Timor-Leste’s COVID-19 cash transfer: good if you got it

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Timor-Leste, together with only a small number of countries globally, has to date successfully managed to control the spread of COVID-19 through an effective border and quarantine regime, and COVID-19 prevention programs. As at 30 October Timor-Leste has recorded just 30 cases, only one of which is still active, no community transmission and no deaths. Nevertheless, the economic consequences of the pandemic have been severe and far-reaching.

In June, Timor-Leste joined 157 other countries that provided conditional and unconditional cash transfers to their populace as a way of responding to the economic shocks of COVID-19 control measures. Global evidence suggests that cash transfer programs have consistent positive impacts on food security, and are recognised as a particularly effective way of providing social assistance due to reduced administrative and operational costs, the increased speed and flexibility of response, the multiplier effect on local markets and jobs, and the choice and control it provides to people to buy what they really need.

In Timor-Leste this payment (the Uma Kain payment) took the form of a single cash transfer of US$200 distributed to approximately 300,000 households in all 452 villages at a cost of close to US$60 million. The payment was unconditional, meaning there were no restrictions on how the money could be spent, but eligibility requirements applied. The Government of Timor-Leste mandated the use of an existing system of household registration (Ficha da Familia), and the payment was distributed in person to heads of households at collection sites in each village by Ministry of Social Solidarity and Inclusion staff and village chiefs.

Both the implementation and effects of the cash transfer were monitored by a wide range of organisations including the United Nations in Timor-Leste, as well as the Australian-funded Partnership for Human Development together with Catalpa International and MDF (Market Development First).
The Asia Foundation (TAF) undertook targeted qualitative research in Dili, Liquica and Manufahi Municipalities on the Socio-Economic Impacts and Effects on Gender Dynamics as well as two rounds of a COVID-19 Pulse Survey. Together with detailed research on the economic effects of the crisis and the ensuing states of emergency (SoE) there is a wealth of evidence for the Timor-Leste government and development partners to utilise in ongoing responses and future programming. This includes government research on food security, National University of Timor-Leste (UNTL) and Oxfam on women in agriculture, and the Mata Dalan Institute and Oxfam on the informal sector.

Timor-Leste has high levels of existing vulnerability and this worsened during this period. TAF’s COVID-19 Pulse Survey found that 80% of people who were employed said that their hours were reduced, and 54% of people were very concerned about having enough money for the future. UNTL research found that for women working in agriculture, financial security had been severely affected by COVID-19. The UN research found that someone lost their job due to the pandemic in nearly 1 in 4 households.

Already parlous food security was identified as a major concern by all of the research reviewed. Ministry of Agriculture and Fisheries research identified that households were experiencing food insecurity at what should have been the most food secure time of a typical year (April/May) and 40% of households were reducing the amount of food they consumed. UNTL research found that the number of women who consumed three meals a day declined 33% during the SoE and MDF’s research found that a high proportion of farmers who reported eating less were women.

Based on the research, it is evident that the majority of households that received a payment needed this due to the hardships experienced during the early SoEs and several studies show that most households spent the payment on food. The TAF research on socio-economic impacts and gender dynamics found that within households all members of the household benefited from the payment, with almost one-third of households interviewed extending this to younger members of the family who were away studying. In general respondents with disabilities were not disadvantaged within the household (disabled respondents were identified with assistance from the national disabled persons’ organisation, RHTO). However, while the research found that the COVID-19 payment was able to meet the needs of smaller families, most large households of more than nine reported they could not meet their needs with the payment (according to the 2015 Census the average household size in Timor-Leste is 5.77).

The research also examined who missed out on the payment and why and to this end, TAF partnered with Timorese LGBTI advocacy organisations CODIVA and Arcoiris Timor-Leste.
Findings included that inconsistencies in the application of the household registration system used to identify eligible cash recipients resulted in the exclusion of LGBTI people as well as women living in crisis accommodation. Some LGBTI respondents reported being prevented from registering themselves or their families by local authorities, while others did not attempt to register as they believed they would be refused. Women living in crisis accommodation were unable to register as a new household and were therefore unable to claim a COVID-19 payment.

This finding reflects strong social norms in Timor-Leste that unmarried people and people living alone or in same sex couples are not considered to be a household. Similar barriers leading to exclusion of people with diverse sexual orientation, gender identity and/or expression, and sex characteristics (SOGIESC) from COVID-19 relief in the Asia-Pacific region have been documented by Edge Effect.

While the cash transfer payment was clearly essential and highly appreciated by those who received it, consideration should be given to more inclusive administrative systems for distributing cash transfers in the future.

In November and December 2020, the Timorese government will distribute a ‘Basic Basket’ of food vouchers or goods using the existing household registration lists. The ‘basket’ will be provided to each individual within a household thereby addressing the needs of large families. It will also be provided to people residing in institutions, which we hope will extend to women living in crisis accommodation. But we are concerned about the repeated exclusion of LGBTI people who are still not able to register their single, same-sex or unmarried households.

Timor-Leste’s COVID-19 prevention success is impressive; however, during relief and recovery efforts, it is especially important for governments and development partners to ensure inclusion of marginalised groups.

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