



# Agribusiness TIMOR-LESTE

February 2006

Volume 1, Issue 1

AgribusinessTL@yahoo.com.au

PUBLISHED BY MINISTRY OF AGRICULTURE FORESTRY AND FISHERIES

AGRIBUSINESS DIVISION

Fomento Building, Dili, Timor-Leste, Telp: +670 3339033, Fax : +670 3325121

## WELCOME !

By : H.E.Minister of Agriculture, Forestry and Fisheries



**W**elcome to the first edition of the *Agribusiness Timor Leste!*

The Agribusiness Division of MAFF was established seven months ago by the Ministry to assist farmers, processors, manufacturers and exporters to

develop the contribution agriculture makes to the economy of Timor Leste. There are two broad themes to the work of the Agribusiness Division.

One is to assist farmers achieve better returns from their enterprises. This will be done by providing information on wholesale market prices for selected produce lines in local markets, by the economic analysis of the profitability of agricultural crop and livestock enterprises for current practices and improved practices, and by working on studies for selective products with potential for Improving the productivity and profitability of domestic production will improve food security and lead to economic growth. This economic growth, with increased demand for goods and services, is achievable with higher rural incomes. This additional demand will be in all sectors of the economy, including demand for better health care, education, hous-

ing, and transportation services.

The second theme for Agribusiness is complementary to the first: This involves working with the existing Agricultural Service Centres (ASCs) to develop new business plans and improve performance so as to better meet the needs of farmers and other businesses serving farmers. This will include forming improved linkages to rural community 'self-help' groups to supply inputs to farmers, assist in the development of markets, and to provide agricultural loans for farmers. The MAFF intend to improve these services in all regions of Timor Leste, not just in the existing locations of the ASCs.

The purposes of this '*Agribusiness Timor Leste*' newsletter are to raise awareness on issues in agribusiness, to inform on the activities of the different agencies working in agribusiness, and to promote knowledge of agribusiness. Later editions will include topical information on agribusiness including market price data, budgets for crop and livestock enterprises, and technical data. *Agribusiness Timor Leste* will be produced as a printed publication and will be circulated electronically by e-mail (as a .pdf file). Copies will be available from GTZ Baucau, from ASCs (in Maliana and Viqueque), and from MAFF. Copies will be distributed to agencies working in agribusiness. Please contribute to the newsletter and make it a success!

## CONTENTS

|                                  |    |
|----------------------------------|----|
| Welcome...                       | 1  |
| Timor Global, a Company with...  | 1  |
| Better Produce Marketing...      | 3  |
| The Cooperativa Café....         | 4  |
| East Timor Soon to Export....    | 5  |
| GTZ Accelerates Change.....      | 6  |
| Study to Investigate Opport..... | 7  |
| The Territorial Approach....     | 8  |
| Private Sector Development...    | 8  |
| MAFF Agribusiness Division.....  | 9  |
| What's Happening at the ASC...   | 11 |

## Timor Global, a Company with Big Plans for Timor Leste

**Timor Global** has plans for a multimillion dollar agribusiness industry in Timor Leste. Potential gross earnings are more than 30 Million US dollars; all from exports.

Timor Global is a joint venture company between Timorese and Singaporean interests. The company has an office and warehouse in Dili where they currently store and process coffee parchment, processing to green bean for export. This year they have purchased 1,000 tonnes and already 400 tonnes have been processed and exported.

The coffee processing equipment, purchased in Brazil,

List of Contacts for Organisations Contributing to  
*Agribusiness Timor Leste* on page 12

was installed in October.

Timor Global's current factory location in Dili is temporary. Timor Global has plans to obtain 70+ hectares of land in Railaco, Ermera District. Fifty hectares have already been secured but an additional 20 hectares of flat land are needed to establish nurseries, demonstration plots, as well as to build a factory for processing coffee, with warehouse and laboratory facilities. The company has over 10 trucks, other vehicles and processing machinery and has already invested over 2 million dollars in Timor Leste. Now the company employs 80 permanent staff and between 100-150 casual staff, mainly working in coffee grading. Long term plans are to invest over \$12 million in Timor Leste over 5 years, and to employ more than 1,000 people.

The company's core business will be a 3,000 hectare coffee plantation, which they proposed to rehabilitate using modern techniques for growing premium grade coffee, with old shade trees replaced and some high value teak planted. Most of this plantation coffee was abandoned when the Indonesians left and is now basically unmanaged, only harvested opportunistically.

"By using modern growing techniques and our technical experts, we can improve yields fourfold to a conservative 900 to 1,000 kg per hectare" said director Mr. Bobby Lay. "We believe we can produce a vastly superior coffee compared to what is being produced now, and this premium product is in demand in the United States, Europe, and in Australia, our main coffee markets".

Unlike other companies who have expressed interest in investing here, Timor Global has demonstrated a commitment by already investing in the country and establishing a productive business in Timor Leste. "This is only the start" said Mr. Bobby Lay. "We have clients ready to buy coffee, quality peanuts, cassava chips, and sago – and in

large quantities". "One of the problems we have in Timor Leste is being able to buy or produce the minimum quantities needed by our clients," he said. "Typically, the minimum order for peanuts is 500 tonnes and for cassava 200,000 tonnes. This is big business and Timor Leste isn't in this market yet".

"One of the main markets we are focused on is China. There are huge and growing market opportunities in China, and we know the markets in China, Vietnam, Japan, and Taiwan, and we have our head office in Singapore" said Mr. Bobby.

Timor Global is also keen to introduce appropriate mechanical farming methods to take the back-breaking work out of farming and to improve productivity. Much of this equipment will be sourced from China and Vietnam because the size of the machinery will suit local conditions, and is very price competitive. Timor Global see mechanizing agriculture as essential for achieving the type of productivity improvements needed to meet the volume of production for export demanded by their clients.

Although cassava can offer big opportunities for export, mainly for industrial uses in China, it is a low value crop. Because of the crop's low value and high transport cost in Timor Leste, one idea is to grow the crop near Suai and to export the crop from a new port to be built in Suai area.

Timor Global's long-term vision is to produce high value boutique coffee for export from their own 3,000 ha coffee plantation, and to buy coffee from other producers and processors. This business could turnover at least \$10 million; \$5 million from their own plantations and another \$5+ million from other coffee purchased for reprocessing. The coffee business alone could employ 1,000 staff; 600



Timor Global Warehouse



in the plantations and another 300 or more in transport and processing. "The other opportunities we are looking at could be even bigger, and earn another \$20 million in export earnings", said director Mr. Bobby Lay, "but this is a long-term goal, this won't happen overnight". "We plan a partnership between Timor Global and farmers, helping farmers to use modern farming techniques and to improve production alongside our own well managed plantations with nutrient replacement".\*\*\*\*

## Better Produce Marketing will Increase Incomes for Poor Families

**T**he Ainaro and Manatuto Community Activation Project (AMCAP), which commenced in October 2002, aims at increasing food security and household income for the poor families in Ainaro and Manatuto districts on an environmentally sustainable basis, using community-focused participatory approaches. A collaborative effort between UNDP, UNOPS and the Ministry of Agriculture, Forestry and Fisheries (MAFF), the project focuses on activities such as reforestation, upland farming, livestock improvement, local seed multiplication, irrigation rehabilitation and building technical capacities of local communities.

Marketing was identified as a major constraint to farmers increasing their production and realising greater returns for their produce. To achieve this farmers must begin to grow produce to market specifically rather than just bringing their surpluses to markets as and when they need cash. If they are prepared to plan their production it is not unfeasible for a farmer growing horticultural produce, with reasonable access to a regional market to realise an extra \$500 income annually.

A recently conducted market survey set out to identify product type, demand and supply trend, price index, promotion methods and major opportunities and constraints at different places in the market chain for the agricultural, livestock and forestry products.

The survey led to recommendations for developing marketing strategies to improve the income level of rural people by production, processing and marketing of such products. The findings of the survey are contained in a report submitted to UNOPS and a marketing manual has also been written and this will shortly be translated into Taton.

The main recommendations of the report are that :

- ✓ Farmers who can should specialise (e.g. Rice & Potatoes). Farmers need to seek safe ways to diversify production into new varieties and husbandry techniques.
- ✓ Some farmers can exploit limited organic market, especially in coffee.
- ✓ The government should introduce legislation stipulating the use of weights and measure to rationalise marketing environment.
- ✓ Market places should be upgraded and regulated through marketing committees.

- ✓ Communal marketing by farmers' groups could lead to enough produce being aggregated to begin to develop linkages with traders.

Two, three day marketing workshops were held, one in Ainaro and one in Dili, that were attended by AMCAP, MAFF and NGO participants. Topics that were covered included:

- Understanding Marketing.
- Identifying buyers and their needs.
- Deciding on Marketing Channels.
- Planning Production to meet buyers needs.
- Planning to Harvest, Process, Grade, Package and Store.
- Arranging Transport to deliver Produce.
- Calculating Costs and Profits.



**High Quality Agricultural Products at Comoro Market in Dili**



**Imported Domestic Daily Needs**



## THE COOPERATIVA CAFÉ TIMOR

### Agribusiness Perspectives

Since 1994 *The Cooperativa Cafe Timor*, and its predecessor formats, has been assisted in its development by USAID funding in a bilateral aid project implemented by the National Cooperative Business Association (NCBA), a not-for-profit federation of United States Cooperatives. All NCBA/USAID cooperative assisted activities are designed for long-term viability and total ownership by the Project's beneficiaries, i.e. the East Timorese. Although USAID no longer funds development in the coffee sector, and will gradually withdraw from the provision of primary health care services for non-CCT members, for the remaining three years of the project, the focus will be mainly on the development of diversification enterprises within the CCT.

The project's strategy has been to bring about beneficial social and economic change through the development of cooperative business organizations that can bring benefit to their farmer members through the way their products are produced, processed and marketed. The CCT now has a registered certified organic membership of 17,576 farm family participants, on 34,253 registered blocks of land, located in the Aileu, Ainaro, Emera, Liquica and Manufahi Districts. The CCT's coffee is internationally certified "organic", and the product accredited by the international Fairtrade Labelling Organization. During the 2005 coffee harvest season the CCT purchased from its members, about 17,000 metric tons of cherry, which will be processed into approx. 2,800 mtons of quality export green bean, mainly *Arabicas*, which has attracted premium prices.

Each year at the Annual General Meeting of the CCT, elected representatives of the members, are presented with current international market analyses, and together with a consideration of current costs of production, the meeting decides upon the price per kg, that will be offered to its members at the opening of the season. The CCT

has never reduced that price during the season, but has increased it when the international coffee market shows a significant increase.

Because the international coffee prices have been very variable over recent years the CCT has been developing diversification enterprises, viz. an "Organic" Vanilla enterprise; a farm family based Cattle enterprise; and a community based agro-forestry enterprise.

**Vanilla** was re-introduced as a cash crop to Timor-Leste by CCT in 1996, and from early 2002 to mid 2005 the CCT processed and marketed some about 2 mtons of export Vanilla bean, which is now also been internationally certified as an "organic" product, which includes a further 726 farm family members of the CCT.

**Cattle** fattening and marketing. Currently the CCT accounts for a total of 472 head of cattle, being looked after by 319 farm families. The plan is to have placed 1000 head of cattle by the end of 2006, with the total increased to 2000 head during 2007. The Bali breed bulls are given to farmers under contract at about 150 kg live weight, who feed, water and care for the cattle for about 12 months, or until they have reached a body weight of about 250 Kg. The CCT then organises the local and international marketing of the fattened cattle, and returns 70% of the sale price to the farmer, as well as purchasing for him/her replacement cattle, to repeat and hopefully greatly expand the process.

**Agro-Forestry** : The CCT produces seedlings, at its nursery facility in Comoro, for the replacement of coffee shade trees; trees especially suitable for use as cattle fodder; as well as trees for outplanting as community tree lots of construction timber and firewood. The construction and firewood species currently include Teak (*Tectona grandis*), Acacia (*Gmelina arborea*) and Pine (*Pinus mercuri*). Ways are also being studied as to how

the old diseased coffee shade trees might be optimally felled and used for either construction timber or firewood.

**Organizational Development:** An extremely important aspect of all of the above activities is the organizational development of the local cooperative counterpart entity. The cooperative sector in Timor-Leste is being rebuilt, but it is only since October 2004 that the government has decreed formal cooperative laws. CCT and the USAID/NCBA Project are working towards the development of a truly cooperative sector where the organizations are developed democratically at the initiative of its membership, and its service provision businesses are related to the specific needs of its members. We look forward to the future, for the sustainable development of Timor-Leste's economy, and the increase in standards of living for the people of Timor Leste.



## East Timor soon to Export High Value Candlenut Oil to Hawaii

In an exciting new development, the first shipment of oil from the Acelda Company to Oils of Aloha in Hawaii should start in 3 to 4 months, after new candlenut oil processing equipment is assembled and operational.

Candlenut is an economic tree crop grown throughout East Timor on community and private land. Most farm families regard candlenut as a minor commodity because of its low farm gate price (US\$ 29 cents to 35 cents per kilogram for shelled kernels). The nuts are gathered, shelled and sold as kernels when cash is needed. Currently, the only market for East Timor's candlenut is Indonesia which has placed a tariff on East Timorese candlenut making it difficult for local exporters to pay local harvesters a sufficiently attractive price and still make a profit.

During the next eight months, the privately owned Timorese company Acelda, located in Baucau, will work with Oils of Aloha of Hawaii, GTZ, and the University of Hawaii's Pacific Business Center to develop a candlenut oil processing enterprise (COPE) as part of the business activities of Acelda. Oils of Aloha is a company that manufactures and sells candlenut oil to the worldwide cosmetic industry; the University of Hawaii's Pacific Business Center is funded by a grant from USAID/DAI.

The main challenges for East Timor's rural households are the lack of productive jobs and access to markets. Most rural households live and work within a subsistence economy and more than 40% of households earn less than one dollar per day.

**The primary objective of the COPE Project is to improve the livelihoods of rural families through the expansion of rural employment and increased income opportunities. This will be done by providing a new source of income for the rural families in Baucau who harvest candlenut; creating eight new processing jobs; and complementing an existing candlenut export business.**

The COPE Project will create an operating partnership between the **Acelda Company** in Baucau (currently buying and exporting local candlenut to Indonesia) and **Oils of Aloha** in Hawaii (currently buying candlenut oil, refining it, and selling it in the international cosmetic market). This operating partnership will be supported by the **German Technical Cooperation** (GTZ) in Baucau (instrumental in reviving candlenut exports from Baucau) and the **University of Hawaii Pacific Business Center Program** (UH/PBCP) (with twenty years of experience developing island businesses in Micronesia and Hawaii).

**UH/PBCP and GTZ** will provide:

- Project planning and coordination;
- A training program for Acelda Company staff; and a business plan and operating/management procedures for the COPE.

In recognition of the community benefits and the pioneering aspect of this new business, the Ministry of Agriculture Forestry and Fisheries has provided equipment to the value of \$30,000 US dollars to Acelda as part of the Agricultural Rehabilitation Project III by funded EU. The value of the assets will be repaid over seven years in the form of a 'soft' loan to form a fund which can be used again to assist rural community business initiatives in Timor Leste.

**Acelda Company** will own the COPE and provide:

- Raw candlenuts (through local purchases);
- The site and buildings;
- Equipment (truck, forklift, generator, office equipment); and management of all Acelda Company employees.

**Oils of Aloha** will be the sole buyer of the candlenut oil and provide:

- The market for the COPE's production (for a minimum of five (5) years at market prices – minimum of \$4/kg);
- Some oil processing equipment (an oil expeller which will belong to Acelda after five years); assistance in training the Acelda Company staff and in setting up the processing equipment in Baucau.

In November, 2005 the Acelda Company was successful in obtaining financing for the project from the BNU Bank in Dili and has built a new building to house the processing plant and, with assistance from Oils of Aloha, has begun purchasing equipment.

Once the equipment is on site (hopefully in early February) Oils of Aloha will assist Acelda set it up and show the company staff how to operate it to Oils of Aloha's specifications. Around the same time, the Pacific Business Center will work with Acelda staff to develop the production and management procedures and policies to operate the plant smoothly and coordinate as seamlessly as possible with Oils of Aloha.

**Candlenut in Warehouse**  
(Foreground: Candlenut in Candlenut Oil)





# GTZ Accelerates Change from Subsistence to Commercial Production

GTZ has an Agribusiness Component in its Food Security Programme to help local entrepreneurs meet farmers' demand for production inputs and marketing channels. GTZ work with selected businesses to provide commercial services to farmers.

The GTZ support package includes basic business advice, day-to-day coaching in business operations, marketing and advertising, as well as help with finance.

GTZ prioritizes business products that:

- Accelerate the change from subsistence production to commercial production,
- Can realistically be developed in the medium term, and
- Realise the potential from the existing skills and resources.

In the last 3 years, entrepreneurs from Baucau,

Viqueque and Manatutu have been helped to provide commercial services in the following businesses: hand tractor leasing and repair; quality rice and maize seed production; fertilizer supply, vegetable seeds and other agriculture inputs; rice marketing; and collection and export of candlenuts.\*\*\*

*“ Farmers should produce what they can sell rather than try to sell what they have produced ”*

## GTZ Promotion

**Rice & Maize Seed now Available in Baucau**  
*Locally Produced, High Quality*

|  | Per Kg |
|--|--------|
| <b>Rice Seeds:</b> variety Towuti (Padi Gogo / Upland rice), quality equivalent ES I | \$0.35 |
| <b>Rice Seeds:</b> variety IR 64, quality equivalent ES I                            | \$0.35 |
| <b>Maize Seeds:</b> variety Arjuna, quality equivalent ES I                          | \$0.55 |



All seeds are cleaned, sorted and properly packed.  
Tested by MAFF, and have MAFF's recommendation.

### To ORDER Contact:

“Seeds Association Habarik Fini”  
in Baucau  
Mr. Sebastiao

Mobile phone: 7251371

*This private service provider is supported by GTZ.*

## Study to Investigate Opportunities for Export and Processing of Minor Crops

In 2005 Japan's Development Study Programme (JICA) carried out a scoping study to identify a range of minor products that may have potential for export. The range of products studied included pineapple, jujube (natsume), jams and marmalade from surplus fruit, millet, wheat, smoked chicken, Pitaya (dragon fruit), herb tea, sea weed, soap, bath salt, and cooking salt.

JICA plan to send a consultant to East Timor in April 2006 to implement a pilot project. The project will establish a production, processing, and marketing chain for up to three products. Capacity building for farmers and Agribusiness Staff will be included in the project.

This work will start in April 2006 when Ms Nagata Yoko, the Japanese expert, arrives from Japan.



**Traditional Salt Making**



**Manatutu Honey**



**AFMET's Medical Soap**

*Agribusiness Timor Leste* will raise awareness on agribusiness issues, inform about the activities of agencies, and promote knowledge of agribusiness  
<AgribusinessTL@yahoo.com.au>



## The 'Territorial Approach' to Market Development used by Catholic Relief Services in Timor Leste (CRS-TL)

The Territorial Approach Concept is a way to help communities develop agro industry and markets; to decide what to produce to meet market demand.

The programme requires community participation as they learn and become involved in a market study. One of the aims is to establish good relationships between producers and traders.

The first priority is a Market Survey, so that farmers can match production to demand at the right price.

The process includes:

- Selecting a community and establishing a partnership,
- Identifying a market for farmers' products,
- Preparing a business plan,
- Supporting business activities in the community as the plan is implemented, Improving market management.

It is hoped that the involvement of the Information and Extension Division and the Agribusiness Division of MAFF with the CRS-TL Agriculture Program, will help ensure the sustainability of the program.

The Territorial Approach was developed by the CIAT (Centro Internacional de Agricultura Tropical) in the Philippines. They are a partner to CRS which is a non-profit organisation involved in development. CRS helps farmers improve their daily life through economic development.

CIAT, a Science Investigation Institution, has experience in implementing agricultural programs successfully in US, Africa and Asia.

CRS-TL will use an implementation strategy that has been successful in Indonesia, Vietnam, Cambodia and the Philippines. The result will be shared with other countries.

## Private Sector Development

Dezevolve Setor Privadu, or DSP, is a new **USAID project managed by Development Alternatives, Inc (DAI)** aimed at stimulating Timor-Leste's economy, particularly through the development and growth of the private business sector. DSP's objectives are to create jobs and increase business incomes. As a largely agricultural economy, much of the focus of DSP will be on agribusiness opportunities.

DSP will target agribusiness products or enterprises that have potential to increase jobs or incomes through domestic or international sales. DSP will primarily work with local enterprises to support business growth, however engaging government and the donor community will be essential to strengthening the overall business environment.

DSP's focus is market driven. Flexibility to respond to market opportunities and work with producers, suppliers, processors, and traders is essential. DSP strategies will include conducting market assessments, establishing linkages with and access to buyers, disseminating information on improved products, technologies, and standards, as well as identifying appropriate models for business cooperation, including associations and cooperatives.

Initially DSP will target coconut products. This will include increasing and diversifying domestic use of coconut products and by-products for income generation and job creation, as well as identifying export opportunities. For example, a market analysis on export opportunities is underway to identify priority international markets and potential buyers for coconut products and by-products from Timor Leste. Requirements to access these markets, including technologies, production standards, and 'organic' certifications, are also being investigated.

To achieve its goals in agribusiness, DSP is coordinating closely with the MAFF Agribusiness Division and other donors and agencies to identify constraints to private sector / agribusiness growth, identify new market opportunities, as well as complement existing agribusiness initiatives.

To support agribusiness and private sector development, DSP will strengthen the business environment and improve access to financial and commercial services. Activities will include establishing a business forum for public-private dialogue, supporting the financial sector to offer improved loans and financial products to agribusinesses of all sizes, and expanding support services for business growth.

**“ Collective or group marketing can be a solution for a small farmer producer ”**



# MAFF's Agribusiness Division

## Work Plan Approved

Agribusiness is a new Division in MAFF. It will be a service division providing advice and information to the Ministry and to other interest groups and stakeholders.

The role for the Agribusiness Division will be to:

- Provide Information on agribusiness, agricultural markets (local and key export markets) and economics of agriculture (including enterprise budgets).
- Advise the Ministry and to provide 'services' to production units (e.g. added value to Research and Extension Division for recommended practices).

This should :

- Inform Farmers, MAFF, and other organisations on wholesale market prices and price trends in main urban markets
- Provide cash income earning opportunities for farmers from the sale of fresh produce (including livestock)
- Assist in the identification of import substitution and export opportunities for fresh produce through knowledge of wholesale prices for domestic production



**2. Cost of Production (COP) data and enterprise budgets** for the main cash crops, livestock, and tree crop enterprises. The Division will work with Research and Extension Division to produce 'models' for improved practices. This will include 'models' for capital investments that require an 'up-front' investment in tree crop planting, land improvement, or animal housing but which yield returns into the future.

MAFF will publish a **Farm Budgeting Manual** which will contain enterprise budgets for traditional and improved systems, including

- Gross margins,
- Sensitivity analysis for price and yield changes
- Returns to labour (GM per Labour Day)
- Capital investment models (Discounted Cash Flows, Internal rate of return)

- Identify and facilitate the support required to promote and develop new agribusiness ventures.
- Expanded support for rural communities and producer groups by developing an improved model for Agricultural Service Centers that is more supportive of private sector business, with better linkages to rural communities, in more locations of Timor Leste.

MAFF may also promote a New Venture Capital Development Fund from which to award grants, or soft loans, for technical studies or to help with start-up capital costs to private sector business or community groups. Such a fund should be managed independently of MAFF.

There are four priorities for this first year:

**1. A Domestic Market Survey of fresh fruit and vegetable prices.** This has been started in Comoro Market; once successfully established in Comoro, the survey will be expanded to Baucau, Maliana and Maubise fresh produce markets.

This should :

- Inform MAFF and other rural organisations about COP and profitability (returns to limiting resources) for key crop and livestock enterprises
- Improve farmers incomes by changing to more profitable enterprises
- Improve farmers production by using improved techniques or better farming systems
- Provide data for comparing improved production techniques based on research or consultants' recommendations

**3. Support to Rural Producer Organisations.** The Agribusiness Division will update the business plans for the Agricultural Service Centers (ASCs) in Maliana and Viqueque and prepare a plan to revive the Aileu ASC into a model that is more supportive of private sector business with better community linkages (currently the Aileu ASC is not trading).





#### *Associated Projects:*

The Agribusiness Division will also support JICA's work aimed at establishing production, processing, and marketing for up to three new products.

The Division will develop a 'best practice' approach to provide new forms of support for farmers (Rural Producer Organisation and Farmer Groups) in other parts of Timor Leste – this will require new donor funding.

This should :

- Enable the ASCs to operate independently of MAFF as profitable centers that provide marketing, transport, and input supply services to farmers
- Expand Farm Business Management support to farmers and rural businesses in other locations of Timor Leste

**4. Commodity Studies.** The Agribusiness Division will work closely with GTZ in Baucau and BASAR / DSP in Dili to establish processing facilities for the candlenut and coconut sectors. For candlenut, processing equipment is being purchased for the ACELDA candlenut oil factory near Baucau. For coconut, capital equipment might be purchased to process by-products or for oil production, if new markets can be found.

Other roles will include working with external partners on economic and market analysis, liaison and monitoring role for partner initiatives in agribusiness, identifying opportunities and facilitating funding for external studies which examine development opportunities for export or import substitution.

Working with external agencies will allow Agribusiness Division staff to gain skills and experience.

This should :

- Provide MAFF, private sector investors, and other organisations with key sector data for commodities with potential for export or for import substitution (production type and volume, cost of production, market prices, current activities and initiatives in ET).
- Identify opportunities and funding for new studies / initiatives for commodity exports and import substitution.
- Ensure MAFF Agribusiness Division works closely with international projects to promote commodity sector production, processing, and growth.





## MAFF Agribusiness Staff in Dili



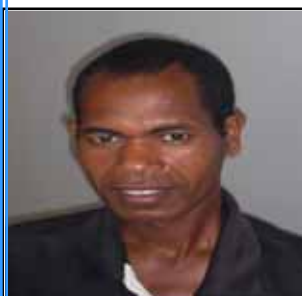
**Mr. Adelino Rego**  
Director



**Mr. Thomas Francisco**  
Marketing Technician



**Mr. Hercio de Araujo**  
Rural Prod Org. Technician



**Mr. Sergio Soares**  
Special Studies Technician



**Mr. Johnny Piedade**  
Monitoring and Reporting  
Technician



**Mrs. Filomena S. da Rosa**  
Administrative Officer

The Agribusiness Division has 7 staff in Dili and 2 in the Regional offices in Baucau and Maliana

## ASC BOBONARO

Recent business activities have been similar to previous months. The main activities are:

- Selling agricultural inputs
- Trading rice - In 2005, 59 tonnes of paddy rice was purchased from farmers and 28 tonnes sold
- Transport service – This is still an important revenue earner
- Rice milling
- Tractor rental – This is a new business activity, started in response to demand from farmers

Farm credit – From November, the Bobonaro ASC had provided credit to 60 farmer members and to 27 non-farmer members. The credit is provided in the form of cash or agriculture inputs

***“ Investigate the market before producing the product ”***

## What's Happening at the Agricultural Service Centers?

### ASC VIQUEQUE

- Viqueque Agricultural Service Center has just exported 27 tonnes of Copra to West Timor in Indonesia
- 27 cattle were exported – these cattle went to Atambua in West Timor.
- Other plans are to export green beans and soya beans.

The Viqueque Agricultural Service Center has established a good relationship with their business partners in Atambua, West Timor. This good relationship will facilitate more exports in future.

Other activities include:

- Marketing of Candlenut and coconut
- Commercial transport of farm produce to markets

## Price List for Farm Inputs sold by Bobonaro ASC

| Agricultural inputs | Price (\$)         |
|---------------------|--------------------|
| Urea                | \$14.00 / 50kg     |
| TSP                 | \$18.00 / 50 kg    |
| KCL                 | \$18.00 / 50kg     |
| Pesticide           | \$6.00 / 0.5 liter |
| Rice                | \$13.50 / 50kg     |
| Rice by-product     | \$2.00 / sack      |

## Organizations contributing to Agribusiness Timor Leste

| Organisation   | Contact Person  | E-mail   | Phone            |
|--|---|--|------------------|
| Ainaro and Manatuto Community Activation Project / UNOPS   | M. Suffullah Munsoor,<br>Chief Technical Adviser      | <a href="mailto:Mohamed.unops@undp.org">Mohamed.unops@undp.org</a>                     | 7231079          |
| ASC Maliana  | Vitor Sousa Pires,<br>Manager                         | n.a.   | 7238665          |
| ASC Viqueque   | Joao Batista,<br>Manager                              | n.a.   | 7259973          |
| Catholic Relief Services   | Jessica Pearl,<br>Country Representative              | <a href="mailto:crsrep@tl.seapro.crs.org">crsrep@tl.seapro.crs.org</a>                 | 7230866          |
| Cooperativa Café Timor   | David Boyce,<br>Enterprise Development Adviser        | <a href="mailto:boycedjs@bigpond.com">boycedjs@bigpond.com</a>                         | 7232995          |
| CV ACELDA  | Higino da Costa Freitas,<br>Managing Director         | n.a.   | 7243226          |
| Dezevolve Setor Privadu (DSP)<br><i>Managed by Development Alternatives Incorporated (DAI)</i>   | Ron Black,<br>Chief of Party                          | <a href="mailto:Ron_Black@dal.com">Ron_Black@dal.com</a>                               | 728 3479         |
|  | Lendell Foan,<br>Business Services Unit / Deputy COP  | <a href="mailto:Lendell_Foan@dal.com">Lendell_Foan@dal.com</a>                         | 728 3221         |
|  | Kurt Koomen,<br>Agribusiness Unit                     | <a href="mailto:Kurt_Koomen@dal.com">Kurt_Koomen@dal.com</a>                           | 728 3220         |
|  | Milissa Day,<br>Financial Services Unit               | <a href="mailto:Milissa_Day@dal.com">Milissa_Day@dal.com</a>                           | 728 3213         |
| GTZ  | Brigitte Podborny-Sugiono,<br>Team Leader             | <a href="mailto:Brigitte.Podborny-Sugiono@gtz.de">Brigitte.Podborny-Sugiono@gtz.de</a> | 7241452          |
| Hawaii University,<br>Pacific Business Center Program,<br>College of Business Administration,<br>UH-Manoa<br>Ph: (808) 956-2497<br>Fax: (808) 956-6278 | C.L. Cheshire,<br>Senior Business Development Manager | <a href="mailto:cheshire@hawaii.edu">cheshire@hawaii.edu</a>                           | (808)<br>9562497 |
| Japanese International Cooperation Agency (JICA)   | Kimio Miura,<br>Senior Policy Advisor                 | <a href="mailto:miura.kimio@jica.go.jp">miura.kimio@jica.go.jp</a>                     | 7231748          |
| Ministry of Agriculture Forestry and Fisheries   | Adelino Rego,<br>Director of Agribusiness             | <a href="mailto:AgribusinessTL@yahoo.com.au">AgribusinessTL@yahoo.com.au</a>           | 7272373          |
| Timor Global,<br>Rua Estrada Balide No. 9, Kolmera,<br>Dili<br>Tel: 7234005 / 7237549<br>Fax: +670 331 0462  | Bobby Lay Ni Sing,<br>Director                        | <a href="mailto:timorglobal_tl@yahoo.com.sg">timorglobal_tl@yahoo.com.sg</a>           | 723 4005         |
|  | Bill Tan Tjo Tek,<br>Director                         | <a href="mailto:timorglobal_tl@yahoo.com.sg">timorglobal_tl@yahoo.com.sg</a>           | 728 5828         |
|  | Chung Ki Kong,<br>Director                            | <a href="mailto:timorglobal_tl@yahoo.com.sg">timorglobal_tl@yahoo.com.sg</a>           | 723 7549         |



**Published By :**  
**The Ministry of Agriculture, Forestry and Fisheries**  
**Fomento Building, Dili Timor-Leste**  
**Phone : +670 3339033, Fax : +670 33 90 121**

**Disclaimer :** While every care is taken to ensure accuracy of the content of this Bulletin the Ministry cannot be responsible for errors or omissions or any losses whatsoever arising from them.