

La'ó Hamutuk Mid-year Report

January - June 2003

This report updates and complements *La'ó Hamutuk's Annual Report for 2002*, which can be found on *La'ó Hamutuk's* website <http://www.etan.org/lh> or can be requested from our office.

Mission

La'ó Hamutuk (“Walking Together” in English) is an East Timorese organization that monitors, analyzes, and reports on the principal international institutions present in Timor Lorosa'e (East Timor) as they relate to the physical, economic, and social reconstruction and development of the country. *La'ó Hamutuk* believes that the people of East Timor must be the ultimate decision-makers in this process, which should be democratic and transparent. *La'ó Hamutuk* has tried to follow a model of equitable cooperation between East Timorese and foreign activists and both East Timorese and international staff have equal responsibilities, and receive equal pay and benefits. *La'ó Hamutuk* is an independent organization and works to facilitate effective East Timorese participation in the reconstruction and development of the country. In addition, *La'ó Hamutuk* works to improve communication between the international community and East Timorese society. Finally, *La'ó Hamutuk* is a resource center, providing literature on development models, experiences, and practices, as well as facilitating solidarity links between East Timorese groups and groups abroad with the aim of creating alternative development models.

East Timor has been independent since May 2002, during which time the United Nations Mission of Support for East Timor has provided soldiers, police, and technical advisors to the new nation. UNMISET, which will begin downsizing in November 2003, reaches the end of its mandate in May 2004. Nevertheless, international financial institutions, foreign governments, foreign companies, international agencies and advisors still have powerful roles in East Timorese government and society. *La'ó Hamutuk's* work remains crucial in helping international agencies and East Timorese better understand each other as this new country enters a new phase in its history and continues to define and evolve its own internal systems and its position in the international arena.

La'ó Hamutuk

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Goals and Objectives

In our most recent strategic planning meeting in May *La'o Hamutuk* staff, board members and colleagues met to evaluate our work and reaffirm our goals and objectives for the next twelve months:

- To monitor, analyze and provide information on the reconstruction process and the broader development of East Timor, and to help make that process and development more just and responsive to East Timorese needs and desires.
- To empower East Timorese to participate more effectively in the development process.
- To facilitate relationships between East Timorese and the international solidarity network to provide information on alternative development models.
- To increase communication between East Timorese and international institutions and donors.
- To advocate for improvements in transparency, economic and social justice, human rights and democracy.
- To strengthen *La'o Hamutuk*'s internal organization.

Program Activities

The foundation of *La'o Hamutuk*'s work is monitoring and investigating the activities of international institutions working in East Timor. The information produced from our research is disseminated through a number of activities which are described below.

During the first half of 2003 we investigated and analyzed the activities of the Asian Development Bank and the World Bank with reference to the financial models they promote. We have reported on the major financial players in East Timor and where the money for the budget and other activities taking place in East Timor comes from. We continued to monitor the bilateral aid programs of the United States, the European Union and Brazil. We were part of the NGO delegation to the Dili Development Partners' (Donors') conference held in June, presenting recommendations to the meeting (together with other NGOs) and reporting on the conference.

We have prioritized investigating the role of UNMISSET particularly its responsibility for internal security and analysis of the current situation in East Timor with respect UNMISSET's mandate finishing next year. We have monitored and reported on developments in the exploration and exploitation of petroleum resources in the Timor Sea. Justice for East Timor and Gender Equality continue to be core elements of our work.

Through the activities of *La'o Hamutuk*, we work to build alliances with other organizations. Through the information we disseminated during the first half of 2003 we have raised awareness of the activities of actors like the World Bank and Asian Development. This is particularly important as debates about loans and the 'no debt' policy are becoming more present in the public arena. It will become critical should East Timor consider entering into a Poverty Reduction Strategy agreement. Information about UNMISSET has served to provide East Timorese individuals and organizations with an objective analysis of UNMISSET's responsibilities and obligations which need to be met when its mandate finishes next year, and to increase the level of public debate about whether the mandate should or should not be extended. Our objective reports on the Timor Sea are crucial as negotiations over the sea border with Australia may begin this year. The information we learn and publish has helped us and other organizations advocate for more equitable processes and for economic and social justice, and informs journalists and government officials in East Timor and around the world.

In addition to our investigations, we often work in coalition with other East Timorese NGOs on current issues. On 15 February, we were one of the main organizers of a demonstration in Dili against the impending war in Iraq. As part of the international day of mobilization for peace, more than 100 East Timorese were joined by some international supporters in walking to the U.S., British and Australian Embassies in Dili, and in speaking with the Ambassadors of the U.S. and U.K. In May, two of our staff represented East Timor at the Global Peace Movement conference in Jakarta, and we facilitated the visit of Phyllis Bennis, one of the keynote speakers at that conference, to East Timor immediately afterwards.

In March and April, we researched, protested and analyzed a immigration law being considered by East Timor's parliament which would have violated the constitutional rights of foreigners and severely limited the ability of East Timor to benefit from international visitors, tourists, investors and volunteers. The law was passed by Parliament, but parts of it were ruled unconstitutional by the Court of Appeal, and the President vetoed it. At this writing, the issue is not yet resolved.

La' o Hamutuk staff authored three chapters for a forthcoming book edited by David Webster with photographs by Elaine Brière. Our contributions on "The Next *Luta*: Developing an Independent East Timor," "Timor Gap: Incomplete Independence," and "Culture and Resistance" will be published in Canada in 2004. In addition, we wrote many articles for local newspapers and other publications, which are listed in Appendix V.

Bulletin

The *La' o Hamutuk Bulletin* is one of our primary media tools. We publish the *Bulletin* every six weeks and we have increased our circulation in both English (1,500) and Indonesian (3,000) to meet the growing demand. We distribute the *Bulletin* free to schools, churches, government offices, and international and local NGOs throughout East Timor, with help from district-based organizations. Within Dili, we deliver the *Bulletin* to foreign embassies, the offices of the World Bank, ADB and IMF, government offices, hotels, restaurants, libraries, and other public places as well as key decision-makers in United Nations Headquarters, foreign embassies and East Timor's donor governments. The *Bulletin* is also circulated by email and posted on the internet. See Appendix II for a list of the *Bulletin* articles published during the reporting period.

We have undertaken an extensive evaluation of the *Bulletin* with questionnaires distributed by hand and through email in Indonesian and English. The evaluation showed that our wide readership finds the *Bulletin*'s articles, drawings and diagrams informative and useful. We also learned that our readers wanted a glossary of the more difficult terms, and about additional topics our readers want to learn about.

Radio Programs

Radio remains a critical tool in disseminating information, and is the only medium which reaches all of East Timor. *La' o Hamutuk* produces a weekly radio program in Tetum in which experts and activists, interviewed by *La' o Hamutuk* staff, share their diverse knowledge with the larger community in every district in East Timor. The topics of radio programs are often informed by the articles in the *La' o Hamutuk Bulletin* and have served to increase knowledge and participation of East Timorese living outside of Dili in events and processes that affect them.

During the reporting period, we began to work with community radio producers at Radio Rakambia to pre-record and edit our program, improving its quality. We also produced a radio drama on the Timor Gap which has been aired on our program and on community radio throughout East Timor. The radio programs are listed in Appendix III.

Public meetings

La' o Hamutuk organized a number of meetings on critical issues facing East Timor for NGOs, journalists, government and other interested East Timorese and international people. Appendix IV lists the public meetings we organized and presentations we gave during the first half of 2003.

Surat Popular

La' o Hamutuk's Surat Popular (People's Page) is published in Tetum and distributed widely (5,000 copies) throughout East Timor through *La' o Hamutuk's* own networks and *Dai Popular* (East Timor Popular Educator's network). During the reporting period we published and distributed two issues:

- Timor Gap: What is happening in the Timor Sea and the negotiations with Australia?
- Microfinance: What is microfinance and does it work?

A third edition on Sustainable Agriculture in East Timor is being prepared for distribution in September.

During this period *La' o Hamutuk* staff visited several rural communities to refine the use of the *Surat Popular* as a discussion tool, and to demonstrate this use to local community organizers: Dare (Dili District), Ulmera (Liquisa District), Behau (Manatuto District) Iliomar (Lautem District), Uatucarbau (Viqueque District), Maubisse (Aileu District) and Maukatai and Suai Kota (Suai District). Combined with the radio program the *Surat Popular* has proved vital for bringing issues such as negotiations over the Timor Sea resources to rural communities as well as providing people with objective information about microfinance which is highly important considering the number of microfinance projects currently being run in East Timor.

La' o Hamutuk is improving the use of *Surat Popular* in the districts, training other local organizations on how to use *Surat Popular*, including the Sa'he Institute for Liberation, Fokupers, Perkumpulam Hak, Haburas, *Dai Popular* and Asosiasaun Mane Kontra Violensia. We are also asking these organizations to help decide which topics should be covered by *Surat Popular*, and to give us feedback from the communities where discussions are held.

Intercambios (International Exchanges)

As a joint East Timorese-international organization with strong ties with East Timor's international solidarity network, *La' o Hamutuk* is well positioned to coordinate international exchanges between East Timorese activists and development workers, educators, and activists from other countries. International exchanges are important to deepening discussions, visioning new development alternatives and strengthening international solidarity among grassroots organizations. The topics of these exchanges are developed through close communications with other East Timorese organizations and a commitment to a truly just and democratic development process for East Timor.

This year *La' o Hamutuk* has been working on two exchanges which will take place in the second half of the year.

East Timor – Cuba Exchange with the Martin Luther King Centre (CMLK): October 2003

Many East Timorese organizations and members of *Dai Popular* would like to deepen their understanding and practice of popular education, and to develop popular tools and alternatives for sustainable social and economic development at the grassroots, empowering popular participation in East Timorese society. The Martin Luther King Centre (CMLK) in Cuba is deeply committed to the principles and methodology of popular education, and has vast experience in training and promoting study sessions for community organizing and social activism. These trainings and study sessions aim to enable grassroots community organizers to be better able to effectively encourage popular participation and, in the people from the most oppressed sectors of society, a strong awareness of themselves and their capacities to become actors in social transformation.

East Timor - Nigeria/Angola Exchange: December 2003

As East Timor begins to extract oil and gas from the Timor Sea, the new nation must avoid repeating the mistakes of other countries, where oil development often brings war, corruption, repression and poverty. One of the worst examples of this is in Nigeria, and *La' o Hamutuk* will send a delegation there to help the East Timorese people better understand the effects of oil and gas development on the environment, local communities, and national politics. In this exchange East Timorese activists who have been

working with the Timor Gap issue will visit sites of oil and gas extraction in Nigeria and Angola and talk with the communities which suffered from this development, as well as exchanging strategies, experiences and ideas with African Oilwatch activists.

Globalization and International Financial Institutions

La' o Hamutuk continues to monitor the activities of the World Bank, the International Monetary Fund and the Asian Development Bank in East Timor with particular reference to the economic independence of East Timor. The work of *La' o Hamutuk* has been critical in raising awareness amongst civil society about IFIs and their policies and the need for East Timorese people to express their opinions about the choices East Timor faces -- particularly whether or not to borrow money. This work is building a foundation for broad public participation in developing and critiquing a Poverty Reduction Strategy Paper should East Timor's government enter into such an agreement.

The Dili-based Study Group on the World Bank and the IMF (Kelompok Kajian Bank Dunia/IMF), of which *La' o Hamutuk* is a founding member, continues to meet regularly to share information and decide on activities. Recently the Study Group has been holding discussions with local organizations interested in learning more about how globalization and the international finance institutions affect their work. The group has established a working relationship with the Bangkok-based NGO Focus on the Global South. As part of an East Timorese government initiative the group participated in an internal evaluation of the World Bank's Community Empowerment Program which was presented to key decision makers.

Petroleum Development and the Future of East Timor

The oil and gas resources under the Timor Sea are essential to the economic independence and development of East Timor. With the ratification of the Timor Sea treaty in March 2003, East Timor and Australia have agreed to share revenues within the Joint Petroleum Development Area (JPDA). The Sunrise International Unitization Agreement (IUA) defining resources outside the JPDA, has been signed but will not come into effect until ratified by both parliaments. In addition, the critical issue that remains to be resolved is the maritime boundary between Australia and East Timor.

La' o Hamutuk has continued to monitor this process very closely, publishing articles in our *Bulletin*, *Surat Popular* and local newspapers, participating in international conferences and consulting with international experts. Adriano de Nascimento and Charles Scheiner participated in the Oil and Mining conference held in Dili and arranged for Dr. Jeffrey Smith, an international expert on maritime boundary issues, to discuss issues with NGOs and other interested individuals and groups. Our Tetum-language radio drama on these issues has been broadcast on radio stations across East Timor. In June, *La' o Hamutuk* wrote a detailed submission to the Australian Parliament's Joint Standing Committee on Treaties regarding the International Unitization Agreement for the Greater Sunrise gas field.

We compiled and published the "*La' o Hamutuk* OilWeb CD-ROM" with hundreds of documents and analyses, as well as audiovisual resources. More than 100 copies of the CD-ROM have been distributed to government officials, activists, journalists and researchers in East Timor and around the world.

Our work has been a valuable resource and reference for others trying to learn about this complex issue as it continues to develop. We have increased the involvement of East Timorese civil society organizations in the maritime boundary negotiation process with Australia and campaigned for the participation of East Timorese in employment opportunities and transparency in the decision making process.

La' o Hamutuk has consolidated its relationship with Oilwatch, and international activist network resisting the negative effects of petroleum development. We are currently working on an exchange visit with activists concerned with oil issues in Nigeria and in September Charles Scheiner will attend the Oilwatch general meeting in Cartagena, Colombia. Building and consolidating ties with people campaigning on similar issues globally and in the region has been an integral part of our work.

The Independent Information Center on the Timor Sea (CIITT), a coalition of which *La' o Hamutuk* was a founding member, has consolidated its structure and now monitors and reports on activities relating to the oil and gas resources in the Timor Sea. This has increased the effectiveness of groups and individuals advocating for social, economic and environmental justice relating to these resources.

Resource Center and Library

Since January 2003 *La' o Hamutuk* has worked hard to develop the library which has been moved to a separate part of our building. *La' o Hamutuk* has purchased several Indonesian books to add to the collection covering international institutions, bilateral and multilateral aid, and development in general as well as reference books, videos and computer media. Further books have been donated by *La' o Hamutuk* staff and activists. Through our investigations, files and documents are added to the filing cabinets which document much of the involvement of international institutions in East Timor since 1999.

La' o Hamutuk's resource center and library carries books and documents in English, Indonesian, Portuguese and Tetum on topics including international development theory and practice, international aid, globalization, East Timorese history and culture, and case studies from other countries relating to these topics. Our resource center also includes locally published newspapers and magazines such as the *Timor Post*, *Suara Timor Lorosa'e*, *Talitakum*, *Verde*, and *Cidadaun*. We have made links with other resource centers and libraries in East Timor and are often visited by students, national and international NGO workers, activists, journalists and researchers looking for information on current issues and international actors in East Timor.

La' o Hamutuk also continues to sell books on East Timor and international development issues, with the goal of getting good information out to interested internationals. Most of the books we carry come from the Australia-East Timor Association in Melbourne.

NGO coalitions

La' o Hamutuk has greatly increased the level of involvement with coalitions with other East Timorese NGOs, where our involvement is usually pivotal in providing drive and direction. Our staff participates in various local coalitions, including the East Timorese Association of Men Against Violence and National Movement Against Violence that work to end gender-based violence, the Global Peace Movement, the popular educator's network (Dai Popular), CIITT (see above), and projects relating to justice, human rights, international conferences and training. In recognition of our expertise and leadership, *La' o Hamutuk* staffers are often chosen to represent the NGO community in international conferences and training activities.

Kelompok Kajian Bank Dunia/IMF (Study group on the World Bank and IMF)

La' o Hamutuk staff involved in the study group have been leading discussions on the World Bank and IMF with local NGOs working in a range of areas to raise awareness of international finance institutes and their impact on grass roots work.

AMKV

La' o Hamutuk plays a key role in the East Timorese Association of Men Against Violence (AMKV), a national organization of East Timorese men working to end gender-based violence. AMKV has been very active over the last six months visiting several rural communities to organize workshops at the grassroots level to discuss gender issues as part of national campaign against gender-based violence.

MNKV

La' o Hamutuk staff hold pivotal positions in National Movement Against Violence (MNKV), a national network of East Timorese NGOs working to end gender-based violence.

Global Peace Movement

La' o Hamutuk staff consolidated links with other groups working to promote peace, justice and solidarity against war and violence at the International Peace Conference in Jakarta, Indonesia in May.

Dai Popular (East Timorese Popular Educators' Network)

Dai Popular was formed in August 2001 by nine civil society organizations who had participated in the East Timor-Brazil international exchange organized by *La' o Hamutuk*. Since its formation, the network has grown to include 36 different organizations committed to "a collective process to strengthen popular education methods as a tool for social transformation in East Timor." *La' o Hamutuk's* involvement in Dai Popular as a member of the Secretariat remains critical, particularly in providing guidance and facilitating contact with popular educators working in other countries. *La' o Hamutuk* led a Dai Popular meeting on popular methods of literacy in the Baucau district in January. During the latter part of the reporting period *La' o Hamutuk* members of Dai Popular have been organizing the upcoming exchange with Cuba.

Strengthening the organization of *La' o Hamutuk*

La' o Hamutuk's office continues to be housed in Farol, Dili District, sharing building space with two other local NGOs: Sa' he Institute for Liberation and the Legal Aid Association of Ukun Rasik An. As is the case with many local NGOs, this house was occupied by the Indonesian Government during the occupation, and is therefore now property of the Government of East Timor. With confirmation that we could occupy the office for the next five years we went ahead with a much needed extension in June. As a result of the extension we now have a separate rooms for meetings and our resource centre and library. Our main work area is a large area where we have installed wall fans and purchased new desks which has made for a cooler, more comfortable working atmosphere with staff no longer needing to share desks.

We have also purchased two more laptops one of which replaced an older computer which no longer functioned properly. All our computers are fully networked. In the beginning of the year we compiled a central file of all our computer based documents and information which can be accessed through our intranet. This allows *La' o Hamutuk* easy access to a large amount of indexed information on the major international players in East Timor. The files are continually up dated as our investigating teams amass more information.

La' o Hamutuk has purchased two more motorbikes, a smaller Honda scooter for use in and around Dili and a larger Honda 125cc for work outside of the Dili area. Though *La' o Hamutuk* staff still share motorbikes, this has taken pressure off our existing motorbike pool and made it easier for our investigating teams to make meetings and interviews and reach areas outside of Dili.

We are greatly strengthened by the level of continuity and capacity of our staff. At the end of the reporting period our staff comprised seven East Timorese and three international members. One international member of staff, Andrew de Sousa left in June after working for over 18 months and will be replaced by Selma Hayati in October. Simon Foster, an international volunteer with *La' o Hamutuk* since October 2002, became full time staff in May. Currently we are four women and six men, including (in addition to the above), Cassia Bechara, Tomas (Ató) Freitas, Mericio (Akara) Juvinal, Yasinta Lujina, Inês Martins, Adriano do Nascimento, Charles Scheiner, João Sarmento, and Jesuina (Delly) Soares Cabral.

Our Executive board has been strengthened by the addition of Maria (Micato) Domingas Alves, a long-time East Timorese gender activist currently heading the Prime Minister's Office for the Promotion of Equality, who joined in April, and Pamela Sexton, a founding member of *La' o Hamutuk* currently living in the U.S. As of 1 July *La' o Hamutuk's* board was comprised of two internationals and one East Timorese living abroad (two men and one woman) and three East Timorese based in Dili (two women and one man).

Internal computer trainings and bi-weekly English language classes continue to develop vital skills in our staff, *La' o Hamutuk's* local staff have begun training in using recording equipment and recording and editing software for producing radio programs. *La' o Hamutuk* staff are now able to produce broadcast quality radio programs which can be distributed on CD format to national and community radio stations.

In addition, Mericio Juvinal went to Canada for the International Human Rights Training Program, organized by the Canadian Human Rights Foundation, from 8 to 27 of June; and Yasinta Lujina participated on a "Legislative Drafting Initiative" organized by the University of San Francisco and Asia Foundation from 6 to 14 May.

During first half of this year *La' o Hamutuk* underwent our first independent external financial audit, for calendar year 2002. The Indonesian firm of Maksum, Suyamto, Hirdjan & Rekan, performed the audit. They finished their report in June and it is available to all of our supporters.

In May 2003, *La' o Hamutuk* held a two-day strategic planning workshop, involving our staff, Executive Board, and people we work closely with. We reviewed the strategic plan we had made in 2002 and through open and productive discussion evaluated our activities and programs. We also discussed adjustments to our programs and internal structure, and set priorities and staff assignments for the next six months. There was consensus about continuing *La' o Hamutuk's* mission and fundamental principles, as well as our major program areas. We also decided to undertake an assessment of our readership and listenership to make our materials more useful, and to improve the accessibility of our publications and radio program.

Evaluation of our work during the reporting period

In our 2002 annual report and in funding proposals we wrote at the end of 2002 and the beginning of 2003, we outlined plans for our activities for the coming year. By and large, we are on track in fulfilling these goals, and our financial picture is also close to where we would like it to be at this time (see Appendix 1).

As planned, we increased both the production quality and the number of stations airing our weekly radio program. We also purchased two motorcycles and three computers, enlarged our office space, and secured our right to remain in the building. This completes the capital investment necessary to support our work at current levels, and provides the equipment needed for our work both in the office and throughout rural East Timor.

Both of intercambios for 2003 are being organized for the second half of the year, and we expect them to take place as planned.

Unfortunately, we were not able to do as much investigation and monitoring as we had hoped during this period, and published two Bulletins (we had hoped to do four); a third (double issue) one is expected shortly. This is primarily due to the following factors. Although these activities take time away from our investigation and monitoring work, we believe they are important for the future of the nation and the development of our capacity..

- Civil society in East Timor is increasingly active, and *La' o Hamutuk* is increasingly asked to provide information and leadership for other organizations and coalitions.
- We have also been invited to send several of our staff to give presentations at international conferences, and one member was selected to attend a human rights training.
- One staff member has been on long-term medical leave, resulting in our investigations on militarization and security being delayed or deferred.

We have also not been able to focus as much as we would like to on international companies and markets, due to limited staff time and difficulties in getting information. We have chosen not to enlarge

our staff (other than replacing international staffers who leave), but rather are increasing the experience and skills of our current personnel.

Outlook for remainder of 2003

In the coming six months, *La' o Hamutuk*'s investigations and reporting will focus on many important issues, including

- International Financial Institutions - The influence of the IMF in the East Timor's Central Bank; and ADB and World Bank policies of privatizing basic needs in East Timor (Water and Electricity)
- Bilateral Aid - U.S., Japanese and European Union aid to East Timor.
- Natural Resources - International aspects of the exploration and exploitation of petroleum in the Timor Sea and elsewhere – Australia, oil companies, economic, labor, and environmental developments.
- International trade and commerce policies – how international companies and investors relate to East Timor's new government.
- International justice – the role of foreign governments and international institutions in providing justice for East Timor today, and in ending impunity for crimes against humanity committed here between 1975 and 1999.

Apart from these main priorities we will continue investigating the UNMISET and UN Agencies in East Timor; relations between East Timor and Australia, Indonesia and the CPLP members; and how East Timor's new military force is being influenced and funded by foreign governments.

The information these investigation produce will continue to be published in our *Bulletin* and broadcast on our weekly radio program. We will also continue to publish the *Surat Popular*, with upcoming issues including agriculture and justice, and we will organize trainings with community organizers and grassroots organizations on how to use the *Surat Popular* as a tool for popular education.

We will continue to work to meet our objectives and fulfill our goals using the variety of tools and networks we have developed and evolved over the life of our organization. During our work we are continually looking for new ways to disseminate information and to work more efficiently and effectively. In November we will meet again to evaluate our work, make new plans and continue to work for equitable and just future for East Timor.

Appendix I: Financial report

During the first half of 2003, *La' o Hamutuk* received \$67,836 and spent \$47,367. Although the surplus is considerable, it reflects the fact that our annual funders give most of their grants during the first half of the year, so we projected 75% of our general support income during this period. We are in sound financial shape, and our actual income and expenditures are close to what we projected.

Income	Full year 2003 projected¹	First half 2003 projected	First half 2003 actual²	Variance from expectation³
General support grants ⁴	86,400	64,800	65,219	419
Grants designated for specific campaigns ⁵	3,000	1,500	700	-800
Grants for sponsored projects ⁶	2,000	1,500	1,661	161
Grants for intercambios (exchanges)	40,000	0 ⁷	0	0
Donations from individuals	1,000	500	0	-500
Miscellaneous income ⁸	750	250	256	9
Total income	133,150	68,550	67,836	-714

¹ Projected income and expenditure for this item for the entire year 2003, based on figures in our 2002 Annual Report.

² Actual income and expenditure during the first six months of 2003.

³ Variance between where we had expected to be at this time and the actual amount.

⁴ *La' o Hamutuk* received the following general support grants during the reporting period:

HIVOS Foundation (Netherlands)	\$26,951
Trocaire (Ireland)	\$19,929
Development and Peace (Canada)	<u>\$18,339</u>
Total	\$65,219

⁵ Grant from Oxfam Great Britain to enable *La' o Hamutuk* to attend the Global Peace Conference in Jakarta. This is matched by a corresponding expense; the variation from the projection does not affect the bottom line.

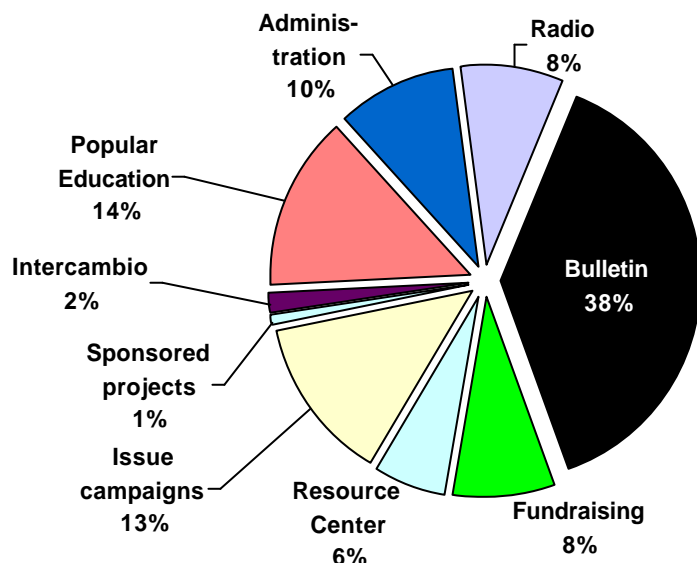
⁶ *La' o Hamutuk* is managing the funds for translation and publication by the Sa'he Institute for Liberation of Geoffrey Gunn's book "East Timor: 500 Years." We will complete this project, but will probably not serve as financial manager for future projects implemented by other organizations.

⁷ Both our intercambios planned for 2003 will take place during the second half of the year.

⁸ Bank interest and sales of books and other resources.

Expenses	Full year 2003 projected	First half 2003 projected	First half 2003 actual	Variance from expectation
Personnel ⁹	58,000	29,000	27,337	-1,663
Bulletin	7,700	3,850	1,934	-1,916 ¹⁰
Equipment (computers and motorcycles)	11,200	8,400	7,495	-905
Financial (audit and fiscal sponsor fees)	2,700	1,600	1,608	8
Office supplies and services	6,900	3,450	1,806	-1,644
Communications (telephone and internet)	7,200	3,600	2,927	-673
Popular Education	1,600	800	393	-407
Issue campaigns	4,000	2,000	982	-1,018
Radio program	2,400	1,200	653	-547
Resource center & book store	450	225	199	-26
Intercambios (exchanges)	40,000	0 ⁷	0	0
Sponsored projects ⁶	3,990	1,000 ¹¹	0	-1,000
Office expansion, furniture and rent	8,000	4,000	2,033 ¹²	-1,967
Other	1,000	500	0	-500
Total Expenses	155,140	59,625	47,367	-12,258

The graph at right shows how *La' o Hamutuk* spent money on program work and overhead during the first half of 2003. Personnel and operational expenses have been allocated according to how staff time, operational costs and facilities were used for each program. This is approximate; a more complete and accurate breakdown will be included in our report at the end of the year.



⁹ Personnel costs include wages, wage tax, health insurance, housing allowance, and relocation costs set aside for international staff after they return home (equal to their wages for the first year of work). One international staff finished his work in April 2003, and his replacement went on salary a few months later, resulting in savings over the projected budget.

¹⁰ Due to production schedules, only two Bulletins were printed during the first half of 2003. A double issue was done early in the second half, and we expect to publish 6-8 Bulletins during 2003.

¹¹ These expenditures have been deferred to the second half of the year, pending completion of book translation.

¹² Although most of the office expansion was completed during the reporting period, the final bill was not paid, and additional furniture purchases will occurring during the second half. Nevertheless, this has cost less than budgeted, and will probably result in a savings for the entire year.

Appendix II: Bulletin Articles

Volume 4 (2003)

Issue 1 (February)

- The Asian Development Bank
 - Overview of Asian Development Bank
 - Overview of Asian Development Bank projects in East Timor
 - Assessment of Asian Development Bank's Microfinance Development Project
 - (Guest article) Asian Development Bank and Privatization
- Report from the Conference for Post-Conflict Reconstruction in Hiroshima, Japan
- An assessment of Higher Education in East Timor
- Editorial: No War against Iraq

Issue 2 (March)

- United Nation's Mission in East Timor (UNMISET)
 - UNMISET and Internal Security in East Timor
- Assessment of the World Bank's Transition Support Program
 - Diagram of public sector revenue sources in East Timor
- Report from Millennium Development Goals conference in Dhaka, Bangladesh
- Editorial: No Justice No Peace

Double Issue 3-4 (August) (research for this issue was done during the reporting period)

- Timor Sea Oil and Gas Update
 - Timor Sea historical background
 - Boundaries and Petroleum fields
 - Australia blackmails East Timor
 - Sunrise Unitization agreement signed
 - Australia Stonewalls on Boundaries
- Assessment of Brazilian aid projects in East Timor
- Report from East Timor Donor's conference in Dili, East Timor
- Editorial: Military emergency in Aceh
- Editorial: What should UNMISET do now?

Appendix III: Radio programs

January

- Portuguese aid with a focus on their involvement in the East Timorese education sector (Inês Martins, Andrew de Sousa and Joao Sarmento *La' o Hamutuk*)
- Australian aid to East Timor (Inês Martins and Joao Sarmento *La' o Hamutuk*)
- A chronology of the Timor sea negotiations (Adrian de Nascimento and Inês Martin *La' o Hamutuk*)
- The East Timorese Men's Association against Violence (Tito de Aquino, Men's Association against Violence)

February

- The World Bank's Transition Support Program (Andrew de Sousa *La' o Hamutuk*; Julinho Ximenes, Perkumpulan HAK; Mateus Goncalves, Sa' he Institute)
- Ratification of the Timor Gap treaty (Cecilio Caminho, NGO forum; Avelino Coelho, PST; Adriano de Nascimento *La' o Hamutuk*)
- Higher education in East Timor (Cancio Freitas, Director of the Dili Institute of Technology; Justino Aparicio, Director of Tertiary Education, Ministry of Education; Nuno Rodrigues, Sa' he Institute; Agosto, IOB)
- Literacy (Zelia Fernandes, Gomotil, Diamantino da Cruz, Dai Popular)

March

- International Women's Day (Mericio Juvinal, *La' o Hamutuk*; Laura Pina, International Rescue Commission)
- The United Nations Millennium Development Goals (Department of Planning and Finance, Adriano de Nascimento, *La' o Hamutuk*)
- Health (Joanna Dias, Clinic PAS)
- How the health sector can reach the poorest (Dr. Rui Maria de Araújo, Ministry of Health; Mericio Juvinal, *La' o Hamutuk*)

April

- NGO Annual General Meeting (José de Costa, Director KSI; Adriano de Nascimento *La' o Hamutuk*)
- Immigration Law (Jose Luis Oliveira, Director Perkumpulan HAK)

May

- Brazilian aid to East Timor (Adalfredo, Coordinator Distance Learning Program; Marcelino, SENAI)
- Asian Development Bank (Zacarias de Costa, Asian Development Bank; Tomas Freitas, *La' o Hamutuk*; Julinho Ximenes, Perkumpulan HAK)
- Justice (Natercia Gusmão, Special Panel on Serious Crimes; Helder do Carmo, Judge, Special Panel on Serious Crimes; Amado Hei, Perkumpulan HAK)
- East Timor, Independent for one year (Olimpio Branco, Vice Minister Ministry of Foreign Affairs; Jose Luis Oliveira, Director Perkumpulan HAK)

June

- Development and local production (Rui Menezes, Parliament; Augusto, CDEP; Tomas Freitas, *La' o Hamutuk*)

Appendix IV: Public meetings and presentations

Organized by *La' o Hamutuk* in Dili except where noted.

- 25 January Public meeting by John Miller of ETAN/USA on International Support for East Timor: From Resistance to Independence.
- 23-25 February Adriano do Nascimento presented an East Timorese civil society perspective on the Millennium Development Goals in a workshop organized for the Asia-Pacific Region, organized by UNDP in Bangladesh
- 7 March Jeffrey Smith, an international lawyer and expert of sea boundary experts from Canada discussed his research on East Timor's maritime boundary rights.
- 22 March Eric Toussaint, a political scientist and expert on International Finance Institutes and Joy Chavez, a researcher with the Focus on the Global South discussed the work of International Finance Institutes in other developing countries and their involvement in East Timor's National Development Plan.
- 28 March Charles Scheiner presented an overview and critique of the U.S. led war against Iraq in a public meeting organized by the Sa'he Institute for Liberation, Perkumpulan HAK and other East Timorese activist NGOs.
- 6 May Adriano do Nascimento attended a conference on Lessons Learned in Southeast Asia and Pacific Peace Processes, organized by European Center for Conflict Presentation & Indonesian Center for Security and Peace Studies where he presented a paper on the role of civil society in conflict prevention and peace-building in East Timor
- 16 May Charles Scheiner discussed the East Timorese Immigration Law then being discussed in parliament and the future consequences for East Timor at a forum at the Dili Institute of Technology.
- 20 May Mericio Juvinal spoke on the United Nations reconstruction in East Timor after the end of the Indonesian Occupation at the Global Peace Movement conference in Jakarta, Indonesia.
- 23 May Phyllis Bennis from the Institute for Policy Studies, USA presented an overview of current U.S. foreign policy with particular emphasis on what the Iraq war and what will follow.
- 5 June Charles Scheiner and Mericio Juvinal presented an overview of the international institutions working in East Timor and involved in the negotiations in the Timor sea to the U.S. Peace Corps volunteers.
- 12 June Charles Scheiner presented a paper 'Working together for a better East Timor through research' at a seminar on participatory research and cooperation organized by a delegation of university researchers and interested academics from Thailand.
- 13 June As a follow up to the *La' o Hamutuk Bulletin* on internal security and UNMISSET's obligations *La' o Hamutuk* invited outgoing acting UNPOL Commissioner Dennis McDermott to discuss UNMISSET's current mandate and response to the inadequate police response to the civil disturbances in Dili, 4 December 2002.

19 June Yasinta Lujina discussed the situation of East Timorese civil servants during the Indonesian Occupation with the ACVTL (Associação Comunidade Vitimas de Timor Leste)

Appendix V: Contributions by La' o Hamutuk staff to other publications

Date	Author(s)	Title or subject	Publication
March	Adriano do Nascimento	Timor Gap is a Mysterious Trap	Suara Timor Lorosa'e
	Charles Scheiner	East Timor Puts U.S. Soldiers Above the Law	Direito (Perkumpulan HAK)
	Charles Scheiner	If the proposed immigration law passes, I could be deported	Timor Post
April	Charles Scheiner	Accomplishments and Challenges After One Year of Independence	Estafeta (ETAN/U.S.)
	Inês Martins, Mericio Juvinal, Adriano do Nascimento, Charles Scheiner, Andrew de Sousa	Three chapters on East Timorese history and development	Forthcoming book to be published in Canada
June	Akara Juvinal	UN Reconstruction in East Timor after the end of the Indonesian Occupation	Suara Timor Lorosa'e
	Charles Scheiner	Role of International Solidarity in East Timor's liberation	Liberasaun (Sa'he Institute)
	Simon Foster	The ADB in East Timor: New Country, Old Tricks	Focus on Trade (Focus on the Global South)