



DISCLAIMER NOTE

The audit was conducted in accordance with the International Standards of Supreme Audit Institutions (ISSAIs). The audit was based on the audit objectives and criteria determined in the audit plan and programme prepared by the Royal Audit Authority and the findings are based on the information and documents made available by the GNHCs, Ministries and Agencies.

This is also to certify that the auditors during the audit had neither yielded to pressure, nor dispensed any favour or resorted to any unethical means that would be considered as violation of the Royal Audit Authority's Oath of Good Conduct, Ethics and Secrecy.



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ROYAL AUDIT AUTHORITY
Bhutan Integrity House

Reporting on Economy, Efficiency & Effectiveness in the use of Public Resources



RAA/PSAD (Review- 11 FYP) 2019-20/ 3086

25 December 2019

The Secretary
Gross National Happiness Commission (GNHC)
Thimphu

Subject: Review Report on Implementation of the 11 Five Year Plan

Sir,

Enclosed herewith please find the “**Review Report on Implementation of the 11 Five Year Plan**” covering the period 2013-14 to 2017-18. The Royal Audit Authority (RAA) had conducted the review under the mandate bestowed by Constitution of Kingdom of Bhutan and the Audit Act of Bhutan 2018. The review was conducted following the International Standards of Supreme Audit Institutions on Performance Auditing (ISSAI 3000).

The overall objective of the Review was to ascertain ‘to what extent the input deliverables, targets/goals and objectives of the 11 FYP are achieved.’ The specific objectives were to:

- ⊕ Review the process of formulating the targets and indicators at the national as well as at agency levels; and
- ⊕ Ascertain the extent to which the overall objective of 11 FYP was realized through assessment of National Key Result Areas (NKRAs) and Sector Key Result Areas (SKRAs).

The draft review report was issued on 15 November 2019 to GNHC for factual confirmation, comments and feedbacks. Responses received have been incorporated as well as appended in the report as Annexure. The report highlights significant accomplishments and initiatives as well as shortcomings and deficiencies observed by the RAA. Some of the pertinent and significant developments observed have been highlighted under **Part I** of Chapter 3. The shortcomings and deficiencies where immediate actions and improvements desirable are detailed in **Part II** of Chapter 3.

In line with the Audit Act of Bhutan 2018, the auditee agencies are required to submit response to the Final Review Report in the form of Management Action Plan. The Management Action Plan should specify the action plans for implementation of the recommendations with definite timeframe aimed to address the underlying causes of the findings. Further, as specified by Section 55 (16) of the Audit Act of Bhutan 2018, the auditee agencies concerned are required to submit signed Accountability Statement for the implementation of the recommendations provided.

“Every individual must strive to be principled. And individuals in positions of responsibility must even strive harder.”
-His Majesty the King Jigme Khesar Namgyel Wangchuck

The RAA would follow-up implementation of the recommendations based on the Management Action Plan and the Accountability Statement. Failure to comply will result in taking appropriate actions, which may include suspending audit clearances to the accountable official(s).

Therefore, the RAA would like to request the concerned agencies to submit a Management Action Plan for implementation of recommendations with definite timeframe on or before 25 March 2020 along with the signed Accountability Statement (format attached). In the event of non-submission, the RAA shall invariably fix the overall supervisory accountability on the head of auditee agencies in line with Section 55(17) of the Audit Act of Bhutan 2018.

We take this opportunity to acknowledge the co-operation and support extended by the officials of GNHC, 10 Ministries, Nine Autonomous agencies and GPMD for rendering necessary co-operation and support during the review.

Yours sincerely,


(Tshering Kezang)
Auditor General of Bhutan

Copy to:

1. Hon'ble Lyonchhen, Royal Government of Bhutan, Thimphu;
2. Hon'ble Gyalpoi Zimpon, Office of Gyalpoi Zimpon, Thimphu;
3. Hon'ble Speaker, National Assembly of Bhutan, Thimphu;
4. Hon'ble Opposition Leader, National Assembly of Bhutan, Thimphu;
5. Hon'ble Chairperson, National Council of Bhutan, Thimphu;
6. Hon'ble chairperson, Public Accounts Committee, National Assembly of Bhutan, Thimphu (*enclosed Five copies*)
7. Director, National Statistics Bureau (NSB), Thimphu;
8. Chief, Government Performance Management Division, Cabinet Secretariat, Thimphu
9. AAG, Policy and Planning and Annual Audit Report Division, RAA, Thimphu;
10. AAG, Follow-up and Clearance Division, RAA, Thimphu;
11. Office Copy; and
12. Guard file.

*"Every individual must strive to be principled. And individuals in positions of responsibility must even strive harder."
-His Majesty the King Jigme Khesar Namgyel Wangchuck*

Management Action Plan Report

Recon No.	Audit Recommendation in brief	Action Taken or To be Taken	Estimated Implementation Date	Estimated Completion Date	Responsibility Entrusted to:	
					Name & Designation	EID no.
4.1	The GNHC should develop a scientific method to ensure proper setting of targets and indicators					
4.2	The GNHC should institute an effective monitoring and evaluation process					
4.3	The GNHC and NSB should strengthen data production for better reporting framework					

ACCOUNTABILITY STATEMENT

REVIEW OF IMPLEMENTATION OF 11 FYP

Sl. NO	RECOMMENDATIONS	Direct Accountability		Supervisory Accountability	
		NAME & DESIGNATION	EID NO.	NAME & DESIGNATION	EID NO.
4.1	The GNHC should develop a scientific method to ensure proper setting of targets and indicators				
4.2	The GNHC should institute an effective monitoring and evaluation process				
4.3	The GNHC and NSB should strengthen data production for better reporting framework				

(s/d)

Hon'ble Secretary
GNHC

TITLE SHEET

1.	Title of the Report	:	Review Report on Implementation of the 11 Five Year Plan
2.	AIN	:	16338
3.	Audited Entities	:	GNHC, GPMD, 10 Ministries and Nine Autonomous agencies
4.	Schedule of Audit	:	8 th April 2019 – 8 th August 2019
5.	Audit Team	:	1. Leki Tshering, Sr. Audit Officer (EID: 201001064) 2. Tshering Yangzom, Sr. Audit Officer (EID:201001062) 3. Dawa Tshering, Audit Officer (EID: 201001060) 4. Subarna Pradhan, Audit Officer (EID:201201160)
6.	Supervising Officer	:	Sonam Wangmo, Assistant Auditor General (EID: 200401104) Chhoden, Offgt. Asstt. Auditor General (EID: 200501091)
7.	Head of Department	:	Chimi Dorji, Deputy Auditor General (EID: 9610060) Department of Performance & Commercial Audit

ACRONYMS AND ABBREVIATIONS

AFS	: Annual Financial Statement
APA	: Annual Performance Agreement
APT	: Annual Performance Target
BICMA	: Bhutan Infocomm and Media Authority
BNAP	: Bhutan Newborn Action Plan
BOC	: Bhutan Olympic Committee
DKRAs	: Dzongkhag Key Result Areas
DPU	: Dzongkhag Planning Unit
DYT	: Dzongkhag Yargay Tshogchung
ECIU	: Energy and Climate Intelligence Unit
EDP	: Economic Development Plan
FDI	: Foreign Direct Investment
FYP	: Five Year Plan
G2C	: Government to Citizen
GDMO	: General Duty Medical Officer
GDP	: Gross Domestic Product
GDPR	: General Data Protection Regulation
GNHC	: Gross National Happiness Commission
GPMD	: Government Performance Management Division
GPMS	: Government Performance Management System
GYT	: Gewog Yargay Tshogchung
HAI	: Hospital Acquired Infections
HPC	: High Power Committee
IRC	: Internal Review Committee
ISSAI	: International Standard of Supreme Audit Institution
IWP	: Individual Work Plan
JDWNRH	: Jigme Dorji Wanhchuck National Referral Hospital
KGUMSB	: Khesar Gyalpo University of Medical Sciences of Bhutan
KPIs	: Key Performance Indicators
MOAF	: Ministry of Agriculture and Forests
MOE	: Ministry of Education
MOF	: Ministry of Finance
MOHCA	: Ministry of Home and Cultural Affairs
MOIC	: Ministry of Information and Communications
MOLHR	: Ministry of Labour and Human Resources
MoWHS	: Ministry of Work and Human Settlements
MPNDSR	: Perinatal Death Surveillance and Response
MYRB	: Multi-Year Rolling Budget
NEC	: National Environment Commission
NHS	: National Health Survey
NKRAs	: National Key Result Areas
NMES	: National Monitoring and Evaluation System

NRP	: National Rehabilitation Programme
NSB	: National Statics Bureau
NTC	: National Technical Committee
ODA	: Official Development Assistance
PEMS	: Public Expenditure Management System
PLaMS	: Planning and Monitoring System
PPD	: Policy and Planning Division
RAA	: Royal Audit Authority
RBP	: Results Based Planning
RCSC	: Royal Civil Service Commission
REAP	: Rural Economy Advancement Program
RMA	: Royal Monetary Authority
RTM	: Round Table Meeting
SKRAs	: Sector Key Result Areas
TCB	: Tourism Council of Bhutan
THPP	: Targeted Household Poverty Program
U5	: Under-five
UNFCCC	: United Nations Framework Convention on Climate Change

EXECUTIVE SUMMARY

The Royal Audit Authority (RAA) conducted the ‘*Review on Implementation of the 11 Five Year Plan*’ as mandated by the Constitution of the Kingdom of Bhutan and Audit Act of Bhutan 2018. The review was conducted in accordance with the International Standards of Supreme Audit Institutions on Performance Auditing (ISSAI 3000). The RAA followed audit procedures as prescribed under the RAA’s Performance Audit Guidelines 2019 to maintain uniformity and consistencies of approaches in auditing.

The review was carried out with an overall objective to ascertain to what extent input deliverables, activities, targets/goals and objectives set in the 11 FYP are achieved.

The specific objectives are to:

- ⊕ Review the formulation process of targets and indicators at the national and agency levels ; and
- ⊕ Ascertain the extent to which the overall objective of 11 FYP are realized by assessing the achievement of National Key Result Areas (NKRAs) and Sector Key Result Areas (SKRAs).

The review on implementation of the 11 FYP covering the period 2013-14 to 2017-18 noted positive achievements as well as areas requiring further improvements. Some of the significant achievements include:

- Achievement of average economy growth rate of 5.59% over the plan period;
- Increase in GDP per capita from USD 2,464 in 2013 to USD 3,543 in 2018 and Increase in total GDP from Nu.105.38 billion in 2013 to Nu.182.82 billion in 2018;
- Improvement in foreign reserve position from USD 916.86 million in 2013 to USD 1,140 million in 2018;
- Increased in hydropower revenue generation from Nu.15.66 billion in 2013 to Nu.18.58 billion in 2017; and
- Increase in contribution from mining sector from Nu.238.62 million in 2013 to Nu.329.47 in 2017.

Notwithstanding the achievements, the audit observed certain shortcomings and deficiencies requiring further improvements. Some of issues are summarized below:

- The GNHCS had identified 16 NKRAs based on the review and consultations. However, no document was produced to validate that a proper study had been conducted to analyze current situation, key challenges, main strategies, key programmes and KPIs for the NKRAs. Further, there were no document produced to support whatever analysis had been conducted to come up with the NKRAs.
- There were 61 KPIs identified for 16 NKRAs. However, without any information on the basis for selection of the KPIs, the relevancy of the KPIs could not be established.
- Plan implementing agencies have not carried out adequate studies while identifying the KPIs, Strategies and Programmes at the SKRAs level. The rationale for deciding the baseline data and the targets were not documented. Further, it was noted that the targets

were either kept constant or projected with minimal increase from the baseline data without proper justification.

- None of the 16 NKRAAs were achieved fully in terms of achievement of the KPIs, although there were significant progress in terms of percentage achieved for each KPIs. Out of 61 KPIs, 32 KPIs (54.25%) were achieved and 29 KPIs (45.75%) were not achieved.
- In terms of achievement of NKRAAs by GNH pillar wise, the '*Conservation of environment*' was the most achieved with 64% achievement, followed by '*Preservation and promotion of culture*' with 60% and '*Sustainable and Equitable Socio-economic development*' with 50% achievement. The least achieved GNH pillar was '*Good governance*' with 40% achievements;
- More than 49% of the KPIs related to 300 SKRAAs were found achieved and 51% of the targets were either not achieved or could not be ascertained due to lack of data;
- National Monitoring & Evaluation System to integrate all the system like PLAMS, MYRB and PEMS to provide real time monitoring and evaluation of the implementation of 11 FYP programmes and activities was rendered ineffective as result of PLAMS being non-functional for the whole plan period.
- The terminal report published by GNHC, based on the information provided by the agencies, did not provide holistic review on the achievement of targets and it did not evaluate whether the intended objectives of the plan were achieved, and
- RAA observed gaps in the data production and its report published. Out of 61 KPIs identified for 16 NKRAAs, the RAA could not establish achievement status for eight KPIs due to lack of data. Similarly, for 300 SKRAAs, achievement status for 32 KPIs could not be established.
- The documentation and reporting framework adopted were inconsistent with the plan documents as the achievement reported in the terminal report of 11 FYP was not as per the Plan documents. There was no clarity on the achievement of each NKRAAs, SKRAAs and DKRAAs. The same was the case with signing of APA with the agencies.

Based on the findings, the RAA has provided three recommendations aimed at improving the areas requiring further interventions and improvement for a successful plan implementation. The recommendations provided are briefly mentioned hereunder:

- The GNHC should develop a scientific method to ensure proper setting of plan targets and performance indicators.
- The GNHC should institute an effective monitoring and evaluation process for the five year plans.
- The GNHC and NSB should strengthen data production for better reporting framework for the five year plans.

CHAPTER 1: ABOUT THE REVIEW

1.1 MANDATE

The Royal Audit Authority (RAA) conducted review on the ‘*Review on Implementation of the 11 Five Year Plan*’ as mandated by the Constitution of the Kingdom of Bhutan and Audit Act of Bhutan 2018 under the following Article and Sections:

- i. Article 25(1) of the Constitution of the Kingdom of Bhutan provides that ‘*There shall be a Royal Audit Authority to audit and report on the economy, efficiency, and effectiveness in the use of public resources*’;
- ii. Section 68 of the Audit Act of Bhutan 2018, under the ‘*Functions and Jurisdiction of the Authority*’ states, Authority shall “*Audit and report on the economy, efficiency and effectiveness in the use of public resources*”;
- iii. Section 69 of the Audit Act of Bhutan 2018 states, the Authority shall ‘*Carry out performance, financial, compliance, special audits and any other form of audits that the Auditor General may consider appropriate*’; and
- iv. Section 84 of the Audit Act of Bhutan 2018 states, the Authority shall, ‘*Carry out any other review or evaluation that may contribute towards promoting integrity, efficiency, transparency and accountability in public operations*’.

1.2 STANDARD

This review was conducted in accordance with the International Standards of Supreme Audit Institutions on Performance Auditing (ISSAI 3000). The RAA followed audit procedures as prescribed under the RAA’s Performance Audit Guidelines 2019 to maintain uniformity and consistencies of approaches in auditing.

1.3 OBJECTIVES

The review was carried out with an overall objective to ascertain to what extent input deliverables, activities, targets/goals and objectives set in the 11 FYP are achieved.

The specific objectives are to:

- ⊕ Review the formulation process of targets and indicators at the national and agency levels ; and
- ⊕ Ascertain the extent to which the overall objective of 11 FYP are realized by assessing the achievement of National Key Result Areas (NKRAs) and Sector Key Result Areas (SKRAs).

1.4 SCOPE

The review covered the plan period of 2013-14 to 2017-18. It was confined to formulation of targets and indicators at the national and agency level and to assess the

achievement of overall goals of 11 FYP, NKRA and SKRA. The review covered 10 Ministries, Nine Autonomous agencies and Government Performance Management Division (GPMD).

1.5 APPROACH

The RAA used systems and results based audit approaches. The review studied the formulation process of targets and indicators and assessed the achievement of overall goals, NKRA and SKRA.

1.6 LIMITATIONS

For the agencies where the data were collected through information collection tools, the RAA could not physically verify the data and information submitted by the agencies.

1.7 METHODOLOGIES

The following activities were carried out during the audit execution phase to gather data & information, analyze data to derive conclusions:

⊕ Document review:

The RAA reviewed Guidelines for the preparation of 11 FYPs, terminal reports prepared by the Gross National Happiness Commission (GNHC), GNHC minutes of meeting, main document of 11 FYPs (Volume I, II and III), Budget and Expenditure of 11 FYPs and Annual Financial Statements (AFS) and Annual Performance Agreements (APA) of few selected agencies.

⊕ Data Analysis:

The RAA engaged both qualitative and quantitative analysis. The review performed trend, variance and content analysis from the data gathered and the secondary data made available through information collection template.

1.8 SOURCES OF CRITERIA

In order to achieve the review objectives, the criteria were used from following sources:

- Guidelines for Preparation of 11 FYP, 2012
- Eleventh Five Year Plan – Main Document Volume-I, II and III
- National Monitoring and Evaluation Manual, 2006
- Terminal report-11 FYP, 2018
- Mid-term Review Report, 2016
- Concept-Note-GPMS Policy
- Annual Performance Agreements, 2016-17

CHAPTER 2: BACKGROUND ON 11 FYP

2.1 Introduction

Under the visionary and successive leadership of His Majesty the Kings, the planning process in Bhutan officially begun in 1961. The dedicated Planning Commission was established in 1971, which deals with development policies co-ordination, overseeing plan implementation and resource mobilization while the Central Statistical Organization was responsible for developing the data base and undertaking special services.

In the year 1981, Dzongkhag Yargay Tshogchung (DYT) was established to promote peoples' participation in the decision-making process and delegated wide range of powers, authority, resources, responsibilities and functions from the central agencies to Dzongkhag Yargay Tshogchung to formulate, approve and implement Gewog and Dzongkhag plan activities.

Table 2.1 shows a summary of budget allocated for each plan period starting from first plan to eleventh plan. In total Nu.501,185.20 million were allocated for the five year development plans so far.

2.2 Overview of 11 FYP

The 11 FYP was based on the Results Based Planning (RBP) framework that articulated the outcomes and outputs needed to be achieved over five years so as to achieve the Plan objective *“Self-reliance and Inclusive Green Socio-Economic Development”*. The outcomes and outputs, defined as Key Result Areas, have been identified at the National, Sectoral, Dzongkhag, Thromdes and Gewog levels. The outcomes categorized under each of the four pillars of Gross National Happiness (GNH) were termed as Key Results Areas (KRAs).

At the national level, 16 NKRA were identified towards meeting the underlying objective of 11 FYP. In order to achieve 16 NKRA, 300 Sector Key Result Areas (SKRA) and Dzongkhag Key Result Areas (DKRA) were identified. The performance of all government agencies in delivery of the NKRA, SKRA and DKRA were indicated by the corresponding Key Performance indicators (KPI) as provided.

Table 2.1: Plan period vis- a-vis Budget Allocation

Plan	Plan period	Budget allocated (Nu. in Million)
1 st	1961-1966	107.20
2 nd	1967-1971	202.20
3 rd	1972-1976	475.20
4 th	1977-1981	1,106.20
5 th	1982-1986	4,711.20
6 th	1987-1991	9,559.20
7 th	1992-1996	15,590.70
8 th	1997-2001	30,151.30
9 th	2002-2006	70,000.00
10 th	2007-2012	145,625.00
11 th	2013-2017	223,657.00
	Total	501,185.20

Source: 12 FYP Main Document

2.3 Expenditure for the 11 FYP

The overall expenditure for the 11 FYP was Nu.247,869.89 million, of which current expenditure was Nu.115,178.08 million and capital expenditure accounted for Nu.108,594.09 million. Similarly, Nu.1,054.85 million were for lending and Nu.23,042.88 million for repayment of loans as depicted in Table 2.2.

Table 2.2: Object code wise Expenditure for the 11 FYP (2013-14 and 2017-18)						
Year/Object Code	2013-14 (Nu. in Million)	2014-15 (Nu. in Million)	2015-16 (Nu. in Million)	2016-17 (Nu. in Million)	2017-18 (Nu. in Million)	Total (Nu. in Million)
Current Expenditure	19,641.15	21,032.04	22,880.59	24,129.59	27,494.71	115,178.09
Capital Expenditure	16,668.75	15,443.81	21,807.86	25,837.03	28,836.65	108,594.09
Lending Expenditure	570.66	177.80	214.889	42.12	49.38	1,054.85
Repayment	11,713.34	2,771.68	3,034.16	2,703.34	2,820.36	23,042.87
Total	48,593.90	39,425.32	47,937.50	52,712.06	59,201.09	247,869.89

As indicated above, current expenditure tops the overall expenditure followed by capital expenditure, repayment of loans and lending expenditure. Top expenditure include expenditure on the structure of roads, followed by buildings and capital grants provided to individuals and non-profit organizations.

The review was carried out given the substantial amount of resources involved and important economic development programmes. Therefore, the RAA not only looked at “What has been done”, but also “what has not been done” to achieve the ultimate objective of 11 FYP. The review is aimed at remedying the system and thus help to create meaningful impact to the overall development and achievement of the objectives of the 11 FYP.

CHAPTER 3: FINDINGS

The RAA's review of implementation of the 11 FYP covering the period 2013-14 to 2017-18 noted positive achievements as well as areas requiring further improvements. The chapter on findings are divided into two parts: **Part I** highlights the significant accomplishments and **Part II** highlights the shortcomings and deficiencies requiring further improvements.

Part I: Progressive developments and significant achievements

The Five Year Plans articulate the socio-economic development priorities and programmes to be implemented over five years period. Similarly, the 11 FYP was implemented from the financial year 2013-14 to 2017-18. The RAA noted many commendable achievements and progressive developments.

Some of the notable achievements are given below:

- ⊕ Economy has experienced an average growth rate of 5.59% over the plan period. The GDP per capita increased from USD 2,464 in 2013 to USD 3,543 in 2018. The total GDP increased from Nu.105.38 billion in 2013 to Nu.182.82 billion in 2018. The foreign reserve position improved from USD 916.86 million in 2013 to USD 1,140 million in 2018. Similarly, revenue generation from hydropower increased from Nu.15.66 billion in 2013 to Nu.18.58 billion in 2017 and contribution from mining sector increased from Nu.238.62 million in 2013 to Nu.329.47 million in 2017.

- ⊕ In terms of creation of employment, the hydropower employed about 12,727 Bhutanese, mining sector employed 1,250 Bhutanese and Cottage and Small Industries employed 84,052 Bhutanese over the plan period. Employment was also increased in the tourism sector and Bhutanese were employed through overseas and direct employment schemes in various private and corporate agencies.



Significant Achievements

- ⊕ Established four Colleges and 63 central schools;
- ⊕ 5362.79 kms of Farm roads built and 1450.075 kms maintained;
- ⊕ Farm mechanization done in 12782 acres;
- ⊕ 1084 Power tillers distributed to Chiwogs;
- ⊕ 180 GC roads black topped and 11 new GC roads under construction;
- ⊕ Built 29 new bridges;
- ⊕ 147 Gewogs connected with public transports; and
- ⊕ 1987 kms of electric fencing installed.

Source: 11 FYP-Terminal report, GNHCS

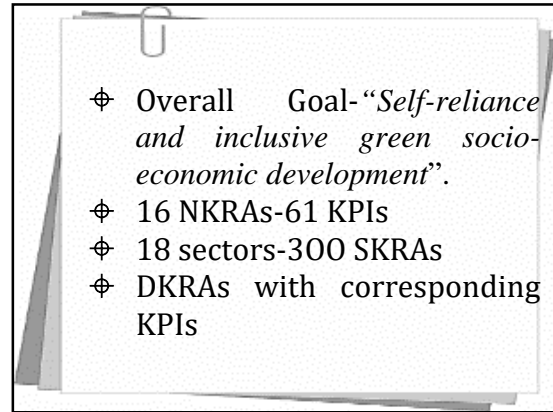
- ⊕ There was also significant development in both road and air transport. The Northern East -West Highway was widened. The Gewog Center (GC) roads were black topped to improve the connectivity and some gewogs were connected with public transport. Numbers of Domestic Air travel passengers and International Air travel passengers increased. Various public services were made accessible online to increase efficiency and effectiveness in the delivery of public services.
- ⊕ To improve the health sector services, hospital infrastructures were developed and number and capacity of health professionals strengthened. There were reduction in infant, children under-5 years of age and maternal mortality rates and access to safe drinking water and sanitation were improved.
- ⊕ The school infrastructures were strengthened and with improved access to quality education, the adjusted net enrolment ratio has increased during the plan period.
- ⊕ To promote rural enterprises and develop private sector, several initiatives to enhance financial access were introduced and implemented, such as Rural Enterprise Development Corporation Limited which provided collateral-free and low interest loans to the entrepreneurs, priority sector lending scheme to promote and develop cottage and small industries and Gewog banks to facilitate and promote rural savings.
- ⊕ During the plan period, several initiatives were undertaken to enhance food and nutrition security in the country which contributed to increase the agriculture production.
- ⊕ Green initiatives were introduced during the plan period to remain carbon neutral. For instance, tax incentives were also provided on environment-friendly construction materials, waste management machineries, and other modern environment-friendly technologies. The summary of achievements that were reported in the terminal report published by the GNHC were provided in **Appendix-I**.

Part II: Shortcomings and Deficiencies

Notwithstanding the progressive developments and significant achievements, the review observed certain deficiencies and shortcomings as provided in the subsequent paragraphs:

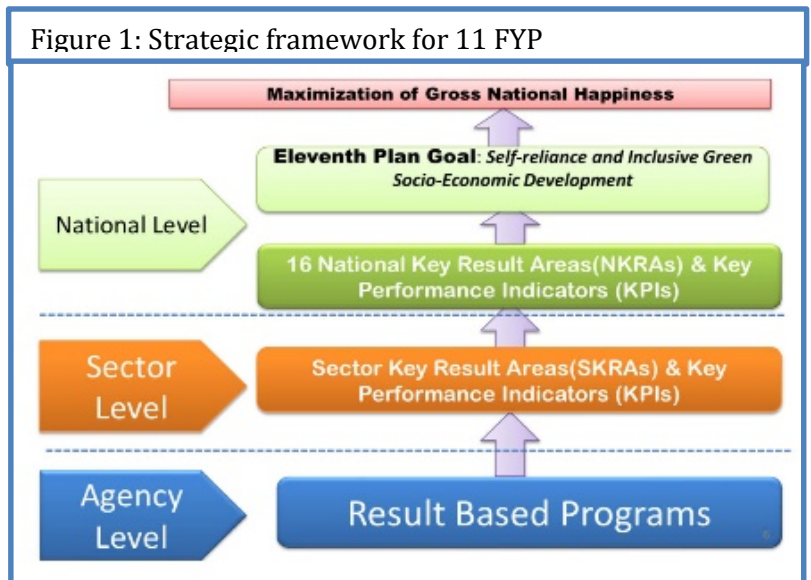
3.1 Formulation of Key Performance Indicators, Baselines and Targets

- a. The 11 FYP had adopted a Results Based Planning (RBP) framework that articulates clear outcomes and outputs needed to be achieved in order to realize the 11 Plan objective of “*Self-reliance and Inclusive Green Socio-Economic Development*”. The outcomes are defined as Key Results Areas (KRAs) at the national, sectoral, and Dzongkhag level and categorized under each of the four pillars of GNH.



- b. At the national level, 16 National Key Result Areas (NKRA) have been formulated based on the four pillars of GNH. All central agencies and local governments contribute towards delivery of the 16 NKRA through their respective Sector Key Result Areas (SKRA), and Dzongkhag Key Result Areas (DKRA). The performance is monitored through Key Performance Indicators (KPI) consisting of baselines and targets at the national, sector and local government levels. The result based programmes, formulated and implemented at agency level, contribute towards the Sector, Dzongkhag and Gewog key result areas.

- c. Figure 1 shows the strategic framework adopted for the 11 FYP. Under this framework, the ultimate goal at the end of the plan was to maximize the GNH as a result of fully realizing the plan objectives and goals. The plan objectives are expected to be achieved if 16 NKRA and 300 SKRA are achieved through the implementation of result based programmes at the agency level.



- d. The RAA conducted review to establish the linkages among the overall goals and KRAs identified with corresponding KPIs. The RAA also studied the basis for KPI settings and targets. Based on the review of plan documents such as guidelines for the preparation of 11 FYP-2012, 11 FYP-Main document (Vol-1 & 2), Mid-term Review

report-2016 and 11 FYP Terminal Reports-2018 and consultation with various ministries and agencies, the following inadequacies were observed:

- i. The GNHCS had identified 16 NKRAAs with corresponding 61 KPIs based on the review and consultations. However, no document was produced to show the analysis conducted on current situation, key challenges, main strategies, key programmes and KPIs for the NKRAAs. Further, not even a single document was produced to support whatever analysis had been conducted to come up with the NKRAAs.
 - ii. There were 61 KPIs identified for 16 NKRAAs. However, without any information on the formulation and relevancy of the KPIs, the relevancy of the KPIs could not be established.
 - iii. There were 18 sectors identified in the 11 FYP. These sectors included Education, Health, Construction, RNR, ICT & Media, Transport, Tourism, Roads, Bridges, HRD etc. Central Plans were guided by SKRAAs, KPIs and Key Interventions, which were compiled based on the consultations with sectors. KPIs were also reviewed during the finalization of detailed sectorial programmes and projects and on the basis of resources made available to the sectors. While sectorial plan provided detail background, current situation, and challenges and outlines programmes and strategies to be implemented with budget allocation, it did not specify the timeline to be achieved.
 - iv. It was also observed that the implementation of the sector plans were distributed amongst various agencies and there was no lead agency identified to coordinate and collaborate in achieving the desired results.
 - v. The RAA also observed that the agencies had not carried out adequate studies while identifying the KPIs, Strategies and Programmes at the SKRAAs level. There was no rationale documented on deciding the baseline data and the targets. Further, it was noted that the targets were either kept constant or projected with minimal increase from the baseline data without proper justification.
- e. *The GNHC in its response (Annexure-I) to the Draft Report argued that while formulating NKRAAs and corresponding KPIs, extensive study and consultations were carried out both at the National and Local level including NGOs. However, these consultations and studies were not officially documented by the GNHC.*
- f. Thus, the RAA opines that in absence of documents to show study carried out on identification of KPIs and programmes before finalizing the plan, the genuineness and extent of the analysis and study said to have been conducted cannot be assured. Further, since formulation of KPIs, baselines and targets are critical part of planning process, it requires systematic and scientific method of determining the KPIs and targets and not based on theoretical assumptions.

3.2 Achievement of overall plan objectives

The overarching objective of 11 FYP was themed as “Self-Reliance and Inclusive Green Socio-Economic Development”.

‘Self-Reliance’- defined as ability to finance all our socio-economic development activities without depending on Official Development Assistance (ODA).

“Inclusive” – defined as reducing poverty and inequality by enhancing the standard of living and the quality of life of the most vulnerable sections of our society; and

“Green” referring to Carbon neutral development. The plan intended to fully implement Economic Development Policy 2010, which aspires for self-reliance by 2020.

In order to realize the overall objective of 11 FYP, 16 National Key Result Areas (NKRAs) were identified. To achieve 16 NKRAs, Sector Key Result Areas (SKRAs) and Dzongkhag Key Result Areas (DKRAs) with corresponding KPIs have been formulated based on the four pillars of GNH to ensure that all the sectors contribute towards strengthening them. The SKRAs, DKRAS and their KPIs form the basis for monitoring the performance of various sectors including local governments. Thus, in order to assess the achievement of the intended objectives of 11 FYP, RAA reviewed the NKRAs and the SKRAs along with the corresponding KPIs.

For the purpose of the review, only KPIs which were achieved fully were considered as achieved and those partially achieved or status unknown due to lack of data/reliable source were considered as not-achieved irrespective of the percentage of achievement. The information on the achievement of KPIs were gathered from agencies concerned and some were reproduced from the 11 FYP- Terminal Report published by the GNHCS.



- ❶ In order to realize the overall objective of 11 FYP, 16 National Key Result Areas (NKRAs) were identified. To achieve 16 NKRAs, Sector Key Result Areas (SKRAs) and Dzongkhag Key Result Areas (DKRAs) with their respective KPIs have been formulated based on the four pillars of GNH to ensure that all the sectors contribute towards strengthening them.

The achievement of 16 NKRA and 300 SKRA with corresponding KPIs are highlighted in the subsequent paragraphs:

3.2.1. Achievement of 16 National Key Result Areas (NKRA)

- a. As per the 11 FYP document, the NKRA are the outcomes at the national level that the government needed to achieve over the plan period. To this end, 16 NKRA were identified based on the four pillars of GNH:
 - o Promotion of equitable and sustainable socioeconomic development,
 - o Preservation and promotion of cultural values,
 - o Conservation of the natural environment, and
 - o Enhancing good governance.
- b. The NKRA were identified by the GNHCS through a consultative process involving all relevant stakeholders, both at the central and local levels. The performances of NKRA were measured through KPIs with baselines and targets at the National, Sectorial and Local Government levels.
- c. In order to assess the achievement of 16 NKRA and to have validated information from the source, the RAA distributed information collection templates to 10 Ministries and selected Constitutional and Autonomous agencies. On review of information provided by the relevant Ministries/Agencies, GPMD and GNHC, it revealed that only one NKRA was achieved fully and 15 NKRA were not achieved fully in terms of achievement of the KPIs, although there were significant progress in terms of percentage achieved for each KPIs as tabulated in Table 3.1.

GNH Pillars	NKRA (Nos.)	KPI (Nos.)	KPIs achieved fully (Nos.)	KPIs not achieved fully (Nos.)	Achievement in terms of KPI (%)	Non-Achievement in terms of KPI (%)
Socio-equitable economic Development	4	30	15	15	50	50
Preservation and Promotion of Culture	2	5	3	2	60	40
Conservation of Environment	4	11	7	4	63.6	36.4
Promotion of Good Governance	6	15	5	10	33.3	66.7
Total	16	61	30	31	49.2	50.8

Source: Ministries, Agencies, GPMD, GNHC & RAA Analysis

As highlighted in Table 3.1, out of 61 KPIs, only 30 KPIs (49.2%) were achieved fully and 31KPIs (50.8%) were not achieved fully. In terms of achievement of NKRA by

GNH pillars, the conservation of environment was the most achieved with 63.6% achievement, followed by preservation and promotion of culture with 60% and socio-equitable economic development with 50% achievement. The least achieved NKRA was promotion of good governance with 33.3% achievement.

- d. Further, on review of implementation status of the 16 NKRA and their corresponding KPIs, it was observed that NKRA 10 and NKRA 16 were fully achieved; four NKRA (i.e. NKRA 3,5,7&8) were found achieved more than 60%; seven NKRA (i.e. NKRA 1,2,6,11,12,14 &15) achieved more than 50%, and the achievement for three NKRA (NKRA 4,9 &13) were below 50%. The summary of implementation status of NKRA are provided in Table 3.2 and detailed in *Appendix-II*:

Table 3.2: Implementation Status of each NKRA with its corresponding KPIs						
Sl. No.	GNH Pillars	NKRA No.	Details of NKRA	Nos. of KPIs	% of NKRA achieved fully	% of NKRA not achieved fully
1	Sustainable and equitable socioeconomic Development	NKRA 1	Sustained Economic Growth	6	50%	50%
		NKRA 2	Poverty Reduced and MDG Plus Achieved	17	59%	41%
		NKRA 3	Food Secure and Sustained	3	67%	33%
		NKRA 4	Full Employment	4	25%	75%
2	Preservation and Promotion of Culture	NKRA 5	Strengthened Bhutanese identity, social cohesion and harmony	3	67%	33%
		NKRA 6	Indigenous wisdom, arts and crafts promoted for sustainable livelihood	2	50%	50%
3	Conservation And Sustainable Environment Management	NKRA 7	Carbon Neutral/Green and Climate Resilient Development	3	66.66%	33.33%
		NKRA 8	Sustainable Utilization and Management of Natural Resources	3	66.66%	33.33%
		NKRA 9	Water Security	3	33.33%	66.66%
		NKRA 10	Improved Disaster Resilience and Management Mainstreamed	2	100%	-
4	Promotion of Good Governance	NKRA 11	Improved Public Service Delivery	2	50%	50%
		NKRA12	Democracy and Governance Strengthened	4	50%	50%
		NKRA 13	Gender friendly environment for women's participation	4	25%	75%
		NKRA 14	Corruption Reduced	2	50%	50%
		NKRA 15	Safe Society	2	50%	50%
		NKRA 16	Needs of Vulnerable Group addressed	1	100%	0%
Average (Achievements) of 16 NKRA in the 11 FYP				61	57%	43%
<i>Sources : Ministries, Agencies, GPMD, & GNHC</i>						

As indicated in Table 3.2, out of the 61 KPIs, only 57% of the KPIs were fully achieved and 43% were not achieved fully.

- e. There were significant achievement and progressive development in almost all the 61 KPIs, although, all the KPIs were not achieved fully. Review of KPIs not achieved fully indicated that achievement of 12 KPIs were below the baseline data and achievement of two KPIs were same as that of baseline data. The review also indicated that eight KPIs were partially achieved with achievement ranging from 5% to 39%. The achievement status of nine KPIs could not be analyzed due to lack of data from the agencies. The achievement level of the KPIs under 16 NKRA are as summarized in the Table 3.3:

Table 3.3: Achievement status of 61 KPIs.			
Sl. No	Achievement of 61 KPIs under 16 NKRA	KPIs under each achievement level (Nos.)	KPIs under each achievement level (%)
1	Achievement below baseline	12	19.6
2	Achievement same as baseline	2	3.3
3	Partially achieved	8	13.1
4	Achievement status unknown	9	14.7
5	Achieved fully	30	49.1

As indicated in Table 3.3, out of 61 KPIs, 30 were achieved fully and rest 31 were not achieved fully due to reasons noted below:

- i. No lead agency assigned to implement, monitor and evaluate the implementation of NKRA. As a result, many KPIs of the NKRA were not linked with agencies (SKRA & DKRA) targets and indicators, which in turn impeded in achieving the targets. Absence of lead agencies for implementation of NKRA led to lack of ownership and difficulties in tracking the progress of achievement. Thus, lacking responsible agencies to implement the KPIs and fix the accountabilities in case of non-achievement of targets. However, some lapses outlined above were taken care in the 12 FYP documents such as identification of lead agency for the implementation of NKRA and collaborators and contributors.
- ii. There was inconsistency in data collected and maintained by various agencies at all levels. It was also observed that some targets require data that were not readily available. There was no established procedures and standards in place to regulate input of accurate and reliable data. For instance, there were KPIs that needed to record the air pollution level in the cities, which was never recorded. Similarly, there were many other KPIs, for which data was never maintained. The details of not having reliable source of data are detailed in Appendix-II.
- iii. The monitoring mechanism was found inadequate as the only review carried out to assess the achievement of the NKRA was the mid-term review. No review was carried out annually and at the end of the plan period for the NKRA. Thus, in absence of progressive tracking on annual basis, the majority of the KPIs stated in the 16 NKRA were not achieved fully.

- iv. It was observed that the plan was not revised after the conduct of mid-term review to reflect the changes and the current situation found. Similarly, it was also noted that terminal report published by GNHC during the plan period does not account one to one achievement of 16 NKRAAs along with the corresponding KPIs.
- v. The RAA also learnt that delay in commissioning of mega hydro power projects like Punatsangchhu, non-linkage of sectors' contributions to 61 KPIs of 16 NKRAAs and non-availability of parameters to record the data were some of the possible reasons for not achieving the 16 NKRAAs fully.
- vi. The RAA also carried out review of 16 NKRAAs based on the four pillar of GNH and established some reasons for non-achievement of its KPIs as provided in Text Boxes 1 to 4 below.
- vii. As a result of non-achievement of plan targets, it indicated that the overall plan objectives were not achieved. For instance, the annual average GDP growth rate targeted at 10% was achieved only over 6% and percentage of domestic financing to total expenditure, which was targeted over 85% was achieved only 62%. Similarly, income poverty which was targeted to be reduced to less than 5.2% was reduced to 8.2% only. Likewise, target achievements fell short in terms of employment creation, education, health and in many other sectors.

1: Achievement of NKRA's under Sustainable and Equitable Socio-Economic Development Pillar

There were four NKRA's and 30 KPI's under the GNH Pillar: Sustainable and Equitable Socio-Economic Development. Review noted that NKRA-1: Sustained Economic Growth (6 KPI's) achieved 50%, NKRA-2: Poverty Reduced and MDG Plus Achieved (17 KPI's) achieved 59%, NKRA-3: Food Secure and Sustained (3 KPI's) achieved 67% and NKRA-4: Full Employment (4KPI's) achieved 25% of their targets in the 11 FYP. The review indicated that non-achievement of the targets was attributed mainly due to inconsistencies in identification of KPI's and improper setting of targets. Some of the sector's key result areas, KPI's and targets and programme interventions were not implemented properly to realize the national key result areas.

Following points explain the reasons why each NKRA's were not achieved:

NKRA-1: Sustained Economic Growth (6 KPI's)

It was found that the KPI's and targets selected were unachievable and inconsistent. For the KPI's - Sustain average GDP growth rate and domestically financing the total expenditure could not achieve the target due to delay in commissioning of Mega Hydro Power projects. The target of export to increase to 28 billion could not be achieved without export of electricity due to issues and challenges like small domestic markets and export markets, increase in expenditure and less economic diversification. The income poverty and Gini-coefficient might not have been able to reduce as planned due to ineffective implementation of poverty reduction programmes on creating income generating opportunities. However, these KPI's require contributions of many sector's and agencies' efforts to realize the target. These inadequacies attribute to lack of proper consultation and coordination amongst sectors and agencies in identifying interventions and setting target for NKRA's without proper analysis and leading to non-achievements.

NKRA-2: Poverty Reduced and MDG Plus Achieved (17 KPI's)

For the target under-five (U5) mortality rate per 1000 live birth, there was no proper corresponding strategies identifies as there lacked adequate interventions at various levels to curtail the risk of under-five (U5) mortality and concerted efforts to simultaneously enhance new born health during the 11 FYP period. The target was set without carrying out proper analysis for TB treatment and indicated lack of adequate implementation, management and monitoring of key awareness programmes towards preventive actions for TB and increasing the treatment success rate.

The target for primary net enrolment ratio (6-12 years old) was highly set based on the projections without proper study and did not achieve due to reasons such as declining birth rate and disability. Similarly, target set was not done properly and identified based on projections for basic net enrolment ratio (13-16yrs old). The unrealistic and unachievable KPI and target were set for female to male ratio in tertiary education thereby leading to non-achievement of NKRA's.

NKRA-3: Food Secure and Sustained (3 KPI's)

As transpired from main document of 11 FYP, there were 3 KPI's, of which two were achieved and one KPI not achieved-Cereal self-sufficiency. Some of the reason for non-achievement were use of different methods of data collections resulting into different results, non-cultivation of agriculture land as a result of fallow land, human-wildlife conflict and lack of irrigation facilities. Effects of climate change like drying of ground water sources for irrigation, pest and diseases outbreak were some of the challenges reported by the sectors, which hampered the achievement of the targets.

NKRA-4: Full Employment (4 KPI's)

Except for the MoLHR's contribution other sectors' contributions were not linked to the achievement of full employment, thus indicating that the unemployment target was set without proper consultation and coordination amongst stakeholders including private sectors and without proper analysis. Other reasons are due to mismatch in the expectation of youth (job seekers) and labor market realities or jobs available in the market.

2: Achievements of NKRA under pillar of Preservation and Promotion of Culture

Under the GNH pillar *Preservation and Promotion of Culture* there were NKRA-5: Strengthened Bhutanese identity, social cohesion and harmony (3 KPIs) and NKRA-6: Indigenous wisdom, arts and crafts promoted for sustainable livelihood (2KPIs).

The review noted that **NKRA-5** achieved 66.66% (2 KPIs) and did not achieve by 33.33% (1 KPI). Likewise, the **NKRA-6** showed 50% achievement. It was observe that lack of ownership of each KPIs and timely interventions and monitoring of programs resulted in the non-achievement of the targets. Moreover, the targets were not directly relevant to the Department of Culture.

Achievements of NKRA under pillar of Conservation and Sustainable Utilization and Management of Environment

As illustrated in Table 3.4, there were four NKRA and 11 KPIs under the GNH Pillar: Conservation and Sustainable Utilization and Management of Environment, i.e; NKRA-7: Carbon Neutral/Green and Climate Resilient Development (3 KPIs), NKRA-8: Sustainable Utilization and Management (3 KPIs), NKRA-9: Water Security (3 KPIs) and NKRA-10: Improved Disaster Resilience and Management Mainstreamed (2KPIs).The review showed NKRA-10 as fully achieved and NKRA 7 and 8 showed 66.66% achievement with 33.33% as not achieved and NKRA 9 achieved 33.33% and 66.66% as not achieved.

NKRA-7: Carbon Neutral/Green and Climate Resilient Development (3 KPIs)

The NKRA-7 had KPI to maintain ambient air quality under environment sector and SKRA of minimizing negative impact on environment from development activities to be achieved through programme implementation on conservation and sustainable environmental management in the NECS. However, it was noted that this KPI's target to revise air quality standards as per the national circumstances was not achieved. The NECS mentioned that there was no adequate air quality data to develop meaningful ambient air quality standard, appropriate for our own context.

NKRA-9: Water Security (3 KPIs)

The NKRA- 9 which had a total of three KPIs of which only one KPI- 'ambient water quality maintained' was achieved in the 11 FYP. The other two KPIs namely- '24 hour availability of drinking water ensured' and 'long term mean annual flow of the entire country sustained' was not achieved. The RAA observed that the cause for non-achievement of both KPIs were non identification of lead agency and ownership issues to spearhead the implementation of the KPIs. The RAA observed that none of the agencies took up the ownership to co-ordinate and implement the KPI. Such ambiguous and vague ownership issues with no lead agency identified had led to the non-achievement of KPIs. With regard to the long term mean annual flow of water in the entire country, the RAA could not gather data as there were no lead agency identified to implement and keep track of the achievement.

4: Achievement of NKRA's under pillar of Promotion of Good Governance

As illustrated in Table 3.4, there were six NKRA's and 15 KPIs under the GNH Pillar: Promotion of Good Governance. Review noted that NKRA-11: Improved Public Service Delivery (2 KPIs) achieved 50%, NKRA-12: Democracy and Governance Strengthened (4 KPIs) achieved 50%, NKRA-13: Gender friendly environment for women's participation (4 KPIs) achieved 25%, NKRA-15: Safe Society (2 KPIs) achieved 50% and NKRA-16: Needs of Vulnerable Group addressed (1 KPI) 0% were achieved.

NKRA-11: Improved Public Service Delivery (2 KPIs)

The NKRA-11 had total of two KPIs and only one KPI 'average performance rating of government agencies enhanced' was achieved. The other KPI 'average service delivery turn-around time (TAT) reduced for all G2C, G2B and G2G services' were not achieved. The RAA was provided with data from G2C Office with TAT for all services. However, the RAA was unable to ascertain the reduction of these services as it did not have a baseline to make a rationale comparison. The RAA was also informed by the G2C Office that most services were provided manually before the inception of the 11 FYP due to which the Office could not establish the actual reduction in the TAT of the services provided.

The RAA observed that there were no baselines mentioned in the 11 FYP documents which led to an unrealistic target setting because without a baseline the target achieved could not be compared to draw rationale conclusions.

NKRA 12: Democracy and Governance Strengthened (4 KPIs)

The NKRA 12 had four KPIs of which two KPIs were achieved namely 'political participation sustained' and 'number of functional registered CSOs ensured'. The other two KPIs which were not achieved are 'percentage of functional community based groups maintained' and 'voter turnout sustained'. The RAA observed that one KPI 'percentage of functional community based groups maintained' did not have a lead agency to implement and monitor the progress of the set KPI. With regard to the 'voter turnout sustained' it was noted that the ECB had implemented all necessary measures to achieve the set target in the KPI by means of advocacy and by facilitating convenient means for all the voters.

NKRA 13: Gender friendly environment for women's participation (4 KPIs)

The NKRA-13 consisted of four KPIs of which only one KPI was achieved namely 'agencies with gender sensitive policies/gender mainstreaming strategies increased'. The other three KPIs which were not achieved include 'Draft legislation to ensure quota for women in elected offices including the parliament and local government bodies, Ratio of female to male in tertiary education increased and Female youth unemployment reduced'. The 'ratio of female to male in tertiary education' was not achieved and it was justified by the lead agency MoE by stating that the KPI is beyond their control as it is solely based on the population of the genders undergoing studies. The RAA observed that the insertion of such indicators are unrealistic and unachievable due to various external factors

3.2.2. Achievement of 300 Sector Key Result Areas (SKRAs)

- a) In order to achieve the 16 NKRA, 300 Sector Key Result Areas (SKRAs) and Dzongkhag Key Result Areas (DKRAs) with their respective KPIs have been defined for each Sectors and Dzongkhags. These KPIs were formulated based on the four pillars of GNH to ensure that all sectors contribute towards strengthening them. The SKRAs, DKRAs and their KPIs form the basis for monitoring the performance of various sectors and local governments for the 11 FYP.
- b) The RAA carried out review for each sectors and observed positive developments across all the sectors. For the review, the RAA categorized KPIs into fully achieved and partially achieved. The RAA compiled data provided by the agency concerned and from other available reports. Justifications for non-achievement of targets were sought from various agencies.
- c) The review indicated that more than 49% of the KPIs related to 300 SKRAs were achieved and less than 51% of the targets were either not achieved or could not be ascertained due to lack of data. The details of SKRAs along with the corresponding KPIs were detailed in *Appendix-III* and summarized in the Table 3.4.

Sl. No	Name of Sectors	Agencies	SKR As (Nos.)	KPIs (Nos.)	KPIs achieved fully (Nos.)	KPIs not achieved fully (Nos.)	Achievement %	Non-Achievement %
1	Education	MoE, MoLHR and RUB	11	31	10	21	32 %	64%
2	Health	MoH, JDWNRH, KGUMSB	9	32	17	15	53.1 %	46.8%
3	HRD & Management	RCSC & MoLHR	Baseline data and targets not developed.					
4	Employment	MoLHR	3	12	6	6	50%	50%
5	RNR Sector	MoAF	6	16	4	12	25%	75%
6	Tourism	TCB	6	14	10	4	71.4 %	28.6%
7	Trade, Industry and Mines sector	MoEA	17	38	20	18	53%	47%
8	Hydropower, Renewable Energy and Hydromet Sector	MoEA	9	22	10	12	45%	55%
9	ICT & Media	MoIC, BICMA & G2C	5	11	9	2	82%	18%
10	Transport	MoIC	6	12	9	3	75%	25%
11	Roads and Bridges	MoWHS	6	13	5	8	39%	61%
12	Construction sector	MoWHS	5	10	7	3	70%	30%

13	Human Settlement and housing sector	MoWHS	6	Not Available				
14	Emerging social challenges	NCWC	Baseline data not developed					
15	Sport	BOC & MoE	7	11	4	7	36%	64%
16	Preservation and promotion of culture	MoHCA	8	18	2	16	11%	89%
17	Conservation of Environment	MoAF, NEC & MoHCA	6	20	15	5	70%	30%
18	Governance	Cross sectorial	3	14	3	11	20%	80%
Average							49%	51%
Source: <i>Ministries, Agencies & Audit compilation</i>								

The RAA also noted that some agencies were not provided with any SKRAs. For instance, the Ministry of Foreign Affairs (MoAF) was not provided with any SKRAs, though it was relevant for the MoFA to implement SKRAs related to public service delivery.

d) On review, some of the reasons for non-achievement of SKRAs included:

- i. The SKRA & KPIs were not interlinked, unrealistic target setting, cross sectoral indicator depicting no lead agency, irrelevant indicators and lack of baseline data. However, in the 12 FYP, SKRAs were changed to Agency Key Result Areas (AKRAs) and every budgetary agency was provided with AKRAs.
 - ii. Some agencies had used the previous data source as a proxy achievement for the evaluation purpose resulting contentious selection of indicators for the sector.
 - iii. Lack of basis on the identification of KPIs and targets. No consultation and coordination amongst stakeholders especially private sectors in identifying interventions and target setting;
 - iv. The RAA noted that agencies were not aware of their KPIs and targets to be achieved.
 - v. Some indicators identified for the agencies were beyond their control and mandates, and
 - vi. It also indicated that the program interventions and indicators were not implemented adequately and appropriate measures were not put in place.
- e) The analysis on achievement by sector is provided in **Text Box-5**. The justification for non-achievement provided by the agencies are also mentioned.
- f) Partial achievement of SKRAs resulted in the non-achievement of NKRA and consequently led to non-achievement of overall objectives of 11 FYP. For instance, multiple delays in the implementation of projects under the hydro-power and hydro-met services resulted in non-achievement of targets set for revenue generation through electricity export under NKRA.

Based on the analysis of achievement in terms of 16 NKRA and 300 SKRA, it was evident that significant achievement and progressive development were notable in both the NKRA and SKRA. However, the study also indicated that an overall objective of

the 11 FYP was not achieved fully. While many factors contributed to non-achievement of the targets were provided under both NKRA and SKRA, the other possible factor contributing to non-achievement of planned targets could be implementation of ad-hoc or additional plan activities. The RAA observed that series of ad-hoc or additional plan activities were implemented both at the central and local government level. The overall expenditure for the 11 FYP was recorded more than Nu.224 billion, which exceeded by around Nu.11 billion from the overall budget outlay of Nu.213 billion. Most of these additional funds were incurred on the activities which were ad-hoc in nature.

As a result, it was observed that non-achievement of both NKRA and SKRA indicated that value for money was not achieved. It also indicated that identified programmes and activities were not effective and control measures instituted to monitor the progress of the targets were non-functional or not implemented appropriately.

5: Sector wise Achievement of SKRAs

i. Education Sector

The Education sector had a total of 11 SKRAs with 31 corresponding KPIs along with its baselines and targets. From the 31 KPIs, 10 were fully achieved, which accounted to 32% and 21 KPIs were not achieved, which accounted for 68%. The RAA learned that the target setting was unrealistic, the cross sectoral indicator had no lead agency, the indicators were irrelevant and lacked baseline data.

ii. Health Sectors

There were nine (9) Sector's Key Result Areas with 32 KPIs in this sector. The overall agency-wise review noted achievement of 19 KPIs and 13 KPIs as not achieved. The agencies under this sector have made commendable progress in various areas showing overall achievement of 59%. However, there were instances of inadequacies in the implementation of indicators as explained below:

- ⊕ The indicator on the patient satisfaction rate was achieved representing 92.1% against the anticipated rate of above 85%.
- ⊕ The nurse to doctor's ratio of 3.6:1 has fallen short to the target ratio of 4.0:1. It was apparent that the agency is trying to improve the recruitment of doctors to bring significant increase in their numbers, especially General Duty Medical Officers (GDMOs). However, recruitment of nurses was not given priority resulting in non-achievement of the indicator.
- ⊕ The TB treatment success rate revealed 90% which is slightly lower than target set above 90%. The treatment failure has increased from 2% to 5% in the past 6-7 years; possibly because of increase in primary drug resistance (NSP II 2017-2023).

iii. Employment Sector

Out of 17 KPIs, 13 indicators were achieved scoring 67% achievement. The three indicators under SKRA, "full employment" was not achieved and 1(one) indicator's achievement could not be ascertained. The indicators under Full Employment such as Youth unemployment and Female youth unemployment target of <2.5% could not be achieved, instead it escalated to 12.3% and 13.1% respectively. The Percentage (%) of regular paid employees target to 40% was also not achieved. Since other sector's contributions were not link to the achievement of full employment, it was difficult for the MoLHR alone to realize the target. These inadequacies attributes to lack of proper consultation and coordination amongst stakeholders/private sectors in identifying interventions and target setting for SKRA without proper analysis leading to non-achievements.

iv. Tourism Sector

The objectives of the tourism sectors are to develop adequate tourism infrastructure, distribution of tourism benefits to wider population, diversifying tourist products and minimizing the impact of growing tourist on Bhutan's culture and environment. In the 11FYP the tourism sector had six SKRAs and 14 corresponding KPIs, out of which, the sector had managed to implement 11 KPIs representing 79% of achievement as detailed in **Annexure-II**. Other three KPIs achievement status (21%) were not known.

5: Sector wise Achievement of SKRAs

v. ICT & Media

There are three agencies implementing the key result areas under this sector namely MoIC, BICMA and G2C office. The sector has scored 82% of achievement with five SKRAs and 11 KPIs. These sectors had managed to implement nine KPIs and two KPIs were not achieved. MoIC indicated that the total contribution to GDP and number of job created could not be achieved. Though the indicator was identified as one of the strategy to generate employment opportunity with the establishment of Bhutan Tech Village, the initiative could not be executed due lack of budget.

The targeted numbers of employment to be generated under this indicator was affected due to downscaling of employees by one of the FDI Company housed at Thimphu Teck Park. The FDI Company had to let go of around 67 employees due to the implementation of strict privacy laws in Europe with the General Data Protection Regulation (GDPR) coming into force. The concurrences of these situations had contributed to non-achievement of the indicator.

vi. Transport

There are six SKRAs with 12 KPIs under the sector. The Ministry of Information and Communication (MoIC) was assigned to implement the transport sector. The review of 11 FYP for the transport sector revealed a total score of 75% of achievement (9KPIs) and 25% as not achieved (3 KPIs). The review of the non-achievement of KPIs revealed that the number of road crashes increased from 726 in 2016 to 1139 in June, 2018, where the number of death also increased from 105 persons in 2016 to 110 persons in June, 2018.

Similarly, around 1139 road crashes were recorded for the financial year of 2017-18 which contributed to death of 110 persons and 557 injuries. Reduction in the fatality rate of the motor vehicle crash in the country has always been one of the greatest challenges for the agency. It is apparent that many agencies have not achieved the respective indicators of employment generation and the contribution to economy growth/GDP. The same is also observed in average annual growth contribution to GDP in this sector. The agency could not explain or furnish the information on the achievement of particular KPI.

vii. Sport Sector

There are seven SKRAs and 11 KPIs to be implemented in 11 FYP. The sector has only managed to implement four KPIs and seven KPIs were not achieved in terms of target achievement. Thus, scoring 36% of achievement. Non-achievement of targets are mostly influenced by intangible and immeasurable KPIs and key interventions. Some of the KPIs such as percentage (20%) of population participating in different sports, 60% of urban population with access to sports facility, 70% of students participating in sports activities (by gender) and number of BOC and NSFs constitutions revised and adopted were not achieved. . The success of such indicators are beyond the control and considering direct contribution was difficult for the agency.

The prevailing system of enforcement and intervention from GNHC and agency showed lack of adequate consultation and coordination to establish appropriate and measurable indicators compounded with reliable data source to determine baselines vis-a-vis setting of targets. These inadequacies have potential to defeat the intended objective of the agency and hamper the achievement of the 11 FYP objectives. Therefore, establishing realistic and measurable KPIs, baselines data source and target setting should be given importance in formulation of agency's strategic plan aligning to 11 FYP.

3.3 Monitoring and Evaluation Framework

- a. The Monitoring and Evaluation Framework of 11 FYP document envisaged to ensure that the objective of plan programs and activities were measured based on the National Monitoring and Evaluation System (NMES). The NMES comprised of Integrated Planning and Monitoring System. The integrated system consisted of Planning and Monitoring System (PLaMS) of GNHC, Multi Year Rolling Budget System (MYRB) of Department of National Budget and the Public Expenditure Management System (PEMS) of Department of Public Accounts, Ministry of Finance to share planning, budgeting and expenditure information for successful implementation of development plans.
- b. The integrated system was aimed at making planning, budgeting and progress monitoring more effective and less cumbersome. The information on approved Five Year Plans and approved annual budget and expenditures were shared automatically in the integrated system. The process for system integration describes that PlAMS, a web based system, is used by all the Planning Officers, Program and Project Managers of Ministries, Autonomous Agencies, Dzongkhags and Gewogs for managing the results based FYP programmes, preparing annual work plans based on the approved FYPs, and to track plan performance on a weekly, quarterly, semi-annual and annual basis. MYRB is used by Budget Officers in all RGoB budgetary agencies to manage annual and rolling budgets while the PEMS is used by all the Accounts Officers in various budgetary agencies to manage public expenditure on a real time basis.
- c. Further, Mid-term review meeting was to be carried out half way through the plan implementation to assess progress of plan and to make mid-term adjustments in policies, programmes and projects and allocation of resources. Round Table Meeting (RTM) to be held one towards the beginning of the plan and another towards the middle of the plan to sensitize donor agencies (development partners) on the plan priorities and policies. Besides the RTM, bilateral consultations and programme and project specific reviews, monitoring and evaluation meetings to be held between the Government and development partners as per mutually agreed schedules.
- d. As per the mandates of GNHC, it is required to plan, coordinate and monitor the five year plans and programmes to achieve national development objectives. The GNHC is required to conduct evaluation and impact assessments of policies, plans, programmes and activities to assess the progress towards achievement of national development goals and targets. Thus, the GNHC is the nodal agency responsible to formulate, monitor and evaluate the progress of the implementation of the FYPs.
- e. However, NMES designed to integrate all the system such as PLaMS, MYRB and PEMS to provide real time monitoring and evaluation of the implementation of 11 FYP programs and activities was rendered ineffective as result of PLaMS being non-functional for the whole plan period. As a result, the annual monitoring of planned activities intended under the PLaMS could not be carried out. While GNHC has conducted mid-term review and published the report in the year 2016, it did not revise the plan to effect the changes as required, instead, discussion notes along with approved changes in the targets were published. Thus, it did not provide the holistic information on the overall status of the plan. Similarly, the GNHC has not carried out final assessment of achievement of the 11 FYP. Although, the GNHC has published the terminal report, based on the information provided by

the agencies, it was observed that terminal report did not provide holistic review on the achievement of targets and it did not evaluate whether the intended objectives of the plan were achieved.

- f. The RAA learnt that PLaMs was not used due to technical issues at the time of integrating with the MYRB and PEMS. Thus, it was never used. Nevertheless, the ministries and agencies were using the GPMS system, which was managed by GPMD under the Cabinet Secretariat. The GPMS was linked with the PEMS, for budget allocation. The operation of the system comprises of Annual Performance Agreement (APA) and Annual Performance Target (APT). APA was signed with all the Ministries, Dzongkhags and selected agencies as per the priority of government. APT was signed with other agencies that are not included for APA. Fixing accountability to the agencies and having direct implication/rating to Individual Work Plan (IWP) were some of the measures incorporated in the monitoring and evaluation process.
- g. The monitoring and evaluation for APA were fully done through the GPMS system coordinated with Agencies, GPMD and GNHC involving various levels of assessment committees (National Technical Committee (NTC) and High Level Committee). For APT the implementation status was updated in the GPMS by the concern agencies. However, NTC did not evaluate the APT related to agency's performance. Therefore, there was no uniformity in the review and assessment procedure in the GPMS.
- h. The IWP with Royal Civil Servant Commission (RCSC) was being evaluated based on the review of APA. APA compendium consisted of identified annual activities based on the agencies objective with broad action plans to achieve the targets (in numbers or in percentage) within particular year. APA compendium did not detail out the interventions needed to achieve certain targets. It was also found there were many ad-hoc activities implemented by Ministries and Agencies, which were not reflected in Annual Performance Agreement (APA).
- i. However, the RAA also noted that there was no clear linkage between APA compendium and National Key Result Areas (NKRAs) at the national level. Thus, the GPMS as a monitoring and evaluation tools could not ensure that the objective of the 11 FYP were achieved. GPMS also could not capture overall work done by agencies within 11 FYP. Therefore, government should have clear strategic directions through adequate research and rigorous consultative process engaging all stakeholders and formulate/design appropriate monitoring tools to ensure that the agencies are implementing the programmes and activities aligning to the national goals and objective of development plans.
- j. *The GNHC responded that GPMS system were used as annual monitoring of planned activities and also conducts both Mid-term and Terminal Plan Review. They also clarified that APA monitoring was led by GPMD and GNHC officials were mandatorily included as part of the NTC and also led the monitoring exercise.*

3.4 Reporting and production of data

- a. “Bhutan 2020: A Vision for Peace, Happiness and Prosperity”, the vision document of the Royal Government of Bhutan, recognizes that in order to manage development, the process of change must take account of the need for up-to-date information required for forward analysis and informed decision-making. There is a need for concerted efforts to develop the national information systems and data base required to plan, monitor and evaluate the nation’s development, and to support informed decision-making.
- b. Recognizing the importance of data, several executive orders, policies and laws that govern official statistical activities are put in place. The NSB has also carried out ‘Bhutan’s Data Ecosystem Mapping, 2017’ and provided number of recommendations. Similarly, NSB submitted ‘Policy Concept Note – Micro data Dissemination Policy, 2018’ for approval from the GNHC. Further, ‘National Strategy for the development of Statistics (2019-23), was developed to strengthen the data management system in the country.
- c. In this context, GNHC as the nodal agency to plan, coordinate and monitor the FYPs has published the plan and review documents such as 11 Plan Main Documents (Volume I-III), Mid-term Review Report (2016), 11 FYP Terminal Report (2018) and Annual reports from the Agencies. Similarly, the GNHC published evaluation reports of projects and programmes and GPMD published APA.
- d. On review the RAA observed gaps in the data production and publication of reports. For instance, due to lack of data, from the 61 KPIs identified for 16 NKRAAs, the RAA could not establish achievement status for eight KPIs. Similarly, the RAA could not establish achievement status for 35 KPIs related to 300 SKRAAs.
- e. It was also observed that documentation and reporting framework adopted were inconsistent with the plan documents. For instance, the achievement reported in the terminal report of 11 FYP was not as per the plan documents. As a result, there were no clarity on the achievement of each NKRAAs, SKRAAs and DKRAAs. The same was the case with signing of APA with the agencies.
- f. Further, the RAA also observed that almost all the agencies had varying practices of recording system. There was no defined recording/documentation system on five year plan targets and activities initiated. As a result, agencies maintained administrative data as per the prevailing practices, which does not directly capture the parameters required under FYP.
- g. *However, the GNHC argued that the agency responsible for producing data is primarily NSB and relevant agencies. GNHC is data consuming agency.*
- h. As a result, in absence of proper direction on the upkeep of data and absence of standard format of reporting the progress from the agencies, the records maintained by the agencies were not directly linked to the baseline and targets.

CHAPTER 4: RECOMMENDATIONS

Based on the deficiencies and shortcomings identified in Chapter 3, the RAA has formulated three recommendations aimed at addressing the issues.

4.1 The GNHC should develop a scientific method to ensure proper setting of targets and indicators

On review of the basis for the identification of KPIs and target, the RAA observed that adequate background information on current situation, key challenges, main strategies, key programmes and responsible agencies to implement the respective key areas or KPIs were lacking. It was also noted that no detailed study were carried out to establish the relevancy of the identified KPIs. The review found out that majority of the KPIs do not indicate the baseline year and source of data. The plan also did not specify the timeline for the implementation of programmes and annual targets for each KPIs. The RAA also observed that the agencies have not carried out adequate studies while identifying the KPIs, Strategies and Programmes.

Thus, in absence of proper study carried out on identification of KPIs and programmes before finalizing the plan, the achievement of the intended targets and objectives remain questionable. Further, formulation of KPIs, baselines and targets forms critical part of planning process, it requires systematic and scientific method of determining the KPIs and targets, not based on theoretical assumptions. Therefore, the GNHC should develop a scientific method to ensure proper setting of targets and KPIs and maintain documentation of all the processes carried out to address all the issues pointed out.

4.2 The GNHC should institute an effective monitoring and evaluation process

As per the mandates, GNHC is required to plan, coordinate and monitor the five year plans and programmes to achieve national development objectives. The GNHC is required to conduct evaluation and impact assessments of policies, plans, programmes and activities to assess the progress towards achievement of national development goals and targets. Similarly, NMES was designed to integrate all the system like PLaMS, MYRB and PEMS to provide real time monitoring and evaluation of the implementation of 11 FYP programs and activities. However, it was rendered ineffective due to PLaMS being non-functional for the whole plan period. As a result, the GNHC had not carried out annual monitoring of planned activities.

While GNHC had conducted mid-term review and published the report in the year 2016, it did not publish the revised plan documents, instead the discussion notes along with approved changes in the targets were published. Thus, it did not provide the holistic information on the overall status of the plan. Similarly, the GNHC had not carried out final assessment of achievement of the 11 FYP. Although, the GNHC had published the terminal report, based on the information provided by the agencies, it was observed that terminal report did not provide holistic review on the achievement of targets and it did not evaluate whether the intended objectives of the plan were achieved.

Therefore, the GNHC should institute an effective monitoring and evaluation process to provide information, indicating the extent to which objectives are being achieved, giving an early warning of potential problems, and of the possible need to make changes in the plan policy, programme or process to ensure success.

4.3 The GNHC and NSB should strengthen data production for better reporting framework

The gaps in the data production and its report published were observed. For instance, from the 61 KPIs identified for 16 NKRAAs, the RAA could not establish achievement status for 8 KPIs due to absence of data. Similarly, from 500 KPIs identified for 300 SKRAAs, achievement status for 120 KPIs could not be established. It was also observed that documentation and reporting framework adopted were inconsistent with the plan documents. For instance, the achievement reported in the terminal report of 11 FYP does not show corresponding achievement assessed against each NKRAAs, SKRAAs and DKRAAs. As a result, there were no clarity on the achievement of each NKRAAs, SKRAAs and DKRAAs. Similarly, the performance targets in the APA were not derived or aligned to the KPIs of the FYP.

Further, the RAA also observed that almost all the agencies has varying practices of data recording system. There was no defined format for recording information on the tracking of the five year plan targets and activities. As a result, regarding the maintenance of operational/administrative, the agencies have been following business as usual, not directly capturing the parameters required under five year plans. In absence of proper direction on the upkeep of data and absence of standard format of reporting, the progress records maintained in the agencies were not directly linked to the baseline and targets. Therefore, the GNHC and NSB should strengthen data production to have reliable and accurate data for better reporting and informed decision making in the development of the country.

The 11 FYP was implemented from the year 2013-14 to 2017-18 with an overall objective “Self-reliance and Inclusive Green Socio-Economic Development”. In order to realize the overall objective of 11 FYP, 16 National Key Result Areas (NKRAs) were identified. To achieve 16 NKRAs, Sector Key Result Areas (SKRAs) and Dzongkhag Key Result Areas (DKRAs) with corresponding KPIs have been formulated based on the four pillars of GNH to ensure that all the sectors contribute towards strengthening them. The SKRAs, DKRAS and their KPIs form the basis for monitoring the performance of various sectors including local governments. For the 11 FYP, Nu. 247,869.89 million were spent. The total current expenditure accounts for Nu.115,178.08 million and total capital expenditure accounts for Nu.108,594.09 million. Similarly, Nu.1,054.85 million were expended on the lending and Nu.23,042.88 million were expended for the repayment of loans.

The review was carried out with an overall objective to ascertain to what extent input deliverables, activities, targets/goals and objectives set in the 11 FYP are achieved. The specific objectives were to review the formulation process of targets and indicators at the national and agency levels and to ascertain the extent to which the overall objective of 11 FYP were realized by assessing the achievement of National Key Result Areas (NKRAs) and Sector Key Result Areas (SKRAs).

On an overall note, the 11 FYP has witnessed commendable progress in all projects and programmes envisaged at the beginning of the plan. Agencies were able to implement some major activities that were not originally in the plan. However, despite the commendable progress achieved, several targets under the KPIs of the NKRAs were found not achieved fully. For instance, while income poverty has been reduced from 12% in 2012 to 8.2% in 2016, which by any measure is commendable, it has fallen short of achieving the target as the target set was 5%. Likewise, the ratio of females to male in tertiary education improved from 71% in 2013 to 83% as of 2017, however it has fallen short of achievement of the target as the target set was 90%.

The RAA observed lack of basis for the selection of KPIs and setting of targets. Therefore, to some extent the non-achievement of targets could be attributed to no proper and systematic setting of targets. The review revealed that intended objective of the 11 FYP was not fully realized in terms of achieving the targets set, as 16 NKRAs and 300 SKRAs were not achieved fully. Further, inadequacies were observed in the monitoring and evaluation of the implementation of plan by the GNHC. No comprehensive information and data was made available to assess the progress of the 11 FYP as a result of lack of standardized information recording and monitoring and evaluation reporting. With the current system of information management the reliability of data is highly questionable.

Based on the findings, the RAA has provided three recommendations aimed at improving the areas requiring further course of action for improvement in making the development plans more successful and impactful henceforth.

Appendices

- I. *Appendix - 1: Progressive development and significant achievements*
- II. *Appendix - 2: Implementation status of National Key Result Areas(NKRA)*
- III. *Appendix –3: Implementation status of Sector Key Result Areas(NKRA)*

Appendix-I : Significant Achievement and Progressive Development

Sl.No	Theme of Development	Specific Area	Baseline	Target achieved
1	Economy	Growth Rate		
		GDP (USD)	2464	2879
		Foreign reserves (USD)	916.86	1140
		Hydro power revenue generation (Nu. in billion)	15.66	18.58
		Royalties from Tourists (Nu. in million)	902.38	1372.31
		Ease of doing business	148	75
2	Inclusive Social Development	Income and Multidimensional poverty reduced	12% 12.7%	8.2% 5.8%
		National Rehabilitation Programme	About 655 acres of land granted to 245 landless households	
		Land Kidu	133287.765 acres granted to 123265	
		Senior citizens programme	850 seniors citizens are provided a monthly	
		Gyalpoi Tozey	2675 children receive education support	
		Rural Economy Advancement Programme (REAP)	75 villages of about 1600 households	
3	Gender	Maternity leave	3 months for civil servants	6 months increased for civil servants and implemented for 9 corporations and private firms. 3-months implemented for 155 private firms and corporations
		Paternity leave	3 days	10 days
		Creches established		11 in Thimphu
		Ratio of female to male in tertiary education	71%	83%
4	Health	Hospitals completed	20-bedded in Haa, 40-bedded in Samtse, 40-	
		Number of doctors and drungtshos	238	421
		Number of doctors for every 10,000 Bhutanese	2.8	4.3
		Number of nurses	799	1352
		Number of nurses for every 10,000 Bhutanese	10.9	15.4
		Infant Mortality Rate reduced	40.1	15.1
		Access to safe drinking water	84.20%	98%
		Access to improved sanitation	54.80%	66.30%
5	Education	Colleges and central schools established	4 colleges and 63 central schools	
		Education blueprint developed	2014	2024
		Introduced special educations need program	14 schools	
		Implementation of school feeding program	361 schools	
		Adjusted net enrolment ratio increased	98.9% (98.9% for girls and 97.3% for boys)	
		Literacy rate improved	59.50%	71.40%

6	Culture	Construction of new dzongs, Reconstruction and Hindu Temples	2, 2 and 3	
7	Human settlement, liveable cities, towns and communities	Enhance safety of the urban communities	CCTVs installed around Thimphu and streetlights installed in 4 Thromdes	
		Address housing shortages	644 units of low-income housing constructed	
		Rural households access to electricity and mobile services	99% and 94%	
8	Financial inclusion	Initiatives to promote rural enterprises and develop private sector	Rural Enterprise Development Corporation Limited, priority sector lending scheme, Remit Bhutan and Gewog banks	
9	Disaster	Disaster mitigation put in place	Kidu and compensation, an Endowment Fund	
10	Food and Nutrition Security	Farm roads built and maintained	5362.79 kms and 1450.075 kms	
		Farm mechanization	12782 acres	
		Power tillers distributed	1084	
		Electric fencing installed	1987 kms	
11	Youth	Youth employed	Direct Employment Scheme-6182,	
		Youth-related crime reduced	231 cases	81 cases
		Youth unemployment	9.60%	13.20%
12	Employment	Cottage and small industry (CSI)	57469	84052
		Tourism sector	20372	29827
		Employment generation schemes	Direct Employment Scheme-6182,	
		Unemployment rate reduced	2.90%	2.10%
		Youth unemployment rate increased	9.60%	13.20%
13	Access and Connectivity	Gewog Center (GC) roads black topped and new GC roads under construction	180 and 11	
		Bridges	29	
		Gewogs connected with public transport	147	
		Construction of national highway and by-pass	76 km Gyalposhing-Nganglam national highway and 24 km Damchu-Chukha by-pass	
		Domestic Air travel passenger & International Air travel passenger	970	12000
			182000	314000
14	Good Governance	Access to services	Online services-123 and mobile platforms -15	
		Strengthen delivery and access to justice	4 Dzongkhag courts constructed and 3 under construction and 11 judicial online services	
		Corruption	Ranked 26th out of 180 countries	
15	Environment	Green initiatives	Free electricity, public transport improved,	
16	Sports and Recreation	Infrastructures and institutions	6 Astroturfs for football and other sporting events, open air gyms installed in 20	

Appendix-II : Achievement Status of National Key Result Areas (NKRAS)

NKRAs	KPIs	Baseline	Target	Achievement	Status	Remarks
NKRA 1: Sustained Economic Growth	Annual Average GDP growth rate sustained	8-9 %	>10%	6.80%	Achievement below Baseline	Risk (due to delay in commissioning of Hydropower projects)
	Percentage of domestic financing to total expenditure enhanced	65%	>85%	62%	Achievement below Baseline	Risk (due to delay in commissioning of Hydropower projects)
	Annual average fiscal deficit over the plan period sustained	3%	<3%	8%	Achievement below Baseline	Functional
	Consumer Price Index sustained	8.30%	7-8%	4.90%	Achieved	
	Priority sector lending enhanced	Not launched	Launched	Launched	Achieved	
	Exports without electricity increased	15(bil)	>28 (2017-18)	25.31(bil)	Partially achieved	Target was revised
NKRA 2: Poverty Reduced and MDG Plus Achieved	Income poverty reduced	12%	<5%	8.20%	Partially achieved	
	Multidimensional poverty reduced	12.70%	<10%	5.80%	Achieved	
	Gini-coefficient reduced	0.36	<0.3	0.38	Achievement below Baseline	
	IMR per 1000 live births	47	<20	15.1	Achieved	
	MMR per 100,000 live births	255	<100	89	Achieved	
	U5 MR per 1000 live birth	69	<30	34.1	Partially achieved	There was no national newborn mortality indicator
	Percentage of rural pop with access to improved drinking water supply (%)	94.80%	>95%	99.50%	Achieved	
	Percentage of rural pop with access to improved sanitation (%)	51%	>80%	84.30%	Achieved	
	Malaria incidence per 10,000 population	10	<3.5	1.4	Achieved	
	TB treatment success rate	90%	>90%	90%	Achievement same as baseine	Inadequate drug intake by the patients as well as poor follow up and counseling by the health workers in few districts, may have contributed in not achieving the target.
Severe mental distress (GNH Index 2010)	5%	<5 %	3%	Achieved		

	Adjusted Primary Net Enrolment Ratio (6-12 yrs old)	i) APNER = 98% (M 97% & F 98%) ii) NER 96% (M 95 & F 96)	i) APNER 100%-M/F ii) NER 98% - M/F	96%	Achievement below Baseline	Based on updated figures PHCB 2017, Declining birth rate, disability, target set based on projections
	Basic Net Enrolment Ratio (13-16yrs old)	94% (F 96% & M 93%)	>96% (M/F)	91%	Achievement below Baseline	Target set based on projections and updated population figure PHCB 2017
	Ratio of females to males in tertiary education	71%	>90%	83%	Partially achieved	
	GER at tertiary level (19-23yrs) M/F	18%	>35%	42%	Achieved	
	% of people with adequate housing quality sustained (corrugated galvanized iron (CGI) or concrete brick or stone for roofing, pit latrine with septic tank for toilet and two persons per room for overcrowding) - GNH Index 2010	74%	>74.2%	96%	Achieved	
	% of Household with per capita income per person per month of 1.5*Nu. 1096.94/- or more (GNH Index 2010 -)	53%	>53.4 %	59%	Achieved	
NKRA 3: Food secured and sustained	Cereal Self Sufficiency (%)	64(%)	75(%)	NA	Status unknown	MoAF
	Milk Self sufficiency (%)	90%	100%	100%	Achieved	MoAF
	Stunting reduced (%)	33.50%	<30	21.20%	Achieved	MoH
NKRA 4: Full Employment	Full employment achieved	97.90%	>97.5%	97.60%	Achieved	
	Youth unemployment reduced	7.30%	<2.5%	12.30%	Achievement below Baseline	Mismatch of aspiration of jobseekers and available jobs in the labour
	Percentage of regular paid employee increased	23.90%	>40%	35%	Partially achieved	Sectors such as construction and tourism offers only contractual jobs.
	Long term/chronic unemployment reduced	NA	TBD	45%	Status unknown	Target was not set
NKRA 5: Strengthened Bhutan Identity, Social Cohesion	Cultural diversity & resilience Index sustained	0.074/0.11	0.074/0.11	0.083	Achieved	Terminal report GNHC
	Community Vitality Index sustained	0.088/0.11	0.088/0.11	0.087	Achievement below Baseline	Terminal report GNHC

and Harmony	GNH Index 2010 sustained	74%	>0.743	76%	Achieved	Terminal report GNHC
NKRA 6: Indigenous Wisdom, Arts and Crafts Promoted for Sustainable Livelihoods	Number of rural households engaged in cultural industries increased	208	2000	2000	Achieved	APIC
	Number of jobs created by cultural industries increased	1200	2500	NA	status unknown	Both the Agencies(MoEA & MoHCA could not provide this data)
NKRA 7: Carbon Neutral/Green & Climate Resilient Development	Green House Gas Emission controlled	1559.56 Gg CO ₂	< 6309.6 Gg Co ₂	2253.33 Gg CO ₂ (BSE 2016)	Achieved	
	Ambient air quality maintained	National Ambient Air Quality standards 2010	Revised standards as per the national circumstances	NA (AQS revised as appropriate as per national circumstances)	Status unknown	There was no adequate air quality data to develop meaningful Ambient air quality standard, appropriate for our own context as per justification of NEC
	Perception of ecological issues (GNH Index) sustained	69%	69%	89%	Achieved	
NKRA 8: Sustainable Utilization and Management of Natural Resources	Proportion of forest area under sustainable forest management increased	7%	>12%	13%	Achieved	
	Ecological footprint sustained	NA	Study to establish baseline & targets conducted.	Undertaken in 2014	Achieved	
	Population Status of umbrella species (Tiger) maintained	155	>155	103(2016)	Achievement below Baseline	The data available was for the period 2016
NKRA 9: Water Security	24 hour availability of drinking water ensured	N/A	100	NA	Status unknown	The provision of 24/7 water is the mandate of the LGs.
	Ambient Water quality maintained	Ambient water quality standards 2010	Ambient Water Quality Standards revised to include new parameters of total hardness, grease and oil.	Bhutan water security index developed in 2015	Achieved	
	Long term mean annual flow of the entire country sustained	73,000 million m ³	73,000 million m ³	70576.02 m ³	Achievement below Baseline	The audit team could not gather data for this KPI as the ownership for the indicator wasn't established.

NKRA 10: Improved Disaster Resilience and Management Mainstreamed	Number of disaster response teams trained and equipped in Disaster Management increased	1 (NaSRT)	20 Dongkhags	SAR training conducted in 20 dzongkhag and 4 thromdes.	Achieved	
	Response time enhanced	N/A	Within 2 hours of disaster	Less than one hour of disaster	Achieved	Dzongkhag/Dungkhag/Thromde/ Gewog Incident Management team that respond to disaster occurring within their own jurisdiction, thus the response time is even less than one hour.
NKRA 11: Improved Public Service Delivery	Average Service Delivery Turn-Around Time (TAT) reduced for all G2C, G2B and G2G services	NA	<70%	NA	Status unknown	The data provided by G2C services contained the TAT for all the services and it did not have a baseline to ascertain the reduction in TAT. Moreover the previous services were all provided manually.
	Average performance rating of government agencies enhanced		>90%	>95%	Achieved	
NKRA 12: Democracy and Governance Strengthened	Political participation sustained	0.564	>70%	71.46%	Achieved	
	Percentage of functional community based groups maintained	NA	>90%	NA	Status unknown	The audit team could not gather data for this KPI as the ownership for the indicator wasn't established.
	Number of functional registered CSOs ensured	1	1	1	Achieved	
	Voter turnout sustained	Parliament 66.1%; LG 56%	Parliament 80 %; LG 70 %	Parliament 71.46 %; LG 55.8 %	Partially achieved	People's right to vote is not compulsory and voters considering LG elections as not important as also some factors which affected ECB's target.
NKRA 13: Gender Friendly Environment for Women's Participation	Draft legislation to ensure quota for women in elected offices including the parliament and local government bodies	NA	Legislation Drafted	Not Drafted	Achievement same as baseine	Given the mixed views and reluctance even on the part of women towards introducing quotas for women in elected office, the quota legislation was not pursued further.
	Ratio of female to male in tertiary education increased	71%	>90%	85%	Partially achieved	MoE stated that this indicator is beyond the purview of the Ministry as it is solely based on the population of the genders undergoing studies.

	Female youth unemployment reduced	7%	<2.5%	12%	Achievement below Baseline	A study on gender and employment challenges carried out and submitted to the Cabinet. The findings were presented to the MoLHR to discuss and agree on strengthening collaborative and targeted efforts.
	Agencies with gender sensitive policies/gender mainstreaming strategies increased	3	10	29	Achieved	During the plan period, nine central agencies (GNHC, ECB, NEC, MoAF, MoEA, MoFA, MoHCA, MoH, MoLC) and 20 Dzongkhags have developed the Internal Framework to Address Gender Issues at the Workplace.
NKRA 14: Corruption Reduced	Corruption Perception Index improved	33/176(2012)	< 20	68	Achievement below Baseline	The target was revised to score instead of rank as the score is more meaningful than the rank. The revision was proposed to the GNHC vide letter ACC/SECT-PPS/01/618 dated 16th May, 2016.
	Number of agencies reporting on implementation of anti corruption strategy	0	All	46 agencies	Partially achieved	A total of 46 agencies (20 Dzongkhags, 4 thromdes, 10 Ministries and 12 autonomous agencies) implemented the strategy in the 11th FYP.
NKRA 15: Safe Society	Nationwide reported crime (annually) by category, age group and gender reduced	7/1000	<5/1000	4/1000	Achieved	The case per 1000 population is 4 excluding 1094 Traffic related offenses. The total annual reported crime is 2925 excluding 1094 traffic related offenses. The Population for 2013 is 7,33,006.
	Percentage of people who feel safe sustained	0.81	>81%	NA	Status unknown	
NKRA 16: Needs of Vulnerable Group Addressed	Establishment of baselines and targets for emerging issues	NA	NA	NA	Status unknown	The NCWC has developed the National Plan of Action for Child Wellbeing and Protection with specific targets and baseline for the wellbeing and protection of children.

Appendix -III : Achievement of Sector Key Result Areas (SKRAS)

Sl.No. 1: Education Sector							
Sector Key Result Areas	Agency	Indicators	Baseline	Target	Target achieved	Source of data	Achieved/ Not achieved
Adult literacy rate improved	MoE	Adult literacy rate 15 years + (UNESCO Definition)	55 % (2013 - AES)	70% -M/F	0.67	PHCB 2017	Not achieved
Teacher performance outcome improved	MoE	% of teachers satisfied with teaching profession	68.3 % (2013)	0.85	NA	NA	Status unknown
	MoE	INSET Master plan implemented	INSET Master Plan developed	INSET Master plan implemented	Partially Implemented	Reports from TPSD	Not achieved
	MoE	% of teachers who have availed at least one NBIP in the 11th FYP	NA	1.00	1.00	AES 2018	Achieved
Students performance outcome improved	MoE	Survival rates (to class VI)	98.3 (96.2-m: 99.2-f) AES 2012	M/F-100%	0.85	AES, 2018	Not achieved
	MoE	Survival rates (to class X)	85.1 (83.8-m: 85.4-f) AES 2012	M/F-90%	0.75	AES, 2018	Not achieved
	MoE	Completion rates (primary)	1.17	1.00	1.00	AES 2018	Not achieved
	MoE	Completion rates (secondary)	0.74	0.95	0.95	AES 2018	Not achieved
	MoE	Transition rates from primary to secondary	98 (97-m: 100-f) AES 2012	M/F-100%	0.95	AES 2018	Not achieved
	MoE	Learning Outcomes Scores in Math, English, Dzongkha and Science in class III, VI, X (m/f)	Class III: Eng: 60 Math: 61.5 Dzongkha: 63.5 EVS: 65	All subjects: > 65%	Eng: 78.24 Math: 69.77 Dzo: 86.92	PMS Report 2017	Achieved
	MoE		Class VI: Eng: 48.3 Math: 46.1 Dzongkha: 60 Science: 43.7	Other subjects: 60% Dzongkha: 70%	Eng = 63.14 Math = 54.50 Dzo = 67.16 Sci = 64.56	PMS Report 2017	Not achieved
	MoE		Class X: Eng: 54.11 Math: 51.93 Dzongkha: 67.03 Science: 50.26 (PMS 2012)	Other subjects: 60% Dzongkha: 70%	Eng = 57.93 Math = 49.83 Dzo = 64.06 Sci = 50.14	BCSEA, 2017	Not achieved

	MoE	Adjusted Primary Net Enrolment Ratio (6-12 yrs old)	APNER = 98% (M97% & F98%) NER 96% (M95 & F96)	APNER 100%; NER 98%	0.97	AES, 2018	Not achieved
	MoE	Basic Net Enrolment Ratio (13-16yrs old)	94% (Female 96% & Male 93%) AES 2012	96% (male/female)	0.91	AES, 2018	Not achieved
	MoE	Ratio of females to males in tertiary education	71% (AES 2012)	0.90	83%	State of Tertiary Education in Bhutan, 2017	Not achieved
	MoE	GER at tertiary level (19-21 years)-both within and outside Bhutan	18% (21%-m; 15%-f) AES 2012	0.35	0.42	AES, 2018	Achieved
Health, Wellbeing and Protection of school children improved	MoE	Percent of students below accepted nutritional level (height for age)	0.34	< 30 %	0.21	NNS 2015	Not achieved
	MoE	Attendance rate	0.90	0.90	> 90%	As per data from 20 Dzongkhags & 4 Thromdes	Achieved
	MoE	Schools/Institutes with sporting calendar/sporting event	NA	1.00	0.97		Not achieved
Knowledge on Culture, traditional values enhanced	MoE	% of schools above 70 on GNH index	0.94	1.00	1.00		Achieved
	MoE	Students scoring greater than 60% in Dzongkha (in grades X and XII)	0.23	0.50	NA		Status unknown
	MoE	% of students who can perform traditional dance/songs (M/F)	NA	0.70	NA		Status unknown
Environment education enhanced in schools	MoE	Percent of schools practicing green initiatives	N/A	1.00	100%	Reports from schools	Achieved
	MoE	New school constructions are eco- efficient/disaster resilient infrastructure	N/A	1.00	NA	New designs disaster resilient features and eco-friendly	Status unknown
	MoE	School education expenditure as a % of GDP	6.9 % (2012)	0.07	0.06	AES, 2018	Not achieved

	MoE	Tertiary education expenditure as a % of GDP	0.02	0.02	1.4%	Expenditure for FY 2016-17 from MoF. GDP figure from NSB. (Nu. 148,678.93 m in 2016).	Achieved
	MoE	% of self-financed students in tertiary education	12% (m/f)	30 % (m/f)	0.43	Including in country and ex country	Achieved
	MoE	Average of disciplinary incidences in schools	N/A	Reduced by 50%	NA		Status unknown
	MoE	TAT for common availed services	N/A	< 70%	NA		Status unknown
	MoE	Anti-corruption strategy implemented	Not implemented	Implemented	Implemented		Achieved
	MoE	Average performance rating (Govt. Performance Management System - GPMS)	N/A	>90 %	90.36%	GPMD	Achieved

Sl.No 2:Health Sector

Sector Key Result Areas	Agency	Indicators	Baseline	Target	Target achieved	Source of data	Achieved/ Not achieved
Curative and Rehabilitative Healthcare Services Provided	MoH	Average Nationwide OPD waiting time from 9 AM to 11 AM	30-60 minutes	23 minutes	20 Minutes	HAMT report	Achieved
	MoH	% of population within 3 hrs walking distance	0.90	0.95	0.95	Raw Data BLSS 2017	Achieved
	MoH	Independent Patient satisfaction rate	0.85	>85 %	NA		Status unknown
	MoH	Nurse to Doctors Ratio	3.7:1	4.0:1	3.6:1	AHB 2018	Not achieved
	MoH	Nurse to bed ratio	0.05	0.05	0.05	HR Program Report	Achieved
Preventative,	MoH	IMR per 1000 live births	47.00	<20	15.10	PHCB 2017	Achieved
	MoH	MMR per 100,000 live births	255.00	<100	89.00	PHCB 2017	Achieved
	MoH	U5 MR pr 1000 live birth (BMIS 2010)	69.00	30.00	34.10	PHCB 2017	Not achieved
	MoH	Stunting (Height for age)(%)	0.34	<30%	0.21	National Nutrition Survey 2015	Achieved
	MoH	Percentage of rural pop with access to improved sanitation (%)	51.00	>80	84.30	PHCB 2017	Achieved
	MoH	Malaria incidence per 10,000 population	10.00	3.50	0.14	AHB 2018	Achieved

Promotive and Rehabilitative Healthcare services Improved	MoH	TB treatment success rate	0.90	>90%	90.00	Routine recording and reporting of TB data from TB Reporting Centers	Not achieved
	MoH	STD/STI incidence per 10,000 pop	41.00	<50	73.00	AHB 2018	Not achieved
	MoH	Diabetes incidence per 10,000 population*	47.00	<50	82.00	AHB 2018	Not achieved
	MoH	Hypertension incidence per 10,000 population*	343.00	<400	278.00	AHB 2018	Achieved
	MoH	Cancer incidence per 10,000 population*	15.00	<20	17.00	AHB 2018	Achieved
	MoH	Alcohol Liver Diseases incidence per 10,000 population*	29.00	<20	35.00	AHB 2018	Not achieved
Eco-efficient, disaster resilient and differentlyabled health infrastructure ensured	MoH	Percentage of new facilities constructed with eco-efficient / disaster resilient component	NA	1.00	1.00	Program Report 2018, DMS	Achieved
Medical waste management improved	MoH	Hospital Acquired Infections (%)	27.50	<8	0.12	Program Report DMS	Not achieved
Traditional medicinal services strengthened in sustainable manner	MoH	No of new cases per Traditional Medicine unit	2646.00	>3500	3750.00	AHB 2018	Achieved
Enhance efficiency and effectiveness of public service delivery	MoH	Anticorruption Strategy implemented		1.00	1.00	Admin data	Achieved
	MoH	Average performance rating (Govt. Performance Management System - GPMS)	na	>90 %	0.96	GPMD scores	Achieved
	MoH	Average Turn Around Time for commonly availed services	na	0.70	1.00	HAMT report	Achieved
Financially sustainable Healthcare promoted	MoH	Out-of-pocket expenditure	0.11	<15%	0.14	NHA 2017-18(data from BLSS 2017)	Achieved
Improved quality of healthcare services provided	JDWNRH	No of patients referred outside reduced (per year)	830.00	600.00	1105.00	JDWNRH	Not achieved
	JDWNRH	Reporting time for routine laboratory investigations (hours)	12.00	3.00	NA	JDWNRH	Status unknown
	JDWNRH	Waiting time for OPD services at JDWNRH (minutes)	45-120	30.00	18 minutes	JDWNRH	Achieved
	JDWNRH	Waiting time for GI Endoscopic services (weeks)	3 to 6	2.00	NA	JDWNRH	Status unknown
	JDWNRH	Waiting time for routine operations (weeks)	3 to 4	1.00	NA	JDWNRH	Status unknown

	JDWNRH	Institutional deliveries for JDWNRH catchment areas (%)	60.00	80.00	NA	JDWNRH	Status unknown
Medical Education & Research strengthened	KGUMSB	No of post graduate Residency programs started	0.00	5.00	NA	KGUMSB	Status unknown
	KGUMSB	No of research articles published in international peer reviewed journals by UMSB staff	0.00	5.00	NA	KGUMSB	Status unknown

Sl.No 3: Employment Sector

Sector Key Result Areas	Agency	Indicators	Baseline	Target	Target achieved	Source of data	Achieved/ Not achieved
Full employment achieved (2.5%)	MoLHR	Youth unemployment	0.07	<2.5%	0.12	LFS 2017	Not achieved
	MoLHR	Female youth unemployment	0.07	<2.5 %	0.13	LFS 2017	Not achieved
	MoLHR	Rural unemployment maintained	0.02	0.02	1.3% 1.7%	PHCB 2017 LFS 2017	Achieved
	MoLHR	% of job seeking graduates employed within 6 months of graduation	NA	0.90	0.94		Achieved
	MoLHR	Reduce chronic unemployment	NA	TBD	0.45	LFS 2017	Status unknown
	MoLHR	% of regular paid employee	0.24	0.40	0.35	PHCB 2017	Not achieved
Working environment in private sector improved	MoLHR	Increase in Private Sector employment	0.22	>22%	0.36	PHCB 2017	Achieved
	MoLHR	Social protection for private sector employees	NA	0.50	0.71	(11th FY HRD Masterplan)	Achieved
Enhance effectiveness and efficiency in delivery of public service	MoLHR	TAT for public services reduced	NA	0.70	NA		Status unknown
	MoLHR	Implementation of National Anticorruption Strategy	NA	1.00	1.00		Achieved
	MoLHR	Improved Average performance rating System	NA	>90%	NA		Status unknown
	MoLHR	Foreign Labour management service TAT	NA	0.70	1.00		Achieved

SL. No 4 : RNR Sector

Sector Key Result Areas	Agency	Indicators	Baseline	Target	Target achieved	Source of data	Achieved/ Not achieved
Enhance Food and Nutrition Security	MoAF	Cereal production (RNR Stat. 2012)	183,333 MT/pa	223,737 MT/pa	NA		Status unknown
	MoAF	Paddy production (RNR Stat. 2012)	78,730 MT/pa	98,894 MT/pa	86,385 MT/Pa	Terminal report	Not achieved
	MoAF	Milk production (RNR Stat. 2012)	29625 MT/pa	40,000MT/pa	50250 MT/Pa	Terminal report	Achieved
	MoAF	Egg production (RNR Stat. 2012)	57m/pa	92 m/pa	116 m/pa	Terminal report	Achieved
	MoAF	Vegetable Production(RNR Stat. 2012)	96,855 MT/pa	143,319 MT/pa	137564 MT/pa	Terminal report	Not achieved
	MoAF	Fruits & Nuts production(RNR Stat. 2012)	96,523 MT/pa	106,129 MT/pa	55060 MT/pa	Terminal report	Not achieved

Generate additional employment opportunities and increase mean annual rural household cash income	MoAF	Annual cash income from sale of RNR products (Nu. in millions/annum) - (RNR Stat)	1,877.71 (2011)	3305.00	3670.00	Terminal report	Achieved
	MoAF	Percent contribution of agriculture income to total hh income (%) - (BLSS)	10.2% (2011)	0.25	NA		Status unknown
Accelerate RNR sector growth through commercial farming	MoAF	Real annual growth rate in RNR sector (%) - (NSB)	1.9 (2011)	4.00	NA		Status unknown
	MoAF	Mean annual value of export (Nu. in million/annum) - (RNR Stat)	1623 (2012)	3246.00	2766.00	Terminal report	Not achieved
	MoAF	Mean annual volume of export (mt/annum) - (RNR Stat)	62,742(2011)	1,25,484	333299.00	Terminal report	Achieved
Enhance conservation of plant and animal genetic resource and natural	MoAF	Inventory of traditional knowledge related to biological	0 (2012)	1.00	NA		Status unknown
Enhance sustainable land and biodiversity resource management	MoAF	Land area under organic/natural production (acres) - (RNR Stat)	2,069 (2011)	5560.00	NA		Status unknown
Enhance efficiency and effectiveness of RNR service delivery	MoAF	TAT of commonly availed services (%)		0.70	NA		Status unknown
	MoAF	Average performance rating (%)		0.95	NA		Status unknown
	MoAF	Anti-corruption strategy implemented - (ACC)		0.95	NA		Status unknown

SL. No. 5 : Tourism Sector

Sector Key Result Areas	Agencies	Indicators	Baseline	Target	Target achieved	Source of data	Achieved/ Not achieved
Improved Service Delivery	TCB	Tourist arrivals (no./pa)	1,05,407	>200,000	274097.00	BTM 2018	Achieved
	TCB	Tourist satisfied with visit	85% (2011)	>90 %	0.97	BTM 2018	Achieved
New products developed	TCB	No. of new products (wellness, cultural, sports, eco-tourism, MICE community based tourism etc)	NA	At least 2 in each category.	Achieved	Reports / records	Achieved
	TCB	% of tourist visiting east, south and central circuits > 50%	21.86% (2011)	>50 %	0.61	Reports / records	Achieved
Contribution to GDP, Revenue and Employment increased	TCB	Contribution to GDP(US\$ m)	62.8 m	>250 m	382.78	Reports / records	Achieved
	TCB	No. of Bhutanese employed	9238 (2011)	>28000	29827.00	Reports / records	Achieved
	TCB	Yield per tourist/night (US \$)	344.00	350.00			Status unknown
Bhutanese culture and tradition promoted among	TCB	% of tourist on cultural tours	77.09% (2011)	0.80	>90	BTM 2018	Achieved

	TCB	Growth in sale of handcraft products	TBD	TBD	NA		Status unknown
Environment conservation promoted and well being of rural communities improved through eco-tourism	TCB	Rural communities benefitting from eco-tourism (CBST)	4 communities (project areas)	1.00	Achieved	Reports / records	Achieved
	TCB	% of tourists on eco-tourism	13.04% (2012)	0.20	NA		Status unknown
Enhance effectiveness and efficiency in delivery of public service	TCB	TAT for public services reduced	NA	>75 %	2 days		Achieved
	TCB	Anticorruption Strategy implemented	TBD	Implemented	Implemented		Achieved
	TCB	Average performance rating (Govt. Performance Management System - GPMS)	NA	>90 %	Achieved	GPMS Reports	Achieved

Sl.No. 6: Trade, Industry and Mines Sector

Sector Key Result Areas	Agency	Indicators	Baseline	Target	Target achieved	Source of data	Achieved/ Not achieved
Enabling environment created	MoEA	Legal framework finalized	1.00	3.00	3.00	DOT, MOEA	Achieved
		Ease of Doing Business improved in targeted areas;	0.00	3.00	3.00	Doing Business Report, World Bank, www.doingbusiness.org	Achieved
		No. of Dry Port established and Operational	0.00	2.00	1.00	DOT, MoEA	Not Achieved
Export Promoted	MoEA	Value of exports of goods annually (without electricity) - Nu. Billion	15.00	28.00	25.31	DRC, MOF	Not Achieved
		No. of new export products	14.00	28.00	NA	Cross sectoral	Status unknown
Contribution to GDP and employment increased.	MoEA	Annual average GDP %	0.11	0.11	0.08	DOT, MoEA	Not Achieved
		No. of Bhutanese employed by gender	12508.00	17000.00	29494.00		Achieved
Strengthened Brand Bhutan	MoEA	Brand Bhutan Strategy developed and implemented	0.00	By 2014	2016.00		Not Achieved
Promote Environment Friendly Trade		No. of trade fairs on environment friendly goods facilitated	NA	3.00	NA		Status unknown
		Improve fuel quality	EURO III	EURO IV	Introduced EURO IV in 2017		Achieved

Enhance effectiveness and efficiency in delivery of public service	MoEA	TAT for public services reduced	NA	>75 %	0.75	G2C office	Achieved
		Anti-corruption Strategy implemented	NA	1.00	1.00	ACC	Achieved
		Average performance rating (Govt. Performance Management System - GPMS)	NA	>90 %	0.95	GPMS	Achieved
Enabling environment created	MoEA	FDI inflow excluding Hydropower (in Nu. Mil.)	6388.10	10000.00	8520.65	RMA	Not Achieved
Economic expansion and diversification enhanced		Industrial Estates/SEZ developed	2.00	6.00	4.00	DOI, MoEA	Not Achieved
		No. of large and Medium industries approved	353.00	478.00	599.00	DOI, MoEA	Achieved
Contribution of GDP and employment increased	MoEA	Annual Average GDP Growth (%)	7044.82	7929.53	11938.23	NSB	Not Achieved
		No. of Bhutanese employed	6585.00	10585.00	11505.00	DOI, MoEA	Achieved
CSMI and Cultural industries promoted	MoEA	No. of rural households engaged in cultural industries	202.00	2000.00	2000.00	APIC	Achieved
		No. of operational CSIs	13068.00	19918.00	20195.00	DCSI	Achieved
		No. of Bhutanese incubation facilities	0.00	3.00	1.00	DCSI	Not Achieved
		No. of craft clusters	2.00	4.00	Under progress	APIC	Not Achieved
Promote Green industries and eco-efficient Technologies	MoEA	Industries using low polluting and emission technology		All Industries	Manufacturing Industries only	DOI, MoEA	Not Achieved
Enhance effectiveness and efficiency in delivery of public service	MoEA	TAT for public services reduced	NA	>75 %	NA		Status unknown
		Anticorruption Strategy implemented	0.00	1.00	1.00	ACC	Achieved
		Average performance rating (Govt. Performance Management System - GPMS)	NA	>90 %	On average the Ministry has achieved 95% rating since the GPMS system was piloted in the Ministry in 2014.		Achieved
Environmentally and socially responsible mineral development promoted	MoEA	No. of mines revegetated or created recreational areas or other human uses after closing	5.00	22.00	19.00	DGM, MoEA	Not Achieved

		Number of laws amended/ revised to promote scientific method, sustainable and environmental friendly mining	0.00	2.00	3.00	DGM, MoEA	Achieved
Intergenerational equity ensured	MoEA	Policy drafted promoting value addition of minerals leading to few and quality mines	0.00	Mineral Development Policy	Developed	DGM, MoEA	Achieved
		Contribution to Community Development Fund	NA	Nu.54 mil.	0.00	DGM, MoEA	Not Achieved
Risk associated with GLOF and Geo hazards reduced	MoEA	No. of earthquake monitoring station estb.	0.00	30.00	30.00	DGM, MoEA	Achieved
		Macro seismic hazard & risk map of the country conducted	0.00	1.00	1.00	DGM, MoEA	Achieved
		Landslide inventory mapped	0.00	1.00	4.00	DGM, MoEA	Achieved
GDP Contribution and employment increased	MoEA	Annual average GDP growth rate (%)	10.16	11.25	4.22	DGM, MoEA	Not Achieved
		No. of Bhutanese employed by gender	2000.00	3000.00	1215 Bhutanese are employed in the mining sector as of December 2016.	DGM, MoEA	Not Achieved
Enhance effectiveness and efficiency in delivery of public service	MoEA	TAT for public services reduced		>75 %	NA	DGM, MoEA	Status unknown
		Anticorruption Strategy implemented	0.00	1.00	1.00	DGM, MoEA	Achieved
		Average performance rating (Govt. Performance Management System - GPMS)	NA	>90 %	>95%	DGM, MoEA	Achieved
Sl. No. 7: Hydropower, Renewable Energy and Hydromet Sector							
Sector Key Result Areas	Agency	Indicators	Baseline	Target	Target achieved	Source of data	Achieved/ Not achieved
Energy security enhanced	MoEA	Installed capacity of HPP	1488 MW	4546 MW	1606 MW	DHPS	Not Achieved
		Total HV transmission lines constructed	1296 kms	1474kms	1,441 km	DHPS/BPC	Not Achieved
		solar power capacity	152 kW	1152 kW	Installation of 75 kW solar power capacity achieved		Not Achieved
		wind power capacity	0.00	360 kW	600 KW		Achieved
		small HPP capacity	8000 kw	20000 kw	Dropped		Not Achieved
		capacity of Biomass	0.00	10 kw	Dropped		Not Achieved
National Capacity to Design, Build, Operate and Manage HPP developed.	MoEA	No. of Bhutanese contractors qualifying for bidding for HPP	1.00	3.00	3.00		Achieved

Contribution to GDP and employment increased.	MoEA	Annual average GDP %	1.90	33.16		NSB	Not Achieved
		No. of bhutanese employed	5853.00	14593.00	12727.00		Not Achieved
		Electricity revenue contribution to domestic revenue %	0.30	0.40	0.29		Not Achieved
Meaningful and purposeful alternate renewable energy promoted.	MoEA	No. of households using bio-fuel as source of cooking/heating	600.00	3400.00	4400.00		Achieved
Enhance effectiveness and efficiency in delivery of public service	MoEA	TAT for public services reduced		>75 %	NA		Status unknown
		Anticorruption Strategy implemented		1.00	1.00		Achieved
		Average performance rating (Govt. Performance Management System - GPMS)		>90 %	>95%		Achieved
Environmental impacts from snow and glacier melt reduced.	NCHM	Climate Change induced GLOF risk mitigated	1.00	3.00	3.00	NCHM	Achieved
Hydrological, meteorological, glacier and snow monitoring network and database established.	NCHM	Improved hydrological and meteorological observing and monitoring network and services with good national coverage	94.00	166.00	101.00	NAPA-II Project Management and HOID, NCHM	Not Achieved
		Enhance weather forecasting(days)	1.00	3.00	3.00	Weather & Climate services division, NCHM	Achieved
		River flow forecasting(days)	0.00	1.00	1.00	Hydrology & Water Resources Services Division, NCHM	Achieved
		Glacier Mass Balance Monitoring stations	0.00	3.00	3.00	Cryosphere Services Division	Achieved
Hydrological/meteorological risk to historical and cultural properties reduced.	NCHM	No. of Basin wise multi-hazard early warning systems	1.00	2.00	1.00	JICA_Project Management and HWRSD	Not Achieved
Delivery of weather, climate, GLoF, water and related environmental information and service enhanced.	NCHM	No. of Research in climate prediction/projection to improve the skills of seasonal, decadal, and and longer time scales	0.00	2.00	2.00	Weather & Climate services division, NCHM	Achieved
		No. of pamphlets, outlooks, guidance related to extreme hydromet events	0.00	4.00	3.00	Hydrology & Water Resources Services Division< NCHM	Not Achieved

Sl. No 8: ICT and Media Sector Sector							
Sector Key Result Areas	Agencies	Indicators	Baseline	Target	Target achieved	Source of data	Achieved/Not achieved
Access to reliable and affordable ICT and media services improved	MoIC	Villages with reliable mobile network	0.85	1.00	0.97	BICMA/Telcos	Not achieved
	MoIC	Dzongkhag with access to high speed internet services	0.20	1.00	All Dzongkhag HQs and Urban areas	Telcos	Achieved
	MoIC	Monthly Broadband subscription charge (home)	Nu. 399	< Nu. 399	Data quota increased from 3.8 GB to 8.2 GB	Telcos/ISPs	Achieved
Contribution to GDP and number of job created	MoIC	No. of Bhutanese employed in IT/ITES by gender	964.00	3000.00	2000.00	DITT, promotion division	Not achieved
Culture and traditions kept alive through ICT and media.	MoIC	Exhibitions, debates, quiz on culture/traditions covered/facilitated by ICT/media	0.00	5.00	Achieved		Achieved
Effective and efficient public service delivery	With PMO/G2C services	Number of e-services delivered	49.00	>100	Achieved	With PMO/G2C services	Achieved
	With PMO/G2C services	Number of m-services delivered	3.00	>10	Achieved	With PMO/G2C services	Achieved
	With PMO/G2C services	M-payment gateway introduced	0.00	1.00	Achieved		Achieved
	With PMO/G2C services	TAT for public services reduced		>75 %	>70%	With PMO/G2C services	Achieved
	With PMO/G2C services	Anticorruption Strategy implemented			>90%		Achieved
	With PMO/G2C services	Average performance rating (Govt. Performance Management System - GPMS)		>90 %	0.95	GPMD/PMO	Achieved
Sl.No 9: Transport Sector Sector Key Result Areas and Key Performance Indicators							
Sector Key Result Areas		Indicators	Baseline	Target	Target achieved	Source of data	Achieved/Not achieved
Eco-friendly, safe, reliable and affordable surface/air transport increased.	MOIC	Reduction of annual road fatalities per 10,000 vehicles	17.00	<10	11.00	Annual Infocom and Transport Bulletin 2019, MoIC	Not achieved
	MOIC	Increase in ton of air cargo carriage (in million tons)	0.62 m/tons	2.2 m/tons	516.693 metric tonnes	Statistics for the calendar year 2018 received from the operators	Achieved
	MOIC	No. of passengers handled by Paro International Airport annually	160140.00	300000.00	397599.00	As per the statistics received from the operators for the calendar year 2018	Achieved

	MOIC	Lack of effective implementation (LEI) percentage to be reduced to ICAO acceptable level	0.64	0.50	0.44	The New LEI after ICAO validation audit.	Achieved
	MOIC	No. of passengers using the domestic sector annually	1044.00	10000.00	12293.00	Statistics for the calendar year 2018 received from the operators	Achieved
New modes of transport explored/introduced	MOIC	Number of alternative modes of transport introduced (ropeway, waterway, electric public transport)	0.00	3.00	1.00		Not achieved
Contribution to GDP	MOIC	Average annual growth contribution to GDP	0.12	0.10			Status unknown
Facilities for senior citizens and those with special needs incorporated.	MOIC	Public transport services with facilities for senior citizens, women, children and those with special needs	0.00	0.30	1.00	In all city buses	Achieved
Surface/air transport emission and congestion reduced.	MOIC	Public Transport Ridership	11.8% (2012)	0.30	34.1% increase from 2012-13	RSTA annual Report	Achieved
Enhance effectiveness and efficiency in delivery of public services	MOIC	TAT for public services reduced		>75 %	>70%	With PMO/G2C services	Achieved
	MOIC	Anticorruption Strategy implemented		>75 %	>90%		Achieved
	MOIC	Average performance rating (Govt. Performance Management System - GPMS)		>90 %	0.95	GPMD/PMO	Achieved

Sl.No 10: Roads and Bridges Sector

Sector Key Result Areas	Agency	Indicators	Baseline	Target	Target achieved	Justification	Achieved/Not achieved
Construction and up-gradation of PNH incorporating EFRC	DOR	KM of PNH constructed in EFRC manner	2444.00	2881km (Initial) 2687.7km (Revised)	2678.59km		Not achieved
		KM of PNH upgraded in EFRC manner	1068.64	1261.43 (Initial) 1453.64 (Revised)	1407.194km		Not achieved
		Permanent solutions to stabilize problematic landslide areas (No.)	3nos.	7 nos.	7 nos.		Achieved
Roads connecting to new HPP constructed and strengthened incorporating EFRC and Bhutanese architecture features		KM of roads connecting HPP constructed in EFRC manner	23.08km	34.10km	41.17km	- 14.69 km of Rafee-Khosala bypass constructed - 3.4 km of Mendelpong-Digala Road constructed	Achieved
		KM of roads connecting HPP upgraded	33.80km	73.00km	52.09km		Not achieved

Construction and maintenance of road network strengthening through standards, specifications and geometrics improvement for all weather access road to ensure safety		Travel time in trucking hours along SEWH reduced	46.5hours	30 hours	-		Status unknown
		National highways open to traffic all times within hours	NA	3 hours	Within 3hrs.		Achievd
		No. of gewogs connected with blacktopped roads	NA	203 gewogs	153 nos. of gewogs connected to black topped roads (75%). In total 1066.535km of GC roads black topped.		Not achieved
Bridges constructed and replaced to improve access		No. of temporary bailey bridges replaced	160.00	184.00	192 nos		Achieved
		No. of suspension bridges maintained	384.00	458.00	458nos.	The details of completed bridges in the sheet 'Bridges'	Achieved
		No. of bridges with Bhutanese architecture features	NA	24 nos.	8 nos		Not achieved
		No. of Bazams constructed	16.00	26.00	19 nos.		Not achieved
Private sector participation		KM of roads constructed and maintained through PPP	25.36km	105.94	Not achieved		Not achieved
		No. of km road maintained through PPP	296km	1296km	Not achieved		Not achieved
Sl.No 11: Construction Sector							
Sector Key Result Areas	Agency	Indicators	Baseline	Target	Target achieved	Source of data	Achieved/Not achieved
Bhutanese architect and aesthetics in construction incorporated while adopting modern construction technology	DES	No. of standards made for standardized building components	NA	0.30	Not achieved		Not achieved
		% of eco-efficient/disaster resilient technologies introduced	NA	0.50	1.00		Achieved
		No. of water reservoirs (infrastructure) constructed	0.00	5nos.	More than 5	1. Paro 2. Phuntsholing 3. Tsirang	Achieved
		No. of flood preventive infrastructures in place	NA	13nos.	Achieved		Achieved

Strategic and smart human settlements developed with high livability index for balanced regional development	No. of development plans/structural plans/Local Area Plans	45 nos.	67 nos.	70 nos.		Achieved
	No. of growth centres developed	NA	2 nos.	2 nos.	Plans for Nganglam and Kanglung as regional hubs were developed	Achieved
	% of solid waste reduced, reused and recycled	NA	0.70	NA		Status unknown
	No. of waste management measures instituted	10.00	1.00	GNHC was requested to change the target during the Mid-Term Review.		Not achieved
Improved quality of infrastructure facilities and services	% of population with access to safe, clean and reliable drinking water and sanitation	1.00	1.00	99.5% of the HHs in the country have access to improved water sources. 63% of the HHs have 24/7 water. 92% of HHs have access to improved sanitation facility.	BLSS 2017	Not achieved
	Standards developed and incorporated in government infrastructures for differently-abled people	1.00	1.00	Guidelines for Differently-abled friendly construction developed and the standards is included in the guidelines.	DES Differently-abled guidelines	Achieved
Develop aesthetic, culturally and socially ambient human settlement	% of new human settlement developed in accordance with the rural and urban human settlement guidelines	1.00	1.00	1.00	DHS	Achieved

Sl.No 12 :Sports Sector

Sector Key Result Areas	Agencies	Key Performance Indicators	Baseline	Target	Target achieved	Source of data	Achieved/ Not achieved
School sports strengthened in schools to enable sports for all by 2018	MoE	% of students participating in sports activities (by gender)	NA	Near 100%	NA	BOC, MoE	Status unknown

Community Sports established where there is critical mass to enable sports for all	BOC	% of population participating in different sports	57.50	75.00	NA	BOC	Status unknown
Promotion and recognition of talents in various sports to enable sports for all	BOC	No. of Elite Bhutanese athletes by 2018 (by gender and sports)	Archery: 3(F) 1 (M) Shooting: 2(F) 3(M) Boxing: 36 (M) Taekwondo: 4(F) 6(M) Football : 63 (M)	Archery: 12 Shooting: 15 Boxing:50 Taekwondo: 25 Football: 126	Archery: 12 Shooting: 4 Boxing: 12 Taekwondo: 16 Football: 144	Respective National Sports Federation (NSFs)	Not Achieved
	BOC	% of Bhutanese athletes participating in international competitions and events	0.00	50.00	326 (100%)	BOC, National Sports Federations and Sports Associations	Achieved
High Altitude Training Center and endurance sports programs developed	BOC	No. of endurance and adventure sports programs developed and implemented	1.00	3.00	1.00	Events Unit/SRDD, BOC	Achieved
Access to sport facilities facilitated and established in strategic nucleated locations. (Responsible RGoB & BOC)	BOC	% of urban population with access to sports facility	54.25	70.00	NA	BOC Infrastructure Development Division (IDD), National Sports Federations(NSFs) and Sports Associations (SAs)	Status unknown
Indigenous Games and sports promoted	BOC	No. of traditional games/tournaments organized	8.00	40.00	30	BIGSA file, SRDD/BOC	Not Achieved
A democratic and robust sport governance system that will efficiently deliver organized and established sports to all Bhutanese	BOC	Average financial expenditure performance rating of BOC	0.89	0.90	82.69	BOC LC Account (RGoB PEMs)	Not Achieved
	BOC	Anti-corruption Strategy Implemented		>75 %	>90%	BOC and NSFs	Achieved
	BOC	No. of MoUs signed with National and International partners.	5.00	10.00	19.00	BOC secretariat	Achieved
	BOC	No of BOC and NSFs constitutions revised and adopted.	16.00	16.00	7.00	SRDD Governance survey report of NSFs/SAs, BOC	Not Achieved

SLNo 13: Culture

Sector Key Result Areas	Agency	Indicators	Baseline	Target	Target achieved	Source of data	Achieved/ Not achieved
Cultural industries promoted	MoHCA	No. of rural households engaged in cultural industries	208.00	2000.00	2000.00	APIC	Achieved

Contribution to employment enhanced	MoHCA	No of jobs created by Cultural industries	1200.00	2500.00	Not Achieved		Not Achieved
Intangible Cultural heritage preserved and promoted	MoHCA	No of Tshechus / Cultural events developed/promoted	NA	12.00	34.00	DoC	Achieved
		Religious institutions (gomdeys) sustained	23.00	23.00	Not Achieved		Not Achieved
		Strategy on promoting culture developed and implemented	NA	1.00	Not Achieved	DoC	Not Achieved
Tangible cultural heritage preserved and promoted	MoHCA	No. of structural heritage maintained	4 dzongs restored, 4 archaeological sites excavated	Identification of 9 archeological sites & conservation of 9 Dzongs/ Monasteries	15, 12	DoC	Not Achieved
		No of new heritage structures built	2.00	6.00	4.00	DoC	Not Achieved
Contemporary performing arts, art and music promoted to complement and enhance Bhutanese identity and culture	MoHCA	No. of films made with Bhutanese culture tradition and values content	195.00	225.00	NA		Status unknown
Dzongkha and other languages of Bhutan preserved and promoted	MoHCA	Increase in Dzongkha newspaper readership	0.15	0.50	NA		Status unknown
		No. of IT platforms and devices supporting Dzongkha	2.00	3.00	NA		Status unknown
		No. of public agencies making their service accessible in Dzongkha language	NA	1.00	NA		Status unknown
Enhanced access to quality spiritual education and spiritual pursuits	MoHCA	Completion rates for primary and secondary level religious education	0.30	0.60	NA		Status unknown
		Completion rates for tertiary level religious education	0.30	0.60	NA		Status unknown
		Clear rules and regulations for Tshamkhang construction	NA	Completed	NA		Status unknown
		Number of meditation centers built for communities	NA	1.00	NA		Status unknown
Effective and efficient public service delivery	MoHCA	TAT for public services reduced		>75 %	NA		Status unknown
		Anticorruption Strategy implemented	All agencies	NA	NA		Status unknown
		Average performance rating (Govt. Performance Management System - GPMS)		>90 %	NA		Status unknown

Sl.14 : Environment Sector Sector

Sector Key Result Areas	Agencies	Key Performance Indicators	Baseline	Target	Target achieved	Source of data	Achievement
	NEC	Green House Gas emission controlled	1559.56 Gg CO2	< 6309.6 Gg CO2	< 6309.6 Gg Co2	NEC	Achieved
	NEC	Ambient Air Quality maintained	Ambient Air Quality national standard 2010.	Ambient Air Quality Standards revised as per national circumstances	Revised standards as per the national circumstances	NEC	Not achieved

Negative impacts on environment from development activities minimized or avoided	NEC	Ambient Water Quality maintained	Ambient Water Quality Standards 2010	Ambient Water Quality Standards revised to include new parameters of total hardness, grease and oil.	The National water quality standards, 2010 was revised and endorsed by the NEC during the 47th NEC meeting held on 26th July, 2018.	NEC	Achieved
		Ecological footprint	NA	Study to establish ecological footprint baseline and target conducted.			Not achieved
	MoAF	Population status of umbrella species (Tiger)	155.00	155.00	103 (2016)	103 (2016)	Not achieved
	MoAF	Proportion of total land area under protected area management	51.32	51.32	51.44	51.44	Achieved
	MoAF	% of projects undergo EA process	2 projects without EC (11.7%)	All projects undergo EA Process as per the regulation for environmental clearance of projects 2002 (100%)			Achieved
Opportunities for livelihood strengthened	MoAF	Annual income from sale of forest products from CF and NWFP groups(Nu./HH)	Nu. 2,000	Nu. 4,000			Achieved
	MoAF	Proportion of farming HH citing wildlife as constraint to farming (GNH Survey)	51.00	40.00			Not achieved
	MoAF	Human wildlife conflict incidences (No. of cases in a year)	162.00	50.00	HWC incidences reduced where mitigation measure are in place		Not achieved
Sustainable production and efficient utilization of timber enhanced	MoAF	% recovery rate of wood from upgraded technology	64.00	70.00	103.00		Achieved
	MoAF	Forest area brought under sustainable forest management	184611.00	218542.00	262949 (106%)		Achieved
Water Security Enhanced	MoAF	Longterm mean annual flow of the entire country (million m3)	73000.00	73000.00	70576.02		Not achieved

	NEC	River specific minimum environmental flow developed	N/A	All river planned for hydropower plants	Developed guideline to determine minimum environmental flow for hydropower projects in bhutan	NEC	Achieved
	NEC	Integrated Water Resource Management Plan developed	NA	1.00	The National Integrated Water Resource Management Plan (NIWRMP) developed and published in March, 2016	NEC	Achieved
Disaster Resilience, Preparedness and Responsiveness strengthened	MoHCA, DDM	Response time (No. of hours within which emergency response time reaches site of disaster)	NA	Within 2 hours of disaster	Less than one hour.		Achieved
	MoHCA, DDM	No of disaster response teams trained and equipped in Disaster Management	1(NaSART)	All 20 Dzongkhags	SAR training conducted in 20 dzongkhag and 4 thromdes.		Achieved
Enhanced efficiency and effectiveness of service delivery	NEC	TAT of commonly availed services reduced	N/A	0.70	NA		Status unknown
	NEC	Average performance rating	N/A	>90%	NA		Status unknown
	NEC	Anti-corruption strategy implemented	N/A	Implemented	NA		Status unknown
Sl.15 : Governance Sector							
Sector Key Result Areas	Agencies	Key Performance Indicators	Baseline	Target	Target achieved	Source of data	Achievement
Strengthened	Supreme Court	Litigants satisfaction with judicial services	0.81	>90 %	Survey not Conducted		Not Achieved
	ACC	National Integrity Score	7.44(2009)	8.00	7.95	National Integrity Assessment (NIA) 2016 of the ACC	Not Achieved
		Access to media	0.55	0.75			Not Achieved

Accountability Transparency, Efficiency and Effectiveness in Governance	OAG	Public satisfaction on OAG's efforts in combating corruption cases	Medium	High	Data not available from OAG		Not Achieved
	G2C Office	TAT for public services	N/A	>70%			Not Achieved
	ACC	Implementation of National Anticorruption Strategy		All Agencies/LGs	All Agencies/LGs		Achieved
	GPMD	Civil service performance/GPMS rating		>90%			Not Achieved
		Average performance rating of LGs	NA	>90%			Not Achieved
Participation in democratic governance deepened and strengthened	ECB	Voters turn out in elections (%)	Parliamentary : 66.1%	Parliamentary : 80%	71.46% (GE of NA), 66.13% (PR of NA) & 54.29% (NC 2018)	Election Statistcial maintained by the ECB	Not Achieved
	ECB		Local Govt.: 56%	Local Govt.: >70%	55.8% (LG 2016)	Election Statistcial maintained by the ECB	Not Achieved
	Could not determine lead agency	% of functional Community based groups (WUG, RMC)	NA	0.90			Not Achieved
	CSO Authority	% of functional registered CSOs	1.00	1.00	1.00		Achieved
	Could not determine lead agency	Agencies implementing gender sensitive policies/strategies	NA	20.00			Not Achieved
Security and safety of society enhanced	RBP	No. of nation wide crime reported annually	7 per 1000 pop	<5 per 1000 pop	The case per 1000 population is 4 excluding 1094 Traffic related offenses. The total annual reported crime is 2925 excluding 1094 traffic related offenses.The Population for 2013 is 7,33,006.		Achieved
		Peoples perception on safety	0.81	0.81			Not Achieved

ANNEXURE

Annexure - 1: Response to draft audit report from Gross National Happiness secretariat

Note: Highlighted in italic are the statement from Draft Audit report and none highlighted part is GNHC's comment.

(Page number i):

- Major achievements reflected only from the economic sector. Other achievements from the social sector such as Education, Health, Infrastructure are missing. Governance sector also has achievement in terms of aligning the FYP with annual plan (APA/APT) and further with IWP.
- *The GNHCS had identified 16 NKRAAs with corresponding 61 KPIs based on the review and consultations. However, no adequate study had been conducted to analyze current situation, key challenges, main strategies, key programmes and KPIs for the NKRAAs. Further, there were no single documents produced to support whatever analysis had been conducted to come up with the NKRAAs.*
- *There were 61 KPIs identified for 16 NKRAAs. However, without any information on the basis for selection of the KPIs, the relevancy of the KPIs could not be established.*

In terms of coming up with the 16 NKRAAs and the corresponding KPIs, extensive study and consultations were carried out both at the National and Local level including NGOs. However, these consultations and studies were not officially documented (Recommend to remove the mention of 'not enough study has been conducted.....NKRAAs')

(Page number ii):

- The information provided by the relevant Ministries/Agencies, GPMD and GHNC revealed that none of the 16 NKRAAs were achieved fully in terms of achievement of the KPIs, although there were significant progress in terms of percentage achieved for each KPIs. Out of 61 KPIs, only 32 KPIs (54.25%) were achieved and 29 KPIs (45.75%) were not achieved. In terms of achievement of NKRAAs by GNH pillar wise, the conservation of environment was the most achieved with 64% achievement, followed by preservation and promotion of culture with 60% and socio- equitable economic development with 50% achievement. The least achieved NKRAAs was promotion of good governance with 40% achievements. GNHC acknowledges the observation on the achievement of the KPIs. However, some of the KPIs were partially achieved and request RAA to consider having additional category of 'Partially Achieved KPIs'. Accordingly, revised the relevant content and tables in the report.
- *National Monitoring & Evaluation System to integrate all the system like PLAMS, MYRB and PEMS to provide real time monitoring and evaluation of the implementation of 11 FYP programmes and activities was rendered ineffective as result of PlaMS being non-functional for the whole plan period. As a result, the GNHC had not carried out annual monitoring of planned activities.*
As reflected in page 23 (point f & g), the above point seems contradictory and we request RAA to revise the statement and reflect the use of GPMS system which is annual monitoring of planned activities. Further, GNHC has conducted both Mid Term and Terminal Plan Review.
While APA monitoring has been led by GPMD, GNHC official were mandatorily part of the NTC and also led the monitoring exercise. Therefore, recommend to remove the last sentence 'As a result, the GNHC had not carried out annual monitoring of planned activities'.
- *The GNHC should institute a robust mechanism to ensure proper setting of plan targets and performance indicators.*
GNHC acknowledges the observation. However, we recommend to replace the 'institute a robust mechanism' with 'developing a scientific method' and 'maintain documentation' of determining KPIs and targets.
- *The GNHC should institute an effective monitoring and evaluation process for the five year plans.*

As observed under page 23 (point f & g), GNHC recommend removing the above recommendation, as FYP is monitored through APA/APT, MTR and terminal review.

- *The GNHC should strengthen reporting framework and data production for the five year plans.*

GNHC acknowledges the point of strengthening the reporting framework. However, the agency responsible for producing data is primarily NSB and relevant agencies. GNHC is data consuming agency.

(Page number 3):

GNHC request to revise the figures as reflected in Table 2.1: Overview of the FYP in the Volume 1: Main Plan Document of the 12th FYP reflected below.

Plan	Budget
1 st	107.20
2 nd	202.20
3 rd	475.20
4 th	1106.20
5 th	4711.20
6 th	9559.20
7 th	15,590.70
8 th	30,151.30
9 th	70,000.00
10 th	145,625.00
11 th	223,657.00

(Page number 20):

- i. *Education Sector*
The Education sector had a total of 11 SKRAs with 31 corresponding KPIs along with its baselines and targets. From the 31 KPIs, 10 were fully achieved, which accounted to 32% and 21 KPIs were not achieved, which accounted for 68%. The RAA learned that the SKRA & KPIs were not interlinked, the target setting was unrealistic, the cross sectoral indicator had no lead agency, the indicators were irrelevant and lacked baseline data.

GNHC recognized that education SKRA KPIs are reflects the objective and targets of the sector. Hence, suggest to remove part of the statement ‘SKRA & KPIs were not interlinked’.

CHAPTER 5: CONCLUSION

Please reflect that GNHC have address the lapses of 11th FYP in the 12th FYP formulation such as the initiative of data ecosystem led by NSB, multi-year target in 12th FYP document to align with annual targets, identification of lead agency and linkage between NKRA and AKRs.

Appendix-II : Achievement of 16 NKRA with its corresponding KPIs

- NKRA 2:** Income poverty reduced- Baseline should be 12 %
 Gini-coefficient reduced- Baseline should be 0.36 and Achievement should be 0.38
- NKRA 3:** Milk Self-sufficiency (%)- Achievement should be 100%

NKRA 4: Youth unemployment reduced- Baseline should be 7.3% and achievement should be 12.3%

Appendix-III : Achievement of SKRAS

Employment Sector:

Youth unemployment baseline should be 7.3% and target achieved should be 12.3 %.

Female with unemployment baseline should be 7.2% and target achieved should be 13.2%

RNR Sector:

Paddy production: target achieved should be 86,385 MT

Annual cash income from sale of RNR products (Nu. in millions/annum) – Target achieved should be 3670.36

Trade, Industry and Mines Sector:

Legal framework finalized: Target achieved should be 3

Ease of Doing Business improved in targeted areas: Target achieved should be 3

(Similar to the above comments, most of the targets achieved figures are in % which needs to be changed to numbers as reflected in the target and baseline.)



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