



alola

ANNUAL REPORT 2008

FUNDASAUN ALOLA

Street Address

Rusa Bispo de Medeiros, Mascarenhas
Mercado Lama, Dili, Timor-Leste

Mailing Address

PO BOX 3
Dili, Timor-Leste via Darwin, Australia

t +670 332 3855 | info@alolafoundation.org

www.alolafoundation.org

EMPOWERING WOMEN IN TIMOR-LESTE

Fundasaun Alola is a not for profit non government organization operating in Timor Leste to improve the lives of women and children. Founded in 2001 by the then First Lady, Ms Kirsty Sword Gusmao, the organisation seeks to nurture women leaders and advocate for the rights of women.

Fundasaun Alola was originally created to raise awareness of the widespread sexual violence against women and girls in Timor-Leste during the militia attacks of September 1999. Though this is still a key issue for Fundasaun Alola, today we also provide a wide range of vitally important support programs for the women and children of Timor-Leste.

Working with community groups and individuals, our programs aim to improve maternal and child health, create employment, promote human rights, strengthen community development, and improve the status of women. Now employing over 100 staff, Alola is committed to developing strong women who will be the leaders of the future in Timor-Leste. All Alola programs work with the Government of Timor-Leste to achieve the National Development Goals.

| MATERNAL AND CHILD HEALTH | EDUCATION | ECONOMIC DEVELOPMENT | ADVOCACY | MANAGEMENT |
|---|---|---|--|---|
| REDUCING INFANT AND MATERNAL MORTALITY | EXPANDING OPPORTUNITIES | DEVELOPING ECONOMIC INDEPENDENCE | WOMEN LEADERS | EFFECTIVE ADMINISTRATION |
| Promote exclusive breastfeeding for the first six months and introduce timely and appropriate complementary feeding | Increase status and opportunities for girls and young women | Contribute to sustainable livelihoods for women | Campaign for women’s rights | Create a caring work environment |
| Create a supportive environment for improving women’s & children’s health | Provide opportunities for female educational leadership | Develop handcraft industry based on fair trade principles | Provide community resource centers | Ensure transparent financial management |
| Strengthen community action for women’s health | Provide models of ‘best practice’ for teachers in schools. | Maintain cultural traditions in women’s handcrafts | Provide development opportunities for women | Establish Alola facilities management process |
| Contribute to health service competencies in infant and young child feeding | Increase resource development and teacher training | Strengthen support services for women in enterprise | Create a woman and family friendly space | Responsive programs |
| | Support other Alola programs in districts | Increase the status and opportunities for women in enterprise | Provide humanitarian assistance in association with networks | Manage policy development and review |



FETO FORTE NASAUN FORTE STRONG WOMEN STRONG NATION

THANK YOU

ON BEHALF OF THE WOMEN OF TIMOR-LESTE WE WOULD LIKE TO THANK
ALL OUR PARTNERS AND DONORS FOR THEIR KIND SUPPORT AND GENEROSITY.

| | |
|---|--|
| Fundacao Calouste Gulbenkian, Portugal | IOM |
| Geelong-East Timor Friendship Committee | Alola Australia |
| Eni Timor-Leste | Adelman Foundation |
| Care International | Glen Waverly Uniting Church |
| UNFPA | Inet Scholarship |
| UNIFEM | Victorian Qualification Authority |
| UNICEF | Lydiard Uniting Church |
| National Directorate of Tourism, Timor-Leste | Interpid Travel |
| Rotary Club of Dili | NorAD/FOKUS through NET Norway |
| StratREAL | Friends of Laleia |
| Friends of Vemase | Liv Nordhaug & Bjorn |
| Friends of Liquica | PRATT Foundation |
| Group Menzies Creek | MILK Fund |
| Andrew McNaughton Foundation | Plan International, East Timor |
| Melbourne University | Harold Mitchell Foundation |
| Transformation Alliance | Rotary Australia World Community Service |
| APHEDA | iNet East Timor |
| Friends of Lospalos | Soroptimist International, Joondalup |
| Blair Foster Memorial Trust | Chillingham Group for East Timor |
| Shire of Compespe | North Central Sub Branch of Australian |
| NOCETI | College of Midwives Inc. |
| Rotary Club of Sorento | Australian Breastfeeding Association (ABA) |
| The Keylor Rotary Club, Victoria | St. Joseph's Parish, Chelsea, Victoria |
| Oxfam Australia | Women's International Forum, New York |
| Moreland Community Health Center | One World Group, Black Forest, Germany |
| Friends of Ermera | AETFSP |
| Inner Whel Black Town City | East Timorese Orphan |
| Ballarat Queens | Rotary Club of Nelson Bay |
| F.A.F. UK | Bega Valley |
| Australian Foundation for People of Asia and the Pacific | Dentists of the Mornington Penunsila |

CHAIRWOMAN’S STATEMENT

The Fundasaun Alola’s first year of operation as a fully Timorese NGO has been marked by growth and consolidation, a fact made possible by the peace and stability Timor-Leste continues to enjoy. The Board of Directors of Fundasaun Alola has worked closely with CEO, Anne Finch, and other staff to define overall and specific strategic objectives for the organization and individual programs for the coming year. Alola Australia, the backbone of our work within the Australian community and a vital source of funding and other practical support for our activities, also conducted a planning day in October. On this occasion its mission of assisting Fundasaun Alola to enable women and families to build a stronger future was reaffirmed, and the ambitious goal of raising \$AUD 100,000 for Alola this year was set.

As part of implementation of this strategic plan, Fundasaun Alola has strengthened existing partnerships with other organizations, including the Government of Timor-Leste and is forging new collaborations, perhaps most actively with the Ministry of Education as our Alola Education team continues to develop a series of beautiful and practical readers and early literacy materials for use by teachers in schools. Teacher training and resource development, including supporting the publication of more children’s literature in our official language, Tetum, will continue as the focus of our education-related activities in 2009.

I take the opportunity to warmly thank all those many individuals and organizations within Timor-Leste and beyond who have continued to extend the hand of friendship to us and to our new nation throughout the past year. I am also deeply grateful to the staff of Fundasaun Alola for their dedication and hard work in pursuit of our common goal of promoting and building Strong Women in a Strong Nation.

Kirsty Sword

Kirsty Sword Gusmão



CEO REPORT

The strategic planning session of the Board and Management of Fundasaun Alola held at a one day retreat together in Dare in September 2008 identified 26 strengths of the organization: Strong management, Good financial management, Strong capacity and confidence of the management team, established Board, Professional; Supportive of staff, Capacity building of staff, Strong commitment by staff to Alola, Friendly space including for families, Strong reputation, Strong community profile in TL, Great programs, Good recognition in the districts, good district presence; Recognition by govt, NGOs, community; Strong government partnerships; Strong networks – government, NGO and internationally; Good international support and reputation; Responsive to national development priorities; Responsive to community needs; Dynamic organisation responding to opportunities; Active members of national women’s network; Great database; Nice building and facilities; high profile of the Chairperson.

Of these great strengths, the most valuable, and the one to be most prized is the solid presence of the Fundasaun Alola in civil society in Timor. The vision and purpose of the organization is known, to the public at large, to Alola’s partners, to its supporters and, most importantly to the Alola Board and staff. The energy, skill, commitment and solidarity of these staff in the pursuit of this vision is the very heart of the organization: and 2008 has seen those qualities in action as Alola has developed its programs, and increased its reach, and the depth of those programs, across the country,.

Alola is a woman owned organization. For a large number of women in Timor, the organization is ‘theirs’, their community centre, their support base, their resource. It was founded as a response to a violation of rights, and every aspect of its work is a continuation of that initial impetus to fight for, promote, and develop programs in support of the rights of women and children.

In the districts, the Alola presence is welcomed, and our district support workers and mother support groups are a key resource in many communities. One of the earliest initiatives of Alola, and one of its most enduring, the Mother Support Groups, has been generously funded over the last years by the Fundacao Gulbenkian of Portugal, and it’s success has been reliant on their continued faith in, and engagement with, this program.

In the early months of 2008 the work of the mother support groups was evaluated for the first time. This evaluation highlighted the strengths of these groups, and the loyalty of the members, and the valuable work they had been doing. Following the evaluation, the maternal and child health team worked to incorporate new training mechanisms, using more of a community development methodology, and to increase the contact between our team in Dili and Baucau and the groups throughout the country. In this work, and in the hospitals and in the work we do to improve Timor’s maternal mortality figures, 2008 was a year of developing and strengthening the program, and of increasing our ties back to the Ministry of Health.

Alola is dependent for the continuation of this work on our generous donors to the health program. The support that was forthcoming in 2008 enabled us to increase the reach of the program, and the quality of the work we do. In 2008, a model of partnership with a particular donor supporting Alola MSG’s in different districts was piloted with the commencement of an agreement with Moreland Community Health Centre in Victoria to form MSGs in Aileu and provide intensive support and interaction. This model was then replicated in Ainaro with the support of ENI Petroleum, and then finally in Oecusse as a joint venture with Oxfam TL. This last in particular provides additional ingredients for the future – combining as it does Alola’s grassroots long term engagement with the methods and technical expertise provided by Oxfam’s staff.

STAFF LIST

THANK YOU TO OUR STAFF FOR THEIR HARD WORK AND ENTHUSIASM:

ADVOCACY

Teresa Verdial Araujo Cecilia Fonseca Paulina Assis Belo Joanico Oliveira Celeste Gonsalves Francisca Fraga Ingracia da C. Belo Joana da Silva Rubiana Lay Gonsalves Graciana Da Silva Luciana Guterres Helia de Deus Torrezão Sancha Miis Salsinha Maria Adelaide Neves Eldina Inacia Tilman Pereira Josefina Quintão Pereira Joanina da Costa Maria do Rosario da Silva Monteiro Maria de Jesus Pereira Meredith Budge Inacia Tamele Apolonia da Costa Jacinta da Cruz Maria Fatima Rosario de Araujo Francisco Belo Joantina Salchina Filomena dos Reis

EDUCATION

Rossane Simpink Ema de Sousa Gusmao Maria Imaculada Conceicao Paulo Soares Jaqueline m.de.Fatima Ximenes Luis M.Carodos Jose Noronha dos Neves Hermenegildo Amaral Dulce pereira Lopes Ana Mafalda S.da Costa Maria Goreti Ut Lindalva Belo Anibal Barris Antonio da Costa Nuni Maria Nobre Agostinha Amaral

ECONOMIC DEVELOPMENT

Bernadete da Fonseca Rui Carvalho Angelo Pereira Monrique dos Reis Isabel Adalziza Fatima R.Ferreira Deevah Melendez

MATERNAL CHILD HEALTH

Tanya Wells Brown Veronica Correia Beatriz Ximenes Siqueir Maria Imaculada Guterres Liliana Maria Lopes de Jesus Pires Moizes da Silva Albertina de Rosa Angelina Fernandez Justina Pereira de Jesus Karen Hobday Aquelina Imaculada Pereira Zulmira Fonseca Amaral Avelina isabelita da Costa Fatima da Costa Lazaro Lilan Sila Zelia Maria da Costa Francisca Ribeiro Fraga Maria Imaculada Guterres Johana da costa Gusmao Justino Sarmento Amaral Marquito Soares Mafalda da Cruz Cabral

SUPPORT STAFF

Marina Braz da Costa Monica Guterres Julio Hornay Joana da Costa Belo Adalziza Dias Ximenes Gabriela De sa Benevides Elisita Roserio Joao Bosco Abrao Lourenco Fraga Paulo do Rosario P. Gama Joao Marcal Ornai Luis Da Costa Soares Antonio Maria Luis Pereira Canisio Barreto E. Santo Pascoal da Ressureição Martins Silva Joao Marcal Ornai Domingos da Silva Rosa Boavida Soares Sarmento Marta da Costa Filomena Da C. Pacheco Hermenegildo Amaral Terezinha Siquera da Costa Rosita dos Santos

AND

ALOLA ESPERANSA STAFF

Helen Esmeralda Catarina Gomes Ilda Maria da Cruz Ofelia Neves Napoliao Rui M.M Carvalho Alarico Caldeira Maria Lordes Gomes Pereira Helena Pereira Natalina Ximenes Helena Soares Vieira Jonata de Jesus Lopes Jacinta Magno Maria Luiza Sebastiana Baptista Aleixo de Araujo Filomena da Silva Ligia Fernanda Florindo Anabella Alves da Costa Madalena M. Da Silva Rita dos Santos Maria Lurdes Crsitina do Rosario Maria de Fatima Ramos Cristina Do R. carvalho Mateus Mau Afonso Henrique



Likewise, 2008 was a year of change for the Alola education program. The work we had been doing in schools had been full of promise, and with the technical support provided by Rosanne Simpkin throughout 2008, we were able to increase the value and substance of our school visits, our training and support work with teachers, and our scholarships. The funding for this program is not secure, and we hope that in the course of 2009, we are able to ensure that we have a sustainable source of funds and a mature program.

The educational area in which the Alola team concentrates is literacy. In 2008, we were grateful for support, encouragement and professional development from several organizations and from individuals world-wide and in Australia who provided opportunities and resources for us to develop this niche program. Particularly, we had generous support from Conoco Phillips Timor Leste, StratReal in the U.K, and from the Rotary Club of Nelson Bay to enable us to continue the program. In 2009, in collaboration with the Ministry of Education, and within its priorities and processes, Alola will continue to provide support and mentoring in schools in Timor, with particular emphasis on enhancing the skills of teachers in provision of core components of the curriculum.

It was in 2008 that Alola achieved its long term goal to become a local organization. This step gives it a Board that is able to take its rightful role in leading the direction of the organization, and offers the exciting opportunity for engagement with women in the forefront of the women's movement in this country, as well as women with skills and experience to offer in directing the vision of Alola Fundasaun into the future.

Alola's role as an advocate for the rights of women sees us take our place in the implementation of the CEDAW in this country. Our engagement in this area has contributed to the strong country report: our Advocacy team, led by the highly respected women's rights advocate, Ms Teresa Verdial, is a powerful partner in the women's movement in the country. Their leadership is the reason for the great success of the District Support Worker program. This program – funded through 2007 through to the end of 2009 by NorAD through NET (the support network for Timor Leste in Norway) has been an unqualified success throughout 2008, with the workers in each district engaging women's groups, listening to their priorities and initiating activities that enable them to develop new opportunities for themselves. The end of the funding for this program in 2009 is a risk for Alola, as the workers have become key figures in each district, with multiple engagements with women's groups and have become pivotal to the implementation of many programs by Alola and its partners.

Leading such a vibrant, valuable and strong organization during a time of such change has been immensely rewarding. I would like to thank and congratulate the Board, the management team, and the staff and friends for their commitment and passion over the last year. It is a pleasure to work towards our goal of Feto Forte, Nasaun Forte and I look forward to working with you all in 2009.

Anne Finch

MATERNAL AND CHILD HEALTH

The Maternal and Child Health (MCH) Department of the Alola Foundation was established in 2003 to respond to the health needs of women and children in Timor-Leste. Originally tasked with promoting exclusive breastfeeding and good breastfeeding practices under the directive of the National Breastfeeding Association and The Ministry of Health, the MCH department's activities have expanded immensely since then. The maternal and child mortality rates of Timor-Leste are one of the highest in the region of South-East Asia. The department continues to successfully implement programs that help to improve child health and safe motherhood.

MOTHER SUPPORT GROUP

The Mother Support Group program recruits and trains local women to become volunteer infant and young child feeding (IYCF) counselors in their local communities. The MSG members provide breastfeeding support and infant and young child feeding education by visiting door to door in their local areas and through biweekly visits to local health clinics. They also support the monthly health promotion activities under the Ministry of Health. The MSG members (346) are now trained in complementary feeding and in 2008 they received training in family planning and reproductive health and 46 members has received Basic safe motherhood training. The aim is to function alongside the Ministry of Health model Servisu Integradu Saude Comunitaria (SISCA) and Promotor Saude Familia (PSF). Alola's Mother Support Group staff work together with the Ministry of Health by weighing babies, registering patients, and giving general counseling to the mothers attending SISCA. Up to 20 people receive information on infant and young child nutrition each month in each district. Currently, the MCH department has Mother Support Group workers in nine districts. There are now 32 groups in nine of 13 districts (18 groups in 2007).

The uniqueness and the strengths of the MCH department are based on the fact that the team is comprised of mostly national staff with one international adviser. This enables the national staff to identify and implement MCH programs in culturally appropriate and effective ways for Timor-Leste.

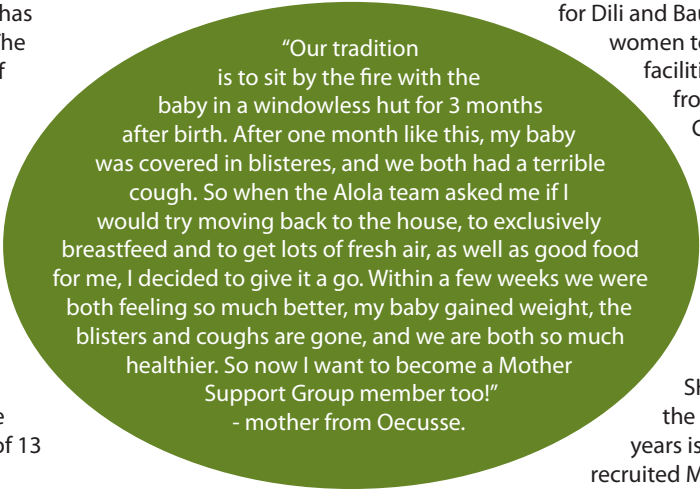
In 2008, we realized that a number of MSG workers were spread over large areas and were required to walk long distances to provide service. In some districts groups were gradually split into two or more to reduce the burden and increase the coverage. Also it was noted that the workers were most effective when based near a Community Health Center (CHC). Alola plans to establish a number of new groups in 2009, but each will be linked to a CHC and supported by a Community Support Team (similar to the SHIO model).

SUKU HADOMI INAN HO OAN (SHIO)

In 2007/2008, the MCH piloted a community based safe motherhood initiative called Suku Hadomi Inan ho Oan (SHIO), which literally translates as 'the village loves its mothers and children.' SHIO encourages community leaders to take responsibility for registering pregnant women, developing safe delivery plans, and addressing access issues for antenatal, delivery and post natal care. SHIO members also involve and support SISCa activities run by MoH in their sucos on monthly basis.

PAKOTE MATERNIDADE

In 2006 Alola began to distribute maternity packs for Dili and Baucau Hospitals to encourage women to give birth in health care facilities. Alola recruited women from Alola's Taibessi Sewing Center to prepare the packs. Maternity packs have been distributed monthly as requested by the hospitals. Currently maternity packs are provided to Bairopite Clinic in Dili, and some have been distributed to SHIO in Liquica. Since 2006 the total distribution for two years is 11,288 packs. Alola also recruited MSG members to provide counseling in both Dili and Baucau Hospitals to ensure that the women who received the packs were also given adequate health information.



ALOLA FOUNDATION BOARD OF DIRECTORS AND OFFICE HOLDERS

BOARD OF DIRECTORS

MS KIRSTY SWORD GUSMAO (CHAIR) Former First Lady of Timor Leste; Founder and Chair of Alola Foundation, Founder and President of Dili Institute of Technology, Founder of Xanana Reading Room, President of the Advisory Committee of the National Director of Linguistics, Member of the Board of Directors of Rede Feto, Moris Rasik, Andrew McNaughton Trust, Patron of the Blair Forster Memorial Trust

MS CHRISTINE CARBERRY (TREASURER) Financial & Systems Manager, Australian Foundation for the Peoples of Asia

MS ISABEL GUTERRES Chief Executive Officer, Cruz Vermelha Timor Leste (Red Cross, Timor-Leste)

MS MARINA BRAZ DA COSTA Office Manager, Alola Foundation

MR STANLEY POH LENG TONG Businessman, Chair of the MILK Group of companies, founder of the MILK Foundation

SRA ALLBINA FREITAS Director, Luzero NGO

MS LURDES BESSA Political Assistant at the US Embassy

SRA MARIA SARMENTO Member of CNE (National Commission of Election)

MS UBALDA ALVES Gender Officer at IRISH Aid

MS LAURA PINA Women's and Political Officer (Caucus NGO)

SUMMARIZED INDEPENDENT AUDITOR’S REPORT

TO THE MEMBERS OF FUNDASAUN ALOLA

We have audited the accompanying financial report of Fundasaun Alola, which comprises the balance sheet as at 31 December 2008 and the income statement, statement of recognised income and expenditure and cash flow statement for the year ended on that date, a summary of significant accounting policies and other explanatory notes and the directors’ declaration

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion

In conducting our audit, we have complied with the independence requirements. We confirm that the independence declaration provided to the directors of Fundasaun Alola , would be in the same terms if provided to the directors as at the date of this auditor’s report.

In our opinion, the financial report of Fundasaun Alola, including:

- a. giving a true and fair view of the company’s financial position as at 31 December 2008 and of their performance for the year ended on that date; and
- b. comply with East Timorese regulations.

O Houston

OWEN HOUSTON

HOUSTON AND CO. PTY LIMITED
SUITE 4
113 WILLOUGHBY ROAD
CROWS NEST NSW 2065
28TH DAY OF APRIL 2009

NEWBORN CARE PROGRAM

Since October 2008 the Alola Foundation provides support to Dili Hospital’s maternity ward by employing a midwife. The objective is to get immediate breastfeeding within an hour and support mothers in breastfeeding. In March the Alola employed 4 new MSG members to support the project and provide counseling to the mothers giving birth at the hospital. It has also been implemented in Baucau Hospital, where Alola hired 2 MSG members to provide counseling and assist midwives for skin to skin implementation.

RESEARCH PROJECTS

Alola has also partnered with a number of Australian universities to carry out research projects in health seeking behavior, reproductive health, family planning and safe motherhood. In 2008, the Mother Support Group (MSG) program was evaluated through a University of New South Wales research project. The recommendations of this evaluation informed activities throughout 2008. Per evaluation recommendations, the MCH team increased the level of ongoing support and training provided to Mother Support Groups. New training manuals have been developed for a more effective community education, and counseling books were incorporated to keep records of the number of counseling sessions and type of referrals provided. MSG members are now working very actively in their communities. They are increasing their impact on rates of immediate breastfeeding to ensure colostrums intake, and improve behavior changes towards traditional practices that undermine infant and young child health.

Throughout 2007 and 2008 the Gulbenkian Health Promotion Small Grants Program, administered by the Advocacy Department of Alola, contributed significantly to an increase in health promotion activities and events in the districts, particularly in remote areas.

WORLD BREASTFEEDING WEEK

From August 1st through 7th, 2008, the World Breastfeeding Week was celebrated in all 13 districts in Timor-Leste. The National Breastfeeding Association (NBFA), in collaboration with the Ministry of Health and other NGOs, such as Care International, Oxfam Australia, World Vision and others, as well as all members of the National Nutrition Working Group, conducted activities in each district.



During the World Breastfeeding Week, NBFA collaborated with Radio Timor-Leste and other stations across the country to broadcast messages about the importance of breastfeeding. Major daily newspapers published articles promoting good breastfeeding practices.

Simultaneously, a number of workshops and individual counseling sessions on the benefits of exclusive

breastfeeding were conducted at Community Health Centers. Each Mother Support Group was assisted by NBFA staff to organize their own activities, funded by small grants from UNICEF. Around 800 people participated in mini workshops, and 150 received counseling. In Baucau district MSGs led parades together with the local leaders and district health workers.

PHOTO: MCH STAFF, ANGELINA FERNANDEZ PROVIDES COUNSELING TO A MOTHER

ECONOMIC DEVELOPMENT

Since the establishment of the economic development program, its primary aim has been to contribute to sustainable livelihoods for women and to develop a handcraft industry based on fair trade principles. In 2008, this meant furthering relationships with weavers, carvers and basket makers throughout Timor, and establishing Alola Esperanza as a business where high quality Timorese products could be promoted and sold. Setting up and supporting the business took a lot of the time of the program throughout the year, but there were also separate events and initiatives to foster enterprise in women’s groups separate from Alola’s own sphere.

LIVELIHOODS PROGRAM

In particular, the year saw the continuation of a livelihoods program in Metinaro IDP camp. Throughout the year, the women’s group established with Alola support (together with our donor and partner, PLAN International) was trained in making cakes, weaving, sewing garments, sewing saleable items, care of sewing machines, simple book keeping, gender awareness, understanding of small business management, conflict management. The women in the group have been in the IDP camp for over 2 years, and it has been an enormous effort for them to remain optimistic about their futures, and to plan positively. The Alola project team worked throughout 2008 to bring ideas and activities to the women that may contain the seed of a future enterprise. Collaboration with other agencies and with other programs in Alola brought other programs to the community – for example, the education program’s school holiday program was a huge success, with over 300 children benefiting from the exposure to books and activities. There has also been support for the mothers through health promotion, specifically family planning and sexual reproductive health training. Housing the program in a camp environment has been hard, so Alola established a shelter area as a base for the group and for the activities.



CHRISTMAS FAIR

In an effort to provide exposure and an outlet for all the small producers of the country, Alola continued its traditional Xmas fair in 2008. Once again, training was provided the preceding day in customer service and simple book-keeping. Over \$10,000 was taken in the day by 43 retailer groups from all over the country. Products included – weaving, plants and flowers, sewn handcrafts, pottery, cooked food, books, dolls, fruit and vegetables, wooden carvings & picture frames, soaps and coconut oil, gift products made from re-cycled paper. The day gave an opportunity to showcase Fundasaun Alola programs, and for people to

access our public computer access.

The work and direction of the Economic Development Program of Fundasaun Alola was developed from its start in 2007 by Bernadete Da Fonseca, who as program manager led all the work that was needed to set up the Alola Esperanza business. By the time Dete left on maternity leave in September, the program was well developed, and it was well underway in pursuit of all its initial goals. In particular, she left a strong legacy of partnerships and networks for taking forward the program’s responsibility to work to “promote and maintain cultural traditions in women’s handcrafts”.

PHOTO: CHRISTMAS FAIR 2008 PARTICIPANTS

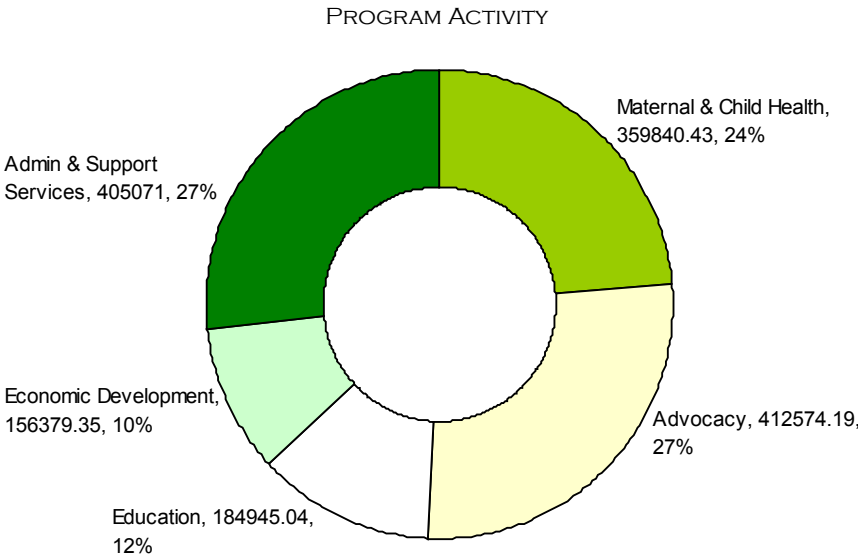
FINANCIAL S

BALANCE SHEET AS AT 31 DECEMBER 2008

| | 2008 | 2007 |
|-------------------------------|---------|------|
| | \$ | \$ |
| ASSETS | | |
| CURRENT ASSETS | | |
| Cash and cash equivalents | 212,367 | - |
| Trade and other receivables | 160,885 | - |
| TOTAL CURRENT ASSETS | 373,252 | - |
| NON-CURRENT ASSETS | | |
| Property, plant and equipment | 29,900 | - |
| TOTAL NON-CURRENT ASSETS | 29,900 | - |
| TOTAL ASSETS | 403,152 | - |
| CURRENT LIABILITIES | | |
| Trade and other payables | 370,526 | - |
| Short term provisions | 13,718 | - |
| TOTAL CURRENT LIABILITIES | 384,244 | - |
| TOTAL NON-CURRENT LIABILITIES | - | - |
| TOTAL LIABILITIES | 384,244 | - |
| NET ASSETS | 18,908 | |
| EQUITY | | |
| Accumulated surplus | 18,908 | - |
| TOTAL EQUITY | 18,908 | - |

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2008

| | Note | 2008 | 2007 |
|--|------|-------------|------|
| | | \$ | \$ |
| CASH FLOW FROM OPERATING ACTIVITIES | | | |
| Receipts from customers | | 902,902 | - |
| Payments to suppliers and employees | | (1,013,378) | - |
| Pre-incorporation funds from Alola Ltd | | 364,543 | - |
| Net cash generated from operating activities | 12b | 254,067 | - |
| CASH FLOW FROM INVESTING ACTIVITIES | | | |
| Payment for property, plant and equipment | | (41,700) | - |
| Net cash used in investing activities | | (41,700) | - |
| CASH FLOW FROM FINANCING ACTIVITIES | | | |
| Net increase in cash held | | 212,367 | - |
| Cash at the beginning of the financial year | | - | - |
| Cash at the end of the financial year | 12a | 212,367 | - |



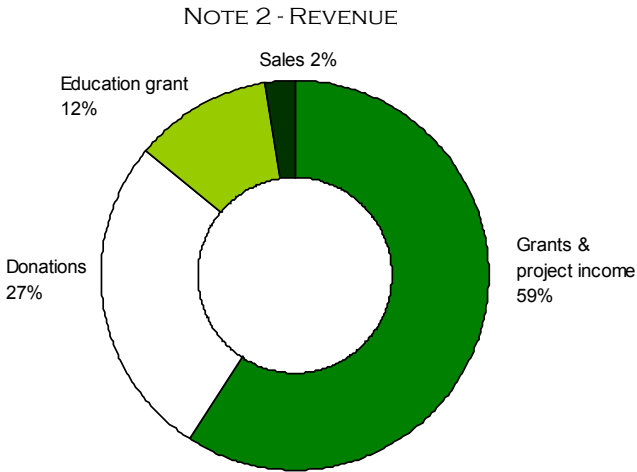
FINANCIAL STATEMENTS

INCOME STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2008

| | Note | 2008 | 2007 |
|------------------------------------|------|-------------|------|
| | | \$ | \$ |
| Revenue | 2 | 1,037,732 | - |
| Other revenue | 2 | 26,055 | - |
| Administration expenses | | (405,071) | - |
| Project costs | | (1,004,352) | - |
| Surplus/(deficit) after income tax | | (345,635) | - |

| Note 2 - Revenue | 2008 | 2007 |
|------------------|------|------|
| | \$ | \$ |

| | | |
|--|-----------|--|
| Revenue from Government and other grants | | |
| Grants and project income | 628,849 | |
| Donations | 286,474 | |
| Education grant | 122,409 | |
| Sales | 26,055 | |
| Total revenue | 1,063,787 | |



The Acting Program Manager – Cecilia Fonseca – concluded the year by conducting a Master Class with a visiting Norwegian weaver, who came to share experiences and techniques. This visit included a field trip to Quelicai and a national Workshop, where the older weavers came to Dili. This workshop, held over 3 days, included vision testing, and many of the weavers who are no longer able to do fine work were provided with glasses to enable them to continue; the workshop talked about the importance of handing down the techniques and meanings of the textiles to young girls to ensure that the art form was not lost, but a session was also run to discuss the important issue of child labor and child exploitation. Pressure to produce quick, cheap items for sale to the international market in Timor can lead to use of children as weavers: Alola took the opportunity to discuss fair trade principles and fair pricing. This workshop was funded by the National Directorate of Economic Development, with whom Alola has developed a strong partnership.

The program increased its awareness of the place of women's woven art in Timor in a regional context by participating in a workshop in Flores in October. Preservation of traditional textiles, continuity of art practice are issues facing all the weaving communities of south east Asia, and during the course of 2008, Alola developed strong relationships with other groups and support bodies. In particular, regional work in the loss of community memory about use of dye plants and diminishing availability of the plants traditionally used, can be the basis of the program's 2009 work with remaining traditional weaving groups in Timor.

Alola's collection of fine historic pieces of tais is managed by the Economic Development Program. This collection was put together by Dr Sara Niner in 2001-2, and Alola owes her a great debt for her care and energy in both sourcing the pieces initially and in storing, and displaying it in the years since then. In 2008, Sara mounted an exhibition of the pieces in Melbourne in September, and this

exhibition featured a presentation by Ofelia Napoleao from Alola, who spoke about her childhood in Ainaro, where her grandmother was a master weaver. This exhibition led to the development of further showcasing and conservation opportunities for Alola, both later in 2008 in the Husi Bei Ala Timor Sei Liman exhibition in Darwin and for 2009.

In 2009, the Economic Development program will see an expansion of both of its main objectives – a broadening of the types of



livelihoods initiatives we support, and continued engagement in protecting and championing women's traditional art.

PHOTO: DEEVAH MELENDEZ WITH THE WEAVERS FROM OECUSSE AT THE NATIONAL WORKSHOP IN 2008

ALOLA ESPERANZA - RETAIL AND PRODUCTION BUSINESS

During 2008 a wholly separate company - Alola Esperanza - has grown from the small handicrafts section of Alola's original programs. It has two sections, Retail and Production.

The retail section is ably managed by Helen Gomes, and operates two outlets in Dili – the Alola Shop at the Alola office building in Mercado Lama, and, since November 2008, an outlet at the Dili International Airport. The retail arm also organizes special orders, and export orders. The shop showcases traditional high quality textiles, and worked actively throughout 2008 to publicize and promote the arts of Timor Leste, particularly carving and weaving.

Originally the place where Alola manufactured maternity packs for the Maternal and Child Health program, our sewing centre at Taibessi has grown and changed throughout 2008 and has become a high profile production outlet, making high quality handicrafts products for sale in our shop, filling special orders for soft furnishings and woven items, producing 600 maternity packs a month, and giving employment to 25 women under the untiring and inspiring leadership of Ofelia Neves Napoleao. Ofelia joined Alola in March 2008 and her creativity and professionalism mean that Alola Esperanza may find a footing as a viable business and employer into the future.

TOP AND BOTTOM PHOTOS: TAIBESSI SEWING CENTER STAFF



WOMEN'S RESOURCE CENTER

The Women's Resource Center, established in 2003, continues to disseminate information on gender-based violence, provide computer literacy courses, and work with the District Support Workers to distribute materials in other districts.

The center had 60-80 users per week, and approximately 2500 users accessed the public computer and the library. 75 percent of all users are female university and school students, local women, women who had been internally displaced due to the conflict in 2006, female police officers and women from other districts.

The computer courses have been provided to members of the IDP women's committees and to young women who dropped out from schools. As part of its public education service, the center provided trainings on human trafficking, gender-based violence and sexual assault to approximately 200 women and 50 men. In addition, 6 sessions of Life Skills training were provided to 117 young women and 33 young men in order to strengthen their education participation and performance, improve knowledge of their bodies and their rights as they move into the adulthood, and encourage them to participate in the community.

The Women's Resource Centre collaborates with other NGOs to develop a National Database of NGOs and community-based organizations in order to create a central place for information about donor organizations and other resources. The centre also provides referral services and basic information to women seeking assistance.

HELP — HALT EXPLOITATION, LEARN TO PROSECUTE

The 'Halt Exploitation, Learn to Prosecute' Project (HELP), funded by the U.S. Department of State, combines IOM's worldwide trafficking expertise and experience in Timor-Leste with the extensive field experience and local knowledge of Alola Foundation in relation to gender and trafficking issues.

The craft cooperative in Maubara received financial support to rebuild their shops and improve their tourist facilities - as a direct result of advocacy and support from the Alola DSW program. The cooperative has also established a community garden with seeds and expertise provided by the Alola Foundation. The leader of the cooperative, Maria Cabral was selected as Alola's woman of the year and a short film was made to celebrate her achievements.

The joint project was developed with the technical assistant from IOM, and has 3 components - Raise Awareness, Capacity Building to Government and Civil Society, and Skill Transfer to Alola Staff.

To raise awareness about the problem of trafficking, campaign materials (posters, t-shirts, leaflets) were designed and distributed through the District Support Worker network, National Vulnerable Persons Unit, Department of Immigration and other NGOs. Meetings were held with journalists, students and in IDP camps about human trafficking. As part of the Capacity Building to Government component, training was provided to 32 district police officers, and a workshop was held for 52 government, law enforcement and civil society representatives. In addition, 3-day training was given to NGOs and embassies staff on the return and reintegration of the victims of trafficking. IOM and Alola established mechanisms to maximize the transfer of skills from IOM experts to Alola staff through a mentoring system and the DSW monthly trainings.

HABURAS LABARIK PROJECT

Haburas Labarik is a partnership activity with Care International to provide teachers, primary school students and women's groups with information on children's rights. In 2008, a community-based child rights promotion activity was delivered to 22 women's groups across Timor-Leste. Three community theater groups performed drama plays about children's rights in 36 capitals of districts and sub districts. It reached approximately 3000 people. The Haburas Labarik Project also ran a School Holiday Program during the school break where children engaged in educational activities using messages about children's rights. The program was conducted in 4 districts together with CARE and the Ministry for Education. The program was launched in Becora by the Minister for Education, Joao Cancio Freitas and led by the Goodwill Ambassador for Education, Ms Kirsty Sword Gusmao.

TO ALL STAFF AND DISTRICT SUPPORT WORKERS IN 13 DISTRICTS, THANK YOU VERY MUCH FOR YOUR COMMITMENT, HARD WORK AND HUMOR DURING 2008! WE TRUST THAT WE WILL ALL HAVE A PEACEFUL AND POSITIVE 2009. FUTURU IHA FETO NIA LIMAN LARAN – FUTURE IS IN WOMEN'S HANDS.

ADVOCACY PROGRAM

Through its Women’s Resource Centre, Community Development Project, Haburas Labarik Project and a joint project to counter trafficking, the Advocacy Program continues to support women to increase their participation in addressing issues such as capacity building, gender based violence, leadership development, and poverty reduction. Alola, along with other women’s organizations, has played a key role in advocating for legal changes to ensure the protection of women’s life.

COMMUNITY DEVELOPMENT PROJECTS

This year, another 7 District Support Workers (DSW) were appointed in 7 districts, including Atauro Island as part of Dili district. The role of DSW is to support the Advocacy Program to achieve its goals and objectives by working with women in the community, identifying their needs, and building stronger connections between women’s groups in the districts.

To recognize the importance of the District Support Workers, Alola and National Women’s Network, Rede Feto, worked together to hold a District Women Congress in June 2008. Alola’s District Support Workers provided strong support to involve many women in the event (around 160 women participated), which culminated with the National Congress in September 2008 in Dili. In addition, DSW supported district consultations for the Non Governmental Organizations’ CEDAW (Convention on the Elimination of All Forms of Discrimination Against Women) Shadow Report.¹

¹CEDAW Shadow Report is a Non Governmental Organizations’ report on the state’s CEDAW implementation. It is separate from the state’s CEDAW Report and focuses on implementation gaps, and makes recommendations to be submitted to the UN CEDAW Committee.

To develop skills in leadership, community facilitation and program development to address local priority issues, the program provided three day long training sessions held in 6 districts on Timor-Leste’s Judicial System and Life Skills. Gender based violence training included sexual violence training that targeted local government workers, the police, and NGOs. The objective was to improve their awareness that violence against women affects all ages and classes, and to increase their understanding that everyone has to participate in order to change attitudes, to stop its devastating effects, and to help those who need immediate support. The Livelihood Training provided training on agriculture (gardening, reforestation, and poultry). DSW facilitated small grants program for 22 women’s group groups in 13 districts to support health and child rights promotion activities, as well as a small grant for the widows of the 2006 crisis.

STAFF DEVELOPMENT

In order to gain first-hand information about helping women to become more self-sufficient, in November 2008 2 Advocacy Program staff members and a District Support Worker visited ASPPUK (Asosiasi Pemberdayaan Perempuan Usaha Kecil/Women’s Association for Small Entrepreneurs) in Lombok, Mataram Island, Indonesia. ASPPUK was established in 1997 to address the issue of women’s access to economic development in Indonesia, and to create a stronger position for women entrepreneurs. Alola participants learned about ASPPUK projects successfully implemented

in some areas of Indonesia, including Mataram. As a result of this study trip, Alola now plans to implement a similar project in 2009.

PHOTO: DSW AGRICULTURE TRAINING IN AILEU DISTRICT



During the course of 2008, monthly takings have tripled, and Alola Esperanza is well on the way to independence, not requiring subsidy, and hopefully making a small profit to put back into Fundasaun Alola programs by the end of 2009

The success of our business in 2008 would not have been possible without the assistance of our AVI Deevah Melendez, who brought a wealth of experience in retail and fashion. Deevah introduced systems into the unit and introduced new products and designs, and a fresh, creative display in the shops. Unexpectedly, Deevah finished working with Alola at the end of 2008, and is sadly missed. We hope to see her back in the course of 2009 to work with the team in taking the business forward.



PHOTO: AIRPORT SHOP

EDUCATION TEAM

During 2008, the Education Team expanded from 7 to 11 staff members including an Educational Technical Adviser. Three members were based in the districts of Baucau, Viqueque and Ainaro. Six members of the education team are certified teachers.

As the team expanded so did the quantity and quality of the programs. These programs included working with other organizations in Timor-Leste and overseas, resource development and developing an ongoing working relationship with the Ministry of Education of Timor-Leste.

FRIENDSHIP SCHOOL PROGRAM

Our Friendship School Program (FSP), which links Australian schools to individual schools in Timor-Leste, continued throughout 2008. There are over 85 linked Timorese schools covering all educational levels. 3 School Support Officers (SSO) continued to do their work in the districts and use their teaching skills to demonstrate best practices to the teachers and children. Workshops conducted by the technical adviser on classroom strategies and games were held to develop the skills of the educational team. The FSP expanded to Viqueque in October 2008 and will continue its work in 2009.

The vast majority of Friendship schools were visited in 2008. As schools closed from July until October, 2008, 15 members of the team designed and delivered a School Holiday Program for children in 9 districts. This program was conducted over the months of August and September in partnership with the Advocacy Program. The activities in this program were child-centred, energetic and provided skills through games and group work. Over 3000 children attended the program in 16 centres across the country.



TRAINING PRE-PRIMARY TEACHERS

The Alola Education team has been working with the Ministry of Education on a pilot project to assess 40 pre-primary teachers and to establish a process for these teachers to achieve formal accreditation. This project requires formal assessment of teachers' competencies, and the delivery and preparation of courses and course outlines.

In 2006 there were 273 teachers employed in pre-primary education across Timor-Leste. The estimated registered pre-primary teachers for 2009 indicate over 310. The vast majority of teachers are unqualified and do not have any formal qualifications in Early Childhood Development. An ongoing training for pre-primary teachers in 2009 will be an essential component to strengthen the capacity and skills of pre-school teachers to properly implement the National Curriculum and to increase the profile of pre-schools as a key childhood developmental step.

RESOURCE DEVELOPMENT

The Alola Education team prepares resources suitable for school aged children. The team has increased the supply of locally produced readers and story books, both by sourcing adaptable material and producing original material. The books are produced in Tetun for children in pre-primary school and class one and two in the primary schools. Literacy resources also include alphabet, color, shape and number charts, word bingo and poetry posters. These resources are then delivered to schools along with training sessions for teachers.

PHOTO: CHILDREN IN AILEU ENJOYING THEIR ART CLASS

PRE-PRIMARY SCHOOLS REFURBISHMENTS IN ATAURO

On Atauro, five pre-schools had major rebuilding or refurbishments in 2008. Some of these pre-schools needed substantial reconstruction but through community consultation and a highly organized and capable Alola staff member this was achieved. Other members of the Alola Education team then delivered training to the pre school teachers to support their new classroom environment.

SPECIAL EVENTS — ONGOING PROGRAMS

The Education team provided technical assistance to the staff at the Alola Child Care Centre (CCC) in Dili and Baucau. This “hands on” training with age appropriate toys and activities provides children with a safe, motivating learning environment. Nanny training also commenced as part of the skills development program.

A “training school” has been established in a local primary school (& pre-primary school in 2009) so that the teachers from the Alola Education team can practice and increase their teaching skills and try new ideas and concepts in literacy, numeracy and the arts. The team provided support to the Taibesse Special School to develop an arts program. The children had opportunities to continue to develop their creativity and imagination.

During November, the Education team organized 85 Dili schools to visit the MV Doulos (world's oldest floating bookshop). The excursion to the ship was supported by the Ministry of Education. 4414 students over 3 days visited the ship and attended the educational programs on board. The crew of the Doulos donated school materials to Alola. The Education Team also organized and supported the Doulos crew in four districts during their visit.

The first ever dinosaur exhibition (set up by Monash University, Australia) in Timor-Leste has been established at the Mercado Lama, Dili. The Alola Education team prepares and delivers activities to school groups about the exhibition. This involves children attending the exhibition and engaging in age appropriate activities. Two school groups attend the exhibition each week.



The Haburas Labarik team (Care International) alongside the Alola Education team has been planning venues and activities for the 2009 Girls' Conferences. These conferences will take place in February 2009 and the focus is to provide 50 secondary school girls from 4 districts with the opportunity to discuss issues that affect them in Timor-Leste and activities which will enhance their own self-worth. Three girls from each conference will then be selected to represent their school at the International Conference “Women for Peace” which will be held in Dili in March, 2009.

The Education team are also preparing for the launch of the first translated children's picture book in Timor-Leste. 10,000 copies of the translated book “Whoever you are” by Mem Fox will be distributed to schools across Timor-Leste. The Alola Education Team will also prepare activities to support the book and deliver in-service training to teachers of how to best use books in the classrooms.

SCHOLARSHIPS

For a number of years generous donors have enabled Alola to administer an extensive and highly appreciated Scholarship Program, covering all 13 districts in Timor Leste. These scholarships cover school fees, books, uniforms and other basic school items. Over 1000 students in 113 schools are the beneficiaries of this program. In 2008, studies were undertaken by the co-ordinator in Australia to further consolidate the management of this program. The program will be evaluated in 2009.

STAFF DEVELOPMENT

In July 2008, the education team staff participated in the training on the development of adult teaching methodologies provided by Ellen Lawson. Also in July, Morgan and Kim Percy from Designscope trained the staff on the use of cameras, graphic design skills and website development. Heather Ridge and the Loddon Literacy Team with the

Department of Education and Early Childhood Development, Victoria, Australia, provided training to the Alola Education team on “Effective Literacy Practices in Classrooms.” The team then delivered these skills to over 70 teachers in the District of Ainaro.

PHOTO: PRE-SCHOOL ACTIVITIES IN LIQUICA