



BRIDGING PEOPLES

**Baseline Assessment of the
Sustainable Agriculture & Women's
Empowerment (SAWE) Project**

Submitted to:

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today

TABLE OF CONTENTS

1. Executive Summary	3
2. Background and Purpose of the Baseline	5
Introduction	5
Link to the Previous Vanilla “Beans of Hope” Project	5
Rationale for SAWE Project	6
Purpose and Objectives of Baseline	7
3. Methodology	7
Baseline Activities	9
Ethics and Safeguarding	9
Data Collected and Limitations	9
4. Baseline Findings	10
4.1 Context Analysis	10
4.2 Household Size & Income	12
4.3 Livelihood Activities	13
4.4 Savings and Loans	14
4.5 Agricultural and Horticultural Production	17
4.6 Market Linkages	17
4.7 Cooperative Formation and Governance	18
4.8 Climate Risks and Mitigation Strategies	19
5. Recommendations	20
Annex 1: Conceptual Framework: Sustainable Agriculture & Women’s Empowerment (SAWE) Project	24
Annex 2: Seasonal Calendars	26

1. Executive Summary

Background and Context

The Sustainable Agriculture and Women’s Empowerment (SAWE) Project is a multi-sectoral livelihoods initiative implemented by Mary MacKillop Today (MMT). It builds on a decade of community engagement in the Railaco Posto of Ermera Municipality, transitioning from the previous crop-focused Vanilla “Beans of Hope” project into a comprehensive livelihood diversification program. The SAWE project expands into four new *suku* (villages) within Posto Railaco: Fatukero, Tokoluli, Lihu, and Matata.

The primary objective of SAWE is to improve the livelihoods of rural households through inclusive, community-managed multi-sectoral cooperatives. To avoid repeating past project limitations, this baseline study was designed to map economic conditions, establish a monitoring framework, and outline risk-mitigation measures across the four new target *suku*.

The baseline study applied a participatory, strengths-based, and inclusive approach. A Gender Equality, Disability, and Social Inclusion (GEDSI) lens was integrated into all research stages. Data collection involved a mix of quantitative and qualitative methods, encompassing:

- A gap and data analysis of MMT’s raw contextual data.
- 72 household-level surveys to profile socio-economic status.
- 4 focus group discussions (FGDs) with community members incorporating seasonal calendars and crop listing.
- 1 FGD with MMT staff presenting community-level data and co-designing a stakeholder consultation workshop.
- 1 internal participatory analysis workshop with the MMT field team.
- 1 Municipal stakeholder consultation workshop in Gleno, Ermera
- 5 semi-structured interviews (SSIs) with other key stakeholders.

Key Findings

- **Socio-Economic Profiles and Poverty:** The surveyed households average slightly more than 6 household members. Economic vulnerability is high; 65% of households fall under the national poverty line, and 61% fall under the international extreme poverty line (\$2.15 USD/day). *Suku* Matata stands out as the most economically disadvantaged (with 90% earning less than \$50 USD/household member), while *Suku* Lihu is comparatively better off. Income analysis shows a clear gender income gap. A significant number of women have no earnings due to their unpaid care work responsibilities. Among farmers, male farmers averaged \$187 USD/month versus \$81 USD for female farmers. While many children help their parents in working the

fields, only 3% of school-aged children are out of school due to households relying on them for economic contribution.

- **Livelihood Systems:** Rural livelihoods are dominated by subsistence agriculture and informal trade, heavily dependent on coffee as the primary cash crop. Men carry out heavier harvesting/clearing labour, while women tend to manage processing and drying. Given limited local employment options, labour migration (e.g., to Australia, South Korea, and the UK) is becoming an increasingly popular pathway for young men.
- **Savings and Loans:** Community members are very interested in Savings and Loans groups to access affordable credit and improve money management, preferring community-led options over high-interest microfinance entities. Generally speaking, there is a higher exposure of women than men to Savings and Loans groups.
- **Agricultural Production and Market Obstacles:** Beyond coffee and vanilla, households cultivate diverse horticultural crops (e.g., maize, cabbage, tomatoes, and rambutan). However, collective selling is almost non-existent, and trade occurs individually. Farmers encounter significant structural barriers: severe transport costs, weak buyer relationships, and vulnerability to wet-season landslides that cut off transport.
- **Climate and Environmental Vulnerability:** Agricultural output is heavily constrained by climate risks including seasonal water scarcity, degraded natural springs, soil erosion from deforestation, periodic fires, and pest infestations.

Strategic Recommendations

1. **Utilize Savings & Loans Groups as a Project Entry Point:** Recognising their popularity (particularly among women) use these groups early in the project to cultivate trust, build financial literacy, and introduce cooperative principles. Ensure transparent guidelines and establish safeguards to shield the poorest households from risk of over-indebtedness.
2. **Invest in Cooperative Governance and Accountability:** Build strong systems supporting good cooperative governance, financial transparency, and clear accountability mechanisms, monitor closely and respond using adaptive management principles. Socialise these regulations and systems regularly among the membership, ensuring all members are aware of their rights and responsibilities.
3. **Promote Market-Driven Livelihood Diversification:** Promote integrated farming, and ensure livelihood activities supported under this project are guided by market demand rather than production alone by conducting basic market assessments before backing specific value-add ventures such as food processing. Only provide technical vanilla training to farmers who are able meet strict environmental and technical suitability criteria, and can wait 3-5 years before bringing to market.
4. **Strengthen Market Linkages Early in Project Implementation:** Facilitate relationships between farmer groups and institutional buyers and strengthen cooperative members' understanding of the use and value of intermediaries for improved market access. Leverage the cooperative model to form collective bargaining power, aggregate produce, and decrease transport expenses.

5. **Strengthen Inclusive Participation and Leadership:** Support women to access higher-value livelihood activities to address the gender income gap, and promote leadership of women, young people and people with disabilities as cooperative office-bearers to strengthen succession planning. Collaborate closely with Disabled Persons Organizations (DPOs) to audit physical accessibility and support MMT & cooperatives in developing a practical disability inclusion strategy.
6. **Integrate Climate and other Risk Mitigation into Livelihood Planning:** Promote drought-resilient crops and climate-resilient farming systems, including local production of organic pesticides/fertilizers and localized terracing/water-saving techniques. Work with MAPFF to anticipate climate and/or pest attack pressures via tracking of seasonal calendars, and draw on local knowledge to mitigate risks and respond to climate pressures.
7. **Establish Strong Monitoring, Learning, and Adaptive Management Systems:** Support adaptive management by continuing to refine localized seasonal calendars to support evidence-based planning, establish routine community feedback loops, and track clear, long-term inclusion outcomes for women and persons with disabilities.

2. Background and Purpose of the Baseline

Introduction

The Sustainable Agriculture and Women’s Empowerment (SAWE) Project is a continuation and expansion of the Vanilla “Beans of Hope” project (Vanilla project) previously implemented in five *suku* in Posto Railaco, Ermera Municipality. Building on lessons learned over more than a decade of engagement by the Christian Brothers Oceania Province (Christian Brothers) and Mary MacKillop Today (MMT), SAWE is set to be implemented in four new *suku* in Railaco, with the objective of strengthening household-level financial resilience and diversified livelihoods via inclusive cooperative structures.

SAWE adopts a multi-sectoral livelihood approach that integrates savings and loans, agricultural and horticultural production, value-add activities, cooperative governance strengthening, and targeted inclusion of women, people with disabilities, and other marginalised groups. To build sustainability, the project’s core strategy centres on supporting community-managed cooperatives. This enables members to access support from government and other key stakeholders, access finance from the Institute for Business Development Support (IADE) and other stakeholders, strengthen collective activities, strengthen members’ bargaining power, and respond more effectively to market and climate risks.

[Link to the Previous Vanilla “Beans of Hope” Project](#)

The SAWE project directly builds upon the outcomes and lessons of the Vanilla Project, as documented in the project’s Endline Evaluation report, and other supporting documents.

The Vanilla project was initiated by the Christian Brothers Oceania Province, funded by Edmund Rice Foundation (ERF), in 2015 as a crop-focused initiative supporting coffee farmers to diversify income through vanilla intercropping. Vanilla was promoted as a high-value crop aligned with national development priorities, and suitable for integration within existing coffee agroforestry systems.

In 2019, following the transition to Mary MacKillop Today's (MMT) management in 2018, the project's goal shifted from a narrow focus on vanilla farming to a broad livelihood focus of *improving financial stability of rural households through self-managed livelihood activities and cooperative membership*. By the end of Phase III, the project supported 689 direct beneficiaries, including 434 active farmers (126 women), and 255 non-vanilla farmer cooperative members.

The Endline Evaluation concluded that the most successful components of the model were the establishment of registered multi-sectoral cooperatives linked to Secretary of State for Cooperatives (SECoop), the establishment of savings and loans groups, and support in increasing people's production. Other areas of success included supporting women's participation and leadership, and uneven success in technical vanilla support—which was very successful for a core group of farmers, but unsuccessful for others.

At the same time, the Evaluation identified important gaps that should inform adaptation for programming in new *suku* via the SAWE project. These gaps are as follows:

- Weak market linkages and transport barriers;
- Water scarcity and climate risks affecting agricultural productivity;
- Uneven uptake of technical agricultural training;
- Governance and transparency challenges within cooperatives; and
- Limited disability inclusion.

Rationale for SAWE Project

The SAWE project is grounded in a decade of practical experience in Railaco and represents the first opportunity for MMT to design a livelihoods project from the beginning, having inherited the Vanilla project from the Christian Brothers Oceania Province. It acknowledges both the successes and limitations of the Vanilla “Beans of Hope” model and intentionally integrates those lessons into a refined approach for expansion. As noted previously, the Vanilla project demonstrated that when properly structured, a diversified livelihood approach via multi-sectoral cooperatives is highly relevant. However, the Endline Evaluation also cautioned against replicating a purely production-focused model without paying closer attention to strengthening market linkages, grounding livelihoods interventions in communities' existing strengths (eg. horticulture), and strengthening inclusion of people with disabilities.

SAWE's expansion into four new *suku* in Railaco – Fatukero, Tokoluli, Lihu and Matata – is justified by both demonstrated demand and contextual need. Contextual analysis conducted by MMT prior to this baseline study shows that Railaco is characterised by high dependence on coffee farming, limited access to formal finance, weak market infrastructure

and high transport costs, and climate-related production risks, particularly water scarcity. Results in this baseline study also show opportunities to strengthen farmers' productivity and access to markets, and clear interest among community members in the project.

Purpose and Objectives of Baseline

This baseline study for the SAWE project was designed to establish an evidence base to support project design, targeting, and future monitoring, evaluation and learning across the four new *suku* in Railaco. Draft MMT logframe outcome areas were already mapped out prior to the baseline, so the conceptual framework was designed to align with these outcome areas. Key focus areas for the baseline are as follows:

- i. meeting basic needs (food & essentials);
- ii. work & labour systems;
- iii. subsistence and non-subsistence economy;
- iv. market linkages & value chain position;
- v. climate-related vulnerability;
- vi. external systems and enabling environment; and
- vii. risks identified from previous projects.

The conceptual framework is included in Appendix 1 of this report.

3. Methodology

Baseline Activities

This study was designed to be participatory and strengths-based. Building on MMT contextual analysis, fieldwork focused primarily on better understanding household economic conditions, existing livelihood activities and agricultural/horticultural production, and seasonal variation of climate risks, pests, and other challenges. The following activities were conducted:

- A full analysis of contextual raw data collected by MMT, to avoid duplication and build on existing information;
- Four (4) participatory focus group discussions (FGDs) with community members in each of the four target *suku* (Fatukero, Tokoluli, Lihu and Matata), including free listing of agricultural/horticultural production and a seasonal calendar exercise;
- Seventy two (72) surveys with community members across the four target *suku* focusing on household-level profiling to understand socio-economic conditions and household income;
- One (1) participatory analysis workshop with the field team following data collection;
- One (1) FGD with MMT staff, presenting community level data and co-designing a consultation workshop with Municipal stakeholders in Gleno, Ermera, to understand the enabling environment for private sector and cooperative development in the area;
- Five (5) semi-structured interviews (SSIs) with key stakeholders to delve more deeply into particular areas of interest;

- One (1) consultation workshop with Municipal stakeholders in Gleno, Ermera;

A gender equality, disability, and social inclusion (GEDSI) lens was applied throughout all stages of research design, data collection, and analysis. Community participants were identified following purposive sampling, with MMT Focal Points working together with *suku* leaders to identify and invite likely project participants to take part in the discussions, ensuring a mix of age groups, sexes, and inclusion of people with disabilities. A breakdown of participants in the combined survey-FGD across the four target *suku* is as follows:



In addition, the team conducted four (4) semi-structured interviews with local leaders – one for each of the four target *suku*.

A second round of fieldwork was then conducted with Stakeholder Consultation participants in Gleno, Ermera, which included small group discussions with a range of farmers, local leaders, private sector representatives (national and subnational), civil society representatives, government representatives, and others. These results were supplemented and triangulated via SSIs with stakeholders in Dili and Australia. A total 113 participants took part in this baseline. All participants were identified following purposive sampling methodology.

Ethics and Safeguarding

All baseline research was conducted in line with established ethical and safeguarding standards, in compliance with MMT internal standards and Bridging Peoples policies and SOPs for field staff.

Free, Prior and Informed Consent (FPIC)

All participants were informed of the purpose of the research, their rights as participants, and their ability to decline participation at any time. Consent was obtained prior to participation.

Confidentiality and Anonymity

All responses were treated confidentially. Data was anonymised in reporting to protect participants' privacy and avoid potential community-level tensions.

Inclusion Strategy

Data collection was designed to ensure safe and meaningful participation of women, persons with disabilities, and other marginalised groups. This included:

- Appropriate selection of venues and times;
- Use of inclusive facilitation approaches;
- Engagement with local leaders to support participation;
- Attention to power dynamics within group discussions.

The one exception was the venue for the Stakeholder Consultation in Gleno, which was located on the second level and only accessible via stairs—which proved very difficult for a representative from the national disability association to access. It is recommended that future consultations use an alternate venue that is more easily accessible for persons with disabilities.

Do No Harm Principles

The research team maintained neutrality and ensured that participation did not create or exacerbate community tensions, particularly in relation to cooperative formation or leadership dynamics. This reflects the ethical approach taken by Bridging Peoples, which emphasises safeguarding, inclusion, and participatory engagement throughout the research process.

Data Collected and Limitations

Data presented in this baseline includes analysis of MMT raw contextual analysis data; results from the Vanilla project; survey and FGD results collected by the baseline team across the four target *suku*; and second round fieldwork comprising SSI, FGD, and Stakeholder Consultation results conducted in Dili and Gleno.

Following a gap analysis of MMT data, three major gaps were identified:

1. Insufficient information on existing household livelihoods and income, as a baseline to assessing the impact of project initiatives. To address this gap, a survey was conducted with 72 respondents to collect information on people's livelihood activities, and income generated.
2. Insufficient information on local prevalence and seasonal variation of agricultural crops, and risks and challenges associated with agricultural production and bringing produce to market, including differential impact on men, women, and persons with disabilities. To address this gap, a participatory FGD was conducted using a seasonal calendar exercise, with separate men and women's discussions, disaggregating results for people with disabilities.
3. Insufficient information on challenges and opportunities in strengthening market linkages. To adjust this gap, SSIs and the Stakeholder Consultation in Gleno included a focus on strengthening market linkages.

While this baseline provides information on the above three areas, it should be noted that the results are limited due to the time-bound methodology that was used. Information on household income is indicative only, recognising respondents' recall limitations and potential bias, and the fact that people's income varies from month to month. Similarly, while the seasonal calendar exercise provides a good starting point for MMT anticipate and track people's activities and the challenges they face, this should be regularly checked and updated by project and MEL staff as they accompany community members. Finally, the qualitative information gathered relating to strengthening market linkages is only the beginning, and adaptive management should be built into the project design to respond as the team learns new things and identifies new opportunities.

4. Baseline Findings

4.1 Context Analysis

Context analysis conducted by MMT shows a range of actors and initiatives working across complementary areas. SECoop supports cooperative development through leadership and accountability training and plans to facilitate group access to public subsidy programs. IADE focuses on entrepreneurship, offering business planning and financial literacy training alongside small credit funds. The Ministry of Agriculture distributes seeds, provides tractors, and drills for water to address drought impacts. NGOs including Plan International, Oxfam, ADRA, and TILOFE are active in the area, while RHTO advocates for disability inclusion. Programs such as PNDS contribute to community infrastructure. In addition to these existing programs, it is likely that new decentralised initiatives will be implemented following Municipal elections, set to be conducted in 2027.

Rural livelihoods in Ermera are shaped by a combination of subsistence agriculture, informal trade, and increasingly, income earned abroad. Most households depend on coffee as their primary cash crop, with men undertaking the heavy labour of harvesting while women assist with processing and drying. Beyond coffee, families cultivate corn, cassava, sweet potatoes, beans, and vegetables during the rainy season, and rear livestock including pigs, chickens,

cows, and goats. Vanilla cultivation has been introduced to the region as a potential cash crop diversification, but many stakeholders noted that farmers have struggled to meet international supply standards, largely due to inconsistent water access — a serious constraint in a drought-affected region. There are also other challenges: poor road infrastructure, limited transport options, and the absence of direct buyers severely restrict market access and income generation across all agricultural sectors. These constraints were also noted in the Endline Evaluation for the Vanilla project.

Poverty remains a defining feature of the local context. Many households depend on government subsidies, and women-headed households and persons with disabilities face compounded disadvantage, given limited employment opportunities and low educational attainment. In addition to major crops, including coffee, corn, and sometimes vanilla, stakeholders noted that day-to-day economic activity is supplemented by small roadside kiosks, vegetable selling, local bread-making, and river sand excavation.

Women in Ermera face structural barriers to economic participation. Their roles are largely limited to small-scale informal trade — roadside kiosks and vegetable selling — and agricultural labour such as coffee processing and subsistence food production. While women typically manage daily household finances, customary norms mean that men retain control over major assets and land titles. This means that decisions involving land sales, large loans, or significant asset management are generally deferred to male household heads. These issues are further compounded by a significant time burden, with women bearing the majority of unpaid domestic work, including cooking, water collection, and child-rearing.

Stakeholders also noted that persons with disabilities face significant participation barriers. Physical infrastructure across the region rarely accommodates mobility needs, and communication barriers restrict access to services, training, and employment opportunities. At the community level, persons with disabilities are frequently humiliated and families endeavour to protect them by keeping them in the private sphere—however, while well-intentioned, families' efforts to protect them further limits their access to opportunities. Stakeholders further noted that some local leaders have discouraged persons with disabilities from engaging in paid work due to concern that earned income may result in the cancellation of government solidarity payments. The need to strengthen programming for people with disabilities was reflected in the Endline Evaluation for the Vanilla project, in which disability inclusion was identified as a key weakness in previous programming.

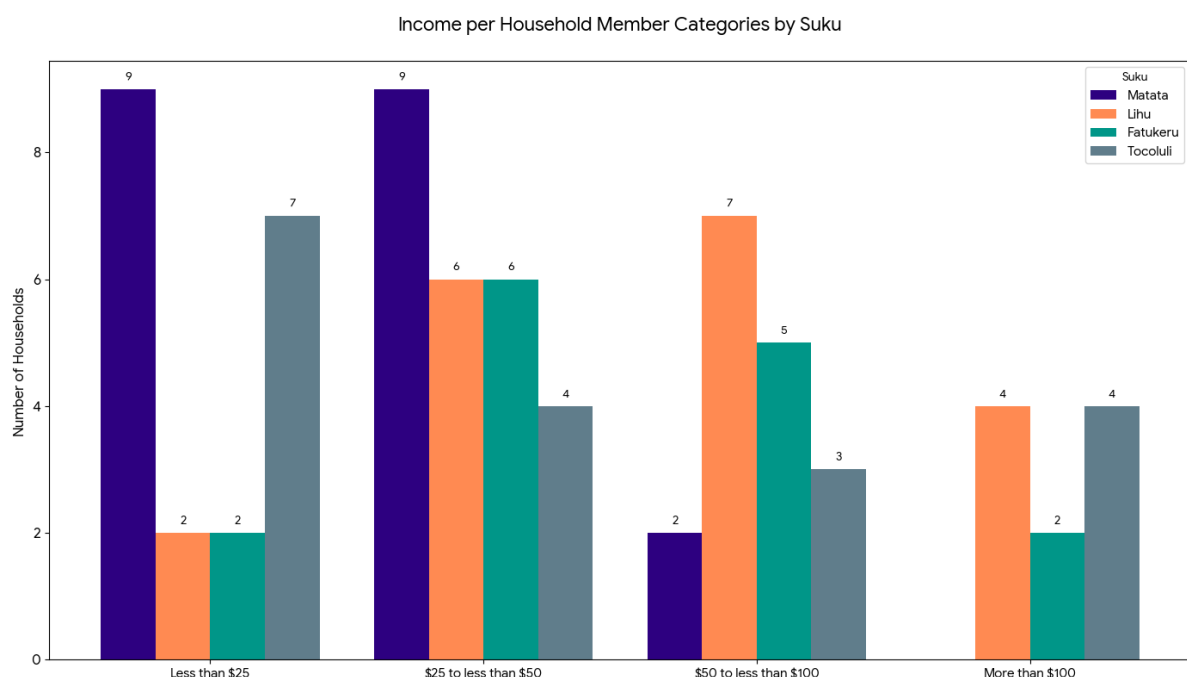
Some respondents noted that severe local unemployment has made labour migration an increasingly important livelihood strategy for young people. Timorese youth actively pursue language learning — Korean, Japanese, and English — and seek administrative or computer skills to qualify for work programs in Australia, South Korea, the United Kingdom, and Portugal. Remittances from these workers provide financial support to families, funding household expenses and children's education. Some of these overseas earnings are being reinvested locally: returning workers have established cafeterias, carpentry businesses, and construction services in Ermera, generating employment for community members who cannot access overseas opportunities. Stakeholders noted that for some marginalised groups, including LGBTQI+ individuals facing stigma and discrimination, migration to

Australia and the UK has become a pathway to safety, with many choosing not to return. However, the importance of remittances should not be overestimated. While stakeholders noted young people’s strong desire to engage in labour mobility programs, survey results on household income showed very limited reliance on remittances from family members abroad, indicating that while it is growing in importance, labour mobility is not yet a central livelihood strategy across the target *suku* (examined in section 5.2 below.)

4.2 Household Size & Income

Information about the size, composition, and income of household members was collected via 72 surveys, yielding basic economic information about 427 men, women, and children who live in these 72 households.

Household size varied between 3-13 household members, with an overall average of slightly more than 6 people per household. Monthly household income was calculated by asking the age, working/studying status, and estimated monthly income of each person. This total household income was then divided by the total number of household members to yield monthly income per household member. Using this method, results showed 65% households fall under the World Bank national poverty line (2014) of \$46.37 per month, and 61% households fall under the World Bank international extreme poverty line (2017) of \$2.15 per day. Households in *suku* Matata were comparatively poorer, with 18/20 (90%) earning less than \$50 per household member per month, and only 10% earning more than \$50 per household member per month. By contrast, households in *suku* Lihu were comparatively better off, with 8/19 (32%) earning less than \$50 per household member per month, and only 58% earning more than \$50 per household member per month.



Income analysis showed a clear gender income gap. 34 women were identified as doing unpaid care work. Male farmers averaged \$187/month versus \$81 for female farmers. By contrast, office work showed near pay parity (\$277 male vs \$278 female). Small business/trade slightly favoured women on average (\$233 vs \$106), possibly because more women operated kiosks, compared to other less-established businesses in this work category. Given that the vast majority of income earned is through agriculture, there is opportunity to address the gender gap between male and female farmers by encouraging women to engage in agriculture or horticulture-related and/or value-add activities that may bring improved income.

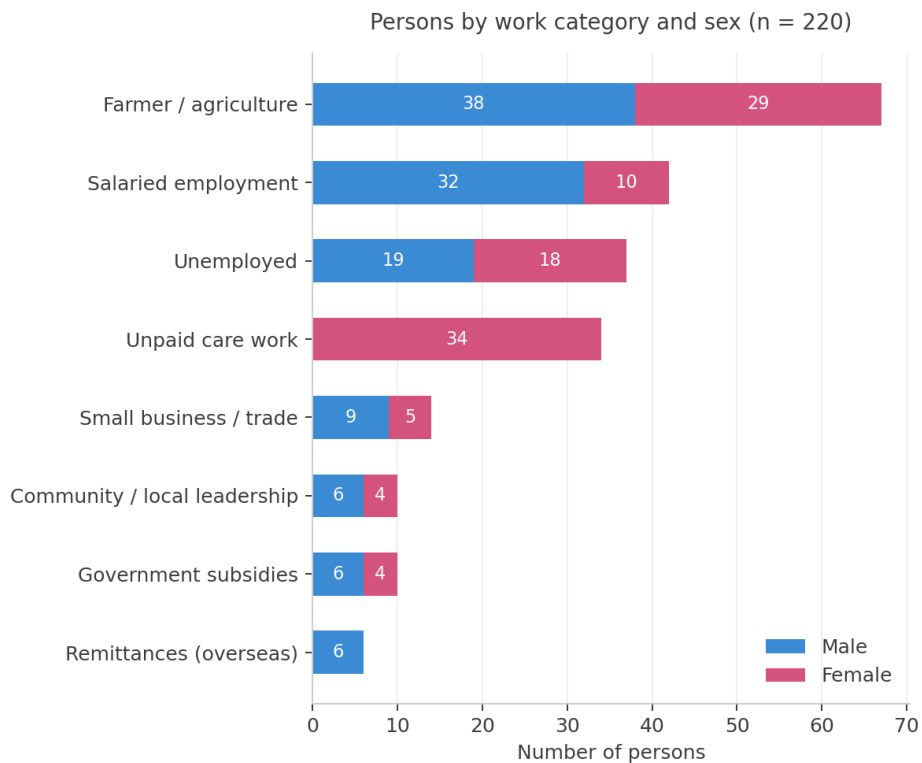
Survey results show most children of school age attend school. Of those aged seventeen years or younger (161 in total), 26 were too young to go to school, and 127 actively attend school. Of the remaining 8 (2 males, 6 females), 4 were aged 16 or 17 and noted as unemployed or working as a farmer.

Four children of clear school age (7, 9, 12, 14 – two males, two females, one with a disability) were not attending school, showing approximately 3% of the school age cohort missing out on education. The reasons were generally to help the household economy, for example one respondent explaining that his oldest daughter started working at 13 years collecting and selling firewood, to help support his 8-year-old son to continue school.

Of the 427 household members, twelve (2.8%) were identified as having a disability. One was a child with a disability who did not attend school. Of the adults with disabilities, most received a disability pension from the government of approximately \$60 per month. Two were farmers, earning respectively \$100 and \$400 per month, and one did not receive any income.

4.3 Livelihood Activities

Of the 427 household members, 266 were aged 18 years and above. 46 were still studying, leaving a remaining 220 who were either working, unemployed, and/or reliant on government subsidies. Many farming families engage in mixed livelihood strategies with a broad breakdown in the chart below:

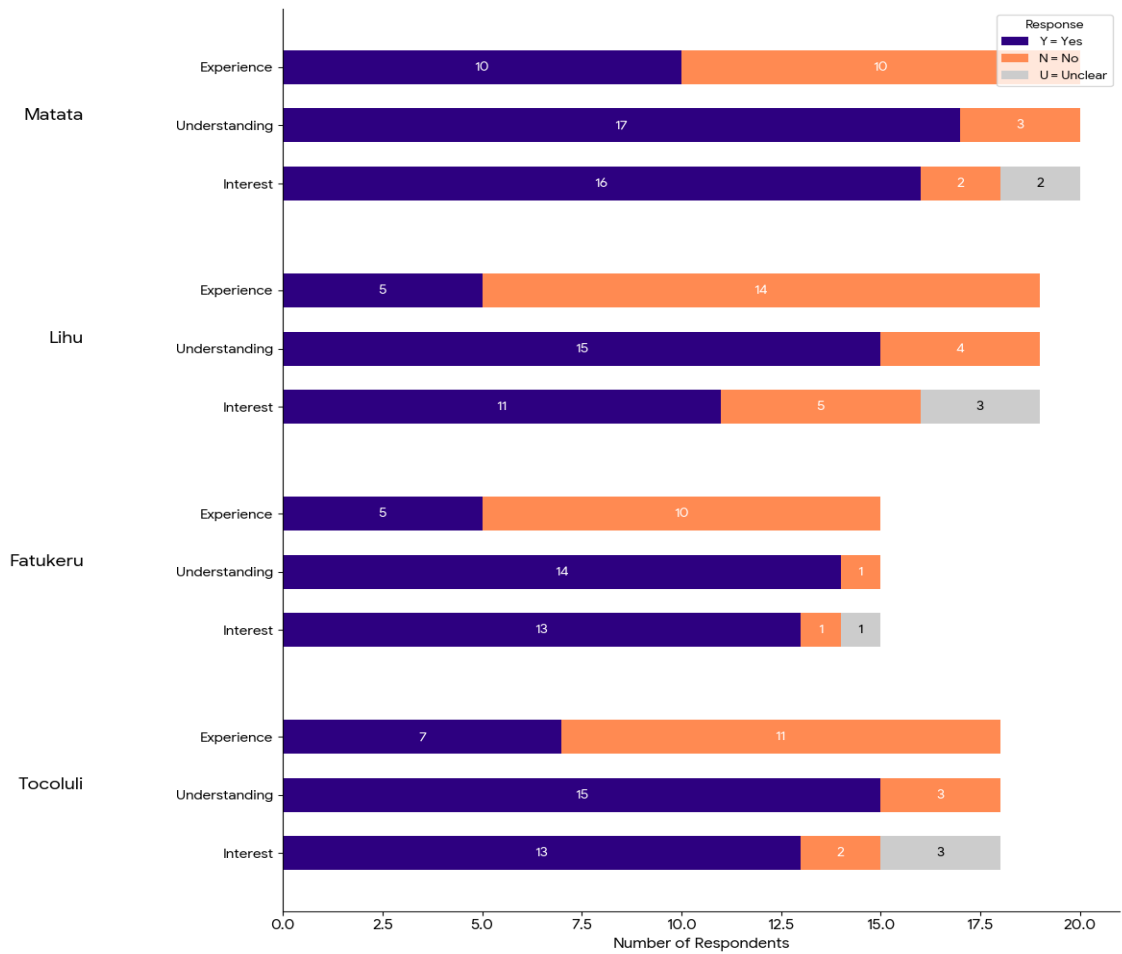


Types of work included farming, roadside fruit and vegetable sales or selling produce in the market, collecting and selling firewood, attending small kiosks, day labour, as well as more formal roles such as local leadership and salaried employment. The greatest gender disparity appears in categories unpaid care work (100% women) and labour mobility/remittances (100% men). Recognising that salaried employment tends to attract higher income, it is also worth noting that more men than women fall into this category.

4.4 Savings and Loans

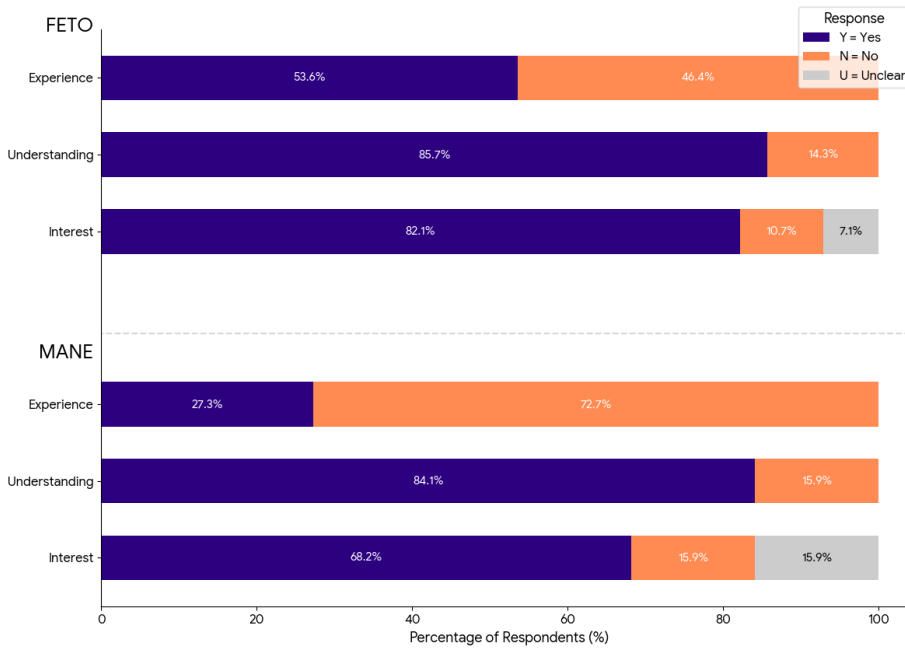
Survey respondents were asked about their level of experience, understanding, and interest in the SAWE project supporting savings and loans groups. Responses showed a clear difference between the four different *suku*, with community members in *suku* Matata having had most direct experience with savings and loans groups. However, even among *suku* where there was limited experience of savings and loans groups, respondents generally displayed a high level of understanding of how such groups operate. There was generally a high level of interest, as shown in the chart below:

Experience, Understanding, and Interest in Savings & Loans (by Suku)



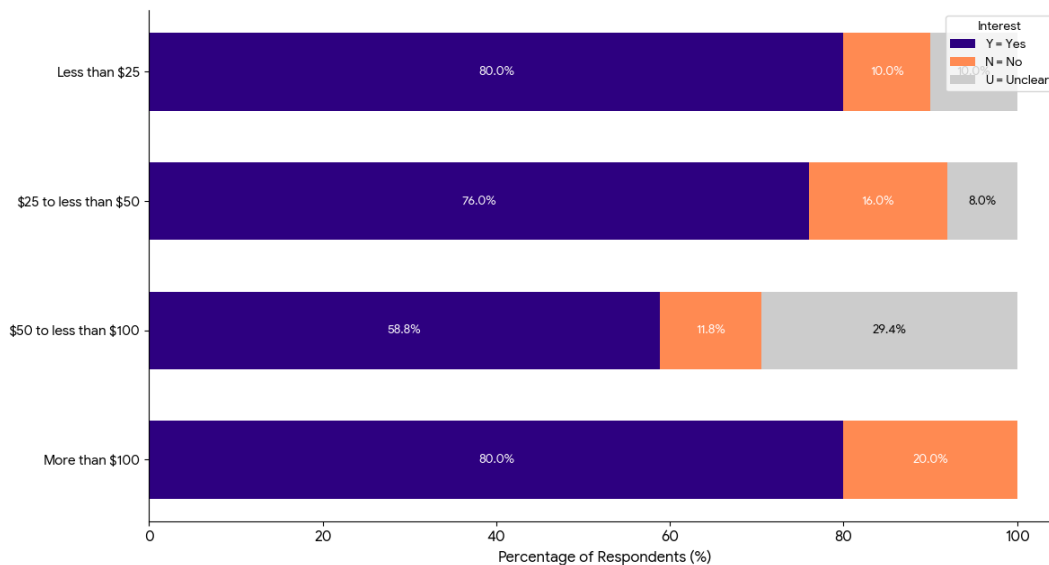
A breakdown of responses by sex show that women have generally had a higher level of exposure to savings and loans groups compared to men. This possibly reflects that many NGOs as well as GoTL (eg. State Secretary for Inclusion, or SEI) have focused on providing these services for women’s groups.

Experience, Understanding, and Interest in Savings & Loans (by Sex)



The main motivation for wanting to participate in savings and loans groups was to access credit, with people noting they preferred it to microfinance institutions such as Kaibauk and Moris Rasik that charge higher interest rates, and do not reinvest in community capacity. A secondary motivation was to be able to save and to better manage their money. A small number of respondents explained they wanted to give back to the community, making their savings available to other families in need. Mainly, the motivation for borrowing was to cover household expenses, with only a small number suggesting using the credit to build their businesses. A breakdown of interest across household income bands is shown in the chart below:

Interest in Savings & Loans by Income Category (%)



Analysis of respondents' level of interest across income categories per household member per month shows an equally high level of interest in low-income bands versus high-income bands. This is an important finding. Other research shows that community members frequently feel significant pressure to repay their loans, sometimes resorting to negative coping strategies in order to do so. Such negative coping strategies may include selling livestock or other income generating assets, cutting firewood to sell, stealing coffee climbing frames to sell as firewood, pulling children out of school, relocating to Dili, and other similar strategies. To avoid doing harm, MMT should ensure low-income households do not dig themselves into debt and manage the risk of them borrowing too much and/or engaging in multiple savings and loans groups simultaneously.

4.5 Agricultural and Horticultural Production

Information on respondents' agricultural and horticultural activities was gathered via four participatory FGDs (one in each suku) which included free listing of produce that is commonly grown in the area, and a seasonal calendar exercise showing cropping cycles as well as climate-related risks and other challenges.

Coffee is extremely important in the area. Men and women are actively involved in coffee growing and processing, with men typically carrying out heavier labour and harvesting tasks, while women work more in harvesting, processing, and washing.

Beyond coffee and vanilla, households cultivate a range of other crops, grown for subsistence as well as income. Crops include maize, rambutan, candlenut, cabbage, sweet corn, spinach, tomatoes, rice, and various other crops. There is significant potential for MMT to support diversified horticulture, with a broad range of produce documented across the four *suku*. A full list of crops grown in each of the four circle is provided in Appendix 3 of this report. However, the viability of such an approach would need careful analysis of the market potential of different produce.

Vanilla was also identified as a crop with potential, with some respondents explaining that they try to grow vanilla, but do not understand the techniques so results have been poor. As noted in the Endline Evaluation for the Vanilla project, technical support for vanilla farming should be targeted to those farmers who have the environmental and economic capacity to meet vanilla's stringent requirements. As noted during Stakeholder Consultation discussions, buyers typically employ intermediaries who are responsible for screening and ensuring produce is sufficient quality to meet market standards.

4.6 Market Linkages

FGD discussions showed various challenges reducing farmers' access to markets. Farmers currently sell produce individually on local roadsides or make occasional, individual trips to Gleno or Dili to sell their produce retail. While roads are generally adequate, landslides and

fallen trees particularly during the wet season periodically disrupt access. In addition, transport is limited and costly. Buyer relationships are weak, with farmers having little connection to formal buyers and limited knowledge of market prices. Collective selling is effectively non-existent, with farming, roadside trade and marketplace activity conducted individually within family groups rather than through group arrangements. As observed in the Final Evaluation for the Vanilla project, weak market linkages represent a primary constraint to income growth. There is opportunity to improve MMT programming via the SAWE project by focusing more strategically on how to match farmers produce with market demand.

SSIs with stakeholders and results from the Stakeholder Consultation show various opportunities to strengthen market linkages. The government's business development institute, IADE, provides basic business training. They also provide a service to facilitate introductions between local producers and formal buyers or shop owners. In addition, SECoop has proposed the creation of centralized community stores to aggregate products from all community members, and market information can be shared and promoted through SECoop's digital platforms, WhatsApp groups, and through municipal and national events. Finally, the Ministry of Agriculture and Fisheries is planning to sign a Memorandum of Understanding (MoU) with the Ministry of Education, with the intent to allow local farming groups to supply their agricultural products directly to the national school feeding program. Finally, there is a strategic push to integrate digital tools and e-commerce platforms (such as Evermos) to help communities reach wider audiences, with NGO programs like ADRA using mobile apps to provide market information to women, however it is unclear how realistic these solutions are in the Timorese community context.

There are also important structural issues to be addressed. As a supermarket representative explained, they operate through intermediary/local buying agents (LBAs) who can ensure produce to fit supermarket needs in sufficient quantity and quality. Part of the role of these LBAs is to conduct quality checks, provide certification if relevant, and if quality meets expected standards the vendor is guaranteed better payment for the produce. Intermediaries are also important to reduce transport costs through aggregating produce, with such intermediary is being a farmer group, a cooperative or LBA. Finally, intermediaries can also support cooperative or productive groups in processing semi-finished products for sale, for example semi-produced coffee beans.

4.7 Cooperative Formation and Governance

Working through a cooperative model is a sound strategic approach, as it builds sustainability into the project by connecting farmers to government support systems and other institutional resources. Functioning cooperatives can serve as a central organising structure for building collective bargaining power, aggregating produce to consistently meet market demand in sufficient quantity and quality, and potentially reducing transport costs through economies of scale.

Results from the Final Evaluation for the vanilla project also show that cooperative participation can directly support women's leadership and improved income, providing an

organising structure for value-add activities that women may be involved in, as well as a platform for leadership development if they choose to take on a leadership position.

However, the current cooperative landscape also presents significant challenges. Interviews with SECoop stakeholders showed that most historical groups in the area have dissolved. While SECoop oversees eight established cooperatives in Ermera, it appears that rural participation remains low. Discussions during Stakeholder Consultation in Gleno revealed that the primary concern among community members is poor financial transparency and nepotism from office bearers, and lack of inclusion of marginalise groups including people with disabilities. These issues were also noted during the final evaluation for the vanilla project, where issues including elite capture, concentration of power within family networks, and broader governance weaknesses relating to financial management and transparency were creating problems.

SECoop is the key agency supporting cooperative governance strengthening, providing training and accompaniment basic cooperative systems, leadership, financial management, and accountability. It was generally agreed that SECoop provides important support and training which address these internal and external challenges. Governance training, and training in financial reporting are essential to building trust and members sense of ownership over the cooperative. Also important is that office bearers understand their role, in line with the cooperative internal statute and regulations, in order to support a healthy internal culture. As a legal entity, a cooperative is obliged to follow its internal statute and regulations, and if this fails to happen members can request SECoop support who will assess the case against what is in the cooperative's statute, and provide training or make other interventions.

For support outside of cooperative governance, for example supporting productive activities, SECoop can link in with other institutions, for example IADE for business support. The newly established Cooperative Federation also plans to provide training focused on creativity, agriculture, and leadership, specifically targeting young men and women. There is also opportunity for MMT to link in with SECoop plans to facilitate cooperatives' access to public subsidy programs, and connect with the Cooperative Federation provides credit directly to established cooperative groups,

4.8 Climate Risks and Mitigation Strategies

Climate risks and mitigation strategies were identified via seasonal calendar exercises, and follow-up group discussion. Results show that agricultural interventions in the area face significant climate-related constraints. Prolonged droughts and localised forest fires during the dry season, and landslides and high winds and localised flooding during the wet season pose substantial risks to production, with extended and increasingly hot dry seasons contributing to widespread crop failure and livestock mortality, including reported deaths of pigs from heat exposure. Flooding presents an additional hazard, particularly in Fatukeru. Other unpublished research conducted by Bridging Peoples shows that smallholder livestock

farming is not a strong investment, with frequent livestock mortality resulting in high risk with minimal income.

Soil conditions also present a challenge. Deforestation and poor land management contribute to landslides and soil erosion during the wet season, reducing soil quality and agricultural viability. Fires periodically destroy horticulture and homes, compounding these risks. This, combined with pest attacks and prolonged dry seasons, constrains production across the area. Supporting current agricultural/horticultural production via integrated farming is an important risk mitigation strategy, as well as production of organic fertilisers and pesticides to improve soil resilience and reduce pest attacks.

Water scarcity was identified as a key concern in the Endline Evaluation for the Vanilla project. Many traditional springs have degraded and dried up, and mitigation practices are uneven in their adoption. Stakeholder Consultation participants in Gleno noted that while organizations such as TILOFE provide training in water conservation and terracing, uptake across the communities is uneven. The SAWE project should take year-round access to water into account as a crucial factor guiding crop selection and/or value-add activities.

Stakeholder Consultation participants in Gleno suggested a range of approaches to managing and mitigating the effects of natural disasters, liaising with the Ministry for Agriculture, State Secretary for Forestry, civil society and local leaders. Most important among these is to plant more trees in strategic places, which reduces landslides and soil erosion, and can help with water conservation during wet and dry seasons. Installing drainage was also noted as important. Potential trees for planting includes bamboo, betel nut trees, banyan trees, and others. Specific trees that were suggested to support water conservation and help manage drought conditions included ai-lau, ai-kali, ai-pau, buga, aboro and others. One local technique to reduce seedling death during the dry season is to place bamboo or a bottle with a hole in the bottom through which the young tree is planted, then filling the container with water every few days to provide a steady trickle of water at the tree's base. To support tree planting efforts, participants suggested that the Ministry for Agriculture should put more focus on community education campaigns and outreach, explaining its importance and suggesting alternatives to slash and burn farming techniques.

Pests were also noted as a significant concern, with participants explaining there was minimal support from government in giving early warning to communities to help anticipate and prevent pest attacks. Local knowledge was also important here, with one participant suggesting using kukul.

5. Recommendations

Based on the baseline findings across the four target suku (Fatukero, Tokoluli, Lihu and Matata), several key recommendations emerge to strengthen the design and implementation of the SAWE Project. These recommendations aim to build on existing community strengths while addressing structural constraints related to livelihoods, market access, cooperative governance, gender inequality, disability inclusion, and climate risks.

Use Savings and Loans Groups as the Strategic Entry Point

Given the high level of interest and understanding of savings and loans groups across all target *suku*, these groups should be used as an early engagement strategy to build trust, strengthen financial literacy, and promote collective action. However, safeguards should be established to mitigate the risk of poorer households borrowing beyond their capacity to repay. Working together with SECoop, recommended measures include:

- Establish clear financial management guidelines and transparent governance structures from the outset, ensuring they reflect regulatory requirements for multi-sector cooperatives when they are established;
- Provide training for all literacy levels on responsible borrowing, financial planning, and risk management;
- Monitor participation of low-income households to ensure they do not borrow beyond their capacity to repay, and ensure everyone is aware of internal regulations that allow variation in repayments, mitigating the possibility of negative coping strategies linked to debt pressure;
- Provide training and accompaniment to savings groups to encourage productive investment alongside household consumption needs.

Invest in Cooperative Governance and Accountability

While establishing multi-sectoral cooperatives is a sound strategy, previous experiences of weak trust and governance failures in cooperatives mean this should be done carefully, using adaptive management to respond to issues as they arise. There needs to be strong systems supporting good cooperative governance, financial transparency, and clear accountability mechanisms, ensuring all members are aware of their rights and responsibilities. Recommended measures include:

- Provide structured training in leadership, financial management, transparency, and democratic decision-making for cooperative office-bearers;
- Support the development of clear cooperative statutes and accountability mechanisms, and ensure all cooperative members are aware of these regulations;
- Socialise early and regularly the opportunities that strong cooperatives can bring to members, encouraging trust-building and strengthening cooperation to support collective bargaining and economies of scale;
- Establish simple financial reporting practices to build member confidence.

Promote Market-Driven Livelihood Diversification

While coffee remains the dominant income source, baseline findings demonstrate strong potential for diversified livelihoods, particularly in horticulture, small enterprise development, and value-added agricultural production. Livelihood activities supported under this project should be guided by market demand rather than production alone. Recommended measures include:

- Provide targeted technical support for vanilla farming only to farmers who meet environmental and technical suitability criteria, and who understand and are willing to wait the necessary 3-5 years before bringing the product to market;
- Promote integrated farming approaches to reduce climate vulnerability and improve household resilience;
- Conduct basic market assessments before promoting specific crops or enterprises and monitor closely, using adaptive management to respond to market feedback. This could potentially be conducted in collaboration with potential buyers;
- Support value-addition opportunities such as food processing, conducting small-scale tests with likely consumers, and investing in packaging and branding to support better pricing. This could potentially be conducted in collaboration with potential buyers

Strengthen Market Linkages Early in Project Implementation

Weak market access remains one of the largest constraints to income growth. The project should integrate market linkage strategies from the beginning, only supporting production that has clear market alignment. Recommended measures include:

- Use localised seasonal calendars to accompany crop cycles and identify market opportunities. Monitor production cycles closely, using adaptive management to identify and respond to potential gaps in the market and/or adapt agricultural/horticultural production;
- Facilitate relationships between farmer groups and institutional buyers, collaborating closely with potential buyers, SECoop and other stakeholders that already provide these services;
- Encourage cooperative understanding of the use of intermediaries by the private sector. Include this in discussions and strategies to support collective marketing through cooperatives to improve bargaining power and reduce transport costs. Monitor collaborative arrangements closely and adapt where necessary, using good community engagement and adaptive management principles;
- Engage closely with SECoop and other stakeholders as they implement future support programs, including aggregation points/community markets, and/or planned digital platforms to improve access to market information.

Strengthen Inclusive Participation and Leadership

The baseline shows women and people with disabilities face structural barriers to higher income opportunities. Targeted support could significantly improve household economic outcomes, and provide dignified livelihood options for all community members.

Recommended measures include:

- Support women's participation in higher-value livelihood activities to address the gender income gap, and promote small enterprise development aligned with women's existing skills;
- Work with Disabled Persons Organisations if possible to develop a practical disability inclusion strategy. This should include ensuring venues and activities are physically accessible where possible, providing communication materials in multiple formats,

and establishing inclusive group participation criteria in cooperative structures and processes;

- Promote leadership participation of women, youth, and people with disabilities as office-bearers, and strengthen succession planning. This could be achieved through a structured program for emerging leaders to 'shadow' existing office-bearers in their work, to build their confidence.
- Address time-poverty considerations for women when designing training schedules and activities.

Integrate Climate and other Risk Mitigation into Livelihood Planning

Climate risks, particularly water scarcity, drought, extreme weather events, and pest attacks present ongoing threats to agricultural livelihoods that will continue to increase. Climate adaptation should therefore be integrated into all livelihood interventions. Recommended measures include:

- Promote drought-resilient crops and climate-appropriate livelihood activities;
- Support water conservation practices and small-scale water management solutions;
- Promote soil conservation practices, and use of organic fertiliser and organic pesticides;
- Plant trees in strategic areas, including trees that are drought resistant and support water management during the dry season;
- Anticipate climate and/or pest attack pressures via tracking of seasonal calendars, working in collaboration with MAPFF and drawing on local knowledge of pest prevention techniques to mitigate these challenges before pest attacks.

Establish Strong Monitoring, Learning, and Adaptive Management Systems

Recognising the evolving nature of markets, climate risks, and community capacity, it is strongly recommended the SAWE project adopt an adaptive management approach, integrated with a community engagement strategy. In addition to regular logframe tracking, recommended measures may include:

- Regularly review livelihood performance and market opportunities against seasonal crop cycles, adapting and deepening localised seasonal calendar information;
- Track inclusion outcomes (not just outputs) for women and persons with disabilities;
- Create a community engagement strategy alongside project logframe, to support a team-wide approach to good community engagement and institutional learning;
- Build and track feedback mechanisms with communities to refine and adapt the community engagement strategy.

Annex 1: Conceptual Framework

This conceptual framework provides the conceptual structure for SAWE baseline, mapped against draft MMT logframe outcomes.

Baseline Domain	LogFrame Outcome(s) Informed	Baseline Objective	Key Baseline Questions
Meeting basic needs (food & essentials)	O1, O3	Establish household self-reliance and sensitivity to seasonal/climate stress	<ul style="list-style-type: none"> • How does your household usually get enough food in a normal year? • Which foods do you mostly produce yourselves? • During which months is food hardest to secure? • What do you do when food is not enough? • During difficult periods, is children's schooling affected? If yes, how?
Work & labour systems	O1, O2, O3	Understand labour capacity, care burdens, and feasibility of participation	<ul style="list-style-type: none"> • What kinds of work are done across the year? • Who usually does each type of work? (<i>women/men/people with disabilities</i>) • When is work heaviest or hardest? (<i>women/men/people with disabilities</i>) • Are children ever required to help with work in ways that affect schooling?
Subsistence & non-subsistence economy	O1, O2, O4	Capture how households mobilise value individually and collectively	<ul style="list-style-type: none"> • When your household needs cash or other value, how do you usually manage? • Are groups, savings mechanisms, or informal arrangements used? • Are school-related costs ever difficult to cover? When and why?
Market linkages & value-chain position	O1, O2, O4	Understand how producers engage with markets, and where value and risk sit	<ul style="list-style-type: none"> • Do households sell any products? Which ones, and when? • To whom do you sell (local consumers, aggregators, cooperatives, companies)? • What are key obstacles in selling products?

Baseline Domain	LogFrame Outcome(s) Informed	Baseline Objective	Key Baseline Questions
			<ul style="list-style-type: none"> • Are women and people with disabilities involved in selling or negotiating with buyers?
Risk & climate related vulnerability	O1, O3 (O2 secondary)	Assess resilience and climate-related vulnerability	<ul style="list-style-type: none"> • What are the hardest months of the year? What causes it? How do people cope?
Aspirations & future concerns	O1, O3, O4	Capture locally defined success and perceived constraints	<ul style="list-style-type: none"> • What would a good future look like for your household? • What worries people most about the future?
External systems & enabling environment	O4, O2, O3	Establish availability of infrastructure, services, and investment	<ul style="list-style-type: none"> • How accessible are schools (local), and markets (local/Dili)? • Do weather, road conditions, or any other factors affect attendance or market access?
Risks & cautions	All outcomes	Identify risks to feasibility, inclusion, and sustainability	<ul style="list-style-type: none"> • What past projects did not work well here, and why? • What could go wrong with new livelihood or cooperative activities? • Who might be left out if the project is not careful?

Annex 2: Seasonal Calendars

Suku Lihu (Feto)

	Jan	Fev	Mar	Avr	Mai	Jun	Jul	Aug	Sept	Out	Nov	Des
Kafe	Kuda	Kuda	Kuda		Kolleta	Kolleta	Kolleta	Kolleta	Kolleta			Kuda
Vanilla	Kuda	Kuda	Kuda			Kolleta	Kolleta	Kolleta				
Batar		Kolleta	Kolleta							Kuda	Kuda	
Hare (Tocoluli)			Kuda			Kolleta	Kolleta	Kolleta				
Horticultura	Kuda & Kolleta	Kuda & Kolleta	Kuda & Kolleta	Kuda & Kolleta	Kuda & Kolleta	Kuda & Kolleta	Kuda & Kolleta	Kuda & Kolleta	Kuda & Kolleta	Kuda & Kolleta	Kuda & Kolleta	Kuda & Kolleta
Hamlaha	Aihan menus							Aihan menus (Lihu)				Aihan menus
Klima	Pesti Udan Anin	Udan Anin	Udan Anin		Pesti	Pesti	Pesti	Pesti Bee menus	Bee menus	Bee menus	Pesti	
Estrada	Rai monu Ai-tohar	Rai monu	Rai monu							Udan monu ai (Lihu)	Udan monu ai (Lihu)	Udan monu ai (Lihu)
Merkadu	Susar atu faan	Susar atu faan	Susar atu faan									
Kultura					Lia	Lia	Lia	Lia	Lia			

Suku Tokoluli

	Jan	Fev	Mar	Avr	Mai	Jun	Jul	Aug	Sept	Out	Nov	Des
Kafe	Kuda	Kuda	Kuda		Kolleta	Kolleta	Kolleta	Kolleta	Kolleta			Kuda
Vanilla	Kuda	Kuda	Kuda			Kolleta	Kolleta	Kolleta				
Batar		Kolleta	Kolleta							Kuda	Kuda	
Hare (Tocoluli)			Kuda			Kolleta	Kolleta	Kolleta				
Horticultura	Kuda & Kolleta	Kuda & Kolleta	Kuda & Kolleta	Kuda & Kolleta	Kuda & Kolleta	Kuda & Kolleta	Kuda & Kolleta	Kuda & Kolleta	Kuda & Kolleta	Kuda & Kolleta	Kuda & Kolleta	Kuda & Kolleta
Hamlaha	Aihan menus							Aihan menus (Lihu)				Aihan menus
Klima	Pesti Udan Anin	Udan Anin	Udan Anin		Pesti	Pesti	Pesti	Pesti Bee menus	Bee menus	Bee menus	Pesti	
Estrada	Rai monu Ai-tohar	Rai monu	Rai monu							Udan monu ai (Lihu)	Udan monu ai (Lihu)	Udan monu ai (Lihu)
Merkadu	Susar atu faan	Susar atu faan	Susar atu faan									
Kultura					Lia	Lia	Lia	Lia	Lia			

Suku Matata

	Jan	Fev	Mar	Avr	Mai	Jun	Jul	Aug	Sept	Out	Nov	Des
Kafe	Kuda	Kuda	Kuda		Kolleta	Kolleta	Kolleta	Kolleta	Kolleta			Kuda
Vanilla	Kuda	Kuda	Kuda			Kolleta	Kolleta	Kolleta				
Batar		Kolleta	Kolleta							Kuda	Kuda	
Hare (Tocoluli)			Kuda			Kolleta	Kolleta	Kolleta				
Horticultura	Kuda & Kolleta	Kuda & Kolleta	Kuda & Kolleta	Kuda & Kolleta	Kuda & Kolleta	Kuda & Kolleta	Kuda & Kolleta	Kuda & Kolleta	Kuda & Kolleta	Kuda & Kolleta	Kuda & Kolleta	Kuda & Kolleta
Hamlaha	Aihan menus							Aihan menus (Lihu)				Aihan menus
Klima	Pesti Udan Anin	Udan Anin	Udan Anin		Pesti	Pesti	Pesti	Pesti Bee menus	Bee menus	Bee menus	Pesti	
Estrada	Rai monu Ai-tohar	Rai monu	Rai monu							Udan monu ai (Lihu)	Udan monu ai (Lihu)	Udan monu ai (Lihu)
Merkadu	Susar atu faan	Susar atu faan	Susar atu faan									
Kultura					Lia	Lia	Lia	Lia	Lia			

Suku Lihu

	Jan	Fev	Mar	Avr	Mai	Jun	Jul	Aug	Sept	Out	Nov	Des
Kafe	Kuda	Kuda	Kuda		Kolleta	Kolleta	Kolleta	Kolleta	Kolleta			Kuda
Vanilla	Kuda	Kuda	Kuda			Kolleta	Kolleta	Kolleta				
Batar		Kolleta	Kolleta							Kuda	Kuda	
Hare (Tocoluli)			Kuda			Kolleta	Kolleta	Kolleta				
Horticultura	Kuda & Kolleta	Kuda & Kolleta	Kuda & Kolleta	Kuda & Kolleta	Kuda & Kolleta	Kuda & Kolleta	Kuda & Kolleta	Kuda & Kolleta	Kuda & Kolleta	Kuda & Kolleta	Kuda & Kolleta	Kuda & Kolleta
Hamlaha	Aihan menus							Aihan menus (Lihu)				Aihan menus
Klima	Pesti Udan Anin	Udan Anin	Udan Anin		Pesti	Pesti	Pesti	Pesti Bee menus	Bee menus	Bee menus	Pesti	
Estrada	Rai monu Ai-tohar	Rai monu	Rai monu							Udan monu ai (Lihu)	Udan monu ai (Lihu)	Udan monu ai (Lihu)
Merkadu	Susar atu faan	Susar atu faan	Susar atu faan									
Kultura					Lia	Lia	Lia	Lia	Lia			