Support to Peaceful Development through Innovative Employment Promotion

Context
Roughly 70% of the Timorese population live in multidimensional poverty, while wealth and employment opportunities are distributed unevenly between the main cities and rural areas. A projected population growth of 2.4% in the next years will aggravate the problem, especially for young people. The economy which is mainly based on the oil sector and subsistence farming does not provide sufficient employment opportunities. On top of that there are few vocational training facilities and especially women have low education levels and thus even less chances to find employment.

There are various conflict lines and generally little conflict management skills among the population, which the government of Timor-Leste so far does not address in a direct manner. Instead it is counting on the levelling effects of a strong, socially just economic growth. Meanwhile considerable levels of migration to urban areas worsen the problems in cities jobwise, but also in terms of peace and security.

Objective
Employment opportunities in specific fields in the private sector in Baucau and Suai areas increase along selected value chains. The amount of vocational training graduates in these areas is raised considerably (among women at least as much as among men). Participants adopt a cooperative working style and apply conflict mediating skills.

Approach
The project will draw on cooperatives as they offer the best institutional approach in rural areas, and encourage and support the adoption of cooperative behaviour and democratic decision making. Additionally value-added chains will be promoted, thus creating more employment opportunities and potentially linking rural to urban areas. Experiences and results of previous GC projects about Employment Promotion for Young People and Rural Development supplement the process. The project will closely cooperate with the Directorate for the Promotion of Cooperatives, including its district level offices.

Future prospects
70 agricultural production groups resulted from the GC “Employment Promotion for Young People” project, which partly have good perspectives to develop further into cooperatives. Potentially, the agricultural sector can provide more employment opportunities and added value, as well as substitute imports.

Commissioned by:
German Federal Ministry for Economic Cooperation and Development (BMZ)

Lead executing agency:
Ministry of Commerce, Industries and Environment

Overall term:
2013 to 2016

Contact person:
Ms Claudia Polzer (GIZ)  
Principal Advisor  
claudia.polzer@giz.de  
Dili, Timor-Leste