



ANNUAL PROGRESS REPORT
(PERIOD JULY 2023 – JUNE 2024)

(Project Title: Supporting Good Governance and Digitalisation in
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DEPARTMENT OF LOCAL GOVERNANCE AND DISASTER MANAGEMENT
MINISTRY OF HOME AFFAIRS
ROYAL GOVERNMENT OF BHUTAN

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CONTEXT

Bhutan, with a total size of 38,394 square kilometers, is situated in the eastern Himalayas. It is fully protected by the Constitutional Mandate to maintain a forest cover above 60 percent at all times. Bhutan acts as a carbon sink, with its forests absorbing three times more CO₂ emissions than it emits. The country is committed to stringent environmental conservation efforts, with 70 percent forest coverage, 7 percent snow and glaciers, nearly 3 percent cultivated land out of total arable lands of 664,114.45 acres, and 4 percent meadows and pastures. The remaining land is classified as barren, rocky or bushes. Approximately 10 percent of the total surface area is covered by glaciers, providing a renewable source of energy with an estimated hydropower potential of 36,900 megawatt. However, due to its geographical location, Bhutan is vulnerable to natural and man-made hazards. An average magnitude of 6.3 earthquake can cause damage to its traditional buildings. Monsoon-related floods affect over 70 percent of settlements, infrastructure, and agricultural areas. Traditional buildings are prone to fire hazards. Additionally, there are 17 potentially dangerous glacial lakes that pose a major threat.

As per the Global Gender Gap Report ranking, Bhutan's gender gap index ranking improved from 126th in 2022 to 103rd in 2023. Women currently constitute 6.94 percent of the Parliament of Bhutan. Women's representation in Local Government has increased from 7.67 percent in 2011 to 11.74 percent in 2016, 12.54 percent in 2021 and 12.94 percent in 2024. Areas requiring attention include maternal and reproductive health, enrollment and completion in tertiary education, low participation in public decision-making and political spheres, and gender-based violence. Areas that need sustained effort include gender mainstreaming, implementation of legislations and policies.

As of 2022, Bhutan's poverty rate stands at 12.4 percent. 12 out of every 100 individuals belong to households with a monthly per capita expenditure below Nu 6,204. Additionally, 0.4 percent of the population are classified as subsistence poor, with a monthly per capita consumption below food requirements. Bhutan heavily relies on imports for essential food items and pharmaceuticals though it produces traditional medicines. The sufficiency score for essential foods is low, with rice at 25.17 percent, maize at 50.35 percent, and meat at 27.11 percent. Furthermore, over 64,000 acres of land are fallow and farmers still face crop losses ranging between 19-43 percent annually to wildlife. Over 31% of the agricultural land is situated on slopes with 50-degree steep gradient. Only around 28% of the agriculture land has reliable irrigation. The irrigation problem (25.4%) topped the list of constraints faced by communities and 38.4% of the total fallow land is due to water scarcity. 62.2% of the total population reside in the rural areas with increasing aging index of 14.2% in 2005 to 22.7% in 2017. On the other hand, urban population is witnessing rising trend from 30.9 percent in 2005 to 37.8 percent in 2017 with further projection to increase to 56.8 percent by 2047.

	<p>For the 13th Plan, an indicative amount of BTN 72,000 million has been allocated to Local Governments. Out of this, BTN 34,000 million is assigned to Thromdes¹, Dzongkhags², and Gewogs³ as block grants based on the Resource Allocation Formula, while BTN 38,000 million is earmarked for Project-tied Works.</p> <p><i>(Source of Data: 13th Five Year Plan Document, National Council Review Report on Satong⁴ & Gungtong⁵ and Universal Periodic Review Report 2024)</i></p>
<div>OBJECTIVES</div>	<p>Project Impact:</p> <p>The overall goal of the project 'Support to Good Governance and Digitalisation in Bhutan' is to reduce poverty in the country.</p> <p>Specific Objectives:</p> <ol style="list-style-type: none">1. Strengthen local governance and decentralization2. Enhance gender mainstreaming, particularly at the local level.3. Boost the digitalization of public services, with a special focus on education. <p>Induced Outputs:</p> <ul style="list-style-type: none">- Enhanced efficiency of Local Governments in service delivery- Strengthened decentralization of administrative and fiscal authority, functions, and resources- Enhanced capacities at both national and Local Governments to improve service delivery impact- Improved advancement in digital governance and policy environment, emphasizing inclusive education and skills for women and girls- Increased participation of women and mainstreaming of gender-sensitive policies, plans, and programs at the Local Government level <p><i>(Source of Information: Project Document on 'Support to Good Governance and Digitalisation in Bhutan')</i></p>

¹ Four municipalities
² 20 Districts
³ 205 Blocks
⁴ Fallow land
⁵ Empty households

<div>STRATEGIES</div>	<p>Following strategies are adopted under the project:</p> <ol style="list-style-type: none"> 1. Harmonization of legislative documents, including Acts, Rules, Proceedings, Protocols, and Guidelines 2. Integration of Gender, Environment, Climate, Disaster, and Poverty considerations into Local Government plans and programs 3. Utilization of local area-based potential programs to reduce poverty and boost income generation capacity 4. Expansion of support for Performance-Based Climate Resilience Grants to Local Governments 5. Empowerment of women and vulnerable groups through enhanced platforms for participation by enhancing community engagement 6. Promotion of social accountability mechanisms to increase community asset ownership, responsibility, and improve service delivery 7. Enhancement of the capacity of Local Government functionaries, particularly women in existing positions and prospective candidates. <p><i>(Source of Information: Project Document, DLGDM 2024)</i></p>
<div>KEY ACHIEVEMENTS</div>	<p>Key achievements are highlighted as follow:</p> <div> <div>1. REVISION OF LOCAL GOVERNMENT RULES AND REGULATIONS 2024</div> <p>The Ministry of Home Affairs empowered by the Local Government Act 2009 revised the Local Government Rules and Regulation 2024 integrating Thromde Rules 2011 and removal of ambiguous provisions. Amongst many, issues like prolonged illness, periodic reporting of Tshogpas⁶, contents of annual report, individual and collective mandates of local government functionaries, mainstreaming of cross-cutting issues like gender, environment, climate change, disaster and poverty were addressed in the revised version.</p> </div> <div> <div>2. COORDINATION OF THE 13TH FIVE-YEAR PLAN CONFERENCE</div> <p>In collaboration with the Cabinet Secretariat, a week-long conference was held on the 13th Five Year Plan for the Local Government functionaries comprising of Dzongdags⁷ of 20 Dzongkhags, four Thrompons, 20 Chairpersons of the Dzongkhag Tshogdu⁸, 205 Gups, 16 Thromde Ngotshabs⁹, 20 Planning Officers and 20 Economic Development Officers. The members were briefed on the vision, goals and priorities defined in the 13th Five Year Plan and were oriented on designing citizen-centric project proposals</p> </div>

⁶ Sub-block elected leader. There are 1044 sub-blocks in total.
⁷ District Governor
⁸ Highest decision-making body at the district level.
⁹ Elected District Municipality Representative

mainstreaming GECDP in their respective administrations. The participants are introduced to integrated area-based potential planning for formulating inclusive, integrated and holistic projects under the Small Development Project Grant and Project-Tied Assistance grants.

3. IMPLEMENTATION OF CENTRAL-LOCAL CONNECT PROGRAMS

Around five virtual coordination meetings were organized during the period with the local government functionaries on sorting out issues related to Terms of Reference for Thromde Ngotshabs, line of reporting for Thrompons and the Chairpersons of Dzongkhag Tshogdu, human resource shortages, clustering of engineering and accounts services, delay in plan work execution, disaster and crop damages, resources and budget allocation to Gewogs and vision articulation from the central government. These discourses have enabled substantive discussions in the Parliament with the proposal to introduce crop compensation trust fund, ICTtization of local administrations and rationalized Resource Allocation Formula.

4. INTRODUCTION OF THE AREA-BASED POTENTIAL PLANNING CONCEPT TO LOCAL GOVERNMENTS

The Article 22.18 (e) of the Constitution of Kingdom of Bhutan mandates the Local Governments to promote holistic and integrated area-based development planning. In partnership with the Helvetas Bhutan Office, the Department has piloted five area-potential based eco-tourism lodges with higher assurance of future sustainability success and supported Tergola Rhododendron Sightseeing in Haa for enhancing income generation and employment creation opportunities for youth and women. Around 435 local government functionaries, comprising of 20 Dzongdags, 205 Gups, 24 planning officers, 20 Economic Development Officers, 16 Thromde Ngotshabs and 150 Gewog Administrative Officers are oriented on local resource identification matrix and proposal drafting.

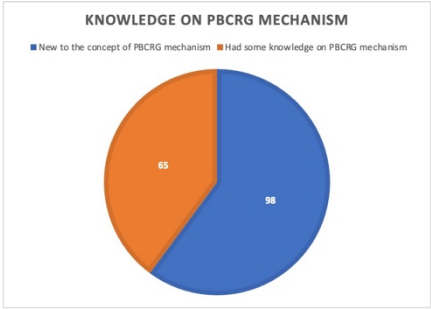
Out of 163 participants comprising mostly of Gewog Administrative Officers and Dzongkhag Planning Officers, during the focused group discussion, all respondents confessed they are new to the concept of area-based potential planning, falling under the category of ‘important-yet challenging to implement’, with none falling under the category of ‘optimistic-confident’ and ‘pessimist-not confident’. However, after the presentation of local resource matrix tool and facilitation stories, the participants could gain confidence in developing Area-based development project. The Department has received 48 area-based proposals from the local

governments and is reviewing the prospect and sustainability aspects to finance 10 best area-based programmes under the project support.

5. ALLOCATION OF PERFORMANCE-BASED CLIMATE RESILIENCE GRANTS (PBCRG) TO LOCAL GOVERNMENTS

More than 130 local government functionaries were inducted on climate change and adaptation mechanisms and were facilitated on designing local level action plans using the participatory rural appraisal tool. In the past year, 110 Local Governments have embraced the concept and implemented various adaptation actions including farm road improvement, farm land development, alternative cropping, water source management, retention walls, river embankments and electric fencing as against wildlife threats. Additional 20 new Local Governments are introduced to the concept totaling the current figure to 130 local governments.

163 of Gewog Administrative Officers, including 74 females were trained and oriented on drafting climate change adaptation proposals. 98 participants comprising of 60.2% were found to be new to the PBCRG mechanism. However, 65 participants consisting of 39.8% had some knowledge on PBCRG mechanism and PRA tool and were engaged since the inception phase of the LoCAL program.



The Department has received 150 PBCRG proposals which will be reviewed and rendered support in the fiscal year 2024-2025. Apart from designing of the local level actions, the knowledge dissemination has helped the community beneficiaries to combat climate change threats at the local level using locally available resources and expertise through the embrace of community engagement mechanisms and

tools. Self-mutual-public help mechanisms have enabled effective community synergy towards achieving more from less available resources.

6. PILOT IMPLEMENTATION OF SOCIAL ACCOUNTABILITY MECHANISMS

The Department hosted a consultative workshop with 20 Local Governments to frame suitable Social Accountability mechanism tailoring to Bhutanese context. Areas like participatory planning and budgeting, community monitoring team and grievances redressal mechanisms are chosen as thematic topics. A draft social accountability mechanism was developed and put into trail run in 20 local governments (Gewogs). The intent of the mechanism is to promote transparency in budget outlay and consultative planning processes initiated at the community, chiwog and gewog levels. To instill

ownership and accountability in the management of local assets, the community monitoring team will be instituted through capacity building to track the progress and quality of the infrastructures. Grievances redressal mechanisms will be adopted and instituted at the offices of the local governments for timely feedbacking and garner prompt actions on efficient service delivery.

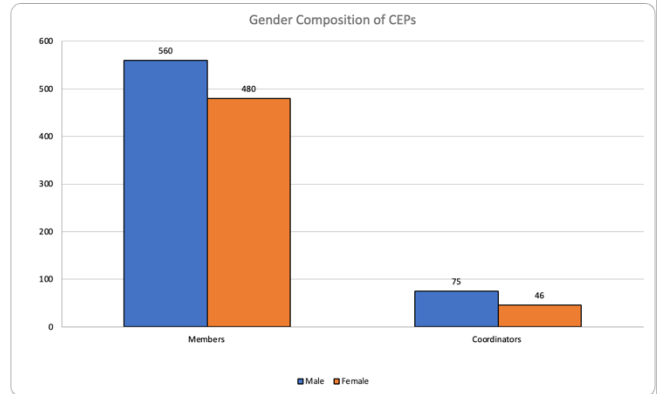
7. ESTABLISHMENT OF COMMUNITY ENGAGEMENT PLATFORMS (CEP)

Drawing lessons from the technical assistance of Japan International Cooperation Agency (JICA) and contextualizing the concept of Community Engagement Platform into Bhutanese context, 16 out of 20 Dzongkhags (except Thimphu, Samdrup Jongkhar, Lhuntse and Pemagatshel) covering 138 Chiwogs across were introduced on CEP. A total of 138 Tshogpas were disseminated on the concept and were tasked to initiate CEP formation in their respective local governments. A total of 164 CEPs are instituted across 20 local governments (Gewogs) towards empowering women and vulnerable section of the society in addressing their needs. As of today, 121 CEPs are active and 43 CEPs are passive which require further activation.

CEP is an engagement mechanism to address meeting fatigue and passiveness caused by various factors like numerous ad-hoc call of meetings by sectors with no specific agenda setting. Chiwog Zomdu is a formal, nearest and closest forum for community engagement which is plagued by too formal set up and no tools for engagement. Most of the issues gathered for planning and decision making are wish-lists which in most cases are not gaining attention of the elected members. Hence, CEP progressed towards establishing linkage between CEP Nangzom- informal meeting and its homework using various engagement tools to effective Chiwog Zomdu and Gewog Tshogde. CEP focused on drawing synergy amongst the community people, elected leaders and sector staff to identify insights on ‘what to do?’ and delve deeper on ‘how to do?’ optimizing on use of local potentials, resources and expertise promoting bottom-up planning approach. A couple of commendable good case practices, involving zero cost¹⁰ initiatives were noted during the Experience Sharing Forum held in April, 2024.

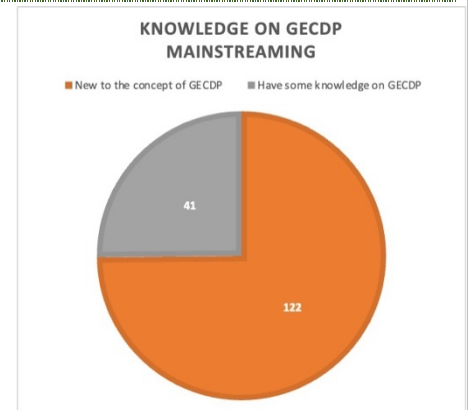
¹⁰ Activities planned and executed by the community without budgetary support from the Government.

Of 121 active CEPs, 75 coordinators comprise of men and 46 coordinators comprise of women with good representation of women leadership at the community level, indicating strong engagement by women in the community meetings and initiatives. Of 1040 households' representation in 121 CEPs, 560 members comprise of men and 480 members comprise of women, who are the head of the households having influence in decision making at the household level. There are encouraging cases of the trained CEP women coordinators standing for the local government elections and securing the posts of Tshogpas and trained Tshogpas winning the post of Mangmi.



8. CAPACITY BUILDING ON GENDER ENVIRONMENT, CLIMATE CHANGE, DISASTER AND POVERTY FOR LOCAL GOVERNMENT FUNCTIONARIES

Refresher course for the local governments were conducted for 130 local governments on the GECDP for mainstreaming into local plans and programmes. In the past Mainstreaming Reference Groups were formed in all 20 Local Governments (Dzongkhags) which reaped benefits for aligning district level plans and programmes into GECDP lens. The focus of the current intervention was to strengthen decision making processes in the local government sessions (Gewog Tshogde¹¹). The members of the local governments were sensitized



on GECDP mainstreaming, equipping well on holding substantive discussion in the local government sessions and strengthen informed decision making through the use of facts and data. The merit of the intervention is, local leaders are aware of the GECDP situation in their respective localities and have inculcated desired for change. The refresher course has enhanced their knowledge and ability to embrace change and gradually initiating assertive reinforcement for integration into their local plans and programmes. Of 163 participants comprising of Gewog Administrative Officers and Dzongkhag Planning Officers, 41¹² are aware of the GECDP mainstreaming and are integrating in their respective plans and programmes, 122 are found to be

¹¹ Decision making body at the block level

¹² As per an interactive session during the open forum discussion held with the DLGDM, August 2024

new recruits, new to the concept which necessitates the need of continuous capacity building programmes or refresher courses.

9. CAPACITY BUILDING PROGRAM FOR GUPS

A Professional Development Training Program for 80 local government leaders from 13 Western, Central and Southern Dzongkhags was organized with the aim to enhance the leadership skills and capacity in collaboration with the Royal Institute of Management, Thimphu. The programme covered a comprehensive curriculum covering various domains such as governance, ethics, technology, and community engagement. The training program was structured into four weeks, each focusing on distinct themes: fostering patriotism, embracing technology, enhancing professionalism, and citizen engagement through financial management and public procurement processes. Similar programme was organized under the EU-TACS support for the newly elected local leaders in 2021. The training was designed by the Royal Institute of Management, Thimphu Bhutan through comprehensive research insights finding, mapping the current competency gaps and needs of the local government functionaries.

10. WOMEN LEADERSHIP DEVELOPMENT PROGRAMME

To broaden management leadership and ensure a better understanding of overall governance and relevant laws, around 190 women local functionaries including Gups¹³, Gewog Administrative Officers, Mangmis¹⁴ and Tshogpas were oriented on sessions on Local Government Act, Rules and Regulations, GECDP, Community Contracting Protocol, Local Government Proceedings, Financial Guidelines, Community Engagement, Local Development Planning Manual, and Disaster Management. The forum brought women leaders across the country for connection and networking, sharing common pain points and feed forward on strategies to enhance women leadership in local governance. The voters result in Bhutan shows encouraging trend in trust for women leadership and self-confidence is the top factor for standing as a candidate in the election followed by competency which can be enhanced through leadership development discourses. One key area for gaining public trust is ensuring high performance of women leaders in position. The forum equipped the women leaders on strategic thinking vis-à-vis result-oriented performance in work places for achieving milestones and gaining public confidence.

(Source of Information: Project Progress Report, DLGDM 2023–2024)

¹³ Elected head leader of the block

¹⁴ Elected deputy head of the block

STRATEGIC IMPACTS

- In December 2023, Bhutan graduated from the UN' s list of Least Developed Countries (LDC) based on impressive performance on the Gross National Income (GNI) and Human Assets Index (HAI) criteria for graduation, as evidenced by improvements in its Human Development Index (HDI) from 0.581 in 2010 to 0.681 in 2022, and reduction in multidimensional poverty with Moderate MPI at 7.6 percent in 2022;
- Targeted efforts at poverty reduction led to sharp declines in income poverty from 23.2 percent in 2007 to 8.2 percent in 2017 at the national level, with rural poverty decreasing from 30.9 percent to 11.9 percent in the same period;
- The 13th Five Year Plan has integrated GECDP elements in the central planning and budgeting system. The Resource Allocation Formulate has captured climate and poverty subjects; Climate Change Vulnerability Analysis Index as 15% budget allocation for gewogs and 10% for Thromdes, and Poverty at 25% allocation for gewogs and 10 % for Thromdes. These two criteria included under seven criteria framed for the allocation of budget for the 13th Five Year Plan;
- Central Government embraced the concept of area-based potential planning and performance-based grants with an indicative outlay allocation of BTN 72,000 million to Local Governments. The concept of Performance based grants integrated in the central budgeting system. Concept of the Area-based potential planning was made aware to Local Governments. More proposals drafted and pursued for seeking central' s budgetary support;
- The Revised Local Government Rules and Regulations 2024 addressed the GECDP elements. Local Governments are integrating GECDP in their plans and programmes embracing multi-sectoral approach;
- Climate change adaptation agenda tabled in the Local Government sessions and prioritized through allocation of block grants;
- Gender mainstreamed in the community level decision making processes and increasing trend in women participation. Community engagement platforms have empowered women and vulnerable groups to act on their needs, promoting inclusively in decision making processes. Women representation in the local governments has improved from 7.67 percent in 2011 to 11.74 percent in 2016, 12.54 percent in 2021 and 12.94 percent in 2024; and
- Community engagement mechanisms have enabled more open and inclusive discussions, meriting huge achievement from less available resources through the mapping of community assets and resources and drawing synergy of community improvement approaches embracing self-mutual-public help dynamics.

<p style="text-align: center;">KEY CHALLENGES</p>	<ul style="list-style-type: none"> - Area-based potential projects need more time for identification and gradual process to pace up pre-requisites. Lack of technical knowledge in identifying and designing the project impedes timely progress. However, soon after preparatory works, the project can pace up well and complete in time; and - The dissemination of GECDP lessons is key to capacity building and integration of the concept in the local government plans and programmes. However, with increasing local government targets set from 100 LGs in 2022 to 130 LGs in 2023 to 150 LGs in 2024 to 180 LGs in 2025 to 205 LGs in 2026, only fewer budgets can be allocated, from the total project fund, to support PBCRG actions at the community level which is causing resource dissipation and lesser projects with bigger impact can be implemented. In order to address this challenge, green technique using locally available resources and expertise with innovation and community engagement are solicited apart from packaging the major climate issues into phase-wise intervention for three years.
<p style="text-align: center;">WAY FORWARD</p>	<ul style="list-style-type: none"> - Harmonize legal documents, including Acts, Rules, Protocol and Guidelines for addressing inter agency silo set up and strengthening cross-sectoral coordination mechanisms; - Enhance capacity of the local government functionaries on mainstreaming GECDP in the local government decision making processes thereby bringing significant changes at the plans and programmes; - Facilitate local governments in designing area-based potential projects and PBCRG proposals to garner required budgetary support from the proposal-based allocation; - Strengthen social accountability mechanisms for promoting transparency and accountability tailoring the checklists into Bhutanese context, addressing socio-political concerns; - Upscale community engagement mechanisms for promoting inclusive decision making and holistic community improvement planning; - Reinforce and enhance the capacity of women leaders and prospective female leaders through the impart of critical leadership and management courses; and - Strengthen inter-agency coordination for efficient and effective service delivery and building synergy for innovation towards fulfilling common goals and priorities.

STATUS OF THE VARIABLE TRANCHE INDICATORS

Indicator	Year 1 (by 30 June 2023) Targets with their amount/weighting		Year 2 (by 30 June 2024) Targets with their amount/weighting		Year 3 (by 30 June 2025) Targets with their amount/weighting	Year 4 (by 30 June 2026) Targets with their amount/weighting	
1. Number of area-based development programmes established	2 programmes <i>Initiated in 2 sites as follows:</i> 1. <i>Pachu and</i> 2. <i>Jigmechhu eco-tourism</i>	No variable tranche in year 1	5 programmes <i>Initiated in 3 additional sites as follows:</i> 1. <i>The Tree House Campsite</i> 2. <i>Gongribali Eco-camp and</i> 3. <i>Lotus Eco-Tourism Group</i>	Weight or amount allocated: 20 % (EUR 400,000)	7 programmes	10 programmes	Weight or amount allocated: 20 % (EUR 400,000)
2. Number of LGs with established social accountability mechanisms for peoples' participation in governance promoted and strengthened	10 LGs <i>Initiated in 10 sites as follows:</i> 1. <i>Esu</i> , 2. <i>Gakiling</i> , 3. <i>Goenshari</i> 4. <i>Lingbukha</i> 5. <i>Gozhi</i> 6. <i>Drukjeegang</i> 7. <i>Drepong</i> 8. <i>Chali</i> 9. <i>Semjong</i> 10. <i>Patsaling</i>		20 LGs <i>Initiated in 10 additional sites as follows:</i> 1. <i>Toewang</i> 2. <i>Khebisa</i> 3. <i>Langthil</i> 4. <i>Nubee</i> 5. <i>Chumey</i> 6. <i>Tang</i> 7. <i>Ngatshang</i> 8. <i>Kengkhar</i> 9. <i>Yangtse</i> 10. <i>Ramjar</i>	Weight or amount allocated: 20 % (EUR 400,000)	50 LGs	80 LGs	Weight or amount allocated: 20 % (EUR 400,000)
3. Number of Community Engagement Platforms (CEP) established and sustained for enhancing citizen participation in the democratic process of local governance and development	40 CEPs (in 10 LGs) <i>Initiated in 10 sites as follows:</i> 1. <i>Esu</i> , 2. <i>Gakiling</i> , 3. <i>Goenshari</i> 4. <i>Lingbukha</i> 5. <i>Gozhi</i> 6. <i>Drukjeegang</i> 7. <i>Drepong</i> 8. <i>Chali</i> 9. <i>Semjong</i> 10. <i>Patsaling</i>		94 CEPs (in 10 LGs) <i>Initiated in 10 additional sites as follows:</i> 1. <i>Toewang</i> 2. <i>Khebisa</i> 3. <i>Langthil</i> 4. <i>Nubee</i> 5. <i>Chumey</i> 6. <i>Tang</i> 7. <i>Ngatshang</i> 8. <i>Kengkhar</i> 9. <i>Yangtse</i> 10. <i>Ramjar</i>	Weight or amount allocated: 20 % (EUR 400,000)	30 CEP	40 CEP	Weight or amount allocated: 20 % (EUR 400,000)
4. Number of LGs receiving performance-based grants for mainstreaming gender, climate change and Disaster and livelihood opportunities into LG plans and programs	110 LGs <i>Initiated in 110 LGs</i>		130 LGs <i>Initiated in additional 20 LGs</i>	Weight or amount allocated: 20 % (EUR 400,000)	150 LGs	180 LGs	Weight or amount allocated: 20 % (EUR 400,000)
5. Number of elected and aspiring female LG functionaries trained on leadership and management	28 female functionaries <i>Trained 28 female functionaries</i>		190 female functionaries <i>(Trained all 190 elected LG members)</i>	Weight or amount allocated: 20 % (EUR 400,000)	250 female functionaries	300 female functionaries	Weight or amount allocated: 20 % (EUR 400,000)
Variable Tranche			EUR 2 million	100%	0	EUR 2 million	100%

LOGFRAME MATRIX IN THE FINANCING AGREEMENT

Results	Results chain	Indicators	Baselines (2022)	Current (2023-24)	Targets by the end of the budget support contract (2027)
Indicative impact of the policy	To reduce poverty in Bhutan	Multi-dimensional Poverty Index	8.2% (2017)	12.4 % (2022)	< 2%
Expected outcomes of the policy	S01. Strengthened local governance and decentralisation	1.1. Percentage of target population reporting improved satisfaction with involvement in local political processes	X% (2023)	NA	X+10%
	S02. Strengthened gender mainstreaming, including at local level.	2.1. Percentage of seats held by women in local governments	12.54% (2021)	12.94 (2024)	> 12.96%
Induced outputs	I01.1 Improved efficiency of Local Governments (LGs) in the delivery of services	I01.1.1 Number of area-based development programmes promoted and sustained	NA (2022)	5 (2024)	10
	I01.2. Decentralisation of administrative and fiscal authority, functions, and resources to LGs promoted	I01.2.1 Percentage of own sources of revenue	0.1% (2022)	NA	>5%
		I01.1.2.2 Percentage of LGs levying fees and charges on utilities	1.7% (2022)	NA	>20%
		I01.2.3 Percentage of staff recruited by local government	0% (2022)	NA	5%
	I01.3. Strengthened capacities at national and LGs to leverage service delivery impact	I01.3.1 Number of National Public Service Institutions having Organisational Development (OD) strategy and action plan developed and implemented.	0 (2022)	NA	2
		I01.3.2 Number of Community Engagement Platforms (CEP) established and sustained for enhancing citizen participation in the democratic process of local governance and development.	6 (2022)	20 (2024)	50
	I02.1. Women's participation enhanced and gender-sensitive policies /plans/ programmes mainstreamed in LGs.	I02.1.1. Number of LGs adopting gender, climate change and Disaster Risk Reduction strategies and employment/ livelihood opportunities into LG plans and programmes.	100 LGs (2022)	130 (2024)	205 LGs
		I02.1.2 Number of elected and aspiring female LG functionaries trained on leadership and management of overall governance.	NA (2021)	190 (2024)	300
Direct outputs	D01.1 Increased fiscal space and predictability of funds to support LGs service delivery.	D01.1.1 Percentage of Annual Grants budget utilisation by LGs	90% (2022)	NA	>95%
	D01.2 Improved strategic policy dialogue and coordination	D01.2.1. Number of inter-governmental coordination and collaboration promoted and strengthened	NA (2021)	3 (2024)	5 (2027)
	D01.3 Improved LG performance assessment and monitoring	D01.3.1 Status of performance-based grant allocation to LGs for mainstreaming of GECDP.	100 LGs (2021)	130 LGs (2024)	205 LGs (2027)
	D02.1 Strengthened capacity for enhanced policy implementation	D02.1.1 Number of LG officials trained in designing, implementing and monitoring reforms.	NA (2021)	435 (2024)	1000 (2027)