

RURAL ECONOMY ADVANCEMENT PROGRAM (REAP)
'Securing sustainable livelihoods for the rural poor'

Strategic Framework

Draft for discussion - 24 March 09

Table of Contents

1 - Background, Overall Strategy & Objectives of REAP.....	1
2 - Purpose of this document.....	2
3 - Approach & Tools.....	2
3.1 - Different types of interventions	2
3.2 - Process to identify key interventions	2
3.3 - Preparation of Proposals	3
3.4 - Selection of Pilot Interventions under REAP	3
3.5 - Eligibility of Pilot Interventions to REAP funding	3
3.6 - Implementation of the Pilot Interventions under REAP, monitoring and evaluation	3
4 - The various parties involved and their roles	3
4.1 - The parties involved / members.....	3
GNHC.....	Error! Bookmark not defined.
4.2 - REAP Core Strategic Team (CST).....	4
4.3 - REAP Core Operational Team	4
4.3 - REAP Implementation Teams.....	4
5 - Institutional and Funding Arrangements.....	4
5.1 - Institutional Arrangements	4
5.2 - Funding Arrangements.....	4
6 - Monitoring & Evaluation.....	5
7 - Status of activities currently under REAP and proposed schedule of interventions.....	5
7.1 - Preparatory phase.....	5
7.2 - "Implementation" phase.....	5

1 - Background, Overall Strategy & Objectives of REAP

Despite rapid economic growth and significant development efforts in the last decades, around one third of the country's people, mostly belonging to rural areas, continue to live below the poverty line.

Although poverty is undeniably multidimensional, the National Statistics Bureau considers that the per-capita consumption expenditure gives a good representation of the well-being of households and of poverty¹. A minimum acceptable standard of that welfare indicator is used to separate the poor from the non-poor, and was calculated at Nu.688.96 per person per month as the extreme poverty line and Nu.1.096.94 per person per month as the total poverty line. The Poverty Analysis Report prepared in 2007 estimates that 37,200 persons (equivalent to 5,420 households) live under the extreme poverty line and 146,100 under the poverty line.

The overall macro-strategy of the 10FYP for poverty reduction includes promoting economic opportunities through broad-based growth and boosting critical sectors such as agriculture and rural industries/enterprises that are important for the poor. The 10FYP recommends that targeted poverty reduction programmes be initiated and implemented either directly by the RGoB or in collaboration with NGOs and other organizations that have the expertise and mandate to help the poor and the vulnerable.

The Rural Economy Advancement Programme - REAP - is the strategic framework under which all of the RGoB's future growth and poverty reduction programmes will be developed and implemented under the 10th FYP, contributing to the reduction of poverty by xx per cent by the end of the 10th FYP. REAP focuses on the reduction of extreme poverty and is targeting the poorest gewogs in the country and trying to do so in a coordinated and sustainable way through enhanced growth and development. REAP endeavours to take into consideration the special needs of the poor, who have not benefited much from the broad based poverty reduction interventions and economic growth, and to address them specifically through targeted interventions coming in addition and synergy to the mainstream development efforts. The implementation of the REAP is anchored at the local level, benefiting from the technical support of the various sectors, while the coordination of its implementation and the monitoring of the progress of its implementation are tasks conferred to GNHC.

This more focused targeting will be carried out to provide benefits directly to the poor based on a good understanding of localized poverty and development conditions in the various Dzongkhags and Gewogs, and a strong local presence. The implementation of REAP requires a synergetic undertaking of all sectors involved in poverty reduction and rural development activities and programmes.

The overall objective of REAP is to put in place a framework which will enable the rural poor to seize economic opportunities and the responsibility of their own development.

Overall Strategy of REAP for Poverty Reduction. Considering that Bhutan is mainly a rural and agrarian country, and will continue to be so for a number of years/decades, that poverty is essentially rural, that the country is endowed with limited arable lands and a nascent industry and enterprises sector, the immediate focuses of the REAP are threefold:

- (1) to facilitate access to land and to contribute to the increase of agricultural productivity;
- (2) to facilitate the emergence of rural based small scale and micro enterprises; and
- (3) to encourage the move towards a system that supports a people-initiated development.

¹ Reference to various definitions of poverty, to its various multidimensional aspects and to the fact that its definition might be refined during the course of the REAP activities.

The immediate results of the programme will be to reduce the extreme poverty found in 5,240 households, and by doing so to guarantee food security. It is believed that by doing so not only the 37,200 people under extreme poverty will benefit from the activities but also the communities, and the other villages, surrounding these people.

The key objectives of the REAP are:

- to put in place a framework which will enable the poor to secure sustainable livelihoods by enhancing their productive capacity,
- to facilitate the identification of interventions, and
- to guarantee their successful implementation at the local level.

2 - Purpose of this document

Purpose and organization of this document

- Present the approach of the REAP
- Provide a framework for interventions and funding
- A schedule for interventions

3 - Approach & Tools

Consultations at the village level, with the objective to work with the communities to prepare a village development plan on the basis of questionnaire, consultations and the preparation of a participatory land use mapping and planning.

Questionnaire to be referenced in annex to the document and objectives need to be presented.

The participatory Land Use Mapping and Planning exercise

Local Development Planning Manual

3.1 - Different types of interventions

The interventions are of different natures:

		Responsible parties
Political	Land policy (allocation/redistribution to deal with landless poor), access to natural resources, decentralization	Central Government, in a coordinated way
Legal	Putting in place a legal and administrative framework conducive to small-scale pro-poor activities	Central Government
Technical	Providing the technical expertise to the poor in relation to activities to be implemented (agriculture, natural resources management, marketing, small-industries, ...)	Technical services of the various ministries concerned
Institutional	Guaranteeing effective local governments at the geog level	
	Community organization & empowerment	CSOs

3.2 - Process to identify key interventions

Could present the following in a table with a column for the responsibilities, separating lead and parties

#		Responsible Parties
1	Identification of pockets of extreme poverty that require targeted interventions.	
2	Gather, analyse and consolidate existing information available with the various sectors on the areas.	
3	Prepare the questionnaires and the additional information required from the field research surveys.	
4	Undertake the field surveys, data collection and consultations with the rural poor communities, with the objective to prepare a village development plan identifying key necessary interventions and to collect baseline data. This will be done with the help of the Local Development Planning Manual currently under development.	
5	Analyse, with the various sectors involved, the data collected and identify key possible interventions eligible under REAP ² and what it will take to implement them.	
6	Return to the local communities and local authorities to select priority pilot interventions, to detail further how these will be implemented and funded, and to clarify the role of the various parties ³ .	

² The implementation of non-REAP interventions will be however monitored as these could be essential for the success of some REAP interventions (access for example).

7	Implementation and monitoring of these pilot interventions.
8	Assessment of the results and evaluation of the pilot interventions and how they succeeded in reducing rural poverty ⁴ .
9	Evaluation of the approach (surveys, baseline, proposed interventions, ...) and update of the approach accordingly.

3.3 - Preparation of Proposals

Brief "proposals" will be prepared by the communities with the local authorities, the relevant sectors (when it comes to policy issues), and whenever necessary, with assistance from GNHC and civil society organisations.

The various interventions will be prioritized and ranked at the local level, with potential sources of funding identified. The Local Development Planning Manual will provide guidance on the approach that can be followed for the preparation of the proposals and the prioritization of the activities.

The interventions could target:

- The household level (direct involvement of one household),
- The community level,
- The policy level (review of access to NTFP for example).

These proposals will then be submitted to the REAP Core Operational Team for consideration for funding under the REAP Small Grants Funds.

3.4 - Selection of Pilot Interventions under REAP

Activities will be selected and eligible under REAP on the basis of:

- Existing experience and expertise in this field that are believed to be easily transferable (small-scale agro-industry for example);
- New approach that will be tested;
- Opportunity to implement new programmes and strategies and to revisit existing ones (could be the human - wildlife conflict, access and use of NTFP, ...);
- Existence of prerequisites necessary for the success and sustainability of the proposed intervention (for example, the development of agro-products for sale will be irrelevant if the market is not properly assessed and if access is particularly difficult or impossible; similarly it will be of limited use to promote improved breeds of livestock if forage improvement and veterinary services are not available).

At this stage, the REAP Core Strategy Team (see below) will select the interventions eligible for funding and/or will identify criteria for automatic eligibility.

The selection process will be straightforward, quick and not transformed into a cumbersome bureaucratic process.

3.5 - Eligibility of Pilot Interventions to REAP funding

Depending on the existence of successful experiences in the following fields, the following activities could be considered eligible for pilot interventions under REAP. It does not mean that the activities not directly eligible are of no importance, but REAP can either probably not make a difference, or the interventions are explicitly covered under the 10FYP.

To be developed further on the basis of the interventions identified during the preparatory phase.

3.6 - Implementation of the Pilot Interventions under REAP, monitoring and evaluation

The Pilot Interventions will be implemented at the local level with monitoring undertaken by the local governments and possible technical assistance, when required, from experienced partners.

REAP COT will undertake the evaluation of the activities with the objectives:

- to measure the impacts of the activities on the effective reduction of poverty, and
- to ensure that lessons are learnt and disseminated.

4 - The various parties involved and their roles

4.1 - The parties involved / members

Addressing rural poverty is a multi-faceted task in which the various stakeholders must make a concerted effort to empower poor rural people to address their challenges. It involves agricultural and rural development covering sectors from education to health, agriculture to industry, infrastructure development to economic development.

Households, communities, Gewog authorities, Dzongkhags authorities
 Central level: the various ministries, GNHC, Gyalpoi Zimpon's Office, ...
 CSOs: Tarayana Foundation, others, ...

³ And by doing that refining the Local Development Planning Manual.

⁴ This will be done in particular through the monitoring of poverty indicators that ideally should be part of the baseline data collected.

The REAP will operate through:

- The coordination of the numerous activities and initiatives undertaken in the field of rural development, both of activities targeting directly the field level and to ensure that a conducive framework is in place for poverty reduction;
- The support that it will provide at the local government levels (Dzongkhags and Gewogs);
- A small grants programme, initially funded under the UNDP-UNEP PEI, and which will fund pilot activities and interventions in the 10 villages that have been surveyed.

GNHC will be in charge of the planning and investment aspects of the REAP and guide its implementation with the active involvement of all Government agencies concerned and in coordination with local authorities. NSB will serve as the central agency for monitoring the poverty situation. The overall coordination will be the task of GNHC and resource mobilization the task of the DCD (?) of GNHC.

4.2 - REAP Core Strategic Team (CST)

The REAP Core Strategic Team will be working on the strategic framework being put together for making of the REAP the operational instrument of the 10FYP to target poverty. This Core Team will involve, in addition to GNHC, other sectors such as the Ministry of Agriculture, the Tarayana Foundation, Gyalpoi Zimpon's Office, etc (to be defined).

From GNCH the following persons will be part of the Core Strategic Team:

- Karma Tshiteem, Secretary, GNHC
- Phuntsho Wangyel, PMCD
- Kunzang Lhamu, RED

List the members from the other institutions:

The REAP CST will meet on a quarterly basis to review progress of activities and to agree on the funding of interventions.

Other tasks to be listed.

4.3 - REAP Core Operational Team

The REAP Core Operational Team is constituted to:

- Coordinate and finalise, with inputs from the various sectors involved, the analysis of the surveys undertaken in the first 10 villages, with the objective to identify realistic interventions aiming at reducing poverty.
- Contribute, with local authorities, communities, other sectors, CSOs, to the preparation of the proposed interventions and later on monitor and evaluate the execution of these interventions.
- Identify the lessons to be learnt from the first 10 villages, in terms of process, data collection and analysis, involvement of local authorities, various sectors and CSOs, with the objective to improve the approach for use in the other villages targeted for interventions.
- Replicate the approach in other villages.

The REAP OCT will meet at least once a month to review progress of activities, and more frequently during the preparatory phase.

From GNHC Kunzang Lhamu (RED) and Kuenzang L. Sangey (RED) will take the lead and coordinate the efforts. The other members of the GNHC REAP OCT are:

1. Nyingtob P. Norbu (PPD)
2. Penjor (PMCD)
3. Phuntsho Wangyel (PMCD)
4. Rinzin Dorje (PSD)
5. Rinzin Wangmo (RED)
6. Sangay Penjor (RED)
7. Sonam Tobgyal (RED)
8. Tshering Penjor (PMCD)
9. Tshoki Khandu (SDS)

Need to identify the members from the other institutions.

4.3 - REAP Implementation Teams

The implementation teams will be made of the individuals involved in the various interventions and supported by local authorities.

5 - Institutional and Funding Arrangements

5.1 - Institutional Arrangements

5.2 - Funding Arrangements

A REAP Small Grants Funds will be set ...

Setting up of village development funds to provide support to households and villages to enable them to engage in income generating activities.

Detail where the funds will be set, disbursement procedures, replenishment, ...

The PEI project will contribute initially to this funds for the implementation of activities demonstrating the positive linkages between poverty and environment.

Other sources of funding available with UNDP and international financial institutions, such as the ADB, will need to be investigated.

A prospective budget will be prepared for the implementation of the activities following the identification of the interventions.

6 - Monitoring & Evaluation

7 - Status of activities currently under REAP and proposed schedule of interventions

7.1 - Preparatory phase

The Rural Economy Advancement Programme started in September 2009. The approach is being tested in 10 villages. The tentative programme for this preparatory phase is as follows:

Finalisation of REAP reports and analysis of data	GNHC with the various sectors	March to April 09
Return to villages for fine-tuning of proposed interventions	GNHC with the various sectors	April to May 09
Preparation of concept papers with the support of local governments & others	GNHC, ...	April to May 09
Selection of interventions	GNHC and various sectors	May to June 09
Start of implementation of activities	Communities & Technical Assistance as required	End of June 09
Monitoring of activities	Gewog authorities	During the implementation
Evaluation of interventions	GNHC	December 09

7.2 - "Implementation" phase

Once lessons are learnt from the preparatory phase, the methodology is set (tentative date?) and the number of extremely poor villages to be targeted is known⁵, the approach will be replicated to all these villages during the 10th FYP, according to a programme that will be progressively built.

⁵ The first selection of extremely poor villages will not be final, but will give an idea of the size of the programme and the number of villages to be targeted each year.