



# PRESIDENCY OF THE COUNCIL OF MINISTERS

EIGHT CONSTITUTIONAL GOVERNMENT



Office of the  
Spokesperson

October 9, 2020

## Press Release

### **Studies undertaken by development partners offer a positive assessment of the Government's response to COVID-19's impacts on household's income**

In recent months, several development partners have conducted studies and analysis reports on the Government's response to the negative effects of COVID-19 on household's incomes, and have given an overall positive assessment and concluded that the monetary support, provided by the Government, has helped families to meet their basic needs and reduce the households' difficulties associated with COVID-19 restrictions.

Overall, studies indicate that this direct support to families has achieved its main goals, as the majority of households that received this payment clearly needed this money, due to the hardship they had experienced during the first three-months of State of Emergency. Besides the direct impact of this measure, there was also a multiplier effect, supporting not only the direct beneficiaries but also a larger number of people and businesses.

The reports *"Timor-Leste COVID-19 – Household Cash Transfer: Initial Socio-Economic Impacts and Effects on Gender Dynamics"*, of September 2020, and *"Timor-Leste Covid-19 Survey"*, of July 2020, conducted by The Asia Foundation, indicate that the overwhelming majority of households spent all, or most of the money they received on food, and there was no evidence that the money was spent on luxury or temptation goods. In addition to food, some families report using financial support to pay for toiletries, health and education costs, fuel, clothes, transport and loan repayments. Despite payments were mostly made to male heads of households, decisions on how and where to spend the money were mostly made together and in the interest of the entire household (result also highlighted in the study conducted by MoF, *"Rapid Analysis Market impact of cash transfers"*).

The study *"Timor-Leste COVID-19 Survey"* also points out that most citizens claim to trust the Government to take care of them during the COVID-19 crisis and that more than half consider that the Government is adopting appropriate measures.





## PRESIDENCY OF THE COUNCIL OF MINISTERS

EIGHT CONSTITUTIONAL GOVERNMENT



Office of the  
Spokesperson

It is also concluded that this support has significantly helped micro and small businesses to recover, as OXFAM's report, *"The Informal Sector in Timor-Leste during COVID-19"*, indicated that 78% of respondents felt a noticeable increase in sales and a 40% increase in income. Data collected by OXFAM indicates that the measure has supported rural businesses to reopen and restore trade in agricultural products, with large numbers of farmers stating that the money received would be used to sow their future next crop.

The *"Rapid Market Resilience Assessment 2020: Final Report - Round 1 and 2 - Timor-Leste"* report states that in July, 95% of the businesses surveyed were open and operating at their standard capacity.

The studies recorded limited evidence that the programme may have caused inflation within the national economy, with non-cereal food prices remaining stable and with sporadic increases in the price of rice, attributed more to a reduction in supply rather than to an increase in demand, according to the monitoring of the World Food Programme and data from the *"Rapid Market Resilience Assessment 2020: Final Report - Round 1 and 2 - Timor-Leste"*.

The Minister of the Presidency of the Council of Ministers, and Government Spokesman, Fidelis Manuel Leite Magalhães, stated that "these results are the recognition of the Government's effort, through the implementation of this and other measures, to minimize the negative impacts of COVID-19 on our people," and reiterated "the Government's commitment to continue to develop and implement measures to mitigate the COVID-19's negative economic and social impacts, as well as to implement measures that support development and increase national resilience to crises such as the COVID-19 pandemic". **END**

