

Country Name	Project for Formulation of Comprehensive Development Plan for Bhutan 2030
Kingdom of Bhutan	

I. Project Outline

Background	Bhutan was rapidly urbanizing with increasing migration from rural areas to urban areas, mainly from eastern to western Bhutan. This influx of population to the larger cities was linked to social issues such as rising unemployment in the urban centers. Further, rural-urban migration was also seen as a cause of problems in rural areas. Some of these problems included labor shortage leading to fallow agriculture land and under-utilization of government facilities and services due to the lack of providers. With a view to addressing the issue of rural-urban migration and promote regionally balanced development, a comprehensive development plan at the national level was needed.										
Objectives of the Project	This project aims to developing a comprehensive development plan in Bhutan and thereby contributing to the promotion of balanced development between urban and rural areas and to maximizing its Gross National Happiness (GNH).										
	1. Expected Goals through the proposed plan ¹ : The proposed plan will be used as the Comprehensive Development Plan for the next five-year plan (2018-2023, to be released in late 2018), and industrial and social policies based on the plan as well as balanced rural and urban development will be implemented.										
Activities of the project	<ol style="list-style-type: none"> 1. Project site: Whole County 2. Main activities: <ol style="list-style-type: none"> 1) Assess the current status of the study area and analyse development issues 2) Establish a development vision and development strategy 3) Formulate a national comprehensive development plan 3. Inputs (to carry out above activities) Inputs will be confirmed at the time of ex-post evaluation <table style="width: 100%; border: none;"> <tr> <td style="width: 50%;">Japanese Side</td> <td style="width: 50%;">Bhutan Side</td> </tr> <tr> <td>1) Mission members: About 12 persons</td> <td>1) Staff allocated: 15 persons.</td> </tr> <tr> <td>2) Trainees received: 55 persons</td> <td></td> </tr> <tr> <td colspan="2">3) Equipment: Printers, PCs, projector, plotter, digital camera, 4G wiggler, vehicle, etc.</td> </tr> </table>			Japanese Side	Bhutan Side	1) Mission members: About 12 persons	1) Staff allocated: 15 persons.	2) Trainees received: 55 persons		3) Equipment: Printers, PCs, projector, plotter, digital camera, 4G wiggler, vehicle, etc.	
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Project Period	(ex-ante) January 2017 – December 2018 (24 months) (actual) January 2017- July 2019 (32 months)	Project Cost (Japanese side only)	(ex-ante) 374 million yen, (actual) 348 million yen								
Implementing Agency	Ministry of Works and Human Settlement (MoWHS) (renamed as Ministry of Infrastructure and Transport in 2023)										
Cooperation Agency in Japan	RECS International Inc. Research Institute for Urban & Environmental Development, Japan Nippon Koei Co., Ltd. Kokusai Kogyo Co., Ltd.										

II. Result of the Evaluation

1 Relevance/Coherence
<p>[Relevance]</p> <p><Consistency with the Development Policy of Bhutan at the Time of Ex-Ante Evaluation ></p> <p>The project was consistent with the development policy of Bhutan at the time of ex-ante evaluation. The 11th Five-Year Plan (FYP) (2013-2018) set "self-sustaining, inclusive, and environmentally friendly socio-economic development" as its main goal, and seeks to achieve its main objectives through four pillars: (1) sustainable and equitable socio-economic development, (2) cultural conservation and promotion, (3) environmental conservation and promotion, and (4) good governance. In line with the plan, this project is to formulate a national comprehensive development plan that will serve as the basis for the 12th FYP and beyond.</p> <p><Consistency with the Development Needs of Bhutan at the Time of Ex-Ante Evaluation ></p> <p>The project was consistent with the development needs of Bhutan at the time of ex-ante evaluation. As mentioned above (Background), with a view to addressing the issue of rural-urban migration and promote regionally balanced development, a comprehensive development plan at the national level was needed.</p> <p><Appropriateness of Project Design/Approach></p> <p>The project design/approach was highly appropriate. The plans and approaches are the result of comprehensive problem analysis carried out in the project formulation which was very appropriate for delivering equitable benefits to the vulnerable. The comprehensive development plan developed under the project considered the diversity of issues in the country and the approaches targeted the vulnerable groups. Some of the issues that were tackled included poverty issues, human wildlife conflict, disaster hazards and access to infrastructure. These approaches will have an immense impact on the vulnerable group and the approaches are targeted to address these issues. As most of</p>

¹ The degree of achievement of expected goals is not to be assessed in principle at the time of ex-post evaluation, since it is defined as the medium-to-long-term goals which will be attained as a result of crystallizing the proposed plan ("output" of the project).

the projects are still under the process of implementation, it was very early to extract, quantify and analyze the benefits directly.

<Evaluation Result>

In light of the above, the relevance of the project is ③².

[Coherence]

<Consistency with Japan's ODA Policy at the Time of Ex-Ante Evaluation>

The project was consistent with the Japan's ODA policy to Bhutan at the time of ex-post evaluation. The basic policy of assistance to Bhutan was to support the development of a self-sustaining and sustainable country with a good balance between rural and urban areas³.

<Collaboration/Coordination with JICA's other interventions>

Any collaboration/coordination between the project and JICA's other intervention was not clearly planned at the time of ex-ante evaluation.

<Cooperation with other institutions/ Coordination with international framework>

Any the cooperation/coordination with other development partners was not clearly planned at the time of ex-ante evaluation.

<Evaluation Result>

In light of the above, the coherence of the project is ②.

[Evaluation Result of Relevance/Coherence]

In the light above, the relevance/coherence of the project is ③.

2 Effectiveness/Impact

<Status of Achievement for the Objectives at the Time of Project Completion>

The planned outputs, i.e., (1) the Comprehensive Development Plan for Bhutan 2030 (CNDP) was formulated, and (2) Implementation structure was recommended, were produced at the time of project completion.

Firstly, the CNDP was formulated, the CNDP Launching Seminar was held on 27 June 2019 and it was handed over to the then Gross National Happiness Commission (GNHC). In addition, all the proposed plans were explained and accepted by the Project Steering Committee members in the Steering Committee Meetings.

Secondly, the implementation structure was recommended.

< Utilization Status of the Proposed Plan at the Time of Ex-post Evaluation>

The proposed plan has been almost utilized as expected by the time of ex-post evaluation.

The final report was accepted and launched by the Minister, then Ministry of Works & Human Settlement and the Secretary Gross National Happiness Commission in June 2019. Significance of the CNDP is its impact in the policy initiatives: (1) The CNDP has been one of the most referred documents which is used as a basis for prioritizing any activities or plan in the upcoming 13th FYP. Any proposal by the agencies is scrutinized from the CNDP lens, which helps to objectify its relevance and importance in line with the CNDP. (2) The CNDP is used as the basis for formulation of the 13th FYP and Transformation Initiatives document. The national spatial structure is used to delineate the Link Urban Centre (LUC)⁴. Boundaries and investment in the development project will be prioritized only after the LUC boundaries and holistic service delivery concept. (3) One of the components of CNDP was the proposal of the National Land Use Plan (NLUP). The NLUP was expected to be adopted as the National Spatial Plan when the Spatial Planning Bill is enacted. The bill was to be tabled in the winter session of December 2020 for deliberation and adoption, unfortunately due to COVID-19, other bills pertaining to economic recovery plan, health plan, etc. had to take priority. It is expected that the bill will be tabled soon in the parliament for deliberation and adoption.

The capacity of the relevant agencies has improved. The relevant agencies are able to analyze the national land situation. In addition, major proposals are spatially specified in the CNDP, which provides better direction and assessment of the national land situation while preparing the 13th FYP. Areas within Bhutan that requires major developmental activities with high economic returns are being prioritized in the next FYP. Moreover, the land suitability analysis for urbanization conducted within the CNDP provides a clear guide as to where the developmental activities are allowed and where it is restricted.

Progress of the priority projects also indicates the relevant agencies' strengthened ability. The CNDP proposed 23 priority projects for sectors including Urban development, Rural development, Agriculture promotion, Livestock promotion, Forestry promotion, Tourism promotion including Cottage and Small Industries (CSI), Information technology and mechanical promotion, Mining and manufacturing promotion, Inland transport development, Air transport Development, and Transport using advanced technology. The projects are in progress; (1) approximately half have been implemented and completed under the 12th FYP with support from different development partners, (2) some identified as tentative priority projects under the 13th FYP, and (3) others implemented under JICA support, or discussion with JICA for implementation is ongoing.

<Status of Achievement for Expected Goals through the Proposed Plan at the Time of Ex-post Evaluation>

The expected goals through the proposed plan have been mostly achieved as planned at the time of ex-post evaluation. The CNDP is used as a comprehensive basis for planning of industrial and social policies. The National Capital Region (NCR) and Gelephu-Sarpang Regional Centre Plan are two important projects implemented as per the CNDP. Since one of main objectives of the CNDP was to promote regionally balanced development, the planning and development of all the remaining LUCs are being prioritized in the next FYP. Each region or planning units that were delineated using the latitudinal and longitudinal zonings are proposed to promote certain unique characteristics based on economic activities such as agro-production and Research and Development (R&D) region, business and commercial region, tradition and interaction region; and science and incubation region. This is being used as a basis for identifying plans and programs for the next FYP. Further, the sectoral project and activities are being aligned to the areas falling under the LUC boundaries.

It is expected that the project contributes to the GNH; however, assessment for impact on the GNH has been carried out.

<Other Impacts at the Time of Ex-post Evaluation>

² ④ : very high, ③ : high, ② : moderately low, ① : low

³ ODA Country Data Collection (2016)

⁴ LUCs is a concept in which a combination of two towns creates a centre of the social services, markets and economic activities in a region. Existing higher education institutions and medical hospitals are placed in different towns. The concept of LUC is suitable to utilize the capital investment for those facilities.

No negative impacts on the environment and social aspects have been observed on the implementation of general guidance and high priority projects. Some minor impacts that arose have been managed. The Strategic Environment Assessment (SEA) for all development alternatives was conducted thorough the 7 parameters of CNDP (Land Use, Society, Transport, Food Self-Sufficiency, Economy, Spatial Structure and Planning Framework) and also through the lens of 9 GNH domains (psychological wellbeing, health, time use, education, cultural diversity, good governance, community vitality, ecological diversity and living standard).

No major land acquisition or resettlement were carried out for project implementation.

<Evaluation Result>

In light of the above, the effectiveness/impact of the project is ③.

Status of Achievement of Utilization Status of the Proposed Plan and Expected Goals through the Proposed Plan

Aim	Indicators	Results	Source
Utilization Status of the Proposed Plan	Indicator 1 Proposed National Comprehensive Development Plan is formalized through the prescribed approval process in Bhutan	Status of Utilization: Utilized beyond the expectation (Ex-post Evaluation) The final report was accepted and launched by the Minister, Ministry of Works & Human Settlement and the Secretary Gross National Happiness Commission in June 2019. Additionally, CNDP has been reflected in numerous policy initiatives more than expected at the time of planning.	Department of Human Settlement
	Indicator 2 Bhutanese government agencies will be able to analyze the national land situation	Status of Utilization: Mostly utilized (Ex-post Evaluation) The relevant agencies are able to analyze the national land situation. In addition, major proposal is spatially specified in CNDP, which provides better direction and assessment of the National land situation while preparing the 13th FYP. Areas within Bhutan that requires major developmental activities with high economic returns are being prioritized in the next FYP Moreover, the land suitability analysis for urbanization conducted within CNDP provides a clear guide as to where the developmental activities are allowed and where it is restricted.	Department of Human Settlement

3 Efficiency

The project cost was within the plan (the ratio against the plan: 93%) and the project period exceeded the plan (the ratio against the plan: 133%). The project period exceeded the plan because: (1) The acquisition of the basic data, the population census, was originally scheduled for around May 2017, but its release was delayed by the Government of Bhutan, and the actual acquisition took place at the end of June 2018. This delay necessitated a change in timing for various analytical work using the population data, which forced an extension of the survey performance period. (2) The seminar in Bhutan was originally scheduled for the second half of May 2017, but was delayed by about a month due to the time needed to coordinate the schedules of the executive-level Bhutanese government participants. Due to this delay, the deadline for performance was extended.

	Project Cost (Japanese side only, yen)	Project Period (months)
Plan (ex-ante)	374 million yen	24
Actual	348 million yen	32
Ratio (%)	93%	133%

Outputs were produced as planned.

In the light above, the efficiency of the project is ③.

4 Sustainability

<Policy Aspect>

There have been efforts put in place pertaining to the government's policy/system at the time of ex-post evaluation so that the effects achieved by the projects continue. The “National Human Settlement Policy 2019” and spatial planning framework, and the “Spatial Planning Standards 2017” are aligned to the provision of the CNDP in promoting development of regional centers and holistic service delivery, the “Southern Central Regional, Thimphu -Paro Regional Strategy,” and the “Bhutan Building Regulation.”

< Institutional/Organizational Aspect>

To effectively implement the plan, the Department of Human Settlement under the Ministry of Infrastructure and Transport have been restructured internally to have an integrated approach to planning and development. Many divisions were created. Among them, the Housing and Urban Affairs Division was created to oversee the implementation, investment, urban governance and housing aspects while the Spatial and Strategic Planning Division was created to focus on plan formulation, transportation planning and urban design aspects. The Infrastructure Planning and Flood Adaptation Division was created to focus on infrastructure and flooding aspects of the settlement planning and development. The reorganized department is likely to be sustained as there is a clear delineation of roles and responsibilities among the division and mandates are targeted to deliver comprehensive and integrated services related to urban planning and development. The Department of Human Settlement is now tasked to lead the activities related to urban planning, development, affordable housing, infrastructure planning and urban governance.

The Department of Human Settlement have had sufficient number of personnel to implement the plan. There have been 40 urban planners, urban designers, engineers, GIS officers and Architects, in the department. While some officials of the department have been on study leave, the joining of more qualified personnel is expected.

<Technical Aspect>

According to the Department of Human Settlement, the officials have had necessary skills in the field of land use planning,

transportation planning, urban design, GIS, survey and architecture. Some officials have had long term training in infrastructure planning and landscape architecture. The department also has capacity in urban economics and housing.

The existing officials have also had training on regional planning and LUC planning.

Through the continuous process of capacity building programs, it is highly likely that necessary skills and knowledge will be sustained.

<Financial Aspect>

While some of the agencies have already initiated the implementation of the projects as per the CNDP, the 13th FYP is prioritizing some of the project financing for the remaining activities proposed by the CNDP. The funding source and amount are yet to be determined and finalized.

The financial resources will be ensured for implementation of the plan based on privatization. The Technical Committee for finalization of 13th FYP is already constituted and based on the bilateral discussions the various sectors, the activities will be finalized for funding on the basis of CNDP and spatial structure.

<Environmental and Social Aspect>

During the implementation specific projects, the counter measures against risk in the environmental and social aspects are put in place. For projects which are under plan preparation phase, SEA were conducted which recommends mitigation solutions.

<Evaluation Result>

In light of the above, slight problems have been observed in terms of the financial aspect of the implementing agency. Therefore, the sustainability of the project effects is ③.

5 Summary of the Evaluation

The project prepared the Comprehensive Development Plan for Bhutan 2030. After the project completion, the proposed plan has been mostly utilized as planned, as it has been utilized as a basis for prioritizing any activities under the 13th FYP and the Bhutanese government agency's capacity has enhanced.

Considering all of the above points, this project is evaluated to be highly satisfactory.

III. Non-score Items

Adaption and Contribution:

Due to the high-profile Steering Committee Members, JICA ensured that the steering committee members were made well aware of importance of such plans. Having them understand the importance made it possible for better coordination, facilitation and adaption of the recommendations and the overall plan itself.

As for the Japanese expert team, they developed a very good working rapport to the core counterparts of the projects. They not only developed a good development plan but also increased the capacity of the counterparts by working together to analyze the data, making realistic recommendations which would suit to Bhutan's context.

Additionality and Creative Values:

1. Japan's knowledge and experiences: Royal Government of Bhutan (RGoB) have adopted the concepts of comprehensive development plans, rural revitalization and LUC. These concepts have been adopted realizing the advantages. The CNDP is the first long term Development plan for Bhutan, and now RGoB is working to develop future long term plans which not only identify the long term strategic objectives, but also details out the implementation road map for achieving those objectives.

2. Co-creation (Appreciation of spatial planning, spatial attribution to long term plans): The CNDP used as a basis for rationalization of infrastructure investment for 13th FYP. For the first time that the activities planned for FYP are spatially being mapped. This has led to more collaboration and discussions amongst the agencies. The CNDP is being used a base layer/ refence for resource mapping and allocation, roads, health facilities, infrastructure master planning. To sustain the use of CNDP, Department of Human Settlement striving to promote and advocate the plans. Presentation on the CNDP were carried to national land commission and high level officials of the MoIT.

IV. Recommendations & Lessons Learned

Lessons Learned for JICA:

-While formulating or developing long term plans, it is important to identify key ideas/potential opportunities that can be piloted through JICA programs. Such piloting would provide immense confidence to the counterparts to adapt long term strategies or long-term plans.

The formulation of such master plan also requires input from nationwide stakeholders, and there are expectations of some physical attributes/ infrastructures of such by the stakeholders immediately after the completion of the project to supplement the confidence of the counterparts.

One of the National Key Performance Indicators for draft 13 FYP and the long-term plan of the government is to ensure safe and livable human settlement in all 20 districts with Thimphu and Paro capital region ranked among 20 top livable cities in the world by 2029. JICA can collaborate to support some key activities, following up on the existing JICA Project for Development of South Central Regional Plan towards the realization of the NCR.

- While many discussions were held with development partners and the Royal Government of Bhutan was able to secure funding to implement some of the priority projects proposed by the masterplan, the discussion could have taken place earlier and more thoroughly in order to cover all the projects. The prioritized recommendations of a master plan should therefore encompass roadmap including a detailed investment avenues towards the complete utilization and achievement of objectives of a masterplan. The lack of confirmed resources for priority recommendations could lead to unfulfillment of achievement of the goals of such grand masterplan.

-It is vital to ensure that the vision and objective of such masterplan should be understood and accepted by all stakeholders including development partners right from the inception stage, so that they would be able to incorporate and plan the required investments into their respective strategic future plans.