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INDEPENDENT COUNTRY PROGRAMME EVALUATION BHUTAN



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FOREWORD

I am pleased to present the Independent Country Programme Evaluation of the United Nations Development Programme (UNDP) for the Kingdom of Bhutan. This is the third assessment carried out by the Independent Evaluation Office (IEO) of UNDP for the country.

Bhutan's development paradigm has been guided, since the 1970s, by the philosophy of 'Gross National Happiness'. Since 2006, when IEO's first evaluation was conducted, the country has been in transition on several fronts. Although the country continues to face some challenges, notably in the areas of access to justice, gender and regional inequality in the context of urbanization, it has witnessed steady progress in its economic performance, poverty reduction and governance, while keeping its commitment to global environmental efforts. Bhutan aspires to graduate from its current least developed country category to a developing country by 2023.

This evaluation finds that UNDP has navigated the dynamic development context of Bhutan well. UNDP's programme has been highly relevant to the national priorities and has supported key areas in governance such as the Sustainable Development Goals (SDGs), public service delivery and elimination of Gender-Based Violence (GBV). It also has supported environment, climate change and poverty reduction, in areas such as climate resilience and livelihood, Greenhouse Gas and forest management, biodiversity conservation, innovative financing and climate change information and research. UNDP provided timely and appropriate support to crisis response during the COVID-19 pandemic, in the rolling out of the vaccination campaign and innovative health service delivery.

Important results have been achieved in several areas, such as enhanced government capacities to monitor progress on the SDGs and to conduct climate research and assessment, as well as in provision of digital solutions for inclusive and efficient public service delivery, increased political commitment to eliminating GBV, climate proofing of rural livelihood infrastructure, promotion of electric vehicles for public transport, renewable energy and municipal waste management, biodiversity and tourism integration, and partnerships, especially with civil society organizations. The achievement and sustainability of results continue to be impacted by resource constraints and limited institutional capacity at the subnational level, in addition to the interruptions caused by the pandemic.

As UNDP prepares for its new country programme cycle, the Bhutan Country Office should intensify engagement with the Government on capacities in monitoring and evaluation of the SDGs and scale up its footprint and results in the areas of GBV elimination, Leave No One Behind and youth programming. UNDP also should reinforce its positioning in sustainable environment management and disaster risk management, while stepping up its efforts in the integration of climate resilience with livelihoods and innovative financing. In doing so, UNDP should consider adopting a holistic approach to digital transformation in e-governance and formalizing a portfolio approach by consolidating upstream and downstream interventions in climate resilience and disaster risk reduction.

I would like to thank the Government of Bhutan, the national stakeholders, colleagues from the UNDP Country Office in Bhutan and the Regional Bureau for Asia and the Pacific for their support throughout the evaluation. I hope that the findings, conclusions and recommendations will strengthen the formulation of the next country programme strategy, with the aim of contributing to more inclusive and sustainable development of Bhutan.



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ACRONYMS AND ABBREVIATIONS

ACC	Anti-Corruption Commission
ACPIs	Anti-Corruption for Peaceful and Inclusive Societies
ADA	Austrian Development Agency
ADB	Asian Development Bank
BIOFIN	Biodiversity Finance Initiative
CEDAW	Convention on the Elimination of All Forms of Discrimination Against Women
CEO	Chief Executive Officer
CSIs	Cottage and Small Industries
CO	Country Office
COVID-19	Coronavirus 2019
CPD	Country Programme Document
CSOs	Civil Society Organizations
DEWA	Dashboard to Enhance Wellbeing for All
DIM	Direct Implementation Modality
DRM	Disaster Risk Management
DTISU	Diagnostic Trade Integration Study Update
EV	Electric Vehicles
FLA	Free Legal Aid
FMUs	Forest Management Units
FYP	Five-Year Plan
GBV	Gender-Based Violence
GCF	Green Climate Fund
GEF	Global Environment Facility
GEP	Gender Equality Policy
GEWE	Gender Equality and Women's Empowerment
GHG	Greenhouse Gas
GNH	Gross National Happiness
GHNC	Gross National Happiness Commission
GRES	Gender Results Effectiveness Scale
HR	Human Resources
ICPE	Independent Country Programme Evaluation
ICT	Information and Communications Technology
iCTGs	Mobile Cardiotocography Devices
IEO	Independent Evaluation Office

IFIs	International Financial Institutions
ILO	International Labour Organization
IPDET	International Program for Development Evaluation Training
JICA	Japanese International Cooperation Agency
JSSP	Justice Sector Strategic Plan
LDCs	Least Developed Countries
LDCF	Least Developed Countries Fund
LGBT/QI	Lesbian, Gay, Bisexual and Transgender/ Queer and Intersex
LNOB	Leave No One Behind
MEL	Monitoring, Evaluation and Learning
MoH	Ministry of Health
MoLHR	Ministry of Labour and Human Resources
MYGF	Multi-year Governance Framework project
M&E	Monitoring and Evaluation
NAP	National Adaptation Plan
NAPA	National Adaptation Programme of Action
NCWC	National Commission for Women and Children
NDC	Nationally Determined Contribution
NIM	National Implementation Modality
NPAGEEO	National Plan of Action for Gender Equality in Elected Office
OAG	Office of the Attorney General
ODA	Official Development Assistance
PES	Payments for Ecosystem Services
PwD	Persons with Disabilities
RBAP	Regional Bureau for Asia and the Pacific
RBM	Results-based Management
RFF	Rapid Financing Facility
RGOB	Royal Government of Bhutan
ROAR	Results-Oriented Annual Report
RRF	Rapid Response Facility
SDGs	Sustainable Development Goals
SNV	Netherlands Development Organization
UN	United Nations
UNDP	United Nations Development Programme
UNFCCC	United Nations Framework Convention on Climate Change
UNFPA	United Nations Population Fund
UNICEF	United Nations Children's Fund
UNSDPF	United Nations Sustainable Development Partnership Framework
WHO	World Health Organization

Evaluation Brief: Bhutan

The Kingdom of Bhutan is a small mountainous landlocked country located in the Eastern Himalayas between India and China. The country's development paradigm has been guided since the 1970s by the philosophy of 'Gross National Happiness' (GNH). Bhutan's economic performance has progressed steadily over the last decade, although it deteriorated in 2020 due to the COVID-19 pandemic. Bhutan is expected to graduate from the group of Least Developed Countries (LDCs) in 2023. The country continues to face regional inequality and poverty in the context of growing urbanization.

After more than a decade of experiencing democracy since 2008, Bhutan still faces challenges in access to justice and governance institutions. This has led the Government to include strengthening justice services and institutions as a new national priority. Environmental conservation is a cornerstone of Bhutan's GNH development philosophy and is embedded in its Constitution. The country is the first in the world to be carbon negative. However, Bhutan also remains highly vulnerable to climate change hazards associated with its fragile mountain ecosystem. It is located in one of the most seismically active zones in the world and has experienced several earthquakes.

This Independent Country Programme Evaluation covers the period from January 2019 to January 2023 in the current country programme cycle (2019-2023). Over this period, UNDP programme expenditure amounted to approximately US\$32 million, consisting of contributions from vertical funds (70.5 percent of expenditure), bilateral/multilateral funds (18.1 percent), UNDP regular resources (10.9 percent) and government funding (0.5 percent). The evaluation covers two programme areas: inclusive and accountable governance and equality; and resilience of vulnerable groups to climate change and natural disasters.

Key findings and conclusions

In the area of **governance and civil society organizations**, UNDP has maintained a strong value proposition and positioned itself as a partner of choice for the Government of Bhutan, contributing to the advancement of the country's democratic governance in both the justice sector and the Parliament. As the Government's priorities changed due to the COVID-19 pandemic, UNDP swiftly changed its approach and programming to support the Government's commitment to digitalization in public service delivery. Such work remains incipient but has an enormous transformation potential for the country. UNDP also supported the establishment of an online SDG Dashboard and capacity development of the Parliamentary Commissions in the integration, monitoring and reporting of SDGs, although such efforts have not yet been consolidated to achieve meaningful results at the local level and are yet to be used to inform legislation and policies.

In the area of **environment, climate change and poverty reduction**, UNDP supported the Government of Bhutan in addressing key climate change challenges posed to rural local communities and their livelihoods by introducing climate smart agriculture and infrastructure resilient to climate change and by developing and implementing the low emission development strategy and innovative green financing. The overall UNDP programme funding has remained heavily skewed towards the environment and climate change due to over-dependence on vertical environmental funds. Results achieved in livelihood were valuable but limited and insufficiently captured by the Monitoring and Evaluation (M&E) system. Progress also has been largely rurally based, while a growing urban population and accompanying pressure on the urban environment has opened up new opportunities to build urban resilience to climate change.

UNDP efforts in mainstreaming **gender and Leave No One Behind (LNOB)** in its programmes has yielded important contributions in identifying, targeting, empowering and addressing the inequality of vulnerable groups, including women, youth, persons with disability and LGBTQI. Notably, UNDP opened policy space and advocated for the rights of women through the development of the first ever Gender Equality Policy. By adopting a systems approach, UNDP also has helped the Government to identify the root causes of youth unemployment and has offered a portfolio of solutions to address this challenge. However, policies and legislation are not fully established and implemented to effectively achieve transformational results and secure national ownership in gender and youth empowerment.

The Country Programme Document (CPD) 2019-2023 was implemented in a difficult environment due to the outbreak of the **COVID-19 pandemic** in March 2020. UNDP promptly repurposed its programme to support national and local stakeholders to respond to the health and socio-economic crises unleashed by the COVID-19 pandemic. UNDP pivoted some of its priorities, such as its planned work on decentralization, to support public service delivery. UNDP also took rapid action on Gender-Based Violence (GBV) incidence. Beyond the relevance and impact of results achieved, UNDP involvement created important programmatic pathways in terms of new areas of work and reinforced partnerships with both government and civil society. Even though UNDP was not a conventional actor in the health sector, it provided much needed support to the roll out of the vaccination campaign and became a key development actor in Bhutan on digital public service and innovation.

Despite a strong **strategic positioning** in the country, UNDP only managed to make a symbolic dent on cost-sharing. UNDP is perceived as a credible provider of development services by both national and international stakeholders and as an authority on justice sector reforms, public service delivery and environmentally sustainable and climate-resilient economic development. During this programme cycle, UNDP has reconfigured its value proposition around key areas of support such as public service delivery and innovation, ensuring its continued relevance and contribution to Bhutan's development. However, this positioning has not yet translated into an upscaling of cost-sharing by the Government.

During this programme cycle, UNDP made significant efforts to strengthen its **M&E function**, with several encouraging results and new initiatives. The integration of the communication function within the results-based management (RBM) system was instrumental in bolstering the impact and effectiveness of the Country Office communication strategy with the design of dedicated communication tools. The effectiveness of the overall RBM structure has been challenged by its relatively small size and the several functions it performs besides M&E activities, as well as by travel restrictions for M&E missions, and the high number of national implementation modality (NIM) interventions for which UNDP heavily relies on national counterparts' M&E systems and reporting.

The evaluation culture improved under the new Country Office leadership, with emphasis given to increasing the Country Office M&E capacity. Notably, this allowed the first impact evaluation on climate resilience infrastructure in the country to be conducted. On the other hand, the Country Office decentralized evaluation plan for the 2019-2023 programme aimed to produce 10 evaluations over the cycle but only completed two. Only four UNDP Bhutan staff enrolled in the UNDP evaluation certified training, and three completed the course.

Recommendations

Recommendation 1: Capitalizing on the positive foundation created during the current programme cycle, UNDP should strengthen its support to national partners to overcome the structural barriers for youth employment and empowerment. This should include fortifying national ownership, leveraging strategic partnerships and increasing the emphasis on building the necessary conducive enabling environment.

Recommendation 2: Building on the achievements of the current programme, UNDP should expand its support to the Royal Government of Bhutan (RGOB) for digitalization and e-governance by adopting a holistic approach to digital transformation. Additional support should be provided to ensure the safety and security of online systems and to avoid exacerbating the digital divide.

Recommendation 3: To reinforce UNDP development results and footprint on Leave No One Behind in Bhutan, UNDP should conduct a new Vulnerability Assessment in the country. Key partners, such as the Government and CSOs, also should be better equipped through tailored capacity development programmes to improve their implementation capacities to ensure that the needs of the most vulnerable are addressed.

Recommendation 4: UNDP should reinforce its positioning in the management of the environment in urban landscapes, integrating climate and disaster resilience with urban livelihoods. UNDP also should leverage its expertise and long history in working on disaster risk management by strengthening its upstream support in this area. By doing so, UNDP should consider formalizing a portfolio approach by consolidating upstream and downstream interventions into a coherent and interconnected programme.

Recommendation 5: UNDP should support RGOB's Monitoring and Evaluation ecosystem to generate timely information for the monitoring of SDGs, decision-making and knowledge management, and to appropriately capture UNDP contributions to transformative change in Bhutan.

CHAPTER 1

BACKGROUND AND INTRODUCTION



This chapter presents the purpose, objectives, and scope of the evaluation and the methodology applied. It lays out the development context of Bhutan and introduces the UNDP country programme.

1.1 Purpose, objectives and scope of the evaluation

The Independent Evaluation Office (IEO) of the United Nations Development Programme (UNDP) conducts Independent Country Programme Evaluations (ICPEs) to capture and demonstrate evaluative evidence of UNDP's contributions to development results at the country level and the effectiveness of UNDP's strategy in facilitating and leveraging national efforts to achieve development results. ICPEs are independent evaluations carried out within the overall provisions contained in the UNDP Evaluation Policy.¹

This is the third country-level evaluation conducted by the IEO² in Bhutan. An Assessment of Development Results (ADR) was carried out in 2006 and an ICPE was carried out in 2017. This ICPE covers the period from January 2019 to January 2023 of the current country programme cycle (2019-2023). The scope of the ICPE includes all UNDP activities in the country and interventions financed by all sources of funding, including UNDP core resources, donor funds, and government funds. The ICPE also covers any projects and activities from the previous programme cycle that either continued or concluded in the current programme cycle in accordance with the evaluation Terms of References (See Annex 1, available online).

The ICPE is guided by four main evaluation questions (see Box 1). It presents findings, conclusions and recommendations, and will serve as an input to the development of UNDP's new Bhutan Country Programme Document (CPD) for 2024-2028.

The main audiences for the evaluation are the UNDP Bhutan Country Office (CO), the Regional Bureau for Asia and the Pacific (RBAP), the UNDP Executive Board, and the Royal Government of Bhutan (RGOB).

1.2 Evaluation methodology

The evaluation assessed the effectiveness of UNDP's programme by analysing progress towards the achievement of the expected outputs, and the extent to which those outputs contributed to the intended outcomes, as defined in the Country Programme Document (CPD). To better understand UNDP's performance and the sustainability of results, the ICPE then examined the specific factors that have influenced, positively or negatively, the country programme. UNDP's capacity to adapt to the changing contexts and respond to national development needs and priorities also were examined.

BOX 1. Evaluation questions

1. What did the UNDP country programme intend to achieve during the period under review?
2. To what extent has the programme achieved (or is likely to achieve) its intended objectives?
3. To what extent has UNDP been able to adapt to the COVID 19 pandemic and support the country's preparedness, response and recovery process?
4. What factors contributed to or hindered UNDP performance and the sustainability of results?

¹ See <http://web.undp.org/evaluation/policy.shtml>

² <https://erc.undp.org/evaluation/evaluations/detail/9286> and <https://erc.undp.org/evaluation/evaluations/detail/2684>

The ICPE was conducted according to the approved IEO process. Following the development of the Terms of Reference (ToR), the IEO covered 31 projects (N=43), selected through a purposive sample based on the following criteria: budget versus financial expenditure, programme portfolios size and thematic areas (projects covering Coronavirus 2019, gender, partnerships). Consultations with the UNDP Country Office also were held to finalize the list of projects for in-depth review.

With the outbreak of the Coronavirus 2019 (COVID-19) pandemic, in consultation with the Country Office, the ICPE team decided to conduct the evaluation remotely, adapting its methodology to the changed circumstances while still guaranteeing respect of evaluation norms and professional standards.

The evaluation relied on information collected from different sources and triangulated, to the extent possible. Data from available documents (strategies, project documents, monitoring reports, evaluations)³ were complemented by information available online and more than 108 interviews with UNDP staff and stakeholders⁴, which allowed the evaluation team to gain further insights on the effectiveness of programme interventions and determining factors affecting performance, and to identify the UNDP programme strengths and areas for improvement. Preliminary findings and potential recommendations were presented to validate initial findings with the Country Office Resident Representative, Deputy Resident Representative, and the RBM and Programme Management Specialist.

The evaluation also integrated a gender-responsive evaluation approach to data collection and analysis. Gender marker⁵ data was used for analysis of gender programme expenditures and to assess the level of commitment to gender equality and women's empowerment. Sex-disaggregated data were assessed against programme outputs, where available. The IEO's Gender Results Effectiveness Scale (GRES) was used to assess the quality and level of gender-related results achieved by the programme in the different outcomes. The GRES classifies gender results into five categories: gender negative, gender blind, gender targeted, gender responsive, and gender transformative.

The draft ICPE report went through an internal and external quality assurance process before being submitted to the Country Office and the Regional Bureau for review and identification of any factual errors. It also was shared with the Government and other national partners. A final workshop with programme stakeholders to discuss and validate the results and recommendations could not be carried out, despite several attempts to organize one.

Throughout 2020, in addition to UNDP, the United Nations Population Fund, the United Nations Children's Fund (UNICEF), and the World Food Programme conducted country-level evaluations in Bhutan. United Nations Sustainable Development Partnership Framework (UNSDPF) evaluations also were conducted. The managers of those evaluations, together with the UN Programme Monitoring and Evaluation group (PME), established a mechanism to ensure coordination and synergies among the individual evaluations. That included a joint stakeholder mapping and planned data collection debriefs of individual agency evaluations to feed into the UNSDPF evaluation, as well as a final joint dissemination event of the evaluation results in early 2023.

³ The main documents consulted by the evaluation team are listed in Annex 4, available online.

⁴ A table with the typology of interviewees is available in Annex 3, available online.

⁵ A corporate monitor tool used to assign a rating score to project outputs during their design phase and track planned expenditure towards outputs that contributed to achieving gender equality and the empowerment of women. The gender marker does not reflect the actual expenditures assigned to advancing GEWE. As the gender marker is assigned by project output and not project ID, a project might have several outputs with different gender markers. GEN 0 (No noticeable contributions to gender equality), GEN 1 (Some contributions to gender equality), GEN 2 (Significant contributions to gender equality), and GEN 3 (Gender equality is the principal objective).

1.3 Evaluation limitations

Due to the COVID-19 pandemic, the ICPE team had to fully conduct the evaluation remotely, adapting its methodology to rely more on desk review of available material and conducting online consultations complemented by written exchange with stakeholders via email. The quality and availability of the monitoring reports were not always sufficient, affecting the ability of the evaluation team to fully assess the achievement of programme objectives.

To mitigate this challenge, the evaluation team broadened the scope and depth of its secondary data review by including external reviews, assessments and evaluations, and country progress reports, as well as decentralized evaluations⁶ to cross-reference the data and validate findings. The evaluation team also prolonged the consultation period to accommodate those mitigation measures. The evaluation team composition was reinforced with the recruitment of two Bhutanese consultants, including an expert dedicated to data collection. Despite some minor delays, the evaluation team was able to guarantee respect of evaluation norms and professional standards.

1.4 Country context

The Kingdom of Bhutan is a small mountainous landlocked country (38,394 square kilometres)⁷ located in the Eastern Himalayas between India and China. Its population was estimated at 756,129 in 2021.⁸ The country is characterized by a very low population density (20 persons per square kilometre)⁹. Approximately 42.3 percent of the Bhutanese population live in urban areas¹⁰ and 15 percent live in Thimphu, Bhutan's capital.¹¹ Bhutan has recorded an urbanization rate of 3.2 percent¹² on average over the period 2010-2020, which is almost three times its average overall population growth rate of 1.2 percent¹³ for the same period.

Socioeconomic situation, poverty and inequality: Bhutan's economic performance has progressed steadily over the period 2010-2019, with an annual GDP growth rate of 6.1 percent on average, although the country recorded a GDP growth rate of -10.08 percent in 2020 due to the COVID-19 pandemic.¹⁴ The economic growth has been largely driven by services, which formed the largest share of GDP at 46.1 percent in 2020, followed by secondary sector, with 34.7 percent (notably hydropower, which represented 17.74 percent in 2020) and agriculture, livestock and forestry (19.15 percent in 2020).¹⁵ Bhutan is expected to graduate from the group of Least Developed Countries (LDCs) in 2023.¹⁶

⁶ The quantity and quality of the decentralized evaluations is discussed in Finding 17.

⁷ Statistical Year Book 2021, National Statistics Bureau, Royal Government of Bhutan.

⁸ National Statistics Bureau, Royal Government of Bhutan.

⁹ World Bank, 'Population density (people per sq. km of land area)', World Development Indicators.

¹⁰ UN Habitat, 'Percentage of Population at Mid-Year Residing in Urban Areas by Country/Area 2000-2050', Urban indicators.

¹¹ As of 2017. UN, 'Demographic Yearbook 2019', UNStats.

¹² World Bank, 'Urban population growth (annual percent) -Bhutan', World Development Indicators.

¹³ World Bank, 'Population growth (annual percent) -Bhutan', World Development Indicators.

¹⁴ National Statistics Bureau, 'National Accounts Statistics 2021'.

¹⁵ National Statistics Bureau, 'National Accounts Statistics 2022'.

¹⁶ This graduation was to be effective in 2023 at the request of the Government of Bhutan, upon the conclusions of the 2018-2023 national development plan. See Mohammad A. Razzaque, 2020, 'Graduation of Bhutan from the Group of Least Developed Countries'.

The RGOB development paradigm has been guided, since the 1970s, by the philosophy of ‘Gross National Happiness’ (GNH).¹⁷ Meanwhile, the country is ranked 127 out of 191 countries in the Human Development Index (with an index in 2021 of 0.666, which is higher than the index for South Asia at 0.632).¹⁸ Its level of inequality measured by the Gini coefficient has not significantly improved, going from 38.1 in 2007 to 37.4 in 2017.¹⁹ Multidimensional poverty has declined from 12.4 percent of the population in 2012 to 5.8 percent in 2017, although it remains relatively high in rural areas, at 8.1 percent.²⁰ Increased access to education and healthcare services also have translated into improved literacy (93 percent in 2017 for youth aged 15-24 years, up from 74.5 percent in 2005)²¹ and life expectancy (71.8 years in 2019 compared to 72.1 years in 2020).²²

Bhutan has been able to reduce poverty significantly, with 8.2 percent of the population living below the national poverty line in 2017, down from 23.2 percent in 2007 (and 2 percent living in extreme poverty in 2017 compared to 18 percent in 2007).²³ However, the country continues to face regional inequality and poverty in the context of urbanization, income-related (with median household incomes in urban areas 2.6 times those in rural areas as of 2017) and non-monetary (with 93.1 percent of multidimensionally poor population located in rural areas in 2017).²⁴

The diversification and competitiveness of the Bhutanese economy remains a challenge, especially given the high trade costs and the small size of the domestic market.²⁵ The Global Competitiveness Index ranked Bhutan 82 out of 140 countries in 2019.²⁶ Bhutan is still subject to restrictive regulations hampering the development of the private sector and a free market economy. In 2020, the country was ranked 89 out of 190 in the World Bank’s Ease of Doing Business, dropping from number 73 in 2018.²⁷ The Government has made some efforts to improve the business environment in the country, for example, by easing the regulations related to starting a business.²⁸

COVID-19 pandemic: As of 30 May 2022, Bhutan recorded the lowest cumulative number of cases (59,628 reported cases against a regional average of 4.8 million) and deaths (21 in total) of COVID-19 in South-East Asia.²⁹ The country adopted among the region’s most stringent containment measures, including four lockdowns, social distancing, suspension of international tourism, border closure and avoidance of non-essential travel. Bhutan’s growth was adversely impacted by the COVID-19 pandemic, as demonstrated by the decline of its GDP growth rate in 2020, but that rate was expected to be approximately 4.5 percent in 2022.³⁰ The pandemic also adversely impacted the tourism sector, which affected livelihoods, given the limited income diversification beyond tourism in Bhutan.

¹⁷ The GNH index assesses wellbeing and happiness across nine dimensions (health, education, living standards, ecological diversity and resilience, good governance, psychological wellbeing, time use, community vitality, cultural diversity and resilience), whose indicators are integrated in Bhutan’s national development frameworks. The UN General Assembly’s 2011 resolution ‘Happiness: towards a holistic approach to development’ called for other countries to measure happiness and well-being, citing Bhutan as an example.

¹⁸ UNDP, ‘Human Development Index’, Human Development Data Center.

¹⁹ IEO Datamart, ‘ICPE Country Context data frame’, extracted from World Bank, Gini Index, World Development Indicators.

²⁰ IEO Datamart, ‘ICPE Country Context data frame’, extracted from UN, ‘Proportion of population living in multidimensional poverty’, UNStats; MPI 2017, National Statistics Bureau, 2017.

²¹ World Bank, ‘Literacy rate, youth total (percent of people ages 15-24)’, World Development Indicators.

²² World Bank, ‘Life expectancy at birth, total (years)’, World Development Indicators.

²³ UN, ‘SDG Country Profile. Bhutan’, UNStats.

²⁴ World Bank Group. 2019. Bhutan Urban Policy Notes. World Bank, Washington, DC; National Statistics Bureau, ‘Bhutan. Multidimensional Poverty Index’.

²⁵ World Bank, ‘The World Bank in Bhutan. Overview’.

²⁶ World Economic Forum, ‘The Global Competitiveness Report 2019 edition’.

²⁷ World Bank, ‘Doing Business 2020. Comparing Business Regulation in 190 countries’, 2020.

²⁸ World Bank, ‘Time Required to Register Property (Day)’, Doing Business Indicators.

²⁹ World Health Organization, WHO Coronavirus (COVID-19) Dashboard, February 4, 2022.

³⁰ National Statistics Bureau, ‘National Accounts Statistics 2021’. Also Asian Development Bank, ‘Bhutan and ADB. Economic indicators for Bhutan’.

The pandemic crisis also has affected the labour market and exacerbated unemployment. The unemployment rate, which had declined from 3.4 percent of the labour force in 2018 to 2.7 percent in 2019, jumped to 5 percent in 2020, before very marginally dropping to 4.8 percent in 2021.³¹ Overall unemployment is higher among females, at 6.1 percent compared to 3.6 percent among males, and is much more pronounced in urban areas, at 8.9 percent compared to 2.9 percent in rural areas.³² A major concern is the high level of unemployment among youth, which grew from 11.9 percent in 2019 to 22.6 percent in 2020, marginally coming down to 20.9 percent in 2021.³³ This concern is exacerbated by the rising migration of youth 15-24 years old in search of better employment opportunities, which increased by 62 percent from 2000 to 2019, going from 3,761 people to 6,075.³⁴ Informal labour in Bhutan accounts for 87.52 percent of total employment and 90 percent of the population working in the informal sector were expected to be adversely impacted by the pandemic.³⁵

Gender and vulnerable groups: Women and girls account for 47.8 percent of the Bhutanese population.³⁶ In 2021, the Gender Inequality Index ranked Bhutan 98 out of 191 countries, with a score of 0.415, which is lower than the score for South Asia (0.508).³⁷ That same year the Gender Global Gap report also demonstrated Bhutan's challenges in achieving gender parity, ranking the country 130 out of 156 globally and 5 out of 8 in South Asia.³⁸ This reflects the limited participation of women in politics (in both the legislative and executive branches) and economics (notably as senior officials and managers) relative to the global average.

In 2020, only 14.89 percent of the seats in parliaments in Bhutan were occupied by women, compared to 19 percent in South Asia (See Annex 2).³⁹ This represented an increase from 2013, when females held 6.4 percent of the available seats in the national parliament in Bhutan.⁴⁰ Female representation in the country's local governments has increased from one woman elected Head of the Gewog (group of villages) and Chairperson of Gewog Tshogde (head of a Gewog or Gup) in the first Local Government elections (0.5 percent representation), to seven elected women Gups in third Local Government election in 2021 (3.41 percent representation).⁴¹

In terms of economic inequality, women record a slightly lower participation in the labour market than men (48.8 percent in 2020),⁴² but their participation is much higher than the South Asian average (22.4 percent compared to 40.8 percent for Bhutan in 2019, according to the World Bank).⁴³ For those who are employed, only 18.48 percent occupy a managerial position.⁴⁴ Women are reported to spend 15 percent of their time on unpaid domestic and care work.⁴⁵

³¹ National Statistics Bureau, 'Unemployment rate', 2020; National Statistics Bureau, 'Labour Force Survey Report Bhutan', 2020; World Bank, 'Unemployment, total (percent of total labor force) (modeled ILO estimate); World Development Indicators.

³² National Statistics Bureau, '2021 Labour Force Survey Report', pp 34-35.

³³ National Statistics Bureau, '2021 Labour Force Survey Report', pp 37-39.

³⁴ UNDESA Population Division, 'UN migrant stock by age and sex', 2019.

³⁵ Krista Joosep Alvarenga, 2020, 'COVID-19 and social protection in South Asia: Bhutan', International Policy Centre for Inclusive Growth.

³⁶ National Statistics Bureau, 'Bhutan at glance 2021'.

³⁷ UNDP, 'Human Development Index', Human Development Data Center.

³⁸ World Economic Forum, 'The Global Gender Gap Report 2021', 2021.

³⁹ IEO Datamart, 'ICPE Country Context data frame', extracted from World Bank, 'Proportion of seats held by women in national parliaments (percent).

⁴⁰ <https://www.statista.com/statistics/730576/bhutan-proportion-of-seats-held-by-women-in-national-parliament/>

⁴¹ Kuensel, Increase of women representation in LG, 2021. <https://kuenselonline.com/increase-of-women-representation-in-lg/>

⁴² National Statistics Bureau, 'Bhutan at glance 2021'.

⁴³ World Bank, 'Labor force, female (percent of total labor force); World Development Indicators.

⁴⁴ UN, 'Proportion of women in managerial positions (percent); UNStats.

⁴⁵ Jooyeoun Suh, Changa Dorji, November 2020, Valuing unpaid care work in Bhutan, ADB Economics, No. 624.

Despite strong political commitment and a supportive legal and policy framework, Gender-based violence/ Violence against women and girls (GBV/VAWG) in Bhutan remains a significant problem. As of 2018, 8.4 percent of ever-partnered women and girls were reported to have been subjected to physical and/or sexual violence, which is higher than the numbers for South Asia (7.3 percent) (See Annex 2, IEO Datamart).⁴⁶ In 2021, exacerbated by the COVID-19 pandemic, gender-based violence in the country rose by 53.5 percent, according to records maintained by a non-governmental organization.⁴⁷

Government, judiciary and parliament: Bhutan is characterized by a stable political environment, with a political stability score of 1.02 in 2020 from the World Governance Indicators, higher than South Asia's average of 0.548 (See Annex 2, IEO Datamart).⁴⁸ The country evolved into a democratic constitutional monarchy in 2008 and since then has witnessed three elections of the national parliament (one election every five years for each house, namely the National Council or the Upper House and the National Assembly or the Lower House) with political parties alternating. The last elections took place in 2018, when the ruling People's Democratic Party was replaced by the newly established party, Druk Nyamrup Tshogpa.⁴⁹

After a decade of experiencing democracy, judicial institutions and parliament recorded implementation gaps. This led the Government to include strengthening justice services and institutions as a new national priority in its Twelfth Five-Year Plan (12th FYP) 2018 - 2023.⁵⁰ With regard to governance and justice, Bhutan is ranked second in South Asia in terms of government effectiveness (See Annex 2, IEO Datamart)⁵¹ and first in terms of rule of law as of 2020 (See Annex 2, IEO Datamart).⁵² The country's corruption perceptions index stands at 68 as of 2021 (equivalent to the rank of 25 out of 180 countries).⁵³ However, significant barriers still remain for people in accessing justice, in part due to barriers such as distance from the court and associated costs, as well as social and cultural norms.

The country has witnessed increased participation of civil society (ranked third in South Asia)⁵⁴ and improved freedom of expression (ranked 65th out of 180 countries in 2021, compared to 80th in 2019).⁵⁵

Environment and natural resources: Environmental conservation and sustainability is a cornerstone of Bhutan's GNH development philosophy and is embedded in the 2008 Constitution. The country is committed to global environmental efforts, has ratified key environment international agreements⁵⁶ and is a Party to several major international environmental treaties and agreements.⁵⁷

⁴⁶ IEO Datamart, 'ICPE Country Context data frame', extracted from UN, 'Proportion of ever-partnered women and girls subjected to physical and/or sexual violence by a current or former intimate partner in the previous 12 months, by age (percent)'; UNStats.

⁴⁷ <https://kuenselonline.com/gender-based-violence-rose-by-53-percent-during-the-pandemic/>

⁴⁸ IEO Datamart, 'ICPE Country Context data', extracted from World Bank, 'Political stability and absence of violence', World Governance Indicators.

⁴⁹ Bertelsmann Transformation Index, 2020, 'BTI 2020 Country Report. Bhutan'.

⁵⁰ Bhutan Twelfth Five Year Plan 2018-2023.

⁵¹ IEO Datamart, 'ICPE Country Context data frame', extracted from World Bank, 'Government effectiveness', World Governance Indicators.

⁵² IEO Datamart, 'ICPE Country Context data frame', extracted from World Bank, 'Rule of law', World Governance Indicators.

⁵³ Transparency International, 'Corruption perceptions index'.

⁵⁴ Bertelsmann Transformation Index, 'BTI-Atlas. Governance Index'.

⁵⁵ Reporters Without Borders, 'World Press Freedom Index'.

⁵⁶ Kyoto Protocol in 1997 and Paris Agreement in 2015 under the UNFCCC, and Cartagena Protocol in 2003 and Nagoya Protocol in 2014

⁵⁷ Including the three Rio Conventions - the UN Framework Convention on Climate Change (UNFCCC, ratified in 1995), the Convention on Biological Diversity (CBD, ratified in 1995), and the UN Convention to Combat Desertification (UNCCD, ratified in 2003).

A total of 70.46 percent of the country's territory is covered by forests,⁵⁸ and 49.67 percent is designated as protected areas (either as a national park, wildlife sanctuary, nature reserve or biological corridor).⁵⁹ The Constitution mandates that a minimum of 60 percent of the country be maintained under forest cover for all time. Bhutan is the first country in the world to be carbon-negative,⁶⁰ sequestering more carbon than it emits, with net emission at -5572.50 Gigagram of CO₂ equivalent in 2015.⁶¹

The country has a rich biological diversity, both in the wild and on farms, largely as a result of significant altitudinal variation and corresponding climatic conditions. The country's wilderness harbours more than 5,600 species of vascular plants, close to 200 species of mammals, and approximately 700 species of birds⁶², including several globally threatened species.⁶³

Despite strong environmental policies and legislations, Bhutan suffers from an increasing pressure on forest land due to demand for infrastructure development such as roads and hydropower projects, mining, construction and fuelwood demand.⁶⁴ There is localized pollution fueled by the rural-urban migration, increased construction activities, solid waste generation, a growing number of vehicles, mining and industrial operations. Consequently, Greenhouse Gas (GHG) emission trends between 1994 and 2015 show that GHG emissions from energy, industrial processes and product use and waste sectors are steadily increasing.⁶⁵

Vulnerability to climate change and natural disasters: With a predominantly fragile mountain ecosystem and limited resources for adaptation, Bhutan is highly vulnerable to climate change and its impacts, including climate change hazards.⁶⁶ Socio-economic development is hugely dependent on climate-sensitive sectors such as agriculture (19.2 percent of GDP in 2020 and 49.2 percent of the labour force in 2021⁶⁷) and hydropower (largest source of revenue and 17.74 percent of the country's GDP).⁶⁸ Infrastructure such as roads and irrigation systems is frequently impacted by landslides. Reduced precipitation during winter over recent years has given rise to increased forest fire risks and seasonal water scarcity in many areas.

Bhutan is located in one of the most seismically active zones in the world, along the boundary between the Indian and Eurasian tectonic plates. During the past four decades, the country has experienced several earthquakes.⁷⁰

1.5 UNDP programme under review

Bhutan became a member of the UN in 1971. The partnership between UNDP and Bhutan started in 1973 with the establishment of a UNDP Country Office in Bhutan and officially began in 1978 with the signing of the Standard Basic Framework Agreement, which constitutes the legal basis for the relationship between the Government and UNDP.

⁵⁸ Ministry of Agriculture and Forests, Technical Report of Bhutan Land Cover Assessment 2010.

⁵⁹ Protected Planet, 'Protected Area Profile for Bhutan', World Database of Protected Areas (WDPA).

⁶⁰ One of three carbon negative countries in the world in 2022, along with Suriname and Tuvalu.

⁶¹ National Environment Commission, National Greenhouse Gas Inventory 2015 in 'Third National Communication to the UNFCCC', 2020.

⁶² National Biodiversity Centre, Ministry of Agriculture and Forests, Wild species diversity in National Biodiversity Strategies and Plan 2014.

⁶³ E.g., Bengal tiger, Asian elephant, one-horned rhinoceros, snow leopard, red panda, pygmy hog, golden langur, and Ganges River dolphin among mammal species, and white-bellied heron, white-rumped vulture, Baer's pochard, Blyth's tragopan, Rufous-necked hornbill, and black-necked crane.

⁶⁴ Declining in absolute terms, but per capita fuelwood consumption remains very high at 1.2 metric tons per year according to the 'Bhutan State of the Environment Report', 2014.

⁶⁵ National Environment Commission, National Greenhouse Gas Inventory in 'Third National Communication to the UNFCCC', 2020.

⁶⁶ glacial lake outburst floods, landslides, and flash floods.

⁶⁷ National Statistics Bureau, Employed persons by sector in '2021 Labor Force Survey Report'.

⁶⁸ World Bank, 'Agriculture, forestry, and fishing, value added (percent of GDP) -Bhutan', World Development Indicators.

⁶⁹ National Statistics Bureau, 'Statistical Yearbook of Bhutan 2021'.

⁷⁰ Three most recent earthquakes – of 5.8 magnitude on Richter scale on 24 February 2006, 6.1 magnitude on 21 September 2009, and 6.9 magnitude on 18 September 2011.

Since then, UNDP has supported Bhutan's efforts towards achieving Gross National Happiness, the Millennium Development Goals and the Sustainable Development Goals (SDGs), reducing inequality, empowering the disadvantaged, fostering environmental sustainability, and building community resilience to climate change. UNDP's collaboration has evolved over time, from helping to establish the first national airline in 1979 to supporting the development of low-carbon emission urban transport in 2018.⁷¹

The work carried out by UNDP in Bhutan during the period under review in this evaluation was guided by the United Nations Sustainable Development Partnership Framework (UNSDPF) for the period 2019–2023, which was developed by the UN country team⁷² and the Country Programme Document (CPD) for 2019–2023, which was developed in accordance with the priority areas identified in the UNSDPF. The CPD addresses two outcomes of UNDP's corporate strategic plan 2018–2021: advance poverty eradication in all its forms and dimensions; and accelerate structural transformations for sustainable development. All outcomes in the CPD are aligned with the National Strategic Development Plan and sectoral plans, as well as with the 2030 Agenda for Sustainable Development.

UNDP Bhutan is programmatically expected to address two UNSDPF outcomes:

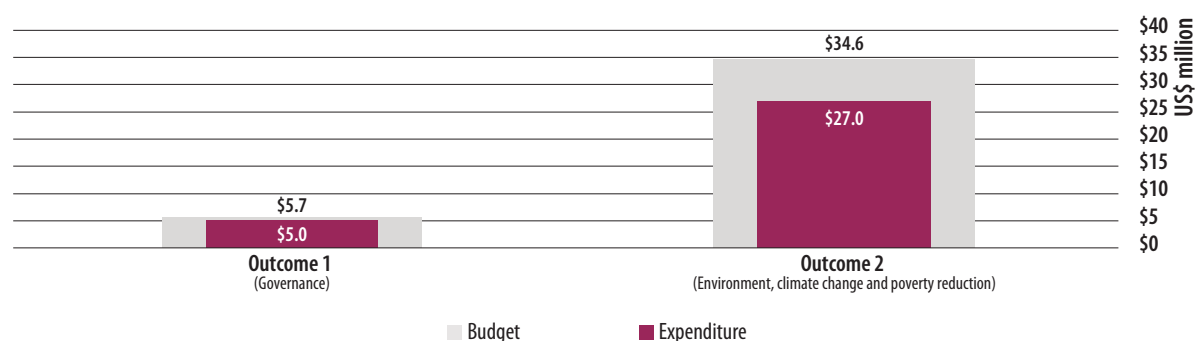
UNSDPF Outcome 3: By 2023, Government institutions provide equal opportunities for all, and women and vulnerable groups hold leaders accountable.

UNSDPF Outcome 4: By 2023, Bhutan's vulnerable communities and its economy are more resilient to climate-induced and other disasters and biodiversity loss.

Accordingly, UNDP has been organizing to contribute to the following outcomes: address inequality with a weak civil society and young judicial and legislative institutions; and advance a climate-resilient, green and job-rich economy to continue poverty reduction, with gender equality as an important cross-cutting issue.⁷³

The budget for the CPD amounted to US\$40.4 million and its expenditure amounted to US\$32 million.⁷⁴

FIGURE 1: Breakdown of budget and expenditure by outcome, 2019–2022



Source: IEO Datamart from Atlas as of 9 January 2023

⁷¹ UNDP Country Office of Bhutan, 'Overview'.

⁷² Composed of the Resident Coordinator of the UN System and 23 UN agencies (8 resident and 15 non-resident).

⁷³ UNDP Country Office of Bhutan, 'Overview' and UNDP, 'Country Programme Document for Bhutan, 2014–2018', 2013.

⁷⁴ Based on Atlas information as of 9 January 2023, while the CPD estimated a budget of US\$56.2 million.

CHAPTER 2

FINDINGS



This chapter assesses UNDP's contributions to the CPD outcomes, outputs and cross-cutting issues and analyses the key factors that affected the achievement of expected results.

2.1 Governance and civil society organizations

CPD Outcome 1. By 2023, Government institutions provide equal opportunities for all, and women and vulnerable groups hold leaders accountable.

Related outputs:

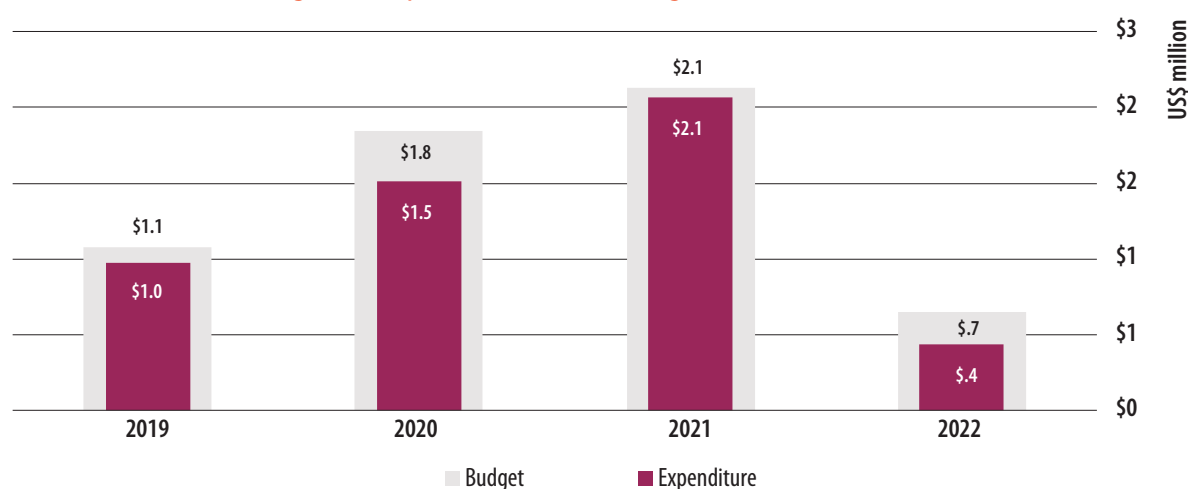
Output 1.1. National and local government capacity to integrate, monitor and report on the Sustainable Development Goals and other international agreements is improved.

Output 1.2. The enabling environment for civil society to advance opportunities for, and increase resilience of, targeted vulnerable groups is improved.

Output 1.3. Parliament and justice sector capacities and approaches are strengthened with increased inclusion, transparency and accountability.

During this programme cycle (2019-2023), 10 projects with 17 project outputs were implemented under Outcome 1, with a budget of US\$5.7 million (corresponding to 14.1 percent of the total programme budget) and expenditure of \$5 million (15.6 percent of budget), reaching an 87.4 percent execution rate at the time of the evaluation. Six projects (73.4 percent expenditure of Outcome 1) were directly implemented by UNDP (DIM) and five⁷⁵ projects (26.6 percent) were nationally implemented (NIM).

FIGURE 2: Evolution of budget and expenditure in the area of governance



Source: IEO Datamart from Atlas as of 9 January 2023

⁷⁵ The project 'Governance Multi-Year Framework' (project ID 00125905) is both DIM and NIM implemented.

The governance portfolio has been primarily funded by UNDP (44.7 percent expenditure of Outcome 1) and the Government of Japan (37 percent expenditure of Outcome 1). Core funding sources supported 15 project outputs under this outcome (44.2 percent expenditure of Outcome 1), and non-core funding supported 14 project outputs (55.8 percent).

Finding 1. Sustainable Development Goals: UNDP's support has enhanced the national government's capacities to integrate, monitor and report on the SDGs, mainly through the establishment of an online SDG Dashboard and capacity development support to the Parliamentary Commissions. Beyond the technical issues affecting its accessibility, efforts have not yet been consolidated to achieve meaningful results at the local level, with integration, monitoring and reporting on SDGs remaining fragmented. While the Dashboard to Enhance Wellbeing for All (DEWA) has been used for SDG and human rights reporting, it has yet to be used to inform legislation and policies. The recognition and dissemination of the SDG agenda in the private sector as well as the visibility of its contribution have been lacking during this programme cycle.

There is a strong alignment between the Sustainable Development Goals (SDGs) and the national strategic framework of Bhutan's five-year plans. A rapid integrated assessment of the 11th Five-Year Plan against the SDG targets revealed a high level of integration (134 out of 143 SDG targets were reflected in the plan).⁷⁶ A preliminary assessment of the strategic framework for the 12th Five-Year Plan also showed high integration of the SDGs, with 16 key national result areas closely related to 16 of the 17 SDGs (the one exception was SDG 14: life under water). There are approximately 100 SDG targets and indicators corresponding to the national key result areas and progress indicators. As detailed in Bhutan's Second Voluntary National Review in 2021, there has been a slight improvement in data availability between 2018 – 2021. Currently, data is available for 40 percent of the indicators (100 indicators), as compared to 34 percent (84 indicators) in 2018.⁷⁷ According to key informants, the statistical system remains fragile, in part due to lack of human resources, limited coordination, data weaknesses, and the absence of a legal framework for statistical interventions. The legislation governing official statistics is outdated and provisions of an Executive Order from 2006 are not always implemented.⁷⁸

To address those challenges and gaps, UNDP provided technical and financial support to the development of an integrated web-based dashboard, the DEWA (<http://dewa.gov.bt/>). The dashboard manages and integrates data and measures progress towards not just the SDGs but also the 12th Five-Year Plan (FYP) and the Gross National Happiness (GNH) Index. The dashboard brings together into a consolidated platform data across a wide spectrum of sources, and thus also includes updated data for indicators of the 12th FYP National Key Result Areas and GNH. DEWA is enabling more up to date analysis of SDG indicator status as well as the current state of data gaps and availability. Among other features, it provides a common geographic information system interface platform for geo-spatial analysis and district, block and sub-block data visualization.

The DEWA was developed jointly by the Gross National Happiness Commission (GNHC) and the National Statistics Bureau, with technical and financial support from UNDP. It was launched in July 2021. Data is collected from the National Statistics Bureau, with additional administrative data being collected from line ministries, such as education and health. Since its launch, the DEWA has been used for periodic reporting,

⁷⁶ ICPE Bhutan, 2014-2017, Second Voluntary National Report of Bhutan, 2021.

⁷⁷ Bhutan's Second Voluntary National Review, 2021, https://sustainabledevelopment.un.org/content/documents/279552021_VNR_Report_Bhutan.pdf

⁷⁸ United Nations Sustainable Development Partnership Framework for Bhutan 2019 – 2023, page 15.

including for the Secondary Voluntary National Review, which was presented to the UN High Level Political Forum in July 2021. DEWA has not yet been used to provide an evidence base for any specific policies or strategies beyond those mentioned above.

UNDP also has been building the capacities of Parliament with regard to reporting on the SDGs. One of the major outcomes of UNDP's support to the Parliament, as acknowledged by stakeholders, has been strengthening the capacities of Parliament and the Parliamentary committees regarding the SDGs and how to report on them, as well as integrating the SDGs into the Parliament's Strategic Plan 2019-2023.

Results are generally limited to achievements at the national level, with the statistical capacities of local government remaining low. While a training workshop for the Parliamentarians took place and an action plan was developed, the COVID-19 constraints prevented UNDP and partners from implementing the action plan as well as from holding a training of local government officials on DEWA. Those activities were geared towards strengthening the capacities of Parliament and local government to collect data and manage, integrate and monitor progress on the SDGs, the GNH and the 12th Five-Year Plan. Even at the national level, data capacities still have not been fully met and the accuracy, reliability and availability of data remain a challenge. Several national actors expressed their need for UNDP's support with regard to data management, security and sensitization of the DEWA system. Support was also sought with regard to coordination with other state institutions and organizations in terms of improving data collection.

The Second Voluntary National Review in 2021 acknowledged the need for greater awareness and sensitization of all stakeholders, including CSOs and the private sector, to both the SDGs and the DEWA platform. Civil society did not play a major role in the development of the DEWA, but with UNDP's support, consultations were conducted to sensitize them to the platform. The ultimate ambition of the GNHC is to have an end-to-end platform, to serve its intended purpose where any individual citizen or agency can track progress and hold the government accountable. At this time, the DEWA platform does not capture the private sector contribution to the SDGs.

To date, the DEWA has not been able to fulfil its full potential. It has not been used to provide a data-driven evidence base to inform policies and strategies or been able to generate real time data on SDG progress due to limited data capacity of the Government, in particular at the local level. Stakeholders commented that the DEWA frequently is not accessible, and the evaluation team's own experience confirms this, with numerous failed attempts to visit the website.

Finding 2. Health service delivery and innovation: In response to the COVID-19 pandemic and the Government's re-prioritization of activities, UNDP pivoted resources away from local governance towards public sector service delivery and innovation in the health sector. This reorientation provided much needed and timely support to the roll out of the vaccination campaign as well as the provision of digital public services during the lockdowns and pandemic restrictions. By integrating local level initiatives throughout its programming, UNDP secured results at the local level as well.

Sustainable LDC graduation requires strong and efficient governance institutions. Therefore, the 12th Five-Year Programme, the United Nations Sustainable Development Partnership Framework (UNSDPF) and the UNDP Country Programme Document (CPD) aimed to strengthen institutions at the central and local levels. The Government's commitment to strengthening local governance was evidenced by its pledge to decentralize 50 percent of the budget. In 2018-2019, UNDP supported the Government in undertaking a comprehensive review of local governments (and local governance) including relevant normative Acts. UNDP supported a legislative and policy review led by the Prime Minister. The local governance programme, including the legislative and policy review, was stopped when COVID-19 hit. The local government capacity

building and associated budget were repurposed towards COVID-19 response efforts. The COVID-19 response was heavily centralized. UNDP intentionally re-directed resources away from local government work and towards support to the health sector. This limited the focus on decentralization, except through supporting the Local Government Election (see Finding 13). Decentralization and strengthening of local governments, which started in the 1980s in Bhutan, remains at nascent stage, especially with regard to fiscal decentralization, but it is still assessed as being high on the Government's agenda going forward.

The re-focus towards the COVID-19 response resulted in UNDP breaking into new areas to support the RGOB. Although UNDP is not a conventional actor in the health sector given the presence of both WHO and UNFPA in the country, UNDP forged a partnership with the Ministry of Health in 2020 to support the COVID-19 response, with a particular focus on support through digital solutions. Inspired and informed by electronic vaccination systems EVIN-India⁷⁹ and SMILE-Indonesia,⁸⁰ UNDP provided financial and technical assistance to the development of the Bhutan Vaccination System, Bhutan's first ever online vaccination system. The system provides real-time information on vaccine availability (stock and flow in all vaccination points), coverage (dates, type of vaccine and dose, disaggregated by vulnerability profiles), and potential adverse effects. The system replaced manual recording of vaccines for COVID-19 and enabled Bhutan to vaccinate 93 percent of its population in a two-to-three-week period. This initiative was a real game changer in Bhutan in that it created the ability to generate real-time data that could be tracked on an hourly basis, while allowing national, regional and district level experts to monitor patients for adverse responses. UNDP's support included the provision of hardware and software, the sharing of knowledge and best practice examples and South-South collaboration, in particular with India and Indonesia. Support also included sensitization and capacity building for health workers.

UNDP also provided technical, financial and capacity building support to provide continuity of public services during the COVID-19 pandemic. This included developing a track-and-trace app by placing geo-mapping vehicle tracking systems in all ambulances and supporting the piloting of the e-health system through mobile Cardiotocography devices (iCTGs) for the 'Reaching every pregnant woman with quality gynaecological and obstetric services through iCTG' initiative. UNDP also provided personal protective equipment to create a safer working environment for frontline workers. The vehicle tracking system is a web-based system to track real-time movement, history tracking, monitoring the speed, and record real-time odometers. It is expected to reduce accident rates of ambulances from over-speeding and to prevent unauthorized movement. However, to date, there has been no assessment of the impact of the vehicle tracking system.

UNDP collaborated with the Japanese International Cooperation Agency (JICA) and the Ministry of Health (MoH) to procure 55 iCTGs (46 by UNDP and 9 by JICA) out of the estimated 300 needed to cover all Basic Health Units in the country. UNDP was approached by the MoH because of its development expertise and its expertise in governance and utilizing technology. The evaluation team was informed that other UN Agencies, such as the World Health Organization (WHO), are valued more for their technical expertise and were not approached to support the development of the system. The iCTGs enabled provision of services in the most remote areas, where the service was initially rolled out. The service helped more than 20 percent of pregnant women, mostly in rural areas, to access health services without having to travel in difficult conditions. In partnership with UNICEF, UNDP supported the development of a manual, the provision of training to health workers and awareness raising. An ongoing assessment of the pilot service is looking at the impact of the iCTGs to date, although it will not capture end-user experiences. End-users

⁷⁹ E-Vaccination Intelligence Network <https://smartnet.niua.org/content/d9b14fcf-c907-4260-bfd7-3ee9fa94c8d4>

⁸⁰ Sistem Monitoring Imunisasi Dan Logistik Secara Elektronik <https://imunisasi-logistik.kemkes.go.id/id/login>

included in this evaluation expressed their gratitude for the services provided. Women in rural and remote areas particularly welcomed being able to receive services remotely and receive continuity of care without having to incur the time and cost of travelling to health facilities. At the time of this evaluation, an end-user impact assessment was planned for the second half of 2022, where additional data on user experiences will be gained.

Finding 3. Digital solutions: While reprioritising support towards the health sector started with the COVID-19 pandemic, UNDP supported the RGOB in enhancing the provision of inclusive and equitable public service delivery through digital solutions. UNDP co-created and piloted innovative solutions to improve public service delivery. This resulted in a 40 percent reduction in turn-around time for some civil registration services, as well as increased opportunities for citizen feedback and improved service delivery standards. The main focus of interventions was on efficient public service delivery, with some attention paid to the inclusiveness of Leave No One Behind (LNOB).

Building on the e-Governance Policy 2019 (amended 2021),⁸¹ the RGOB launched its flagship Digital Drukyl programme, aimed at harnessing the power of ICT to transform Bhutan into a smart and inclusive society. The key emphasis of the flagship programme is on digital identity, e-business, digitalizing the patient health information system and integrating citizen services through a single window.

In collaboration with the Accelerator Lab, UNDP jump-started the introduction of innovative practices that were co-created with citizens and other stakeholders. In 2021, in collaboration with the Royal Civil Service Commission, the GNHC and the Public Services Delivery Division of the Prime Minister's Office, UNDP supported an initial mapping of civil service delivery to identify gaps at the institutional, organizational and individual levels. The results of the mapping were followed up by a series of focus group discussions with end-users, who identified challenges in civil registration services, including limited opportunities to provide feedback on services and the need for higher empathy among service providers. This resulted in the co-creation of solutions to address those challenges and gaps, including the development of two online civil registration services (census transfer and ID issuance) and the introduction of a Service Evaluation Tool including those two services on the platform.⁸² Citizen feedback will be used as a part of a performance assessment tool for each organization as well as to provide evidence and data for policy interventions. The evaluation team was informed that initial assessment indicated a 40 percent reduction in turn-around time for the delivery of services, and a high level of satisfaction among service users. This is the result of the platform's citizen-centric design. The platform was co-created with citizens who helped to identify the challenge and the solution. UNDP played an integrator role. The feedback loop is still at the piloting stage, and a full impact assessment is planned in 2023.

UNDP also provided technical support and assistance for the development of a module on empathy skills training for service providers, as well as training of trainers and the roll-out of training. As of May 2022, more than 200 service providers were trained, selected as providers who have regular, close contact with citizens. The three-day training includes pre- and post-training surveys. The initial assessment of those surveys by the Royal Civil Service Commission indicates an important improvement in terms of empathy understanding.

⁸¹ E-Governance Policy for the Royal Government of Bhutan – the objective of the policy is to provide clear guidance for implementation of e-Governance initiatives in the country. In addition, the policy will enable government to fully leverage existing and emerging ICTs to increase competitiveness, enhance productivity, improve service delivery, and strengthen good governance in pursuit of Gross National Happiness.

⁸² There are 5 parameters and 13 indicators on which feedback can be provided, including timeliness, accessibility, attitude and integrity.

UNDP supported the development of the Gakyid Ride App to improve the public transport sector. The Gakyid Ride App was developed through a tripartite partnership between the local innovator, Druk Infinity, City Bus Office and UNDP's Accelerator Lab and Governance team. The Ride App provides information on 45 buses in Thimphu Thromde. It includes a GPS feature that enables users to see the exact location of the bus. The main objective of developing the Ride App was to have first-hand, up to date information on the bus services to encourage existing and new commuters to take advantage of city bus services, with the ultimate goal to help reduce traffic congestion, slash emissions and accelerate attainment of the Sustainable Development Goals through promotion of public transport. In the first two weeks after its launch on November 16, 2021, there were 2,062 downloads of the Gakyid Ride App. It is anticipated that the service will be scaled up to additional Dzongkha of Paro and Phuentsholing. Further areas for innovation include introducing a payment system linked to the Gakyid Ride App; incorporating important landmarks on the map; developing a reporting system linked to a toll free number for reporting crimes, roadblocks and potholes; and a system identifying the walking distance from your location to the nearest bus station. Several stakeholders acknowledged the instrumental role of the Accelerator Lab in developing and piloting such solutions and driving digitalization knowledge exchange in Bhutan.

These digital innovations show great promise in terms of improving public service delivery, as well as bridging the gaps between end-users and service providers. However, full government commitment, both in terms of ownership and financial resources, is required to roll-out the solutions into other services and nationwide. The evaluation found that the focus of the digital services has been on general users and that women and other vulnerable groups have not been a priority to date. This is a potential gap in the digital public service provision that needs to be addressed.

Finding 4. Gender-Based Violence: UNDP strengthened coordination among UN Agencies to address gender-based violence, resulting in a more coherent package of support services for survivors. UNDP's partnership with the National Commission for Women and Children (NCWC) and the Ministries of Education and Health has created significant political commitment to address harmful social norms and to eliminate GBV. Through initiatives such as the 'Path to Happiness' UNDP is pushing for transformational change, in particular among adolescents. However, results are yet to be consolidated and scaled-up to achieve long-lasting change.

Since the closure of the UN Women office in Bhutan in 2018, UNDP has been leading the UN Technical Group on gender, through which it has facilitated UN-wide support to strengthening mechanisms and procedures for the protection of survivors of Gender-Based Violence (GBV). For example, with technical inputs from the United Nations Population Fund (UNFPA) and the United Nations Children's Fund (UNICEF) and together with the NCWC, UNDP supported the first ever National Survey Report on Violence against Women and Girls, which was launched in 2019.⁸³ The main findings from the report were disseminated to Dzongkhag/Thromde Women and Child Committee of all 20 Dzongkhags and four Thromdes. This is the most comprehensive survey report on violence against women and girls in Bhutan and provides a strong evidence base for policy decision-making on GBV in Bhutan. For example, the survey was used to inform the 2019 Gender Equality Policy, the 2020 National Plan of Action on Gender Equality and the GBV Contingency Plan developed in 2020 in response to the COVID-19 pandemic. It also informs UNDP programming.

UNDP's role in GBV was reinforced during the COVID-19 pandemic through its rapid response to the pandemic context. UNDP was recognized as activating UN agencies to come together to support the development and implementation of the GBV Contingency Plan, launched in 2020 and designed in

⁸³ <https://www.ncwc.gov.bt/publications/Study%20on%20Situation%20of%20Violence%20against%20Women%20in%20Bhutan.pdf>

collaboration with UNFPA and UNICEF to address the increase in GBV since the start of the pandemic.⁸⁴ UNDP's support included the development of the first ever Standard Operating Procedures to provide integrated services to survivors of GBV; capacity development of frontline workers and specialized service providers including the police, health workers, local government officials and teachers. Support also included advocacy and the dissemination of key messages through mainstream media and social media to raise awareness of domestic abuse and violence against women and girls during the pandemic and technical assistance through sharing knowledge and best practices.

The implementation of the GBV Contingency Plan was taken to the next level during the second lockdown in December 2020, when Her Majesty the Queen took the lead in establishing a safe shelter and 24-hour hotline for GBV survivors to seek help. According to the Bhutan NGO RENEW, this led to enhanced confidence and trust from survivors, including men, as evidenced by the 37 percent increase in calls during the second lockdown. UNDP supported the shelter in many ways, including, for example, by providing hardware for 29 children in the shelters to participate in online schooling during the pandemic lockdowns.

The implementation of the GBV Contingency Plan highlighted that GBV survivors and those at risk were less likely to access protection and justice services during the pandemic, when legal and security services were disrupted. Based on this consensus, UNDP linked its e-litigation pilot project (see below under Finding 7) with the GBV Contingency Plan, which allowed the Judiciary to experiment with online hearings with the Family and Child bench, allowing for continuity in justice service provision.

Together with RENEW, UNDP supported the development of a Community Based Support System of Volunteers to help address consensus building around cases that are difficult to prosecute. Those cases are notoriously difficult to prove in the courts, such as in situations involving economic or emotional forms of GBV, where both partners wish to address the issue constructively. UNDP's support included the development of a manual on consensus building, training, and the provision of consensus building or mediation services. The consensus building module has nine components, including the training of local leaders, police and those at the community level to address issues prior to them reaching the formal justice system. UNDP supported the training by RENEW in Thimphu for 25 police officers from all over the country in the use of the manual for consensus building and plans to do so for another cohort in Jigmeling, Gelephu.

These initiatives have the potential to contribute to long-lasting, transformational change on GBV in Bhutan; however, it is too soon to assess the real impact of the interventions to date.

Finding 5. Youth employment and empowerment: With innovations supported by the Accelerator Lab, UNDP adopted a systems approach to tackling youth employment through analysing the entire ecosystem and offering a portfolio of solutions. While the analysis was extremely thorough and the systems approach was innovative in both its design and proposed solutions, full government commitment and continued support are required to address the magnitude of the youth employment challenge in Bhutan.

Youth employment is one of the biggest challenges in Bhutan, with increasing numbers of young people leaving the country in search of employment. Yet Bhutan's youth is also one of its biggest assets. Education in English equips youth with skills for global markets. The issue of youth employment is high on the Government's agenda, and the Government initially approached UNDP for support. In partnership with the Ministry of Labour and Human Resources (MoLHR), the GNHC and the Ministry of Education, UNDP⁸⁵ supported a more cohesive approach to addressing the issue through undertaking an analysis of the entire

⁸⁴ Impact Assessment Report of COVID-19 on Women and Children, 2021, <http://www.bbs.bt/news/?p=161580>

⁸⁵ The support was also provided by the Regional Youth Advisor and two other staff at the UNDP Bangkok Regional Hub.

ecosystem related to youth employment. This led to the development of an Intelligence Report, 'Systems Approach to Youth Unemployment in Bhutan 2020', which identified a portfolio of solutions. This process involved a Rapid Assessment Survey with the Accelerator Lab, which included more than 2,000 youth. In 2021, the recommendations from the report were translated into actual activities, including strengthening the enabling environment to support youth employment through programmes such as Youth CoLab: Springboard, as well as developing in partnership with the MoLHR. The MoLHR has prioritized this issue and initiated a Career and Mentoring Unit. Those solutions attempt to bridge the gap between schools and the employment market.

Through UNDP's Youth Co-Lab's signature programme, Springboard Plus, 15 early-stage start-ups were supported with soft skills training and mentoring. Six startups also were supported with access to finance to expand or scale up their small-scale businesses. UNDP provided startups with financial support and capacity development support. UNDP also leveraged its global platform and connected startups in Bhutan with startups in other countries. The global UNDP team in Singapore conducted learning sessions for the MoLHR and other ministries (such as tourism and construction). This support began in 2022; therefore, it is too early to assess the results.

UNDP, in collaboration with CSOs,⁸⁶ supported targeted end-to-end programmes by providing rehabilitation, reintegration, reskilling and networking opportunities. These included support for 30 young people with substance use disorder, including young people who required treatment and rehabilitation support and others requiring after care services. Support also was provided to 120 young Bhutanese working overseas who were forced to return home during the pandemic and needed mental health care support and for 100 young people laid off during COVID-19 who became certified as trekking guides. With the local CSO Loden Foundation, UNDP provided financing solutions to social enterprises involved in COVID-19 recovery by combining grants and interest/collateral free loans to start-ups. Of the ten enterprises supported, three were owned by women and seven by men. They included enterprises in organic agriculture, agriculture logistics, face mask production and waste management. Through this support, 56 employment opportunities (18 for women and 38 for men) were created. The qualitative evidence on the programmes (feedback from the participating youth) has been positive to date. Data (including quantitative data, where relevant) on the effectiveness of the interventions will have to be collected on a long-term basis, which will require dedicated resources. This was challenging during the pandemic lockdowns.⁸⁷

In 2021, UNDP catalysed the partnership of the RGOB, Thimphu TechPark and the Government of Japan to produce and launch 'Digital Jobs in Bhutan: Demand Creation and Future Skilling.' According to stakeholders, this brought about increased awareness among mid- and top-level businesses about the potential role and value of digital jobs, as well as the creation of digital jobs in the private sector. In addition to the launch of the report and associated events, UNDP also conducted advocacy and awareness raising activities among government and the private sector on the role of digital jobs.

UNDP, in partnership with resident UN agencies and under the leadership of the RCO, contributed to the Government's COVID-19 recovery efforts by conducting a Rapid Socio-Economic Impact Assessment (SEIA) and UN Bhutan's COVID-19 Socio-Economic Response Plan (SERP). These two reports informed the Government's economic contingency plan for COVID-19 response and its National Preparedness and Response Plan. UNDP also supported the development of key initiatives of the economic contingency plan, such as enhancing food self-sufficiency, and revitalizing the tourism industry, creating livelihood

⁸⁶ In particular a local CSO, Youth Development Fund.

⁸⁷ Mini-Roar 2021 and interviews.

opportunities for beneficiaries including youth, women and Persons with Disability (PWDs). The SERP also contributed to a better understanding of the socio-economic impacts of the COVID-19 pandemic on the tourism sector.

This approach of doing the diagnostics to identify the root causes, then formulating a portfolio of solutions, followed by testing and piloting, was recognized as a best practice within UNDP. However, the sustainability of the initiative is not secure. There is a general lack of resources, and the Government is reticent to test options and finance some solutions. Enhanced coordination is needed between the Government, UN agencies, civil society and the private sector in terms of job creation, skills transfer and the development of a conducive infrastructure. UNICEF has undertaken a mapping of all youth-related projects within the UN system, but there is a need to enhance coordination while avoiding duplication and overlap. There currently is no Youth Platform or similar mechanism that could bring together all relevant stakeholders.

UNDP also supported the Anti-Corruption for Peaceful and Inclusive Societies (ACPIS) project, through which 20 Youth Integrity Clubs were established. There was a high level of institutionalization from the outset, with the Ministry of Education being brought in as a partner, along with the Anti-Corruption Commission and UNDP. To date more than 600 boys and 800 girls have participated in the pilot, with a higher number participating in the roll-out (out of a total of approximately 100,000 school children in Bhutan). The plan was for the 20 schools with Youth Integrity Clubs to act as sister schools and for an additional four integrity clubs to be established at the municipal level. However, due to COVID-19 restrictions, plans had to be deferred, and the expectation was to resume this initiative from July 2022. Using learnings from the integrity clubs, as part of the youth integrity programme, the Anti-Corruption Commission (ACC) plans to propose a module in the national curriculum under the overall Galsung programme (National Service).

UNDP supported the Bhutan Transparency Initiative in training 145 students (77 females) from two colleges on social accountability tools and in conducting a social audit on two services of each college. The students identified service delivery issues in the colleges and presented their findings to the college management, bridging the gap between management and the student body. UNDP also supported the Bhutan Centre for Media and Democracy in carrying out three town hall meetings attended by local government and elected leaders as well as CSOs, and conducting a visioning exercise and community mapping. As a result, a youth group in S/Jongkhar led a community project, involved local stakeholders and successfully renovated a farm road that was previously closed to vehicles, thus benefiting the local farm cooperatives. The evaluation team was informed in interviews that preliminary results from the initiative show behavioural, attitudinal and mindset shifts of the more than 1,000 youth who participated in the initiative, shifting from passive subjects of government support to active, creative and confident participants in local development. The Youth Integrity Clubs generated a positive atmosphere among the youth and inspired them to uphold the values of honesty, integrity, fairness, transparency and accountability. To be truly transformative, however, the initiative will need to be fully institutionalized throughout Bhutan.

The youth portfolio was moved from Outcome 2 on climate change and livelihood to the Outcome 1 portfolio on governance without building sufficient synergies with livelihood interventions.

Finding 6. Citizen engagement of the Parliament: UNDP's support to Parliament through capacity development, technical and financial assistance has contributed towards driving forward people-centred development, human rights and advancing citizen engagement. The lack of institutionalization of processes such as public hearings affects the sustainability of the approach.

UNDP's support to the Parliament has helped enhance both houses' capacities to engage with citizens in key issues, thereby leading to increased inclusion, transparency and accountability. For the first time in Bhutan, for example, with UNDP's support, the Parliament of Bhutan introduced public hearings. The first public hearing session was conducted and was broadcast live on national television and on social media platforms. The hearing focused on the draft Mines and Minerals Bill. It followed the procedures set out in a manual developed with UNDP's technical assistance and included 20 additional stakeholders relevant to the topic. Media also were included, and the hearing was crucial for disseminating information to the public. However, the evaluation team was informed that the costs associated with public hearings have prevented the National Assembly from conducting any subsequent public hearings, limiting the potential for further engagement with citizens.

Other efforts to increase citizen engagement with the Parliament included supporting multi-stakeholder dialogues involving Parliamentarians, women, youth, local government and academia, as well as support to the 3rd cycle of Universal Periodic Review (UPR) process. UNDP also supported the participation of two members of Parliament in the seminar on Parliamentary Engagement on Human Rights. UNDP's support was provided as a part of capacity enhancement of the Parliamentary Committees.

In 2019, the National Human Development Report on the ten years of Democracy in Bhutan was launched. The report articulates a landmark moment in Bhutan's history of parliamentary democracy. It generated public debate, enabled different groups to articulate their views, mobilized support for action and change, and built national awareness and consensus on issues relevant to democracy in Bhutan. It has continued to contribute to the framing of policies on parliamentary democracy and supported efforts of the RGOB to advance the Good Governance pillar of Gross National Happiness, while understanding related progress towards implementation of SDGs.

The Business Continuity Plan of the Parliament and its Standard Operating Procedures, developed through UNDP's technical and financial assistance, helped to ensure critical oversight, legislative and representational functions during and after the COVID-19 pandemic. The Standard Operating Procedures detail the functioning of the Parliament during times of emergency and provide e-governance guidance to the people while allowing the Members of the Parliament to fulfil their roles in driving forward people-centred development. UNDP also provided technical and financial assistance to conduct an assessment for establishing a joint centre for both Houses of Parliament. The assessment provides recommendations to make operations more efficient and enhance Parliament's capacity to carry out its core functions. Due to resource constraints, the recommendations from the assessment have not been implemented and the concept has not progressed further. Both houses of Parliament have expressed a need for increased cooperation and joint services, including a joint parliamentary centre, library and Information and Communications Technology (ICT) service and platforms for citizen participation and engagement.

Despite the slowdown in government activities during the pandemic, with UNDP's support, the Parliament continued its work, notably with the establishment of the SDG Committee and revision of critical policies related to human rights protection and advancement, including amendment of the Penal Code. The most important result, according to both houses, was the Strategic Development Plan 2019-2023, which integrated the SDGs into the processes of the Parliament. The document was developed with the technical and financial support of UNDP. This included conducting a four-day SDG Assessment Workshop on how to integrate the SDGs into the processes of the Parliament and how to report on the SDGs. With UNDP's technical assistance, the Assembly is currently developing a roadmap on how to implement the SDGs, which was delayed due to the COVID-19 pandemic. A guidebook on legislative procedures was developed, targeted for new MPs (MPs rotate on a five-year basis).

While it is not possible for 100 percent of the Parliament's functions to move online, both houses have been working together, with UNDP's technical and financial assistance, to develop a joint digital platform. This resulted in a very detailed guideline being developed on how the digital platform will function. The National Assembly has proposed the establishment of a joint secretariat to pursue this and has requested UNDP's support. Progress in this area slowed when Parliament's activities stopped during the height of the COVID-19 pandemic.

The Legislative Impact Assessment Handbook, currently under development with UNDP support, also has the potential to bring about change, with strong commitment both from the Parliament and the Government. The new Legislative Impact Assessment Handbook updates the previous Regulation Impact Assessment Handbook, and assesses more of the background, content and overall intent of potential new legislation. In partnership with the Office of the Attorney General (OAG) and the Cabinet, UNDP provided technical and financial assistance to the development of the Handbook, including providing tools in cooperation with the A-Lab. The Handbook will have all tools integrated and will be tested with the Planning and Policy Departments within the line ministries. It will undergo three more rounds of review, by the judiciary, lawyers and the JSW School of Law.

UNDP's engagement of the Parliament and primary stakeholders included supporting participation in the Salzburg Global Lesbian, Gay, Bisexual and Transgender (LGBT) Forum by Members of the Parliament and members of the LGBT community. Support also included learning visits for stakeholder partners, and actively participating and engaging in the discussions of the Women and Child Committee of the Parliament. UNDP supported the first ever alternative report by Tarayana Foundation and the country's Universal Periodic Review proceedings. This support enabled robust participation and diverse understanding of the issues by the Members of the Parliament and the key stakeholders, which provided rich discussion points during the legislative change process.

UNDP also supported the development of a Digital Engagement Platform with the National Council and the Bhutan Centre for Media and Democracy aimed at the digital transformation of the engagement between citizens and policy makers. The online platform was developed by Cognition and is being tested in Pakistan, Timor Leste and Bhutan. The first conversation focused on how Bhutan could build back from COVID-19 and engaged 1,677 Bhutanese youth. The second conversation focused on climate change, with more than 7,000 people engaged. It is envisaged that the platform will raise the awareness of the public at large and specifically of youth and increase their engagement with Parliament on legislative and policy development. The platform was publicly launched in September 2022. It has already generated data on participation of more than 4,500 individuals. While it is too soon to assess the platform's impact, the evaluation team was informed that data will be analysed before the end of 2022.

Finding 7. Justice reform: UNDP has positioned itself as the partner of choice in supporting the RGOB's efforts to implement a justice sector reform programme. UNDP has been successful in advocating for and supporting the development of a sectoral approach to justice reform, resulting in enhanced institutional coordination. UNDP also has supported the development of a draft legal aid policy, which could prove transformational. Innovations such as e-litigation have the potential to increase access to justice through bringing justice to the doorsteps of the people. However, these interventions are at the nascent stage and require consolidation.

UNDP is seen by the Government as an authority in the justice sector based on its global, regional and national experience. As such, UNDP has been able to position itself as the partner of choice in supporting the RGOB in delivering justice sector reforms and is a key member of the Justice Sector Working Group. Within the UN system, UNDP has played a leading role in the informal coordination group on justice, designed to

coordinate UN agencies in the justice sphere to work to each organization's strengths, streamline operations and provide a single window for the Government, contributing to SDG16, the 12th Five Year Plan, the UNSDPF Outcome 1 and the UNDP CPD Outcome 1.

With technical and financial assistance provided by UNDP, including through the close involvement of the UNDP Justice Team (including Bangkok Regional Hub), the first ever Justice Sector Strategic Plan (JSSP) 2019 – 2023 was developed, bringing all justice sector actors together under one strategic approach for the first time. The JSSP outlines the broader perspective of justice sector institutions, including the Royal Courts of Justice, NCWC, Royal Bhutan Police, OAG and Bar Council. Its corresponding Implementation Plan is approximately 60 to 70 percent funded by the Austrian Development Agency (ADA), the only other development partner currently working on justice sector interventions in Bhutan.⁸⁸ UNDP's support to implement a more sectoral approach to access to justice provided an opportunity for the previously disconnected agencies and institutions in the justice system to work together to ensure justice is accessible to all, including men, women and children and those at greatest risk of being left behind, such as persons with disabilities.

All justice sector agencies are fully committed to the new sectoral approach reflected in the JSSP and its Implementation Plan. At the same time, it is important to recognize that although the Plan is an excellent blueprint, its implementation calls for new capacities in terms of strategic leadership and coordination, which are critical for achievement of its outcomes and to demonstrate the added value of a sectoral approach.⁸⁹ UNDP's support included advocating for the Strategic Plan and providing technical and financial assistance for its development. All of UNDP's support to the sector is shaped around the Strategic Plan's priorities.

UNDP provided instrumental support to the development of a system of free legal aid.⁹⁰ This included the development of guidelines and policy, signing of a Memorandum of Understanding, coordination and conversations, as well as advocacy with the Government. The support has been ongoing for nearly a decade even as political will and commitment has wavered. In 2020, together with the OAG, RENEW and the NCWC, UNDP provided technical and financial assistance to the development of a Guideline on Legal Aid as a starting point towards making legal aid inclusive and affordable. This is complemented by the UNDP-supported Pro-Bono Legal Aid Guidelines developed by OAG, which detail the provision of pro bono services by lawyers who are members of the Bar Council. With support of the A-Lab, stakeholder consultations and listening sessions were conducted to identify the ground realities. This led to the development of a sense-making report, which informed both the development of the Guidelines as well as the pilot Free Legal Aid (FLA) project.

Building from the development of the draft Guidelines, the stakeholders designed a pilot project to test the provision of free legal aid, focusing on cases of GBV, which was implemented in 2021. The services were provided by a private law firm that significantly reduced its fees and provided free legal aid to 10 vulnerable women. The pilot was intended to be used to demonstrate to the Government the feasibility of a potential system of free legal aid and to showcase what can be done and how. The Government is coming under increasing pressure from Parliament to adopt a system of free legal aid, which is a constitutional right in Bhutan, and at the time of the evaluation it was anticipated that the Guidelines could be adopted in July or August 2022. It was acknowledged by stakeholders that the support UNDP provided through

⁸⁸ It should be noted that ADA will be withdrawing from Bhutan at the end of 2023.

⁸⁹ UNDP Multi-year Governance Framework project (MYGF) 2020 – 2023 Prodod.

⁹⁰ UNDP has provided support during 5 phases of the systems development: i) Drafting rules and regulations, ii) Developing the web-based portal, iii) Provision of equipment, iv) Capacity development, v) Awareness raising.

the pilot project came at the right time in terms of the development of the system. The pilot has built the Government's confidence to adopt a national legal aid system. The work will be further strengthened with support of the planned Legal Needs Survey for Bhutan.

It is envisaged that the system will be led by the Justice Sector Working Committee, which includes eight justice sector institutions. Initially, the provisions of Free Legal Aid (FLA) will be limited to vulnerable groups, as defined by the 2017 Vulnerability Assessment. There also is a financial means test that is applied and the Guidelines provide for FLA in cases 'in the interests of justice,' although there is no definition of what this means in practice. This potentially results in a subjective interpretation of who is entitled to receive FLA and not, which could discriminate or exclude certain groups of people or types of cases. Initially FLA will only be available in criminal cases, although it is hoped that the system will be expanded down the line. While the level of ownership and interest among the justice sector actors is assessed as being high, secure, full government commitment and buy-in is still absent and significant capacity building will be required along with significant awareness raising among the people, in particular, vulnerable groups.

There are 13 Dungkhag courts, 20 Dzongkhag courts, 1 High Court and 1 Supreme Court overseen by the Royal Court of Justice in Bhutan. UNDP provided equipment for 10 of those courts. Support included the development of a manual on the e-litigation system and capacity building of all judges and court officials, staff of the OAG and the Royal Bhutan Police on how to use the system. UNDP also provided assistance to the drafting of the Rules and Regulations for the e-litigation system, including through sharing best practice examples from Singapore, Canada and other countries. The e-litigation system was launched in April 2021, and in its first year, a total of 70 cases were registered (out of approximately 4,000-5,000, which are registered per year.) To date, 1,030 hearings have been conducted virtually. In 2021, the initiative benefitted 308 people and enabled the judiciary to conduct 13.5 percent of the total court hearings virtually, in 12 different courts across the country. Significantly, in support of this programme, the Judiciary invested US\$64,000 as Government Cost Sharing. While precise data on the amount of time and money saved through using the e-litigation system has not yet been compiled, anecdotally, stakeholders informed the evaluation team that it can take up to three days in some locations to reach the court, so the system has the potential to save considerable time and resources and to bridge the gap between justice and the people.

UNDP also has started to train local leaders at the village level (27 to date) to raise awareness of the system at the local level. This is an important step in terms of bridging the gap between the people and the courts, as well as providing opportunities for people who are not digitally literate, or who do not have access to digital equipment, to be able to access the e-litigation system through the local village hall facilities. The e-litigation system has huge potential in terms of narrowing the justice gap between rights holders and duty bearers. It brings the justice system to the doorsteps of the people, and contributes to expanding access to justice, in particular for vulnerable groups. Through safety mechanisms, such as training of the village leaders and providing access to the system at village level, the system has the potential to be transformational in strengthening access to justice for all in Bhutan. However, the system still needs to be stabilized and nurtured, so that more people use it, and to be integrated fully with the Royal Bhutan Police and OAG. An interface also needs to be developed for lawyers. The present system needs to be upgraded to ensure the safety and security of the user, which will help to generate trust both among the people and among the judiciary and other stakeholders. To date, UNDP has not provided any support in terms of e-security and data ethics, or any assessment of the risks of the digital system. If the system is fully implemented, it could be transformative. But there is a need to be mindful of the sensitivities involved as well as to ensure adequate standards and robust training and mitigating the risks around confidentiality of data.

The interventions to provide legal services that are accessible and affordable to vulnerable populations are at a nascent stage. Challenges persist with developing proper procedures in providing such services. Many women and girls who need the services are not aware of such services. Due to limited donor interest, UNDP was not able to mobilize resources to support the Government to undertake the targeted reforms in full. UNDP's support thus remains selective and carefully scoped out. During the pandemic, e-litigation received attention from the Government, while other areas of reforms, such as adoption of legal aid and legislative impact assessment, experienced delays.

2.2 Environment, climate change and poverty reduction

CPD Outcome 2: By 2023, Bhutan's vulnerable communities and its economy are more resilient to climate induced and other disasters and biodiversity loss.

Related outputs:

Output 2.1. Inclusive, multi hazard and risk informed systems and capacities in place to tackle poverty through the sustainable management of natural resources

Output 2.2. National policies foster innovative financing, inclusive business, and improved livelihoods through climate resilient/nature based solutions

Output 2.3. Greenhouse gas emissions managed in select sectors

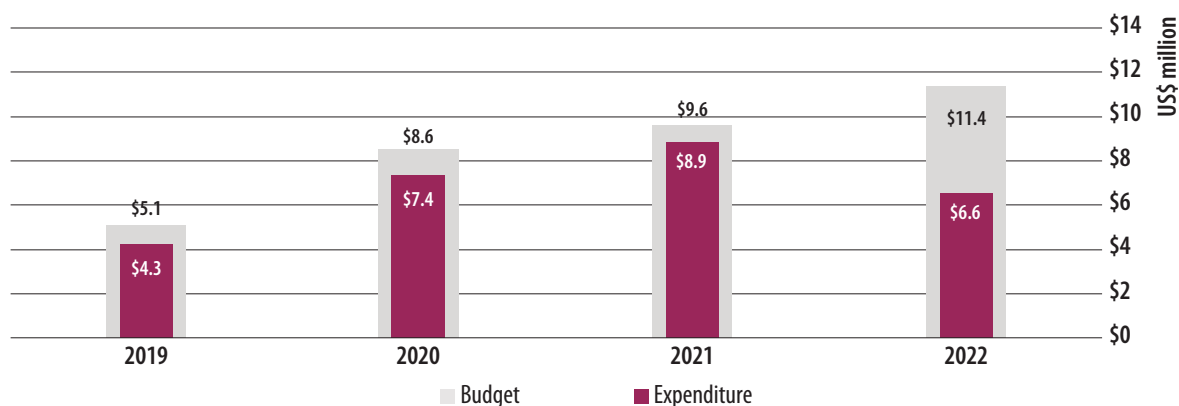
Output 2.4. Data driven, evidence based, gender responsive tools, mechanisms and solutions applied for multi hazard preparedness and risk reduction

Under Outcome 2, UNDP intensified efforts to build climate resilience and enhance environmental sustainability of community livelihoods, and maintain carbon-neutrality, which also contributed to the national efforts of recovery from the COVID-19 pandemic. A total of 23 projects with 26 project outputs were implemented, with a budget of US\$34.6 million (85.9 percent of the total programme budget) and expenditure of \$27 million (84.4 percent of the total programme expenditure), reaching a 77.9 percent execution rate.⁹¹ Although there were 11 DIM projects and 10 NIM under Outcome 2, the NIM projects represented 86 percent of the expenditure for this outcome.⁹²

⁹¹ This includes two unlinked projects: 'PRP for Ozone Depleting Substances - Continuation 40307' (Project ID: 00093932) and 'Accelerator Lab - Bhutan' (Project ID: 00127860). The financial resources correspond to the period 2019 to January 2023.

⁹² The two unlinked projects 'PRP for Ozone Depleting Substances - Continuation 40307' (Project ID: 00093932) and 'Accelerator Lab - Bhutan' (Project ID: 00127860) were DIM implemented.

FIGURE 3: Evolution of budget and expenditure in environment, climate change and poverty reduction



Source: IEO Datamart from Atlas as of 9 January 2023

This portfolio has largely been funded by the Green Climate Fund (43.8 percent expenditure of Outcome 2) and the Global Environment Fund (38.5 percent of expenditure). Core funding sources supported 15 project outputs under this Outcome (4.8 percent expenditure of Outcome 2), and non-core funding supported 24 project outputs (95.2 percent).

Finding 8. Climate resilience and livelihood: Climate change and environmental projects have integrated livelihoods and poverty reduction, recognizing the profound nexus between poverty, environment and climate change. Several results were achieved on the introduction of sustainable and climate smart agriculture, resilience to climate change and forest management practice in rural areas. Results on livelihood remained limited and focused on improving existing livelihoods, with limited scope for the creation of new livelihoods. Full assessment of UNDP's contribution to the increase of annual household incomes and employment generation was hindered by the capacity of the current M&E system.

The Green Climate Fund (GCF)-financed project 'Supporting Climate Resilience and Transformation Change in the Agriculture Sector' and the Global Environment Facility (GEF)/Least Developed Countries Fund (LDCF)-financed project 'Enhancing Sustainability and Climate Resilience of Forest and Agricultural Landscapes and Community Livelihoods', also known as National Adaptation Programme of Action (NAPA) III project, are the largest projects in the current portfolio of UNDP projects. In rural Bhutan, irrigation schemes and farm roads are the most critical infrastructure for community livelihoods. However, most of the traditional irrigation schemes and farm roads are earthen channels and unpaved roads with very little or no consideration of climate change impacts, rendering them highly susceptible to climate hazards. Through the GEF and GCF-funded projects, UNDP helped the Bhutanese Government to upgrade 222 km of irrigation channels and 316 km of rural roads (farm roads and Gewog connectivity roads) for enhanced climate resilience in districts with high vulnerability to climate change, directly benefitting 40,637 people, including 19,354 women. Local water users' groups and road users' groups were formed, and members sensitized to ensure community ownership and maintenance of the upgraded irrigation schemes and farm roads. To support investments in the climate proofing of rural roads and irrigation schemes, guidelines were developed, and trainings are being delivered to the regional and district government engineers, inspectors and surveyors to apply them. However, those training programmes have not yet included private engineers and contractors, even though they have an important role in developing irrigation and road infrastructure in rural areas. The standards for piped irrigation systems developed through these projects and the associated costs are envisaged to serve as a benchmark for future investments in piped irrigation. A 34-km irrigation scheme is being undertaken in Phangyuel gewog, Wangduephodrang, based on a 'design, build, operate, transfer'

modality – a first for the country. Should this modality prove successful, it will be a game-changer and stimulate similar public-private partnerships in the future, not only in irrigation systems but possibly also in the development and delivery of other public goods and services.

A key factor in climate proofing of roads and irrigation schemes is the additional upfront costs needed to develop and implement climate adaptation measures. While the additional upfront costs are met with external financing through projects, past experiences show that in the absence of external financing there is a tendency for government authorities to revert to conventional approaches and practices of building roads and irrigation schemes without taking climate adaptation and resilience measures fully into consideration. In the absence of Bhutan-specific empirical data and knowledge to demonstrate the economic and fiscal prudence of climate-adaptive investments in infrastructure development (such as cost-benefit analyses of climate-adaptive investments vis-à-vis conventional investments without climate adaptation), this trend is likely to continue.

UNDP projects also have trained farmers and local government officials, developed village-level participatory action plans for sustainable land management, and provided material support to enable implementation of climate-smart agriculture, organic farming and sustainable land management practices. These interventions have directly benefitted 45,184 men and 41,521 women,⁹³ and strengthened the capacity of 17 local organic groups consisting of 727 farmers to produce and market organic agricultural products. Building on past achievements, the projects have strengthened climate information services and trained local stakeholders for climate-informed agricultural planning and strengthened the mechanism to mainstream environment and climate issues, along with gender, disaster and poverty issues, in local development planning and implementation at the district and gewog levels. The projects also have helped local governments and communities to implement solutions to protect crops and livestock from depredation by wildlife or recover crop and livestock losses from wildlife incursions and have assisted the Government to strengthen the value chain and markets for climate-resilient and organic agricultural commodities. These interventions are expected to lead to a 25 percent increase in annual household incomes, a 30 percent increase in crop yield for 70 percent of the beneficiaries, and a reduction of human-wildlife conflicts by 50 percent in the targeted areas.⁹⁴ Quantitative assessments on the impact of interventions on livelihood have not yet been conducted but are scheduled to take place in 2023.⁹⁵

With UNDP's support, sustainable forest management plans have been developed and are being implemented in six Forest Management Units (FMUs) and 27 local forest areas outside FMUs, bringing 162,500 hectares of forest under sustainable forest management regime. The plans enable an annual allowable cut of 161,000 cubic meters of timber on sustained yield basis, thereby increasing availability of sustainably harvested timber to Bhutanese communities for construction of homes and wood-based livelihood activities such as furniture-making.

UNDP supported the Department of Agriculture to design and implement a 'Promoting Green Jobs in Agriculture Sector' project to enhance food security and improve agricultural employment in the wake of disruptions in the food supply chain and growing unemployment induced by the COVID-19 pandemic. This project helped increase vegetable production to meet local vegetable needs during the pandemic

⁹³ Altogether, 127,072 people, including 60,875 women, have benefitted from UNDP's support to climate proofing of irrigation schemes and rural roads, and implementation of sustainable natural resource management activities in the field.

⁹⁴ These are the main livelihood-related project-end targets set in the project results frameworks of the GEF/LDCF-funded NAPA III project and the GCF-funded Climate Resilient Agriculture Project. Due to the COVID-19 pandemic, the projects have not been able to carry out any assessment of the achievement of the targets but plan to do so in the coming months. The mid-term evaluation of the NAPA III project, which was conducted in 2020, indicates that the livelihood targets were mostly achieved.

⁹⁵ It was reported that the interim evaluation of the ongoing GCF has recorded increased income. UNDP also plans to launch follow up surveys to track its progress.

while also introducing climate-smart technologies such as mega-greenhouse farming and automated micro-irrigation systems in the districts of Dagana, Tsirang and Trongsa. These innovations reduce the drudgery associated with farm work and help attract unemployed, educated youth to farming, especially those laid off in the tourism sector due to the COVID-19 pandemic. The project has built the capacity for agricultural entrepreneurship and protected the agriculture system among youth, resulting in creation of 10 community-based agricultural enterprises and employment of 291 men and 214 women in the project-targeted districts.

The Cottage and Small Industries (CSIs) constitute more than 95 percent of the total industrial establishment in Bhutan and are recognized for their key role⁹⁶ in the economy. The CSI sector is facing various challenges⁹⁷ that have been compounded by supply chain disruptions, production breakdowns, and labour mobility issues generated by the COVID-19 pandemic. During the pandemic, UNDP supported CSIs in scaling up production through mechanization, improving packaging, and strengthening market outlets. This was achieved through provision of a Common Facility Center equipped with the most commonly used equipment, also benefiting new businesses such as 13 new start-ups and providing cold storage or warehouse equipment at the CSI market that provides market access to all Bhutanese CSI products. In total, UNDP's support benefitted more than 200 CSIs and food-related products, minimizing the post-harvest damages and losses.

The Ministry of Agriculture and Forests, Dzongkhag Administration and the farming communities faced important challenges in maintaining the quality of fruits and vegetables, especially during the COVID-19 pandemic. Vegetables deteriorated within a few days from harvesting due to lack of proper packaging material and storage facilities. More than 40 percent were lost due to inadequate transportation. UNDP has been providing postproduction facilities and equipment⁹⁸ across the country to reduce postproduction loss and improve income of farmers. This has benefitted 65 food aggregators in three centres⁹⁹ and a total of 514 food producers and farmers have benefitted from three post-harvest centres.

The new climate change and environmental projects, such as the UNDP/GEF Project on 'Mainstreaming Biodiversity Conservation into the Tourism Sector in Bhutan' (in its initial year of implementation) and the UNDP/GEF/LDCF Project on 'Advancing Climate Resilience of Water Sector' (under formulation) also are examples of UNDP working at the frontier between livelihood and environment. The former will develop and demonstrate wildlife and nature-based ecotourism products and services to generate employment and enhance community livelihoods in the eastern region, where poverty is high, and tourism is under-developed. The latter will target districts where community livelihoods are being severely affected by climate stress on water resources and poor climate resilience of water infrastructure.

The livelihood component of the Outcome 2 portfolio has not sufficiently integrated youth, missing an opportunity to create synergies with Outcome 1 in governance.

Finding 9. Green House Gas (GHG): Recognizing the impact of the rapid urbanization on GHG emissions as well as the national aspiration to remain a carbon-neutral economy, UNDP has collaborated with the Government in the formulation and implementation of Low Emission Development Strategies. Results achieved included the promotion of electric vehicles for public transport, renewable energy, and

⁹⁶ employment creation and poverty reduction, among others.

⁹⁷ E.g., limited access to finance and market, poor innovation and low technology adoption, poor managerial know-how.

⁹⁸ E.g., cold storage, packaging and dehydrating equipment such as 3 electrical dryers, 2,800 plastic crates, 250 food grade barrels, and 45,000 BOPP packaging bags installed in 3 post harvesting centers.

⁹⁹ Brumbi: 9 males and 2 females; Dagapela: 7 males and 3 females; Lingmethang: 8 males and 3 females.

management of municipal solid waste. While UNDP interventions for GHG emission management are pioneering in this sector, sustainability strategies including private sector engagement are required to bring transformational changes.

UNDP assisted the Government to formulate Bhutan's Second Nationally Determined Contribution, ahead of the 26th United Nations Climate Change Conference in November 2021. The Second Nationally Determined Contribution (NDC) reiterates the country's commitment to remain carbon neutral and charts a path to enhance national mitigation targets and actions through sectoral Low Emission Development Strategies and National REDD+ Strategy and Action Plan 2020.

Although Bhutan remains a net sequester of GHG and is distinguished as one of the world's very few carbon-negative countries, the National Greenhouse Gas Inventory 2015 prepared for Bhutan's Third National Communication to the United Nations Framework Convention on Climate Change (UNFCCC) 2021 revealed that the country's GHG emissions have increased by 77.8 percent, from 917.149 Gg CO₂ equivalent in 1994 to 1,630.846 Gg CO₂ equivalent in 2015. The highest percentage increase of GHG emissions was in the energy sector, where GHG emissions grew by an astonishing 656 percent, from 93.6 Gg CO₂ equivalent in 1994 to 707.917 Gg CO₂ equivalent in 2015. Within the energy sector, transport was the largest source of GHG emissions, at 707.917 Gg CO₂ equivalent, accounting for 60 percent of the total GHG emissions in the sector. Since 2015, the number of vehicles has continued to grow unabated, increasing from 75,190 in 2015 (the year of the last GHG inventory data) to 114,646 in 2021 (per the Annual Reports of the Road Safety and Transport Authority). The current trend, if unchecked, could upend the national aspiration and pledge to remain a carbon-neutral economy for all times to come, and undermine global and national efforts to mitigate global warming and climate change.

Appropriately, UNDP's main project to manage GHG emissions is the Bhutan Sustainable Low-Emission Urban Transport System project funded by the GEF. The project, which began in 2018 and is due to end in 2022 after a year-long delay caused primarily by the COVID-19 pandemic, was conceived with the objective to facilitate the initial stage of low-carbon transition in the country's urban transport systems by promoting wide uptake of low-emission vehicles, with particular focus on electric vehicles and taxis.

The project has created an enabling policy and regulatory framework for low-emission vehicles, raised awareness for improved public perception and understanding of Electric Vehicles (EV), built some technical capacity for operation and maintenance, and invested in a financial support mechanism to enhance affordability and access to finance for EVs. The project is the first of its kind in Bhutan and has catalysed interest and support from other development partners. This includes support from the Bhutan Trust Fund for Environmental Conservation for the installation of additional EV charging stations, and from the Government of Japan for procurement of additional EVs and installation of quick charging stations. It also includes support from the United Nations Industrial Development Organization (with funding from the Austrian Development Agency) to trial the operation of an electric bus for public transport in Thimphu as a first step in the electrification of Bhutan's passenger bus system. Despite EV procurement challenges due to disruption in the EV supply chain in international markets as a consequence of the COVID-19 pandemic, the Bhutan Sustainable Low-Emission Urban Transport System is on track to achieve its target of uptake of 300 EVs by the end of the extended project period. A total of 129 EVs are in operation for taxi service through project support to date and the remaining 171 EVs are expected to arrive over the next few months. The uptake of 300 EVs by the end of the project will translate to an avoidance of GHG emissions of 3.44 Gg CO₂ equivalent in one year, or 43 Gg CO₂ equivalent in the lifetime of the EVs.¹⁰⁰ Affordability of EVs,

¹⁰⁰ Project document, Bhutan Sustainable Low-Emission Urban Transport System, 2018.

inadequate EV infrastructure and limited technical capacity remain major concerns. Nonetheless, interviews with project stakeholders reflected optimism for the future of EVs in Bhutan in view of the country's rich hydropower resources, government's green economic development policy, increasing global oil prices, rapid global growth in the EV market, and an anticipated decline in EV prices in the future. The recent GEF EVs terminal evaluation highlighted the private sector's contribution and engagement. However, there is no clear strategy as to how the project stakeholders will coordinate and address remaining gaps and barriers, build on the momentum provided by the project and reinforce the achievements in the absence of external financing.

Other UNDP support for the management of GHG emissions included the installation of a 180 kilowatts (kW) grid-linked solar photo-voltaic power plant, co-located with the 600 kW wind farm in Rubesa, Wangduephodrang, and the establishment of seven waste drop-off centres in Thimphu to ease solid waste disposal and facilitate waste segregation.

The solar photo-voltaic plant, launched in 2021 as a part of Bhutan's COVID-19 response for a smarter, greener and more resilient recovery through innovation, is a first of its kind with immense replication value in view of the country's huge and largely untapped solar power potential (estimated at 12,000 mega-watts),¹⁰¹ the declining cost of solar power technology, and the presence of a widespread national network of electricity grids developed for hydropower transmission. The design, construction, installation and grid integration of the plant were done by national engineers and technicians taking into account on-site circumstances, thereby creating Bhutanese capacity to take up similar projects in the future.

The support for the establishment in 2021 of seven waste drop-off centres contributed to the achievement of Thimphu Thromde's (municipality) plan to set up a network drop-off centres at various locations in the city to improve waste management services and reduce improper waste disposal due to erratic collection of waste by garbage trucks. All seven of the new waste drop-off centres are up and running, although it is too early to assess their impact at this stage. To promote behavioural change in waste segregation, UNDP's Accelerator Lab carried out a social experiment on the pattern of the household behaviour in quality waste segregation involving 600 households over a period of one month. Waste segregation improved with increased public awareness of the waste types generated as result of public information stickers and a feedback system. Additionally, with UNDP support, rural communities have established 12 biogas plants, which contribute to the management of animal waste, reduction of methane emission and diversification of rural energy base.

Finding 10. Climate Change: Primarily through the National Adaptation Plan process, UNDP has strengthened data, information and knowledge on climate change, climate vulnerabilities and impacts, and adaptation options in key sectors, including water, agriculture, health, forests and biodiversity. UNDP also has contributed to increasing national capacity to coordinate and conduct climate research and assessments, including with active participation of academia.

The National Adaptation Plan (NAP) process has included a number of activities related to institutional coordination, training and tools for climate risk and vulnerability assessments, data and information management, climate research strategy and roadmap, as well as adaptation planning and costing. The process has built institutional coordination and collaboration, with particular attention paid to the engagement of academia in climate research and training. To facilitate widespread awareness and knowledge on climate change and adaptation within the civil service, climate literacy programmes and modules were developed for integration in courses conducted by the Royal Institute of Management,

¹⁰¹ Renewable Energy Management Master Plan (2016), Ministry of Economic Affairs, Royal Government of Bhutan.

which is the foremost management training service provider for the civil service with postgraduate diploma courses in public administration, financial management and national law, and a Master's degree programme in business administration.

The NAP process will culminate with production of the National Adaptation Plan, including an implementation and financing strategy. Data/information assessment, reviews and validation workshops are scheduled to take place to aid the formulation and finalization of the NAP. The goal is to have the NAP ready ahead of the United Nations Climate Change Conference (COP27) in November 2022. UNDP has promoted the development of NAP as a fully country-driven process based on extensive stakeholder engagement and institutional coordination, with technical assistance from qualified Bhutanese consultants. Stakeholder interviews conducted for this evaluation inferred that this has nurtured ownership and affinity among the project stakeholders and raised confidence in the use of Bhutanese expertise.

Other UNDP support for data-driven, evidence-based climate change management included climate risk-informed planning for agricultural and livestock activities and gender-climate assessment for data and information on the gender-climate nexus.

Through the GCF financed project 'Supporting Climate Resilience and Transformational Change in the Agriculture Sector', UNDP is supporting climate risk-informed planning for agricultural and livestock activities. Assessments of existing hydro-met databases and architectural computing systems of the National Centre of Hydrology and Meteorology and a data gap survey have been completed to establish a centralized hydro-met database. The database, which at the time of the evaluation was expected to become operational by December 2022, will be used for generating weather and climate services to aid planning and implementation of agricultural and livestock activities. This data is expected to be disseminated and discussed during the National Climate Outlook Forums with key stakeholders and will guide the development and application of climate information in decision-making in climate-sensitive sectors.

Despite a long history in supporting national and local actors in Bhutan on disaster risk management,¹⁰² UNDP was less active in upstream policy work and governance for disaster preparedness and response. This might have been a missed opportunity to create complementarities between results in this area of climate change and under Finding 8 with upstream work.

Finding 11. Biodiversity: Based on a landscape management approach, UNDP has contributed to the operationalization of biological corridors, which formerly remained largely dormant due to financial constraints and limited technical capacity for conservation management.

The biological corridors were launched in 1999 with the conservation objective to maintain gene-flow through uninterrupted wildlife movements and contiguous succession of natural habitats linking the protected areas. Bhutan is among the very few countries in the world to have a countrywide network of biological corridors linking its protected areas system. However, with no conservation management plans and requisite infrastructure in place due to financial constraints and limited technical capacity within the responsible Territorial Forestry Divisions, those biological corridors remained largely non-operational and were at risk of disintegration.

Through the GEF/LDCF-financed project 'Enhancing Sustainability and Climate Resilience of Forest and Agricultural Landscapes and Community Livelihoods', UNDP supported the Department of Forests and Park Services to carry out biodiversity and socio-economic assessments, survey and revalidate boundaries,

¹⁰² ICPE Bhutan 2014-2017, IEO.

conduct zonation, assess ecosystem and climate-adaptive functionality, formulate climate-adaptive conservation management plans and establish basic conservation infrastructure in four of the country's eight biological corridors. Linked to the support to the biological corridors, the project assisted adjoining protected areas (Jigme Khesar Strict Nature Reserve, Jigme Singye Wangchuck National Park, and Phrumsengla National Park) to address conservation threats of wildlife poaching, human-wildlife conflicts and forest fires, and improve the management of natural habitats. Staff training and equipment were delivered to strengthen the capacity for the management of biological corridors and adjoining protected areas. The management tracking tool shows that management effectiveness of the biological corridors improved between 42.9 percent and 100 percent over the baseline score,¹⁰³ with an overall improvement of 62 percent. For the protected areas, management effectiveness improved between 1.4 and 11.3 percent over the baseline score, with an overall improvement of 7 percent since the project began.¹⁰⁴ Further improvements in the management effectiveness tracking tool¹⁰⁵ scores are expected by the end of the project in 2023, as conservation management plans become fully operational and implementation capacity is further improved. Management effectiveness has translated to increased wildlife sightings, according to wildlife records maintained by forestry and park staff, which show additional sightings of globally endangered species such as tiger, snow leopard and musk deer in the biological corridors and protected areas supported by the project.¹⁰⁶

The launch in 2018 of Bhutan for Life – a 'Project Finance for Permanence' mechanism managed by the World Wildlife Fund to provide sustained flow of funds to effectively manage the country's protected areas and biological corridors¹⁰⁷ – came at an opportune time to sustain and build on the achievements made in the four biological corridors and adjoining protected areas supported by the UNDP/GEF project. Bhutan for Life was established to facilitate transition from international financing to government financing over a 14-year period. It was developed based on a comprehensive assessment of the financial gap between the country's current budget for protected areas and the cost of a comprehensive long-term conservation plan.

The support for development and implementation of sustainable forest management plans in six FMUs and 27 local forest areas outside FMUs through the GEF/LDCF-financed project 'Enhancing Sustainability and Climate Resilience of Forest and Agricultural Landscapes and Community Livelihoods' also contributes to biodiversity conservation. Those plans take into account ecological functions and biodiversity values while determining operable forest areas and annual allowable cut for timber extraction on a sustained yield basis.

In 2021, UNDP started a new GEF-financed project, 'Mainstreaming Biodiversity Conservation into the Tourism Sector,' with the aim to strengthen the policy and institutional framework for ecotourism, including financing mechanisms, build the capacity of stakeholders for high standard ecotourism, and develop and demonstrate ecotourism models that generate sustainable financing while also enhancing local economic

¹⁰³ An aggregate score of various management effectiveness criteria and sub-criteria as per baseline assessment conducted at the start of the project.

¹⁰⁴ The percentage improvements have been computed from the METT scores given in the mid-term evaluation of the GEF/LDCF-financed project "Enhancing Sustainability and Climate Resilience of Forest and Agricultural Landscapes and Community Livelihoods", 2020.

¹⁰⁵ Management effectiveness tracking tool is a mandatory monitoring and evaluation tool for GEF projects involving biodiversity conservation and protected area management. It is made of Excel worksheets that require GEF projects to provide indicators and data at the baseline, mid-term and project end to measure progress in the effectiveness of the protected areas with respect to numerous parameters. These require baseline scores and mid-term and project-end target scores on a wide range of criteria and sub-criteria related to institutional set-up, legal status, regulations, monitoring and enforcement, budget and funding, conservation objectives, territorial adequacy and integrity, management plan and its planning process, staffing and staff training, stakeholder engagement including the involvement of local communities and indigenous people, biodiversity information and research, biodiversity conditions and threats, public education and awareness, tourism, and other economic activities.

¹⁰⁶ Mid-term evaluation of the GEF/LDCF-financed project 'Enhancing Sustainability and Climate Resilience of Forest and Agricultural Landscapes and Community Livelihoods', 2020.

¹⁰⁷ There are 10 protected areas and eight biological corridors in the country, encompassing more than 50 percent of its territory.

benefits from biodiversity conservation and human-wildlife coexistence in protected areas and adjoining landscapes. While it is too early to assess the results of this intervention, it reiterates UNDP's intentions to mainstream biodiversity and its benefits to the population.

Finding 12. Innovative financing and economic development: UNDP has been instrumental in supporting the national vision of self-reliance and sustainable graduation from least developed countries category. UNDP has provided support on innovative financing, introducing this new concept in Bhutan with nascent but noteworthy results, particularly in green financing, leading to the development of crucial data and knowledge for the advocacy of innovative solutions for sustainable financing.

As a longstanding development partner of Bhutan and a major global proponent of the SDGs, UNDP recognizes that it has an important role to play in the country's smooth and sustainable transition from the least developed country category, with innovative and sustainable mechanisms to finance SDG implementation. It includes climate and environmental actions, which are pivotal to poverty reduction and economic development of Bhutanese communities. During the period under review, through key contributions of the UNDP country economist, UNDP Bhutan embarked on a series of initiatives to assess, develop and demonstrate innovative financing mechanisms.

Bhutan is among the 41 countries involved in the Biodiversity Finance Initiative (BIOFIN), a global UNDP programme that supports countries to identify and implement sustainable solutions for enhanced investment in biodiversity conservation and creation of nature-positive economies. Through BIOFIN, UNDP in Bhutan carried out a comprehensive review of existing policies, legislation and strategies using a biodiversity and climate lens to determine implications for investments and financing in biodiversity conservation and climate change. The review showed that biodiversity and climate related expenditures overlapped, which led to an Integrated Biodiversity and Climate Expenditure Review. The integrated expenditure review included a breakdown of poverty-related expenditure within the biodiversity and climate change expenditures. Subsequently, BIOFIN helped carry out a financing needs assessment and identify potential biodiversity financing solutions, including ecotourism concessions, which will be developed and demonstrated in practice through the GEF-financed project 'Mainstreaming Biodiversity Conservation into the Tourism Sector', which commenced in 2021. Other financing solutions identified through BIOFIN include improvement of capacity in relevant agencies to influence budget formulation for biodiversity, incorporating biodiversity conservation into local plans and programmes, revision of resource allocation formulas,¹⁰⁸ localization of biodiversity financing in a few select districts, investments in new technologies and insurance/compensation schemes to address losses from human-wildlife conflicts, and reform of harmful forest subsidies. These solutions are expected to contribute to alleviation of existing financial gaps and constraints for biodiversity conservation.

Building on the analyses from BIOFIN, UNDP will support the Tourism Council of Bhutan and the Department of Forests and Park Services to develop the draft framework for private sector ecotourism concessions from its current conceptual form to a full framework that can be implemented and demonstrated both inside protected areas and across wider landscapes. The framework for ecotourism concessions is intended to be developed in line with the Public-Private Partnership policy. It will cover implementation aspects including the concessions that the state will provide to the investors and define the processes and procedures for planning, awarding, implementation and monitoring. It will spell out the entire aspect of ecotourism revenue generation and management, linking the revenues to location and national level biodiversity

¹⁰⁸ The resource allocation formula is used by the government for allocating capital resources to the local governments based on a set of key criteria that are representative of important developmental issues and needs of the local governments to ensure equitable distribution of resources for local development investments.

conservation. By the end of the GEF ecotourism project, a key result expected is a model approach to developing and implementing concessions, which incorporates international best practices, including from UNDP's work on ecotourism concessions in other countries.

With the Payments for Ecosystem Services (PES), UNDP has expanded the PES scheme in Yakpugang, Mongar, which involves annual payments from Mongar municipality (service recipients) to the community forest group (service providers) in Yakpugang for the protection and enhancement of the catchment forests that serve as the main source of water for the Mongar township. The Yakpugang PES scheme was initiated by the Watershed Management Division of the Department of Forests and Park Services with support from the Netherlands Development Organization in 2011.¹⁰⁹ The annual payments have increased from US\$633 in 2011 to \$2,748 in 2020 with support from the GEF/LDCF-financed project 'Enhancing Sustainability and Climate Resilience of Forest and Agricultural Landscapes and Community Livelihoods.' As a result of the PES scheme, more than 150 hectares are maintained as watershed protection zones, including 31 hectares as buffer along the courses of the main water sources, supplemented with catchment restoration activities such as annual planting of native species to enhance water recharge and conservation.¹¹⁰ Building on the experience from the pilot PES scheme in Yakupgang, the project is supporting two new PES schemes, one in Tsirang and the other in Zhemgang, both based on agreements between upstream and downstream communities for irrigation water services. The upcoming UNDP/GEF project 'Advancing Climate Resilience of the Water Sector' envisages to take up new PES schemes to support watershed services for irrigation and household use.

The UN-Government Joint SDG Fund Programme aims to facilitate the development and implementation of critical building blocks towards an Integrated National Financing Framework (INFF) with the intent to make transformative contributions to the way Bhutan finances its development priorities. It is a joint initiative of UNDP and UNICEF under the leadership of the UN Resident Coordinator's Office, developed in collaboration with the Gross National Happiness Commission and the Ministry of Finance. Under this initiative, activities are being undertaken to develop gender- and climate-responsive financing strategies for the implementation of COVID-19 responses, FYPs and SDGs, and a health sector financing strategy for improved preparedness against future pandemics. Activities also are underway to strengthen the alignment of national planning, budgeting and reporting arrangements and fiscal risk management, and enhance the policy and regulatory framework, and the awareness for public-private partnerships, including for green economy.

Under INFF, the most advanced UNDP work is the preparation of a financing strategy for the renewable natural resources sector.¹¹¹ To formulate the strategy, UNDP is conducting a review of the existing policy and regulatory framework, examining a wide range of potential sustainable financing models and mechanisms, including analysis of their financial viability, offering recommendations for the short- and long-term, and outlining actions for implementation. Another key work underway is the review and revision of the Public-Private Partnership (PPP) Policy 2016, which has hitherto not been implemented effectively. The revision is intended to make the PPP policy more investor-friendly and catalyse its implementation. UNDP also launched two series of Economic Contingency Plans to reinvigorate the construction industry, natural resource-based industries and tourism from the effects of the COVID-19 pandemic, supported by appropriate fiscal and non-fiscal incentives, and a conducive regulatory framework.

¹⁰⁹ Benefit-sharing from Ecosystem Services with emphasis on Poverty Reduction, Review, Project Proposal and Programmatic Framework, Watershed Management Division, Department of Forests and Park Services, July 2012.

¹¹⁰ Norton U (2021). 'Impact of Water Management Strategies – Payment for Ecosystem Services in Bhutan', International Journal of Science and Innovative Research, 2021, 02(08).

¹¹¹ A major economic driver contributing to 15.82 percent of the national GDP and providing employment to approximately 50 percent of the population, includes the management of forests that cover more than 70 percent of the country's territory.

Much of UNDP's work in innovative financing is conceptual, policy-based, and oriented towards development of an information and knowledge base, enabling UNDP to make inroads into what is a new concept. To achieve more tangible results, continuous engagement with the Government and broader partnership, including with the private sector and civil society, are desired.

Another important line of work on economic development is UNDP's support to the Ministry of Economic Affairs in leveraging trade towards economic recovery. UNDP supported the preparation of Diagnostic Trade Integration Study Update 2020 (DTISU 2020). The DTISU 2020 reviews Bhutan's economic progress since the first DTIS in 2012. It assesses the implementation of earlier recommendations, identifies challenges encountered since the last study, and considers the new economic landscape. The DTISU also builds on plans and strategies adopted by the Royal Government in recent years and takes into account Bhutan's transition from the LDC category by 2023. It provides a clear analysis of the new priorities and challenges ahead for the revival and growth of the Bhutanese economy in the face of COVID-19 crisis.

UNDP also supported the Ministry of Economic Affairs in developing the country's first National Export Strategy, which identifies current challenges, outlines opportunities, and recommends policy shifts and interventions to diversify exports as Bhutan prepares to put its economy back on track, build back better and achieve the Sustainable Development Goals, guided by the momentous reforms that the Government is undertaking.

2.3 Cross cutting issues

Finding 13. Gender: UNDP's programme was assessed as gender responsive. UNDP has played a key role in generating political commitment and strengthening the mechanisms and procedures for the protection of women's rights. Progress has been made through opening up policy space and convening stakeholders, as well as through capacity building and strengthening gender analysis. While results are promising, sustainability strategies will be required to consolidate them and bring lasting transformational changes.

While Bhutan has made progress on gender mainstreaming, the CPD 2019 – 2023 noted that social norms, cultural beliefs and stereotypes still weigh the country down. With technical and financial support, including analytical and advisory support, UNDP supported the RGOB and the NCWC to develop Bhutan's first ever Gender Equality Policy (GEP), which was adopted in 2019. UNDP also supported the development of the 2020 National Plan of Action for Gender Equality, which is expected to ensure effective implementation of the Gender Equality Policy. The GEP provides a framework for laws, policies, programmes and practices to ensure equal rights, opportunities and benefits for women and men, in the family, community, workplace and society at large. It also recognizes and honours international goals, policies and standards that Bhutan has ratified, namely, the 2030 Agenda and the SDGs, the Convention on the Elimination of All Forms of Discrimination Against Women (CEDAW), the Beijing Platform for Action, the United Nations Declaration on Human Rights and the UN Charter. Through the GEP, UNDP supported the Government to enhance its capacity to mainstream gender equality (SDG 5) across all its work. For example, UNDP, together with the Gender Expert Group, developed a training manual on the Introduction to Basic Concepts, Methods and Tools for Gender Mainstreaming, and trained all gender focal points at the ministerial level as well as the Gender Expert Group itself. This support has yet to be rolled out at the local level. While the GEP has huge scope to bring about transformational change in Bhutan, the commitment to gender equality has not been translated into practice and implementation of the policy still is not fully funded, in part due to reprioritization of the national budget due to the COVID-19 pandemic.

In 2019, UNDP supported the review of progress over the previous five years on implementation of the Beijing Declaration and Platform for Action. The review involved various government and non-government stakeholders, including CSOs and the private sector, convened by UNDP, providing a platform wherein the CSOs could collaborate with the Government in the achievement of critical areas and SDG targets, particularly SDG 5. Similarly, in 2021, UNDP's technical input helped incorporate women's views in the drafting of the 10th Periodic CEDAW report. This secured the strong commitment of the Government and stakeholders in preparing a quality report that was to be submitted to the CEDAW Committee in March 2022.

With the NCWC and Ministries of Education and Health, UNDP supported two CSOs to explore solutions on gender equal attitudes among adolescent boys and girls. In a collaborative effort between an urban community and a school in Thimphu, 'The Pathway to Happiness' initiative was piloted, designed to find an appropriate measure to address the social norms and power imbalances between genders and promote positive norms. The initiative was originally piloted in one school where there were high incidents of GBV. UNDP supported the development of two manuals, one for adolescents and one for caregivers, and capacity building training for teachers and caregivers.¹¹² Preliminary results show that there is better communication and tolerance between genders. Participant caregivers also reported improved communication and relationships with the children. The project Monitoring and Evaluation (M&E) instrument suggests that the initiative could positively change the attitude of up to 13 percent of adolescents towards gender equal attitudes. During 2022, the initiative was expanded to an additional two schools, meaning there are three pilot schools in total. At the time of the evaluation, an endline survey and focus group discussions were planned to generate evidence of the results of the pilot at the end of 2022. It is hoped that the Ministry of Education, which is already part of the intervention, will replicate the initiative in all schools in Bhutan. The NCWC is highly committed to institutionalizing the initiative and indicated a strong level of commitment from the Ministry of Education. The Government assesses replication and roll-out costs as being low, requiring only training of additional teachers and counsellors.

Together with the NCWC and the Bhutan Chamber of Commerce and Industry, UNDP¹¹³ developed several initiatives for the private sector in gender equality, diversity and inclusion. This included a study of four of the largest companies in Bhutan to assess their gender responsiveness in areas such as recruitment, complaints and promotion policies. This led to the identification of several areas of concern and recommendations for developing a more conducive environment. Training on addressing gender mainstreaming and sexual harassment in the workplace was conducted for a total of 140 Chief Executive Officers (CEOs), Human Resources (HR) managers and other high-level staff, who were trained in three districts in the Western region of Bhutan. This resulted in raising awareness and in practical steps in the four targeted companies such as the segregation of toilet facilities, brochures on gender friendly work environment, the formation of Gender Equality Committees, and the development of processes for complaints of sexual harassment. A five-day training was conducted for the Bhutan Chamber of Commerce and Industry and its associates on mainstreaming gender in the workplace.

With regard to women's political empowerment, UNDP focused its support on the local government elections by helping the Election Commission of Bhutan to create an enabling environment for women's participation in the elections through capacity building and awareness raising. UNDP's support¹¹⁴ to the Election Commission of Bhutan on election reporting and voter education contributed to women's voter turnout in the 2021 local government elections, which increased by 20 percent compared to the previous

¹¹² Provided by the gender equality advisor from the UNDP Bangkok Regional Hub.

¹¹³ UNDP Bhutan and the Bangkok Regional Hub.

¹¹⁴ Including the Electoral Assistance Division of the Department of Political and Peacebuilding Affairs that initiated the desk review process.

election. And the number of women *Gup* (head of a block) tripled. UNDP also played a catalytic role in establishing the country's first-ever women's caucus, strengthening gender analysis and advocacy in policy making. This included conducting study tours and other awareness raising and capacity building efforts.

UNDP's support to the third local government election was premised on the overall objective to ensure gender equality through enhancing women's participation. In its efforts to enhance and promote women's participation, UNDP supported training on ethical reporting during elections to orient the media on national legislation and gender sensitive reporting, including advocating for equitable and balanced media coverage of female and male candidates. The training on ethical reporting during elections helped the media to cover more stories related to female candidates and women's issues and be more gender sensitive while reporting. The training also benefited the ECB media officials and officials from the Office of the Media Arbitrator. The timing of the training coincided with the announcement of LG elections, resulting in a surge of reporting on women and elections.¹¹⁵ In the run up to the elections in 2021, UNDP also supported the development of voter education and advocacy materials and their dissemination to the wider public, including through the Bhutan Broadcasting Service (BBS) national TV channel to eliminate gender stereotypes and foster the positive portrayal of women as candidates and leaders. According to interviews conducted for this evaluation, the support to develop voter education materials on general participation, youth participation and women's participation in elections and their dissemination to the public through the BBS helped change people's views on women as candidates and as voters. Similarly, voter education by the Chief Election Commissioner and election officials from ECB covering all the districts made District Election Officials more sensitive towards the needs of women and people with disabilities.¹¹⁶

Building on the results of UN Women's support to the development of the National Plan of Action for Gender Equality in Elected Office (NPAPGEEEO), UNDP provided technical and financial assistance to support the finalization of the Plan in 2019. The Plan consists of two parts. Part A provides ways of creating demand for women's participation at the nomination level in the Parliament and Local Government. Part B focuses on a variety of interventions to ensure an adequate supply of women candidates for elections. While Part B was approved by the Cabinet in 2016, Part A was not, and it was revised again in 2021 – 2022, with UNDP's support. At the time of the evaluation, the revised Part A was expected to be approved during the second half of 2022. There is still no robust institutional mechanism in Parliament to advocate for the gender equality agenda. This commitment needs to be strengthened not only in terms of equal representation but also to ensure engagement and dialogue by Members of Parliament on gender equality and empowerment (such as differences in the situation of men and women, gender discrimination in law and order, women's empowerment and rights, and gender roles and stereotypes).

UNDP supported the National Commission for Women and Children and National Environment Commission to carry out a gender-climate assessment in the agriculture, energy and waste sectors. The study provided an analysis of gender-differentiated climate change vulnerabilities and impacts in those sectors, and gender differences in climate action.¹¹⁷ The findings of this study informed the formulation of a gender responsive NDC and LEDs and are being incorporated in the formulation of the NAP. They will further aid decision-making for formulation of policies, plans, programmes and projects related to climate change. A toolkit for gender mainstreaming also has been developed, which will aid planners to apply a gender lens when developing plans and programmes at national and local levels.

¹¹⁵ 3rd LG Election 2021, Reflections, UNDP.

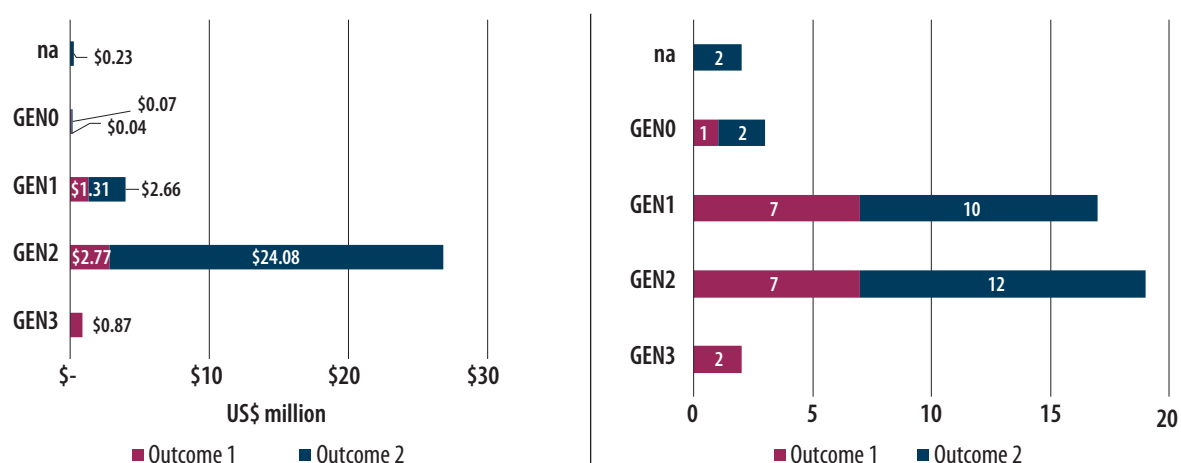
¹¹⁶ 3rd LG Election 2021, Reflections, UNDP.

¹¹⁷ Such as participation and decision-making, access to and control over resources, and benefit-sharing.

Beyond the gender-climate assessment to study the differential impacts, perception and awareness of climate change between men and women (mentioned in earlier paragraph), UNDP supported mainstreaming reference groups¹¹⁸ in several districts. The reference groups aim to assess gender, environment, climate, disaster, and poverty considerations and take them into account in the formulation and implementation of local development plans and programmes. UNDP support included training of the mainstreaming reference groups in the districts and development of a toolkit to aid planners to apply a gender lens to development planning and to mainstream gender issues in development plans and programmes at national and local levels.

UNDP's results in this area are mirrored by its financial commitment towards Gender Equality and Women's Empowerment (GEWE) for the period 2019-2023 (See project list in Annex 6, available online). A total of 86.6 percent of expenditure was directed to interventions expected to contribute significantly towards gender equity or have gender equality as a principal objective (GEN2 represents 83.8 percent and 44.2 percent in terms of expenditure and project outputs, respectively, and GEN3 represents 2.7 percent and 4.7 percent), above the 70 percent target recommended by the UNDP gender strategy 2022-2025. Most GEN2 interventions (89.7 percent and 63.2 percent in terms of expenditure and project outputs, respectively) are channelled towards Outcome 2 on climate change and livelihood (representing almost 89.1 percent of expenditure of Outcome 2), although all GEN3 interventions are implemented in Outcome 1 on governance (for 17.5 percent of expenditure of Outcome 1). Although GEN1 interventions account for only 12.4 percent of total expenditure, they exist in 39.5 percent of the project outputs of this programme cycle essentially channelled towards Outcome 2 (67 percent of GEN1 expenditure).

FIGURE 4: Distribution of expenditure by gender marker and outcome (US\$ millions and percentage)



Source: IEO Datamart from Atlas as of 9 January 2023

Based on the above evidence, the evaluation team has assessed the UNDP Bhutan programme as gender responsive,¹¹⁹ with various components having potential to be gender transformative.

¹¹⁸ The UNDP/UNEP Poverty-Environment Initiative supported the establishment of the mainstreaming reference groups at the district level as a part of the Local Governance Sustainable Development Program (2013-2018) with the aim to set up a local institutional mechanism to mainstream cross-cutting issues (gender, environment, climate, disaster and poverty). Capacity development support to operationalize these groups was provided by the ongoing NAPA III project.

¹¹⁹ The IEO's Gender Results Effectiveness Scale (GRES) was used to assess the quality and level of gender-related results achieved by the programme, in the different outcomes. The GRES classifies gender results into five categories: gender negative, gender blind, gender targeted, gender responsive, gender transformative.

Finding 14. Leave No One Behind (LNOB): Throughout the programming cycle, UNDP paid attention to vulnerable groups, including persons with disability, Lesbian, Gay, Bisexual and Transgender, Queer and Intersex (LGBTQI), women and youth. UNDP efforts toward LNOB were valuable and included various successes towards enabling the voices of the most marginalized to be heard.

In 2016, with UNDP's technical and financial support, Bhutan conducted a National Vulnerability Baseline Assessment, identifying 14 socioeconomic groups considered most vulnerable to risk, stigma, discrimination or to falling back into poverty.¹²⁰ The baseline, launched in 2017, provides an important source of evidence that feeds into policy and programmatic processes, including, for example, the development of the GEP and the National Strategy for people with disability (PWD). The vulnerable groups defined also were used in the development of the Free Legal Aid Guidelines to identify those eligible to receive free legal aid. Since 2016, the context has drastically changed, both in terms of the quantity and quality of available data, as well as the socio-economic context, which was impacted by the COVID-19 pandemic. This raises questions about updating the assessment as well as redefining and reclassifying the vulnerable groups.

At the time of the evaluation, the GEP was expected to go through another review in 2022¹²¹ to address inequalities of vulnerable groups. This will recognize and develop measures to protect those that identify themselves outside traditional gender roles, based on specific gender identities, through advanced collection of data and targeted interventions. Including a space for policy dialogue on LGBTQI is a notable achievement for Bhutan and is a landmark in UNDP's continuing support of the LGBTQI community, achieved in part through consistent advocacy efforts. Other UNDP support to opening the policy space for LGBTQI included its support towards advocacy and programmatic support to the Parliament and the NCWC, which played a key role in legislative and policy change for LGBTQI groups. This included Parliament's repealing in 2021 of the provision of the Penal Code of Bhutan that could potentially criminalize sexual acts among the LGBTQI community, thus allowing that population to exercise their human rights without fear of discrimination. UNDP also supported LGBTQI groups through a small number of targeted employment initiatives by providing employable skills training. Five LGBTI individuals were trained in baking, tailoring, financial literacy and leadership and professional art in 2020-2021.

The development of the first National Disability Policy, adopted in 2019,¹²² and its corresponding Action Plan, both developed with UNDP's technical and financial support, and efforts to explore ratification of the Convention on the Rights of Persons with Disability indicate Bhutan's intent to advance human rights for people with disabilities (PWDs).¹²³ UNDP-supported capacity building training, awareness raising and advocacy, empowered PWDs to advocate for their own rights and to participate in and contribute to the development of the National Disability Policy. In part this was through the development of the Disability Equality Training model, which marked the first time that PWDs had an opportunity to participate in policy and decision-making directly affecting their lives. UNDP's convening power enabled PWDs to raise their voices and to directly engage with government representatives in Bhutan for the first time. The Disability Equality Training increased the confidence of PWDs¹²⁴ to participate in policy and decision-making affecting their

¹²⁰ Vulnerability baseline assessment, Gross National Happiness Commission, UNDP, 2017.

¹²¹ led by UNFPA with UNDP's support.

¹²² National Disability Policy of the Royal Government of Bhutan, 2019 <http://www.mindbank.info/item/6923>

¹²³ UNDP Bhutan CPD 2019 – 2023.

¹²⁴ For the DET training, there was a 100 percent increase in participants responding 'very confident' in providing services to wheelchair users, 300 percent plus jump for services for hearing impairments, 177 percent jump for services for blind, and 200 percent jump for services for intellectual disability.

lives and changed the mindsets of decision-makers to become more inclusive. Stakeholders acknowledged that UNDP's role was key to this achievement. The founding principles of the Disability Policy come from the UN Convention on the Rights of PWDs and lay the foundation towards adoption of the Convention on the Rights of PWDs, which the Government is yet to ratify. They help ensure that PWDs, one of the most marginalized groups in the country, are not left behind.

Through advocacy and capacity development support, UNDP also supported the participation of more than 100 PWDs in a discussion with the Government on the transport system and to successfully advocate for priority and designated seats. UNDP also supported the Disabled People's Organization to create four small businesses for 30 PWDs, including a bakery.¹²⁵

Finding 15. Partnerships: UNDP has accelerated and broadened its partnerships with a wide variety of stakeholders, including CSOs, the private sector, and other development partners, as a vehicle for fostering results. Partnerships with CSOs were notably successful during the COVID-19 pandemic for the delivery of services for vulnerable groups. Partnerships with local government officials allowed UNDP to develop an extensive presence in the field. Strengthening the enabling environment for civil society to position itself as a key stakeholder for influencing policy will require additional capacity development to enable meaningful participation as a trusted partner of government.

UNDP enjoys a strong partnership with the Government. In addition to continuing its work with traditional government partners such as the Gross National Happiness Commission, National Environment Commission and Ministry of Agriculture and Forests, UNDP established new partnerships with the Government during the programme cycle under review. UNDP implemented partnership with agencies in seven¹²⁶ of the ten government ministries along with non-ministerial agencies including the Gross National Happiness Commission, National Environment Commission and National Commission for Women and Children. For example, UNDP promoted the use of electric vehicles for public transport with the Ministry of Information and Communication, developed innovative financing strategies and mechanisms for SDG implementation with the Ministry of Finance, and mainstreamed biodiversity conservation into the tourism sector as well as upskilled people in the tourism sector affected by the COVID-19 pandemic with the Tourism Council of Bhutan. Under Outcome 1, UNDP has positioned itself as the partner of choice in supporting the RGOB deliver its justice sector reform programme. UNDP is a key member of the Justice Sector Working Group and is recognized and valued for its expertise. UNDP has established partnerships with all key justice sector institutions, including the Royal Courts of Justice (RCJ), NCWC, Royal Bhutan Police (RBP), Office of the Attorney General (OAG) and the Bar Council. For example, UNDP was recognized as a leading player in the development of the free legal aid system, and when the RGOB wanted to develop a system of e-litigation, it turned to UNDP for support. UNDP is a trusted partner of both houses of Parliament and is recognized by stakeholders for the expertise it brings. That being said, no formal Memorandum of Understanding exists for the partnership with Parliament. Such a document would increase trust and understanding. In terms of geographic coverage, a review of the sites of various UNDP projects during the programme period under review revealed that projects targeted field interventions in 16 of the 20 dzongkhags (districts),¹²⁷ working with the elected community representatives and local government officials as well as locally based community organizations and farmer groups.

¹²⁵ For example, UNDP's support to Disabled People's Organization (DPO) created four small businesses for 30 PWDs.

¹²⁶ Ministry of Agriculture and Forests, Ministry of Economic Affairs, Ministry of Finance, Ministry of Home and Cultural Affairs, Ministry of Information and Communication, Ministry of Labor and Human Resources, and Ministry of Works and Human Settlement.

¹²⁷ The four districts that are not covered by currently operating UNDP projects are Chhukha, Gasa, Pema Gatsel and Samdrup Jongkhar.

UNDP has cultivated a particularly strong relationship with UNICEF. This has helped further results with regard to GBV and youth employment. Strong collaboration also was reported for the formulation of the United Nations Socioeconomic Response and Recovery Plan, where UNDP assumed global technical socioeconomic leadership, together with the Resident Coordinator's Office. UNDP is the largest UN agency in Bhutan¹²⁸ and agency lead of two of the four outcomes of the UN's Partnership Framework. Even so, joint initiatives are rare among UN agencies, including in common areas of work, for example with FAO in the areas of sustainable agriculture and forest management and with WFP in disaster risk management (DRM). Further harmonization is required among the UN agencies, including with non-resident agencies, to normalize and enhance joint approaches, including joint programming and resource mobilization. There is scope for UNDP to strengthen its partnerships with non-resident agencies. For example, ILO could become a strong partner in youth employment, UN Women for gender equality and GBV, FAO in the fields of sustainable agriculture, forest management, and GHG estimation in agriculture, forestry and other land use sectors. A number of stakeholders questioned UNDP's emergence in the health sector, in particular vis à vis WHO and UNFPA, both of which are resident agencies.

There are few development partners active in Bhutan. For UNDP's work in governance, the EU has a complementary project supporting the Parliament, and while to date there has been no overlap or duplication, stakeholders commented that additional coordination and cooperation could lead to enhanced results on both sides. UNDP has developed a strong relationship with the Japanese International Cooperation Agency (JICA), particularly with regard to the ICTG and support in the health sector, although future opportunities are assessed as lying more under Outcome 2. The Austrian Development Agency (ADA) is the only other development partner present in the justice sector. UNDP has developed a very close relationship with ADA, identifying complementarities and building on each other's results. ADA has picked up on UNDP's previous support to strengthen data collection and harmonization and is creating a case management system and platform for data integration in the justice sector. With the withdrawal of ADA at the end of 2023, UNDP will become the lead and only organization supporting justice sector reform in Bhutan. In the field of environment and climate change, UNDP has been supported by the Government of Japan to promote electric vehicles, solar energy and sustainable waste management, and by the Government of Norway, Government of Sweden, and the European Union on innovation, advocacy, communication and knowledge management around climate change. The Development Partners' Group proved to be a valuable platform for finding opportunities for synergies and partnerships among the development partners in the country.

Historically, partnerships with International Financial Institutions (IFIs) have been limited, but are progressing in the right direction. In 2021, UNDP collaborated with the Asian Development Bank (ADB) to jointly conduct diagnostics of gender quality in selected sectors¹²⁹ in Bhutan. The diagnostics became the single-entry point for ADB to plan its gender response activities. There is interest in further collaboration to expand the diagnostics in the transport, water and sanitation and urban infrastructure sectors. UNDP leveraged this successful collaboration and was again approached by the Ministry of Finance and ADB to jointly analyse the current approaches for macro-economic forecasting, to map data availability and to develop a model to forecast growth. UNDP's coordination capability and technical competencies were highly regarded in the partnership.

The private sector has made a relatively low contribution to employment and the economy. While the private sector has diversified into multiple sectors, the focus is still narrow, with more than 80 percent of the entities plying their trade in retail and wholesale, repair of vehicles and hospitality.¹³⁰ The Government recognizes that the private sector needs strengthening, and has identified it as an engine of growth from the 10th FYP onwards.

¹²⁸ Almost 50 percent of the planned budget, UNSDCF.

¹²⁹ The agricultural sector, the education sector, the private sector, employment and labour.

¹³⁰ Wangchuk D (2021). Enabling the Private Sector for Economic Well-being, The Druk Journal, Spring 2021 Vol 7, Issue 1.

UNDP has begun to forge partnerships with the private sector to further overall development results, for example through convening the private sector in the 2019 review of the Beijing Declaration and Platform for Action. Other private sector initiatives include partnerships to make business processes more gender equal; introducing mechanisms with four large companies to address sexual harassment in the workplace; and engaging with a private sector law firm to provide free legal aid. There has been no major headway in private sector development in Bhutan and only a few UNDP initiatives focused on developing private sector engagement in job creation and development of a sustainable economy. Initiatives were limited to the involvement of private contractors in the upgrade/renovation of climate resilient rural roads and irrigation systems; training of youth and women entrepreneurs for green business (including digital jobs); support to local cooperatives and community groups for agricultural enterprises; and support to taxi operators and engagement with private car dealers to promote electric vehicles for public transport. In the absence of any direct project-based partnership, the current mode of engagement of the private sector is primarily as a stakeholder in government-managed projects. Opportunities to leverage the private sector's role in contributing towards achievement of the SDGs has yet to be fully explored. The Country Office is well aware of the situation and has recently taken specific steps to address it, for example, recruiting an expert to lead systemic and sustained engagement with the private sector around resource mobilization, technical assistance, and knowledge sharing, and to develop the Country Office Private Sector Engagement Strategy. Most importantly, the Country Office has expanded the scope of the private sector strategy to include the regional and global private sector.

Important progress was noted during this programme cycle in UNDP's partnership with civil society organizations (CSOs), particularly in the wake of the COVID-19 pandemic, in advancing a rights-based approach, improving services, and encouraging participation and accountability. There were 58 registered CSOs as compared to 28 in 2014.¹³¹ UNDP leveraged this momentum to partner with civil society as a means of addressing existing inequalities. This was achieved even though there was no over-arching strategy to guide government collaboration with CSOs. While guidelines have been developed through the CSO Network and with UN support, they are yet to be agreed or adopted by the RGOB and civil society. The Anti-Corruption Commission has achieved greater success with its adoption of the CSO Engagement Strategy in early 2020. The strategy aims to promote anti-corruption, justice and good governance and is aligned with the JSSP and the National Integrity and Anti-Corruption Strategy. UNDP's support to the development of the Engagement Strategy included contributing global expertise and networks, as well as leveraging the partnership with the GNHC. The support included the development of CSO accountability standards and an organizational integrity plan. A training module is being developed for CSOs on integrity and anti-corruption. UNDP also supported leading Bhutanese CSOs such as the Loden Foundation,¹³² Thimphu Tech Park, Bhutan Youth Development Fund¹³³ and SABAH Bhutan¹³⁴ to develop entrepreneurship among youth and women while promoting innovation, digital entrepreneurship and green business.¹³⁵ The role of CSOs for policy advocacy, community education and awareness, social inclusiveness, and participatory approach to sustainable livelihoods is well recognized in the stakeholder engagement plans of UNDP projects on environment and climate change. CSOs also were noted to have representation in project governance arrangements; for instance, the Royal Society for the Protection of Nature is an important member of the Multi-sector Technical Advisory Committee of the GEF-supported ecotourism project and the Bhutan Ecological Society is on the Project Board of the GCF-funded climate resilient agriculture project. While the large UNDP projects were executed through government institutions, the UNDP/GEF Small Grants Program (SGP)

¹³¹ In recognition of the important role of CSOs in nation building, and their contributions, especially to disadvantaged groups, His Majesty The King awarded the National Order of Merit (Gold) medal to 23 CSOs in December 2016.

¹³² Loden Foundation works on promotion of education, culture and social entrepreneurship.

¹³³ Bhutan Youth Development Fund focuses its work on empowering youth, especially the disadvantaged and vulnerable, through education and employment opportunities.

¹³⁴ SABAH Bhutan is an association of home-based workers and works on promoting home-based livelihood initiatives and skills.

¹³⁵ These included several small businesses in a wide range of organic and agro-based products, and recycling of waste.

continued to provide a key platform for direct engagement with CSOs and community-based organizations to mobilize and support local community actions in the areas of biodiversity conservation, climate change adaptation and mitigation, sustainable land management, and water conservation. Between 2019 and 2021, the SGP supported 25 community-based small-scale environmental projects¹³⁶ with close linkages to local culture and livelihoods. However, much remains to be done before the enabling environment for CSOs to collaborate with the Government in advancing development goals is adequately enhanced.

COVID-19 caused the Government to quickly form unconventional alliances with civil society organizations to ensure the continuation of essential services to the vulnerable during the pandemic. Prior to the pandemic, all UNDP support to CSOs had to be approved and agreed by the GNHC. The pandemic context and the change in the Government's approach enabled UNDP to engage directly with CSOs and sign Memorandum of Understanding (albeit still in close cooperation with the GNHC). This allowed UNDP to open up the space for dialogue and discuss the possibility of civil society providing outsourced service delivery support. During the pandemic, the GNHC allowed UNDP to provide funds to the Loden Foundation used for selecting promising business ideas. Whether the GNHC would allow this approach to continue was still under consideration at the time of this evaluation.

Together with the Bhutan Centre for Media and Democracy, UNDP organized a series of dialogues on the impact of COVID-19, which looked at issues such as the environment, education, the economy and employment. With UNDP support, the dialogues, which brought together government representatives, CSOs, the private sector, academia, youth and cottage and small industries, were recorded and made available online and were documented and printed and distributed among stakeholders. UNDP also supported the development, publishing and distribution of Bhutan Centre for Media and Democracy's bi-annual Journal, which is widely read by Members of Parliament, policy makers, academia and youth. UNDP also supported the 4th Bhutan Democracy Forum in May 2022 on equal prosperity through inclusive growth, which built on the series of dialogues.

UNDP provided technical and financial support to increase the participation of civil society in policy and decision-making processes, including the development of the Gender Equality Policy and corresponding Action Plan, the National Disability Plan, the 12th FYP and the JSSP. UNDP also facilitated civil society's contribution to monitoring and reporting on international conventions, including the Voluntary National Review, UPR and CEDAW. With regard to access to justice, UNDP supported civil society with increasing access to justice and piloting the provision of free legal aid. (This was discussed in more detailed under Finding 10.)

Finding 16. Finance: UNDP successfully mobilized significant resources during this programme cycle, particularly for climate change and the environment. This heavy reliance on vertical funds represents a financial risk for the Country Office. Despite some diversification, access to bilateral funding and Government cost sharing still represent a very small share of the UNDP financing sources.

The current programme budget (2019-2023) is more ambitious than the previous one. In the previous programme cycle 2014-2018, the UNDP programme budget reached US\$33.9 million. For the period 2019-2023, the country programme planned to mobilize resources in the amount of \$56.2 million (representing a 64 percent increase), including \$2.8 million in regular resources.¹³⁷ At the time of this evaluation, the Country Office had already managed to mobilize \$40.4 million, reaching 71.9 percent¹³⁸ of its initial target.

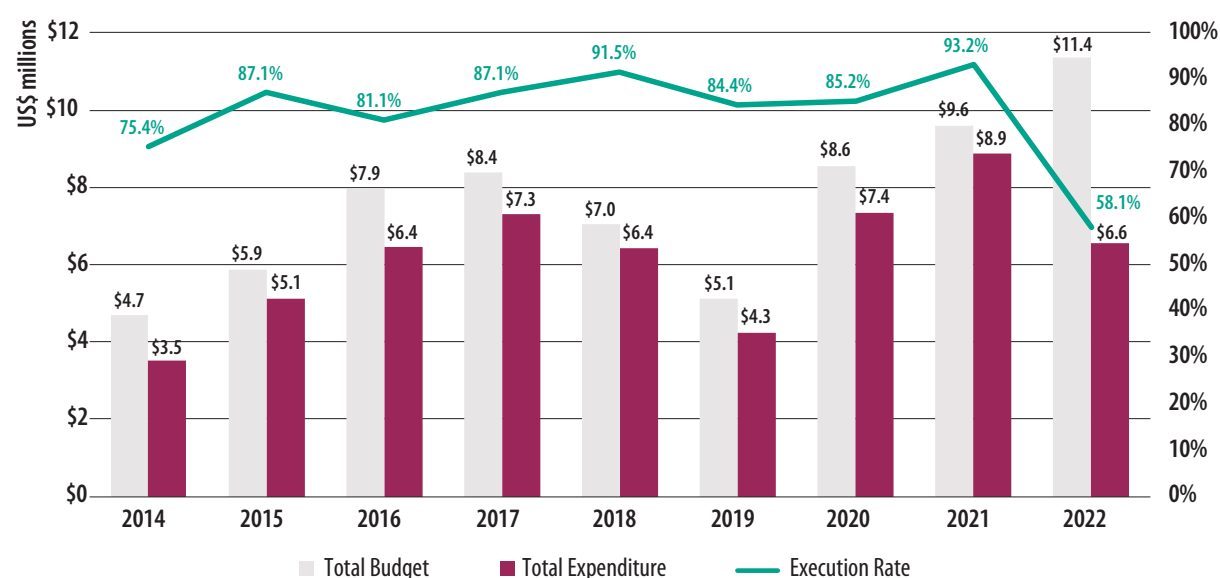
¹³⁶ Information on SGP projects in Bhutan here [https://sgp.undp.org/spacial-itemid-projects-landing-page/spacial-itemid-project-search-results.html?view=allprojects&CountryID\[0\]=BHU](https://sgp.undp.org/spacial-itemid-projects-landing-page/spacial-itemid-project-search-results.html?view=allprojects&CountryID[0]=BHU)

¹³⁷ 2019-2023 results and resource allocation framework.

¹³⁸ So far, UNDP mobilized 71.9 percent of the financial planned resources. Disaggregated data by outcome indicates that UNDP mobilized more than what was planned for governance and rule of law (outcome 1) (equivalent to 171.6 percent of planned resources for that outcome), while it only mobilized 65.6 percent of the resources planned for environment, climate change and poverty reduction (outcome 2).

In 2019, the programme budget was US\$5.1 million. It was increased to \$11.4 million in 2022. Given the additional resources mobilized in 2020 and 2021 as part of the COVID-19 response, there is a yearly average of \$8.7 million over the period 2019-2022 (see Figure 5). Core funding programme expenditure over the current programming cycle amounted to \$3.4 million (10.9 percent of expenditure), less than in 2014-2018 in terms of value (\$3.8 million) and share (13.2 percent of expenditure).

FIGURE 5. Programme Budget and Expenditure with execution rate, Bhutan 2014-2022



Source: IEO Datamart from Atlas as of 9 January 2023

UNDP successfully mobilized resources for climate change and environmental projects under Outcome 2. The Green Climate Fund (GCF) is the first contributor to this programme cycle, with US\$11.7 million (equivalent to 37.1 percent of the total programme expenditure over the period 2019 to 2023), followed by the Global Environment Fund at \$10.3 million (equivalent to 32.6 percent). UNDP increasingly relied on GCF (whose contribution increased from 0 in 2014-2018 to \$11.7 million in 2019-2022). GEF funding, which was a steady stream of financial in-flow for UNDP during this programme cycle, decreased by 42.7 percent over 2019-2022. At a total budget of \$34.6 million, projects under Outcome 2 (Climate change and livelihood) made up approximately 85.9 percent of the overall country programme budget for projects during the period under review (2019-2022). The evaluation found that stakeholders consider UNDP's connection and facilitation of international development financing to be one of its core value added propositions in Bhutan. While this has enabled UNDP to enlarge its support and extend its presence in more districts and sectors, there is a concern that UNDP resource mobilization of vertical funds may represent a financial risk for the Country Office. The current reliance on vertical funding sources may pose a problem as Bhutan graduates out of the LDC category, (envisioned to take place by the end of 2023), which might further constrict access to international financing.

Government cost sharing remains the most significant financing challenge for UNDP in Bhutan. This situation is not a new challenge for the Country Office and was identified in the previous IEO country programme evaluation of Bhutan. While UNDP is trying to support the country to shift from being a grant recipient to a development partner, UNDP only managed to make a symbolic dent in that process over the period 2019-2022, with 0.5 percent of the total programme expenditure originating from local cost-sharing.

That number needs to be viewed in light of the COVID-19 context and the RGOB's pivoting of resources towards its COVID-19 response package. Under Outcome 1, key government cost-sharing was mobilized for the development of the Bhutan Vaccination System and roll-out of the COVID-19 vaccination; provision of e-health services through the mobile iCTG; and the development of the e-litigation system, all three of which were part of the Government's response to the pandemic. Going forward, UNDP should use the results of those three co-funded initiatives to secure additional government cost-sharing. There are specific opportunities for this cost-sharing with initiatives related to the Government's digitalization programme.

Bilateral funding opportunities are shrinking in Bhutan as the country progresses towards graduation from LDC category. This phenomenon has a considerable impact on UNDP's financial stability and expansion. Major budget support from the EU for local governance and from Austria for the justice sector are set to expire within the current five-year development plan period. Despite this challenging mobilization environment, UNDP has been able to mobilize bilateral funding from core bilateral donors (i.e. Japan, Norway, Sweden). UNDP has been particularly successful with Japan due to past collaboration and utilising effective communication that caught media attention.¹³⁹ This was in part the result of the Country Office's significant effort in its Partnership and Communication Strategy 2021 to provide a full assessment of current Official Development Assistance (ODA) as well as funding priorities of main partners. For 2014-2018, UNDP received US\$4.5 million from bilateral funds and in the current programme cycle received US\$5.7 million (18.1 percent of the programme expenditure). Bilateral development agencies consulted during the evaluation regarded UNDP in Bhutan as a trusted partner of the Government with the capacity and reputation to manage and deliver development assistance effectively. There are very few international development agencies with institutional presence in the country, and UNDP is the largest among them. As such, UNDP is uniquely placed to support bilateral partners to utilize funds efficiently and effectively to deliver results.

Progress with non-traditional contributors such as the private sector and IFIs has been slow. The lack of appetite from those partners is reportedly linked to their level of engagement in the Bhutan economy, perceptions of an insufficient acknowledgement of their contributions, and misconception on UNDP value added and area of work. While the Country Office has already taken certain steps in that direction, the situation requires more reflection on the way to approach non-traditional partners, and further adapting to the communication and partnership strategy in Bhutan.

During the COVID-19 pandemic, UNDP quickly mobilized and repurposed some of its programme funding, (US\$3.46 million over the period 2020-2021), to support Bhutan efforts to fight the COVID-19 pandemic. UNDP mobilized \$256,800 from the UNDP Rapid Response Facility (RRF) to manage the COVID-19 crisis in governance through an output of the 'Engagement Facility' project ¹⁴⁰ in 2020 and obtained an additional \$600,000 from the RFF for the project 'Promoting green jobs in the agricultural sector' that began in 2021.

Advancements in mobilization also are reflected in UNDP's execution rate, which stood at 79.3 percent¹⁴¹ for the current cycle compared to 85 percent in the previous cycle. The execution rate is higher for Outcome 1 than Outcome 2 (87.4 percent and 78 percent, respectively) and is driven by the programming cycle for the year 2021 (93.2 percent). The high execution rate is the result of regular management oversight on delivery and expenditure and appropriate organizational changes made.

¹³⁹ E.g., stories on iCTGs were picked up by Japan's NHK World and by Manichi Shimbun, one of Japan's major daily newspapers.

¹⁴⁰ Project output ID: 00120820. There are four other project outputs currently being implemented by UNDP Bhutan under the UNDP COVID 2.0 Offer under the governance thematic (another under the 'Engagement Facility' project – project output ID 00121368 (2021); one under the 'Resilient 21st Century Bhutan' project output ID 00122851 (2021); one under the 'Governance Multi-Year Framework' – project output ID 00120095 (2022); one under the 'Integrated National Financing Framework' project output ID 00126140 (2022).

¹⁴¹ The execution rate of 79.3 percent has been calculated for the 2019-2022 period.

Finding 17. Monitoring and Evaluation. During this programme cycle, UNDP Bhutan made significant efforts to strengthen its M&E function, with several encouraging results and new initiatives. While progress is taking root, the Country Office still faces significant M&E challenges that need to be addressed in the next programme cycle.

In its Results-Oriented Annual Report (ROAR) 2019, UNDP Bhutan identified the absence of a robust M&E system as a factor hindering the Country Office's ability to capture UNDP's contribution to development results and thus its capacity to communicate results to support partnerships and mobilization efforts. Accordingly, after an office-wide planning exercise in 2020, UNDP Bhutan management established a Results-Based Management (RBM) and Communication unit.

While the structure of the unit is relatively small, with one M&E officer and one communication officer, its creation is considered highly relevant and of important value for the Country Office's RBM. The integration of the communication function within the RBM was instrumental in bolstering the impact and effectiveness of the Country Office communications strategy with the design of dedicated communication tools. The effectiveness of the overall structure has been challenged by its relatively small size and the several functions it performs besides M&E activities,¹⁴² especially due to the unexpected needs brought by the COVID-19 pandemic.

Other noticeable challenges originated prior to the creation of the RBM unit. The current Country Programme Document results framework for example, does not allow for proper tracking of project contributions or fully grasp UNDP performance in its areas of intervention. While UNDP outcome-level goals are directly derived from the UNSDCF, the results framework presents several shortcomings for the M&E system to be effective.¹⁴³ For instance, there is no supporting information to explain many of the baselines for the output indicators. The majority of the indicators under Outcome 1 are quantitative in nature, rather than qualitative, which does not allow the Country Office to capture the voice of people, and in particular the most vulnerable, or track any contributions of the outcome towards higher-level change. Using qualitative indicators would provide a clear pathway between activity – output – outcome – impact, as well as show progress towards longer-term change.

Regarding intervention design, the most recent UNDP PRODOCs, with few exceptions,¹⁴⁴ have included a clearer results framework and monitoring and evaluation plans. In general, projects are expected to be monitored through periodic progress reports and evaluations. In practice, the evaluation team noticed variability in the quality and thoroughness of the M&E practices, particularly between outcomes and limited to donors' requirements rather than an internal robust M&E process. The overall reliability of the monitoring system also is affected by the fact that monitoring reports are not systematically documented or properly stored. Those weaknesses have hindered any improvement in performance tracking, integration of lessons learned in future programmes, and Country Office ability to communicate results and support mobilization efforts.

While the creation of the RBM unit is gradually overcoming some of those limitations, the M&E structure still faces significant external challenges, such as the wide range of small interventions, travel restrictions for M&E missions, remoteness of interventions' localization and the seasonality of Bhutan. Another important factor is that UNDP Bhutan has a high number of NIM interventions. Thus, UNDP heavily relies on national counterparts' M&E systems and reporting practices to inform its own RBM system. While in general it was reported that the monitoring capacity of the national counterparts is relatively high, interviewees also pointed out that there is room for improvement, especially as reporting remains activity based, rather than results oriented. Some stakeholders commented on the challenges of collecting data and the gaps

¹⁴² The current M&E Officer allocates 50 percent of his time in M&E, while the rest is dedicated to project management, planning and delivery.

¹⁴³ Some outcome indicators are at a too high level or are inappropriate to measure UNDP programmatic performance; some baseline data are missing; some output indicators are based solely on projects that existed at the time; some data is not updated.

¹⁴⁴ For example, under the MYGF, there is only the standard corporate M&E plan and this is not described anywhere in the narrative. There are no M&E costs reflected in the budget under either output level or overall. Nor is there an M&E officer or position reflected in the project's organizational structure.

in the M&E framework, as well as the limited opportunities for joint learning around project results. While bi-annual planning meetings are well established and weekly portfolio meetings and informal WhatsApp groups are organized, there are few monitoring, evaluation and learning (MEL) mechanisms in place. This results in limited documentation, as well as weak monitoring, evaluation and learning. The COVID-19 pandemic derailed the RBM unit's ambition to overcome limitations. Nevertheless, the Country Office recently facilitated initial conversations between the Global Evaluation Initiative and the Government. While it is too soon to discuss the result of that engagement,¹⁴⁵ it could benefit UNDP RBM needs and contribute to the design of the new national development plan with regard to accountability mechanisms and the M&E framework.

The Country Office decentralized evaluation plan for the 2019-2023 programme aimed to produce ten evaluations over the cycle. Only two were completed and three were cancelled.¹⁴⁶ This contrasts with the previous cycle, where all 12 planned evaluations were completed. The two completed evaluations over the current programme cycle were both mid-term project evaluations.¹⁴⁷ Out of ten project evaluations planned for this cycle, one terminal evaluation was eventually cancelled, one was to be completed in October 2022 and the other four were scheduled for 2023. The other planned evaluations for the current programme cycle refer to one outcome and one UNDAF evaluation to be delivered in 2023, while another outcome and UNDAF have been cancelled. Out of the ten planned evaluations, 40 percent were GEF evaluations, including the two completed. The current evaluation plan is skewed toward environmental outcome, which does not adequately reflect the composition of the Country Office portfolio. All six planned project evaluations for the 2019-2023 programme cycle target CPD Outcome 2.

While it is evident that the evaluation culture improved under the new Country Office leadership with the emphasis given to increase M&E capacity and International Program for Development Evaluation Training (IPDET) participation of the M&E officer, only four UNDP Bhutan staff enrolled in the UNDP evaluation certified training, and three completed the course. That said, the increased M&E capacity of the RBM unit is allowing the Country Office to conduct the first impact evaluation on climate resilience infrastructure in the country.

2.4 Country programme performance ratings

Table 1 provides an overview of the performance of the UNDP Bhutan country programme, using the five internationally agreed evaluation criteria, namely, relevance, coherence, effectiveness, efficiency and sustainability, and a set of parameters for each. A four-point rating scale is used, with 4 being the highest rating and 1 the lowest.¹⁴⁸ This rating table summarizes the findings presented in the previous sections, which provide more detailed justification on the ratings.

¹⁴⁵ In recent discussion, parties agreed to conduct the Monitoring and Evaluation Systems Analysis (MESA) tool in Bhutan to assess existing national monitoring and evaluation systems and capacities.

¹⁴⁶ UNDP Evaluation Resource Center. Out of three cancelled evaluations, one project (the Gender-Responsive NDC implementation in the Bhutan project) was not mandatory and another at the outcome (Governance) level was eventually cancelled following confirmation of ICPE (covering all programme outcomes) taking place in early 2022.

¹⁴⁷ The two completed evaluations refer to the mid-term evaluation of Bhutan Sustainable Low Emission Urban Transport project and the mid-term review of the NAPA III Enhancing Sustainable Resilient Livelihood project. They were not quality assessed by IEO. Among the 12 evaluations completed over the previous CPD cycle (2014-2018), 7 were quality assessed by IEO (2 received a rating of satisfactory, 4 of moderately satisfactory and 1 of moderately unsatisfactory).

¹⁴⁸ 4 = Satisfactory/ Achieved, 3 = Moderately satisfactory/ Mostly achieved, 2 = Moderately unsatisfactory/ Partially achieved, 1 = Unsatisfactory/ Not achieved.

Finding 18. performance ratings: The evaluation team assesses the programme performance of UNDP Bhutan as moderately satisfactory with regard to its relevance to national priorities, progress towards country programme targets, management efficiency and implementation timeliness. The programme successfully promoted the inclusiveness of vulnerable populations and integrated GEWE. The criteria on sustainability received lower scores due to weak partnerships with certain key stakeholders, ownership, and mobilization capacity.

TABLE 1. Aggregated performance rating of the country programme

Key criteria and parameters	Overall rating	Remark/justification
1. RELEVANCE	3	<p>The UNDP programme is well aligned with and informed by the goals and priorities of Bhutan's 12th FYP (2018-2023). The programme contributes to the achievement of the National Development Plan National Key Result Area 13 'Democracy and decentralization strengthened.' It also supports the implementation of national policies and strategies for a resilient and green economic development, underpinned by the Economic Development Policy 2016 and the Nationally Determined Contribution. UNDP DRM interventions focused on resilient infrastructure to climate change and research. Upstream support for strengthening institutions and coordination on disaster preparedness and response remained limited despite UNDP's previous achievements in Bhutan in this area and its global experience in this sector.</p> <p>UNDP adapted the programme's priorities to those of the RGOB in times of crisis and changing contexts, such as the COVID-19 pandemic when it sought to improve the provision of public sector services, roll-out the COVID-19 vaccination programme and address the issue of youth unemployment.</p> <p>Key shortcomings include UNDP's inability to develop and deliver interventions that directly engaged the private sector for a green economic development and employment generation.</p>
1.A. Adherence to national development priorities	3	
1.B. Alignment with UN/UNDP goals	3	
1.C. Relevance of programme priorities	3	

◀ Table 1 (cont'd)

Key criteria and parameters	Overall rating	Remark/justification
2. COHERENCE	3	UNDP has successfully applied a multi-dimensional approach to address environmental and climate change challenges, taking into consideration the poverty-environment-climate nexus and the distinctive impacts on women, men and poor communities. UNDP has also sought to strengthen the internal coherence of Outcome 1 through the development of the MYGF, which aimed at providing a sustainable and predictable multi-year support framework across the whole period of the 12th FYP,
2.A. Internal programme coherence	3	while consolidating results at outcome level and reducing transaction costs. Most of the projects dealt with cross-cutting issues and directly contributed to more than one output. Environment and climate change projects, which accounted for the bulk of UNDP resources, had a strong livelihood component. However, the youth portfolio moved from the Outcome 2 to the Outcome 1 portfolio on the governance, without maintaining sufficient synergies and linkage with livelihood interventions of Outcome 2.
2.B. External programme coherence	2	During the programme cycle, the CPD of UNDP Bhutan was essentially based on partnership with multiple government agencies, involving support to and collaboration with several ministries. Collaboration with CSOs has significantly improved during the programme cycle, particularly during the COVID-19 pandemic. While UNDP leads two of the four outcomes in the UN's Partnership Framework, its collaboration with other UN agencies was mostly limited to information-sharing and irregular consultations, despite the common areas of interest and the potential for value addition. Work with the private sector and IFIs improved during this programme cycle but remained weak with regard to their potential.

◀ Table 1 (cont'd)

Key criteria and parameters	Overall rating	Remark/justification
3. EFFICIENCY	3	Most projects have either been completed or are on track for a completion by the planned project end dates. Small delays were noted, mostly due to the impact of the COVID-19 pandemic. Among all projects, the Bhutan Sustainable Low Emission Urban Transport project experienced major delays in the procurement of electric vehicles and recruitment of a consultancy, also largely due to the COVID-19 pandemic. Staffing structures seem to be broadly in place. A pertinent RBM structure was created, although it still faces significant challenges.
3.A. Timeliness	3	
3. B. Management efficiency	3	
4. EFFECTIVENESS	3	Despite being a small office, UNDP has achieved significant results during this programme cycle for both outcomes, as presented in findings 1-12 and conclusions 4 and 5. As per the results framework, outcome and output indicators are generally on track or have been achieved (cf. annex 6). Inclusivity and LNOB have been a key focus of Outcome 1 and, to a lesser extent, Outcome 2. While UNDP has been prioritizing vulnerable groups such as women, PWDs and youth, it has also made headway with regard to the inclusion of LGBTQI. The provision of digital services, such as the iCTG and e-litigation to remote and rural communities, have furthered inclusivity and UNDP impact in this area. However, the scale of the results remains low. Gender equality and women's empowerment feature as critical considerations in the design and implementation of UNDP's interventions, including targets above those recommended by the 2022-2025 UNDP gender strategy. It includes some important results such as opening up the policy space for addressing GEWE (e.g. the adoption of the GEP and NPAGE). Limitations are identified on the scale and sustainability of some interventions as presented in Finding 13. The launch of the Accelerator Lab was instrumental to build an inclusive innovation ecosystem, to introduce a systems approach to youth unemployment and to explore innovative solutions, such as applying behavioural insights in waste management. Strong synergies were established across outcomes with the Accelerator Lab.
4.A. Achieving stated outputs and outcomes	3	
4.B. Programme inclusiveness	3	
4.C. Prioritization of gender equality and women's empowerment	3	
4.D. Prioritization of development innovation	3	

◀ Table 1 (cont'd)

Key criteria and parameters	Overall rating	Remark/justification
5. SUSTAINABILITY	2	<p>The Government has demonstrated a strong policy commitment to national ownership, particularly with regard to public service innovation, as well as carbon-neutral, resilient and environmental sustainability. UNDP also contributed to improving national capacities in various areas of interventions. While UNDP has had key successes in terms of policy change (GEP, PWDs) and the adoption of specific sectoral strategic plans (justice, parliament), these need to be fully financed and implemented to lead to meaningful change.</p> <p>Development and application of innovative financing features was a key output under Outcome 2. UNDP has supported the assessment and development of financing strategies through BIOFIN and the Joint SDG Fund. However, those initiatives are nascent and will need continued support and major impetus to grow into tangible sustainable development financing mechanisms. While UNDP has secured some cost-sharing under Outcome 1, those remain very limited, requiring UNDP to explore further with the private sector and other development partners (EU, ADB and bilateral).</p>
5.A. Sustainable capacity	2	
5.B. Financing for development	2	

CHAPTER 3

CONCLUSIONS, RECOMMENDATIONS AND MANAGEMENT RESPONSE



3.1 Conclusions

Conclusion 1. COVID-19¹⁴⁹: UNDP promptly repurposed its programme to support national and local stakeholders to respond to the health and socio-economic crisis unleashed by the COVID-19 pandemic. Beyond the relevance and impact of results achieved, UNDP involvement created important programmatic pathways in terms of new areas of work and also reinforced partnerships with both government and civil society.

The outbreak of the global COVID-19 pandemic significantly disrupted the Government's priorities and impacted the implementation of the UNDP country programme as well as the achievement of planned results. UNDP quickly responded to the Government's changing priorities and emerging needs generated by the pandemic. For example, UNDP took rapid action on GBV incidence, which included the formulation of a GBV contingency plan. Although UNDP was not a conventional actor in the health sector, it provided much needed support to the roll out of the vaccination campaign, enabling Bhutan to vaccinate 93 percent of its population in a two to three week period. UNDP also pivoted some of its priorities, such as its planned work on decentralization, to support public service delivery, becoming a key development actor in Bhutan on digital public service and innovation. While a number of stakeholders questioned UNDP's emergence into the health sector and cautioned on further UNDP interventions in this area, the evaluation team considers this involvement as part of the UNDP repositioning and responding to the country's needs as aligned to the new focus of the UNDP programme on digitalization and public innovation.

The COVID-19 crisis created the conditions for the partnership with CSOs to flourish and quickly became a vehicle to foster results. In the wake of the COVID-19 pandemic and despite CSO capacity gaps, this type of partnership ensured the continuation of essential services to vulnerable populations, while advancing a rights-based approach and encouraging participation and accountability. UNDP also demonstrated, through its collaboration with JICA, how it is uniquely placed to support bilateral partners and quickly utilize their funds both efficiently and effectively.

Conclusion 2. Strategic positioning:¹⁵⁰ UNDP is perceived as a credible provider of development services by both national and international stakeholders. During this programme cycle, UNDP reconfigured its value proposition around key areas of support such as public service delivery and innovation, ensuring its continued relevance and contribution to Bhutan's development. However, this positioning has not yet translated into an upscaling of cost-sharing by the Government.

The Country Office has cultivated a strong partnership with the RGOB and positioned itself as a trusted partner, able to bring key levels of expertise and resources to support the Government in achieving its development priorities. UNDP is recognized as an authority on justice sector reforms, public service delivery and environmentally sustainable and climate-resilient economic development, not only because of its longstanding and continuous support to the country, but also because of its reach beyond Bhutan, through providing access to regional and global expertise, knowledge products and platforms, including through the facilitation of South-South sharing and exchange of practices. Part of UNDP's success and increased influence in sectors such as public service delivery and innovation, youth economic empowerment and innovative financing can be attributed to the creation and involvement of the UNDP accelerator lab as well as the recruitment of a country economist, which enhanced UNDP's capacity to influence the innovation eco-system and bring new approaches to development challenges. However, despite a long history in working

¹⁴⁹ See Findings 1-6, 8-9, 11, 13-17.

¹⁵⁰ See Findings 1, 3-10, 12-17.

on disaster risk management in the country¹⁵¹ and UNDP's global reputation in this area, UNDP focus was limited to climate resilient infrastructure and increasing national capacity to conduct climate research and assessments to plan for adaptation and resilience building.¹⁵² UNDP was less active in upstream policy work, institutional arrangement, governance and coordination for disaster preparedness and response, missing the opportunity to create synergies between upstream work and on the ground interventions.

In spite of a strong positioning in the country, UNDP only managed to make a symbolic dent on cost-sharing, with 0.5 percent of the total programme expenditure. UNDP has not been able to make the Government shift from a grant recipient to a development partner, which is not only the result of contextual factors but also of UNDP's ability to demonstrate through systematic evidence its contribution and value addition. Indeed, the M&E system has improved during the programme cycle but still presents significant weaknesses, especially in the governance portfolio. Beyond the internal RBM implications, this has affected UNDP's capacity to demonstrate that cost-sharing can be an effective and efficient way to support government priorities. A similar conclusion is drawn on the national capacity to track the SDGs. The system on this matter remains fragile, despite improvements, and still faces challenges in terms of data accuracy, reliability and availability.

Conclusion 3. LNOB:¹⁵³ UNDP is recognized for its valuable efforts and focus on vulnerable groups across its areas of interventions. It has made important contributions in identifying, targeting, empowering and addressing the inequality of vulnerable groups, including women, youth, persons with disability and LGBTQI. While its engagement on youth economic empowerment is acknowledged, and a solid foundation has been laid with the systems approach, UNDP has not yet secured the commitment of the Government or involved all key partners to be able to address the magnitude of youth unemployment. Moreover, the socio-economic impact of pandemic has changed Bhutan's vulnerability configuration, forcing the organization to update its approach.

Throughout the programming cycle, UNDP paid continuous attention to vulnerable groups. UNDP efforts in enhancing the voice of the most marginalized translated into various substantial successes. UNDP support triggered policy dialogues and led to the achievement of key landmarks for people with disabilities, such as the first national disability policy. With the launch of the National Vulnerability Baseline, UNDP identified 14 socioeconomic groups who were considered as most vulnerable in Bhutan. The study quickly became a central source of evidence, not only for UNDP development programming but also and most importantly, for the Government's programming.

The focus of the UNDP programme in gender as well as most results addressed the differential needs and focused on the equitable distribution of benefits and rights. UNDP opened policy space and advocated for the rights of women and vulnerable groups. The programme included the development of the first ever Gender Equality Policy. While UNDP is pushing for transformational change to ensure the rights of women and vulnerable groups, efforts have so far focused on laying the foundations for change without significant results in changing norms and power structures. Policies and legislation are not fully established and implemented, and pilot initiatives have not been institutionalized, replicated and rolled out to effectively achieve transformational results and secure national ownership.

By adopting a systems approach, UNDP helped the Government in identifying the root causes of youth unemployment and offered a portfolio of solutions to address this challenge. However, while it is well positioned, UNDP has not gone far enough in securing the commitment and ownership of the Government

¹⁵¹ ICPE Bhutan 2014-2017, IEO.

¹⁵² WFP being the lead for outcome 4 on DRM of the UNSDPF.

¹⁵³ See Findings 4-6, 8, 11-15.

to drive effective reforms in this area. While the systems approach provides an excellent baseline from which initiatives can be further developed, Government ownership is key to ensure the sustainability of progress and results. Moreover, while UNDP aspires to work more actively with partners such as the private sector and other UN agencies, especially in creating jobs and greening the national economy, those engagements remained limited during this programme cycle. Operationally, the youth portfolio was inserted in the governance outcome without creating sufficient synergies with livelihood interventions of Outcome 2.

Conclusion 4. Governance portfolio:¹⁵⁴ UNDP has maintained a strong value proposition in the area of governance and contributed to the consolidation and advancement of Bhutan's democratic governance integrating good governance principles into both the justice sector and Parliament. While UNDP work on digitalization remains incipient, it has an enormous transformational potential for the country. Despite having enhanced national capacities to integrate and monitor SDGs, reporting remains fragmented, with important data gaps, particularly at local level.

By mirroring the good governance component of the 12th FYP, UNDP has been able to position itself as a partner of choice for RGOB, ensuring the relevance of its programming as well as strengthening national ownership to further the sustainability of the programme's results. As the government's priorities changed due to the COVID-19 pandemic, UNDP swiftly changed its approach and programming to support the Government where it was most needed. For example, UNDP leveraged the Government's commitment to the digitalization of Bhutan and leveraged technology to strengthen public service delivery (vaccination, ICTG, Parliamentary Digital Platform, e-litigation, etc.). This allowed UNDP to maintain its relevance and be recognized by the Government as the go-to development partner. Results remain incipient but present an important transformational potential for Bhutan's development.

UNDP contributed to the consolidation of parliamentary democracy in Bhutan by strengthening inclusion, transparency and accountability in driving forward people-centred development approaches and advancing citizen engagement. Despite identified CSO capacity gaps, UNDP has been able to create a space for CSO involvement in public affairs and has leveraged this partnership to foster development results. It also has contributed towards furthering an integrated approach to justice sector reforms and increased access to justice for the people of Bhutan, in particular women and vulnerable groups, bringing justice closer to the people. These efforts have strengthened democratic governance in the country and allowed greater engagement and participation of citizens at both the national and local levels.

With the MYGF, UNDP initiated a portfolio approach by consolidating small interventions and results at outcome level and reducing transaction costs. This appropriate approach has been partially adopted for the outcome 1 portfolio and has yet to be expanded to other outcomes.

Despite national government's enhanced capacities to integrate, monitor and report on the SDGs, mainly through UNDP support to establish an online SDG Dashboard as well as capacity development support to the Parliamentary Commissions, efforts have not yet been consolidated to achieve meaningful results at the local level and the DEWA information has yet to be used to inform legislation and policies.

¹⁵⁴ See Findings 2, 3, 6, 7, 13, 15-17.

Conclusion 5 - Sustainable development portfolio:¹⁵⁵ With UNDP support, contributions were made to Bhutan's environmentally sustainable and climate resilient economy. UNDP supported RGOB in addressing key climate change challenges posed to rural communities and their livelihoods by introducing climate smart agriculture and resilient to climate change infrastructure and by developing and implementing the low emission development strategy and innovative green financing. Results achieved in the area of livelihood were valuable, yet limited, and results are insufficiently captured by the M&E system.

Building on its longstanding engagement as a partner and achievements in Bhutan's development agenda, UNDP earned the reputation of being a capable and dependable development partner to support Bhutanese institutions and communities in addressing climate change and environmental challenges. While UNDP support in the area of climate change and environment is largely rural based at the present, a growing urban population and accompanying pressure on the urban environment as well as vulnerability to climate change have opened up new opportunities to build urban resilience to climate changes. It also represents an opportunity for UNDP to replicate the tested portfolio approach of the MYGF into the climate change and environment portfolio.

With UNDP support, the Government elaborated and implemented Low Emission Development Strategies leading to important results, including the promotion of electric vehicles for public transport, renewable energy and management of municipal solid waste. During the programme cycle, UNDP introduced the new concept of innovative financing with nascent, but noteworthy results to be further explored in the next programme cycle.

UNDP made conscientious efforts to integrate livelihood and poverty reduction in the conception and implementation of its climate change and environmental interventions. UNDP succeeded in promoting sustainable land management in rural areas and biodiversity conservation using a landscape approach, including the sustainable operationalization of biological corridors. While the evaluation team recognizes that UNDP is moving in the right direction with its integrated approach, the incapacity of the M&E system to capture the livelihood results and achievements is affecting UNDP ability to demonstrate the impact of its interventions.

The overall UNDP programme funding remains heavily skewed towards the environment and climate change due to its over-dependence on vertical environmental funds. For instance, programme delivery depended mostly on vertical funding, which accounted for 70.5 percent of the overall UNDP country programme budget during the period of review, particularly from the GCF and GEF trust funds.

¹⁵⁵ See Findings 1, 3, 8-12, 15, 17.

3.2 Recommendations and management response

RECOMMENDATION 1.



Youth employment and empowerment: Capitalizing on the positive foundation created during the current programme cycle, UNDP should strengthen its support to national partners to overcome the structural barriers for youth employment and empowerment. This should include fortifying national ownership, leveraging strategic partnerships and increasing the emphasis on building the necessary conducive enabling environment.

Building on the systems approach adopted during this programme cycle, it is recommended that UNDP focuses its work to enable key partners to address the identified root causes of youth unemployment. UNDP should thus accelerate its transition from smaller-scale interventions to an integrated programme, interconnecting employability, job creation and enabling environment interventions. Further emphasis would be needed on addressing the deficit of labour demand, including green jobs in the climate change portfolio, and on the creation of a conducive enabling environment for decent work for the youth. Youth employment component should also be considered across the CPD programme, particularly in the livelihood portfolio, by creating sufficient synergies between outcomes.

UNDP should further leverage its favourable positioning to invigorate the commitment and ownership of the Government, in order to drive employment reforms further. UNDP should support the RGOB is overcoming its silo approach to address the youth employment challenge by enabling a national holistic response. Strategic partnerships could be expanded with the private sector and other UN agencies, particularly the International Labour Organization (ILO), UNICEF and UNFPA, to promote and support inclusive job creation and entrepreneurship. It should also explore the possibility to develop joint strategies, coordinated interventions or even adopting an UN cluster approach on youth.

Finally, to promote youth empowerment, UNDP would need to recognize the role of youth as agents of change and partners in the development of the country. It should create mechanisms to meaningfully engage and channel youth in UNDP's work in Bhutan, such as a youth sounding board. Depending on the stakeholders' interest, this youth platform could be extended to all stakeholders, including Government, development partners, other UN Agencies, civil society and the private sector, to develop integrated approaches in empowering the youth in Bhutan.

Management response: Fully agree



UNDP will sustain its efforts to support the Government within the next cycle and the 13th National Development Plan to address the structural barriers to the extent our resources will allow.

◀ Recommendation 1 (cont'd)

Key action(s)	Time frame	Responsible unit(s)	Tracking*	
			Comments	Status
1.1 Develop an advocacy strategy based on the future of workforce study.	April to Dec 2023	Governance, Economist and Acc Lab.	The study was launched in December 2022.	The future workforce study report was launched on 15 December and detailed post launch socialization plan developed in collaboration with the Government. Discussion with other development partners is planned to explore collaboration on few areas and youths being one of them.
1.2 Establish an inter-cluster result group on youth at the CO level to ensure mainstreaming and scale-up of youth empowerment throughout UNDP programme/projects.	Jan-Dec 2023	Governance Unit as lead (Economist and Acc Lab to support).		Formation of result group with specific roles is under discussion.

RECOMMENDATION 2.



Digital transformation: Building on the achievements of the current programme, UNDP should expand its support to RGOB for digitalization and e-governance by adopting a holistic approach to digital transformation. Additional support should be given to ensure the safety and security of online systems and to avoid exacerbating the digital divide.

UNDP should enhance its support to Government in the delivery of equitable and inclusive public services for all. It is recommended that UNDP fully take advantage of its unique positioning in the field of e-governance, in order to support the Government in two of its major upcoming reforms (civil service reform and decentralization). Both reforms are creating a significant space for digitalization, while also creating an opportunity for UNDP to advocate for cost sharing in this area.

UNDP would need to build on existing pilot initiatives of the current CPD cycle to further roll out and institutionalize these interventions, while expanding in other sectors. UNDP Bhutan should fully leverage the organization's global knowledge and its technical support facilities. This could include the realization of a digital readiness assessment for Bhutan with the Chief Digital Officer as well as integrating open-source solutions from the Digital X solution catalogue. Greater focus should be placed on the security and safety of online systems, which will help generate trust both among service providers and service users. Following UNDP digital standards, greater efforts are needed to ensure that the digital solutions put in place do not exacerbate the digital divide.

The RGOB is placing additional emphasis on the accountability of institutions as part of the overall reform, national development process and 13th FYP. In this context, UNDP should match these needs and priorities with a strong focus on accountability in the next CPD programming cycle, in particular vis-à-vis the Parliament and the institutions in the justice sector. E-governance has a role to play in fostering horizontal and vertical accountability, by introducing and strengthening mechanisms such as facilitating civil society oversight and monitoring capacities for an inclusive and participatory governance.

Management response: **Partially agree**



The Government has already made significant investment on digitalization and e-governance. It will, however, require substantial coordination with other Development Partners and UN Agencies investing in digitization to take the programme forward. The safety and security of the online system is beyond UNDP's capacity.

Key action(s)	Time frame	Responsible unit(s)	Tracking*	
			Comments	Status
2.1 Develop and adopt a programmatic approach on digitization based on lessons from other countries and revision of the existing CO digital strategies	Jan 2023-Dec 2024	Governance, Economist and Acc Lab and Environment team. Acc Lab will lead the process.		The CO is in touch with Bangladesh office (A2i) to shape a Bhutan specific digitalization programme.

◀ Recommendation 2 (cont'd)

2.2 The office will invest on diagnostic of digital divide and include the priorities in our next CPD (2024-2028)	Jan 2023- Dec 2024	Governance, Economist and Acc Lab and Environment team.		UNSDCF formulation is in progress, which has a focus on digital divide.
2.3 Invest substantially to mobilize resources for digital programme of UNDP Bhutan.	Jan- Dec 2023	Governance, Economist and Acc Lab and Environment team.		A concept note is prepared for resource mobilization.

RECOMMENDATION 3.



LNOB: To reinforce UNDP development results and footprint on LNOB in Bhutan, UNDP should conduct a new Vulnerability Assessment in the country. Key partners, such as the Government and CSOs, should also be better equipped through tailored capacity development programmes to improve their implementation capacities to ensure that the needs of the most vulnerable are addressed.

LNOB and gender should be further mainstreamed in future programming in order to address existing inequalities in Bhutan. To this end, UNDP should conduct a new Vulnerability Assessment to collect up-to-date evidence, ensure data reliability and identify a relevant classification of vulnerable groups, particularly in view of the changing socio-economic context brought by COVID-19. This would eventually allow UNDP and its partners to produce targeted interventions and tailored solutions to reach the most vulnerable.

UNDP should continue to advocate and push for the full implementation of all policies and legislation relevant to LNOB, addressing legislative gaps as well as institutionalizing pilot initiatives that have the potential for transformational change in the country. In the next programme cycle, UNDP should continue its support to PWDs and advocate for the ratification and implementation of the Convention on the Rights of PWDs, in addition to providing tailored assistance for the implementation of the first ever Gender Equality Policy. This line of support should include a dedicated workstream with the members of Parliament to engage and discuss the areas of gender equality and empowerment as well as vulnerable groups at large, including LGBTQI. New intervention designs should aim to address the root causes of inequalities and discrimination.

UNDP should broaden civil space and partner with civil society for the delivery of key services to LNOB communities as a means to address inequalities in Bhutan. It would need specific capacity development interventions of CSOs, to equip them with the appropriate skills and make them become central partners of UNDP on LNOB. To further bridge the divide between the supply and demand sides of its programming and to achieve better and more sustainable human development outcomes, UNDP should also raise the awareness of the rights-holders on their rights, through this reinforced partnership with CSOs. Mainstreaming the human rights-based approach across all programming would also help in achieving this.

Management response: Partially agree



The Government is not keen on grants spent on assessments and insists on diverting full investment on tangible development, which is largely perceived as a measure for COVID recovery. In addition, our past effort to pursue the Government to reassess the previously done LNOB analysis was not successful. However, the recently done Bhutan Living Standard Survey can be utilized as a proxy for LNOB analysis. As an alternative, UNDP will explore ways to understand vulnerability through Common Country Analysis (CCA) and sectoral assessments while designing a new pipeline project. The CO cannot commit on conducting a new vulnerability assessment.

Key action(s)	Time frame	Responsible unit(s)	Tracking*	
			Comments	Status
3.1 UNDP will reassess urban part of the vulnerability assessment as an input to the formulation of urban resilience programme.	Jan 2023-Dec 2024	Governance and Environment		The CO is in touch with Bangladesh office (A2i) to shape a Bhutan specific digitalization programme.
3.2 UNDP Bhutan will continue to support key partners, such as the Government and CSOs, to improve their implementation capacities utilizing LNOB principles.	Jan-Dec 2023	Governance		Discussion started with some key CSOs.

RECOMMENDATION 4.



Urban resilience and disaster risk management: UNDP should reinforce its positioning into the management of the environment in urban landscapes, integrating climate and disaster resilience with urban livelihoods. UNDP should also leverage its expertise and long history in working on disaster risk management by strengthening its upstream support in this area. By doing so, UNDP should consider formalizing a portfolio approach by consolidating upstream and downstream interventions into a coherent and interconnected programme.

With rapid urbanization taking place, urban centres and adjunct areas are becoming increasingly vulnerable to environmental and climate risks, such as pollution, land degradation, stress on water resources and supply systems, and flooding, while urban unemployment and poverty are likely to rise if adequate interventions are not planned and implemented. Furthermore, this would provide new avenues of resilience building and environmental management while also opening up opportunities for more active engagement of the private sector in greening economic development, improving the resilience of urban infrastructure, delivering environmental management services, and creating employment.

Building on its trajectory of support of previous cycles on risk disaster management at upstream level and the results achieved on downstream support on climate resilient infrastructure and national capacities on climate research during the current programme cycle, UNDP should reactivate its upstream support on disaster preparedness and response at national and local level. By adopting an integrated portfolio approach, UNDP would be able to provide holistic support to DRM and create synergies and complementarities between interventions. This line of support will require UNDP to work closely with the WFP and other key stakeholders.

Management response: Fully agree



Key action(s)	Time frame	Responsible unit(s)	Tracking*	
			Comments	Status
4.1 An integrated portfolio approach will be followed in formulating an urban resilience programme.	Jan – Dec 2023	Environment, Governance, Economist and Acc Lab team.	LDCF fund can enable UNDP to invest in urban resilience.	Concept note is under preparation.

RECOMMENDATION 5.



SDG and M&E: UNDP should support RGOB's Monitoring and Evaluation ecosystem to generate timely information for the monitoring of SDGs, decision-making, knowledge management, and to appropriately capture UNDP contributions to transformative change in Bhutan.

At the national level, UNDP should explore opportunities to further strengthen and consolidate the capacities of national stakeholders, including the National Statistics Bureau, on data collection, monitoring and reporting on the SDGs. UNDP needs to fully operationalize the DEWA, including sensitisation and capacity building of CSOs, newly elected Local Government leaders and the private sector to use the Dashboard. UNDP should develop a SDG National Statistical Strategy capable to capture local data and address the SDG data gaps. This line of work should also require the formulation of a dedicated M&E capacity development programme grounded on national needs. This support should contribute to the development of more evidence-based legislation, policy and decision-making, including in the design of the new national development plan and M&E framework. It would also benefit UN agencies RBM needs with better tracking and reporting of results. In developing this line of support, UNDP should collaborate closely with other UN agencies in Bhutan, including considering joint advocacy, implementation and resource mobilization efforts.

Within UNDP, more systemic mechanisms at both the outcome level and within the CO should be introduced to capture and share Monitoring, Evaluation and Learning (MEL). Such mechanisms should be regularly informed and updated based on the evolution of the political economy and context in terms of key development issues. It would require dedicated capacities to undertake it as well as sufficient dedicated staff in the RBM unit. UNDP should prepare a metadata for its new CPD results framework, ensure consistency of reporting across projects (particularly on the governance portfolio and with regards to livelihood results) and consider conducting outcome evaluations. Better mechanisms for MEL, if applied to the implementation of the programme, would allow for more adaptive programming, support advocacy and mobilization efforts and ultimately, contribute to achieve better results.

Management response: Fully agree



Key action(s)	Time frame	Responsible unit(s)	Tracking*	
			Comments	Status
5.1 UNDP will develop a common offer for the 13th Five Year Plan formulation and implementation, which will include resource mobilization, fiscal risk management and M&E and accountability framework.	Jan - Dec 2023	Economist and RBM	UNDP has supported govt to conduct a foresight exercise.	Discussion is ongoing to provide an integrated offer.

ANNEXES

Annexes to the report (listed below) are available on the website of the Independent Evaluation Office at:
<https://erc.undp.org/evaluation/documents/download/22493>

Annex 1. Terms of reference

Annex 2. Country at a glance

Annex 3. Evaluation matrix

Annex 4. People consulted

Annex 5. Documents consulted

Annex 6. List of projects for review

Annex 7. Status of country programme document (CPD) outcome & output indicators matrix

Annex 8. Detailed rating system by outcome



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