Monetary support for households during the Covid-19 pandemic

Considering the current COVID-19 pandemic, Governments around the world have been adopting a wide range of public health measures and, in this context, Timor-Leste does not escape the rule, having recently declared the State of Emergency and consequently taken other measures.

However, some public health measures, based on the principle of "social distancing", in particular those which have prohibited the provision of some services or established substantial limitations to their implementation, have caused considerable social and economic disruption, with significant impact, not only immediately but also in the long term, on the livelihoods and incomes of families.

The socio-economic impact of this pandemic in Timor-Leste can be persistent, taking into account the potential for the reduction of agricultural production and the number of families dependent on it, the loss of jobs and the closure of businesses, which can lead to a sharp increase in poverty with a direct impact on social stability. These impacts are likely to last much longer than the immediate health crisis, especially if no action is taken to address them.

Timor-Leste has in the recent past efficiently used social benefits in crisis situations to provide direct support to families, help stimulate the economy and promote social solidarity, and it is believed that it can once again do so successfully. More than 45 countries around the world have developed specific social protection responses for COVID-19 and many others are also seeking to do so.

It is in this context that the Government has prepared a set of measures to combat poverty and economic stimulus as a result of the impact of covid-19
disease prevention and disease prevention measures, among which this monetary support is included.

In Timor-Leste there are approximately 220,000 households, of which 40% live below the poverty line and another 40% live immediately above it. A benefit awarded to households with monthly incomes of up to US $500 guarantees protection for the vast majority.

This support consists of making a monthly payment of US $100 per household. This is a short-term intervention to address a specific threat to livelihoods, the economy and society as a result of the COVID-19 pandemic.

The impact of this measure on household incomes is expected to be high and to promote a generalised stimulus to the economy and social stability at a time of unprecedented uncertainty.

Thus, the Government decrees, in accordance with points (b), (o) and (p) of n°1 of Article 115 and of paragraph d) of Article 116 of the Constitution of the Republic, to be valid as law, the following:

Section I
General provisions

Article 1
Object and nature

1. The purpose of this law is to create and regulate a temporary provision of support to "Uma kain" (Timorese households), hereinafter referred to as monetary support.

2. This monetary support aims to support the "Uma Kain" in responding to their immediate needs arising from the restrictive measures related to the COVID-19 pandemic, as well as in their recovery after the lifting of these measures.

3. The monetary support provided for in this decree takes the form of a periodic cash benefit of a single amount and of a temporary nature.

Article 2
Beneficiaries

1. Without prejudice to the provisions of the following paragraphs, the beneficiaries of monetary support are those "Uma kain" registered in the "Register of Uma Kain" at one of the sucos in the national territory, in
accordance with the provisions of Ministerial Diploma No. 49/2017 of 23 August, of the Minister of State Administration, and who are in national territory at the time of payment of the same.

2. The "Uma Kain" in which at least one of its elements earns a monthly and regular income from work in public institutions or private entities, corporate income, property income or social benefits from contributory, non-contributory or special amounts of more than US$500, shall not benefit from monetary support.

3. For the purposes of this diploma, those considered are:

   a) Any "Uma Kain" registered in one of the "Register of Uma Kain" in the national territory, with a valid registration made by 31 March 2020, or, exceptionally, those which will be registered during an additional registration period, as defined by the ministerial diploma referred to in Article 7;

   b) Present in national territory at the time of payment, the "Uma kain" which are represented at the time and place of payment of monetary support, in accordance with the provisions of the following Article, or which, in not doing so, present in good time an admissible justification, in accordance with the terms to be defined by the ministerial diploma referred to in Article 7.

Article 3
Representation of the household

1. In all acts and procedures relating to the allocation of monetary support, each "Uma Kain" is represented by only one of the persons who are part of it, who will be considered the representative of the household.

2. The person mentioned in the "Register of Uma Kain" as Head of The Family is designated as a representative of the "Uma Kain", or, in his or her absence or impediment, by another element of the "Uma kain" aged 18 years or older, in accordance with the terms to be defined by the ministerial diploma referred to in Article 7.

Article 4
Payment and duration
1. Monetary support is provided from April 2020 and for as long as the state of emergency lasts.

2. The payment of support is the responsibility of the Ministry of Social Solidarity and Inclusion.

3. Without prejudice to n° 1, the Council of Ministers, upon a reasoned proposal from the Minister of Social Solidarity and Inclusion and taking into account the economic and social developments of the country in the face of the COVID-19 pandemic, may extend the period of allocation of monetary support.

   **Article 5**

   **Amount**

   The amount of monetary support is set at US$100 per month, per each "Uma kain" beneficiary.

   **Article 6**

   **Implementation**

   1. It is up to the Ministry of Social Solidarity and Inclusion to develop, in close collaboration with the Ministry of State Administration and with the support of other relevant public departments, the actions necessary for the implementation of this diploma.

   2. It is for the Ministry of State Administration to draw up, in cooperation with the administrations of the sucos, the list of "Uma kain" which are registered, to be considered for the purpose of awarding monetary support, as defined in the ministerial diploma referred to in Article 7.

   **Article 7**

   **Regulation**

   This diploma is regulated by a joint ministerial diploma of the Minister of Social Solidarity and Inclusion and the Minister of State Administration, to be approved within a maximum period of 15 days from the date of publication.

   **Article 8**

   **Monitoring**

   The Minister of Solidarity Social and Inclusion presents to the Government a report on the implementation of this diploma and its impact on the families
supported, within a maximum of three months from the entry into force of the same.

**Article 9**

**Financing**

The costs related to the payment of monetary support, as well as the technical and logistical operations necessary for their implementation, are ensured by the COVID-19 Fund, created through Law No. 2/2020 of April 6, and regulated by Decree-Law No. 12/2020 of April 14.

**Article 10**

**Entry in force**

This diploma shall enter into force on the day following its publication.

Approved in the Council of Ministers on 23 April 2020.

The Prime Minister,

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Taur Matan Ruak

The Minister of Social Solidarity and Inclusion,

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Armanda Berta dos Santos

Promulgated in

To be published
The President of the Republic,

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Dr. Francisco Guterres Lú Olo