

Cover page

Country: Bhutan

UNDAF Outcome(s) :

- #1: By 2012, opportunities for generation of income and employment increased in targeted poor areas (MDG1, 8)
- # 2: By 2012, increased access and utilization of quality health services with emphasis on reproductive health, maternal and child health and nutrition, HIV/AIDS, TB, malaria and other non-communicable disease. (MDG 4, 5,6)
- # 3: By 2012, access to quality education for all with gender equality and special focus on the hard-to-reach population improved (MDG 2,3)

Expected Outcome(s) :

- 1. School enrolment increased through improved facilities and school feeding
- 2. Knowledge, skills and income of rural poor households increased through non-formal education, skills training and Integrated Community Development Centers.
- 3. Outreach of micro finance services for rural poor households enhanced, particularly women
- 4. Small business and self-employment programmes strengthened to reduce unemployment
- 5. Capacity of CSOs enhanced to support vulnerable populations and to promote gender equality

Expected Output(s):

- 1. Selected rural schools upgraded to child friendly schools with better facilities, and capacity of education officers and teachers enhanced
- 2. Quality of non-formal education for rural communities enhanced, ten integrated community centers established and community income/ employment generation programmes developed
- 3. Capacity of BDFC outreach staff and financial management capacity of farmer groups, cooperatives and SMEs enhanced
- 4. Effective employment generation mechanisms developed
- 5. Awareness raising activities on gender based violence for rural women and product quality improvement programmes for local artisan groups conducted

Implementing Partners: Ministries of Education, Health, Economic Affairs, Labour and Human Resources, and Information and Communications, Bhutan Development Finance Corporation, YDF and RENEW

Summary

The Royal Government of Bhutan (RGoB) is committed to achieve the Millennium Development Goals by 2015 and decided to uphold poverty reduction as the central thrust of the upcoming 10th Five Year Plan. This Human Security Project focuses to address issues relating to rural poverty, illiteracy, school enrolment maternal health, unemployment and HIV/AIDS through five main interconnected components with the support of a number of implementation partners comprising of Ministries of Education, Health, Economic Affairs, Labour and Human Resources, Information and Communications, Bhutan Development Finance Corporation, YDF and RENEW. The project is specifically designed to address the above mentioned challenges through a joint UN programme approach, and expect to empower and increase the level of human security of vulnerable people particularly children and women of rural Bhutan.

Project Title: Basic education/literacy, income & employment security for vulnerable people including children and women in Bhutan

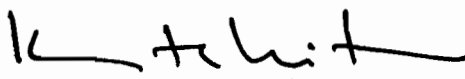
Project Duration: 01 Nov 2007 - 30 Apr 2010
Fund Management Option(s): NEX

Estimated budget: US \$ 2,175,449.10

Allocated resources:

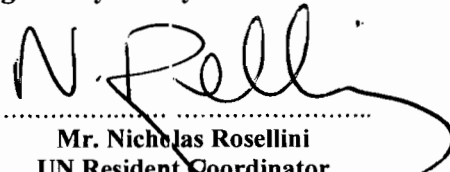
- Government: -----
- UN Agencies: United Nations Trust Fund for Human Security through UNDP/UNICEF/WFP/UNFPA

Agreed by Royal Government of Bhutan



Mr. Karma Tshiteem
Secretary
GNH Commission

Agreed by UN System in Bhutan



Mr. Nicholas Rosellini
UN Resident Coordinator
UN System in Bhutan



Signature page “UN Counterpart Agencies”

For the **United Nations Development Programme**

Deputy Resident Representative

Toshihiro Tanaka

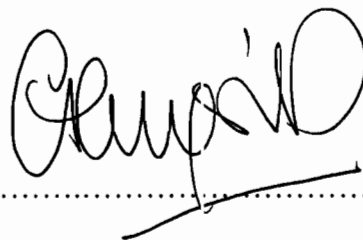


.....

For the **United Nations Children’s Fund**

Representative

Gepke Hingst

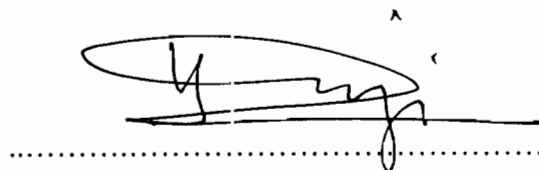


.....

For the **United Nations Population Fund**

Yeshey Dorji

Assistant Representative

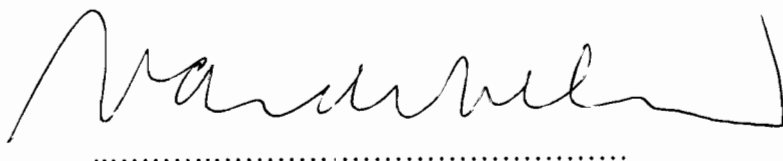


.....

For the **World Food Programme**

Representative

Leo van der Velden



.....

For the **United Nations Volunteers**

UN Resident Coordinator

Nicholas Rosellini



.....





UNITED NATIONS
Kingdom of Bhutan

1. Project Summary

Benefiting Country	Bhutan
Title:	Basic education/Literacy, Income Security and Employment for Vulnerable People including Children and Women in Bhutan
Short title:	Human Security Project.
Start date:	01. June, 2007
End date	31. December, 2009
Duration:	30 Months
Lead Executing Agency:	UNDP
Counterpart Agencies:	UNDP, UNFPA, UNICEF, UNV, WFP.
Implementing Agencies:	Royal Government of Bhutan and Non-Government Organizations (NGOs)
Total Project Budget:	USD 2,175,449.1

2. Executive summary

The Royal Government of Bhutan (RGoB) is committed to achieve the Millennium Development Goals by 2015 and decided to uphold poverty reduction as the central thrust of the upcoming 10th Five Year Plan. Also, the RGoB has consistently devoted around one quarter (25%) of its development budget to the social sector (health and education) as is committed to providing access to free basic education and free basic health service to all. However, there are still many challenges ahead including:

Rural Poverty and Hunger: About 38.3% of the rural population lives below the national poverty line and 31.7% of the population is estimated to be vulnerable to food insecurity throughout the year. Prevalence of malnutrition among children is high in the eastern and southern regions.

Illiteracy: The adult literacy rate in 2005 was 59.5%. There is a significant gender gap as only 48.7% of females in Bhutan are literate. Urban-rural gap is also wide as 52.1% of rural population is literate compared to 75.9% in urban areas.

School Enrolment: Universal primary education remains as a primary challenge due to the sparsely scattered population and rugged terrain. The limited availability of schools within reasonable distance countrywide, combined with lack of proper facilities for schooling in remote and inaccessible areas for children, especially girls, continues to be a major problem.

Unemployment and Youth: Youth constitute a disproportionately large segment of the unemployed. The recent rapid growth in numbers of new labour force with higher education has not been matched by a comparable growth in employment opportunities in the public sector, and the private sector development remains limited. National unemployment rate has increased from 1.8% in 2003 to 2.5% in 2004,¹ with females continuing to face greater unemployment rates than their male counterparts. Youth constitute a disproportionately large segment of the unemployed.

Child and Maternal Mortality, HIV/AIDS: To reach the MDG target of reducing the under-five mortality rate, it is imperative to accelerate the efforts in this area. Although the maternal mortality rate has come down, many women are still at risk of dying as a result of pregnancy. HIV/AIDS is also on rise.

The project is specifically designed to address the above mentioned challenges through a joint UN programme approach. The goal of the project is to empower and increase the level of human security of vulnerable people particularly children and women of rural Bhutan through providing multi-sectoral supports including literacy and vocational education, health, income generation and job creation in an integrated and sustainable manner. And, to contribute to the attainment of the above goal, the project aims to achieve the following six objectives:

- a. Improved access to primary education for rural children and make rural schools child-friendly.
- b. Improved school sanitation and environment in selected rural schools through provision of clean drinking water, latrine and shower blocks, and kitchens with fuel efficient stoves.
- c. 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 10 Integrated Community Development Centers
- d. Enhanced outreach of micro finance services for the rural poor households, particularly women
- e. Increased small business, job, and self-employment to reduce unemployment.
- f. Capacity of civil society organizations enhanced in supporting vulnerable populations and promoting gender equality.

3. Introduction

Bhutan is a land-locked, least developed country. About 69% of the population of 672,425 in Bhutan² are still small and subsistent farmers constrained with inadequate land holdings and remoteness. Poverty in Bhutan is

¹ Labour Force Survey report 2003/2004

² Population and Housing Census of Bhutan, 2005 (<http://www.bhutancensus.gov.bh>)

predominantly a rural phenomenon. It has been revealed that more than one third of the rural population is living under the national poverty line.

Agricultural land in Bhutan comprises only 7.8% of the total land area, which is declining further. Rural to urban migration, particularly among youth, continues to grow, which is resulting in increasing unemployment and juvenile crime. A study on rural-urban migration carried out by the Ministry of Agriculture found that 47% of all households had migrants. Those left behind for farm work are mostly women and elderly people. The rural-urban disparity and the increasing unemployment among youth are posing serious challenges to the achievement of sustainable and equitable socio-economic development in Bhutan.

The difficult mountainous terrain, alpine climate, limited communication and highly scattered settlements impede access to schools. The education-sector strategy notes that the biggest challenge to providing universal basic education in Bhutan lies in enrolling and retaining children from poor and food-insecure families of remote communities.

The government has made strong commitment to raising the educational and health status of the population. In its 2004-2005 budget, 28% were allocated to health and education sectors, which is a much higher share than in other developing countries. Social sectors expenditure is also heavily biased towards priority sub-sectors that are especially important for the poor: primary education (60% of education budget) and primary health care (75% of health budget). Poverty Reduction will be the main goal of the 10th Five Year Plan which will start from July 2008. rural development, balanced development at the regional and local levels, private sector development and infrastructure development are its key strategies to achieve this goal.

Rural Poverty and Hunger: The Poverty Analysis Report³ (2004) indicates that 38.3% of the rural population lives below the national poverty line of Nu.750 per month (US\$0.58 per day) and 4.2% of urban dwellers live below the national poverty line. The report also shows a disproportionately high incidence of poverty among rural women. Also, 31.7% of the population is estimated to be vulnerable to food insecurity throughout the year. A much larger proportion of the Bhutanese households faces seasonal food insecurity problem. Based upon the Bhutan Living Standards Survey (2003) it is revealed that 48.3% of the households (living mostly in rural areas) do not meet the caloric requirements of 2,124 kcal. Prevalence of malnutrition among children is high in the eastern (stunting 65.5, underweight 33.3 and wasting 6.7) and southern (stunting 56.6, underweight 44.9 and wasting 12.8) regions. For many Bhutanese, their livelihoods are highly vulnerable to natural disasters, fluctuations in the harvests and in the marketing of agricultural products, and when sickness occurs in the family. The majority of rural households do not have access to financial services and are forced to rely on limited in-kind saving, such as grains and livestock, to cope with such calamities. Natural resources such as non-timber forest products, timber, and forest grazing are an important source of income and food for the poorest of the poor.

Illiteracy:⁴ The rate of reported adult literacy in 2005 was 59.5%. There is a significant gender gap as only 48.7% of females in Bhutan are literate compared to 69.1% of the males. Urban-rural gap is also wide as only 52.1% of rural population is literate whereas literacy rate in urban area is 75.9%. The rate for rural females is even lower at 40.6%. As is the case for income poverty, there are regional gaps in the area of education, for example, some dzongkhags such as Wangdue, Trashigang, Gasa, Monggar, Trashiyangtse, Lhuentse and Samtse are found to have much lower adult literacy rates than other regions.

School Enrolment: A key factor for school net enrolment being low is the fact that the population is sparsely spread, and travel to a school may involve long journeys over mountain passes and through isolated terrain. The limited number of schools countrywide, combined with lack of proper facilities for schooling in remote and inaccessible areas for students, especially girls, continues to be a major problem, and is in no small part responsible for a substantial gender imbalance in education. Net primary enrolment rates increased to almost 80 percent for both boys and girls in 2005. However net enrolment rates are substantially lower for the poor than for the non-poor, with some districts such as Samtse, Tsirang and Gasa with estimated net enrolment rates below 70%.⁵ Similarly it was found that children from poor households are less likely to attend school at all levels.⁶

³ Poverty Analysis Report was produced by National Statistical Bureau based on The Bhutan Living Standards Survey 2003.

⁴ Data of this section is from the Population and Housing Census of Bhutan, 2005.

⁵ General Statistic, 2006, Ministry of Education

⁶ Poverty Analysis Report Bhutan (2004)

Among the main factors contributing to this low enrolment rate are distance to the nearest school and the availability of adequate boarding facilities, including proper storage, kitchen and water and sanitation facilities, and relevance of the school curriculum to the need of rural poor Bhutanese children.

Unemployment and Youth: In the past, most young graduates were absorbed into either further education or into employment, mainly within the civil service. However, the recent rapid growth in numbers of new labour force with higher education has not been matched by a comparable growth in employment opportunities in the public sector, and the private sector development remains limited. National unemployment rate has increased from 1.8% in 2003 to 2.5% in 2004,⁷ with females continuing to face greater unemployment rates than their male counterparts. Youth constitute a disproportionately large segment of the unemployed. Although the rates are not alarming by international standards, it was found that 36% of those 'employed' are unpaid family workers.⁸ Furthermore, a significant proportion of the agricultural labour force in rural areas is underemployed and the lack of productivity improvements in the agriculture sector has contributed to rural-to-urban migration. Unemployment rate in urban areas is also increasing at higher pace than rural areas. Youth crime is on rise in the cities, and a survey shows a high percentage of the crime committed by school drop outs and unemployed youth.

Child and Maternal Mortality, HIV/AIDS: The under-five mortality rate has slightly declined from 97 per 1000 live births in 1994 to 84 in 2000. To reach the MDG target of reducing by two-thirds, between 1990 and 2015, the under-five mortality rate, it is imperative to accelerate the efforts in this area. Although the maternal mortality rate has come down from 773 per 100,000 live births in 1984 to 380 in 1994 and to 255 in 2000,⁹ many women are still at risk of dying as a result of pregnancy. The reality in Bhutan is that around 80% of deliveries are dealt with at home, and two-thirds of maternal deaths between 2001 and 2003 occurred at home, mostly in the absence of trained birth attendants. Since the first case was reported in 1993, a total of 101 HIV-positive cases have been reported in Bhutan as of November 2006.¹⁰ It is of high concern that the infection has already spread to both urban and rural areas. Combined with an increasing drug abuse among young population and a high prevalence of sexually transmitted diseases, the Government recognizes HIV/AIDS as a potential major public health and socio-economic concern in Bhutan.

The Royal Government of Bhutan is committed to providing basic education and literacy and increasing income security for vulnerable people including children and women in Bhutan. The central thrust of the 10th Five Year Plan is poverty reduction with an emphasis on rural development as one of the key strategies. Also, the RGoB has consistently devoted more than 25% of its development budget to the social sector.

The UN system is a critical development partner for the Royal Government of Bhutan. UN Development Assistance Framework, which supports RGoB's effort to achieve MDGs, is closely aligned with national development goals.

4. Rationale for funding from the UNTFHS

As is in the Guidelines for the UNTFHS, Human Security is defined as the "protection and empowerment" of people and calls for integrated programmes and approaches, which empower people, particularly the poor, to actively participate in the development process affecting their lives. This is exactly what this project is all about. The project aims tackling poverty in rural areas and to empower vulnerable population particularly women and children through a holistic and multi-sectoral approach. It promotes targeted interventions tailored to the real needs of disadvantaged people and communities, especially in eastern and southern parts of the country, where basic social indicators show particularly adverse condition of living.

Children and women in remote rural areas of Bhutan are particularly disadvantaged and vulnerable as their access to education and socio-economic opportunities in terms of schooling, literacy, vocational skills, training and information which is very limited.

In rural areas in Bhutan, despite the efforts by the Bhutanese government and development partners, there are still significant needs for a school facilities, vocational skill trainings, micro-finance and access to information and markets.

⁷ Labour Force Survey report 2003/2004

⁸ Labour Force Survey 2004 - up from 7.7% (Labour Force Survey 2003).

⁹ Source: National Health Survey 1994 and 2000.

¹⁰ *Kuensel* 2nd December 2006

Building partnership with non-governmental organisations is also a key strategy of the project in order to reach the unreached including out-of-school children, people with disabilities and rural illiterate women.

5. Context

a) Past and current activities

With almost 80% of population residing in rural mountainous areas engaged in subsistence farming, the Royal Government has always placed rural infrastructural development as a top priority in order to reduce rural poverty. In this connection, donors' support has also been sought for providing physical access to the remote rural population such as roads, bridges, primary and vocational schools, basic health units, telecommunications and agricultural extension service units.

UN Agencies has been active in providing technical assistance based on their mandates and comparative advantages in various fields relating to human development. In the area of education, technical assistance is provided by UNICEF for primary and non-formal education. Rural enterprise development is supported by UNDP and UNCDF, and pilot rural tele-centers by UNDP and UNV. WFP provides vulnerable rural children with access to primary education through Food for Education (FFE) programme, and UNFPA provides technical assistance in the area of reproductive health and HIV/AIDS prevention.

However, there are significant unmet needs of the rural poor households, particularly those of uneducated rural women and youth whose low literacy and skill levels limit their access to income generating opportunities and job security. It is important to note that youth constitute a disproportionately large segment of the unemployed. An increasing unemployment among educated youth including school leavers and drop out are of central concern of the country not only from economic perspective but also social point of view as youth crime is on rise.

In recognition of increasing unemployment for both educated and uneducated population, the Royal Government of Bhutan (RGoB) has recently created the Ministry of Labour and Human Resources. The Ministry is currently focusing on the expansion of vocational training to address the mismatch between supply and demand of labour forces in the country. The Ministry of Education is upgrading its efforts to increase the number of primary/community schools as well as to provide literacy training to rural illiterates particularly women. The UN Country Team is committed to help the RGoB to meet the MDGs, and this project will help reducing rural poverty and hunger; ensuring universal primary education and reducing illiteracy.

UN Agencies are increasingly working with emerging civil society organizations and local governments that can effectively play a catalytic role in addressing the needs of vulnerable and disadvantaged population and households in improving their knowledge, skills and livelihood with due respect and dignity.

b) National and local government commitments

The project reflects national priorities to achieve MDGs and to ensure balanced and equitable regional development. The project is also developed in close alignment with existing national development plans and the next Five Year Plan of which the overarching goal is poverty reduction. In line with national development strategy to promote a holistic, multi-sectoral and targeted approach to improve the livelihood of the disadvantaged and vulnerable population in remote poor areas, the project will facilitate concerted multi-sectoral / agency interventions in addressing the need of such vulnerable group. The national and local governments are fully committed to the successful implementation of such multi-sectoral interventions at the community level as it reflects national priorities and strategies.

The sustainability of the project results will be secured through national and local governments' continued commitment and support for the maintenance of infrastructure and other recurring costs under the government's regular programmes and budget.

c) Project identification and formulation

National and local government counterparts have been closely engaged in the identification and formulation of the project. In specific each of six components has been designed by the national counterpart agency with support of respective UN agency with specialised knowledge and skills.

Thematic focus areas have been identified in close association with the Millennium Development Goals and target and the level of progress made against them. National development plans and the Common Country Assessment also served as main sources of reference in formulating effective project interventions.

Geographical focus areas have been identified based upon the criteria such as low net enrolment rate particularly that of girl, the level of poverty and food insecurity, and the level of deprivation in accessing social services .

d) Beneficiaries

The main beneficiaries will be geographically and socio-economically disadvantaged and vulnerable segment of the Bhutanese society, particularly in southern and eastern Bhutan. Such disadvantaged / vulnerable group will include children of poorer households, school leavers, non-skilled illiterate women, unemployed and unskilled youth, and people with disability, among others living in deprived remote communities.

The total number of people who will directly or indirectly be benefited from this project is estimated about 80,000. Activities relating to education, literacy and sanitation in school will benefit about 60,000 people, and income and employment, skills training and micro-saving scheme will affect another 30,000 people's lives positively.

The selection of geographically focused areas of this projects are based mainly upon Vulnerability Analysis and Mapping (VAM) jointly conducted by WFP and the Bhutanese government, low girls enrolment rate, degree of remoteness (i.e. accessibility to nearest road) and degree of food insecurity. The focus area will be selected through close consultation with all the stakeholders. With these criteria, a balance between gender and different ethnic groups will be achieved. The project intends to provide women and girls in targeted areas with useful skills, knowledge and information that lead to extra income. Girls will enjoy better facilities in schools which facilitate more enrolment and retention rate.

6. Project details (Goals, Objectives, Outputs, Activities, Indicators and Risks)

a) Goal Statement

The goal of the project is to empower and increase the level of human security of vulnerable people particularly children and women of rural Bhutan through providing multi-sectoral supports including literacy and vocational education, health, income generation and job creation in an integrated and sustainable manner.

b) Project Objectives, Outputs and key Activities

The following five objectives are identified for the project support with outputs and key activities contributing towards the realization of the project goal.

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

Main activities and beneficiaries with selection criteria

- 1) As a key activity to increase the enrolment, particularly that of girls, WFP will support construction of boarding facilities along with matron quarters in 3 selected schools.
 - It is estimated that this activity will benefit around 300 girls coming from remote rural communities.

- Three locations will be selected based on WFP and RGoB Vulnerability, Analysis and Mapping (VAM) report, low girls enrolment rate and food insecure areas.

Construction works will be duly supervised by the Ministry of Education engaging local contractors and in close consultation with teachers and parents of the students. It is estimated that the construction will be completed within a year after receiving funds.

2) Training of the district education officers along with the teachers of remote and rural district schools followed by regular monitoring will be conducted in order to improve the quality of the school feeding programme.

- The impact of this activity will benefit 41,000 students of WFP assisted schools.
- Schools are being selected jointly by WFP and the Ministry of Education based on national monitoring reports with focus on rural disadvantaged areas of Bhutan.

3) Training of district education officers, assistant education officers, evaluation and monitoring officers and teachers of 15 selected community primary schools will be conducted to implement and manage child friendly schools. Training manuals on CFS and assessment tools have already been developed which will assist in undertaking the activity.

- This activity will benefit all school children in the 15 community primary schools, which will be around 1,500.
- 15 schools will be selected jointly by UNICEF and the Ministry of Education based on low net enrolment areas.

Objective 2. Provision of clean drinking water in 20 community schools, latrine in 8 schools and kitchens with fuel efficient stoves to improve school sanitation and environment in 14 selected rural schools

Main activities and beneficiaries with selection criteria

- 1) Fuel efficient stoves will be provided to 14 schools, which will improve the level of school kitchen hygiene and will ensure that there is less consumption of firewood in the school kitchens.
 - This will contribute to an improved health/hygiene environment for approx. 2,500 school children and will also reduce the pressure on environmental resources.
 - 14 schools will be selected by WFP and the Ministry of Education based on VAM report, low girls enrolment rate and food insecurity.
- 2) Construction of kitchen and stores in 9 schools and the training 60 cooks and store keepers will be undertaken aiming to improve the hygiene quality of school feeding via cooks training and via proper cooking and storage facilities.
 - The construction of kitchen and stores in 9 schools will benefit approx. 1,600 school children and the training of 60 cooks will benefit approx. 10,000 school children.
 - 9 schools will be selected jointly by WFP and the Ministry of Education based on VAM report, low girls enrolment rate and food insecurity.
- 3) Construction of Latrines in 8 selected community primary schools which will serve as the community's environment and sanitation models. Installation of drinking water facilities in another 20 primary schools in remote communities. Raising awareness on the importance of inclusive education, and health/sanitation (hygiene, waste management, use of latrines, etc.) among the villagers. both children, youth and adults of the un-reached communities using traditional media, graphics and training.
 - This will contribute to an improved health/hygiene environment for approx. 5,000 villagers both children and adults.

- 8 community primary schools will be selected based on the need, commitment of villagers and non-existence of latrines. 20 rural schools for water supply will be selected based on the lack of access to clean water, remoteness and the poor conditions of the schools.

Construction will be supervised by the Public Health and Engineering Division under Ministry of Health and the respective district education officers and undertaken by local contractors with required expertise. Community participation will be a must in decision-making, monitoring and maintenance of provided facilities.

Objective 3. 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 10 Integrated Community Development Centres

Main activities and beneficiaries with selection criteria

- 1) Quality non formal education (NFE) will be provided to 20 targeted rural communities. Early detection of disabilities, life skills and food security issues will be incorporated into the NFE curriculum. Local language (Dzongkha) teaching learning materials will be accordingly developed. This will strengthen their ability to cope with the various challenges they encounter in their daily lives, capacity to undertake activities to alleviate their poverty, child rearing skills for better cognitive and emotional development and also improve their ability for early detection of children in need of special education within their communities. Training will be conducted for NFE instructors by the Ministry of Education.
 - This activity will benefit around 800 NFE participants of which majority are women.
 - Target rural communities will be selected from the same rural communities below which have poor rate of literacy especially female literacy.
- 2) Reproductive health, gender equality and HIV/AIDS will become an integral part of non-formal education (NFE) programme through development of teaching and learning materials and provision of training of trainers, which would help reduce unwanted pregnancies, maternal mortality, gender-based violence and the spread of HIV/AIDS.
 - This activity will directly benefit the NFE trainers of around 750 (350 male, 400 female), and eventually all NFE participants, which is estimated around 15,000 (5,000 male and 10,000 female, will be indirect beneficiaries.
 - All NFE trainers will be targeted to understand and benefit from a more comprehensive learning and teaching of highly relevant subjects of life such as reproductive health, gender and HIV/AIDS.
- 3) Inspired by “one village-one product” concept, community income generation initiatives will be supported with establishment of a group of most skilled and experienced local farmers, artisans and business persons as village skills instructors leading to the formation of viable rural cooperatives and enterprises. The Regional Trade and Industry Office will directly be engaged in this activity and a series of business advocacy, orientation and planning courses will be provided to the community members including youth and women. In collaboration with the respective extension and research units of the Ministry of Agriculture, entrepreneurial and skills upgrading courses, provision of appropriate tools, technology and linkage with urban marketing centres will also be supported.
 - This activity will directly benefit at least 300 villagers, particularly youth and women, of rural communities with estimated population of 2,000 who will be indirect beneficiaries.
 - Target rural communities will be selected based on the lack of industrial development, indigenous cultural background, available natural resources and the commitment of villagers.
- 4) To ensure the access to information, which is to be a constitutional right, 10 community information centers (CICs) will be established in remote rural communities. The CICs will provide villagers with knowledge, relevant market information, public documents/forms and learning materials on cost-recovery basis. To ensure the sustainability and replicability of CICs, general guidelines and standardized operational manuals will be developed based on public-private partnership.

- This activity will benefit approximately 5,000 villagers of rural communities either directly or indirectly. It will also help youth employment as the CIC operators.
- The location of the CICs will be determined based on the lack of IT accessibility, easy access by village households, availability of necessary space, and commitment of villagers.

Objective 4. Micro finance services for the rural poor households, particularly women, improved reaching the unreached.

Main activities and beneficiaries with selection criteria

Bhutan Development Finance Corporation (BDFC) is the only institution in Bhutan providing microfinance support in rural areas. It has recently started micro-saving programme in addition to microcredit, which is a major step forward to improve financial services for rural households. The coverage of BDFC services in remote rural areas is still limited and the awareness level of village people in terms of the need for rigorous management including the collective responsibility, relatively high interest rates and timely repayment for sustained financial services is considerably low.

- (1) The project will help undertake participatory assessment on the needs and utility of micro finance services among rural poor households, particularly women, leading to more client-oriented, relevant and easily accessible microfinance product and service development. Training programme of branch managers and outreach staff of BDFC will also be re-formulated and be conducted aiming to help develop better managerial and client-oriented skills and services.
 - This activity will directly benefit around 100 staff of BDFC and indirectly benefit more than 20,000 clients.
 - This activity will target rural households and women as well as BDFC staff serving in rural areas.

- (2) In order to increase effectiveness, outreach and competitiveness of rural financial services, the project will also help develop community based microfinance models based on self-help and self-management. Other innovative methods of credit system such as yarn and seed banks or community revolving fund, which have already been experimented with selected rural producers, will also be explored for further replication. As pilot activities, the project will work with existing rural cooperatives and farmers associations/groups in partnership with BDFC and its branch offices with technical support from extension workers and Regional Trade and Industry Offices as well as other donor and small grant programmes (UNDP/GEF). It will enhance financial management skills and support implementation of microfinance services. In order to enhance ownership and sustainability, an establishment of self-managed microfinance fund of cooperatives/associations will be promoted using members' own contribution together with an initial support from the project, which can also be used as collateral. Based on the successful experimentation, BDFC may consider the provision of matching loans to the pilot cooperatives/farmers' association.
 - This activity will benefit directly at least 10 cooperatives or self-help groups with the estimated 200 beneficiary members or 1,200 family members indirectly.
 - This activity will target rural cooperatives or farmers associations with proven ability in financial management, high commitment, women's participation, demonstration effects and replicability.

Objective 5. Increased jobs, self-employment and small businesses to reduce unemployment, particularly among youth and women

- 1) Based on the analysis of present and future labour supply and demands trends, as well as that of the existing job counselling and job search programmes in rural and urban areas of Bhutan, job matching and counselling programmes will further be developed and supported effectively linking the supply side and demand side led by the Ministry of Labour and Human Resources (MoLHR) in cooperation with the Ministry of Education.
 - This activity will benefit new job seeking youth population, which is estimated at approximately 3,200 a year.

- All existing and potential job seekers in labour markets and in schools including vocational schools and other skills training course attendants will be encouraged to take part in the job matching and counselling events and programmes.
- 2) Building upon the on-going programmes of the Ministry of Labour and Human Resources and the Ministry of Trade and Industry, apprenticeship and business advisory programme will further be enhanced and supported through public private partnership under the project. In close linkage with the above mentioned village income generation initiatives and job matching programmes, unemployed and/or new job seeking youth will be targeted to gain the experiences and skills to serve in the business and industry of their interests. For this purpose, a number of business and production entities with diverse background in terms of geographic locations, sectors and skill needs, will be engaged as recipient units of apprentices. Business advisory and counselling programme will be made available particularly for those intending to be self-employed. These activities will primarily be undertaken by the Ministry of Labour and Human Resources in collaboration with the Regional Trade and Industry Offices/MTI, the extension workers of the Ministry of Agriculture, and BDFC branches.
- This programme will directly benefit approximately 200 job seeking youth.
 - Job seekers with relevant skills, ability or potential to meet the requirements of available apprenticeship or to starting business will be selected to take part in the programme.
- 3) In close linkage with the above mentioned programmes and other existing short and long term vocational and business training courses offered by MoLHR and the Ministry of Trade and Industry, an Income Generation Start-up Support Programme will be established under the MoLHR to support self-employment and start up of micro or small businesses. Recognizing the difficulty for unemployed youth without any capital or collateral to access loans, to start up the business, the IG start up support programme will help those youth with necessary skills and viable business plan to access necessary start up capital. It may take the form of tools and equipment as start up support, particularly in case of small businesses in remote areas where necessary equipment is simply not available and cannot be procured. In order to enhance sustainability and accountability, the start-up support will be managed as a revolving fund to enable more unemployed youth to access such support.
- The start up programme will directly benefit around 50 businesses with approximately 200 unemployed, which will continue to increase after the project completion.
 - The eligibility to IG start-up support shall be based on the viable business plan, the possession and competency of required skills by the applicant and the potential of generating jobs for other unemployed people. Businesses based in rural areas; produce public goods or externalities (like waste management, recycling, eco-tourism, education, day care services, etc.), promote culture, address development issues like gender, poverty, HIV/AIDS, ICT for development, etc. will be given a priority.

Objective 6. Capacity of civil society organizations enhanced in supporting vulnerable populations and promoting gender equality.

- 1) Respect, Educate, Nurture and Empower Women (RENEW) is a relatively young and energetic NGO in Bhutan that promotes gender equality, reproductive health, and combating the spread of HIV/AIDS. RENEW has also embarked upon a programme addressing gender based domestic violence. Under the project, RENEW will conduct awareness raising workshops in all regions of the country with a focus on gender mainstreaming across the generations. Through this, a network of volunteers to help address gender based domestic violence, HIV/AIDS and reproductive health will be established. RENEW will also conduct field visits to assess the social/economic and health status of women in rural areas. One of the main products will be a documentary, “voice of women in Bhutan”, which will be launched in conjunction with the centenary celebration of the monarchy and will be used as an advocacy material.
- This activity will benefit women in Bhutan in general through enhanced capacity and network of RENEW and their voice will be noticed through dissemination of Voices of women in Bhutan.
 - This activity will cover all regions of Bhutan and women from all walks of life will be invited to the awareness raising workshops.

- 2) Bhutan is known by its unique culture and pristine environment. Handicraft industry is considered as a niche rural industry with potential to grow in culturally vibrant and eco-friendly manner using e.g. organic dyeing and traditional techniques. However, its potential has not yet been exploited and the industry still remains very small with a limited degree of diversity and innovations. The project will work with various training institutions (e.g. Handicraft vocational schools, Vocational centre for disabled, Textile Museum and Handicraft Emporium), private sector (Handicraft Association of Bhutan, Bhutan Chamber of Commerce and Industry, etc) and local artisan groups to develop new products and enhance quality and marketability of the products. Marketing events will be conducted in cooperation with the private sector and the local government, and with participation of local citizens and tourists.
- This activity will benefit around 200 handicraft producers, trainers and trainees.
 - This activity will target rural weavers, producers, trainees and retailers of handicraft products in Bhutan.
- 3) Youth Development Fund (YDF) is a NGO in Bhutan 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. YDF is the only NGO specifically serving for people with disabilities. The project will support YDF to help develop human capacity for social and economic rehabilitation and curriculum to provide access to information and education to people with disabilities. It also supports YDF's scholarship programme for the poor children, vocational training on handicraft for rural women, and rehabilitation / therapeutic programme for drug addicts and alcoholics.
- The direct beneficiaries of the above support are those attendees in the rehabilitation centres, a school for children with disabilities and vocational training with around 100 – 120 children and youth.
 - The selection criteria will basically be those people with disabilities, poor socio-economic background or those youth who are currently in Rehabilitation centre and/or Vocational training centre.

b) Detailed Outputs, Activities and Resource Framework

	Outputs	Activities	Govt Imp Agency	Estimated Resources (US\$)	
Objective I: Improved access and 15 child-friendly schools resulting in higher enrolment and completion of rural children, girls and boys, in primary education. (WFP / UNICEF)	1) Improvement of facilities for three selected boarding schools in vulnerable/food insecure areas. (WFP)	1.1 Identification of remote rural schools requiring improvement of facilities such as hostels, female matron quarters, particularly for girls. 1.2 Construction of three hostels with matron quarters	MoE	0	
	2) Quality enhancement training for district education officers and relevant teachers of remote and rural districts and schools (WFP)	2.1 Develop a training module 2.2 Conduct quality enhancement training 2.3 Get a feedback from trainings and incorporate into quality enhancement (covered under 4.1-4.4)	MoE	180,000 0 15,000 0	
	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)	3.1 Identify 15 community primary schools for training on child friendly schools. 3.2. Develop and produce child friendly school learning and monitoring tools and materials. 3.3 Conduct training for teachers of the 15 selected schools and for the district education officers and officials of Ministry of Education.	MoE	0 28,000 65,000	
	4) Monitoring and participatory assessment for continuous quality enhancement (WFP and UNICEF for both Output 1 and 2)	4.1 Improve monitoring system (WFP) 4.2 Visit schools for monitoring and assessment (WFP) 4.3 Engage counterparts for participatory monitoring and assessment (WFP) 4.4 Reflect the finding and improve quality (WFP) 4.5 Develop a mechanism for child friendly school self-assessment.(UNICEF) 4.6 Involve communities and counterparts in monitoring 15 CFS schools. (UNICEF)	MoE	1,000 6,000 2,000 0 5,000 4,000	
	Objective I Sub Total				306,000

	Outputs	Activities	Govt Imp. Agency	Estimated Resources
Objective II:	Provision of clean drinking water in 20 community schools, latrine in 8 schools and kitchens	1.1 Needs assessment of rural community schools in terms of kitchen/stores.	MoE	0
	2) Provide capacity-building assistance to Ministry of Education. (WFP)	1.2 Construction of kitchens including fuel efficient stoves and food storage facilities		182,000 (13,000x 14)
	3) Provision of latrine in 8 selected community primary schools as the community's environment and sanitation models (UNICEF)	2.1 Provision of training to approx. 60 cooks and storekeepers in nutritional cooking and proper storage of foods;	MoE	16,000
	4) 20 selected schools in remote communities are provided with clean drinking water. (UNICEF)	3.1 Select the 8 community primary schools	MoE / MoH	120,000 (15,000 x8)
	5) Awareness on the importance of inclusive education, and health/sanitation (hygiene, waste management, use of latrines, etc.) raised in the unreached communities. (UNICEF)	3.2 Construct the latrines in 8 community primary schools		
		4.1 Select the 20 community primary schools in remote communities.	MoE / MoH	120,000 (6,000x 20)
		4.2 Install clean drinking water facilities in 20 community primary schools.		6,000
		4.3 Train teachers in the 20 community primary schools on hygiene education.		
		5.1 Undertake village-level campaigns in selected areas through traditional media, graphics and training.	MoE / District Govts	35,000 (Local expert: 6000, Field works 17000, Media 10000, Materials 2000)
	Objective II Sub Total			479,000

Objective III:	Outputs	Activities	Govt Imp. Agency	Estimated Resources													
<p>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 (UNICEF / UNFPA / UNDP)</p>	<p>1. Increased outreach and quality of non-formal education (NFE) in targeted rural communities (UNICEF)</p>	<p>1.1. Include life skills/food security/children with special needs education into the NFE curriculum and establish linkage with other vocational training</p> <p>1.2. Develop local language (Dzongkha) NFE teaching courses and materials.</p> <p>1.3. Recruit resource persons and provide technical assistance on adult teaching and impact analysis</p> <p>1.4. Conduct training for NFE instructors</p> <p>2.1. Develop teaching and learning materials on reproductive health, HIV and gender using visuals, dramas and local languages.</p> <p>2.2. Conduct training of trainers as well as training of NFE teachers and other community resource persons</p> <p>2.3. Monitor the progress and impacts of the learning</p> <p>3.1 Recruit national consultants/UNVs to manage and monitor product development and marketing.</p> <p>3.2. Conduct participatory needs assessment of rural poor households, particularly women and unemployed youth/school leavers.</p> <p>3.3. Identify and recruit local resource persons as village skill instructors</p> <p>3.4. Identify marketable products</p> <p>3.5. Conduct skill development courses in NFE and other rural facilities</p> <p>3.6. Provide improved tools and equipment for training and quality product development.</p> <p>3.7. Facilitate the formation of village producers groups/cooperatives</p> <p>3.8. Conduct field monitoring and enhance coordination with extension workers, private sector and BDFC.</p> <p>4.1. Recruit national experts and UNVs to support community center management and application development.</p> <p>4.2. Identify and procure appropriate ICT facilities for 10 community centers</p> <p>4.3. Coordinate with NFE and skill development classes to capacitate the centers to provide better learning environment and access to information.</p> <p>4.4. Produce the community center management manuals and pilot the cost recovery models to enhance sustainability.</p> <p>4.5. Provide regular monitoring and technical backstopping support.</p>	<p>MoE</p> <p>MoH</p> <p>MTI (MoA)</p> <p>MoIC</p>	<p>12,000</p> <p>8,000</p> <p>23,000</p> <p>50,000</p> <p>20,000</p> <p>20,000</p> <p>8,000</p> <p>35,000</p> <p>5,000</p> <p>30,000</p> <p>0</p> <p>50,000</p> <p>50,000</p> <p>0</p> <p>15,000</p> <p>70,000</p> <p>70,000</p> <p>5,000</p> <p>10,000</p> <p>12,000</p> <p>493,000</p>													
		<p>2. Provision of reproductive health, HIV/AIDS and gender classes as part of NFE</p>	<p>2.1. Recruit national consultants/UNVs to manage and monitor product development and marketing.</p> <p>2.2. Conduct training of trainers as well as training of NFE teachers and other community resource persons</p> <p>2.3. Monitor the progress and impacts of the learning</p> <p>3.1 Recruit national consultants/UNVs to manage and monitor product development and marketing.</p> <p>3.2. Conduct participatory needs assessment of rural poor households, particularly women and unemployed youth/school leavers.</p> <p>3.3. Identify and recruit local resource persons as village skill instructors</p> <p>3.4. Identify marketable products</p> <p>3.5. Conduct skill development courses in NFE and other rural facilities</p> <p>3.6. Provide improved tools and equipment for training and quality product development.</p> <p>3.7. Facilitate the formation of village producers groups/cooperatives</p> <p>3.8. Conduct field monitoring and enhance coordination with extension workers, private sector and BDFC.</p> <p>4.1. Recruit national experts and UNVs to support community center management and application development.</p> <p>4.2. Identify and procure appropriate ICT facilities for 10 community centers</p> <p>4.3. Coordinate with NFE and skill development classes to capacitate the centers to provide better learning environment and access to information.</p> <p>4.4. Produce the community center management manuals and pilot the cost recovery models to enhance sustainability.</p> <p>4.5. Provide regular monitoring and technical backstopping support.</p>	<p>MTI (MoA)</p>	<p>35,000</p> <p>5,000</p> <p>30,000</p> <p>0</p> <p>50,000</p> <p>50,000</p> <p>0</p> <p>15,000</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 and organize village skills/product/market development courses covering 50 villages.</p>	<p>3.1 Recruit national consultants/UNVs to manage and monitor product development and marketing.</p> <p>3.2. Conduct participatory needs assessment of rural poor households, particularly women and unemployed youth/school leavers.</p> <p>3.3. Identify and recruit local resource persons as village skill instructors</p> <p>3.4. Identify marketable products</p> <p>3.5. Conduct skill development courses in NFE and other rural facilities</p> <p>3.6. Provide improved tools and equipment for training and quality product development.</p> <p>3.7. Facilitate the formation of village producers groups/cooperatives</p> <p>3.8. Conduct field monitoring and enhance coordination with extension workers, private sector and BDFC.</p> <p>4.1. Recruit national experts and UNVs to support community center management and application development.</p> <p>4.2. Identify and procure appropriate ICT facilities for 10 community centers</p> <p>4.3. Coordinate with NFE and skill development classes to capacitate the centers to provide better learning environment and access to information.</p> <p>4.4. Produce the community center management manuals and pilot the cost recovery models to enhance sustainability.</p> <p>4.5. Provide regular monitoring and technical backstopping support.</p>	<p>MoIC</p>	<p>70,000</p> <p>70,000</p> <p>5,000</p> <p>10,000</p> <p>12,000</p>								
										<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>	<p>4.1. Recruit national experts and UNVs to support community center management and application development.</p> <p>4.2. Identify and procure appropriate ICT facilities for 10 community centers</p> <p>4.3. Coordinate with NFE and skill development classes to capacitate the centers to provide better learning environment and access to information.</p> <p>4.4. Produce the community center management manuals and pilot the cost recovery models to enhance sustainability.</p> <p>4.5. Provide regular monitoring and technical backstopping support.</p>	<p>MoIC</p>	<p>70,000</p> <p>70,000</p> <p>5,000</p> <p>10,000</p> <p>12,000</p>				
														<p>Output III Sub Total</p>	<p>Output III Sub Total</p>	<p>Output III Sub Total</p>	<p>493,000</p>

	Outputs	Activities	Govt Imp Agency	Estimated Resources
Objective IV: Micro finance services for the rural poor households, particularly women, improved reaching the unreached. (UNDP/ UNV)	1. Participatory assessment on the needs and utility of micro finance services among rural poor households, particularly women	1.1. Recruit international UNVs and local experts to undertake rural financial sector assessment and financial product development.	BDFC	38,000
		1.2. Conduct participatory needs assessment		2,000
	2. Increased quality and outreach of microfinance services (credit and saving) through enhanced capacity of BDFC outreach staff.	2.1. Develop management and training manuals	BDFC	2,000
		2.2. Provide training of trainers and multiplier training		12,000
		2.3. Establish a monitoring and evaluation mechanism for rural microfinance schemes.		18,000
		2.4. Conduct field visit to monitor and assess the performance.		4,000
	3. Enhanced financial management capacity of rural farmer groups, cooperatives and SMEs.	3.1. Develop financial management guidelines for rural SMEs, cooperatives and farmers group to enhance financial management ability and to have a better access to financial institutions. 3.2. Conduct advocacy and training activities for rural self-help groups and cooperatives including women on basic concept, products and management of microfinancing. 3.3. Pilot microfinance with rural producer groups in conjunction with community income / employment generation component.	BDFC (MoF / MTI/MoA)	2,000
			8,000	
			15,000	
	Objective IV Sub Total			101,000

	Output	Activities	Govt Imp. Agency	Estimated Resources	
Objective V: Increased jobs, self-employment and small business to reduce unemployment, particularly among youth and women. (UNDP/ UNV)	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	1.1. Undertake the field research/analysis.	MoE / MoLHR	2,000	
		1.2. Present the finding to stakeholders and finalize the report		1,000	
		2. Development of job matching and counselling programmes linking the supply side and demand side	2.1. Recruit international consultants/UNV	MoE / MoLHR	70,000
			2.2. Strengthen job counselling services		10,000
			2.3. Improve job portal incorporating additional features and information.		12,000
	2.4. Conduct students and job seekers seminars/forum.		17,000		
	2.5. Conduct employers' seminars/forum		10,000		
	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.	3.1. Develop an apprenticeship and business advisory service programmes.	3.1. Develop an apprenticeship and business advisory service programmes.	MoLHR (MTI /MoA/ BCCI)	2,000
			3.2. Advertise the programme through media and other means.		2,000
			3.3. Identify local entrepreneurs and companies that are willing to provide apprenticeship training to job seekers.		0
			3.4. Identify the candidates for apprenticeship training		0
			3.5. Develop course guide/training for apprenticeship and business development.		2,000
			3.6. Conduct apprenticeship training.		70,000
			3.7. Conduct business advisory service		10,000
	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.	4.1. Advertise the programme through media and other means.	4.1. Advertise the programme through media and other means.	MoLHR	3,500
			4.2. Select the business proposals for support.		0
			4.3. Provide technical and material support for start up.		70,000
4.4. Provide financial support for start-up.			100,000		
4.5. Conduct close monitoring and assessment.			6,500		
Objective V Sub Total				388,000	

	Outputs	Activities	Govt imp. Agency	Estimated Resources
Objective VI: Capacity of civil society organisations enhanced in supporting vulnerable populations and promoting gender equality (UNFPA/UNDP)	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.	1.1. Establish a team of local experts and volunteers	RENEW	16,000
		1.2. Conduct field visits including remote regions to assess and document rural women's views and status of development.		7,000
		1.3. Conduct awareness raising activities for rural women on gender, reproductive health and HIV/AIDS.		5,000
		1.4. Awareness raising on Gender based violence		9,000
		1.5. Produce documentary of voices of women in Bhutan as an educational and advocacy material..		18,000
		1.6. Advocate through launch and dissemination of the voices of Bhutanese women.		10,000
		1.7. Establish a women support network including rural areas through NFE teachers and community support groups.		4,000
	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.	2.1. Identify local and international resource persons/experts for product development and creating a craft network in the region.	MTI (Handicraft Association)	23,000
		2.2. Facilitate institutions of Bhutanese arts and craft development and their networking for creating viable business models also in connection with community income / employment generation programme.		12,000
		2.3. Based on the needs, conduct training and workshops on product development, branding, UNESCO seals of excellence and marketing.		12,000
		2.4. Conduct strategic partnership seminars and marketing events linking the producers with buyers, tourists as well as tourism and hotel industries.		34,000
	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.	3.1. Provide job/skill training support as an integral part of rehabilitation programme for youth with drug/alcoholic problems.	YDF	12,000
		3.2. Provide vocational training and tools for young girls (school leavers) from rural communities		14,000
		3.3. Enhance human resource capacity in teaching methods and curriculum development for people with disabilities through community based rehabilitation.		14,000
		3.4. Mobilise and establish village youth volunteers through the Youth Volunteers in Action, to promote community self help and peer support among rural youth.		8,000
		3.5. Provide scholarships for children of poor households to obtain basic education.		12,000
Output VI Sub Total			218,000	

Project Evaluation	Recruit an independent project evaluation team and facilitate the field mission, consultation and quality improvements.		28,000
GRAND TOTAL (excluding support costs)			2,013,000

MoE: Ministry of Education
 MoH: Ministry of Health
 MoA: Ministry of Agriculture
 MoF: Ministry of Finance
 MoLHR: Ministry of Labour and Human Resources
 MTI: Ministry of Trade and Industry
 MoIC: Ministry of Information and Communication
 BDFC: Bhutan Development Finance Corporation
 RENEW: Respect, Educate, Nurture and Empower Women
 YDF: Youth Development Fund

c) Performance Indicators

Expected Results/Outcomes	Performance Indicators	Baseline Situation	Means of Verification
Objective 1. Improved access to primary education for rural children and make rural schools child-friendly.	Change in the Primary net enrolment rate in target Geog/Dzongkhag from 2005 to 2008	Geog primary net enrolment rate 2006	Ministry of Education
	Increased number of students, particularly girls in the selected Geog/Dzongkhag	Geog / Dzongkhag wise students enrolment (gender disaggregated) in 2006	Ministry of Education
Objective 2. Improved school sanitation and environment in selected rural schools through provision of clean drinking water, latrine and shower blocks, and kitchens with fuel efficient stoves.	Gender Parity Index on the selected Dzongkhags	Dzongkhag level Gender Parity Index in 2006	Ministry of Education
	The number of hostels upgraded	Currently all are in poor conditions	Ministry of Education
	A number of schools supported with functional water and sanitation facilities in the selected Dzongkhags	Not available in 2006	Ministry of Education
Objective 3. 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 10 Integrated Community Development Centers,	Reduced drop-out rate in targeted schools (no more than 5%)	Drop-out rates in targeted schools in 2006	Ministry of Education
	A number of schools supported in school feeding facilities in the selected Dzongkhags	Not available in 2006	Ministry of Education, WFP
	An increased number of rural illiterates, particularly women, who become literates through NFE	22% of rural population is literate and women's literacy rate is 14.3%. (Literacy rate in the project areas could be even less)	Literacy report of the Ministry of Education. Successful completion rate of NFE.
Objective 4. Increased awareness of rural families including adolescence on HIV/AIDS, reproductive health and gender equality	Increased awareness of rural families including adolescence on HIV/AIDS, reproductive health and gender equality	In rural villages, the awareness level is very limited and there is no activity relating to gender equality.	Field monitoring and interviews.
	Rural families of 50 villages trained under village skill training programmes and, at least, twenty different products piloted and marketed through "One village One product" concept.	No village skill training is available. Currently those products are sold within nearby communities and not in major markets.	Filed monitoring and evaluation.
At least, 10 new community centers equipped with ICT facilities serving for rural population.	Integrated community centers equipped with ICT facilities serving for rural population.	Integrated community center is a new concept and in initial stage of development	Field monitoring and inspection

Objective 4. Enhanced outreach of micro finance services for the rural poor households, particularly women.	Increased number of rural people having access to financial services, particularly, micro-saving.	BDFC has initiated micro-saving programme in 2005. Currently it has XXX clients in rural areas.	BDFC report.
	Rural guarantee schemes or cooperative financing piloted.	Currently it is not in existence.	Field monitoring.
Objective 5. Increased small business, job, and self-employment to reduce unemployment.	Financial sustainability through reduced PAR (Portfolio at risk) rate of BDFC.	Portfolio at risk at the end of 2006.	BDFC
	Number of school leavers who found gainful jobs through job counseling and job fairs	There is an on-going programme and the data in 2006 will be used.	Ministry of Labour and Human Resources
	Number of people who became skilled workers through apprenticeship training and the number of people employed including self-employment.	None in 2006.	Project progress and evaluation report.
	50 small enterprises or businesses supported providing employment or income opportunities for no less than 300 unemployed by the end of the project.	None in 2006.	Project progress and evaluation report.
Objective 6. Capacity of civil society organizations enhanced in supporting vulnerable populations and promoting gender equality.	Increased public awareness on gender particularly domestic violence and women's access to protection and judiciary services	Very limited, particularly in rural areas.	Field monitoring and interviews.
	Increased income opportunities for poor students and women through enhanced quality and marketability of their traditional handicraft products	Very limited.	
	Number of out-of school children and youth in difficult circumstances regaining access to education or vocational training through NGO programmes.	No programme in the project areas.	Field monitoring and evaluation.

d) External factors/risk analysis

As the dependency attitude towards the central government is high among rural community members, the project may face difficulty in ensuing community participation, ownership and thus self-sustained community development. Public awareness and education at the village level can serve as a risk management strategy which increases likelihood of villagers aligning their priorities with the project is high.

7. Implementation and Partnership strategy

Roles of UN Agencies: Following *the Guidance Note on Joint Programming (UN Development Group)* regarding the pass-through fund management for joint programmes, UNDP will serve as the Administrative Agent, who will sign a Letter of Agreement with the Human Security Unit of the Office for the Coordination of Humanitarian Affairs in respect of the proposed joint project. UNDP, as the Administrative Agent, shall also sign a Memorandum of Understanding with the participating UN Agencies. Each participating UN agencies, namely, UNICEF, WFP, UNFPA, UNV and UNDP will be responsible of supporting the respective national implementing partners in the management, monitoring and reporting of their respective project components. UNDP shall put together all the reports and submit a consolidated narrative and financial reports to the Human Security Unit of the Office for the Coordination of Humanitarian Affairs.

Coordination with other Donors: Coordination with other donors is being undertaken through regular donor meetings as well as thematic donor coordination meeting hosted by the Royal Government of Bhutan in the area of education, health, poverty and private sector development. DANIDA, JICA, WB, ADB and IFAD are supporting relatively large-scale rural infrastructure development to improve access of the rural community to information, market and social services, while UN Agencies are focusing on technical assistance and smaller scale community-based socio-economic facilities. SNV provides technical expertise in the area of rural enterprise development, decentralisation and micro-saving in close cooperation with UNDP. The proposed project is very much in line with the existing coordination approaches of donors and the Royal Government of Bhutan based on the comparative advantages of UN Agencies.

8. Sustainability

Project Sustainability will be strengthened through the formation of local community group for managing community level developmental activities including construction works as well as the engagement of local NGOs. The project's objective and the proposed activities are in line with the national development plan and strategies. Therefore, the implementation of the project will be fully integrated into the ongoing and future development programmes of the relevant Ministries and organizations of the Royal Government of Bhutan, ensuring the strong ownership and long-term sustainability.

9. Public affairs and communications

The media including radio, television, and newspapers will be used to disseminate vision, experience, and achievements of the project to target beneficiaries and stakeholders throughout the implementation process. Extra emphasis will be put on use of radio since it is multilingual and can reach the remotest areas of the country. Regular meetings with project partners and development forum and newsletters will be used to network and share information.

Success stories and knowledge gained from the project will be shared through regular reports and publications, workshops and seminars.

10. Monitoring and evaluation plan

As described above, participatory needs assessments and situation analysis using updated data and information will be undertaken at the beginning of the project, which will in turn help establishing the baseline for each component against which the progress can be measured.

On quarterly basis, respective component task-force meetings will be held to review the progress of each and every outputs. The overall project steering committee meeting will be organized, twice a year including mid-term review and project evaluation, with participation of all implementing and cooperating partners to review the overall progress and agree-on the future plan of actions.

Mid-term review

Mid-term review of the project is planned at the early 2008 about 15 months from the start of the implementation. Each task-force team of the project will be responsible to conduct the mid-term review of their respective component. The mid-term review findings will be shared with all stakeholders and will be thoroughly analysed at the Steering Committee meeting where necessary adjustment and follow up action will be determined. Mid-term review will look into operational issues as well as the progress using the performance indicators outlined in the section 6 (c). The review can also serve as an opportunity for reflection, allowing the programme partners to make course corrections and refine implementation targets, modalities and timeframes, as needed.

Project evaluation

A participatory project evaluation based on the input of all key stakeholders, including the primary and secondary beneficiaries, will be held after two years of the project implementation. The project evaluation will be conducted by an independent team of, local and international, experts under the guidance of the Project Steering Committee composed of UNDP/UNV, WFP, UNICEF and UNFPA from the UN Agency side, and the relevant Ministries of the Royal Government of Bhutan. A project evaluation report including the deliberations of the Steering Committee will also be submitted to the Human Security Unit.

11. Administration and financial management

a) Management structure and financing arrangements

Project Management: The UNHSF project will be managed by a project steering committee composed of UNDP/UNV, WFP, UNICEF and UNFPA from the UN Agency side, and the relevant Ministries of the Royal Government of Bhutan: namely, Department of Aid and Debt Management/Ministry of Finance, the Ministry of Education, and the Ministry of Labour and Human Resources. The Ministry of Trade and Industry, the Ministry of Agriculture, the Bhutan Development Finance Cooperation, national NGOs and the Bhutan Chamber of Commerce and Industry will also be invited to the meeting when their activities are on the agenda for discussion. There will be working level task-forces to each of six components to ensure effective and efficient implementation of each output.

b) Financial reporting

UNDP will be responsible for reporting to the UN Controller on behalf of the UN implementing agencies.

c) Work plan (please refer to Summary Work Plan tables attached.)

Work Plan

Objective I Improved access to primary education for rural children and make rural schools child-friendly. (WFP / UNICEF)

Expected outputs	Activities	Time Frame													
		2007				2008				2009					
		Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4				
1) Improvement of facilities for three selected boarding schools in vulnerable/food insecure areas. (WFP)	1.1 Identification of remote rural schools requiring improvement of facilities such as hostels, female matron quarters, particularly for girls.	X								X					
	1.2 Construction of three hostels with matron quarters.														
	2.1 Develop a training module														
2) Quality enhancement training for district education officers and relevant teachers of remote and rural districts and schools (WFP)	2.2 Conduct quality enhancement training	X	X	X	X					X					
	2.3 Get a feedback from trainings and incorporate into quality enhancement													X	
	3.1 Identify the 15 community primary schools for training on child friendly schools.														
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)	3.2 Conduct training for teachers of the 15 selected schools and for the district education officers and officials of Ministry of Education.														
	3.1 Identify the 15 community primary schools for training on child friendly schools.	X													
	3.2 Conduct training for teachers of the 15 selected schools and for the district education officers and officials of Ministry of Education.														
4) Monitoring and participatory assessment for continuous quality enhancement (WFP and UNICEF for both Output 1 and 2)	4.1 Improve monitoring system	X	X												
	4.2 Visit schools for monitoring and assessment		X	X	X					X	X	X			X
	4.3 Engage counterparts for participatory monitoring and assessment		X							X					X
	4.4 Reflect the finding and improve quality											X			
	4.5 Develop a mechanism for child friendly school self-assessment	X													
	4.6 Involve communities and counterparts in monitoring 15 CFS schools. Develop a mechanism for child friendly school self-assessment.									X			X	X	

**Objective IV
Sustainable Micro Saving /Credit Service for the Rural Poor Households, particularly women (UNDP/
UNV)**

Expected outputs	Activities	Time Frame											
		2007				2008				2009			
		Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4		
1) Participatory assessment on the needs and utility of micro finance services among rural poor households, particularly women	1.1. Recruit international UNVs and local experts to undertake rural financial sector assessment and financial product development.			X	X	X	X						
	1.2. Conduct participatory needs assessment		X										
	2.1. Develop management and training manuals		X	X	X								
	2.2. Provide training of trainers and multiplier training			X	X	X				X			
2) Increased quality and outreach of microfinance services (credit and saving) through enhanced capacity of BDFC outreach staff.	2.3. Establish a monitoring and evaluation mechanism for rural microfinance schemes		X	X	X								
	2.4. Conduct field visit to monitor and assess the performance.			X	X	X			X	X	X		X
	3.1. Develop financial management guidelines for rural SMEs, cooperatives and farmers group to enhance financial management ability and to have a better access to financial institutions.	X		X									
	3.2. Conduct advocacy activities for rural self-help groups and cooperatives including women on basic concept, products and management of microfinancing.			X	X	X			X	X			
3) Enhanced financial management capacity of rural farmer groups, cooperatives and SMEs	3.3. Pilot microfinance with rural producer groups in conjunction with "one village one product" component by "one village one product" component.			X	X	X			X	X	X	X	X

**Objective VI
Strengthened Civil Society Organizations supporting vulnerable population and promoting gender equality (UNFPA/UNDP)**

Expected outputs	Activities	Time Frame												
		2007				2008				2009				
		Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4			
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.	1.1. Establish a team of local experts and volunteers	X	X	X	X	X	X	X	X	X	X	X	X	
	1.2. Conduct field visits including remote regions to assess and document rural women's views and status of development.	X	X	X	X	X	X	X	X	X	X	X	X	
	1.3. Conduct awareness raising activities for rural women on gender, reproductive health and HIV/AIDS.	X	X	X	X	X	X	X	X	X	X	X	X	
	1.4. Awareness raising on gender based violence	X	X	X	X	X	X	X	X	X	X	X	X	
	1.5. Produce documentary of voices of women in Bhutan and other educational materials.													
	1.6. Advocate through launch and dissemination of the voices of Bhutanese women.					X	X	X	X					
	1.7. Establish a women support network including rural areas through NFE teachers and community support groups		X	X	X									
	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.	2.1. Identify local and international resource persons/experts for product development and creating a craft network in the region.	X	X	X	X	X	X	X	X	X	X	X	X
		2.2. Facilitate institutions of Bhutanese arts and craft development and their networking for creating viable business models also in connection with one village one product programme.		X	X	X	X	X	X	X	X	X	X	X
		2.3. Based on the needs, conduct training and workshops on product development, branding, UNESCO seals of excellence and marketing.			X	X	X	X	X	X	X	X	X	
		2.4. Conduct strategic partnership seminars and marketing events linking the producers with buyers, tourists as well as tourism and hotel industries.			X	X	X	X	X	X	X	X	X	
	3) 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.	3.1. Provide job/skill training support as an integral part of rehabilitation programme for youth with drug/alcoholic problems.	X	X	X	X	X	X	X	X	X	X	X	
		3.2. Provide vocational training and tools for young girls (school leavers) from rural communities.	X	X	X	X	X	X	X	X	X	X	X	
		3.3. Enhance human resource capacity in teaching methods and curriculum development for people with disabilities through community based rehabilitation.	X	X	X	X	X	X	X	X	X	X	X	
		3.4. Mobilise and establish village youth volunteers through the Youth Volunteers in Action, to promote community self help and peer support among rural youth.	X	X	X	X	X	X	X	X	X	X	X	
		3.5. Provide scholarships for children of poor households to obtain basic education	X	X	X	X								
		3.6. Conduct monitoring, document best practices/stories and produce periodic reporting of NGO activities supported under the project.		X		X			X			X		X

