information to the public who, in turn, received and distributed it secretly to other compatriots.

During the Indonesian occupation, East Timorese NGOs seemed to have been actively involved in various roles, and committed to diverse activities across different sectors. These activities were carried out with support from various INGO and Embassies. Their activities continued at the same time as the UN was coming in with humanitarian support from a wide range of its multilateral organisations, and activities by the aid agencies of governments, and the INGOs.

B. The Roles of East Timorese NGO During the UN Reconstruction/

Administration Period

Massive destruction followed the announcement of the ballot-result of September 1999; the East Timorese NGOs were totally ransacked and became de-activated. Their offices and valuable equipment were totally destroyed and some of their staff were forcibly removed, or they safely escaped into the mountains. They were able to return and re-organise themselves only after security had gradually been restored. On their return, they had to start from zero and raise themselves from the ashes. An informant revealed,

“In 1999, many INGOs came to East Timor, and the national NGOs had no power because we had nothing; our offices and materials had been burnt. There were only humans left. We tried very hard to reorganise. We had an NGO Forum that we founded in 1999; we conducted our meetings. We were a bit lucky because at that time there was an Australian, and people from USAID and CIDA; these people knew us and they knew that there were a number of NGOs here in East Timor. So that was the beginning of our collaborative work in East Timor” (June 8, 2004).

Despite East Timorese efforts to re-establish themselves as an NGO, there would have been no chance for them to reactivate their programs if it had not been for the international aid agencies' presence. The UN Office for the Coordination of Humanitarian Affairs (OCHA) in 1999 initially established an NGO coordination centre, focused on coordination of the international emergency response NGOs.

Later this coordination body supported and assisted the re-establishment of the East Timor NGO Forum (an umbrella of East Timorese NGOs). The assistance included an office room, and necessary equipment for the NGO Forum to function. Re-functioning of the NGO Forum provided opportunities for the nearly forgotten East Timorese NGOs to re-exist.

After the East Timorese NGOs had managed to reorganise themselves with various support provided by international aid agencies and INGOs, they were able to carry out their activities across the country. Their fields of activities included partnering international donor-organisations; rural development (small-scale business and micro credit); education (mostly focused on languages and computer courses, kindergarten); advocacy; trauma counselling, water and sanitation; and other activities implemented across the country.

1. Partnering Donor-Organisations

INGOs and multilateral organisations delivered their aid programs on their own at the early stages of arrival. However, because of their unfamiliarity with the East Timorese language Tetum, almost all international staff encountered real obstacles. They then recruited local interpreters to help them, but this effort brought little change as often 'the core got lost in translation,' and that required collaborative work with East Timorese NGOs.

The collaborative work started in rebuilding East Timorese NGOs' offices, providing necessary equipment and, most importantly, in paying staff salaries. These activities were carried out, based on the proposals sent in by East Timorese NGOs who later assisted INGOs and multilateral organisations in delivering humanitarian aid to the most needy concentrated in the districts.

2. Education

Some of the East Timorese NGOs played their role in education, mainly in pre-schools, and in computer and language courses as means of educating job-seekers.

NGO Atoll, the only one established on Atauro Island, had been running a kindergarten as part of its programs since 1996, prior to the UN administration. It utilised a kindergarten built by the Indonesian army in early 1990s. By 2001 it had established two other branches in two villages, namely Biqueli and Maquili. The main support for this activity had come from NZODA, administered through the Embassy of New Zealand (Jakarta office), and run by the Satya Wacana University (a Christian University based in Salatiga, Central Java) under its program, Lembaga Pengabdian Masyarakat (LPM), 'Institute of Community Service.' It also ran an English Language course in 2000, in the early years of its re-establishment as an East Timorese NGO (supported by Australian Volunteers International – AVI), but this was suspended after a few months, as the result of decreased participants' attendance and also of the departure of the tutors themselves – having holidays without returning.

The second form of education run by NGOs were language and computer courses. Language course at the first stage was "English," aimed at teaching job-seekers to meet the basic requirement of job-providers (especially the UN and its multilateral organisations) and INGOs who during the UN period used nothing but English. Some NGOs were able to include 'English-speaker volunteers' in running the courses, including the NGO Forum which offered free classes to local staff of both National and International NGOs; I also managed to attend

one myself. Others used the NGO staff (East Timorese), or hired a fairly knowledgeable native speaker of English, to teach.

Surprisingly the constituent assembly, consisting of eighty-eight members, had initially decided that independent East Timor was to use Portuguese as its first official language, neglecting its own Tetum widely spoken and understood by Timorese and accepting Tetum only as its second official language. For many Timorese, especially the young ones and those who had been educated during the Indonesian period, this decision turned into a nightmare, adding to the clouded September 1999. They rushed into Portuguese language courses which at the first stage were offered by Portuguese volunteers who spoke well, but were not good enough in paedagogy. However, this language course was then taken over by many NGOs, as a new program in addition to English. They ran this course as an opportunity for seeking donors' support. Hired local people, who spoke Portuguese well enough to teach, faced a local environment not conducive to speaking Portuguese; and the Portuguese themselves offered little space for people to practice the language.

One of the courses was computer literacy run by a number of NGOs in both the city and the districts. The main obstacle was a shortage of power supply. In the districts, for example, no electricity was provided during the day, so it required NGOs to run their computer-course during in the evenings for few hours. That also happened to the only NGO established on Atauro Island.

3. Rural Development

NGO Sea restarted its office and rural development programs in 1999, supported by USAID and CRS. USAID provided funding for office materials,

transportation and staff salaries. Meanwhile, CRS was able to support this NGO on agricultural projects in Natarbora for two and half years from 2000 to mid 2002. The funding also came from CIDA for office equipment, transportation and continuation of CIDA's programs, all of which in the Indonesian administrative period; this NGO firmly received in terms of block-funding. CIDA provided its block-funding every year until 2003, as an informant explained,

"We received block-funding from CIDA every year, from the Indonesian time until 2003. It has not terminated yet, but CIDA has requested an evaluation first, because we have been independent for four years now. They [CIDA] will then decide whether to continue the support or not" (June 8, 2004).

This NGO also received its funding from CARE in 2000 for implementing agricultural projects in Natarbora, and from Oxfam for those in the Loes valley from 2001 to 2003. CIDA also provided direct-funding for projects in the Loes valley until 2004; and that was completed in March 2004, prior to this thesis-interview. A sub-component added to agricultural programs was micro credit for farmer-groups. This was administered by the NGO, mainly in the provision of hand-tractors and rice-husking machines to farmer-groups.

NGO Earth, established earlier in the 1990s, was also ransacked in 1999 by military-backed militias. However, it managed to re-establish itself in 2000, supported by Oxfam Great Britain. The latter provided emergency funding for the rebuilding of the NGO's office, and the provision of basic office equipment and transportation. Later, the NGO became a partner of AUSTCARE, an Australian NGO based in Sydney; it had been carrying out a project under the title "Capacity Building" from 2000 to 2003. The location of this project was, once again, in Bobonaro district and it covered two sub-districts namely Atabae

and Balibo. The components included in this project were explained by the informant as follows:

“The components that were included in the Capacity Building project was micro-credit, kiosks, literacy, horticulture, and up-land farming” (June 23, 2004).

4. Advocacy

NGO Star, established in 1997, played its major role of advocacy, focusing on women's rights (anti-violence against women). This role was played simultaneously with other NGOs involved in the same issue. By 1999 women's organisations had managed to establish a women's network, and this NGO became a part of it. The NGO has since dedicated a tremendous amount of its time and effort to women's issues, strengthening women's position and spirit by establishing women's organisations at district levels.

There were a number of NGOs working on human rights issues, such as Yayasan HAK which was the only strong organisation established throughout the Indonesian period. It still has a very broad influence and connection with East Timorese people and donor-organisations, during this thesis-research period.

Most noteworthy in the advocacy and catalyst work were the call for the establishment of an international tribunal to try those Indonesian perpetrators of violence against humanity in the pre- and post-referendum period, and the NGOs' courageous involvement in the reconciliation among the Timorese themselves after the referendum.

5. Monitors

The flying of aid relief to East Timor resulted in the establishment of an NGO in 2000 to play a monitoring role. This NGO was basically started by a joint initiative among the East Timorese and their counterparts. Prior to its establishment, however, a number of international activists came to Timor and started collaborative work with Timorese activists to establish a means of monitoring the process of the referendum. After the referendum was over, they then decided to establish NGO Moon to monitor the UN and its multilateral organisations, and other international aid agencies' presence and their works.

The monitoring work, therefore, was aimed at giving the East Timorese public the most factual and up-to-date information about how and why international donors had come to East Timor and what they were actually doing. The information was given to the public through the distribution of bulletins, Surat Popular [public letters], radio talks, and public discussions as well as debates.

The main objective of this NGO was

“to monitor and analyze the activities [and support] of International Institutions/Organizations, as they relate to the Physical & Social Reconstruction/Development of East Timor; to improve communication between East Timor Society and International Organization regarding the Reconstruction; and to serve as a Resource Centre for Development Related Matters” (Interview; 1 June 2004).

6. Trauma Counselling

The only East Timorese NGO focused on Trauma Counselling was NGO Water, established in 2002, founded in collaboration with an Australian NGO in 2001, and initially funded by AusAID. NGO Water was aimed to “support men, women, children, and families who have suffered trauma, violence and related problems” (Interview; 4 June 2004).

To achieve these goals, this NGO ran simultaneously four programs as follows, according to its NGO brochure.

“Mental and health, aimed to help children and adult[s], men or women who get [sic] mental illness; recovery and development, aimed at children and adults who have experienced trauma or related problems, psychosocial activities for children, juveniles in detention, street children and community educational campaign about children rights for children, parents, teachers and society; training, providing a coordinated specialized training program on basic counselling, violence and abuse against children, sexual assault, trauma, HIV/AIDS, forensic examination; research on child abuse and commercial sexual exploitation of children in Timor Lorosa’e; and victim support, coordinated with the Vulnerable Persons Unit (VPU) to provide support to victims and their family who experienced violence and trauma” (June 4 2004).

This NGO started these programs by conducting a research project funded by UNICEF in 2002. They found 104 cases of exploitation of children and sexual violence. It also ran activities focused on children to identify children who were suffering trauma.

7. Languages and Computer Training Courses

English and Portuguese languages remained in demand by the East Timorese as a consequence of the East Timor government’s decision to use four languages concurrently; official languages (Tetum and Portuguese) and working languages (Indonesian and English).⁹ These decisions, however, were seen by NGOs as an opportunity to expand their programs, at least in seeking funding support. Some donors have also been very supportive by means of providing financial support to NGOs and by means of supporting the overall government’s decision. NGO

⁹ East Timor Constitution, **Section 13 (Official languages and national languages:** 1. Tetum and Portuguese shall be the official languages in the Democratic Republic of East Timor. 2. Tetum and the other national languages shall be valued and developed by the State. **Section 159 (Working Languages:** Indonesian and English shall be working languages within civil service side by side with official languages as long as deemed necessary.

Sunrise, operating in the Lospalos district for instance, ran simultaneously two language courses, English and Portuguese, for young people.

The outcomes of the courses were that most young people had been able to have jobs in both government offices and International NGOs. The government officials, especially the younger ones, were and are still struggling with Portuguese, because it had not been in common use, although the government had made an effort by establishing a language course centre within the public sector. Meetings and public discourse were conducted predominantly in Tetum.

Interestingly, English was broadly used and mostly understood by the younger generation as a result of the working environment created by most international agencies; the use of English had encouraged people to learn and apply English at the same time. The well-paid salaries offered by English speaking organisations could have been the reason, because the Portuguese sector offered negligible chances by comparison.

C. The Roles of East Timorese NGO During the Early Years of the Country's Independence

The hand-over of authority from UNTAET to the newly elected East Timorese government on 20 May 2002, marked the shift of East Timor's status from a province to a nation-state, and from an emergency-period to a nation-building development era. This turn-over situation was encouraged and demanded at the same time. The free East Timor demanded all Timorese to link their hands in brotherhood and sisterhood to participate in the building of a new nation. Being a democratic nation, mostly influenced by Western schools of thought, this has since provided a new but conducive atmosphere for East Timorese NGOs to develop and

implement their programs as part of nation building. East Timorese NGOs then continued to involve themselves in various activities.

1. Rural Development

With support from NZAID, a re-established NGO Earth was able to implement an agricultural (Fishpond) project in the Bobonaro area. The project was carried out in conjunction with the Australian PKF (Peace Keeping Force) which, according to an NZAID staff member, had been a highly successful project since independence. This was a new technique introduced by an NGO as innovator.

In addition to the NZAID funding, NGO Atoll operating on Atauro Island had developed a new program called "Participatory Community Development Program" (PCDP) which, according to the NGO's coordinator, was an initiative based on the way a community managed support provided by donors. Most notable was the funding from the World Bank under its Community Empowerment Project (a project which involved the entire community) which was then discontinued after a few years.

The PCDP project focused on two hamlets, namely Ili Timuk on the hillside (Macadade Village) and Adara (Beloi Village) in the coastal area. This project was aimed at assisting communities to manage their own development, as an informant explained.

"We are going to establish a development committee in each of those aldeias [hamlets] to look at their own development, what they want and then what resources they have in hand to achieve those things, what roles the community plays, what roles the NGO plays, and assisting them into it" (June 22, 2004).

PCDP is long-term, and in this program the NGO assisted the community to develop and run community schools because the government schools were too

far away from where the community was domiciled. Also, in the same program there were two support components: one in agriculture where the NGO and the communities tried to explore methods for ordinary farming and permaculture. The other was in fisheries which included training on smoking fish, developing different ways of preserving fish, identifying markets, and surveying the island to guard fishing from depletion of stock.

NGO Earth was also actively involved in the Ainaro and Manatuto Community Activation Project (AMCAP), an agricultural project administered by the Ministry of Agriculture Forestry and Fisheries (MAFF), with funding provided by the Japanese government through UNDP (Dili-based office). The duration of this project was two years, and the components included highland techniques (technique intervention, agricultural innovation), forestry (critical land-condition intervened with reforestation), and seed multiplication (rice, corn and beans).

This NGO, however, was fully conscious of collaborative work with the government, which its director summed up as “*setitik air di dalam laut*,” literally meaning “*a drop in the ocean*,” comparing the work of an NGO to that of the government in terms of significance.

A network consisting of NGOs working on agriculture had also been established to coordinate and facilitate their work, and to share their expertise and information. This network was substantially supported by donor-organisations.

2. Education

Two NGOs continued to work on education, focused on kindergartens. One is still located on Atauro Island and the other in the Lospalos district. The former had expanded and established five community kindergartens across the island. In

running these community-kindergartens, however, NGO Atoll provided training to teachers, developed teacher-training materials, monitored, and formed parents' organisations and, at the same time, ran a library.

The latter has now turned its focus on establishing a branch office at sub-district level to explore the possibility of setting up a kindergarten. This option was generated by an awareness that the government had by then run a public kindergarten located in the same area.

3. Advocacy

By the time of the hand-over of UNTAET authority to the newly elected East Timor government, there were numerous cases related to human rights issues remaining unresolved. These cases not only became the newly elected government's concern but also the NGOs', especially those who were working on human rights issues. However, the government had to concentrate on how it would manage the nation, and the NGOs continued their efforts on how to solve the remaining issues. They advocated for developments based on gender-balance, justice for victims by providing legal aid, and other issues.

Most notable for NGOs in advocacy and catalyst work were the Timor Sea issues and their campaigns. The NGOs' call for the Australian government to foster sea-boundaries negotiations and to respect East Timorese rights to oil and gas explorations were weighty, but brought little change to the Australian government's self interest and its good-will towards the process of East Timor development.

These campaigns were to remain as one of the most significant tasks for East Timorese NGOs to advocate while seeking international support.

4. Trauma Counselling

Trauma as a consequence of guerrilla-warfare remained in the memory of most Timorese people who did not actively involve themselves in war but had witnessed systematic tortures and killings. The Timorese guerrilla-fighters, who had fought for 24 years to gain a free and independent East Timor, had not managed to recover from their pain either. After the warfare, some of the fighters' dream of gaining a position within the new government was not realised, and the long-time dream turned into the disaster of being unable to get a job. They became victims of their own dream. Overcoming pain and suffering remained a task for the NGO, focused on trauma counselling.

NGO Water, focused on trauma counselling, continued its work of providing victims with trauma counselling. It also established a 'safe room' at the hospital, running various workshops and training in the districts, and taking care of youths in prisons by running programs for them.

The NGO who worked as counsellors provided consultations and training not only for victims, but also for other NGOs and for the East Timor's National Police on how to identify children and adults who had suffered trauma, and how to overcome the effect. These activities were executed in collaboration with experts from overseas, such as volunteers from Singapore, consisting of psychologists and social workers offering their specialised skill and knowledge every three months to the NGO staff members.

The NGO also served lay people and veterans alike. The latter were the most critical to cope with because of their long periods of trauma. This would keep this NGO operating, dependent however on how this NGO managed to obtain funding for its long-term programs.

5. Monitors

NGO Moon, who played its main role as monitor and disseminator of information to the public, continued its roles. It focused on international aid agencies operating in territories such as the UN's multilateral organisations, international NGOs and other nation states' aid agencies tied to the embassies.

Those two simultaneous roles, especially in the distribution of bulletins and public letters, had kept the East Timorese public informed of donors' broader policies and practices; the state of on-going negotiations on the Timor Sea boundaries, for example; and other critical issues related to current and future development of East Timor.

In order to reach people in remote areas, the NGO also utilised two radio-stations, Radio Timor Leste (public) and RTK (private), for disseminating information. It filled radio programs to minimise costs. It also established networks with other Timorese NGOs, international NGOs and government officials at district levels to help distribute its bulletins and public letters. For example, it worked with Oxfam Australia who had two branch-offices across the country to help distribute bulletins and public letters.

During 2002 and 2003, the NGO's staff members had gradually travelled to districts to conduct a series of discussions with the community, mainly focused on public letters which outlined only the most important issues. The upshot of

these discussions was that they found people at district levels lacking information. People did not even know the significance of the Timor Sea for their own future in particular and for East Timor in general. They also identified people's complaints about activities being concentrated in Dili, by most organisations.

To play a monitoring role, however, an organisation must be objective. A careful selection of donors should be drawn up right at the beginning of its existence, particularly when the funding is constrained, and this was how the organisation became defined at the time of its establishment. This situation aimed at avoiding any blame of biases in reporting. About the selection of donors, an informant revealed,

"Our principle is clearly that we do not want funding from every organisations we monitor; for example, here in East Timor there are USAID and AusAID who offered assistance but we did not accept their support because we monitor them. It would be difficult to be objective. We also considered donors who had supported the Indonesian occupation. We selected donors by looking at their past history of involvement. We always have to find out whether they did support the Indonesian invasion or not. If they did, we do not want their support" (June 1, 2004).

A staff member of the NGO, however, gave an account on the departure of some donors, which had an impact on information-gathering for publication. The NGO had then looked at the shift in the situation and anticipated looking at the possibility of monitoring government work in the future, as yet another informant revealed,

"Some international organisations have left, or closed their offices. We need to look at our mandate; if there is going to be a shift and we are no longer monitoring international organisations, we might look at monitoring our government; well, we will see" (June 1, 2004).

Needless to say, some of the international NGOs had committed themselves to supporting East Timor long-term. Their presence would ensure the existence of this NGO, and the future possibility of monitoring its own government policies and regulations would then become the real task of this NGO-monitor.

During these three periods, the East Timorese NGOs seemed to have been involved in various activities. Some had been putting together and running several programs collectively; others were focusing on agriculture, advocacy, education, and women's issues. For example NGO Meteor, which was established in March 2001, focused mainly on women and described its vision thus: "to work together with women, their communities and organisations to enhance their lives" (Questionnaire, 24 June 2004).

The mission statement of this NGO, stated in a questionnaire of 24 June 2004, reads as follows:

"Economic Empowerment: to empower women to achieve economic independence; Advocacy: to advocate for the advancement of women's aspirations in all areas of their lives; Education and Literacy: to support women and their children's access to education; Maternal and Child Health: to contribute to a reduction in the maternal and child mortality rates by promoting good health for women and their communities; Humanitarian Assistance: to distribute practical assistance to the most needy women and their families encountering economic hardship."

To achieve its vision and mission, however, the NGO had had to run six programs simultaneously, including advocacy and referral, maternal and children health, education and literacy, economic empowerment, anti-trafficking, and humanitarian assistance. The NGO also specified its target-groups for each of these programs as shown in the table below and discerned from the questionnaire of 24 June 2004,

No.	Programs	Target Group
1.	National Women's Resource Centre	Women's Organizations and Communities
2.	Breastfeeding Association	Nurse, Midwife, Mother Support Group (Youth, Mother, and so on)
3.	Handicraft – Tais ¹⁰ Industry	Women's Group
4.	Scholarship	Young Women in Senior High School, Student of University
5.	Friendship School	Primary School, Junior High School and Senior High School
6.	Women and Children Trafficking	Prostitution

Source: Adapted from NGO Meteor's statement on questionnaire, 24 June 2004.

These activities would certainly remain as tasks for East Timorese NGOs in the country's continuing development. The myriad activities they were involved in could be termed as NGO roles which scholars used to specify each activity. The activities would then certainly be part of the roles of NGOs as service delivers, development-agents, catalysts, innovators, monitors, and partners. The NGOs serving to channel the voices of the poorest, would later become actors in policy formulation.

The descriptions of these three periods of East Timorese NGOs' involvement in different fields or sectors of development indicated the stages of purpose that NGOs were moving through. Korten (1987, cited in Dale, 2000: 76) identified the three stages as generations.

"The first-generation NGOs focus on relief and welfare, the second-generation ones [sic] emphasise local self-reliance through organisation and mobilisation of local resources, and the third-generation ones [sic] move on to challenge policies and institution at national and sub-national levels."

The nature of NGOs' emergence in East Timor strongly suggests an equivalent process, although Korten's last generation seems to have been dependent on government policies.

¹⁰ Tais is an East Timorese traditional handicraft. Its pattern varies between the two parts of East Timor, eastern and western. Its size also differs. The smallest one is a scarf normally used as a gift for a visitor. The biggest one is used for traditional dance to welcome visitors, and also as means of trading. It has also been used by Atauro's people for traditional engagement prior to marriage.

CHAPTER SIX

THE DEVELOPMENT: FINANCIAL SUSTAINABILITY OF THE NGOs

This chapter seeks to explore and analyse the financial sustainability of East Timorese NGOs. It starts by looking at their financial foundations, how they used residual-funding left by the predecessor LSM, and how the former put their own money down to establish NGOs. The chapter will then describe and analyse the use of micro-credit and ecotourism as income-generation-activities (to fill the economic space), and the obstacles encountered by these two initiatives. It will also describe whether there are any possibilities for the East Timorese NGOs to conduct fundraising activities, given the economic difficulties of the community. The accountability and credibility of NGOs to be able to obtain funding, and the dependency on donors' support, are both described and analysed in the final section of this chapter.

A. Financial Foundation of Timorese NGOs

Eight East Timorese NGOs were studied in this particular research project. Three of them were founded prior to the UN administration period, or during the Indonesian occupation. They all relied heavily on donors' support to carry out their programs. Some of the LSM or Yayasan (NGOs) were established with help from international donors and others were generated through the initiatives of the founders. They founded NGOs as a means of seeking donor's support either from nation states' aid agencies, the UN multilateral organisations, or from International NGOs.

NGO Sea, founded early in late 1980s, initially formed by CRS, had fully relied on donors' support during its existence. This NGO received its funding from CIDA up to the 1999 referendum. It also generated income by running a micro-credit

program, but this was merely for increasing the number of recipient-groups. However, the NGO's money received from both donors and farmer-groups (as repayments of credits) were stolen at the time that the Indonesian military-backed militia perpetrated violence across the county in September 1999, as an informant indicated in an interview.

"Our money in the Bank and Safe was totally stolen during the September violence" (June 8, 2004).

NGO Earth, founded earlier in the 1990s, also relied on its members' abilities of lobbying and of formalising acceptable proposals required by donors.

"At the time we established this NGO, we relied 100 per cent on donors' support. The first time we faced this undertaking, it was very difficult: we did not know how to manage a Yayasan until we learnt from the Indonesian Yayasan and LSM [NGOs]. They taught us how to formulate a program and how to utilise funding. We learnt by actually doing the task" (June 23, 2004).

The East Timorese NGOs founded during the UN administration period, showed a similar approach. Their emergence had relied on donor-support for implementing projects. However, the term 'project' also carried different connotations. The community often thought that if they were to participate in project implementation, they should be paid. Participative and collaborative works as a means of strengthening community moved beyond the NGOs' initiatives and capabilities.

NGO Atoll, established on Atauro Island and previously run by a Christian University under its LPM and Pusat Pengembangan Sumber Daya Manusia (Centre of Human Resources Development), also relied on donors' support. It utilised funding provided by NZODA and the World Council of Churches (WCC). It had never generated income in its operation during the Indonesian period, as its main programs were focused on developing communities on Atauro Island. It re-established itself as an NGO early in 2000, using unspent money from the preceding

organisation. In early 2004 it was running two programs as ways of generating income: the boat 'ferry' operated twice a week as a service provision for Atauro's people, and they were engaged in ecotourism for tourists. The latter will be described in the next section.

The descriptions above strongly suggest that the East Timorese NGOs in their formative years relied heavily on donors' support. None of those NGOs had their own budget to implement the organisation's programs. Thus, the term NGO in the emergency period carried diverse metaphors. The main task of an NGO was to write a proposal, to send it to a donor organisation to be assessed and approved, and to implement projects on receipt of a proposed funding, according to an informant.

"An NGO in the UN period was identical to a proposal, a department of labour from which people could get an easy job and money" (June 1, 2004).

Some of these NGOs, however, especially those established during the Indonesian period, had fully understood the term "NGO" and the meaning it carried. Having learned from their previous counterparts, Indonesia and the donors who had supported them during the occupation, they were able to distinguish between the NGO and the business enterprise, although they also relied heavily on donor funding to be able to carry out their programs. NGOs established during the UN period, which had no adequate NGO knowledge and experience, came to understand the actual meaning only after having been unable to run their programs as well as run their own organisations.

However, it is significant to emphasise that the East Timorese NGOs had no financial foundation to attract funding from international donor-organisations. All they had was their initiative, motivation and spirit to help rebuilt the community's life. The myriad of activities, carried out by the East Timorese established NGOs

and their long-term involvement in the development process of East Timor, remained financially dependent on donors' support.

B. Residual Funding and Self-initiative Funding

While almost all the East Timorese re-established and the newly established NGOs during 1999 fully relied on donors' support in their formative years, there had also been extraordinary efforts made by the founding NGOs. One of them was able to use funding left over by its predecessor organisation, while the other had to sacrifice by putting down their own money for establishing NGOs.

NGO Atoll, the only one founded on Atauro Island, was able to use unspent money left behind by its preceding organisation. The organisation secured its funding in an Indonesian Bank. Luckily the previous organisation had also been managed by an Australian volunteer in addition to an Indonesian coordinator. Prior to the referendum, both had to leave East Timor for their own safety. The Australian volunteer was able to return at the end of October 1999, and was surprised that the previously recruited staff had continued keeping a program in operation. They ran a kindergarten without knowing where the funding would come from, who would support them and, most importantly, who would pay their salaries.

Realising that the organisation was still functioning, the Australian volunteer conducted various meetings with staff-members and with some local leaders to discuss the possibility of establishing an NGO to be based and operated on Atauro Island and, most importantly, utilising the unspent money. A substantial meeting with Atauro people was held, represented by local leaders (from the villages, the churches - Catholic and Protestant -, the health section, the education section, and the CNRT) and the traditional chiefs.

Three options offered to the participants at the meeting were explained by an informant as follows:

“The main question we asked Atauro people was ‘Should we continue the program, should we abandon it, or should we join another NGO on the main land [Dili-based NGOs]?’” (June 22, 2004).

The upshot was that the community leaders decided to establish an NGO based on Atauro to continue the programs. They also elected a director, a secretary and, above all, a Badan Perwakilan Masyarakat (BPM) – “Community Representative Board,” and the Australian volunteer also elected as an advisor (Consultant) to help strengthen the newly established NGO.

Subsequently this NGO carried out its education and fisheries programs. Proposal-writing and lobbying followed as means of seeking more funding to carry out activities proposed and demanded by the communities.

In the Lospalos district, the founder initially funded NGO Sunrise in its formative year. This founder used approximately US\$600 to start the NGO. The amount was not repaid after the NGO had received funds provided by UNICEF, as the founder believed that it was part of its self-initiated funding, according to an informant.

“When we started this organisation we used my private money, approximately US\$600, and we were all working voluntarily for about three months. When our organisation came to be supported by UNICEF, I did not take out an equivalent amount as repayment because it was my initiative. I had had to make a sacrifice” (June 14, 2004).

While most of the NGO-founders relied heavily on staff’s skill to write proposals and lobby donor-organisations, an initial funding provided by an NGO founder had to be seen as exceptional and an extraordinary effort, although thereafter the NGO grew dependent on donors’ support in running its programs. Nevertheless, this was remarkable in the nature of an NGO in the context of its emergence in East Timor,

because at the time of its establishment in 2001, most people were confronting the matter of how to restart their lives, find their missing families and, most importantly, how to rebuild their houses.

C. Micro Credit as Income-Generation-Activity and its Obstacles

In June and July 2004, two of the interviewed NGOs were running micro credit as part of their overall programs. One has had a remarkable record of success while the other indicated that it would discontinue this program.

NGO Sea, which ran micro-credit as part of its programs, had seen this as an income-generating activity which provided sufficient to pay staff salaries. At least sixteen out of its thirty-six staff had been paid using money generated from this activity, and from other activities such as renting out its heavy-tractors and cars. The rest of the money from micro-credit had been used to fund other farmer-groups, comprising about four to five groups each year, as an informant revealed.

"We have been supporting many groups, providing credits. We did not use the money received from donors. That came from the repayment of credits by those previously supported farmer-groups. If the amount was sufficient to fund a group then we would provide for another group. We used the money as a revolving fund. Each year we could support four to five groups, and each group received over US\$2000. It depends on the nature of the activities. We received around US\$8000 to US\$12000 each year. We also used some of the money to pay 16 of our staff" (June 8, 2004).

On the flipside NGO Earth, which had indicated the intention to discontinue its micro-credit program, saw this approach as a non income-generating activity that would provide sufficient to sustain the NGO's existence and to pay staff salaries, rather than to increase the recipient groups. An informant revealed,

"If the credits were reimbursed by the recipients, we could use to extend the programs [credit] to another recipient, the community - the communities were vast - and I think it is not logical to use reimbursement for paying staff salaries" (June 23, 2004).

NGO Earth had turned to focusing its main program on land-care. Its founder saw 'multi-programs' as 'dangerous' for an NGO to be involved in. The founder explained,

"I had a critical experience about multi-programs. It is very dangerous and not good at all. The NGO operation does enhance its reputation, but in the future the acronym is all that it will have left. Therefore, it is better to concentrate on one or two programs based on our abilities and vocations" (June 23, 2004).

There were also difficulties encountered by those NGOs running micro-credit programs. Firstly, the problems related to the organisational and financial management of the recipients or farmer-groups. Some of the farmer-groups were lacking organisational and financial management skills. The farmers' organisations were not strong enough to manage their own activities. Financially, they faced diverse constraints as often family-needs came first and repayment of credit had to wait until a sufficient amount had been received or generated. Secondly, the difficulties related to the recipient's behaviours. Farmer-groups had often forgotten that they had signed a contract with an organisation from which they obtained their credits. They had also forgotten that their daily activities in order to repay credits were important.

Nonetheless, these two difficulties were also dependent on how the NGO responsible for the micro-credit addressed the problems at the early stages of their collaboration with farmer-groups or recipients. The NGO which had successfully managed a micro-credit program, for example, had had a long history of involvement. It started during the Indonesian occupation, and it ran a series of both organisational and financial management training constantly as a means of strengthening farmer-groups. It continued providing "training before turning to support" during its re-establishment in late 1999. As an outcome of its training provision, some of the farmer-groups had been able to manage their activities,

including repayment of credits. The diversity in community response to micro-credit activity was further explained by an informant,

“Some of the farmer-groups had come to ask for more credit provision, especially those who had successfully managed their credits. Some of the new groups also came with money, and sometimes the amount was half that of the credit” (June 8, 2004).

There was also variety in community response to the micro-credit programs. Farmer-groups who were in greatest need of obtaining agricultural tools had always come with their own deposit money. Others, who were not wanting a credit from the NGO, often criticised farmer-groups as being unable to manage their own finances to pay for agricultural tools all at once. They often thought that they were smarter or more competent than the farmer-groups. An informant who encountered the diversity of positives and negatives responded,

“Farmer-groups who needed credit sometimes came with deposit money which could range between 20 to 50 per cent of the tools’ price. Those who criticised were people who had not wanted the credits and those who thought they were cleverer than others” (June 8, 2004).

Such criticisms, however, were not seen by the NGO as challenges, but rather as an opportunity to advance its credit program because the greatest number in the country who needed agricultural tools were farmers.

D. Ecotourism as Income-Generation-Activity and its Obstacles

NGO Atoll on Atauro Island conducted a workshop early in 2000. It brought together community-leaders and NGO staff to identify both human and natural resources to be developed. The list of activities included education, agriculture, fisheries and tourism concerns.

The NGO then explored the possibility of running an ecotourism program, instead of tourism as identified earlier in the workshop. The meaning of ecotourism was, however, unknown by many of Atauro's people as they had never heard of it; all they knew was 'tourism.'

The International Ecotourism Society in 1991 defined ecotourism as "*responsible travel to natural areas that conserves the environment and improves the well-being of local people*" (Honey, 1999: 6). This means that the NGOs, who implemented and participated in ecotourism activity, should follow the following principles:

*"Minimize impact,
Build environmental and cultural awareness and respect,
Provide positive experiences for both visitors and hosts,
Provide direct financial benefits for conservation,
Provide financial benefits and empowerment for local people,
Raise sensitivity to host countries' political, environmental, and social climate,
Support international human rights and labor agreements"*
(The International Ecotourism Society, 2004).

NGO Atoll then started the ecotourism activity by sending its staff-members and some community representatives to Bali – Indonesia – for a study tour in 2001. The aim was to learn how Balinese people developed and managed tourism, and to see and analyse how tourism would affect the entire lives of the community as well as the environment.

Thereafter, the NGO developed tourist sites, building cottages and other necessary provisions needed for a tourist-destination, using funds provided by AusAID through AVI. The NGO also recruited new staff to serve tourists, while it had to focus on ecotourism management and other programs and activities. However all this, according to an NGO staff, was part of community capacity-building in the area of tourism.

By June 2004, the income generated from the ecotourism program had shown a significant increase in the amount collected. It was the result of increasing tourist-visits to the Island: about 1500 during the 18 months of its operations.

As part of the NGO's income generation activity, however, a member of NGO Atoll refused to the point of being unintelligible to categorise ecotourism as a fundraising activity, because ecotourism is not, and indeed, a kind of community fundraising.

"If you think about ecotourism, it is not really a matter of fundraising like community fundraising, but there are funds coming in from about there, because we may also have to think the matter of some of those funds going into NGO Atoll, because we actually managed" (June 22, 2004).

The ecotourism program was also conducted in collaboration with other international donor-organisations to provide technical and financial support. NGO Atoll, for example, worked together with Australian Conservation to run a series of trainings associated with ecotourism development, especially in raising local community awareness of the environment.

The obstacles encountered in developing and running ecotourism, however, were immense. Firstly, as the NGO had risen from the community, it was very difficult to escape the community's critical demands of "income generation." Some people had seen ecotourism as an effort towards the NGO's sustainability; others had also seen it as the 'NGO's private business.' Secondly, there were demands from staff members actively involved in the program for increases in their salaries. Thirdly, there was the urging of donors for the NGO to be less dependent, as it had to think about its longer-term sustainability. Fourthly, and the most critical, was the question of how to put income aside from the NGO's long-term objectives in order to execute some short-term programs demanded by community, although the impact might not really help the economy. One international worker told me,

“Studies in Thailand show that ecotourism does not really help the economy; its impact in the economy is so minuscule” (June 29, 2004).

Another concern related to the above obstacles was the possibility of a government program of developing tourism on Atauro and Jaco Islands in the future. This possibility, however, needed to be seriously taken into account by the NGO, as the government might become its future rival in terms of the provision of facilities, or the creation of policies and regulations for a take-over of the NGO's activities.

NGO Atoll also initially ran a weekly transportation service: a ferry travelled to and from Atauro Island twice a week as a means of generating income, but the economics of Atauro people had made it difficult in a way to sustain operations. The ferry operation was subsidised by the ecotourism program despite the fact that the cruise had been running for a couple of years. Although the NGO set the ferry aside as a separate program, it needed to be a support program added to ecotourism, as the boat was also utilised to carry passengers, both tourists and locals.

E. Fundraising Activity and its Obstacles

Fundraising activities were often used by many NGOs as ways of collecting money from people who were willing to support the others. The organisations, who were running fundraising activities, usually conducted campaigns to convince people to donate towards a given program or activity. However, this depended on the economic viability of a given community. In the western world and most of developed countries consisting of affluent people, this conduct would certainly be workable. Most less developed countries face enormous constraints in running fundraising activities.

The economic capability and viability of East Timorese was problematic to most NGOs wanting to utilise fundraising activities in any specific program. All the NGOs interviewed gave accounts of the difficulties of conducting fundraising in East Timor. NGO Sunrise in the Lospalos district had once tried to have it on its anniversary celebration, but it was considered not an option since the community were still struggling with rebuilding their lives, sending their children to school, and even finding a job themselves. One member told me,

“We did a kind of fundraising once at the time we celebrated our organisation’s biennial anniversary. We raised a small sum from the local community here and we used it to buy presents for the kids as well as give a one-year scholarship for another kid. We could run a fundraising activity only for special occasions. We could not run it as often as it might be done in other countries. It is not possible here” (June 14, 2004).

NGO Sunrise had also once suggested to its Japanese counterparts, who were visiting the NGO, that they might conduct fundraising activities in Japan if they wanted to give support.

A member of NGO Earth interviewed mentioned difficulties of fundraising by pointing out that unless the government had explored the existence of oil and gas in the Timor Sea, the fundraising among East Timorese people would remain difficult.

“I do not think that East Timorese people will be like people in Australia, for example, who could voluntarily give \$1000 to other people to perform an activity, unless the oil and gas in the Timor Sea has been explored. I do not think that fundraising activity would be an option in the next one or two decades” (June 23, 2004).

F. Accountability and Credibility to Obtain Funding [Support]

The terms accountability and credibility have been in use in different fields of studies. In economics, for example, these terms could be used to measure a company’s performance in terms of its profit-making influence and significance for

customers. However, in non-profit organisations these two terms carry different meanings.

The accountability and credibility of an NGO, in the context of East Timor, carried three different but intimate implications. One was that once a donor had provided its funding for an NGO, it became the ultimate responsibility of the NGO to account for it. A contract, in which rights and obligations had been determined for the two parties (donor and NGO), was then used as criteria. This process of relationship moved beyond two imperative components to which an NGO must account for, that is, the 'donor' (governments or individual-donators) and the recipient. Yet, if a donor were to be responsible for making sure that a program had been implemented to the satisfaction of those who donated, then it would have to be the NGO that was responsible for implementation to the satisfaction of the programme participants.

Donor-organisations often used only financial and narrative reports to judge an NGO's credibility in assessing and evaluating an NGO's performance to determine whether programs and funding had been applied and implemented according to the proposal, or otherwise. Some of the donors had come to realise that crosschecks were an important part of this assessment, so that field-visits were conducted by donors to see with their own eyes and to talk with recipients about how the programs had brought significant changes to their lives.

Some of the East Timorese NGOs had also understood the idea and practice of 'triangle-accountability,' that is, the accountability to donors, recipients and internal organisations. The significance of accountability of a program could therefore be described briefly as follows:

- to donors, to measure how it complied with donors' requirements;
- to recipients, to gauge how it affected community life; and

- to the organisations, to appraise how it complied with the vision and mission statements.

The consideration of the three interdependent meanings of accountability by an NGO to determine credibility was also questionable, especially in terms of the second measurement which was about the effects on people in the field where programs were being carried out. People affected by a specific project should have been given access to the report sent by an NGO, if the meaning of accountability was to be useful feedback to them. However, in the context of East Timor where technical and logistical problems existed, it would still be imperative to conduct regular meetings with the community to discuss the progress, to evaluate the outcomes and to identify any further activities needed to be carried out. All these options are also intended to create a sense of belonging of the community towards every single project-outcome as, for example, in the case of maintaining water supply systems and in taking care of kindergarten buildings for their own benefit, especially when the NGO were no longer to facilitate the groups, or would have to move to new locations.

G. Dependency on Donors' Support

There were two simultaneous and parallel dependencies of the East Timorese NGOs on donors. These were for financial and human resources, as a result of the way the two had been created in the early years of the NGOs' formation.

As a result of capital inflow from a wide range of international donors to East Timor in the early years of the reconstruction period towards its full independence, East Timorese NGOs became complete dependents. Being able to receive funds easily in their formative years created an expectation, from East Timorese NGOs, of putting

their hopes on the support of international donors. Their tendency to comply with donors' assistance policies and with donor restrictions to any specific program or project also changed the NGOs' focus or direction. They seemed to 'force themselves' to agree with donors without having fully analysed the necessity of the communities' working with them. Financial dependency often caused them to carry out projects which, in implementation, frequently went beyond recipients' activities. For example, the farmers did not plant according to the donors' funding cycle.

The second dependency came in the shape of human resources. Being unable to plan and organise their activities on their own, they hoped to procure volunteers who could help with both organisational and program development. The volunteer-assistance included financial management, proposal-writing and report-writing. However, despite their reciprocal shared expertise with East Timorese NGOs' staff, the short period of a volunteer's involvement left behind enormous constraints. For example, if a volunteer's presence was for a three-month period, then the knowledge shared with the NGOs' staff often would vanish afterwards. Where they might apply the knowledge, they would have to wait for a decade or two, as the result of the diverse environment faced:

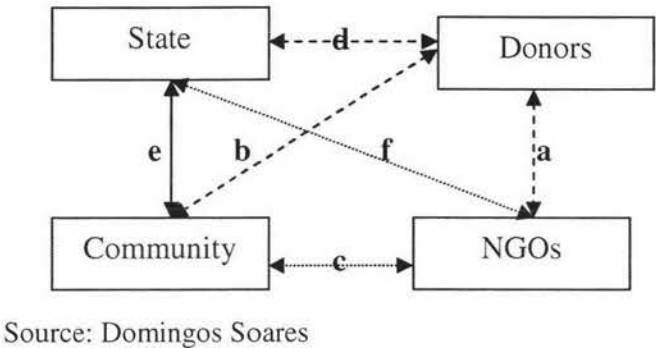
"We were grateful to have international volunteers and we were also delighted with the knowledge being shared, but the problem was that the volunteers often used examples of their own country, which to some extent we have to wait for one or two decades to be able to implement their views" (June 14, 2004).

Some of the NGOs were in greatest need for volunteer-assistance especially in proposal and report writing and with financial management of funding received from donors:

"We are still in greatest need for international NGOs and volunteers to help capacitate our staff in the areas of finance and program management. When our staff have been capacitated, we will be able to manage both finance and program ourselves" (June 23, 2004).

The dependency of East Timorese NGOs on donor-support, however, is illustrated in the sketch below.

Figure 2: NGOs’ Dependency of Donors-Support



Source: Domingos Soares

The above chart represents the financial dependency of East Timorese NGOs while donors were the main financial source of the NGOs, as indicated in line (a). It shows the early stage of the donor’s direct collaboration with East Timorese NGOs as this was still under the UN administration period. It also shows the trend of donors’ direct involvement in the financial provision to the community-based organisations such as farmer-groups, as illustrated in line (b). Line (c) indicates the role of East Timorese NGOs as service delivers to the community. These three lines also signify the creation of dependency at the early stages of NGOs’ formation; the end result is that East Timorese NGOs and community have placed their hopes on funding from donors.

Line (d), however, indicates the phase where the East Timor government was already established and the government urged donors to collaborate to avoid any program duplications, while it was working on ways to improve the quality of community life, as designated in line (e). Line (f) shows the coordination process between the government and the East Timorese NGOs in many fields of program implementation such as agriculture, non-formal education, and research. This, again, to avoid any duplicated program being carried out.

This chapter has suggested that East Timorese NGOs had no financial foundation. The use of both residual and self-initiated funding was but a temporary measure. Also, micro-credit and ecotourism could not have helped them to sustain themselves, while fundraising was still facing huge constraints. Therefore, the East Timorese NGOs would have to remain dependent on international donors' funding, but the continuity of funding would in turn depend upon the credibility of their performance which sustained mutual trust between recipients and donors.

CHAPTER SEVEN

DEPENDENCY: DONORS ASSISTANCE POLICIES

This chapter seeks to describe and analyse donors' assistance policies towards supporting East Timorese NGOs. It starts by looking at their assistance policies during the Indonesian occupation. It will then highlight them during the emergency response and the post-emergency or development eras, to see how these policies affected the roles played and continued to be played by East Timorese NGOs.

A. "Indonesia" Period

The brutality of Indonesia's invasion over East Timor in early December 1975 led to starvation and famine suffered by many Timorese. The army searched for Fretilin and its compatriots during the early months of their annexation, by burning the landscape used for traditional farming, leaving the ashes for farmers to harvest. Moreover, the Indonesian government policy of imposing a closed door on East Timor, from 1975 to 1989,¹¹ made East Timorese people more vulnerable. The situation of being exposed to injury and damage faced by East Timorese people led to the concern of aid-community for their welfare. However, little emergency relief or development assistance eventuated.

A small number of Catholic aid organisations well connected to the Catholic Church in East Timor continued their work, and this largely consisted of providing funds through established links with local churches for welfare and longer-term education and health projects.

¹¹ From 1975 to 1989, East Timor was closed to international access and made insecure for visitors. The Indonesian government declared East Timor as an open province in 1989.

While most of the international aid agencies were interested in proving their humanitarian relief interest in the East Timorese people, the Indonesian government only permitted two NGOs (Catholic World Service [CWS] and Catholic Relief Service [CRS]), funded by USAID, to operate during 1977-1980. According to an informant, the Indonesian government allowed only states and their organisations, which seemed to supporting the annexation, to operate in East Timor,

“During the Indonesian occupation they permitted only those donors, that seemed to be supporting their annexation, to operate in East Timor, such as USAID and AusAID. The rest of them, who seemed to have not been supportive, operated only in other provinces, mainly in Jakarta” (June 23, 2004).

In a similar vein, one of the international NGOs also encountered the difficulties faced during the Indonesian occupation, as brought to light in an interview,

“We had been looking to do [sic] initiatives here, but we were unable to gain access. In 1999, we were able to send people to come and to do assessment here and the areas, but it was with great difficulties because of scarcity and restriction” (May 24, 2004).

Despite scarcity and restriction on donors' presence in East Timor their funding provisions, channelled through to the East Timorese LSM and Yayasan (to carry out programs in the areas of agriculture, education, health, water and sanitation), were invaluable. This provision took into account salaries for staff, office equipment, transportation, and daily expenses, all of which were included in the project proposal and budget. Most notable was the funding provision for the establishment of a LSM in the late 1980s, known as Yayasan ETADEP.

The brief descriptions above clearly indicated that international aid agencies were systematically driven away by the Indonesian government policy. “To be allowed to operate” was “to agree with the Indonesian occupation,” but it appeared that the international aid agencies' concerns, of not compromising with any illegal military

forces' invasion on vulnerable people, kept them excluded from active involvement in humanitarian aid. Those agencies had to wait until favourable situations occurred, at least in the hope that the Indonesian government might change its policy in favour of international aid agencies being present in East Timor, especially including those who disapproved of its illegal occupation.

B. Emergency Response

The aftermath of the September 1999 ballot announcement and the subsequent violence led to the international aid agencies' presence in East Timor. Hundreds of them arrived throughout October 1999 to deliver humanitarian relief. They were able to reach the neediest Timorese, both in Dili and the districts. They then worked in collaboration with East Timorese NGOs. Their policies of assistance had by then adapted to the plight faced by those NGOs.

One of the international NGOs had initially conducted a study in early 1999, during Indonesian occupation. The upshot of the study was a decision to focus on two areas, primary education and livelihood programs. The shift in the situation after the study, however, forced this particular INGO to change its policy. It turned firstly to concentrate on supporting East Timorese people to rebuild their lives in the light of the catastrophic change that had occurred. The focus on these two initiatives was now on providing immediate funds and non-funding support for NGOs to rebuild their offices, transportation and other necessities for an office to function, as a means of capacity-building and of creating and establishing its longer-term partnership with East Timorese NGOs.

By the middle of 2000, the international NGO was able to review and restart its original programs, but primary education by then had proven to be a difficult area to

work in. This difficulty arose from the UNTAET period, and under its Department of Education, headed by a Timorese, which offered reactivated education programs. The focus had shifted to adult education, because *“there was a huge rate of illiteracy in the country of the adults, and adults who have not had access to education for a number of generations”* (May 24, 2004).

The INGO also worked on livelihood programs aimed at

“looking at business opportunities, income generation, mostly with community farmer-groups, expanding income possibilities from purely agriculture to small business initiatives” (May 24, 2004).

These two programs were conducted in collaboration with the East Timorese NGOs. At least eleven East Timorese NGOs were supported by this INGO to implement projects in a number of districts across the country.

Another international NGO focussed on supporting church-organisations such as Caritas Dili, Caritas Baucau, Commission of Peace and Justice (CPJ) in partnership programs that included issues of agriculture, social justice and legal aid. It supported RTK for disseminating information. Along with World Food Program (WFP), it also provided humanitarian aid by distributing food to the communities in 13 districts. In addition, the INGO carried out its agriculture and shelter programs in the Oecusse district, and ran a series of training on human rights issues in Dili, on evidence-collection and sexual-assaults.

Two other international aid agencies provided funding for East Timorese NGOs during the emergency response. One (New Zealand) had been supporting an East Timorese NGO since the 1990s through its Jakarta office (referred to as LPM/PPSDM operating on Atauro Island). It then helped to re-establish the only NGO based on Atauro after an Indonesian University had confirmed that they were

unable to continue the program. The donor also provided funding for other NGOs in Dili and other districts to implement projects associated with the Consul's programs.

The other agency had begun its operation in East Timor only in 2000, and its main partner was the government. It commenced with the main program of peace building and capacity-building. As a part of a capacity-building program, it supported the East Timorese NGOs during the emergency period. My informant reported,

"We worked with many local [Timorese] NGOs during the emergency period; we received all their proposals and we supported them" (June 24, 2004).

International donor agencies' assistance-policies during the emergency period seemed to be adaptive and flexible, especially in dealing with East Timorese NGOs. Most notable were the unsophisticated requirements from most donors, given the situation of East Timor at the time of the emergency. The donors simply put their proposal guidelines up for East Timorese NGOs to apply for, and further discussion occurred only through proposal and budget submissions. With the project completed, the narrative and financial reports sent by the East Timorese NGOs were then signed off without any difficulties. An East Timorese NGO gave a typical account of the above transaction, in an interview:

"There was a difference between the emergency and the development eras. When we were in emergency, donors did not require many things from us. We simply wrote a proposal, sent it to them and they would assess. If they approved, they would prepare a contract to be signed together with a little discussion. When we had completed the project, we just sent the reports and they signed them off without difficulties, but this seems to have changed now" (June 14, 2004).

The change of donors' policies of assistance thereafter required the East Timorese NGOs to adapt, regardless of what they had contributed towards keeping their partnership going. The focus of international donor-organisations was no longer for the NGOs themselves. Some donors had tended to cooperate with the government as

their main partner and had only seen NGOs as components which they might work with if deemed necessary.

C. Post Emergency or Development Era

Between October 1999 and May 2002, most Timorese people had seen two and a half years of guidance and a vast amount of funding. Remarkable histories had been drawn by some East Timorese NGOs, as they were channelling aid from international aid-agencies to the neediest people across the country. Some other NGOs had also become well-known by donor-organisations, as they had successfully carried out their projects, and they were likely to continue their partnership. Others, however, had failed to implement their projects as a consequence of lacking knowledge and skills in program and financial management.

An international NGO staff said,

“Some of the [East Timorese] NGOs were well managed; they have highly qualified people working in the NGOs and they could absorb more funding than the others” (May 24, 2004).

The East Timorese government was also established, and its “further development” policy required donor-organisations to coordinate their work to avoid any program duplication being carried out in the same place. The formation of an NGO liaison unit (under the Ministry of Planning and Finance to monitor international donors’ support received by the East Timorese NGOs) was one of the government’s efforts towards the coordination process.

An international aid agency’s program-officer revealed the change of the policy towards supporting the East Timorese NGOs after the independence,

“Our main partner is the government, but if the project implementation required the government to collaborate with NGOs then we could include them.

We were also supporting local [East Timorese] NGOs, but we are really looking for competent NGOs to implement our projects” (June 25, 2004).

This aid agency supported mainly three priority areas. The first was agriculture and rural development, focused on food security and improvement of crop production; improved rural livelihood and economic facilitation; and MAFF capacity-building. The second priority was maintenance and improvement of infrastructure centered on ministerial capacity-building, maintenance of road-networks, improvement of water supply systems, and maintenance and improvement of power supply. The third was human resources development and institution building focused on capacity-building of public administration, creation of competitive engineers and technicians, and human resources development for basic delivery.

Although its main partner was now the government of East Timor, it still worked with some East Timorese NGOs and international NGOs from its own country of origin. In working with the East Timorese NGOs, this aid agency did not have any basic requirements, as an informant revealed,

“We did not have any specific criterion set for selecting NGOs to work with. What we normally do is we provide an application-form attached with a TOR [Term of Reference] for NGOs to fill in, if they were interested. There we ask their opinions, what they have, what their experiences were, budgets they had ever handled. We also ask questions like, do you have a four-wheel drive if our projects were located in high-land or up-land farming” (June 24, 2004).

Another aid agency, which provided funding to East Timorese NGOs, was the New Zealand Consulate General. They explained,

“Programs with NGOs are mostly very small-scale community development, income generation or training initiatives, and most of the support for NGOs has come from a small-grant program which is managed directly by the Consulate General” (May 31, 2004).

The New Zealand Consulate General used two simultaneous funding mechanisms to assist development at grassroots level, the Social and Development Fund (SDF), and the Head of Mission Fund (HOMF).

The Social and Community Development Fund (SCDF), as stipulated on the first page of its information sheet,

“provides assistance through large grants to fund social and community development efforts driven by community based organisations (CBOs), non-government organisations (NGOs), national institutions, recognised international institutions and other community groups. It focuses on addressing poverty alleviation, promotion of sustainable development and social development for disadvantaged communities, and also focuses on gender and participation issues” (May 31, 2004).

The SCDF provided not only for the East Timorese NGOs and community-based organisations, but also for other institutions, including INGOs.

In particular, as stated on the first page of its application-form, SCDF supported projects that would result in

“improved health and living conditions, enhancement of human rights, improved capacity of organisations to operate, the creation of jobs or improved employability of youth, promotion of law and justice, greater participation of women and society, improvement in local economic performance, a positive impact on the environment, and improved access to education” (May 31, 2004).

The assistance provided was in the following areas, the statement continues to inform,

“Technical assistance; project administration; feasibility studies; training and training materials; small capital purchases; and management and business plans” (May 31, 2004).

To be eligible for the above assistance, however, the participating organisations must meet the following criteria, added the Consular Information Sheet:

“provide cash or in-kind contribution; be experienced in project delivery; be willing to be evaluated and audited; where appropriate, had government recognition or registration e.g. orphanages” (May 31, 2004).

The Head of Mission Fund (HOMF), according to the third page of the above source,

“is used to promote economic and social development in East Timor with an emphasis on supporting non-government and community based development initiatives which will benefit disadvantaged people within the community or which have an identifiable New Zealand involvement” (May 31, 2004).

The above source also indicated that, in particular, the bilateral development assistance was given to the following preference of projects:

“income generating; having a significant local contribution in labour, materials or cash; encourage community to become self-reliant; raising living standards through improvement in education, nutrition and sanitation; introducing new areas of development; encouraging the involvement of women for self sustenance; and encouraging the protection of the environment and the good management of natural resources” (May 31, 2004).

Each of the international donor organisations also clearly indicated the activities that were not included in their funding provisions for a proposed project. The SCDF, for example, was not funding the following activities, informed the second page of the above source:

“research; welfare, scholarships or general donation; cultural or sporting activities including uniform, equipment or instruments; religious or evangelical events; assistance to military organisations or political parties/groups; individual; motorcycles or vehicles; projects that primarily involve travel or which primarily involve the purchase of items of recurrent nature, as in spare parts, fuel, maintenance, repairs; and projects which primarily involve constructions except where identified as government priorities” (May 31, 2004).

The following items not supported within the HOMF were

“video recorders or televisions; motorcycles or vehicles; musical instruments; prizes for sporting events; livestock and; transportation” (May 31, 2004).

An international NGO, who supported church-organisations and the East Timorese NGOs, set out their guidelines as follows,

“Caritas Australia will assist or support the groups or local [East Timorese] NGOs three times a year, and will support only the activities on Human Rights, Law and Justice, such as workshop, training, village discussion, seminar, radio show, television show and exhibition” (Guidelines, July 1, 2004).

It is interesting to note that this particular INGO had also set out the maximum financial amount it could give in support of each NGO. It listed the amount as follows:

- a. *Maximum \$500 for new groups, unknown groups*
- b. *\$500 - \$1,000 for the second proposal*
- c. *\$1,001 - \$2,500 for third proposal (Guidelines, July 1, 2004).*

The guidelines also indicated that groups already known to Caritas Australia could apply once a year under category C above, while the other two groups had to follow alphabetical category sequence: A and B before turning to C, if they were to continue their long term partnerships.

Its requirements, however, were listed as follows:

“Registered at the NGO Forum; work for human rights, law and justice programs; statute of the organization – internal regulation; acknowledgement letter from a district administrator, district development officer; and acknowledgement letter from church, university or school” (Guidelines, p. 1, July 1, 2004).

Caritas Australia also listed expenditure, approved and not approved, as follows:

“Not approved items include: expenditure for private activities; salary for staff; purchase of assets; rent, renovation of building, office; purchase of motor, vehicle; attendance of seminars, conferences, study tours; research and scholarship. Approved items include: per diem; accommodation; meals; materials for training; transport – will consider the necessity; meals for participants; speaker-fee of \$25 per day; fee for cooking; documentation; report writing” (Guidelines, p. 1-2, July 1, 2004).

The INGO, that started its program by conducting research in early 1999, continued its funding provision for the East Timorese NGOs to undertake activities in literacy and livelihood programs. This INGO had also worked with networks consisting of East Timorese NGOs working on livelihood and adult education. It now saw the East Timor government as its partner, especially in working with the NGO liaison unit established under the Ministry of Planning and Finance.

In terms of its criterion towards supporting the East Timorese NGOs, an Oxfam GB staff advised me,

"We have certain areas we feel are very important regardless what the project may be, so, obviously if the program agreed is education and livelihood, automatically you are looking for organisations that are working within those areas. I think in different countries you have different capacities and potential in your partners; so if for example we were in the Philippines, we would probably have much higher criteria in terms of what we could expect from a partner-organisation. We look very much at the country from within. One of the areas we do place much standard of emphasis across the organisations is gender, so women's issue, particularly how they are addressed within any program or program activities. It does not mean it has to be a gender-project, but it is important that whatever we do, we look at the mainstream in gender rather than having standard on gender or gender as standard, as a minimum" (May 24, 2004).

These proposal guidelines and standards set by donor-agencies then became the bases for the East Timorese NGOs to use to apply for support. Some NGOs, focused on their programs, were searching only for donors who had the same programs to work with. Others, because of donors-assistance policies that provided a wide range of funding for diverse activities, were driven to expand their programs as quickly as possible to be able to absorb funding. They listed many programs as their activities. For example an NGO, located in the Oecusse district, listed agriculture, farming, forestry, fisheries, small-scale industry, health, media-development, child education and literacy as its program activities to focus on. This long list consisted of various programs which then became the main job of the NGO to write a proposal on in order to seek donor-support, and to carry out, using a very limited number of staff.

The donors also prepared contracts to set out rights and obligations between the two parties, once a proposal comprising activity stipulation and a budget sent to them by the East Timorese NGOs had been approved. Below is an example of a typical agreement set by a donor, but boxed (with the name of the organisation replaced by 'Donor' to keep it anonymous):

Agreement:.....

Project Title :

Project No. :

Grant No. :

1. Specific use to which designated funds from [Donor] are to be put

- 1.1 Donor has approved a grant of USD ...
- 1.2 The grant is made in relation to the attached proposal and budget. A copy of the agreed proposal and budget is attached and forms an integral part of this agreement.
- 1.3 The grant must be used exclusively for the Project and only by ... (partners) and only in accordance with the details in the attached project proposal and budget.
- 1.4 The Agreed budget is may be modified by mutual agreement between... (partners) and donor.
- 1.5 Any proposed changes to the project, its objectives or its implementation, with any consequent changes in budget lines, must be formally agreed in writing between the organization and donor.
- 1.6 Payment will be made into the following Bank Account : ...
- 1.7 Payment Schedule:

Donor agrees to **first** pay the agreed total of USD.....on signing of this contract by both ... (partners) and donor.

Donor agrees to make the **second** payment of \$... following the receipt of a financial report covering 90% of the disbursed funds and monthly activity reports

Donor agrees to make the **third** payment of \$... following the receipt of a financial report covering 90% of the disbursed funds and monthly activity reports

Donor agrees to make the **fourth** payment of \$... following the receipt of a financial report covering 90% of the disbursed funds and monthly activity reports

Donor agrees to make the **fifth** payment of \$... following the receipt of a financial report covering 90% of the disbursed funds and monthly activity reports

Donor agrees to make the **final** payment of ... following the receipt of a financial report covering 90% of the disbursed funds, monthly activity reports and a plan for use of the remaining funds.

2. Requirement of a report from the partner on the use of the funds

- 2.1 ... (partners) must keep financial records of the project in line with the project description, according to standard accounting practices, and must meet the (relevant) Government's statutory and legal requirements as regards accounts, audit, annual reports and annual returns.
- 2.2 Donor requires progress reports every month and a financial statement of income and expenditure according to the budget heads agreed every month. The accounts are to be signed by the Coordinator of...(partners)
- 2.3 The reports shall cover the activities of the program and summarize to what extent its objectives have been achieved.
An independently audited annual statement of accounts is to be given to Donor when the audit has been completed

3. Donor's right to check on the use and the expenditure of the funds

- 3.1 Donor authorized representatives will from time to time visit the project, normally at times agreed in advance, to see the progress of the project and review financial records and accounts. Donor however does reserve

the right to visit without prior notice if it believes this to be necessary.

- 3.2 Donor reserves the right to monitor and evaluate activities implemented by the Partner, to examine all financial records and materials purchased with Donor funds, and to audit use of funds with reference to the budget proposal. ... (partners) agrees to return to Donor any funds not utilized for the agreed project. If the agreed project objectives and conditions are not met, Donor may reclaim the disbursed funds, either wholly or in part.

4. Donor's right to terminate or suspend the grant

Donor has the right to terminate the grant early and stop all payments if:

- 4.1 ... (partners) fails to comply with any of the terms of this agreement); or
 4.2 Donor is required by any local or central government or Court to suspend or terminate the grant; or
 4.3 Geographical, security or other conditions prevent the partner from using the grant in accordance with the project proposal or Donor from carrying out the checks in this agreement, or
 4.4 ... (partners) no longer carries on activities of the kind in the project proposal, or loses its approval from the administrative authorities for this kind of activity, or
 4.5 This grant is funded by [main donor] and the [main] donor requests or requires Donor to suspend or terminate the grant, or
 4.6 ... (partners) has received money from another funding source with the same activity.

5. Procurement

- 5.1 If the budget permits ... (partners) to buy goods or services of a value greater than \$100 then ... (partners) shall ensure there is a procurement process in place which demonstrates probity and value for money. For example, obtaining and producing to Donor evidence of 3 competitive quotations for such goods or services.
 5.2 ... (partners) must maintain a record of all assets purchased which have a value greater than \$100. These assets remain the property of [main donor] and a request for transferal of ownership will be made at the end of the program.

6. The activities are legal

- 6.1 ... (Partners) agrees to comply with all applicable laws, rules and regulations, and shall ensure that it has the insurance for vehicles and other risks that the law requires.

7. Meeting additional donor requirements

- 7.1 ... (partners) agrees to provide minutes of all meetings of ... (partners) members. These may be forwarded to Donor as part of the monthly report
 7.2 The monthly report should also include a plan of activities for the next month that will be approved by Donor
 7.3 ... (partners) agrees to provide a plan for community projects in each community, development of the cooperative, promotion of market for local rice to Donor for approval before commencing these activities
 7.4 ... (partners) agrees to provide the original agreement between ... (partners) and the Ministry of Justice for use of the office property before commencing rehabilitation. This agreement should be for at least two years.

Signed : _____
 Country Programme Manager
 Donor, Dili
 Timor Leste
 Date : _____

Signed : _____
 ... (partners)
 Date : _____

The above contract, firstly, indicated that the donor would pay an NGO only in accordance with approved proposals and budgets, and that grants must be used exclusively for an agreed project. The first payment is made after both parties had signed a contract; further payment would depend upon the NGO's reports (narrative and finance) being sent by the East Timorese NGOs and being assessed by the donor; and this could be made of up to six instalments, although mostly donors made only three times of payments during each financial year. Secondly, partners (East Timorese NGOs) must keep financial records of the project in line with the project description to meet the donor's requirements of a report on the use of funding; and the progress reports made monthly must include financial statements of income and expenditure. Thirdly, the donor's rights were to check the use and the expenditure of the funds, and to terminate or suspend the grant if the NGO being supported were to fail to comply with any of the terms set in the agreement being signed. Fourthly, there was an additional requirement for the donor to monitor activities of East Timorese NGOs, as indicated in point seven above.

Although most of the East Timorese NGOs being interviewed declared that the 'contracts' set by donors were based on mutual agreement and that the rights and obligations between the two parties were always set equitably, discerning readers would hardly be able to find balance in the above typical agreement. It seemed that East Timorese NGOs had been landed with more responsibilities or obligations in comparison.

This typical agreement became the ultimate tasks of two parties in implementing a project. The East Timorese NGOs were responsible for implementing the physical project, negotiating any changes occurring during the project implementation with donors, and composing both narrative and financial reports.

The implications were that the vast numbers of donors and their funding provisions could become a substantial danger to the East Timorese NGOs, especially for those who were still in greatest need of being more structured and more focused on what they were doing and what they wanted to do. Most of them would need technical support, indeed, rather than funding, but the former had not been realised by the East Timorese NGOs, according to an INGO staff.

“There were so few East Timorese NGOs who could fully engage and manage; they would become very popular with a donor organisation and felt that they had to accept funding for an initiative rather than not. It is not what they want to do, and it takes them away from their focus” (May 24, 2004).

To be able to get funding, most East Timorese NGOs only focused on proposals and report-writing required by most donors. Most donors also required the East Timorese NGOs to write their proposals and reports in English, if they no longer recruited local staff for translations. For East Timorese NGOs with knowledgeable English-speaking staff, and for those supported by overseas volunteers, these requirements were not obstacles. Others had to hire extra people to write reports, or they could do it themselves, but often not to the satisfaction of the donors.

In summary, the descriptions above indicated that the two stages of collaborative work between donors and East Timorese NGOs seemed more flexible, viewed initially from the way East Timorese NGOs had been provided with a huge amount of funds without any difficulties. However, the last phase exposed restrictions being imposed by donors in determining and in choosing more capable NGOs to work with.

CHAPTER EIGHT

SUSTAINABILITY: THE GROWING COMPETITION OF THE NGOS

This chapter seeks to describe and analyse the growing competition among the East Timorese NGOs. It starts by looking at the number established and operating during the Indonesian period, the emergency and the post-emergency or development eras, to discern the existence of competition. It also highlights the growth of competitive funding and programs to see how rivalry affected the work focus in the last two periods, to draw a picture of sustainability of the NGOs.

A. The Number of East Timorese NGOs

During the Indonesian occupation from early December 1975 to August 1999, there were not many NGOs established in East Timor. The first LSM (NGO) was Yayasan ETADEP, founded by CRS in 1987. In-depth interviews with selected East Timorese NGOs revealed an estimated number ranging from fourteen to sixteen. This variation offered by informants strongly suggested that there was no documentation on NGOs during this time-span. Although they were not able to nominate the sum total, the following names did get a mention:

“Yayasan ETADEP, Yayasan Halarae, Yayasan Hatimor, Yayasan Hope, Yayasan Kasimo, Puskopdit Hanai Malu, Puslawita, Yayasan Ledavo, Yayasan Biahula, Yayasan HAK, Bina Swadaya Tim Tim, Yayasan Naroman, YBSL, Yayasan Timor Aid, Fokupers, USC, and other Yayasan tied to the Catholic Church, such as Caritas Timor and Yayasan Kristal. Those were established throughout late 1980s and during 1990s” (May and June 2004).

Not one informant mentioned the LPM/PPSDM operating on Atauro Island, although it had come into existence during the 1990s. However, the impression was that few East Timorese people were familiar with the term LSM, this resulting from

limited penetration of those at grassroots level during the Indonesian occupation, as opposed to the Perseroan Terbatas (PT) “Company” encountered by one of the informants interviewed,

“The term LSM (NGO) was unknown by many Timorese during the Indonesian period, probably caused by the language used, and only few Timorese were familiar with that term. Furthermore, LSM at that time could not penetrate the community for security reasons. All they knew was that PT carried out projects across the territory” (June 23, 2004).

Despite East Timorese unfamiliarity with the term NGO, the aid-agencies’ and the INGOs’ presence during the emergency-period affected the number of East Timorese NGOs. They rose from only fourteen or sixteen, respectively, to approximately four hundred as a result of the enthusiasm of many young Timorese to establish their own organisations to help rebuild the country, operating along the principle of their national independence. A lack of distinction between the term NGO itself and Civil Society Organisations also affected the number of NGOs. However, the East Timorese NGOs registered at the NGO Forum came to only 271 in 2002, as displayed below:

Table 1
Number and location of Timorese NGOs (NGO Forum, 2002)¹²

NO.	District	Number of NGOs
1.	Aileu	1
2.	Ainaro	11
3.	Ambeno (Oeccuse)	11
4.	Baucau	11
5.	Bobonaro (Maliana)	8
6.	Covalima (Suai)	4
7.	Dili	188
8.	Ermera	3
9.	Lautem (Lospalos)	8
10.	Liquica	5
11.	Manaturo	2
12.	Manufahi (Same)	10
13.	Viqueque	9
Total		271

Source: NGO Liaison Unit, Ministry of Planning and Finance

¹² The NGO Forum is an umbrella of East Timorese NGOs. The above table is adapted from the final unpublished report (30 March 2004) of the NGO Liaison Unit. Hereafter, the report cited as NGOLUFR.

Based on the above data provided by the NGO Forum, the NGO liaison unit conducted a study in conjunction with and funded by Oxfam GB (Dili-based office), to search for and to interview the 271 NGOs listed in Dili and districts, to document the number of East Timorese NGOs. The outcome of the study, conducted from October 2003 to February 2004, revealed that there had been a decrease in the number of East Timorese NGOs, as shown below:

Table 2
The Number of Timorese NGOs interviewed
by the NGO Liaison Unit/DNPCEA,¹³ 2003-2004

<i>a</i>	<i>b</i>	<i>c</i>	<i>d</i>	<i>e</i>	<i>F</i>	<i>g</i>	<i>h</i>	<i>i</i>	<i>j</i>	<i>k</i>	<i>l</i>
<i>No.</i>	<i>District</i>	<i>No. of NGOs (NGO Forum list of 2002)</i>	<i>Interviewed by NGO Liaison Unit</i>	<i>Closed</i>	<i>Moved from (to) another location</i>	<i>No response to QN</i>	<i>Cannot be found (Difficult address)</i>	<i>Reclassified (non-NGO)</i>	<i>Sub-total</i>	<i>Documented by NGO Liaison Unit (Not in NGO Forum list)</i>	<i>Total No NGOs interviewed (d+f+k)</i>
1.	Aileu	1		1					1	1	
2.	Ainaro	11	5		(2)	1	5		11		
3.	Ambeno (Oecussi)	11	6	1	(1)	1	3		11	1	
4.	Baucau	11	3	2		2	4		11		
5.	Bobonaro	8	2	1		3	2		8		
6.	Covalima (Suai)	4	3				1		4	2	
7.	Dili	188	80	22	10(4)	27	46	3	188	9	80+4+
8.	Ermera	3	1				2		3		
9.	Lautem (Lospalos)	8	4	1	(1)		3		8	3	
10.	Liquica	5	2				3		5		
11.	Manatutu	2	2						2		
12.	Manufahi	10	4	2		1	3		10	3	
13.	Viqueque	9	2			2	5		9		
	Total	271	114	30	10 *	37	77	3	271	19	13

* 10 NGOs accounted for: 4 were administered the by the QN (1 in Oecussi, 2 in Ainaro, 1 in Lospalos); 6 have still to be interviewed.

Source: NGO Liaison Unit, Ministry of Planning and Finance

The above figures indicated not only the decrease but also the shift of work-places.

Thirty NGOs had already closed down and seventy-seven could not be back-tracked, as it was difficult to find their addresses, this being a typical problem encountered when my field-research was undertaken. However, the total number of one-hundred

¹³ DNPCEA stands for *Dirrecao Nacional do Plano e Coordenacao de Assistencia Externa* (National Directorate for Planning and External Assistance Coordination).

and thirty-seven included only NGOs that were interviewed, had moved, and those found or documented by the NGO liaison unit. If the report had also accounted for the number of NGOs that did not respond to the questionnaire and those who could not be traced back, the total should have been two-hundred and thirty-eight, a rough total after defection: the thirty already 'closed' and the three others re-classified as non NGO.

The NGOLUFR also indicated that there were a handful of NGOs refusing to answer the questionnaire provided by the NGO liaison unit. The reasons were further described as follows:

"There was no formal letter addressed specifically to them [NGOs] from the Minister of Planning and Finance requesting for such an interview, and because they were wary of [the] government's documenting them even after the NGOLU's interviewers [had] explained the reason why a census was being done" (March 30, 2004).¹⁴

The NGO Forum as an umbrella of East Timorese NGOs, at the time of data collection, was still updating the list and only seventy-seven out of about three hundred and forty-one organisations became re-registered. Therefore, this uncompleted data gained from the NGO Forum could not be relied upon to claim the exact number of East Timorese NGOs. Its efforts to validate NGOs' list on a yearly basis provided useful contact details, but could not be used as a result of unreliable data given by some of those NGOs, particularly when they were moving about to a new place.

Although the number of East Timorese NGOs varied between the two sources, it can be safely and reasonably assumed that the number of NGOs had grown competitively in this war-torn country. The Forum's list of one hundred and eighty-

¹⁴ The NGOLU, dated 30 March 2004, and obtained on 29 June 2004 during interview, revealed on page 4 that thirty-seven NGOs did not respond to the questionnaires and they were not counted as NGOs existing in East Timor.

eight or ninety-three from the NGO liaison unit, documenting NGOs based in the capital of Dili for example, suggested that there was significant rivalry among them, although their work-fields and work-focuses varied and the number of the NGOs themselves had decreased. In this light, some of them were perceived as not being able to sustain themselves in the future, yet the number remained high in the context of East Timor as a small country. An international volunteer gave an account of this as follows:

"I believe that NGOs are almost threatening one another, and the more NGOs there are the less sustainable they become, and eventually it could be a total-collapse situation" (June 2, 2004).

Total collapse was possible especially when an NGO had been established without clear vision and mission statements and, instead of creating job opportunities or as employment strategy, it waited for donor-support, revealed an informant.

"Some of them [NGOs] were established to wait for donor-support and some others to create their own jobs. However, when they applied and accepted a job offered by the government, they turned to concentrate on their jobs, and the NGO had to close or operate at night time" (June 18, 2004).

The informant further claimed that the above situation occurred mostly in Dili, but it also happened in a district where my research was being undertaken. An NGO operating in the Lospalos district could not be interviewed as the director had by then accepted a job offered by the government, although the NGO itself was still registered on the NGO Forum list.

B. The Funding Competition

The funding competition among East Timorese NGOs derived from at least three parallel and simultaneous conditions which created enormous difficulties for their efforts to sustain the roles played. Firstly, they did not have a financial foundation to

attract substantial support from donor-organisations, as almost all of them were relying on donors' funding. Secondly, some of the donor-organisations had already departed towards their headquarters or other designated areas in the earlier years of the country's independence. The INGOs registered under the NGO Forum in 2002 totalled one hundred and nineteen, and the NGO liaison unit validated the continuing existence of only forty-four (NGOLUFR, 2004). Thirdly, there was a lack of knowledge and skill to produce acceptable narrative and financial reports required by donors, as ultimate parameters to secure their funding assistance.

Despite these conditions, some NGOs and donors had established and committed themselves to a long-term partnership, at least for two or three years, as indicated in their contract. Those who had not been tied by a contract had to compete with others to be able to gain access to donor funding provision to carry out their activities. They wrote proposals and sent these to a donor to be assessed in the hope of gaining support, not being conscious of the significant number of NGO applicants in similar activities. The New Zealand Consulate General, for example, received more than thirty proposals to be assessed each financial year, but its limited budget demanded it to be more selective. During the 2003/2004 financial year, the aid agency received approximately fifty proposals from NGOs, both East Timorese and international, according to an informant.

"This year a total of fifty NGOs applied, but we only funded thirty-five of them, using these two funding sources: the SCDF and HOMF. These NGOs comprised both nationals [East Timorese] and internationals" (June 1, 2004).

An INGO committed itself to nine East Timorese NGOs to work with, as they had already established their long-term partnerships. Although thereafter the INGO still received proposals sent by other Timorese NGOs, this did not seem to have changed

their long-term commitment. About the number of NGOs applying for funding, an informant said,

"We received many proposals and we supported eleven of them during the emergency period. They [East Timorese NGOs] still send proposals but we are committed to support nine" (May 24, 2004).

Donor-organisations' assistance policies of funding provision to the internationally recognised organisations created availability for INGOs to apply for support. This funding, often higher than that which the East Timorese NGOs could apply for, was granted on the grounds that the latter had been lacking in human resources to be held accountable. This situation, however, was held by some East Timorese NGOs as too complicated for obtaining funding towards their sustainability, although this context also clearly indicated the growing competition among themselves and with INGOs, reported my informant.

"I do not think that those INGOs would be able to sustain themselves either. We have seen that some of them applied for and received funding from donors here in Dili. This becomes complicated, because their presences were meant to support us. However, if they were to go, I think we would be able to survive. We are not dependent on their funding" (June 1, 2004).

The East Timorese NGOs' greatest need for guidance from international counterparts, and the lack of human resources to handle both program and financial management, both led to donor-provision of training in these two areas. The training provision by international organisations became justifiable for INGOs to apply for support from the same donors, as the latter believed that the former were more capable in comparison to the East Timorese NGOs, although the volume of useful outcome of these trainings to the East Timorese NGOs' performance were, more often than not, minuscule. The aims of strengthening the capacity of East Timorese NGOs to be able to perform their tasks by receiving training, merely focused on

how to write acceptable proposals and reports required by donors, a process which had often gone beyond the boundaries of their work focus.

The donors' demand for financial and narrative reports as ultimate appraisal tools in determining further assistance to an NGO could be the failure of NGOs. Some donors were flexible but others were also restricted in their assistance policies. Those who were flexible had come to realise that building the capacity of human-beings took a huge amount of time and determination, and so they often worked with partners on how to write a good report. Others, restricted by their policies had shown no compromise as they were seeking only a very competent NGO to cooperate with. There were no more requests made by donors for re-submission of narratives and financial reports, as had happened during emergency period. Once a report had been sent by an NGO, a donor would assess and make a final decision on whether any support would be given to the NGO in the future, as an aid agency staff described.

"We have never requested resubmission of reports. What we normally do is to look at the NGO's performance during our collaborative work and if its reports were not satisfactory, we would look for other NGOs to support" (June 25, 2004).

The descriptions above strongly suggest that there were rivalries in terms of NGOs seeking donor-funding. Furthermore, the competition was not only among East Timorese NGOs, but also between them and some INGOs. This situation placed East Timorese NGOs as victims of their own lack of knowledge, experience and skill in managing their activities as well as in producing their reports, resulting in claims of their incompetence being made by donors.

C. The Program Competition

The roles of NGOs, described in Chapter Five, had pictured a myriad of activities carried out by the East Timorese NGOs. Furthermore, earlier elucidation in this chapter had also indicated the numerous problems surrounding the NGOs' existence. However, as the number of East Timorese NGOs is still proportionally high, even at district level for example, they would remain threatening to one another during their existence and operation.

The activities listed by an NGO to be focused on often overlapped, and that could become an obstacle in the search for donor-support. For example, two NGOs in the Lospalos district listed child-education as part of their programs. One had run a kindergarten since it received funds provided by UNICEF, and had now turned to concentrate on developing a new branch office at sub-district level, after realising that another NGO had also planned to establish and run a kindergarten in a similar area. NGOs, who could see the change occurring, would be able to expand their areas of coverage to anticipate and avoid overlapping programs being undertaken in the same place. Others, who could barely observe, would only come to be aware of the existence of a competing situation after they had been frequently unable to gain support.

A high number of East Timorese NGOs were also focused on agriculture, advocacy, and capacity-building projects along with other initiatives. Consequently, some would become better than the others in terms of project management and implementation, and of seeking donor-support. However, it would have been a case of 'fair competition among themselves,' if there were only East Timorese NGOs that carried out these field activities. At least in a sense they were all having difficulties in the areas of finance, quantity and quality of staff, proposal and report

writing, projects planning and implementations, but when some of the INGOs also carried out these activities, the competition posed a dilemma.

For many Timorese who had not thought (from the first) about the changes in the INGOs' direction - from being merely emergency-response to being a search-tool for a safe place to work on - this situation was undermining. Although some of the INGOs had run various activities at district levels since their arrival, it had not crossed the Timorese mind that the INGOs would continue their activities many unpredictable years thereafter. All they were aware of was that 'the people at grassroots level were in the greatest need for immediate support' and so the INGOs' humanitarian aid came to be gratefully received.

One INGO, for example, had established its branch offices in two districts (Suai and Oecusse), in addition to its main office based in Dili. It ran three programs simultaneously: development and advocacy; environmental health; and water and sanitation. Although this INGO also supported the East Timorese NGOs in these three areas, its direct involvement in the water and sanitation projects at grassroots levels was challenging (if not undercutting), because this INGO not only consisted of highly qualified staff (often their annual salaries much higher than a project grant for an East Timorese NGO), but also of funding and materials.

An international aid agency supported mainly INGOs from its country of origin to work with local communities in the areas of coffee plantation and production, by using materials produced by this foreign country, rationalising that 'it really looked for a very competent NGO to help carry out its programs.' If this typical policy were to be carefully analysed, it would confirm the lack of East Timorese NGOs' gains in terms of support from the international aid agency. It would also explain the tendency of this aid agency to exploit resources in the foreign land, despite the

agency's show of good, will to transform knowledge and skills to the East Timorese communities.

The description above indicates the growing competition, in terms of funding and programs, among the Timorese NGOs themselves and with some INGOs, a process which the former group believed (at the first glance) had constituted the latter's presence to support them. Therefore, the number of East Timorese NGOs would remain a challenge to their own existence.

CHAPTER NINE

CONCLUSION

This thesis has focused on an investigation of the roles and financial sustainability of East Timorese NGOs. The study has its roots in a statement that “East Timorese NGOs’ roles for a full engagement in the development process of East Timor was unsustainable.” This chapter now draws conclusions from the collective reasoning of the thesis, to view with extra clarity the statement on the existence of East Timorese NGOs.

From the theoretical viewpoint interpreted in Chapter Two, an NGO exists as an organisation that is independent from government. It conducts voluntary work with and within communities to achieve common goals. However, the notion of voluntarism was not the sole approach for an NGO, because there had always been paid staff in its activities. The voluntarism rested, instead, on the dedication of NGO staff and their knowledge and skills in developing communities at grassroots level.

In terms of the Dependency Theory, the East Timorese NGOs displayed two simultaneous and parallel varieties of dependency: financial and human resources. These remained obstructions in their existence to be overcome while they sought support from international aid agencies and INGOs. However, as their existence was a reminder of the government’s policies on development, they ought not be seen as separate from the entire process. As suggested by and argued in the Systems Theory Approach, intricate relationship of parts cannot be treated out of context of the whole. Furthermore, the combination of the above two theories argued that East Timorese NGOs were elements of the whole process of East Timor development. Also, that in their effort to fill the economic space left uncovered by the government, the market and

the community could be understood only by studying the dynamics of their existence and the nature of their being financially dependent.

From the historical perspective, East Timor experienced four different phases: pre Portuguese arrival, Portuguese rule, Indonesian occupation, the UN reconstruction or administration period and independence. However, the NGOs started to emerge in the East Timor history during the Indonesian occupation.

Qualitative methods - encompassing participant observation, in-depth and E-mail interviews with selected NGOs, donors and individuals - were used in this study for obtaining information and data. Intra-method triangulation used in this thesis also maximised data from various sources and neutralised any biases inherent in the particular data. The quotations of participants' views remained confidential and anonymous, and the organisations they belonged to were given pseudonyms as a method of identification.

This thesis has confirmed that the East Timorese NGOs assumed colossal roles in developing communities, which found articulation in various fields of activity they were involved in. The activities fell under the term 'provision of welfare service and partnering donor-organisations.' The thesis has also confirmed that the activities were implemented with financial provision from a number of international aid agencies and INGOs. Also, the fields of activity would remain as tasks for East Timorese NGOs' efforts to participate in building the nation.

Those NGOs established prior to the UN administration period also experienced countless obstacles, as they had been intimidated, spied upon and restricted by Indonesia and its military regime. Yet with independence, East Timor had brought a

new and demanding atmosphere to all existing East Timorese NGOs to articulate themselves through various activities.

The description of the roles of East Timorese NGOs played during three periods also reflects the stages of purpose towards which NGOs were moving. The first being with the notion of relief and welfare in focus. The second generation placed an emphasise on local self-reliance through mobilisation of local resources being carried out. The last generation challenged policies and institutions which seemed to have been dependent on the government.

Two initiatives were carried out by some of the East Timorese NGOs as ways of generating income (micro-credit and ecotourism). However, the obstacles encountered were also immense, and that added to the lack of financial foundations to attract considerable support from donors. Furthermore, the economic capability and viability of the East Timorese also created impossibilities for the East Timorese NGOs to conduct fundraising activities in order to sustain the roles they played and continued to play.

The accountability and credibility of an NGO to be able to obtain funding from donors carried three implications: the ultimate responsibility towards donors' demand (determined in contracts or agreements); the people who donated; and the recipients. However, the donors' use of only narrative and financial reports, as ultimate appraisal tools in determining their further assistance to the East Timorese NGOs, had moved beyond the awareness of the parties which constituted the last two processes.

The reasoning about financial sustainability has also confirmed that the East Timorese NGOs depended on donor-support, although the donors themselves had turned around to collaborate with both the government and the communities at the grassroots level.

Donors' assistance policies indicated three diverse environments. The first phase was driven away by the Indonesian government policy because of the international donors' unwillingness to compromise with the matter of illegal occupation over a country. The second phase became more favourable to East Timorese NGOs in articulating the roles they played, as they had received funds without any obstacles. The third phase seemed to grow more difficult with the government established; this was marked by the departure of some INGOs towards their own headquarters or other designated areas. Moreover, the East Timorese NGOs seemed to have relied on donors' specific programs and projects.

The number of NGOs established and operating in East Timor were proportionally high and they were likely to threaten one another. This study confirms that these NGOs had grown competitive. The competition was not only in terms of the quantity of NGO itself but also in terms of funding and programs. The last two terms involved not only East Timorese NGOs but also some INGOs. In turn, this situation placed East Timorese NGOs as victims of their own lack of knowledge, skills and experience in managing activities as well as in producing reports.

My field research for data collection was a learning curve. I had experienced countless obstacles as a result of this complex nature of the term NGO. Literature concerning NGOs introduced mainly those operating in North America and South East Asia, but they had also served as a framework to search for an understanding of NGOs operating in East Timor. However, the nature of NGOs' existence remained dynamic and complex; and in order to be fully understood, one could consume a huge amount of time to study this dynamic process.

This thesis-research is an initiative to investigate the roles assumed by East Timorese NGOs, and my expectation is that it would serve as background information for those who are interested in further investigations into the NGOs operating across East Timor.

In any case, based on the above description and reasoned evidence, it would be relevant to claim that East Timorese NGOs' roles for a full engagement in the development process of East Timor was unsustainable. This situation showed that the number of NGOs had grown proportionally high and competitive. They operated on the principles of East Timor's independence, a part of East Timorese community as a system. At the same time, they did not have the financial foundation to attract substantial support from donor organisations, including International NGOs; dependency undermined sustainability.

The situation of being dependent on donors' funding could be overcome, firstly, by minimising the number of East Timorese NGOs. This could be achieved through unification of NGOs focusing on the same issues in the same area. Secondly, is to optimise local resources by means of generating incomes, to minimise external funding. Thirdly, the essential, is to learn from the most successful NGOs operating in the third world - as part of NGOs network system - on how to sustain an NGO-operation.

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APPENDICES

APPENDIX ONE: INFORMATION SHEET



School of Social and Cultural Studies
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The Role and Sustainability of East Timorese NGOs

“How Long Can They Last?”

INFORMATION SHEET

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- The purposes of this study are as follows:
 - To study the roles played and continued to be played by East Timorese NGOs, in three time-spans, from Indonesia's occupation, through United Nations' reconstruction process, to post independence period, including investigation into NGOs' financial sustainability;
 - To investigate and describe donors' policies of assistance during these three periods.

c. To describe the roles of East Timorese NGOs being studied through selected research methods, that is, interviews, email-interviews and observations.

- I am wanting to speak with individuals over 25 years old who have been working continuously with NGOs (NGO staff) and dealing with overall programmes. This will involve both National and Local NGOs working in East Timor.

Representatives of donors who have been supporting East Timorese NGOs both financially and non-financially, including the United Nations agencies; and both multi and bilateral organisations, will also be asked to participate. I will also be interviewing by email those who have had experience working in East Timor.

- I wish to conduct an in-depth interview with you. It will take 1 – 2 hours. It will be tape recorded. The identity of all participants will be protected and these features will remain confidential to the researcher.
- All information and data collected directly or indirectly from participants will be used for thesis-writing only. The researcher will not make use of data collection for other than the above stated purpose.
- You are under no obligation to accept this invitation. If you decide to participate, you will have the right to:
 - decline to answer any particular question
 - withdraw from the study (two weeks after you have been interviewed)
 - ask any questions about the study at any time during participation
 - provide information on the understanding that your name will not be used unless you give permission to the researcher
 - be given access to a summary of the project findings when it is concluded
 - to ask for the audio-tape to be turned off at any time during the interview

Should you have any questions or concerns regarding this project, please ask me about them.

APPENDIX TWO: CONSENT FORM

Revised 23/01/04



School of Social and Cultural Studies
Albany Campus

The Role and Sustainability of East Timorese NGOs
“How Long Can They Last?”

CONSENT FORM

THIS CONSENT FORM WILL BE HELD FOR A PERIOD OF FIVE (5) YEARS

I have read the Information Sheet and have had the details of the study explained to me.
My questions have been answered to my satisfaction, and I understand that I may ask
further questions at any time.

I agree to the interview being audio taped.

I do not wish to have data placed in an official archive.

I agree to participate in this study under the conditions set out in the Information Sheet.

Signature: **Date:**

Full Name – printed:

APPENDIX THREE: SAMPLE QUESTION FOR INTERVIEW

Information on the NGO:

1. Name of the NGO:
 - a. In Local language :
 - b. In English :

Historical Information on NGO:

2. Date of establishment :
3. Where is your NGO based?
4. What is the main reason for establishing this NGO?
5. Who were the founders of this NGO?
6. Is the level of this NGO National or Local?
7. How many permanent members/staff does this NGO have?people.
8. Are there any voluntary workers in this NGO?
9. How many voluntary workers does this organisation have?people.
10. What is the main program of this NGO?
11. Are there any target groups that this NGO focuses on, in terms of its programmes?
12. Is your organisation being helped by foreign advisors?
13. Name the foreign advisors helping your organisation?
14. Do you think that the international support that your organisation has been receiving from donor-organisations, has made any difference into your overall programme?

Donor Information on the NGO:

1. What are the main financial sources of the NGO?
2. Are there any donor-organisations working closely with your organisation?
3. What kinds of project do donor-organisations mainly support?
4. If there are some donors, do you have a kind of working agreement (contract) in relation to the project being or to be carried out?
5. If you do, who prepared the agreement/contract?
6. If a working agreement was prepared by the donor-organisation, did you have access to the concept before you signed it together?

7. At the time you signed the Contract, did you fully understand its substance, by yourself?
8. Were the contracts written in English?
9. If so, how did you manage to understand the substance of the Contract?
10. Did the donor-organisations translate the contract into Tetun or Indonesian?
11. Did the Contract determine the rights and obligations of both parties in balance?
12. What are your organisation's obligations toward the Contract?
13. Were there some obligations that your organisation feels dissatisfied with?
14. Were you able, for some reasons, to make any changes to the Contract?
15. Were you obliged to report those changes you had made to the donors?
16. If you were/are not obliged to, were/are you explain those changes in your narrative report? The nature of Tetun and Indonesian language in term of tenses require this question to be asked twice.
17. Did you have to renegotiate with the donors?
18. How did you convince them to accept your thoughts and circumstances?
19. Do donor-organisations force your organisation to implement a project that in your own thoughts is not necessarily important to the people that you are working with?
20. How do you manage the funding-support provided by donor-organisations?
21. Did donors support daily expenses of your organisation?
22. If not, where did your organisation get the funds from?
23. If yes, (to question 21) were there any limitations to daily expenses determined by donor-organisations?
24. Is the accountability of financial-reporting becoming the main concern of donor organisations?

Funding History information on the NGO:

1. How does your current funding compare with funding during the UN administration period?
2. Has it become more difficult to attract funding?
3. Have funding levels gone up, remained the same, or gone down?
4. What is the normal duration of your working agreement with donors?
5. If it is for one year, for instance, and you have not been able to find other donors, will your organisation be able to sustain itself in that situation?
6. Have you had to find new donors every year?

Questions on Growing Competitions of the NGO:

1. Why did you establish this NGO?
2. What is the principle of this NGO?
3. what are the mission and vision of this NGO?
4. Did you establish this NGO during the occupation by Indonesia, during reconstruction period, or after Independence period?
5. Was/is your organisation working toward independence?
6. How many NGOs operated during Indonesia's occupation?
7. How many NGOs operated during the UN reconstruction period?
8. How many NGOs operated after independence up to the present time?
9. During the occupation by Indonesia, was your organisation in competition with other NGOs for getting funding support?
10. How did you manage to survive during the Indonesian occupied period?
11. How many NGOs have you had to compete with during this occupation period?
12. How many NGOs have you had to compete with during the UN reconstruction period?
13. How many NGOs have you had to compete with during Independence period?
14. In your memory of East Timorese history, has anyone established NGO or similar, during Portuguese rule?
15. As a member of the NGO Forum, do you know how many NGOs are currently operating in East Timor and on your organisation's base?

Questions on Financial foundation to attract financial support from donor organisations:

1. At the time you established this NGO; did your organisation have its own budget/money that was in actual use for implementing your organisations' programmes?
2. If your organisation did/does, where did/do you get the money from?
3. If your organisation did not/does not now, how do you manage to get money to implement the organisation's programmes?
4. What were/are the main financial sources of your organisation?
5. What kind of processes was/is your organisation required to follow, to be able to get funding-support from a donor organisation?

6. Did/do you include your organisation's target-group's ideas in your proposed initiatives/activities in order to get funding-support?
7. If not, how did/do your organisation's activities respond to communities needs?
8. Did/do you seek your organisation's financial source from the international NGOs, governments, or the UN agencies?
9. Were/are you required to comply with the donor's assistance-policy or the donor's program which stood/stands outside your organisation's main activity?
10. Did/do you seek that a donor gives assistance which was/is closely related to your organisation's activities?
11. Are there any donor-organisations that approached your organisation for implementing a program?

Questions for Local and National NGOs:

1. Have you ever conducted fund-raising activities in support of your programmes?
2. How do people respond to your fund-raising activities?
3. Do they support or complain about your fund-raising activities?
4. How do you use funds you get from fund-raising activities?
5. How often do you run fund-raising activities?
6. Do you think that fund-raising activity is a good way for your organisation to survive?

Specific questions:

1. Historically, this NGO was established by an Indonesian University. I stand corrected here; but could you please tell me about how you re-established it? Why you were interested in re-establishing this NGO? Also what sorts of activity your NGO concentrates on?
2. What kinds of communities-based activities have been developed across this Atauro island?
3. Do you think that those community-based activities have met the people's needs?
4. You also run weekly activities in two areas, transportation and eco-tourism. Are these activities part of generating income strategy?
5. If these activities are not part of generating income, how do you manage to pay the wages of employees involved in these activities?

6. As a consultant who has been working for many years, do you think that by the time you leave this organisation, staff members will be able to take over your responsibilities? Do you think that they will be able to work without a consultant, your replacement, for instance?

Questions for Donors and Individuals with potential who have been working in East Timor

1. How long has your organisation/office been supporting East Timorese NGOs?
2. What programmes does your organisation mainly support?
3. Does your organisation have a budget limit in/towards supporting East Timorese NGOs?
4. How many NGOs did your organisation support during the reconstruction period?
5. How many were they compared to the previous year?
6. How many NGOs does your organisation support this year?
7. What is the average amount your organisation provides each NGO?
8. How many NGOs applied to get funding from your organisation? Yearly average?
9. What criteria does your organisation use to select an appropriate partner?
10. When you short-listed NGOs that were to be supported by your organisation, had you interviewed them as part of your organisation's assessment before deciding to support?
11. How often does an organisation, that you are supporting, have to send a progress-report to be assessed by your organisation?
12. Did those organisations, supported by your organisation, submit their reports on time?
13. Has your organisation ever requested re-submission of a narrative or a financial-report from the NGOs supported?
14. How did these NGOs response to your organisation's request?
15. When your organisation reviewed both the narrative and the financial reports from an organisation which you have been supporting, do you think that
 - a. these reports complied with your organisation's requirements?
 - b. these reports revealed the project being carried out?
 - c. these reports were accountable?