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SUMMARY REPORT OF THE MID-TERM EVALUATION OF COUNTRY PROGRAMME BHUTAN 10133.0 (2002–2007)

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EXECUTIVE SUMMARY

The first Bhutan country programme started in 2002 following 25 years of support through a series of development projects. Composed of three activities, it aims among other things to raise school attendance levels and to improve roads and rural tracks, thereby improving access to markets and agricultural services. The mid-term evaluation of the country programme assessed effectiveness, relevance, coherence, cost-effectiveness and sustainability, concentrating on school feeding, the largest activity; monitoring and evaluation, gender, logistics and procurement were also reviewed.

Activity 1 – Improving Rural Children’s Access to School – promotes basic education. Along with other ongoing incentives, school feeding was found to contribute to improved school enrolment and increased attendance. It is estimated that there are 200,000 children in the 5-14 age group, but precise data on the number of eligible school-age children in Bhutan was not available, so an assessment of the extent to which progress has been made towards the goal of universal primary education was not possible. School feeding is relevant to Bhutan, addressing difficulties faced by children living great distances from school and alleviating the pressure on poor rural parents; it also helps to alleviate certain micronutrient deficiencies.

The school feeding food basket provides more than half of the nutritional requirements of day students and between 80 percent and 90 percent of those of boarders; the cost is US\$0.12 per meal. Funds and food for the third meal for secondary school boarders are provided by the Royal Government of Bhutan; parents provide the same for primary school students.

Some school kitchens are clean and well-maintained, but others are in poor condition. Many staff lack expertise in food preparation, hygiene, storage and service. United Nations agencies and bilateral donors provide schools with substantial resources, but coverage is uneven.

Activity 2 – Improving Road Workers’ Access to Education and Health Services – had ended by the time of the evaluation, so no specific assessment was made.

In Activity 3 – Improving Rural Households’ Access to Agricultural Services – six farm roads were completed between 2003 and 2004, after which resources were shifted to tracks for power tillers and mules; 59 km of mule tracks were planned, of which 23 kilometres had been completed at the time of the evaluation team’s visit.

Overall, the country programme was coherent and addressed objectives outlined in the Government’s 9th Five Year Development Plan and the United Nations Development Assistance Framework for 2002–2007.

During the current country programme, significant funds were disbursed for non-food support, aimed in part at ensuring the continuity of activities after WFP’s withdrawal.

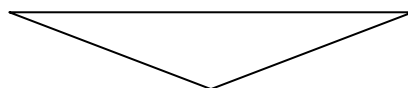
Monitoring and evaluation systems were streamlined in 2004 and adapted to the principles of results-based management. Monitoring analyses took place in 2004 and 2005; the most recent included 147 of 170 assisted schools, 86 percent of the total.



Reducing gender disparities in assisted schools is an objective of school feeding, even though WFP has no actual gender programme: 45 percent of school feeding beneficiaries were girls; the target was 49 percent. WFP may need to recognize gender issues that affect girls' enrolment, retention and completion rates; it could, as part of a gender thematic working group, advocate for solutions to long-term gender issues, helping to guarantee the sustainability of efforts to promote girls' education.

The Government and WFP had planned that school feeding would be the only remaining activity in Bhutan at the end of the current country programme in 2007. The evaluation recommends a gradual hand-over of school feeding to the Government, with phase-out of WFP support by the end of 2011, and no later than the end of 2015.

DRAFT DECISION*



The Board takes note of the information and recommendations in “Summary Report of the Mid-Term Evaluation of Country Programme Bhutan 10133.0 (2002–2007)” (WFP/EB.A/2006/7-A/2) and encourages further action on the recommendations taking into account considerations raised by the Board during discussion.

* This is a draft decision. For the final decision adopted by the Board, please refer to the Decisions and Recommendations (document WFP/EB/A/2006/16) issued at the end of the session.



INTRODUCTION

1. WFP has provided food and other assistance to Bhutan since the mid-1970s through individual projects, and since 2002 through a five-year country programme (CP) consisting of three activities that currently focuses on raising school attendance levels and on improving roads and rural tracks, thereby facilitating access to markets and agricultural services (see Table 1). An external mid-term evaluation was carried out in September and October 2005 to determine the outputs and outcomes of the CP and to assess its effectiveness, relevance, coherence, cost-effectiveness and sustainability, concentrating on the largest activity, school feeding. Monitoring and evaluation, gender, logistics and procurement were also reviewed.

Activity	Cost (US\$)	%	Food (mt)	%
Activity 1 – Improving Rural Children's Access to School	13 007 055	85	18 535	81
Activity 2 – Improving Road Workers' Access to Education and Health Services (phased out in June 2004)	1 431 180	9	2 728	12
Activity 3 Improving Rural Households' Access to Agricultural Services	825 000	6	1 579	7
Total	15 263 235	100	22 842	100

EFFECTIVENESS

Activity 1

2. School feeding is an effective means of promoting basic education, in combination with other incentives such as free education, free textbooks, improved teaching and enhanced school buildings and boarding facilities. Despite constraints, one of which is the remoteness of some schools, the school feeding programme has provided large numbers of Bhutanese children with nutritious school meals. Many government officials interviewed by the evaluation team, including some at high level, had benefited from WFP school meals as children; many said that school meals had enabled them to attend school far from home and provided the nutrients for growth and academic success.
3. School feeding has contributed to the achievement of two objectives: improved school enrolment and increased attendance. The evaluation was unable to obtain precise data on the number of eligible school-age children in Bhutan, however, so it could not assess progress towards the goal of universal primary education. The available data show that the number of children attending school rose steadily between 2002 and 2005. Survey data show that enrolment and attendance have increased in areas with school feeding; the 2005 baseline survey showed that in some cases where school feeding had stopped, attendance had fallen. Anecdotal evidence, including the opinions of schoolteachers, suggests that school feeding has contributed to enhanced learning capacity and attention spans by addressing short-term hunger. Food-security data suggest that many children from rural families, especially those dependent on subsistence agriculture, would be unable to meet the costs of school feeding; many poor rural families would be unable to provide sufficient



food for their children to bring to school. Without school feeding, more children would not attend school, particularly when boarding is necessary.

4. The number of children who received school feeding each year was generally less than the planned figure in the CP; from 2003 onwards, however, the number of children reached increased each year. The discrepancy between planned and actual figures is largely a result of the Government's reluctance to expand school feeding in order to avoid increasing dependence on external resources. WFP's view is that CP planning figures could not realistically be attained at mid-term. At the time of the evaluation, nearly 200 schools received food for day students for 225 days a year and for boarders for 287 days a year;¹ 41,396 Bhutanese pupils received school meals in 2005, 29 percent of the pupils in pre-primary to class XII.
5. The school feeding food basket is nutritionally adequate: it meets 56 percent of the nutritional requirements of day students and 80 percent to 90 percent of those of boarders. WFP food costs an estimated US\$0.12 per meal. The Government contributes funds and food for the third meal for secondary school boarders; parents provide them for primary school pupils. The imported canned fish in the current food basket is relatively expensive, however, and sugar has a low nutritional value.
6. School gardens vary considerably; only a few provide a regular supply of nutritious vegetables. The evaluation team noted several missed opportunities to link school feeding with academic and practical learning. Staff, parents and pupils need information and advocacy to increase efforts to diversify the children's diet and ensure that they consume sufficient quantities of micronutrient-rich vegetables such as green leafy vegetables and pumpkins.
7. Some school kitchens visited by the evaluation team were clean and well maintained; others were in poor condition. School feeding staff in some areas appeared to lack expertise in food preparation, hygiene, storage and service. United Nations agencies and bilateral donors provide substantial resources for schools and adjacent communities where school feeding programmes operate. The evaluation team noted that the coverage of complementary activities was not uniform in that some schools received many inputs and others only a few.
8. Non-food inputs from WFP and its partners include (i) training and capacity-building for kitchen staff, school managers and district education office staff, (ii) construction and improvement of kitchens, stores, dining rooms and dormitories, (iii) installation of girls' latrines and (iv) provision of water sources, school gardens and fuel-efficient stoves. Training in cooking, nutrition and gender is insufficient in some schools; in others, follow-up, supervision and technical support for personnel who have received training are lacking. Some sanitary installations are of poor quality; some buildings, fixtures and equipment lack regular maintenance.²

Activity 2

9. From the mid-1970s until phase-out in June 2004, the Government and WFP worked together to improve the living conditions of road workers in the National Work Force (NWF) by providing subsidized food rations and creating a counterpart fund for welfare

¹ This includes schools under the new pilot biscuit programme.

² In terms of school facilities, the United Nations Children's Fund (UNICEF) supports primary schools and the World Bank supports middle and higher secondary schools.



activities. The country office undertook a final evaluation in September 2004 and continues to monitor the counterpart fund jointly with national authorities.

10. No specific assessment of Activity 2 was carried out, but a number of beneficiaries were visited and findings were noted. NWF salaries had not been increased to compensate for the loss of subsidized food rations; some workers may have difficulty in obtaining basic food supplies at reasonable prices. Road workers and their families are among the most vulnerable groups in Bhutan and merit continued special support. The impact of the proposed privatization of national road construction and maintenance on the economic and social well-being of road workers and their families should be monitored.

Activity 3

11. WFP supported construction of six farm roads between 2003 and 2004, after which the focus of this activity was shifted to tracks for power tillers³ and mules to improve access to remote villages and farmland. In 2004, the Government initiated a pilot project using food for work (FFW) to construct tracks for power tillers and began construction of mule tracks in Mongar and Zhemgang districts; 59 km of mule tracks were planned, of which 23 km had been completed at the time of the evaluation team's visit. A pilot project for rehabilitating 45 ha of agricultural land was started in Trashigang district.
12. Workers constructing mule tracks in Mongar and Zhemgang districts expressed their appreciation of the food rations; in Mongar they remarked that food was a greater incentive than cash, and in Zhemgang that it was equal to cash. At current prices, including internal transport, storage and handling (ITSH) costs, the value of WFP's ration for daily workers⁴ — 4 kg of rice, 350 g of pulses and 60 g of vegetable oil — is about 52 ngultrum, approximately US\$1.25.⁵ The actual value of the food ration to the worker was considerably higher, however, particularly in remote locations where markets are not developed.
13. Some of the mule tracks visited did not follow recommended technical specifications and were too steep; efforts are needed to ensure that mule tracks are constructed with gradients of not more than 7 percent; the maximum 10 percent should rarely be exceeded. Further efforts are needed to ensure that mule tracks have adequate ditches and culverts for water run-off to reduce erosion and future maintenance.
14. The evaluation team concurs with the plan for WFP to support construction of a further 60 km of mule tracks using remaining resources.

Relevance

15. School feeding continues to be relevant to Bhutan's development efforts: it addresses some of the difficulties faced by children living great distances from school and alleviates the pressure on poor rural families who struggle to provide adequate food for their children. In view of the high level of food insecurity in some places, school feeding may be an important factor in the decision of many families to send at least some of their children to school. The educational aspects of school feeding contribute to the relevance of

³ Two-wheeled mechanized ploughs, widely used in Asia.

⁴ Ration for unskilled workers. Skilled workers and user committee members receive a higher ration.

⁵ US\$1 = 44.6 ngultrum (April 2006). The calculation is based on prices of commodities delivered to the border town of Phuontsholing: rice – US\$200/mt; pulses – US\$670/mt; vegetable oil – US\$1,100/mt. To this is added a combined WFP/Government ITSH cost of US\$40.58/mt, twice the 50 percent WFP ITSH rate of US\$20.29/mt.



Activity 1, including staff training and experience in food management and nutrition and capacity-development for students in meal planning and service.

16. Providing subsidized rations for a considerable time through Activity 2 was relevant because of the road workers' high level of food insecurity and the Government's budget constraints. The activity helped to improve the incomes and welfare of the workers, who are vital in keeping Bhutan's primary roads open in difficult and hazardous conditions. Continued support for welfare improvements through the counterpart fund created by the sale of subsidized rations is expected to continue to improve shelter, services and the living conditions of the road workers.⁶
17. Since 2004, Activity 3 has concentrated on tracks for mules and power tillers. Mule tracks are particularly relevant in Bhutan: they are relatively simple to build, cost little and require few non-food resources; they reach some of the remotest communities using community labour from adjacent villages in the agricultural off-season in an FFW scheme. A longer-term benefit is improved access to schools, basic health units, markets and other facilities.

Coherence

18. The CP was found to be coherent, addressing objectives outlined in the Government's 9th Five Year Development Plan (FYDP) 2002–2007. Some goals of the FYDP are linked to the school feeding programme: (i) increasing enrolment of children aged 6–12 in primary schools to between 90 percent and 95 percent by 2007, (ii) enhancing the quality of education to international standards and (iii) raising the minimum level of education from class VIII to class X.
19. The FYDP outlines the Government's decision to shift from direct involvement in road works to a more regulatory role involving supervision and quality control, which substantiates WFP's decision to end its support in 2004. The FYDP prioritizes farm roads rather than highways, implying that building will extend to tracks for power tillers and mules, both of which are covered in Activity 3.
20. The current United Nations Development Assistance Framework (UNDAF) for 2002-2007 emphasises universal access to quality social services, including expansion and improvement of quality basic education, and promotes improved nutrition through increased food production and enhanced food security. It recognizes that poverty in Bhutan is predominantly rural and linked to lack of access and poor transport infrastructure.
21. The 2005 vulnerability analysis and mapping (VAM) exercise showed that the CP activities focus on *geog* (sub-districts) with the highest food deficits: WFP interventions are concentrated in the 103 *geog* (out of 201) that are classified as "most vulnerable" or as "more vulnerable" to food insecurity on the basis of 17 selected indicators.
22. Activity 1 was found to be internally coherent, with components aimed at overcoming impediments to high quality school feeding. Linkages existed among the three CP activities, but they could have been stronger. Building tracks contributes to improving rural children's access to schools, but the number of tracks planned and built is low compared with the number of communities requiring them. Lack of rural roads and communication facilities restricts opportunities for income generation and employment in rural areas; in some places it may have fuelled a surge in migration to towns. Building tracks can help to

⁶ The Asian Development Bank is also now planning to provide some support for the welfare of NWF road workers and their families.



improve access to education and other basic services by isolated communities without requiring them to relocate to towns. Supporting local production of maize and pulses for the school feeding programme could be considered as a way of increasing coherence.

Cost Effectiveness

23. According to the 2004 standard project report, the most recent available at the time of the evaluation team's visit, cumulative direct project costs to date are:
- commodities – 78.3 percent;
 - ocean/overland transport – 10.3 percent;
 - landside transport, storage and handling (LTSH) – 4.5 percent;⁷
 - other direct operational costs (ODOC) – 1.8 percent; and
 - direct support costs (DSC) – 4.1 percent.
24. The combined total of ocean shipping costs and LTSH is only 14.8 percent,⁸ a modest percentage for total transport costs compared with many WFP operations in other parts of the world. Because of the relatively high volume of food moved through the Food Corporation of Bhutan (FCB), the overall costs of providing food aid have been reasonable despite the remoteness of some assisted sites. The value of WFP rations to students and road workers appears to have been competitive in comparison with local market prices.⁹
25. In 2004, 3,123 mt of commodities were distributed at a food cost of US\$1.4 million and an average commodity cost of US\$443/mt. These figures include imported canned fish, a relatively expensive item: 254 mt were valued at US\$564,642 in 2004. If canned fish were removed from the food basket, the tonnage for 2004 would fall to 2,869 mt and the food cost to US\$820,227, reducing the average commodity cost to US\$286/mt.

Sustainability

26. Regarding Activity 1, the Government has indicated that it needs a period of transition before WFP's support is withdrawn from school feeding, either in 2011 as proposed by the evaluation team or in 2015 as suggested by some senior government officials met by the team.¹⁰ During this phase-out period, net enrolment rates and vulnerability – in particular to food insecurity – should be used as the main indicators for assistance to primary schools, using VAM methodologies for targeting.
27. With joint support from the Government, parents and communities, a smaller school feeding programme is expected to continue after WFP's withdrawal. The main residual beneficiaries are expected to be primary school boarders, a group that is expected to shrink

⁷ The Government covers 50 percent of ITSH costs; WFP pays the other 50 percent as a subsidy. Overall LTSH costs are higher, therefore, if the government ITSH element is included.

⁸ About 17 percent, if the government 50 percent ITSH contribution is included. The relatively high percentage of commodity costs is distorted by the cost of canned fish, however.

⁹ Alpha value calculations – the value of transfer/WFP costs – could not be made because reliable regional market food price data were not available.

¹⁰ One reason for suggesting 2015 was that it ties in with the Millennium Development Goal target date for achieving universal primary education.



as school buildings and roads improve and fewer children reside long distances from school.

28. The phase-out of WFP assistance may be facilitated by anticipated improvements in the Government's budget position from 2006 onwards as a result of commissioning the Tala hydro-electric power scheme. Some officials expect budgetary resources to be limited for some years, however, partly because of increased financial demands to support constitutional changes.
29. During the current CP, a high percentage of funds was disbursed for non-food items, training workshops and other forms of capacity-development, partly to ensure continuity of activities after WFP's withdrawal. Assessments of some activities, particularly training programmes for school staff, managers and cooks, fuel-efficient stoves and school gardens would help to determine their contribution to achieving the objectives of school feeding and identify areas for improvement before the CP ends.
30. Regarding Activity 3, the Government plans to switch from FFW schemes for constructing tracks for power tillers to a commercial contractor, as it has for farm roads. Tracks constructed through FFW are expected to be the responsibility of communities, which will continue to maintain them.
31. Communities benefiting from mule tracks will be responsible for maintenance: community members will be responsible for stretches of track nearest to them; no compensation in the form of FFW or cash is foreseen. Communities have been provided with sufficient tools for construction that can be used for maintenance.

Gender

32. Reducing gender disparities in assisted schools is an objective of school feeding, even though WFP has no actual gender programme. About half of school feeding beneficiaries – 18,596 or 45 percent – are girls, slightly less than the planned 49 percent. A 2005 study indicated that the gender balance has improved to 48 percent girls in the overall enrolment rate. In community primary schools (CPS), lower secondary schools (LSS) and primary schools (PS), 48 percent of surveyed students were girls. The gender gap widens as age/grade increases, however: the percentage of girls falls to 45.6 in middle secondary schools (MSS) and higher secondary schools (HSS).
33. The retention rate for girls in PS is greater than for boys: 85 percent of girls and 73 percent of boys complete class VI; 73 percent of girls and 62 percent of boys complete class VIII. In HSS, the situation is reversed: only 18 percent of girls completing class X enrol in class XI, compared with 28 percent of boys.
34. Under Activity 1, every school with a school feeding programme is required to form a committee made up of equal numbers of girls and boys and men and women teachers. WFP provides training in gender awareness to school feeding staff and government partners throughout the country.
35. Guidelines for Activity 2 stating that welfare-fund management committees should comprise equal numbers of men and women were verified during WFP monitoring visits. Under Activity 3, food-management committees were established for all farm roads and tracks for mules and power tillers; 50 percent of decision-making roles were assumed by women. Table 2 shows the results of WFP's efforts in gender balance.



**TABLE 2. PROGRESS TOWARDS THE ACHIEVEMENT OF
GENDER PROCESS INDICATORS, 2004 (%)¹¹**

Gender process indicators	Planned	Actual
Activity 1: Improving Rural Children's Access to Schools Proportion of women in leadership positions in food management committees	50	50
Activity 2: Improving Road Workers' Access to Education and Health Services Proportion of women in leadership positions in food management committees	50	43
Activity 3: Improving Rural Households' Access to Agricultural Services Proportion of women in leadership positions in food management committees	50	50
Proportion of women workers receiving household food rations at distribution point	40	60

36. Studies showed that in addition to concerns about the security of girls walking long distances or boarding, some families keep girls at home because they do not believe that the earning potential of women merits the cost of schooling. Gender disparities are substantial among salaried workers: considerably fewer women than men are civil servants, including health workers and teachers; nationwide, about a third of teachers are women and the proportion is smaller in remote CPS, so girls have few role models.
37. WFP may need to recognize broader gender issues that could eventually affect girls' enrolment, retention and completion rates. As part of a thematic working group on gender, WFP has an opportunity to advocate with government partners for solutions to long-term issues and thus help to guarantee the sustainability of efforts to promote girls' education.

Monitoring and Evaluation

38. The Royal Audit Authority audits activities funded through WFP; the Department of Aid and Debt Management oversees project implementation. The Ministry of Education programme division has primary responsibility for monitoring activity 1. Ministry of Education and WFP staff are committed to visiting all school feeding sites at least once every two years. A few schools, particularly those in the far north, are extremely remote: a week's walk is needed to reach them. Since the CP began, WFP staff have monitored food distribution and post-distribution systems regularly; visits by Ministry of Education staff have not been as frequent as anticipated.
39. An inspector from the Office of Inspection and Investigation (OSDI) who visited Bhutan in December 2004 noted that best practice among non-programme finance and administration staff was to participate in field monitoring visits at least once a year to enhance their understanding of the programmes.
40. Monitoring systems were streamlined in 2004 and adapted to result-based management (RBM) principles, which solved problems involving complex monitoring forms and late submission. Monitoring analyses took place in 2004 and 2005: the most recent included 147 of the 170 assisted schools, excluding schools involved in a pilot school biscuit activity.
41. Monitoring of activity 2 ceased with WFP's phase-out in mid-2004. The WFP office continues to follow the use of the NWF counterpart fund, which should be fully spent by the end of the current CP in 2007.

¹¹ Bhutan standard project report (SPR), 2004.



42. With regard to Activity 3, a national programme assistant supervised by the WFP project officer makes regular visits to the construction sites, which include three mule tracks, one track for power tillers and the agricultural development site.
43. Two self-evaluations before the start of the current CP covered the preceding projects for assistance to the NWF and the school feeding programme. In 2004, a nutrition review of food for education (FFE) assessed nutrition-specific issues in the CP and recommended ways to improve school feeding; the country office followed up the main recommendations, instituting significant changes in some programmes and reinforcing existing best practices in others, and justifying rejection of certain recommendations.
44. An evaluation of Activity 2 in 2004 following cessation of WFP support to the NWF (i) provided feedback on the relevance, fulfilment of objectives and impact of Activity 2 from a beneficiary perspective, (ii) offered recommendations on the use of and guidelines for the proposed emergency fund and social-development fund, and (iii) proposed measures to assist the Department of Roads.
45. A during-action review of the CP was carried out on 5 October 2005 in conjunction with the evaluation. Programme, administration, logistics/procurement and finance staff of the country office participated in a review of the preceding two and a half years. Using an adaptation of the after-action review methodology designed by the Policy Division supported by the Office of Evaluation (OEDE), office staff assessed what had gone well and what had gone less well, and developed recommendations for future action. Several lessons were identified and plans developed to document and share them with other countries.

Logistics

46. Recommendations by several recent missions on logistics improvements are currently being implemented.¹² A logistics officer based in the Nepal country office provides regular support for the Bhutan country office on a cost-sharing basis involving 20 percent of his work time. For these reasons, the evaluation team did not look into logistics issues in detail.
47. WFP has been able to bring relatively large amounts of food to remote areas at reasonable cost through its long-term collaboration with the FCB. In the past 30 years, WFP has developed a working relationship with the FCB, providing considerable support to develop staff capacity, and has provided non-food items such as additional warehouse space to improve the FCB's efficiency. The FCB is responsible for transporting cargo from regional warehouses to the seven transit stores and 45 extended delivery points (EDPs) for the school feeding programme, and to four sites for FFW. Food is delivered directly by the FCB to schools located on or near roads. For off-road schools, food is transported to EDPs and then carried to the schools by porters or mules. Final distribution is currently the responsibility of line ministries and related departments, for example the Department of Education for schools and the Department of Urban Development and Engineering Services for the mule tracks project.
48. An internal OSDI report dated December 2004 noted a number of operational and management problems related to FCB storage and logistics operations such as the lack of a formal memorandum of understanding (MOU) between the FCB and WFP to define processes and standards; a draft MOU has now been finalized. The OSDI report noted that

¹² Missions include a logistics mission in October-November 2002 by logistics officer Damiano Scalici, a logistics capacity assessment in 2003 and an OSDI mission by a WFP senior inspector in December 2004.



ITSH payments to the FCB were in arrears for 2004; although the 2004 costs had been paid by the time of the evaluation, the delay in submission of ITSH claims continued into 2005. To solve the problem, the FCB has hired a full-time ITSH assistant to process invoices; WFP is providing technical assistance.

Procurement

49. According to data provided by the country office Logistics and Procurement Unit, between mid-2002 and September 2005 the country office purchased 7,039 mt of commodities locally, including procurement in Bhutan of commodities from India. These purchases constituted 46 percent of the 15,236 mt of food used; the remaining 8,197 mt or 54 percent, primarily rice, some pulses, vegetable oil, canned fish and blended food, was received in-kind from donors.
50. Only a small part the tonnage purchased by the country office – Bhutanese maize meal – is produced in the country; most local purchases are of commodities that originate in the region. Regional rice and maize-meal prices are competitive with imported in-kind rice and maize meal, but the regional price of pulses appears to be higher, even when transport costs for in-kind pulses are taken into account. For example, the WFP free-on-board (FOB) price for imported peas was US\$440/mt and for lentils US\$450/mt;¹³ the latest price for regionally procured lentils was US\$670/mt, 50 percent higher than the WFP FOB price for imported lentils; taking transport costs for imported lentils into account, the regional procurement price is 20 percent higher.
51. The evaluation team noted that several cartons, cans and plastic jugs of vegetable oil were not marked as being fortified with vitamins A or D; such markings should now be standard practice for WFP, whether procured by WFP or donated in kind.

Concluding Remarks

52. During the current Bhutan country programme, WFP has phased out support for NWF road workers and will phase out FFW support for construction of tracks for power tillers and mules; school feeding will be the last remaining WFP activity. In the last 30 years, WFP's support for school feeding has made a notable contribution to the expansion of education in Bhutan, particularly among children from remote rural areas. School feeding continues to be relevant to Bhutan's development efforts and addresses some of the difficulties faced by children living long distances from school. Given the improving economic conditions, the evaluation team encourages the Government and the Bhutan country office to develop a medium-term phase-out strategy that will ensure a smooth transition to the Government, parents and communities of responsibility for the remaining school feeding schemes in remote primary schools.

¹³ WFP February 2005 price list.



**ANNEX: EVALUATION RECOMMENDATIONS AND MANAGEMENT RESPONSE MATRIX —
BHUTAN COUNTRY PROGRAMME EVALUATION 10133.0 (2002–2007)**

WFP recommendations (October 2005)	Action by	Management response and measures taken
Activity 1 – Improving Rural Children’s Access to Schools		
1. Food basket. Remove canned fish and sugar from the food basket at the end of the current CP. Fish should be replaced with a higher ration of pulses to “nationalize” the food basket, reduce costs and simplify food management while maintaining its nutritional value. Commodity costs could be reduced by 40 percent.	Country office	The country office will implement this recommendation from the start of the next phase.
2. School gardens. Advocate with the Government to develop the school garden/curriculum interface further, at least to LSS level, including an increase in the practical application of science, geography, health/nutrition and marketing/business practices.	Country office	A joint Government/WFP school agriculture strategy document was finalized in November 2005. Among other issues, it recommends further mainstreaming of school agriculture in the curriculum.
3. Capacity development. Develop with partners and the Ministry of Education a plan to address technical and capacity-development needs in health/nutrition, agriculture, sanitation and hygiene to improve support activities and enhance overall outcomes of the school feeding programme.	Country office	Funding has been obtained from United Kingdom/International Strengthening Programme (ISP) grants to formulate a plan for capacity-development in health/nutrition in July 2006. For agriculture see #2 above. For sanitation/hygiene WFP will plan and work with UNICEF, which leads in this area.
4. WFP phase-out plan. Foresee a gradual increase in contributions to school feeding by Government, parents and communities on the basis of an agreed phase-out plan for the medium-term. During this period, WFP should continue to focus on providing feeding for primary schoolchildren from food-insecure rural communities, in keeping with its mandate to reach those most in need, and gradually reduce support for school feeding at other levels. The medium-term plan should include further WFP support for school feeding under a single-project approach, followed by a complete phase-out of WFP support by the end of 2011, or the end of 2015 as requested by some senior Government officials, depending on continued donor support and availability of resources through: i. a simplified food basket at the start of the next phase to ease the assumption of responsibility for food provision by national authorities in the medium term; ii. a gradual withdrawal from LSS, MSS and HSS during the next phase; and iii. a gradual take-over by the Government of part of the WFP simplified food basket – maize meal and pulses.	Country office	The country office agrees with this recommendation and the Government has signalled its understanding and commitment to a phased and sustainable handover of WFP-supported school feeding to the Government.



**ANNEX: EVALUATION RECOMMENDATIONS AND MANAGEMENT RESPONSE MATRIX —
BHUTAN COUNTRY PROGRAMME EVALUATION 10133.0 (2002–2007)**

WFP recommendations (October 2005)	Action by	Management response and measures taken
Activity 2 – Improving Road Workers’ Access to Education and Health Services		
5. NWF road workers’ welfare. Undertake another country office-managed survey of welfare conditions before the end of the current CP in 2007, given the long period over which WFP assistance was provided, sharing results with the Government and interested partners for follow-up as needed.	Country office	The country office agrees with this recommendation. A focus of the survey will be to ensure that the trust fund is used to the maximum benefit of the NWF.
Activity 3 – Improving Rural Households’ Access to Agricultural Services		
6. Mule track construction. The Department of Urban Development and Engineering Services should ensure that mule tracks have adequate water run-off ditches and culverts to reduce erosion and future maintenance. These should be written into the specifications and guidelines if they are not already there.	Country office	The country office agrees with this recommendation; guidelines have been amended accordingly.
7. To the extent possible, mule tracks should adhere to the normal 6 percent to 7 percent gradient guideline and only rarely exceed the 10 percent maximum for special reasons such as avoiding negative ecological impact.	Country office	The country office agrees with this recommendation.
8. Support the construction of a further 60 km of mule tracks using remaining available resources under the current CP.	Country office	The country office agrees with this recommendation.
Procurement and Resources Mobilization		
9. Enhance local and regional procurement. Subject to availability of cash and to competitive prices, attempt to maximize local and regional procurement to facilitate eventual phase-over to the Government of school feeding operations. Continue to purchase maize for maize meal from local producers in eastern Bhutan, subject to acceptable quality, price and packaging.	Country office	The country office agrees with this recommendation, particularly because it will reinforce government commitment continued school feeding after WFP’ phase out.
10. Marking containers for vitamin fortification. Headquarters resources mobilization and food procurement staff should ensure that in-kind and purchased vegetable oil is fortified with vitamins A and D, and that fortification is clearly marked on individual containers and external cartons. Compliance with WFP regulations appears to need regular monitoring.	Donor Relations Division (FDD) and Food Procurement Service (ODTP), Headquarters.	FD and ODTP have noted the recommendation and will ensure that in-kind and purchased vegetable oil continues to be fortified with vitamins A and D, and that fortification is marked on individual containers and external cartons.



ACRONYMS USED IN THE DOCUMENT

CP	country programme
CPS	community primary school
DSC	direct support costs
EDP	extended delivery point
FCB	Food Corporation of Bhutan
FDD	Donor Relations Division
FFE	food for education
FFW	food for work
FOB	free on board
FYDP	Five Year Development Plan
HSS	higher secondary school
ISP	indirect support costs
ITSH	internal transport, storage and handling
LSS	lower secondary school
LTSH	landside transport, storage and handling
MOU	memorandum of understanding
MSS	middle secondary school
NWF	National Work Force
ODOC	other direct operational costs
ODTP	Food Procurement Division
OEDE	Office of Evaluation
OSDI	Office of Inspection and Investigation
PS	primary school
RBM	results-based management
SPR	standard project report
UNDAF	United Nations Development Assistance Framework
UNICEF	United Nations Children's Fund
VAM	vulnerability analysis and mapping