

**STOPPING AS SUCCESS:
TRANSITIONING TO LOCALLY LED DEVELOPMENT**

CASE STUDY:TIMOR-LESTE BELUN

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STOPPING AS SUCCESS

This case study was developed as part of Stopping As Success (SAS), implemented by a consortium consisting of Peace Direct, CDA Collaborative Learning Projects, and Search for Common Ground, with support and funding from the United States Agency for International Development (USAID). SAS is a collaborative learning project that aims to study the dynamics at play when ending a development program, and provide guidelines on how to ensure locally led development. In doing this, SAS looks beyond the technical aspects of an exit strategy to identify examples that demonstrate a transition toward locally led development. The case studies produced by the project highlight the past and present realities faced by international non-government organizations (INGOs), local civil society organizations (CSOs), and local NGOs, focusing in particular on how partnerships evolve during transitions or devolvement to local entities.



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ACRONYMS

CD	capacity development
CICR	Center for International Conflict Resolution
CBO	community-based organization
CSO	civil society organization
EVER	Election Violence Education and Resolution
EWER	Early Warning/Early Response
GIZ	Deutsche Gesellschaft für Internationale Zusammenarbeit
IDP	internally displaced person
INGO	international non-governmental organization
NGO	non-governmental organization
NGOSSP	Non-Governmental Organization Sector Strengthening Project
OD	organizational development
SAS	Stopping As Success
UN	United Nations
USAID	United States Agency for International Development

TYPE OF TRANSITION

This case study is an example of a local organization – Belun – being gradually established over the course of a five-year USAID project. In this case, the project was implemented by an international academic institution, CICR of Columbia University. This process of “Timorization” entailed systematic capacity development alongside a phasing out of international support and leadership.



1. INTRODUCTION AND METHODOLOGY

This case study centers on the NGO Belun,¹ headquartered in Dili, Timor-Leste. The unique story of its inception in the early 2000s; its organizational development over the course of a USAID grant; its transition from international to local leadership; and its ability to survive and even thrive up to the present day make it an excellent case for analysis. Indeed, Belun’s survival through aid shocks, political crises, and the shifting winds of international development financing is testament both to the foundations laid by the staff of Columbia University’s Center for International Conflict Resolution (CICR), and the decisions and character of

its Timorese staff, both pre- and post-transition. Crucial to understanding Belun’s story is understanding the context surrounding it. While this is true for all the SAS cases, it is particularly true in Timor-Leste, a small and isolated country with a tumultuous past.

Research for this case study was conducted by two SAS researchers in accordance with the SAS research methodology. 23 key informant interviews with Belun staff, former CICR staff, donor staff,² and stakeholders from local and international NGOs were conducted in person in Timor-Leste. Researchers also conducted five remote interviews with former CICR, Belun, and CARE staff who work in the US, the UK, Thailand, and Myanmar.

SAS researchers also convened focus group discussions with community stakeholders at two Belun project sites in Metinaro and Dili to better understand Belun’s programming and impact on local communities. Questions focused on community understandings and perceptions of Belun itself, Belun staff, and Belun’s programs. These discussions were moderated by SAS’s local research consultant but necessarily included Belun staff members, meaning it cannot be guaranteed that their presence did not affect the tenor and content of discussions. That said, both SAS researchers were unable to perceive a distinctly pro-Belun bias.

2. CONTEXT

Timor-Leste is a country of 1.3 million people, comprising the eastern half of the island of Timor in the Indonesian archipelago.³ Around 60 percent of Timorese are under 24 years of age. The country is divided into 12 municipalities and one Special Administrative Region (Oé-Cusse). Each municipality is subdivided into administrative posts: *sukus* (villages) and *aldeias* (hamlets). Despite improvements in recent years, poverty remains widespread across all municipalities: the country’s per capita GDP is just US\$1,169, with 41.8 percent of the population living below the poverty line. Agriculture is the country’s main economic activity, and most families rely on subsistence farming. With a small and underdeveloped private sector, the economy is dependent on government spending – which makes up more than 75 percent of GDP – and, to a lesser (and falling) extent, assistance from foreign donors. More than 80 percent of public spending is financed from petroleum wealth.⁴

POLITICAL AND ECONOMIC ENVIRONMENT

Following almost 450 years of Portuguese colonization, Portugal's 1974 Carnation Revolution provided the impetus for Lisbon to approve a gradual decolonization process.⁵ The nascent Timorese state was scarcely developed, with few political institutions and an economy focused on the cultivation of sandalwood and coffee. Within this power vacuum, an array of newly legalized political parties began a brief but increasingly violent contestation for power, culminating in a unilateral declaration of independence by the putatively victorious faction, the Marxist-Leninist Fretilin party, in late November of 1975. Nine days later, Fretilin's consolidation of power was interrupted by a massive Indonesian invasion. A short conflict concluded in July 1976 with the formal annexation of the short-lived Democratic Republic of Timor-Leste. The Indonesian army quickly moved to close the island and ban the presence of humanitarian organizations and independent foreign observers.

The next 24 years were marked by a brutal occupation and guerrilla war in which nearly a quarter of the country's population died. The Indonesian regime was characterized by its violence against civilians as well as the systematic destruction of Timorese identity through a process of assimilation to Javanese culture. In response, the Timorese organized resistance through three streams: first, an armed front, composed of the Falintil, in charge of the guerrilla actions; second, a clandestine front, dedicated to civil resistance and responsible for the circulation of information and resources between the Falintil, the population, and the outside world; and, third, a political and diplomatic front, carried out by political representatives in the diaspora.⁶

These resistance efforts, Indonesia's democratization in the late 1990s, and changes in the global political system following the end of the Cold War, brought increased pressure on Indonesia to end the occupation. In 1999, the United Nations (UN) sponsored a referendum in which some 80 percent of Timorese people chose independence over deepened autonomy within Indonesia. The departure of the Indonesian army in the wake of this result was accompanied by the destruction of between 60 and 80 percent of existing private and public property, including the electricity grid and water supply system, as well as the killing

of an indeterminate number of people. Thousands of others were taken by force to refugee camps in West Timor and other parts of Indonesia.⁷

After a brief period of transition under the administration of the UN, Timor-Leste held elections in 2002, restoring the independence that had been lost with the Indonesian invasion. With the exception of a few short months in 1974/75, it was the first time Timor-Leste had been free of foreign occupiers since the 16th century.

Timor-Leste's new democracy featured a political class largely drawn from the leadership within the three streams of resistance. Despite general support among this class for the project of Timorese democracy, lingering divisions and resentments were carried over from the occupation. In 2006, Timor-Leste experienced a crisis, with deep-seated concerns about the post-independence political settlement erupting into violence. The country was shaken by conflicts that began within the security forces (between the army and the police), quickly escalating into civil unrest and intercommunal struggle. The political exploitation of this situation by opposition parties led to the government's dissolution, as well as large population displacement, societal divisions, and subsequent large-scale resettlement of internally displaced people (IDPs).⁸

Since 2006, the commitment of major political parties to the Timorese state, along with revenues stemming from oil exploitation from the mid-2000s on, have strengthened political institutions and economic growth to the point where a second crisis seems unlikely in the near term. In response, aid flows have begun to ebb from a peak in 2010. This decrease, in particular the departure of the UN in 2012, has been challenging for local NGOs accustomed to generous international financing. In the absence of significant sources of domestic funding, local civil society, as measured by NGO density, has contracted significantly.

AID CONTEXT

In 2018, official development assistance in Timor-Leste totaled US\$244.8 million (US\$181.73 million in grants and US\$61.6 million in concessional loans). Aid to Timor-Leste exceeded US\$250 million from 2010 to 2015, but beginning in 2015 has experienced a significant downward trend, especially direct support

to the government. This has led to non-lending support reaching its lowest ever level. Assistance from development partners includes projects executed in direct collaboration with government ministries, as well as through NGOs. The five bilateral donors that have reported the highest levels of planned funding since 2014 are Australia, Japan, the European Union, the US, and Portugal (including funding from Instituto Camões).⁹

Timor-Leste's Strategic Development Plan 2011–2030 is aligned with the UN Millennium Development Goals and was released in July 2011. It articulates Timor-Leste's vision of development for the next two decades, covering four pillars: social capital, infrastructure development, economic development, and institutional frameworks. Among the four pillars, social capital is the largest recipient of aid, with 46.1 percent of total planned disbursements in 2018 concentrated in the health, education, and agriculture sub-pillars.¹⁰

CIVIL SOCIETY IN TIMOR-LESTE

Since the mid-1970s, Timorese civil society has had to adapt to the constraints imposed by the Indonesian occupation; the demands of the post-1999 emergency and rehabilitation phase; the (re)construction of the country; and the challenges posed by its interactions with foreign agencies and donors, including power dynamics between organizations (both national and international), and relations between organizations and communities.

In the late 1970s, the Indonesian government authorized the entry of two humanitarian aid organizations into Timor-Leste in order to provide emergency relief: Catholic Relief Services and the International Committee of the Red Cross. Also crucial were organizations linked to the Catholic Church, such as the Catholic Justice and Peace Commissions in Dili and Baucau, and Delegado Social, which later became Caritas Timor-Leste.¹¹

During the Indonesian occupation, a severely constrained Timorese civil society operated under highly repressive conditions. The early 1980s witnessed the development of clandestine student and youth movements in Timor-Leste, as well as Timorese student associations in Indonesian universities. These movements played a key role in raising international awareness of human rights violations, and after 1989 organized public protests

and demonstrations on the occasion of significant international visits, such as those of Pope John Paul II in 1989 and the US Ambassador to Indonesia in 1990.¹²

After the 1989 “opening” of Timor-Leste, when the Indonesian government relaxed restrictions on international access, a wider range of Catholic agencies – among them CAFOD (UK) and Caritas (Norway, Sweden, and Australia) – began supporting local organizations. Some international NGOs also started working in the country, including CARE Canada (1995), Christian Children's Fund (1990), and World Vision (1995), as well as branches of Indonesian NGOs such as Bina Swadaya.

During the second half of the 1990s, more Timorese NGOs started to form. These included Yayasan HAK (human rights); FOKUPERS and ETWAVE (women's rights and violence against women); Pronto Atu Serbi – PAS (health); and Yayasan Bia Hula (water and sanitation).¹³ However, local and international organizations were regarded with deep suspicion by the Indonesian authorities and so were forced to operate cautiously, under constant surveillance, and in a climate of intimidation and fear. By late 1998 and early 1999, it was almost impossible for NGOs to function normally, but even so they continued their work, providing humanitarian support to the thousands of people displaced by militia violence in the run-up to the independence referendum.¹⁴ In the wake of the devastation that followed the popular consultation results, local NGOs faced the destruction of their offices and the murder or kidnapping of their staff by Indonesian troops and aligned militias.¹⁵

Following independence, many well-financed INGOs began arriving in Dili, most with no previous connections to the country.¹⁶ They began working within the UN framework, mainly in emergency assistance, providing food, medical assistance, water, sanitation facilities, and shelter to IDPs and victims of the Indonesian withdrawal. Rifts soon appeared between international and local NGOs, as Timorese organizations protested against their almost complete exclusion from these humanitarian programs. Although local NGOs offered¹⁷ their experience and knowledge of local communities, specific community needs, and local decision-making processes and structures, the international community often did not include them in the work. Even where partnerships existed, they tended to be unequal – rather than developing



local NGO capacities, INGOs simply employed Timorese staff to run their own programs, generally at much higher rates than local NGOs could afford. This had (and continues to have) the effect of driving talented Timorese professionals away from national organizations. By late 2000, local NGOs had established the Timor-Leste NGO Forum as a means of getting their voices heard in an increasingly crowded environment dominated by INGOs, donors, and UN agencies.¹⁸ The NGO Forum provided trainings for local NGOs in areas such as English language training, information technology, project management, and organizational development.¹⁹

In the absence of a functioning government, the UN had developed a close relationship with NGOs as stakeholders in the new nation. However, after the

election of a legitimate national government in May 2002, NGOs lost some of their access to national decision-makers. Civil society more generally was uncertain about how to relate to the government. By 2004, relations between Timorese NGOs and the government were uneasy. NGOs found themselves left on the margins, with an ambivalent legal status and few easy channels of engagement.²⁰ Donors were also changing, focusing more on strengthening the government than on funding local NGOs, and demanding far greater levels of accountability,²¹ which affected Timorese NGOs' ability to mobilize resources and demonstrate outcomes.²² There was also a regional component to this dynamic, with an observable disparity arising between well-established NGOs based in Dili and NGOs in the other municipalities, which had very limited resources, lower skill levels, and poor access to information and networks. Most in the latter group were quite small, informal groupings, such as farmer, fisher, or youth community-based organizations.²³

Humanitarian and peacebuilding aid surged into Timor-Leste following the political crisis of 2006, which turned local NGOs into peacebuilders.²⁴ High spending requirements, low absorption capacity of local NGOs, and limited accountability standards translated into a development sector characterized by questionable financial management (by both local and international NGOs), highly-paid international consultants, and relatively little impact on the economic realities faced by the great majority of Timorese. Though large amounts of money from both the government and international agencies were assigned to conflict resolution and humanitarian activities, Timorese NGOs had difficulty getting funding for their core activities, which were often unrelated to these new funding streams. Furthermore, initiatives led by local NGOs promoting peace and reconciliation found little recognition or support from the government or international donors, which preferred to fund short-term INGO-led efforts located close to donors in and around Dili.

Despite these challenges, civil society continued to draw on new approaches. This included using traditional forms of mediation, such as the *nahe-biti boot* ("rolling out the mat") ceremony, which became widely accepted and an important response to the crisis in the IDP camps in Dili and other communities. Similarly, environmental NGOs employed the customary practice of *tara bandu*, a Timorese resource management system that imposes

ritual prohibitions on the use of natural resources. These practices led to some contradictions between the values promoted by NGOs (such as participation and gender inclusiveness) and customary practices, which are both hierarchical and usually male-led.²⁵

The withdrawal of the UN and the departure of various development agencies at the end of 2012 dramatically reduced funding options for Timorese civil society. Since the withdrawal, local NGOs have struggled to retain staff in the face of competing (and often more lucrative) opportunities offered by the government, international donors, or INGOs. This situation creates serious problems in maintaining the administrative and financial systems, as well as accountability, that would enable NGOs to receive continuous donor funding and grow their portfolios. Donor funding has also changed: expectations are higher, reporting requirements have become more prescriptive, and donors often view local NGOs as subcontractors to fulfill specific inputs of larger projects, forcing local specialization rather than independent growth.²⁶

3. HISTORY OF CICR PROGRAMMING

CICR was founded at Columbia University in 1997 by Dr Andrea Bartoli, the Permanent Representative of the Community of Sant'Egidio²⁷ to the UN and the US, and a veteran of peacemaking processes in Mozambique, Guatemala, and Algeria. Its mission was to contribute "... to conflict transformation and peacebuilding of deadly conflict worldwide through research, education, and practice."²⁸ While, as an academic institution, CICR's mission has included producing and disseminating research, tools, and methodologies for scholars and peacemakers, it has also involved an active suite of conflict resolution and mediation programs in Colombia, Iraq, West Africa, and other countries and regions. CICR describes these efforts as being "... focus[ed] on participatory processes that increase social capital and engagement in long-term peace processes." This emphasis on inclusivity and an extended-duration view of peacebuilding is clear from their work in Timor-Leste.

As Belun founder and former CICR staff member Rebecca Engel puts it: "Belun began with a relationship." A Timorese resistance leader and Columbia graduate

student, Constâncio Pinto, established connections between CICR and José Ramos-Horta, Nobel Peace Prize laureate and (at that point) future president of Timor-Leste. In 1999, Ramos-Horta invited CICR to participate in an international advisory group conducting research on economic and social conditions in Timor-Leste, which ultimately produced a report that informed the ongoing independence negotiations with Indonesia.

In 2000, Rebecca traveled to Timor-Leste to follow up on how the report was being used by the UN transitional government. In the course of her research she met former resistance leader and politician Xanana Gusmão, who was interested in involving CICR in the ongoing process of post-conflict conflict prevention. The intended vehicle for this involvement was a Dutch government-funded grant administered by the World Bank, focused on strengthening Timor-Leste's civil society capacity. Due to administrative hold-ups, however, it took a year to finalize the paperwork. As a result, the CICR team, now composed of Rebecca and Sunita Vyavaharkar (later Sunita Caminha), were able to spend a full year planning in New York. This year was later described as crucial to the success of future CICR activities: the team developed a political economy report in order to better understand Timorese history, the local context, and the country's sector-by-sector dynamics. They also had time to reflect on how to apply such knowledge to programming in a collaborative way.²⁹ Even so, significant challenges remained. Despite mass euphoria resulting from independence, Timor had a concentration of resources in the capital, huge expectations of the nascent government, massive destruction resulting from the war and the Indonesian pull-out, and a near-complete political vacuum in rural areas. As Rebecca explained: "... nobody had any idea what was really happening in the countryside."

Rebecca and Sunita arrived in Timor-Leste in 2002, and hired two Timorese staff members to support with grant implementation: Albertina Neves and Luis Ximenes. The project design process continued in an intentionally collaborative manner: CICR decided to co-produce an operations manual, establish new objectives, and more generally ground-truth the planning and assumptions made from New York with Timorese staff. Rebecca explained that engaging their new coworkers "... forced us to learn Tetum quickly.

Because of trust issues in Timor, especially coming out of the clandestine period ... [Albertina] wouldn't speak to us in English, even though she understood English quite well. We were forced from the very beginning to try as best we could to articulate what it is that we were trying to do and to write our documents from scratch in Tetum. But she also played a critical function because she prevented miscommunication." This process was time-consuming, but CICR wanted to ensure "... the most fundamental decisions of how we do things were not just imported from New York, but were talked through and worked through and brainstormed together ... we wanted to make sure everything we did was context-specific and locally relevant as possible." One of the first phrases the team learned in Tetum was: "Does this make sense?"

The CICR team began implementing the Dutch-funded World Bank grant, traveling the country as a team to identify potential local partners and issue small grants. In 2003, CICR staffer Brian Hanley joined the team from New York. The grant ended in 2004, but by then there was a clear commitment from both national and international staff to find a way of continuing conflict-sensitive organizational capacity building and community development. Furthermore, the team felt that the most effective and sustainable way to do this work was through a Timorese organization. The USAID Office of Private Voluntary Cooperation offered an opportunity to make this happen in the form of the NGO Sector Strengthening Project (NGOSSP, 2003–08), through which Belun was born.

The NGOSSP was a much larger project than the World Bank program, both in terms of scope and funding. To manage this scaling up, CICR invited Planning Assistance and CARE International to form a consortium.³⁰ CICR provided the core team, conflict and mediation skills, and local connections. Planning Assistance supported with program design and proposal development. CARE brought strong technical expertise, particularly around donor regulations and local service provision, where it had significant experience in Timor-Leste.

The NGOSSP had two objectives. The first was to carry on the work of the World Bank project by strengthening the operational, technical, and financial capacities of Timorese NGOs, especially as they related to addressing the root causes of conflict. The second was to implement this work through a new

local NGO (soon to be named Belun), and to build the NGO's capacity so that it could sustain its work beyond the life of the project. NGOSSP staff would also be staff of the NGO, and the Chief of Party (and the NGO's director), at least initially, would be international. To ensure sustainability, international staff in key technical positions and management roles were paired with a "deputy" Timorese staff member in order to build their capacity through a "learning by doing" approach. Decisions were made collaboratively and only with local understanding and support. Over the course of the project, international staff were intentionally phased out and their positions gradually Timorized, culminating in May 2007 with the selection of Antonio da Conceicao as Belun's first Timorese director and NGOSSP Chief of Party.

Uniquely, capacity building under the NGOSSP served a dual role. The project's purpose was to build the capacity of Timorese NGOs through technical support, small grants, networking, and formal trainings. As part of the regular process of building up other NGOs, Belun staff were also trained in financial management, governance, grant management, proposal writing, human resources, strategy planning, and numerous other operational and technical capacities critical to the everyday functioning of a development organization. The NGOSSP Capacity Assessment Tool, developed with the assistance of the CARE Capacity Development Manager for use with Belun's local partners, was also utilized internally over the course of the project to identify and fill capacity gaps with an eye to Belun's long-term sustainability.

The 2006 political crisis in Timor-Leste provided both challenges and opportunities. Belun's network of offices and official position of political neutrality allowed it to spearhead crisis prevention and IDP assistance activities in close collaboration with the government. Due to its work at the community level, Belun was the only national NGO represented on the humanitarian response technical working group put together by the government. While many donors and INGOs evacuated their staff, CICR employees remained in-country, and the Belun offices in Dili became an IDP hub, sheltering hundreds of people fleeing violence in the interior. Serving in this role during the crisis gained the organization a degree of respect from both the Timorese government

and international donors. It also enabled Belun to broaden its mission, thereby allowing it to pursue newly abundant humanitarian funding.

By the end of the NGOSSP in 2008, international staff were primarily serving in advisory positions, with Timorese conducting the actual implementation of the program. The project's final evaluation notes that it achieved both of its objectives, "... exceed[ing] its numerical targets" around strengthening local NGOs, while establishing in Belun a viable, sustainable vehicle to continue the NGOSSP's work.³¹

Belun's post-NGOSSP history from 2008 to the present day is one of booms and busts, in line with the volatile nature of aid flows to Timor-Leste. The end of the NGOSSP was the first of two major funding shocks to hit Belun over this period. The grant had been Belun's lifeblood, and losing access to a steady stream of long-term funding, as well as funded access to training, workshops, and international staff, was a challenge. The departure of director Antonio da Conceicao to the government after a tenure of about a year compounded the situation. However, the choice to promote deputy director and Belun co-founder Luis Ximenes, who had worked with CICR in Timor-Leste since 2002, was a successful one. Belun continued to win grants from a variety of donors, including the Timorese government, major development contractors and INGOs, and directly from bilateral and multilateral donors. Its role as a champion in IDP assistance during the crisis led to several humanitarian-focused grants. Critical to the program development process were CICR staff, several of whom stayed on for several years to provide technical and proposal support, including for the Irish government proposal for the Early Warning/Early Response (EWER) system, which became Belun's signature program.

The second major funding shock came in 2011/12 with the closing of two major projects: a land rights program subcontract with ARD and an Irish local governance support program. The Irish government – which had committed to five years of support for EWER beginning in 2010 – exited Timor-Leste entirely as it slashed spending in response to the global financial crisis. During this time, development aid as a whole contracted significantly, and Belun was forced to cut staff, assets, and offices as funding dried up. The organization survived in large part due to the dedication of the same core team that had founded it almost ten years earlier.

Following the financial crisis, development aid once again increased, but as Timor-Leste stabilized and the peace lengthened, funding – especially conflict-related funding – began to taper off. Within this atmosphere of gradually shrinking aid budgets, Belun has been able to maintain its niche as the country's largest and most prominent local peacebuilding NGO.

Columbia University has continued to support Belun in a variety of formal and informal ways, though all international staff have now left and CICR as an entity within the university has been dissolved. Two former CICR staff still serve on Belun's board of directors, while Columbia graduate students fly to Timor-Leste every year to work as interns. Most importantly, the personal connections remain: former Belun international staff are still available for advice and occasional technical support. However, Belun is very much independent – Columbia University has no governance or financial connection to the organization beyond the memorandum of understanding that manages intern placement.

4. TRIGGERS FOR TRANSITION

Several former CICR, CARE, and Belun staff told SAS researchers that the concept of "exit" did not quite fit in the Belun case. To them, Belun was a partnership, a hybrid INGO–local NGO in which decision-making and management responsibilities were shared among a nucleus of international and Timorese staff with strong pre-existing relationships. An "exit," as it is understood in the traditional development context, is a relatively rapid flick of the switch from INGO to local as project funds run out or an organization leaves a country. Belun's experience, on the other hand, was an excellent example of "transition" – a process of gradual Timorization over the course of a five-year USAID grant, systematically building Timorese staff capacity while phasing out international support and, eventually, leadership. However, as Belun and CICR remained two distinct organizations working in partnership, it was more than "Timorization" in the usually understood sense. As Rebecca Engel describes it: "... we were two independent entities choosing to work collaboratively toward the realization and fulfillment of common goals and strategies. Sometimes this meant CICR staff would wear two hats, which could be confusing, but the distinction between CICR

and Belun as two organizations helped ensure Belun was known internally and externally as a local NGO with its own identity and responsibility.”

It is important to highlight that this process was intentional. One of the NGOSSP’s two objectives was ensuring sustainability through Belun’s continuation beyond project closure, and project leadership approached this through a systematic program of capacity building and responsibility transfer.

While Belun’s “independence” as a local NGO was, in a sense, inevitable according to the NGOSSP project plan, three key triggers or metrics stood out as signals that Belun could stand on its own after project close in late 2008. These were the completion of the Belun capacity-building plan, the choice of Antonio da Conceicao as Belun’s first Timorese leader, and Belun’s successful pursuit of funding opportunities outside the NGOSSP.

COMPLETION OF BELUN CAPACITY-BUILDING PLAN

Due to organizational development being central to the success of the NGOSSP, the Belun capacity-building program is unusually well documented, with clear goals, a midterm progress assessment, and a final evaluation detailing successes and challenges. Table I below, taken from a 2008 report by a CICR staff member and Belun founder, illustrates the three phases of Belun’s capacity building³² (in the table rendered as “CD,” or capacity development). Belun moved from a Phase I of establishment, start-up, and capacity assessment; to a Phase II involving continued capacity development, standardization, and a midterm evaluation; to a Phase III of reflection and refinement. The third column illustrates the various capacity development approaches, refined in an iterative, adaptive manner, that the team found useful throughout the three phases.

TABLE I. PHASES OF BELUN’S CAPACITY DEVELOPMENT³³

Phase	Description of CD Process	Approaches to CD Applied
Phase I: June 2004 – June 2006	<ul style="list-style-type: none"> Establishing Belun as a national organization with a mandate to develop capacity Reinforcing partnerships Identifying CD needs Determining Belun’s role in CD Capacity assessment (NGOs) 	<ul style="list-style-type: none"> Accompaniment (ongoing site-visits to support organizational development (OD), on-the-job training (in Excel, filing systems)) Cross-visits (between partners in the same sector across districts, with CSOs in Indonesia) Trainings (strategy planning, leadership, administration, proposal writing, financial management, communication, etc.) Opportunities for reflection (Open house, targeted workshops) Small grants (direct granting or linking to other funds) Resource Material (SGDN, OD reference, livru mata dalam – citizen guidebooks) Supporting networks/ coordination (monthly open houses, link with donors, state actors, convening SGDN) Technical assistance (in agriculture and conflict transformation – group facilitation, mediation support as needed)
Phase II: July 2006 – August 2007	<ul style="list-style-type: none"> Standardizing Belun’s CD practices Capacity assessments (midterm for NGOs and start of CBO assessments) Developing more explicit terms of partnership and streamlining partners Consolidating Belun’s technical capacities Refining internal capacity 	
Phase III: September 2007 – Present (September 2008)	<ul style="list-style-type: none"> Reflection and refining CD practices Standardizing tools for CD Rethinking partnership for future engagement 	

The NGOSSP midterm evaluation in 2006 gave the project team an opportunity to reflect on the status of internal capacity-building efforts. The evaluation noted that Belun was operating well, but offered five recommendations to ensure that gains would be sustained and the four Belun-related sub-objectives achieved. These were:

- Establish Belun’s external governance.
- Recruit and mentor a Timorese director.
- Develop an exit strategy.
- Enhance government relations (local and national level).
- Secure new source of funds.

As a result, project implementation in the final two years of the NGOSSP focused on operationalizing these recommendations and building Belun’s long-term sustainability. In 2007, an internal program evaluation was

completed and a Strategy Planning Process launched, designed to “1) refine [Belun’s] vision and mission; 2) revitalize objectives and goals; and, 3) systematize core staff competencies beginning with a needs assessment and individual professional assessment.”³⁴ The results of those assessments informed an intensive series of workshops and trainings.

As Table 2 shows, the final performance evaluation took note of the steps taken to act on the midterm evaluation’s recommendations regarding preparing Belun staff for post-NGOSSP independence. The final evaluator writes: “Since 2006, in the presence of new opportunities and as Belun gained maturity and self-confidence, Belun evolved into a resilient, robust professional organization.”³⁵ The report concludes: “Belun’s achievements over the latter half of NGOSSP were unprecedented.”³⁶

TABLE 2: SUMMARY OF NGOSSP RESULTS BY MIDTERM AND FINAL EVALUATION³⁷

Sub-Objective	Target	Midterm Evaluation (9/2006)	Final Evaluation (9/2008)
1.1 Verifiably strengthen CBO/NGO partners	50 percent (of targeted local partners)	Partially achieved	Achieved
1.1(a) Establish a sustainable Intermediary Service Organization – Belun	CDI/Belun	Achieved	Achieved and sustainable
1.2 Improved basic service delivery in partner communities	50 percent (of targeted local communities)	Partially achieved	Achieved
1.3 Understand the sources of, and generate positive responses to, conflict in target communities	25 percent (of targeted local communities)	Minimally achieved	Achieved and ongoing with EVER, EWER, Sima Malu
2.1 Expand linkages among and between partners and other stakeholders	25 percent (of targeted local partners)	Surpassed	Achieved

STRONG LOCAL LEADERSHIP CANDIDATE

In 2007, the role of Belun director and Chief of Party passed to Timorese national and Belun co-founder Antonio da Conceicao. The Belun team saw this leadership transition as important to the organization's goal of local ownership, but also as a desired result of the NGOSSP – they had planned from the beginning that a Timorese national would lead the organization before the end of the project. Several team members had been potential candidates, including staff dating back to the World Bank project, but the choice of Antonio was an obvious one.

At the time of Belun's founding, Antonio – a former resistance member – was one of the most respected Timorese development professionals working in the country. Prior to independence, he had worked both at USAID and in a senior role with CARE International in Timor-Leste. He first met the CICR team in the early 2000s shortly after their arrival in-country. At the time, he was a member of the Timorese Planning Commission, working on the country's Vision 2020 development plan. Over the following years he served as a mentor to the relatively young international and Timorese staff, and in 2004 participated in the NGOSSP strategy planning session that gave Belun its name. He was a senior adviser to Belun during its inception, assisting with strategy development and connections with donors, the political system, and government.

The NGOSSP team needed someone who could command respect from the Belun team, the Timor-Leste government, USAID, and local partners. Antonio brought a valuable combination of leadership skills, strategic vision, English language ability, experience in the development sector, relationships with the Belun team, and connections to key donor, government, and INGO stakeholders. He also brought legitimacy and a measure of stability to Belun by virtue of his age, stature, education, and experience. Though Antonio, after about a year as director, accepted a position in government, all stakeholders agreed his presence was crucial to establishing Belun as an independent entity.

DEGREE OF FINANCIAL INDEPENDENCE

The final trigger, and perhaps the most critical in terms of long-term sustainability, was Belun beginning to prove its ability to gain grants separate from the NGOSSP.

This included projects in humanitarian and IDP-related projects resulting from Belun's work during the 2006 political crisis. The final two years of the NGOSSP saw an increased focus on proposal writing and business development training, as well as collaboration with international staff on a number of proposals. At the time of NGOSSP project closure, Belun was implementing several other projects:

- The Election Violence Education and Resolution (EVER) program, implemented by IFES, promoting peaceful elections, monitor elections, and facilitate mediation.
- The Local Governance Support Program under Irish Aid.
- A subcontract from the ARD-led Strengthening Property Rights Program under USAID.
- A Paz y Desarrollo fish processing plant contract.
- UNDP-funded maintenance of a national CSO database.
- Several youth-focused small grants from the Timorese government.

Although project closure represented a significant challenge, Belun staff had prepared well. Summing up interviews with the donor community, the NGOSSP final evaluation concluded: "It is most likely that Belun will continue to grow if it remains in pursuit of its primary objectives."³⁸

5. KEY SUCCESS FACTORS FOR TRANSITION

This section tracks the key success factors behind the full turnover to the local team and Belun's successful post-transition performance. These can be divided into four broad categories: Plans, Programs, Principles, and People.

PLANS

RIGOROUS INTERNAL POLICIES

Belun is recognized by donors and INGOs for its exacting internal policies, which are an underappreciated key element in the organization's success. This is due to two important and interrelated contextual dynamics: first, the difficulty of sanctioning employees in Timor-Leste; and, second, the high reporting standards demanded by international donors in recent years.



Management in the Timorese context can be difficult due to the island's small, close-knit population, with near-universal familial and communal connections making hiring and firing problematic exercises. Timorese managers face tremendous social pressure to hire friends and colleagues, and equally strong pressure not to fire them, even in the face of serious infractions. As one American former USAID staff member explained: "Everyone's related or connected, and if you treat someone badly, it's gonna come around again to you ... You wanna build their capacity to be the mean and nasty manager, or do you want to make it easy for them to live in Timor the rest of their lives?" A partial consequence of the lack of a credible threat of termination is low accountability standards in Timorese NGOs, which can result in poor financial management. While it may be the case that the perception is worse than the reality, international donors are aware – perhaps overly aware – of this dynamic, which has resulted in a broad sense of distrust toward local NGOs.

This distrust feeds into the second contextual dynamic: increasingly high accountability standards. This is tied into the reduction in aid flows to Timor-Leste. As a GIZ staff member observed: "When there was a lot of money, it just flew out to local NGOs. We have the same requirements as we did then, but now we're much stricter ... Before, we had to spend so much money, three times as many grants at least. We needed to spend and so did local NGOs." Interviews with other donors and Timorese NGO staff confirmed this sentiment. Internationals are much more careful in a shrinking funding environment, with a former USAID staffer, for example, saying that in recent years: "... USAID just could not reduce its financial reporting requirements or allow it to be in local language, even though they have Timorese staff, but because they just can't drop their standards." These standards often prevent local NGOs from charging overhead recovery costs, which can be devastating to sustainability.

In an attempt to maintain accountability standards while offering support in navigating complex financial requirements, some donors – including GIZ and USAID – have created special categories of assistance for local NGOs. These categories generally involve intensive financial oversight, some form of formal or informal mentoring, and payment on performance. While to some degree a step in the right direction, these standards are still very difficult for local organizations to meet, and delayed payment can mean financial ruin for the many Timorese NGOs run on a tight budget. For better or worse, donors are hyper-focused on accountability to their taxpayers. Though this is perhaps less of an issue in higher-capacity countries, NGOs in Timor-Leste have extremely limited access to financial software, computer literacy training, English skills, and the myriad other resources necessary to meet requirements.

Belun, however, has gained a reputation as one of the few NGOs in Timor-Leste capable of meeting international compliance and reporting standards. One frequently cited example is that every time a program ends, Belun hires an accounting firm to conduct an external audit. Every international donor spoken to who had funded Belun remarked on their ability – almost unique in Timor-Leste – to manage finances and, perhaps even more importantly, fire staff who run afoul of internal policies. “I remember being impressed,” said a former USAID staffer who had heard that Belun was preparing to terminate an employee, “... [that] the Timorese leadership could and was willing to make those hard management decisions that don’t go down well with Timorese society but ... at some point are needed to have the donor confidence.”

Luis Ximenes, Belun’s director since 2008, reported that strict day-to-day management enabled the socialization of the standards and policies integral to this reputation: “Other national organizations, they also have the policy ... but Belun, we apply what we have. We are thinking of how we can implement [our policies].” For Luis and other senior management members at Belun, strong policies are critical to the organization’s survival.

These policies, and Belun’s reputation, are partly a legacy of the capacity-building programs built into the NGOSSP. Indeed, Luis explained that the drafting, implementation, and socialization of internal

regulations was one of the things that prompted transition to local leadership. One former CICR staff member agreed: “Donors say they want to give money to locals, but there’s a huge apartheid as far as compliance. Belun runs a tight ship and follows compliance rules, so they get money thrown at them. Having a top-notch finance team was critical, and Belun’s is on par with any NGO, comparable to the highest standards of government.”

DESIGNED FOR INDEPENDENCE

Every key stakeholder interviewed stated that a critical element in the success of Belun’s transition was that it was designed from the outset for independence. There are two key elements to this: the pre-NGOSSP experience, and the design of the NGOSSP itself.

While Belun was ostensibly designed as the post-grant vehicle for the NGOSSP, its roots went much deeper. When CICR staff arrived in Timor-Leste in the early 2000s, they insisted that English not be a requirement for hiring. Instead, they chose people who had the ability to get the job done, and who would work collaboratively to complement each other’s skills. Belun’s founders – both CICR and Timorese – spent years prior to the NGOSSP planning how to ensure the long-term sustainability of their civil society strengthening and peacebuilding work. As one CICR staff member and Belun founder said: “We basically had a two-year period [prior to the World Bank grant] when we were writing our report on social and economic conditions in Timor, in which we could really try to understand the history and the context, sector by sector, the social dynamics, and then we could think about how do we take that and apply it to our programming, but really in a collaborative process. It was really important that we didn’t just show up and hire people and give them contracts and say this is what you’re doing.”

Subsequent work by future Belun staff on the World Bank grant provided a further two years of research and context. As one of Belun’s founder observed: “We had a luxury that doesn’t usually exist: we had four years, 1998–2002, to begin to understand the nuances of the context.” The extended time and research that went into program design ensured applicability to the Timorese context, as well as a deep understanding of the social, political, and economic environments that Belun would be operating in. Additionally, it provided

an opportunity to build personal relationships with important stakeholders in the Timor-Leste development sphere.

The design of the NGOSSP was critical to Belun's development. As mentioned previously, the NGOSSP had two primary objectives. Effectively, all the work toward the first objective (strengthening local NGOs to deliver services) was done through Belun; with the second objective (creating and strengthening Belun's capacity) aimed at ensuring that this work would continue beyond the close of the project. A former USAID staff member described this dynamic: "... the whole core of the grant under USAID was strengthening civil society ... the way that they proposed to do it was through this organization that had ... one role to stay alive itself as a local organization and to thrive as a local organization that would be sustainable after the USAID grant ended. But that also Belun would have a role in supporting especially the smaller organizations, the ones that didn't speak English."

International leadership roles were designed to be phased out in favor of Timorese staff as the project progressed. This was commonly understood, allowing Timorese staff to technically and psychologically prepare for the departure of internationals. Timorese staff members were involved from the beginning in decision-making, policy development, and all other aspects of Belun's operations. In this sense, the transition occurred from the very beginning. As one founder reported: "For me, it wasn't about handing over; it was always about the partnership. And how we determine what it is that we think that we all want to work on, and how do we collectively work toward or contribute to the ends that we're trying to achieve, or the goals that we're trying to realize."

It is also important to recognize that this space for collaborative development would not have been possible without a supportive donor buying into CICR's vision for a locally led organization. USAID approved the proposal, provided a great deal of flexibility and latitude to the project, and ultimately accepted the leadership transition to an indigenous Chief of Party. A prior NGOSSP Chief of Party noted that USAID "... gave us a huge amount of space. But they bought into the vision early on. They were impressed but skeptical with what we wanted to do ... USAID should be taking credit, this is exactly what they should be doing."

PRINCIPLES

OPEN COMMUNICATION AND TRANSPARENCY

Belun staff emphasize open communication, mutual trust, and relationship building as key factors in maintaining its tight-knit team. This principle can be traced back to CICR's arrival in Timor-Leste following independence, when, on presenting their plans for the World Bank grant, the CICR team gave their new Timorese employees the opportunity to rip them up.

This was unusual in a culture emerging from a repressive occupation. One former CICR staff member explained: "... civil society had come out of a tradition of clandestine relationships. You tell people what you've done on a need-to-know basis. This idea that you're open and transparent and that you're inclusive was [crazy]." However, this attitude built trust between the internationals and Timorese staff who would form Belun's core. It also engendered a sense of ownership among Timorese staff, described by one interviewee as a "... moral responsibility to Belun," that would carry on post-transition.

This principle also facilitated the best use of the various skills, backgrounds, and experiences within Belun. As a former director explained: "... everybody has a different style, different skill that they bring, and how do we construct those relationships so that we can get things done in a way that we think is right?"

COLLABORATIVE AND EFFECTIVE MANAGEMENT

Belun's integrity as an organization is based on its management team's adherence to democratic, collaborative decision-making. Its strategic vision was co-developed by both international and Timorese CICR staff. From the beginning, all Belun staff were involved in making decisions, no matter how big or small. As the organization grew, this decision-making group shrunk to the senior management team,³⁹ but even so the principle of collaboration remains. This group has, for the most, part been with Belun for more than a decade. One founder described how this process works: "One of the greatest things that Belun did was their management structure. I'm not sure if it exists anywhere else ... The director is of course in charge, but you also have a council of advisers. Everyone's

involved in debating and discussing these issues, and that can contribute to collective decision-making. But if a decision has to be taken, it's the director. This really helped to build cohesion. It's really a good structure."

The management team structure ensures open communication and collective ownership of the organization's work. While allowing for the inclusion of multiple perspectives and backgrounds, it still maintains a clear hierarchy for decision-making purposes. It also ensures that Belun is not dependent on one executive director, which is common in Timor-Leste and often means that an organization fails when the director leaves. In part due to the management team structure, Belun has already managed two leadership transitions effectively.

This structure demands an executive director who is willing to share power. As one Belun co-founder observed: "This is unusual in Timor. Power-sharing is not common." Luis Ximenes, now in his tenth year as director, draws strength from the team model. The same founder explained that Luis is "... very personable, he maintains good relationships, he's kind of a diplomat. He gives space to others ... He wasn't looking to become the one leader: others represent Belun, and they're doing the work as well." Several interviewees described Belun as like a family, with Luis as the father.

NEUTRALITY

From inception, and in line with its roots as a conflict resolution and peacebuilding organization in a post-conflict country, Belun has made a commitment to political and ethnic neutrality. This is uncommon for NGOs in Timor-Leste, a country with deep and very public rivalries within its tiny but vibrant democratic political sphere. One Belun founder explained that CICR "... from the beginning wanted Belun to be a diverse staff, apolitical. It was actually a great opportunity when we merged with CARE: we got expertise, but also a balance of ethnic and linguistic groups." This diversity meant Belun could operate throughout the country without issues, which in turn allowed the organization to pitch its wide geographic expertise to donors for programs such as EWER.

Belun's political neutrality helped it navigate the 2006 political crisis, when underlying social, regional, and political tensions burst to the surface. Belun's headquarters in Dili became an IDP hub, and Belun was able to pivot

to attracting humanitarian funds in subsequent years. Similarly, neutrality gave Belun the opportunity to win the election-monitoring grant that formed the basis for the EWER program, and to compete for election observation grants. Belun director Luis Ximenes asserted that he took the organization's neutrality extremely seriously: "We terminated [fired] one staff who used a Belun motorbike to go on campaign. When we do monitoring, we put on the Belun ID ... We don't want the government to think Belun is biased." Donors recognize this sentiment, with one USAID staff member reporting: "Some NGOs criticize the government, but Belun does it very well, in a very balanced way providing critical feedback, providing suggestions. They provide feedback in such a way that your input is listened to."

While Belun's avowedly neutral stance allows it to maintain its relationships with the government and communities across the country, there are drawbacks. One former Belun staff member argued that Belun's relentlessly apolitical stance meant it could not stand for progress, and that "... sometimes civil society has to push for change."

It is interesting to note that not everyone views Belun as being completely politically neutral. Its first Timorese director went on to become the secretary-general and 2017 presidential candidate of the Partido Democrático, and several interviewees described Belun as being affiliated to the party. However, no one made the argument that politics has affected Belun's work – as an organization, it works across political lines.

PROGRAMS

LEARNING BY DOING

Belun's competencies were developed through on-the-job training and mentoring built into the NGOSSP, which several Belun staff – including CARE's former Capacity Development Manager – referred to as "learning by doing." This was crucial to Belun's sustainability post-transition, with one former Belun director reporting that a "... huge ticket to Belun's success was investing in local capacity." While the term "capacities" erases some of the nuance involved in skills development, much of Belun's subsequent success can be attributed to Timorese staff not only being knowledgeable about the project's context, but also being dedicated to improving skills that would make connecting with donors easier (for example, financial training and English language skills).

Though the learning by doing approach is conceptually simple, in practice it requires significant resource commitment. The NGOSSP international team brought in trainers to help improve expertise in a variety of areas identified by the capacity development plan. These included technical skills directly relevant to the project, such as conflict resolution, conflict assessment, mediation, and monitoring and evaluation; as well as operational skills, in line with the NGOSSP's objective of developing Belun, such as financial management, human resources, business planning, mainstreaming gender, English speaking and writing, leadership, and public speaking. Since the NGOSSP's work involved building the capacity of other local NGOs, these two categories often overlapped – Belun staff might attend a workshop on financial compliance, teach a small NGO what they learned, and then apply the same skills internally at Belun.

This training, explained a former CICR staff member, “... was always done accompanied.” Staff would immediately put their training into use, then “... follow up with skills training, more workshops, so you keep learning something new, then testing it out, then going back into the workshop.” Putting their training to immediate use and teaching it to other NGOs was an extremely effective learning method.

To cement this capacity building, the same trainers were contracted to return and conduct follow-up trainings over the course of the five-year project, providing continuity and allowing trainers to better adapt their approach to suit Belun. It also helped build trust between Timorese staff and the trainers, which a former Belun employee highlighted as “... very important in Timor-Leste and to those who have come through violent conflict.” As a CICR staff member explained: “... we worked with these trainers for so long, they could tailor their workshop designs to our day-to-day challenges.”

Ultimately, the learning by doing approach was rated by all interviewees as an extremely effective form of capacity building. Since Belun is still managed and, to a large degree, staffed by employees from the NGOSSP era, the capacities developed by the project consortium are still directly benefiting the organization.

STICKING WITH THE MISSION

Belun has stayed relevant by maintaining a unique (and interlinked) focus on conflict resolution, peacebuilding, and post-conflict conflict prevention and community

development. The conflict resolution focus, which dates back to CICR's pre-independence entry into Timor-Leste, has been sustained through investment in the conflict resolution competencies of Belun's Timorese staff. While other Timorese NGOs have diluted their brand by chasing funding according to donor priorities, Belun has stayed consistent: its value-added is in peacebuilding, and – though willing to make minor adjustments to its approach⁴⁰ – it will always make the case for this focus to sometimes skeptical donors. Several interviewees expressed the view that international donors are often short-sighted. The conflict resolution “rule” is that one year of peacebuilding is required for every year of conflict – on this basis, Timor-Leste has a long way to go.

One example of how Belun's approach to programming works in practice is the EWER network. EWER, which evolved out of the 2006 political crisis and the resulting need for more geographically relevant conflict and political economy assessments with which to inform actions taken by a community response network, has remained active and relevant through a variety of programs, donors, and development trends. Belun has managed to continue the network by pitching it in different ways – such as adding a gender-based violence component for UN Women, or a natural resource conflict element for GIZ – while maintaining its core function of conflict monitoring and response.

Belun has thus been able to stay “remarkably consistent” in its mission. As one former CICR staff remarked, Belun's goal is to “... make all development conflict sensitive.” Donors in Timor-Leste both recognize and respect this dynamic, with every donor interviewed mentioning Belun's commitment. One current USAID staff member remarked that while some Timorese NGOs “... chase money and dilute their reputation,” Belun, is “... mission-driven rather than donor-driven.”

PEOPLE

CONTINUED SUPPORT FROM INTERNATIONALS

The relationship between CICR and Belun did not end with the closeout of the NGOSSP, but was sustained in three ways: first, through continued technical and business development support; second, through membership on Belun's board; and, third, through the provision of interns from Columbia University (discussed below).

Two CICR staff members, Rebecca Engel and Sunita Caminha, continued to work directly with Belun following the transition. Both had served in leadership roles: Rebecca as Belun's co-founder, first director, and longest-tenured CICR staff member, and Sunita as Capacity Development Specialist. Both roles had transitioned to Timorese staff over the course of the NGOSSP. Sunita consulted with Belun from 2008 to 2010 on the development of the EWER system, helping design the approach, conduct trainings, build the database, and perform initial setup with conflict monitors. This support was invaluable, with EWER becoming Belun's most well-known and successful program within Timor-Leste. Meanwhile, Rebecca, in addition to serving on the board, has provided Belun with sustained conflict prevention and research methodology, fundraising, and proposal support. She remained in Timor-Leste for two years following the end of the NGOSSP, and assisted in various ways following her departure in 2010.

CICR staff have continued to maintain a connection with Belun through its board. Rebecca and Brian Hanley, both previously executive directors at Belun, are still board members. They continue to visit Timor-Leste, participate in board meetings when possible, drive business and fundraising opportunities to Belun, and provide advice on proposals, strategy, subgrant arrangements, and technical issues. They also help in expanding Belun's network. Timor-Leste is a small place, and access to international networks is an important advantage for a local NGO.

UTILIZATION OF VOLUNTEERS

Belun makes frequent use of interns from Columbia University master's degree programs, as well as international volunteer organizations such as the US Peace Corps, Australian Volunteers, and New Zealand Volunteers. These temporary international staff provide several crucial services.

First, volunteers are native English speakers, which in the Tetum-speaking Belun office is critical for drafting, reviewing, and copy-editing proposals and reports to INGOs and donors. International volunteers also assist with interpreting proposal and reporting requirements, which can be extraordinarily complex in both scope and language for non-native English readers. Additionally, volunteers bring technology skills, and often help Belun staff with database management, IT work, and computer

skill development. Finally, volunteers with peacebuilding experience or academic backgrounds (generally the Columbia interns) provide important research and methodological support to Belun program teams.

While most donors and INGO staff recognized Belun's employment of volunteers as a canny survival strategy, a few hinted at possible negative consequences. One donor, for example, mentioned a significant disconnect between a proposal they had received and the subsequent programming, remarking that "... the project manager did not know the proposal ... it looks like someone was hired to write the proposal."

Overall, Belun uses volunteers strategically in order to fill capacity gaps. Volunteers play an important role, but as their skills are broadly interchangeable, Belun's approach is sustainable. As one former CICR staff and Belun director explained, Belun "... realize[s] where their weaknesses are and what they need to do. We [internationals] inculcated the value of this volunteer labor: they're here to help!"

CHALLENGES

SMALL FISH IN A BIG POND

With the end of the NGOSSP and the removal of guaranteed funding and intensive capacity building, Belun's status in the Timorese development landscape changed. It is challenging to survive as a local NGO in Timor-Leste, especially in the current environment. Two key facets related to this challenge emerged from interviews and background research: first, meeting donor requirements; and, second, staff recruitment and retention.

The first issue has already received significant attention in this case, with Belun, to some degree, able to mitigate this challenge through its rigorous policies and capable financial team. However, two points are worth mentioning here. One, Belun is widely understood in the donor and INGO community to be the strongest national organization in the country. It is one of only two Timorese NGOs to receive direct funding from USAID, and the only one to "graduate" from the special assistance category. Two, Belun's relative success in meeting donor standards has not been unchallenged. One donor who has funded Belun referred in broad terms to financial management issues regarding a recent project, though confirmed that the issues had been resolved and would not present a barrier to future funding.

The second key facet of this challenge is the long-term ability of Belun and other NGOs to recruit and retain capable staff. Local organizations are not able to pay anywhere near the same salaries as INGOs, international donors, or even the Timor-Leste government, and so have difficulty competing for the small pool of educated Timorese personnel. This came up frequently in interviews. One Timorese employed at a donor organization explained: “There’s not even competition for staff with internationals: they cannot even come close to the pay ... I wouldn’t go into a national NGO. I couldn’t feed my children.” This dynamic affects Belun as well, with one former staff member saying: “Many times, people have to leave Belun to look for better living conditions.” Indeed, several interviewees remarked that they had been surprised when Antonio – who had worked at CARE – accepted the position of director of Belun, with one asking: “Why join a national NGO? The perception was that he decreased his position.” While Belun’s core of dedicated founders has remained with the organization since the NGOSSP, there is real concern that when they retire or move on, Belun may have difficulty replacing them.

REDUCTION IN AID

As one donor reported: “Overall, donor money is drying up in Timor-Leste.” With a stable government, a vibrant democratic political scene, and oil revenues bolstering the economy, donors have been reducing funding, especially to local NGOs. The remaining Timorese NGOs have had to compete for a shrinking pool of funds. This is doubly true for peacebuilding and conflict prevention funding.

What is the role of a peacebuilding organization in a country at peace? This question came up more than once in conversations with donors. Conflict prevention experts, including the former CICR staff interviewed, see this as a short-sighted question – peacebuilding is a long-term process, and Timor-Leste was at war for a long time. They argue that there are social and political conflicts barely hidden beneath the surface, and that an event such as a repeat of the 2006 crisis is more likely than commonly understood. Oil revenues, after all, are now declining. What will happen when the resource funding 80 percent of the Timorese government budget is exhausted?

While donors do broadly recognize these facts, it is a question of priorities. Several remarked that it was

a shame that a program such as EWER didn’t receive more funding, but acknowledged that countries with open conflicts were much more likely to receive conflict-related funding. As one former Belun staff member explained: “Now, there is much less funding for conflict prevention. Because now, there are fewer conflicts. Now the focus is on economic development.”

Belun has a difficult time in this environment. However, there are positive signs. Just this year, GIZ has bolstered EWER with a significant grant related to agroforestry-related land conflict. The challenge, as ever, is to make the case that economic development is intimately connected to conflict dynamics, and that the politics of development have implications for socioeconomic relations and the potential for violent conflict. Few are better placed to do that than Belun.

LONG-TENURED EXECUTIVE DIRECTOR

Luis Ximenes, who was one of the two Timorese employees hired by CICR for the World Bank grant in 2002, has been Belun’s director for more than ten years. While he is widely applauded for his open-mindedness, strategic thinking, and vast knowledge of peacebuilding and development in Timor-Leste, his long directorship has raised questions about Belun’s long-term sustainability.

However, most interviewees agreed that Belun has managed to mitigate some of these risks, especially through its process of collaborative decision-making. For example, one donor employee’s general impression was that “... Belun is not a one-man show kind of organization. They have directors, but function as a team. Compared to other organizations, it’s much less of a one-man show.” A Timorese government employee concurred, remarking that a new leader presents a different set of risks to donors: “... all donors don’t want to take risks, and they know that Luis can run the organization.”

Overall, it seems that Luis’s presence represents a steady hand and a positive influence on Belun, especially in the current funding environment. Belun’s management team and democratic ethos has ensured decision-making functions are spread out across the organization, lessening the risk of leadership concentration. Indeed, Belun has already transitioned its leadership three times. However, the risks mentioned above will continue to

grow, and at some point Belun will need to consider a change of leadership. Luis recognizes this, saying: “Maybe one day I can also leave, become a board member.”

REFLECTIONS

Shortly before the SAS team departed the country, Belun director Luis Ximenes remarked: “One of the big problems is that before people come here, they have no idea about anything about Timor-Leste.” CICR, however, was different. Its team took the time to understand the local context, build relationships, and learn the language. Furthermore, the approach was based on partnership, with project plans designed and implemented in full concert and consultation with Timorese staff.

The NGOSSP’s original objectives were to take a conflict-sensitive approach to strengthening local civil society, and to implement this through a local organization that would exist beyond the length of the grant. Eleven years later, despite tumultuous shifts in the funding and aid environment, Belun continues to carry out that work. Its core management team is composed of the same Timorese staff who worked with CICR in the early years of the NGOSSP, and who co-produced the vision and values for the organization. In light of those facts, the authors of this study are comfortable concluding that the transition was a successful one.

6. KEY LESSONS

Entrance matters just as much as exit. How an organization enters a country is part of its overall exit strategy, whether this is made explicit or not. Belun’s former international staff emphasize that they were invited into the country, with their programming and focus on peacebuilding and conflict prevention driven by the needs of Timorese, rather than the agendas of international donors. CICR staff learned the local language, co-produced project designs with Timorese people, and involved Timorese staff in decision-making from the outset.

All of this was difficult, time-consuming, and often frustrating for the people involved. However, these choices created a partnership and inspired a sense of ownership in Belun staff that continues to the present. Sustainable, locally led development requires that international organizations work with local organizations

in similar ways. In Belun’s case, one Columbia staff member reflected: “I don’t think I ever observed an exit, because there wasn’t a traditional entry.”

While this lesson refers to INGOs entering a country, it is also applicable to organizations entering new regions or communities. Committing to a full context analysis and hiring staff (whether local, national, or international) who are willing to learn and work in the local language is important to building the relationships that can sustain an organization beyond INGO transition.

Planning for transition to local ownership from the outset increases the prospects of sustainability. Belun was designed for independence from the beginning, with its sustainability written into the proposal and forming one of the NGOSSP’s two objectives. Accordingly, international staff saw their roles as temporary and invested significant time, resources, and personal effort into working themselves out of a job. The NGOSSP created a capacity-building plan to establish Belun over the course of the five-year project, and followed through by developing local capacities not only in technical areas, but also organizational and operational areas such as human resources, financial management, leadership, and grant management. International staff supported proposal development, passed on policies and strategic approaches, and included Timorese staff in management decisions. These design decisions had three major effects: first, tangibly developing local skills; second, psychologically preparing Timorese staff for the international exit; and, third, building a sense of ownership over Belun and the project’s activities.

Longer implementation periods are clearly important. While not every project has the luxury of a five-year window for organizational development, the NGOSSP’s approach of creating and supporting a local NGO may serve as a blueprint for donors interested in successful approaches to locally led development.

Accompaniment works. The effectiveness of capacity-building programs varies widely, and this is certainly true of Timor-Leste. Several Timorese familiar with the country’s development sector commented on the relative failures of capacity-building initiatives in the country, with one academic complaining: “They do good-governance capacity building. But the government is still

corrupt.” However, Belun’s model of capacity building was described by every relevant group of interviewees – CICR, Belun, former Belun – as a success. As one Belun founder explained: “Accompaniment and partnership relationship is what has helped make Belun stronger. The experience of working together, learning by doing, then going out and applying those factors were a recipe for why Belun has been so successful.”

Rather than project-based training, the NGOSSP’s capacity-building programs were based on a model of accompaniment and “working by doing,” which allowed for sustained skill development. These had several important elements:

- A long-term timeframe – training with the same core group over a five-year period.
- “Deputy” positions for Timorese staff to work beside international staff.
- Trainings followed up by immediate application of learnings and key practices.
- The same group of trainers returning to give follow-up workshops, ensuring tailored support.
- Operational, in addition to technical, training.
- Pause-and-reflect points to incorporate feedback into new trainings.

The stereotypical understanding of capacity building taking the form of a well-paid international trainer flying in to deliver the same training around the world may no longer be completely accurate. However, the reality often falls far short of the successful model implemented by the NGOSSP team. While context will determine specifics, INGOs may wish to investigate incorporating a “learning by doing” model into their capacity-building efforts.

Democratic organizational governance builds ownership. Top-down organizational hierarchies that fail to incorporate local perspectives into their leadership or decision-making processes risk squandering opportunities to build local ownership. This concept of ownership is critical to understanding Belun’s success and sustainability.

From the outset, Belun’s ethos of partnership, democratic decision-making, and collaborative problem solving united its team, both local and international, allowing for a wide array of capacities to come to the fore. As one Columbia employee reported that CICR: “... was from the beginning committed to partnership, equity,

and authentic sharing – not just sharing, it’s that [CICR] really understood that for a peacebuilding organization in that setting to walk the talk, it is not sustainable to have international leadership.” This principle led directly to the committed core of Timorese staff that continue to drive Belun more than fifteen years later.

Prioritizing internal policies makes a difference.

The socialization of rigorous policies and processes, including accountability, human resources, political neutrality, and financial management systems, enabled Belun to build donor confidence and sustain funding streams. Asked about Belun’s ability to sustain itself, director Luis Ximenes responded: “Belun succeeded because we had rigorous policies.” These are only partly attributable to the legacy of CICR and international staff, but it is clear that internationals played a role in setting these systems up in concert with Timorese staff. Even in environments where employee sanctions are difficult to enforce, both local NGOs and INGOs should pay attention to the role of strict accountability mechanisms in inspiring donor and government confidence, as well as attracting high-quality staff.

Leaving does not mean saying goodbye forever.

The departure of international staff presents a serious challenge to the survival of many local NGOs. Filling international roles – in terms of technical expertise and the ability to form relationships with donors and other international organizations – can be very difficult. Belun’s case shows that continued engagement from internationals, even if limited, can provide a lifeline for local organizations with capacity gaps. Ongoing accompaniment from internationals, whether former staff, board members, or volunteers, has been critical for Belun in overcoming the English language barrier, winning new grants from donor introductions, and meeting the strict reporting and proposal requirements enforced after international funding cuts.

INGOs considering an exit or transition should keep in mind that many overlooked capacities, such as English skills, computer literacy, or budgeting for donors, can present insurmountable barriers to otherwise capable local development professionals. Furthermore, the related ability of internationals to build relationships with donor staff and INGOs can assist greatly with helping a local NGO attract funding.

ENDNOTES

1. “Belun” is a Tetum word meaning “partner” or “friend.”
2. Including staff from USAID/Timor-Leste, GIZ, the Portuguese Embassy, the European Union, the Timor-Leste government, the Asia Foundation, and UN Women/Timor-Leste.
3. CIA, “The World Factbook, 2019:Timor-Leste.” www.cia.gov/LIBRARY/publications/the-world-factbook/geos/tt.html
4. Timor-Leste General Directorate of Statistics, “Population and Housing Census 2015 – Preliminary Results,” 2015; World Bank, “Timor-Leste – Systematic Country Diagnostic: Pathways for a New Economy and Sustainable Livelihoods,” 2018.
5. The most obvious legacy bequeathed by Portugal is Roman Catholicism, practiced by an estimated 98 percent of Timorese. Aside from religion, the Portuguese left fewer than 20 kilometers of paved road and one trained doctor. Abraham Joseph and Takako Hamaguchi, *Timor-Leste: The History and Development of Asia’s Newest Nation*, Plymouth: Lexington Books, 2014.
6. Sofia Miranda, “A Cruz e o Sândalo: Religião, Tradição e Gerações Timorenses” [The Cross and the Sandalwood: Religion, Tradition and Timorese Generations], Master’s thesis, Lisbon: ISCTE–Instituto Universitário de Lisboa, 2003.
7. International Commission of Inquiry on East Timor (ICIET), “Report to the Secretary-General,” United Nations, 2000.
8. Kelly Silva, *As Nações Desunidas: Práticas da ONU e a Estruturação do Estado em Timor-Leste* [Nations Disunited: UN Practices and the Structuration of the State in Timor-Leste], Belo Horizonte: Editora da Universidade Federal de Minas Gerais, 2012; Ann Wigglesworth, *Activism and Aid: Young Citizens’ Experiences of Development and Democracy in Timor-Leste*, Clayton: Monash University Publishing, 2016.
9. Timor-Leste Ministry of Finance, “State Budget 2018 – Book 5: Development Partners,” 2018; OECD, “Aid At a Glance Charts.” www.oecd.org/dac/financing-sustainable-development/development-finance-data/aid-at-a-glance.htm. Instituto Camões promotes Portuguese language and culture on behalf of the Portuguese government.
10. Timor-Leste Ministry of Finance, “State Budget 2018 – Book 5: Development Partners,” 2018.
11. Janet Hunt, “Building a New Society: NGOs in East Timor,” *New Community Quarterly* (2004) 2(1):16–23; Janet Hunt and Ann Wigglesworth, “Civil Society in Transition,” in *Hatene kona ba/Compreender/Understanding/Mengerti Timor-Leste*, Vol. II, Hannah Loney, Antero B. da Silva, Nuno Canas Mendes, Alarico da Costa Ximenes, and Clinton Fernandes (eds.), Hawthorn: Swinburne Press, 2014; Sofia Miranda, “A Cruz e o Sândalo: Religião, Tradição e Gerações Timorenses” [The Cross and the Sandalwood: Religion, Tradition and Timorese Generations], Master’s thesis, Lisbon: ISCTE–Instituto Universitário de Lisboa, 2003.
12. Janet Hunt, “Local NGOs in National Development: The Case of East Timor,” PhD thesis, Melbourne: RMIT University, 2008; Janet Hunt and Ann Wigglesworth, “Civil Society in Transition,” in *Hatene kona ba/Compreender/Understanding/Mengerti Timor-Leste*, Vol. II, Hannah Loney, Antero B. da Silva, Nuno Canas Mendes, Alarico da Costa Ximenes, and Clinton Fernandes (eds.), Hawthorn: Swinburne Press, 2014; Sofia Miranda, “A Cruz e o Sândalo: Religião, Tradição e Gerações Timorenses” [The Cross and the Sandalwood: Religion, Tradition and Timorese Generations], Master’s thesis, Lisbon: ISCTE–Instituto Universitário de Lisboa, 2003.
13. Janet Hunt, “Building a New Society: NGOs in East Timor,” *New Community Quarterly* (2004) 2(1):16–23.
14. Janet Hunt, “Local NGOs in National Development: The Case of East Timor,” PhD thesis, Melbourne: RMIT University, 2008; Janet Hunt and Ann Wigglesworth, “Civil Society in Transition,” in *Hatene kona ba/Compreender/Understanding/Mengerti Timor-Leste*, Vol. II, Hannah Loney, Antero B. da Silva, Nuno Canas Mendes, Alarico da Costa Ximenes, and Clinton Fernandes (eds.), Hawthorn: Swinburne Press, 2014.
15. Janet Hunt, “Building a New Society: NGOs in East Timor,” *New Community Quarterly* (2004) 2(1):16–23; Janet Hunt, “Local NGOs in National Development: The Case of East Timor,” PhD thesis, Melbourne: RMIT University, 2008.
16. Janet Hunt, “Local NGOs in National Development: The Case of East Timor,” PhD thesis, Melbourne: RMIT University, 2008; Ann Wigglesworth, *Activism and Aid: Young Citizens’ Experiences of Development and Democracy in Timor-Leste*, Clayton: Monash University Publishing, 2016.
17. Cecilia Brunnstrom, “Another Invasion: Lessons from International Support to East Timorese NGOs,” *Development in Practice*, (2003) 13(4):310–21; Janet Hunt, “Local NGOs in National Development: The Case of East Timor,” PhD thesis, Melbourne: RMIT University, 2008; Ann Wigglesworth, *Activism and Aid: Young Citizens’ Experiences of Development and Democracy in Timor-Leste*, Clayton: Monash University Publishing, 2016.
18. Janet Hunt, “Building a New Society: NGOs in East Timor,” *New Community Quarterly* (2004) 2(1):16–23.

19. Janet Hunt, "Local NGOs in National Development: The Case of East Timor," PhD thesis, Melbourne: RMIT University, 2008.
20. Janet Hunt, "Building a New Society: NGOs in East Timor," *New Community Quarterly* (2004) 2(1):16–23; Hunt, "Local NGOs in National Development: The Case of East Timor," PhD thesis, Melbourne: RMIT University, 2008; Janet Hunt and Ann Wigglesworth, "Civil Society in Transition," in *Hatene kona ba/Compreender/Understanding/Mengerti Timor-Leste*, Vol. II, Hannah Loney, Antero B. da Silva, Nuno Canas Mendes, Alarico da Costa Ximenes, and Clinton Fernandes (eds.), Hawthorn: Swinburne Press, 2014.
21. Primarily to themselves, rather than to the Timorese people.
22. Janet Hunt, "Building a New Society: NGOs in East Timor," *New Community Quarterly* (2004) 2(1):16–23; Janet Hunt, "Local NGOs in National Development: The Case of East Timor," PhD thesis, Melbourne: RMIT University, 2008; Janet Hunt and Ann Wigglesworth, "Civil Society in Transition," in *Hatene kona ba/Compreender/Understanding/Mengerti Timor-Leste*, Vol. II, Hannah Loney, Antero B. da Silva, Nuno Canas Mendes, Alarico da Costa Ximenes, and Clinton Fernandes (eds.), Hawthorn: Swinburne Press, 2014.
23. Janet Hunt, "Building a New Society: NGOs in East Timor," *New Community Quarterly* (2004) 2(1):16–23.
24. Prior to the crisis there were only a few organizations – notably CICR, Belun, and Catholic Relief Services – investing in peacebuilding in Timor-Leste.
25. Janet Hunt and Ann Wigglesworth, "Civil Society in Transition," in *Hatene kona ba/Compreender/Understanding/Mengerti Timor-Leste*, Vol. II, Hannah Loney, Antero B. da Silva, Nuno Canas Mendes, Alarico da Costa Ximenes, and Clinton Fernandes (eds.), Hawthorn: Swinburne Press, 2014.
26. Janet Hunt and Ann Wigglesworth, "Civil Society in Transition," in *Hatene kona ba/Compreender/Understanding/Mengerti Timor-Leste*, Vol. II, Hannah Loney, Antero B. da Silva, Nuno Canas Mendes, Alarico da Costa Ximenes, and Clinton Fernandes (eds.), Hawthorn: Swinburne Press, 2014.
27. The Community of Sant'Egidio is a lay Catholic association founded in Rome in 1968, and is dedicated to social service.
28. Columbia University, "Center for International Conflict Resolution Columbia University," <https://beta.global.columbia.edu/institutes-programs-initiatives/center-international-conflict-resolution-columbia-university>
29. The team also established an international and interdisciplinary steering committee to advise on program development.
30. Planning Assistance, the prime, was a small American NGO, which in 2005 was folded into ACDI/VOCA. ACDI/VOCA in effect inherited responsibility for implementation of the NGOSSP.
31. Oliver Rajakaruna, "End-of-Project Evaluation Report: NGO Sector Strengthening Project (NGOSSP) in Timor Leste," ACDI/VOCA, 30 September 2008, p. ii.
32. The phases shown in the table describe both Belun's work developing the capacity of local organizations and its own internal capacity development process.
33. Sunita Caminha, "Civil Society Capacity Development in Timor-Leste: A Reflection on Practices, Partnerships and Potential," Belun, June 2008, p. 25. CBO is "community-based organization," used interchangeably with "local Timorese NGO."
34. Oliver Rajakaruna, "End-of-Project Evaluation Report: NGO Sector Strengthening Project (NGOSSP) in Timor Leste," ACDI/VOCA, 30 September 2008, p. 11.
35. Oliver Rajakaruna, "End-of-Project Evaluation Report: NGO Sector Strengthening Project (NGOSSP) in Timor Leste," ACDI/VOCA, 30 September 2008, p. 7.
36. Oliver Rajakaruna, "End-of-Project Evaluation Report: NGO Sector Strengthening Project (NGOSSP) in Timor Leste," ACDI/VOCA, 30 September 2008, p. 12.
37. Oliver Rajakaruna, "End-of-Project Evaluation Report: NGO Sector Strengthening Project (NGOSSP) in Timor Leste," ACDI/VOCA, 30 September 2008, p. 7.
38. Oliver Rajakaruna, "End-of-Project Evaluation Report: NGO Sector Strengthening Project (NGOSSP) in Timor Leste," ACDI/VOCA, 30 September 2008, p. 12.
39. Consisting of the director, the program managers, the finance manager, and the office manager.
40. These adjustments include Belun's pivot to humanitarian response and IDP support following the 2006 political crisis.

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