



HELNETAS
Swiss Intercooperation

BHUTAN

HELNETAS Swiss Intercooperation

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HELNETAS Swiss Intercooperation Bhutan Country Strategy 2012-2017



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1. Executive Summary

Bhutan is going through fast paced political and socio-economic changes. Introduction of parliamentary democracy, decentralising responsibilities and authorities to local governments, and emerging roles of media and civil society contribute to these changes. Impressive achievements in health and education have helped to achieve most of the MDGs. Yet, due to high service delivery costs as a result of the extreme topography and the dispersed settlements combined with the heavy dependence on agriculture under marginal production environments, the disparity between rural and urban communities is increasing. Most of the population living below the poverty line is from rural areas.

The 6th Country Strategy (CS) (2012-2017) of HELVETAS Swiss Intercooperation Bhutan builds on existing capacities and experiences to address opportunities and challenges arising from the democratisation process and the socio-economic dynamics.

The strategy follows the overall principles and working strategies of HELVETAS Swiss Intercooperation's engagement worldwide, which include: Acting upon the principles of basic and human rights, striving for social justice and equal opportunities for men, women and the disadvantaged (gender equality and social equity), working in partnership and acting ecologically and socially responsible. Based on the nature of the activities, the resources available, and the explicit poverty focus, some activities are limited to a few communities or a few districts only (e.g. Zhemgang, Sarpang, Samtse and Mongar), while others are implemented across all districts (national coverage).

To address the development goal "Contribute towards equitable development and improved livelihoods through the promotion of effective governance, active citizens, and sustainable economic opportunities", HELVETAS Swiss Intercooperation Bhutan will implement activities and projects under three working areas: 1) Governance and Peace, 2) Rural Economy, 3) Skills Development and Education. The activities aim at effecting change at the impact, influence and leverage levels in an inclusive, transparent and accountable way, and by supporting the inclusion of local communities in decision-making with the objectives to enhance:

- 1) Democratic governance at all levels with particular attention to local governance and empowerment of citizens;
- 2) Rural livelihoods through sustainable management of common pool and private natural resources, and strengthened capacities to adapt to environmental change;
- 3) Income generation and employment opportunities through skills development; and
- 4) Access to quality basic education and skills development for life-long empowerment.

HELVETAS Swiss Intercooperation Bhutan will pursue the role of facilitator and innovator by developing innovative tools, approaches and methods, and by supporting the implementation and evaluation of pilots and sharing them with partners and stakeholders for up-scaling.

Gender and Social Equity (GSE), Knowledge and Learning, Capacity Development and Downward Accountability are defined as transversal themes to emphasize their importance in all stages of our projects and in policy and partner dialogues. In implementing the programme the following principles and approaches are emphasized:

Principles: Non-discrimination and equality, participation and inclusion, being innovative and building upon local knowledge, working with partners and promoting dialogue and sustainability.

Approaches: Participatory approach, programmatic approach, multi-stakeholder approach.

HELVETAS Swiss Intercooperation Bhutan will partner with government organisations, civil society, the private sector and primary stakeholders to implement activities. Local governments and emerging non-state actors such as CSOs, CBOs and cooperatives will increasingly become direct consultation and implementation partners.

HELVETAS Swiss Intercooperation Bhutan will continue to coordinate its programme and projects with other development organizations in the country, strive to strengthen partnerships with SDC and other donors and seek additional mandates.

The overall annual budgets of HELVETAS Swiss Intercooperation Bhutan will be in the range of 2.0-3.3 million CHF over the period of this CS. The funding provided by HELVETAS Swiss Intercooperation is expected to cover about 56% of the overall budget.

2. Introduction

HELVETAS Swiss Intercooperation Bhutan has used the concept of CS (formerly referred to as Country Programme) as a framework for implementing its activities in Bhutan since 1983. This document, covering the period from July 2012 to June 2017, is the 6th such Country Programme or Strategy. It starts one year before the 11th Five Year Plan (July 2013 to June 2018), which is used as the main planning document by the Royal Government of Bhutan (RGoB). The CS is closely aligned with the global principles and working strategies of HELVETAS Swiss Intercooperation as well as the development objectives of RGoB. Building on capacities and experiences of past activities, the strategy seeks to develop and implement activities addressing opportunities and challenges arising from fast paced changes brought about by the democratization and modernisation processes taking place in Bhutan. The strategy puts major emphasis on governance and (rural) livelihood.

The document describes the context, the strategic orientation, the implementation approaches, the goals and the working areas for the activities of HELVETAS Swiss Intercooperation in Bhutan. It is used as a planning and monitoring tool for programme implementation as well as to inform partners about our goal, objectives, principles and activities. All ongoing projects and projects which are in the planning process at the time of preparing the document are listed. The document will guide the future planning of new projects.

The document was developed through a series of steps with broad participation by HELVETAS Swiss Intercooperation staff, project staff, partners and stakeholders. The process was initiated in February 2011 by elaborating trends, challenges, lessons learned and opportunities for future engagement in: natural resource management, rural infrastructure, civil society and state, culture, vocational training and education. For each of these working areas, consultations among key resource persons were followed by workshops with participants from projects, partners and other stakeholders representing the government, CSOs and the private sector. At a later stage, elements of the strategy were discussed in workshops involving selected stakeholders, partners and specialists from HELVETAS Swiss Intercooperation head office (programme management, culture, governance and peace, gender and social equity). Feedback on the draft document ob-

tained from the main partners, the Gross National Happiness Commission (GNHC), the Swiss Agency for Development and Cooperation (SDC), other development partners and HELVETAS Swiss Intercooperation head office was incorporated in the final document.

The development of the strategy also benefited from two issue papers on (1) governance, and (2) income and employment prepared for SDC, and from the participation of the country team in the development of the global strategy for HELVETAS Swiss Intercooperation.

3. Context

Political and Socio-Economic Context

Bhutan has gone through significant political developments. It transitioned from an absolute monarchy to a parliamentary democracy in 2008, with the King as Head of State and an elected Prime Minister as Head of Government. These political changes have translated into important reforms at all levels. For example, more responsibilities and authorities continue to be decentralised to local governments, and Bhutan's first written Constitution, which was adopted by the newly formed Parliament, provides for separation of the Executive, Legislative and Judiciary. Civil society is gradually emerging as a stakeholder, and the variety and roles of the media are expanding. As a young democracy, the country faces a wide range of challenges such as: need for strengthening the capacities of local governments to take on the greater responsibilities that they have under the new governance system; understanding and strengthening the role of citizens; enhancing systems of checks and balances both through formal agencies and with the engagement of civil society; building a legitimate media; dealing with the high costs of elections and financial sustainability of political parties; and facilitating and regulating a vibrant private sector. In short, the country needs to now focus on internalizing the democratic processes, and building up a credible and well functioning system of governance. It is important to ensure that the process is not slowed down, or worse, reversed.

Bhutan has increased the share of domestically raised revenues. In the 10th plan (2008-2013), the share of domestic resources was around 52% of the overall outlay as compared to 40% in the 9th plan (2002-2008). However, domestic revenue highly depends on the hydropower sector. This single sector can dramatically change the growth rate of the country. In addition, there is still a high level of dependence on external assistance for development expenditure (78% of the capital outlay in the 10th plan is met through loans and grants)¹. The industrial and export base is very narrow and highly exposed to single market and single commodity risks. In general, private sector development in the country remains small with low growth and limited employment opportunities. Unemployment and related issues are emerging as a crucial challenge. In urban areas unemployment rates for women are twice as high as for men. Additionally, women are overrepresented in less remunerative occupations. The number of educated youths in the job market as well as the number of young people migrating from rural to urban areas in search of better opportunities is increasing. However, there are limited employment opportunities in the civil service which is the preferred employer for most educated youths because of the security and career options it provides; and the private sector is still small and has not met the expectations of becoming the main provider of employment. At the same time, employers both in the public and private sectors are concerned about the general mismatch between skills of the youths and the demands in the market, and the reluctance of youths to engage in 'blue collar' jobs, thereby opting for vocational skills training programs as a last resort. According to the 2011 labour force survey, youth unemployment has remained at 9.2%. Therefore, programmes targeting youth unemployment and skills development are an area needing attention. Specifically, strengthen-

¹ GNHC (2008) : 10th five-year plan. p. 65.

ing the market orientation and the hands-on aspects of the skills programs will be important. On the policy side, a framework to ensure that 'blue collar' jobs have a certain level of security and attractiveness in terms of incentives could contribute towards attracting more interested youths.

In 2011, Bhutan stood at 141 out of 187 countries on the Human Development Index ranking. Therefore, continued efforts are needed to improve the various dimensions of human development. So far, public expenditures on health and education have been maintained at about 25% of the annual budgets over the five year plans. The midway progress report of the Millennium Development Goals (MDG) shows that several targets have either been realized or are on track: reducing malnutrition among children, achieving universal primary education, halving the numbers of those without access to safe drinking water and safe sanitation, and reducing maternal mortality rates. However, these changes have been slower to reach and benefit remote rural areas because of the high costs of delivering services due to the difficult natural terrains and the highly dispersed nature of settlements. There are extensive gaps between rural and urban areas in terms of access to basic amenities and economic opportunities. Therefore, the majority of the population living below the poverty line is from rural areas and they are dependent on subsistence farming as their primary occupation. The impacts of climate change such as incidences of natural disasters and risks of glacial lake outburst floods are likely to be more dramatic in fragile mountain environments such as Bhutan's. The greater vulnerabilities that the poor and those dependent on agriculture face is of high concern. Therefore, a rural focus continues to be highly justifiable despite limitations of agriculture in mountainous terrains.

Policy Environment and Actors

Bhutan's socio-economic development will continue to be guided by its global commitments to the MDGs and the regional SAARC Development Goals². Its five year development plans have also served as its Poverty Reduction Strategy Papers. Development programmes in the country will be steered by the national five year plan priorities and sector strategies. Bhutan's macroeconomic policies will focus on accelerating private sector growth, diversifying the economic base and creating employment opportunities. Particularly, its Economic Development Policy 2010 seeks to build on the country's comparative advantages – natural resource endowment, clean energy, and location (markets). Based on these comparative advantages, Bhutan will focus on promoting growth in areas such as agro and forest-based production; high-quality green services, which include tourism and hospitality; and natural resources. For the Renewable Natural Resources (RNR) sector, priorities will include: infrastructure to improve access to markets, strengthening farmers' cooperatives, access to credit, and training on farm enterprises.

The Local Government (LG) Act and LG Rules provide the framework for progressive developments in the roles and authority of local governments. Although there is no separate governance policy, the country will continue decentralizing more powers and responsibilities from the central government to local bodies. The Civil Society Organization (CSO) Act and Rules provide the basis for the growth of CSOs. Groups with economic purposes, including community forest management groups that have registered as farmer groups, will be guided by the Cooperatives Act and Rules and relevant sectoral acts and rules. The Labour and Employment Act provides the base for policies and regulations related to skills development and vocational training. Of particular importance in skills development will be the Vocational Training and Education Policy.

Important development actors in the country include: government departments and ministries such as the Ministries of Education (MoE), Health (MoH), Agriculture and Forests (MoAF), Economic Affairs (MoEA), Labour and Human Resources (MoLHR), and Home and Cultural

² These goals were conceptualized and formulated as a strategic regional response to reducing poverty in South Asia and achieving the MDGs by 2015

Affairs (MoHCA). Local governments comprising of district and block governments are important stakeholders in local governance. The growing numbers of civil society organizations, both formal and informal, are important actors and their importance is expected to grow. Bhutan's multilateral and bilateral development partners have been active in supporting different sectors or programmes in the country and synergies and coordination with their support areas will be sought where relevant.

Opportunities and Challenges for HELVETAS Swiss Intercooperation

The strengths of HELVETAS Swiss Intercooperation in Bhutan include: its rich experiences in working with local governments, non-governmental organisations (NGO) and farmers' groups; the long engagement with visible impact, and the reputation of Switzerland - resulting in strong bonds, trust and high expectations; and the advantages of being an international NGO giving easier access to some of the stakeholders. Professor Linder³ mentions in his 2010 Report the long standing Swiss-Bhutanese relationship, the independence of Swiss development assistance from political or economic interests, dependable Swiss policies, the alignment to Bhutan's development objectives (decentralization, development of rural, remote areas, agriculture, poverty reduction) and the combination of technical/economic development with investments in social capital and social innovations (community management of natural resources) as distinct features of Swiss assistance (HELVETAS Swiss Intercooperation and SDC) to Bhutan.

Opportunities

- Local governments and CSOs at district and block levels are strengthened by the continuing decentralization processes. They provide avenues to enhance direct citizen participation.
- The growing number and strength of associations, cooperatives and various community-based groups present opportunities for engaging not only with and through government partners but also civil society organizations and private enterprises.
- Extensive experiences, good networks and contacts in the NRM sector provide opportunities to address rural poverty.
- The multisectoral engagement provides opportunities for more holistic approaches. For example, the livelihood activities dovetail well with the local governance objectives.
- Greater awareness and acknowledgement of gender issues and social inequities and appreciation for diversity, provide opportunities to discuss and engage in activities promoting equity. Already, some efforts have been made in this direction (e.g. LCD project; gender discussions).
- Swiss experiences and expertise and institutional linkages are seen as appropriate and relevant in some of Bhutan's priority areas, i.e. formal and informal vocational skills training, local governance, natural resources management, strengthening the private sector.
- The complementarities with the (new) SDC programme can be used for stronger leverage for policy dialogue

Challenges

- HELVETAS Swiss Intercooperation works actively on downstream (district, block and com-

³ Bhutan in transition - Perspectives for future Helvetas activities. Linder W., Chopyel P., and Dorji K. 2010. HELVETAS, Thimphu

munity levels) issues. There is a need to more proactively work also on upstream (influence national level policies through processes starting at grassroots) development issues with policy-makers, and to link the two.

- There is greater need to identify areas where the programme can add value. This becomes pertinent in an environment where development partners are increasingly encouraged to take a programme approach, provide budget support and pool funds with other development partners.
- There is a need to find a balance between working through partners (e.g. national execution modality, supporting programmes of NGOs) and supporting expressed challenges, and initiating topics of priority without disregarding alignments with national objectives and systems.
- The fast socio-economic and political changes require a high degree of adaptability and responsiveness to adjust to new needs, opportunities and challenges.
- The programme portfolio is gradually changing to include more but smaller projects with a range of partners and donors. This leads to higher complexities and demands in managing the programme.
- Because of the successful development and a steady increase in the GDP, Bhutan is receiving less and less development assistance. Opportunities for HELVETAS Swiss Intercooperation for acquiring projects will therefore be limited.
- The process of democratisation has raised very high expectations for quick solutions.

4. Learning from Past Engagement

History: The partnership between Bhutan and Switzerland started in the early 1950s. Since 1975, Helvetas has been actively engaged in supporting various development activities in the country. From 1983 to 2008, Helvetas and SDC maintained a joint programme in Bhutan. During the 1970s and 1980s, Switzerland was the most important source of bilateral aid besides India, thanks mainly to large SDC mandates.

Strategy: In the early phases, the focus was on localised and hands-on activities in livestock, agriculture, forestry and health. Activities were later expanded to include rural infrastructure (1985) and education (1989). These activities combined hardware support with a strong focus on human resources development, and their scope extended to most parts of the country. More recently, governance (2008) was included in the overall portfolio to contribute to the changing political and social context. During the last programme period, major activities in NRM (support to research, and College of Natural Resources), education and trail bridge development came to an end. At the same time, activities in the governance sector were expanded by partnering with civil society and local governments. This shift became possible with the fast paced democratisation processes and the emphasis on decentralization.

Results: The long presence in the same sectors resulted in highly visible outcomes such as: the impact in policies and management strategies in forestry management; the improved access and communication for more than 50% of the rural households through the trail bridge programme; the contribution to human resource development for the MoAF and the strong contribution to developments in basic education (20% of all students enrolled during the projects' life span benefitted) and teacher education.

Helvetas Bhutan invested about CHF 20 million (including mandates by SDC) to achieve the outputs of the Country Programme 2008-2012. Some of the achievements of that period are:

- Major partner in the process of formalising civil society organisations with more than 400 farmer groups formed through agriculture and forestry projects;
- Strong contribution towards optimizing governance of common natural resources through support in social forestry (legal and policy environment, mobilizing communities, resource management);
- More than 30'000 people were directly involved in agriculture and forestry related projects resulting in diversified and improved livelihoods;
- More than 60'000 people have directly benefited from new or restored trail bridges, access to roads and foot trails providing them with better access to social infrastructure like health services and education;
- To meet the growing demands for teachers in the country, 500 additional study slots (double the available slots) for pre-service and in-service teacher training have been provided and training resources substantially enhanced to benefit all teacher trainees in the country.

Lessons learnt (from the last country programme)

- Combining projects delivering governance aspects with tangible benefits such as access to natural resources is a strategic approach (e.g. combination of SLG with RLP or PFMP);
- Strong efforts are required to increase the participation of women in group executive committees and local governments;
- Well planned and well placed projects (e.g. trail bridges) can have strong and visible impacts even if the budget is modest;
- Agricultural production is generally not competitive with the export/global market but the fast urbanization leads to rapidly growing domestic markets for fresh products – we should aim at domestic markets, regional niche markets and at import substitution;
- Many NRM activities need long-term engagement, but a focused approach to development (e.g. forestry policies, management of common pool resources) yielded good results;
- Fast socio-economic changes need to be anticipated when planning NRM projects;
- HELVETAS Swiss Intercooperation as a non-governmental organization is well positioned to continue a community approach and to foster civil society development in a responsive and context specific manner.

5. Strategic orientation

The CS follows the global principles and working strategies of HELVETAS Swiss Intercooperation. These provide the broad umbrella for the CS. Actual implementation is done through the country programme and its projects with a range of different partners.

HELVETAS Swiss Intercooperation has five **Working Areas** of expertise in which it im-

plements projects, provides advisory services and engages in policy dialogue: Water and Infrastructure, Skills Development and Education, Rural Economy, Environment and Climate, and Governance and Peace. In Bhutan, the main emphasis of its country programme will be on Rural Economy, Governance and Peace, and Skills Development and Education.

Mission and Values

Mission

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

HELVETAS Swiss Intercooperation Bhutan promotes inclusive and sustainable development, and the protection of economic, social, political and cultural rights to effectively address the root causes of poverty. By building capacities, strengthening local structures, sharing knowledge across networks and rendering technical assistance through local partners, HELVETAS Swiss Intercooperation Bhutan empowers local communities to take the lead in their own development.

Values

The HELVETAS Swiss Intercooperation Bhutan CS follows the general principles and values of HELVETAS Swiss Intercooperation:

- Acting upon the principles of basic and human rights (see HRBA below)
- Striving for social justice and equal opportunities for men, women and the disadvantaged (gender equality and social equity)
- Working in partnership
- Acting ecologically and socially responsible
- Preventing crisis – building peace

Human Rights Based Approach (HRBA)

HELVETAS Swiss Intercooperation Bhutan bases its interventions on the Human Rights Based Approach (HRBA) in order to effectively alleviate poverty and reduce inequality. The HRBA aims at empowering right holders to claim their rights and strengthening duty bearers to fulfil their obligations. It comprises of eight principles in four pillars:

- Universality and indivisibility
- Non-discrimination and equality
- Accountability and Rule of Law
- Participation and inclusion

The HRBA marks an important paradigm shift from perceiving primary stakeholders as passive aid recipients to a more active role of right-holders who take responsibility for their own development, based on legitimate claims. HELVETAS Swiss Intercooperation Bhutan strives to address both the demand and supply side through its development interventions by i) empowering right holders, especially those belonging to disadvantaged groups, through HR education and promoting awareness on rights and entitlements as well as responsibilities, and through build-

ing capacities to communicate with duty bearers and advocate their rights; and ii) strengthening duty bearers to comply with their human rights obligations by identifying reasons for underperformance of their duties, awareness raising on their legal obligations, building capacities to fulfil their duties and by fostering accountability mechanisms. Specific emphasis is given to the recognition of social inequity, including gender inequality, and identification of redress mechanisms (also see Gender & Social Equity under Chap. 7).

Geographic focus

Given the focus on (rural) livelihood and local governance, most activities are carried out in rural Bhutan. Based on the nature of the activities and the resources available, and/or the explicit poverty focus, some activities are limited to a few communities or a few districts only, while others are implemented across all districts (national coverage). For activities limited to a few districts and/or communities, HELVETAS Swiss Intercooperation works in Zhemgang, Sarpang, Samtse and Mongar districts (Annex 2). These districts have been selected based on:

- Incidence of poverty and vulnerability
- Social, cultural and ecological conditions targeted by the specific project or project activity
- Previous activities of HELVETAS Swiss Intercooperation
- Coherence, synergies and complementarities with other project activities and donors
- Opportunities for achieving impact

Working in a few selected communities and districts as well as at the national level allows developing and testing models and garnering experiences which can later be scaled up to be used at the national level.

Theory of change

Over the past few decades, Bhutan has enjoyed exceptional socio-economic progress. In the coming years the country will be going through a critical phase with challenges not only arising from the political transition, but the unprecedented high cost of service delivery, the geopolitical situation, the fragile mountain environment, the impact of urbanization, growing disparities in the distribution of wealth, access to resources and services, and youth unemployment. HELVETAS Swiss Intercooperation Bhutan in partnership with government and non-governmental organizations will strive to address some of these issues by focusing on socially inclusive governance, and working with disadvantaged communities to promote management of common pool resources, income generation and skills development.

HELVETAS Swiss Intercooperation Bhutan acknowledges that development is essentially a change process at individual, institutional and organizational level, which implies change in the embedded power relations. To identify intervention points for transforming power relations and effectively support actors of desired change, a thorough understanding of the social, economic and political formal as well as informal structures, and the power relations played out in these spheres is essential.

Through its projects, HELVETAS Swiss Intercooperation Bhutan aims at effecting change at three different levels:

- **The impact level:** Sustainable and positive changes in the lives of vulnerable people. Tangible benefits for people in terms of infrastructure, food production, income, gains in capacity and knowledge, access to services and reduced vulnerability.

- **The influence level:** Capacity and strength of people, in particular disadvantaged people, to raise their voice, defend their rights and influence decision making and benefit sharing.
- **The leverage level:** Factors which determine people's rights for increased access and their role in decision making and benefit sharing, in particular the rules and regulations that determine involvement of socially and economically disadvantaged.

If the process of political consolidation and decentralization is to be furthered successfully, capacities at local levels need to be enhanced and decision-making and discretionary powers need to be devolved. HELVETAS Swiss Intercooperation Bhutan strives to strengthen local governance and advance the process of decentralization by building capacities of local governments to effectively deliver services and manage resources in an inclusive, transparent and accountable way, and by supporting the inclusion of local communities in decision-making.

If gender disparities in higher education and middle-upper management are not to be perpetuated, affirmative action has to be taken. By mainstreaming gender as a transversal theme in all of its projects and the organization itself, HELVETAS Swiss Intercooperation not only addresses the visible dimension of gender disparities, but raises awareness about the underlying values and norms forming gender identities.

In order to alleviate rural poverty, sustainable income opportunities in rural areas have to be created through increased productivity, marketing and commercialization of agricultural products and the opening of regional as well as national markets. HELVETAS Swiss Intercooperation Bhutan contributes to this change process by building capacities for the community management of common pool and private natural resources, and by introducing new skills and technologies to increase agricultural production and value addition. Cooperation with and support to the private sector will be given high importance.

Urbanization is on a rapid rise in Bhutan, and the urban population is expected to reach 50% by 2020.⁴ This development entails large rural urban migration and will significantly increase pressures on the urban employment market. If the issue of high (youth) unemployment in urban areas is to be tackled effectively, more employment opportunities that cater to the demands of the markets, and more and better skilled employees that can fill these posts are needed. HELVETAS Swiss Intercooperation Bhutan strives to address the challenge of unemployment by providing vocational skills training, which is guided by the market's demand, and by strengthening the links between enterprises (private sector) and training institutes.

Alignment

The HELVETAS Swiss Intercooperation Bhutan CS will be guided by and aligned with:

- Bhutan Vision 2020
- Five Year Plan priorities of the country, which currently (10th Five Year Plan) prioritizes poverty reduction as the main development goal while adhering to the following core values of Gross National Happiness:
 - Equitable and sustainable development
 - Preservation and promotion of cultural values
 - Conservation of the natural environment
 - Good governance

⁴ RGoB (1999): Bhutan 2020: A Vision for Peace, Prosperity and Happiness, Part I, p. 28

- HELVETAS Swiss Intercooperation global strategies and principles

HELVETAS Swiss Intercooperation Bhutan will coordinate with other donors (for further reference on stakeholders and partners please refer to Chapter 8). In particular, it will seek to establish synergies and complementarities with SDC's programme in Bhutan. It will contribute directly to the MDGs: *Eradicate extreme poverty and hunger* (MDG 1), *Achieve Universal Primary Education* (MDG 2), *Promote gender equality and empower women* (MDG 3) and *Ensure environmental sustainability* (MDG 7). It will work within the framework of respective sectoral policies of RGoB and will strive for sector-wide coordination and harmonization of development interventions by different actors.

Summary of strategic orientation

<p>Political and economic context</p> <ul style="list-style-type: none"> Political transition in 2008 from monarchy to parliamentary democracy Emerging civil society and expanding roles of the media Narrow industrial and export base; exposed to single market and single commodity risks. Continuous rural-urban migration and increased urbanization with unemployment rates on the rise Pronounced gender disparities in higher education and middle-upper management including political mandates 60% of population engaged in agriculture with subsistence farmers most vulnerable to poverty Potential impacts of climate change on fragile mountain environment considerable 	<p>Mission Build on opportunities arising from the democratization process by creating spaces for disadvantaged women and men and by promoting their equal share in social and economic benefits. Promote inclusive and sustainable development and the protection of economic, social, political and cultural rights to effectively address the root causes of poverty.</p>				
<p>Geographic Focus</p> <p>Areas with:</p> <ul style="list-style-type: none"> Incidence of poverty and vulnerability Social, cultural and ecological conditions targeted by the specific project or project activity Coherence, synergies and complementarities with other project activities and donors Opportunities for achieving impact <p>In particular, Zhemgang, Sarpang, Samtse and Mongar Districts</p>	<p>Development Goal Contribute towards equitable development and improved livelihoods through the promotion of an effective and accountable state, active citizens, and sustainable economic opportunities.</p>				
<p>Primary Stakeholders and Partners</p> <p>Primary Stakeholders: Disadvantaged groups, citizens, CBOs, informal groups</p> <p>Implementing partners: Government agencies, Local Governments, NGOs, CSOs, Farmer groups and cooperatives.</p>	<p>Objectives</p>	<p>Expected Results</p>			
<p>Principles, approaches, tools</p> <table border="0"> <tr> <td data-bbox="159 1232 343 1702"> <ol style="list-style-type: none"> Non-discrimination and equity Participation and inclusion Being innovative and building upon local knowledge Working with partners and promoting dialogue Sustainability </td> <td data-bbox="343 1232 502 1702"> <ul style="list-style-type: none"> Programmatic approach Participatory approach HRBA Multi-stakeholder approach </td> <td data-bbox="502 1232 702 1702"> <ul style="list-style-type: none"> Political economy analysis Gender analysis Participatory joint analysis Stakeholder & context analysis Public audit Knowledge sharing Policy brief Organisational development tools </td> </tr> </table>	<ol style="list-style-type: none"> Non-discrimination and equity Participation and inclusion Being innovative and building upon local knowledge Working with partners and promoting dialogue Sustainability 	<ul style="list-style-type: none"> Programmatic approach Participatory approach HRBA Multi-stakeholder approach 	<ul style="list-style-type: none"> Political economy analysis Gender analysis Participatory joint analysis Stakeholder & context analysis Public audit Knowledge sharing Policy brief Organisational development tools 	<ol style="list-style-type: none"> Enhanced democratic governance at all levels with particular attention to local governance and empowerment of citizens 	<ol style="list-style-type: none"> Strengthened capacity of LGs Increased civil society engagement in advocacy and policy dialogue Improved citizen engagement in local governance through innovative pilot initiatives Increased appreciation of cultural diversity
<ol style="list-style-type: none"> Non-discrimination and equity Participation and inclusion Being innovative and building upon local knowledge Working with partners and promoting dialogue Sustainability 	<ul style="list-style-type: none"> Programmatic approach Participatory approach HRBA Multi-stakeholder approach 	<ul style="list-style-type: none"> Political economy analysis Gender analysis Participatory joint analysis Stakeholder & context analysis Public audit Knowledge sharing Policy brief Organisational development tools 			
<ol style="list-style-type: none"> Enhanced rural livelihoods through sustainable management of common pool and private natural resources, and strengthened capacities to adapt to environmental change 	<ol style="list-style-type: none"> Empowered rural citizens to innovate market oriented ventures Resource management, marketing, credit/saving and other groups established Optimized resource governance and economically and ecologically sustainable practices adopted Strengthened capacities to adapt to environmental changes 				
<ol style="list-style-type: none"> Enhanced income generating opportunities through skills development and increased access to quality basic education and skills development for life-long empowerment 	<ol style="list-style-type: none"> Improved management and leadership skills for farmers' group and cooperative leaders Economically viable and sustainable business enterprises based on market and value chain approaches established Enhanced quality and effectiveness of training services Increased opportunities in agriculture for self-employment and livelihood prospects for youth Increased access to primary and secondary school through boarding facilities and gender equity measures 				
<p>Transversal Themes</p> <p>Gender and Social Equity (GSE): To contribute towards recognizing, appreciating and reducing gender and social inequality.</p> <p>Knowledge and Learning: To promote an innovation and learning friendly culture</p> <p>Capacity Development: To improve performance of partners and staff at the individual and organizational level</p> <p>Downward Accountability: To be accountable to our primary stakeholders whose lives are affected by our interventions?</p>					

For programme logframe see Annex 3

6. Working Areas and Projects

HELVETAS Swiss Intercooperation Bhutan follows the working areas of HELVETAS Swiss Intercooperation at global level. A group of “core projects”, mostly financed with HELVETAS Swiss Intercooperation funding, and primarily concentrating on the working areas governance and peace, rural economy and skills development and education (Figure below) are implemented.

Projects, working areas, geographic focus and partners

Projects	Duration	Working areas			Geographic focus ¹	Partners ²
		Governance and Peace	Rural Eco-nomy	Skill Dev. & Education		
On-going “core projects”						
Support to Local Governance	2012-14				ZH, SP, ST	DLG, LG, CSOA
Rural Development Training (RDT)	2012-14				National	MoAF, LG
Participatory Forest Mang. Project (PFMP)	2007-13				National	MoAF, LG
Rural Livelihood Project (RLP)	2012-15				ZH, SP	MoAF, LG
Occupational Skill Development	2013-2017				National	MoLHR
Leveraging Cultural Diversity	2010-13				ZH, ST, MG	DoC, Tarayana
On going “complementary projects”						
Support Education in Rural Bhutan	2011-13				MG, PG, National	MoE, LG
RUB Infrastructure	2011-13				National	RUB
Support to Tarayana	2012-14				MH, National	Tarayana DLG
Waste Management Policy Development	2012-13				National	NEC
Support for Archaeology	2011-13				National	DoC

¹ZH= Zhemgang, SP= Sarpang, ST= Samtse, MG= Mongar, PG= Pemagatshel; ²DLG= Department of Local Governance, LG= Local government (Gup, Mangmi, Tshogpa), CSOA= Civil Society Organization Authority, MoAF= Ministry of Agriculture and Forests, MoLHR=Ministry of Labour and Human Resources, MoE= Ministry of Education, RUB=Royal University of Bhutan, DoC=Department of Culture, NEC=National Environment Commission

Beside the focus on governance and (rural) livelihood, the core projects have similarities in geographic coverage, key partners and working approach. Complementary projects addressing the overall goal are planned around the core projects, with attention to congruence in geographic coverage, partners and optimal use of synergies.

The programme and its projects have common overriding challenges that influence the choice of interventions as well as activities: mountainous terrain and scattered settlements resulting in

limited accessibility, high costs of service delivery, limited opportunities for agriculture and growing urgency to address employment and other problems arising with urbanization.

Poverty rates are disproportionately higher in rural areas and a majority of the poor and disadvantaged people are dependent on agriculture for a living. Improved livelihood, employment opportunities, empowerment towards active participation in decision making processes affecting livelihood and other aspects of rural and semi urban environments, and benefits derived from the governance of common resources will all contribute towards making rural and semi-urban life more attractive.

On-going and planned projects are mentioned below under the specific working areas and in Annex 4 (with outcomes); additional projects will be developed and included.

Governance and Peace

The change in the form of government from an absolute monarchy to a parliamentary democracy requires reforms in the way institutions function. An important aspect is the need to enhance the role of civil society in governance. Local governments are important mechanisms for directly elected representatives to have a say in decisions affecting the lives of people in their constituencies. Several reviews show that their increasing roles and responsibilities are not matched by capacities for strategic planning and overall governance. An important element in this working area is to include diverse groups of people and communities in governance through their participation in managing and sharing common pool resources and through artistic expression of their ways of life and challenges.

Interventions seek to contribute to enhanced democratic and accountable governance by building capacities of local governments, and involving communities and CSOs in local governance processes. These interventions will identify and build spaces for public participation in democracy, and establish forums through which civil society organizations can jointly raise and address issues of common interest. They will also promote intercultural dialogue and exchange and, strengthen minority groups' capacities to preserve and promote their cultural heritage and leverage local culture to generate income opportunities. This working area will have synergies with other working areas, which offer practical experiences in governance (e.g. PFMP and RLP).

Four on-going projects are implemented under this working area:

The project **Support to Local Governance (SLG)** partners with the Department of Local Governance (DLG), the CSO Authority, local governments, communities, CSOs and other stakeholders to build capacity, develop modalities and create space for citizen participation in governance processes.

The project **Support to Tarayana Foundation** partners with the Tarayana Foundation, local governments, communities and other CSOs to increase community participation in governance, foster CSO engagement in advocacy and empower households and CBOs through improving capacities for income generation.

The project **Leveraging Cultural Diversity (LCD, EU mandate)** partners with Tarayana Foundation, the Department of Culture and four communities to increase awareness and appreciation for cultural diversity, strengthen groups to assert their voice, and generate employment and economic benefits from leveraging cultural heritage.

The project **Support Development of National Waste Management Regulation** in partnership

with the National Environment Commission is developing strategies, regulations and technologies for integrated waste management.

Rural Economy

The RNR sector is growing in absolute figures, albeit too slowly to significantly reduce poverty. A majority of people (60% of employed) depend heavily on agriculture and forestry for their livelihoods. Yet, only a small percentage of land (> 5%) is suitable for cultivation. Sloping land, poor soil fertility and small land holdings result in low economies of scale, low productivity and high production cost to which tremendous human-wildlife conflicts add additional burden. Many people living in rural areas still have poor access to markets and financial resources, which impedes the economic viability of agricultural and forestry production. In spite of these challenges, there are opportunities for fresh products, especially fruits, vegetables, dairy products, non-timber forest products and timber and timber processing for local market and export.

Interventions in this working area seek 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 projects under this working area are highly complementary to the projects under the working area "Governance and Peace".

Access to services, especially markets, is strongly correlated with poverty. Although Bhutan is making significant efforts and is achieving fast progress in providing rural infrastructures, there will be continuous high demand by farmers for new farm roads and bridges.

Projects implemented under this working area are: **Rural Livelihood Project (RLP)** and the **Participatory Forest Management Project (PFMP, SDC mandate)**. These two projects, both implemented with the MoAF as the main partner, support a wide range of activities including: democratic processes in resource management, enhancing access to information and technologies, contributing to optimizing use and governance of common pool resources, using sustainable production methods, and facilitating access to markets. Communities are encouraged and supported to establish resource management (forestry, water), marketing, credit/savings and other groups. Similarly, groups and individuals are supported to innovate new production and marketing technologies. It is hoped that experiences and models developed through the RLP project, leading to innovations, sustained production, value addition and marketing enterprises are applied in other parts of Bhutan. The PFMP will contribute towards addressing climate change issues (policy dialogue, management practices). Bhutan has pledged to remain a net "carbon sink" and hopes to capitalize on its environment (mountain, low population), forest cover, hydrology resources and biodiversity.

Given the extreme topography, Bhutan is highly vulnerable to natural hazards. Effects of climate change will increase the vulnerability of rural communities and their livelihoods. In addition, Bhutan is located in a major earthquake zone. Over the last 2 years, the country has experienced two minor earthquakes, a major flood and a number of incidences with windstorms. The most visible effect of climate change is the receding glaciers, increasing the potential (frequency and severity) of glacial lake outburst floods. Both, RLP and PFMP will contribute towards strengthening capacities of rural communities to adapt to environmental changes.

Skills Development and Education

Access and quality of basic education is an area that directly impacts life-long empowerment. The accessibility and quality of basic education, especially in rural areas, have been of growing

concern in Bhutan. Similarly, availability and quality of basic facilities in these schools are often not adequate. As the level of education progresses, retention of girls is another important challenge. Interventions in this working area will contribute towards improving access to quality basic education for lifelong empowerment, and enhancing income generating opportunities through skills development. Support for basic education in rural communities will be emphasized.

National employment statistics show that the number of unemployed youths in the market is increasing. On the other hand, employers complain of unskilled job seekers and the need to better match market realities with skills development programmes. Although expectations that youth will remain in rural areas are ambitious, skills development training will target youth interested in employment in small scale rural enterprises. Ease of accessibility (e.g. through mobile reach), partnership with employers, flexibility of training programmes (e.g. ensuring that training timetables are suitable for trainees) and relevance of training contents will be guiding principles.

Three projects are implemented under this working area:

Rural Development Training (RDT) project supports the RDT training institution through capacity building and other activities to better address training needs for community groups, market chain facilitation and other needs for resource governance and rural livelihood improvement (all running costs are paid by RGoB). The institution also acts as a service provider for the SLG, Tarayana, PFMP and RLP projects.

Support for Education in Rural Bhutan (Oxfam, Hongkong mandate) partners with the Ministry of Education to improve boarding facilities, teaching-learning resources and teaching environment in schools for rural communities. Retention of girls at higher education levels will be given attention.

The project **Construction of IT Building and Auditorium** in partnership with the Royal University of Bhutan is introducing and testing methods for optimum use of local resources (timber, mud walls) and simple methods of insulation and heating for large structures. At the same time opportunities for training such as in the use of local resources and attention to environmental issues are realized.

Together with the MoLHR, HELVETAS Swiss Intercooperation will develop a new engagement in skills development/vocational training in order to contribute towards addressing the challenge of youth unemployment and to better link training to the job market. Additional activities may focus on informal skill development, especially in the areas of timber harvesting and processing, value addition and marketing, construction and tourism.

There are clear synergies with projects under the other working areas, especially “Rural Economy”.

Future acquisitions

Although HELVETAS Swiss Intercooperation Bhutan will concentrate on the above described three working areas, it may also acquire mandate projects which do not strictly fall under any of the three working areas provided they: 1) Address the overall objectives of HELVETAS Swiss Intercooperation Bhutan; and 2) HELVETAS Swiss Intercooperation has the necessary expertise.

7. Implementation approaches

Role of HELVETAS Swiss Intercooperation Bhutan

As of now, HELVETAS Swiss Intercooperation Bhutan implements most of its own and mandated projects through government partners, providing technical assistance and backstopping at project level. In recent years, it has begun engaging with emerging CSOs by directly supporting programmes of CSOs as well as providing access to competitive funds. In particular, it seeks to increasingly work directly with local governments and communities and to engage CSOs, including Community Based Organisations (CBOs), in projects as direct implementing partners.

HELVETAS Swiss Intercooperation Bhutan also aims to act as an information and knowledge platform for exchange between Bhutan and Switzerland. Within this context, it will pursue the role of facilitator and innovator by developing innovative tools, approaches and methods, and by supporting the implementation and evaluation of pilots and sharing them with partners and stakeholders for up-scaling.

In the future, it will continue to implement and manage projects as well as provide technical assistance. It will also seek to acquire additional mandates.

Transversal themes

Transversal themes address issues of overriding importance for the programme of HELVETAS Swiss Intercooperation Bhutan and aim at reinforcing the effect of our interventions by integrating these themes in all stages of our projects as well as in policy and partner dialogue. Whereas the relevance and importance of Gender and Social Equity (GSE), Knowledge and Learning, and Capacity Development have been recognized at the organization's global level, Downward Accountability is of particular importance in the context of Bhutan and its adoption as transversal theme is an important step to re-define current power relations and review the concept of accountability amongst partners and the organization itself.

Gender and Social Equity (GSE)

Objective: HELVETAS Swiss Intercooperation Bhutan contributes towards recognizing, appreciating and reducing gender and social inequity.

In Bhutan, overt forms of discrimination on the grounds of gender, or institutionalized discrimination against women do not exist, resulting in a rather low prioritization of gender equality on Bhutan's political agenda. However, subtle forms of discrimination are cause for concern and a National Action Plan for Gender 2007-2013 (NAPG) has been developed to provide a national framework for redress mechanisms. Gender disparities are most pronounced in decision-making positions and higher education. Socio-cultural perceptions that estimate women's capacities as being lower than men's are the root cause of these inequalities and may lead to further consolidation by limiting women's representation in governance and public decision-making forums. Guided by the Global Gender Strategy of HELVETAS Swiss Intercooperation and in line with the NAPG, HELVETAS Swiss Intercooperation Bhutan has developed a Gender and Social Equity Strategy 2012-2017 to effectively mainstream gender and promote social equity.

Although the RGoB has recognized poverty as a multidimensional phenomena, corresponding to its development concept of Gross National Happiness, in Bhutan the term disadvantaged groups 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.⁵ Consequently, aspects of social and cultural vulnerability and exclusion are only marginally considered.

⁵ RGoB (1999): Bhutan 2020: A vision for Peace, Prosperity and Happiness. Part I, p. 32 /Part II, p. 49.

Poverty and inequality

During the first decade of the new millennium Bhutan has achieved substantial improvements in **poverty reduction** (from 36.3% of population living below the poverty line in 2000 to 23.2% in 2007⁶) **income equality** (from 41.6 on the GINI Index in 2003 to 38.1 in 2007⁷) and **consumption equality** (the share in consumption of the poorest 20 percent of population has increased from 6.5% to 9.6%, whereas the share of the richest 20 percent of the population has decreased from 48.7% in 2004 to 38.5% in 2007⁸). However, in UNDP's 2011 Human Development Report⁹ on income equality, Bhutan **scored second lowest** amongst the South Asian countries: Nepal 47.3, Bhutan 46.7, Sri Lanka 40.3, Maldives 37.4, India 36.8, Pakistan 32.7, Bangladesh 31.0 (Afghanistan n/a) revealing an alarming reversed trend of increasing inequality across Bhutan.

HELVETAS Swiss Intercooperation Bhutan aims 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.

Disadvantaged groups in Bhutan

- Households that are landless, depending on small landholdings, poor production environment
- Socially and culturally vulnerable groups
- Youth
- Urban poor
- Rural communities
- Women
- Elderly
- Disabled individuals

In order to reduce inequities and to further the inclusion of disadvantaged groups, HELVETAS Swiss Intercooperation Bhutan will strengthen its support for inclusive community participation in local decision making processes, lobbying for communal interests with local authorities and promoting the adoption of pro-poor policies. Participatory joint analysis and planning as well as power analysis in local contexts will guide the design of more inclusive projects and programmes. Further, HELVETAS Swiss Intercooperation Bhutan will identify opportunities for dialogue on GSE at all levels and will promote the principle of social equity within the organization as well as amongst partners. At the implementation level, HELVETAS Swiss Intercooperation Bhutan seeks to work directly with disadvantaged groups as primary stakeholders, in particular youth, rural communities, women and to some extent with urban poor.

Knowledge and Learning

Objective: To promote an innovation and learning friendly culture within the organisation itself as well as amongst partners and stakeholders.

Regular events to share knowledge and support reflection on experiences amongst PO staff and partners, the promotion of participatory methodologies as well as the documentation and dissemination of best practices and experiences contribute to this aim. HELVETAS Swiss Intercooperation Bhutan makes use of Social Reporting and Web 2.0 technologies to encourage sharing of best practices and lessons learnt and to promote online discussions.

HELVETAS Swiss Intercooperation Bhutan aims at systematically integrating project evaluations and impact findings into organisational policies, procedures and project implementation.

6 NSB (2007): Poverty Analysis Report. The poverty line is defined as Nu. 1096.94 per capita per month.

7 Source: Worldbank GINI Index

8 Source: <http://data.worldbank.org/indicator/SI.POV.GINI>

9 UNDP (2011): Human Development Report, p. 136f

Through the cultivation of micro-macro linkages, learning becomes a multidirectional and multidimensional process which incorporates learning from the field, partners and networks on a global, regional and local level with a strong emphasis on informing national policies with evidence from the field. Through innovative pilot initiatives HELVETAS Swiss Intercooperation Bhutan fosters new ways of working at local level and provides space for “outside the box” approaches.

Capacity Development

Objective: To improve performance of partners and staff at individual and organizational level through needs based capacity development.

With the emergence of many new development actors over the last few years, HELVETAS Swiss Intercooperation Bhutan’s partner base has expanded significantly to not only include government agencies at national level, but also CSOs, Farmers Groups, CBOs and Local Governments. Building capacities amongst these new actors is crucial to ensure the efficiency, effectiveness and sustainability of the organisation’s development interventions.

HELVETAS Swiss Intercooperation Bhutan supports capacity development mainly at individual and organizational level, focusing on developing the following competences of its partners and staff: context analysis, strategic thinking and planning, organizational governance, accountability, human resource management and development, networking and advocacy.

Downward accountability

Objective: HELVETAS Swiss Intercooperation Bhutan is accountable to its primary stakeholders whose lives are affected by its interventions.

HELVETAS Swiss Intercooperation Bhutan adopts participatory methods in all the stages of its programme and project cycles. However, it has so far not formally incorporated the concept of downward accountability and has primarily been accountable to donors and partners. The concept of downward accountability aims at engaging citizens in political dialogue and strengthening and legitimizing democratic institutions by calling upon power holders to take responsibility for their actions towards the concerned. Transparency, participation, feedback, M&E and empowerment are important aspects of downward accountability mechanisms and are therefore represented in all stages of a project cycle. Downward accountability will be promoted within the organization itself, aiming at improving HELVETAS Swiss Intercooperation’s accountability towards its primary stakeholders as well as amongst project partners.

Key Principles

HELVETAS Swiss Intercooperation Bhutan adheres to the principles of the Human Rights Based Approach (also refer to Chapter 5 Strategic Orientation and to Annex 5) to guide its development interventions:

Non-discrimination and equality: HELVETAS Swiss Intercooperation Bhutan is committed to contribute to the reduction of social and economic inequality by analyzing power relations and access to and control over resources and services. Accordingly, interventions will be designed in recognition of the needs of the most vulnerable. We strive to promote the principles of non-discrimination and equality within the organization as well as amongst partners and primary stakeholders.

Participation and inclusion: HELVETAS Swiss Intercooperation Bhutan strives to create an

enabling environment to ensure the participation of all stakeholders in development processes, especially vulnerable and disadvantaged groups. Participation will not be limited to mere representation of people, but will aim at meaningful, active and voluntary engagement in all stages of decision-making processes. The inclusion of different social groups in these processes will ensure that questions of equitable sharing of benefits and responsibilities are raised too.

Additionally, HELVETAS Swiss Intercooperation Bhutan applies the following key principles:

Being innovative and building upon local knowledge: HELVETAS Swiss Intercooperation Bhutan is committed to adopting innovative approaches, and will continue to focus on pioneering activities that add value to existing and ongoing development interventions in related areas of operation. We seek to make the best use of existing local knowledge as well as of synergies with other development agencies and projects, both nationally and internationally.

Working with partners and promoting dialogue: HELVETAS Swiss Intercooperation Bhutan works with national as well as international partners, government and non-governmental organizations and implements most of its activities through local partners. We place strong emphasis on promoting dialogue amongst our stakeholders and development partners through our development activities. We are committed to encourage local partners to take a lead and strive to build capacities at local level.

Sustainability: HELVETAS Swiss Intercooperation Bhutan places strong emphasis on supporting economically, ecologically and socially sustainable interventions to improve the livelihoods of the people concerned by complementing existing beliefs and commitments to sustainable development principles and practices. By actively promoting co-financing and by anchoring our programme and projects within existing structures and aligning them to the national development framework, we strive for institutional, operational and economic sustainability and enhanced ownership.

Approaches

HELVETAS Swiss Intercooperation Bhutan adopts the following approaches as a means to realize its development goal while adhering to its guiding principles:

Participatory approach

HELVETAS Swiss Intercooperation Bhutan adopts a participatory approach in all stages of the project cycle to ensure ownership of its development efforts amongst stakeholders and their respective institutions. Participation should not be limited to developing “shopping lists” but should actually lead to agenda setting and include accountability mechanisms. Participation concerns people’s rights, but also duties, responsibilities, entitlements and resources, as these are essential factors that determine people’s lives. We aim at meaningful participation, which includes the poor and disadvantaged and will support platforms - village meetings, virtual networks, multi-stakeholder events - to foster participation of all people concerned to take a lead in decision-making processes.

Programmatic approach

HELVETAS Swiss Intercooperation seeks to increase its projects’ impact and effectiveness by adopting a programmatic approach. Potential synergies between different projects and stakeholders are actively explored along vertical as well as horizontal lines and provide entry points for new project activities. Under a programmatic approach HELVETAS Swiss Intercooperation Bhutan seeks to draw together stakeholders from different projects for thematic training and workshops, thereby promoting knowledge exchange and fostering partnerships beyond individ-

ual projects. The design of new project interventions capitalizes on lessons drawn from different interventions and builds upon existing strengths and partnerships in selected intervention areas.

Multi-stakeholder approach

Through a multi-stakeholder approach, HELVETAS Swiss Intercooperation Bhutan aims to ensure equitable and inclusive participation, transparency and accountability in all stages of project planning and implementation. HELVETAS Swiss Intercooperation Bhutan seeks to develop mutually acceptable projects in order to create a greater sense of ownership and increased commitment amongst stakeholder. We foster collaboration beyond sector boundaries and engage government agencies, farmers' groups, civil society organisations, citizens and private sector actors for improved dialogue amongst stakeholders and participatory decision-making processes. To overcome inequality and promote solidarity across society we focus our interventions on disadvantaged groups by building capacities and creating space for their voice.

8. Stakeholders and partners

Primary Stakeholders or Right Holders

HELVETAS Swiss Intercooperation Bhutan works with various strategic partners for the ultimate benefit of its primary stakeholders. These include people and communities who are economically and/or socially disadvantaged and lack the capacity and opportunities to benefit from socio-economic achievements in Bhutan. Amongst these disadvantaged groups, HELVETAS Swiss Intercooperation Bhutan will focus on youth, rural communities, women and to some extent urban poor.

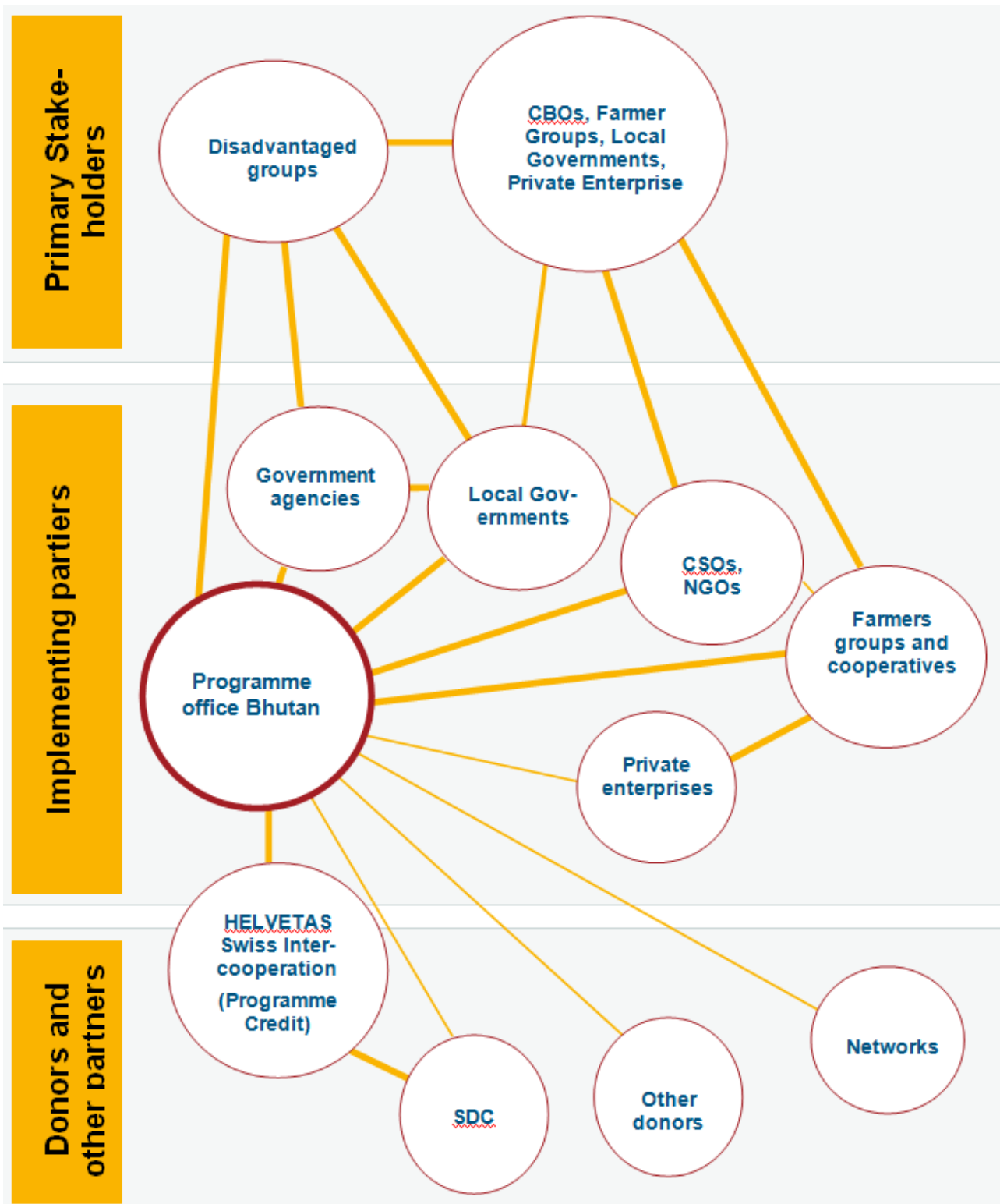
HELVETAS Swiss Intercooperation Bhutan recognizes primary stakeholders as right holders and supports them in their legitimate claims for equitable development and equal opportunities.

HELVETAS Swiss Intercooperation Bhutan works directly with right holders through focused and targeted interventions aimed at their empowerment. It supports groups such as community based organisations, farmers' groups, and cooperatives with differing purposes of association ranging from economic goals (e.g. poultry farmers), effective management of common pool resources (e.g. community forest management groups), to monitoring and steering (e.g. local monitoring committees). Individuals' civic engagement is also promoted, in particular through facilitating citizen participation in decision-making (e.g. through enhancing the role of *Zomdues* or village meetings) and through their engagement in social audits. In parallel, efforts are made to highlight the situation of the disadvantaged and engage government partners in improving their social, economic and policy conditions as duty bearers who have the responsibilities to meet these rights.

HELVETAS Swiss Intercooperation Bhutan also supports organizations that work directly with right holders, such as local NGOs and local governments for two reasons: they are themselves emerging as important stakeholders in governance; and they are expected to represent the voices and priorities of the right holders towards the state (duty bearer).

Duty Bearers and Implementation Partners

HELVETAS Swiss Intercooperation Bhutan will continue to work with government agencies to enhance their roles and responsibilities as duty bearers in framing policies and developing programmes that guarantee the rights of people to a decent life. Partners from the government will include relevant departments and district and block administrations. Local governments will



increasingly become direct consultation and implementation partners in keeping with the increasing powers and responsibilities devolved to them. As of now, they were engaged more as beneficiaries of capacity development activities and implementers of projects.

Increasingly, more intensive partnerships will be established with emerging non-state actors such as CSOs, CBOs and cooperatives both as implementation partners as well as target organizations for capacity development given their relatively recent emergence. The promotion of networks among CSOs and local governments aims at enhancing their importance and influence

and fosters their ability to act as agents of change at the local level. Through these partnerships HELVETAS Swiss Intercooperation Bhutan will be able to diversify its partner base and increase its outreach into rural areas.

Partnership with the private sector has not been very strong in the past, apart from using specialised services of private training institutes and consultancy firms. Experiences elsewhere have shown that linking with markets and relevance of training programmes to commercial activities is more successful with the involvement of private enterprises. Therefore, wherever relevant (e.g. wood-based industries, Markets for the Poor (M4P), in RLP), active cooperation and partnerships with the private sector will be sought.

HELVETAS Swiss Intercooperation Bhutan will continue to facilitate linkages, flow of information, knowledge exchange and other interactions between Swiss institutions and partners in Bhutan. These activities are expected to include private-private partnerships for Bhutanese enterprises.

Since processes of intervention are as important as the outcome, inclusive and participatory planning, implementation, and monitoring processes will be consciously pursued. It will be important to ensure that right holders and duty bearers as well as state and non-state actors are jointly consulted and partnered with.

Other Partners and Donors

HELVETAS Swiss Intercooperation Bhutan will continue coordinating its programme and projects with other development organizations in the country who are engaged in the same sectors. Projects and activities to promote the sustainable management of common pool resources and joint management were successfully undertaken with other development organizations in the past, and will be continued where relevant and strategic. Participation in national networks (e.g. eForestry, solution exchange), regional networks (SDC-LoGIn), and collaboration with other HELVETAS Swiss Intercooperation offices in the region will be continued and strengthened.

HELVETAS Swiss Intercooperation Bhutan considers donors not just as institutions providing funds, but as partners in the development dialogue. We will seek the dialogue with donors to exchange on thematic topics in order to benefit from the experiences of the donor. Through such a joint dialogue and debate, complex issues can be advanced and resolved.

Our main donor in Bhutan over a period of many years has been the **Swiss Agency for Development and Cooperation (SDC)**. To engage in a more direct and close dialogue with RGoB and other partners in the country, SDC has opened its own Cooperation Programme Office in 2012. This will assure a smooth and sustainable phasing out by December 2016 and to maintain good relations and benefits of a long standing cooperation. HELVETAS Swiss Intercooperation Bhutan will continue to closely cooperate with SDC and focus its collaboration on: (1) Community forestry; (2) Support to local governance; (3) Fostering civil society and civic participation. Other opportunities to jointly implement initiatives of common interest will be further explored.

We will continue our cooperation with other donors (EU and Oxfam). In addition, HELVETAS Swiss Intercooperation Bhutan will explore possibilities of partnerships with other donors, with whom purpose, values and principles match and where such a partnership allows for innovations.

9. Resources and Management

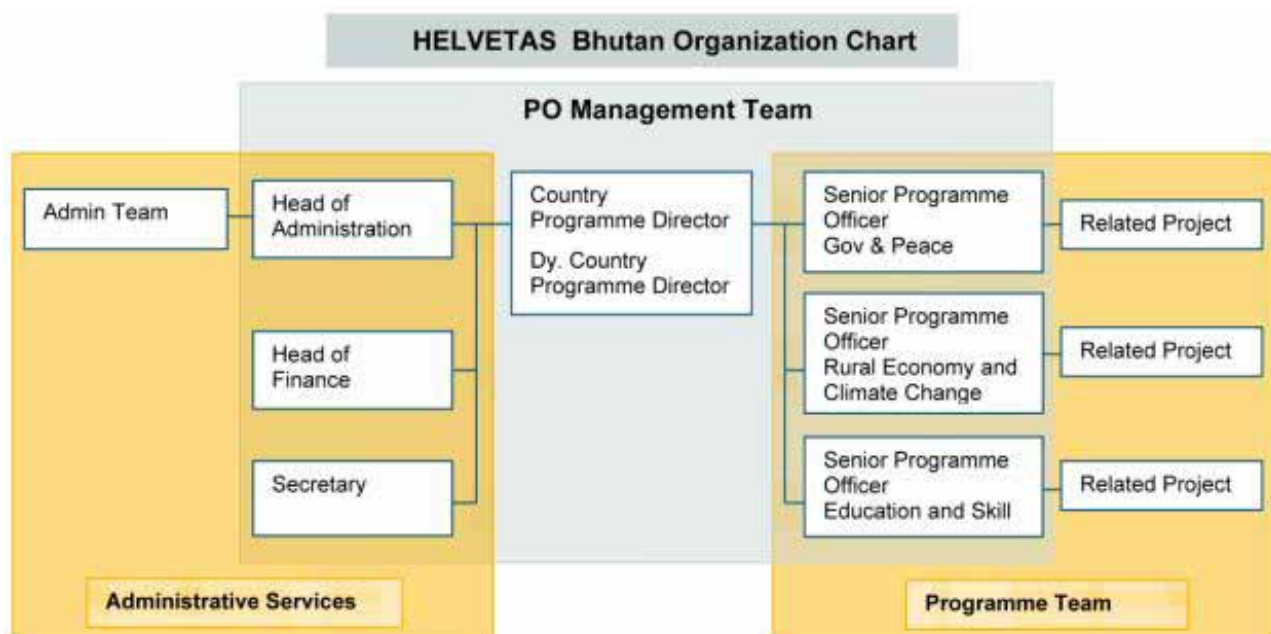
Human Resources

HELVETAS Swiss Intercooperation Bhutan has a comparatively small but highly motivated and experienced team. The professionalism, dedication and development vision of the HELVETAS Swiss Intercooperation Bhutan staff are the basis of the organisation's reputation and recognition. The team has a good gender balance with high representation of woman in senior positions (two out of five, Annex 6).

A shift from large mandate projects implemented with government partners to smaller projects implemented with a range of partners may require increased capacity for project implementation in the near future. This will provide opportunities to hire new staff. Existing provisions for internships will be continued to promote the development of young professionals, especially women.

Programme Structure

The overall structure of HELVETAS Swiss Intercooperation Bhutan is outlined in the Figure below. The team is too small to allow for separate coordinators for each working area. Therefore, roles and responsibilities are shared where relevant, such as the Deputy Country Director having the responsibility of the Senior Programme Officer for Governance and Peace.



Financial Resources

The overall annual budgets of HELVETAS Swiss Intercooperation Bhutan will be in the range of 2.0 - 3.3 million CHF (for details see Annex 7). The funding provided by HELVETAS Swiss Intercooperation is expected to cover about 56% of the overall budget. It is anticipated that SDC mandates will provide a substantial proportion of the overall funds (about 20%) over the entire programme period (subject to SDC's decision on a new phase for PFMP).

Helvetas Swiss Intercooperation Bhutan Budget Overview (2012-2017) ¹						
	2012 ²	2013	2014	2015	2016	2017
Total Swiss Franc (million)	1.9	3.34	2.70	2.60	2.30	2.0
Working areas	Proportion Working area (%)					
Governance and Peace	33%	22%	24%	24%	33%	35%
Rural Economy	32%	38%	41%	39%	24%	17%
Education and Skill Development	29%	34%	29%	31%	36%	40%
Programme Office	6%	6%	6%	6%	7%	8%

¹For detailed information see Annex 7; ²Six months only

10. Monitoring and Evaluation

The HELVETAS Swiss Intercooperation Bhutan CS provides a framework for the period of July 2012 to June 2017. The logical framework for the overall Country Programme including performance indicators is presented in Annex 3. Monitoring will be conducted within this framework according to the set indicators. Projects prepare yearly plans of operations, half-yearly and annual progress reports, on the basis of which the Programme Office prepares the overall yearly plan of operations and the annual progress report for the HELVETAS Swiss Intercooperation Bhutan Country Programme.

The projects implemented contribute to the programme outcomes and outputs. The values for the indicators defined here will be collected by projects as part of their half-yearly and annual progress reporting and compiled and analysed separately in the Programme Office. Project reviews or evaluations are implemented as outlined in each project document or as agreed with the respective donors.

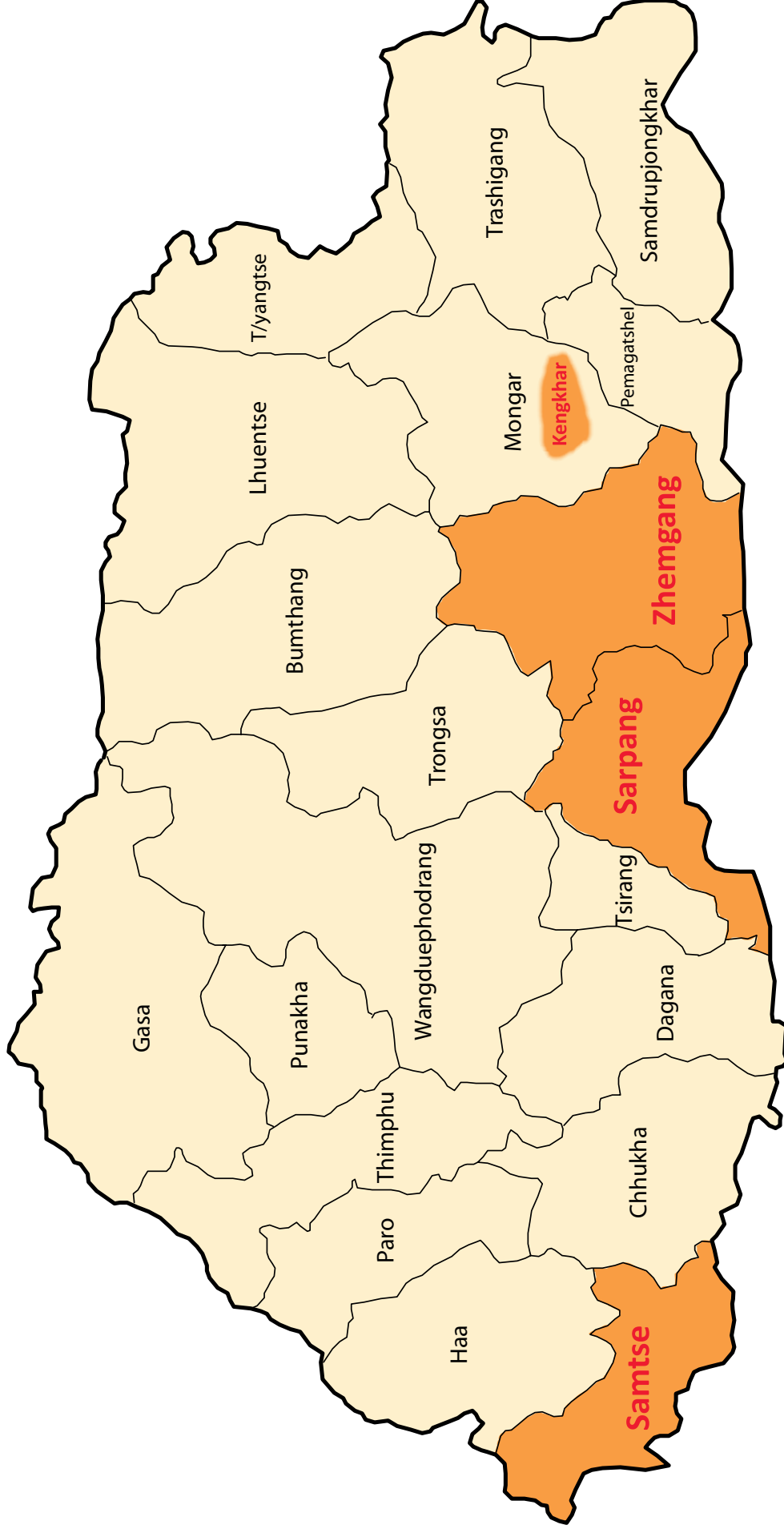
All the financial transactions of HELVETAS Swiss Intercooperation activities in Bhutan are audited by the Royal Audit Authority of Bhutan on an annual basis. In addition, the Finance Section of HELVETAS Swiss Intercooperation Bhutan will conduct internal audits of all its projects at least once a year with the purpose to ensure compliance with organizational policies and procedures and effective utilization of funds. HELVETAS Swiss Intercooperation Bhutan will conduct or facilitate additional audits as required by any specific donor.

A review to assess the implementation of the Bhutan programme is foreseen during the first semester of 2016. This review will allow realigning the programme with the 11th Five Year Plan of the RGoB if required. The review will also provide the required information for the HELVETAS Swiss Intercooperation management to decide about the future of the Bhutan programme.

Annex 1: List of Abbreviations

CHF	Swiss Franc
CBO	Community Based Organisations
CSO	Civil Society Organisation
GDP	Gross Domestic Product
GNHC	Gross National Happiness Commission
GSE	Gender and Social Equity
HR	Human Rights
HRBA	Human Rights Based Approach
INGO	International Non Government Organisation
LG	Local Government
LCD	Leveraging Cultural Diversity
MDG	Millennium Development Goals
MoAF	Ministry of Agriculture and Forests
MoE	Ministry of Education
MoLHR	Ministry of Labour and Human Resources
NAPG	National Action Plan for Gender
NGO	Non Government Organisation
NRM	Natural Resources Management
PFMP	Participatory Forest Management Project
RGoB	Royal Government of Bhutan
RLP	Rural Livelihood Project
RNR	Renewable Natural Resources
SAARC	South Asian Association for Regional Cooperation
SDC	Swiss Agency for Development and Cooperation
SLG	Support to Local Governance
SLSA	Swiss-Liechtenstein Foundation for Archaeological Research Abroad

Annex 2: Map showing geographical coverage



Annex 3: Logical Framework

Development Goal	Verifiable Indicators	Means of Verification	Assumptions and Risks
Contribute towards equitable development and improved livelihoods through the promotion of an effective and accountable state, active citizens, and sustainable economic opportunities.	<p>70% satisfaction rate amongst women and men regarding government performance and service delivery</p> <p># of households with enhanced access to information, employment opportunities and markets</p> <p>Overall poverty level reduced to below 15%</p> <p>60% of primary stakeholders in all projects are from socially and/or economically disadvantaged groups as per the definition of the target group</p> <p>Representation of women in local governments and in leadership positions in CBOs has increased to 30%</p>	<p>Satisfaction survey</p> <p>Government statistics</p> <p>Government statistics</p> <p>Project reports</p> <p>Election results, project reports</p>	
<p>Outcome 1</p> <p>Enhanced democratic governance at all levels with particular attention to local governance and empowerment of citizens</p>	<p>Verifiable Indicators</p> <p>Models to enhance participation at the local government and community levels developed and applied in the project area</p> <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> <p># of CSOs that engage regularly in lobbying and advocacy activities</p> <p># of citizens that make use of complaint mechanisms and systematic feedback loops set up by Gewog Administrations to address citizens' concerns</p> <p># of people addressed through events promoting cultural expressions and dialogue</p>	<p>Means of Verification</p> <p>Project reports</p> <p>Attendance register, Back-to office reports, project reports</p> <p>CSO newsletters /websites, media reports</p> <p>Government statistics, Satisfaction survey</p> <p>Project reports</p>	<p>Assumptions and Risks</p>
<p>Outcome 2</p> <p>Enhanced rural livelihoods through sustainable management of common pool and private natural resources, and strengthened capacities to adapt to environmental change</p>	<p>Verifiable Indicators</p> <p>300 self-governing community-based groups actively manage natural resources and build up capacities for NRM and environmental change adaptation</p> <p>5'000 women and men directly involved in agriculture, forestry, or livestock farming that have been advised and/or trained (HPI 212)</p> <p>10'000 hectares under sustainable cultivation (HPI 213).</p> <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>	<p>Means of Verification</p> <p>Project reports</p> <p>Training reports, project reports</p> <p>Government statistics</p> <p>Project reports</p>	<p>Assumptions and Risks</p>

Outcome 3	Verifiable Indicators	Means of Verification	Assumptions and Risks
Enhanced income generating and employment opportunities through increased access to education and skills development for life-long empowerment	<p>Proportion of (disadvantaged) female students in higher grades in partner school has increased by 30%</p> <p>Examples of interactive and child friendly teaching-learning processes are available and used for up-scaling in other schools</p> <p>5 partners who are advised and/or financially supported by HELVETAS Swiss Intercooperation Bhutan provide vocational training and further education. (HPI 313)</p> <p>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)</p>	<p>School statistics, project reports</p> <p>Project reports</p> <p>Project reports</p> <p>Project reports</p>	
Outcome 4 – Transversal Theme	Verifiable Indicators	Means of Verification	Assumptions and Risks
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	<p>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</p> <p>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</p> <p># of people who have completed a course on gender (HPI 511)</p>	<p>Project reports</p> <p>Project reports</p> <p>Training reports</p>	
4.2. Capacity Development: Increased capacities and performance of staff and partners	# of men and women that participated in CD training on rural economy / governance / education / gender & social equity / knowledge management / downward accountability	Training reports	
4.3. Knowledge sharing and learning systems: Integrated in PCMs	# of practices (publications/events/methodologies) that promote learning and reflection on experiences	Publications / online contributions	
4.4. Downward accountability: Enhanced accountability towards primary stakeholders	All projects conduct annual public hearing/audit or other relevant measures to foster transparency and accountability	Project document	

Annex 4: On-going projects and their outcomes

Projects	Outcomes (numbers based on outcome in logframe)
Working area: Governance and Peace	
<p>Support to Local Governance Period: 2011-2014 (Phase II) Coverage: Zhemgang, Sarpang, Samtse Funding sources: HELVETAS Swiss Intercooperation, RGoB</p>	<ul style="list-style-type: none"> · Capacity of local governments in target districts strengthened through peer learning opportunities, research, and other capacity development opportunities (1) · Increased Civil Society engagement in the country (1, 4) · Innovative pilot initiatives contribute towards improved citizen engagement in local governance (1, 4)
<p>Leveraging Cultural Diversity Period: 2010 – 2013 Coverage: Mongar, Zhemgang and Samtse district Funding sources: EU, HELVETAS Swiss Intercooperation</p>	<ul style="list-style-type: none"> · Improved capacities for cultural preservation, documentation of existing traditions, collection of material culture, establishment of heritage sites and museums contribute towards sustaining and preserving traditions (1) · Minority groups value heritage, assert ownership and demand rights (1, 4) · Channels for disseminating information on cultural tradition and for exchanging cultural experiences are developed (1). · Appreciation for cultural traditions contributes towards better understanding between groups, better social standing of marginalized groups and reduces discrimination (1, 4) · Tourism driven by interest in cultural traditions provides income opportunities for marginalized groups, reduces migration and contributes towards preservation of traditions (3)
<p>Support to Tarayana Foundation Period: 2011 - 2014 Coverage: Mongar Funding: HELVETAS Swiss Intercooperation</p>	<ul style="list-style-type: none"> · Synergies between Tarayana and other CSOs created and increased collaboration in rural areas (1) · Increased CSO support to awareness raising events at local level (1, 4) · Increased engagement of CSOs in issue based advocacy (1, 4) · Improved skills for income generation through relevant and quality capacity development programmes for individuals and groups (3) · Increased household income through viable income generating opportunities (2) · Enhanced institutional capacity of Tarayana (1)
Working area: Rural Economy	
<p>Rural Livelihood Project (RLP) Period: 2012 – 2015 (Phase II) Coverage: Selected gewogs in Zhemgang and Sarpang Districts Funding sources: HELVETAS Swiss Intercooperation, RGoB</p>	<ul style="list-style-type: none"> · Increased household income through RDIs planned and implemented by market chain actors (2) · Improved performance of farmer groups and cooperatives through capacity building and access to microfinance (1, 4) · Viable SMEs and trading enterprises process and market an increased quantity of products with improved quality (2) · Pro-poor policy intervention, subsidies policy and sharing of lessons learned lead to increased household income beyond the project area (1)

Annex 4: On-going projects and related outcomes continued

Projects	Outcomes (numbers based on outcome in logframe)
Working area: Rural Economy (continued)	
<p>Participatory Forest Management Project (PFMP) Period: 2007 – 2013 (Phase II) Coverage: national Funding sources: SDC, RGoB</p>	<ul style="list-style-type: none"> · An enabling environment for the establishment and functioning of at least 300 Community Forests (1) · Capacity built at all levels to ensure sustainability (2) · Community Forestry Programme contributes to poverty reduction (3)
Working area: Skills development and education	
<p>Rural Development Training (RDT) Period: 2012-2014 (Phase IV) Coverage: Nationwide Funding sources: HELVETAS Swiss Intercooperation, RGoB</p>	<ul style="list-style-type: none"> · Improved management and leadership skills for the farmers' groups and cooperatives leaders and executive members (1, 3). · Established economically viable and sustainable business enterprises based on market and value chain approaches (2). · Enhanced quality and effectiveness of training services (3) · Increased opportunities in agriculture for self-employment and livelihood prospects for youth through agriculture awareness (3)
<p>Support for Education in Rural Bhutan Period: 2011 – 2013 (Phase I) Coverage: Pema Gatshel, Mongar, and several other districts Funding sources: Oxfam Hong Kong</p>	<ul style="list-style-type: none"> · Access to primary and secondary education for students by gender in partner schools increased through establishment of boarding facilities providing adequate care (3, 4) · Availability of teaching-learning resources, innovative knowledge and skills of partner schools and a positive teaching environment contributes towards improved learning processes (3) · Relevant gender equity measures contributes towards enhancing girls' participation in secondary education in partner schools (3, 4)
<p>Occupational Skill Development Period 2013-2017 Funding Source: HELVETAS Swiss Intercooperation, RGoB</p>	<ul style="list-style-type: none"> · Project to be planned in 2012
Working area: Water and Rural infrastructure	
<p>Construction of IT building and Auditorium for RUB Period: 2011 – 2013 (Phase I) Coverage: Thimphu Funding sources: Society for Promotion of Education and Training (SPET) Germany, HELVETAS Swiss Intercooperation and RGoB</p>	<ul style="list-style-type: none"> · Optimize opportunities for on the job training (3) · Generate aesthetic and functional facilities for RUB (3)
Working area: Environment and climate	
<p>Development of National Waste Management Regulation Policies and Methods Period: 2012 – 2013 Coverage: national Funding sources HELVETAS, skat and RGoB</p>	<ul style="list-style-type: none"> · Strategies, regulations and technologies for Integrated waste management (1, 2)

Annex 5: Key principles, implementation approaches and methodologies

Principles	Approaches	Methodologies/Tools
Non-discrimination and equity	<ul style="list-style-type: none"> · Participatory approach · HRBA · Programmatic approach 	<ul style="list-style-type: none"> · Participatory Rural Appraisal · Political economy analysis · Gender analysis · Gender Responsive Budget · Civic education · Participatory joint analysis
Participation and Inclusion	<ul style="list-style-type: none"> · HRBA · Participatory approach · Multi-stakeholder approach 	<ul style="list-style-type: none"> · Stakeholder Analysis · Context Analysis · Civic education · Public audit · Training · Roundtables, networks
Being innovative and building upon local knowledge	<ul style="list-style-type: none"> · Participatory approach · Programmatic approach 	<ul style="list-style-type: none"> · “Listening first” · Knowledge sharing
Working with partners and promoting dialogue	<ul style="list-style-type: none"> · Multi-stakeholder approach · Participatory approach 	<ul style="list-style-type: none"> · Training · Knowledge sharing · Networks, roundtables · Policy brief
Sustainability	<ul style="list-style-type: none"> · Programmatic approach 	<ul style="list-style-type: none"> · Organisational development tools · Needs assessments

Annex 6: Team members of HELVETAS Swiss Intercooperation Bhutan

Team member	Designation
Administration	
Mr. Walter Roder	Country Director; until September 2013
Ms. Tashi Pem	Deputy Country Director
Mr. Namgyel Tshering	Head of Administration
Ms. Tshewang Chhenzom	Head of Finance
Mr. Nado Dukpa	Liaison cum Logistics Officer
Ms. Monju Chetri	Secretary/IT Manager
Mr. Jangchuk Pelzang	Driver cum Office Assistant
Ms. Tirtha Giri	Office Helper
Mr. Karma Dorji	Night Guard cum Gardener
Programmes	
Ms. Tashi Pem	Senior Programme Officer Governance and Peace
Mr. Kunzang Dorji	Project Coordinator LCD
Mr. Chhimi Dorji	Senior Programme Officer Rural Economy
Ms. Liliane Tarnutzer	Junior Programme Officer, Governance and Peace; until February 2013
Projects	
Mr. Kaspar Schmidt	Advisor, PFMP; until December 2012
Mr. Ram D. Tamang	Driver Cum Office Assistant PFMP; until autumn 2012
Mr. Fritz Baumgartner	Project Manager, RUB
Mr. L. B. Rai	Senior Engineer, RUB Construction
Ms. Kesang Choden	Project Assistant, LCD Project

Annex 7: Projected Budget Details

Projects	Funding Source	2012 ¹	2013	2014	2015	2016	2017
		Amount in CHF					
Governance and Peace							
Support to Local Governance	HSI	198,858	330,000	320,000	370,000	500,000	500,000
Support Tarayana Foundation	HSI	47,152	110,000	100,000			
Leveraging Culture Diversity	HSI	31,732	30,000	30,000	50,000	50,000	
Leveraging Culture Diversity	EU	144,933	240,000				
Solid Waste Management	HSI	49,236	4'000				
Support SDC's Governance	SDC	77,744					
Lilian Tamutzer JPO	SDC	71,650	23,000				
New Projects (to be acquired)	Mandate			200,000	200,000	200,000	200,000
Total		621,305	733,000	650,000	620,000	750,000	700,000
Rural Economy							
Participatory Forest Management Project	SDC ²	330,000	800,000	700,000	600,000	300,000	
Rural Livelihood Project	HSI	285,347	460,000	420,000	415,000		
New projects	HSI					245,000	335,000
Total		615,347	1,260,000	1,120,000	1,015,000	545,000	335,000
Skill development and Education							
Rural Development Training Centre	HSI	49,525	107,000	80,000			
Support for Rural Education	Oxfam	164,003	330,000				
Occupational Skill Development	HSI	36,714	250,000	360,000	460,000	500,000	500,000
IT Building and Auditorium		282,740	400,000				
Support for Archaeology in Bhutan	HSI ³	21,043	63,000	40,000	40,000	40,000	
New projects	Mandate			300,000	300,000	300,000	300,000
Total		554,025	1,150,000	780,000	800,000	840,000	800,000
Programme Office – Programme Development							
P-Directorate Bhutan	HSI	77,432	183,000	140,000	150,000	150,000	150,000
Programme Development	HSI	34,150					
Small Projects	HSI	7,500	10,000	10,000	15,000	15,000	15,000
Total		119,082	193,000	150,000	165,000	165,000	165,000
Overall total Budget		1,909,759	3,336,000	2,700,000	2,600,000	2,300,000	2,000,000
Source of Funds (%)							
HELVETAS		44%	46%	56%	58%	65%	75%
SDC ²		25%	25%	26%	23%	13%	
Others		31%	29%	19%	19%	22%	25%
Allocation to working areas (%)							
Governance and peace		33%	22%	24%	24%	33%	35%
Rural Economy		32%	38%	41%	39%	24%	17%
Skill Development		29%	34%	29%	31%	36%	40%
Programme Directorate		6%	6%	6%	6%	7%	8%

¹ Six months only; ²Funding beyond mid 2013 is subject to SDC' decision on a next phase for PFMP; ³Includes funding through SLISA and Share Foundation