

## **Minutes of the Second Project Steering Committee (PSC) Meeting for Food Security and Agriculture Productivity Project (FSAPP)**

The second PSC meeting of the Food Security and Agriculture Productivity Project (FSAPP) was held from 27<sup>th</sup> to 28<sup>th</sup> February 2018 at the Agriculture Research and Development Centre (ARDC), Samtenling under Sarpang Dzongkhag.

### **PSC Members/representatives present:**

1. Ms. Kinlay Tshering, Director, DoA, Chair
2. Ms. Phintsho Choeden, Dzongdag, Dzongkhag Administration, Dagana
3. Mr. Karma Galey, Dzongdag, Dzongkhag Administration, Sarpang
4. Mr. Ngawang, Program Director, ARDC Samtenling
5. Ms. Kesang Tshomo, Program Director, ARDC-OA Yusipang
6. Mr. Dawa Tshering, Chief, MIRD, DAMC-MoAF
7. Mr. Harka Bdr. Maht, Farmer Representative, Sarpang
8. Mr. Nik Kumar Gurung, Farmer Representative, Samtse
9. Ms. Sonam Yuden, Farmer Representative, Dagana
10. Ms. Kinley Yangzom, Farmer Representative, Chhukha
11. Mr. Saha Bir Rai, Dy.Chief DAO, Dzongkhag Administration, Chhukha
12. Mr. Karchung, Sr. DAO, Dzongkhag Administration, Haa
13. Mr. Chogyal Norbu, DAO, Dzongkhag Administration, Samtse
14. Ms. Tanka Maya Pulami, Sr. Research Officer, ARDC Bajo
15. Mr. Jigme Dorji, Project Director, FSAPP

### **PSC Members/representatives absent:**

1. Director, DS, MoAF
2. Chief, PPD, MoAF
3. Representative, GNHC
4. Representative, DMEA (MoF)
5. Farmer Representative, Haa Dzongkhag

### **Other invitees**

1. Mr. Chadho Tenzin, AFAOR
2. Ms. Deki Lhamo, Sr. DAO, Dzongkhag Administration, Sarpang
3. Mr. Chimmi Wangchuk, ADAO, Dzongkhag Administration, Sarpang
4. Mr. Sangay Dorji, Regional Manager, National Seed Centre, Sarpang
5. Mr. Chinta Mani Dhimal, Sr. Plant Protection Officer, ARDC Samtenling
6. Mr. Karma Tenzin, Monitoring & Evaluations Officer FSAPP
7. Ms. Kinzang Choden, Data Manager/Office Assisstant, FSAPP

The Chair welcomed members and the member-representatives for their participation. Special mention was made for the four PSC Farmer-Representatives.

The resolutions of the meeting are arranged in the sequence of the deliberations, which was mostly as per the Agenda.

### **1. Review of resolutions of the First PSC Meeting**

#### *Resolution No. VI of First PSC meeting*

- a) The Project Director reported that, the World Bank Mission team, which came to Bhutan in February 2018 raised no objections to the re-appropriations within a component and even across the components, but their only condition is that the Bank be kept in the loop. With regard to the need of clear financial thresholds/powers for PSC, the World Bank shared their concern that, should the Project come up with such



clear thresholds, it might only limit the powers of PSC, thereby necessitating Bank's approval for every re-appropriation beyond the established thresholds.

- b) Thus, the PSC taking in the World Bank's concern agreed not to have any budgetary thresholds for re-appropriations. It was also agreed that except for re-appropriation across components, rest (re-appropriation within a component) should follow the established RGoB norms. Dzongkhags and ARDCs must put up proposal for any-re-appropriation across the components to the Project Management Unit (PMU), who will consult bank for clearances. Even for re-appropriation within a component, Dzongkhags and ARDCs while following RGoB norms must first seek PMU's clearances.
- c) The Chair however, advised all Dzongkhags and ARDCs to first make the project annual work plans and budgets very properly to avoid any re-appropriations later. The Chair shared that too many re-appropriation proposal is a sign of poor planning processes.

*Resolution No. VII of First PSC meeting*

- a) Project Director informed the meeting that, PMU before making the actual purchases of Power tiller and Mini tillers would like to know from Dzongkhags, the preferences of the beneficiary groups/cooperatives i.e. whether they would prefer Mini tillers or normal power tillers. Since, the floor shared mixed preferences, the Chair advised all Dzongkhags to share the need and type to PMU latest by February 9, 2018.
- b) On the query of criteria to select the beneficiary groups/cooperatives, the Chair shared that existing subsidy Power tiller distribution criteria of Agriculture Machinery Centre-DoA could be followed. The most important being that, farmer groups/cooperatives should be registered and be fully functional to put the machine to effective usage. In this regard, PMU was directed to come up with distribution criteria and circulate it among the Dzongkhags.

*Resolution No. VIII of First PSC meeting*

- a) The Project Director shared the clearance of the World Bank to supply five Dzongkhags and three ARDCs with each Laptops from the Project, however, with regard to supporting cameras, the Chair reiterated the decision of the first PSC meeting that it will not be supported, since using personal smartphones is more effective and efficient.

**2. Review of Annual Work Plan and Budget (AWPB) for FY 2017-2018**

The Monitoring and Evaluations Officer presented the AWPB review proposal received by PMU to the meeting:

- a) List of activities under different agencies which are proposed for re-appropriation/drop is attached with the approval/comments from PSC; *refer Annexure 1/2*
- b) On the proposal from Haa Dzongkhag to drop the activity "Potato Seed Distribution," the chair directed Dzongkhag to re-appropriate the budget to other activity under the same component, which is doable.

**3. Annual Work Plan and Budget for FY 2018-2019**

The Project Director presented the AWPB for fiscal year 2018-2019 to the floor. The abstract of the AWPB is attached in Annexure 2/2. Some of the key decisions under this are:

- a) In the AWPB of ARDC Bajo, with specific reference to Activity number 1 under Component 2, it was agreed that the activity should be either rephrased or two

Budget codes (OBC) to be used as the activity has two components within the same broad activity title.

- b) Since Quinoa introduction and up scaling in Bhutan is commanded by His Majesty the King, the Chair shared the Project areas must make use of the Project support to upscale this crop seriously. It was also shared that the Department of Agriculture has already received lots of demands for the processed Quinoa. In this regard, the Chair directed PMU to consult with all project Dzongkhags and incorporate any new activities aimed at up scaling the production and processing of Quinoa.
- c) With regard to developing of major crops such as Citrus, Large Cardamom etc, the Chair shared, if Dzongkhags could plan in such a way that, all activities to develop that crop could be localised for certain period in that area, before moving on to next potential area. Such focussed huge intervention has greater chance of bringing about desired results than spreading the activities over large coverage area.
- d) Activity such as, support in terms of Quinoa processing equipment/tools should be incorporated in Component 3 under DAMC's plan.
- e) With specific reference to Activity number 2 under Component 1 of DAMC's plan, viz. Exposure visits for progressive farmer groups/Cooperatives members, for which Nu. 1.0 was proposed, the Chair directed that, for coming year DAMC may keep the budget with them and coordinate. But from following years, based on the coming year's experience of coordination-efficacy, whether the budget is to be kept at DAMC or Dzongkhag should be closely looked into.
- f) With regard to DAMC's proposal to do Egg Value Chain studies, the meeting agreed that Project should not take up mandates of Department of Livestock. Therefore, the activity was not approved, however, the meeting directed DAMC to take up study on Value Chain of Winter Chilli, which is not done so far but very important and relevant.
- g) With regard to DAMC's proposal of providing tablets under the broader activity of strengthening Market Information Systems, the Chair shared reservations with following advices;
  - i. Tablet support through other programs to localised area/region were given only for specific purpose and not effectively used.
  - ii. If DAMC goes ahead with this activity, the Gewog Extension Supervisors must also use it for all purposes such as collection of data for annual agriculture surveys etc.
- h) On the study visit proposal for twenty PSC members, where PMU had budgeted Nu. 3.5 million. Following was agreed;
  - i. In addition to the three proposed themes of study visit by PMU, two more viz. Value addition and innovative technologies was directed for addition.
  - ii. Budget to be increased to Nu. 4.5 million from PMU's proposal of Nu. 3.5 million.
- i) Regional Manager for National Seeds Centre (NSC), Sarpang, Mr. Sangay Dorji observed that, despite Cardamom being one of the priority crops under Project support, not much activity is proposed by the Dzongkhags. In order to help the Project develop Cardamom, based on his long personal association with the crop, he shared the following key focus areas, of intervention;
  - i. Disease identification & management
  - ii. Cardamom curing
  - iii. Healthy seedling (community sourcing as one alternative)

Since the mandate for Cardamom program coordination is with ARDC Samtenling, the Chair directed ARDC in consultation with NSC and National Plant Protection Centre (NPPC) to come up with guideline/proposal, as to what could be done with the above issues.

#### 4. Project Result Matrix Presentation

The Monitoring and Evaluations Officer presented the Project Results Matrix to the meeting for information and also to help the ARDCs and Dzongkhags to come up with an objective annual work plans. Following advices and directions were received;

- a) Since all work plans has to be directed towards achieving the project results, it is very imperative that all five Dzongkhags and ARDCs are well aware of what the Project results indicators are, according to which activities should be framed annually. Therefore, the meeting directed PMU to have the Project results matrix printed in large papers for Dzongkhags and ARDCs to have it in their respective offices as a guide.
- b) With regard to an indicator, to link Farmers/Producer Groups to the Schools, some members expressed their reservations that, without an understanding between the Ministry of Education and MoAF and also a some kind of directive from Ministry of Finance, most school management would go for the lowest rates of vegetables, which are always the imported ones. In this regard, DAMC was directed to carefully study the successes of such linkages in eastern Bhutan and apply the lessons learnt in FSAPP areas. Further, DAMC was also asked to work on MoU between the Ministries of Education and Agriculture & Forests to facilitate linking Schools with Producer groups/Farmers group.

#### 5. Presentation of Draft Grievance Redressal Management (GRM) System

The Monitoring and Evaluations Officer presented the GRM system to the meeting for suggestions and approval. Following advices and directions were received;

- a) Provision for the aggrieved party to directly approach Dzongkhag or Gewog Administration should be kept open. This is because, chiwog or for that matter even at the Gewog level, most aggrieved party would not like to approach as in a small community, every body is related and it is sensitive.
- b) Finalize the GRM system after consulting the Legal Officer of MoAF.

The PMU after incorporating the changes directed by PSC meeting should circulate the GRM system to all Project implementing agencies.

#### 6. Presentation of Draft Cost-Sharing Guideline

Mr. Kiran Subedi, Deputy Chief Agriculture Officer presented the draft cost-sharing guideline, which was endorsed by the meeting for implementation in the project areas. Since, the draft guideline is yet to receive the approval of RNR-GNH committee, the Chair shared any revisions on the draft will be shared during the third PSC sitting. Meanwhile, project should follow the draft as final guideline. *(The draft guideline was shared by Project Director to all Dzongkhags, ARDCs and program coordinators on March 6, 2018 via email).*

#### 7. Venue & Date for Third PSC Meeting

The meeting unanimously agreed Haa Dzongkhag as the venue for Third PSC meeting. The tentative date agreed was 30-31st August 2018.

#### 8. Farmer Representative PSC Members

- a) There are five farmer representatives as member to the PSC. The meeting agreed that, of the five, at least two members should be women to balance equal gender participation.
- b) The normal farmers entitlement approved by MoAF, MoLHR & DNB for farmers training and study tour i.e DA of Nu. 215/day with actual bus fare (as travelling

allowance) was agreed by all as too less for the farmer representatives, who come to attend PSC meeting as a member. Therefore, the meeting deliberated for a rate of payment. For comparison, the meeting was informed about a payment of Nu. 750/day to farmers (with no TA) during a workshop organized through BTFEC funding. Therefore, the Chair directed PMU to find out, if that payment had any Ministerial approval, which could be used as a basis to work out the entitlements of the FSAPP farmer representative PSC member.

#### 9. Closing Remarks

The Director thanked all the PSC members for their active participation in the discussion and making the meeting a successful one with lots of fruitful discussion. She thanked the Program Director and his team of staff from the Centre in supporting the PMU to organize the meeting and also for field visits.

She thanked Sarpang Dzongkhag for the support in organizing the PSC in their Dzongkhag. The Director also reminded the members about the agreed datelines for submitting the required information to the PMU and further asked the members to formulate their plans based on the Project Result Matrix. With this the chair formally closed the meeting



## Annexure 1/2

## FY 2017-2018 AWPB Review

Component	OBC	Activity	Budget (Nu. Million)	Review Proposal	Justifications	Approval
<b>Agency: Dagana Dzongkhag</b>						
C2	45.02	Field Demonstration on mechanized harvesting of Paddy	0.050	Re-appropriation: To OBC 45.02; Activity Sr. 1 under C2	FSAPP budget release only after paddy harvest	Approved
		<b>sub total</b>	<b>0.050</b>			
<b>Agency: Samtse Dzongkhag</b>						
C1	45.02	Farmers group formation on vegetable production	0.115	Drop	Proposed in FY 2018-19	Approved
C1	45.02	Farmers group formation on electric fencing	0.200	Drop	Proposed in FY 2018-19	Approved
C1	45.02	Revive existing vegetable groups	0.050	Drop	Proposed in FY 2018-19	Approved
C2	51.07	Electric fencing	0.210	Drop	Proposed in FY 2018-19	Approved
C2	45.02	Quinoa demonstration	0.135	Drop		approved
C2	45.02	Citrus canopy and orchard management	0.400	Drop	Proposed in FY 2018-19	Approved
C2	45.02	Area wide management of Chinese fruit fly	0.250	Drop	Proposed in FY 2018-19	approved
		<b>sub total</b>	<b>1.360</b>			
<b>Agency: Sarpang Dzongkhag</b>						
C2	45.02	Citrus canopy and improved orchard management(HLB management)	0.300	drop	Proposed in FY 2018-19	Approved
C2	45.02	Area wide management of chinese fruit fly	0.125	drop	Proposed in FY 2018-19	Approved
C2	45.02	Demonstration of Quinoa cultivation	0.105	Drop		Approved
		<b>sub total</b>	<b>0.530</b>			

Agency: Haa Dzogkhag						
C1	45.02	Training on improved Potato cultivation and support high quality tubers	0.200	Re-appropriation: To OBC 45.02; Activity Sr.No. 1 under C2	Proposed in FY 2018-19	Approved
<b>Sub total</b>			<b>0.200</b>			
Agency: ARDC Bajo/ Rice Program						
C2	52.08	Support farm yard manure management for integrated nutrient and pest management	1.425	Drop from plan	Procurement of Jersey Cows for FYM management opposed by WB mission team	Endorsed
C2	52.05	Establish a model farm yard manure management system	0.200	Drop from Plan		Endorsed
<b>sub total</b>			<b>1.625</b>			
Agency: ARDC-OA Yusipang						
C1	45.02, 14.04, 17.03	Technical intervention for Dynamic development of farmers group/Co-operative.	0.160	Drop	Proposed in FY 2018-19	Approved
C2	11.01, 45.02, 17.03	Young Farmers Innovation Challenge on Nutrition and food Security (encourage women entrepreneurship)	0.380	Drop	Proposed in FY 2018-19	Approved
C2	45.02, 17.03	Youth Agri-business Leadership Summit on Innovation	0.340		Proposed in FY 2018-19	Approved
C2	51.07, 51.08	Establishment of integrated nursery on cardamom and citrus at Gakidling, Haa.	4.013	Drop from this year only	Propose in FY 2018-19 with downsized proposal	endorsed
C2	17.08	Inter-Sectoral Partnership Seminar on winter vegetable production	0.100	Drop	Proposed in FY 2018-19	Approved
<b>Sub total</b>			<b>4.993</b>			
<b>Total</b>			<b>8.708</b>			

## Annexure 2/2

### Food Security & Agriculture Productivity Project

#### Summary of budget 2018-19

Sl. No.	Agency	C1	C2	C3	C4	Total	RGoB	Grand Total
1	ARDC, Bajo	0.450	1.600		0.150	2.200		
2	Dagana	0.300	4.700		0.120	5.120		
3	ARDC, Yusipang	1.520	1.200		0.196	2.916		
4	Haa	0.426	3.121	0.361	0.100	4.008		
5	Chhukha	0.045	5.032		0.120	5.197		
6	ARDC, Samtenling	0.910	1.330		0.196	2.436		
7	Samtse	0.600	3.420		0.120	4.140		
8	Sarpang	1.045	4.819		0.120	5.984		
9	DAMC	3.000		11.500		14.500		
10	PMU	1.000	118.464	5.000	3.420	127.884	0.764	128.648
	<b>Total</b>	<b>9.296</b>	<b>143.686</b>	<b>16.861</b>	<b>4.542</b>	<b>174.385</b>	<b>39%</b>	

