

BIENNIAL REPORT 2013/2014



Photo: Markus Wild



HELVETAS

Swiss Intercooperation

BHUTAN

40 YEARS OF DEVELOPMENT PARTNERSHIP WITH BHUTAN: 1975 – 2015

BIENNIAL REPORT 2013/2014



40 YEARS OF DEVELOPMENT PARTNERSHIP WITH BHUTAN: 1975 – 2015

HELVETAS **Swiss** Intercooperation is an international network of independent affiliate members working in the field of development cooperation and emergency response. The HELVETAS network builds upon six decades of development experience. Its 1'600 staff members work in over 30 countries. The affiliated members share a common vision and mission. They adhere to one common strategy built on defined working approaches and thematic areas of intervention.

HELVETAS **Bhutan** is one of the decentralized country programs of HELVETAS Swiss Intercooperation which has been operating in Bhutan under an agreement with the Royal Government of Bhutan since 1975. It implements its programs and projects in three of HELVETAS' five thematic areas through local partners at both national and local levels. HELVETAS Bhutan builds on opportunities arising from the democratization process by creating spaces for disadvantaged men and women and by promoting equitable shares in social and economic benefits.

Published by HELVETAS Swiss Intercooperation Bhutan
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Photo on front page:
Community Forest Group members benefit
from easier access to forest resources

Global HELVETAS Swiss Intercooperation

Our Vision

Our vision is a just world in which all men and women determine the course of their lives in dignity and security, using environmental resources in a sustainable manner. This vision is the basis for the organisation's mission to help disadvantaged men, women and communities in developing countries.

HELVETAS Swiss Intercooperation-Bhutan

Mission

HELVETAS Swiss Intercooperation Bhutan builds on opportunities arising from the democratization process by creating spaces for disadvantaged men and women and by promoting equitable share in social and economic benefits

Development Goal

Contribute towards equitable development and improved livelihoods through the promotion of an effective and accountable state, active citizens and sustainable economic opportunities

Key Principles

Non-discrimination and equity
Participation and inclusion
Being innovative and building upon local knowledge
Working with partners and promoting dialogue
Sustainability

Acronyms and Glossary

| | |
|--------------|---|
| BCCI | Bhutan Chamber of Commerce and Industry |
| BCMD | Bhutan Centre for Media and Democracy |
| BNEW | Bhutan Network for Empowering Women |
| CD | Capacity Development |
| CF | Community Forest |
| CFMG | Community Forest Management Groups |
| CSO | Civil Society Organization |
| CSOA | Civil Society Organization Authority |
| DAMC | Department of Agricultural Marketing and Cooperatives |
| DLG | Department of Local Governance |
| Dzongkhag | 20 dzongkhags or districts are the country's 2nd tier administrative and judicial units |
| EF | Employment Fund, Nepal |
| EU | European Union |
| FYP | Five Year Plan |
| GAO | Gewog Administrative Officer |
| GDP | Gross Domestic Product |
| Gewog | 205 gewogs or groups of villages are Bhutan's 1st tier administrative units |
| GNHC | Gross National Happiness Commission |
| GSE | Gender and Social Equity |
| Gup | Elected Head of a Gewog/Chairperson of Gewog Council |
| +healthcare+ | Swiss Association for Bhutan Healthcare System Support |
| HSI | HELVETAS Swiss Intercooperation |
| K&L | Knowledge and Learning |
| LCD | Leveraging Cultural Diversity |
| LG | Local Government |
| MDGs | Millennium Development Goals |
| MoAF | Ministry of Agriculture and Forests |
| MoE | Ministry of Education |
| MoHCA | Ministry of Home and Cultural Affairs |
| MoLHR | Ministry of Labor and Human Resources |
| NKRA | National Key Result Areas (of the 11th. Plan) |
| NWFP | Non Wood Forest Product |
| NGO | Non-Government Organization |
| OSD4CS | Occupational Skills Development for the Construction Sector |
| PFMP | Participatory Forest Management Project |
| PPD | Policy and Planning Division |
| RDTC | Rural Development Training Centre |
| RGoB | Royal Government of Bhutan |
| RLP | Rural Livelihood Project |
| RNR | Renewable Natural Resources |
| RUB | Royal University of Bhutan (Auditorium and Library cum IT Building) |
| SCSS | Support to Civil Society Sector |
| SDC | Swiss Agency for Development and Cooperation |
| SDGs | Sustainable Development Goals |
| SERB | Support for Rural Education in Bhutan |
| skat | Swiss Resource Centre and Consultancies for Development |
| SLG | Support for Local Governance |
| SLSA | Swiss Liechtenstein Foundation of Archaeological Research Abroad |
| SPET | Society for Promotion of Education and Training (Germany) |
| SWM | (Integrated) Solid Waste Management (Project) |
| TF | Tarayana Foundation |
| ToT | Training of Trainers |
| TITI | Training Institute for Technical Instruction, Nepal |
| (TE)VT | (Technical Education and)Vocational Training |

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Introduction

The current HELVETAS Swiss Intercooperation program in Bhutan is guided by the **Country Strategy 2012 – 2017**, which was finalized in January 2013 after extensive consultations with partners in Bhutan.

Reporting progress and results has primarily been done by local partners at the project level through semi-annual and annual progress reports. The last **program level annual report** of HELVETAS Swiss Intercooperation Bhutan was submitted for the year 2012. Special efforts to improve project level monitoring and reporting were undertaken in 2014, to support project management, accountability and steering, and as a basis for enhanced country program level reporting.

The information provided in this report aims to cover the calendar years 2013/14 (biennial report). This applies to all dimensions of the report: Context, program (country strategy), working areas and complementary projects.

The biennial report 2013-2014 takes the program reporting for the year 2012 a step further in aiming at linking the information and data provided more closely to the results planned in the Country Strategy 2012 – 2017, and to the National **Key Result Areas of the Eleventh Five Year Plan** (July 2013 – June 2018).

Country Context

In 2013, Bhutan held its second parliamentary **election** in the country's relatively young democratic history. The former opposition party secured 32 of the total 47 seats in the National Assembly and took over the government. The former ruling party now forms the opposition. Its 15 members are a healthy number in comparison to the two the earlier opposition had. The pledges of the political parties are along similar lines of social change, sustainable economic development and democratic governance.

The general **governance** trend is towards greater decentralisation and participation of civil society organizations (CSOs). However, authority over financial and human resources and technical and administrative capacities at local levels remain limited. There are plans to assess the performance of local governments and to identify capacity constraints going beyond training needs, i.e. to look at staffing patterns and needs, and accountability lines between, for example, executive staff and elected representatives. Such initiatives are important but will need to be linked to the overall level of decentralization from central ministries to local governments. The role of CSOs has largely been in (social) service delivery mainly; their engagement in democratic processes is gradually emerging.

The country's **socio-economic** and institutional constraints and vulnerabilities have emerged more clearly in recent years: Growing indebtedness and inflation, balance of payment deficits, weak private and civil society sectors, and high (youth) unemployment along with challenges of quality and diversification in the education and vocational training systems. The country is highly dependent on the hydropower sector and India's economy.

The proportion of the population living below the **poverty** line (< US\$ 1.25/day) was reduced from 23.2% in 2007 to 12% in 2013. This rate disguises more deeply

rooted structural problems: deprivation of access to basic amenities like health and education among the income poor, rural-urban disparities and migration, and 60% of the population continuing to depend on **agriculture** and its limited productivity and income potential. Commercialization of agriculture, the development of rural infrastructure (roads, electrification, schools and basic health units) and spill overs from hydropower construction projects have been the main drivers of poverty reduction. The rupee crunch has positively impacted the resource allocation for the RNR sector for import substitution purposes. There is recognition of the importance of agriculture at the highest level.

The chronically poor constituted two thirds of all poor in 2012. The lack of **targeting** mechanisms for the chronically poor restrains the escape from poverty. Women-led households are less upwardly mobile and have fewer recourses to cope. The government has outlined certain programs to design targeting mechanisms reaching beyond dzongkhags and gewogs to the level of poor and vulnerable households (e.g. Rural Economy Advancement Program) and part of its implementation has been entrusted to a CSO.

Bhutan has made good progress in meeting the Millennium Development Goals (**MDGs**). Of the eight goals, four have been achieved or overachieved: halving extreme poverty; reaching gender parity in education; ensuring environmental sustainability; and reducing maternal mortality by three-fourth. Areas requiring attention are gender parity in higher secondary and tertiary education and youth unemployment. With the report "Happiness: Towards a New Development Paradigm", the Kingdom of Bhutan has made an important contribution in the process of developing a post-2015 agenda (SDGs, Sustainable Development Goals).

Bhutan's **Eleventh Five Year Plan** (2013-

2018) was confirmed in the 1st session of the 2nd Parliament in September 2013. This is a strong sign of continuity in development policy. The overall objective is ‘self-reliance and inclusive green socio-economic development’. Priorities include reducing multi-dimensional poverty and youth unemployment, promoting green and climate resilient development, and strengthening democratic practices. A notable innovation of the Eleventh Plan is the adoption of a results based planning framework articulating clear outputs and outcomes in sixteen national key result areas (NKRAs). The 16 key result areas are defined under the four pillars of GNH, Gross National Happiness (sustainable and equitable socio-economic development; preservation and promotion of culture; conservation and sustainable utilization and management of the environment; promotion of good governance). Key result areas are complemented with key performance indicators, baselines and targets for the plan period (details are provided in Annex 1).

Important reforms and changes in governance systems have been initiated in the education sector. Examples include the introduction of central schools and school autonomy. An **Education Blueprint 2014 – 2024** was developed. It aims to “further enhance educational access, quality, equi-

ty and system efficiency at all levels of the education system”. A **Blueprint for the Vocational Training Sector** is planned to be developed in 2015/16. And a **draft Heritage Sites Bill** awaits parliamentary review and decision since mid-2014. It aims at providing stewardship for the country’s “social fabric, properties and sites which have shaped Bhutan’s society, economy and landscape”. Archaeology is one of the areas covered by the bill.

While the **Roundtable Meeting** held with development partners in December 2013 confirmed Bhutan’s development goal of “self-reliance and inclusive, green socio-economic development”, the government was unambiguous in its call to donors to stay engaged during the 11th Plan period and beyond. The UN facilitated review and discussion process on mechanisms and instruments to facilitate the transition to a middle income country status was met with strong reservation by the RGOB. And while the plans of the Danish, Swiss and Austrian Governments have become more clear to conclude their classical aid programs between 2014 and 2018, the European Union has decided to treble the financial volume (in the form of budgetary aid mainly) between 2014 and 2020 to 7 million Euro per year.

Country Strategy

Main Orientations of HELVETAS Swiss Intercooperation's Country Strategy 2012 – 2017

The Country Strategy 2012 – 2017 was elaborated in 2012, “aligned with Bhutan Vision 2020 and the 10th Five Year Plan (2008 – 2013)”.

The mission, development goal and key principles of HELVETAS Swiss Intercooperation's engagement in Bhutan are highlighted at the outset of this report on page 3. The mission is to “build on opportunities arising from the democratisation process by creating spaces for disadvantaged women and men and promoting their equal share in social and economic benefits”. This has been determining the choice of the working areas, geographic focus and partners.

The HELVETAS Swiss Intercooperation program in Bhutan focuses on the working areas Governance and Peace (Decentralisation, Local Governance and Civil Society), Rural Economy, and Skills Development and Education. It targets rural areas where the majority (95%) of the poor live, and disadvantaged groups¹. While some of the projects work nationwide with national partners (in the areas Community Forestry, Decentralisation and Local Governance, Civil Society Sector Development and Skills Development), others focus on central and south Bhutan, on dzongkhags and gewogs within dzongkhags where income poverty

rates are highest and access to basic services most difficult (Rural Livelihoods, Support to Rural Education; Local Governance).

The Project Portfolio and its Development in 2013 and 2014

The map in Annex 2 provides an overview of the main geographic target areas.

In the course of 2014, the projects Leveraging Cultural Diversity (LCD), Support to Tarayana Foundation, Integrated Waste Management (SWM), Support for Education in Rural Bhutan (SERB) and Construction of RUB IT- Building & Auditorium (RUB) were completed, except for some follow-up activities that will continue to need attention in 2015. With the completion of these projects, the portfolio has been rationalized significantly compared to 2012. On the other hand, the launch of the OSD4CS (Occupational Skills Development for the Construction Sector) project represents a new sector engagement for HELVETAS Swiss Intercooperation in Bhutan. In addition to that, opportunities for new acquisitions have been monitored and examined in the course of 2014.

¹ *Disadvantaged groups*: “In Bhutan, the term refers mostly to people living in rural areas and challenging environments, resulting in difficult access to basic public services (health, education), low agricultural production and high vulnerability to natural hazards” (RGOB, Bhutan 2020, quoted in HELVETAS Swiss Intercooperation Country Strategy 2012-2017, page 19). HELVETAS' Country Strategy adds (on page 20): “...(we) aim at a more holistic definition of disadvantaged groups which considers access to and availability of resources, participation in social, economic and political life and assertion of rights. Practically, in Bhutan, landless, small land holders, farmers in poor production environments, socially and culturally vulnerable groups, youth, women, elderly, disabled individuals, rural communities and urban poor are considered “disadvantaged”.

Annex 3 gives an overview of HELVETAS Swiss Intercooperation's **project portfolio** at the end of the year 2014, with projects allocated under the 11th Plan's four GNH Pillars and HELVETAS Swiss Intercooperation's areas of work. The annex also provides information on the main project partners and the project managers and directors as of June 2015.

Planned Contributions to 11th Plan Result Areas

HELVETAS Swiss Intercooperation's Country Strategy 2012 – 2017 was planned with the objectives and planned activities of the 10th Five Year Plan (2008 – 2013) as a basis.

The 11th Plan (2013 – 2018) defines 16 National Key Result Areas (NKRA) with corresponding Key Performance Indicators (KPIs, Annex 1). An assessment of the portfolio of HELVETAS Swiss Intercooperation for its relevance to the sixteen Key Result Areas allows to make the following observations and conclusions:

Over the mid and longer term, the project **OSD4CS** (Occupational Skills Development for the Construction Sector) has the potential to contribute significantly to NKRAs No. 2 (Income poverty reduced) and No. 4 (Employment). The project **SLG** (Support to Local Governance) is about to be extended for another three years, with a focus on strengthening local government administration and citizen engagement to promote good governance at the local level. This goal is expected to contribute to the NKRAs No. 11 (improved service delivery) and 12 (strengthened democracy and governance), along with enhanced local capacities and responsiveness to local concerns and challenges. The growth and developments in the CSO sector led to the design of a new project in its own right, Strengthening the Civil Society Sector (**SCSS**), with the goal to generate enhanced benefits for the people of Bhutan (NKRA No. 12 and, more specifically, an enhanced policy environment, strengthened CSOs and an increased public understanding of civil society).

PFMP III was designed to contribute to three GNH Pillars, Socio Economic Development, Sustainable Management of the Environment and Good Governance, i.e. to the NKRAs Nos. 2, 8 and 12 in Annex 1. The Rural Livelihood Project **RLP** aims to contribute to an improved livelihood of the rural poor through community driven and participatory approaches, resulting in reduced income poverty (NKRA No. 2), performing farmers' groups and cooperatives and enhanced local democratic processes in the target dzongkhags Zhemgang and Sarpang. **RDTC**, the Rural Development Training Centre has been focusing its offer on leaders and office bearers of farmers' groups and cooperatives and on entrepreneurial youths and farmers for enhanced productivity and market orientation in the agriculture and allied sectors, thereby contributing to the NKRAs Nos. 2 (Income poverty reduced) and 4 (Employment).

Over the last two years, the **Bhutan Swiss Archaeology Project** has worked towards the creation of a political and legal environment, capacities and documentary and analytical foundations for the protection and valorisation of the country's archaeological heritage. In the long-term, these activities are expected to contribute to NKRA No. 5 (Strengthened Bhutanese identity) under the GNH Pillar "Preservation and Promotion of Culture". Systematic community participation and livelihood promotion for employment and incomes from archaeological sites (NKRA No. 5) through tourism are planned under a new project phase from 2016 onward.

HELVETAS Swiss Intercooperation's Country Strategy Outcomes

The planned outcomes (targets) of HELVETAS Swiss Intercooperation's Country Strategy 2012 – 2017 are specified in its Annex 3. The logframe plan (Annex 4 to this report) was adapted to allow reporting of (cumulative) achievements by the end of 2014. Indicators and targets used are those set in 2012, complemented pragmatically with information considered relevant to illustrate progress towards planned outcomes. The main sources of information are progress and end-of-phase reports by and exchanges with partners, observations from field visits, and reviews conducted in 2014. Alignment with National Key Result Areas and Performance Indicators (Annex 1) remains work in progress, due to the limited implementation of the national monitoring and reporting systems, project specific results not covered in the Five Year Plan, and some complementary reporting requirements of HELVETAS Swiss Intercooperation.

Considering these parameters, the following general observations can be made:

- The planned outcomes of the Country Strategy formulated under the 10th Five Year Plan are coherent with the objectives of the 11th Plan. Revisiting these outcomes as foreseen for 2013 was therefore not considered to be a priority. More specifically, the relevance of HELVETAS Swiss Intercooperation's Strategy 2012 – 2017 has been confirmed under the chapter "Planned Contributions to 11th Plan Result Areas" on pages 10 of this biennial report.
- The quality, coherence and completeness of the partners' semester and annual reports to HELVETAS Swiss Intercooperation vary greatly. None the less, from the cumulative results compiled in Annex 4 and the complementary information on working areas and projects in the following chapters the conclusion can be drawn that program implementation overall is on track, and results achieved by the end of 2014 are good.
- While the planned outcomes of the Strategy shall, in principle, be maintained till 2017, methods and indicators to measure and report results may be adapted and complemented based on better alignments with 11th Plan reporting systems, new project phase plans developed and approved from 2014 onward, and the program mid-term review planned for mid-2016.
- Project level reporting improved substantially for the year 2014. The thrust for further improvements will need to continue. At the program level, first steps to establish and develop a data bank foundation are needed as a basis to allow coherent and more reliable program level reporting over time.
- Context and additional (mainly qualitative) information on results achieved is provided in the following working area and project specific reports. Complementary projects are not or only poorly reflected in the overall results matrix of Annex 4. They will also lose much importance since many of them have been completed in the course of 2014 (see also "The Project Portfolio and its Development in 2013 and 2014" on page 9 of this report).

Working Area Results and Complementary Project Results

Governance and Peace

Alongside the programs that focus on local government performance, citizens engaging in local governance continues to be a priority

The general governance trend in the country is towards greater decentralization to local governments and increasing participation of civil society organizations. However, these processes need time to mature. Currently, there are challenges such as systemic decentralization reforms that are not fully functional, lack of capacities of local governments, and limited engagement of civil society organizations beyond implementing social programs and activities. Within this context, this working area concentrated on sharpening the portfolio of projects that support decentralization, local governance and civil society engagement. With the engagement of local government representatives, civil society organizations, and central government stakeholders, new phases of three projects were planned to support decentralization and civil society reforms.

In 2013 and 2014, 350 local government representatives went through planning and prioritization training programs to address the issue of local governments coming up with a wish list of capital projects every year. This was aligned with the ongoing local government-wide attempt to plan and implement within a known annual budget. Trainings on carrying out small scale researches on local government issues were carried out with the aim of going deeper than the usual local plans that largely focus on capital investments in farm roads, irrigation channels etc. This move is seen to be in the right direction but needs further strengthening. Alongside programs that focused on the performance of local governments, citizens engaging in local governance continues to be a priority in the Governance and Peace working area. Here, the results are not evident yet; however, discussions on account-

ability towards citizens, disclosing budget, and mechanisms to provide clear and timely information on plans with more than 240 citizens and local government representatives have generated interests and have also been a topic that stakeholders such as the Department of Local Governance and the Anti-Corruption Commission continue to take forward. A few CSOs have also begun to engage in topics of transparency and accountability.

Registration of CSOs is considered important, for reasons such as gaining a legal status and fund raising. To ease the process of registering and starting up, legal advice was provided and 46 CSOs and informal community based organizations were supported with institutional start-up grants, and contributions towards their programs in collaboration with other partners supporting the civil society sector. A priority was to facilitate collaboration and networking among the diverse CSOs by facilitating common platforms to share information, discuss common issues, publicize the important work that CSOs are engaged in and to interact with government officials and citizens. These efforts will be strengthened in the coming years.

The other working areas, particularly Rural Economy has strong elements of governance. Within the farmer groups that the projects work with, transparent and democratic principles of governing a group (e.g. elections of leaders, book keeping), and gender equity measures (e.g. leadership trainings for potential women group leaders) continue to be important. Linking these groups with local governments and vice versa is a topic that is essential and needs further work.



Photo: Kunzang Dorji

CSO “stall” at the CSO Fair where all interested CSOs came together to showcase their work

There is a more conducive environment for the emergence and growth of civil society organizations in the country. Today, there are 45 registered CSOs and several informal groups and associations. Supporting and facilitating networks among these CSOs to share experiences, raise issues and challenges facing them and their constituencies, and eventually to also represent civil society organizations in the country are emerging topics of importance. In this direction, quarterly discussions hosted by different CSOs, addressing common capacity topics, a joint website for all interested CSOs are pertinent steps that have begun and will be strengthened.

Rural Economy

The promotion of rural livelihoods and good local governance systems are priorities under the working area Rural Economy.

The Renewable Natural Resource (RNR) sector aims to achieve green, inclusive economic growth, poverty reduction and climate smart natural resources management. The 11th Five Year Plan (2013 to 2018) sector objectives are to enhance food and nutrition security, sustainable rural livelihoods, accelerated sector growth and sustainable management and utilization of natural resources. The major investments are still focused on farm roads, irrigation, farm mechanization, green houses, livestock, electric fencing and farm shops to enhance productivity and access to markets.

The state of the Tsa-Wa-Sum 2014 (state of the nation report) of the Prime Minister for 2014 reports that agriculture accounted for 16.2% of the GDP and an extraordinary 3% growth. The rupee “crunch” has contributed to accelerate the growth of the sector with plans and programs aimed at import substitution and product diversification in addition to export orientation of crops with commercial potential.

The projects in the working area “Rural Economy” aim to improve rural livelihoods by empowering communities and individuals to initiate innovative market oriented ventures, optimize resource governance and engage in economically and ecologically sustainable agriculture and forestry. The objective of the Rural Livelihood Project (RLP, Phase II) is the reduction of poverty in selected gewogs of Zhemgang and Sarpang dzongkhags through market chain facilitation, capacity building and the promotion of good governance systems through local decision making. The objective of the Participatory Forest Management Project (PFMP, Phase III) is for Community Forest Management Groups (CFMGs) and Non-Wood Forest Product (NWFP) groups to generate growing benefits for their members, apply principles of good governance and collaborate effectively in networks.

The number of CFMGs reached 561 in 2014, with 66 groups formed during the years 2013 and 2014, i.e. 2’211 households have started participating and managing an extra 6’293 hectares of community forest. The CFMGs across the country have accumulated Nu. 14.38 million of savings over the last five years. The 70 Non Wood Forest Product (NWFP) groups earned Nu. 3’260’989 of which Nu. 2.69 million was from the sale of rubia and chirata, and the rest from the sale of bamboo products and soft brooms. For sustained income generation from sustainable management of community forests (CF), 1’432 (566 f) group members were trained on silviculture and logging and 260 (46 f) members on broom grass and bamboo plantation and management.

Under the RLP and PFMP projects, 3’704 (1204 f) members were given good governance awareness and gender sensitization training to enhance the governance of community forest and farmers’ groups and cooperatives; 3’258 (772 f) were trained in book and record keeping, and 405 local leaders, executive members and extension agents in good governance of farmers groups and cooperatives and on gender inclusiveness.

Interventions in the livestock sector improved the livelihoods of 259 households earning an extra income of Nu. 3’642’719. Similarly, 170 households benefitted from support to vegetable production and marketing, resulting in extra earnings of Nu 57’571 in 2013/14.

During the reporting period, 10km of farm roads, one 45.5m suspension bridge and 2.7km of irrigation channels were built, directly benefitting 195 households (comprising 1628 members, of which 804 are female).

Under the PFMP objective to promote CFMGs collaborating in networks for com-

mon learning, advocacy and marketing, five dzongkhag level annual fora and one dzongkhag level CF cooperative covering 173 CFs were created.

To foster a better understanding of market situations and policy environments, a study on rural timber supply was undertaken. It confirmed a long-term potential for CFs to supply timber, as an alternative to public supplies at subsidized rates. A review of the national CF program was undertaken in 2014. It contributed to the lifting of the government's suspension to establish new CFs.

The Rural Livelihood Project (RLP) reviewed RGOB subsidy guidelines and undertook an impact assessment of pro poor policy interventions. Neither the subsidy guidelines applied for the supply of jersey cows, seeds and seedlings and farm machinery, nor the policy interventions on human wildlife conflict and fishing proved to be pro poor. An analysis of the fund flow and tendering processes allowed active local leaders to access RLP funds early in a fiscal year. As a complementary measure, this will necessitate more stringent budgeting, resource allocation and season sensitive budget release process management.

In 2015/2016, the rural economy projects will intensify their focus on enhancing monitoring and reporting, value addition, processing and marketing to complement the production achievements of the past years for more comprehensive development of rural market systems. The networking among CFMGs will be scaled up to cover 11 dzongkhags by the end of 2015. Both the PFMP and the RLP projects will undergo end of phase reviews in late 2015/early 2016.

A planned outcome of PFMP Phase III is that "the governance of CFMGs is strengthened and gender sensitive". Kala was a participant in a training on leadership skills development in Tsirang dzongkhag, in south-central Bhutan.



Kala is a member of the Executive Committee of Lhasoelthang CFMG since 2011

As the accountant of the CFMG she keeps accounts, data, collects membership fees and deposits the amount in the Bhutan Development Bank Ltd. She attends the general meetings of the CF twice a year and participates during forestry plantation days and harvesting times. Other times, she owns and runs a general shop that sells grocery and utility items.

She found the PFMP workshop very helpful as she needed help with the Dzongkha language, especially for some basic grammar, and to gain confidence in public speaking. So this workshop helped her to become more confident and brushed up on her Dzongkha.

She says that very few women come forward to become office bearers in CFMGs simply due to lack of confidence and poor knowledge of Dzongkha language.

Kala asked to give an extempore speech on the topic of "How to empower women". She said that "men can't do everything, women should also try to participate equally and attend all the meetings, as it is very important for us to come forward".

The BNEW workshops helped to increase her interest in local governance. Kala feels very encouraged and motivated to stand as a Tshogpa candidate from her Chiwog during next LG Elections of 2016.

Skills Development and Education

.....
**Access, relevance
 and the performance
 of institutions in
 Skills Development
 and Education have
 been core concerns.**

Bhutan has made impressive progress in general education over the last decades and is nearly achieving all MDGs in the sector (notably 100% gross and net enrollment ratios). The main concerns today are the quality and standards of the education provided, equity gaps (rural – urban; gender at secondary and tertiary levels) and the lack or scarcity of alternative, vocationally oriented education and training paths parallel to the academic education stream, supporting the transition from school to the world of work. Youth unemployment rates of nearly 10% (against general national male and female unemployment rates of 2%, respectively 3.5%) are a great concern to both the public and politics. The new Government has been responding with a variety of employment schemes (Guaranteed Employment Program, Employment Skills Program, Overseas Employment Scheme, etc.) along its election promise of “100% employment”, and the development of “Blue Prints”, ten years reform plans for the general education sector (2014) and for the vocational training sector (planned for 2015, see also page 27). With strong underlying structural factors such as demography (more than 50% of the population is below the age of 24; rural urban migration) and the economy (76.5% of the employment is in the informal sector, i.e. mainly agri-farming), the official unemployment rates are only a small part of a much larger, longer-term socio-economic transition process and challenge.

In 2014, the Support for Education in Rural Bhutan project (SERB) funded by Oxfam

Hong Kong was concluded. Its main areas of operation were six dzongkhags in (south) eastern Bhutan. 192 girls from rural areas have gained access to secure boarding facilities, and 1500 students (60% girls) to improved sanitation and water facilities. Both factors help to retain girls in schools at the secondary level. The Five Year Plan (2013-2018) of the education sector, addressing gender gaps, gives the provision of boarding facilities and separate toilets for girls much attention at the national level. At the policy level, SERB engaged in kick-starting two important changes in the governance of schools. First, 60 Teacher Resource Centers were supported between 2012 and 2014. The concept is based on one school catering to the needs of a cluster of surrounding schools, as decentralized units of teacher professional development. Second, capacity development of 19 principals of schools that have gained “autonomous” schools status on a pilot basis has been supported in 2014. In the context of Bhutan’s democratization and decentralization process, and the country’s plans (Education Blue Print 2014 – 2024) to foster the quality of education, both these initiatives remain important to consolidate and strengthen. Although Oxfam Hong Kong has taken a decision at institutional level to not continue its engagement in general education, discussions with HELVETAS Swiss Intercooperation are on-going for an action research and policy platform initiative to deepen the education reform discourse around an ambitious reform agenda envisaged under the Education Blue Print.



Girls in a partner school with samples of sanitary supplies they developed

Access to sanitary supplies for adolescent girls is a topic that has not been given due attention. Therefore, led by the Comprehensive School Health Division and supported through the project SERB, trials on developing cheap and environmentally sound sanitary supplies in schools was done directly involving 579 adolescent girls and teachers. More schools have shown a keen interest and have begun replicating the initiative, and the partner Division has recommended taking the program to boarding schools and Non Formal Education Centers around the country. This initiative has been accompanied by discussions on gender responsive teaching and learning, as well as with support for construction of separate toilets for girls.

Skills development (or TEVT, Technical Education and Vocational Training) is not the first choice of parents, youth and public policy. The training infrastructure (training institutes) is modest (8 institutes with an overall capacity of 675), underutilized and caught in low levels of staff capacity and performance. There are few private service providers in the market, and private sector participation in “dual modes” of vocational training remains rudimentary. Inputs from international development partnerships have not been used well (infrastructure, instruc-

tors training, for example) or diverted to other purposes (technical training institute Dekiling, funded by the Government of India, with technical assistance inputs from HELVETAS Swiss Intercooperation to enhance quality of training in the construction sector).

The engagement of HELVETAS Swiss Intercooperation in the skills development sector started in mid-2013, although sector specific skills training has been an important component in practically all projects supported

over the last 40 years. The newly designed Occupational Skills Development Project for the Construction Sector (OSD4CS) was given greater focus and conceptual clarity through the review and revision of its results framework in early 2014. Priority has shifted to enhance the performance of the two institutes in Chumey (Bumthang dzongkhag) and Dekiling (Sarpang dzongkhag) through the improvement of the infrastructure (workshops, tools and equipment), trainers training and pilot projects (1 year apprenticeship scheme, launched in September 2014, with 23 participants) in the two institutes. 151 trainees (76 female and 75 male) completed their 2 years courses mid 2014 at the skilled workers level (National Certificate level II). By the end of 2014, 71 had found stable employment. The project's progress is held back by the lack of teachers and frequent changes at the levels of Project Manager and Director.

The skills development engagement in the construction sector benefitted from tools and equipment inputs funded by the WALO construction company of Switzerland, closely coordinated with HELVETAS Swiss Intercooperation. Special efforts have also been undertaken to benefit from and strengthen the relationships with Nepal: (Trainers) trainings have been conducted in curriculum development (DACUM, Developing A Curriculum), (skills) market appraisals and skills test assessment by Nepali trainers from the Employment Fund (EF) and the Training Institute for Technical Instruction (TITI) as a basis for greater roles of private training providers, market oriented short course offerings by both public and private sector training institutes, and to develop capacity in the construction industry for the supervision and skills assessment of on-the-job trainees and apprentices. 175 Bhutanese participants benefitted from these trainings. During a visit of a six member team from Bhutan to Nepal in June 2014,

officials of the Ministry of Labor and Human Resources (MoLHR) Bhutan and TITI Nepal also discussed on how the lack of recognition by the Royal Civil Service Commission of a 12 months training provided to 31 Bhutanese instructors under a DANIDA project in 2012/13 could be resolved.

The *Rural Development Training Centre* (RDTC) is an important national institution to train farmers for semi commercial or commercial agriculture (the only non-university level institution in the RNR sector in Bhutan to promote farming as a profession beyond subsistence level). Over the years, the Centre has diversified its offer of training services to projects (such as PFMP, RLP etc.) and for the qualification of "rural leaders" and office bearers of farmers' and forest groups and cooperatives (subjects included courses in leadership, group management, records and book keeping, etc.). More than 2000 trainees (700 female and 1'400 male) have benefitted from short- to mid-term courses in the years 2013 and 2014 in the areas mentioned. A tracer study was conducted in 2014 on the (fully subsidized) farm business trainings provided to rural youth during the period 2007 – 2013, with more than 1000 participants. The vast majority of a sample of beneficiaries trained in 2011/2012 reported positively on the training. 60% of the participants stated that they have engaged in some form of (semi-) commercial activity, mostly in dairy and vegetable production. The main constraints faced in engaging in such activities have been access to inputs, services and markets.

HELVETAS Swiss Intercooperation's association with RDTC will come to an end in mid-2015. An analysis and strategic positioning process has been proposed to the Ministry of Agriculture and Forests, as a basis to lead the Centre through the next decennium.

Complementary Projects

Bhutan – Swiss Archaeology

The project supports the Division for Conservation of Heritage Sites under the Department of Culture in its efforts to institutionalize archeology in Bhutan and to build capacity to manage diverse and fragile archaeological sites. It has been benefitting from financial and technical support by the Swiss Liechtenstein Foundation of Archaeological Research Abroad (SLSA), financial support of the Share Foundation and a close collaboration with the Universities of Basel and Zürich.

There is increasing awareness in Bhutan on the need to protect and to build capacity for the management of the country's heritage sites, under the GNH pillar "Preservation and Promotion of Culture" (Annex 1, page 1). Illustrative for this concern is the drafting of a Heritage Sites Bill, in which archaeological sites are categorized as one of the heritage sites in Bhutan to be protected and conserved. The bill awaits submission to the parliament in 2015.

During the years 2013 and 2014, the Bhutan – Swiss Archaeology Project has contributed to the drafting of the Heritage Sites

Bill mentioned above; the establishment of a dedicated Division with trained staff in the Division of Heritage Sites of the Ministry of Home and Cultural Affairs; the training of nine participants (architects, cultural officers, a lecturer and technicians) in the theory and practices of archaeology to whom a certificate of the University of Zurich could be awarded upon the successful completion of twelve training modules; the publication of the first Journal on Archaeology in Bhutan; the partial excavation and documentation of the Chubjakha Dzong in Paro dzongkhag; and the increasingly professional management of diverse and fragile archaeological sites in Bhutan.

Due to delays in project implementation, Phase II had to be extended twice, until the end of 2015. The presentation of the Drapham Dzong ruins in Bumthang dzongkhag as a model for display and conservation, and the publication of a monograph on this site await completion in 2015/2016. First steps have been taken in 2014 to plan Phase III of the project. Its design and operational planning will need concentrated efforts in 2015 between the local partner, SLSA and the University of Zürich.



Photo: Karma Tenzin

Practical field training in Chubjakha, Paro

Construction of IT-, Library and Auditorium Buildings, Royal University of Bhutan (RUB)

This project was initiated by the German Society for Promotion of Education and Training (SPET). Of the total cost of CHF 1.5 million, 62% was funded by SPET, 30% by RGOB and 8% by HELVETAS Swiss Intercooperation. It was implemented as a turnkey project with full responsibility for the construction delegated to HELVETAS Swiss Intercooperation Bhutan. Implementation suffered various delays (for reasons of complexity, delays in material supplies

and budget approvals, etc.) and lasted from July 2011 (awarding of the main contract) until September 2014 (official handing over from HELVETAS Swiss Intercooperation to RUB).

The design, construction techniques, use of wood and mud as resources for a modern building, and the high building standards and quality of work has generated considerable interest. It is planned to be presented in the International Architecture Magazine UME in 2016, together with the Amankora Hotels in Bhutan designed by Kerry Hill, architect in Singapore.



Photo: Yeshey Dorji

RUB Auditorium (right) and Library cum IT Building (left), as seen from north-west

Leveraging Cultural Diversity (LCD)

The project “Preserving and Leveraging Bhutan’s Unique Cultural Diversity” aimed at poverty alleviation and livelihood improvement by building on Bhutan’s cultural diversity. More specifically, the EU funded project engaged with four target communities in the south and eastern parts of the country (see also the map in Annex 2) to valorize their cultural heritage for economic benefits.

The LCD project was implemented by HELVETAS Swiss Intercooperation, in collaboration with the Tarayana Foundation. It started in June 2010 and was officially concluded in May 2013, with several follow-up activities implemented by HELVETAS Swiss Intercooperation to add value and safeguard various achievements created under the project. This included the transfer of a rich documentation to the organization Shejun (meaning knowledge transmission) who works to preserve and pass down Bhutan’s rich cultural heritage to future generations; and the publication of research papers presented in a conference in June 2013 in the form of a book edited by Dr. Karma Phuntsho of Shejun under the title “Twilight Cultures”.

The main achievements of the LCD project include community based institutions with the objective to value and preserve their cultural heritage; empowered communities upholding their cultural heritage; different mediums of documentation on the target communities enhancing understanding and respect for minority cultures; the mobilization of support for vulnerable groups by informing about the richness of their traditions and skills; awareness in the tourism sector on culturally interesting tourism potentials; and skills development in traditional crafts and marketing of crafts products.

Throughout the implementation of the LCD project, efforts have been made to link activities to on-going or planned programs of strategic partners such as the Department of Culture, and to build on capacities of local experts, resource persons and civil society organizations. As a result, institutional linkages have been forged, local experts on traditional crafts have seen increased recognition, and a marketing avenue has been created through the partner NGO Tarayana Foundation.

A general limitation in the project was that since poverty in the country is strongly linked to remoteness, the target communities were all based in remote regions where income generating conditions such as access to markets and networks with tourism programs were difficult to meet.



Photo: Markus Wild

M. Wild, Helvetas Bhutan

A young boy and his grandfather are sitting near a fire place during the celebration of a traditional Rai religious ritual (Samtse dzongkhag, Annex 2)

Support to Development of National Waste Management Strategy and Regulation

This project was implemented by skat (Swiss Resource Centre and Consultancies for Development) assisting the National Environment Commission of the RGoB in developing a comprehensive strategy for integrated solid waste management to move towards “zero waste principles” and strengthening the regulatory and organizational framework for solid waste management.

Following a review of the existing waste management regulations and national surveys on waste and on citizen satisfaction jointly undertaken with national stakeholders and the Royal Society for the Protection of Nature, a new Integrated Solid Waste Management Strategy (2013) and National Municipal Solid Waste (Management and Handling) Regulations (2013) were drafted and discussed in a national workshop in December 2013, for official launches in 2014. The project was concluded with these strategic inputs.



Plastic bottle collection depot

Associated Projects and Institutions

HELVETAS Swiss Intercooperation has been providing various kinds of administrative, networking and negotiation services to Swiss partners supporting development activities in Bhutan. They include:

1. "healthcare", Swiss Association for Bhutan Healthcare System Support (health services Bumthang dzongkhag);
2. Building Insurance Company of the Canton of Zurich (Fire Safety Project);
3. Kantonspolizei Zürich (Road Safety Project);

4. Swiss Red Cross (office sharing arrangement for Bhutan Red Cross Society, DRR and health project);
5. ETH, Swiss Seismological Services (operation of a local seismic network 2013-2014);
6. Societies Switzerland-Bhutan and Bhutan Switzerland (primary school project).

From 2014 onward, services to these partners have been accounted and paid for (contribution towards the Program Office's overheads).

Human and Financial Resources

Human Resources

HELVETAS Swiss Intercooperation Bhutan works through local structures (i.e. implementation is fully integrated into local government, civil society and private sector institutions). The Program Office's role focuses on project cycle management support and joint project steering with partners, and technical assistance, advice and support to partners.

HELVETAS Swiss Intercooperation aims at a good working environment and at workforce diversity. It has a workforce of eleven staff (4f, 7m), including two women in senior positions (Dy. Country Director and Head of Finance).

The staff has the right and duty to develop their knowledge, skills and networks. Preference is given to "in-house" capacity development initiatives organized in the region. Ten members of the Program Office staff participated in "in-house" learning programs in 2013/2014 (on advocacy/policy influenc-

ing in Bangladesh; finance in Bangkok; market systems development in Vietnam; climate change in India; story telling in Ethiopia; monitoring, evaluation and learning in Sri Lanka; immersion program into the NGO sector in Gujarat, India; employment and income face-to-face meeting in Switzerland; and leadership development in Bhutan). The latter was organized by HELVETAS Swiss Intercooperation Bhutan in Punakha, Bhutan in November 2013. Significant numbers of staff from partner institutions have also taken part in these events, and in additional learning opportunities (exchange visits, workshops) organized by HELVETAS Swiss Intercooperation and its partners/projects in the South Asia region (Annex 4, 4.2).

Two expatriate staff have been assigned with consultancy contracts of 50% each to the Royal University of Bhutan construction project and to the Occupational Skills Development for the Construction sector project.

Financial Resources

The overall expenditure of HELVE-TAS Swiss Intercooperation Bhutan was CHF 2.6 million in 2013 and CHF 1.77 million in 2014. The main reason for this significant reduction lies in the rationalization of the project portfolio in the course of the year 2014 (completion of the projects LCD, Support to Tarayana Foundation, SWM, SERB and RUB).

The tables and graphs below show budgets and expenditures for the years 2013 and 2014 in the three working areas and for the group of complementary projects, demonstrating the concentration of the program on the three main working areas in the course of the year 2014.

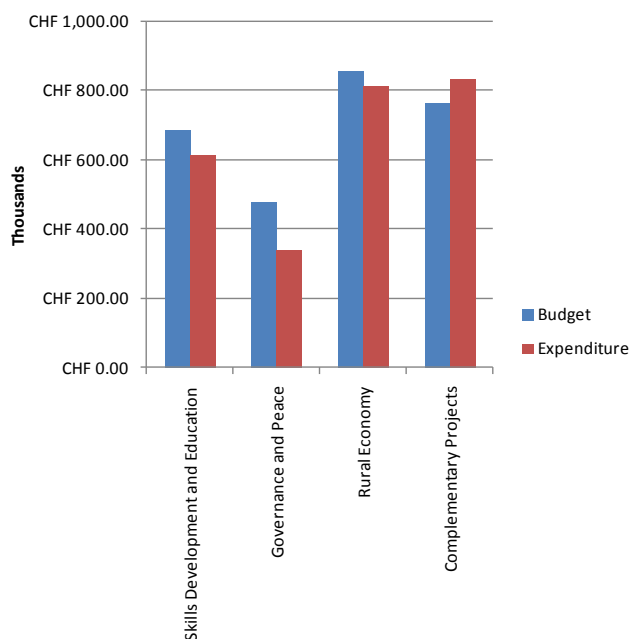
**Investment by working area 2013
(Budget vs. Expenditure)**

| | Budget | Expenditure | % |
|----------------------------------|-----------|-------------|---------|
| Skills Development and Education | 688,000 | 613,000 | 23.60% |
| Governance and Peace | 477,000 | 340,000 | 13.09% |
| Rural Economy | 855,000 | 813,000 | 31.29% |
| Complementary Projects | 764,000 | 832,000 | 32.02% |
| Total | 2,784,000 | 2,598,000 | 100.00% |

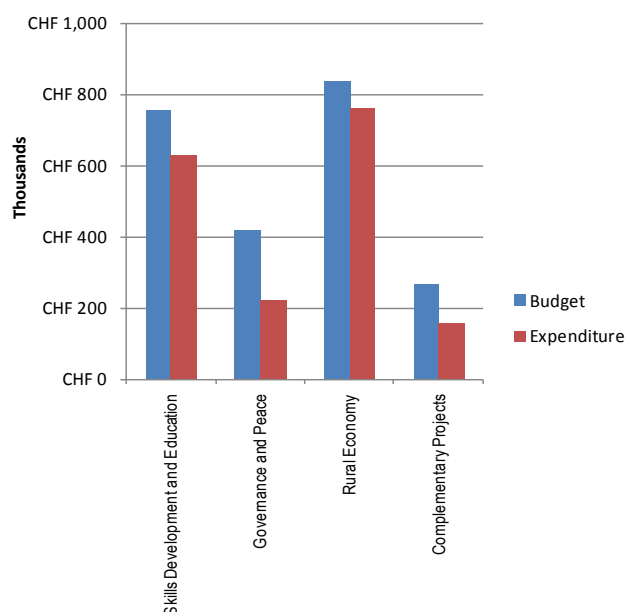
**Investment by working area 2014
(Budget vs. Expenditure)**

| | Budget | Expenditure | % |
|----------------------------------|-----------|-------------|---------|
| Skills Development and Education | 757,000 | 629,000 | 35.60% |
| Governance and Peace | 418,000 | 220,000 | 12.45% |
| Rural Economy | 836,000 | 762,000 | 43.12% |
| Complementary Projects | 264,000 | 156,000 | 8.83% |
| Total | 2,275,000 | 1,767,000 | 100.00% |

**Investment by working area 2013
(Budget vs. Expenditure)**



**Investment by working area 2014
(Budget vs. Expenditure)**



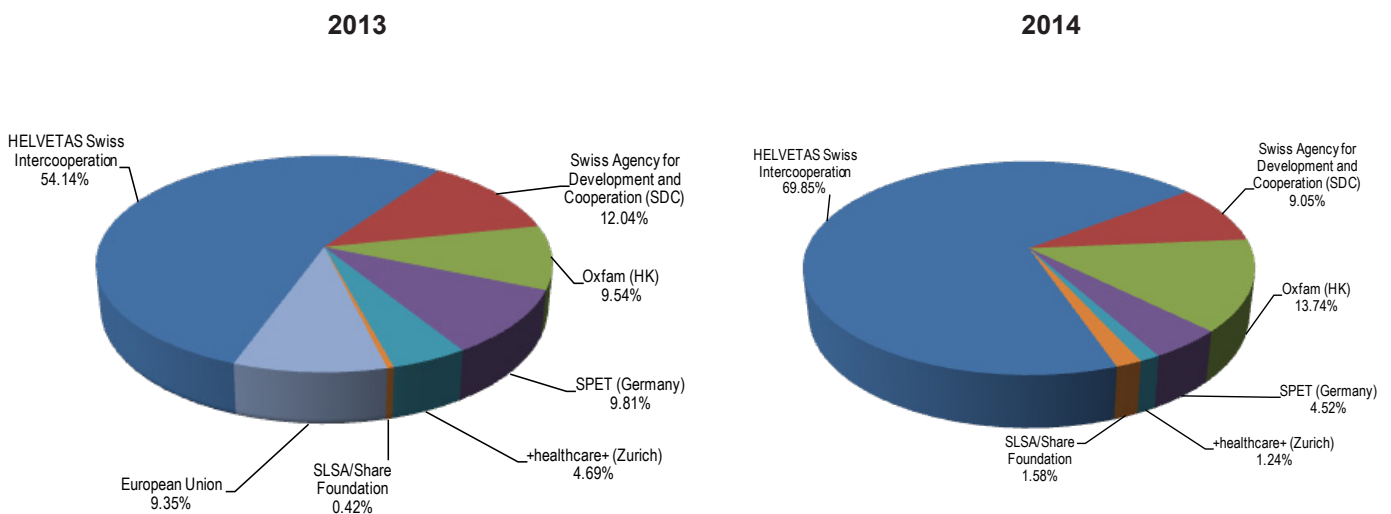
Expenditure compared with budgets was at an unsatisfactory level, especially in 2014 for the working areas Skills Development and Education and Governance and Peace. Political cycles (elections in mid-2013, followed by the formation of a new government, delayed budget and 11th Plan approvals and uncertainties in the bureaucracy) and frequent changes in project director and project manager positions were among the main reasons for under spending. Other significant reasons included: major delays for the Bumthang health project; great reluctance to make use of technical assistance funds; multiple donor funding in areas such as gender and local governance.

The graphs “Sources of funds spent” for the years 2013 and 2014 below illustrate the high share of program funding through HELVETAS Swiss Intercooperation’s own resources from fund raising and matching funds (54% for 2013 and 70% for 2014 respectively). Project mandates included the Swiss Agency for Development and

Cooperation for the Participatory Community Forest Management Project (12% and 9% of 2013 and 2014 overall program expenses), Oxfam Hongkong for the Support to Education in Rural Bhutan Project (9.5% and 13.7% of 2013 and 2014 program expenses), the European Union for the Leveraging Cultural Diversity Project (9.35% of the 2013 program expenses) and SPET Germany for the RUB construction project (9.8% and 4.5% of 2013 and 2014 overall program expenses). Other funders include +healthcare” Switzerland for the Bumthang hospital and the Swiss Liechtenstein Foundation of Archaeological Research Abroad (SLSA) and the Share Foundation for the Archaeology Project.

The program and project accounts of HELVETAS Swiss Intercooperation in Bhutan are regularly **audited** by the Royal Audit Authority for expenditures incurred in Bhutan, as stipulated in the agreement between the Royal Government of Bhutan (RGOB) and HELVETAS Swiss Intercooperation.

Sources of funds spent



Main Priorities 2015

Working area and project wise priorities are outlined under the respective chapters of this report. The following are the main thrusts and objectives across (major parts of) the program:

- Strengthening horizontal learning and networking among CFMGs, CSOs (the latter in a project separate from a continued collaboration with the CSO Authority for the enhancement of the capacity of the Authority's Secretariat and the enabling environment) and with relevant public sector units (MoAF at central and local levels, CSOA);
- Continued efforts to improve project level planning, monitoring and reporting;
- Strengthening market development initiatives in the RLP and PFMP projects;
- Review the RLP and the PFMP as a basis to plan new phases, and the OSD4CS Project to plan mid-term corrections, as needed;
- Engage with the MoAF on the strategic positioning of the RDTC, the MoE to deepen the discourse on selected issues of the evolving education reform ((de-)centralization and local governance in education, vocational orien-

tation in general education, e.g.) and with the MoLHR on the emerging policy (and Blue Print) for the vocational training sector.

At the overall program level, the following concerns will be given continued focus:

- Acquisitions of new projects or contributions to on-going projects in an environment with few relevant, if any public tenders.
- Preparatory steps for the program review planned for mid-2016. The RLP, PFMP and OSD4CS project reviews will be important inputs towards that process;
- Implement the program designed to commemorate "40 Years of Development Partnership of HELVETAS with Bhutan" (Concept Note of September 2014), with an architectural exhibition on six of the main institutions/building complexes created under that partnership and a youth exchange between Bhutanese trainees and apprentices from Switzerland (sponsored by the WALO construction company) as core components.

THANKS

HELVETAS Swiss Intercooperation would like to sincerely thank all its partners with whom we have been sharing important values and objectives, and with whom we wish to continue working to "contribute towards equitable development and improved livelihoods through the promotion of an effective and accountable state, active citizens and

sustainable economic opportunities": The Royal Government of Bhutan at the centre, dzongkhag and gewog levels; civil society and private sector partners, individual personalities and consultants from Bhutan, the South Asia region and Europe, and partners and supporters in Switzerland.

List of literature and material used

1. World Bank: Bhutan Country Snapshots, 2014
2. Report on the Eleventh Five Year Plan (2013 – 18) to the First Session of the Second Parliament
3. Bhutan Education Blueprint 2014-2024
4. Internal documentation

Annexes

1. National Key Result Areas (NKRA) and Key Performance Indicators (KPI), Report to ...Parliament, 2013
2. Map showing projects 2013/2014
3. Portfolio of projects of HELVETAS Swiss Intercooperation Bhutan, 31.12.2014, and Contribution towards Bhutan's Five-Year Plan (July 2013-June 2018)
4. (Program) Logical Framework, adapted from Country Strategy of HELVETAS Swiss Intercooperation Bhutan

Annex 1

National Key Result Areas (NKRAs) and Key Performance Indicators (KPIs)

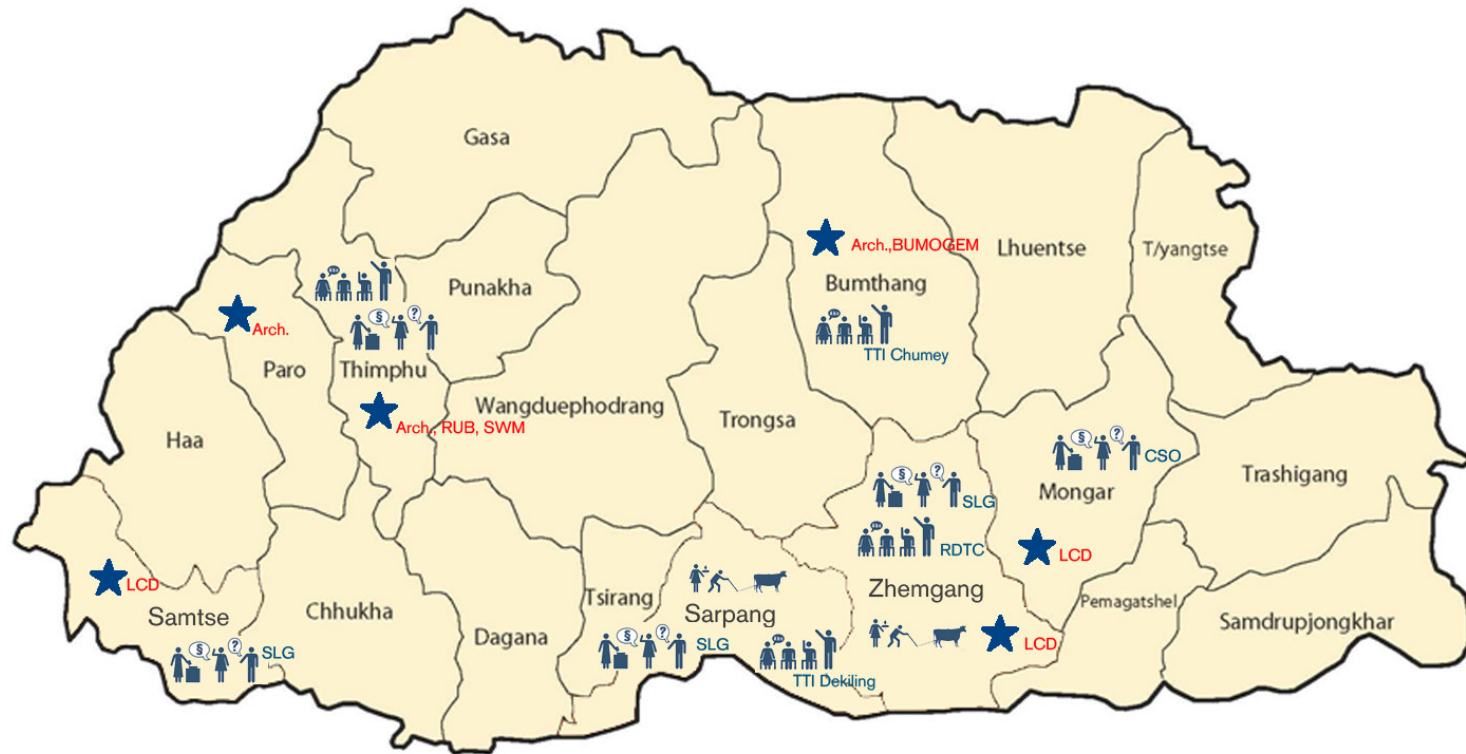
| GNH Pillars | National Key Result Areas | Key Performance Indicators | Baseline | Target |
|--|---|---|------------------------|--------------|
| Sustainable and Equitable Socio-Economic Development | 1. Sustained Eco. Growth | Annual average GDP growth | 8-9 % | 10% |
| | | Percentage of domestic financing to total expenditure | 65% | 85% |
| | | Annual average fiscal deficit over plan period | 0.3% | <3 % |
| | | Consumer Price Index | 8.37% | 7-8% |
| | | Priority sector lending | TBD | TBD |
| | | Exports (without electricity) Nu. In billions | 15 (2012) | 28 (2017-18) |
| | | 2. Poverty Reduced & MDG Plus achieved | Income poverty reduced | 12 % |
| | Multidimensional poverty reduced | | 25.80% | < 10 % |
| | Gini Coefficient reduced | | 0.36 | 0.30 |
| | IMR per 1000 live births | | 47 | <20 |
| | MMR per 100,000 live births | | 255 | <100 |
| | U5 MR pr 1000 live birth | | 60.1 | 30 |
| | Severe mental distress (GNH Index 2010) | | 5% | <5 % |
| | Adult Literacy Rate % | | 55.3 % (2012) | 80% |
| | Adjusted Net Enrollment Ratio (6-12 yrs) M/F | | 95% | Near 100% |
| | Adjusted Net Enrollment Ratio (13-16 yrs) M/F | | 95% | Near 100% |
| | GER at tertiary level (19-23yrs) M/F | | 35% | 21% |
| | % of people with adequate housing quality sustained (corrugated galvanized iron (CGI) or concrete brick or stone for roofing, pit latrine with septic tank for toilet and two persons per room for overcrowding) - GNH Index 2010 | | 74.20% | 74.20% |
| | % of Household with per capita income per person per month of 1.5*Nu. 1096.94/- or more (GNH Index 2010 -) | | 53.40% | |
| | 3. Food secure and sustained | Cereal self sufficiency* (%) | 64 (2011) | 75 |
| | | Stunting (Malnutrition) | 33 | 20 |
| | | Milk Self Sufficiency* (%) | 90 (2011) | 100 |
| | 4. Employment | Full employment | 97.9% | 97.5% |
| Youth unemployment reduced | | 7.3% | 2.5% | |
| % of regular paid employee | | 23.9% | 45% | |
| Long term/chronic unemployment reduced | | | TBD | |

| GNH Pillars | National Key Result Areas | Key Performance Indicators | Baseline | Target |
|---------------------------------------|---|--|----------|--------|
| Preservation and Promotion of Culture | 5. Strengthened Bhutanese Identity, social cohesion and harmony | Cultural diversity & resilience Index sustained (GNH 2010 Index) | 0.074 | 0.074 |
| | | Community Vitality Index sustained (GNH 2010 Index) | 0.088 | 0.088 |
| | | GNH Index 2010 sustained | 0.743 | 0.743 |
| | 6. Indigenous wisdom, arts and crafts promoted for sustainable livelihood | No. of rural households engaged in cultural industries | 208 | 2000 |
| | | No. of jobs created by cultural industries | 1200 | 2500 |

| GNH Pillars | National Key Result Areas | Key Performance Indicators | Baseline | Target |
|--|---|--|---|---|
| Conservation & Sustainable Utilization and Management of Environment | 7. Carbon neutral/Green & climate resilient development | Green House Gas Emission controlled | 1559.56 gg | <6309.6 gg |
| | | Ambient air quality maintained within WHO and EU standards | PM10 500ug/m3 (24 hour avrage in industrial area) and PM10 100ug/m3 (24 hour average in sensitive area) | Ambient air quality maintained within WHO and EU standards |
| | | Perception of Ecological issues (GNH Index) sustained | 69% | 69% |
| | 8. Sustainable utilization and management of Natural Resource | Proportion of forest area under sustainable forest management | 6.60% | 12% |
| | | Ecological footprint | N/A | Study to establish baseline & targets conducted. |
| | | Health of ecosystem | TBD | TBD |
| | | 24 hour availability of drinking water | N/A | 100% |
| | 9. Water Security | Ambient Water quality maintained within national standards | Water quality monitored parameters of PH, TSS, Conductivity, DO, BOD, T.Coliform, F. Coliform, Lead, Arsenic and copper are within national standard. | Water quality monitored parameters are maintained within national standard. |
| | | No of disaster response teams trained and equipped in DM. | 1 (NaSRT) | 20 Dongkhags |
| | | Response time (no. of hours within which emergency response time reaches site of disaster) | N/A | Within 2 hours of disaster |


| GNH Pillars | National Key Result Areas | Key Performance Indicators | Baseline | Target |
|------------------------------|---|--|----------------------------|--------------------------|
| Promotion of Good Governance | 11. Improved public service delivery | Avg Service Delivery TAT reduced for all G2C, G2B and G2G services | | <70% |
| | | Average performance rating of government agencies >90 % | | >90 % |
| | 12. Democracy and Governance strengthened | Political Participation (GNH 2010 Index) | 56.40% | 70% |
| | | % of functional Community based groups (Water User Groups, Road Maintenance Communities) | na | 90% |
| | | No. of functional registered CSOs | 100% | 100% |
| | | Voter Turnout sustained | Parliament 66.1 %; LG 56 % | Parliament 70 %; LG 70 % |
| | 13. Gender friendly environment for women's participation | Draft legislation to ensure quota for women in elected offices including the parliament and local government bodies | | Legislation Drafted |
| | | Ratio of female to male in tertiary education | 71% | 90% |
| | | Female youth unemployment | 7.20% | <5 % |
| | | Agencies with gender sensitive policies/gender mainstreaming strategies | N/A | 20 |
| | 14. Corruption Reduced | Corruption Perception Index - Transparency International | 33/176 (2012) | < 20 |
| | | No of of agencies reporting on implementation of anti corruption strategy | | All |
| | 15. Safe Society | Nationwide reported crime (annually) by category, age group and gender; | 7/1000 | <5/1000 |
| | | % of people who feel safe (GNH Index 2010) | 81% | 81% |
| | 16. Needs of Vulnerable Group addressed | No. of specific targeted interventions for vulnerable groups (Tsamkhang construction facilitated- Culture sector, social protection, family friendly policies) | | TBD |

Map showing projects 2013 / 2014



 Skills Development and Education
OSD4CS, RDTG, SERB

 Rural Economy: RLP
PFMP: Nation wide

 Governance and Peace
CSO, SLG

 Complementary Projects
Archaeology (Arch.), LCD, RUB, SWM, BUMOGEM



Portfolio of projects of HELVETAS Swiss Intercooperation Bhutan, 31.12.2014
Contribution towards Bhutan's Five-Year Plan (July 2013-June 2018)

| Projects | GNH Pillars | | | | Main partners | Project Director, PD |
|--|--|---------------------------------------|--|------------------------------|---|---|
| | Sustainable and Equitable Socio-Economic Development | Preservation and Promotion of Culture | Conservation and Sustainable Utilization and Mgt. of Environment | Promotion of Good Governance | | Project Manager, PM Focal Person, FP |
| Governance and Peace | | | | | | |
| Support to Local Governance (SLG) | √ | | | √ | Local governments, Department of Local Governance | Ms. Pema Choki, PM |
| Support to Civil Society Sector (SCSS) | √ | | | √ | Civil Society Organization Authority (CSOA) Bhutan Centre for Media and Democracy (BCMD) Civil Society Organizations (CSOs) | Mr. Tshewang Tobgyel, PD Mr. Thinley Norbu, PM Ms. Sioksian Pek, PD Ms. Jigme Choden |
| Rural Economy | | | | | | |
| Participatory Forestry Management Project (PFMP) | √ | | √ | √ | Community groups, Ministry of Agriculture and Forests | Mr. Gyeltshen Dukpa, PM Mr. Kinley Dorji, FP |
| Rural Livelihood Project (RLP) | √ | | √ | √ | Farmers' groups, cooperatives, private sector, Ministry of Agriculture and Forests | Mr. Dorji Wangdi |
| Skills Development and Education | | | | | | |
| Rural Development Training (RDT) | √ | | √ | √ | Trainees, Ministry of Agriculture and Forests | Mr. Karma Sonam |
| Occupational Skills Development for the Construction Sector (OSD4CS) | √ | | | | Ministry of Labor and Human Resources. Technical Training Institutes Chumey and Dekiling | Mr. Karma Dorji, PM Mr. Kinley Wangdi, PD |
| Complementary Projects | | | | | | |
| Bhutan-Swiss Archaeology Project | | √ | | | Department of Culture, Swiss Liechtenstein Foundation of Archaeological Research Abroad (SLSA), Share Foundation, University Zurich | Ms. Nagtsho Dorji, PM Mr. Karma Tenzin, FP |

| Outcome 1 | Verifiable Indicators and targets for end 2017 | Status end 2014 (cumulative, 2013 + 2014, if applicable) |
|--|---|--|
| Enhanced democratic governance at all levels with particular attention to local governance and empowerment of citizens | Models to enhance participation at the local government and community levels developed and applied in the project area | <p>SLG: Social Accountability tools introduced as a format for citizen engagement in local governance and orientations done for 240 GAOs, Gups and citizens</p> <p>PFMP, RLP: 3700 (1200f) trained in good governance awareness (and gender) sensitization. 405 local leaders and extension agents trained in good governance (and gender) inclusiveness in farmers' groups and coops</p> |
| | 400 local government representatives and 5000 citizens attended events supported by HELVETAS Swiss Intercooperation Bhutan on inclusive decision-making, decentralization, good governance and/or democratization | <p>SLG: 350 local government representatives and 8 government partners trained in basics of planning and prioritization of local plans; 12 GAOs attended training on techniques of conducting research on local government issues; 24 CSOs participated in training on gender analysis and mainstreaming</p> <p>PFMP, RLP: 3700 (1200f) trained in good governance awareness (and gender) sensitization. 405 local leaders and extension agents trained in good governance (and gender) inclusiveness in farmers' groups and coops</p> |
| | # of CSOs that engage regularly in lobbying and advocacy activities | |
| | # of citizens that make use of complaint mechanisms and systematic feedback loops set up by Gewog Administrations to address citizens' concerns | |
| | # of people addressed through events promoting cultural expressions and dialogue | <p>LCD: 30 members from 4 rural communities and 80 historians/researchers/anthropologists from Bhutan and the region participate in an event to discuss cultural diversity</p> |
| Outcome 2 | Verifiable Indicators and targets for end 2017 | Status end 2014 (cumulative, 2013 + 2014, if applicable) |
| Enhanced rural livelihoods through sustainable management of common pool and private natural resources, and strengthened capacities to adapt to environmental change | 300 self-governing community-based groups actively manage natural resources and build up capacities for NRM and environmental change adaption | <p>PFMP: 66 new Community Forest Management Groups (CFMGs) engaged in the management of new community forests</p> |
| | 5'000 women and men directly involved in agriculture, forestry, or livestock farming that have been advised and/or trained (HPI 212) | <p>Tarayana: 145 members advised on agri-based production and processing.</p> <p>PFMP, RDT, RLP: 4300 (1420 female) trained/advised in 2013/14</p> |
| | 10'000 hectares under sustainable cultivation (HPI 213). | <p>PFMP: 6300 hac under Community Forest added</p> <p>RLP: 10 hac under cultivation added</p> |
| | 10'000 women and men involved in value chains supported by HELVETAS Swiss Intercooperation who are able to make an additional income (HPI 221) | <p>PFMP: 70 NWFP groups earned an extra 3.3 mio. Nu from the sale of rubia, chirata, bamboo products and soft brooms</p> <p>RLP: 430 households earned an extra 3.7 mio. Nu in dairy and vegetable sectors</p> |

| Outcome 3 | Verifiable Indicators and targets for end 2017 | Status end 2014 (cumulative, 2013 + 2014, if applicable) |
|---|--|---|
| Enhanced income generating and employment opportunities through increased access to education and skills development for life-long empowerment | Proportion of (disadvantaged) female students in higher grades in partner schools has increased by 30% | SERB: 192 girls have access to secure boarding facilities close to their schools |
| | Examples of interactive and child friendly teaching-learning processes are available and used for up-scaling in other schools | SERB: Initiatives to decentralize teacher capacity needs assessment and training supported through 60 Teacher Resource Centres |
| | 5 partners who are advised and/or financially supported by HELVETAS Swiss Intercooperation Bhutan provide vocational training and further education. (HPI 313) | OSD4CS: Two institutes, Chumey and Dekiling supported. Five private construction companies engaged in apprenticeship scheme launched in 2014 RDTC under MoAF has been supported |
| | 2'000 students, of which at least 30% are women, successfully complete demand driven informal vocational training in programmes supported by HELVETAS Swiss Intercooperation Bhutan/partner organisations. (HPI 312) | OSD4CS: Joint RGOB-HSI project operational from 2014 onward only. 151 trainees completed training at NC II level in 2014, 76 f and 75 m RDTC: 860 trainees completed training in 2013 (321f, 539m); 1270 completed training in 2014, 380f and 890 m |
| Outcome 4 – Transversal Themes | Verifiable Indicators and targets for end 2017 | Status end 2014 (cumulative, 2013 + 2014, if applicable) |
| 4.1. GSE: Increased recognition of gender and social inequalities and equal access for all stakeholders to resources and benefits provided through the project/programme | At least 30% of leadership positions in farmer's groups, self-help groups, village committees, etc., are occupied by women and 20% by members of disadvantaged groups ¹ | PFMP: In 6 dzongkhags, 18% of CFMG executive committee member positions are held by women. |
| | At least 30% women and 20% members of disadvantaged groups engaged in income generating activities and/or wage employment in non-agricultural, agricultural and other sources supported by programme | OSD4CS: 71 newly employed in 2014 (gender segregated data available from 2015 onward only). RDTC: 30% female participants on average in training programs supported. 33% of trainees in RDTC are female/from disadvantaged backgrounds (often school drop outs working on local farms) |
| | # of people who have completed a course on gender (HPI 511) | PFMP, RLP: 3700 (1200f) trained in (good governance awareness and) gender sensitization. 405 local leaders and extension agents trained in (good governance and) gender inclusiveness in farmers' groups and coops |

| | | |
|--|--|--|
| <p>4.2. Capacity Development: Increased capacities and performance of <i>staff and partners</i></p> | <p># of men and women that participated in CD training on rural economy / governance / education / gender & social equity / knowledge management / downward accountability</p> | <p>-Programme Office: 10 participants in events organised by HSI-HO, SDC (workshops, f2f meeting etc.) and PO itself (CSO immersion program in Gujarat)</p> <p>-OSD4CS: HRD plan for two TTIs developed and various trainings conducted, with number of participants (x): ToT in Technical Instruction (8), Store Management (12), Auto CAD (22), Administration and IT Skills (7), Advanced Carpentry Skills (2), Industrial Attachments in Plumbing and Masonry (6), Library Management (1)</p> <p>53 Bhutanese trainers, administrators and private industry staff trained in skills test assessment and rapid market labour appraisal by TITI and EF Nepal</p> <p>-PFMP: 36 (1f) staff from dzongkhags and gewogs trained in market development and marketing training</p> <p>-RDTC: In 2013, 70 school teachers/foresters/RDTC, RLP and Dzongkhag staffs were trained in school agriculture, value chains, extension material development. In 2014, ToT in business planning, marketing, book keeping with 19 participants (2f) and in curriculum development/training methodologies for 8 RDTC staff</p> <p>-SERB: 19 heads of autonomous schools trained on basics in leadership and school management; 48 teachers and principals participated in workshop on gender responsive teaching and learning</p> <p>-SLG: 350 local government representatives and 8 government partners trained in basics of planning and prioritization of local plans; 12 GAOs attended training on techniques of conducting research on local government issues; 24 CSOs participated in training on gender analysis and mainstreaming</p> <p>-Study tours/workshops on forestry (PFMP, 13), waste management (SWM) and skills development (OSD4CS, 13, funded by WALO) in Switzerland; on market development in Vietnam (RLP, 4); on monitoring in Nepal (SERB, OSD4CS, 2); on CSOs in Gujarat (SLG, 4); on cultural diversity in Nepal (9) and Europe (11), and on entrepreneurship in India, (10) (all under LCD).</p> |
| <p>4.3. Knowledge sharing and learning systematically integrated in PCM</p> | <p># of practices (publications/events/ methodologies) that promote learning and reflection on experiences</p> | <p>Program overall: Workshop with partners incl. GNHC on PCM, Monitoring, Evaluation and Reporting in May 2014 (RGOB and HSI approaches and methodologies). Follow-up mini WS on same topic, based on Annual Reports of partners, planned for early 2015.</p> |
| <p>4.4. Downward accountability: Enhanced accountability towards primary stakeholders</p> | <p>All projects conduct annual public hearing/audit or other relevant measures to foster transparency and accountability</p> | |

(Endnotes)

1 Disadvantaged groups: "In Bhutan, the term refers mostly to people living in rural areas and challenging environments, resulting in difficult access to basic public services (health, education), low agricultural production and high vulnerability to natural hazards" (RGOB, Bhutan 2020, quoted in HELVETAS Swiss Intercooperation Country Strategy 2012-2017, page 19). HELVETAS' Country Strategy adds (on page 20): "... (we) aim at a more holistic definition of disadvantaged groups which considers access to and availability of resources, participation in social, economic and political life and assertion of rights. Practically, in Bhutan, landless, small land holders, farmers in poor production environments, socially and culturally vulnerable groups, youth, women, elderly, disabled individuals, rural communities and urban poor are considered "disadvantaged".



Published by **HELVETAS Swiss Intercooperation Bhutan**

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