



A Newsletter on Timor-Leste's 4th National Human Development Report (NHDR) Project

Third Edition



Empowered lives.
Resilient nations.

Social business/entrepreneurship as a pathway for improving youth well-being and sustainable development

Timor-Leste's 4th National Human Development Report (NHDR), planned to be launched in late 2017, is about young people's aspirations, their opportunities and challenges to develop themselves and their nation. This report is an outcome of an extensive research led by a group of researchers from Flinders University, Australia in collaboration with UNDP and Government of Timor-Leste. The report aims to promote public debate and policy making around the realization of young age structures, investing in youth and their well-being to benefit from a potential demographic dividend.

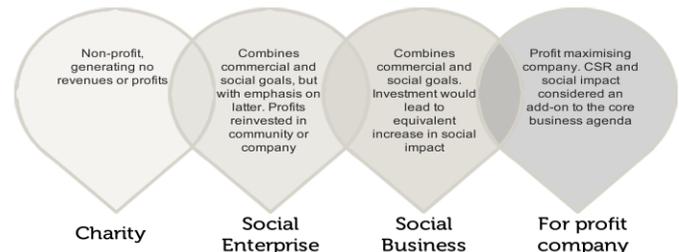
As a part of the preparation process, the NHDR project has been engaging with a large group of youth from all municipalities through surveys, focus group discussions and in-depth interviews. In this newsletter, we are featuring some interviews conducted with the young social entrepreneurs in Timor-Leste who are committed to make a difference in their communities through their business ideas.

Social business/entrepreneurship is one of the pillars that Timor-Leste's 4th National Human Development Report (NHDR) is promoting as a pathway to improve young

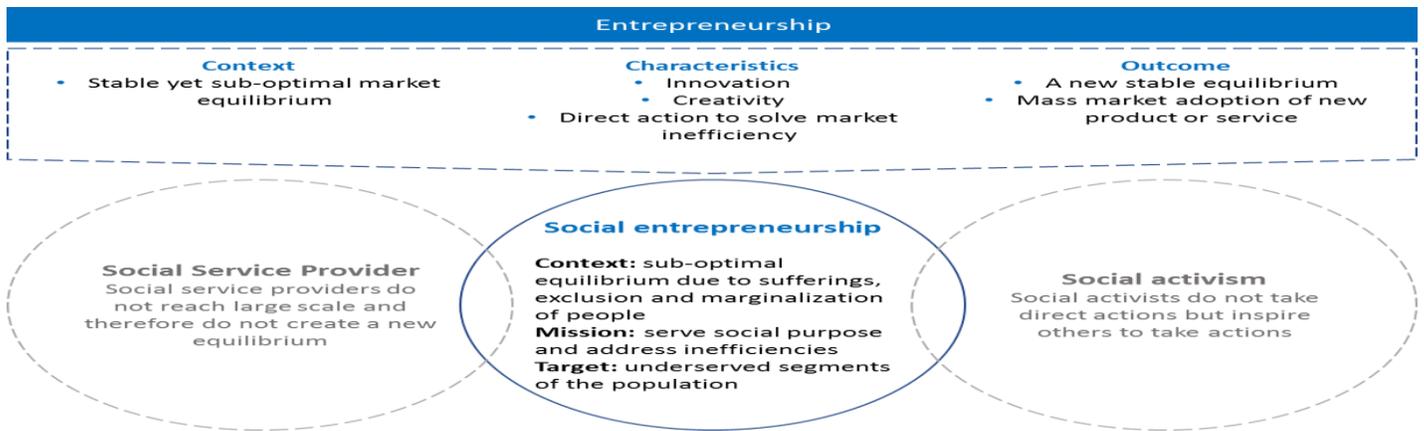
people's and their communities' well-being and achieving sustainable development goals (SDGs).

Timor-Leste has a rapidly growing population and many young people entering the labor market. While approximately 20,000 young people join the labor force every year, the available job opportunities in the formal economy do not exceed 2000. There is an ultimate need to transform the youth from being job seekers to job creators.

Social business/entrepreneurship means doing business with a social cause. It is about adopting a mission to go beyond profit and create and sustain social value; recognizing and pursuing new opportunities to serve that mission, being continuously innovative and eager to learn; not being limited or constrained by resources and being accountable to the communities that are served through the mission.



Social entrepreneurs are often individuals with innovative solutions to society's most pressing social problems. They are ambitious and persistent, tackling major social issues and offering new ideas for wide-scale change.



The recently launched One-Stop-Shop for Youth initiative ‘**Knua Juventude Fila-Liman**’, a collaborative project between UNDP and several partners, is exactly responding to the challenge at hand. The initiative endorsed and promoted by the former Prime Minister of the

6th Constitutional Government is an excellent step towards strengthened efforts to promote young Timorese to engage in social entrepreneurship and become the drivers of job creation for the benefit of their communities.

Knua Juventude Fila-Liman



The one stop shop youth center **Knua Juventude Fila-Liman** is the product of a collaborative effort between UNDP, SEFOPE, IADE, SERVE, TELEMOR and BNCTL. The center located at Pateo, Dili was officially launched on the 16th of August 2017 by former Prime Minister of Timor-Leste, Dr. Rui Mari Ajauro.

Knua Juventude Fila-Liman focuses on two pillars i- Youth Opportunities ii- Youth Voices and provides a holistic set of services aimed at encouraging social entrepreneurship among youth, increased employability and youth engagement in decision making. The activities run by UNDP and several contributing partners such as Engineers without Borders, Catalpa International, SSYS and USAID include social business camps, business incubation, skills development trainings, job fairs, counselling and referral and peer support. Such activities focus on providing support all along the value chain for entrepreneurship from ideas to financing, including legal and technical assistance. The center also provides trainings, seminars, and virtual dialogue to develop research and leadership skills and to promote youth engagement in decision making.

Below is the story of three young aspiring Timorese, who are regular clients of Knua Juventude to translate their business ideas into reality or expand the boundaries of their social enterprise to have a larger impact.



Photo: Youth attending the opening ceremony of Knua Juventude Fila-Liman.
 Credit: Roderick Buiskool

For more information visit:
www.facebook.com/KnuaJuventude

Getting to know about some of Timor-Leste's young social entrepreneurs



Name: Silvia

Age: 26

From: Dili

Education: Completed high school in Timor-Leste

Describes Herself: Independent, hardworking, smart, trustworthy and creative

Company: SDAL Unip, Lda

When I say the word social business/entrepreneurship, what comes to your mind?

To me social entrepreneurship is two words: business and community. I believe social business is going beyond profit to create positive social and environmental impact. Instead of doing business just for profit, we do business to help our people, environment and the community.

Do you think you are a social entrepreneur?

I am a hundred percent social entrepreneur. I work for the benefit of people. I am from Dili and I could comfortably stay in the capital but I work for the community in Ermera. I travel long hours, stay in villages away from my family, ride my motorbike to get to rural areas and I do it to improve the lives of those in need through my business.

Can you tell us about your social business/enterprise journey?

I worked and volunteered in various organizations since I finished high school. I first volunteered at Bairo Pite Clinic helping malnourished children. Then I worked at the Becora Youth Centre in Dili as a facilitator.

About two years ago, I joined World Fish, an international NGO specialising in aquaculture and farming. I worked in two villages in Ermera with farmer groups including about 60 farmers. Working closely

with them for a year I built a great relationship and trust with local farmers. During this experience, I could identify that the farmers were experiencing three major problems. First, they were relying on vegetable seeds imported from Indonesia and sold in Dili at quite high prices. Second, most of the fish feed were imported and not locally produced. Third, organic fertilizers were rare. Farmers themselves were complaining about these three issues.

In January 2016, I started my business with ideas to address these problems. The farmers I worked with were trusting me and encouraging me to go into this business saying they would buy seeds and fish feed from me. How to build relationship and trust with farmers is very important and sometimes challenging. I started checking prices in the markets, learning about the export companies and the qualities of seeds and fish feed.

Eventually, I started importing good quality vegetable seeds from Kupang Indonesia and bringing it to the farmers in Ermera for cheaper price. I saved them money and time. They are happy with the quality of the product. For fish feed, I started working with a fish feed producer company in Surabaya. I do all my researches online to find these wholesale companies, use my connections and travel myself to do deals.

My idea is to produce organic fish feed locally in Timor-Leste but for the time being I am importing two types

of pallets. It is quite expensive for the farmers. I am now trying to develop an organic waste business which attracts certain type of mosquitos. These mosquitos' larva contains high percentage of protein and can be a great source of fish and chicken feed.

Did your family and friends support you in this journey?

In my family, I am number 5 of the 10 siblings. My mum has been an amazing supporter of my business ideas. She is a very strong lady. Some of my sisters were really encouraging but others were quite negative at the start. They always thought I would fail. My mum on the other hand would challenge me and give me hard time but she would do that for me to succeed. She always calls me when I am in the field and asks how I am doing with the farmers and the distributors.

My dad is a serious man. Growing up, he always encouraged us to be independent and provide for ourselves. This is what I always strived for.

I hid my business from friends for a while. I wanted to succeed first and then share my happiness with them. Once I was on social media talking to Prime Minister as a young Social Entrepreneur, my friends started to recognize what I was doing. They were surprised and the reaction was mostly positive.

I did have a boyfriend when I stated my business. He was seeking a lot of attention and he was almost hindering my work. He was not very supportive hence I decided to separate. My business is my priority at the moment. I guess we can say my business is my new boyfriend.

What have been the challenges for you this far?

I think one of the main challenges has been other people's negative attitudes. People thinking that I would fail. This has been hard to manage and deal all the time.

Second is time. I am a young woman and I sometimes want to use my time and money for leisure activities but most of the time I work for my business. I also re-invest the money I earn back into the business to make a better impact on communities. Therefore, I have very limited time and money for leisure.

Third challenge has been assessing and managing risk in business decisions. How to run a business without losses and how to decide pricing. UNDP's support was key to learn skills such as risk management and pricing. My engagement with 'Knuu Juventude Fila-Liman' is also helping me to build on my business skills and expand my network of potential partners and explore different ideas to grow as a social business.

What are your future plans?

I want to prove my country that a young woman can have a successful social business. I only finished high school but I am employing a university graduate. This means education only cannot be an indicator of how well you will do in your business or social cause. I want to work hard but smile at the end as a young women entrepreneur.

My next plan is to work with USAID's AVANSA project to develop an organic compost business to produce local fish and chicken feed from larva of Glexo flies.

I would like to work with other young people to develop business ideas for our community. I am open to talk to anyone who would like to work with me. We are now a team of 5 people. Three of them are student volunteers.

Name: Antonio

Age: 28

From: Lospalos

Education: Bachelor's Degree in Education & English literature from Surabaya, Indonesia

Describes Himself: responsible and committed

Company: Hope Seller Bottle Recycling Company



How did you decide to start your own social business/enterprise?

When I finished university, my parents sent me to Australia. They were very happy and proud. When I returned to Timor-Leste, they expected that I come back to a reputable office job, wear nice clothes, sit in an office with air conditioning. I first got a translation job at the Council of Ministers but I didn't find it challenging or rewarding. Then I started to teach at a school in Liquica. Although I found teaching valuable I felt like I was repeating myself and was not fulfilling my potential.

My Korean professor at the university always told us that challenge is an opportunity. He made us watch videos of Muhammed Yunus and other inspirational achievers who come from poorer backgrounds than us. I always thought I could do better. During the 5th Constitutional Government, the leaders were talking about the rubbish problem in Dili. UNDP opened a competitive process "Call for project proposals under its Social Business Program". My professor asked three of us whether we want to develop a proposal and go for this UNDP fund. We did and wrote a business plan to address the rubbish problem in Timor-Leste. We were successful in securing \$200,000 from UNDP. This is how I started the Hope Seller Company.

Can you tell us about your social business journey?

At first, we thought the grant we received is a huge amount. However, once we started running the company, we realized how quickly the expenses grew. To start with we were three people. We had a lot of volunteers helping us too. We would wake up at 5 am,

collect bottles all day until 5 pm. Then from 5 to 10 pm we would cut these bottles manually with scissors. We loved that time and had so much fun, real fun. We were the real heroes. The discipline and hard work changed the way we think about things. The initial target for the company was collecting 1000 plastic bottles per 3 months. Now we are collecting 3 million bottles per 3 months. Currently we have 20 tons of crushed re-cycled bottle materials and 30 tons of un-crushed bottles.

What have been the challenges for you this far?

At the initial stages of the company, we didn't know the market price so we paid 1\$ per 100 plastic bottles. We soon learnt that it is too high. Currently we pay \$1 per 1 jumbo bag (which takes 1000 plastic bottles). We look into the options of exporting recycled materials overseas but it is challenging. We consider China as an option. One company from Kupang (Indonesia) was interested but the company doesn't have the paper work to legally import goods from Timor. We would need the Timorese Government to facilitate this process. It is expensive to process and re-produce from re-cycled materials here in Timor. We also lack the know-how and skills.

Did your family and friends support you in this journey?

They were not very supportive. My girlfriend was not happy either. She said I am like a rubbish man, I could do better jobs and I should quit. With this type of pressure, you eventually doubt yourself and be afraid. Then I thought if she doesn't understand what I am doing for the environment and for the good of

everyone then she is not the right girl for me. I wasn't afraid of losing her anymore.

What have you learnt through your experience?

Nobody wants to risk themselves, or sacrifice themselves. We need to understand that money don't come easy. We need to work towards what we care for and believe in. I am passionate about what I do and I have a real sense of responsibility and commitment. We now live in the 21st century. We don't live locally any more. We need to be prepared and accept the challenge that we need to compete with others. Discipline and responsibility changes the

way of our thinking. We need to be more disciplined as individuals and as a nation.

What is your dream?

My personal dream is to become a role model and prove our national leaders that we need a new type of hero. I think everyone has the potential to be a hero. Not just change your own life but the life of others around you.

I want to create jobs and teach people to work with discipline and value their own work. I want to help young people to gain values such as honesty and trustworthiness.



Name: Alex

Age: 25

From: Lospalos

Education: Bachelor's Degree in Environmental Engineering from Surabaya, Indonesia

Describes Himself: Analytical, good with numbers, curious and always eager to learn new things

Company: Have not decided the name yet

When I say the word social entrepreneurship, what comes to your mind? Do you think you are a social entrepreneur?

Social Entrepreneurship to me is helping people through the job yourself has created. I like to help people but I don't want to depend on other organizations to do it. I develop my skills and I plan. I am at the beginning of the journey of a social entrepreneur.

Can you tell us about your business plans?

Timor-Leste is currently going through major infrastructure development. These developments are sometimes done at the expense of their environmental impact. In countries like Australia or Indonesia, most infrastructure development projects need to have an environmental impact assessment. This is in fact one of the first things to be conducted. I think there is a clear gap in the market for these types of services. This is very important for the sustainability of our environment. When I returned from Indonesia after my graduation, I started working for a private

business but I want to do my own work in the area that I feel the country needs. I recently registered my environmental assessment consultancy firm at SERVE. This is my first time taking a business initiative. I am not scared of failing. I have my family's moral support. I am hoping to receive guidance and mentorship from Knuu Juventude Centre in developing my business further.

What have been the challenges for you this far?

I am at the beginning phase of my social enterprise. However, I believe that everything happens as a part of our learning and we must go with the flow of life. For that challenges do not appear to me as obstacles. They are a part of our learning in life.

What are your future plans?

I want to employ others. I have a lot of friends looking for work opportunities. They wait for the government or other institutions to create jobs for them. We need to create our own work and this is what I plan to do.

Contact details:



Dr. Merve Hosgelen
NHDR Project Manager, UNDP
Email: merve.hosgelen@undp.org
Mobile: +670 7349 6408