

La'ó Hamutuk

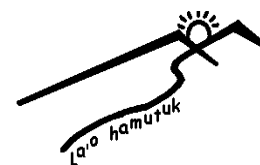
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Comment from La'ó Hamutuk on Monash University/DFAT, Australia research paper

13 May 2014

La'ó Hamutuk is grateful for the opportunity that researchers Brett Inder, Anna Brown and Gaurav Datt gave us to open the discussion session with a comment on their preliminary research paper on "Poverty and the Agricultural Household in Timor-Leste."

La'ó Hamutuk's position

Regarding the development of the agriculture sector, La'ó Hamutuk has a clear vision and policy position, but as we face a lack of objective, accurate and comprehensive data and statistics, it is often difficult to advocate for our ideas. Together with the sustainable agriculture network (Hasatil), we advance the concept of food sovereignty.

La'ó Hamutuk believes that to put Timor-Leste on a development path that is sustainable, the agriculture sector is essential. We promote a sustainable agricultural development model, which means:

- Organic production, and sustainable agricultural practices like agroecology;
- Not focusing on productivity, but on ways to absorb the labor force to reduce unemployment and to provide good working conditions for small producers;
- Ensuring small producers have access to production factors: productive land, water, local seeds, and other basic materials;
- Focusing on diversification of food production to contribute to decrease the level of malnutrition which is high in Timor-Leste, and to diversify income sources. For example, raising livestock properly is a good investment, as we can get milk, meat, easy money, and use manure as organic fertilizer.
- Helping small producers to get organized before they sell their products (cooperatives), reduce their production costs and process their raw products;
- Focusing on production for domestic consumption to reduce import dependency and improve nutrition instead of promoting exports to get money. Unprocessed primary products should not be exported, and in the future exports of organic products could be a niche sector;
- Focusing on quality rather than quantity.

General comment on Monash preliminary research

1. We noticed that in this research, market is considered as the key factor to reduce poverty.

We believe it would be useful to complete this research with a socio-cultural research informing on Timor-Leste's realities, in order to better understand producers and consumers behavior, instead of trying to find relations between variables in an econometrics model and seeing the market as the solution for everything or the source of all the problems.

For example, the research found that a small proportion of food production is sold in markets, while a large proportion is shared or bartered. This reflects an important characteristic of Timor-Leste society, where solidarity values and community participation are strong. This interdependency creates social cohesion. A "well-functioning" market, which efficiently allocates land, labor force and capital, cannot ensure social justice.

In addition, some expenses are difficult to understand from an economic approach, like those related to ceremonies (*lia*) or rituals. People's consumption behavior is the heritage of history, taboos and mentalities hardly explainable in a rational manner.

2. This research should explore the impacts of cheap food imports on local food production and consumption.

For example, the research found that increased income lead to diversification of food intake, households consuming meat and leafy vegetables in addition to staple food-cereals (rice and maize). However, a research supported by UNICEF (*2013 Food and Nutrition Survey*, draft, not published yet) found that households in the "poor" category (based on the Food Consumption Score) were not consuming only staple food, but also vegetables. Households in the following group, in the "borderline" category, diversified their consumption with sugar and oil food groups. And the last group, in the "acceptable" category, added meat and fish groups to their diet. The majority of households rarely consumed pulses, fruits and milk groups.

3. We agree on the fact that reducing post harvest losses should be given highest priority, instead of focusing on improving yields. Evidence show that we could rapidly increase the amount of food available if this problem was properly addressed.

4. Instead of focusing on increasing yields, it would be better to increase food diversification and food processing. This would increase income for producers and mitigate their risks. For example in the coffee sector, farmers only get a small benefit because most of them sell their coffee in the form of cherries at a cheap price, to companies which process the cherries and make a substantial profit. In addition, coffee farmers are particularly vulnerable because their production is not diversified and they have to buy their food.

5. Instead of focusing on increasing production on staple food like rice, maize and cassava, it would be better to prioritize food rich in micronutrients, vitamins and proteins in order to improve nutrition and increase producers' income.

6. The research found that only a small percentage of farmers used inputs, with the eventual suggestion that access to input and input market should be developed.

We believe that it would be better to promote a low-input agriculture development model, in order not to increase farmers' production costs. Support farmers so that they can produce their own local seeds, organic fertilizer and pesticide, etc. The research supported by UNICEF found that the main shock experienced by households was the high costs of agricultural inputs such as seeds and fertilizer, far before a reduction in income. Thus, it would be better not to create input dependency.