- [Diplomatic Consideration, etc.]

 Japan continuously supports social and economic development of the Royal Government of Bhutan based on the historical relations of the two countries and Bhutanese development policy and successful democratic transition in spite of the topographical and other developmental constraints.

 Japan's ODA primarily focuses on poverty reduction which is one of the main developmental targets of the Royal Government of Bhutan, respecting its principle of Gross National Happiness (GNH).

[Priority Area]	Agriculture and Rural D	Nevelonment												
[Development Issue]	[Background] The majority of the pool mechanization are slow developing the central due to the slow develop	r lives in rural farming areas where agricultural technolog v. The mentioned subjects entail many obstacles and urge and eastern areas where nearly 40% of the total populatic ment of agriculture compared to the western area. Topog which causes the high labor input per agricultural plot. The	y research development, technical transfer and agricultural andly require human resource development. Bhutan concentrates on in lives but the farmers' income and their standard of living are low graphical constraints delay the implementation of mechanized shortage of farmers is becoming serious as the young work force	Japan will continuously provide support for development and expansion of agricultural technology through Technical Cooperation Projects and Volunteer Programs in the central and eastern regions. Japan will also assist human resource										
	_				Defere	I	Sche	edule	1		Assistance Amount			
	Program	Program Summary	Project	Scheme	Before JFY 2010	JFY 2011	JFY 2012	JFY 2013	JFY 2014	JFY 2015	(100 Million Yen)	Note		
		In the central and eastern regions, there has not been any comprehensive agricultural development	Horticulture Research and Development	[TCP]										
		programes; therefore, providing assistitance in these regions corresponds to the Royal Government of Bhutan's policies which aim at reduced regional gaps and balanced development. It also contributes to improve the life of farmers who are mainly poor and live in rural areas. This programe includes technical support through Technical Cooperation Projects and Volunteer Programs.	Japan Overseas Cooperation Volunteers (2 person)	[JOCV]										
	Agriculture Research and Expansion Program		Senior Volunteers (4 persons)	[SV]										
			Rural Skills Development Project	[ML]	•						USD 1.99 million	ADB/JFPR		
Agriculture														
Modernization														
		Mechanization is essential in agricultural development not only to increase production but also to reduce labor cost. The Royal Government of Bhutan anticipates new employment opportunities in rural communities through the dissemination of agricultural machinery. This program focuses on human resource development through Technical Cooperation Projects and Volunteer Programs in collaboration with equipment provision for Underprivileged Farmers.	Grant Aid for Underprivileged Farmers (KR2) 2010	[GA]	-						1.31			
			Strengthening of Farm Mechanization	[TCP]		_								
	Agriculture Mechanization Program		Non-Project Grant Aid	[NPGA]							2.00			
			Senior Volunteer (1 person)	[SV]		_								
[Development Issue]		access to markets are especially poor in the Central and I griculture development, and continual support is required	[Japan's Assistance Policy] In the area of rural road extension, we will continue our cooperation to increase the amount of rural road construction machinery and equipment available as well as dispatching volunteers. Japan will also assist development on designing and costruction of bridges through Technical Cooperation Projects. For development and poverty reduction in rural communities, we reinforce assistance among these programs and support rural road construction utilizing counterpart funds under Grant Aid Project for Underprivileged Farmers.											
							Sche	edule			Assistance			
	Program	Program Summary	Project	Scheme	Before JFY 2010	JFY 2011	JFY 2012	JFY 2013	JFY 2014	JFY 2015	Amount (100 Million Yen)	Note		
Agricultural		For improvement of self-sufficiency in food and income of the farmers, it is essential to extend farm roads to	Road Improvement of Machinery and Equipment for Construction of Rural Agriculture Road Phase II	[GA]							5.97			
Infrastructure Development		markets as well as to increase productivity through better efficiency. Japan	Technical Cooperation for Farm Roads Bridge Design and Implementation	[TCP]		_			-					
	Farm Road Extension Program	provides assistance for rural farm road development in remote areas. The counterpart funds of Grant Aid for	Training of the CMU Staff in the field of operation and maintenance of construction machinery and equipment	[CTR]		_								
		Underprivileged Farmers are also utilized for this purpose.	Senior Volunteer (1 person)	[SV]										
			Farm Roads to Support Poor Farmers' Livelihoods	[ML]	•						USD 3.0 million	ADB/JFPR		

The pove tradi inacce east	verty reduction. Farm ditional life, which end accessible areas. Roa stern and western reg	ers especially in inaccessible rural communities have be ded up creating gaps between cities and rural farm areas Id network directly contributes to an economic gap betwe		Infrastructure develop Bhutan. Japan has po been greatly apprecia technical transfer in n	oment has rovided so ated in Bh oad cons	upport fo utan. Co truction a	or transpo ontinued a and infras	ortation n assistant structure	network b ce incorp manage	oecause oorates a ement thr	there are few oth series of Grant ough Volunteer	ner donors and Japan's ODA has Aid Projects and focuses on				
	Program	Program Summary				Bhutan. Japan has provided support for transportation network because there are few other donors and Japan's C been greatly appreciated in Bhutan. Continued assistance incorporates a series of Grant Aid Projects and focuses technical transfer in road construction and infrastructure management through Volunteer Programs, which promote										
			Project	Scheme	Before JFY 2010	JFY 2011	JFY 2012	JFY 2013	JFY 2014	JFY 2015	Assistance Amount (100 Million Yen)	int Note				
		The Government of Japan will continuously dispatch Volunteers to develop technical capacity as well as provide Grant Aid and Loan Aid Projects for basic infrastructure development. An efficient and safe road network prevents natural disasters and enables a sustainability for the other development activities, including agriculture and social welfare.	Reconstruction of Bridge Phase III	[GA]							24.94					
oad Network evelopment	I		Grassroots Human Security Grant Aid	[GGP]							0.09	Construction of bridge				
	evelopment Program		Senior Volunteer (1 person)	[SV]												
	İ															
Bhut plan elect elect Development Issue]	[Background] Bhutan has rich water sources with great potentials for hydroelectric power generation that is estimated to be over 30,000 MW. Bhutan already has a plan in place to develop 10,000MW hydroelectric power by 2020 in collaboration with the Government of India to which the majority of generated electricity is exported. The national electric power grid network has not been fully developed and only 40 percent of rural farmers live a life with electricity. Due to topographical constraints of rugged, mountainous areas, most of the scattered residents live without electricity. The Government of Bhutan set the goal to achieve 100% electrification by 2013 by constructing on-grid lines and partially off-grid power sources in remote areas. Electrification is a precondition which not only contributes to improve living standards but also enables the people to benefit from medical care, education, agriculture and local administration. It is considered an urgent issue and required for poverty alleviation.											ion, and the Rural Electrification in. Japan continuously supports ru				
	Program	Program Summary	Project	Scheme	Before JFY 2010	JFY 2011	JFY 2012	JFY 2013	JFY 2014	JFY 2015	Assistance Amount (100 Million Yen)	Note				
		This program is to improve the accessibility to electric power through developing and repairing power supply	Rural Electrification	[LA]							35.76					
nprovement of Rural lectrification	į	network in rural areas using grant loans. Japan also strives to human resource development in this field for	Rural Electrification (Phase 2)	[LA]				_			21.87					
	pansion of Rural ectrification Program	stable supply of electricity via Technical Cooperation Projects. Japan thus contributes to 100% electrification	Improvement of Efficiency for the Rural Power Supply	[TCP]							1.40					
		by 2013 aimed at the 10th Five Year Plan.	Improvement of Efficiency for the Rural Power Supply (Phase2)	[TCP]		-										

[Priority Area]	Improvement of Social	Services												
[Development Issue]	these field, there are st schools. The data says for this: a labor type mi	nurce development and health in social sector have been or ill many challenges, including lack of basic educational far that more than half of the nation's unemployment rate is smatch of supply and demand and an excess of labor force the labor market at the vocational level.	cilities and teachers' capacity, especially in vocational made up of young people. There are two main reasons	[Japan's Assistance Policy] The Government of Japan is implementing a Technical Cooperation Project for improving the vocational education system in order to support human resource development needed in the labor market in view of generating youth employment. Japan valso consider the approaches to promoting the development of SMEs and to revitalizing the labor market.										
			Project				Schedule				Assistance			
	Program	Program Summary		Scheme	Before JFY 2010	JFY 2011	JFY 2012	JFY 2013	JFY 2014	JFY 2015	Amount (100 Million Yen)	Note		
Human Resource		According to the 2009 survey, the youth unemployment rate is extremely high. It is urgently required to cultivate	Strengthening of Quality of Vocational Education and Training Delivery	[TCP]				-			2.80			
Development and Employment	Human Resource	human resources to meet the needs of the labor market. Japan has mainly contributed to this area	Japan Overseas Cooperation Volunteers (4 persons)	[JOCV]										
Generation	Development and Employment	through the dispatch of Senior Volunteers along with JOCV Volunteers. The Government of Japan will expand its support utilizing Technical Cooperation and Grant Aid Projects in the future.	Senior Volunteers (5 persons)	[SV]										
	Generation Program													
[Development Issue]		is on education throughout the country. However, further	cant progress was made. The high recognition of its importance is challenges exist in accessibility to education and improvement of	areas of physical ed facilities in order to i	ance Policy] It of Japan will continue to strive to improve the quality of education through Volunteer Programs, mainly in the al education and mathematics and science education in coordination with the construction of educational r to increase accessibility to secondary and higher education. Japan will take the approaches in view of Japan ealth Policy 2011-2015.									
	Program	Program Summary	Project	Scheme			Sch	edule			Assistance Amount (100 Million Yen)			
					Before JFY 2010	JFY 2011	JFY 2012	JFY 2013	JFY 2014	JFY 2015		Note		
0.1	School Education Improvement Program	This program is to continue to strive for improvement in the quality of education through Volunteer Programs, mainly in the areas of physical education and mathematics and science education in coordination with the construction of educational facilities in order to increase accessibility to secondary and higher education.	Construction Educational Facilities	[GA]							10.64	Community Empowerment Grant Aid		
School Education Improvement			Japan Overseas Cooperation Volunteers (13 persons)	[JOCV]										
			Senior Volunteers (2 persons)	[SV]										
			Basic Education/Literacy, Income Security and Employment for Vulnerable People including Children and Women in Bhutan	[ML]	•						USD 2.24 million	UNTFHS (UNDP, UNFPA, UNICEF, WFP)		
			Upgrading Schools and Integrated Disaster Education Project	[ML]	•						USD 3.0 million	ADB/JFPR		
[Development Issue]	However, some indexe of manpower and lack of Observatory). Bhutan In addition, although a	s such as infant mortality rate (IMR) and maternal mortalit of capacity. The IMR in 2006 was 54 (in 1,000 birth) and til aims to introduce ambulance services throughout the cou Health Trust Fund was established in 1997 to purchase pi	[Japan's Assistance Policy] The Government of Japan has provided vaccines and cold chain supplies through multilateral cooperation with UNICEF as well as equipment in the areas of maternal and child health through Grant Aid Projects. We have also dispatched Volunteers and soft in 1,000 birth) and the MMR in 2005 was 440 (in 100,000 birth) (WHO Global Health or introduce ambulance services throughout the country and the existing old ambulances in Bhutan need to be replaced. Trust Fund was established in 1997 to purchase pharmaceutical products and vaccines, Bhutan still has to rely on incrines. This highlights low functions of the public health and medical care systems.											
		Program Summary				1	Sch	edule		1	Assistance Amount			
	Program		Project	Scheme	JFY 2010	JFY 2011	JFY 2012	JFY 2013	JFY 2014	JFY 2015	(100 Million Yen)	Note		
Improvement of		This program contributes to self-support on infectious disease control by providing technical support for health	Replacement of Ambulance	[GA]							1.61			
Improvement of Health Care System	Improvement of	personnel through technical cooperation projects. Japan also aims to improve health care services and	Expanded Program on Immunization	[TCP]							5.27			
	Health Care System Program	develop human resources through sending volunteers.	Japan Overseas Cooperation Volunteers (10 persons)	[JOCV]										
	Jylum		Japan Overseas Cooperation Volunteer (1 person)	[SV]										
	1				1	I	1	1	1 -	1	1	1		

[Priority Area]	Improvement of Gover	nment Functions												
[Development Issue]	parliamentary system.	ts peaceful transition to democracy under a Royal initiative In particular, because of wide gaps between urban and ru ratization and an equal distribution of wealth.	[Japan's Assistance Policy] Bhutan has a high expectation for Japanese assistance in the field of good governance. Japan will continue its assistance this field to show Japan's initiatives. Japan assists to establish a human resource development system on strengthening lo governance and decentralizing administration authority.											
							Sch	edule			Assistance			
	Program	Program Summary	Project	Scheme	Before JFY 2010	JFY 2011	JFY 2012	JFY 2013	JFY 2014	JFY 2015	Amount (100 Million Yen)	Note		
		The Government of Japan has supported capacity development in several prefectures (Dzongkhag)	Local Governance and Decentralization Phase III	[TCP]	-									
Enhancement of	Enhancement of Decentralization Program	through the Local Governance and Decentralization Project Phase I and Phase II. However, local officials and communities still need capacity development regarding the administration and creation of development plans. Japan will expand its cooperation into rural areas by the dispatch of Volunteers in collaboration with Technical Cooperation Projects.	Japan Overseas Cooperation Volunteers (2 persons)	[JOCV]										
Decentralization			Training Programme for Young Leaders (1 course)	[TR]								Training Program for Young Leaders: Local Governance		
[Development Issue]	short with limited infras		dia must be acknowledged. Media history in Bhutan, however, is roadcasting, where, due to the high cost of business investment and	Service Corporation	apan has (BBS) the for the er	ough the	dispatcl ent of ne	h of Volu	nteers a	nd Exper	ts, via Technica	ologies for the Bhutan Broadcast Cooperation Projects. Japan is ig the capacity of program staff		
						Sch	edule			Assistance				
	Program	Program Summary	Project	Scheme	Before JFY 2010	JFY 2011	JFY 2012	JFY 2013	JFY 2014	JFY 2015	Amount (100 Million Yen)	Note		
		This program mainly supports technical areas through the dispatch of Volunteers and Experts as a part of	Capacity Development of Bhutan Broadcasting Service	[TCP]										
Improvement of Information equity	Media Improvement	Balanced Infrastructure Development area. The Government of Japan recognizes that the mass media plays a significant role in strengthening the transition to democracy. Therefore, its program focuses on human capacity development through Technical Cooperation Project, helping to reduce the information gap between	Japan Overseas Cooperation Volunteers (1 persons)	[JOCV]		_								
information equity														
		urban and rural areas throughout the country.												

Japan's ODA: Rolling Plan for the Kingdom of Bhutan

As of 30 June, 2011

[Priority Area]	Other areas															
[Development Issue]	The natural environment of Bhutan is at risk. Located in active seismic zones and exposed to glacial lake outburst floods (GLOFs) accelerated by global warming, the natural environment can dramatically affect the lives of people in Bhutan. Landslides and floods often occur during the rainy season, with road surfaces freezing and road closure due to heavy snow in winter. Bhutan was hit by Cyclone Aila in May 2009 resulting in damages GI				[Japan's Assistance Policy] Japan has a wealth of knowledge and experience in the area of disaster prevention. Therefore, the Government of Bhutan welcomes cooperation in this area. The Government of Japan has already initiated a technical research project to cope with GLOFs. Japan also support the restoration and improvement of vital infrastructure damaged by Cyclone Aila, in addition to providing assistance under Grassroots Grant Aid Projects.											
							Sch	edule			Assistance					
	Program	Program Summary	Project	Scheme	Before JFY 2010	JFY 2011	JFY 2012	JFY 2013	JFY 2014	JFY 2015	Amount (100 Million Yen)	Note				
		Japan that has a vast knowledge on natural disasters, Japan provides assistance for research by technical cooperation. Japan also provides assistance for	Study on GLOF in Bhutan Himalayas	[STC]							2.20					
South East Asia			Restoration and Improvement of Vital Infrastructure for Cyclone Disaster	[GA]							10.19					
Regional Assistance			Grassroots Human Security Grant Aid (3 projects)	[GGP]	-						0.24	River training works, Reconstruction of bridges, Fire fighting engines				
[Development Issue]	[Background]			[Japan's Assistance	1		Sch	edule			Assistance					
	Program	Program Summary	Project	Scheme	Before JFY 2010	JFY 2011	JFY 2012	JFY 2013	JFY 2014	JFY 2015	Amount (100 Million Yen)	Note				
			Japan Overseas Cooperation Volunteers (6 persons)	[JOCV]		_			_							
			Senior Volunteers (2 persons)	[SV]		_			_							
Other sector			Solid Waste Management	[EXP]		-										
			Preparing the Rural Renewalble Energy Development	[ML]	•						0.9 Million USD	ADB - Japan Special Fund (JSF)				
			Capacity Building of the National Environment Commission in Climate Change	[ML]	•						0.7 Million USD	ADB - Japan Special Fund (JSF)				
			Bhutan Green Power Development Project	[ML]	•						1.0 Million USD	ADB Asia Clean Energy Fund				

Legend: [PS] = Preparatory Survey, [DD] = Detailed Design, [TCP] = Technical Cooperation Project, [TCDP] = Technical Cooperation for Development Planning (and Development Study), [EXP] = Expert, [EQ] = Equipment, [CTR] = Country-focused Training, [TR] = Issue-based Training, Program for Young Leaders, [JOCV] = Japan Overseas Cooperation Volunteers, [SV] = Senior Volunteers, [TEXP] = Third-country Expert, [TTR] = Third-country Training, [STC] = Science and Technology Cooperation on Global Issues, [JPP] = JICA Partnership Program, [xx-TA] = Technical Assistance implemented by organizations other than MOFA and JICA, [GA] = Grant Aid [FCA] = Grant Aid [GCA] = Cultural Grant Aid, [LA] = Loan Aid (ODA Loan), [ML] = Multilateral Cooperation, Solid Line [------] = Schedule, Dash Line [-----] = Tentative Schedule