East Timor’s coffee production is small in the global coffee context, producing less than one percent of the international total. Nevertheless, coffee is crucial to the country’s overall economy. It is currently the most important source of foreign exchange for East Timor and it serves as the primary source of income for about one-fourth of the country’s population, or some 44,000 families.

CCT is a cooperative organisation of the organic coffee farmers of East Timor, representing 23,000 farmer members. The total Fairtrade Premium paid to CCT between 2004/8 by Australian and New Zealand Fairtrade businesses was AU$170,351. At CCT the Fairtrade Premium supports a number of projects democratically chosen by the members of the cooperatives:

- A health program (see box)
- A business skills development program that provides members with training in bookkeeping, management, English language, and computer skills.
- A wholesale purchasing co-op that benefits the local community by providing consumer goods at reasonable prices to small retail outlets in rural areas.

**Fairtrade at Work: Fairtrade and Healthcare — Clinic Cafe Timor**

The Clinic Cafe Timor initiative, a development program within CCT, demonstrates the benefits to disadvantaged communities from Fairtrade practices.

In response to the lack of available and affordable healthcare services in rural East Timor, CCT has allocated a substantial part of its Fairtrade Premium fund to Healthcare.

Clinic Cafe Timor offers primary level health services to the coffee farmers and their families in the remote mountain coffee growing districts of East Timor. The program currently reaches 115,000 people in rural and coastal Timor. Historically, these families have been poorly serviced or isolated from mainstream health services.

“With the Fairtrade premium, the co-op has invested in a health care program that handles more than 18,000 cases each month. Its facilities include 10 fixed clinics and 24 mobile clinics that provide free services to coffee farmers and their families.” Sam Filiaci, advisor to CCT, East Timor.

Clinic Cafe Timor is the largest provider of rural health care in the country.

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FLO ID: 930
Fairtrade Certified since: 2001
Fairtrade Certified products: Coffee
Number of members: 23,000 farmer members
Total volume purchased for the ANZ market between 2004/8: 830,940 kg of Organic washed Arabica coffee
The Cooperativa Cafe Timor (CCT) Story

In 2000, a group of farmers united to form CCT after East Timor’s independence referendum in 1999 and the destruction that followed. Today, the organisation has 23,000 members from 16 base cooperatives and 494 small-scale farmer groups. Positive results from these collective efforts are already being seen in the countryside. Cafe Timor is the only independent producer of wet-milled coffee, which significantly increases its quality and market value.

Revenue from the Fairtrade Premium has been invested to improve the working and living conditions of farmers and their families and invested in the diversification of local income earning opportunities.

CCT is a large cooperative that faces many challenges, one of the most difficult challenges being its size. As CCT’s Fairtrade sales increase so will its ability to provide more farmers with the benefits of Fairtrade. CCT is working towards all of its members enjoying the benefits of Fairtrade.

COUNTRY PROFILE: EAST TIMOR

The people of the first new nation of the century suffered some of the worst atrocities of modern times. An independent report has said at least 100,000 Timorese died as a result of Indonesia’s 25-year occupation, which ended in 1999.

East Timor is one of Asia’s poorest nations. The infrastructure is poor and the country is drought-prone.

The country is particularly vulnerable to market fluctuations as it is heavily reliant on imports, with 90% of essential goods originating from overseas.


| HDI rank: 150 out 177 countries placing East Timor in the bottom 20%. |
| Life expectancy at birth: 66.9 years |
| 48% of children under 5 years old are underweight. |
| GDP per capita: US$2500 |
| Gross Domestic Product (GDP) per capita is obtained by dividing the annual GDP, at current market prices, by the population of a country. GDP is the total value of all goods and services produced in a particular economy. |
| Unemployment rate: 20% in rural areas rising to 40% in urban areas. |
| Export commodities: coffee, sandalwood, marble. |

This report has been produced by Fairtrade Labelling Australia & New Zealand (FLANZ) and Oxfam Australia. Analysis has covered the period of Australian and New Zealand Fairtrade purchases and sales from 1 January 2004 to 31 December 2008.

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