



Annual Review RNRSP

**Assessment of Sector Policy and
Programme Implementation
&
Validation of Performance Assessment
Framework**

Final Report

November 2011

Renewable Natural Resources Sector Programme
Ministry of Agriculture and Forestry
Thimphu, Bhutan

Framework Contract EuropeAid/127054/C/SER/Multi
Lot 1: Rural Development
Specific Contract N°: 2011/267738 – Version 1



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ABBREVIATIONS AND ACRONYMS

\$	Dollar
€	Euro
ABSD	Accelerated Bhutan Socio-Economic Development (a Prime Minister's initiative post-MTR)
ADB	Asian Development Bank
ADITI	A Third Party Indian Certification Agency (for organic produce export)
AFD	Administration and Finance Division
AMC	Agricultural Machinery Centre
ASSP	Agriculture Sector Support Programme (EU project ending in December 2011)
BAFRA	Bhutan Agriculture & Food Regulatory Authority
BCSR	Bhutan Civil Service Rules

UNDP	United Nations Development Programme
WB	World Bank
WMD	Watershed Management Division
WWF	World Wildlife Fund

under MOAF is a major new reorganisation; however this should improve the management of the One-Stop Farmers' Shops (OSFS) activities that are one of the indicators under the PAF in the RNRP. The initiative in 2010 aimed at merging the OSFS with the Community Centres (CC) under the Ministry of Information and Communications needs to be monitored, although it appears that the MOAF will go its own way since the objectives of the two types of one-stop shop are totally different and not compatible.

- Focal points, appointed during this mission by PPD, for each of the 9 policy result areas, mentioned in the Performance Assessment Framework, need to clearly identify the strategies required to achieve the targets set in the new validated PAF of September 2011.
- Focal points for each of the 9 result areas mentioned in the Performance Assessment Framework are to be active in allocating resources in order to achieve the targets set for the performance indicators in the new PAF validated in September 2011.

5. Institutional Setting and RNR Sector Capacity :

- A RNR government/donor coordination committee is still to be established. A mandate, vision and TOR for the committee are to be prepared as soon as possible.
- The National Planning and Monitoring System (PlaMS) has been successfully launched and is only partially functioning at MOAF; however, refresher training is required for all concerned staff in the RNR Departments, Divisions, Centres and IMS. Focussing on feed-back about PlaMS implementation issues, and how to improve the system. The findings should be forwarded to GNHC for their attention prior to start of the 11th FYP.
- The TOR for the Human Resources Development (HRD) study needs to be finalised and a detailed budget prepared. The full proposal to be sent to PPD and the Ministry for approval as soon as possible. The study should be completed before May 2012; in time for the first full Joint Annual Review Meeting between RGOB and EU.
- A Ministry Training Plan

The RNR approach was developed in order to view the whole farm as a system. It focuses on the interdependences between the components under the control of individual family members of the farm household and how these components interact with the physical, biological and socio-economic factors not under the control of the household. In the context of Bhutan, the farming system includes the linkages between the household, crops, livestock, forest and markets, and how the strengths of the interactions can vary from area to area depending on local resources and household needs. Interdisciplinary approaches are required, and the integration of agriculture, fores

1.4 EU and Sector Budget Support

A sector approach (or SWAp) is a way of working together between government, development partners and other key sector stakeholders. It is a process aimed at broadening government and national ownership over public sector policy and resource allocation decisions within the sector, increasing the coherence between policies, spending and results, and reducing transaction costs (EuropeAid, 2007i)

This method of aid administration has developed out of the findings of several donor meetings and conferences:

1. The Millennium Development Goals (MDG) of 8 September 2000 make all aid subject to a performance-based approach. The MDG require the expected outcomes to be stated, either in the form of general objecti

Table 2.2: Progress with Capital Expenditure up to Mid Term Review in MOAF (2 years; 2008-2010)

Departments/Agencies	10th FYP Outlay (in Millions BTN)	Cumulative 2 year Budget (in Millions BTN)	Cumulative Expenditure (in Millions BTN)	Achievement Against Budget (%)	Achievement Against 10th
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2.4.7 One-Stop Farmers' Shops Expansion

Number of fully functioning 'One Stop Farmer Shops' in Bhutan is increasing

Rationale for Intervention: 'One Stop Farmer's Shops (OSFS)' are like any other business shops selling special farm related inputs, goods and services. The inputs will be stocked and sold in these OSFS outlets to the farmers at various locations. In addition to procuring and providing various agricultural inputs for sale to farming households, the OSFS will engage in buying RNR products from farmers and will sell them to interested buyers. The OSFS will be

3 INSTITUTIONAL SETTING AND EXISTING CAPACITY

3.1 Donor Coordination

EC Special Conditions in FAO's Multi-Donor Arrangements and the cooperation
GNCC has been established. Government-led donor coordination mechanism
NCCA and ANCCA donor coordination mechanism

The relatively small number of donors supporting Bhutan allows for a regular informal exchange of information and co-operation amongst donors, and also the RGOB with its donors. Consequently, even without a Government-led donor co-ordination mechanism in place co-ordination and collaboration takes place to a considerable level. The Governance Sector is currently the first and only sector, in which formal Government-led donor co-ordination has been established through a Government-led multi-donor funded Good

Table 3.1: Short History of PlaMS Roll-Out

Date	PlaMS Activities
Early 2000's	PlaMS proto-type in operation
July 2008	PlaMS launched
September 2008	User guide prepared
October 2009	Conduct training on TOT for Focal Officers at PPDs in all Sectors. Task to complete data entry of approved 2009-10 budgets during the training session. Circa 20 trained
October 2009	Conduct training on TOT for District Planning Officers (DPOs) in all Dzongkhags. Task to complete data entry of approved 2009-10 budgets during the training session. 20 trained.
October 2009	Identification of PlaMS users at Ministry level by Focal Officers for access rights to be provided at different reporting levels (Programme, Activity, Sub-Activity level)
November 2009	Conduct Training of users at Ministries by Sector Focal Officers
November 2009	Training of respective Dzongkhag Sector Officers and Gewog Administrative Officers by DPOs. Circa 500 trained .
December 2009	1st Quarter Progress Report (July-September 2009) for FY 2009-10 through PlaMS
December 2009- January 2010	Testing Phase (roll-out)
February 2010	Operation (preparation of 2010-2011 Budget)
2011-2012	Refresher training on PlaMS and M&E for DPOs and Planning Officer at Ministries. Aim to provide onward training at Dzongkhag and Ministry levels. Circa 43 trained .

3.3 Human Resources Development

EC Special Condition in FA
 de ed p n a n on en en n e i c i n nd n i e o i ce
 de e op en cen i nd oc e e and ep o i d n on i en en n o e
 Mn i y i ed n o e i eco end on o e dy

Analysis of the current situation with HR distributions in MOAF shows that: (i) amongst the three main departments the staff allocations are DOFPS (46.2%), DOA (20.6%) and DOL (19.4%); (ii) 16.9% of the staff is female and most of these are categorised as support staff; (iii) more than half (57.08%) of the total staff in the RNR Sector is concentrated in Central Programs, a further 15.02% is at headquarters, leav

- To assess and align the action plan for implementation of various components of BCSR or HRD policy;
- To prepare a detailed MOAF HRD plan for the 11th FYP.

The title for these TOR is inappropriate for the needs of MOAF and it would be better termed a *Human Resource Development Plan for MOAF*

The Organigram at MOAF has changed several times since the start of the 10th Five Year Plan, and this can cause disruption and lack of confidence amongst staff. The latest

Nepal and Bhutan and a number of donors. It is expected that the results of this Climate Summit will assist in providing concrete climate change indicators in the following four thematic areas: (i) Securing biodiversity and ensuring its sustainable use; (ii) Ensuring food security and livelihoods; (iii) Securing the nation

4 PERFORMANCE MONITORING

4.1 Current Status of M&E in the RNR Sector

Key M&E Definitions The terms *data* and *information* are used interchangeably in everyday speech as meaning the same thing. However for programme and project managers, and information specialists, the terms have distinct meanings: (a) *data* are facts, events, transactions and so on which have been recorded. They are the input raw materials from

Providing managers with information needed for day-to-day decisions
Providing key stakeholders with information to guide the project/programme strategy
Providing early warnings of problems that need addressing
Helping empower primary stakeholders, especially direct beneficiaries
Building understanding and capacity amongst those involved in project activities
Assessing progress and so building accountability.

An effective evaluation system can serve two purposes: (a) *formative* evaluation aim at improving the performance of the project or programme, which is evaluated through learning from experiences gained, whereas (b) *summative* evaluation are undertaken after the programme or project is completed with the purpose of judging the worth of the programme or project.

Evaluation of programmes or projects is carried out based on a *comprehensive* evaluation as follows:

Efficiency: or the amounts of outputs created and their quality in relation to the resources (capital, time, equipment and personnel) invested

Effectiveness: or to what extent the planned outputs, expected effects (project purpose)

of aggregated targets instead on annual targets); (iv) data entry problems when targets were entered using alpha-numeric entries rather than numeric ones (e.g. 100 MT instead of 100) resulting in rejection of data when aggregating to a higher level for reporting; (v) entering data, when two or more activities have the same name, resulting in rejection of previously entered data; (vi) problems with security since only one user's name and password were used in MOAF; (vii) when multiple users were logged on this slowed down the system considerably; (viii) trained Focal Points and Programme Managers were transferred and their replacements were not trained in PlaMS; (ix) some Programme Managers centralised data entry in Thimphu in order to better control data entry and reporting compliance whereas others decentralised data entry to farms or field stations; (x) electricity outages and internet network slowness or failure at critical times for data entry at field stations; (xi) refresher training has not been carried out so far; and (xii) low motivation levels amongst staff responsible for using PlaMS to enter data into the system in a timely fashion.

Integration of PlaMS with PEMS: PEMS/Multi Year Rolling Budgets (MYRB) and PlaMS systems are due to be integrated and 80% of the work has already been completed. This is likely to contribute to a more institutionalised use of PlaMS components, due to the existing PEMS compliance penalties. However the integrated system will not be rolled out until the launch of the 11th FYP in 2 years time (FY 2013-14).

4.3 Quality Assessment of RNR Statistics in Bhutan

Policy, Legal Framework and Mandates for RNR Statistics: There is no national policy or legal framework concerning management of RNR statistics in Bhutan. Procedural guidelines are issued by the MOAF in respect to data management problems that occur from time to

- To play an active role in planning at the macro level for RNR sector investment programme;
- To assist, on request, the technical departments in project identification, preparation and approval;
- To be both proactive and responsive in providing policy and economic advice in relation to the RNR sector outside the Ministry of Agriculture and Forests; and
- To provide secretariat support to the Minister as and when required.

Mission Statement on RNR Statistics: Currently there is no mission statement for management of RNR statistics in Bhutan; however, with the help of the Food and Agriculture Organisation (supported by World Bank), PPD is currently developing a set of RNR statistical management pillars that include: (i) establishing a minimum core set of RNR statistics, (ii) integrating of RNR statistics into the national statistics system; and (iii) establishing good governance for RNR statistics management and capacity building. This is based on the *Global Strategy to Improve Agricultural and Rural Statistics* (World Bank, 2010) and the draft *Action Plan to Improve Agricultural and Rural Statistics* (World Bank, 2011).

The Global Strategy to Improve Agricultural and Rural Statistics provides the framework to meet the current and emerging data requirements

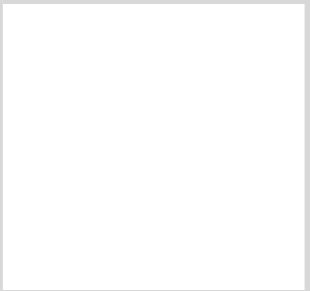
The main stakeholders that directly provide and use RNR statistics in Bhutan are:

1. Policy and Planning Department, MOAF (also providing oversight and coordination)
2. Agriculture Department, MOAF
3. Livestock Department, MOAF
4. Forestry Department, MOAF
5. Agriculture Marketing and Cooperatives Department, MOAF
6. Trade Statistics Division, Department of Revenue and Customs
7. Bhutan Agriculture and Food Regulatory Authority (BAFRA)
8. National Statistics Bureau

Systems for RNR Statistics: There is no overall RNR Statistical System Framework document that integrates all types of data management from Census, annual survey, administrative data base, to ad hoc indicator survey. Each department and agency under MOAF has its own data management system.

The FAO has recently requested the MOAF to submit a Country Agricultural Policy Review. This is part of the Government's policy and

Table 4.1: Overview of Status of Statistical Data Management in the RNR Sector, Bhutan

Stage	Current Situation	Problems and Issues	Possible Solutions
Planning			

(6) Special Condition indicators cover the policy area of institutional strengthening. The six (6) policy areas were defined by the RNRSP Formulation Mission (EC, 2010), and the indicators were chosen/defined through the process of preparing a Project Action Fiche and the Financing Agreement itself.

Most of the PAF indicators have been taken from the 10th Five Year Plan or adjustments to it made by individual RNR programmes following changes made during the 10th FYP or at the time of the Mid Term Review (2010) e.g. the establishment of the new Department of Agriculture Marketing and Cooperatives which was established in 2010 by merging the Cooperatives Programme under the Ministry of Home and Cultural Affairs with the Agriculture Marketing Services under the Ministry of Agriculture and Forests.

Each of these performance indicators should respect the SMART principles of being Specific, Measurable, Accurate, Realistic and Time-bound (EuropeAid, 2011).

Table 4.4: Definitions of SMART Indicators

SMART Element	Definition
Specific	Clearly articulated and attributable relative to the project objective, purpose, and result/output. For example, how well are the target group, the project geographical area, the technical intervention, the baseline/ reference figure, and the target (projected) quantities defined in the indicator?
Measurable	How easy it is to measure the proposed indicator in a given area over a specific time period (difficult to measure indicators may use proxy indicators or may be avoided)?
Accurate	To what level of accuracy the indicator can and should be measured? Is the sampling method sufficiently accurate for the purpose of measuring the indicator? Can it be measured with the same accuracy when made by different people using

Indicator Characteristic	Description
Rationale for indicator	<p>This explains the relationship between the planning level (Overall Objective, Specific Objective, and Result) and policy being monitored. The indicator description itself in many instances justifies the choice of indicator. Great care is needed in ensuring that there is a logical relationship between the levels. Purpose and reason for using the indicator may be described either in a specific Government policy (e.g. poverty reduction, environment sustainability, economic diversification, good governance, democracy and decentralisation, climate change), in a national development goal set in medium term planning (FYP), in the context of a sector goal (FYP), or from a Millennium Development Goal. PAF indicators are normally required to be Outcome indicators.</p>
Source of indicator	<p>Quantitative data: Statistical data for many indicators will be derived from either existing administrative files or databases, from sample surveys or from a Census. In the case of PAF data collected through the Census, annual RNR surveys data or administrative field files and databases, then, data are</p>

Indicator Characteristic	Description
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Historical trends for
indicator and future

provide any scheduled variable tranche at the same time as the fixed tranche, provided that the report on progress with indicators under the Special Conditions is favourable. The Policy and Planning Division in the MOAF will coordinate the reporting on performance with outputs and outcomes defined in the PAF for the previous year (T-1) and the Secretary's Office at MOAF will arrange for the Joint Annual Review (for year T-1) together with the EC Delegation in New Delhi.

The Policy and Planning Division in the MOAF will prepare an Annual Performance Report on the previous year. This report is used to aid decision making on budget releases during the Joint Annual Review Meeting of the RNRSP (held between RGOB and EU in September of each year). These annual progress reports consolidate up-dates on all technical indicators defined in the National Indicative Allocation and will enable the EC to trigger the release of both Fixed Tranche and Variable Tranche amounts based on the currently agreed criteria and the schedule of release.

It is envisaged that, in September 2014, a National Indicative Allocation would be prepared concerning the whole RNRSP budget support process to aid in any future new RNRSP budget support agreements with either EU and/or multi-donors.

Table 4.9: RNR Sector Budget Support Review and Disbursement Calendar for Bhutan

Responsible Coordinator	Q1	Q2	Q3	Q4	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Q1	Q2	Q3	
	Year T-1				Year T												Year T+1			
Policy & Planning Division MOAF	Performance Year for Assessment of Outputs and Outcomes				PAF Annual Progress Report for Year T-1							PAF Half-Year Progress Report for Year T								
Secretary's Office MOAF						SBS Joint Annual Review for Year T-1							SBS Half-Year Review for Year T							
EC Delegation New Delhi						SBS Disbursing Decision &														

5 CONCLUSIONS

Policy and Strategic Framework

1. The policies for the RNR sector are defined in the long term plan known as Vision 2020 (covering the period 2000-2020) and in the 10th Five Year Plan; the latter was examined in the Mid Term Review in 2010. The recent Prime Minister's initiative for Accelerating Bhutan's Socio-Economic Development (ABSD) has re-prioritised some of the RNR policy areas for the remainder of the 10th FYP. However, the policies in the RNR sector have remained broadly the same throughout the 10th FYP so far, although the policy emphases and strategies for achieving them may have changed.
2. The policy objectives of the RNR sector for the 10th

screen by screen data entry processes rather than how to produce indicators which are SMART (Specific, Measurable, Accurate, Reliable and Time-bound).

21. PlaMS has not been used effectively at most divisions, centres, or programmes within MOAF so far. Reporting by almost all divisions and programmes for FY 2010-2011 had not been carried out by end September 2011.
22. A number of problem areas have been identified by the programme managers and IMS staff when using PlaMS. These have included: (i) unclear and ambiguous indicator definitions leading to difficulties finding data sources; (ii) use of baselines that are not considered reliable (have not been taken from a reliable source) or are manipulated due to perceptions on what datum a baseline should be; (iii) confusion when entering plan targets which resulted in some targets reducing rather than increasing; (iv) data entry problems when targets were entered using alpha-numeric entries rather than numeric ones resulting in rejection of data when aggregating to a higher level for reporting; (v) entering data, when two or more activities have the

Con improvements to data management are required at DOA and DOL in order to achieve more reliable data sets.

28. One indicator requires provision for funding a forest/land cover survey to be based on use of ALOS (10 meter resolution) and Quick Bird (1 meter resolution) satellite imagery, the latter in sample/control areas, from 2011 and 2012 data, as well as field validation surveys to be made. Results should be ready in time for budget releases under RNRSP in July 2013.
29. Two indicators require the establishment of new comprehensive/integrated databases at NOP and DAMC. Both agencies may need help in setting up these databases. This can be done by the statistician/programmer at PPD or it can be outsourced.


from a logistical viewpoint. It is suggested that the GNHC prepare a working paper on forming a donor coordination group, including what are the expected outputs from such a group. The paper should include the remit of the donor group, the membership, and the

2011-2012. Each section should be directly under the Director's office in each department.

20. In order to ensure adequate use of PlaMS across all agencies in MOAF there is a need to factor in an element of compliance to ensure accurate data entry and reporting on time. This could be in the form of incentives for good reporting, penalties in the form of non-release of budget, or the institutionalisation of a PlaMS day every month when staff will enter data free from their other duties.
21. The IMS in each department needs to be strengthened with more staff and with refresher training of existing staff in use of PlaMS, as well as M&E, statistics, data management and programming.
22. Where the officers concerned with PlaMS in MOAF agencies have been transferred then the new officers need training as a matter of urgency. Training should also be provided in statistics, data management, and results based monitoring (RBM).
23. The reporting on progress up to 2010-11 had still not been entered into PlaMS at the time of this mission for most divisions, centres and programmes within the four MOAF departments. This needs to be followed up by the PlaMS focal points at PPD as a matter of priority.
24. Improvements in the planning for statistical data management can be achieved through carrying out an *on Need Assessment* in the RNR sector. This will help to streamline the Annual Statistical Survey and the content of PlaMS. This can be carried out by the PPD together with IMS staff in each department.
25. A *National Policy* should be prepared that covers all agencies within MOAF and provides clear mandates for all data sources. Following this a restructuring of the statistical data management systems can take place within MOAF; this can be carried out by the PPD together with IMS staff in each department.

31. Although the PAF indicators have been validated at the start of the RNRSP in September 2011, it is highly recommended that a annual/half-yearly review exercise take place by the PAF Indicator Focal Points together with statisticians at PPD and IMS (when appointed) to analyse the situation with data gathering and the behaviour of trends.
32. The annual up-dating of PAF indicators under the RNRSP will be highly dependent on strengthening of the IMS at the PPD and in the four departmental IMS, and on improved data management.
33. Finally, there is a need to adjust the FA in the light of the changes to the PAF indicators proposed in this report and agreed with RGOB during the mission.

TECHNICAL ANNEXES

EuropeAid (2008) *nd oo a e a en ed Mon a n o*  *en A nce*
European Commission, Brussels, Belgium

EuropeAid (2011) *o cy ee n e oe nd e o e a nce Me ie en*
nd c a Aid Delivery Methods Guide, European Commission, Brussels, Belgium

GNHC (2008) *e M n* PlaMS Version 1 Gross National Happiness Commission,
Thimphu, Bhutan

GNHC (2009i) *en e Ye i n 00 0* Volume 1 Main Document, Gross National
Happiness Commission. Thimphu, Bhutan

GNHC (2009ii) *en e Ye i n 00 00* Volume 2 Programme Profile, Gross
National Happiness Commission, Thimphu, Bhutan

GNHC (2010) *Ann G n G de ne a Loc Go e n en zon nd Getho*,
Gross National Happiness Commission (GNHC), Thimphu, Bhutan

GNHC (2011) *en e Ye i n 00 0* Mid Term Review Report (period 2008-
2010)





Annex 2: Validation of PAF Indicators in FA (EC, 2011ii) Using Selected SMART Criteria

Annex 3: Congruence of PAF Indicators Across Various Planning Instruments

COMPARISON OF RNR SECTOR PROGRAMME SUPPORT PLANNING INSTRUMENTS				
10 th FYP 2008	10 th FYP MTR June 2010	RNRSP Action Fiche 2010	RNRSP Financing Agreement April 2011	Start-up RNRSP Validated PAF September 2011

Annex 4: Amended PAF for RNRSP FA (Validated 30/09/ 2011)

Performance criteria and indicators used for disbursement (Validated 30/09/2011)

The below indicator-result framework will form the basis for the sector performance assessment, which directly serves the appraisal of the third general criteria for tranche release (sector policy and programme performance). During the Annual Review and based on data generated from the PlaMS, it will be measured if significant progress towards the achievement of the targets set for 2013 has been achieved. The results and indicators reflected in the PAF below are selected results and indicators from the RNR 10th FYP. Adjustments to PAF can be made at any time by an exchange of written communication between the FA signatories (EU and GNHC).

GNH Pillar – Overall Objectives	Programme Objective	Results	Selected key indicators
1. Equitable & Sustainable Socio-Economic Development	Enhance sustainable rural livelihoods through improved agricultural and livestock productivity and commercialisation	1.1 Food Security is enhanced	<ul style="list-style-type: none"> Rice production. (Baseline: 74,430 MT per year in 2007) increases to 78,000 MT per year by 2013 Milk production. (Baseline: 22,882 MT per year in 2008) increases to 25,170 MT per year by 2013

1.2
Increased Income generation

Percentage of farming households earning more than BTN 50,000 per annum from sale of horticultural crops is increasing. (Baseline: 32.5% in 2008) increases to 3.6699(i)8.45113(v)2.0/R17 8.475 Tf 131.655 0

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10ns

GNH Pillar – Overall Objectives	Programme Objective	Results	Selected key indicators
		3.2 Improved Enabling Policy & Legal Environment; framework established and compliance strengthened	<ul style="list-style-type: none"> · At least 3 RNR Sector Policies, Acts and/or Strategies revised, formulated and implemented by 2013 ; main focus on National Food and Nutrition Security Policy developed, Forest and Nature Conservation Act revised, National Forest Policy revisee

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METHODOLOGY FOR INDICATOR MANAGEMENT:

Stage in Data Management	Description
Data type selection (what is data to be collected and its level of aggregation)	Primary data needed for this indicator are metric tonnes of paddy rice produced by individual farmers within Bhutan in each year aggregated at the national level. The data are aggregated from Gewog-level data.
Data sources (what is the	

Stage in Data Management	Description
	<p>problems within the DOA for statistical data management. Many errors in data presentation could be avoided by care in checking statistical tables, especially for misplaced decimal places, column headings errors, wrong number entry etc. To try to improve data quality, processing and analysis of 2010 survey data was carried out by the Statistician/Programmer at PPD.</p> <p>The risk of the indicator not meeting projected targets is dependent on the vagaries of the natural environment. Drought, floods, irrigation water shortages, pests and diseases can all damage crops of rice. The dip in the production figures in 2009 are most likely due to the flooding that took place during that year in some schemes, and damage to rice crop land.</p>

ANY SUPPLEMENTARY INFORMATION:

Attach copies of Annual Agricultural Statistics reports to the file for Indicator RNR 1 for all relevant years.

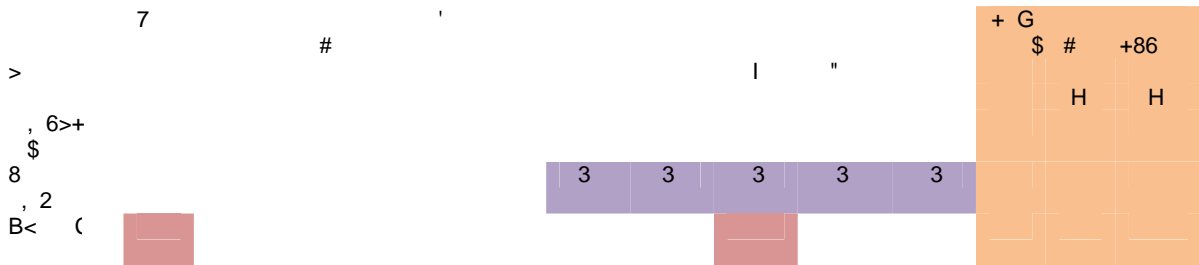
INDICATOR CODE : RNR 4
 SIMPLIFIED NAME OF INDICATOR: Meat Production
 TYPE OF INDICATOR: Output
 INDICATOR DESCRIPTION:

Metric tonnes of meat (beef, mutton, pork, yak, poultry, and fish) produced per annum for sale by farming households in Bhutan are increasing

RATIONALE FOR INDICATOR:

Keeping of livestock for the purpose of meat production is very limited in Bhutan due to strong religious sentiments with only 2.5 % of farming households selling beef or pork in 2008 (RNR Census Report, 2009). With recent changes in food habits, the consumption of meat is increasing among the urban population. To meet the growing needs of the country, a substantial amount of meat is imported and animals that die as a result of accidents are also sold. The ratio of domestic production of meat to imported meat is currently 0.14 (from analysis of trade and Census statistics for 2010), consequently, there is a huge potential for substituting imported meat with home-grown meat. The indicator is an aggregate of data for beef, pork, poultry, yak, mutton/goat, and fish (the indicator can be disaggregated if necessary from available livestock statistics at DOL). Support for establishment of small meat market centres in each Gewog would assist with generating small meat surpluses at the local level and help improve local nutrition levels. This indicator has significant potential to add to farmers' incomes and directly supports the GNH Theme 1.2: Income Generation.

INDICATOR HISTORICAL TRENDS AND FUTURE PROJECTIONS:



*Reference value (baseline) is the average annual MT meat (from beef, pork, mutton, goat, chicken, yak and fish) produced in Bhutan in calendar year 2008. This reference value acts as the baseline for monitoring progress with future targets for this indicator.

RNR Census (10 year) 100% sample
 DOL Annual Census 100% Census

ANALYSIS OF INDICATOR BEHAVIOUR:

The livestock statistics (2006-2010) show that the population of local cattle, yak, pig, and sheep have declined, whereas, improved cattle, poultry and goats have increased. The metric tonnes of animal meat have increased for all types of animal with major increases in fish and yak meat production. In overall terms meat production is increasing gradually from a low in 2006. Unfortunately the baseline year of 2008 had the highest meat production for the period 2006-2010. Trends for 2011-2013 will need to be monitored carefully if end targets are to be met.

INDICATOR CODE : RNR 6

SIMPLIFIED NAME OF INDICATOR: Forest Cover

TYPE OF INDICATOR: Outcome

INDICATOR DESCRIPTION:

Percentage of land area in Bhutan under forest (tree) cover is stabilized at 60% or is higher

RATIONALE FOR INDICATOR:

Article 5 of the Constitution of the Kingdom of Bhutan states that: "Every Bhutanese is a trustee of the Kingdom's natural resources and environment". The Royal Government is enjoined in the Constitution to conserve and improve the environment and safeguard the country's biodiversity. It is further directed to secure sustainable development while promoting economic and social development. The Constitution further charges the Government to ensure that a minimum of 60 % of country's land area should be maintained under forest cover for all time.

National Forest Policy of 2011: The total area of forest in the country is 24,718.147 sq. km. and this combined with scrub forest of 3,457.348 sq. km, constitutes 72.7 percent of the land area. Approximately 43 percent of the total land area is contained within the Protected Areas system with an additional 9 percent designated as biological corridors (the sources of these data are not quoted).

Bhutan Land Cover Assessment of 2010 (based on satellite data for the winter periods of 2006-2009): The total area of forest is 27,050 sq.km. = 70.46%. The total shrub land area is 4,005 sq.km. =10.43%. Combining tree cover and shrub cover gives 80.89% of the land area.

INDICATOR HISTORICAL TRENDS AND FUTURE PROJECTIONS:

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METHODOLOGY FOR INDICATOR MANAGEMENT:

Stage in Data Management	Description
Data type selection (what is data to be collected and its level of aggregation)	Primary data needed for this indicator are number of OSFS fully functioning. To assess that each OSFS is fully functioning a tracking sheet will be prepared with a range of data to be collected e.g. OSFS Monitoring Sheet which will contain data on date of start of OSFS, stock size and types of inputs, sales of inputs, value of marketed produce, number of users, number of employees, number of RNR services provided, availability of internet based market information for farmers, cost of renovating or newly building OSFS, cost of stock start-up, etc.
Data sources (what is the collection instrument)	Primary data are collected for this indicator using a simple OSFS Monitoring Sheet for entry into an Excel spreadsheet for analysis.
Data collection (who is responsible for collecting)	Data can be collected by the IT officer of DAMC with support from the <u>Chief Marketing Officer of CDD</u> . Collection can be done annually. DAMC is planning to establish an IMS with relevant staff as soon as possible.
Data processing (who carries out data entry and data processing and how)	Data entry is made into Excel spreadsheets and analysed for totals, average, percentages etc. This can be carried out either by the <u>Chief Marketing Officer</u> , CDD at DAMC or by a IT officer at DAMC
Data presentation (how)	Data can be presented in the form of a spreadsheet together with charts (pie, graph, histogram, site photographs) and a written report with case studies of successful and weak OSFS.
Data reporting (by whom to whom)	An annual up-dated Indicator Technical Fiche RNR 7 is to be compiled by the <u>Chief Marketing Officer, CDD</u> at DAMC supported by an IT officer at DAMC. The Fiche RNR 7 is to be submitted quarterly to the <u>Chief of Policy and Planning Division</u> at the Ministry of Agriculture and Forestry in Thimphu in July in each year in time for incorporation into the Annual Progress

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INDICATOR CODE : RNR 8

SIMPLIFIED NAME OF INDICATOR: Road Access

TYPE OF INDICATOR: Outcome

INDICATOR DESCRIPTION:

Percentage of rural population living more than 1 hour from a road head in Bhutan is decreasing

RATIONALE FOR INDICATOR:

Rural access roads are important to farmers as they are used to import inputs and to export agricultural produce. Also, if there are no access roads, traders are unlikely to visit farms to carry out bulk buying. This indicator contributes to GNHC Policy Theme 3.1 Improved Common Services and contributes to good governance.

INDICATOR HISTORICAL TRENDS AND FUTURE PROJECTIONS:

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INDICATOR CODE : RNR 9

SIMPLIFIED NAME OF INDICATOR: Enabling institutional instruments

TYPE OF INDICATOR: Input

INDICATOR DESCRIPTION:

Minimum of three legislative amendments, policies and strategies formulated, enacted and/or endorsed for RNR sector out of six prioritised under the EU's RNRSP budget support in Bhutan by 2013

- 1) Number of legislative amendments prepared by the MOAF that are ratified by the Bhutanese Parliament
- 2) Number of new or amended policies prepared by MOAF are endorsed by the Council of Ministers
- 3) Number of new or amended strategies prepared by MOAF are endorsed by the Minister for MOAF

RATIONALE FOR INDICATOR:

Legislative amendments will be required under the revision of the Forest and Natural Conservation Act in order to strengthen the integrity of Bhutanese forest cover and conservation of resources (1 Act).
Policy amendments are required to enable a National Food and Nutriti

Stage in Data Management	Description
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Annex 8: M&E Assessment Questionnaire/Checklist

A Semi-structured Checklist/Questionnaire for IMS Staff expected to be involved in
Collecting Data for the Performance Assessment Framework (PAF) Indicators
for the Renewable Natural Resources Sector Programme

7) Access road construction

8) Forest cover and forest type inventories

9) Institutional strengthening (legal frameworks, human resource development etc.)

10) Any other special data that is monitored by you on a regular basis (list them here)

Box B: Who were the main users of any data that you have collected in the past 3 years? (Describe who the users are and how the data is generally used)

Box C: What are your main methods of data collection? (Describe method(s) used and list any special

Box J: What computer softwares are used by you in your work and what are they used for? Describe operating systems, word-processing, spreadsheet, relational database, graphics, project management, GIS, anti-virus system etc.

What type of trainings have you received on these software systems in the past 3 years? Describe type of training, in-country/overseas, duration, whether certificated or not

What type of training would you like to receive in future to improve your job skills?

Box K: Do you use the PIAMS planning and monitoring system as part of your job? Describe exact

Annex 9: List of Active Donor Project in the RNR Sector (30 September 2011)

	Project Title	Funding Agency	Agency	
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5. Agriculture Specialist DOA

ADMINISTRATIVE ANNEXES

Annex 11: Itinerary

Dates	Nature of Task/Work	No. of working days
Friday 2 September	Home base research work	1
Saturday 3 Sept		0
Sunday 4 Sept		0
Monday 5 Sept	Home base research work	1
Tuesday 6 Sept	Home base research work	1
Wednesday 7 Sept	International travel	1

Annex 12: List of People Contacted

	Name(s)	Position and Organization	RNRSP/PAF Focal Point
1	DashoSherubGyaltshen	The Honourable Secretary , Ministry of Agriculture and Forests	
2	NorbuWangchuk	MOAF Focal Point , Gross National Happiness Commission (GNHC)	Donor Coordination Focal Point
3	Ms.RinzinWangmo	LG Sector Programme Focal Point , Local Development Division, Gross National Happiness Commission (GNHC)	
4	Tenzin Chophel	Chief Planning Officer , Policy and Planning Division (PPD), Ministry of Agriculture and Forests	RNR Enabling

3.2 Approach and Methodology

The expert will start his/her mission with a briefing meeting at the EU Delegation in Delhi and will again come for debriefing meeting to the EU Delegation in Delhi upon return from Bhutan.

Before travelling to Bhutan the expert will contact the EU-contracted expert on Public Finance Management, who is currently working in Bhutan on setting the PFM monitoring framework for the two budget support programmes.

During his/her work in Bhutan, expert will cover the following tasks, but which are not limited to these:

- Familiarise himself/herself with the history and role of the RNR sector in Bhutan and EU support to the RNR sector
- In close collaboration with the concerned Departments of the Ministry of Agriculture and Forests, particularly Policy and Planning Division, assess the latest developments in the sector and the 10th RNR FYP.
- Assess the findings of the Mid-term Review of the RNR 10th FYP, the resulting changes to the RNR sector and their impact on the EU-funded RNR Sector Programme.
- Consult RNR statistics and assess their usefulness and comprehensiveness. In this context develop indicator fiches as per attachment template for each PAF-indicator in

5.3 Schedule, reporting and number of days

TASK	Cat I
Document study	3

- General professional experiences, 30 points
- Specific professional experience, 30 points
- Personal experiences/qualifications such as cross

