

**Guidelines
For Preparation of the Tenth Plan (2007-2012)**



**Planning Commission
Royal Government of Bhutan
Thimphu
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**PLANNING COMMISSION
ROYAL GOVERNMENT OF BHUTAN**

CHAIRMAN

Foreword

Bhutan is on the threshold of historic transformation that will accompany the adoption of the Constitution and the introduction of parliamentary democracy in 2008. Against this backdrop, the Guidelines for the formulation of the Tenth Plan were prepared through consultations with and participation from relevant stakeholders in various discussion forums such as the Brainstorming Session, the National Consultation Workshop and the Good Governance Task Force.

Although the Tenth Plan will witness momentous socio-political change, our development philosophy of maximizing Gross National Happiness will still hold true and its four pillars will continue to form the core values for the Tenth Plan. In view of the significant proportion of people living below the national poverty line and the incompatibility of such a situation with the principles of Gross National Happiness, the Government has decided that poverty reduction will be the main development goal for the Tenth Plan. Given this focus, all sectors should formulate programmes and projects that target the poor, the vulnerable and the unreached.

The development planning approach during the Tenth Plan will be result-oriented with outcomes measured in terms of quantifiable goals and specific targets. While the five-year time frame will continue to provide a medium-term perspective for identifying priorities and thrusts, the actual plan will be operationalized through 3-year rolling plans. The Planning Commission Secretariat (PCS) will spearhead the plan formulation process under the guidance of the Commission. The sectors and dzongkhags are required to expedite the preparation of the Plan and PCS may be contacted for necessary clarification and support.

I would like to express my appreciation to all the sectors and agencies for their participation and input during the preparation of these Guidelines. I take this opportunity to also acknowledge the valuable support and guidance received from the Planning Commission members. Finally, I urge all heads of ministries, agencies, dzongkhags and gewogs to cooperate with the PCS and formulate programmes and projects in the Tenth Plan that will further improve the quality of life of the Bhutanese people.

Tashi Delek!

Sangay Ngedup

1. BACKGROUND

- 1.1. The Tenth Plan ((2007-2012) will be launched against the backdrop of momentous challenges and opportunities that accompany the adoption of the Constitution and the introduction of parliamentary democracy in Bhutan. These impending challenges and opportunities must be taken into consideration in formulating the Tenth Plan.
- 1.2. Towards this end, and to facilitate the launching of the Tenth Plan scheduled for July 2007, the Planning Commission Secretariat (PCS) initiated the preparatory process for the Tenth Plan with a three-day Brainstorming Session from 28 to 30 September 2005. The Session, which included participants from line ministries, agencies, dzongkhags and the private sector, identified the overall themes, priorities, strategies; and planning and resource allocation approaches that will guide the Tenth Plan.
- 1.3. The Good Governance Review Taskforce concurrently recommended the development of an alternative planning framework for the Tenth Plan.
- 1.4. The recommendations of the Brainstorming Session and Good Governance Plus Report were presented to the Council of Ministers Meeting on 9th December 2005. The CCM approved **Poverty Reduction** as the overall theme and priority for the Tenth Plan and the development of an alternative planning framework.
- 1.5. Based on the above directives, Preliminary Guidelines for the preparation of the Tenth Plan were issued by PCS to central ministries and agencies, dzongkhags and gewogs in January 2006 to initiate the process for formulating the Tenth Plan.
- 1.6. The Final Guidelines are based on the Preliminary Guidelines and discussions with the different stakeholders.

2. PURPOSE

- 2.1 The purpose of the Guidelines is to provide a broad policy framework for the formulation of the Tenth Plan by central ministries and agencies, dzongkhags and gewogs.
- 2.2 In keeping with the Royal Government's participatory approach to development, the Tenth Plan shall be formulated through a consultative and participatory process with relevant stakeholders. In order to ensure sufficient time for meaningful and effective consultations, the Policy and Planning Divisions or the equivalent entities of central ministries/agencies, and Dzongkhag Planning Units are required to expedite the Tenth Plan formulation process immediately upon receiving these Guidelines.

3. SCOPE

- 3.1 The Guidelines shall supersede all earlier policy guidelines pertaining to the preparation of the Tenth Plan and all sector, dzongkhag and gewog plans will be prepared in keeping with these guidelines.
- 3.2 The central sectors may issue strategic technical guidelines to dzongkhags and gewogs for the formulation of their sector programmes. Such guidelines should be in strict consonance with the Tenth Plan Guidelines issued by the Planning Commission.

PART I: STRATEGIC PLANNING FRAMEWORK

1. GUIDING PRINCIPLES AND CORE VALUES

- 1.1 As with the past Plans, the overall thrust of the Tenth Plan is to improve the quality of life of the people and the development philosophy of **Gross National Happiness** (GNH) shall continue to guide Bhutan's development process. The four pillars of GNH will, therefore, form the core values for the Tenth Plan.
- 1.2 Accordingly, the priorities, strategies and programmes for the Tenth Plan shall be formulated to ultimately contribute towards strengthening the four pillars of GNH: i) promotion of equitable and sustainable socioeconomic development, ii) preservation and promotion of cultural values, iii) conservation of the natural environment, and iv) good governance.

2. OVERALL GOAL AND KEY STRATEGIES FOR THE TENTH PLAN

2.1 Overall Goal

- 2.1.1 Bhutan has made remarkable socioeconomic progress since the First Five-Year Plan was initiated in 1961. However, despite strong pro-poor development policies and interventions, poverty continues to be a serious concern. Although there is a dearth of data on poverty, recent statistics reveal that 31.7 % of the total population falls below the national poverty line¹.
- 2.1.2 Such a situation is incompatible with our development ethos of Gross National Happiness. Hence, **Poverty Reduction** will be the main development priority for the Tenth Plan. In particular, the emphasis for the Tenth Plan shall be to reduce the proportion of population living below the poverty line from 31.7 % to about 20 % by the end of the Plan.
- 2.1.3 The focus on poverty reduction is also consistent with the Royal Government's international commitments such as the Millennium Development Goals (MDGs), especially Goal # 1: Eradicating Extreme Poverty and Hunger by 2015; and the declaration of 2006-2015 as the SAARC Decade of Poverty Alleviation.

2.2 Key Strategies

Four key strategies have been identified to achieve the overall goal of poverty reduction. These are rural development, promoting balanced regional development, private sector development and infrastructure development.

¹ Bhutan Poverty Analysis Report (August 2004), National Statistical Bureau, RGoB

i. Rural development

Poverty is largely a rural phenomenon arising out of low productivity and exposure to vulnerabilities. Addressing rural poverty through rural development is a cross-sectoral concern and will involve the following cluster of measures:

- Ensuring food security.
- Improving agricultural productivity by disseminating modern inputs and technology.
- Encouraging specialization according to the comparative advantages in different micro-climatic and ecological zones.
- Promoting employment and income generation opportunities in rural areas.
- Increasing accessibility to and improving quality of social infrastructure such as schools and health facilities.
- Intensifying provision of rural infrastructure such as roads, bridges, irrigation schemes, electricity, ICT, etc.
- Promoting skills development.
- Increasing access to rural credit.
- Promoting SMEs and cooperatives, especially cottage industries like textiles and handicrafts.
- Ensuring sustainable use of natural resources.
- Implementing holistic and integrated area-based development planning so as to facilitate targeted interventions based on reliable data.

ii. Balanced development at regional and local levels

Promotion of balanced regional development is an integral part of the GNH pillar of ensuring equitable and sustainable socioeconomic development. However, despite various pro-poor plans, programmes and policy interventions, recent surveys and poverty studies indicate that regional imbalances in socioeconomic development exist between regions, dzongkhags and gewogs. Hence, promoting balanced development at regional and local levels shall be an important strategy in the Tenth Plan. In this regard, the following strategic elements should be adopted by sectors, agencies and dzongkhags during plan preparation:-

- Initiate a comparative assessment or stocktaking of socioeconomic development in the dzongkhags and gewogs to facilitate targeted interventions.
- Promote holistic and area-based development planning.
- Promote growth centres in dzongkhags and gewogs to reduce rural-urban migration.
- Build institutional and human capacity of dzongkhags and gewogs through transfer of competent and qualified human resources, equipped with necessary mandates, authority, and incentives.
- Relocate government offices/agencies to dzongkhags.
- Identify and develop specialization in the production of goods and services and their components based on comparative advantage of each region, dzongkhag and gewog.

- Promote local entrepreneurship through tax incentives and other promotional packages.

iii. Private Sector Development

Private sector development is crucial for economic development and poverty reduction. It has received high policy focus in almost all the past Plans, especially since the Third Plan. While commendable progress has been made, there is still a need to further revitalize private sector development by creating the conducive enabling environment for private sector development. The likely strategic inputs to enhance private sector development are:

- Ensuring transparent and coordinated policies, rules and regulations.
- Establishing clear trade and industrial strategies and policies, including an industrial development roadmap.
- Strengthening contractual assurance to ensure effective enforcement of laws, rules, regulations, etc.
- Providing adequate supporting infrastructure, including the development of industrial estates and sites in dzongkhags.
- Enhance hard currency earnings by private sector through the development of niche products based on comparative advantage and by further developing the tourism industry.
- Promoting the further development of SMEs, with special focus on women entrepreneurs.
- Promoting business associations and cooperatives.
- Enhancing the availability of private sector financing.
- Augmenting HRD funding in the private sector so as to develop a critical mass of skilled and qualified workforce.
- Liberalizing and/or privatizing selected corporations (without substituting them with private monopolies).
- Developing public-private partnership and outsourcing mechanisms.

iv. Infrastructure Development

Infrastructure development has been guided by the policy of promoting equitable access and reach. Accordingly, it has received a major share of the development budget since the First Five-Year Plan and road networks and other infrastructures such as hydropower, schools, bridges, hospitals, Basic Health Units, RNR centers, telecom facilities, administrative buildings, etc. have been established. However, despite remarkable progress, there is still a need to build additional facilities both in urban as well as in rural areas.

Apart from forming the basis for economic development, infrastructure development is also crucially linked to poverty reduction as brought out by numerous studies. It will continue to be an important strategic component for poverty reduction in the Tenth Plan. The following are the likely strategic elements for infrastructure development:

- Development of a comprehensive plan for infrastructure development along with criteria for provision of infrastructure.
- Enhancement of quality assurance in infrastructure development through stringent supervision and monitoring.
- Prioritization of investment in and development of rural infrastructure (feeder and farm roads, power tiller tracks, rural electrification, irrigation schemes, telecom facilities, mule tracks, bridges).
- Development of an institutional and legal framework for promoting public-private partnerships.
- Development of mechanisms for sustainability of urban infrastructure.

2.3 Other considerations for selection of strategies and programmes

In order to ensure that the strategies and programmes adopted by sectors, agencies and dzongkhags are in line with our development philosophy of Gross National Happiness and cognizant of the constraints of demography and geography, the identification of strategies and programmes shall also be guided by the following considerations:

- i. As the Constitution will be adopted during the Tenth Plan, it is imperative that the Plan be formulated through an extensive consultative and participatory process with relevant stakeholders.
- ii. Fostering good governance is a core value for the Tenth Plan and every sector, agency, dzongkhag and gewog should strive to strengthen aspects of good governance to ensure that the Tenth Plan meets the challenges of the adoption of the draft Constitution.
- iii. Given the growing problem of unemployment in Bhutan, strategies to maximize productive employment generation, especially for youth, should be developed.
- iv. Environment is a cross-cutting issue that is intimately intertwined with poverty reduction. Therefore, all sectors, agencies, dzongkhags and gewogs should mainstream environmental issues in all their policies, plans, programmes and projects and build adequate mitigation measures to minimize any adverse impact on the environment.
- v. In view of the fact that there is a direct link between disasters and the situation of poverty, measures for the prevention and mitigation of disasters should be included in all plans, wherever possible.
- vi. While the commissioning of Tala hydropower project should enable the Royal Government to achieve its fiscal policy of meeting current expenditure from domestic revenue, Bhutan will continue to rely on external assistance and soft loans to finance its capital expenditure for the Tenth Plan. Hence, every effort

must be made to efficiently utilize scarce development resources so as to move closer to our goal of economic self-reliance.

- vii. Each sector shall mainstream gender issues while formulating the Tenth Plan and disaggregate data by gender wherever possible.
- viii. As human resource development is a key component of any successful plan, all sectors, agencies and dzongkhags should make sufficient provision for developing the skills of their organizations.
- ix. Due cognizance should be given to the need for building social capital. Community-based self-help and voluntary organizations should be promoted while formulating development strategies, programmes and projects to institute mechanisms for sustainable local economic development.
- x. Programmes and projects that are unlikely to be completed during the Ninth Plan should be incorporated as a part of the Tenth Plan, as there will be no separate allocations for such programmes/projects.

3 PLANNING APPROACH AND FRAMEWORK FOR THE TENTH PLAN

3.1 Planning Approach

The salient features of the Tenth Plan Approach are given below:

- i. The Tenth Plan will be results-oriented and clear outcome goals and targets will be set for the timeframe of five years. The Tenth Plan Approach will retain the five-year timeframe to provide a medium-term perspective for identifying the priorities or thrusts for five years and in influencing resource allocation among the central agencies. **Plan documents shall be prepared for five years.**
- ii. The five-year plans will be operationalized through multi-year rolling plans of three years (1+2), which will be rolled over from year to year such that at any given point in time, definite plans and programmes for the next two years would have been made.
- iii. The multi-year rolling plans will be based on resource availability, which in turn will be determined by the Medium Term Fiscal Framework (MTFF), Macroeconomic Framework (MF) and debt sustainability. The MTFF resource availability projections will be shorter and its enhanced predictability will facilitate more realistic planning by sectors, agencies and dzongkhags.
- iv. In addition to annual grants, dzongkhags and gewogs will also receive tied grants from the central agencies wherein, the release of resources from the central agencies will be 'tied' to the programmes that are to be implemented

by the dzongkhags and gewogs. In essence, tied grants are similar to deposit works under the existing system in which the concerned central agency formulates programmes as the executing agency and hands it over to the dzongkhags for implementation. Plans and budgets for such programmes shall remain with the central agencies.

- v. Resource allocation among the central sectors and agencies will generally be based on the justification of proposed programmes vis-à-vis the overall national priorities and objectives.
- vi. Planning Commission will focus on monitoring and evaluation (M&E) at outcome levels to ensure that plan performances are consistent with the defined indicators.
- vii. Department of National Budget will monitor the annual budget performance in terms of outputs.
- viii. All infrastructure planning for rural electrification, hydropower generation, roads, telecommunication, industrial estates and in sectors like health and education, etc will be based on master plans, where available, to enable systematic and coordinated. Dzongkhags and gewogs will be required to adhere to these master plans.
- ix. M&E at all levels (gewog/dzongkhag/central) will be undertaken within the broad framework of the national M&E system developed by the PCS.

3.2 Tenth Plan Framework

- 3.2.1 Based on the guiding principles, pro-poor focus and the planning approach; the framework for the Tenth Plan is illustrated in the following Figure 1.
- 3.2.2 As given in Figure 1, there will be four levels of documentation of the Tenth Plan: Main Tenth Plan Document Volumes I and II, Sector Plans, Dzongkhag Plans and Gewog Plans. They shall be for five years.
- 3.2.3 Although all sector, dzongkhag and gewog plans should be formulated in line with the national goals, priorities and strategies, they shall not be hierarchical. While they share a common objective, poverty reduction, the central sectors and agencies, dzongkhags and gewogs will formulate their strategies and programmes according to their different potentials and needs.

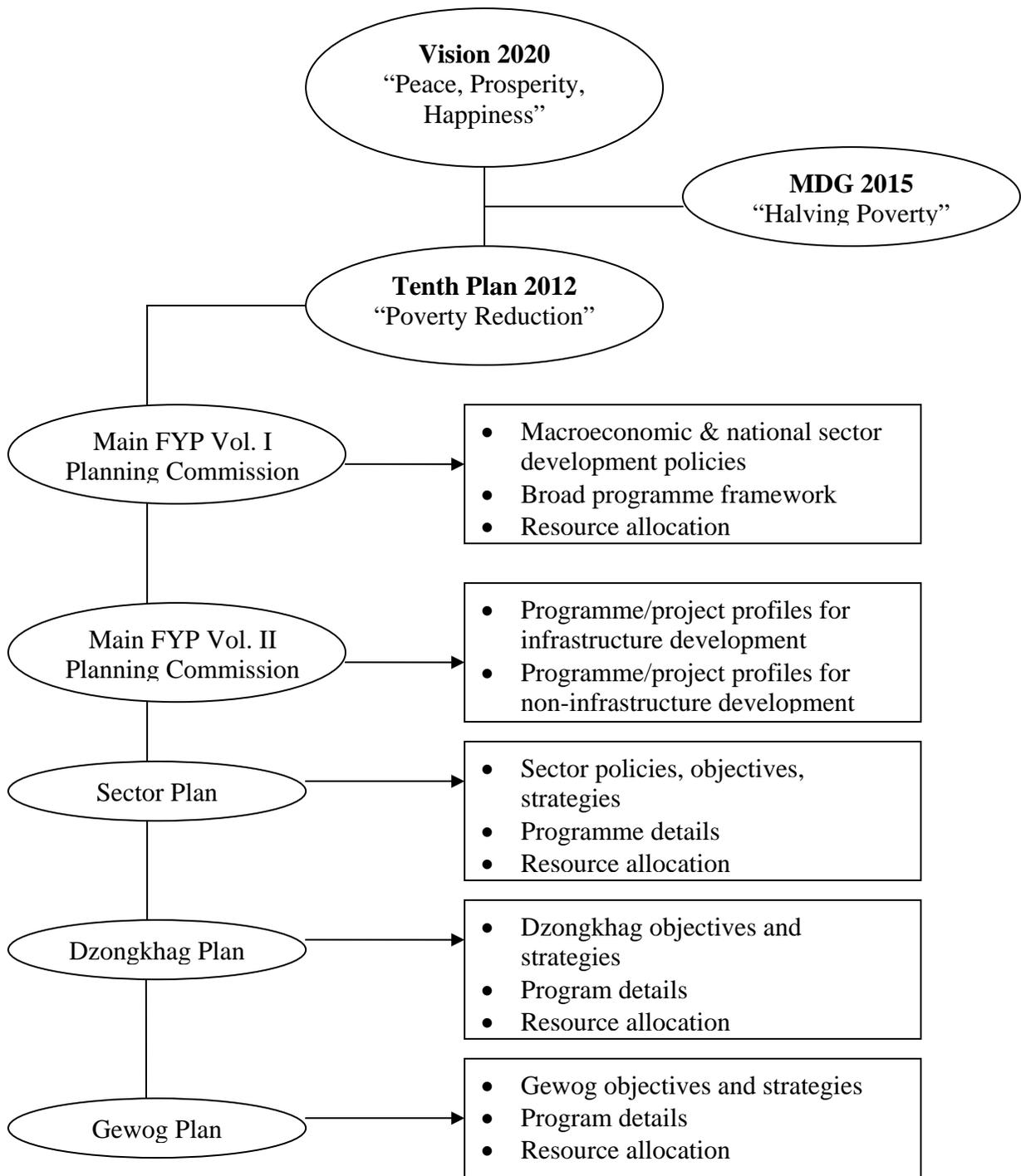


Fig. 1: Framework for the Tenth Plan

4. RESOURCE ALLOCATION FRAMEWORK

- 4.1 In line with the draft Constitution and the Good Governance Plus Report which recommended greater fiscal decentralization, dzongkhags and gewogs shall be entitled to financial resources from the government in the form of annual grants.
- 4.2 As in the past, resources will be divided among the central agencies, dzongkhags and gewogs and for the Tenth Plan, the allocation between central sectors/agencies and dzongkhags/gewogs will be in the ratio of 70:30 of the total resource envelope. Similar ratio shall be applied for distribution between the dzongkhags and gewogs.
- 4.3 Based on the projections of domestic revenue, grants from international agencies and debt sustainability, the overall Indicative Planning Figure (IPF) for the Tenth Plan, including recurrent costs, is currently estimated at Nu. 110 billion.
- 4.4 Actual operationalization of the 5-year plan will be carried out through the multi-year rolling plans and MTFF. Hence, the outlay is indicative only. While sectors, dzongkhags and gewogs should formulate plans and programmes based on their Indicative Planning Figure, actual allocations could thus change if there are variations in the resource situation as the plan formulation proceeds.
- 4.5 Subject to this condition, **the IPF for the central ministries and agencies is fixed at 25% increase over their respective revised Ninth Plan outlays.** This includes provision for recurrent expenditure.
- 4.6 As stated above, the resource allocation for the central sectors and agencies should be treated as an indicative figure to facilitate plan preparation. In line with the Tenth Plan Approach and resources permitting, the allocation to the central ministries and agencies beyond the 25% increase will be based on priorities and programme justification vis-à-vis the goal of poverty reduction and commitments like the MDGs.
- 4.7 **The IPF for each dzongkhag and gewog is presently set at 50 % increase over their respective Ninth Plan outlay.** This includes provision for recurrent expenditure. Resources permitting, allocation for each dzongkhag/gewog beyond the 50% increase will depend on the justification of their proposed programmes and projects and their linkages to national development priorities and objectives including poverty reduction and sector targets.
- 4.8 In line with the Tenth Plan Approach, dzongkhags and gewogs shall also receive tied grants through the various sector programmes and projects that are implemented in their jurisdictions.

PART II: SECTOR POLICY FRAMEWORK AND TARGETS

1. GUIDELINES FOR SETTING OBJECTIVES AND TARGETS

- 1.1 Consistent with the guiding principle of Gross National Happiness, the overall theme of poverty reduction, and in line with the results-based planning approach, each sector will need to identify specific and measurable targets to be achieved during the Tenth Plan.
- 1.2 The objectives and targets should be described in clear and measurable terms. The sector should provide clear development results that it seeks to achieve at the end of the Tenth Plan and beyond. Relevant sector targets from Vision 2020, MDG and other thematic goals should also be reflected.
- 1.3 Thereafter, clear strategies should be identified to achieve these objectives and targets. The selected strategies should be in line with the key strategies and other considerations given in Part I sections 2.2 and 2.3.
- 1.4 The overall policy objective and potential targets for each sector are given in the following section to guide the formulation of sector plans. These preliminary targets should be reviewed and refined by the respective sectors so as to strengthen linkages to the pillars of GNH and the poverty reduction goal of the Tenth Plan. The 9th plan targets and the achievements should also be considered.

2. OVERALL POLICY OBJECTIVES AND TARGETS FOR SECTORS

I. RENEWABLE NATURAL RESOURCES

1. Overall policy objective

In the RNR sector, which includes agriculture, livestock and forestry sectors, the overall focus during the Plan shall be to achieve food security in the country and enhance rural cash income.

2. Targets

The main targets for the sector and its sub-targets are given below:

#	Targets				Remarks
	Indicators	Unit	Baseline 2005/latest	Tenth Plan	
1	Proportion of rural households living below the poverty line	%	38	15	Requires coordination with pro-poor strategies of other sectors
2	Mean annual rural cash income	Nu.	18,000	35,000	
1	<i>Mean cereal production per capita in monetary equivalents</i>	<i>Kg/person</i>	<i>180</i>	<i>220</i>	

II	Proportion of farmers engaged in horticultural export cropping	%	10	25	
III	Value of horticultural export	Million Nu	80	150	
IV	Proportion of rural population living more than 1 hour's walk from a motor road	%	40	20	
V	Proportion of wetland with dry season irrigation	%	40	70	
VI	Proportion of farmers who are certified organic producers	%	0	15	
VII	Proportion of farm households with less than 5 acres of arable land	%	30	10	
VIII	Proportion of total forest under shrub	%	16	10	
IX	Average milk yield per lactating cow	L/month	150	220	
X	Number of grazing livestock units	Units	340	280	
XI	Proportion of agricultural land steeper than 35 degrees with no erosion control measures	%	90	50	
XII	Proportion of forest area managed as community/private forestry	%	0	4	
XIII	Master Plans for the five main watersheds	Nos.	0	5	

II. HEALTH

1. Overall policy objective

In the health sector, the priority focus shall be to improve accessibility, quality and sustainability of the health care delivery system in the country.

2. Targets

The main targets for the sector are as follows:

#	Targets				Remarks
	Indicators	Unit	Baseline 2005/latest	Tenth Plan	
1	Immunization	%	85	>90	
2	Population within 3 hours walking distance from Basic Health Centers	%	89	90	
3	Contraceptive prevalence rate	%	30.7	50	
4	Hospital beds per 1,000 population	Nos.	14	20	
5	Doctors per 1,000 population	Nos.	1.8	2.5	
6	Sanitation (latrine) coverage	%	92	95	
7	Access to safe drinking water	%	84	100	
8	Maternal mortality rate	%	2.55	1.5	
9	Under-five mortality rate	%	84	<50	

III. EDUCATION

1. Overall policy objective

Education is recognised both as a basic right and as a pre-requisite for achieving the wider social, cultural and economic goals. The overall focus of education sector during the Plan shall be to improve the quality, relevance and coverage of education.

2. Targets

The table below lists some of the potential targets for the sector:

#	Targets				Remarks
	Indicators	Unit	Baseline 2005/latest	Tenth Plan	
1	Net primary enrolment	%	64.88 (04)	90	
2	Girl-boy ratio in primary education	Ratio	95	100	
3	Girl-boy ratio in basic secondary education	Ratio	96	100	
4	Teacher/student ratio at primary level	Ratio	1:34	1:32	
5	Section/student ratio at primary level	Ratio	1:31	1:32	
6	Teacher/student ratio at basic secondary level	Ratio	1:32	1:32	
7	Adult literacy	%	59	80	
8	Proportion of females to males in tertiary education	%	53	80	

IV. ROADS

1. Overall policy objectives

In the road sector, the overall policy objective during the Plan period shall be to improve accessibility of rural households to social and economic activities. Necessary expansion of the road network shall also be carried out to increase efficiency and reliability of road infrastructure to facilitate economic development and strengthen national security.

2. Targets

The main indicators and targets for the sector are given below:

#	Targets				Remarks
	Indicators	Unit	Baseline 2005/latest	Tenth Plan	
1	Enhanced rural accessibility				
I	Feeder roads constructed	km	1270.26	244.8	
II	New suspension bridges constructed	nos.	418	60	
III	Suspension bridges rehabilitated	nos.	418	60	
IV	Mule tracks constructed	km		585	
V	Mule tracks renovated	km		500	
VI	Rope ways/cable cars	km/no.		10km/2cars	

2	2nd trans-national highway	km	288	100	288 kms refers to existing links
3	Highways for inter-dzongkhag connectivity	km	1579	181	
4	District roads constructed	km	459	7	
5	Urban roads constructed	km	125.11	2.3	
6	National highways double-laned	km	nil	103	Babesa-P/ling & Chunzom-Paro
7	National highways widened to 6 m carriage-way width	km	nil	600	
8	National highways upgraded to 30-ton capacity	km	nil	160.8	
9	Roads improved	km		300	
10	Roads resurfaced	km		1500	
11	Roads maintained	km		2345.31	
12	Bridges maintained/strengthened	nos.		231	
13	Automation of road works				

V. HOUSING

1. Overall policy objective

It shall be the policy objective of the Royal Government to provide and facilitate provision of adequate, safe and affordable housing to low and middle income groups, both in the urban and rural areas. Housing for public office holders and senior civil servants will also be provided.

2. Targets

The main targets for the sector are as follows:

#	Targets				Remarks
	Indicators	Unit	Baseline 2005/latest	Tenth Plan	
1	Access to adequate, safe and affordable shelter by the low income group	%	5	10	
2	Residences for constitutional post-holders	nos.			Official residences for PM, Ministers, Chief Justice, Speaker, Members of National Council and Members of Parliament
3	Existing govt. housing colonies at Thimphu re-developed/densified	nos.	614	260	
4	Major renovation of existing govt. quarters	nos.	1,903	1,000	
5	Provision of housing for senior civil servants	nos.	10	50	Existing 10 to be upgraded.

VI. URBAN DEVELOPMENT

1. Overall policy objective

In the Tenth Plan, the overall focus of the sector shall be to improve the quality of urban infrastructure and services in a consolidated and cost-effective manner. The other objective will be to achieve balanced and sustainable development of human settlements through the delivery of improved urban services.

2. Targets

The main targets for urban development are given below:

#	Targets				Remarks
	Indicators	Unit	Baseline 2005/latest	Tenth Plan	
1	Development of regional growth centres	nos.	nil	3	Urbanization Strategy will be completed in Sep. '07.
2	Urban development plans completed	nos.	29	16	
3	Access to improved urban services	nos.	9	21	Towns to be developed will depend on the Urbanization Strategy.
4	International standard government buildings	nos.	nil	15	Supreme Court, National Council Building, National Secretariat Complex constructed, and Royal Banquet Hall renovated

VII. CONSTRUCTION

1. Overall policy objective

The overall focus of this sector shall be to enhance quality in the construction sector by further strengthening and improving the existing policies and practices to enhance the overall life and sustainability of the infrastructure.

2. Target

The main targets for the construction sector are given below:

#	Targets				Remarks
	Indicators	Unit	Baseline 2005/latest	Tenth Plan	
1	Enhanced quality and construction technologies				
2	Awareness on construction standards and practices				
3	Adequate infrastructure/facilities for quality testing services established				
4	Earthquake management & awareness created				

VIII. INFORMATION AND COMMUNICATION TECHNOLOGY

1. Overall objective

Increasing access and promoting use of ICT for socioeconomic development will be the overall focus of the ICT sector for the Tenth Plan. This will include efforts to promote the use of ICT as an integral tool to enhance good governance; develop ICT and ICT-enabled industries to generate employment and income in the country; bring telecommunications closer to the rural population; create a Bhutanese info-culture through open and free sharing of information; and create a high-tech habitat for ICTs to be applied and developed.

2. Targets

#	Targets				Remarks
	Indicators	Unit	Baseline 2005/latest	Tenth Plan	
1	Ensure an affordable, fast, secure, sustainable & appropriate ICT infrastructure throughout Bhutan				
<i>I</i>	<i>Establish tele-centres for gewogs</i>	%	0.5	100	
<i>II</i>	<i>Establish govt.-wide intranet to gewogs</i>	%		100	
<i>III</i>	<i>East-west fiber optic backbone network established</i>	%		100	
<i>IV</i>	<i>Implement national broadband network national</i>	%		100	
<i>V</i>	<i>Cyber park established</i>	nos.	nil	1	
<i>VI</i>	<i>Call centres</i>	nos.		3	
2	Public services to be provided through ICT and Media	%		75	
<i>I</i>	<i>E-governance services developed & implemented</i>	Applications		6	
<i>II</i>	<i>Media literacy program introduced and developed</i>	%		100	
3	Establish "ICT Centre of Excellence"	nos.	nil	1	
4	Dzongkha office applications fully deployed on Linux	%	0	100	
5	Harness ICTs to enhance quality & accessibility to education				
<i>I</i>	<i>E-learning & contents to community centres established</i>	Contents		10	
<i>II</i>	<i>Access to digital library</i>	%	0	100	
6	Develop content & applications to support good governance				
<i>I</i>	<i>Launch citizen-citizen portal</i>	%		100	
<i>II</i>	<i>Automated system for citizen centric services</i>			6	
7	Increase access to improved information, communication & media services				
<i>I</i>	<i>Tele-density (fixed telephony)</i>	nos.	5.4	10	No of lines per 100 inhabitant

II	Tele-density (mobile telephony)	nos.	6.8	13.7	Mobile subscribers per 100 inhabitants
III	Computers in use (per 100 persons)	nos.	1 ('04)	2	
IV	Internet users (per 100 persons)	nos.	0.43 ('01)	1	
8	Liberalized and competitive ICT market established				
I	No. of ICT operators/service providers	nos.	3	5	
II	Public Private Partnership introduced	nos.	nil	3	
III	FDI in ICT infrastructure development implemented	%	nil	100	

IX. TRANSPORT

1. Overall policy objective

The sector's overall objectives in the Tenth Plan shall be to increase access to safe, reliable, affordable, convenient and high quality transport services. Alternative means of public transportation should also be explored and developed.

2. Targets

The main targets for the sector and their indicators are given below:

#	Targets				Remarks
	Indicators	Unit	Baseline 2005/latest	Tenth Plan	
1	An efficient, reliable & safe network of transport services established				
I	Passenger transport buses	no.	139	160	
II	Accessibility to transport services	%		80	
III	Environment friendly transport services introduced	%		50	Conversion of diesel engines to battery and CNG modes
IV	Railway tracks introduced	tracks		5	Feasibility study ongoing with Gol assistance
2	Infrastructure & transport facilities established	%	25	75	
3	Road safety strategies developed & implemented	%		100	
4	Decentralization & efficient delivery of services achieved	%		80	
5	A transport research development division established & made fully functional				
I	Fuel Policy developed	%		100	
II	Vehicles tested & certified	%		50	
6	Professional Services developed	%		75	
7	Legal & regulatory framework for air transport safety & security strengthened	%		100	
8	Domestic air services launched to provide accessibility to the wider Bhutanese population	%		100	Development of heliports

9	Development of 2nd international airport with ILS capacity	nos.	1	2	Airport construction to start once Master Plan is ready.
10	Development of domestic air strips			3	Airstrip construction to start once Master Plan is ready.
11	Expansion of infrastructure at Paro Airport accomplished	%		75	
12	Efficient and reliable navigation and surveillance services established	%		75	

X. ENERGY

1. Overall policy objective

Sustainable development and use of energy resources for socioeconomic development shall be the overall objective of the energy sector for the Tenth Plan. Among others, this will involve further harnessing of hydro-power potential while providing equitable access to sustainable energy so as to contribute towards economic growth and self-reliance and improve the quality of life and income-earning opportunities of the poor. This will be carried out through grid extension as well as alternative arrangements such as solar, micro and mini hydroelectric plants, etc. Furthermore, in order to realize the full hydropower potential as quickly as possible, Detailed Project Reports and other studies of all potential hydropower projects shall be completed during the Tenth Plan.

2. Targets

The main targets for the energy sector are given below:

#	Targets				Remarks
	Indicators	Unit	Baseline 2005/latest	Tenth Plan	
1	Contribution to GDP	%	12	30	
2	Revenue from electricity as a % of the national revenue	%	40	60	
3	Coverage of rural electrification	%	36	84	
4	Installed capacity	MW	468	2,705	
5	Detailed Project Reports and other studies	%		100	

XI. TRADE

1. Overall policy objective

Creating an enabling environment for the promotion of private sector development and trade to stimulate export growth, integrate Bhutan into the international and regional trading system and to increase real income of farmers shall be the overall focus of the trade sector.

2. Targets

The main targets for the trade sector are given below:

#	Targets				Remarks
	Indicators	Unit	Baseline 2005/latest	Tenth Plan	
1	Growth of export (increased by 75%)	Nu (million)	7,181	12,567	Excluding Tala export revenue
I	<i>Agricultural exports</i>	<i>Nu (million)</i>			
II	<i>Other exports</i>	<i>Nu (million)</i>			
2	Growth of trade	%	4	7	
I	<i>Growth of trade (rupee)</i>	%			
II	<i>Growth of trade (non-rupee)</i>	%			
3	Trade deficit (reduced by 25 %)	Nu (million)	5,897	4,423	

XII. TOURISM

1. Overall policy objective

The main focus of the tourism sector shall be to promote and maintain Bhutan as a high quality destination with increased and improved services thereby contributing to its economic growth and generating employment and income earning opportunities, particularly for rural communities.

2. Targets

#	Indicators	Unit	Targets		Remarks
	Indicators		Baseline 2005/latest	Tenth Plan	
1	Contribution to national revenue	%	2.7	5	
2	Annual tourist arrivals	Nos.	13,326	30,000	
3	Increase employment growth	%	5	10	Annual growth

XIII. MANUFACTURING AND INDUSTRIES

1. Overall policy objective

The overall objective of the sector shall be to promote the further sustainable development of SMEs and cooperatives, with a special focus on women entrepreneurs; and contribute to the country's economic growth, generate employment opportunities, foster private sector development and stimulate growth of the rural economy without adverse impact on the environment.

2. Targets

The key targets are given in the following table:

#	Targets				Remarks
	Indicators	Unit	Baseline 2005/latest	Tenth Plan	
1	Contribution to GDP	%	8	12	
2	FDI growth	%	n.a	5	Annual growth
3	Revenue from industrial property registry	Nu. million	13	22	

XIV. GEOLOGY AND MINES

1. Overall policy objective

The overall policy objective for the geology and mines sector shall be to ensure sustainable exploration and utilization of mineral resources for economic growth.

2. Targets

#	Targets				Remarks
	Indicators	Unit	Baseline 2005/latest	Tenth Plan	
1	Glaciology and remote sensing	Nos	7	13	
2	Mapping, exploration and cartography	Nos	12	5	
3	Geo-technical services	Nos	6	16	
4	Drilling services	Mtr	-	10,000	
5	Laboratory services and R&D cell	samples	-	1,000	

XV. HUMAN RESOURCE DEVELOPMENT

1. Overall policy objective

In human resource development, the focus shall be on enhancing development of professionalism while productivity and efficiency of the people should also be improved.

XVI. EMPLOYMENT

1. Overall policy objective

The Royal Government and its agencies in collaboration with private sector shall endeavor to generate employment opportunities, especially for youth, and reduce the level of unemployment to the minimum extent possible.

2. Targets

#	Indicators		Targets		Remarks
	Indicators	Unit	Baseline 2005/latest	Tenth Plan	
1	Unemployment rate	%	2.5	2	
1	Apprenticeship programmes	Persons			

II	<i>School leavers (class X and XII) to be accommodated in vocational trainings</i>	%		90	
III	<i>New VTIs to be established</i>	Nos.		27	
IV	<i>Intake capacity of existing institutes to be increased</i>				

XVII. CULTURE

1. Overall policy objective

Acknowledging culture as major determinant of Bhutan's development philosophy and recognizing it as a principle driver of social and economic development, the Royal Government shall undertake a more deliberated and concerted cultural Industry development programme through a multisectoral approach.

Strategies/Targets (Clear targets are to be submitted against each of the following)

1. Undertake completion of comprehensive cultural industry (tangible and intangible) mapping of the entire country.
2. Establish enabling policy and legal framework for the realization of Bhutan's vast potential for the production of knowledge based goods and services.
3. Carry out general protection, conservation and restoration of heritage buildings in keeping with internationally accepted norms and standards.
4. Establish a special programme for the reinforcement of the most vulnerable heritage buildings in light of Bhutan being in seismic zone IV.
5. Initiate and support efforts to preserve and promote all forms of intangible cultural heritage in Bhutan in both the public and private sectors.
6. Augment existing programmes for the conservation and protection of natural heritage sites.
7. Establish ways and means to preserve nurture and develop spirituality, community life, voluntarism and other forms of social capital.
8. Augment ongoing programmes to promote crafts as a means to poverty alleviation.
9. Establish basic infrastructure (core elements) for a non sectarian, all inclusive International Buddhist University through domestic and international voluntary/private funding.
10. Promote global awareness, understanding and appreciation of Bhutanese culture.
11. Undertake measures to raise the level of public sensitivity and commitment to the preservation and promotion of Bhutan's rich cultural heritage.

XVIII. ENVIRONMENT

1. Overall policy objective

Given the importance of the environment for economic development and its direct linkage to poverty reduction, the overall objective of the environment sector will be to

continue to ensure an enabling framework for the conservation of the natural environment.

XIX. GOVERNANCE

1. Overall policy objective

In keeping with the recommendations of the Good Governance Report, it shall be the overall policy objective of the Royal Government to enhance transparency, accountability, efficiency, and professionalism in all spheres of governance and development administration in the country. Fostering good governance is a core value for the Tenth Plan and each organization and agency shall strive to strengthen aspects of good governance.

PART III: SECTOR PLAN PREPARATION PROCESS AND FORMAT

1. PROGRAMME AND PROJECT IDENTIFICATION

- 1.1 In order to operationalize the sector objectives and targets given in Part II, each sector will be required to identify programmes and projects.
- 1.2 The sectors should as far as possible structure their programmes and related projects/components as shown in Figure 2.

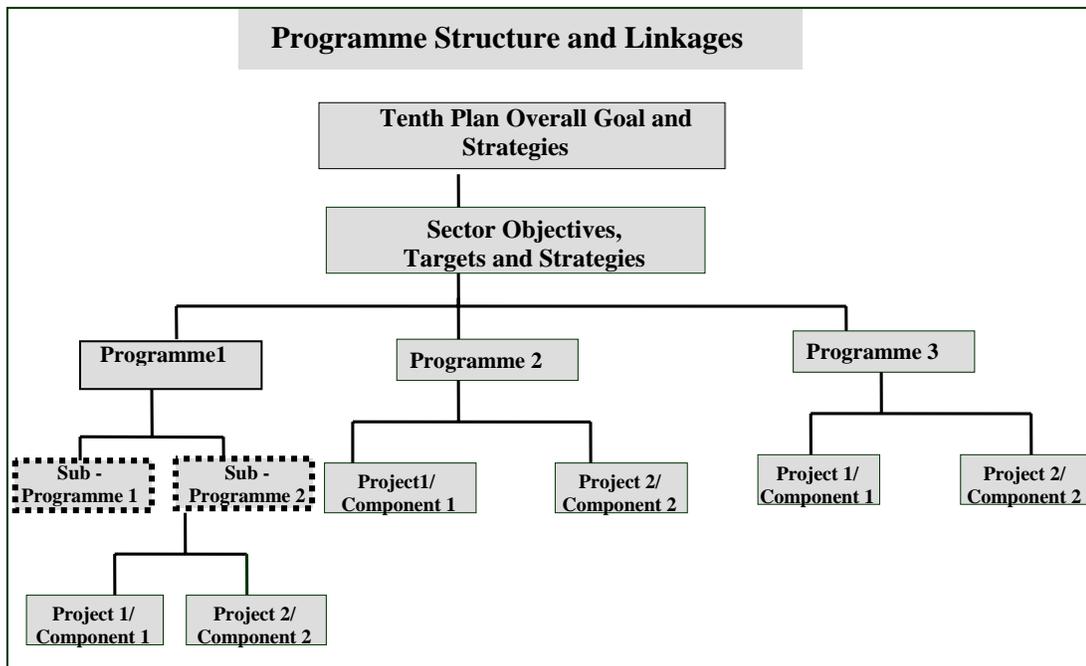


Fig 2. Programme Structure and Linkages for the Tenth Plan

- 1.3 A programme shall consist of projects or components directed to achieve one of the sector objectives or targets. All activities will be grouped under a project or component within the programme. It should be noted that a ‘project’ should be understood as a set of planned and interrelated activities within the programme usually with separate budget and specific objective, geographic area and timeframe. It may be funded by donors or RGoB.
- 1.4 The area of responsibilities prescribed in Assignment of Responsibilities of the Good Governance Plus Report should be used as a guide while proposing programmes and projects.
- 1.5 The sectors should categorize their programmes and project/programme components into ‘Infrastructure Development’ or ‘Non-Infrastructure Development’.
- 1.6 Sectors should ensure that their programmes, particularly infrastructure development programmes, do not have adverse effects on the environment.
- 1.7 Similarly, sectors should identify and formulate programmes and projects or their components, which would be implemented in the dzongkhags and gewogs through tied grants. This should be done in close consultation with the respective dzongkhags and gewogs to ensure better coordination.
- 1.8 Sectors should prepare profile for each programme using **Form 1A: Sector Programme Profile** (Annex I). The Programme Profile shall be used as the main basis for preparing Multi-Year Rolling Plans and Budgets, Annual Work Plans and Budgets; and Monitoring and Evaluation.
- 1.9 The profile should clearly describe the different programme results (effects or changes) and linkages between the results. Specifically, the programme should clearly identify the **impact** or the long-term result, next identify **outcomes** or changes necessary in order to achieve impact, and then determine **outputs** or products/services to produce outcomes. Finally, activities and resources requirements will have to be identified to produce outputs. Detailed activity planning will be done during the preparation of Annual Work Plans and Budgets.
- 1.10 Each programme should be focused and directed towards the attainment of an impact or sector target. To achieve the impact, there could be more than one outcome. For each outcome, outputs should be identified (there could be more than one output for each outcome, each output shall have activities to produce the output). Figure 3 illustrates the linkages between different levels of results.

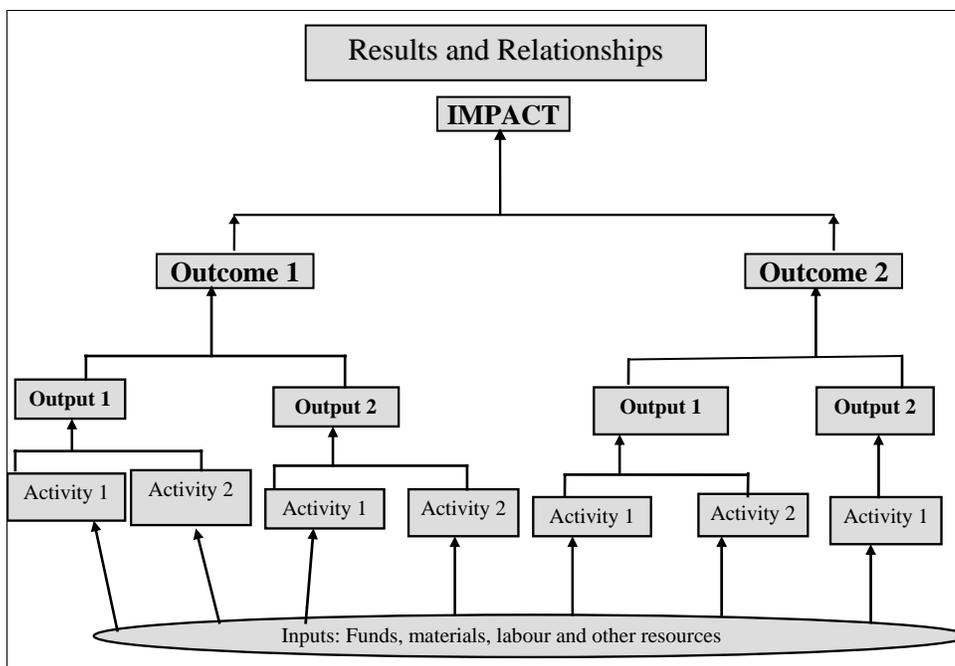


Fig 3. Results and Relationships between Outcomes, Outputs, Activities and Inputs

2. STRUCTURE OF SECTOR PLAN DOCUMENT

The sector plan document will consist of two sections. Section I should review the Ninth Plan, the current situation and chart out the objectives and targets, strategies, programmes and financial outlays for the sector. Section II should contain the programme profiles of the sector.

SECTION I: SECTOR PLAN COMPONENTS

1. Review of Ninth Plan

Highlight key achievements, main problems and issues encountered and lessons learned in the Ninth Plan.

2. Current Situation

Give a brief status of the sector at the beginning of the Tenth Plan. Use socio-economic baseline data, infrastructure/service facilities of the sector.

3. Objectives and Targets

Objectives and targets of the sector for the Tenth Plan should be clearly stated with clear linkage to Vision 2020, Tenth Plan overall goals and strategies; and other goals and commitments.

4. Strategies

Describe the strategies to achieve the sector objectives and targets

5. Programmes and Financial Outlays

List the programmes in the form of a summary as given in Table 1.

Table 1: Summary of Sector Programmes and Financial Outlays

Sector Objective/Target	Programme Name	Financial Outlay (Nu. in million)			Status*
		Recurrent	Capital	Total	
Objective1/Target1	1. Programme				
	1.1 Project/Component 1				
	1.2 Project/Component 2				
	2. Programme				
	2.1 Project/Component 1				
Objective 2/Target2	1. Programme				
	1.1 Project/Component 1				
	2. Programme				
	2.1 Project/Component 1				
.....					
	Total Outlay				

* State whether it is ongoing or new along with funding status

N.B. This summary table should be generated after detailed Programme Profiles are prepared (see Section II below).

SECTION II: PROGRAMME PROFILES

This part should contain the detailed profiles of all the programmes under the sector. Use **Form1A-Sector Programme Profile** in Annex I to prepare sector programme profiles.

A soft copy of the form and a sample programme profile shall be distributed along with the Guidelines.

3. FORMATING GUIDELINES

Sector Plans should be prepared using Microsoft Word for write-ups and Microsoft Excel for tables. Times New Roman is the preferred font and font size should be 12 points.

***PART IV: DZONGKHAG AND GEWOG PLAN
PREPARATION PROCESS AND FORMAT***

In the Tenth Plan, there will be further devolution of powers to the dzongkhags and gewogs in line with the draft Constitution, particularly in the form of fiscal decentralization. Dzongkhags and gewogs will have increased autonomy both in terms of utilizing annual grants and setting plan priorities. However, it will be important to consider the actual implementation capacity based on lessons learnt from the Ninth Plan.

1. GUIDELINES FOR SETTING OBJECTIVES AND TARGETS

- 1.1 While dzongkhags and gewogs will have autonomy in formulating plans, it is important for the dzongkhag sectors to link programmes and projects to the overall national goal of **Poverty Reduction** and the sector targets identified for the Tenth Plan at the national level. Towards this end, dzongkhags will also be guided by the strategic technical guidelines that the central agencies may issue.
- 1.2 Dzongkhags and gewogs shall identify priorities, objectives and targets for the Tenth Plan for each sector. What a sector in the dzongkhag or gewog intends to achieve at the end of the Tenth Plan should be spelt out in clear measurable terms.
- 1.3 Thereafter, strategies to achieve the objectives/priorities and targets should be identified.
- 1.4 Dzongkhags and gewogs are advised to take into account development potentials (e.g. availability of natural resources, comparative advantages), needs and implementation capacities of the dzongkhag or gewog while identifying priorities, targets, strategies, programmes and projects.

2. PROGRAMME AND PROJECT IDENTIFICATION

- 2.1 The dzongkhag sectors shall identify and formulate programmes and projects in order to achieve the set priorities, objectives and targets for the dzongkhag or gewog.
- 2.2 The area of responsibilities prescribed in Assignment of Responsibilities of the Good Governance Plus Report should guide the formulation of programmes and projects.
- 2.3 The dzongkhag sectors should as far as possible follow the structure of programmes given in Figure 2 in Part III (1.2) of the Sector Plan Preparation Process and Format.

- 2.4 A programme shall consist of projects or components directed to achieve one of the dzongkhag sector objectives or targets. All activities will be grouped under a project or component within the programme.
- 2.5 The dzongkhag sectors should categorize their programmes and projects/programme components into 'Infrastructure Development' or 'Non-Infrastructure Development'.
- 2.6 The dzongkhag sectors should ensure that their programmes, particularly infrastructure development programmes do not have adverse effects on the environment, and are in line with the master plans, wherever available.
- 2.7 Although dzongkhags and gewogs will have autonomy in setting priorities and identifying programmes and projects, they shall coordinate with central sectors to ensure that the selected programmes and projects are in concurrence with national priorities and targets. The dzongkhag sectors should also liaise closely with their respective central sectors for programmes and projects or their components, which would be implemented in the dzongkhags and gewogs through tied grants.
- 2.8 The dzongkhag sectors shall prepare a profile for each programme of the dzongkhag or the gewog using **Form 1B: Dzongkhag Sector Programme Profile** given in Annex II.
- 2.9 The Programme Profile shall be used as the main basis for preparing dzongkhag or gewog Multi-Year Rolling Plans and Budgets, Annual Work Plans and Budgets; and Monitoring and Evaluation.
- 2.10 The Profile should clearly describe the different programme results (effects or changes) and linkages between the results. For detailed description of results, refer sections 1.10 and 1.11 of Part III: Sector Plan Preparation Process and Formats.

3. STRUCTURE OF DZONGKHAG PLAN DOCUMENTS

Dzongkhags and gewogs shall prepare separate plan documents. Dzongkhag Plans will consist of three sections each: Introduction, Sector Plans and Sector Programme Profiles.

SECTION I: INTRODUCTION

1. Background

Brief profile of the dzongkhag including map of the dzongkhag, total area of the dzongkhag, administrative set-up: number and names of the dzongkhags (where applicable), total number of gewogs including names, number of households/population in the dzongkhag, and development potential of the dzongkhag.

2. Summary of Dzongkhag Programmes and Financial Outlays

List the dzongkhag programmes by sector with financial outlays as given in Table 2. Dzongkhag programmes are defined as programmes that are directly executed and implemented by the dzongkhag headquarters e.g. programmes that cover more than one gewog, provision of technical backstopping etc.

Table 2: Dzongkhag Programmes and Financial Outlays

Sector	Programmes	Outlay (Nu. Million)			Funding Type*
		Recurrent	Capital	Total	
1. Agriculture	1.1 Programme 1				
	1.2 Programme 2				
	Total (Agriculture)	(Prog.1+Prog.2)			
2. Livestock	2.1 Programme 1				
	2.2 Programme 2				
	Total (Livestock)	(Prog.1+Prog.2)			
.....					
Dzongkhag Programmes (total outlay)					

* Indicate whether the programme will be financed through Annual Grant or Tied Grant

SECTION II: DZONGKHAG SECTOR PLANS

Section II shall contain detailed plans by sector. Every dzongkhag sector plan shall cover the following:

1. Review of Ninth Plan

Highlight key achievements, main problems and issues encountered and lessons learned in the Ninth Plan by the sector.

2. Current Situation

Give a brief status of the sector at the beginning of the Tenth Plan. Use socio-economic baseline data, infrastructure/service facilities of the sector.

3. Objectives and Targets

Objectives and targets of the sector for the Tenth Plan should be clearly stated. Whenever possible, establish linkage with the objectives and targets of central sectors.

4. Strategies

Explain how sector objectives and targets will be achieved.

5. Programmes and Financial Outlays

List the programmes in the form of a summary as given Table 3:

Table 3: Summary of Sector Programmes in the Dzongkhag

Sector Objective/Target	Programme Name	Financial Outlay (Nu. in million)			Funding Type*	Status**
		Recurrent	Capital	Total		
Objective1/Target1	1. Programme					
	1.1 Project/Component 1					
	1.2 Project/Component 2					
	2. Programme					
	2.1 Project/Component 1					
Objective 2/Target2	1. Programme					
	1.1 Project/Component 1					
	2. Programme					
	2.1 Project/Component 1					
.....						
	Total Outlay					

* Indicate whether the programme will be financed through Annual Grants or Tied Grants

**State whether it is ongoing or new along with funding status

N.B. This summary table should be generated after detailed Programme Profiles are prepared (see Section III).

SECTION III: DZONGKHAG SECTOR PROGRAMME PROFILES

This part should contain the detailed sector-wise profiles of dzongkhag programmes. Use Form1B-Dzongkhag Sector Programme Profile in Annex II to prepare the profiles. A soft copy of the form and a sample programme profile shall be distributed along with these Guidelines.

4. STRUCTURE OF GEWOG PLAN DOCUMENT

SECTION I: INTRODUCTION

1. Background

Brief profile of the gewog including map of the gewog, total area of the gewog, total number of chiwogs, villages, number of households/population in the gewog, development potential of the gewog.

2. Summary of Gewog Programmes and Financial Outlays

List the gewog programmes by sector with financial outlays as given in Table 4. Gewog programmes are defined as programmes that are directly executed and implemented by the gewog.

Table 4: Summary of Gewog Programmes and Financial Outlays

Sector	Programmes	Outlay (Nu. Million)			Funding Type*
		Recurrent	Capital	Total	
1. Agriculture	1.1 Programme 1				
	1.2 Programme 2				
Total (Agriculture)	(Prog.1+Prog.2)				
2. Livestock	2.1 Programme 1				
	2.2 Programme 2				
Total (Livestock)	(Prog.1+Prog.2)				
.....					
Gewog Programmes (total outlay)					

*Indicate whether the programme will be financed through Annual Grant or Tied Grant

SECTION II: GEWOG SECTOR PLANS

Part II shall contain detailed plans by sector in the gewogs. Every gewog sector plan shall cover the following:

1. Review of Ninth Plan

Highlight key achievements, main problems and issues encountered and lessons learned in the Ninth Plan by the sector in the gewog.

2. Current Situation

Give a brief status of the sector at the beginning of the Tenth Plan. Use socio-economic baseline data, infrastructure/service facilities of the sector in the gewog.

3. Objectives and Targets

Objectives and targets of the sector for the Tenth Plan should be clearly stated.

4. Strategies

Explain how sector objectives and targets in the gewog will be achieved.

5. Programmes and Financial Outlays

List the programmes in the form of a summary as given in Table 5:

Table 5: Gewog Programmes and Financial Outlays

Sector Objective/Target	Programme Name	Financial Outlay (Nu. in million)			Funding Type*	Status**
		Recurrent	Capital	Total		
Objective1/Target1	1. Programme					
	1.1 Project/Component 1					
	1.2 Project/Component 2					
	2. Programme					
	2.1 Project/Component 1					
Objective 2/Target2	1. Programme					
	1.1 Project/Component 1					
	2. Programme					
	2.1 Project/Component 1					
.....						
	Total Outlay					

* Indicate whether the programme will be financed through Annual Grants or Tied Grants

**State whether it is ongoing or new along with funding status

N.B. This summary table should be generated after detailed Programme Profiles are prepared (see Section III).

SECTION III: GEWOG SECTOR PROGRAMME PROFILES

This part should contain the detailed sector-wise profiles of gewog programmes. Use Form1B-Dzongkhag Sector Programme Profile in Annex II to prepare the profiles. A soft copy of the form and a sample programme profile shall be distributed along with these guidelines.

5. FORMATING GUIDELINES

Dzongkhag and Gewog Plans should be prepared using Microsoft Word for write-ups and Microsoft Excel for tables. Times New Roman is the preferred font and the font size should be 12 points.

***PART V: COORDINATION MECHANISM
FOR PLAN FORMULATION AND TENTATIVE SCHEDULE***

1. COORDINATION MECHANISM

- 1.1 For better coordination and efficient time management, this section identifies the agencies responsible for enhancing coordination at the national, sector and dzongkhag levels.
- 1.2 Apart from strategic technical guidelines, which should be in strict consonance with the Final Tenth Plan Guidelines, sectors are advised not to issue separate guidelines to the dzongkhags for plan formulation to avoid confusion, duplication and wastage of resources.

2. PLANNING COMMISSION SECRETARIAT

- 2.1 Planning Commission Secretariat (PCS) shall be the central coordinating agency for the Tenth Plan formulation.
- 2.2 PCS shall be responsible for:
 - i. Issuing guidelines for plan formulation.
 - ii. Sensitizing sectors and dzongkhags and providing orientation on the Tenth Plan Approach and other planning tools to sector and dzongkhag planners through workshops and meetings.
 - iii. Forming working groups at the national level for guiding plan preparation and review of plans.
 - iv. Collaborating with Policy and Planning Divisions or equivalent entities and the Dzongkhag Planning Units to provide necessary support to the dzongkhags and gewogs while preparing plans.
 - v. Developing resource allocation criteria for resource allocation to dzongkhags and gewogs.
 - vi. Reviewing and finalizing draft plans for submission to the Government for approval.
 - vii. Coordinating the preparation of the Main Plan Document with the central sectors and agencies.

- viii. Printing of Main Plan Document (Vol.1 and II) and Dzongkhag and Gewog Plans.

3. CENTRAL MINISTRIES AND AGENCIES

3.1 Policy and Planning Divisions (PPDs) or equivalent entities of the line ministries and agencies shall be the coordinating agency for the formulation of sector plans.

3.2 PPDs or equivalent entities shall be responsible for:

- i. Coordinating the preparation of sector plans.
- ii. Acting as focal points for PCS on all matters related to sectoral plan formulation.
- iii. Participating in the sensitization and orientation on the Tenth Plan Approach to be organized by PCS.
- iv. Issuing technical guidelines, if necessary, to dzongkhags and gewogs to guide the development of strategies and programmes.
- v. Forming working groups at the sector level for guiding the preparation and review of plans.
- vi. Reviewing, finalizing and submitting the draft plans to the Minister/Head of the agency for approval.
- vii. Submitting the draft Plans to the PCS.
- viii. Printing the Sector Plan Document

4. DZONGKHAG LEVEL

4.1 Dzongkhag Planning Units (DPUs) shall be the coordinating body at the dzongkhag and gewog levels.

4.2 DPUs shall be responsible for:

- i. Coordinating the preparation of dzongkhag and gewog plans.
- ii. Acting as focal points for PCS for all matters related to plan formulation in the dzongkhags and gewogs.

- iii. Participating in the sensitization and orientation on the Tenth Plan Approach that will be organized by PCS.
- iv. Forming working groups or facilitation teams for guiding and supporting the DYT, GYT and communities in the preparation and review of plans.
- vi. Reviewing, finalizing and submitting the draft plans to DYT/GYT for approval.
- vii. Submitting the Dzongkhag and Gewog Plans to the PCS.

5. TENTATIVE SCHEDULE FOR TENTH PLAN PREPARATION

#	Activity	Timeframe	Responsibility
1	Issue Preliminary Tenth Plan Guidelines	January 2006	PCS
2	Undertake brainstorming and review sessions to work out strategies to identify priorities and targets in line with the overall national goal of poverty reduction	January – March 2006	Sectors, Dzongkhags, Gewogs, PPDs, DPUs
3	Prepare Medium Term Fiscal Framework and macroeconomic framework	January-March 2006	PCS, DADM, PPD (MoF), DRC, DBA
4	Consultative workshops on the Tenth Plan guidelines for sectors	Jan–March 2006	PCS, PPDs, DPOs
5	Develop resource allocation criteria	March 2006	PCS, DADM, PPD (MoF), DRC, DBA, CBS, PPDs
6	Issue Tenth Plan Final Guidelines	March 2006	PCS
7	Briefings on the Tenth Plan Guidelines for dzongkhags	April-May 2006	PCS & Dzongkhags
8	Prepare Tenth Plan by sectors and dzongkhags	April–July 2006	Sectors, Dzongkhags, Gewogs
9	Submit draft plans to PC by sectors and dzongkhags	July-August 2006	Sectors, Dzongkhags
10	Review and revise draft plans	Aug-Dec 2006	PCS, Sectors, Dzongkhags, Gewogs
11	Issue Indicative Planning Figures for three-year Rolling Plans based on MTF	December 06-January 2007	MoF, PCS
12	Submit draft plans to PC/CCM/Cabinet	January – February 2007	PCS
13	Revise plans based on the direction of PC/CCM/Cabinet	March – April 2007	PCS, Sectors, Dzongkhags, Gewogs
14	Submit to National Assembly	June 2007	PCS
15	Finalize Tenth Plan documents based on National Assembly resolutions	June 2007	PCS, Sectors, Dzongkhags, Gewogs
16	Translate and print plan documents	June-July 2007	PCS, Sectors, Dzongkhags, Gewogs
17	Launch Tenth Plan	July 2007	

TENTH PLAN (2007-2012)
SECTOR PROGRAMME PROFILE

Sector: Write the name of the sector	Agency: Name of ministry or autonomous body
Department : Write the name of Department under the Ministry, (include non-departmental bodies wherever applicable)	

Programme: Write the name of the programme

Table 1: Programme Results Matrix

Results Levels	Indicator Description	Baseline Indicator	FYP Target	Link to Vision 2020, MDGs, Sector & other Thematic Goals & Targets
<p>Impact 1 (Long-term Result):</p> <p>State what long-term effect or change (result) that the programme intends to achieve or state the end result that the programme plans to achieve. (The overall sector goals and targets given in Part II of the Guidelines maybe used to define the programme impact)</p>	<p><i>Indicator is a means of measuring what actually happens against what has been planned in terms of quantity, quality and timeliness. Identify indicators at each results level. Each result can have more than one indicator.</i></p> <p>E.g. i. % of population living below poverty line reduced. ii. Per capatia income increased</p>	<p>Write the baseline indicator including baseline year (in brackets). E.g.</p> <p>i. 31%(2006) ii. 700(2005)</p> <p>Every agency should provide baseline indicator at each results level. Data from publications by NSB and other relevant agencies can be used for the baseline indicator. In case if no data is available write NA (not available)</p>	<p>Indicate the target that the programme expects to achieve in the Tenth Plan</p> <p>i.20% ii.2000</p>	<p>To be filled only at the impact level (state which goals & targets the programme expects to contribute)</p> <p>Vision 2020: Goal /Target:</p> <p>MDG: Goal /Target:</p> <p>Sector Goal/Target</p>
<p>Outcome 1(Medium-term Result):</p> <p>State what effects or changes that the programme needs to achieve in order to achieve the long term impact.</p>				
<p>Output 1 (Short-term Result):</p> <p>State what products and services need to be produced in order to contribute to the achievements of outcomes.</p>				
Output 2:				
Outcome 2:				
Output1:				

Table 2: Sub-Programme/Project/ Programme Component

Sub-Programme /Project/Component	Impact, Outcome & Output	Programme/ Project Type	Geographic Coverage/ Target Beneficiaries	Planned Start Date	Planned Finish Date	Lead Implementing Agency	Collaborating Agencies
Sub-Programme Name (<i>Identify sub-programmes where necessary and relevant</i>): Project1/Component1 Name: Identify projects or programme components to achieve the programme results identified in the results matrix in Table1	Select from Table 1. the Impacts, Outcomes, Outputs that the project/programme component intends to undertake.	Select Infrastructure for all infrastructure development projects and Non-Infrastructure for the rest of the projects	Indicate the geographic coverage e.g. 6 eastern dzongkhags or the target population that the project is expected to benefit, e.g., landless farmers, unemployed youth etc.	First date of the month & year of the project (1 st Jan., 2006)	Last date of the month & year of project completion (31 st July, 2007)	Give the name of the agency that will be responsible for implementing the project	List the names of potential agencies who will be directly or indirectly involved in the project/programme component.
Project 2/Component 2 Name							

Table 3: Programme Budget Summary

Sub-Programme /Project/Component	Estimated Budget Requirements (Nu. in million)			Funding Source	Funding Type	Remarks
	Recurrent	Capital	Total			
Sub-Programme Name: Project1/Component1 Name:				Indicate the name of the donor if the funding source is known, if not leave it blank (this column can be updated later)	This column will have to be completed when it is approved. At the proposal stage it can be left blank	State whether the project/component is ongoing/spillover or new and funding status.
Project 2/Component2 Name						
Total Budget for Programme 1						

Table 4: Monitoring & Evaluation Plan*

Results Levels	Indicators	Baseline	Target	Data Source/ Collection Method	Reporting Frequency & Responsibilities		
					Frequency/ Timing	Responsibility	Report to
Impact 1 (Long-term Result):							
Outcome 1 (Medium-term/intermediate Result):							
Output 1 (Short-term/immediate Result):							
Output 2:							
Outcome 2:							
Output 1:							
Output2. :							

*Use the same form to prepare the next programme profile, if the agency has more than one programme. Detailed guidelines for monitoring and evaluation shall be circulated by Planning Commission Secretariat in June 2006. For the time being, agencies could at least fill the Data Source/Collection Method and frequency of reporting.

N.B. The shaded parts are to be repeated from Table 1.

TENTH PLAN (2007-2012)
DZONGKHAG/GEWOG PROGRAMME PROFILE

Dzongkhag:	Sector : name of Sector	
Drungkhag:	Gewog: (Write the name of the Gewog if it is Gewog programme)	Plan Category: choose Dzongkhag Plan for programmes that are to be implemented directly by the Dzongkhag HQ or choose Gewog Plan for programmes to be implemented by the Gewog

Programme: Write the names of the programmes and programme numbers if there are more than one programme under the sector in the Dzongkhag or Gewog

Table 1: Programme Results Matrix

Results Levels	Indicator Description	Baseline Indicator	FYP Target	Link to Sector & National Goals & Targets
<p>Impact 1 (Long-term Result):</p> <p>Explain what long-term effect or change (result) that the programme intends to achieve in the Dzongkhag/Gewog.</p>	<p><i>Indicator is a means of measuring what actually happens against what has been planned in terms of quantity, quality and timeliness. Identify indicators at each results level. Each result can have more than one indicator.</i></p>	<p>Write the baseline indicator including baseline year (in brackets). E.g.</p> <p>iii. 54%(2006) iv. 100(2005)</p> <p>Every Dzongkhag/Gewog is suggested to provide baseline indicator at each results level. Data from publications by NSB and other relevant agencies including from GPIS could be used for the baseline indicator. In case if no data is available write NA (not available)</p>	<p>Indicate the target that the programme expects to achieve in the Tenth Plan</p>	<p>To be filled only at the impact level (state which Central Sector or overall National goals & targets that the Dzongkhag Sector expects to contribute)</p> <p>Sector Goals: E.g. Achieving Food Security National Goals: E.g. Poverty Reduction</p>
<p>Outcome 1(Medium-term Result):</p> <p>State what effects or changes that the Dzongkhag/Gewog programme needs to achieve in order to achieve the long term impact.</p>				
<p>Output 1 (Short-term/immediate Result):</p> <p>State what products and services need to be produced in order to contribute to the achievements of outcomes.</p>				
Output 2:				
Outcome 2:				
Output 1:				
Output2. :				

Table 2: Sub-programme/Project/Programme Component

Sub-programme/Project/Programme Component	Impact, Outcome & Output	Programme/Project Type	Geographic Coverage/ Target Beneficiaries	Planned Start Date	Planned Finish Date	Lead Implementing Agency	Collaborating Agencies	Link to Central Sector programmes & projects	
								Programme /Project Name	Agency Name
<p>Sub-Programme Name <i>(Identify sub-programmes where necessary & relevant):</i></p> <p>Project1/Component1 Name:</p> <p>Identify projects or programme components to achieve the programme results identified in the results matrix in Table1</p>	<p>Select from Table 1. the Impacts, Outcomes, Outputs that the project/programme component intends to undertake.</p>	<p>Select Infrastructure for all infrastructure development projects and Non-Infrastructure for the rest of the projects</p>	<p>Indicate the geographic coverage e.g. 6 Gewog of the Dzongkhag or 6 villages of the Gewog. The target population that the project is expected to benefit, e.g., illiterate women, remote villagers etc.</p>	<p>First date of the month & year of the project (1st Jan., 2006)</p>	<p>Last date of the month & year of project completion (31st July, 2007)</p>	<p>Write the name of the agency in the Dzongkhag/Gewog that will be responsible for implementing the project</p>	<p>List the names of potential agencies who will be directly or indirectly involved in the project/programme component in the Dzongkhag/Gewog .</p>	<p>Write the name of the programme or project of the central sector, if the Dzongkhag/ Gewog sector proj./comp has any relationship or is a part of the centre program.</p>	<p>Name of the agency which executes/implements the central sector programs</p>
Programme/Project/Component 1									

Table 3: Programme Budget Summary

Project/Component	Estimated Budget Requirements (Nu. in million)			Funding Source	Funding Type	Remarks
	Recurrent	Capital	Total			
Project/Component 1				Indicate the name of the donor if the funding source is known, if not leave it blank (this column can be updated later)	Indicate whether the project/program component will be financed through Annual Grant or Tied Grant	State whether the project/component is ongoing/spillover or new and funding status.
Project/Component 1						
Total Budget						

Table 4: Monitoring & Evaluation Plan*

Results Levels	Indicators	Baseline	Target	Data Source/ Collection Method	Reporting Frequencies & Responsibilities		
					Frequency/ Timing	Responsibility	Report to
Impact 1 (Long-term Result):							
Outcome 1 (Medium-term/intermediate Result):							
Output 1 (Short-term/immediate Result):							
Output 2:							
Outcome 2:							
Output 1:							
Output 2. :							

*Use the same form to prepare the next programme profile, if the Sector has more than one more than one programme in the Dzongkhag or Gewog. Detailed guidelines for monitoring and evaluation shall be circulated by Planning Commission Secretariat in June 2006. For the time being, agencies could at least fill the Data Source/Collection Method and frequency of reporting.

N.B. The shaded parts are to be repeated from Table 1.