



WAGE



WOMEN'S ENTREPRENEURSHIP IN TIMOR-LESTE:

AN ASSESSMENT OF OPPORTUNITIES, BARRIERS, AND A PATH FORWARD

KEY FINDINGS AND RECOMMENDATIONS

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Executive Summary

Timor-Leste is one of the world's youngest democracies with a long history of colonization and a violent past, leaving the nation with high incidence of poverty¹, under development and severe inequalities, which affect women disproportionately. Women often face discrimination within their families, in their communities and in the wider society, where a patriarchal social system still prevails, fueling high levels of Gender-Based Violence (GBV).

Timorese women actively contribute to the economy including through agriculture and Micro, Small and Medium Enterprises (MSMEs) -- trading produce and traditional handicrafts and selling cooked food and other basic necessities. Although female entrepreneurs make up 43% of MSME owners in Timor-Leste and are identified as engines of growth in the national economy, they face greater challenges starting and scaling their businesses than men. Some of the barriers they face are intertwined, gendered business and social barriers. The Business and Social Support for Female Entrepreneurs in Timor-Leste (BEST) Initiative, under the Women and Girls Empowered (WAGE) consortium program, is led by Grameen Foundation in partnership with ABA ROLI, and was designed to increase female entrepreneurs' access to microfinance, business education, and GBV support services and to promote the growth and resilience of their enterprises. WAGE is building the technical capacity of, and creating formal linkages among, local MFIs and CSOs implementing women's empowerment initiatives.

In support of the WAGE BEST initiative, the objectives of this assessment are to understand the multifaceted barriers and opportunities for women's business growth in Timor-Leste, and map the existing local service providers with the potential to address these barriers. In addition, this report identifies opportunities for linkages to enable local service providers to extend a more holistic and high- impact package of financial, business and social services to their clients. This assessment was supported by a preliminary gender and inclusion analysis conducted at project launch through a desk review as well as field research which leveraged focus group discussions and key informant interviews with women entrepreneurs, community members, microfinance institutions (MFIs), and women's empowerment civil society organizations (WE CSOs).

Key barriers to women's ability to participate in and benefit from economic activities identified include entrenched gender norms and expectations, time poverty, limited access to productive resources and finance, and GBV. While the Constitution and statutory laws of Timor-Leste guarantee equal rights and duties for women and men, in practice entrenched social norms including traditional gender roles and expectations within households, communities, and markets result in heavy household caretaking workloads, such as child care, cleaning, cooking, and washing clothes, which limit the amount of time women have available to participate in economic activities.² Participants emphasized that while there have been positive changes in gender norms in recent years, access to productive resources is heavily influenced by **patriarchal social norms dictate that land should be owned by husbands, limiting women's ability to access credit and other financial services for business**, as land titles are required to fulfill collateral requirements at most major financial institutions. With limited access to finance, participants in the focus group discussions and key informant interviews shared that they generally rely only on their own savings and available household resources to fund their businesses, narrowing the sectors that women can venture into and limiting potential for business growth. In addition to these barriers, Timorese

¹ According to the latest available data in 2014, 41.8% of the population in Timor-Leste lives below the poverty line (World Bank).

² Green Climate Fund. *Gender Assessment*. September 2019, pg. 7. <https://www.greenclimate.fund/sites/default/files/document/gender-assessment-fp109-undp-timor-leste.pdf>

women continue to face a blatant threat of GBV in their daily lives with more than half of the adult female population having experienced GBV.³ Participants in the focus group discussions (FGDs) and Key Informant Interviews (KIIs) shared their perspectives that two factors appear to drive the prevalence of GBV in Timorese communities: economic and societal pressures acting upon the men and provocation brought about by women themselves. Despite existing policies enacted to govern GBV cases, in general, GBV is considered a private matter with cases rarely reported to local authorities and disputes resolved within the family or with involvement of community leaders. The threat of GBV prevents women entrepreneurs from challenging the entrenched gender norms and expectations, which limit their working hours and potential business revenue. Women continue to be highly dependent on men economically, which further contributes to their hesitance in formally reporting GBV cases. Some women fear that if they report and their husbands are put in jail, they would have no means to provide for their children.

The full list of opportunities and barriers identified from the assessment are summarized below, using the categories defined in WAGE's Women's Economic Empowerment Methodology, which considers women's empowerment across six broad areas of their lives: structural, relational, material, personal, cognitive, and perceptive barriers.

Key Opportunities and Barriers to Women's Economic Empowerment in Timor-Leste

POSITIVE FINDINGS

STRUCTURAL OPPORTUNITIES

- **Highly Gender-Responsive Legal and Policy Framework:** The Constitution of Timor-Leste states that “women and men shall have the same rights and duties in all areas of family, political, economic, social and cultural life,” and proclaims that promoting “an effective equality of opportunities between women and men” is one of ten fundamental objectives of the state.⁴ Notably, the Constitution was influenced by a civil society working group “Women and the Constitution.” In 2001, the working group developed the “Women's Charter of Rights” and submitted it, with approximately 10,000 signatures, to the Constituent Assembly. This was instrumental in centralizing gender issues in the country's policy debate, increasing women's political participation, and raising public awareness of the democratic value of gender equality.
- In line with Timor-Leste's stated commitment to gender equality and equity, the government produced progressive policy documents, including the 2014-2017 Gender and Private Sector Strategy, which was extremely detailed and forward thinking. However, a lack of implementation of those policies continues to limit progress towards gender equality and equity, which will be discussed further under the barriers.

³Asia Foundation 2015, Intimate Partner Violence Against Women in Timor-Leste, <https://think-asia.org/bitstream/handle/11540/8973/Intimate-Partner-Violence-Against-Women-in-Timor-Leste.pdf?sequence=1>

⁴ Constitution arts. 6, 16, 17.

RELATIONAL OPPORTUNITIES

- **Supportive Family Relationships:** Despite patriarchal household power dynamics and generally unequal household workloads, the majority of married women participants stated that their husbands are supportive and allow them to participate in activities such as training and other livelihood opportunities. Participants also shared that they receive support from their husbands or other family members with household chores, childcare, and if necessary, look after their businesses when they are interested in participating in training and other personal development activities. Although, participants indicated that they have this family support to attend trainings or other livelihood opportunities, they are still responsible for most household activities outside of those events.

MATERIAL OPPORTUNITIES

- **Micro-grants Available to Women's Groups:** Women entrepreneur groups are often recipients of micro-grants from the local government and non-profit organizations to start a variety of small businesses, and training from local CSOs. While there are challenges and limitations in the training provided, focus group participants felt that these grants and training are instrumental to start or to add capital for women's businesses. The training challenges and limitations are explored in-depth in the Key Barriers section below.
- **Savings and Loans models:** Participants shared that credit accessed by the members through savings and loans groups formed under the micro-grants from the local government and non-profit organizations are instrumental to start or to add capital for women's businesses.

PERSONAL OPPORTUNITIES

- **A Culture of Women's Groups:** Women entrepreneurs are commonly part of women's entrepreneurship groups. Study respondents reported that such groups serve as an important source of social support, finance and training for members to start and maintain their businesses.

COGNITIVE OPPORTUNITIES

- **Technical Skills:** Women in the focus groups reported that their pre-existing skills include those that are passed on through family traditions, such as weaving. These skills generate a prominent portion of their families' incomes.

PERCEPTIVE OPPORTUNITIES

- **Motivation to Start/Grow Businesses:** Women in the focus group discussions are highly motivated to start and/or grow their own businesses.
- **Confidence:** Participants in the focus groups noted they felt confident in their ability to start businesses if they had pre-existing leadership and business skills gained from practical experience, and their confidence grew with time as they gained experience and learned by doing.

KEY BARRIERS

STRUCTURAL BARRIERS

- **Contradictory Legal and Justice Framework:** Timor-Leste has a mixed legal and justice system, combining both formal and customary laws; and formal and informal justice institutions. The Constitution guarantees equal rights for men and women but it also requires the state to recognize customary laws, so long as they are not contrary to the Constitution. These customary laws and justice institutions often embrace sexist norms and practices, including discrimination against women with respect to property rights, resulting in confusion and often stripping away women's rights in practice.
- **Policy Gaps and Silences:** Women are considered equal under the Constitution and many of the formal laws and policies of Timor-Leste, but in practice these legal guarantees are not ensured. The enforcement of women's Constitutional rights is limited by local governments' budgetary constraints and a lack of rules and regulations facilitating the implementation of national laws and policies.
- **Challenges to Business Formalization:** Most participants stated that existing business registration procedures and requirements are not adapted to the capabilities and realities of micro-, small, and medium enterprise (MSME) owners, making it difficult for women entrepreneurs to benefit from the advantages of business formalization. Women focus group participants noted that they lack the documents needed to register a business (e.g., a license from the tax office), find the requirements generally too cumbersome and difficult to comply with (e.g., obtaining various permits from respective ministries), and rarely receive assistance in completing these registration requirements. These services are currently not being offered by any government office or separate entity and entrepreneurs are often left to comply with all the requirements independently. Furthermore, the tax office is based in Dili, discouraging women in rural and other urban areas from processing their business licenses due to geographic reach.
- **Insecurity and Crime:** Participants from various groups identified two kinds of threats that they encounter in their daily lives, which have adverse effects on their business activities: domestic violence; and insecurity in public spaces due to communal conflicts and gangviolence.

RELATIONAL BARRIERS

- **Patriarchal Sociocultural Norms:** Timorese sociocultural norms position men as household heads, decision-makers, and breadwinners operating in the formal economy; while women are seen as caretakers responsible for a multitude of household chores, required to obey their husbands, and generally work in the informal economy. Women's caretaking role limits the amount of time they have available to participate in income-generating activities. At the same time, their subservient gender role limits women's agency and decision-making power over household finances and, specifically, the use of these finances to support women's business investments.
- **Social Expectations for Economic Support:** Participants in the focus groups cited that one practice, which has a significant negative impact on women's take-home pay is pressure for families to make donations to support traditional ceremonies and celebrations. While these events serve important social functions, there is a trade-off whereby women tend to channel their business income to these community events instead of to savings or to growing their business.
- **Gender-Based Violence (GBV):** GBV, most commonly in the form of domestic physical or sexual violence, is reported to be a major threat to women's daily lives and economic activities, with more than half of the adult female population having experienced GBV. According to the focus group participants, economic and societal pressures such as dire financial needs, lack of employment opportunities, and low awareness and education on GBV prompts men to lash out at their women partners. The focus group participants themselves stated that GBV is a form of

discipline towards women partners who are erring or not performing their duties as wife and mother. They further added that women “provoke” their male partners to commit GBV if they are lazy, caught gossiping and spreading rumors, not taking good care of the family especially the children, gambling, smoking, and drinking. Conversely, women who are not tied to performing traditional gender roles or that challenge gender roles and unequal division may also face backlash from their intimate partners for not doing what is expected of them. Due to this shared way of thinking, GBV is considered a private family matter. As a result, instead of seeking immediate legal remedy for GBV-related issues, the participants shared that domestic violence in their communities is most commonly addressed through traditional practices.

MATERIAL BARRIERS

- **Limited Access to Productive Resources:** There is no formal law on land ownership in Timor-Leste; therefore, various customary laws and practices are used to determine ownership. Land is generally passed to male family members with women obtaining access only through marriage and only about 20% of women own land. Assessment interviewees and focus group participants reported women have extremely limited access to land due to traditional social norms, which dictate that land should be owned by husbands rather than their wives.
- **Lack of Land Ownership Limits Access to Financial Services:** Lack of land also limits women’s ability to access credit and other financial services for business. Land titles are required to fulfill collateral requirements at most major financial institutions. Due to this barrier, women focus group participants shared that they have limited access to finance, and generally rely only on their own savings and available household resources to fund their businesses. This severely limits their ability to sustain or grow their business.
- **Limited Access to Proper and Safe Market Facilities:** Tais producers (traditional weavers) reported that a lack of access to proper market facilities to sell their products is a significant concern. They further shared, because of low profit margins, they experience difficulty in seeking and renting strategic commercial spaces to sell their products.

PERSONAL BARRIERS

- **Time Poverty:** As discussed under Relational Barriers, women’s heavy household workloads, which are dictated by traditional gender roles, limit the number of hours a day they can devote to their business operation and skills development. This fact forces most women entrepreneurs to work in low-paid sectors and businesses, which they can start based on pre-existing skills and can operate simultaneously with other household tasks.

COGNITIVE BARRIERS

- **Poor Education and Occupational Segregation:** Women tend to have lower educational attainment and lower literacy levels than men because of prevailing social norms that prioritize male over female child education. This norm finds its basis in the belief that men are the breadwinners of the family, so they need more education. Low literacy levels prevent most women from participating in the formal employment sector, especially salaried work, and relegate women to economic activities in low-paid handicraft production, retail shops, and agricultural jobs.

- **Limited Financial Literacy:** Limited financial literacy, information about available credit and financial services providers, and navigating loan requirements make the loan qualification process cumbersome, time-consuming and ultimately impracticable for many women entrepreneurs.
- **Limited Business Management Skills:** Participants across all FGDs stated that while they have confidence in their leadership and the business skills, they require more formal business training and mentoring to mitigate the business risks and challenges they face. Some of the risks they mentioned included low profit margins and debt risk, competition and operational risk, and potential threat of business interruption due to unforeseen circumstances, including episodes of violence (i.e., 1999 Independence Referendum and 2006 Military Conflict). Women entrepreneurs' low profit margins are tied to various issues including starting businesses in saturated sectors with high competition, poor recordkeeping, and poor stock and cash flow planning. Women are keen to receive business support and learning opportunities, if available. However, study participants shared that service providers need to consider and plan out the activities with women-friendly logistics to accommodate women entrepreneurs' overlapping roles within their households and in their businesses. Some of the accommodations study participants shared included identifying venues near the target beneficiaries so that women will be able to better manage their time.

PERCEPTIVE BARRIERS

- **Beliefs and Perceptions about Women's Businesses:** Perceptions influenced by social norms classify some businesses as being primarily run by men or primarily run by women. Businesses that typically fall in the latter category are those that build off the traditional skills of cooking, sewing, and craft production.
- **Beliefs about Men's Roles in Women's Businesses:** Influenced by a predominantly patriarchal society, the women who participated in this assessment have a heavily ingrained mindset that men are responsible for major family decisions including a woman's business. This norm increases the likelihood of interference by family members in women's business matters. Specifically, women participants shared that the role of married women is to support and listen to their husbands — only widows have the right to make autonomous decisions.

Findings of the Geographic Mapping

The second objective of this assessment was to identify target districts for the WAGE BEST project; complete a geographic mapping of existing financial, business and GBV prevention/response services in Timor-Leste; and to identify opportunities to link women's empowerment (WE) civil society organizations (CSOs) and MFIs in said identified target districts. WAGE BEST found through referrals, several WE CSOs, including Alola Foundation, Ba Futuru, Fórum Comunicação Juventude Oratório Dom Bosco (FCJ), Timor-Leste Women's Communication Forum (FOKUPERS) and Psychosocial Recovery and Development in East Timor (PRADET) provide gender and conflict management training, shelter, healthcare, psychosocial support, and legal services to prevent and respond to GBV. WE CSOs and parastatal organizations like Institute for Business Support of Timor-Leste (IADE) also provide business planning and finance management training services to support women to gain the skills they need to bridge business skills gaps.

At the same time, Moris Rasik and Kaebauk provide microfinance loans to women clients including MSME loans, specifically for women entrepreneurs.

Selection of target districts was based on higher than national average poverty headcounts, high needs for GBV support services, co-location of MFI and WE CSO services, feasibility and value for money, and sustainability. Based on these criteria, Liquica, Ermera and Dili⁵ Districts were identified as target districts to pilot BEST initiative linkages. A detailed analysis that resulted in this selection is in Section VII of this report.

Recommendations

The vast majority of MSMEs in Timor-Leste respond to immediate household economic needs rather than as part of a thoughtful long-term business plan. Most of these enterprises are not started with a long-term business plan. Many MSMEs are typically sustained by practical experience rather than business strategy and skills. This gap in skills and strategic planning limits many women to operating their MSMEs in the informal economy, where they often experience business risks including low profitability and market saturation. A holistic and tailored package of financial, business, and social services are needed to begin addressing these challenges. Based on the responses the assessment team received through FGDs and KIs, below include a set of tailored technical recommendations to address said challenges and the above discussed barriers women face in starting and scaling businesses.

WAGE BEST Recommendations Based on Training Needs Expressed by Women Entrepreneurs:

- **Financial literacy and entrepreneurship training** across the business cycle. Specifically, women entrepreneurs need support in:
 - Enterprise selection, planning, record keeping, inventory management and expansion to determine underlying causes of low profits.
 - Information on financial services available in the local area (especially loan products), product terms, qualification requirements, and application processes, and how to select loan products that are advantageous for the business.
 - Linkages to formal financial service providers.
- **Market assessment and linkages and business planning:**
 - Utilizing market assessments and market information to select profitable business ventures that address a particular demand of the community or target customers.
 - Developing personalized business plans for long-term planning and to mitigate the risk of failure.
 - Preparing risk management and business continuity plans to respond to unexpected shocks.
- **Technical skills training:**
 - Sector-specific training (such as tais weaving and food production) to improve product quality and diversification of product offerings.
 - Negotiation skills both for personal and business purposes.

⁵ WAGE recognizes that Dili is overall one of the wealthier areas of Timor-Leste, however there are very high variations of poverty between sucos in the district and WAGE intends to implement in lower-income sucos.

- **Customer service and marketing:**
 - Communication to address customer queries and to effectively promote products, including social media.

Social and Business Support to Women Entrepreneurs:

- Participatory (household and community level) gender training and information dissemination to:
 - Identify and address inequities between men and women in household and child-rearing responsibilities.
 - Raise community awareness on GBV prevention, including the nature and consequences of different forms of violence.
 - Increase community knowledge about the benefits of women's socio-economic participation and raise awareness of backlash in response to this participation and services available to victims of GBV.
 - Offer women referral pathways to essential support services including psychosocial, medical, and legal services.
- Through thought leadership publications and/or discussions, raise awareness among key public and private stakeholders about the need to align local business registration requirements with MSME owners' capabilities.
- Government and non-profit organizations should also advocate to establish technical and vocational training institutions, prioritizing diversification and specialization to mitigate sector oversaturation and to increase employment opportunities.

Capacity Building Support to WEE CSOs and MFIs:

- Building the capacity of local CSOs to provide high-quality gender-responsive entrepreneurship and GBV prevention training:
 - WE CSOs need continuous support to regularly update and adapt training curriculum to ensure that it is attuned to the needs of targeted female beneficiaries. This includes:
 - a) Utilizing proven approaches to deliver trainings which aligns with women's time availability such as adapting modular and cascade training approaches,
 - b) Using multimedia platforms (i.e., radio and SMS) that can be accessed by women at their convenience to deliver short but actionable key training messages,
 - c) Adapting existing training curricula for low-literacy audiences such as use of pictorial learning conversations. Moreover, partnership and linkages between different stakeholders should also be advocated for and institutionalized to ensure women entrepreneurs can have access to holistic financial, entrepreneurial, and social support.
- Building the capacity of local financial service providers to design women-centered financial products:
 - MFIs who serve women as the majority of their client portfolio need to improve their staff's understanding of the multifaceted gendered barriers and dynamics women entrepreneurs face, including GBV, and how these could be addressed through gender-responsive financial products and linkages to social services.

I. Introduction

About Women and Girls Empowered (WAGE)



OUR APPROACH

To account for the deeply interconnected nature of women's and girls' experiences, WAGE's strategic initiatives are highly collaborative, integrated, multidisciplinary, and inclusive.



OUR MISSION

WAGE strengthens the capacity of civil society organizations around the world to improve the prevention of and response to gender-based violence; advance the women, peace and security agenda; and support women's economic empowerment.

4 CORE
PARTNERS
+
43 RESOURCE
PARTNERS



GLOBAL
NETWORK OF
370+ CIVIL
SOCIETY
ORGANIZATIONS

OUR GLOBAL NETWORK

WAGE has strong ties to a broad and growing global network of nearly 400 women-led and women-focused civil society organizations that implement initiatives in WAGE's core thematic areas.



OUR PARTNERS

WAGE consortium is led by the American Bar Association Rule of Law Initiative in close partnership with the Center for International Private Enterprise, Grameen Foundation, Search for Common Ground, and 43 international, regional, local, and corporate resource partners.



Women and Girls Empowered (WAGE) is a global consortium that advances the status of women and girls, led by ABA ROLI in close partnership with the Center for International Private Enterprise (CIPE), Grameen Foundation, and Search for Common Ground (Search). WAGE works to strengthen the capacity of CSOs in target countries to improve the prevention of and response to gender-based violence (GBV); advance the women, peace and security agenda (WPS); and support women's economic empowerment (WEE). In this context, WAGE provides direct assistance to women and girls, including information, resources, and services they need to succeed as active and equal participants in the global economy. WAGE also engages in collaborative research and learning to build a body of evidence on relevant promising practices in these thematic areas. To account for the deeply interconnected nature of women's and girls' experiences, WAGE's initiatives employ approaches that are highly collaborative, integrated, and inclusive. WAGE is funded by the U.S. Department of State Secretary's Office of Global Women's Issues.

The WAGE BEST Initiative

Funded by the U.S. Department of State Secretary's Office of Global Women's Issues, Business and Social support for female Entrepreneurs in Timor-Leste (BEST) is an integrated women's economic empowerment (WEE) and GBV response and mitigation initiative under the global WAGE program. ABA ROLI leads the GBV component of WAGE BEST and Grameen Foundation is the project's WEE technical lead.

BEST aims to address the intertwined social, economic, and regulatory challenges, which prevent female micro-entrepreneurs from starting, maintaining, and expanding successful businesses. BEST will build the capacity of Timorese microfinance institutions (MFIs) and women's empowerment-focused civil society organizations (WE CSOs), to align their social development goals and provide female entrepreneurs with a more holistic package of financial, entrepreneurial, and social support. To achieve this, the initiative will build strategic partnerships with and between WEE CSOs including Alola Foundation, Ba Futuru and Associação Empresarial Das Mulheres Timor-Leste (AEMTL), and MFIs Moris Rasik and Kaebauk.

Objectives of the WAGE BEST Assessment

The assessment seeks to achieve the following objectives:

- Objective 1: Identify barriers Timorese women face in starting and scaling successful enterprises, women's business skills building and GBV support needs.
- Objective 2: Identify target locations for the implementation of the WAGE BEST initiative and map existing financial, business development and social support services in BEST target districts.
- Objective 3: Identify opportunities to link women entrepreneurs to a holistic package of financial, business development and social support services to address these barriers.

II. Background on Timor-Leste

A. Geopolitical Context

Geography

Timor-Leste is a small island country bound by the Timor Sea to the southeast, the Wetar Strait to the north, the Ombai Strait to the northwest, and West Timor (part of the Indonesian province of East Nusa Tenggara) to the southwest. The country's dry tropical climate and moderate rainfall, boasts an array of natural resources which includes hilly areas, hot springs and numerous mountain streams.⁶

Demographic Profile

Timor-Leste's population totals 1.3 million people with a median age of 17.4 years, and 74% of the population under the age of 35,⁷ making it the 15th youngest nation in the world. The female-to-male ratio (50.54 to 49.46) is nearly even.⁸ The country has a high fertility rate with an average of 5.7 children per woman which directly impacts women's and children's health and the division of labor between men and women in the home.⁹ The majority (70%) of the population lives in rural areas. Rural populations have less access to education, employment, and experience higher poverty.¹⁰

History

Timor-Leste is one of the world's newest countries, having become a sovereign state on May 20, 2002, following over 400 years of Portuguese colonization, 24 years of Indonesian occupation, and three (3) years of United Nations transitional administration.¹¹ In 1999, the Timorese voted by an 80% margin for independence from Indonesian rule after a lengthy period of internal strife, marked by Indonesian security forces violently imposing Indonesian rule in the country.¹²

Timor-Leste continued to face violent periods in 2006-2008, when members of the Defense Force of Timor-Leste located in the east of the country took up arms against members of the Defense Force and the police from the west. The violence was reported to stem from the prevailing conflict between security forces in western and eastern parts of Timor-Leste, which originated during the colonial period and was

⁶ *East Timor*, Encyclopedia Britannica (May 14, 2020), <https://www.britannica.com/place/East-Timor#ref326337>

⁷ Associate Professor Uday Saika and Dr. Merve Hosgelen, Timor-Leste National Human Development Report 2018 Planning the Opportunities for a Youthful Population (April 2018), https://www.undp.org/content/dam/timorleste/docs/reports/HDR/2018NHDR/TLNHDR%202018%20PPT%20Presentation_Dili%20Public%20Seminar%2004.04.18.pdf

⁸ WEF, GGG Report 2020, p.335 Available at http://www3.weforum.org/docs/WEF_GGGR_2020.pdf

⁹ ADB Gender Statistics The Pacific and Timor-Leste 2016, p.15 Retrieved at <https://www.adb.org/sites/default/files/publication/181270/gender-statistics-pacific-tim.pdf>

¹⁰ ADB Timor-Leste Country Gender Assessment 2014, p. Xii Retrieved at <https://www.adb.org/sites/default/files/institutional-document/84126/timor-leste-country-gender-assessment.pdf>

¹¹ The Equality Institute, Understanding Violence against Women and Children in Timor-Leste: Findings from the Nabilan Baseline Study Main Report 21 (2016), https://asiafoundation.org/wp-content/uploads/2017/06/nabilan-main-report-screen-2017_06_08.pdf

¹² *ibid.*

reinforced during the Indonesian occupation when most of the armed resistance was based in the east. This two-year conflict resulted in 100,000 displaced citizens.

Government and the of Rule of Law

Timor-Leste is a democratic, semi-presidential republic, with the President elected by popular vote for a five-year term as the Head of State, presiding over the Council of State and the Superior Council of Defense and Security.¹³ Following legislative elections, the President appoints as Prime Minister (Head of the Government) the leader of the majority party or majority coalition. Members of the unicameral Timorese parliament (National Parliament) are also elected by popular vote to a five-year term and the number of seats can vary from a minimum of 52 to a maximum of 65.¹⁴ The Constitution references that Timor-Leste is a democratic, sovereign, independent and unitary State with a fundamental objective to guarantee and promote fundamental rights and freedoms of the citizens and the respect for the principles of the democratic State based on the rule of law.¹⁵

The Timorese political system is male-led, contributing to a patriarchal political culture that upholds power through domination rather than through collaboration ('power over' instead of 'power with and for'). As a result, women are prevented from equal participation and leadership in politics and governance.¹⁶ Although women have played an active role in the struggle for independence, peace building, and politics in Timor-Leste, women's lower levels of education and literacy, as well as the culture of male dominance, have limited women's ability to contribute to local governance.¹⁷ Despite the high female representation at the national parliament level, political representation at the village and community levels (head of the Suco and Aldeia) is low - and this is where decisions of the greatest relevance to rural women are made. Furthermore, only 11 of the 442 suku chiefs are women (2.4%) although two seats of the suku council are allocated for women representatives.¹⁸

B. Economic Landscape

Timor-Leste is considered a low middle-income country by the World Bank, and according to data from 2014, 41.8% of the population lives below the poverty line. The country has a gross domestic product (GDP) of USD 1.67 million and a GDP per capita of USD 1,294.2 in 2019 with an increase of 1.4 percent from 2018.¹⁹ In 2019, despite not reaching the estimated GDP growth (3.4 percent) and the government's low budget execution (84 percent), total public spending increased by 5% driven by goods, services and

¹³ Government of Timor-Leste Official Website, <http://timor-leste.gov.tl/?p=33&lang=en>

¹⁴ *ibid.*

¹⁵ USAID, The Asia Foundation and Stanford Law School, Introduction to the Laws of Timor-Leste Legal History and the Rule of Law in Timor-Leste (n.d) p8-9, <https://law.stanford.edu/wp-content/uploads/2018/04/Legal-History-and-the-Rule-of-Law-in-Timor-Leste.pdf>

¹⁶ National Action Plan on the Women, Peace and Security Agenda (2016-2020)

¹⁷ ADB Timor-Leste Country Gender Assessment 2014, <https://www.adb.org/sites/default/files/institutional-document/84126/timor-leste-country-gender-assessment.pdf>

¹⁸ National Action Plan on the Women, Peace and Security Agenda (2016-2020)

¹⁹ The World Bank, <https://data.worldbank.org/indicator/NY.GDP.PCAP.KD.ZG?locations=TL>

public transfers, while capital expenditure declined by 8 percent.²⁰ Timor-Leste's key economic industries include petroleum, tourism and agriculture as cited in the Strategic Development Plan (2011-2030).

Despite these challenges, progress has been made in improving living standards with a decline in poverty levels from 50% in 2007 to an estimated 42% in 2014.²¹ However, inequalities persist, particularly in rural areas, where 70% of the population is disproportionately affected by poverty, malnutrition, unemployment and lack of access to quality education and basic infrastructure. In fact, despite having a Human Development Index (HDI) of 0.625 in 2017, when weighed against the inequality factor, the HDI drops to 0.452.²²

According to data from the Asia Development Bank (ADB) 2014 Country Gender Assessment and the Gender Analysis of the 2013 Labor Force Survey:

- Timorese women are Constitutionally guaranteed equality to men in economic matters.
- In compliance with the International Labor Organization conventions 100 and 111 on Equal Remuneration and Discrimination, in 2012, Timor-Leste adopted a Labor Code prohibiting discrimination in employment on the basis of sex. Women are entitled to equal rights with respect to recruitment, hiring, terms and conditions, and training. However, women's labor force participation remains low in Timor-Leste. In 2013, participation was less than half of the working population, with a significant gender gap of 21% women to 40% men.²³ Furthermore, a gender pay gap exists in Timor-Leste, wherein women on average earn 16% less than men.²⁴
- There do not appear to be laws specific to advancing female entrepreneurship. The 2006 Code of Business Registration is gender neutral.
- No quotas were identified in the private sector (e.g., for corporate boards). Women's share of managerial jobs across both the public and private sectors is low at one-third²⁵, as all occupation groups are male-dominated. A 2015-16 survey by the World Bank showed that only 27% of firms in nonagricultural formal private economy in Timor-Leste had a top female manager, even though 61.8% of firms were majority-owned by women, which is significantly above the world average (14.4%).
- According to 2010 data, the Timorese economy is primarily agrarian, and women are more active in subsistence agriculture than men, although 70% of them do not receive cash income for their services. This is because subsistence farming is often viewed as a domestic task like child rearing or housework. Work to produce food for household consumption and unpaid care work in the home are typically done by women and are not counted as employment.²⁶
- Women are active in trading, "especially in selling their produce to the market and managing kiosks," and own over 40% of microenterprises. Women's businesses in Timor-Leste are generally smaller in terms of size, turnover, and number of employees. These entrepreneurs tend to

²⁰ World Bank Group Timor-Leste Economic Report: A Nation Under Pressure, April 2020, <https://openknowledge.worldbank.org/bitstream/handle/10986/33749/Timor-Leste-Economic-Report-A-Nation-Under-Pressure.pdf?sequence=1&isAllowed=y>,

²¹ The World Bank In Timor-Leste, <https://www.worldbank.org/en/country/timor-leste/overview>

²² Human Development Indices and Indicators: 2018 Statistical Update - Briefing note for countries on the 2018 Statistical Update - http://hdr.undp.org/sites/all/themes/hdr_theme/country-notes/TLS.pdf

²³ Gender Analysis of the 2013 Labour Force Survey (GA LFS), <https://asiapacific.unwomen.org/-/media/field%20office%20eseasia/docs/publications/2017/07/ga-lfs2013-english.pdf?la=en&vs=2822>

²⁴ *ibid.*

²⁵ *ibid.*

²⁶ ADB Timor-Leste Country Gender Assessment 2014, <https://www.adb.org/sites/default/files/institutional-document/84126/timor-leste-country-gender-assessment.pdf>

develop informal income-generating activities around traditional skills of cooking, sewing, and craft production.

- The number of more secure wage paying jobs increased since 2010, although women have been minor recipients of this growth. In 2013, only 28% of employed women were in wage or salaried (employee) positions, a mere 9% increase from 2010. On the other hand, 49% of all employed men were in secure jobs in 2013, a 19% increase since 2010.²⁷
- The distribution of employed men and women by industry indicates that other than the country's primary industry sectors (i.e. agriculture, forestry, fishing, mining, and the extraction of oil and natural gas), 25% of employed women are in wholesale and retail trades and 12% of employed women are in education, health, arts, and other industries . On the other hand, men are engaged in a broader variety of industries compared to women, along with the primary industry sector.²⁸ Women are more likely to be in vulnerable jobs than men when they are employed and the rate of vulnerable employment has increased in recent years (55% in 2013).²⁹ This affects rural women more significantly – in 2013, 83% of employed rural women were in vulnerable jobs (compared with 62% of rural men).³⁰

c. Legal System

Timor-Leste has a mixed legal system and formal and informal justice institutions. The Constitution requires the state to “recognize and value the norms and customs of East Timor that are not contrary to the Constitution and to any legislation dealing specifically with customary law.”³¹ Customary justice is a long-standing and layered system in which a dispute is first reported to the family, then to the village leaders, and finally to the elders in the community.³² Timorese appear to prefer to resolve their disputes locally and according to traditional methods. A 2013 survey found that while 88% of respondents had confidence in the courts, 93% of respondents were “more comfortable” with local administrators of justice.³³ The state is attempting to wield its influence over those local administrators.³⁴

²⁷ Gender Analysis of the 2013 Labour Force Survey (GA LFS), <https://asiapacific.unwomen.org/-/media/field%20office%20eseasia/docs/publications/2017/07/ga-lfs2013-english.pdf?la=en&vs=2822>

²⁸ ADB Timor-Leste Country Gender Assessment 2014, <https://www.adb.org/sites/default/files/institutional-document/84126/timor-leste-country-gender-assessment.pdf>

²⁹ Gender Analysis of the 2013 Labour Force Survey (GA LFS), <https://asiapacific.unwomen.org/-/media/field%20office%20eseasia/docs/publications/2017/07/ga-lfs2013-english.pdf?la=en&vs=2822>

³⁰ *ibid.*

³¹ Constitution of the Democratic Republic of Timor-Leste art. 2 (adopted 2002)

³² Geneva Center, East-Timor: Reconciling Formal and Customary Systems Through Evidence-Based Programming, <https://issat.dcaf.ch/Learn/Resource-Library/Case-Studies/East-Timor-Reconciling-formal-and-customary-systems-through-evidence-based-programming>.

³³ The Asia Foundation, Timor-Leste Law & Justice Survey 8 (2013), <https://asiafoundation.org/resources/pdfs/TimorLesteLJSurvey2013.pdf>.

³⁴ Geoffrey Swenson, Legal Pluralism in Theory and Practice 15, http://eprints.lse.ac.uk/84520/7/Swenson_Legal%20Pluralism_Published.pdf.

D. The Situation of Women and Girls in Timor-Leste

The status of women in Timor-Leste is well documented. Since the first Country Gender Assessment (CGA) carried out by the ADB in 2005, Timor-Leste has made significant efforts to improve gender equality. Key milestones that reflect the political will for advancing gender equality and social inclusion in Timor-Leste include:

- **Clear articles in the Constitution** dedicated to gender equality (Article 16, 17, 18 and 26) and Gender Equality and Women's Empowerment addressed in the Strategic Development Plan (SDP) 2011-2030.
- **Ratification of core human rights treaties** including the International Covenant on Economic, Social and Cultural Rights, the International Covenant on Civil and Political Rights, the Convention on the Elimination of Discrimination against Women, the Convention against Torture, and the Convention on the Rights of the Child.
- **National level laws and policies** that guarantee the rights of women and promote gender equality, include Law against Domestic Violence (2010), National Action Plans on Gender-Based Violence (2012-2016 and 2017-2021); National Action Plan on the Women, Peace and Security Agenda (2016-2020); Guidelines to address Sexual Harassment in the Civil Service (2017); Dedicated Gender Strategy for the National Police (2018); Child and Family Welfare Policy (2015); amendment of the parliamentary electoral law to increase women's participation in Parliament (2006); adoption of the parliamentary resolution on gender-responsive budgeting (2010); new Penal Code and Civil Code, including articles addressing the needs of women and protecting women.
- **Institutional mechanisms that support these laws and policies** including temporary special measures to ensure women's representation in the National Parliament, inclusion of dedicated women and female youth representatives on each of the 452 village councils, and requirements to include gender commitments in the State planning and budgeting process.
- **A robust gender equality architecture** - initially there was a Cabinet position in the Office of the Prime Minister dedicated to gender equality. It was elevated to the Secretary of State for the Promotion of Equality in 2007 – now known as the Secretary of State for Equality and Inclusion (SEII). The SEII's mission is designing, executing, coordinating and evaluating Government policies for the promotion and defense of gender equality.
- **Formation of a caucus of female members of Parliament** - the Group of Women Parliamentarians in Timor-Leste (GMPTL) brings together all women in Parliament to maximize women's participation and eliminate all forms of discrimination. This group critical to generating support for further reforms to benefit women.

These efforts have been followed by incremental investments to strengthen the capacities of civil servants to plan and deliver effective and gender-responsive services to the population (in education, health, social, justice and security). Key achievements include:

- **Improved education outcomes** - among primary school age children, 86% of girls and boys are attending primary school. Among secondary school age children, 57% of boys and 66% of girls are attending secondary school.³⁵

³⁵ Timor-Leste Demographic and Health Survey (DHS) 2016, <https://www.dhsprogram.com/pubs/pdf/FR329/FR329.pdf>

- The **gender gap in the literacy rate** is narrow among the youth population (15 to 24), with findings suggesting that younger cohorts of the female population are catching up with the male population.³⁶
- A **zero-tolerance policy on sexual harassment in schools** has been adopted in Timor-Leste.
- The **fertility rate decreased** from 7.8 in 2003 to 4.2 children in 2016.³⁷
- **Women's representation in Parliament has been high** since the first elections in 2002, and prior to the introduction of a quota system in 2006. In 2014, Timor-Leste had one of the highest proportions of women parliamentarians in the world (38% of the 65 parliamentary seats, which is above the 30% quota for female participation).³⁸
- Enactments of the **Penal Code (2009) and the Law Against Domestic Violence (2010)** have been significant milestones to ending violence against women and girls, with implementation supported by the National Action Plan on Gender-Based Violence (NAP-GBV), currently in its second version (2017-2021).
- The **proportion of men who agree with one or more justifications for wife beating has declined** from 81% in 2009-10 to 53% in 2016.³⁹
- In 2012 the **National Disability Policy for Inclusion and Promotion of the Rights of People with Disabilities** was approved (although implementation of commitments is still weak)⁴⁰

However, despite Timor-Leste's progressive social policies and achievements in addressing some of the gendered inequality gaps and promoting social inclusion, significant gaps remain, reflecting persistent and underlying patriarchal, religious, and societal norms. Men and women's beliefs and attitudes regarding their roles and rights result in significant limitations to women's educational and employment opportunities and are barriers to women's enjoyment of their human rights.⁴¹

One of these gaps is the prevalence and forms of GBV in Timor-Leste. The Asia Foundation reported in 2016 that 59% of Timorese women have experienced physical or sexual violence by an intimate partner in their lifetime, while 47% have experienced physical or sexual violence by an intimate partner in the previous year.⁴² Domestic violence is often frequent and severe, and its pervasiveness appears to vary across the country. Poverty reduction is an urgent societal need because high rates of poverty are correlated with higher rates of domestic violence and other forms of GBV. A May 2019 study published by the World Bank, which examined poverty rates and gender equality indicators found that rates of abuse against women are higher in poorer areas of Timor--⁴³ a key point of analysis further discussed below.

³⁶ World Bank. 2019. Gender-Sensitive Poverty Mapping for Timor-Leste. <http://documents1.worldbank.org/curated/en/143891560928616596/pdf/Gender-Sensitive-Poverty-Mapping-for-Timor-Leste-Policy-Note.pdf>

³⁷ Timor-Leste Demographic and Health Survey (DHS) 2016, <https://www.dhsprogram.com/pubs/pdf/FR329/FR329.pdf>

³⁸ National Action Plan on Women Peace and Security (NAP WPS 2016),

³⁹ Timor-Leste Demographic and Health Survey (DHS) 2016, <https://www.dhsprogram.com/pubs/pdf/FR329/FR329.pdf>

⁴⁰ Joint ADTL Member Organization Submission to the second Universal Periodic Review of Timor-Leste, 2016. Available at <https://www.laohamutuk.org/Justice/UPR/2016/ADTLUPRApr2016.pdf>

⁴¹ Concluding observations of the Committee on the Elimination of Discrimination against Women 2009

⁴² The Asia Foundation. 2016. Understanding Violence against Women and Children in Timor-Leste: Findings from the Nabilan Baseline Study – Main Report. The Asia Foundation: Dili. <https://asiafoundation.org/wp-content/uploads/2016/05/nabilan-main-report-screen-2016-06-01.pdf>

⁴³ Purnamasari, Ririn Salwa. 2019. Gender-Sensitive Poverty Mapping for Timor-Leste: Policy Note (English). Washington, D.C.: World Bank Group. Available at: <http://documents.worldbank.org/curated/en/143891560928616596/Gender-Sensitive-Poverty-Mapping-for-Timor-Leste-Policy-Note>

E. Vulnerable Populations

The following groups of women face unique challenges, heightened discrimination, marginalization, or unique gaps in services or opportunities in Timor-Leste:

- Lesbian, bisexual, and transgender (LBT) women (as well as transgender men) can be particularly vulnerable in Timor-Leste because of conservative religious and sociocultural norms. A 2017 survey of young LBT women's and transgender men's experiences found that 86% of respondents had experienced both physical and psychological abuse, with zero intervention by any outside agency, including cases of forced marriages with unwanted pregnancies. Same-sex sexual relations have been legal in Timor-Leste since 1975 and government reaffirms its commitment to upholding the rights of lesbian, gay, bisexual, transgender, and intersex people; however, a lack of knowledge of rights, a lack of support services, and a lack of economic independence were cited as reasons for LBT women to remain in hiding.
- Women with disabilities also face particular challenges in Timor-Leste. The 2010 census reported that 72% of people with disabilities in Timor-Leste had never attended school, and of those attending school, only 36% were girls. Furthermore, as reported by the 2010 Census, the majority of persons with disabilities are unable to find work. Persons with disabilities are rarely involved in self-employment programs, vocational training programs or youth training programs.⁴⁴
- Although men and women with disabilities face similar barriers to becoming less dependent on their family's support for income-generating activities, disabled women face more difficulties in accessing support and information that can aid them in increasing their capacity in income-generation and food production.⁴⁵ Disabled women are more economically vulnerable than disabled men, as the latter often have assets and resources, enabling them to retain their status as male members of the community even as disabled persons.⁴⁶
- Rural women also face challenges. For example, rural women are more likely to be in vulnerable jobs (87%) compared with urban women 54%. Rural women are also less than half as likely as urban women to give birth in a hospital or to receive postnatal checks.⁴⁷

A 2016 study of an NGO coalition reported that children and women are the most vulnerable groups in Timor-Leste, due to the discrimination and human rights abuses.⁴⁸ Challenges start at birth as only one in three recorded births are assigned a birth certificate, which is an instrument to access vital services.⁴⁹ Child mortality is still high in Timor-Leste with each year recording around 1 in 16 children dying before

⁴⁴ TOMAK Gender Equality and Social Inclusion Analysis (GESIA) (2016), available at https://beamexchange.org/uploads/filer_public/33/4e/334ea0a8-c2bf-44c3-b6b9-dc458718e642/tomak-gender-and-social-inclusion-analysis_compressed.pdf

⁴⁵ *ibid.*

⁴⁶ *ibid.*

⁴⁷ ADB Timor-Leste Country Gender Assessment 2014, <https://www.adb.org/sites/default/files/institutional-document/84126/timor-leste-country-gender-assessment.pdf>

⁴⁸ Istituto Internazionale Maria Ausiliatrice and International Volunteerism Organization for Women, Education and Development, Human Rights Council Universal Periodic Review (UPR) of Timor-Leste Joint Stakeholders' Submission on: Human Rights in Timor-Leste: The situation of children and women (2016) p.1, <https://uprdoc.ohchr.org/uprweb/downloadfile.aspx?filename=2942&file=EnglishTranslation>

⁴⁹ UNICEF Child Protection and Child Participation (n.d), <https://www.unicef.org/timorleste/child-protection-and-child-participation>

turning 5.⁵⁰ Moreover, the maternal mortality ratio records 557 deaths per 100,000 live births, where about 42% of all deaths among women aged 15-49 years were due to risks associated with pregnancy and childbirth.⁵¹ Poverty, hunger and child malnutrition remain critical development issues in the country, ranking sixth from the bottom among the 81 countries surveyed for The Global Hunger Index.⁵² Education, particularly children repeating the same grades, children who are never enrolled, and children dropping out of school, constitute key challenges for achieving basic education in the country.⁵³ There is a high prevalence of child labor in Timor-Leste with the Census of Population in 2010 findings that over 8,000 children aged 10-14 (6.2%) worked while more than 4,000 were seeking work.⁵⁴

III. Methodology

A Preliminary Gender and Inclusion Analysis (G&IA) was carried out in the inception phase of this program, including desk research and analysis of pertinent laws, policies, and secondary sources, as well as key informant interviews with local program partners and stakeholders. This G&IA informed the present assessment, providing context, rich information and enabling the triangulation of the findings from the primary data collection. In addition to the G&IA, WAGE BEST leveraged use WAGE's "Women's Economic Empowerment Assessment Tool" to organize research questions related to barriers and opportunities most relevant to the scope of the program. The WAGE WEE Assessment Methodology is described in detail below. Due to COVID-related travel restrictions during the assessment, WAGE BEST onboarded a Dili-based Program Consultant to spearhead the in-person data collection activities.

Primary Data Collection - Rapid Assessment of Opportunities and Barriers to WEE: Qualitative data gathering methods, such as Focus Group Discussions (FGDs) and Key Informant Interviews (KIIs), were used for this assessment. FGD and KII participants were selected using purposive sampling among the existing women entrepreneur beneficiaries and clients of WAGE BEST partner WEE CSOs and MFIs, and their husbands. Discussions were held separately for men and women's groups to gain a deeper understanding of their everyday lived-in experiences or perspectives on women's roles in their respective communities. Although the majority of participants had not completed high school, many of the participants could read and write. Only a few were illiterate.

A total of nine FGDs were conducted in the municipalities of Dili, Bobonaro, and Covalima with women's business groups and their husbands, and women microfinance borrowers, to identify the key opportunities and barriers faced by women entrepreneurs in relation to starting, maintaining, and expanding successful businesses. A total of 94 individuals participated in the FGDs, including 72 women entrepreneurs who are members of eight existing business groups, six male participants who are the husbands of the women participants, and 16 entrepreneurs (15 female and one male) who are existing clients of the MFI partners. 82% of the participants were 25-60 years old, with an average age of 28 years

⁵⁰ UNICEF and the SitAn Technical Committee led by the General Directorate of Statistics of the Ministry of Finance Situation Analysis of Children in Timor-Leste (n.d) p.20 https://www.statistics.gov.tl/wp-content/uploads/2014/09/Situation_analysis_of_children_in_Timor-Leste.pdf

⁵¹ *ibid.*

⁵² *ibid.*

⁵³ *ibid.*

⁵⁴ MINISTRY OF STATE, COORDINATION OF SOCIAL AFFAIRS COMMISSION FOR THE RIGHTS OF THE CHILD TIMOR-LESTE, National Action Plan for Children in Timor-Leste 2016-2020 (May 2017) p.30 [https://www.unicef.org/timorleste/media/2666/file/01062017_NAPC_2016-2020_Final_Version_English\(1\).pdf.pdf](https://www.unicef.org/timorleste/media/2666/file/01062017_NAPC_2016-2020_Final_Version_English(1).pdf.pdf)

for females and 34 years for males. Women entrepreneur participants were selected from the network of women business groups that have previously worked with Alola Foundation and Ba Futuru. The majority of male participants were farmers.

Geographic Mapping of Relevant Financial, Business Development and Social Services in Timor-Leste:

Researchers and program staff conducted nine KIIs with government and other WEE and GBV stakeholders, and FGDs with MFI and WE CSO partners to comprehensively map their operational presence as well as their financial, business development, and additional social services in targeted geographic areas.

Identification of MFIs' and WE CSOs' Capacity Building Needs: Researchers conducted five mini FGDs with a total of 8 WEE CSO staff members and 11 MFI staff members to identify the assets, opportunities, gaps, and principal challenges that MFIs and WE CSOs face in providing effective and holistic business skills, financial, and social support services. Most participants were field district officers and program coordinators, but the discussions also included managers and leaders.

Table 1: List and Brief Description of Entrepreneur FGD Participants

Brief Description of the Group	Location	Total Participants	
		M	F
FGDs comprised of women working in various types of businesses including farming, handicraft, food vending, and selling of secondhand clothes.	Atauro Island, Dili District	0	8
Uma Dato (Est. 2008) • Business: weaving and selling tais ⁵⁵	Surikmas, Dili District	1	3
Bobometo (Est. 1997) • Business: weaving and selling tais and other handicrafts including flower arrangements, earrings, purses, and other accessories.	Bebonuk, Dili District	0	6
Feto Hametin Ekonomia (Est. 2019) • Business: kiosks, selling vegetables, food vending • Other activity: participation in savings and loans group	Malilait, Bobonaro District	4	18
Feto Buka Rasik (Est. 2014) • Business: weaving and selling tais • Other activity: participation in savings and loans group	Atu Aben-Bobonaro District	0	19
Feto Lemana (Est. 2019) • Business: kiosks, vegetable farming, and food vending • Other activity: participation in savings and loans group	Holpilat, Suai Covalima District	0	7
Hadame Malu (Est. 2015) • Business: weaving tais, sewing clothes, selling second-hand clothes, and food vending	Matai, Suai, Covalima District	1	11
Moris Rasik MFI Clients	Caicoli, Dili District	0	13
Kaebauk MFI Clients	Caicoli, Dili District	1	2
Total		7	87

Table 2: Breakdown of Staff from WE CSOs and MFIs FGD Participants

Organization	Number of Participants
WE CSOs	
Alola Foundation	3
AEMTL	2
Ba Futuru	3
MFIs	
Kaebauk	3
Moris Rasik	8

⁵⁵ “Tais is woven cloth that is worn in Timor-Leste and forms an important part of ceremonial occasions such as births, weddings and funerals. Tais weaving is considered to be women’s work and this skill was traditionally considered a prerequisite for marriage.”, <https://www.globaleducation.edu.au/case-studies/silk-tais-production-in-east-timor.html>

WAGE Women's Economic Empowerment (WEE) Assessment Methodology

WAGE's overall global WEE Methodology considers structural, relational, material, personal, cognitive, and perceptive opportunities, and barriers to women's empowerment. These are further described below.



STRUCTURAL BARRIERS

- **Legal restrictions**, i.e., discriminatory legal provisions inhibiting women's legal autonomy and ability to transact, for example by requiring wives to obey their husbands; preventing women from entering certain occupations or obtaining a divorce; or restricting women's ability to make and act on decisions, sign legal documents, conclude contracts, move freely, make independent choices about where and how to live, establish and register businesses, and otherwise have a meaningful voice in the processes that shape women's families, businesses, communities, nations, and international affairs.
- **Policy gaps and silences**, i.e., lax implementation of existing laws and policies guaranteeing gender equality, gaps in the legal and policy frameworks (such as a lack of special measures to bring women into a state of equality with men), and legal design flaws (such as a lack of attention to potentially disparate impacts of laws and policies on women and men).
- **Exclusionary institutions and decision-making processes**, i.e., gender bias in public and private institutions as well as barriers to women's equal and meaningful participation and leadership in a wide range of institutions and decision-making processes, including legislative, executive,

and judicial bodies; national and local reform processes; peacebuilding, reconciliation, and economic recovery processes; private enterprises and corporate boards; civil society organizations and social movements; and professional associations and trade unions. In the context of women's economic empowerment, this may also include formalization challenges (barriers that prevent entrepreneurs from registering their businesses and moving from the informal to the formal sector, such as cumbersome regulations, bureaucracy, government corruption, high taxes, and a lack of access to legal aid or business consultancy) and resulting informality (risks associated with operating an unregistered business, such as additional exposure to extortion, administrative fines, and inability to access markets, credit or government services).

- **Conflict, insecurity, and crime**, i.e., war, civil strife, violent extremism, post-conflict fragility, political instability, organized crime (e.g., gang violence), high levels of theft and extortion, and other safety risks that inhibit women's freedom of movement, increase their vulnerability to GBV, and otherwise affect their rights and freedoms.

RELATIONAL BARRIERS

- **Sociocultural norms, beliefs, and perceptions**, i.e., conservative social norms, sexism, machismo, and other manifestations of patriarchy, which relegate women to a submissive status, dictate rigid gender roles and responsibilities within and outside of households, and result in unequal power dynamics in the family, economy, and social and political life. This also includes societally held beliefs and perceptions that women do not have the ability to succeed as leaders or as businesswomen.
- **Gender-based violence (GBV)**, which is a human rights violation, a public health challenge, and a barrier to civic, social, political, and economic participation.
- **Limited control over household decision-making**: i.e., limited control and/or input into household financial, investment and business decisions; limited control and/or input into how women's own earnings are used which result in women being unable to use household assets towards the advancement of their leadership, business, and overall household aims.

MATERIAL BARRIERS

Material barriers include limited access to, use, and control over assets and resources, including productive resources and finance.

- **Unequal property and inheritance rights**, i.e., inability to own, acquire, inherit, control, manage, administer, enjoy, and dispose of movable and immovable property alone and in association with others; and inadequate protection from arbitrary deprivation of property (e.g., land grabbing and other forms of economic violence).
- **Limited access to productive resources**, i.e., land, utilities (such as electricity or water), raw materials, bulk products, or affordable business and office space.
- **Limited access to finance**, i.e., unavailability of appropriate and diverse financial products and services (such as bank loans, microcredit, mortgages, insurance, and savings accounts), unfair

lending laws and policies, predatory or deceptive lending practices, strict collateral requirements, a lack of necessary documents to take out a loan, differential treatment by financial institutions, and poor financial literacy.

- **Limited access to income/ income generating activities**, i.e., limited income/funds to support political leadership activities such as financial means to run successful campaigns or pay fees necessary to register as candidates, means to afford childcare, limited business acumen, inability to respond to the economic impact of shocks etc.

PERSONAL BARRIERS

- **Limited autonomy and freedom of movement**, i.e., limitations caused by laws barring travel; husbands or family members restricting women's travel; heavy household workloads or caretaking responsibilities preventing women from travelling far from home; crime and GBV preventing women from travelling at certain hours.
- **Time poverty**. i.e., limited time to engage in political/economic decision-making processes or economic activities due to heavy household workload, caretaking responsibilities or other time commitments.
- **Limited access to support services, networks, and markets**, i.e., family, peer, and community support; advisory and material support from governmental and non-governmental organizations; value chains and markets; and professional networks and associations; limited access to mentorship, advice, and networking support from skilled, successful people in their field, for example successful political leaders, successful businessmen and businesswomen.

COGNITIVE BARRIERS

- **Limited access to good quality education, training, and mentoring** in all sectors (including science, technology, engineering, and math) and at all levels, often resulting in occupational segregation and technological marginalization.

PERCEPTIVE BARRIERS

- **Low self-esteem**, i.e., lack of confidence in one's capabilities, skills, and leadership potential, often driven by external factors, such as sexist attitudes in the family, community, and the workplace.
- **Risk aversion**, i.e., low likelihood of taking risks.

The cognitive, personal, and perceptive barriers are often driven by external factors, such as sexist attitudes in the family, community, and the workplace and structural factors mentioned above, which place women at a disadvantage.

Even in societies with immense structural, relational, material, personal, cognitive, and perceptive barriers, women emerge as active, resilient, and equal participants of the society and in local economies when equipped with adequate information, resources, and services. These services should capitalize on the assets that women already possess but might be unable to access. Therefore, in addition to measuring

barriers and identifying solutions for these barriers, WAGE's assessment tools are used to analyze **assets and opportunities** for women's empowerment. They include existing human, economic, and social resources, women's personal assets and collective voices, as well as technical assistance programs, support services, and other interventions implemented by state institutions, CSOs, and international organizations.

IV. Analysis: Timorese Women's Opportunities, Barriers and Needs for Business Skills Capacity Building and GBV Support

A. Nature of Women's Businesses in Timor-Leste

Type of Work

As cited in the BEST initiative G&IA, the 2008 Ministry of Economy & Development, Timor-Leste: The State of the Nation Report, estimated that 43% of microenterprises are female-owned. However, a standard nationally accepted definition for MSMEs in Timor-Leste does not exist. Nevertheless, it is evident that most businesses, especially women's businesses, continue to operate at a micro-level.⁵⁶ The National Strategy and Action Plan for Gender and Private Sector for 2014-2017 reported that Timorese MSMEs generally operate at a low or even very low level of profitability, particularly those that are operated by women. The majority of women's work, skills and experience can be classified into three categories⁵⁷:

- Household Tasks - washing, cleaning, food processing, sewing and weaving, child-care and nursing the sick
- Subsistence Agriculture - to supply household with products derived from horticulture and agriculture
- Supplementary Economic Activities - micro and small-scale businesses including producing and selling handicrafts, selling cooked foods, and selling surplus fruits, vegetables

Labor Force Participation

The labor force participation rate, which excludes own-use⁵⁸ production, only accounts for 25.6% of Timorese women compared to 53.6% for men.⁵⁹ However, when own-use production is accounted for, women account for 45% of the labor force, representing a higher share (57%) of self-employed non-farmers than men (43%) followed by self-employed farmers (43% women and 57% men). Yet as reported in the G&IA, the majority of women do not receive cash income for their services on subsistence or small-scale agriculture which is often viewed as a domestic task. Furthermore, those who are in non-farming businesses tend to develop informal and low income-generating activities around

⁵⁶ Sonali Hedditch & Clare, International Finance Corporation: Timor-Leste, Gender and Investment Climate Reform, 2010. p.2 Retrieved at Assessment Manuel https://www.ifc.org/wps/wcm/connect/d6b64fa1-2458-4590-8627-af6332f13d91/IFC_GenderICReformAssessments_Timor.pdf?MOD=AJPERES&CVID=jI0IHnm

⁵⁷ National Strategy and Action Plan for Gender and Private Sector, 2014-17, Republic of Timor-Leste p17, <http://extwprlegs1.fao.org/docs/pdf/tim150789.pdf>

⁵⁸ i.e. subsistence production

⁵⁹ WEF, GGG Report 2020 Available at http://www3.weforum.org/docs/WEF_GGGR_2020.pdf p.335

traditional skills of cooking, sewing, craft production, and small-scale trading. These findings are in line with WAGE BEST's FGD results. Almost all participants from women's focus groups interviewed in Dili, Bobonaro and Covalima districts shared that growing and selling vegetables on a small scale is their main income-generating activity. Moreover, weaving and selling tais is a long-running industry in the districts of Dili and Bobonaro, followed by managing kiosks and retail of various home-made products.

Economic Sectors in Timor-Leste

Agriculture is the predominant economic activity in Timor-Leste. The G&IA reported that women (88% of women in workforce⁶⁰) are more active in subsistence agriculture than men (82%⁶¹) taking on the roles of cultivators, laborers and workers at family businesses. For women however, much of their work is unpaid or mainly for household consumption. Women participants have shared that their harvests were commonly divided for household consumption and selling, prioritizing the former.

Trading and retail is the second most common economic activity among women in Timor-Leste (engaging 3.6% of women aged 15 to 64 years old) and managing retail kiosks selling sundry goods was a common business among the participants.⁶² These businesses as described by assessment participants operate at a micro level and are started by women in order to supplement the household income and pay for the basic needs of their children such as food, clothing, and education. Product selection -- the choice of retail goods to sell, is influenced both by the needs of the community and the women's pre-existing knowledge or skill. For example, a few of the goods sold by assessment participants included hand-sewn clothes, second-hand clothes and home-cooked finger food and snacks. Assessment participants noted that starting a business enabled women to reduce reliance on their husband's income to support the household, and schooling of children.

Locally made handicraft production is another common business activity in Timor-Leste, and it is a sector dominated by women. Tais, a traditional handmade fabric produced from generations of weaving traditions, is one of the cornerstone cultural industries in the country.⁶³ This fabric is made for both daily clothing in the mane/feto (male/female) style and used for various ceremonial occasions including marriage and funerals. The production of this fabric became a prominent income generating activity during the period of the Indonesian occupation.⁶⁴ For tais weavers, weaving skills are passed down generationally. Participants making a living from tais reported that they grew up learning to weave as part of the tradition but eventually weaving became an income-generating activity. Weaving is usually done by women's groups in the villages with sales dependent on visiting international tourists and Dili-based locals visiting the district during weekends or to buy the cloth for cultural ceremonies.

⁶⁰ Sonali Hedditch & Clare, International Finance Corporation: Timor-Leste, Gender and Investment Climate Reform, 2010. p.1 Retrieved at Assessment Manual https://www.ifc.org/wps/wcm/connect/d6b64fa1-2458-4590-8627-af6332f13d91/IFC_GenderICReformAssessments_Timor.pdf?MOD=AJPERES&CVID=jI0IHnm

⁶¹ Ibid.

⁶² The Democratic Republic of Timor-Leste and United Nations Development Programme Mobilize Social Business to Accelerate Achievement of Timor-Leste MDGs (2012 - 2015), p.7 Retrieved at http://www.undp.org/content/dam/undp/documents/projects/TLS/TL_PRE_SocialBusinessProdoc.pdf,

⁶³ Abraão Mendonça, Interconnectedness of Culture and Craft (Tais) in Timor-Leste, <https://www.unesco-ichcap.org/interconnectedness-of-culture-and-craft-tais-in-timor-leste/>

⁶⁴ Alola Foundation and Oxfam, Traditional Crafts of Timor-Leste: A Marketing Overview p.8 <https://cdn.atrila.nl/eazines/web/ReportsAlola/alolafoundation/Crafts%20Marketing%20Overview%20-%20Final%20E.pdf>

B. Key Opportunities and Barriers to Starting, Maintaining and Expanding Women's Businesses in Timor-Leste

POSITIVE FINDINGS

The BEST initiative G&IA reported key opportunities on laws and policies on equal gender rights. Several positive findings and opportunities to upscale women's participation in economic activities were also identified during the course of the assessment.

Structural Opportunities

- **Gender-Responsive Legal and Policy Framework:** The G&IA reported key opportunities on laws and policies on equal gender rights. Specifically, the report noted that the Constitution of Timor-Leste states that "women and men shall have the same rights and duties in all areas of family, political, economic, social and cultural life," and proclaims that promoting "an effective equality of opportunities between women and men" is one of ten fundamental objectives of the state.⁶⁵ As noted above, the Women and Constitution working group developed the "Women's Charter of Rights." Ultimately, seven of the ten rights articulated in the Charter were incorporated into the Constitutional Bill of Rights. The Charter was instrumental in centralizing gender issues in the country's policy debate, increasing women's political participation, and raising public awareness of the democratic value of gender equality. In line with Timor-Leste's strong political commitment to gender equality and equity, government partners with international non-profit organizations produced progressive policy documents and interventions at all levels, including the 2014-2017 Gender and Private Sector Strategy, which is very detailed and forwardthinking.

The Strategic Development Plan (SDP) 2011-2030 explicitly commits to developing policies and frameworks that "empower women socially and economically through various livelihood support measures" as a strategy to achieve the vision of a "gender-fair society where human dignity and women's rights are valued, protected and promoted" by Timor-Leste's laws and culture.

And in addition to the ratification of core human rights treaties and enactment of national level laws and policies that guarantee the rights of women and promote gender equality, it is worth highlighting the approval of the Maubisse Declaration (originally signed in 2015 and revised in 2018), where the Government specifically committed to eliminate all forms of discrimination against women and people with disabilities living in rural areas, in order to encourage their participation in and contribution to economic development in Timor-Leste. Key governmental agencies committed to concrete actions by 2023 to provide equal opportunities to women in the areas of education, professional training and access to labor markets, as well as empowering women and promoting their political and decision-making roles in rural areas.

The aforementioned legal and policy framework demonstrates the government's strong political commitment to gender equality and equity. This provides an opportunity to further increase women's participation in the political, economic, social and cultural sectors within Timor-Leste.

⁶⁵ Constitution arts. 6, 16, 17.

However, despite these key milestones detailed above, effective implementation of policies continues to be a limitation, which will be discussed further in the barriers' section.

Relational Opportunities

- **Supportive family relationships:** Men are still considered as heads of the family and women assessment participants see the need to consult and seek permission from their partners before participating in economic activities. Despite this kind of power dynamic, the majority of married women participants shared that their husbands are supportive and allow them to participate in activities such as training and other livelihood opportunities. Participants also shared that through informing the household of their intention to participate in training activities, their husbands or other family members can take responsibility for some household chores like taking care of the children, and if necessary, look after their businesses. One woman participant shared that her husband assists her group with financial planning and bookkeeping, leveraging his educational background on economics. Aside from the support they receive from their spouses, participants agreed that they usually receive additional support from other relatives and friends since businesses are typically operated with household and extended family members. While most focus group participants reported having support from their families, it is worth noting that they also shared, that due to traditional gendered roles, everyday decisions on basic and daily household needs are commonly done by women (which needs to be considered in the planning of activities and potential limitation to women's participation). Moreover, household decisions in areas such as spending for children's schooling, traditional ceremonies, and health of family members are jointly decided between husbands and wives.

Material Opportunities

- **Micro-grants available to women's groups:** Women's groups typically receive micro-grants from the government and non-profit organizations to start a variety of small businesses, and training from local CSOs. This finding also validates the opportunity identified in the G&IA, to increase female participation in cooperatives and rural communities through government provision in financial and technical support to women entrepreneurs. Forty-three percent of women entrepreneur groups surveyed, that were not MFI clients, are recipients of micro-grants to start a savings and loans group from funding organizations, such as the Ministry of Social Solidarity and Inclusion (MSSI) and The Embassy of Thailand through Alola Foundation.
- **Savings and loans models:** Participants shared that credit accessed by the members through the savings and loans groups formed through such the micro-grants mentioned above are instrumental to start or to add capital for the women's businesses. This is backed by external research, including a 2015 Oxfam analysis, which found that among women's savings groups supported by Oxfam, 44% of the loans taken out by members were for business purposes such as purchasing goods for resale, business inputs and supplies.⁶⁶

Personal Opportunities

- **A culture of women's groups:** Women entrepreneur groups in Timor-Leste serve as an important source of social support, finance, and training for members to start and maintain their businesses.

⁶⁶ Dr. Sara Niner, Gender Analysis of Oxfam Savings And Loans Groups In Timor-Leste: Research Report, August 2015, p.19 Retrieved from https://www.monash.edu/data/assets/pdf_file/0004/1094089/Gender-analysis-of-oxfam-savings-and-loans-groups-in-timor-leste.pdf

Focus group participants⁶⁷ reported that these groups are commonly composed of 14 -18 members, the majority of whom are women with a few men members.

Cognitive Opportunities

- **Technical skills:** Women focus group participants shared that having relevant technical/vocational skills such as weaving and crafts creation - gained through formal experience, practical experience, or family traditions - results in income generating activities. In addition, women's groups recruit people who want to learn the skills. One participant from the Uma Dato group shared that because she was motivated to learn a new skill, she joined the group and learned to weave. "In my family none of us know how to weave tais, but I decided to join this group to promote our local cultural product and with the money earned from this work I was able to complete my education in high school."

Perceptive Opportunities

Several positive findings and opportunities to scale women's participation in economic activities were also identified during the course of this assessment.

- **Motivation to start/ grow the business:** First, women focus group participants are highly motivated to start and/or grow their businesses. Participants note that their motivation to start a business is deeply rooted in responding to basic household needs.
- **Confidence:** Focus group participants expressed confidence in their ability to operate successful businesses. Participants with existing businesses noted they were confident in their ability to start businesses if they had pre-existing leadership and business skills gained from practical experience, and their confidence grew with time as they gained experience and learned by doing.

KEY BARRIERS

Despite Timor-Leste's progressive social policies and important achievements in addressing gendered inequality gaps, change in gender dynamics is slow and the impact on the lives of women and girls across the country is still limited. While there is growing knowledge and acceptance of human rights and equality, both men and women struggle to apply these values (at personal, community and even institutional levels). Social norms and customs continue to strongly influence roles and responsibilities, access to resources and women's socio-economic participation. For example, roles and responsibilities in food production, preparation of meals in the household and income-generation are still highly gendered.⁶⁸ And men and women's beliefs and attitudes regarding roles and rights are still a barrier to women's educational and employment opportunities.⁶⁹ As a result, women's agency and self-confidence is limited.

The assessment team explored the key barriers women entrepreneurs face to starting and growing businesses along the structural, relational, material, cognitive, and personal dimensions to identify the Timorese women's need for business skills capacity building and GBV support. Key barriers identified included:

⁶⁷ The participants are from a sample size of mostly women entrepreneurs from Moris Rasik savings groups

⁶⁸ Asian Development Bank, Timor-Leste country gender assessment, 2014 available at <https://www.adb.org/sites/default/files/institutional-document/84126/timor-leste-country-gender-assessment.pdf>

⁶⁹ Concluding observations of the Committee on the Elimination of Discrimination against Women 2009

Structural Barriers

- **Contradictory legal and justice framework:** Timor-Leste has a mixed legal system and formal and informal justice institutions. The Constitution requires the state to “recognize and value the norms and customs [of East Timor] that are not contrary to the Constitution and to any legislation dealing specifically with customary law.”⁷⁰ However, these customary laws and justice institutions often embrace sexist norms and practices, such as forced marriage and discrimination against women with respect to property rights. For example, although women have the same rights as men to govern household affairs under the formal Civil Code, traditional norms dictate that women join the family of their spouses, men serve as the main income earners, and women take care of the family home and look after the children. Timorese women also face a high risk of gender-based violence (GBV), rooted in unequal gender norms and poverty, including physical, sexual, emotional, and economic violence.
- **Policy gaps and silences:** While the Timor-Leste government has made progress addressing gender discrimination and increasing the protection of women’s rights, notably with the passing of the Law Against Domestic Violence (LADV) in 2010 and in 2017 and the launch of the National Action Plan on Gender-Based Violence 2017-2021 (GBV NAP); in practice, women continue to experience bias, discrimination and abuse. Legal guarantees of equality are not realized, particularly in rural areas. This is attributed to budgetary constraints and lack of rules and regulations facilitating implementation of national laws and policies by local governments.
- **Challenges to business formalization:** Timor-Leste ranks 181 out of 190 countries with an overall rating of 39.4 (out of 100) from the World Bank’s Doing Business project, which provides objective measures of business regulations and their enforcement.⁷¹ In the criteria used, the country scored lowest on resolving insolvency (0), registering property (0), enforcing contracts (6.1) and getting credit (20) but obtained a high rating in starting a business (89.4).⁷² Despite these, most of the assessment participants shared that business registration procedures and requirements are not attuned for micro and small businesses. Specifically, 22% of women groups shared that they lack the documents required to comply with business registration requirements. The process often becomes cumbersome and there is no assistance support their members (Annex C). Women, many of whom have less access to financial services than men, also face an additional barrier in this process by having to deposit capital in a bank to formally register their business.
- **Insecurity and crime:** Assessment participants from various groups identified two kinds of threats that they encounter in their daily lives, which have adverse effects on their business activities: insecurity in public spaces, stemming from communal conflicts and gang violence; and domestic violence. Widespread communal conflicts in Timor-Leste, which often take the form of gang violence affiliated with Martial Arts Groups (MAGs) which emerged out of the 2006- armed crisis.⁷³ The government has since banned most of MAGs activities and continues to monitor any activities of these groups closely. While the MAGs are permanently outlawed,

⁷⁰ CONSTITUTION OF THE DEMOCRATIC REPUBLIC OF TIMOR-LESTE art. 2 (adopted 2002)

⁷¹ World Bank Group, Doing Business 2020, Available at <https://www.doingbusiness.org/content/dam/doingBusiness/country/t/timor-leste/TMP.pdf> p.4

⁷² *ibid.*

⁷³ The Asia Foundation, The State of Conflict and Violence in Asia, n.d, Retrieved at https://asiafoundation.org/wp-content/uploads/2017/12/Timor-Leste-StateofConflictandViolence_revised.pdf p.181

women participants continue to associate it as a potential threat to the continuity of their business.

Relational Barriers

- **Patriarchal sociocultural norms:** Timor-Leste is a patriarchal society in which social norms and cultural values influence gender roles. The BEST initiative G&IA reported that conceptions of gender roles are based on stereotypes of masculinity and femininity and determine the positions of women and men in both private and public life. Social norms indicate that men should be the heads of households and, therefore, the most powerful people and primary decision-makers within the households while women are responsible for family duties including keeping their homes and their families' clothes clean and caring for children and the elderly.⁷⁴ According to the Gender Analysis of the 2013 Labor Force Survey (GA LFS), the primary reason women do not participate in the labor force is family duties.

This finding was confirmed by the assessment's focus groups. Women are routinely required to finish household chores including work in the kitchen before doing other activities. These prevailing norms combined with large family sizes result in extremely heavy and unequal household workloads for women. Women focus group participants reported spending more than 15 hours per day completing household chores and operating their businesses while men mainly focus on their economic activities, spending 8-10 hours per day completing household chores and operating their businesses. FGD participants were asked to sketch a typical day in their life including specific household tasks and their economic activities. The objective of this exercise was to identify and gain a deeper understanding of their everyday lived-in experiences. The table below illustrates the activities shared by men and women in the group discussion from the time they wake up in the morning to the time they go to bed in the evening.

⁷⁴ ADB Timor-Leste Country Gender Assessment 2014, <https://www.adb.org/sites/default/files/institutional-document/84126/timor-leste-country-gender-assessment.pdf>, p.6

Table 3. Daily household and economic activities of the participants

Time	Women	Men
Morning	Unpaid activities: Prepare breakfast for family Wash plates Go to mass Go to farm Collect water Prepare children for school Clean the house ----- Paid activities: Business Activity: Selling product, Selling at kiosk, Go to farm	Unpaid activities: Relax/Drink coffee ----- Paid activities: Go to farm or to office
Afternoon	Unpaid activities: Prepare lunch for family Collect firewood Collect water Work in family garden Wash plates Clean the house ----- Paid activities: Selling products, garden, feed animals ⁷⁵	 ----- Paid activities: Working in the garden Put animals into the fence
Evening	Unpaid activities: Prepare dinner for family	Unpaid activities: Eat dinner Sleep

From the shared activities, it is evident that women spend most of their time outside of economic activities doing household chores and unpaid labor. Consensus existed among women focus group participants that they need to start their day between 4:00 to 6:00 AM by immediately working in the kitchen, preparing breakfast for the household, and completing other chores including cleaning the house and washing clothes. They are simultaneously performing these chores while trying to prepare for their business. One participant noted she has to start preparing

⁷⁵ In some households, women's activity can be categorized as unpaid labor if the women are supporting their husband's farm/garden rather than cultivating their own

and baking the bread that she sells at the same time that she is putting her household in order for the day. Conversely, men participants shared that upon waking up at around 5:00 to 6:00 AM, they get up and go straight to their dining table to drink coffee, which their wives have prepared beforehand. After which, they will go to work. The typical day sketched by the women participants demonstrated the unequal distribution of household chores, leaving women with limited time to engage in economic activities. This will be further discussed as a personal barrier.

- **Social expectations for economic support:** Another practice which has a significant negative impact on women's take-home income are traditional ceremonies and celebrations, as women need to spend significant amounts of money for related preparations and miscellaneous expenses. Due to these traditional ceremonies - to which families are meant to contribute - income generated by businesses is channeled to those activities instead of being saved or channeled to business maintenance and growth. Timorese society is conservative and traditional, with a strong focus on family, community, and religion, and various traditional ceremonies are often held to ensure the prosperity of business activities. Participants are expected to contribute animal sacrifices such as pigs or goats, food such as betel nut and wine, and, for various ceremonies, wear proper traditional clothing. While FGD participants commonly acknowledge and observe these traditional ceremonies, they shared that these activities are usually costly, which uses money better spent on the business inventory and supplies.
- **Gender-Based Violence:** a severe consequence of gender inequality in Timor-Leste is high and widespread rates of violence against women. In 2016, a study by the Asia Foundation on the prevalence of violence revealed that 59% of Timorese women (15-49 years) experienced physical and/or sexual violence by an intimate partner in their lifetime.⁷⁶ This is exacerbated by the “normalization” of control and violence. According to the 2016 Demographic and Health Survey, 47% of all ever-married women report their husbands exhibit at least 1 of 5 controlling behaviors and 74% of women and 43% of men agree with at least one justification for a husband to hit/beat his wife⁷⁷.

As reported in the BEST initiative preliminary G&IA, Timor-Leste officially passed a Law Against Domestic Violence in 2010 that both reinforced the provisions of Article 154 of the Penal Code as well as established a mechanism to prevent domestic violence, promote victims’ rights, and guarantee the victims’ protection under the law.⁷⁸ Despite the existing legal framework safeguarding women in intimate partnerships, only 20% of women who have ever experienced physical or sexual violence sought help. When women did seek help it was from their families.⁷⁹ According to the NAP on Women Peace and Security, many who dare to speak risk facing discrimination or marginalization by their community or even by their family. Cases of domestic violence are typically resolved at the family level and only escalated to community, religious, and state authorities if solutions are not found at the family level. The general legal framework

⁷⁶ THE ASIA FOUNDATION - Understanding Violence against Women and Children in Timor-Leste: Findings from the Nabilan Baseline Study: Summary Report. The Asia Foundation: Dili, 2016

⁷⁷ This includes burning food, arguing with the husband, going out without telling him, neglecting the children, and refusing to have sex. Timor-Leste Demographic and Health Survey (DHS) 2016, <https://www.dhsprogram.com/pubs/pdf/FR329/FR329.pdf>

⁷⁸ Global Database on Violence against Women. (n.d.). UN Women. Retrieved from <https://evaw-global-database.unwomen.org/pt/countries/asia/timor-leste/2010/law-against-domestic-violence-2010>

⁷⁹ Timor-Leste Demographic and Health Survey (DHS) 2016, <https://www.dhsprogram.com/pubs/pdf/FR329/FR329.pdf>

(including the criminal and civil justice systems) is hampered by limited resources and a heavy backlog of cases, according to the ADB Country Gender Assessment. Barriers to accessing justice, especially for women, include limited outreach by police, a low number of courts, and long distances to them, coexistence of customary and formal justice systems, language and literacy (both legal and general literacy), and insufficient resources and long delays in the legal process. Women with disabilities, particularly those with sensory impairments or impairments, which make communication difficult, face additional barriers accessing support and justice.⁸⁰).

FGD participants expressed that two factors appear to drive GBV prevalence in Timorese communities: economic and societal pressures acting upon the men; and provocation brought about by women themselves. According to the FGD participants, economic and societal pressures such as dire financial needs, lack of employment opportunities, and low awareness and education on GBV prompts men to lash out on their women partners. In addition, most women participants in Dili and other municipalities claim that GBV is a form of discipline towards women partners who are erring or not performing their duties as wife and mother. They further added that women “provoke” their male partners to commit GBV if they are lazy, caught gossiping and spreading rumors, not taking good care of the family especially the children, gambling, smoking, and drinking. Women who are not tied to performing traditional gender roles or that challenge gender roles and unequal division of responsibilities (notably by participating in training or programs that promote women's empowerment, autonomy and self-confidence, increasing their agency and power to participate in decision making processes) may also face backlash from their intimate partners for not doing what is expected of them.

Due to this shared way of thinking, GBV is considered a private family matter. Instead of seeking immediate legal remedy for GBV-related issues as indicated in the law, the participants shared that there is a traditional and more commonly observed way of addressing domestic violence in their communities. The customary processes are as follows:

- The first step is to solve the GBV-related issue within the family. Apart from the husband and wife, extended family members, in-laws, family friends and close neighbors may be brought in to settle the dispute.
- In cases where the first step is not sufficient to address the issues, GBV incidents are reported to community leaders either by the woman herself or concerned witnesses and parties. When a report is made, the community leader often checks on the well-being of the woman concerned and escalates the situation to the chief of the village and community police. At times, the community leader makes the necessary referrals to CSOs that aid in the processing of the case and, if needed, bring the woman concerned and her children to a shelter.
- The courts serve as the third and last step in the process of resolving GBV issues. CSOs often accompany and guide women through the legal process until a court decision is dispensed.

Despite the existing legal framework and the mechanisms in place, women are often embarrassed or dissuaded by family to report cases of violence taking place in their own homes and

⁸⁰ Joint ADTL Member Organization Submission to the second Universal Periodic Review of Timor-Leste, 2016. Available at <https://www.laohamutuk.org/Justice/UPR/2016/ADTLUPRApr2016.pdf>

communities. This is notably due to perceived loss of status and often due to high economic dependency on the perpetrator of violence. Women often fear that if they report cases of violence and their male partners are put in jail, they will have no means to feed and provide for themselves and their children, being also unable to rely on support from their family.

In efforts to reduce GBV and support women to be economically capable, CSOs like Rede Feto and Alola Foundation conduct dissemination and socialization sessions on the topic of GBV to urban and rural communities throughout the country. They also encourage women to report and seek help once faced by GBV within their own homes. Apart from providing shelters to GBV victims, CSOs work with the victims' families and friends, community leaders, and the police to respond to GBV incidents. For business support and facilitation of credit, women participants reported that Moris Rasik, Kaebauk, BNCTL, IADE and Alola Foundation are available to them for assistance.

Women's entrepreneurship groups themselves are taking action towards lessening GBV in their own communities. One businesswoman leader identified that men must be involved and should serve as agents of change in eliminating GBV. According to her, if the men are engaged in businesses or other income-generating activities as her group members, then there would be fewer causes of friction between husbands and wives. So, in turn, she encouraged her husband to invite the husbands of her group members to work together and not restrict their wives in pursuing business activities outside of the home.

Material Barriers

- **Limited access to productive resources:** Unequal access to land constitutes another major barrier to Timorese women's economic activities. Women's access to economic resources continues to be influenced by the prevailing social systems as well as gender and decision-making roles discussed above. Even years after its independence, Timor-Leste still lacks a legal basis for determining land ownership, and most Timorese, particularly in the rural areas, follow customary and informal systems for land access, which have no legal recognition.⁸¹ Under customary community land right practices, land is owned by the community; with use rights allocated to individuals and passed along family lines. Land is generally passed to male family members with women obtaining access only through marriage.⁸² Land disputes are often settled without regard of the impact those decisions bear on women's access to land and resources.⁸³ These practices severely undermine women's land rights. It is estimated that only 20% of land is owned by women.⁸⁴

In Timor-Leste there are two different kinship/social systems that coexist: one patrilineal enforced in the majority of the territory and one matrilineal in some communities in the municipalities of Bobonaro, Covalima, Manufahi and Manatuto. These systems affect the roles of women, their decision-making power, and rights over family property. Therefore, FGD participants noted that

⁸¹ Bernardo Almeida and Todd Wassel, Can a New Law Help Timor-Leste's Land Rights Crisis? Available at <https://asiafoundation.org/2017/01/18/can-new-law-help-timor-lestes-land-rights-crisis/>

⁸² ADB Timor-Leste Country Gender Assessment 2014, Available at <https://www.adb.org/sites/default/files/institutional-document/84126/timor-leste-country-gender-assessment.pdf>, p. 79-80

⁸³ National Action Plan on Women Peace and Security (NAP WPS 2016), Available at [https://www.peacewomen.org/sites/default/files/NAP-WPS%20Engls%20%20FINAL%20\(12%20July%202017\)%20\(1\).pdf](https://www.peacewomen.org/sites/default/files/NAP-WPS%20Engls%20%20FINAL%20(12%20July%202017)%20(1).pdf)

⁸⁴ ADB Timor-Leste Country Gender Assessment 2014, p. 82

access to land and land ownership by gender differs depending on the social system dominant in a particular geographic area. In Suco Malilait, Bobonaro District, men participants noted that women in the ethnic group of Bunak, which follows a matrilineal kinship system, have the right to land ownership. Yet in the Kemak ethnic group (patrilineal) only men have the rights to land ownership. Women participants from predominantly patriarchal societies unanimously agreed that land should be registered under their husband's name. Regardless of the social system, many participants surveyed stated that women have the right to manage the land for agriculture, including deciding whether to grow crops for household consumption or selling, but decisions related to selling the land are commonly made by men. A few women focus group participants stated that this is a collective decision. The Timor-Leste Gender Equality and Social Inclusion Analysis in 2016 indicates that even in matrilineal communities it is common for men to have a significant say on decisions regarding property.⁸⁵

- **Lack of land ownership limits access to financial services:** Women FGD participants relayed that the lack of access to land ownership also limits access to financial services, especially credit. Land certificates are commonly submitted as collateral to apply for loans to banks, and women cited that this poses a common limitation and difficulty for women's access. The lack of assets to guarantee loans have compelled women entrepreneurs to use limited household resources to start a business or find other financial service providers. This was a particular experience by women clients of Moris Rasik and Kaebauk. As micro entrepreneurs with no collateral to offer, these women had to seek other financial service providers and ultimately were able to access credit from microfinance institutions — Moris Rasik and Kaebauk — as land certificates or other assets commonly used to guarantee loans were not required. Women FGD participants reported relying on available household resources to fund their businesses, and this severely limits opportunities to expand. For other groups particularly in Bobonaro and Covalima, women rely on the savings and loans activity of the group, yet they shared that if there is an opportunity to access other financial services, it would help support their business activities. Both men and women participants agreed that both genders have the equal right to access financial services including savings. Despite this, women perceive the need to obtain permission from men and the need for men or any family member to assist them in opening a bank account. They specifically note the need for assistance with inquiring about products and completing forms - challenges related to low literacy and numeracy skills. Although MFIs are able to offer credit options for women entrepreneurs, savings products are not promoted and readily available to their clients due to the deposit threshold imposed by the Central Bank on Other Deposit Taking Institutions (ODTI). As stated in Board Resolution No. 11/2010, ODTIs are only allowed to maintain liabilities amounting to 1,000,000 USD, as a means to "protect the banking system against money laundering and criminal activities."⁸⁶ Given the large client base of MFIs, this ceiling level greatly limits the amount that every entrepreneur can save at less than 80 USD each. On the other hand, women are hesitant to open savings accounts with commercial banks for the reasons mentioned above.
- **Limited access to proper and safe market facilities:** Two (2) women entrepreneur groups reported the lack of access to proper market facilities to sell their products remains a challenge.

⁸⁵ TOMAK Gender Equality and Social Inclusion Analysis (GESIA) (2016), available at https://beamexchange.org/uploads/filer_public/33/4e/334ea0a8-c2bf-44c3-b6b9-dc458718e642/tomak-gender-and-social-inclusion-analysis_compressed.pdf

⁸⁶ Governing Board Resolution No. 11/2010 Concerning the Approval of Public Instruction No. 06/2010 On the Licensing and Supervision of other Deposit Taking Institutions (ODTIs), available at https://www.bancocentral.tl/uploads/documentos/documento_1479888076_3577.pdf

Specifically, this has been reported from tais producers in Dili. The members of Bobometo group shared that they sell their products at home, which is far from the main road and not commonly reached by customers. They further shared that it remains difficult to seek and rent strategic commercial spaces to sell their products, because of their low profit margins. All three (3) women participants from the Uma Dato group validated this concern. While the group is currently occupying space in tais market, the women shared that there is an existing threat to their tenure as they heard that the government has plans to remove all the sellers from the market and to use the space for another purpose.

Personal Barriers

- **Time poverty:** With the burden of household tasks falling disproportionately on women as shown in Table 3, they have fewer working hours than men, which limits potential business revenue. Due to their household responsibilities, women focus group participants noted they cannot work from 7:00-9:00AM and at lunch time. They are not able to leave their businesses unattended if no one from their family can take over. Women can also be exposed to productivity and health issues given the unpaid and paid working hours leaving them exhausted and with only 5-6 hours of sleep a night, affecting their ability to make smart business decisions. Moreover, women have limited mobility. They cannot work far from their houses if they have to take care of all these other household chores or are expected to settle the household chores prior to any other activity, including tending to their businesses.

Cognitive Barriers

- **Poor education and occupational segregation:** Women in Timor have lower formal education and lower literacy rates than men. The overall lower literacy rate for Timorese females is 64% compared to men with 71%.⁸⁷ According to the WE CSOs consulted for this assessment, prevailing customs and the common belief that men generally are the breadwinners of the family, further magnified by economic constraints, drive Timorese families, especially larger ones, to invest more in male children by sending them for tertiary education. The enrollment rate from secondary to tertiary education (Polytechnic and University) drops significantly for women from 67% to 14.8% as compared to 59% to 21% for men.⁸⁸ A female respondent shared that she stopped formal schooling at sixth grade because she wanted to support her mother who established a group to develop the tais industry in their village. While the participant relayed that it was her decision, perceptions and expectations influenced by the long tradition of passing the weaving skills to women may have an effect in the decisions made by women like her. Women's lower educational attainment and inability to qualify for high-skill jobs provide a partial explanation for why they comprise less than one-third of overall wage workers across sectors.⁸⁹ Low levels of literacy, the burden of household tasks which fall disproportionately on women, and male dominated institutions are among the causes for women's low participation in wagedwork.⁹⁰

⁸⁷ WEF, GGG Report 2020 Available at http://www3.weforum.org/docs/WEF_GGGR_2020.pdf.335

⁸⁸ WEF, GGG Report 2020 Available at http://www3.weforum.org/docs/WEF_GGGR_2020.pdf.335

⁸⁹ The Democratic Republic of Timor-Leste and United Nations Development Programme Mobilize Social Business to Accelerate Achievement of Timor-Leste MDGs (2012 - 2015), p.7

http://www.undp.org/content/dam/undp/documents/projects/TLS/TL_PRE_SocialBusinessProdoc.pdf

⁹⁰ *ibid.*

- Limited financial literacy:** The majority of the women focus group participants stated that limited access to financing stems from a lack of sufficient information about available credit and other financial services providers in addition to lack of collateral in the form of land (noted above). With the limited information they have, women participants shared that the process to access credit and open savings accounts is complicated and can be time consuming, with the criteria and document requirements cumbersome. Moreover, all participants from the Bobometo group perceive that available loan products have high interest rates and varying repayment schedules. Furthermore, women participants shared that key household decisions on finances including borrowing money for household needs are predominantly done by men. They noted the need for a guarantor to co-sign most loan applications; in most cases the partner or any family member are identified. In relation to gender roles regarding decision making, women participants shared that men should become a guarantor when women access credit to avoid defaulting on loans as men are commonly seen to have a stronger and stable source of income as compared to women.
- Limited business management skills:** Researchers explored the business management-related barriers and risks that FGD participants face throughout the business process, including at the business startup, planning, management, and expansion phases. One of the major challenges expressed is, since starting a business among the participants is deeply rooted in responding to household needs, businesses were most often conceptualized to be reactive to the needs of the household and the existing skills of the women. Participants shared that the usual process in starting a new business includes identifying a location where to sell, determining available capital, identifying the type of business, and product costing. Practical business training and mentoring were seen as important tools to mitigate the risks faced by women entrepreneurs. Specifically, Table 4 below illustrates the risks identified by the participants across all the groups and the skills and training needs mentioned to address such risks.

Table 4. Business Risks, and Skills and Training Needs Expressed by Women Entrepreneurs

Business Management Related Risks and Barriers	Skills and Training Needs Expressed by FGD Participants	WAGE BEST Recommendations for Training
Low Profit Margins and Over-indebtedness Risk: Women often start businesses using their own personal savings or through loans from MFIs and savings groups. This creates a pressure for quick success. Careful planning and preparation must be done to mitigate the risk of failure.	Financial Literacy and Cash Flow Management Training: Predisposed by the low educational level, including low numerical literacy, women entrepreneurs suffer and tend to have lower profit margins. In the interviews conducted in Atauro, four (4) out of eight (8) women interviewed shared that they only gain enough or small profits from their business, with another two (2) assessment participants sharing that they do not have enough profit. All participants were able to regularly	Continuous mentorship on financial literacy and business management to train women entrepreneurs in probing underlying causes of low profits which may include poor enterprise selection, planning, recordkeeping, poor stock and inventory management and skills.

	<p>calculate profit margins, leveraging from the previous training they received.</p> <p>Other groups interviewed shared the need for training to understand different loan products available, application and repayment processes, and how to assess if these products would be beneficial to their businesses or not.</p>	
<p>Competition and Operational Risk:</p> <p>Women shared that business competition is one of the key risks they face in running their business. Anecdotal evidence from various studies suggests that products offered by MSMEs in Timor-Leste are overly saturated which is evident in the few similar sectors the assessment participants work. Participants shared that there are instances where women sell the same products (i.e., tais, finger food) affecting the demand and profitability of the businesses.</p>	<p>Market Assessment and Linkages and Business Planning:</p> <p>Participants have identified the need for market assessment training to structure the process of identifying businesses or products that correspond to the demand of the community or target customers. 44% of women groups shared that they started their business without conducting market assessment and business planning as the businesses were heavily influenced by the business already run by the family. This is common with tais weaving groups as the business has been passed down as part of the tradition. Women groups who run kiosks and food vending relayed the same, citing that they sell products that are part of the basic needs which people would access every day. Despite this, participants recognize that by learning how to conduct proper market assessment and business planning, they will be able to mitigate the risk of failure and also equip them with knowledge to plan for the expansion of their businesses.</p> <p>Technical Skills Training:</p> <ul style="list-style-type: none"> ● Tais weaving diversification and modification of product (i.e., training on new weaving techniques and designs). Tais weavers in Dili, Bobonaro and Covalima cited the continued need for this to be able to negotiate the product prices and 	<ul style="list-style-type: none"> ● Market assessment and development of personalized business plan training ● Sector specific technical skills training ● Customer Service and Marketing Training

	<p>join international exhibitions and markets.</p> <ul style="list-style-type: none"> ● Food Preparation: Hygiene and sanitation in food production was shared by one-woman FGD participant from the Bobometo group. She noticed that one of the main factors that turn away potential customers is the lack of proper hygiene in food preparation, which can be addressed if they will be trained on proper food handling and sanitation, as well as diversification of menu options, can increase the likelihood of attracting more customers. Her idea was agreed by five other participants of the group. <p>Customer Service and Marketing:</p> <p>Women participants shared the need to learn skills on how to properly communicate with their customers, particularly foreigners, especially in addressing queries and marketing their products more effectively. These skills are particularly needed for opportunities to join international exhibitions as reported by the weavers from the Bobometo group who are able to join such events. However, despite the opportunity to access such opportunities, tais weavers commonly face unsold stocks of handicraft products without proper marketing. While an outlier, one participant shared the interest in learning how to use online tools or social media such as Facebook, Instagram and WhatsApp to promote their products.</p>	
<p>Threat of Business Interruption:</p> <p>Timor-Leste is not foreign to threats of business interruption. Particularly, Bobometo group had to stop operating in 1999</p>	<p>While participants shared that they temporarily shifted from creating and selling tangible products (tais, weaved baskets) to selling consumable goods that correspond to basic and immediate needs (vegetables, cooked finger foods,</p>	<p>Training to develop risk management and business continuity plan (including potential use of digital platforms to run businesses online if</p>

<p>during the independence referendum.</p> <p>All of the women groups interviewed shared that COVID-19 and the government-imposed restrictions to mitigate the spread of the virus have created limitations for their business activities. Tais weavers in Dili were particularly hard hit as this sector relies heavily on tourists, demand for weaved and other handicraft products declined with the restrictions on international and local movement. In other municipalities, women shared that market facilities were closed down during the state of emergency. Moreover, participants who are managing kiosks from both Dili and in rural areas shared that while they were able to continue selling, they found it difficult to buy goods for selling.</p>	<p>second-hand clothing), the need for women entrepreneurs to have skills and knowledge in preparing for unanticipated risk was evident.</p>	<p>applicable)</p>
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Women participants are keen to receive the above-mentioned business and learning opportunities. However, due to the overlapping roles that they have within the household as well as in their businesses, participants felt that service providers need to consider and plan out the activities with women-friendly logistics, including identifying venues near the target participants so that women will be able to better manage their time. A participant in Atauro expounded that training materials should be sector-specific and correspond to the needs of the group in a way that they use such materials in the long term, which can include easy to follow templates and key training messages. Another participant from the same group also shared that “simple words” should be used in the training, providing insight that training and mentorship activities should be designed according to the literacy level of the participants. Other training needs identified includes capacity building for women’s entrepreneurship groups, particularly on teamwork and problem-solving skills (group dynamics). Women’s entrepreneurship groups experience fall outs between their members due to internal conflicts, stemming from the lack of trust and problem-solving skills and teamwork within the groups. Specifically, groups who maintain saving and loans activities need training to structure and strengthen internal group rules.

Women participants shared that while there is progress in gender mainstreaming in the country, as is evident by their acknowledgment that they have the same rights as men, predetermined gender roles and the relational barriers mentioned previously still deter women from starting

a business. In cases where women are able to start businesses, relational barriers along with prevailing cognitive, material and structural barriers limits their business working time, abilities to make better business decisions, and access capital. They also still face risks of GBV. With these barriers, women entrepreneurs remain operating at micro and small levels with low profit margins.

Perceptive Barriers

- **Beliefs and perceptions about women's businesses:** Perceptions influenced by social norms also classify some businesses as gendered endeavors with certain businesses traditionally run by men and other business traditionally run by women. In particular, more than half of the male participants in the district of Bobonaro shared that weaving and sewing are primarily women's business, and that men are generally expected to spend their time gardening, looking after domestic animals, and on occasions, help women in looking after the children at home.
- **Beliefs about men's roles in women's businesses:** Influenced by the predominantly patriarchal society, women have a heavily ingrained perception and have deeply internalized the socio-cultural mindset that men are the ones responsible for major family decisions. Specifically, women participants shared that the role of married women is to support and listen to their husbands — only widows have the right to make autonomous decisions. Although both men and women participants see a positive change in gender norms and recognize that both genders have the same rights to perform economic activities and work outside home, women FGD participants still said they need to obtain permission from their husbands before ultimately pursuing any form of economic activity. This can be mainly attributed to the expectation that women's roles are primarily confined to the household. One male participant from Dili shared that women could participate in activities provided that the household chores are already settled.

A point worth highlighting - and considering in the design of interventions - is the risk of families' interference in women's business (for example taking products from women's kiosks without paying) or in the management of their loans (demanding access to some of the cash received as part of a loan), limiting profit and investment and making it harder to repay loans.

V. Geographic Mapping of Available WE CSO and MFI Services

This section introduces the WE CSOs and MFIs working to provide women's economic empowerment, GBV and credit services in Timor-Leste. WE CSOs Alola Foundation, AEMTL and Ba Futuru work closely with individual and women's business groups in a number of municipalities to provide women with economic empowerment support, and gender and conflict management training including on GBV. Kaebauk and Moris Rasik are the two microfinance institutions in Timor-Leste that provide credit and other financial services to more than 30,000 clients. They have established satellite offices and staff available in all the municipalities and at the regional level.

Geographic mapping was done by using four target location selections: 1) review of existing World Bank gender equality and poverty headcount data; 2) co-location of WE CSOs and MFIs; 3) services and location where other stakeholders are operating; and 4) determining cost and feasibility. Thus, while nationally 42% of the population lives below the poverty line, the WAGE BEST initiative aims to target

districts and villages where the Poverty Headcount Ratio is higher than the average⁹¹. However, new information from the World Bank report in 2019 reveals that there is much greater variation in poverty rates within districts rather than between districts. While the district level poverty headcount in the country's capital, Dili is at 29%, suco level poverty rates range from 8% to 80%. Higher suco poverty rates are observed in the Districts of Liquiça, Ermera, and along the western boundary of Ainaro.⁹²

From the secondary gender and poverty headcount data, the assessment team subsequently narrowed down the target districts based on where MFI and WE CSO services are co-located and linkages can be implemented, the feasibility, cost-effectiveness, future business scaling potential and sustainability. While WE CSO and MFI partners have co-locations in districts with higher poverty incidence, the team's main considerations in selecting target districts were cost and operational feasibility with the linkage grants and implementation sustainability. Based on all these factors, Ermera, Liquiça and Dili were identified as target districts to pilot linkages. The table below maps out the co-locations and priority municipalities identified with the MFIs and WE CSOs consulted.

Table 5. Presence of WEE and GBV Training, and Financial Services in Targeted Districts

District/ Services	WEE			GBV Training			Financial Services	
	Alola Foundation	AEMTL	Ba Futuru	Alola Foundation	AEMTL	Ba Futuru	Kaebauk	Moris Rasik
Dili	x	x	x		x		X	x
Ermera	x	x	x	x	x	x	X	x
Liquiça	x		x	X		x	X	x

⁹¹ World Bank, A Gender-Sensitive Insight of Poverty Mapping for Timor-Leste, March 2019. p.4 Available at: <http://documents1.worldbank.org/curated/en/143891560928616596/pdf/Gender-Sensitive-Poverty-Mapping-for-Timor-Leste-Policy-Note.pdf>

⁹² *ibid.*

A. CSOs Background and Services

Alola Foundation
<p>Operating Locations: Active in all 13 municipalities with WEE and GBV activities in Ainaro, Dili, Ermera, Liquiça, Bobonaro, Covalima and Oecussi</p>
<p>Background and Mission: Alola Foundation is a non-profit, non-government organization operating in Timor-Leste. Their vision is to improve the lives of Timorese women and children. The organization seeks to nurture women leaders and advocate for the rights of women. By working with community groups and individuals, Alola Foundation aims to improve maternal and child health, create employment, promote human rights, strengthen community development, and improve the status of women.</p>
<p>Services Offered: Alola Foundation has been implementing WEE training in different districts as shown above. WEE training covers basic market assessment and bookkeeping, with a specific focus on tais weavers, including natural coloring and technique in dye-ing. Target beneficiaries include women from low-income families, young women, widows, abandoned women and women who experienced sexual and domestic violence. Alola Foundation also provides savings and loans group training on the following topics: how to establish a group, how develop criteria and processes, and structuring of group member roles and responsibilities. GBV training Alola provides covers topics on gender and sex, types of GBV, domestic violence, and human trafficking. Beneficiary progress is monitored through pretests, post tests, and regular monthly monitoring during the project implementation stage.</p>
<p>Co-Location and Target District with MFIs: Liquiça</p> <p>Alola Foundation started working with women groups in Liquiça in 2010.</p> <ul style="list-style-type: none"> • In 2010: Trained 45 women in Maubara covering topics on bookkeeping, market linkages (government fairs), and provision of small grants (USD 500/group) from MSSl. • In 2015: Trained 25 women in the town on Liquiça, covering the same activities above and including GBV component, and provision of small grants (USD 1000/group) from MSSl.

Associação Empresarial Das Mulheres Timor-Leste (AEMTL)
<p>Operating Districts: Based in Dili but with women entrepreneur members and previous activities across the country, including Ermera</p>
<p>Background and Mission: AEMTL is a business association with the mission of promoting and empowering women entrepreneurs to compete and succeed in Timor-Leste's emerging private sector. AEMTL has 65 active members with businesses in tourism, construction, agriculture, and ICT.</p>
<p>Services Offered: As an umbrella business institution for Timorese women, the Association provides members with various business advisory support. AEMTL encourages registered business owners to join and be part of a network of experts that provide avenues for knowledge exchange.</p> <p>The Association also advocated to the government for the creation and improvement of laws and policies that previously hindered local business in joining and competing in business opportunities. These laws include: Law of Private Investment No.15/2017, Commercial Law No.10/2017, and Law of Local Content.</p>
<p>Co-Location and Target District with MFIs: Dili</p> <p>AEMTL is a current USAID implementer under the Tourism for All project, which established an Art-Souvenir-Service (ARTSS) Center. The Center promotes Timorese culture and talent in handcraft and souvenirs. The organization noted the need to support members' initiative, specifically on securing business capital to start crafting and souvenir home micro industries that could eventually be showcased in the center.</p>

Ba Futuru
<p>Operating Districts: Active in all 13 municipalities with WEE and GBV activities in Dili, Ermera, Liquiça, Bobonaro, Covalima</p>
<p>Background and Mission:</p> <p>Ba Futuru is a not-for-profit organization whose main objective is to create a Timor-Leste free of violence, where all citizens, especially women, children, and young people, can engage meaningfully in the country's development in a peaceful, positive and productive way.</p> <p>The organization's mission is to build a peaceful, positive, and productive Timor-Leste through using innovative approaches that will protect children, reduce violence, empower women, and inspire young learners.</p>
<p>Services Offered:</p> <p>Ba Futuru activities are focused on promoting peace, and child protection. Specific WEE activities include providing training on business management, financial literacy and linking women to microcredit institutions.</p> <p>As a non-profit, they have gained international and local support to provide economic management and GBV training. Ba Futuru implemented the Women Driving Peace and Economic Development project in Bobonaro from 2018-2019. Ba Futuru also received short-term funding for three (3) years from an institution called MISEREOR (a Catholic international organization), to implement the Women Agent for Peace and Economic Development project. The project was implemented in Maliana and Atauro. Implementation in the former ended in July 2020, and in Atauro in December 2020. In the past, Ba Futuru also received funding from European Union and UN Women for a three-year project in Baucau and Covalima in which ended in March 2020.</p> <p>Ba Futuru is also known for training their members on conflict management. This allows women to better conduct conflict resolution in their groups and reduce forms of violence within the family. They use entertainment education such as their award-winning film series, <i>Domin Nakloke</i> (Unlocking Love), to advocate for violence prevention. <i>Domin Nakloke</i> series raises community awareness on issues such as domestic violence, sexual assault, and healthy relationships. The series was supported by the Australian Government through the Partnership for Human Development. It has reached more than 360,000 views on social media and has also been broadcast on television and shown in remote areas to more than 30,000 viewers.⁹³</p>
<p>Co-Location and Target District with MFIs: Ermera</p> <p>Ba Futuru started working in Ermera in 2004. Kaebauk, an MFI (described below) has established two branches in the district — specifically in the sub districts of Ermera and Atsabe.</p>

⁹³ Ba Futuru Annual Report, 2018, <http://bafuturu.org/wp-content/uploads/2019/07/Ba-Futuru-Annual-Report-2018-1.pdf>, p. 24

B. MFIs Background and Services

Kaebauk													
Operating Districts: All 13 districts													
Background and Mission: Kaebauk is a microfinance institution whose main objective is to provide microfinance and allied services for a large number of the poor in a sustainable and regulated manner to improve the quality of life of families and empower women. Kaebauk has 12,462 men and women borrowers.													
Services Offered: <table border="1"> <tr> <td>Types of loans</td><td>Education loans Agriculture loans SME loans Housing loans</td></tr> <tr> <td>Types of Credit</td><td>Individual Loans</td></tr> <tr> <td>Total credit</td><td>Between \$100 - \$2,000 Up to \$50,000 based on business growth, and credit and repayment history</td></tr> <tr> <td>Loan term</td><td>Between 12 – 36 months</td></tr> <tr> <td>Interest rates</td><td>Interest rate is at 1.5% per month</td></tr> <tr> <td>Other Fees</td><td>Administration fee is at 3% Guarantee is at 10%</td></tr> </table> <p>The loan application process takes an average of about one to two weeks. Before granted, borrowers are equipped with basic orientation about the loan criteria and repayment process. The borrower is assessed by looking at their existing business, which should be operational for at least for six (6) months. Clients are given a one (1) month grace period prior to repayment. Aside from the low interest rate, the administration fee is also applied which covers the borrower's insurance and a guarantee which will be given to the debtor once the repayment has been completed or can be alternatively used as payment for the last amortization.</p> <p>Kaebauk clients are required to present a witness that will serve as a guarantor. They serve as support and are held responsible if the borrower is not able to repay the debt. Kaebauk's policy for guaranteeing does not require collateral such as land, house, or animals. Married borrowers must present with their spouse, when signing a loan agreement. A single borrower will have to bring any family member, usually a sister or brother to assist.</p>		Types of loans	Education loans Agriculture loans SME loans Housing loans	Types of Credit	Individual Loans	Total credit	Between \$100 - \$2,000 Up to \$50,000 based on business growth, and credit and repayment history	Loan term	Between 12 – 36 months	Interest rates	Interest rate is at 1.5% per month	Other Fees	Administration fee is at 3% Guarantee is at 10%
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Loan term	Between 12 – 36 months												
Interest rates	Interest rate is at 1.5% per month												
Other Fees	Administration fee is at 3% Guarantee is at 10%												
Co-Location and Target District with CSOs: Ermera (Ba Futuru) and Dili (AEMTL)													

Moris Rasik													
Operating Districts: All 13 districts													
<p>Background and Mission:</p> <p>Moris Rasik Foundation (MRF) is a non-profit organization providing financial literacy and social development support to borrowers of Servisu Finanseiru Moris Rasik (Moris Rasik). Moris Rasik is a regulated for-profit microfinance institution with more than 25,000 micro entrepreneurs. Its goal is to reach out to remote areas through their established offices and to have a wide national coverage. Their current portfolio is made up of 98% women clients.</p>													
<p>Services Offered:</p> <table border="1"> <tr> <td>Types of loans</td><td>SME loans Housing loans</td></tr> <tr> <td>Types of Credit</td><td>Group-lending and Individual Loans</td></tr> <tr> <td>Total credit</td><td>First time credit via group-lending: \$100 - \$300 Special credit: \$1,000 - \$2,000</td></tr> <tr> <td>Loan term</td><td>Between 12 – 36 months</td></tr> <tr> <td>Interest rates</td><td>Interest rate is at 15% per week</td></tr> <tr> <td>Other Fees</td><td>Administration fee: 1.25% for 24 to 25 weeks loan cycle 2.25% for 48,50,72 and 75 weeks loan cycle Guarantee is at 20%</td></tr> </table> <p>Individual loan clients repay weekly. If they repay their loan on time, members are able to graduate and apply for a special and larger loan. Moris Rasik charges a 20% guarantee fee and an administration fee that varies depending on the loan cycle. The administration fee covers client insurance. Moris Rasik does not require collateral from the clients but puts high regard on social trust and good member relationships. They assess individual repayment capacity by evaluating the client's character, business plan, and previous business behavior or client experience.</p> <p>While the products are mainly targeted to women, both husband and wife should be present when signing a loan agreement. In addition, Moris Rasik assists its borrower with basic written literacy skills particularly on how to write their name and sign the loan documents.</p>		Types of loans	SME loans Housing loans	Types of Credit	Group-lending and Individual Loans	Total credit	First time credit via group-lending: \$100 - \$300 Special credit: \$1,000 - \$2,000	Loan term	Between 12 – 36 months	Interest rates	Interest rate is at 15% per week	Other Fees	Administration fee: 1.25% for 24 to 25 weeks loan cycle 2.25% for 48,50,72 and 75 weeks loan cycle Guarantee is at 20%
Types of loans	SME loans Housing loans												
Types of Credit	Group-lending and Individual Loans												
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Other Fees	Administration fee: 1.25% for 24 to 25 weeks loan cycle 2.25% for 48,50,72 and 75 weeks loan cycle Guarantee is at 20%												
Co-Location with CSOs: Liquiça (Alola Foundation)													

C. Services Offered by Other Stakeholders

The assessment team conducted consultations with other public and private stakeholders providing social services in the aforementioned locations, including those who provide assistance for victims of GBV including shelter, medical, psychosocial support, legal assistance, and empowerment through capacity building training.

In addition, the project consulted non-government organizations ALFeLa (Legal Assistance for Women and Children), Acbit (Association Chega! For Us), FOKUPERS (Timor-Leste Women's Communication Forum), Casa Vida, FCJ (Fórum Comunicação Juventude Oratório Dom Bosco), and PRADET (Psychosocial Recovery and Development in East Timor). These organizations provide social services to GBV victims including legal assistance, shelter and healthcare, psychosocial counselling, and capacity building support such as reintegration to education and vocational training. Acbit and PRADET also provide assistance to victims of conflict and people who are experiencing trauma, mental illness and other psychosocial problems. PRADET, Casa Vida, FOKUPERS, ALFeLa, ACbit and FCJ received training under The Asia Foundation's Nabilan Program to increase quality of service provision to prevent and respond to GBV. The project also spoke to the non-government organization Men with New Vision (MHVF), which works with communities, particularly men in the municipalities of Aileu and Viqueque to promote gender equality and adopt the principles of safety, accountability, responsibility, and respect.

The assessment team also consulted with government organizations including Vulnerable Police Unit (VPU), which operates within the National Police of Timor-Leste. Its primary responsibility is to respond to the needs of the vulnerable sector, including accompanying GBV victims in filing and process of the legal case. The institution works in cooperation with Alfela, Pradet, Fokupers and Casa Vida. The team also consulted the Institute for Business Support of Timor-Leste (IADE), a government institution established in 2004, to provide business development services. IADE works closely with different organizations and local business owners, youth and vulnerable people to provide support in setting up new businesses through business skills training and development of business plans.

During the consultations, these stakeholders validated this assessment and the BEST initiatives key finding that even though the Government of Timor-Leste has advanced gender equality prevailing socio-cultural norms rooted in patriarchy remain a barrier to women's participation in decision making. As the prevalence of GBV still remains high in Timor-Leste, the organizations cited that predominant forms of violence faced by women include domestic violence, sexual abuse, abandonment, and incest which stems from inadequate family income, economic dependency of women, and the lack of community understanding on the issue.

While all these stakeholders are based in Dili, the majority provide direct and indirect services to all the municipalities through the existing referral networks. Despite this, insufficient funding and lack of adequate human resources are a challenge they all face in sustaining operations and service delivery. Stakeholders have limited branch offices and trained manpower (including community volunteers) at the regional level to sustain smooth operations. Among them, only the VPU has offices and staff in all municipalities. The table below maps out the different services provided by and the districts the stakeholders are operating.

Table 6. Geographical Mapping of Services Offered by Other Stakeholders

Services Offered by Other Stakeholders	GBV Prevention	GBV Response				Operating Districts
		Shelter and Health care	Psycho-social Support	Justice and Legal Aid	Socio-Economic Empowerment	
ALFeLa				X		Based in Dili - provide service to all municipalities
ACbit			x		X	Based in Dili – provide service to all municipalities
FOKUPERS	X	X	x		X	Based in Dili - provide service to women victims from all municipalities
Casa Vida		X	x		X	Dili
FCJ		X	x	X	X	Dili
PRADET		X	x	X	X	All municipalities
VPU				X		All municipalities
IADE					X	All municipalities
MHVF	X					Based in Dili – with operation in Aileu and Viqueque

VI. Opportunities and Challenges Faced by WE CSOs and MFIs in Supporting Businesswomen

Finally, this assessment sought to determine what challenges WE CSOs face in supporting businesswomen and opportunities that exist for building their capacity, to build on the key opportunities and address / mitigate the barriers faced by women entrepreneurs in Timor-Leste. WE CSOs Alola Foundation and Ba Futuru have existing training materials on business and GBV training, which they replicate in various programs. Both organizations also have field staff and well-trained facilitators. Alola Foundation has training curricula on GBV Training and Group and Finance Management Training. Both materials are used to deliver intense four-day trainings.

Ba Futuru utilizes a four-day business education curriculum developed and adapted with the support of Women's Campaign International. This is usually combined with another four-day training on gender and conflict that seeks to build women's awareness of GBV and their human rights. The materials were most recently updated in 2020 to create the FADDE Manual (Women Driving Peace and Economic Empowerment), which is a unified conflict management and economic empowerment training curriculum currently being used for the eight-day intensive training activities in Bobonaru and Atauro.

On the other hand, AEMTL does not have internal training materials and in-house trainers but is looking into opportunities to develop their own training material that can be used by their members. In the past, they worked with other organizations to provide training and workshops for their members. The WE CSOs and MFI partners have identified the following challenges in providing support services to women entrepreneurs:

Challenge: Unequal gender roles and women's time poverty

As shared by the FGD participants, daily schedules of women are packed with household chores and business activities. CSOs that were consulted during this assessment relayed that it is a challenge to implement trainings that aligns with the availability of women, and there is a need to identify flexible training approaches that match the schedules of women participants. While in general women are keen to attend capacity building activities, in practice most women will have to excuse themselves during training sessions to perform household tasks.

Recommendations:

- Build the capacity of CSOs to utilize proven approaches to deliver trainings in a sustainable way and that aligns with women's time availability. This may include adapting modular and cascade training approaches on existing curricula.
- Build the capacity of CSOs to utilize multimedia platforms that can be accessed by women at their convenience to deliver short but actionable training messages. This may include use of radio or SMS messaging campaigns.
- Women-friendly logistics and support, including transportation and business interruption loss reimbursement or "recovery costs" should be accounted for in the training budget. Similarly, including budget for childcare support should also be considered to enable women to attend training.
- Trainings should be offered in locations, modalities and schedules that allow for women to balance these opportunities with their household roles (ensuring women are consulted on what works best for them).

Explore how to engage husbands and families to support women's enrollment and active participation in trainings and income generation activities. Existing stereotypes should be challenged about women's roles, and more equitable power dynamics and distribution of labor within the home should be promoted.

Challenge: Varied literacy levels of participants

Alola Foundation and Ba Futuru reiterated that varied levels of literacy of the participants, particularly in reading and numeracy, is a challenge when conducting training. Sessions usually take more time to ensure that the content is properly explained and understood by all participants. Moreover, this is magnified by a language barrier due to various dialects that are in use in some districts. Likewise, MFIs shared that the low literacy level of clients, including the women entrepreneurs, is a key challenge in applying for loans. In line with this, Moris Rasik had to include a literacy training to clients specifically on how to write their name and signature on loan application documents.

Recommendations: Support CSOs and MFIs to adapt their existing training curricula for low-literacy audiences, such as use of pictorial learning conversations and simplification of training content into easy to remember key messages accompanied with regular reminders through different channels such as SMS and radio.

Challenge: Financial Literacy and Business Skills Training Content Gaps

WE CSOs shared that there is a need for additional training content particularly in cash flow and cash management as these topics are minimally covered in their current materials. Financial concepts on credit, specifically on understanding interest rates and repayment models were also identified. These corroborate the needs identified by the FGD participants. MFIs further shared that loans received by women entrepreneur clients are commonly used for other purposes, including spending on traditional ceremonies and basic household needs. They noted the need to equip and train women entrepreneurs on business skills and financial literacy. On the other hand, it is important to recognize that this is often forced on women by their partners, families, and communities. Women face severe backlash if they do not comply. Moreover, Ba Futuru shared the need to strengthen the creation of small savings and loans groups for women whose access to the bank and other financial service provider's remains limited.

Recommendations: Work with WE CSOs to provide and adapt training curriculum on cash flow management, financial education, and savings group formation, to strengthen current existing curricula and fill in the content gaps. Additionally, husbands and families should be engaged in awareness raising campaigns in target communities on the benefits of taking loans for business growth and the negative impact of channeling those funds to other activities. Systems should be established to address potential backlash and referral mechanisms should be established. The MFIs clients' need for business skills and financial literacy further validates the program's recommendation to build linkages between the partner organizations.

Challenge: Impacts of COVID-19

During the state of emergency imposed in Timor-Leste to mitigate the spread of COVID-19, MFI loan repayments were postponed for three (3) months by the Central Bank to ease the burden on entrepreneurs who were affected by the restrictions. While an important relief measure for borrowers, this repayment suspension was an unprecedented business shock for MFIs whose cash flow decreased. It continues to pose challenges as some borrowers may have diverted their loan funds to uses other than their businesses, which can impact their ability to generate revenue and repay the loans. While savings can be used to cushion the effects of the pandemic, Kaebauk shared that this is commonly not marketed to clients due to the maximum deposit limit imposed by the Central Bank on MFIs. In turn,

the limit on the MFI's maximum deposits reduces rural clients' access to similar savings products as formal commercial banks are centralized in Dili or have limited branches in other municipalities.

Recommendations: Work with WE CSOs and MFIs to adapt and include sessions on risk management and mitigation in business skills trainings, to equip women entrepreneurs with technical know-how in developing business continuity plans.

Given the deposit liabilities threshold for ODTI institutions and MFIs, one recommendation to the Central Bank is to consider increasing this limit from 1,000,000 USD to 5,000,000 USD to provide an option for their women entrepreneur clients to open savings and deposit accounts. This will allow Kaebauk and Moris Rasik clients to save at least 200 USD, the average deposit balance per depositor in Timor-Leste, according to the Global Outreach and Financial Performance Benchmark Report in 2017-2018.⁹⁴

Challenge: Underreporting of GBV Cases

During the consultations with other GBV stakeholders, they shared that underreporting of GBV cases is a key problem, as cases are rarely reported outside the household and community. They cited that this is due in part to women's high economic dependence on men. CSOs and stakeholders noted that the provision of GBV training in the community has sparked changes as women are informed of referral pathways to present cases to the police and local authorities. Despite this, many women victims ended up canceling legal cases in fear of not being able to provide for their children, looping back to the challenge of economic dependence.

Recommendations: Work with WE CSOs and explore secondary linkages with GBV stakeholders to adapt a participatory (household and community level) gender training approach to 1) identify and challenge gender inequities in household and child-rearing responsibilities and to 2) continue community awareness campaigns on GBV prevention including the nature and consequences of different forms of violence. These activities should also include and information dissemination on referral pathways to essential support services such as psychosocial, medical, and legal services. In conducting this approach, the assessment team recommends the following be considered:

- a) Explicitly address GBV with women participants in safe, women-only space to combat attitudes around the acceptability of intimate partner violence and raise awareness of available support services.
- b) Engage husbands and their family members with tailored content to promote more positive, non-violent masculinities and more equitable power relations in the home.
- c) Training to program partners' staff on the risk of violence associated with women's socio-economic participation and the importance of ongoing and intentional monitoring for emerging backlash (which should be incorporated by WAGE in the M&E systems).

⁹⁴ Mix Global Outreach and Financial Performance Benchmark Report - 2017-2018, available at https://www.findevgateway.org/sites/default/files/publications/files/mix_market_global_outreach_financial_benchmark_report_2017-2018_1.pdf

d) Develop clear guidance on how to respond to disclosures or suspicion of abuse suffered by program participants, including:

- Conducting a thorough mapping of the services and support available for reporting, referral and response to cases of violence and harassment in the program target areas; and
- Ensuring all front-line staff are trained in principles of a survivor-centered approach and are equipped to respond sensitively and safely to any disclosures of abuse.

Challenge: Insufficient Funding and Inadequate Staffing

CSOs shared that while they strive to implement and provide support to women in all 13 municipalities, insufficient funding, and lack of adequate human resources remain key challenges among the stakeholders.

Recommendation: Provide subgrants to influential WE CSOs and MFIs in Timor-Leste to implement linkage activities that can provide access to additional services to the beneficiaries and clients of those organizations. The linkages will provide the opportunity to offer products and services that those participants would not have had access to otherwise.

To further women's economic empowerment and to increase GBV awareness in Timor-Leste, one recommendation for the Ministry of Social Solidarity and Inclusion is to propose plans and activities that will provide capacity building programs for women, specifically in creating, running, and expanding their business, providing information on how to access financial products and services from microfinance institutions, promotion of referral pathways for GBV services, and gender training for both men and women to raise awareness on GBV. This will ensure increased funding for local CSOs to promote a more conducive environment for women's economic empowerment.

ANNEXES

Annex A. List of Acronyms

ABA ROLI	American Bar Association Rule of Law Initiative
ACBIT	Association Chega! For Us
AEMTL	Associação Empresarial Das Mulheres Timor-Leste
ALFELA	Asosiasaun Legal ba Feto no Labarik
ARTSS	Art-Souvenir-Service
BDS	Business Development Services
BEST	Business and Social support for female Entrepreneurs in Timor-Leste
CRC	Company Registration Certificate
CSOs	Civil Society Organizations
FGDs	Focused Group Discussions
FCJ	Fórum Comunicação Juventude Oratório Dom Bosco
FOKUPERS	Timor-Leste Women's Communication Forum
GBV	Gender Based Violence
GDP	Gross Domestic Product
IADE	Institute for Business Support of Timor-Leste
ICT	Information Communication Technology
IWAPI	Indonesia Businesswomen Association
KIIs	Key Informant Interviews
MAGs	Martial Arts Groups
MFIs	Microfinance Institutions
MRF	Moris Rasik Foundation
MSEs	Micro and Small Enterprises
MSMEs	Micro, Small and Medium Enterprises
MSSI	Ministry of Social Solidarity and Inclusion
MHVF	Men with New Vision
NGO	Non-Government Organization
PRADET	Psychosocial Recovery and Development in East Timor
SERVE	Serviço de Registo e Verificação Empresarial
TIN	Tax Identification Number
USAID	United States Agency for International Development
USD	United States Dollar
VPU	Vulnerable Police Unit
WAGE	Women & Girls Empowered Program
WE CSOs	Women's empowerment-focused civil society organizations
WEE	Women's Economic Empowerment

Annex B. List of Tables

Table 1. List and Brief Description of the FGD participants

Table 2. Breakdown of Staff from WE CSOs and MFIs FGD Participants

Table 3. Daily household and economic activities of the participants

Table 4. Business Risks, and Skills and Training Needs of Women Entrepreneurs

Table 5. Presence of WEE and GBV Training, and Financial Services in three (3) Districts

Table 6. Geographical Mapping of Services offered by other Stakeholders

Annex C. Procedures, Document Requirements and Turnaround Time to Register a Business in Timor-Leste

Procedure	Document Requirement	Estimated Turnaround Time
Deposit a minimum capital at a bank	It is the business owners' discretion to decide on the amount of company's capital, as per the Companies Law of May 2017. The minimum amount to be paid for company registration must be equal to the sum of the quotas, which are set to be equal to or higher than USD 1.	1 day
Register the company and apply for the registration certificate (CRC), tax identification number (TIN) and business license (AEA) to Serviço de Registo e Verificação Empresarial (SERVE), a one-stop shop for business registration	<ol style="list-style-type: none"> 1. Memorandum of Association 2. Shareholders' IDs and, if married, proof of their matrimonial property regime 3. Shareholders' taxpayer number (if any, otherwise it will be attributed by SERVE at the time of registration) 4. Identification of the corporate bodies 5. Letters of acceptance for each member of the corporate bodies; 6. Documents certifying that the company's capital has been deposited; 7. Map depicting the location of registered offices; and 8. Certified copies of prior authorizations to conduct business, if applicable. 	7 days
Publish the company's information at SERVE's website,	Once the registration procedures have been reviewed and completed, a summary of the information on the company's registration is published by SERVE	1 day
Register the company with the Ministry of Finance,	Companies must be registered with the Ministry of Finance. During the incorporation process at SERVE, the TIN is provided to the company. However, since 2013 companies are required to confirm their registration with the Ministry of Finance, after receiving the TIN. Confirmation of tax registration is required, for instance, to obtain a certificate of debts, which is used for a number of interactions with government authorities	4 days
Obtain a company stamp	The company stamp is not required by law and SERVE. However, in practice companies will need to have a company stamp (with the company's	2 days (simultaneous with previous

	logo) in order to interact with government agencies such as the Ministry of Commerce and Industry. This stamp can be procured from a private seal maker.	procedure)
Register the company and employees with Social Security	Both the company and its employees should be registered with Social Security, as per Law 12/2016. The company, as the employer entity, has the obligation to undertake registration of itself and all of its employees. This is done by submitting the appropriate form, along with the company's registration documents, employees' contracts and respective IDs.	1 day (simultaneous with previous procedure)

Source: World Bank Group, Doing Business 2020

Annex D. Geographical Mapping of WE CSOs and MFI Services in Other Municipalities

District/ Services	WEE			GBV Training			Financial Services	
	Alola Fdn.	AEMTL	Ba Futuru	Alola Fdn.	AEMTL	Ba Futuru	Kaebauk	Moris Rasik
Ainaro	x			X		x	X	x
Aileu		x			X		X	x
Dili	x	x	x		X		X	x
Ermera	x	x	x	X	x	x	X	x
Liquiça	x		x	X		x	X	x
Bobonaro	x	x	x	X	x	x	X	x
Covalima	x		x			x	X	x
Lautem							X	x
Manufahi		x			X		X	x
Manatuto							X	x
Oecussi	x			X		x	X	x

Annex E. Background and Services of other Stakeholders Consulted

ALFeLa (Legal Assistance for Women and Children) provides legal assistance to women and children referred by police and referral networks who are victims of GBV particularly domestic violence, sexual violence and sexual abuse. ALFeLa handles civil cases involving people with disabilities and LGBT. The organization provides assistance in filling cases, accompanying the victims to the investigation in the Public Prosecution office and continuing until the final decision by the court. ALFeLa also facilitates mediation when the parties agreed not to proceed with the legal process.

Acbit (Association Chega! For Us) provides assistance to women, particularly those who are victims of conflict following the recommendations of the Commission for Reception, Truth and Reconciliation (CAVR). The organization conducts needs assessment and community discussions to identify vulnerable victims, and the underlying psychological problems and trauma they experienced. ACbit conducts trauma healing workshops, capacity building through nutrition and business training, and improved understanding of the law through advocacy and education.

FOKUPERS (Timor-Leste Women's Communication Forum) has four main programs to support victims of GBV: victim assistance, childhood education, advocacy, and the empowerment of women through community awareness. To respond to cases of GBV, Fokuperes follows internal criteria for case selection. Victims need to register and fill forms to stay in the shelter house, providing accommodation and food. Victims will receive psychosocial assistance focused mainly on adult and children counseling. Other assistance includes livelihood skills training, training on Timor-Leste's Law against Domestic Violence so victims can understand their rights and roles, facilitates reintegration process, provision of incentive for the most vulnerable.

Casa Vida is a Dili-based shelter house that provides short term (6 months to 1-year) and long-term (up to 3 years) assistance to women and children across the 13 municipalities of Timor-Leste. An estimate of 10-15 new cases are being referred to Casa Vida every year from different partners such as ALFeLa and the Ministry of Social Solidarity and Inclusion (MSSI). Most cases attended by Casa Vida involves different forms of domestic violence such as sexual abuse, incest, abandonment, family divorce because of small children. During the consultation, it was noted that high number of cases in 2018 are sexual abuse and incest cases. Casa Vida has partnered with ALFeLa for the legal proceedings. Aside from shelter support, Casa Vida provides capacity building support which includes vocational training and reintegration to education, and mental health support through clinical psychiatrist therapy.

FCJ (Fórum Comunicação Juventude Oratório Dom Bosco) concentrates on the core theme of Social Protection and Social Preservation. They have partnerships with different CSOs and government offices with the objective to strengthen and integrate the different programs and services. FCJ has four main programmatic division focused to support women and children who are victims of GBV: a) Education (basic education for children who come with victim mothers, stitching course training in village, bakery training); b) Outreach (patrolling and monitoring of roads where there has been reports of social problems involving children); c) Case (management of various legal cases); and d) Shelter House. Women they support have varying knowledge and skills, but most victims need more additional support to reinforce their existing skills. During the consultation, FCJ shared that the women they support have varying knowledge and skills, but most victims need more additional support to reinforce their existingskills.

PRADET (Psychosocial Recovery and Development in East Timor) is a non-government organization which provides psychosocial services for people who are experiencing trauma, mental illness and other

psychosocial problems. The organization have 4 key programs, one of which is the Safe House Program which provides services to victims of domestic violence, sexual violence, child abuse, abandonment, and human trafficking. PRADET's beneficiaries are victims endorsed from the referral pathways. Once the case is endorsed, PRADET conducts an assessment, provides counseling and emergency accommodation, facilitates forensic examination, collection of evidence, and works together with ALFeLa, and Vulnerable Police Unit (VPU described below) on other legal processes. PRADET also provides economic empowerment to the beneficiaries of the Safe House program. During the consultation it was shared that an assessment conducted with the beneficiaries' shows lack of financial skills. To address this, PRADET distributed materials based on businesses run by the women which includes small kiosks, selling of satay, vegetable gardening, and poultry and livestock farming. Monetary support amounting to \$150-\$300 for each person was also provided. Most of the beneficiaries are from the municipalities of Dili, Baucau, Maliana, Covalima, and Oecusse.

VPU (Vulnerable Police Unit) is one of the government institutions under the National Police of Timor-Leste. Its primary responsibility is to respond to the needs of the vulnerable sector, including accompanying GBV victims in filing and process of the legal case. The institution works in cooperation with Alfela, Pradet, Fokupers and Casa Vida.

Institute for Business Support of Timor-Leste (IADE) is a government institution established in 2004, providing service on business development and working in collaboration with other national and international organizations such as ILO, USAID and GIZ to improve business in Timor-Leste. At the local level, IADE works closely with local business owners, youth and vulnerable people in remote areas – support them establish their business plan, as well as other business skills building. IADE has office in all the municipalities and RAEOA.

Men with New Vision (MHVF) is a non-government organization working with communities, particularly men in the municipalities of Aileu and Viqueque, to promote gender equality and adopt the principles of safety, accountability, responsibility, and respect. MHVF focuses on building members' capacity with community development principles to achieve better lives and peace.



WAGE

ABOUT

Women & Girls Empowered (WAGE) is global programming consortium funded by the U.S. Department of State Secretary's Office of Global Women's Issues to advance the status of women and girls. WAGE is led by the American Bar Association Rule of Law Initiative (ABA ROLI) in close partnership with the Center for International Private Enterprise (CIPE), Grameen Foundation, and Search for Common Ground (Search). To account for the deeply interconnected nature of women's experiences, WAGE programs employ approaches that are highly collaborative, integrated, multidisciplinary, and inclusive, addressing WEE in the context of legal and practical barriers such as gender-based violence (GBV), conflict, and insecurity.

