

Dili, 19 December 2002

SPECIAL FUND BEGINS SECOND ROUND OF PAYMENTS TO FORMER INDONESIAN EMPLOYEES

A "Special Fund" established with contributions from the governments of Indonesia, Australia and Portugal as well as the European Commission, will begin in January a second round of one-time payments to eligible former Indonesian Government civil servants, military (TNI), police and pensioners who served in East Timor prior to September 1999.

Payments will be made principally at branches of Banco Nacional Ultramarino (BNU) in Dili and Baucau and at the prison compound in Suai. The names of those eligible and the exact day each recipient should go to receive his or her payment will be posted at all District Administration Offices in Timor-Leste, at BNU branches in Dili and Baucau and at the Public Service Department in Dili. The beneficiaries' lists are compiled by the Public Service Department on the basis of the lists of verified former Indonesian public servants received by the Indonesian Authorities.

Payments will be made in Dili from 06 to 10 January; in Suai on 13 and 14 January; and Baucau on 15, 16 and 17 January.

The Special Fund administrator is currently exploring ways to expedite payments in coming months to insure that all recipients receive their payment as quickly as possible.

The "Special Fund" is being managed by UNDP in partnership with the Government of Timor-Leste.

The fund made a first round of payments to 1,253 beneficiaries in early November. In Dili, payments were made to 374 out of the 447 people who were in the list; in Baucau, 856 out of 939; and in Suai only 23 out of 138 people. The figure for Suai was low due to some confusion regarding the payment procedure process, a misunderstanding which is being addressed. All those registered beneficiaries who did not receive their payment in November will be able to receive it during the January payment period.

Those eligible to receive payment in the Special Fund programme must be former government civil servants or pensioners who are in Timor-Leste or who return here before the deadline for registration closes on 31 December 2002. To be eligible, they must have formally registered with the District Administration Personnel Office in their district and had their qualifications verified by the Indonesian government. They also must be citizens of Timor-Leste.

The estimated total number of beneficiaries is 29,200. Of these, some 22,000 have already been registered in Timor-Leste and some 2,500 are in the country but have not yet been registered. An additional 4,700 are estimated to be currently living in West Timor.

Payment amounts range from US\$50 to US\$350 based on the numbers of years of service by the former Indonesian employee or pensioner. The amount of the one-time payments is based on the number of years an Indonesian employee served prior to September 1999. For example, those who served one-to-five years will receive a U.S. \$50 payment; those from six-to-ten years, \$100 and those who served over 26 years will receive \$300. The highest payment of \$350 will go to pensioners. This payment scale was agreed by the Special Fund steering committee in the spirit of fairness vis-à-vis old and long serving employees who have had less employment opportunities after August 1999.

The "Special Fund" disbursements should not be confused with the Indonesian pension payments, the Tabungan Hari Tua (THT) or with the Tabungan Perumahan (housing) scheme payments. These are payments currently being made in Timor Leste that are financed through an agreement negotiated between UNTAET and the Government of Indonesia on 10 July 2001. These payments are based on entitlements vis-à-vis the Government of Indonesia and do not involve voluntary contributions from donor nations, as is the case with the "Special Fund."