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Seventh Consolidated Annual Progress Report on Activities Implemented under the United Nations Bhutan Country Fund

**Report of the Administrative Agent of the United Nations Bhutan Country Fund
for the Period 1 January to 31 December 2016**

Multi-Partner Trust Fund Office
Bureau of Management
United Nations Development Programme
<http://mptf.undp.org>

31 May 2017

United Nations Bhutan Country Fund

PARTICIPATING ORGANIZATIONS



Delivering Results Together



Expanded DaO Funding Window



Food and Agriculture Organization of the United Nations (FAO)



United Nations Capital Development Fund (UNCDF)



United Nations Children's Fund (UNICEF)



United Nations Conference on Trade and Development (UNCTAD)



United Nations Development Programme (UNDP)



United Nations Educational, Scientific and Cultural Organization (UNESCO)



United Nations Environment Programme (UNEP)



United Nations Entity for Gender Equality and the Empowerment of Women (UN Women)



United Nations Population Fund (UNFPA)



United Nations Volunteers (UNV)



World Food Programme (WFP)

CONTRIBUTING DONORS

**Austrian Development Agency
Delivering Results Together Fund
Swiss Development Cooperation**

Abbreviations and Acronyms

List of abbreviations and acronyms commonly used in the report:

cCPAP	Common Country Programme Action Plan
DDM	Department of Disaster Management
GNH	Gross National Happiness
EFW	Expanded Delivering as One Funding Window for Achievement of the MDGs
FAO	Food and Agriculture Organization of the United Nations
FYP	Five Year Plan
IFAD	International Fund for Agricultural Development
IMNCI	Integrated Management of Neonatal and Childhood Illness
MDGs	Millennium Development Goals
MPTF	Multi-Partner Trust Fund
MPTF Office	UNDP Multi-Partner Trust Fund Office
MoAF	Ministry of Agriculture and Forests
MoE	Ministry of Education
MoHCA	Ministry of Home and Cultural Affairs
MOU	Memorandum of Understanding
OCHA	Office for the Coordination of Humanitarian Affairs
RC	Resident Coordinator
RGoB	Royal Government of Bhutan
SAA	Standard Administrative Arrangement
TOR	Terms of Reference
UN	United Nations
UNAIDS	Joint United Nations Programme on HIV/AIDS
UNCDF	United Nations Capital Development Fund
UNCTAD	United Nations Conference on Trade and Development
UNDAF	United Nations Development Assistance Framework
UNDP	United Nations Development Programme
UNEP	United Nations Environment Programme
UNESCO	United Nations Educational, Scientific and Cultural Organization
UNFPA	United Nations Population Fund
UNICEF	United Nations Children's Fund
UNV	United Nations Volunteers
UN Women	United Nations Entity for Gender Equality and the Empowerment of Women
WFP	World Food Programme

Definitions

Allocation

Amount approved by the UN Bhutan Country Fund Steering Committee for projects/programmes.

Approved Project/Programme

A project/programme document, including budget, etc., that is approved by the UN Bhutan Country Fund Steering Committee for fund allocation purposes.

Donor Commitment

A contribution expected to be received or already deposited by a donor based on a signed Standard Administrative Arrangement (SAA), with the UNDP Multi-Partner Trust Fund Office (MPTF Office), in its capacity as the Administrative Agent of the UN Bhutan Country Fund.

Donor Deposit

Cash deposit received by the UNDP MPTF Office for the UN Bhutan Country Fund.

Indirect support costs

A general cost that cannot be directly related to any particular programme or activity of the Participating Organizations. Under UN MPTFs, these costs amount to 7 per cent as per the UNDG agreed MPTF cost recovery.

Net funded/transferred amount

Amount transferred to a Participating Organization, less refunds, of unspent balances received from the Participating Organization.

Participating Organizations

Organizations that have signed a Memorandum of Understanding with the UNDP MPTF Office.

Project Disbursement

The amount paid to a vendor or entity for goods received, work completed, and/or services rendered (does not include un-liquidated obligations).

Project Expenditure

Amount of project disbursement made plus un-liquidated obligations during the year.

Project Financial Closure

A project/programme is considered financially closed when all financial obligations of an operationally completed project/ programme have been settled, and no further financial charges may be incurred.

Project Start Date

Date of transfer of first instalment from the MPTF Office to the Participating Organization.

Project Operational Closure

A project or programme is considered operationally closed when all activities for which a Participating Organization is responsible under the approved programmatic document have been completed.

Total Approved Budget

Amount approved by the UN Bhutan Country Fund Steering Committee for projects/programmes.

Executive Summary

The United Nations (UN) Bhutan Country Fund was formally established on 30 June 2009 with the conclusion of the Memorandum of Understanding (MOU) between 14 Participating Organizations¹ and UNDP's Multi-Partner Trust Fund Office (MPTF Office) in its capacity as the Administrative Agent of the UN Bhutan Country Fund. The UN Bhutan Country Fund became operational in December 2009 with the first contribution from the Expanded Delivering as One Funding Window for Achievement of the MDGs (EFW)².

This Seventh Consolidated Annual Progress Report on the UN Bhutan Country Fund reports on the 2016 activities of the UN Bhutan Country Fund. In 2016, the UNCT was not able to mobilize any resources and was engaged in implementing activities residual activities funded out of the Delivering Results Together-Fund (USD 754,000) that were allocated at the end of 2014 and contributions from Austria. The report therefore, captures results achieved under UNDAF Outcomes 1 and 4.

Governed by its Steering Committee in accordance with the UN Bhutan Country Fund Terms of Reference, the Steering Committee is responsible for prioritization and allocation decisions of the UN Bhutan Country Fund. The overall management of the UN Bhutan Country Fund is led and coordinated by the Resident Coordinator in consensus with the Heads of the Participating Organizations.

Through the UNDAF One Programme, the UN family in Bhutan had agreed to combine its efforts to achieving the UNDAF One Programme Outcomes in the following four programmatic priorities:

- Sustainable Development
- Essential Social Services
- Gender Equality and Child Protection
- Governance

As of the end of the current reporting period, 31 December 2016, the net funded amount to Participating Organizations totalled USD3,418,486, with transfers being made to 9 Participating Organizations implementing activities within five outcomes/programmes.

The major vehicle for public transparency of operations under the UN Bhutan Country Fund during the reporting period was the MPTF Office GATEWAY (<http://mptf.undp.org>), and the dedicated UN Bhutan Country Fund website (<http://mptf.undp.org/factsheet/fund/BT100>)

¹ FAO, IFAD, UNICEF, UNFPA, UNDP, UNESCO, UNAIDS, UNOCHA, UNCDF, UNEP, UN Women, UNCTAD, UNV and WFP.

² The Expanded Delivering as One Funding Window for Achievement of the Millennium Development Goals (EFW) is a global funding facility established to support UN Delivering as One countries. Current donors to the EFW are the Netherlands, Norway, Spain and the United Kingdom/DFID.

Introduction

The Seventh Consolidated Annual Progress Report on Activities Implemented under the UN Bhutan Country Fund is submitted to the Steering Committee and Donors contributing to the UN Bhutan Country Fund, in fulfilment of the reporting provisions of the UN Bhutan Country Fund Terms of Reference (TOR), the Memorandum of Understanding (MOU) between the United Nations Development Programme (UNDP) as an Administrative Agent (AA) and Participating Organizations, and the Standard Administrative Arrangement (SAA) between UNDP as an AA and donors. The UNDP Multi-Partner Trust Fund Office (MPTF Office) serves as the AA of the UN Bhutan Country Fund.

The Annual Report covers the annual reporting period, 1 January - 31 December 2016.

The Annual Report is consolidated based on information and data on the DRT-F contributions to the UN Bhutan Country Fund and the activities implemented in 2016 under the DRT-F funding and Austrian contributions. It is neither an evaluation of the UN Bhutan Country Fund nor the MPTF Office's assessment of the performance of the Participating Organizations – tasks that belong to an independent evaluation.

Report Structure

The Annual Report consists of five chapters: Chapter One provides an overview of the strategic framework of the UN Bhutan Country Fund. Chapter Two provides an overview of the UN Bhutan Country Fund's governance and fund management arrangements. Chapter Three provides an update on allocations and programme approvals and the implementation status during the reporting period. Chapter Four provides an overview of the financial performance of the UN Bhutan Country Fund. Chapter Five elaborates on efforts made to ensure UN Bhutan Country Fund transparency and accountability.

1. Strategic Framework

Bhutan became a democracy following the successful elections to the country's first democratically elected Parliament in March 2008. This major political transition requires support over the long term. Challenges remain to build a firm foundation for the smooth functioning of a democratically elected government, through further strengthening of the constitutional bodies, enhanced capacity development of local governments, and expanding the role of civil society, an independent media and continued progress in the socio-economic arena. The credibility of democratic governance, central to the achievement of human development, is dependent on the success of this new democracy.

Bhutan's unique long term vision and guiding development philosophy of Gross National Happiness (GNH) is seamlessly aligned with the MDGs. The core pillars of GNH: sustainable and equitable socio-economic development, conservation of the environment, preservation and promotion of cultural heritage and good governance cover all of the MDGs. As such, just as the MDGs serve as a practical global road map for the Millennium Declaration, in Bhutan the MDGs are viewed as a highly relevant development strategic framework contributing to realizing Gross National Happiness as the country's long term development goal. This synergy between GNH and MDGs has enabled Bhutan to be one of the few countries in the region which is on track to achieving almost all of the MDGs by 2015. However Bhutan needs to pay attention on the increasing youth unemployment and the increasing number of HIV cases.

The UNDAF One Programme 2014 – 2018 is the result of a highly consultative and participatory process involving the Royal Government of Bhutan, key national implementing partners, all resident and non-resident UN agencies supporting Bhutan and other international partners. The UNDAF One Programme is fully aligned with national development priorities laid out in the 11th Five-Year Plan of the Royal Government.

The UN Bhutan's Delivering as One approach has several components:

One Programme: The overall goal of the UNDAF One Programme is to maximize the contributions of Participating Organizations by enhancing coordination, coherence, and programmatic synergies to assist in building an equitable, prosperous and democratic Bhutan. There has already been a significant reduction in the number of work plans and project documents between the Royal Government and the UN Organizations as a result.

Common Premises and Services, and Harmonized Business Practices: Taking advantage of the robust UN harmonization, both at programme and operations level, a joint Business Continuity Plan was first developed in March 2009, which further reinforces UN Bhutan's Delivering as One with mutual back-up facilities and equipment in case of major disruptive events. All the UN agencies present in the country—except for WHO—are housed in the One UN House, operating under an integrated ICT service, including further harmonization in procurement and other common services.

Communicating as One: The UN Bhutan Communications Group comprising of representatives from all six resident agencies is responsible for ensuring a One UN image. The Group provides advisory support to the UNCT and ensures UN advocacy and communications through various channels. The RCO now leads the Communications Group in advancing joint advocacy and the One Voice approach of the UNCT.

Common Budgetary Framework and Joint Resource Mobilization: The UN Bhutan Country Fund is an opportunity for the UN in the country to have a common Fund as a new pooled mechanism to mobilize and allocate additional resources at the country level, targeting the unfunded gaps in the One Programme.

Organizational Change – Leadership, Structure, Skills and Culture: Organizational change has taken root in UN Bhutan through successful UN harmonization, both at programme and operations level. The Government has expressed its appreciation to the subsequent reduction in transaction costs as a result of the harmonized processes.

The UN Bhutan Country Fund responds to both the Delivering as One approach and commitment to Aid Effectiveness as per the Paris Declaration. It was established to channel additional donors' funding to support the underfunded portions of the UNDAF/cCPAP and new initiatives responding to emerging needs. This enhances the flexibility and responsiveness of the UN system through the UNDAF/cCPAP to adapt to national priorities. The UN Bhutan Country Fund continues to contribute to realizing the UNDAF One Programme outcomes by strengthening the planning and coordination process, and channelling consistent and predictable funds towards the highest programme priorities. Contributions to the UN Bhutan Country Fund may be accepted from governments of Member States to the United Nations, from intergovernmental and non-governmental organizations, or from private sources.

2. Governance of the UN Bhutan Country Fund

2.1 Allocation Criteria

The allocation criteria for the UN Bhutan Country Fund (Refer Annex C) provide an objective basis for resource allocation decisions by the Steering Committee to allocate un-earmarked resources to the respective outcomes/outputs of the One Programme. The criteria for initial allocation are mainly related to One Programme relevance, Delivering as One, resource gaps and agency comparative advantage. Additional criteria for subsequent allocation are related to absorption capacity. The Outcome Groups are responsible for ensuring that their proposed activities meet the fund allocation criteria. The requests should preferably not be below US\$ 100,000 in order to encourage programmatic approaches and ensure operational efficiency.

The One Programme document, as well as joint programmes and agency programme documents falling thereunder is the programmatic planning document that will serve as the basis for funding requests and allocations.

1. For un-earmarked contributions, fund allocation will follow a two-tier process as reflected in the Fund Allocation Process in Annex B. The joint Outcome Groups (refer to Figure 1) will submit their priorities for funding based on the updated funding gap matrix, finalized at their Annual Review meetings in November each year. These proposed priorities will be compiled and reviewed by the Office of the Resident Coordinator and the GNH Commission and submitted to the Steering Committee.
2. The Steering Committee will review the proposed priorities and approve the initial prioritization if required, and based on it, the Steering Committee will submit an overview of the Resource Gap matrix to the development partners in December each year.

Upon receipt of funds from donors, the Steering Committee will make the allocation decisions, based on the financial status of the Fund and the needs of the Government. The Steering Committee will inform the Country Programme Board of the final endorsement at the Board's annual meeting. For decision making, at least half of the Steering Committee members should be present or provide delegated authority. Decisions will be based on a consultative process and will be documented jointly by the Office of the Resident Coordinator and the GNH Commission.

2.2 Steering Committee

The Steering Committee is comprised of UN signatories to the UN Bhutan Country Fund and the Gross National Happiness (GNH) Commission, and is co-chaired by the Secretary of the GNH Commission and the UN Resident Coordinator. The ToR for the Steering Committee is attached as Annex D.

The Steering Committee will be responsible for prioritization and allocation decisions of the un-earmarked contributions to the UN Bhutan Country Fund. The initial prioritization for allocation will be guided by recommendations from the Joint Outcome Groups' annual review process.

The Steering Committee will guide the operations and management of the Fund; it will annually review the joint resource mobilization strategy and subsequently implement it. The Steering Committee will ensure that the Country Programme Board is informed of the allocations, and will take into consideration the Country Programme Board's strategic priorities.

During the reporting period, no Steering Committee meeting was convened due to a change in the Secretary of the GNHC—Government Co-chair—and allocation decisions were made through formal exchange of letters.

2.3 UN Resident Coordinator

The overall management of the UN Bhutan Country Fund is led and coordinated by the UN Resident Coordinator in consensus with the Heads of the Participating Organizations. In line with the overall objective of 'Delivering as One' in Bhutan, the UN Resident Coordinator is responsible for:

- Strategic leadership of the UN Bhutan Country Fund on the basis of the UNDAF One Programme;
- Advocating and mobilizing resources for the UN Bhutan Country Fund in collaboration with Participating Organizations;
- Lead a consultative process on allocations from the UN Bhutan Country Fund, and make final decision if consensus cannot be reached, with documented process and rationale for these decisions;
- Signing the Memorandum of Understanding with Participating Organizations and the Standard Administrative Agreement(s) as a witness; and
- Implementation of the programme activities funded by the resources from the UN Bhutan Country Fund will be the responsibility of the Participating Organizations, as stipulated in the Memorandum of Understanding. The RC will hold the Heads of Participating Organizations accountable for their Organization's results that are funded through the UN Bhutan Country Fund.

2.6 Administrative Agent

As stated in the Memorandum of Understanding, Section I, the UNDP MPTF Office will, as the Administrative Agent:

- a. Receive contributions from donors that wish to provide financial support to the Fund;
- b. Administer such funds received, in accordance with this Memorandum of Understanding including the provisions relating to winding up the Fund Account and related matters;
- c. Subject to availability of funds, disburse such funds to each of the Participating UN Organizations in accordance with instructions from the Steering Committee, taking into account the budget set out in the approved programmatic document³, as amended in writing from time to time by the Steering Committee;

³ As used in this document, an approved programmatic document refers to the One Programme Joint Work Plans which is approved by the Steering Committee for fund allocation purposes.

- d. Consolidate statements and reports, based on submissions provided to the Administrative Agent by each Participating UN Organization, as set forth in the TOR, and provide these to each donor that has contributed to the Fund Account and to the Steering Committee;
- e. Provide final reporting, including notification that the Fund has been operationally completed, in accordance with Section IV below;
- f. Disburse funds to any Participating UN Organization for any additional costs of the task that the Steering Committee may decide to allocate (as referred to in Section I, Paragraph 3) in accordance with TOR.

In line with the provisions of the Memorandum of Understanding, the Administrative Agent will ensure that the finalized annual consolidated report on the UN Bhutan Country Fund, is compiled and distributed to all donors contributing to the Fund and to the Participating UN Organizations, including maintaining an appropriate level of fund information on the UN system website for Bhutan (www.unct.org.bt) and the UNDP MPTF Office's website (<http://mptf.undp.org/>) to ensure transparency and visibility of donor contributions.

3. Approval and Implementation Status

3.1 Programme Allocation Overview and Status

Between January to December 2014, a total of \$1,116,460 was allocated and transferred to four participating organizations (UNDP, UNCTAD, UNICEF and UNFPA), in support of four programme areas. Since the funds arrived late in 2014, programme implementation started in 2015 and continued through to 2016. In 2016, there were neither transfers nor donor contributions.

3.2 Programme Implementation Status

Well targeted priorities and diligent follow-up by Participating Organizations contributed to the financial implementation rate as of end-2016 was 99.8 per cent. Table 3.2 provides a brief summary of the status of each programme, with further details provided in section 3.3 Implementation Achievements and Challenges.

Table 3.2 Project Information by Country and Status (Completed and Ongoing)

Project No.	Project Title	Participating Organization	Approved Amount	Net Funded Amount	Expenditure	Delivery Rate%	Project End Year
Bhutan							
Project with activities completed prior to the current year							
00073261	Bhutan - Poverty & MDGs	FAO	65,743	65,617	65,491	99.81	2012
00073261	Bhutan - Poverty & MDGs	UNCTAD	17,343	17,343	17,343	100.00	2012
00073261	Bhutan - Poverty & MDGs	UNDP	394,449	377,989	377,989	100.00	2012
00073261	Bhutan - Poverty & MDGs	UNICEF	34,000	34,000	34,000	100.00	2012
00073276	Bhutan - Education	UNFPA	29,729	29,729	29,729	100.00	2012
00073276	Bhutan - Education	UNICEF	195,755	195,755	195,755	100.00	2012
00073276	Bhutan - Education	WFP	449,902	449,902	449,902	100.00	2012
00073277	Bhutan - Governance	UNCDF	20,000	19,113	19,113	100.00	2013
00073277	Bhutan - Governance	UNDP	284,199	273,773	273,773	100.00	2013
00073278	Bhutan - Environment	UNDP	483,060	273,205	273,205	100.00	2013
00073278	Bhutan - Environment	UNEP	48,165	48,165	48,165	100.00	2013
00073278	Bhutan - Environment	UNESCO	25,000	24,859	24,859	100.00	2013
00073278	Bhutan - Environment	UNICEF	100,935	100,935	100,935	100.00	2013
00073262	Bhutan - Health	UNFPA	283,956	279,229	279,229	100.00	2014
00073262	Bhutan - Health	UNICEF	112,413	112,413	112,413	100.00	2014
Project with on-going activities during the current year							
00092377	2018 Gender Equal & Child Protection	UNDP	108,000	108,000	136,658	126.54	2018
00092377	2018 Gender Equal & Child Protection	UNFPA	138,600	138,600	138,309	99.79	2018

00092377	2018 Gender Equal & Child Protection	UNICEF	59,400	59,400	56,529	95.17	2018
00092378	2018 Governance & Participation	UNDP	353,080	353,080	326,600	92.50	2018
00093054	2018 Sustainable Development	UNCTAD	99,000	99,000	94,900	95.86	2018
00093054	2018 Sustainable Development	UNDP	59,400	59,400	59,012	99.35	2018
00093057	2018 Essential Social Services	UNFPA	39,105	39,105	39,041	99.84	2018
00093057	2018 Essential Social Services	UNICEF	259,875	259,875	259,273	99.77	2018
Bhutan Total:			3,661,109	3,418,486	3,412,223	99.82	

Grand Total:			3,661,109	3,418,486	3,412,223	99.82	
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3.3 Implementation Achievements

The sections below provide an overview of the main implementation achievements of programmes, as reported by the respective Participating Organizations. It only reports on programmes that had operational activities during the reporting period namely, UNDAF Outcome 1: Sustainable Development and UNDAF Outcome 4: Good Governance. Additional information on the programmes, including future work plans, is available in individual programme reports posted on the MPTF Office GATEWAY (<http://mptf.undp.org>). Previous years' achievements and results are included in the 2010, 2011 and 2012, 2013, 2014, and 2015 UN Bhutan Annual Report (<http://mptf.undp.org/document/download/6704>); <http://mptf.undp.org/document/download/9141>).

3.3.1 UNDAF Outcome 1: Sustainable Development

As of 31 December 2016, UNCTAD was the only Participating Organization that had implemented residual activities that were funded out of the DRT-F, under the Sustainable Development Outcome. During the 2016 reporting period, no additional allocations were received

The programme contributes to **UNDAF Outcome 1: By 2018, sustainable and green economic growth that is equitable, inclusive, climate and disaster resilient and promotes poverty reduction, and employment opportunities particularly for vulnerable groups enhanced**

Achievements and Results

In 2016 UNCTAD work was to guarantee that the proposed Bhutan UNCTAD e-Regulations system (See: <https://bhutan.eregulations.org/>) would be fully operational with results oriented and users-friendly through an online facilitated access. This objective was fully reached as UNCTAD and Government of Bhutan were awarded for the UNCTAD e-Regulations in Bhutan. In July 2016, Bhutan received the top rating for information portals on the " Global Enterprise Registration GER".

See: <http://unctad.org/en/pages/PressRelease.aspx?OriginalVersionID=315>

As of 2016, UNCTAD e-Regulations is proposing a fully functioning platform allowing the entrepreneurs, including from the most vulnerable groups to access information on how to develop a business with a comprehensive and facilitated step by step approach. UNCTAD e-regulations is an important tool as it proposes an in-depth analysis of the policy framework allowing the formulation of targeted policy recommendations (developed with the Government, policy makers and main stakeholders) posted online for a facilitated access and users-friendly use. As of 2016, all Bhutanese pertinent regulations and procedures related to foreign and domestic investment are listed and made available online.

For instance:

- Detailed information on company creation foreign investors in Thimphu, Chuka and Punakh districts registered online and accessible at <https://bhutan.eregulations.org/menu/1?l=en>
- Detailed information on company creation for domestic investors registered and accessible online at <https://bhutan.eregulations.org/menu/84?l=en>
- Detailed information on the procedure for obtaining construction permit in Thimphu collected and accessible online at <https://bhutan.eregulations.org/menu/31?l=en>
- A total of 43 procedures, 27 legal basis, 566 forms and documents and contact details of 44 entities and persons in charge of procedures are accessible online <https://bhutan.eregulations.org/>

Furthermore, UNCTAD e-Regulations platform is a gender sensitive tool opened to all groups, including the most vulnerable. It contributes to poverty reduction through an opened and transparent system which provide opportunities to all groups of entrepreneurs with enhanced access to trade and industry' opportunities.

For more impact at the country level, UNCTAD e-Regulations system is allowing the enhancement of inter-agency cooperation notably at the policy level, through a detailed information tool, accessible online.

On the financial side, the support of the Delivering Results Together Fund (DRT-F) to UNCTAD e-Regulations acted as catalyst for the effective materialization of the platform. In the context of the Bhutan's upcoming 12th Five Year Plan and the United Nations overall assistance delivered in the context of the United Nations Development Assistance Frameworks (UNDAFs), the UNCTAD will continue to support—should similar funding opportunities be available--e-Regulations system strengthen to consolidate and extend the results

achieved so-far. This is to respond to requests formulated by the Ministry of Economic Affairs asking that the scope of the information of the UNCTAD e-Regulations portal be extended to all districts in Bhutan.

3.3.2 UNDAF Outcome 4: Governance

As of 31 December 2015, UNDP was the only Participating Organization that continued to implement its activities in the justice sector, funded out of the Austrian Development Cooperation (ADC) contributions received in 2014, under the Governance Outcome.

The programme outcome contributes to **UNDAF Outcome 4**: *By 2018, governance institutions and communities exercise the principles of democratic governance at the national and local levels with a focus on inclusiveness, transparency, accountability and evidence-based decision making.*

Achievements and Results

In 2016, UNDP supported the Justice sector to conduct its first **holistic strategic planning** workshop, and adopted a “white paper” on justice sector planning. As a result, “Justice Services and Institutions Strengthened” has been identified as a National Key Result Area in Bhutan’s 12th Five Year Plan.⁴ This is intended to bring about improvement in coordination across the justice sector agencies, starting with Office of Attorney General drafting its first strategic plan supported through the UN One Programme ADC project.⁵ The support to finalize the strategic plan will be continued in 2017.

UNDP also supported the Government in initiating a **legal and policy framework on Persons Living with Disabilities (PLWD)**. The legal and policy environment to advance gender equality and tackle vulnerabilities was strengthened in 2016. As a follow up to the Vulnerability Baseline Assessment (VBA), the concept note to formulate Policy for PLWD was approved by the Cabinet.⁶ In 2016, the Multi-sectoral task force on disability comprising of members from Disabled Persons Organizations in Bhutan completed a needs assessment on persons with disabilities, which will inform the policy for PLWD. The project, supported the conduct of the second High-Level Inter-Agency Task Force on Disability and sensitized the members on the UN Convention on the Rights of People with Disabilities (UNCRPD) during the meeting.

In an effort to **strengthen the LGBT community** in Bhutan, a Legal Environment Assessment of HIV (2016) in Bhutan also helped close the gap in understanding who is vulnerable and why for improved targeting. One of the early results was for the LGBT community. A legal review by Parliament’s Committee for Women, Children and Youth delivered a recommendation to remove the sections in Bhutan’s Penal code that criminalize sodomy.⁷ Through the project, two Members of Parliament were supported to participate in the Salzburg Global Forum on LGBT. This was Bhutan's LGBT community first engagement with Parliament. The

⁴ White Paper on Justice (attached).

⁵ Draft OAG Strategic Plan (attached)

⁶ Approved Concept Note for PwDs policy (attached).

⁷ LGBT community mark anti-discrimination day. Available at <http://www.kuenselonline.com/lgbt-community-mark-anti-discrimination-day/>.

initiative raised understanding of issues concerning the LGBTI community and how lawmakers can make a difference, strengthening the capacity of excluded groups to engage in development.⁸

Sensitization on Gender-Based Violence (GBV) to tackle domestic violence was conducted for over 1,500 students through training of school principals, health coordinators and counsellors on GBV, including strengthening community outreach to tackle GBV through such trainings and sensitization programmes. Efforts to strengthen the policy and legal framework to fight GBV will continue, with preparations for a Gender Equality Policy underway and gender included as a standalone NKRA in the 12FYP guidelines.⁹

Towards **establishment of a Legal Aid System** in Bhutan, the working group that was set up following the Legal Aid Symposium in 2014, developed a proposal with “recommendation of Models viable in Bhutan and the need for a specific legislation relating to legal aid” and submitted to the Cabinet. Pending the Jabmi (Amendment) bill, no decision was taken on the proposal. With the Jabmi (Amendment) bill passed in 2016, and awaiting endorsement of the proposal, continued support was provided towards the institutionalization of a legal aid system as per recommendations of the proposal, in line with the UN Principles and Guidelines on Access to Legal Aid as well as to the development of required capacities for its implementation. In line with support to development of capacities, in 2016, the project funded participation of Bhutanese delegates to the International Conference on legal Aid (Argentina, November, 2016). The support to institutionalize legal aid system will be continued in 2017.

⁸ Press Release. Salzburg LGBT Global Forum. Available at <http://lgbt.salzburgglobal.org/overview/article/stronger-partnerships-are-needed-between-government-and-civil-society-to-advance-lgbt-inclusive-soci.html>.

⁹ 12th FYP Guidelines 2018-2023. Available at <http://www.gnhc.gov.bt/wp-content/themes/WP-GNHCC/attachment/gnh.pdf>.