

## **Progress Report - 2009**

**Human Security Fund Project:** Basic education/Literacy,  
Income Security and Employment for Vulnerable People  
including Children and Women in Bhutan

United Nations Children's Fund  
United Nations Development Programme  
United Nation's Population Fund  
World Food Programme

June 2010

## **Section I: Basic data/Summary**

1. **Date of submission:** 30 June 2010
2. **Benefiting country and location of the project:** Bhutan (All Districts, with focus on Zhemgang, Mongar, Dagana, Lhuntse, Thimphu, Samtse, Chukha, Bumthang, Trashigang and Paro Districts)
3. **Title of the project :** Basic education/Literacy, Income Security and Employment for Vulnerable People including Children and Women in Bhutan
4. **Duration of the project:** November 2007 to December 2010
5. **UN organization responsible for management of the project:** UNDP Bhutan
6. **UN executing partners:** UNDP, UNICEF, UNICEF and WFP
7. **Total project cost (including Programme Support Cost):** US \$ 2,175,449.10

### **Budget Details in US \$**

| <b>Agency</b>     | <b>Project cost</b> | <b>PSC</b>        | <b>Total project budget</b> |
|-------------------|---------------------|-------------------|-----------------------------|
| UNDP              | 1,018,000.00        | 71,260.00         | 1,089,260                   |
| UNFPA             | 117,000.00          | 8,190.00          | 125,190                     |
| WFP               | 402,000.00          | 28,140.00         | 430,140                     |
| UNICEF            | 476,000.00          | 33,320.00         | 509,320                     |
| <i>Sub-total:</i> | <i>2,013,000.00</i> | <i>140,910.00</i> | <i>2,153,910.00</i>         |
| AA-fee:           | -                   | -                 | 21,539.10                   |
| <b>Total:</b>     | -                   | -                 | <b>2,175,449.10</b>         |

8. **Reporting period:** 01 January 2009 to 31 December 2009
9. **Type of report :** 2<sup>nd</sup> Progress Report
10. **Executive summary:**

To date, the following achievements have been made against each of the intended outputs with some visible as well as intangible impacts.

**Objective 1: Improved access and 15 child-friendly schools resulting in higher enrolment and completion of rural children, girls and boys, in primary education.**

The construction of hostels, which started in 2008 for two schools, continued in 2009, with the addition of one more school. Targeted areas of this intervention are in Dagana, Zhemgang and Lhuentse districts. Once completed, a total of 757 students (365 girls; 393 boys) will benefit from the improved infrastructure (i.e. hostels) in the three schools. A total of 39 district education officers and relevant teachers from all 20 districts participated in quality enhancement training. The training focused on improvement in the implementation of school feeding and other related procedures. Five CFS schools have been identified in Mongar, Zhemgang and Dagana districts, and CFS teaching learning materials are being developed. CFS monitoring tools are finalized with the integration of Educating for Gross National Happiness (GNH) concept. UNICEF's sustained advocacy on CFS has

convinced the government to accept the approach as a quality improvement strategy in the current 10<sup>th</sup> Five Year Plan (2008-2013).

**Objective II: Provision of clean drinking water in 20 community schools, latrine in 8 schools and kitchens with fuel stoves to improve school sanitation, and environment in 14 selected rural schools.**

Construction of kitchen and stores was undertaken in nine schools. A total of 1,927 students, including 938 girls and 989 boys will benefit from this activity, which will lead to improved hygiene and sanitation in the kitchen and stores, and also the health of both the students and cooks. A total of 57 cooks were trained in nutritional cooking and proper storage of food. As a result, 11,306 students (5,480 girls; 5,826 boys) will receive nutritious meals. In 2009, materials for latrines were procured for 40 schools in 15 districts and rainwater harvesting schemes were introduced in 4 schools. To provide safe drinking water for students, Solar Disinfection (SODIS) of water will be introduced in 20 schools. Training of 50 masons and 100 water caretakers and hygiene education for 100 school health coordinators were also supported. 48 trained school health coordinators are already promoting health and hygiene practices among school children and nearby communities.

**Objective III: Increased knowledge, skills and income of rural poor households through the provision of non-formal education, village skills training and the establishment of a network of Integrated Community Development Centres.**

A ten day cluster based in-service programme (CBIP) covering all districts have equipped 200 new NFE instructors with the skills and knowledge required to conduct effective literacy courses. Over 1,500 NFE learners under the post literacy course (PLC) gained better skills and knowledge in parenting skills, early detection of childhood disabilities and other life and livelihood skills. About 485 NFE instructors have the skills to teach life skills based education, adult teaching, and HIV/AIDS. Six Communities Information Centers (CICs) had been successfully identified and established, including 1 in Zhemgang and 5 in Mongar Dzongkhag (District) respectively. In 2009, the centers have been equipped with ICT facilities catering services ranging from basic ICT services, such as printing, photocopying, passport size photographs, fax, and telephone, to online access of information and download of government forms from the Internet. People from the rural areas have started availing the services and the difference is already being felt. The centers also provide ICT literacy training to the community people. About 50 people have been trained in basic computer skills in 2009.

Based on the needs assessment conducted on cane and bamboo products, 3 trainers from India and 4 local artisans conducted training to 178 participants. Tool kits were also provided to trainees.

Guidance was given on formation of marketing group/association for the handicrafts marketing through one channel to set the quality standard and uniform price to the products. The UNV System Specialist also advised and guided drafting of the by-laws for people to abide by.

Community income generating activities were supported in Samtse by providing improved tools and equipment for quality product development. A power tiller was brought to the communities to facilitate the transportation of the oranges and agricultural activities; and 120 households were given pruning scissors and other tools for their orange orchard. In addition, a rice mill and an oil expeller were bought to the same communities to shorten the travel time in reaching a place where they could get their rice milled previously, and to save money on buying oil for their own consumption. Moreover, a paper factory was established, creating employment for 15 girls and 10 boys.

**Objective IV: Micro finance services for the rural poor households, particularly women, improved reaching the unreached.**

BDFCL along with the MoAF developed the modules as part of the capacity building output to train its outreach staff. 4 such modules were prepared. The staffs of BDFCL were trained as TOTs and clients were then trained by staff. Pilot micro credit was offered to farmers in Mongar, Zhemgang and Samtse Districts. The loans are monitored and being supervised on a regular basis by the branch managers.

**Objective V: Increased jobs, self-employment and small business to reduce unemployment, particularly among youth and women.**

A National Job Fair was conducted in Thimphu, and Regional Job Fairs were conducted in Mongar and Phuntsholing with the primary aim of assisting unemployed youth in assimilating labour market scenario and exploring possible employment opportunities in the private and corporate sectors. An IGSP operational guideline was developed to focus solely on supporting community based MSME and cooperatives with due emphasis on women and youth. Moreover, an IGSP grant facility was created to address the financing needs of the prospective entrepreneurs. In an effort to augment business development services, District IGSP Committees are actively involved in providing monitoring, mentoring, marketing and procurement facilities to the selected proposals. A training of trainers was conducted in Chumey VTI for tailoring course and subsequently strengthened the infrastructural capacity of the VTI with the purchase of upgraded tailoring equipment and classroom renovation.

**Objective VI: Capacity of civil society organizations enhanced in supporting vulnerable populations and promoting gender equality**

The intended outputs of the project component implemented under YDF have achieved 80% implementation of the targets. The project has a far reaching impact as it covers Samtse, Chukha, Thimphu, Bumthang, Trashigang and Paro. In Thimphu, two skills training programmes were organized in basic film making and photography to provide marketable skills to young people. There were 30 participants including early school leavers and recovering drug addicts. The skills training is on track to training 60 youth. In 2010, a skills training is scheduled to train another batch of youth. 10 young volunteers from rural communities underwent leadership training and helped Thimphu Y-VIA members organize two advocacy campaigns on the "Importance of Volunteerism" and "Substance Abuse."

The project also supported in promoting culture-based creative industry for poverty reduction through a number of programmes and initiatives, targeting rural craft producers, artisans and dealers, to improve the quality of their products and knowledge on international markets, with a view to build the product competitiveness and enhance the export capacity in the long-run. Bhutan Seal of Excellence/ Quality was operationalised and 1 product was awarded a Bhutan SEAL of Excellence, setting a quality benchmark for Bhutanese handicraft products and encouraging producers to improve their quality and diversify product range, thereby building their competitive edge for export. 26 rural and urban weavers were trained by a technical expert from Lao, using Lao looms, which introduced new weaving techniques, and yarn dyeing made of natural dyes. In addition, 15 tailors were trained on surface decoration in embroidery with technical assistance from an Indian expert. As a result, a range of hand woven textile and products was diversified. Also, 45 rural and

urban weavers, including 20 handicrafts shop owners were trained in production system management and costing, which enhanced business skills and knowledge of entrepreneurs. Furthermore, 12 weavers were trained in Singapore on retail management, production tracking and business management to facilitate SME development.

#### 11. List of Abbreviations and acronyms:

|       |  |
|-------|--|
| ADEO  | Assistant District Education Officer           |
| BDFCL | Bhutan Development Finance Corporation Limited |
| CFS   | Child Friendly School                          |
| CICs  | Community information Centers                  |
| CPS   | Community Primary School                       |
| DEO   | District Education Officer                     |
| DSE   | Department of School Education                 |
| DYS   | Department of Youth and Sports                 |
| IGSP  | Income Generation Start-up Support Programme   |
| M&E   | Monitoring and Evaluation                      |
| NFCED | Non Formal and Continuing Education Division   |
| NFE   | Non Formal Education                           |
| PHED  | Public Health Engineering Division             |
| WASH  | Water and Sanitation                           |
| MoAF  | Ministry of Agriculture and Forest             |
| MoEA  | Ministry of Economic Affairs                   |
| MOIC  | Ministry of Information and Communications     |
| MoLHR | Ministry of Labour and Human Resources         |
| MSME  | Micro, Small and Medium Sized Enterprise       |
| TOT   | Training of Trainer                            |
| YDF   | Youth Development Fund                         |
| Y-VIA | Young Volunteer In Action                      |
| PWD   | People with disabilities                       |
| NFE   | Non-Formal Education                           |
| RENEW | Respect, Educate, Nurture and Empower Women    |
| VTI   | Vocational Training Institute                  |

## Section II: Purpose

This section is a summary of the project as approved in the project document.

### a. Main objectives and outputs expected as per the approved project document;

| Objectives  | Outputs  |
|---|--|
| <p><b>Objective I:</b> Improved access and 15 child-friendly schools resulting in higher enrolment and completion of rural children, girls and boys, in primary education.</p> <p><b>(WFP / UNICEF)</b></p>   | <ol style="list-style-type: none"> <li>1) Improvement of facilities for three selected boarding schools in vulnerable/food insecure areas. (WFP)</li> <li>2) Quality enhancement training for district education officers and relevant teachers of remote and rural districts and schools (WFP)</li> <li>3) Capacity building of district education officers, assistant education officers, evaluation and monitoring officers and teachers of 15 selected community primary schools to implement and manage child friendly schools. (UNICEF)</li> <li>4) Monitoring and participatory assessment for continuous quality enhancement ( WFP and UNICEF for both Output 1 and 2)</li> </ol>  |
| <p><b>Objective II:</b> Provision of clean drinking water in 20 community schools, latrine in 8 schools and kitchens with fuel stoves to improve school sanitation, and environment in 14 selected rural schools</p> <p><b>(WFP / UNICEF)</b></p>                                 | <ol style="list-style-type: none"> <li>1) Improvement of the school environment related to feeding (WFP)</li> <li>2) Provide capacity-building assistance to Ministry of Education. (WFP)</li> <li>3) Provision of latrine in 8 selected community primary schools as the community's environment and sanitation models (UNICEF)</li> <li>4) 20 selected schools in remote communities are provided with clean drinking water. (UNICEF)</li> <li>5) Awareness on the importance of inclusive education, and health/sanitation (hygiene, waste management, use of latrines, etc.) raised in the unreached communities. (UNICEF)</li> </ol>  |
| <p><b>Objective III:</b> Increased knowledge, skills and income of rural poor households through the provision of non-formal education, village skills training and the establishment of a network of Integrated Community Development Centers <b>(UNICEF / UNFPA / UNDP)</b></p> | <ol style="list-style-type: none"> <li>1. Increased outreach and quality of non-formal education (NFE) in targeted rural communities (UNICEF)</li> <li>2. Provision of reproductive health, HIV/AIDS and gender classes as part of NFE</li> <li>3. Community income /employment generation programme using "One village-one product" model through formation of locally available resource persons, who will serve as village skills' instructors and organize village skills/product/market development courses covering 50 villages.</li> <li>4. Provision of access to information, knowledge and relevant market information, public documents/forms and learning materials through enhanced communication facilities and local human capacities.</li> </ol> |

|  |   |
|--|---|
| <p><b>Objective IV:</b> Micro finance services for the rural poor households, particularly women, improved reaching the unreached.<br/>(UNDP/ UNV)</p>           | 1. Participatory assessment on the needs and utility of micro finance services among rural poor households, particularly women  |
|  | 2. Increased quality and outreach of microfinance services (credit and saving) through enhanced capacity of BDFC outreach staff.  |
|  | 3. Enhanced financial management capacity of rural farmer groups, cooperatives and SMEs.  |
| <p><b>Objective V:</b> Increased jobs, self-employment and small business to reduce unemployment, particularly among youth and women.<br/>(UNDP/ UNV)</p>        | 1. In-depth analysis of existing job counselling and job search programmes in rural and urban areas of Bhutan in both formal and informal settings  |
|  | 2. Development of job matching and counselling programmes linking the supply side and demand side   |
|  | 3. Development and implementation of “Apprenticeship and Business advisory Programme” through involvement of local entrepreneurs of both small-mid scale enterprises and larger scale enterprises.  |
|  | 4. Development and implementation of “IG (Income Generation) Start-up Support Programme”, with supporting package including technical training, equipment & raw materials, and start up seed grant, for estimated 50 unemployed/new business starters and/or small enterprises which will provide employment opportunities to the unemployed. |
| <p><b>Objective VI:</b> Capacity of civil society organisations enhanced in supporting vulnerable populations and promoting gender equality<br/>(UNFPA/UNDP)</p> | 1. Capacity of national NGO, “Respect, Educate, Nurture and Empower Women (RENEW)” strengthened in promoting gender equality, reproductive health, HIV/AIDS as well as in addressing gender-based and domestic violence.  |
|  | 2. Capacity of handicraft training institutions (e.g., Handicraft vocational school, Vocational centre for disabled, Textile Museum and Textile Emporium) and local artisan groups strengthened with enhanced product quality and marketability.  |
|  | 3. Support to national NGOs (Youth Development Fund) helping out-of-school children or youth due to poverty or other socio-economic difficulties to return to formal education system or to attend vocational training.   |

**b. Reference to how the project aims to attain the human security objective;**

Building on the achievements made thus far in 2008, the project continues to focus on increasing the level of human security of vulnerable people, with particular emphasis on children and women of rural Bhutan through empowerment, including the provision of enabling environment, and in addressing issues related to rural poverty, illiteracy, school enrolment, unemployment, maternal health, and HIV/AIDS, using a holistic and multi-sectoral approach. It promotes targeted interventions tailored to the real needs of disadvantaged people and communities through providing access to information, micro finance services and introducing income generating activities.

The project provides access to information, which is aimed at enhancing communication facilities, human capacities and skills. The establishment of Community Information Centers (CICs) is expected to provide knowledge and access to relevant market information, public documents, forms and learning materials for the villagers in remote communities, including farmers and small-scale entrepreneurs.

Rural communities are supported with income generation initiatives with establishment of self help groups including most skilled and experienced local farmers, artisans and business persons. They are provided with necessary training and appropriate tools to improve the quality of their products and penetrate into new markets.

With the help of the project, Bhutan Development Finance Corporation, currently the only government recognised institution in Bhutan providing micro finance support in rural areas, is expanding its coverage to support development of remote rural areas through the introduction of new micro credit scheme to facilitate existing and new cooperatives/ associations of farmers and other producers. To date, the project had trained in-house TOTs from BDFCL, after which they have trained farmers and given them credit to enhance their agricultural activity and lead sustainable livelihoods.

In order to increase school enrolment in rural areas, particularly that of girls, the project supports construction of boarding schools with matron quarters and makes many schools in identified rural areas child friendly. Making schools child friendly will not only improve education quality but also access and retention of children especially in remote primary schools.

Life skills and livelihood skills acquired by the NFE learners supported under this project will equip them with the knowledge and skills to effectively handle challenges they face in their daily lives and to undertake economic activities, which would ultimately contribute to alleviating poverty. They will also acquire proper child rearing skills for better cognitive and emotional development of their children, and will be able to detect children with disabilities for possible care or to address their special learning needs.

The water and sanitation support will improve health and sanitation environment for both children and adults in the selected communities. Based on the regional findings that girls' enrolment increases by 33% with provision of water and sanitation facilities, Bhutan expects the same results through this intervention.

In addition to the job matching and counseling programmes, which had been initiated, the Job Fairs and the Income Generation Start-up Support Programme will massively contribute to creating awareness and building entrepreneurial mindset among unemployed youth. The Programme has been a major success in promoting an entrepreneurial culture and stimulating youth to embark on an entrepreneurial career in poverty stricken, remote areas. The IGSP is conceived as an important



tool and a strategy for job creation, generating further employment by supporting self-employment ventures through provision of seed capital and necessary equipment and skills. In the course of implementation, due emphasis was given to supporting educated unemployed youth, particularly women.

Similarly, the project is anticipated to assuage the youth unemployment situation, particularly that of the early school leavers, disabled and/or socially and economically disadvantaged youth, through a skills training workshop where participants are taught basic photography and film making skills. In order to increase the school enrolment ratio in rural areas, the project sponsors six scholarships to students from economically disadvantaged backgrounds. The project also focuses on productively engaging youth in activities which promote their growth and development.

Finally, as a contribution to the ongoing initiatives to strengthen the civil society in Bhutan, this project also provides knowledge and information to wider population on ill effects associated with gender based violence, substance abuse, and HIV/AIDs. This is strengthened through a support network established among the teachers of the non formal education system and the community support groups. *Voices of rural women in Bhutan*, a document dedicated to the women of Bhutan was produced in 2008 to document the lives of women living in the rural communities and raise awareness among decision makers, donor agencies and the wider community.

### **c. A listing of the main implementing partners**

A cumulative total of 10 main Implementing Partners (IPs) from government, non-governmental and financial institutions have been involved in the project implementation as below since the inception of the project.

#### *Government agencies:*

- a. Ministry of Education
  - Department of School Education (DSE)
  - Department of Youth and Sports (DYS)
  - Non-Formal and Continuing Education Division (NFCED)
- b. Ministry of Health
  - Public Health and Engineering Division (PHED)
- c. Ministry of Labour and Human Resources
- d. Ministry of Economic Affairs
- e. Ministry of Information and Communications

#### *Financial institution:*

- f. Bhutan Development Finance Corporation

#### *Non-governmental Organization*

- g. Handicraft Association of Bhutan (HAB)
- h. Respect, Educate, Nurture, Empower Women (RENEW)
- i. Youth Development Fund (YDF)
- j. Tarayana Foundation (TF)

## **Section III: Results**

### **1. Main activities undertaken**

#### Objective I

- To assist with the increase in school enrolment, particularly that of girls, WFP has selected 3 schools for infrastructure improvement in constructing hostels and matron quarters. The construction of two hostels was completed, and one is ongoing.
- Training of the district education officers along with the teachers of remote and rural district schools followed by regular monitoring was conducted in order to improve the quality of the school feeding programme.
- CFS Training of Trainers for 22 principals, DEOs and ADEOs from all the districts in East Bhutan was conducted. These master trainers then trained 19 school principals from 7 districts and another 30 principals and teachers from 3 more districts. Monitoring and participatory assessment for continuous quality enhancement was carried out.

#### Objective II

- Fuel efficient stoves were provided to 14 schools. Moreover, construction of kitchen and stores in 6 schools and the training of 62 cooks and store keepers were undertaken to improve the hygiene and quality of school feeding.
- 9 DEOs, 2 ADEOs and 28 principals from various schools were trained as part of capacity building assistance to Ministry of Education.
- Construction materials for pour flush latrines were provided to 40 schools in 15 districts. Support was given to schools in all 20 districts to observe the 2009 World Water Day. In addition, World Toilet Day was observed for the first time in Bhutan with pilot demonstration of Ecological Sanitation toilets in Paro.
- 30 schools were provided with water supply construction materials, and rainwater harvesting materials were procured for 4 schools to improve access to alternative water sources.
- Posters on hand washing and disease transmission cycle were distributed to all schools, health centers and public institutions across Bhutan. Animation videos on sanitation and hand washing documentary were broadcast on national TV. 20 youth were trained to form school sanitation clubs to promote improved sanitation and hygiene practices among remote communities.

#### Objective III:

- CFS training of trainers was conducted for 22 school principals in Eastern Bhutan. 485 NFE instructors were trained on life skills based education and teaching approaches for adult learners. 48 school health coordinators from the central region including Zhemgang and Sarpang districts were trained to intensify school health programmes. Social mobilization and advocacy campaign is underway to encourage 15 – 24 year old out-of-school youths to enroll in the NFE programme.
- 6 CIC operators have been trained in the following areas.
  - Management training at the Institute of Management Studies
  - Technical training at Keunphen Technologies
  - Basic and Advanced Dzongkhag Linux<sup>1</sup> training at the Dzongkha Language Institute

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<sup>1</sup> Linux is a free and open source software for the computer operating systems.

- Information was disseminated on existence and the advantages of the CICs and on the future plans of the government regarding the CICs. On an average, 30 people participated in the Dzongka Linux trainings in each of the centers.
- Based on the needs assessment conducted on cane and bamboo products, 3 trainers from India and 4 local artisans conducted training to 178 participants. Tool kits were also provided to trainees.
- Guidance was provided to the producers of handicrafts on the formation of marketing groups/associations through one channel in order to set the quality benchmark and uniform price to the products. The UNV System Specialist was instrumental in drafting the by-laws for the groups.
- Community income generating activities were supported in Samtse by providing improved tools and equipment to ensure quality product development. A power tiller was brought to the communities to facilitate the transportation of the oranges and agricultural activities; and 120 households were given pruning scissors and other tools to maintain their orange orchard. In addition, a rice mill was bought to the same communities to shorten their travel time in reaching a place where another rice mill was located earlier, and an oil expeller was provided to save some cost in buying oil for their own consumption. Moreover, a paper factory was established, creating employment for 15 girls and 10 boys.

Objective IV:

Based on the participatory assessment conducted on the needs and utility of micro finance services among rural poor households, particularly those of women in 2008, the following activities were completed in 2009.

- Development of training modules;
- Training of trainers of 5 female and 28 male BDFCL staff at Bumthang;
- Training of trainers of 9 female and 27 male BDFCL staff at Paro;
- Training of 27 female and 3 male beneficiaries ( farmers ) at Mongar;
- Training of 10 female and 28 male beneficiaries ( farmers) at Zhemgang;
- Training of 12 female and 22 male beneficiaries (farmers) at Samste;
- Nu. 728,267 pilot micro finance loans to 11 female and 3 male in Mongar;
- Nu. 728,267 pilot micro finance loans to 1 female and 13 male in Zhemgang; and
- Nu. 728,267 pilot micro finance loans to 11 female and 8 male in Samste.

Objective V:

- A National Job Fair in Thimphu and one Regional Job Fair each in Mongar and Phuntsholing was conducted. The Job Fairs were intended to bridge the gap between employers and job seekers to provide an avenue for immediate employment or assimilating career prospects.
- A Basic Entrepreneurship Course for 38 prospective entrepreneurs was provided. The training covered the fundamentals of small business management, and in particular, business planning.
- A Project Support Officer was recruited to assist in the implementation of the IGSP.
- A local consultant was hired to develop an IGSP Operational Guideline and entrepreneurship Promotion Strategy.
- An IGSP Operational Guideline and an entrepreneurship Promotion Strategy were developed for implementing the Income Generation Support Programme.
- An Entrepreneurial Skills Development Training for the first batch was completed.
- TOT on tailoring course at Chumey VTI was conducted.
- Tailoring equipment for Chumey VTI was purchased and a classroom was renovated.

### Objective VI:

#### Activities undertaken by YDF

- Computers and cameras for media were procured and two training programmes were conducted for 30 youths in basic film making and photography at Nazhoen Pelri centre. The participants were selected among the school drop-outs and recovering drug addicts who are among the most vulnerable segments of the youth population.
- An establishment of a community Tailoring unit with a small souvenir outlet was initiated in Bumthang with 26 NFE learners and 10 out of school girls.
- 8 NFE instructors (two each from selected Districts) were trained in Special Needs Education from Trashigang, Paro, Chukha, and Samtse.
- 10 youths from rural communities underwent leadership training and organized advocacy and awareness campaigns to address the importance of volunteerism and issues related to substance abuse.
- 6 students from poor households have been selected and given a scholarship to enable them study in schools.

#### Activities undertaken for support to Cultural Industry by HAB and Department of Trade, MoEA

- Support was given in promoting culture-based creative industry for poverty reduction through a number of programmes and initiatives, targeting rural craft producers, artisans and dealers, to improve the product quality and knowledge on international markets, which would contribute to building the product competitiveness through enhancement in the export capacity.
- Bhutan Seal of Excellence and Quality was established to set a quality benchmark for Bhutanese handicraft products and to encourage producers to improve their quality and diversify product range. 1 product was awarded Bhutan SEAL of Excellence in 2009.
- Rural and urban weavers were trained by a weaving expert from Lao, using Lao looms and weaving techniques, as well as yarn dyeing with natural dyes. In addition, selected tailors were trained on surface decoration in embroidery with technical assistance from an Indian expert. As a result of these efforts, a range of hand woven textile and products was diversified, and productivity increased.
- 45 rural and urban weavers, including 20 handicrafts shop owners were trained in production system management and costing, which enhanced their business skills and knowledge. Furthermore, 12 weavers were trained in Singapore on retail management, production tracking and business management to facilitate SME development.

2. Progress towards the achievement of the outputs i.e. outputs accomplished and level of accomplishment (as measured against the stated outputs in the detailed outputs, activities and resource framework)

| Outputs  | OVI  | Progress   | Recommendations/ Comments  |
|--|--|--|--|
| <b>Objective 1</b>   |  |  |  |
| 1)Improvement of facilities for three selected boarding schools in vulnerable/food insecure areas (WFP)                | Number of students benefitted  | 2 Hostels in Zhemgang and Dagana are completed.<br><br>1 Hostel in Lhuentse started in 2009 and is 60 % completed.   | The three schools are not accessible by road; therefore longer time is taken for the completion of the construction as all the materials have to be carried on man and animal back to the site.<br><br>Due to the hike in the construction cost in 2008, the fund was enough to cover the cost of construction in only one school with WFP topping up in the other two. However, this year, there were savings from the objective 2 activity, which were diverted to cover the entire cost for another school and partial cost for the third school. |
| 2)Quality enhancement training for district education officers and relevant teachers of remote and rural schools.(WFP) | Number of officers with the capability of enhancing quality of education | 9 District Education Officers from Bumthang, Dagana, Trashiyangtse, Pemagatshel, Gasa, Zhemgang, Punaka, Trongsa and Samdrup Jongkhar; 2 Assistant District Education Officers from Samtse and Chhukha; and 28 principals of various schools from the districts of Lhuentse, Thimphu, Trongsa, Zhemgang, Gasa, Mongar, Wangdue Phodrang, Trashigang, Samtse, Dagana, Haa, Tsirang, Sarpang, Punakha and Bumthang were trained. |  |

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| <p>3)Capacity building of DEOs, ADEOs, M&amp;E officers and teachers of 15 CPS to implement and manage child friendly schools (CFS). (UNICEF)</p> | <p>Number of DEOs, ADEOs, M&amp;E officers and teachers trained on managing CFS</p> | <p>3 school principals acquired the knowledge and skills to implement CFS concepts.</p> <p>Conducted CFS Training of Trainers for 22 principals, DEOs and ADEOs from all the districts in Eastern Bhutan. These master trainers then trained 19 school principals from 7 districts and another 30 principals and teachers from 3 more districts.</p> <p>The training of 16 principals and Education Monitoring Officers (EMOs) in the Southern Districts to use the new tool for CFS (integrated with Gross National Happiness principles) is planned for the first quarter of 2010.</p> |  |
| <p>4)Monitoring and participatory assessment for continuous quality enhancement.(WFP)</p>   | <p>Number of schools benefited from quality enhancement assessment</p>              | <p>UNICEF: Planned for implementation in the 1<sup>st</sup> quarter of 2010</p>  | <p>WFP: Funds for this activity exhausted in 2008.</p> |
| <p><b>Objective II</b></p>  |   |  |  |
| <p>1) Improvement of school environment related to feeding.(WFP)</p>  | <p>Number of kitchens and stoves improved</p>                                       | <p>Out of 9 selected schools, construction of kitchen and stores was completed in 4 schools (Mikuri CPS in Pemagatshel; Taba Damtoe CPS and Midrupling CPS in Samtse; and Pataley CPS in Tsirang).</p> <p>Construction of kitchen and store in 5 schools are still ongoing, and all to be completed before December 2010.</p>  |  |

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| <p>2)Provide capacity-building assistance to Ministry of Education.(WFP)</p>  | <p>Number of cooks trained on nutritional cooking and hygiene</p> <p>Number of teachers trained on nutrition and warehouse management</p> | <p>57 selected cooks from various districts (Chhukha, Dagana, Haa, Lhuentse, Pemagatshel, Samdrup Jongkhar, Samtse, Sarpang, Trashiyangtse, Trashigang, Trongsa, Tsirang, Wangdue Phodrang and Zhemgang) were trained for 7 days on nutritional cooking and hygiene.</p>   |  |
| <p>3)Provision of latrines in 8 selected CPS as the environment and sanitation models (UNICEF)</p>                      | <p>Number of community latrine built</p>  | <p>48 schools are equipped with sanitation facilities.</p>   |  |
| <p>4)20 remote CPS provided with clean drinking water. (UNICEF)</p>   | <p>Number of schools with clean drinking water</p>  | <p>2008: Supplied construction materials for safe water supply schemes in 10 schools in Zhemgang and Dagana. Rainwater harvesting materials provided to 4 schools.</p> <p>2009: Supplied construction materials for water supply schemes in 30 schools.</p>  |  |
| <p>5)Selected remote communities are aware of inclusive education, health/sanitation and waste management. (UNICEF)</p> | <p>Number of communities enjoying improved healthy and hygienic environment</p>   | <p>As of 2009, 108 schools health coordinators (48 from Zhemgang and Sarpang) were trained in hygiene promotion.</p> <p>Youth Initiated Sanitation campaign conducted in 4 remote schools and communities.</p> <p>At least 500 villagers/parents of school children have better knowledge and understanding of health and hygienic living.</p> |  |

| Objective III   |   |  |   |
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| <p>1) Increased outreach and quality of NFE in targeted rural communities (UNICEF)</p>  | <p>Number of NFE learners with access to teaching learning materials on life skills education, HIV/AIDS, childhood disabilities etc.<br/>Number of NFE instructors trained on life skills, etc.</p> | <p>Over 3,500 NFE learners provided with teaching learning materials.<br/><br/>485 NFE instructors trained.<br/>2,000 copies each of 20 Post Literacy Course (PLC) materials and 100 PLC distributed.<br/><br/>Instructor's Guide delivered to new PLC centers.<br/><br/>100 solar lanterns procured for distribution to remote NFE centers.<br/><br/>4 new PLC titles developed.<br/>About 200 new NFE instructors trained in NFE curriculum, pedagogy and life skills.</p> |   |
| <p>2) Provision of reproductive health, HIV/AIDS and gender classes as part of NFE</p>  | <p>Number of trainers and NFE teachers trained on reproductive health and HIV/AIDS</p>  |  | <p>This activity will be carried out in 2010.</p> |
| <p>3) Community income /employment generation programme using "One village-one product" model through formation of locally available resource persons, who will serve as village skills' instructors.<br/><br/>Conducting skills/product/market development training in targeted villages</p> | <p>A consultant for product development recruited<br/><br/>Needs assessment completed<br/><br/>Village skill instructors identified</p>   | <p>A team of 3 trainers comprised of design experts and 2 master craftsmen were recruited from Cane &amp; Bamboo Technology Centre, Guwahati, India for conducting product development training.<br/><br/>Need based study was carried out by Druk Pelphel Consultancy on cane and bamboo products.<br/><br/>4 locally trained Artisans from Kangpara were recruited to assist the</p>   |   |



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|  | <p>Improved tools and equipment provided</p> <p>Formation of village producers/ groups facilitated</p> | <p>trainers from India. Training was also conducted for 178 participants.</p> <p>The participants were provided with tool kit during the training and 2 samples sets were given to Dungpa (sub-divisional officer) and Gup (village headman) in Thrimshing for showcasing in the office for visitors and enquiries. The tool kits were very useful particularly in designing and developing new cane and bamboo products</p> <p>One day was specifically kept aside for giving guidance on formation of marketing group/association for marketing the handicrafts through one channel for ensuring quality and same price of product. The UNV System Specialist also advised and guided drafting of the by-laws so that people will follow them seriously.</p> <p>Community income generating activities were supported in Samtse by providing improved tools and equipment for quality product development.</p> <p>A power tiller was bought for the community for transportation of the oranges. The power tiller will also be used for agricultural works, saving time and energy during the agricultural season.</p> |  |
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|   |  | <p>120 households were given pruning scissors and other tools for their orange orchard.</p> <p>A rice mill and an oil expeller each has been bought for the communities so that they don't have to travel long distances to get their rice milled and buy oil for consumption.</p> <p>Machines such as generator, paper cutting, paper rolling, drying, paper beating, preaching machine, and other equipment such as aluminum foil have been supplied to the Paper Factory. This Paper Factory caters employment to 15 girls and 10 boys.</p> |   |
| 4) Provision of access to information, knowledge and relevant market information, public documents/forms and learning materials through enhanced communication facilities and local human capacities. | <p>UNV IT Specialist recruited</p> <p>Venues for CICs identified</p> <p>Number of CIC operators and users trained</p> <p>Management manuals prepared</p> | <p>UNV IT specialist recruited.</p> <p>6 Community information Centers identified and established, including provision of equipment and communication facilities in the 6 geogs.</p> <p>Six operators trained in Management, Technical and Dzongkhag Linux by end of September 2009</p> <p>A Centre Management manual was developed for operators. Public-Private Partnership (PPP) model is currently adopted to sustain the center.</p>  | <p>Due to the low level of internet bandwidth, CIC users are often not able to download forms. However, the upcoming national broadband project is expected to overcome this.</p> <p>Success of the center depends on the operator's entrepreneurship skills.</p> <p>Due to the price hike of computer equipment, the Ministry of Information and Communication made a request in 2008 to reduce the number of CICs from 10 to 6.</p> |
| <b>Objective IV</b>   |  |  |   |
| 1) Participatory assessment on the needs and utility of micro finance   | UNV Micro Credit Specialist recruited  | A UNV Micro Credit Specialist was recruited.   |   |

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| services among rural poor households, particularly women  | Needs assessment completed  | Identified the training for beneficiaries in Mongar, Zhemgang and Samtse districts.   |  |
| 2) Increased quality and outreach of microfinance services (credit and saving) through enhanced capacity of BDFC outreach staff.                  | <p>Management and training manuals developed</p> <p>Training of trainers completed</p> <p>Monitoring and evaluation mechanism for rural credit schemes established</p>  | <p>4 training modules prepared</p> <p>69 BDFCL staffs trained as part of a capacity enhancement of BDFC employees.</p> <p>5 females and 28 male officials were trained on the 4 modules. Within that training, Zhemgang and Mongar officials were briefed separately for the beneficiaries' training.</p> |  |
| 3. Enhanced financial management capacity of rural farmer groups, cooperatives and SMEs.  | <p>Financial management guidelines for rural SMEs and farmer groups developed</p> <p>Number of rural self-help groups benefitted from advocacy and training sessions</p> <p>Number of rural producer groups/villagers benefitted from pilot micro finance schemes</p> | <p>102 farmers trained</p> <p>Pilot Micro Finance loans to 32 female farmers and 15 male farmers were given on different agricultural activities in the three districts.</p>  |  |
| <b>Objective V</b>  |   |   |  |
| 1) In-depth analysis of existing job counseling and job search programmes in rural and urban areas of Bhutan in both formal and informal settings | Analysis of job counseling and job search programmes completed  | The consultant and the UNV visited some of the selected schools and VTIs in central and western region and conducted analysis of existing job counseling and job search programmes. A report was  |  |

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|  |   | prepared and consultative workshop held with various stakeholders. Recommendations of the report are incorporated as the regular activities in the work plan of the ministry.   |  |
| 2)Development of job matching and counseling programmes linking supply and demand sides  | Number of school leavers and unemployed youth facilitated through job counseling and job fairs  | A job fair was organized in Mongar, Phuentsholing and Thimphu.<br><br>The consultant and UNV developed in-house capacity of the Ministry in job counseling. The Career and employment workshop for the job seekers conducted twice in a week.   |  |
| 3)Development and implementation of “Apprenticeship and Business advisory Programme” through involvement of local entrepreneurs of both small-mid scale enterprises and larger scale enterprises.  | Number of people who became skilled workers through apprenticeship training<br><br>Number of people employed including self-employed                | 30 youths were trained on entrepreneurship training and 12 businesses established.<br><br>Youth are attached as apprentice with various small-mid scale and larger scale enterprises for a period of one to two year. For the fiscal year 2009-10, 397 youth are attached on Apprenticeship Training Programme.   |  |
| 4) Development and implementation of “IG (Income Generation) Start-up Support Programme”, with supporting package including technical training, equipment & raw materials, and start up seed grant, for estimated 50 unemployed/new business starters and/or small enterprises which will provide employment | 50 small enterprises or businesses supported providing employment or income opportunities for no less than 300 unemployed by the end of the project | IGSP Operational Guideline and entrepreneurship promotion strategy (DRAFT) developed.<br><br>District IGSP Committees formed in Zhemgang, Mongar and Samtse, which adopted a participatory management approach.<br><br>38 aspiring youths trained in Basic Entrepreneurship Course and 31 youth trained in Entrepreneurial Skills Development Training. | The Entrepreneurship Promotion Division lacks an adequate manpower to effectively implement the programme. Moreover, the existing officials lack skills in the core activities such as business planning, project appraisal and small business management. Therefore, strengthening the capacity of the officials in the above training areas would immensely contribute in enhancing the quality of service. Indeed, some of the future |

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| opportunities to the unemployed.  |   |   | trainings could be jointly facilitated by the office in collaboration with private training institutions.  |
| <b>Objective VI</b>   |   |   |  |
| 1)Capacity of national NGO, “Respect, Educate, Nurture, and Empower Women (RENEW)” strengthened in promoting gender equality, reproductive health, HIV/AIDs as well as in addressing gender-based and domestic violence.                        | Awareness on gender equality, reproductive health and HIV/AIDs raised   | Implementation completed in 2008.   |  |
| 2)Capacity of handicraft training institutions (e.g., Handicraft vocational school, Vocational centre for disables, Textile Museum and Textile Emporium) and local artisan groups strengthened with enhanced product quality and marketability. | Income generation of local artisans improved<br><br>Producers and buyers linked through marketing events<br><br>Product development and branding strengthened | Twenty five weavers were trained by Laotian expert for fourteen days. Twelve weavers are now functioning as trainers for HAB. One trainer from HAB has trained Mongar Dzongkhag’s weavers for a month. Laotian looms with slight modification are now used by the weavers to meet their new weaving styles.<br><br>A logo design for Bhutan Seal was developed and official website ( <a href="http://www.bhutanseal.gov.bt">www.bhutanseal.gov.bt</a> ) was launched. The seal brochures were also launched. A product judging criteria have been developed with the help of two international craft experts. Two regional awareness workshops were conducted in Mongar and Trongsa. Twenty two products were selected for | With the knowledge gained from the training, weavers and artisans are now participating in the UNESCO and Bhutan seal of Quality/Excellence competing for quality goodwill.<br><br>Since the Bhutan Seal programme was newly introduced, there is a need of wider awareness creation programme to enable rural participation.<br><br>The sealed products were promoted through in-flight brochures, local news papers and magazines to promote the seal concept. |

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|  |  | seal of Quality and one textile product was selected for seal of Excellence under the Bhutan Seal programme.  |  |
| 3) Support to national NGOs (Youth Development Fund) helping out of school children or youth due to poverty or other socio-economic difficulties to return to formal education system or to attend vocational training | Number of out of school children and youth in difficult circumstances regaining access to education through vocational training and other NGO programmes | Two skills training provided to 30 youths in basic photography and filmmaking.<br><br>6 students were provided basic scholarships (class 7 – 10). These students are from economically disadvantaged backgrounds. |  |

### 3. Achievements as measured against stated objectives

| Objectives/Purpose   | OVI   | Progress  | Recommendations/Comments |
|--|---|---|--------------------------|
| <b>Objective I:</b> Improved access and 15 child-friendly schools resulting in higher enrolment and completion of rural children, girls and boys, in primary education.<br><b>(WFP / UNICEF)</b> | School enrolment ratio<br><br>Proportion of girls and boys complete primary education<br><br>(difficult to measure the above two within the project period) | Over 300 girls, coming from remote rural communities, will benefit from the construction of hostels with toilets, shower blocks and matrons' quarters. The improved infrastructure in these schools along with a presence of a matron will ensure more girls to enroll in the primary classes and also retain the girls in higher classes to complete primary education.<br><br>36,317 students (17,568 girls and 18,749 boys) in 214 WFP assisted schools will benefit from the training given to 39 DEOs, ADEOs and principals. |                          |
|  | Number of child friendly schools.<br><br>Number of children benefiting from CFS.  | Total number of schools practicing CFS is 37, in addition to the 7 model CFS schools.<br>Around 20,000 students are benefitting from CFS training.  |                          |

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| <p><b>Objective II:</b> Provision of clean drinking water in 20 community schools, latrine in 8 schools and kitchens with fuel stoves to improve school sanitation, and environment in 14 selected rural schools<br/><b>(WFP / UNICEF)</b></p>  | <p>Number of schools/students benefitted from stoves distributed</p>   | <p>The construction of kitchen and stores in 9 schools will benefit around 1,927 school children (938 girls and 989 boys)</p>   | <p>The activity to provide fuel efficient stoves to schools has been achieved. There was a balance of US\$ 65,138 which has been used to carry out the construction of hostels with toilets and shower block.</p> <p>US\$12,500 was released in 2008 for the training of cooks. In 2009, the expenditure was US\$11,000. The fund of US\$16,000 allocated for this activity was not sufficient. WFP filled in the shortfall.</p> |
|   | <p>Number of schools/children benefitted from improved kitchen facilities</p>  | <p>57 cooks trained will benefit 11,306 school children (5,480 girls and 5,826 boys)</p>  |  |
| <p><b>Objective III:</b> Increased knowledge, skills and income of rural poor households through the provision of non-formal education, village skills training and the establishment of a network of Integrated Community Development Centers<br/><b>(UNICEF / UNFPA / UNDP)</b></p> | <p>Number of schools supported with functional water and sanitation facilities in the selected Dzongkhags</p>                      | <p>Sanitation facilities constructed in 48 schools. Similar facilities will be constructed in another 15 schools.</p>   |  |
|   | <p>Reduced drop-out rate in targeted schools (no more than 5%)</p>   | <p>Water supply schemes constructed in 30 schools.<br/>Rainwater harvesting under implementation in 2 schools.</p>  |  |
| <p><b>Objective III:</b> Increased knowledge, skills and income of rural poor households through the provision of non-formal education, village skills training and the establishment of a network of Integrated Community Development Centers<br/><b>(UNICEF / UNFPA / UNDP)</b></p> | <p>Number of NFE learners equipped with skills of good parenting, life skills, knowledge of HIV/AIDS, livelihood skills, etc.,</p> | <p>1,500 post literacy learners in Dagana, Samtse, Zhemgang and Mongar are knowledgeable on good parenting skills, HIV/AIDS, reproductive health, gender-based violence, life skills and livelihood skills. 70% of the learners are women.</p>                |  |
|   | <p>Number of NFE learners knowledgeable on reproductive health, gender</p>   | <p>About 200 new NFE instructors have the knowledge and skills to conduct life and livelihood skills based NFE courses.</p> <p>Some of the 1500 post literacy learners were provided with knowledge on reproductive health, gender equality and HIV/AIDS.</p> |  |

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|  | equality and HIV/AIDS   |  |  |
|  | Number of rural households benefitted from income generation activities   |  | It is difficult to estimate exact numbers of households benefitted at this stage. Training on cane & bamboo products was given to 178 participants who could potentially benefit from improved skills in 2009. |
|  | Number of families benefitted from information and knowledge given at CICs  | 5000 people availing services from CICs<br><br>30 school going children and dropouts trained in basic ICT training. (Basic Computer course + Dzongkha Linux)<br><br>Workshops conducted on ICT literacy for about 30 people in each of the centers including participation of all local stake holders (i.e. school, health workers, community members, forestry officers, businessmen , etc) |  |
| <b>Objective IV:</b> Micro finance services for the rural poor households, particularly women, improved reaching the unreached. (UNDP/ UNV)    | Number of households/ self help groups benefitted from micro credit services  | 5 females and 28 male officials were trained on the 4 modules developed by BDFCL. Within that training, Zhengang and Mongar officials were briefed separately for the beneficiaries training.<br><br>32 female and 15 male farmers were extended with pilot micro finance loans on different agricultural activities.  |  |
| <b>Objective V:</b> Increased jobs, self-employment and small business to reduce unemployment, particularly among youth and women. (UNDP/ UNV) | Number of people who became skilled workers through apprenticeship training and the number of people employed including self- | IGSP Operational Guideline and a draft entrepreneurship promotion strategy developed<br><br>District IGSP Committees formed in Zhengang, Mongar and Samtse through   | The Entrepreneurship Promotion Division lacks adequate manpower to effectively implement the programme. Moreover, the existing officials lack skills in the core activities such                               |



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|  | <p>employment</p> <p>50 small enterprises or businesses supported providing employment or income opportunities for no less than 300 unemployed by the end of the project</p> | <p>a participatory management approach</p> <p>38 aspiring youth trained in Basic Entrepreneurship Course and 31 youth trained in Entrepreneurial Skills Development Training</p>  | <p>as business planning, project appraisal and small business management. Therefore, strengthening the capacity of the officials in the above training areas would immensely contribute in enhancing the quality of service. Indeed, some of the future trainings could be jointly facilitated by the office in collaboration with private training institutions.</p> |
| <p><b>Objective VI:</b> Capacity of civil society organisations enhanced in supporting vulnerable populations and promoting gender equality (UNFPA/UNDP)</p> | <p>Strategies undertaken on promoting gender equality</p>  | <p>Activities under RENEW were completed in 2008.</p>   |   |
|  | <p>Number of artisans benefitted from product development courses/ marketability events</p>  | <p>26 rural and urban weavers (artisans) were trained by an expert from Lao, using Lao looms and its weaving techniques, as well as yarn dyeing with natural dyes. 15 tailors were trained on surface decoration in embroidery.</p> <p>45 rural and urban weavers, including 20 handicrafts shop owners were trained in production system management and costing, which enhanced their business skills and knowledge. 12 weavers were trained in Singapore on retail management, production tracking and business management to facilitate SME development.</p> |   |
|  | <p>Number of out of school children and youth in difficult circumstances regaining access to education through</p>   | <p>Two skills training provided to 30 youth in basic photography and filmmaking.</p> <p>6 students from economically disadvantaged</p>  |   |

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|  | vocational training and other NGO programmes | backgrounds were provided with basic scholarships (class 7 – 10). |  |
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**4. Implementation constraints, including plans for addressing them.**

As indicated in the 2008 Progress Report submitted in March 2009, there has been a delay in starting the implementation of this Joint Programme, which was largely due to the delay in the transfer of funds and signing of the project document with the Government. The project implementation was further affected by a number of important national events, such as the first general elections held in March 2008, the establishment of the new democratically elected government in May 2008, and a series of subsequent institutional changes. In the same year, the Centenary celebrations and coronation of Bhutan’s Fifth King were also held. In the context of Bhutan, these events of a national significance required the engagement of many of the key project counterparts, and the project implementation was consequently delayed. In view of this delay, a no-cost extension of the project through 31<sup>st</sup> December 2010 was requested to the UNTFHS secretariat at OCHA for its consideration in April 2010, which was approved by the UN Controller.

Most of the constraints raised by the project Implementing partners pointed to the financial issues. In addition to the time it has taken in getting the funds transferred to each of the UN Participating Organizations, and to the respective IPs, fund disbursement to the district took a considerably long time. There have also been some unexpected expenditures due to reasons provided below, which meant that some of the activities had to be downscaled as per the budget allocation. Other programme related issues have been resolved through learning by doing or trial-and-error.

Under WFP supported activities, the hike in the construction costs meant that WFP had to look for additional fund to meet the target especially in the infrastructure improvement. Moreover, as the selected schools are mostly inaccessible by road, all construction materials had to be carried by men and animal back, which further prolonged the completion of the construction activities.

In establishing the CICs, since the mode of operation for the CICs is based on a public-private partnership (PPP) model, it was expected that an entrepreneur from each respective communities would come forward to take over the charge. This did not occur in one of the earlier selected sites in Drepong, Mongar District, and therefore the Ministry of Information and Communication had to re-locate the center to another location in Yadi. Identifying an operator – from the same community – was a priority for sustenance of the center, and this was done in consultation with all the Gewog offices, as well as securing the space for a center. Unfortunately, the project fund was not sufficient to cover the needed (earthing) materials cost for the re-located center as this was un-foreseen although the action taken was necessary. Another difficulty was faced in the selection of the centers’ operators. The selection criterion was set at a minimum education grade of class 6 or 8. However, not all operators were able to maneuver the computing due to lack of basic computer skills. In future, the operators’ qualification should be scaled up to class 10 with some prior experience in computer training. Furthermore, monitoring of the center in future could be delegated to the respective Dzongkhag ICT personnel for cost effectiveness, and also to provide greater ownership to the local administrative offices.

In financing the loans after the training was given to farmers on microfinance scheme, the project have been constrained in terms of the allocated amount (US\$ 45,000) for loans.

## 5. Lessons learnt

### 5.1 Working with partners

During the course of project implementation, it has become clear that it is of vital importance that the selection of beneficiaries and targeted area(s) (e.g. schools) for intervention is conducted jointly with all the partners concerned (i.e. both among IP(s) and UN agencies) during the planning period in order to avoid duplications and create more programmatic synergies.

### 5.2 Good Practice/Innovation

- Active involvement of the people based at the Geog (sub-district) level, for instance in identifying the appropriate location for the establishment of CICs was essential as they are the ones implementing the project activities and ensuring the quality outcome/ sustainability of efforts made through the project. It is envisaged that as part the process in the decentralization of authorities, locally based ICT officers at the Dzongkhag (District) office will be monitoring the activities in their respective districts in the future. This would enhance the effective monitoring of the project, and enable the project to make timely corrective measures within its means as and when necessary.
- During and after the monitoring visits, WFP shared the information collected from the field to the concerned sister agency (e.g. UNICEF), which contributed to a better coordination among the implementing agencies.
- While working on the introduction of microfinance scheme, BDFCL found that the capacity building of clients was very useful in operationalising the scheme and raising awareness among the beneficiaries. They have felt that there is a need to focus more on improving the financial literacy among the rural poor in order to access and benefit fully from the scheme.

### 5.3 Application of human security concept

The project is aimed at empowering and increasing the level of human security of vulnerable people, mainly in the four most disadvantaged districts in the country, which were selected based largely on the Poverty Analysis Report developed by the Royal Government of Bhutan.

One component of the project aims to improve access to primary education for rural children. This is to be attained through improvement of schools' infrastructures and improved school sanitation and environment. The project also aims to provide capacity building to the RGoB in the smooth implementation of the school feeding programme and provision of clean drinking water through support to the various training and awareness raising programmes, and provision of materials and infrastructure. Furthermore, the project provides a holistic, integrated and targeted approach to poverty reduction, including through activities that contribute to income and employment generation in the remotest and most vulnerable communities, and building the resilience of the most disadvantaged groups against the spread of HIV/AIDS, gender based violence, substance abuse and other health related issues. Overall, the project recognizes that in the absence of development strategies, policies and programmes in addressing the basic security of the most vulnerable people, any progress made in achieving the MDGs can be reversed. Hence, it is imperative to maintain focus and concentrated, multi-sectoral support especially in poverty reduction interventions.

#### 5.4 Project management

While the main responsibilities for overseeing the implementation of different activities under each output rests with each of the UN Participating Organisations, coordination and sharing of vital information occurred formally as well as informally wherever the agencies were jointly implementing activities under the same output. For instance, in providing training on NFE, UNICEF supported the training for temporary recruited NFE instructors while UNFPA are training NFE focal teachers who are selected among the regular school teachers in the rural areas. This kind of coordination at the working level has led to the smooth and effective implementation of the various project activities and achievements of key project deliverables. On the other hand, in the case of UNDP managed component of the project, it has become increasingly challenging to manage and report the HSF component in any particular AWP as there were other funding sources contributing towards the cCPAP/UNDAF outcome(s) and outputs. HSF funds were also spread out to a number of AWPs, and the frequent changes in the project focal persons under various AWPs further affected the reporting and monitoring of the progress. Ideally, there should be a separate project coordinator recruited under the project to engage in the project reporting and coordination throughout the project period.

#### **6. Important findings from project evaluations conducted in the course of the year.**

No evaluation concluded. The project evaluation is scheduled sometime during the fourth quarter of 2010 by an independent consultant.

#### **7. Any actions taken or planned in response to the recommendations of project evaluations**

Although there has been no formal project evaluation conducted in 2009, the following recommendations have been shared by the IPs.

- CFS initiative to be evaluated in 2010 to document the best practices for replication in other schools.
- Organizing more training for both staff and clients and strengthening the relationship between MOA and BDFCL.

#### **8. Percentage of budgeted funds actually spent till date**

Of total project budget: approximately 71%

Of planned 2009 budget: approximately 130%

#### **9. Impact of key partnerships and inter-agency collaboration**

An assessment on this should form part of the project evaluation conducted in 2010.

**10. Impact of project on women, girls, boys and men respectively (please provide gender and age disaggregated data)**

- 1) The target schools were selected based on areas with low girls' enrolment and food insecurity. The improvement in the schools' infrastructure is expected to encourage rural families to send girls to schools and will also help retain girls to complete primary education. The gender disaggregated data on beneficiaries are provided under each output in item **#3: *Achievements as measured against stated objectives.***
- 2) Women aged 30 plus who are NFE learners demonstrated their interest in learning basic Dzongkha Linux. More female NFE learners are planned to be trained in basic Dzongkha Linux.
- 3) 30 school going children, including 2 school dropouts are availing Basic Computer Course both in Dzongkha Linux and Microsoft Utilities.
- 4) 38 youths (18 females and 20 males) within the age bracket of 18 to 35 years were trained in Basic Entrepreneurship Course through Institute for Management Studies, Olakha.
- 5) 31 youths (18 females and 13 males) within the age bracket of 18 to 30 years trained in Entrepreneurial Skills Development Training through Niche Financial Service.
- 6) 23 female farmers were offered credit as part of pilot micro-finance.

***Section IV: Forthcoming annual Work Plan***

- (i) **Provide an overview of the major objectives and planned activities, including key milestones and quantifiable performance indicators, for the following year.**

Objective 1:

- CFS will be implemented under the broader umbrella of Educating for GNH and building capacity of teachers, principals, education officers on CFS concept and monitoring GNH/CFS.

Objective 2:

- Implementation of water safety plan in 20 schools to prevent contamination in the water supply system and to disinfect water at the point of use is under process.
- Through training, skill enhancement in promotion of key hygiene behaviour of at least 60 school health coordinators will be supported in order to ensure good hygiene behaviour by the school children.

Objective 3:

- Equip NFE instructors with life skills through teachers' handbook and refresher training.
- Undertake social mobilization activities at the district level to ensure higher enrollment in NFE centers.
- Provide teaching learning materials for post literacy learners in NFE.
- 100 people trained on basic ICT skills (by gender and age).

- Development of teaching learning aids on Reproductive Health/HIV and gender using visual aid and drama
- Training of NFE focal principals from Samtse, Pema gatshel, Zhemgang, Trashigang on life skills education
- 6 CIC operators trained to service 6 gewogs with a total population of about 13,000 people, including youth, women and men.

Objective 4:

- BDFCL has already utilized most of the HSF fund allocated, and the activities will continue under the new UNCDF funded project, targeting to achieve the microcredit service coverage of almost half the households in Bhutan.

Objective 5:

- Most of the activities planned for the forthcoming work-plan are a continuation of the last year's activities: disbursement of the IGSP grant to selected business proposals; monitoring of business start-ups; and strengthening the capacity of Entrepreneurship Promotion Division and the Employment Service Centre.
- In order to encourage producers and promote the seal concept, the sealed products will be promoted through in-flight brochures, local news papers and magazines.
- The Department of industry will promote rural enterprise development by providing training, equipment and machinery.
- Tarayana Foundation will continue to support communities in Samtse with improved tools and equipment for income generating activities.
- The Ministry of Labour & Human Resources will provide grants to school dropout youths who were trained in entrepreneurship development to establish small business enterprises.

Objective 6:

- YDF was able to complete most of its project activities under HSF in 2009. The remaining funds will be utilized in 2010 to conduct residual activities. Also, documentation on best practices by NGOs will be conducted by recruiting a local consultant through UNDP in 2010.

**(ii) Indication of any major adjustments in the strategies, targets, or key outcomes and outputs planned**

- While the common focus of the implementing agencies will remain in the four districts of Dagana, Samtse, Mongar and Zhemgang, other low coverage areas in terms of school enrolment and literacy rates will also be given preference by both Education and Water and Sanitation components in the Project.
- Under Objective III, target will also include out of school youth for NFE programme.
- WFP managed to meet all set targets even though the fund from HSF was not sufficient. The shortfalls were met from other sources.
- Putting up earthing materials at 5 CICs were not taken into account in the project budget. However, as this was necessary, it was covered from the provision of remaining equipment budget.
- Due to the price hike of computer equipment, the Ministry of Information and Communication made a request in 2008 to reduce the number of CICs from 10 to 6.

(iii) **Submission of annual work plan**

**Names of the respective Annual Work Plans (AWP) 2010**

|    | <b>Project Objective</b>   | <b>Annual Work Plans attached (file name)</b>   |
|----|--|---|
| 01 | <b>Objective I:</b> Improved access and 15 child-friendly schools resulting in higher enrolment and completion of rural children, girls and boys, in primary education.<br><b>(WFP / UNICEF)</b>   | <ul style="list-style-type: none"><li>• Education AWP</li></ul>   |
| 02 | <b>Objective II:</b> Provision of clean drinking water in 20 community schools, latrine in 8 schools and kitchens with fuel stoves to improve school sanitation, and environment in 14 selected rural schools<br><b>(WFP / UNICEF)</b>                                     | <ul style="list-style-type: none"><li>• AWP UNICEF water and sanitation</li></ul>   |
| 03 | <b>Objective III:</b> Increased knowledge, skills and income of rural poor households through the provision of non-formal education, village skills training and the establishment of a network of Integrated Community Development Centres <b>(UNICEF / UNFPA / UNDP)</b> | <ul style="list-style-type: none"><li>• Education AWP</li><li>• AWP Support e-governance for better public service delivery</li><li>• AWP UN Support for Development of MSMEs and Employment Generation</li></ul> |
| 04 | <b>Objective IV:</b> Micro finance services for the rural poor households, particularly women, improved reaching the unreached.<br><b>(UNDP/ UNV)</b>  |   |
| 05 | <b>Objective V:</b> Increased jobs, self-employment and small business to reduce unemployment, particularly among youth and women.<br><b>(UNDP/ UNV)</b>   | <ul style="list-style-type: none"><li>• AWP labour market analysis and employment generation</li></ul>  |
| 06 | <b>Objective VI:</b> Capacity of civil society organisations enhanced in supporting vulnerable populations and promoting gender equality<br><b>(UNFPA/UNDP)</b>  | <ul style="list-style-type: none"><li>• AWP labour market analysis and employment</li></ul>   |

(iv) **Estimated budget required (including any major funding shortfalls)**

Second installment of the project funds: US\$ 753,601.00 was already disbursed in 2009.

**Section V: Resources and financial implementation- HSF only**

a) **An outline of the total approved budget and a summary of the resources available to the project.**

*Table 1: Total approved budget and summary of resources available to the project:*

|  | Amount (US\$)                    |                                  |                     |
|--|----------------------------------|----------------------------------|---------------------|
|  | Previous period                  | Current period                   | Total               |
|  | (A)                              | (B)                              | (C=A+B)             |
|  | January/2008 to<br>December 2008 | January/2009 to<br>December 2009 |                     |
| Total approved programme costs (I)           | <b>1,308,700.00</b>              | <b>704,300.00</b>                | <b>2,013,000.00</b> |
| <i>Programme costs received to date (II)</i> | <b>1,308,700.00</b>              | <b>704,300.00</b>                | <b>2,013,000.00</b> |
| Total approved PSC (III)                     | <b>91,609.00</b>                 | <b>49,301.00</b>                 | <b>140,910.00</b>   |
| <i>PSC received to date (IV)</i>             | <b>91,609.00</b>                 | <b>49,301.00</b>                 | <b>140,910.00</b>   |
| <b>Total funds received to date (V)</b>      | <b>1,400,309.00</b>              | <b>775,140.10</b>                | <b>2,175,449.10</b> |
| <b>Total approved budget (VI = I+III)</b>    | <b>1,400,309.00</b>              | <b>775,140.10</b>                | <b>2,175,449.10</b> |
| Estimated total expenditure (VII)            | <b>527,305.44</b>                | <b>1,010,005.63</b>              | <b>1,537,311.07</b> |
| <b>Balance (VIII = V-VII)</b>                | <b>873,003.56</b>                | <b>(234,865.53)</b>              | <b>638,138.03</b>   |
| Expenditure vs. funds received (IX = VII/V)  | <b>38%</b>                       | <b>130%</b>                      | <b>71%</b>          |



**b) A provisional report on the financial implementation status (UN Agency-wise)**

Note:

- Information provided is proximate figures only.
- Planned and Actual expenditure 2009 for Objective I & II are not shown due to unavailability of agency-wise information in 2008 and inconsistency in the figures provided vis-à-vis the financial statement.

| Objective (no & description)   | Total Approved budget<br>(A) | Planned expenditure for 2008 | Actual Expenditure 2008<br>(B) | Total available resources (C = A-B) | Planned expenditure for 2009 | Actual Expenditure 2009<br>(D) | Total available resources (C-D) |
|--|------------------------------|------------------------------|--------------------------------|-------------------------------------|------------------------------|--------------------------------|---------------------------------|
| <b>Objective I:</b> Improved access and 15 child-friendly schools resulting in higher enrolment and completion of rural children, girls and boys, in primary education.<br>(WFP / UNICEF)  | 327,420.00                   | 173,319.00                   | 156,149.00                     | 171,271.00                          |                              |                                |                                 |
| <b>Objective II:</b> Provision of clean drinking water in 20 community schools, latrine in 8 schools and kitchens with fuel stoves to improve school sanitation, and environment in 14 selected rural schools<br>(WFP / UNICEF)  | 512,530.00                   | 198,945.00                   | 192,974.00                     | (192,974.00)                        |                              |                                |                                 |
| <b>Objective III:</b> Increased knowledge, skills and income of rural poor households through the provision of non-formal education, village skills training and the establishment of a network of Integrated Community Development Centers<br>(UNICEF / UNFPA / UNDP) | 527,510.00                   | 313,838.00                   | 175,777.00                     | 351,733.00                          | 309,520.88                   | 265,058.07                     | 86,674.93                       |

|   |              |              |            |              |              |              |            |
|---|--------------|--------------|------------|--------------|--------------|--------------|------------|
| <b>Objective IV:</b> Micro finance services for the rural poor households, particularly women, improved reaching the unreached. (UNDP/ UNV)           | 108,070.00   | 35,738.00    | 26,661.00  | 81,409.00    | 76,700.00    | 80,048.27    | 1,360.73   |
| <b>Objective V:</b> Increased jobs, self-employment and small business to reduce unemployment, particularly among youth and women. (UNDP/ UNV)        | 415,160.00   | 185,431.00   | 61,662.00  | 353,498.00   | 250,273.00   | 95,098.75    | 258,399.25 |
| <b>Objective VI:</b> Capacity of civil society organisations enhanced in supporting vulnerable populations and promoting gender equality (UNFPA/UNDP) | 233,260.00   | 125,571.00   | 97,081.00  | 136,179.00   | 127,223.00   | 96,066.42    | 40,112.58  |
| <b>Project Evaluation</b>   | 29,960.00    | -            | -          | 29,960.00    | -            | -            | 29,960.00  |
| <b>Total</b>  | 2,153,910.00 | 1,032,842.00 | 710,304.00 | 1,443,606.00 | 1,237,451.00 | 1,010,005.63 | 433,600.37 |