Preparatory Survey on the Project for Human Resource Development Scholarship in the Kingdom of Bhutan

Final Report

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SUMMARY

1. Summary of the Preparatory Survey

Background of the Survey

The Project for Human Resource Development Scholarship (hereinafter referred to as "JDS") was first launched in Uzbekistan and Laos in fiscal year (FY) 1999 as part of the "100,000 International Students Plan" of the Japanese government, with the aim of developing human resources who can play core roles in the formulation and implementation of social and economic development policies in developing countries. The project has later been introduced to other countries as well, and has accepted 3,970 international students from a total of 15 countries since the first intake of international students in FY 2000 up to FY 2017.

Since FY 2009, the project was gradually switched to a new system as adopted by partner countries subsequently. In this system, an intake framework in four batches is planned, based on the aid policies of the Japanese government and the development issues and the human resources development needs of the target countries. Furthermore, the target of the project is limited to civil servants who are involved in the formulation and implementation of policy in development issues.

Subsequently, in the basic research project "Factor Analysis Concerning the Result of the JDS Projects" (referred to below as the JDS basic research) conducted by JICA in FY 2014, the results and factors of the JDS project in the 11 target countries were compared and analyzed, and future project enforcement policies and strategies were demonstrated. The basic research report indicated that over past 15 years the JDS project has contributed significantly to the improvement of the abilities of administrative officers and organizations in the target countries to solve development issues, to the reinforcement of bilateral relationships between Japan and the target countries, and to the promotion of the internationalization of the accepting universities in Japan. The report gave the following four issues to be dealt with: (1) drawing up the basic enforcement policy; (2) selection of fellows who add value, to take in key persons; (3) follow-up for reinforcement of bilateral relationships; (4) development of human resources with good understanding on Japan and the establishment of networks between such people. The following measures were suggested in order to deal with these issues: providing the Ph.D. program quota and establishing a private sector and special recommendation quota; the development of Japanese original programs; promotion of cooperation with Japanese industry and the involvement of ministries and agencies; and the strengthening of cooperation with local projects and of the relationships between Japanese universities and local related organizations.

Japan and Bhutan have consistently maintained a good relationship since the establishment of their diplomatic relationship in 1986. Bhutan supports Japan's bid for a permanent seat on the United Nations Security Council and the two countries cooperate with each other in international scenes. In addition, Bhutan is located between two large countries India and China and therefore

the stability of Bhutan is important for the South Asia region.

Acceptance of this preparatory survey was decided to be conducted with the aim of verifying the appropriateness of implementation of the project and properly reflecting the policy of Japan's economic cooperation to Bhutan, relevant JICA programs, etc. in the formulation of the project based upon the needs of the Bhutanese government.

Objectives of the Survey

The main objectives of the survey are as follows:

- To analyze current situation in Bhutan and needs for human resource development, and formulate a framework for the next four batches starting in FY 2018 (dispatch in FY 2019).
- To formulate a basic plan for each priority area, based on the framework, and estimate a budget necessary for the implementation of the project.

Method of the Survey

As part of the preparatory survey, the field survey in Bhutan has been conducted from December 2017 to May 2018.

- December 2017: Field survey
 - (1) Setting priority areas (Sub-Programs) and development issues (Components) in accordance with Japanese government's economic cooperation policy for Bhutan and development needs of Bhutan
 - (2) Confirming the implementation structure of the project
- January 2018: Field survey
 - (1) Selecting accepting universities in Japan which would provide appropriate educational programs corresponding to each Sub-Program/Component
 - (2) Selecting target groups corresponding to each Sub-Program/Component
- February 2018: Estimating the project scale
- May 2018: Drafting the basic plan for each Sub-Program/Component

Results of the Survey

(1) Project Design

The following table shows the JDS priority areas and key development issues and accepting universities identified on the basis of the field survey conducted in December 2017 and January 2018.

The Framework of the JDS Project in Bhutan (from JDS Fellows 2019 to 2022)

Priority Areas	Developm	ent Issues	Universities	Slot
(Sub-Program)	(Comp	onents)		
1 Enhancement of	1-1 Agriculture and Rur	al Development	University of Tokyo	2
Policy making			(GS of Agricultural and	
Capacity for			Life Sciences)	
Industrial	1-2 Industrial	1-2-1 Economic	International University of	2
Development	Foundation	Policy	Japan	
	Development		(GS of International	
			Relations)	
		1-2-2 Public Policy /	Ritsumeikan University	2
		Administration	(GS of International	
			Relations)	
	1-3 Infrastructure Devel	opment for Sustainable	Nagoya University	2
	Economic Growth		(GS of Environmental	
			Studies)	
2 Reduction of	2-1 Countermeasures fo	r Climate Change and	Nagoya University	1
Vulnerability	Disaster Risk Managem	ent	(GS of Environmental	
			Studies)	

(2) Establishment of Sub-Component

During the field survey in December 2017, ministries and agencies requested to set a Component for public policy area so that administrative officers of which the number scale is big compared with other occupations and who play important roles in policy making as managerial positions. Also, Royal Civil Service Commission (RCSC) and Ministry of Finance commented that there was a high demand for obtaining degrees related to economics and finance other than public policy area.

In order to correspond to this request, "Economic Policy" and "Public Policy / Administration" are set as Sub-Components under the Component "Industrial Foundation Development" to seek the new direction of industrial development from a macro perspective by securing administrative and financial capacity for medium- to long-term national operation by general administrative officers.

(3) Target Group

Given that Bhutan's civil service system is a profession category-centric one, it was agreed that profession category-based target groups would be specified without designating recruitment target organizations. It was then agreed that specific target groups would be determined at the first Operating Committee meeting in FY 2018.

(4) Consideration of Accepting JDS fellows to Ph.D. Programs

From the interview survey to the ministries and agencies in the field survey on introduction of

JDS Ph.D. program, which was proposed in JDS basic research conducted in FY 2014, it was welcomed to introduce Ph.D. program considering its importance from a long-term perspective of contribution. In the discussion with the RCSC, they wish to see Bhutanese applicants accepted for a Ph.D. program in economics and specify accepting universities in advance. Details of the selection process will be discussed at the first Operating Committee.

(5) Member of the Operating Committee

It was confirmed that the JDS Operating Committee consists of the Bhutanese members (Royal Civil Service Commission and Gross National Happiness Commission (GNHC)), and Japanese members (JICA Bhutan Office and Embassy of Japan in India). Both sides agreed on the member, and detailed assignment procedure will be confirmed by the first Operating Committee meeting of the 2018 selection year.

Country	Role	Member
Bhutan Side	Co-chair	RCSC
	Member	GNHC
Japan Side	Co-chair	JICA Bhutan Office
	Member	Embassy of Japan in India

(6) Evaluation of Relevance of the JDS Project

The consultant analyzed relevance between JDS and development programs in Bhutan, based on national development plan and strategy of the Bhutanese government and the general circumstances of the relevant sectors. The priority areas of JDS project match with the "12th Five Years Plan" of the Bhutanese government and will promote the strategic orientation.

In the Country Assistance Policy for the Kingdom of Bhutan formulated in May 2015 by the Japanese government, "Assistance for Self-reliant and Sustainable Nation Building with a Good Balance of Rural and Urban Areas" is set as the basic policy of assistance (overall goal) and "Sustainable Economic Growth" and "Reduction of Vulnerability" are set as priority areas (midterm goal). The JDS project seeks to develop the competencies of key personnel at the government authorities with responsibility for the relevant fields. JDS is highly relevant to the assistance policies of both Japanese government and JICA in relation to ODA programs.

Thus, the JDS project can be seen as a project that will help the country of Bhutan to achieve the goals of its medium- to long-term development plan, by providing high-level education to key personnel in government. It is highly consistent with aid policy and the philosophy of overseas aid in Japan. By augmenting other aid programs in areas such as technical cooperation and ODA loans, the JDS project provides additional synergies for the benefit of Bhutan.

2. Recommendations

(1) Implementation Coordination

In the preparatory survey, it was agreed with the Bhutanese counterparts on important points such as: i) the project purposes of JDS; ii) the Operating Committee structure; and iii) acceptance plans. The RCSC which will serve as co-chair of the Operating Committee is the parent agency for all human resource officer, in addition to overseeing the Bhutanese civil service system and significant civil servant personnel affairs. It is a significant achievement that sufficient support for the project by way of the preparatory survey was successfully obtained from RCSC. With the RCSC being co-chair of the Operating Committee, it would be probably possible to reflect the committee's intention directly in each governmental organization, thus developing the structure for improving the project in quality in the future.

(2) Cooperation with Other ODA Projects

As long as the JDS project is implemented as an ODA project, it is important to further cooperate with other ODA projects, in the same way as other projects, from the viewpoint of being an "input for development" instead of just a fund for studying abroad. Dissemination of this project to the persons in charge at JICA offices abroad and experts, encouragement of competent human resources from partner countries to apply for JDS, utilization of alumni network for the project, etc. are required. In particular, in order to promote the cooperation with the technical cooperation projects under implementation, it is important not only to share information with involved experts, but also to provide them with opportunities to directly meet JDS returned fellows. With respect to this point, the implementing Agent is also expected to have deeper understanding of the projects under implementation by JICA and the related policies of the Bhutanese government and make helpful proposals.

In order to enhance the ability of young administrative officers for contribution to the socioeconomic development, it is essential to cooperate with or be complemented by not only the JDS but also other programs. In this survey, the survey team discussed with two JICA experts engaging in "Agricultural Machinery Enhancement Project" and "Project on Support for Community Engagement in Local Governance." It is preferable to consider collaboration with other programs while exchanging information with projects that are underway or scheduled to be implemented, including the above two projects. In addition to this, it should be proposed that the list of young administrative officers who participated in JICA's field-focused training and country-focused training in the past will also be shared from the JICA Office as potential candidates for JDS.

(3) Points to Note on Recruitment Activities

Necessity of Approach to Wide-Range Target

It is preferable to target a wide range of human resources given that civil servants in Bhutan are

limited in number. Recruitment activities in regional areas will be of particular importance. The key point would be how best to acquire high-quality human resources from regional areas in light of the fact that more than half of civil servants in Bhutan serve in such areas and that decentralization is a principal component of the "12th Five Year Plan."

For assumed target groups shown by the RCSC, it is advisable to consider specifying target profession categories ranging from Super Structure, the first profession category layer, to Major Occupational Groups¹, the second layer, without designating detailed profession categories while ensuring suitability for development issues. This is in consideration of the fact that holders of a bachelor's degree or higher are limited in number among civil servants who are likely to become main targets.

In addition, in light of the state of applications after the project launch, it is desirable to also look at the option of relaxing age requirement to up to 45 years of age, a Long Term Training (LTT) participation requirement set forth in the Bhutan Civil Service Regulations (BCSR), thus targeting a wider range of human resources.

Recruitment Strategy

To achieve the goals of JDS, it is essential to acquire highly potential candidates, making it important to attract many competent applicants from major target organizations in the recruitment activities. However, at a time when higher education mobility is high, there is fierce competition among donors for acquiring would-be foreign study fellows.

A look at the current situation shows that Japanese universities are not necessarily popular compared to American and Europe famous universities, therefore, in order to have foreign officers consider studying abroad in Japan, it is necessary to use a different approach, in addition to communicating universities' appeal.

First, the advantages of JDS must be demonstrated to local ministry officers responsible for the program. It is advisable to emphatically stress that: i) JDS, targeting administrative officers, is a human resource development program befitting Bhutan's development challenges, and is a program that will contribute to the nation's medium- to long-term growth; ii) each accepting university is designated as project partner; iii) JDS delivers value-added by providing curriculum more suitable to the country through a special program in addition to existing programs; iv) comprehensive instruction and accepting systems are in place; and v) extensive support such as periodic monitoring is provided to JDS fellows throughout the stay in Japan.

It would likely succeeded in spreading information within each ministry to a certain degree by first building a human relationship with human resource officers responsible for JDS at ministries and obtaining cooperation from them. Many of applicants typically obtain information from

¹ The occupation system has three classes. The first class has five Super Structure Groups. The second class has 19 Major Occupational Groups (MOG). The third class has 93 Sub Groups (SG).

ministry departments or bureaus responsible for personnel affairs. In order to ensure that relevant information is distributed widely to prospective candidates by officers responsible for personnel affairs, it is most important to build a good relationship with the human resource officers and obtain cooperation from them. It is crucial to engage in low-profile publicity activities in the form of visiting main Bhutanese government agencies frequently and starting with having local officers know JDS itself.

Another appeal point would be the fact that JDS enables each fellow to learn about Japan's development experience through the "JICA Program with Universities for Development Studies (JProUD)", currently worked on by JICA, in addition to engaging in research in his/her specialized area. It should probably be effective to widely publicize that Bhutan's parliament members and high-ranked civil servants include persons who have experienced studying abroad in Japan and to raise the brand appeal of the program for studying in Japan.

Recruitment activities should probably be conducted in ways that distribute relevant information to an increased number of potential candidates by using various access channels in consideration of the points discussed above. It will be also effective to communicate the appeal of JDS by conducting public relations activities with the use of press releases and media such as SNSs and collaborating with JICA experts and relevant organizations equipped with broad human networks such as former JICA trainee reunion associations.

(4) Points to Note on Establishment of a Ph.D. Program

The most important factor to consider in the establishment of the Ph.D. program is to have a common understanding among the project's organizers, JDS fellows applying for the program, and accepting universities as to "why the Ph.D. program is established in the JDS" and "what the objective of the JDS Ph.D. program is." It should be made clear that the JDS Ph.D. program is solely designed to develop policy-making leaders, not for fostering researchers who are not involved in policy making or recommendation. As long as this point is clear and the target of the project is limited, it is easy to differentiate JDS from governmental and other scholarship schemes.

One can ascertain the need for a Ph.D. degree in Bhutan partly due to the fact that the government introduced a preferential treatment of Ph.D. degree holders as part of the civil service system reform of 2016. Inquiries made to local ministry and agency officers in the local survey yielded a statement that Bhutan has only an insufficient number of professionals of expert groups.

Furthermore, if the program is targeted at JDS returned fellows, establishment of the Ph.D. program will not only become a follow-up system for the fellows but must have a great appeal to potential candidates as a further step when they consider applying for JDS to obtain a master's degree. The establishment of the program is expected to have an impact on attracting excellent candidates.

Bhutan, however, is faced with the challenge of professionals targeted being small in number

although it is possible to confirm the high level of needs and the reasonableness of the Ph.D. program introduction. In particular, it is difficult to secure competitiveness if a program is created to meet the two-fold requirements, namely, a wish from RCSC to focus solely on the discipline of economics in the Ph.D. program, and an intention to target returned fellows who earned master's degrees through JDS or in Japan which is showed by the Japan side in view of simplicity in matching universities and supervisors, and necessity to obtain Ph.D. degree in three years since the qualified persons are only nine.

Although Bhutan has a certain number of administrative officers who earned a master's degree under Japan's government-sponsored study program for foreign students, these officers include not only economics degree holders but also many engineering and public administration degree holders and so on. If seeking to recruit candidates solely for economics, there would be only a small number of potential candidates.

Under these conditions, it is necessary to fundamentally relax either the wishes expressed by the Bhutan side or the basic requirements by the Japan side, or to relax both sides' requirements even to a small extent. For example, targetable professionals will widen if the recruitment requirements is relaxed to include persons who have obtained master's degree in other countries with excellent grades or who have participated in a training program done in Japan such as JICA training program (long-term and short-term), instead of solely those who earned a master's degree in Japan. Another option will be to broaden the scope of target persons to Royal University of Bhutan (RUB) and Royal Institute of Management (RIM) teachers as well as administrative officers as long as it is confirmed that those teachers could contribute to the development of Bhutan.

Furthermore, in the Ph.D. program, the RCSC wishes to fix not only the area to economics but also the accepting university and supervising professor in advance. In response to this, it is considered possible to implement the program smoothly by considering acceptance at graduate schools from which administrative officers obtained master's degree and graduate schools that have accepted JDS fellows in Ph.D. program.

Including relaxation of recruitment requirements and fixing accepting university, it is necessary for the first Operating Committee to fully discuss how to implement the program.

(5) Prevention of Job Leaving

There had been cases where a civil servant who has earned a master's or Ph.D. degree abroad by LTT resigns after a mandatory reinstatement period (two times longer than the LTT period) in search of a job with better conditions with the result that specialized professionals fail to be accumulated in the organization.

This tendency manifests itself for a person who receives a scholarship in a program that widely recruits candidates publicly from among a wide range of persons. Given that the government is involved in the recruitment and selection for JDS, it is necessary to rigorously examine to see

whether each candidate has a long-term vision about his/her career in the Bhutanese government at the HR division that he/she belongs to or in a technical interview.

(6) Need for Enrichment Programs

Ministries and agencies visited in the fields survey requested arranging for a more practical training based on an internship at government offices and enterprises during the two-year stay in Japan as a beneficial step. Further endeavors should be made, which are likely to deliver such added value for the purpose of improving JDS fellows' skills, helping build a human relationship serving as the foundation for a good relationship between both countries and generating differentiation from other scholarship programs. In so doing, instead of merely asking each accepting university to usefully spend special program expenses, it will be necessary to consider introducing a scheme that can be used according to JICA's intention more faithfully.

(7) Importance of Japanese Language

Interview with RCSC and Bhutanese who had experience of studying in Japan revealed that they expect JDS fellows to learn discipline, work ethics, the balance between economic development and cultural protection through interactions with Japanese and Japanese society during the fellows' stay in Japan.

Acquiring knowledge of the Japanese language is helpful to understand the Japanese mind and spirituality more deeply and to help to form a bridge between Japan and Bhutan in the future. Even though they stay in Japan for two years, this is not enough to deepen their understanding of the Japanese and Japanese culture. This isn't a problem, if the project only has the purpose of acquiring knowledge in a specialized academic field, but if the purpose is also to foster human resources that will contribute to the friendly relations between the two countries in the future, it is necessary that among the activities of the project there is a program that teaches Japanese language and promotes an understanding of Japanese culture. Language is the foundation of cultural understanding and it is an essential tool to communicate with the Japanese. In order to continue with the study of Japanese, it is possible to provide opportunities for which using Japanese is necessary. For this reason, internships in Japanese government agencies and companies, homestay programs that give opportunities to interact with ordinary Japanese and the like are effective.

(8) Networking, Establishment of a Follow-up Scheme and Roles of Implementing Agent Measures to be taken during the fellows' stay in Japan for follow-up conducted after they return home

To make continuous follow-up easier and link those activities to the results of strengthening the partnership between Japan and Bhutan, loyalty to Japan needs to be increased from while JDS fellows' stay in Japan so that they will be motivated to maintain their relationship with Japan following their return. By implementing measures to maintain and develop the loyalty that was

increased during their stay in Japan in post-return follow-up, better results can be expected.

In some cases, the implementing Agent is currently providing support in the target countries of the JDS project for establishing an alumni association or holding other events based on the local project office. However, it takes additional time and cost to improve the loyalty of the JDS returned fellows who have lost a connection with Japan for a certain period of time and it is not always efficient.

For this reason, the measures provided for the JDS fellows staying in Japan and the follow-up measures provided after they return home should be discussed in an integrated manner as continuous measures.

Follow-up measures implemented after the JDS fellows return home

For sustainable follow-up activities, it is expected for the Japan side to enhance the follow-up content in collaboration with the existing JICA Alumni Association in Bhutan (JAAB) while absorbing the information and experiences of Australia Awards which has been proceeding activities in order to implement measures for maintaining and improving the loyalty developed during the fellows' stay in Japan. In particular, over the several years until activities come into full swing, Japan is anticipated to support funding and facilitate activities.

Networking with Japanese administrative officers for networking

From the viewpoint of improving loyalty to Japan, the measures to be provided to the JDS fellows during their stay in Japan generally include the holding of lessons for understanding the Japanese culture and seminars for informing about development experience in Japan. However, it is desirable to implement measures utilizing the greatest characteristics of the JDS project, which mean that the JDS fellows are administrative officers involved in policy making of each country. For the JDS fellows who are expected to serve as a bridge between Japan and Bhutan as a person fond of or familiar with Japan, a network with the Japanese ministries and agencies would be useful for their future career. It is desirable to provide support for establishing a network through exchange with administrative officers and the holding of seminars and workshops with the persons concerned with the Japanese ministries and agencies as a lecturer.

The network formulated by these measures is practical for the fellows' operations after they return home, giving an incentive to the fellows to maintain such network and therefore it is expected to establish a continuous relationship.

Roles to be performed by the implementing Agent

Role as a mediator

The JDS fellows formulate a network with various Japanese people during their stay in Japan. However, it is not easy to meet an appropriate person only by establishing a personal relationship between individuals and such network merely connects a point with a point, having only a

sporadic effect. For this reason, the implementing Agent is expected to function as a mediator between the JDS fellows and the Japanese ministries and agencies and the persons concerned with ODA. It is expected that the implementing Agent will perform matching based on the interest of both parties and work for establishing an organizational network and thereby contribute to better project achievements.

Firm network foundation with JDS fellows

The implementing agent gets involved with the JDS fellows from the time of public announcement for recruitment and selection, regularly contacts the fellows through monitoring, etc. during their stay in Japan and provides immediate support in the case of emergency. For the JDS fellows, the implementing agent is like a partner having a firm trust relationship. For this reason, the implementing Agent can understand the information on the quality and other matters of JDS fellows in a detailed and integrated manner.

Generally speaking, a problem arising in connection with the follow-up of the fellows is to obtain the information on their whereabouts after returning home. In the JDS project in other countries, the implementing agent and the JDS fellows have a trust relationship and therefore the JDS fellows can contact the implementing agent even after returning home, and they have already established a relationship and system that make it possible to know the detailed matters on the fellows' division and work.

The role to be played by the implementing agent would be to function as the network foundation with the JDS fellows who are staying in Japan or have returned home based on their mutual trust relationship. The implementing agent's function for establishing a relationship with the JDS fellows should be focused on from the viewpoint of follow-up activities.

Network foundation with the Japanese ministries

On the other hand, it is also important to advertise the JDS project to the persons concerned with the Japanese ministries and agencies. According to the questionnaire survey conducted by the consultant independently, the degree of recognition of the JDS project by the persons concerned with the Japanese ministries and agencies is very low. However, the importance of a network with the JDS fellows is high for the persons concerned with the Japanese ministries and agencies. For example, in terms of the infrastructure export, human resource development is considered to form the basis of all measures taken for the infrastructure export and its many-sided significance was also pointed out by the Ministerial Meeting on Strategy relating to Infrastructure Export and Economic Cooperation.

In order to enhance the opportunities to utilize JDS project at ministries and agencies, it is important to inform them that the fellows from the ministries and agencies that can be counterparts of the projects developed by Japanese ministries and agencies in Bhutan are staying in Japan, that the JDS returned fellows have been actually promoted in each country and are playing an

important role for diplomacy and economy, and that the existence of the implementing Agent makes it easier to select an appropriate network conveniently and thereby create an opportunity for utilizing the JDS project.

For this reason, the implementing Agent is expected to have a network with, and the ability to transmit information to, not only the persons concerned with ODA but also the Japanese ministries.

The measures mentioned above will make the JDS project a human development project that can achieve the development of the relevant country and the economic growth of Japan at the same time, enabling the establishment of win-win relationship between Japan and Bhutan.

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LIST OF ABBREVIATIONS

Abbreviation	Description
ADB	Asian Development Bank
BCSE	Bhutan Civil Service Examination
BCSR	Bhutan Civil Service Rules and Regulations
E/N	Exchange of Note
ES	Specialist
EX	Executive
G/A	Grant Agreement
GDP	Gross Domestic Product
GNH	Gross National Happiness
GNHC	Gross National Happiness Commission
GNI	Gross National Income
IDA	International Development Association
IELTS	International English Language Testing System
JAAB	JICA Alumni Association of Bhutan
JDS	Project for Human Resource Development Scholarship
JICA	Japan International Cooperation Agency
JICE	Japan International Cooperation Center
LTT	Long Term Training
ME	Main Examination
MOG	Major Occupational Group
NKRA	National Key Result Area
OC	Operational Category
ODA	Official Development Assistance
OECD	Organization for Economic Co-operation and Development
PE	Preliminary Examination
PMC	Professional and Management Category
RCSC	Royal Civil Service Commission
RIM	Royal Institute of Management
RUB	Royal University of Bhutan
SAARC	South Asian Association for Regional Cooperation
SG	Sub Group
SMS	Short Message Service
SNS	Social Networking Services
SSC	Supervisory and Support Category
STT	Short Term Training
TICA	Thailand International Development Cooperation Agency
TOEFL	Test of English as a Foreign Language
YLP	Young Leader's Program

Chapter 1. Background of the Project for Human Resource Development Scholarship (JDS)

1-1. Present Situation and Issues of the JDS Project

1-1-1. Background of the Project

The Project for Human Resource Development Scholarship (hereinafter referred to as "JDS") is a grant aid project conducted by Japan International Cooperation Agency (hereinafter referred to as "JICA") that provides scholarships to international students from partner governments. It was established in fiscal year (FY) 1999 under the Japanese government's "100,000 International Students Plan." The purpose of the JDS project is that "young administrative officers and others, who are involved in formulating and implementing the social and economic development plans of the country and are expected to play important roles in the future, shall obtain master's degrees and Ph.D. degrees at Japanese graduate schools and they shall then contribute to solving development issues of the country as core human resources after returning to their home country; they shall also contribute to strengthening the partnership between the two countries by building up person-to-person networks." The project has accepted 3,970 international students from a total of 15 countries since the first intake of international students in FY 2000 up to FY 2017.

Although the original target countries of the JDS project were transition economies in Asia, they were expanded later to other Asian countries such as the Philippines. The project expanded to Ghana in Africa in FY 2012, and to Nepal in FY 2016. At present, the project has 13 target countries. Furthermore, Pakistan and East Timor are scheduled to be added as well as Bhutan. Indonesia left the JDS project, which was conducted by JICA in FY 2006, when scholarships began to be coursed through the Japanese ODA loan scheme. China also has left the JDS project with the last JDS participants from China accepted in FY 2012².

Table 1 Number of JDS fellows dispatched (2000-2017)

Year	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	total
1. Uzbekistan	20	19	19	20	20	20	20	20	19	14	15	15	15	14	15	15	15	15	310
2. Laos	20	20	20	20	20	20	25	25	25	20	20	20	19	20	20	20	20	20	374
3. Cambodia		20	20	20	20	20	25	25	25	25	24	24	24	24	24	24	24	30	398
4. Vietnam		20	30	30	30	30	33	34	35	35	28	29	30	30	30	30	30	24	508
5. Mongolia			20	20	20	19	20	20	20	18	18	16	18	18	18	18	18	30	311
6. Bangladesh			29	19	20	20	20	20	20	20	15	15	15	15	15	25	30	20	318
7. Myanmar			14	19	20	20	30	30	30	30	22	22	22	22	44	44	44	44	457
8. China				42	43	41	43	47	47	48	45	39	35	-	-	-	-	-	430
9. Philippines				19	20	20	25	25	25	25	20	20	20	20	20	20	20	20	319
10. Indonesia				30	30	30	30	ı	ı	ı	ı	-	-	-	ı	ı	ı	-	120
11. Kyrgyz								20	20	18	14	14	14	15	15	15	15	15	175
12. Tajikistan										3	5	5	5	5	5	5	5	7	45
13. Sri Lanka		15 15 15 15 15 15								15	15	15	120						
14. Ghana													5	5	5	10	10	10	45
15. Nepal										20	20	40							
Total	40	79	152	239	243	240	271	266	266	256	241	234	237	203	226	241	246	250	3,970

² After its termination as grant aid, the project has been shifted under the Ministry of Foreign Affairs of Japan and continued as "Japan Human Resource Development Scholarship for Chinese Young Leaders" (JDS China).

At first, intake plans for the various academic fields were made each year and human resources from both public and private sectors were accepted. Since FY 2009, the project was gradually switched to a new system as adopted by partner countries subsequently. In this system, an intake framework in four batches is planned, based on the aid policies of the Japanese government and the development issues and the human resources development needs of the target countries. Furthermore, the target of the project is limited to civil servants who are involved in the planning and implementation of policy in development issues. This system endeavors to select and focus Japanese government development aid through the JDS project by accepting international students in four batches in the same target area and from the same target organization and assigning them to the same accepting university. The system aims to form a "critical mass" with a group of JDS returned fellows in each government ministry and agency, so that JDS fellows will be able to smoothly utilize the fruits of their studying in Japan in each organization they belong to after returning to their home countries. In addition, by fixing the accepting university for four years, the system plans to form networks between related organization in the target countries and Japanese accepting universities and to provide education and research programs which match the development issues and the human resource development needs of each country.

1-1-2. Current Situation and Issues of the JDS project

In the basic research project "Factor Analysis Concerning the Result of the JDS Projects" (herein referred to as the "JDS basic research") conducted by JICA in FY 2014, the results and factors of the JDS project in the 11 target countries³ were compared and analyzed, and future project enforcement policies and strategies were demonstrated. The JDS basic research report indicated that over the past 15 years the JDS project has contributed significantly to the improvement of the abilities of administrative officers and organizations in the target countries to solve development issues, to the reinforcement of bilateral relationships between Japan and the target countries, and to the promotion of the internationalization of the accepting universities in Japan. The report highlighted four pending issues: (1) drawing up the basic enforcement policy; (2) selection of participants who add value, to intake in key persons; (3) follow-up for reinforcement of bilateral relationships; (4) development of human resources with good understanding on Japan and the establishment of networks between such people. The following measures were suggested in order to deal with these issues: increasing the Ph.D. program quota and establishing a special recommendation quota; the development of original Japanese programs; promotion of cooperation with Japanese industry and the involvement of ministries and agencies; and the strengthening of cooperation with local projects and of the relationships between Japanese universities and local related organizations.

³ Ghana and Nepal were not included in the survey.

Strategic Reinforcement of the JDS Program and Further Initiatives

Basic Guidelines and Implementation Structure (Entry and Exit Strategy)

- <u>Exit Strategy: long-term continuous</u>
 <u>implementation for producing firm outcome</u>
- Entry Strategy: strategy planning based on policies of Japanese government, as well as situation and systems of Target Countries

Follow-up for Reinforcement of Bilateral Relationships

- > Formulation of follow-up strategy
- Collaboration with JICA projects and other activities in Target Countries
- Dispatch of university professors in Japan to Target Countries

Personnel Selection for Securing Key Persons and Added Values

- > Addition of slot for doctoral degree programs
- Establishment of slot for private and specially nominated sectors
 - → Reinforce involvement of relevant departments within JICA
 - → Application encouraged by former JDS fellows

Development of pro-Japanese Personnel and Network Construction

- Collaboration with Japanese industries to establish Win-Win relationships
- Encourage involvement of the various ministries in Japan expanding networks of government officials from Target Countries
- Development of program course unique to Japan

Enhancement of selection of candidates + Highly qualified programs

= Human resources development contributing to the development in Target Countries

Cultivation of pro-Japanese personnel + Reinforcement of human networks

= strengthening of bilateral relations

Figure 1 Recommendations from JICA Basic Research (source: JICA)

1-1-3. Socio-Economic Situation and Situation of Higher Education

(1) Social and Economic Situation

Bhutan is a mountainous country located on the east of the Himalaya Mountains bordering on two giants, China and India. Its geographical features vary from 200 meters above sea level to 6,000 meters above sea level and 70% of its land is covered by forests. The land area is 38,000 square kilometers, almost equivalent to Kyushu in Japan. The population is about 797,000 (in 2016). Ethnic groups include Tibetan, indigenous peoples of East Bhutan, and Nepalese. The major religion of the country is Tibetan Buddhism. The official language is Dzongkha, but English is widely used.

In Bhutan, the fourth king who took leadership in the country's shift from the king's reign to constitutional monarchy abdicated the throne in 2006 and the current King Jigme Khesar Namgyel Wangchuck ascended the throne. Under the current king, general election was held in 2007 and 2008 and the country shifted from the king's reign to constitutional monarchy based on parliamentary democracy. The Parliament consists of two houses, which are the Upper House with 25 seats and the Lower House with 47 seats. The third general election will take place in 2018.

With respect to diplomatic affairs, the country is strengthening its relationship with neighboring

countries in accordance with the basic diplomatic policy of nonalignment and neutrality. Bhutan participated in the South Asia Association for Regional Cooperation (SAARC) established in 1985 as one of the original members. The SAARC summit was held in Thimphu in 2010 and Bhutan is an active member. Particularly, Bhutan has a strong relationship with India with regard to both politics and economy. It received foreign policy advices from India until 2007 under the India-Bhutan Treaty, and the largest partner for import and export is also India. In addition, it has a fixed foreign exchange system with India Rupee.

With respect to economic conditions, the gross domestic product (GDP) per capita is 2,804 U.S. dollars (in 2016), which is high compared with neighboring countries, but Bhutan is classified as a least developed country by the World Bank. However, according to the United Nations, it is expected to be out of the least developed country classification in 2020 after the "12th Five Year Plan" is released by the Bhutanese government. The GDP is about 2,237 million U.S. dollars (in 2016), and with respect to the ratio of each industry in GDP, the primary industry accounts for 17%, the secondary industry accounts for 41%, and the tertiary industry accounts for 42%. The GDP growth rate is 6.8% in 2016 and is expected to exceed 7.5% in 2019.⁴

The basic industries of the country are agriculture, forestry and hydroelectric power generation. In recent years, tourism is also growing as a means of acquiring foreign currencies. With respect to foreign trade, the country has chronic trade deficits due to its reliance on import of almost all consumer goods and capital goods from India and other countries. Bhutan mainly exports electricity and imports light oil and gasoline.

(2) Situation of Higher Education⁵

The educational system of Bhutan consists of seven-year primary education and six-year secondary education. Secondary education consists of two-year lower secondary education, two-year middle secondary education, and two-year higher secondary education. Primary education and secondary education are provided free. The characteristics of school education are lessons provided in English. The primary education enrollment ratio is 94.8%, and the ratio of students going on to lower secondary education, middle secondary education, and higher secondary education is estimated to be 97.1%, 93% and 73.6% respectively.

Higher education started in 1983 when Sherubtse College established faculties. Currently, the Royal University of Bhutan (RUB), which is the national university, is playing a core role by controlling ten public colleges and two private colleges. In 2017, a public college called Rigney College was established under the Ministry of Labor and Human Resources and a private university called Khesar Gyalpo University of Medical Sciences of Bhutan was established. In addition, the Royal Institute of Management (RIM) and the Jigme Singye Wangchuck School of Law exist as independent institutes of higher education. A total of 11,476 students are studying at

.

⁴ World Bank (https://data.worldbank.org/country/bhutan)

⁵ Annual Education Statistics 2017, Ministry of Education, Royal Government of Bhutan

domestic organizations of higher education and 10,628 students among them belong to RUB. In addition to the students studying at domestic organizations of higher education, 1,120 students receiving a scholarship from the Bhutanese government or foreign governments as well as 2,337 privately financed students are studying in India, Thailand, Australia and other countries. The ratio of students going on to higher education including the students studying abroad is estimated to be 35.7%.

1-1-4. Bhutan's Development Plan

The basic development principle of Bhutan is Gross National Happiness (GNH) that aims at realizing not only economic growth indicated by GDP and other indices but also the society in which the citizens can feel happiness in harmony with the nature and tradition, etc. This basic principle is actively transmitted in diplomacy, enhancing the presence of Bhutan in the international society. With respect to this point, the concept of GNH plays an important role as soft power, which does not rely on military power or economic power, for Bhutan that is a small country bordering on large countries, India and China.

While the basic principle is to maximize GNH, the development principles "Bhutan 2020" specifies the five objectives, which are human resource development, protection and promotion of cultural heritages, stable and fair development of the society and economy, good governance, and environmental preservation. As a medium-term development strategy, the "Five Year Plan" has been formulated since 1961 and the "12th Five Year Plan" will be announced in 2018.

The Guidelines for Preparation of the "12th Five Year Plan" specifies the realization of "sustainable and harmonized society through the decentralization of power" as its objective and plans to achieve the improvement of access to resources and opportunities, harmonization between the community, culture, nature and traditions, sustainable development of the society and economy, and environmental development. With respect to the decentralization of power, which is the characteristics of the 12th Five Year Plan, the guidelines clearly describe that more authority and responsibility related to finance, planning and administration will be transferred to local governments. The guidelines also state that the concentration of budget in the central government will be corrected and the same level of budget will be allocated to local governments. Under these objectives, 16 National Key Result Areas (NKRA) have been set. NKRA shows the framework to be achieved by relevant central and local administrative organizations through tackling their own priority issues or cooperating with each other for flagship projects.

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⁶ Guidelines for Preparation of 12th Five Year Plan, Gross National Happiness Commission, 2016

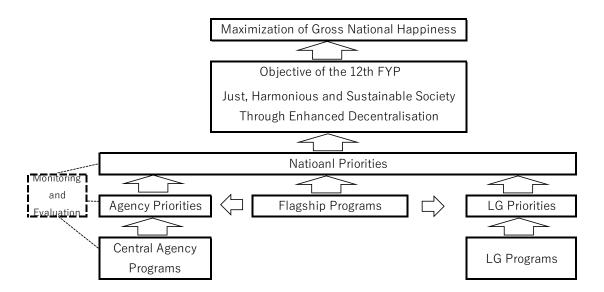


Figure 2 12th Five Year Plan

One of the other characteristics of the "12th Five Year Plan" is that it designates in advance the administrative organization playing a leading role in each of 16 NKRA in consideration that the Gross National Happiness Commission (GNHC), which is the main organization for policy planning, could not fully monitor the progress of the previous Five Year Plan. The designated organization will prepare objectives and plans, implement projects and perform monitoring in cooperation with relevant ministries and agencies as a leading agency.

Table 2 National Key Result Area (NKRA)

NKRA	Leading Agency
Macroeconomic Stability Ensured	Ministry of Finance
Economic Diversity and Productive Capacity	Ministry of Economic Affairs
Enhanced	
Poverty Eradicated & Inequality Reduced	Gross National Happiness Commission
Culture & Traditions Preserved and Promoted	Ministry of Home and Cultural Affairs
Healthy Ecosystem Services Maintained	Ministry of Economic Affairs
Carbon Neutral, Climate and Disaster Resilient	National Environment Commission, Ministry of
Development Enhanced	Home and Cultural Affairs
Quality of Education& Skills Improved	Ministry of Education
Water, Food and Nutrition Security Ensured	National Environment Commission, Ministry of
	Agriculture and Forests
Infrastructure, Communication & Public Service	Ministry of Works and Human Settlement,
Delivery Improved	Ministry of Information and Communications,
	Cabinet
Gender Equality Promoted and Women and Girls	National Commission for Women and Children
Empowered	
Productive & Gainful Employment Created	Ministry of Works and Human Settlement
Corruption Reduced	Anti-corruption Commission
Democracy & Decentralization Strengthened	Election Commission of Bhutan, Cabinet
Healthy and Caring Society Enhanced	Ministry of Health
Livability, Safety and Sustainability of Human	Ministry of Works and Human Settlement
Settlements Improved	
Justice Services and Institutions Strengthened	Royal Court of Justice

1-2. Background and Overview of the Grant Aid

Bhutan has determined the basic development principle as the maximization of GNH and its development principles "Bhutan 2020" specifies the five objectives, which are human resource development, protection and promotion of cultural heritages, stable and fair development of the society and economy, good governance, and environmental preservation. The medium-term development strategy the "11th Five Year Plan" specifies the "sustainable and equitable development of the society and economy" as its objective, indicating the detailed target values for solving issues such as a rise in the unemployment rate caused by population inflow from rural areas to urban areas and expansion of an economic gap between urban areas and rural areas. These objectives need to be achieved in harmony with the nature, traditions and history. Important issues include development management through the development of core human resources, decentralization of power, improvement of administrative ability for development management, etc., and establishment of system.

Japan and Bhutan have consistently maintained a good relationship since the establishment of their diplomatic relationship in 1986. Bhutan supports Japan's bid for a permanent seat on the United Nations Security Council and the two countries cooperate with each other in international

scenes. In addition, Bhutan is located between two large countries India and China and therefore the stability of Bhutan is important for the South Asia region.

Under the above circumstances, the Bhutanese government submitted a request to the Japanese government about the student acceptance plan for four terms from FY 2019. The development of administrative officers and other human resources by this project is expected to contribute to the enhancement of administrative organizations and the solution of development issues.

1-3. Civil Service System in Bhutan⁷

1-3-1. Administration System and Civil Servant System

(1) Framework of Bhutan's Administration System

ORGANOGRAM OF THE ROYAL GOVERNMENT OF BHUTAN POST CONSTITUTIONAL ENACTMENT 2009

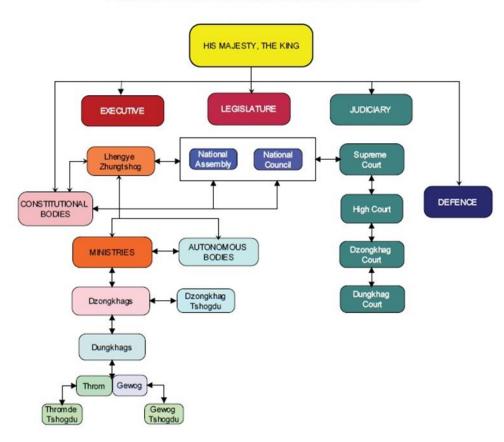


Figure 3 Organogram of the Royal Government of Bhutan⁸

The major central administrative organizations in Bhutan include the three organizations

⁷ BHUTAN CIVIL SERVICE RULES AND REGULATIONS 2018, Royal Civil Service Commission

⁸ Statistical Yearbook of Bhutan 2016, National Statistics Bureau

stipulated in the Constitution (Constitutional), ten ministries, and 35 independent administrative organizations (Autonomous & Agencies). The local administrative organizations include 20 provinces (Dzongkhag), four cities (Thromde) and 205 districts (Gewog). In addition, there are civil servants who work for the royal family, assembly, and courts.

(2) Framework of Bhutan's Civil Servant Personnel System

The framework of civil service personnel system in Bhutan is determined in the "Bhutan Civil Services Rules and Regulations (BCSR)." BCSR determines the basic civil service system such as the classification of civil servants, employment, authority, treatment, evaluation, penal rules, and establishment of the human resource committee. The first version of BCSR was determined in 1990 and it has been revised in 2018 after six years. The civil service personnel system is supervised by the Royal Civil Service Commission (RCSC), which has wide authority related to civil service personnel affairs in addition to the establishment of BCSR. RCSC is promoting the reform of civil service system in accordance with the Civil Service Act of 2010 and the cabinet order issued in December 2013.

The civil service system of Bhutan adopts the Parent Agency System. Civil servants belong to two organizations, which are the parent agency allocated for each occupations and the organization for which civil servants actually work.

The parent agency and the organization for which civil servants actually work have a different role in civil service personnel affairs, and the parent agency plays a more important role for long-term human resource development. However, RCSC as the parent agency of civil service personnel affairs and administration has the authority related to civil service examination, promotion to important positions, management of the government's scholarship project and other important matters.

In Bhutan, there is no difference between the civil service system of the central organizations and that of local organizations and the civil servants working for provinces and cities have the same status.

Table 3 Example of Parent Agent and Occupation

Occupation (Sub-Group)	Parent Agency	
Forestry Services	Ministry of Agriculture and Forest	
Education Support Services	Ministry of Education	
Revenue Services	Military CF:	
Finance, Accounting and Budget Services	Ministry of Finance	
Civil Registration and Census Services	Ministry of Home and Cultural Affairs	
Engineering Services		
Urban Planning Services	Ministry of Works and Human Settlement	
Technical Support Services		
Planning Services	Gross National Happiness Commission	
HR Management and Development Services	Royal Civil Service Commission	
Environment Services	National Environment Commission	
Land Services	National Land Commission	

Role of Parent Agency

- · Provide technical backstopping
- · Implement uniform Application of Rules, Regulation & System
- · Take the lead for succession planningm professional development and management

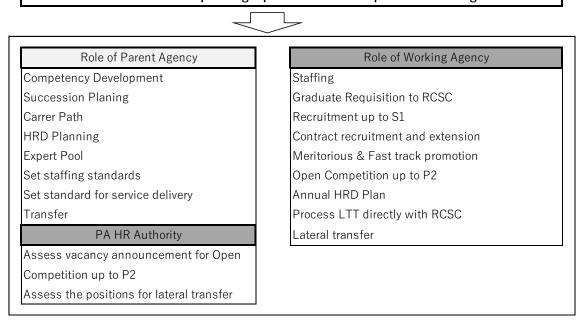


Figure 4 Role of Parent Agent and Human Resource Authority

(3) Classifications of Civil Servants

Civil servants are classified based on the position and the occupation. With respect to the position, there are four categories and 21 levels. Among the four position categories, the Professional and Management Category (PMC) or above requires the acquisition of at least a bachelor's degree.

For the employment of civil servants of PMC or above, RCSC conducts the Bhutan Civil Service Examination (BCSE). For this reason, the administrative officers of PMC or above who have passed BCSE and have a bachelor's degree or above are considered to be candidates for an executive position. The civil servants targeted by JDS are also the civil servants of this category.

The civil servants of Level P1 or above are required to select their career, either a management career or a specialist career. In the case of the specialist career, it is necessary to have a master's degree to be promoted to Specialist (ES) Category.

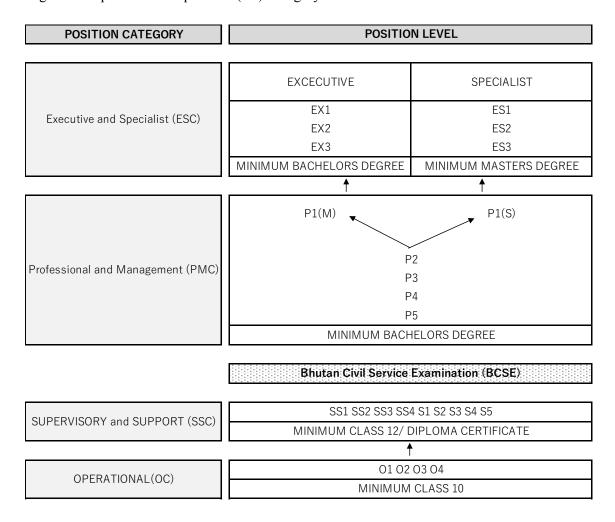


Figure 5 Position Category and Level

The occupation⁹ has three classes. The first class has five Super Structure Groups. The second class has 19 Major Occupational Groups (MOG). The third class has 93 Sub Groups (SG). Each Super Structure, which is the superior class of each occupation, is divided into MOG and further into SG. For example, a civil servant working for the Planning Services belongs to the Planning & Research Service Group of the Administration Service. In principle, the Super Structure of a civil servant is determined when the civil servant is employed, and he or she is not transferred to

⁹ Super Structure Manual version 1 (2016), Royal Civil Service Commission

another Super Structure. As stated above, the occupation system of Bhutan provides a framework under which civil servants develop their career by improving their expertise in the same Super Structure.

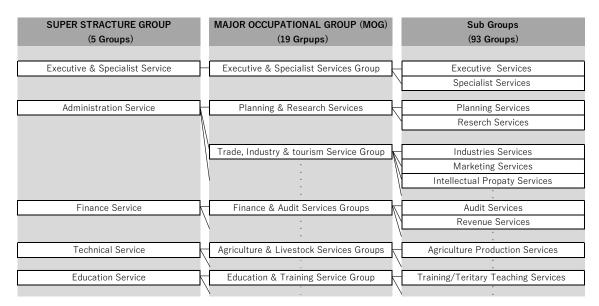


Figure 6 Classification of the Occupation

(4) Recruitment

The graduate employee recruitment examination was commenced in 1983 and thereafter several tests were integrated and abolished to establish current BCSE. The civil servants of PMC or above, who are candidates for an executive position, are recruited at once through BCSE conducted by RCSC and they must pass this examination. With respect to the current eligibility requirements for examination, applicants need to have Bhutanese nationality and aged 18 or more and 35 or less (those who already have a job need to be aged 45 or less) and have a bachelor's degree required by the occupation for which they apply¹⁰.

BCSE consists of preliminary examination (PE) and main examination (ME). The number of opportunities for taking the examination is limited (three times for PE and twice for ME). In 2016, the total number of applicants was about eight times larger than the number of applicants who passed the examination (480 successful applicants / 4,027 total applicants). It is a highly competitive examination. The number of persons to be employed is determined by adjusting the matter according to the needs of each organization.

¹⁰ However, not all civil servants of PMC or above have a bachelor's degree or above due to a difference between the past civil service system and the current system. For example, the civil servants of SSC who were not required to have a bachelor's degree could be promoted up to P3. In some cases, those who did not have a bachelor's degree were employed due to staff shortage. Although some of these civil servants aim to acquire a bachelor's degree, they are not demoted and still belong to PMC without a bachelor's degree.

Table 4 Qualifications for BCSE

Test Category	Qualifications	Minimum Academic Requirements
Administration Service	- Be a Bhutanese citizen	Bachelor's degree in any field
Financial Service	- Have attained at least 18 years	Bachelor's degree in Finance,
	and not be older than 35 years	Economy, Business and Accounting
Educational Service	(not be older than 45 years for in-	Bachelor's degree in Education or
	service candidates)	relevant subject prescribed for the
		Bhutanese School Syllabus or
		Higher Educational Institute
		Programs
Technical Service		Bachelor's degree in relevant field

The preliminary examination includes the tests of English and Dzongkha ability, logical problem solution ability and data interpretation and thereby determines the applicants who should go on to the main examination. The main examination is conducted for each of the four groups corresponding to the Super Structures (Administration Service, Financial Service, Education Service and Technical Service).

The main examination consists of school records (10%), written test (70%), and interview test (20%). For school records, not only the records of higher education but also the records of middle stage secondary education and later stage secondary education are taken into account. The written test for the Administration Service and Financial Service sets questions related to Dzongkha, English, general knowledge, and issues about the development of the society and economy in Bhutan. The test for the Technical Service sets questions related to languages, general knowledge and expert knowledge. For the students specialized in Dzongkha and some applicants for the Educational Service, the content of test is different. The interview test is conducted in both English and Dzongkha by five interviewers appointed by RCSC.

Those who have passed the examination are employed as P5, which is the lowest level of PMC, in the Super Structure for which they took the examination. They are allocated to each organization by taking into account their BCSE results and vacancies of positions. After the determination of allocation, they can participate in pre-service training. They are obliged to work at least for three years.

(5) Promotion and Transfer (Career Path)

Promotion system

Under the civil service system of Bhutan, the promotion of employees is determined annually based on competition under the merit system or personnel evaluation. There are five promotion systems (Table 5). The requirements of promotion include a vacancy of positions in the relevant organization, the ability of each individual, an aptitude for civil service, working experience in

local organizations, age, and the length of service.

Table 5 Promotion System

Category	Overview
Promotion through Open Competition	It is a competitive promotion examination conducted by receiving
	applications when there is a vacancy of positions. The civil servants of
	the same Super Structure can make an application. Those who do not
	belong to the relevant organization can also make an application. The
	examination includes a document screening and an interview test.
Promotion within the broad-banded	This system may be used when the current position requires the same
positions	qualification, skills or responsibility as the immediately superior or
	inferior positions. Although it is not competitive, requirements such as
	the length of service and personnel evaluation have to be met.
Promotion to specialist position	This system evaluates the civil servants having high expertise to
	motivate them to continue working in a specific area of specialization in
	the relevant organization. Although it is not competitive, requirements
	such as the length of service and personnel evaluation have to be met.
Fast-Track promotion	This system is used to achieve the principle of the same wages for the
	same work. Although it is not competitive, requirements such as the
	length of service and personnel evaluation have to be met.
Meritorious promotion	This system applies to those who have received very good personnel
	evaluation for consecutive three years. An employee can be promoted
	six months or one year earlier.

New employees of the lowest level of each category are not promoted for the first five years. For the second and subsequent promotion, the minimum length of service is required for each category. Three promotion systems also require the minimum length of service at the most recent position. If the performance of a civil servant is evaluated as low, one year is added to this requirement of the length of service. With respect to a leave of absence taken for acquiring a master's degree, a period not exceeding 18 months is included in the length of service.

Table 6 Minimum Duration

Position Category	Minimum Duration		
Executive	5 years		
Specialist	6 years		
Professional and Management	4 years		
Promotion Category	Minimum Duration in the current position		
Open Competition with promotion	2 years		
Promotion to specialist	4 years (Promotion to P1)		
Fast-Track promotion	2 years or 3 years (in case of second fast track)		

Each promotion system has the supervising authority, and the human resource committee of the supervising authority approves promotion. RCSC supervises promotion to EX, ES and other

important positions, the meritorious promotion system, and the fast track promotion system. RCSC is considered to play an important role as the central organization of civil service personnel system.

In 2016, a total of 16 employees of EX Category, 22 employees of ES Category and 2,188 employees of PMC were promoted under these promotion systems. The number of employees promoted from 2013 to 2016 shows that a stable number of employees is promoted every year. It also shows that when employees go on to a higher position rank, they compete with each other for promotion to a limited number of positions.

The reform conducted in 2016 implemented a special measure for those who have a Ph.D. degree. The measure determined that (i) the employees having a Ph.D. degree would be employed as P3 after graduation, (ii) they would be promoted by the meritorious promotion system, and (iii) if an employee takes a leave of absence for two years or longer for the purpose of acquiring a Ph.D. degree, this period would not be excluded from the length of service. Under this system, 17 employees were promoted.

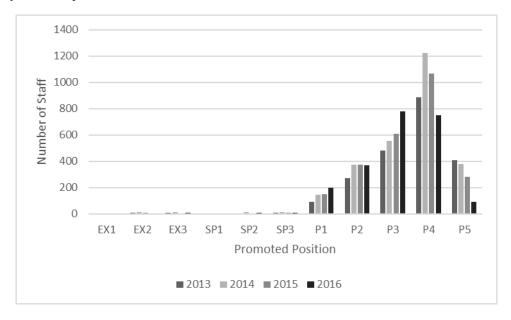


Figure 7 Trend of the Promotion¹¹

Transfer system

The civil service system of Bhutan aims at improving the expertise of each civil servant. For this reason, civil servants are transferred within the Super Structure to which they belong and are not transferred to another Super Structure, in principle.

The transfer plan is determined by the parent agency in consultation with the organization for which the relevant civil servant actually works. As in the case of promotion, the supervising

¹¹ CIVIL SERVICE STATISTICS 2016, Royal Civil Service Commission

authority is also determined for each type of transfer.

Table 7 Authority to Transfer

Type of Transfer	Authority
Inter-Agency	RCSC • Parent Agency
Intra-Agency (the same occupation, except EX and ES)	Agency
Intra-Agency (EX, ES)	RCSC
Inter-Major Occupational Group within the Super Structure group	RCSC
Inter-subgroup in an MOG within the Super Structure group	Agency
Inter-Super Structure	RCSC

In principle, civil servants are transferred every five years. They are required to work in the most recent position at least for three years and those who have participated in long-term training, etc. are required to work in the same position at least for the same period as the training period. With respect to the transfer of the employees belonging to the Technical Service where particularly many employees have high expertise, the employees cannot be transferred to any position requiring different expertise or ability even within the same Super Structure or MOG.

However, there is a system under which the employees of PMC who are at Level P2 or lower and ES Category may be transferred to another Super Structure up to twice. Those who have worked as a civil servant for five years or longer can make an application, and RCSC supervises this system.

(6) Trend in number of Civil Servants

The number of regular employees in Bhutan is 25,145 as of 2016. With respect to the number of employees in each organization, 7,905 employees accounting for 31% belong to the central ministries and agencies. On the the hand, 12,557 employees accounting for about 50% belong to provinces (Dzongkhag). It shows that the number of civil servants working in the capital is almost equivalent to the number of civil servants working for local organizations.

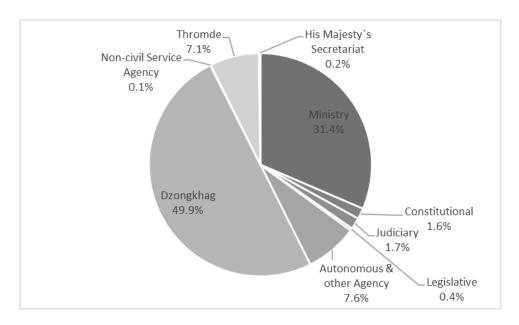


Figure 8 Distribution of Civil Servants

With respect to the number of civil servants working for ministries, the largest ministry is the Ministry of Agriculture and Forests that has about 2,800 employees. The number of civil servants working for autonomous or Dzongkahg is limited. Among all the administrative organizations, the Ministry of Agriculture and Forests has the largest number of employees.

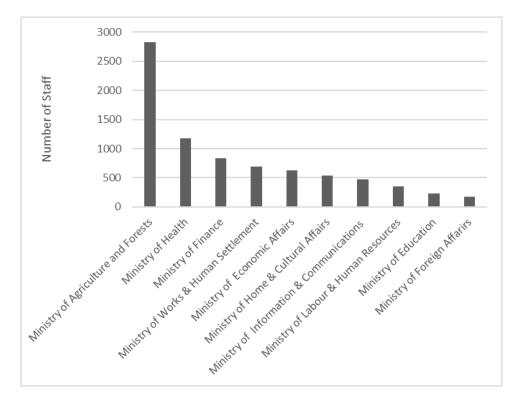


Figure 9 Number of Civil Servants (Ministry Level)

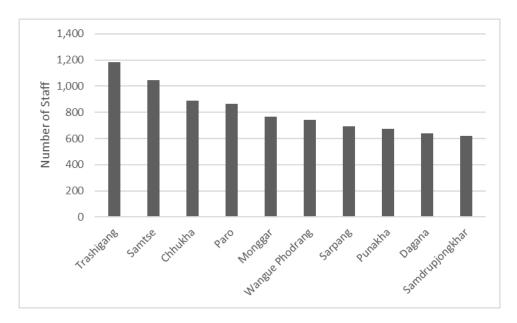


Figure 10 Number of Civil Servants (Dzongkhag Level, TOP10)

(7) Gender Consideration¹²

Bhutan holds the 121st place among a total of 144 countries in the global gender gap index. In Bhutan, men and women have an equal legal status and generally the women's status is said to be relatively high compared with other developing countries. On the other hand, the situation considerably differs between urban areas and rural areas and the society recognizes the women's role in a family as a housewife or mother.

In these circumstances, Bhutan ratified the "Convention on the Elimination of all Forms of Discrimination against Women (CEDAW)" in 1981 for gender mainstreaming. The Bhutanese government is implementing multiple domestic measures in accordance with the international standards. The "11th Five Year Plan" specifies the "establishment of the environment for promoting women's participation from the viewpoint of gender" as a major objective. In 2014, the National Commission for Women and Children as the main organization for promoting gender equality determined the "Gender Mainstreaming Guidelines," indicating the approach and procedure to be taken commonly by each sector for gender mainstreaming. In addition, the "GNH policy examination tool" used commonly by each sector as a tool for examining policies specifies gender equality as one of the examination items.

With respect to the gender balance of civil servants, the ratio of female civil servants to all civil servants in Bhutan is about 36%, which is improving from 29% in 2008¹³. For the gender balance of senior civil servants (EX/ES Category), 214 senior civil servants are male and 27 senior civil servants are female. The ratio of female senior civil servants is small, but the ratio of female civil servants of Level P1, who are candidates for senior civil servants, is 25% and therefore it will

¹² Survey of Country Gender Profile (Kingdom of Bhutan), JICA, February 2017

¹³ Kuensel Online, http://www.kuenselonline.com/gendergapincivilserviceclosingfastrcsc/

improve in future.

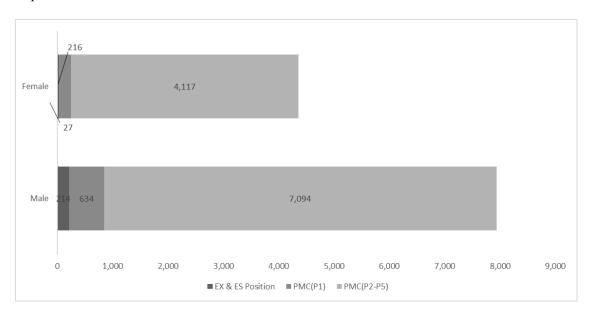


Figure 11 Number of Civil Servants by Sex

1-3-2. Human Resources Development System

The human resource development system for civil servants in Bhutan has three types of training: the pre-service training as well as the in-service short-term training system and the long-term training system for workers.

The "11th Five Year Plan" shows that the budget for civil servants training required 45 billion ngultrum for five years. As the table below indicated, roughly 60% of the amount was financed by donors. It is also estimated that the total of 30 billion ngultrum will be included in the next budget under the 12th Five Year Plan.

Table 8 Expenditure for Human Resource Development for Civil Servants¹⁴

Year	Total Expenditure	Royal Government of	Other(Project/Donor)(b)
	(a+b)	Bhutan (a)	
2013-2014	867.166	413.291	453.875
2014-2015	888.952	376.949	512.003
2015-2016	896.965	382.849	514.116
2016-2017	882.844	367.447	515.397
2017-2018	971.155	324.355	646.800
Total	4,513.477	1,540.536	2,972.941

(Unit: million Nu)

19

¹⁴ Strategic HRD Plan for the 12th FYP (draft)

(1) Pre-service Training

Civil servants, who are new university graduates and passed BCSE, are allowed to take part in the pre-service training courses in order to acquire knowledge and skills that are required in their assigned positions. RCSC, which is responsible for the pre-service training, discusses the training details with the parent agency and fixes them. After this pre-service training, Post Graduate Diplomas (PGD) are granted. The courses are offered in accordance with a Super Structure in which newly graduated civil servants are assigned: PGDPA (Post Graduate Diploma in Public Administration), PGDFM (Post Graduate Diploma in Financial Management), PGDNL (Post Graduate Diploma in National Law) and PGDE (Post Graduate Diploma in Education). These four courses are mainly provided, and new graduates take the training in some organizations for higher education and training institutes. For example, RIM is the organization where the courses for PGDPA and PGDFM are held. Apart from these courses, even more highly specialized courses and the Bhutanese government scholarship program for bachelor's degrees are also offered.

(2) In-service Training

To develop expertise and competence and maintain the skills, civil servants have a lot of opportunities to join in a range of training courses both inside and outside the country. Training courses, which are made in line with the Strategic Human Resource Development Plan (five-year plan), are supposed to be provided. Training lasting six months or less is called Short Term Training (STT) and training with the period of six months or more is called Long Term Training. STT are mainly composed with counterpart training, study tours and participation in seminars and international conferences. LTT is usually offered as degree programs.

Several ideas based on the Strategic Human Resource Development Plan, on which are supposed to be settled in line with the next five-year plan, will feature some particular skills, such as leadership, design thinking and mindfulness in STT. While in LTT, programs for specialist kind of professions, such as a doctor, teacher and engineer or those which feature diplomatic policies for specific countries like China and India will be planned. In addition, some scholarships financed by foreign countries and organizations, which are managed by RCSC, are regarded as flexible programs about human resource development needs¹⁵.

The number of LTT programs, especially those for obtaining master's or Ph.D. degrees which were actually carried out, started decreasing after the peak of 2014. According to the statistics, the LTT courses were held most in Bhutan, followed by India, Thailand and Australia. Ph.D. programs were held especially in Australia.

¹⁵ Strategic HRD Plan for the 12th FYP (draft) and interview with RCSC

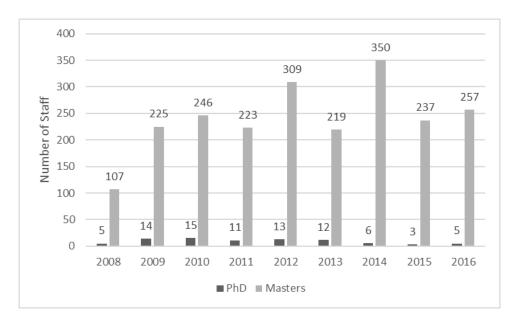


Figure 12 Long-Term Training Availed by Civil Servants

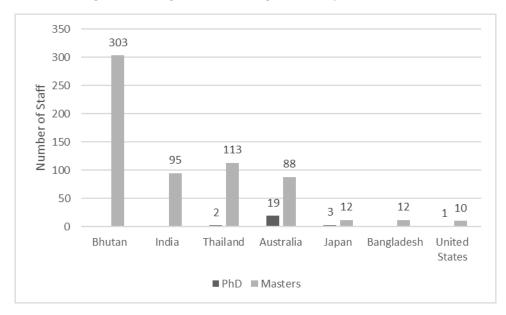


Figure 13 Long-Term Training by Destinations (2016)

Through the examination of LTT participant characteristics, the organizations to which they belong vary, from central ministries and agencies to many local districts. The statistical figures of the number of scholars by profession indicate that the major percentage of scholars accounts for the position level from P5 to P3, and in particular the number of P4 is the highest.

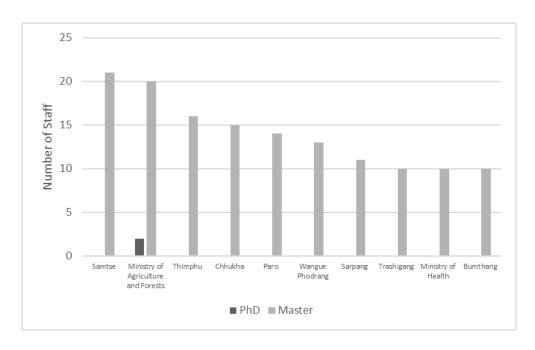


Figure 14 Participants for Long-Term Training by Belonging Organizations (2016)

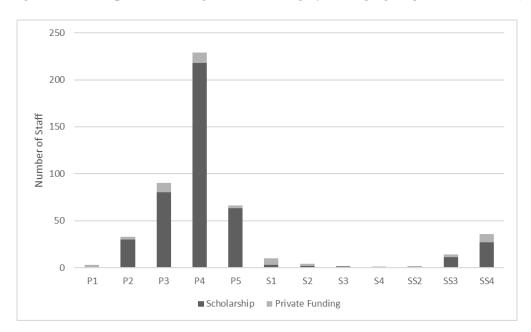


Figure 15 Participants for Long-Term Training by Position Level (2016)

In the LTT selection process, the human resource committee in each organizations, in which an applicant has been assigned, examines the characteristics of each training course, assesses applicants' aptitude, and draws up a shortlist. In the final step, RCSC interviews each candidate and then scholars are selected. The selection standards are fixed in advance.

Table 9 Selection Criteria for Long-term Training

Selection step	Criteria	Weightage
Shortlist	Performance Score in recent 2 years	40
(100 points)	Rural posting	5
	Seniority	5
	Academic achievement	40
	Individual achievement records	10
Interview	General competency	30
(100 points)	Professional and personal	35
	leadership attitude	
	Potential	35

Once joining in a training course, trainees are required to make a regular report and show their results. They are not allowed to take another training course in succession because the rule provides that training courses should not be taken without appropriate training gap between courses. Penalties are imposed when a trainee discontinue a course. After a training course, the mandatory working period in the original position is also provided.

To take an example from LTT, major requirements and penalties relating to training participation are shown below.

Table 10 Eligibility and Penalty for Violation of the Undertaking for LTT

Item	Contents
Age requirement	Below 45 years
Duration requirement	2 years active service
Degree can be obtained	Candidates cannot be allowed to pursue more than one
	LTT of same level/degree
Training gap	Twice the duration of the 1st LTT
Service obligation	Twice the duration of the 1st LTT
Financial penalty in case of incomplete course	Two times the total scholarship cost
Administrative penalty in case of incomplete course	Promotion to be delayed by double duration of the
	course

As stated above, the requirements and penalties are imposed on training participants. Thus, in case of taking some training courses, training participants are required to sign a pledge with RCSC.

1-4. Trends of the Japan's ODA to Bhutan

1-4-1. Trends of the Japanese ODA

(1) Overview

Since Japan offered technical assistances in agriculture fields in 1964, Japan has been a major donor country and provided various assistances including Grand Aid project to Bhutan.

The Country Assistance Policy for the Kingdom of Bhutan has been set by the Japanese government in May 2015. Japan will contribute to stabilization of the entire the South Asia region through assistances to Bhutan's democratization started in 2008 with respect for the basic philosophy of GNH. Based on the Country Assistance Policy for the Kingdom of Bhutan, Japan set two priority areas and three development issues and JDS is highly relevant to the policy.

Table 11 Country Assistance Policy for the Kingdom of Bhutan by the Japanese Government

Basic Policy (Overall Goal)	Priority Areas (Mid-term Goal)	Development Issues (Short-term Goal)
Assistance for self-reliant and sustainable	Sustainable economic growth	 Improvement of standard of living in rural areas Industry development and employment creation
nation building with a good balance of rural and urban areas	Reduction of vulnerability	• Countermeasures for environmental issues and climate change

Changes in aid made by major donor countries recently are shown in Figure 16. Japan has been the largest supporting country among OCED member countries and contributed to the development of Bhutan.

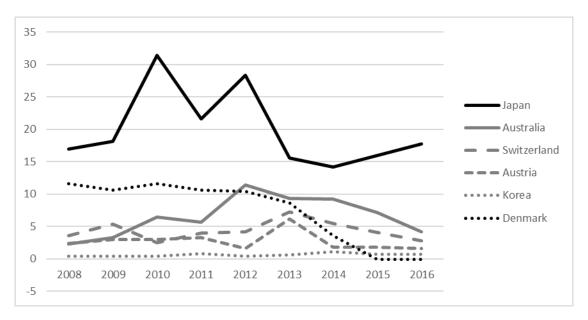


Figure 16 Changes in Aid Expenditure of Major Donors to Bhutan¹⁶ (U.S. dollars in millions, based on aggregate spending)

(2) Projects Implemented by JICA

As supports for formulating development plan, JICA started "Project for Formulation of Comprehensive Development Plan for Bhutan 2030" in FY2016 and "Formulation of Power System Master Plan of Bhutan-2040" in FY2017. In addition, JICA has been conducting "Project on Support for Citizens Engagement in Local Governance" since FY2015 in governance fields, "Integrated Horticulture Promotion Project in the West Central Region" since FY2015 in agriculture fields, "Technical Cooperation Project for Capacity Development in Quality Construction and Maintenance of Bridges" in infrastructure fields and "The Project for Evaluation and Mitigation of Seismic Risk For Composite Masonry Buildings in Bhutan" since FY2017 in disaster prevention fields.

1-4-2. Japanese Government's Scholarship Programs¹⁷

(1) Overview

As of May 2017, the total number of Bhutanese students studying in Japan which include both public and private funded is 97. When it comes to the type of school, 22 of the Bhutanese students are studying at undergraduate schools or graduate schools, 75 are studying at Japanese language education institutions or specialized training colleges.

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¹⁶ OECD.Stat http://stats.oecd.org

¹⁷ Map of JICA Major Projects in Bhutan, JICA, 2017

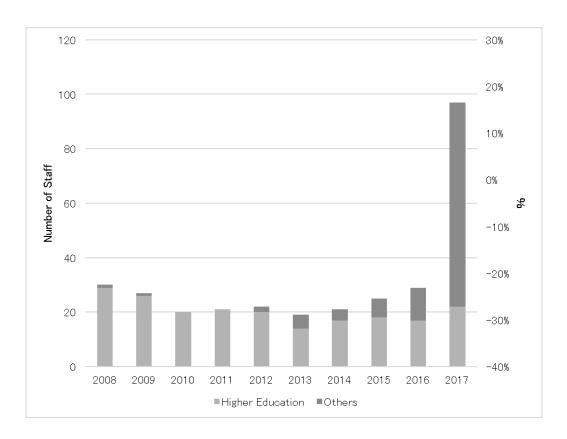


Figure 17 Number of Bhutanese students to Japan (past 10 years)¹⁸

According to the past statistics, the number of students had remained relatively flat, hovering around 20 to 30. In 2017, however, the number of students skyrocketed owing to the increasing number of privately-financed students who enrolled in Japanese language schools. These changes must be seen in the context that the Ministry of Labor and Human Resources has been promoting overseas studies as part of the employment measures for the younger generation in Bhutan. In 2017, 500 young people were sent to Japan for study in Japanese language schools and advanced vocational schools¹⁹.

Mainly four organizations operate scholarship programs for Bhutanese sponsored by the Japanese government. There are two major types of programs which target administrative officers like JDS: Research Scholarship sponsored by Ministry of Education, Culture, Sports, Science and Technology and international organization's scholarship programs funded by the Japanese government. Table 12 describes the outlines of these programs.

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¹⁸ Source: Japan Student Services Organization (JASSO): annual survey on international students

¹⁹ Nearly 400 more Bhutanese to leave for Japan Soon, Kuensel, September 20, 2017

Table 12 Japanese government's scholarship programs

Organizations	Project	Purpose
Ministry of	The Japanese	To promote international cultural exchange between Japan
Education, Culture,	Government	and other countries and to promote mutual friendship, as
Sports, Science and	(Monbukagakusho)	well as to contribute to human resources development of
Technology	Scholarship	foreign countries.
(MEXT)		
Japan Society for	JSPS Fellowship	To support the progress of research by individual foreign
the Promotion of	Programs for	research fellows, as well as to promote Japanese academic
Science (JSPS)	Overseas	research and internationalization through cooperative
	Researchers	research relationships with foreign researchers.
	RONPAKU	To support outstanding researchers from Asian and African
	(Dissertation	nations in obtaining PhDs from Japanese universities by
	Ph.D.) Program	submitting theses, regardless of the graduate school
		program. The aim is to improve academic research
		standards in the target countries and to develop academic
		exchange relationships between Japan and the target
36: 1	T ' / T / TT / TT / TT	countries.
Ministry of Foreign	Joint Japan/ World	To provide <u>middle managers</u> in developing countries with
Affairs (MOFA)	Bank Graduate	opportunities to study in master's degree programs in
	Scholarship Program	development-related areas in Western countries, Japan, etc.
	(JJ/WBGSP)	The project has been administered with donations from the Japanese government for longer than 25 years. More than
	(JJ/WDGSI)	5,000 people have received the scholarship so far and more
		than 200 million U.S. dollars has been spent by the
		Japanese government. The project is intended for
		personnel in both the government and the private sector.
	Asian	For developing counties who are members of ADB, the
	Development Bank	program offers opportunities to obtain degrees in
	- Japan Scholarship	development-related fields in 27 designated graduate
	Program (ADB-	schools in ten countries in the Asia-Pacific region. It was
	JSP)	established in April 1988, and the Japanese government
		has spent more than 100 million U.S. dollars. More than
		2,700 people from 35 member countries have received the
		scholarship. About 300 people receive the scholarship every year.
		every year.
Ministry of Finance	The Japan-WCO	In order to improve the human resources of WCO Member
(Customs)	Human Resource	Customs administrations, this program provides Customs
	Development	officials from developing countries with an opportunity to
	Program	pursue master's level studies and training in Customs
		related fields in the Public Finance and Intellectual
		Property Rights at the National Graduate Institute for
		Policy Studies (GRIPS) and the Aoyama Gakuin Univerity
		(AGU). The program started in 2000 and receive 215
		people from 52 countries by 2016.

(2) The Japanese Government (Monbukagakusho) Scholarship (Ministry of Education, Culture, Sports, Science and Technology: MEXT)

The Scholarship sponsored by the Japanese Ministry of Education, Culture, Sports, Science and Technology, which is currently offered in Bhutan, includes programs for research students and

teacher training students as well as special programs that are preferentially assigned to Japanese government-financed students. The quota of two research students recommended by the Japanese Embassy is usually filled with administrative officers. Three scholars are selected a year for the teacher training student program, even though this is not prepared for a degree. As a special program that is preferentially assigned to Japanese government-financed students, the International Space Engineering Course for Enhancing Satellite Development Abilities in Collaboration with the United Nations, which is provided by Kyushu Institute of Technology, takes overseas students.

As a master's program for administrative officers, the research student program is the most common. The quota of two research students recommended by the Japanese Embassy is filled with administrative officers who are screened out by RCSC. The degree that the scholars aim to gain is a master's degree, which area has been the humanities and social sciences in the past few years, in response to the request from RCSC. The Young Leader's Program (YLP), which is made to send highly-regarded, promising young administrative officers to a master's program, is not available in Bhutan.

The Japanese Government Scholarship program is aimed at contributing to human resource development by seeking friendship goodwill with foreign countries. In Bhutan, the target of the program is also administrative officers, however, the difference in the strategies is seen because the program is mainly aiming at developing individuals, JDS is aiming at forming "critical mass" in specific fields by limiting accepting fields and targets It is aimed at the difference in strategy.

Table 13 Overview of Research Student MEXT Scholarship Program

Program	Research Student
Purpose	To Promote the international cultural exchange between Japan
	and other countries, promote friendship and goodwill, while
	contributing to the development of human resources in other
	countries.
	Students start as research students for one to two years. The
	duration of scholarship will be extended if the students pass
	entrance examination of graduate schools to be regular
	students. Half year will be allocated for preparatory education
	if students' Japanese proficiency is not enough.
Year started	1954
Fields of study	All fields which Japanese graduate schools offer
Language	Japanese or English
number of slots	Not fixed
Main qualifications and requirements	Age: under 35
	Work Experience: no special experience is required.
	(Undergraduate students can apply.)
Selection of Candidates	Recommendation by Japanese embassies and missions abroad,
	recommendation by universities

Table 14 Number of MEXT Scholarship Bhutanese Students (by Program)²⁰

Year	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Research Scholarship	3	5	4	2	3	3	2	3	2	1
Teacher Training Course	-	-	-	-	-	-	-	-	3	3

(3) Ph.D. Degree Holders

Nine Bhutan civil servants have obtained Ph.D. degrees as well as master's degrees in Japan (One out of nine is still in studying overseas.)21. They were awarded their Ph.D. on the Scholarship sponsored by the Japanese Ministry of Education, Culture, Sports, Science and Technology, the Asian Development Bank (ADB) Scholarship, and many other private scholarships. Table 15 shows that PhDs in agriculture are dominant. There are also some Ph.D. holders in medical and engineering fields while no Ph.D. in the areas of humanities and social sciences.

Table 15 Ph.D. Degree Holders

Graduation	Current Position	Name	Field	University	Scholarship
Year	(as of April 2018)				
2006	Chief Forestry Officer, Ministry	Dr. Pema Wangda	Environment	University	ADB
	of Agriculture and Forests			of Tokyo	
2009	Lecturer, RUB	Dr.Cheki Dorji	Engineering	Yokohama	MEXT
				National	
				University	
2011	Chief Vet. Officer, Ministry of	Dr. Tashi Dorji	Animal	Kobe	JSPS
	Agriculture and Forests		husbandry	University	
2011	Principal Livestock Health	Dr. Dorji	Agriculture	Kagoshima	Shin Nippon
	Officer, National Dairy Research			University	Biomedical
	& Development Centre				Laboratories
2012	Program Director, Ministry of	Dr. Chenga	Medical	Kagoshima	Shin Nippon
	Agriculture and Forests	Tshering		University	Biomedical
					Laboratories
2017	Dy. Executive Engineer, ,Bhutan	Dr.Karma	IT	Tokyo	MEXT
	Civil Aviation Authority	Wangchuk		Institute of	
				Technology	
2017	Chief Meteorology/Hydrology	Dr.Singay Dorji	Environment	N.D.	University
	Officer, National Center for				Scholarship
	Hydrology and Meteorology				
2017	Chief Laboratory Officer,	Dr. Sonam	N.D.	Oita	JSPS
	Ministry of Health	Wangchuk		University	
2021	Engineer, Ministry of Home and	Dr. Phuntsho	Disaster	Nagoya	N.D.
	Cultural Affairs	Wangmo	Preventation	University	

Provided by Embassy of Japan in IndiaInterview with RCSC

(4) Notable Returned Civil Servants from Japan

Table 16 introduces the Bhutan administrative officers who once studied in Japan and are now actively involved in the front lines of the Bhutanese government or those who are deeply related to JICA projects. Many officers who studied in Japan hold high-ranking posts such as the Chairperson and a member of National Assembly of Bhutan, as well as many more managerial positions.

Table 16 Notable Civil Servants who studied in Japan

Period	University	Name	Current position (as of January 2018)
N.D.	Kyoto University	Dr. Sonam Kinga	Chairman of National Council
2003-2004	National Graduate Institute for Policy Studies	Mrs. Tashi Wangmo	Eminent Member of National Council
2003-2004	National Graduate Institute for Policy Studies	Ms. Kesang Deki	Commissioner, RCSC
2003-2004	National Graduate Institute for Policy Studies	Mr. Kinley Wangdue	Director, Ministry of Foreign Affairs
2003-2005	Kagawa University	Mrs. Tashi Pem	Director, RCSC
2006-2008	Yokohama National University	Mrs. Dago Zangmo	Chief Engineer, Ministry of Works and Human Settlement
2010-2012	Kyushu University	Mr. Kinga Norbu	Program Director, Agriculture Machinery Centre

At the time of a field study in January 2018, the survey team interviewed three of the Bhutan civil servants mentioned above. Mrs. Tashi Wango has experience of policy making and planning work in a vocational training centre under the Ministry of Labor and Human Resources. As her achievements were highly regarded, she was designated as an eminent member of the National Council by the King and has been working there for ten years. Mrs. Tashi Pem, who had gained a master's degree in Japanese, has been taken office as the Director of RCSC since 2015 after being engaged in the tax reform, including the green tax introduction as an officer of the Ministry of Finance. Mrs. Dago Zangmo has been consistently building up a career in the field of countermeasures against natural disasters. After coming back from Japan, she is devoted to taking measures to protect houses from earthquakes and other disasters as she did before, and is working hard as a chief engineer in the development related to JICA projects. Mr. Kinga Norbu is serving as Program Director of Agriculture Machinery Centre where JICA projects are implemented.

It is obvious that the civil servants who once studied in Japan on the Japanese government-sponsored scholarship have paved the way to the key posts, after producing achievements as an administrative officer, making good use of knowledge that they learned in Japan. It is also confirmed that these officers have become the Bhutan counterpart of JICA projects.

(5) Alumni Activity

According to the above-mentioned interview survey of people who once studied in Japan, their alumni association is currently no longer active.

1-4-3. Situation of Private Cooperation and Exchange

(1) Example of Private Cooperation and Exchange

Besides the intergovernmental exchanges between Bhutan and Japan, the Japan-Bhutan Friendship Association, the Kobe Bhutan Friendship Association and many other associations strive to cultivate friendly relations and cultural exchanges between the two countries. In addition, the following examples of private collaboration and exchanges can be given.

Bhutan Japanese Language School²²

Bhutan Japanese School, established in February 2011, is the first Japanese language school in Bhutan. Two Japanese teachers give instructions covering everyone from beginners to the advanced. The school also provides a Japanese language course mainly to tourist guides. Many Bhutanese people learn Japanese to get themselves ready to go to study in Japan.

Exchange between Ama-cho, Oki-gun, Shimane Prefecture and Bhutan²³

A range of personal exchanges have been carried out between Ama-cho, Oki-gun, Shimane Prefecture, Japan and Bhutan. For example, Japanese high-school students in Ama-cho are sent to Bhutan as part of JICA-Ama-cho collaborative project. The town also accepts some JICA trainings. Besides these exchanges, the Ama-Bhutan project has been also conducted as part of the Waseda Volunteer Project led by Waseda University. Waseda university students, who learned about community building through their working experience in Ama-cho, strive to contribute their efforts to revitalization of Bhutan's local communities.

Exchange between Yorii-Cho, Saitama Prefecture and Bhutan²⁴

In October 2016, Yorii-machi, Sitama prefecture made an agreement with Bhutan that Yorii-machi, as a pre-training site, would accept the Bhutan Olympic team at the 2020 Summer Olympics in Tokyo, as well as the both parties would hold a range of sports and cultural exchange events. In

²² Survey on Japanese-Language Education Abroad Bhutan(2016), Japan Foundation

²³ "Exchange between Ama-cho, Oki-gun, Shimane Prefecture", Yuudai Hirayama

²⁴ http://www.tokyo-np.co.jp/article/saitama/list/201802/CK2018021202000131.html, The Chunichi Shinbun, February 12, 2018

April 2018, two students from Yorii-johoku High School were sent to the nationwide track and field competition that was first held in Bhutan. The students of Yorii-johoku High School raised funds for this competition via crowdfunding.

1-5. Trend of Other Donor's Aid

In Bhutan, 47 types of scholarships for administrative officers, including long-term and shortterm programs, are currently available. Major donors of these scholarships are Australia, India and Thailand. The Australian government-sponsored scholarships in particular are the most powerful competitor to the JDS projects.

Table 17 Other Donor's Scholarship Programs in Bhutan

Program	Target	Degree	Field of study	Slot
Australia Awards Scholarship	Civil servants, Non-civil servants	Master	1. For civil servants Economy, Accounting, Statistics, Human resource management, Development studies, Law, Intelligence and counter terrorism, engineering (electrical, power, mechanical), Education	33 people (2017) (22 slots for civil servants)
			2. For non-civil servants Entrepreneurship and innovation, Hospitality and tourism, Information technology, Actuarial studies, Food science and technology, Educational leadership and management, Human resource management	
TICA Scholarship	Civil servants	Master	Cyber security, logistics / Supply chain, Economy, Accounting, Education, Biology	50 people / year (20 slots for full scholarship, 20 slots for cost- sharing)
Nehru-Wangchuck Scholarship	Civil servants	Master	Leadership, Business management, Medical, Economy, Accounting, Engineering, Natural resources, IT management	8 people / year (5 slots for civil servants)

(1) Australia Awards Scholarship²⁵

Scholarships funded by the Australian government was launched in 1962 and were combined into Australia Awards in 2010. The total number of Australia Awards scholars up to now is roughly 800 to 900 people in Bhutan. Most Awards recipients have served in several important posts, such as minister and vice minister of the Ministry of Finance, vice minister of RCSC, vice minister of GNHC and president of RUB. Therefore, Australia Awards Scholarships are well known as reputable, reliable and established programs in Bhutan.

The operation of the project is carried out by Scope Global which is an agent of the scholarship

²⁵ Interview with Scope Global (Implementing agent of Australia Awards)

in six countries in South Asia. On behalf of the Australian government, the company carries out recruitment and selection activities, support for organizing the operating committee, follow-up activities after returning home, etc.

The number of scholarships that the Australian government offers every year may change depending on their budget. In 2015, 52 scholars were accepted; 2016, zero and 2017, 33 scholars (22 of which are civil servants). In 2018, there are 200 eligible applications, 28 of which are scheduled to be sent to Australia. Not only civil servants, but workers for private companies are eligible to apply. However, among the selected scholars, civil servants account for 60% and private company employees, 40%. RCSC is involved in the application and screening process for civil servants while the Ministry of Labor and Human Resources, in that for private company employees.

Although Australia Awards Scholarships offered both bachelor's and Ph.D. programs in 2010, the Scholarships currently provides master's degree programs only. Major master's degree programs used to be one-year programs. However, the period of the programs was extended into two-year programs in 2014.

The areas where scholars are accepted are to be decided after consultation with the Australian Embassy in India, RCSC and the Ministry of Labor and Human Resources. In 2019, the priority areas for civil servants: economy, finance, statistics, human resource development, law, antiterrorism policy, engineering (electronics, machinery, and power energy) and education have been decided. For private company employees, the areas of entrepreneurship, tourism, IT, actuarial science, food chemistry & engineering, educational management and human resource development are prepared.

The information of Australia Awards Scholarships is announced on newspaper advertisements and the RCSC website or distributed to all mobile phone users using Short Message Service (SMS). Applications are accepted online. In the screening process, agents check the eligibility of applicants and education consultants examine each application documents. Joint interviews are conducted with the Australian Embassy in India, and RCSC or the Ministry of Labor and Human Resources, and Awards recipients are selected. Universities, in which they are allowed to enroll, are not fixed in advance. Awards recipients can select their desirable universities within the priority areas. If they fail to meet requirements of their second choice, they will lose their scholarship entitlement. For female candidates and those from the districts, their scores are raised in the screening process.

After leaving for Australia, universities offer Introductory Academic Program (IAP) for a month and scholars learn how to write a thesis, study methods and quotation rules. After that, the scholars are taken cared by Scholarship Contact Officers (SCO). Australia Awards Scholarships allow scholars to bring their family from their home countries and their family members are permitted

to work. This is one of the reasons why these scholarship programs have been popular²⁶.

After scholars return to Bhutan, besides workshops for results reporting in front of invited civil servants, they conduct a follow-up activity called Alumni Development Impact Survey at the time of one-year anniversary. They also hold several workshops and seminars as part of the alumni association. Before scholars leave Bhutan, the returned alumni hold a send-off party, encouraging members of Assembly and each Ministry's executive, who were once Australia Awards scholars to take part in. As the year 2017 saw the 15th anniversary of establishing diplomatic relations between Australia and Bhutan as well as the 55th anniversary of the Scholarships foundation, the memorial alumni message book was crafted. These diverse follow-up activities are conducted because this Scholarships launched the alumni network strategy in 2013, providing their alumni activities with capital support and encouraging the alumni to build connections and to interact with each other.

(2) TICA Scholarship²⁷

The TICA Scholarship has been provided since the 1980s in order to encourage training in such fields as regional development, agriculture, health, education, and private sector development. According to the agreement, the ongoing 4th technical cooperation program is expected to offer 285 scholarships for both short- and long-term training for the three-year period between 2017 and 2019. These scholarships are divided into full and cost-sharing ones. Annually, full scholarships sponsor 20 trainees while 30 cost-sharing scholarships are offered for long-term training programs. Until 2017, 41 civil servants have received these scholarships among the cumulative total of 141 recipients.

In the recruitment for 2018, priorities are given to cyber security, logistics and supply chain, economic affairs, accounting, education, and biology. One accepting university is specified for each of these disciplines.

(3) Nehru-Wangchuck Scholarship²⁸

The government of India serves as a donor of scholarship programs for a total 48 persons aspiring to obtain academic degrees. Among them, the Nehru-Wangchuck Scholarship, bearing the names of leaders from both India and Bhutan, is a major scholarship.

The scholarship program began under the five-year plan of 2010. The budget was doubled from ten to 20 million ngultrums²⁹ in 2014 when Prime Minister Modi visited Bhutan to agree to the commencement of the second phase. The number of offered scholarships was not defined in the first phase. The increase in the budget was made to expand the amount of scholarship and benefits

²⁶ Interviews with ministries and agencies

²⁷ Annual Report (July 2016 – June 2017), Royal Civil Service Commission

²⁸ Interview with RCSC

²⁹ The budget was doubled from roughly 16 to 32 million yen (calculated at the exchange rate as of March 2018).

offered for a fixed number of scholars.

The decision-making committee comprises members from the RCSC, the Indian Embassy in Bhutan, Ministry of Foreign Affairs, Ministry of Labor and Human Resources, and Ministry of Education

Annually, eight scholars are chosen for the second phase of the scholarship program, five of whom are always civil servants (one teacher and four administrative officers). The screening of civil servants is conducted by the RCSC, and that of private scholars is conducted by the Ministry of Labor and Human Resources. For 2017, seven administrative officers applied to four slots, and 13 teachers applied for one slots.

Priorities are reviewed every year while striking a balance with other scholarship programs. But generally, there are six key priorities – namely, leadership, business management, medical care, economic affairs, statistics, engineering, natural resources, and IT management. As of 2017, 11 civil servants are studying abroad to obtain master's degrees among a total of 41 scholars who could study abroad thanks to this scholarship program.

1-6. Situation and Needs for Human Resource Development in Target Organizations

Bibliographic, questionnaire, and interview surveys were conducted to assess the training needs and existing human resources of the government organization for the selection of the right candidates as a prerequisite for the JDS to produce results. Personnel statistics of civil servants issued by the RCSC were mainly analyzed as statistic data, whereas training needs were assessed through questionnaire and interview surveys.

(1) Distribution of Civil Servants³⁰

Distribution of age and academic background in each position level

According to the system in place in Bhutan, civil servants at the PMC or senior levels who passed the BCSE can enter their career tracks. With this premise, statistics of civil servants were analyzed mainly with respect to their age and academic degrees as basic requirements.

Analysis of the age composition of civil servants by position demonstrated the most common age group corresponding to each level from P5 (age 25-29), P4 (age 30-34), and P3 and P4 (age 35-39). Considering that JDS sets the basic age limit up to 40, major targets will be 10,639 persons at levels P5 through P3. As explained with respect to the training system, this assumption is deemed valid considering that personnel in these positions receive most scholarships for LTT.

³⁰ CIVIL SERVICE STATISTICS 2016, Royal Civil Service Commission

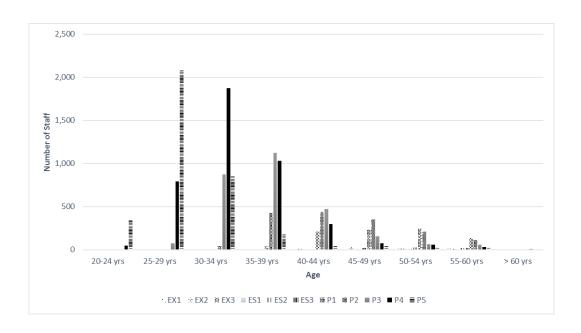


Figure 18 Civil Servants by Position Level and Age Groups

As a next step, academic degrees obtained by civil servants were examined. While any application to the BCSE requires a bachelor's degree, civil servants recruited in the past could be employed or advanced without a bachelor's degree. As a result, only about 69% of them have acquired academic degrees. The analysis of academic degrees required for respective positions demonstrate a high ratio of EX- and ES-level personnel with academic degrees. But the main targets in P5- to P3-levels, the ratio is between merely 62 and 76%. According to these data, the number if targeted civil servants with a bachelor's or superior degrees is 1,970 at the P5-level, 2,481 at P4-level, and 2,083 at P3-level.

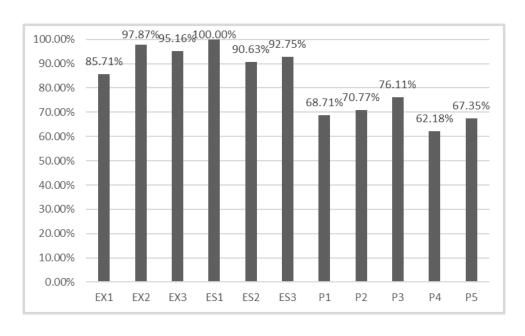


Figure 19 Civil Servants meeting the Minimum Qualification Criteria

The analysis of the major target group of civil servants at the P5- to P3-level indicates that 6,534 out of 10,639 of them have necessary academic background.

Regarding more advanced academic degrees, 2,210 hold master's and 33 Ph.D. degrees. Though it is unclear from the available statistics due to lack of data by position level, a sizable number of holders of master's or superior degrees is believed to be included among the abovementioned 6,534 civil servants.

Distribution of number of civil servants and academic background in each organizations

The JDS expects the human resource department of each administrative agency to serve as the first contact point for the screening process. Bearing this in mind, the existing human resources at each administrative agency are analyzed to ensure efficient recruitment.

In terms of administrative units, Dzongkhag have a greater number of civil servants and intended targets at the P5- to P3-level. Meanwhile, Thromde have a higher proportion of personnel at the P5- to P3-level among the total number of civil servants.

In Bhutan with small population, it is necessary to cover not only the civil servants in the central ministries and agencies but also those belonging to these regional organizations in order to acquire many applicants. In Bhutan's civil service system there is no difference in status between civil servants in the central and regional areas, and since the transfers between regions are common, there is no reasonable reason to distinguish between them. Also, in light of the fact that the main theme of the "12th Five Year Plan" is decentralization, the relevance of regional government strengthening through human resource development is high. Furthermore, the high level of human resources needs in regional areas can be confirmed from the fact that many officers from local organizations receive scholarships and participate in LTT as stated in the human resource development system.

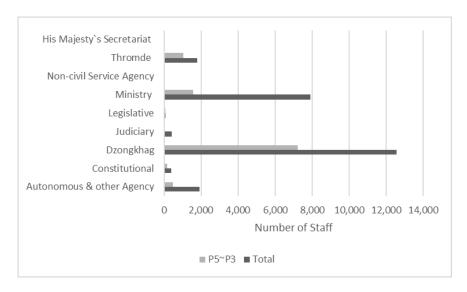


Figure 20 Civil Servants by Type of Organizations

The need from human resources in Dzongkhag and Thromde is visible both from the fact that decentralization is a major agenda item in the "12th Five Year Plan" and the fact that many civil servants from Dzongkhag have received scholarships to participate in LTT as mentioned regarding the training system.

Unfortunately, given the unique reality of transport access in Bhutan, it is hard to expect frequent recruitment campaigns in the provinces. Inevitably, they must be mainly directed at the central governmental agencies in the capital, Thimphu. As mentioned earlier, in the civil servant system in Bhutan, the personnel affairs of civil servants in Dzongkhag and Thromde are conducted by parent agencies, not by the provincial organization they belong to. This fact preserves the importance of central governmental agencies as a parent agency.

Key trends in human resources are presented according to parent agency in the following figure³¹. The size of the circle represents the number of regular employees, whereas the horizontal axis indicates the share of young staff at the P5- to P3-level as intended targets, and the vertical axis shows the proportion of holders of bachelor's degrees. In many organizations, the proportion of holders of bachelor's degrees is mostly found in the range between 14 and 22%. In terms of the proportion of young personnel, these organizations are roughly divided into two groups. The Ministry of Agriculture and Forestry and the Ministry of Works and Human Settlement are large parent agency with a lower proportion of young staff compared to other ministries and agencies by about ten percentage points. The Ministry of Finance and Ministry of Home and Cultural Affairs have a certain number of employees with a high proportion of holders of bachelor's degrees and young staff. Presumably, candidates sought by JDS are found with a high probability in these two ministries. Focused recruitment activities with them will likely to efficiently attract candidates who meet requirements.

³¹ Eight organizations with the greatest number of employees were extracted. Note that the Ministry of Education and Ministry of Public Health are excluded from this figure because of the difficulty in the comparison of the number of employed administrative officers as they employ a large number of teachers and medical staff.

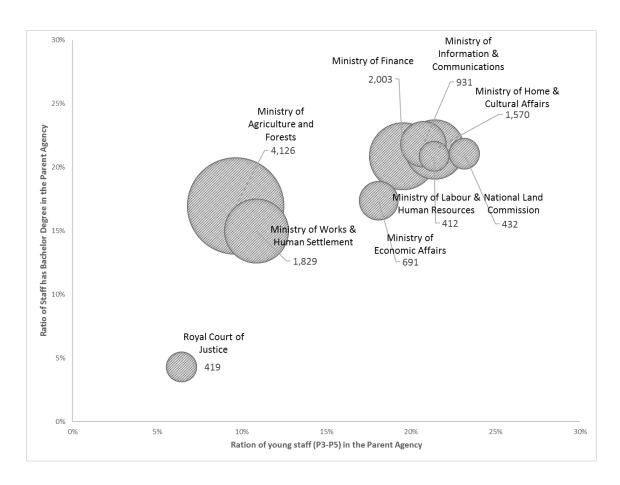


Figure 21 Target Group Comparison in Parent Agency

A closer look at the academic degrees obtained by civil servants belonging to major parent agencies³² shows that there are a great number of holders of bachelor's degrees without master's degrees³³ in the Ministry of Agriculture and Forestry, Ministry of Finance, and Ministry of Home and Cultural Affairs. The Ministry of Economic Affairs has the highest proportion of holders of master's or superior degrees, which stands at 14%. Meanwhile, a large share of holders of Ph.D. degrees (22 out of 33) belong to the Ministry of Agriculture and Forestry.

Observation of the difference in the proportion of holders of bachelor's degrees and holders of higher degrees helps estimate the needs of respective parent agencies in terms of academic degrees among employees. No difference among the two in the Ministry of Economic Affairs probably indicates their expectation for master's-level skills from each employee. Although the proportion of holders of master's degrees is not high in the Ministry of Agriculture and Forestry, the sizeable number of holders of Ph.D. degrees suggest that these selected few intellectual leaders underpin the knowledge of their organization.

³² Eight organizations with the greatest number of employees were extracted. Note that the Ministry of Education and Ministry of Public Health are excluded from this figure because of the difficulty in the comparison of the number of employed administrative officers as they employ a large number of teachers and medical staff.

³³ P.G Diploma, P.G Certification and Bachelor's Degree are included.

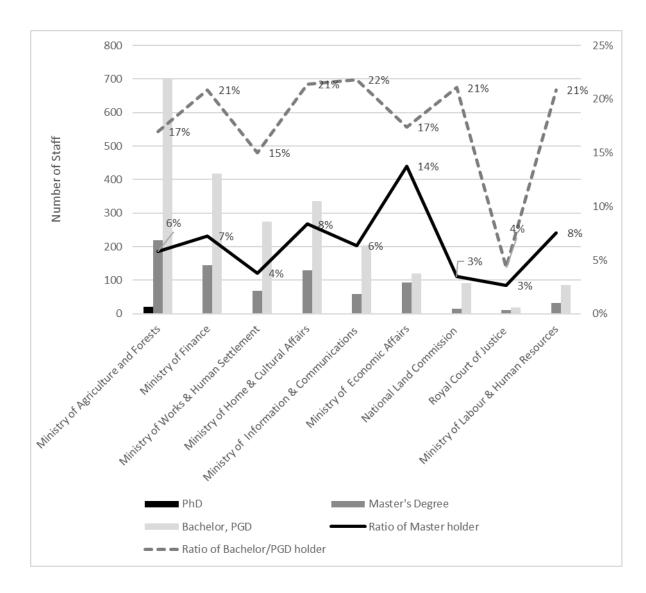


Figure 22 Civil Servants' Academic Background by Parent Agent

Distribution of the number of civil servants in each occupational groups

In Bhutan, civil servants are appointed based primarily on their occupations. They do not permanently belong to the same ministry. They are shuffled among different organizations while maintaining their occupation. So, the key for the assessment of human resources is the distribution of civil servants in each occupations.

The personnel composition of respective Super Structures is analyzed according to occupation. Concerning the number of PMC staff, there are about 8,000 of them assigned to Education Service, 2,000 in Technical Service, 1,000 in Administrative Service, and 600 in Financial Service. However, attention must be paid to a large number of teachers counted in the most popular Education Service, who are civil servants, but not necessarily administrative officers.

Next, staff at the P5- to P3-level were extracted up to the MOG level to examine their status as

potential targets of JDS³⁴. Since some part of MOG overlaps with Super Structures, they are removed from the data for easier analysis.

In terms of the number of employees at the P5- to P3-level who are assigned to the MOG under Administrative Service, the Planning & Research Services employ the greatest number of staff (214), followed by Human Resource Services (201), and Trade, Industry & Tourism (67). The MOG under Financial Service, Financial & Audit Group has 319 members. The MOG under Technical Service employs 356 staff in Architectural, Engineering & Land Services, 226 staff in Agriculture & Livestock Services, and 151 staff in Forestry & Environment Protection Services.

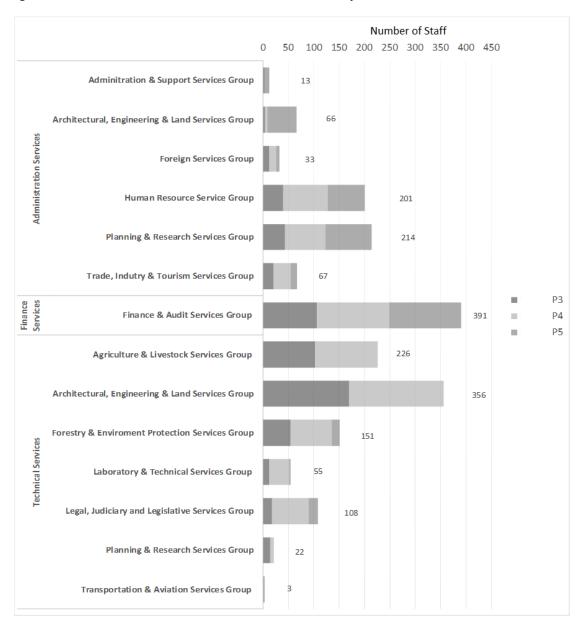


Figure 23 Number of Civil Servants by Major Occupational Group

Education Service is excluded from the analysis as the line of work does not correspond to the agenda here.

The MOG extends across multiple Super Structures and employs the greatest number of civil servants in Administration & Support Services (299) under Technical Service, followed by Program Services (150) under Multiple Entry. Administration & Support Services are sometimes classified into Technical Service or another Super Structure rather than Administration Service as the assignments require expertise in finance, engineering, education, and other fields. Also, Program Officer is classified into a line of work called Multiple Entry³⁵, which transcends the boundary of Super Structures as the assignments require multidisciplinary expertise³⁶.

So far, personnel composition was analyzed up to the MOG level, which reveals that any MOG has a limited pool of potential candidates. A certain number of targets is necessary for attracting promising candidates. Although occupations are further divided into the SG level, target group should be specified only at the Super Structure or MOG level to attract human resources with diverse background while balancing their expertise and occupation.

(2) Questionnaire Survey Overview

A questionnaire was carried out with all administrative organizations.

Deadline: January 30, 2018Targets: 64 organizations

• Response rate: 20% (64 out of 13 organizations responded)

(3) Interviews Survey Overview

Field surveys were conducted both in December 2017 and January 2018 based on the findings from the analysis made in Japan with available materials. Interviews were conducted at major government agencies to hear their development agenda and training needs. The survey team gained advice from Bhutanese who returned from their studies in Japan and shared what kind of value-added programs they expect from JDS.

(4) Findings of Both Surveys

Development issues and needs for human resource development

Priority areas and development issues confirmed by the questionnaire survey and interviews are summarized in the table 18.

³⁵ Super Structure Manual version 1 (2016), Royal Civil Service Commission and interview with RCSC

³⁶ For instance, engineers sometimes serve as teachers at vocational training schools. They are temporarily classified as Program Officer of Multiple Entry, but they return to their original Super Structures

Table 18 Priority Areas and Development Issues in Major Organizations

Organizations	Human Resource Development Needs
Ministry of Agriculture and	Agriculture Economy, Marketing, Food Security, Value-added Production, etc.
Forests	
Ministry of Labor and	Policy for Entrepreneur Support, Vocational Training, Labor Law, Industrial
Human Resources	Safety and health, etc.
Ministry of Finance	Macro Economics, Public Finance etc.
Ministry of Economic	Public Policy, Leadership, ICT, Hydroelectric Generation
Affairs	
Ministry of Information	Information and System Security, Communication Technology, Transport
and Communications	Management, Transportation Planning, Mass Communications, Media Studies,
	Aircraft Maintenance etc.
Ministry of Foreign Affairs	International Relations, Public Policy, Diplomatic Negotiations etc.
Ministry of Education	Education, Public Policy, Human Resource Management etc.
Ministry of Home and	Local Governance, Public Policy, Preservation of Culture, Administration, Disaster
Cultural Affairs	Management etc.
National Statistics Bureau	Economy, Environmental Economy, GIS, Remote Sensing etc.
National Land Commission	GIS、Remote Sensing、Geographical Information Management etc.
National Environment	Geo technology, Waste Management, E-waste Management, Pollution Control,
Commission	Urban Planning, Eco-friendly Building Design, Water Resource Management,
	Water and Sewage etc.

Needs for Ph.D. program

In the questionnaire survey, seven organizations responded they needed Ph.D. programs. As reasons, they mentioned the needs to build pools of experts in their organizations, and they expect innovation made by technical experts who completed Ph.D. programs.

In the interview, the Ministry of Works and Human Settlement and the Ministry of Home and Cultural Affairs pointed out the shortage of holders of Ph.D. degrees. These ministries have their own research departments, where holders of Ph.D. degrees are expected to play important roles as ES staff. The RCSC and the Ministry of Finance showed their intention to use Ph.D. programs as a way to cultivate specialists in economic affairs and public finance. The RCSC demonstrated their strong preference to send their representatives to Ph.D. programs with particular emphasis on economic affairs.

Request for JDS project

(a) Target fields

Some ministries and agencies visited by the field survey team pointed out the bias of JDS toward technical fields. Admittedly, the importance of agriculture and engineering that are closely linked to major industries of Bhutan was acknowledged by the Ministry of Economic Affairs, Ministry of Agriculture and Forestry, Ministry of Works and Human Settlement, Ministry of Foreign Affairs, and other central ministries and agencies. Still, these ministries also responded that they

need to cultivate human resources in public policy who can formulate policies and evaluate projects. The RCSC and the Ministry of Finance strongly requested additional Components to meet their urgent need to cultivate specialists in economic affairs and public finance.

(b) Age requirements

The Ministry of Agriculture and Forestry with a high proportion of employees aged over 40 requested the relaxation of the age limit set by BCSR to participate in LTT to age 45.

(c) Administrative officers working in district area

Some ministries and agencies visited during the field surveys suggested that JDS should target administrative officers in provinces by pointing out that over half of their administrative officers work in provinces and decentralization is a major agenda in the "12th Five Year Plan."

(d) Prevention of job leaving

In the field surveys, some ministries and agencies expressed their concerns with the turnover of administrative officers who study abroad financed by open and private scholarships. Although the reinstatement obligation is stipulated by BCSR for a certain period, many civil servants switch to other jobs at international agencies or foreign companies. They pointed out that their organization cannot obtain and keep human resources with expertise. Their employees tend to leave particularly after gaining Ph.D. degrees, even when they have to pay fine for not fulfilling their duties.

(e) Contribution to reunion of civil servants who studied in Japan

No active alumni network of people who studied in Japan has been organized. Bhutanese counterparts were hopeful that JDS may help build such a network.

Request for enrichment program

(a) Orientations

Bhutanese who have studied in Japan stated that campus life in Japan is not very difficult for Bhutanese students, stressing the similar cultural background between the two countries. Nonetheless, they recommended a training program on how to communicate with faculty members and conduct research life, this in reference to the submissive tendency of Bhutanese youths toward their superiors.

(b) Practical training

Some ministries and agencies showed their wish to combine academic programs at graduate schools with more practical training, such as internships at government agencies or private companies. Bhutanese who have studied in Japan noted that hands-on training needs to be combined with theoretical learning so that trainees can apply their knowledge in practice.

(c) Collaborations with Japanese Ministries

Bhutanese who have studied in Japan shared their expectation that exchange students will help build partnerships with Japanese governmental agencies. A staff of the RCSC requested that the JDS provides an opportunity to build a network with the National Personnel Authority to gain information regarding the civil servant system in Japan.

(d) Exchange opportunity with Japanese citizens

Both the RCSC and Bhutanese with experience in studying in Japan pointed out the importance of cultural learning through exchanges with Japanese, in addition to academic learning. They particularly expect participants to learn discipline, work ethics, and economic development in harmony with culture and tradition.

Chapter 2. Contents of the JDS Project

2-1. Overview of JDS Project

The JDS project is a grant aid project that provides scholarships to international students from partner governments with purpose on developing human resources who can be expected to play central roles in policy making and implementation for socio-economic development of the developing countries. It was established in FY 1999 under the Japanese government's "100,000 International Students Plan."

When the JDS project started, the purpose was to build the international student's individual capacity, however, it gradually switched into a new system starting from FY 2009, which has its purpose on administrative capacity building of those developing countries targeting at human resources who can be expected to formulate policies for solving each country's development issues. Unlike the conventional international student program for supporting individuals, this system is characterized by focusing on developing human resources engaging in the priority areas (Sub-Programs) that are selected through discussions between target countries and Japanese related parties.

On the basis of the above mentioned aim and features of the JDS project, the preparatory survey team investigates human resource development needs corresponding to the concerned Sub-Programs established based on the national development plan of the target country and Country Assistance Policy for the Kingdom of Bhutan by the Japanese government, and existence of potential candidates at expected Target Organizations and others. Further, based on the result of the said survey, the survey team formulates the scale of the JDS project set as four-batch package, and program plan of each Sub-Program (the Basic Plan for the Sub-Program).

2-1-1. Project Design

Table 19 shows the JDS priority areas and key development issues and expected degrees identified on the basis of the field survey conducted in December 2017.

Table 19 Framework of JDS Bhutan (intake FY2019-2022)

Priority Areas	Developmen	Degree to	
(Sub-Program)	(Compone	ents)	be obtained
1 Enhancement	1-1 Agriculture and Rural Developr	nent	Agriculture
of Policy making	1-2 Industrial Foundation	1-2-1 Economic Policy	Economics
Capacity for	Development		Development Studies
Industrial	1-2-2 Public Policy /		Public Policy
Development		Development Studies	
	1-3 Infrastructure Development for	Engineering	
	Growth	Environment studies	
2 Reduction of	2-1 Countermeasures for Climate C	Engineering	
Vulnerability	Management		Environment studies

(1) Component and Research Theme

During the field survey in December 2017, the preparatory survey team presented a framework proposal from the Japan side, and RCSC that are expected to be the Bhutan side co-chair of the Operating Committee and other related ministries and agencies requested to include an area for economics and finance as well as public policy for administrative officers of which the number scale is big compared with other occupations.

In order to correspond to this request, "Economic Policy" and "Public Policy / Administration" are set as Sub-Components under the Component "Industrial Foundation Development" to seek the new direction of industrial development from a macro perspective by securing administrative and financial capacity for mid- to long-term national operation in addition to individual key development issues.

(2) Target Organization

Given that Bhutan's civil service system is a profession category-centric one, it was agreed that profession category-based target groups would be specified without designating recruitment target on an organization basis. Moreover, in light of the fact that the next five-year plan strongly stresses the importance of regional government and many of the administrative officers serve in regional areas, it was agreed that recruitment targets would be specified with the inclusion of regional government organizations.

In January 2018, the RCSC presented the names of assumed target groups. Depending on the level of expertise of the assumed research content, the hierarchy of the target profession categories is specified in detail. It was then agreed that specific target groups would be determined at the first Operating Committee meeting by in careful consideration of the specialty matching of Components and profession categories as well as of human resource layers.

Table 20 Target Group (Tentative)

Priority Areas	Develo	ppment Issues	Tentative Target Group
(Sub-Program)	(Components)		1. Super Structure
			a. Major Occupational Group (MoG)
			i. Sub Group
1 Enhancement of	1-1 Agriculture	and Rural	1. Technical Service
Policy making	Development		a. Agriculture and Livestock Service Group
Capacity for			b. Forestry and Environment Protection
Industrial			Services Group
Development	1-2 Industrial	1-2-1 Economic	1. Administration Service
	Foundation	Policy	2. Finance Service
	Development		3. Technical Service (Statistical Services)
		1-2-2 Public Policy	1. Administration Service
		/ Administration	2. Finance Service
	1-3 Infrastructure Development for		1. Technical Service
	Sustainable Economic Growth		a. Architectural, Engineering and Land
			Services Group
			i. Engineering Services
			ii. Farm Mechanization Services
			iii. Geology and Mines Services
			iv. Heritage, Sites, Conservation Services
			v. Meteorology/Hydrology Services
2 Reduction of	2-1 Countermea	sures for Climate	1. Technical Service
Vulnerability	Change and Dis	aster Risk	a. Architectural, Engineering and Land
	Management		Services Group
			i. Engineering Services
			ii. Meteorology/Hydrology Services

(3) Accepting Universities

Prior to the preparatory survey, JICA presented assumed target areas and development issues of JDS project in Bhutan to universities that have accepted JDS fellows in the past and those who wish to newly accept, and collected proposals on the countries/issues from which they wish to accept fellows. As a result, 29 proposals in total were submitted from 14 universities or 19 graduate schools.

Based on evaluation procedure, JICA Headquarters and JICA Bhutan Office evaluated the contents of proposals which had been submitted by universities and items such as the past records of accepting international students including JDS fellows.

During the preparatory survey phase, the survey team met the Bhutanese government and presented a shortlist of Japanese universities that were believed to have put forward the best offers with respect to the proposed Components, along with background information about the universities. Table 21 lists the universities and final candidate numbers agreed upon at this meeting.

Table 21 Accepting Universities of the JDS Project in Bhutan

Priority Areas	Develop	ment Issues	University	Slot
(Sub-Program)	(Components)			
1 Enhancement of	1-1 Agriculture and Rural Development		University of Tokyo	2
Policy making			(GS of Agricultural and Life	
Capacity for			Sciences)	
Industrial	1-2 Industrial 1-2-1 Economic		International University of	2
Development	Foundation Policy		Japan	
	Development		(GS of International	
			Relations)	
	1-2-2 Public Policy /		Ritsumeikan University	2
		Administration	(GS of International	
			Relations)	
	1-3 Infrastructure Development for		Nagoya University	2
	Sustainable Economic Growth		(GS of Environmental	
			Studies)	
2 Reduction of	2-1 Countermeasures for Climate Change and		Nagoya University	1
Vulnerability	Disaster Risk Management		(GS of Environmental	
			Studies)	

(4) Consideration of Accepting JDS Fellows to Ph.D. Programs

Establishing Ph.D. slots will likely allow future leaders with good understanding on Japan developed in the country to play a leading role in advancement endeavors in Bhutan at a higher level after obtaining a master's degree.

In the discussion with the RCSC, they insisted that their urgent issues are to develop economists, and showed their wish to see Bhutanese applicants accepted for a Ph.D. program in economics. On the other hand, the Japan side expressed a desire to target civil servants who have studied in Japan under the Japanese Government Scholarship program, etc. in view of simplicity in matching universities and supervisors, and necessity to obtain Ph.D. degree in three years.

In addition, the RCSC said that they wanted to specify accepting universities in advance. It would likely enable Bhutanese applicants to be considered for acceptance by graduate schools at which administrative officers previously took a master's program in economics in Japan as well as graduate schools that accepted applicants for a Ph.D. program in a JDS for other countries.

2-1-2. Implementation System of the JDS Project

(1) Operation Committee Members

During the field survey in December 2017, the survey team explained the structure and roles of Operating Committee to the Bhutanese government and proposed that the Bhutan side members be RCSC and GNHC. It was agreed that the Committee will be composed as follows: two Bhutan side organizations which are RCSC and GNHC, and two Japan side organizations which are

Embassy of Japan in India and JICA Bhutan Office.

Table 22 Operating Committee Member

Country	Role	Member		
Bhutan Side	Co-chair	RCSC		
	Member	GNHC		
Japan Side	Co-chair	JICA Bhutan Office		
	Member	Embassy of Japan in India		

(2) Role of Operating Committee

The survey team explained functions and roles of the Committee based on the JDS Operating Guidelines to the Committee members. In view of the fact that the JDS project is an investment for development, rather than just a scholarship project, active cooperation for the recruitment and selection and effective utilization of JDS returned fellows by Bhutan side members are expected.

Table 23 Role of Operating Committee

Role	Details			
Formulate the recruitment and selection plan	Determined in accordance with the basic principles of recruiting activities for each year (taking into account priority development areas, the main target organizations and promotional methodology), based on the national development plan of Bhutan and general aid principles in Japan Selection principles for JDS project in Bhutan determined in accordance with the JDS Operating Guidelines			
Interview the candidates	At the third-round selection (comprehensive interview), the interviewer evaluates the potential candidate; the Operating Committee makes the final determination on candidates			
Select JDS fellows from the candidates	The final candidates chosen through the selection process are approved by the Operating Committee			
Promote effective utilization of JDS returned fellows and follow-up	Follow-up including strategies for utilizing JDS returned fellows to promote the outcomes of the project			
Others	 Principles to be determined when JDS returned fellows occur and necessary measures to be undertaken Attendance at events such as send-off party and debriefing upon return, with suggestions provided with a view to encouraging statements to be made about the outcomes of JDS In addition, respond to any necessary matters in relation to operation of the JDS scheme and make decisions as appropriate 			

2-1-3. Basic Plan for Sub-Programs (Master' Program)

Based on the framework agreed upon during the field survey in January 2018, the Basic Plan was drafted in each of the JDS priority areas (Sub-Programs) and the consultant presented it to the Operating Committee members.

Each Basic Plan outlines the objectives and evaluation indicators and also describes the role of

JDS in the context of development policy in Bhutan in each of the JDS priority areas. In addition, it sets out the principles and a summary of the history of aid provided by Japan, and describes the initiatives undertaken by the accepting universities. The JDS fellows for four batches will be formulated as a single package or phase. JDS fellows are sent under the same Sub-Programs/Components, Target Organizations and accepting universities for six years, in accordance with the Plan. This approach is designed to boost the policy-making and administrative competencies of core personnel and in turn enhance the policy-making capacity of Target Organizations.

Table 24 is proposed applicant eligibility of the JDS project in Bhutan. Details will be approved at the first Operating Committee of FY 2018. The items identical to LTT participation requirements stipulated in BCSR are to essentially conform to BCSR. In light of future applications, the officers would potentially consider raising the age requirement to the BCSR standard of 45, up from the eligibility requirement of up to 39 which is stipulated in the operation guidelines of the JDS given that the number of civil servants in Bhutan is not necessarily high.

Table 24 Applicant Eligibility of the JDS Project in Bhutan

Nationality	Citizen of the kingdom of Bhutan					
Age	Under the age of 40 as of April 1st in the year of dispatch					
Academic	Possess a bachelor's degree from universities authorized by the Royal Government of					
Background	Bhutan or other countries					
Job	Must be a Government regular(permanent) employee					
Category						
Work	Has 2 years or more of work experience at his/ her belonging organizations.					
Experience						
English	Has proficiency in English, sufficiently fluent for studying in Japan. TOEFL iBT 61					
Proficiency	(ITP 500-550) / IELTS 5.5 or higher is preferable.					
Others	Those who are currently awarded or scheduled to receive another scholarship, and those					
	who have already obtained a master's or higher degree overseas under the support of					
	foreign scholarship are ineligible.					
	Must well understand the objective of JDS project, and should have a strong willingness					
	to work for the development of Bhutan and contribute to the friendly relations between					
	Bhutan and Japan after their return.					
	Must not be serving in the military					
	Must be in good health, both mentally and physically.					

2-1-4. Considerations Regarding Acceptance into the Ph.D. Program

As a part of the preparatory survey, the survey team researched the needs for Ph.D. program to produce higher-level human resources. The following objectives and points about the basic policy were taken into consideration in conducting the research.

(1) **Objective**

The objective of establishing the Ph.D. program in the JDS project is to develop human resources

who are capable of decision-making and policy judgments on development issues in the target countries with a broader perspective, based on highly advanced knowledge and research ability; these human resources will also be able to take the initiative in international discussions as a representative of their country, and to exercise influence domestically and internationally, based on a global perspective and the person-to-person networks they build. An additional purpose is to develop truly leaders with good understanding on Japan in the target countries by establishing a deeper relationship with Japan through consistent study in the master's and Ph.D. programs.

(2) Basic policy

The admission is in autumn of the second year of each government bond. The slot is set as 10% at the maximum of the initially assumed slots for master's program. A fellow will be sent only when there is an appropriate personnel and the slot does not have to be filled if there is not such personnel.

(3) Acceptance

The support period is three years at the maximum. It is recommended that participants to stay in Japan for two years and return to their country in the third year, the final year, to write their dissertation. The scholarship during their stay in Japan is equivalent to that of Ph.D. students studying with the Japanese Government Scholarship.

(4) Recruitment / Selection Method

Applicants for the Ph.D. program are recruited and selected separately from those for the master's program, and determined by the JDS Operating Committee. Applicants must obtain the approval from the accepting universities together with the necessary documents including the guidance plan and letters of reference in advance, and submit a set of application documents accompanied by their research plans. The selection is done by the JDS Operating Committee. Especially, implementing an interview by managerial posts such as Chief Representative of JICA Office should be considered in order to examine the qualification as a human resource to be a future top leader since active involvement by Japan side Committee members, JICA Office and Embassy of Japan, is important. Also, although the Embassy of Japan in India covers Bhutan, it is desirable that the progress of the project is constantly shared by the implementing Agent and others even remotely, and it is desirable that the Embassy actively engages in the interview as well.

It was explained to Bhutan side that the Ph.D. program should be introduced based on the relationship between Target Organizations' needs and career development (promotion), and that there should be maximum one slot per each batch. Applicant eligibility for Ph.D. program will be discussed in the first Operating Committee as well as the master's program, but there are six key points as below.

Table 25 Considerations Regarding Accepting into the Ph.D. Program

Points	Details
Age	Under 40 years old (as of April 1st on arrival)
Academic	Applicants must have obtained a master's degree (in Japan) (in the field of
Background	economy)
Occupation	Must be a Government regular(permanent) employee
Work	Applicants must have worked for twice the duration of the 1st LTT
Experience	
English	Has proficiency in English, sufficiently fluent for studying in Japan. TOEFL iBT 61
Proficiency	(ITP 500) / IELTS 5.5 or higher is preferable.
Others	Applicants must obtain approval (reference letter from a supervising professor)
	from a university in Japan
	Applicants must obtain a permission letter from his/her belonging organization

For an academic background, the officers would probably set a requirement of a person who has obtained a master's degree in Japan under a government scholarship program of the Ministry of Education, Culture, Sports, Science and Technology and so on. Meanwhile, the RCSC has an intention to first narrow the scope of Ph.D. programs to economics. Each year, about two to three Bhutanese persons obtain a degree in Japan under a government-sponsored study program and so on. Of these persons, those with an economics background will be even fewer in number as the qualified. Thus, for the purpose of securing high-quality candidates, it is advisable to consider targeting a wide range of candidates needing to take a Ph.D. program abroad, without limiting the scope of countries and fields in which a master's degree was obtained.

Target persons, like in the master degree program, are assumed to be regular employees who are employed by the Bhutanese government. While the master degree program also assumes Technical Service and Administration Service officers as target groups, there is room to consider including Education Service officers with a view to targeting RUB and RIM teachers as long as it is confirmed that those teachers could contribute to the development of Bhutan if the qualified persons are few in number.

Both sides, Bhutan side and Japan side must form agreement on the recruitment requirements and operation method for a Ph.D. program associated with the Bhutan JDS project in careful consideration of the both intent of Ph.D. program introduction in JDS as well as Ph.D. program needs and the state of human resources in Bhutan.

2-2. Obligations of Recipient Country

During the period of recruitment and selection of JDS fellows, RCSC takes a main role in planning, implementation, management and supervision of the JDS project as a co-chair of the Operating Committee. They ask main government organizations related to each Sub-Program for cooperation to disseminate the information about JDS and promote application.

While the JDS fellows study in Japan, the Bhutanese government monitors the fellows via the

Agent on a regular basis to report to JICA. They also find the updates on the progress or concerns of the JDS project on the regular report submitted by the Agent to take appropriate actions in cooperation with the Operating Committee members if necessary. In addition, the Bhutanese government supports the JDS fellows to collect data or other materials necessary for completing their master's theses.

After the JDS fellows return to Bhutan, taking into consideration that main objectives of the JDS project include contribution of the JDS returned fellows to solving development issues of the country as well as the development of the human network, the Bhutanese government shall hold a Reporting Session in order to acknowledge their achievements, and take necessary measures including the subsequent trend survey or the promotion of academic and cultural exchange and cooperation with Japan. The Operating Committee takes necessary measures to facilitate the outcomes of the project, particularly it is essential for them to make efforts to let JDS fellows return to their previous job or have a position in a key government organization where they can utilize their experience in Japan.

2-3.JDS Project Implementation Schedule

When Ministry of Foreign Affairs of Japan and JICA officially make a decision to implement the JDS project from FY 2019 onwards as the result of the preparatory survey, the project will presumably be implemented for the next four batches according to the schedule shown in Figure 24 below.

	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025
Preparatory Survey									
1st Batch (Master)		R/S	A		R				
2nd Batch (Master)			R/S	A		R			
3rd Batch (Master)				R/S	A		R		
4th Batch (Master)					R/S	A		R	
1st Batch (Ph.D.)		R/S	A			R			
2nd Batch (Ph.D.)			R/S	A			R		
3rd Batch (Ph.D.)				R/S	A			R	
4th Batch (Ph.D.)					R/S	A			R
	R/S: Recruitment & Selection A: Arrival in Japan R: Returning home								

Figure 24 Implementation Process

2-4. Recruitment and Selection Methods

2-4-1. Recruitment Methods

(1) Recruitment Tools / Materials

The implementing agent, contracted by RCSC, will set up a website for recruitment activities and print application guidelines, posters and leaflets as recruitment tools as well as consider utilizing SMS messages on the model of method used by Australia Awards. The number of copies, designs, etc. are to be decided and approved separately by the Operating Committee.

(2) Recruitment Methods

The Agent will distribute application guidelines, posters and leaflets to each government organization through the Operating Committee. In addition to application promotion activities visiting ministries, agencies and other governmental bodies, the Agent will also consider conducting explanatory meetings in the capital and regional cities. The location and the number of meetings shall be decided separately by the Operating Committee.

The Agent will devise ways to disseminates recruitment information to more potential applicants such as utilizing the networks of JICA Alumni Association, those who have studied in Japan, JICA experts, etc. It is supposed that the possibility for those potential applicants to actually apply for the project will be higher by obtaining support from Japan related parties and enhancing the image of studying in Japan.

(3) Gender Consideration

To encourage not only males but also females to participate in the JDS project, it is important to consider measures while reflecting local donors' endeavors and JDS project entities' opinions. As a means of recruiting female candidates, recruitment guidelines should state that application by females is welcome, among other steps.

2-4-2. Selection Method

Selection will be conducted in three stages: document screening by accepting university, technical interview by professor of accepting university, and comprehensive interview by the Operating Committee. Prior to the selection, guidelines for selection procedures will be formulated, which are to be approved by the Operating Committee, to select candidates according to the purpose of this project.

2-5. Pre-departure and Post-arrival Orientation, Enrichment Program and Special Program

2-5-1. Contents of Pre-departure and Post-arrival Orientation

In order to achieve the project goal through the JDS fellows, it is further essential to understand the society and development experiences of Japan as background knowledge. According to results of the questionnaire subjected to JDS returned fellows of other countries, as for questions about pre-departure and post-arrival orientations, more than half of them responded that Japanese language trainings and lectures focusing on Japanese culture and society were useful. Therefore, (1) Lectures to understand the social and development experiences of Japan, the basic knowledge of assistance policy toward Bhutan, (2) Programs to improve self-awareness as JDS fellows, (3) Orientations with the aim of enabling them to smoothly commence their life in Japan, (4) Programs to understand Japanese culture and language are going to be implemented.

During the pre-departure orientation program in Bhutan, likewise in other countries, JICA Bhutan Office will be requested to give a briefing on Japan's development experience and assistance policy toward Bhutan as well as projects currently implemented in Bhutan. In addition, the Agent will explain JDS program, necessary preparations and procedures to go to Japan, and introduce Japan society and culture.

After arrival, the gist and objectives of this project, the roles JDS fellows are expected to play and possibilities of coordination with other projects will be communicated to improve recognition of participation to the JDS project and their motivation. By incorporating leadership training and through active group work, the fellows will be urged to have a sense of purpose as leaders and an opportunity to learn about what elements are necessary to become a leader.

University faculties will be requested to give lectures on the basic knowledge of Japanese politics, economy, society and culture.

JDS fellows will also be given information on rules, procedures and lifestyle in Japan. In particular, with regards to managing their safety during their stay in Japan, they will be given explanations regarding natural disasters such as earthquakes, tsunamis, typhoons and avalanches, as well as crime and traffic rules. They will gain an understanding and be prepared to spend their time in Japan safely with peace of mind. Hands-on training using anti-disaster training facilities will also be implemented.

The Japanese language training will be implemented for around 35 hours. JDS fellows will not only gain necessary conversation ability in Japanese, they will also gain an understanding of Japanese culture, lifestyle and social manners through hands-on learning, and they will be taught useful communication techniques for daily life.

Opportunities for JDS fellows to smoothly adapt to Japan will also be offered, such as workshops

for overcoming culture shock in an unfamiliar lifestyle environment and to promote understanding of other cultures with opportunities to learn the experiences of JDS returned fellows.

2-5-2. Contents of Enrichment Program

JDS fellows are expected to contribute to solving the country's development problems as core human resources after returning home and contributing to the expansion and strengthening of friendly relations between the two countries with good understanding of Japan. While other similar projects by other donors are being offered, it is possible for the JDS project to be competitive not only by obtaining a degree at a graduate school, but also by offering a program to increase added value.

For this reason, in addition to education in high quality and research at each accepting university, it is desirable for the JDS project to improve the quality of existing programs such as pre-departure and post-arrival orientation, special programs offered by accepting universities, joint programs. At the same time, it is important to provide more useful opportunities for the JDS fellows such as networking events during their stay and internship programs at JICA or other organizations.

According to the results of the questionnaire to the returned fellows of other countries, many of them wanted internship opportunities in the Japanese ministries and agencies, networking events with Japanese administrative officers, etc. as possible programs provided during their stay. Some programs have been already implemented, such as networking events with Japanese administrative officers conducted by the implementing agent and individual internships at the Ministry of Foreign Affairs and JICA, and it is desirable to be continued as a part of the project and further developed.

In addition, exchange events with local communities are also of great interest to returned fellows. In the questionnaire survey conducted before the return of JDS fellows by the implementing agent, many fellows comment that they wanted to have more opportunities to interact with Japanese people, along with Japanese language. If those opportunities to exchange with local Japanese people and community are provided such as events coordinated with a local international communication organization and homestay programs, it will lead for the JDS fellows to gain deeper experience of Japanese society.

2-5-3. Contents of Special Program

The accepting universities will engage in extra activities for JDS fellows in accordance with necessities of their country and development issues taking into consideration circumstances of JDS fellows in addition to the existing university program.

The special program consists of the following aims.

- (a) To solve development issues in the relevant countries, JDS fellows learn about practical knowledge and experiences through more practical and specific cases.
- (b) Through special program activities, JDS fellows or related organizations in the relevant countries build a network for future activities of researchers and organizations from Japan and overseas.
- (c) JDS fellows will gain the necessary support within a limited period to engage in school research and smooth communication with related persons, and to attain their goals.

Many universities who have already accepted JDS fellows have already implemented field trips and seminars both in Japan and abroad by utilizing the special programs. Among them, field trips were particularly highly evaluated in the questionnaire to the JDS returned fellows. As well as continuous encouragement by the Agent for the use of special programs at each university, it is expected that appropriate consultation should be provided by the Agent to the universities so that the universities can provide useful programs that will contribute to the above purpose of the JDS project with reference to the questionnaire results of JDS returned fellows.

2-6. Monitoring, Guidance and Counseling

2-6-1. Implementation System

A coordinator of the implementing Agent is assigned to each university, which accepts the JDS fellows in order to build a good relationship with faculty members and staff of the university and to respond to the fellows promptly in case of emergency. In case the university is located in a provincial city, a responsible person is assigned in the nearest branch of the agent.

2-6-2. Guidance and Counseling

The coordinator provides advice for the JDS fellows with regard to their campus life and daily life after they arrive Japan until immediately before they leave Japan. In addition, the responsible person assists the fellows by arranging for accommodations, assisting them to go through a procedure for notifying moving-in, to enter the national health insurance plan, to get insurance coverage, and to vacate housing, etc.

2-6-3. Monitoring

In order to check the efficient implementation of the Project, it is necessary to understand the condition of the academic and daily life of the JDS fellows under the project. For appropriate monitoring, a good relationship needs to be built with the university staff to receive information on the fellows on a daily basis. In addition, it should be prepared to have an opportunity to have an interview with the fellows regularly to understand their academic and daily life, and provide necessary support in an appropriate timing.

In particular, regular monitoring system by one on one interview helps to find the fellows' problem in an early stage, which normally cannot be seen on daily life, and problems such as the incompletion of academic courses and aggravated physical condition can be prevented by this system. Furthermore, good practice such as distinguished academic research accomplishments can be found through regular interviews, and they are reported as the result of the project through periodic and other public relations reports on the project.

Regular monitoring is conducted with monitoring report sheets. Monitoring report sheets describe comments from the fellows, a responsible person of monitoring, and a supervisor of the university so that the condition of each fellow can be understood through a single monitoring sheet.

2-6-4. Response in Case of Emergency

A support system is established with the assistance of call centers in the private specialized company to respond to the JDS fellows with regard to their health problems and other life-related problems during night time, weekends and holidays, and during the year-end and New Year holidays.

In addition, the e-mail delivery system and the safety confirmation system are provided so that information on the safety and whereabouts of all the fellows can be consolidated promptly and accurately even if phone lines are disconnected while large-scale disasters and other emergencies happen.

2-7. Follow-up

To achieve the priority goals of JDS, it is necessary to assist JDS fellows so that they are appointed or promoted to a position contributing to Bhutan's development after returning to the country. The Operating Committee of Bhutan will share with government agencies the information on past JDS results and JDS returned fellows' dynamic activities after returning to the country, and ask the agencies for cooperation in the form of giving consideration to assigning JDS returned fellows to important posts given that they are human resources capable of contributing Bhutan's development.

The implementing agent will assist JDS returned follows' reunion activities, and help bolster their network thereby to build a relationship of mutual cooperation between JDS returned fellows and organize a group capable of contributing to Bhutan's development. In addition, JDS returned fellows, precious resources who have studied in Japan for two years, and JICA trainees will be utilized effectively for building a partnership between Japan and Bhutan by collaborating JICA Alumni Association of Bhutan.

In Bhutan, returned fellows who have studied in Japan under a government-sponsored foreign student study program seemingly do not engage in reunion activities. The launch of JDS will likely provide an opportunity for persons who have studied in Japan to rebuild a network among

them. This will be facilitated by inviting persons who have studied in Japan to a pre-departure orientation and farewell party for JDS fellows, who would probably have an opportunity to hear about various experiences from role model professionals.

Chapter 3. Evaluation of the JDS Project and Recommendation

3-1. Relevance between JDS Project and Development Issues / Country Assistance Policy

Based on the development plan of Bhutan and the current situation and problems of each sector, the consistency of JDS and Bhutan's development plan was analyzed as follows.

3-1-1. Conformity with Priority Development Issues in Bhutan

The basic development principle of Bhutan is GNH that aims at the society in which the citizens can feel happiness in harmony with the nature and tradition. While the basic principle is to maximize GNH, the development principles "Bhutan 2020" specifies the five objectives, which are human resource development, protection and promotion of cultural heritages, stable and fair development of the society and economy, good governance, and environmental preservation. As a medium-term development strategy, the "Five Year Plan" has been formulated since 1961 and the "12th Five Year Plan" will be announced in June 2018 and National Key Result Area (NKRA) will be established.

Sub Program	Component			National Key Result Area
			NKRA 1	Macroeconomic Stability Ensured
	Agriculture and Rural		NKRA 2	Economic Diversity and Productive Capacity Enhanced
	Development		NKRA 3	Poverty Eradicated & Inequality Reduced
Enhancement of			NKRA 4	Culture & Traditions Preserved and Promoted
Policy making			NKRA 5	Healthy Ecosystem Services Maintained
Capacity for	Industrial Foundation Development Infrastructure Development for Sustainable		NKRA 6	Carbon Neutral, Climate and Disaster Resilient Development Enhanced
Industrial			NKRA 7	Quality of Education& Skills Improved
Development			NKRA 8	Water, Food and Nutrition Security Ensured
Development			NKRA 9	Infrastructure, Communication & Public Service Delivery Improved
			NKRA 10	Gender Equality Promoted and Women and Girls Empowered
			NKRA 11	Productive & Gainful Employment Created
	Economic Growth		NKRA 12	Corruption Reduced
	Countermeasures		NKRA 13	Democracy & Decentralization Strengthened
Reduction of Vulnerability	for Climate Change		NKRA 14	Healthy and Caring Society Enhanced
	and Disaster Risk		NKRA 15	Livability, Safety and Sustainability of Human Settlements Improved
	Management		NKRA 16	Justice Services and Institutions Strengthened

Figure 25 Relevance between 12th Five Year Plan and JDS Framework

(1) Agriculture and Rural Development

Agriculture is still the principal industry for Bhutan, accounting for 16% of GDP, although the proportion of farmers of the nation's working population declined from 75% in 1999 to 58% in 2015³⁷. However, the nation's agriculture is beset with low income due to the fact that its arable land is limited in size, productivity is low owing to slow agricultural mechanization and agriculture products generate only small value-added. Against this background, agricultural areas suffer poverty with population flowing from the areas into urban areas.

To address these challenges, the "12th Five Year Plan" set goals mainly under NKRA 1 "Macroeconomic Stability Ensured," NKRA 2 "Economic Diversity and Productive Capacity Enhanced," NKRA 8 "Water, Food and Nutrition Security Ensured," NKRA 11 "Productive and

³⁷ Statistical Year Book of Bhutan 2016, National Statistics Bureau

Gainful Employment Created" and others. NKRAs set the goals to raise the growth rate for the primary industry from 4.6% in 2015 to 5%, create jobs approximately 70% higher in number than now in the agriculture sector, bolster the value chain in the sector and increase business start-ups based on agriculture.

(2) Industrial Foundation

One social problem for Bhutan is young citizens' inflow to urban areas and unemployment. While the nation's urban population ratio has reached 38.6% in an uptrend, about 70% of unemployed persons live in urban areas in a concentrated manner³⁸. Looking at unemployment rate by age, the rate is high among young citizens and 11.8% of those aged 20 to 24 are unemployed whereas it is 2.5% for the country as a whole³⁹. Therefore, it is a significant challenge to create jobs particularly for young citizens who have moved to urban areas. However, the electric power industry, a major industry accounting for 14% of GDP in Bhutan, does not create many jobs, making it necessary for the country to create jobs through a private-sector companies-led industry diversification in order to deliver sustainable economic growth.

To address these challenges, the "12th Five Year Plan" set goals mainly under NKRA 1 "Macroeconomic Stability Ensured," NKRA 2 "Economic Diversity and Productive Capacity Enhanced," NKRA 3 "Poverty Eradicated and Inequality Reduced," NKRA 11 "Productive and Gainful Employment Created" and others. NKRAs set the goal of improving youth unemployment to 5% as well as goals for the development of non-electric power industries and job creation.

(3) Infrastructure Development

Infrastructure, a prerequisite to industrial promotion, also presents a challenge for Bhutan. Since its transportation and travel means are limited to automobile, the Bhutanese government is now in the process of extending and repairing road networks and maintaining, repairing and replacing bridges. However, the government has yet to resolve serious road shortages and the underdeveloped state of roads. This leads inconveniences in various social services for citizens as well as economic activities such as companies' access to markets, a factor which greatly hampers the nation's development.

To address this challenge, the "12th Five Year Plan" set goals under NKRA 9 "Infrastructure, Communication and Public Service Delivery Improved" and others. In the infrastructure area, they specified goals for the extension, surface improvement and maintenance/control of national roads

³⁸ Survey of Country Gender Profile (Kingdom of Bhutan), JICA, February 2017

³⁹ Labor Force Survey 2015, Ministry of Labor and Human Resources

(4) Countermeasures for Climate Change and Disaster

Gifted with rich nature and biodiversity that places it among the world's select few in this regard, Bhutan worked on forest and environmental protection starting from the 1960s. This natural environment, underpinning the nation's uniqueness, represents the linchpin of the GNH philosophy and Bhutan 2020. However, the potential effects on the environment from natural disasters such as glacial lake outburst, flood and cyclone, affected by the global climate change are concerned. The nation is required to also consider environmental load caused by industrial infrastructure development and address the waste disposal issue coming from rapid urbanization and the changing industrial structure as well as the urban environment issue such as sewage treatment.

To address these challenges, the "12th Five Year Plan" set goals under NKRA 6 "Carbon Neutral, Climate and Disaster Resilient Development Enhanced," NKRA 15 "Livability, Safety and Sustainability of Human Settlements Improved" and others. For disasters, the target are set on disaster management such as prior measures, post-disaster restoration plans and restriction on buildings as well as individual goals associated with disasters such as landslide, flood and cyclone. For climate change, the target are set on goals for the effective use of natural resources, low-carbon shift for industries and transportation and the promotion of renewable energy. For waste management, they specified goals for waste treatment and water supply and sewage developments.

3-1-2. Conformity with Japanese Economic Cooperation Policy to Bhutan

In the Country Assistance Policy for the Kingdom of Bhutan by the Japanese government formulated in May 2015, "Assistance for Self-reliant and Sustainable Nation Building with a Good Balance of Rural and Urban Areas" is set as the basic policy of assistance (overall goal) and "Sustainable Economic Growth" and "Reduction of Vulnerability" are set as priority areas (midterm goal). The JDS project seeks to develop the competencies of key personnel at the government authorities with responsibility for the relevant fields. JDS is highly relevant to the assistance policies of both Japanese government and JICA in relation to ODA programs.

Priority areas and development issues in the JDS project are designed in accordance with the overseas aid principles set out by the Japanese government and are highly consistent with these principles.

Priority Area	Development Issue	Program		JDS Priority Areas	JDS Devel	opment Issues
		Agricultural and Rural Development Program			Agriculture and Rural Development	
Sustainable	Improvement of Standard of Living in rural Areas	Rural BasicInfrastructure Development Program		Enhancement of Policy making Capacity for Industrial Development	Industrial Foundation Development	Economic Policy
economic growth		Local Government Capacity Building Program				Public Policy / Administration
	Industry Development and Employment Creation	Industrial Foundation Development Program	_/		Infrastructure Development for Sustainable Economic Growth	
	Urban Environme Improvement Countermeasures				Countermeasures for Climate Change and Disaster Risk Management	
Reduction of vulnerability	for Environmental Issues and Climate Change	Issues and Climate Change Countermeasure and		Reduction of Vulnerability		

Figure 26 Relevance between Japan's Aid Policy to Bhutan and JDS Framework

3-1-3. Feasibility of Providing Grant Assistance through JDS

Recipients of grant assistance are chosen in accordance with the criteria for interest-free loan recipients as defined by the global Independent Development Association (IDA), namely, Gross National Income (GNI) of 1,215 U.S. dollars per capita. Grant assistance is generally used to assist developing countries with major nation-building projects and initiatives designed to alleviate poverty, often in areas where the recipient country's government does not have enough funds or is unable to obtain the necessary loans. Grant assistance is designed to help recipient countries to be more autonomous and independent, and is carefully coordinated with other technical aid projects and interest-bearing loans provided by Japan and other donor countries.

The gross domestic product (GDP) per capita of Bhutan is 2,804 U.S. dollars (in 2016) which is high income standard compared with neighboring countries. Although it exceeds the limit of the adaptation criteria of IDA support, Bhutan is classified as a least developed country in the classification by the World Bank and eligible for interest-free loan by IDA. However, Bhutan is expected to be out of the least developed country classification in 2020 after the "12th Five Year Plan" is released by the Bhutanese government.

In light of all of the above, the feasibility of providing grant aid through the JDS project was investigated with reference to the viewpoint to be examined in the notification ⁴⁰ from the Ministry of Foreign Affairs, the "nature of the project," the "foreign policy of our country" and

⁴⁰ Effective Utilization of Grant Aid for Countries with Relatively High Income Levels, Ministry of Foreign Affairs, April 2014

the "situations where the recipient country is placed." Among them, the following points are considered significant.

(1) Foreign / Diplomatic Relations

JDS is intended for young administrative officers and others who are responsible for policy making and implementation of Bhutan's socio-economic development, and JDS fellows are expected to become Bhutan's future leaders with good understanding on Japan. JDS returned fellows can be valuable assets for strengthening bilateral relations.

(2) Economic Weakness

Although its per-capita GDP stands at over 2,804 U.S. dollars, Bhutan's economic growth is reliant mostly on the electric power industry, and other industries are still underdeveloped. Given that the electric power industry relies much on electricity sales to India, Bhutan is economically fragile as a nation reliant on a single industry.

(3) Environmental Weakness

Bhutan is a mountainous country lying east of the Himalayas. The country has a diverse terrain ranging from 200 meters to 6,000 meters above sea level, and 70% of the nation's land area is covered with forests. Having previously encountered natural disasters caused by global climate change, Bhutan is fragile against natural environment change.

It is an urgent task to develop administrative officers that are able to contribute to devising plans and formulating policies aimed to resolve the fragility and challenges. This means the cooperation under JDS is highly reasonable and the significance of the project implementation is high.

3-2. Expected Effect of JDS Project

The effect of the human resource development program is expected to manifest itself in the long term. Therefore, the project goal which is to be reached at the completion of the project, is that "the capacity of human resources engaged in the development issues improves." In addition, overall goal is "to improve the competence of related administrative agencies concerning the development issues" through the effective use of the knowledge and experience acquired by the returned fellows to their organization. Through these, it is expected ultimately "to contribute to solving the development issues of their home country."

The appropriateness of implementing the JDS in Bhutan will be evaluated on the basis of this preparatory survey, and will eventually be reviewed by the Japanese government. It is, however, necessary for the Bhutanese government dispatching JDS fellows to provide support during their study and after their return and, in addition, for the accepting universities to provide a curriculum that makes contributions to solving the development issues of the country. It is, therefore, expected that the achievement of the project goal will continue to be promoted.

The following indicators used to measure the achievement of the project goal are common to all Components in view of the perspectives mentioned above.

- Ratio of JDS fellows who have obtained master's degree
- Enhancement of the capacity of JDS returned fellows on analysis, policy making and project operation/management
- Policy formulation and implementation by utilizing the study outcomes of JDS returned fellows

With respect to the indicators of "ratio of JDS fellows who have obtain master's degree" and "enhancement of the capacity of JDS returned fellows on analysis, policy making and project operation/management," a high completion rate is expected to be achieved as a result of the steady implementation of the following: 1) Encouraging applications by appealing to Human Resource Department in the organizations that are consistent with each Sub-Program and Component as well as the human resources that match the intent of the project at the time of recruitment; 2) Selecting JDS fellows on the basis of academic knowledge, relevant work experience, basic quality, and potential for contribution after returning to the country; and 3) Offering various types of support and regular monitoring (namely, managing and advising on academic, lifestyle, and health issues in the form of interviews) to JDS fellows in Japan.

Regarding the other indicator, "policy formulation and implementation by utilizing the study outcomes of JDS returned fellows," it is desirable to make efforts so that returned fellows are able to use the knowledge and capabilities acquired in Japan. In the Bhutan civil service system, when civil servants participate in the LTT, they sign a pledge with RCSC stating the obligation to reinstate after completing the training. In principle they will be reinstated in the same position as before the dispatch, but it is expected that the RCSC will take an initiative for them to be able to build their carriers that allow them to utilize the knowledge gained by studying abroad.

It is integral to monitor how the JDS fellows' experience in Japan will be utilized in their professional careers after returning to their country over the mid to long term in order to evaluate the effectiveness of the JDS project. Through the monitoring, it is required to conduct follow-up activities necessary for producing project outcomes and support JDS fellows to further develop their professional skills and expand the networking. Appropriate follow-up activities will not only clarify the project outcomes, but also maintain relations between JDS fellows and Japan, and benefit Japan into future collaboration with JDS fellows who are familiar with Japan and will be leaders of the country.

3-3. Comparison with Other Scholarship Programs Provided by Other Donors

The JDS basic research analyzed the factors that contribute and hinder the effective progress and achievement of the JDS project, in comparison with other donor's scholarship program. Based on

this the factors in terms of JDS Bhutan are summarized as shown in the table below:

Table 26 Examples of Factors that Affect the Achievement of JDS Bhutan (Findings from JICA Basic Research)

Goals	Contributing Factors	Inhibiting Factors
Pre-condition: Personnel, who fulfill the purposes of the JDS Program, is to be nominated.	 The target countries are able to maintain a strong ownership because of the JDS Coordinating Committee. The selection process is transparent. 	 Target organizations and fields are limited There are not many courses provided about Japanese culture and/or language.
Overall Goal 1: Contribution to solving development issues	 Quality education provided in Japan Fixed number of civil servants is continuously accepted every year. Target areas (study fields) meet the development needs of the target countries 	There is limited official networking with Japan after returning to their home countries
Overall Goal 2: Contribution to strengthening bilateral relations	Safe study and research environment in Japan Strengthened networking with JDS returned fellows and accepting universities	 Official Systems to utilize JDS returned fellows by the Japanese government or Japanese private companies are limited. JDS returned fellows are given limited opportunities to get further information from Japan and to exchange information with the JDS returned fellows in other target countries.

Furthermore, project partnership with accepting universities enables each university to be widely involved in the selection of candidates, and the Special Program, which is offered in addition to existing university programs, provides curriculums that meet needs of each JDS fellow and country. The throughout involvement of accepting universities in the selection, guidance, acceptance and follow-up works as an advantage to JDS project.

In addition, proactive involvement of the Agent in the establishment of project policy each year and its versatile support for JDS fellows, such as recruitment and selection of candidates, send-off, regular monitoring throughout their stay in Japan, alumni activities and reappointment to their original job posts after their return, give JDS project a comparative advantage over other donors.

A person who had studied abroad in Japan and Australia said a relative advantage of studying in Japan was the fact that research was always focused on the period after the student's return to the country of origin and that he/she was given many opportunities to do research on the country, instead of merely acquiring knowledge and skills. The person also added that, for a Bhutanese administrative officer deeming GNH as his/her basic development philosophy, it was important to be allowed to master discipline and work ethics through the study program from a cultural

perspective and to experience living in Japanese society where economic development and traditional culture coexist.

3-4. Project Evaluation Indicator Data

3-4-1. Indicators for Outcome and Impact of JDS project

The following table shows the proposed indicators for the project results and impact of JDS in Bhutan. Through the project implementation, the quantitative data will be accumulated before assessing the results and impact.

Table 27 Project Evaluation Indicator Data on JDS Bhutan (Tentative)

Inaugural year	XXXX		
Number of Slots per year		XXXX	
Fellows accepted	Total	XXXX	
	Sex	Male X Female X	
	Average age	XX	
Returned fellows	Total	XX	
	Fellows who obtained degree	XX	
	Fellows who failed degree	XX	
	Completion rate	XX%	
By category of work place	Upon arrival	Ministry X%, Other central agency	
		X%, District agency X%	
	After return to country	Ministry X%, Other central agency	
		X%, District agency X%	
Ration of management level	Upon arrival	XX (X %)	
(upper than director)	After return to country	XX (X %)	

3-4-2. Degree of Capacity Building of JDS fellows

Evaluation indicators are set to conduct terminal evaluation with diversified perspectives. The effectiveness of the project can be measured on the basis of various criteria including the independence of relevant organizations and the activities of JDS fellows after returning to the country, in addition to the management and progress of the project. Focusing on JDS fellow monitoring that is the fellow information management function, which is also a feature of JDS, indicators are created to evaluate the "degree of capacity building of JDS fellows (especially capacities necessary for policy making and implementation)" and the "level of appropriateness of university curricula" and also conduct a questionnaire survey⁴¹. The survey respondents were principally JDS fellows.

(1) Contents of Survey

As for the "degree of capacity building of JDS fellows," given that the "development of young

 $^{^{41}}$ "Questionnaire on Periodic Survey on JDS Fellows' Abilities" supervised by Mr. Hiromitsu Muta, former director / vice president of Tokyo Institute of Technology

administrative officers" is the objective of the JDS project, it was aimed to examine changes in the abilities required for policy making and implementation in the developing country as a result of the JDS project. In concrete terms, the survey was conducted to measure improvements in skills and thinking abilities such as "scientific research and analytical skills," "logical thinking ability," "problem-solving ability" and "leadership," as well as changes in attitudes including "morality," "discipline," "sense of responsibility" and "aggressiveness".

The appropriateness of university curricula for the solution of development issues, on the other hand, was already confirmed when the curricula were presented for screening before the beginning of the survey. Survey items are, therefore, created in order to check whether the proposed curricula were actually implemented and, in addition, whether the offered curricula truly produced an outcome that contributes to resolving the development issues.

(2) Method of Survey

The questionnaire survey to measure "degree of capacity building of JDS fellows" targeting JDS fellows was undertaken in the following two stages: Upon their arrival in Japan and upon their completion of study. At the time of their arrival in Japan and during their study, preliminary reports on the regular monitoring of the JDS fellows were received. At the time of the completion of their study, questionnaires are to be distributed to and collected from all the fellows right before their return to their home country instead of preliminary reports on the evaluation meetings that had been convened with the fellows at each accepting university and in each graduate school.

3-5. Issues and Recommendations

Issues and recommendations obtained in this survey are as follows.

(1) Implementation Coordination

In the preparatory survey, it was agreed with the Bhutanese counterparts on important points such as: i) the project purposes of JDS; ii) the Operating Committee structure; and iii) acceptance plans. The RCSC, which will serve as co-chair of the Operating Committee, is the parent agency for all human resource officer, in addition to overseeing the Bhutanese civil service system and significant civil servant personnel affairs. It is a significant achievement that sufficient support for the project by way of the preparatory survey was successfully obtained from the RCSC. With the RCSC being co-chair of the Operating Committee, it would probably possible to reflect the committee's intention directly in each governmental organization, thus developing the structure for improving the project in quality in the future.

(2) Cooperation with Other ODA Projects

As long as the JDS project is implemented as an ODA project, it is important to cooperate with other ODA projects, in the same way as other projects, from the viewpoint of being an "input for development" instead of just a fund for studying abroad. Dissemination of this project to the

persons in charge at JICA offices abroad and experts, encouragement of competent human resources from partner countries to apply for JDS, utilization of alumni network for the project, etc. are required. In particular, in order to promote the cooperation with the technical cooperation projects under implementation, it is important not only to share information with involved experts, but also, to provide them with opportunities to directly meet with JDS returned fellows. With respect to this point, the implementing agent is also expected to have deeper understanding of the projects under implementation by JICA and the related policies of the Bhutanese government and make helpful proposals.

In order to enhance the ability of young administrative officers for contribution to the socioeconomic development, it is essential to cooperate with or be complemented by not only the JDS
but also other programs. In this survey, the survey team discussed with two JICA experts, Chief
Advisor Mr. Tsugawa Tomoaki engaging in "Project on Support for Community Engagement in
Local Governance" and Chief Advisor Mr. Oishi Tsuneo engaging in "Agricultural Machinery
Enhancement Project" It is preferable to consider collaboration with other programs while
exchanging information with projects that are underway or scheduled to be implemented,
including the above two projects. In addition to this, it should be proposed that the list of young
administrative officers who participated in JICA's field-focused training and country-focused
training in the past will also be shared from the JICA Office as potential candidates for JDS.

(3) Points to Notes on Recruitment Activities

Necessity of Approach to Wide-Range Target

It is preferable to target a wide range of human resources given that civil servants in Bhutan are limited in number. Recruitment activities in regional areas will be of particular importance. The key point would be how best to acquire high-quality human resources from regional areas in light of the fact that more than half of civil servants in Bhutan serve in such areas and that decentralization is a principal component of the "12th Five Year Plan."

For assumed target groups shown by the RCSC, it is advisable to consider specifying target profession categories ranging from Super Structure, the first profession category layer, to MOG, the second layer, without designating detailed profession categories while ensuring suitability for development issues. This is in consideration of the fact that holders of a bachelor's degree or higher are limited in number among civil servants of P5 to P3, persons likely to become main targets.

In addition, in light of the state of applications after the project launch, it is desirable to also look at the option of relaxing age requirement to up to 45 years old, an LTT participation requirement set forth in the BCSR, thus targeting a wider range of human resources.

Recruitment Strategy

To achieve the goals of JDS, it is essential to acquire highly potential candidates, making it important to attract many competent applicants from major target organizations in the recruitment activities. However, at a time when higher education mobility is high, there is fierce competition among donors for acquiring would-be foreign study fellows.

A look at the current situation shows that Japanese universities are low in international competitiveness and brand recognition, as evidenced by the fact that they are not ranked highly in global university ranking programs such as Times Higher Education (THE) and Quacquarelli Symonds (QS) and they are not necessarily popular compared to western famous universities although they are proud of their high-level research and education. For this reason, in order to have foreign officers consider studying abroad in Japan, it is necessary to use a different approach, in addition to communicating universities' appeal.

First, the advantages of JDS must be demonstrated to local ministry officers responsible for the program. It is advisable to emphatically stress that: i) JDS, targeting administrative officers, is a human resource development program befitting Bhutan's development challenges, and is a program that will contribute to the nation's medium- to long-term growth; ii) each accepting university is designated as project partner; iii) JDS delivers value-added by providing curriculum more suitable to the country through a special program in addition to existing programs; iv) comprehensive instruction and accepting systems are in place; and v) extensive support such as periodic monitoring is provided to JDS fellows throughout the stay in Japan.

It would likely succeeded in spreading information within each ministry to a certain degree by first building a human relationship with human resource officers responsible for JDS at ministries and obtaining cooperation from them. Many of applicants typically obtain information from ministry departments or bureaus responsible for JDS. In order to ensure that relevant information is distributed widely to prospective candidates by officers responsible for personnel affairs, it is most important to build a good relationship with the human resource officers and obtain cooperation from them. It is crucial to engage in low-profile publicity activities in the form of visiting main Bhutanese government agencies frequently and starting with having local officers know JDS itself.

Another appeal point would be the fact that JDS enables each fellow to learn about Japan's development experience through the JICA Program with Universities for Development Studies (JProUD)", currently worked on by JICA, in addition to engaging in research in his/her specialized area. It should probably be effective to widely publicize that Bhutan's parliament members and high-ranked civil servants include persons who have experienced studying abroad in Japan and to raise the brand appeal of the program for studying in Japan.

Recruitment activities should probably be conducted in ways that distribute relevant information to an increased number of potential candidates by using various access channels in consideration

of the points discussed above. It will be also effective to communicate the appeal of JDS by conducting public relations activities with the use of press releases and media such as SNSs and collaborating with JICA experts and relevant organizations equipped with broad human networks such as former JICA trainee reunion associations.

(4) Points to Note on Establishment of a Ph.D. Program

The most important factor to consider in the establishment of the Ph.D. program is to have a common understanding among the project's organizers, JDS fellows applying for the program, and accepting universities as to "why the Ph.D. program is established in the JDS" and "what the objective of the JDS Ph.D. program is." It should be made clear that the JDS Ph.D. program is solely designed to develop policy-making leaders, not for fostering researchers who are not involved in policy making or recommendation. As long as this point is clear and the target of the project is limited, it is be easy to differentiate JDS from governmental and other scholarship schemes.

One can ascertain the need for a Ph.D. degree in Bhutan partly due to the fact that the government introduced a preferential treatment of Ph.D. degree holders as part of the civil service system reform of 2016. Many of the nation's 33-strong Ph.D. degree holders are now under the umbrella of Forestry Services, suggesting that, although the agriculture sector has a certain number of Ph.D. degree holders, other sectors are seemingly not equipped with many Ph.D. degree holders serving as intellectual leaders. Looking at the state of civil servants who earned a Ph.D. degree in Japan, four out of nine officers are in the agricultural sector. Inquiries made to local ministry and agency officers in the local survey yielded a statement that Bhutan has only an insufficient number of professionals of expert groups.

Furthermore, if the program is targeted at JDS returned fellows, establishment of the Ph.D. program will not only become a follow-up system for the fellows but must have a great appeal to potential candidates as a further step when they consider applying for JDS to obtain a master's degree. The establishment of the program is expected to have an impact on attracting excellent candidates.

Bhutan, however, is faced with the challenge of professionals targeted being small in number although it is possible to confirm the high level of needs and the reasonableness of the Ph.D. program introduction. In particular, it is difficult to create a program that meets the two-fold requirements, namely, a wish from RCSC to focus solely on the discipline of economics in the Ph.D. program, as expressed, and an intention to target returned fellows who earned master's degrees through JDS or in Japan which is showed by the Japan side in view of simplicity in matching universities and supervisors, and necessity to obtain Ph.D. degree in three years.

Although Bhutan has a certain number of administrative officers who earned a master's degree under Japan's government-sponsored study program for foreign students, these officers include not only economics degree holders but also many engineering and public administration degree

holders and so on. If seeking to recruit candidates solely for economics, there would be only a small number of potential candidates. The data provided by the RCSC show that Bhutanese civil servants who earned a master's degree in economics from a Japanese university total nine persons, a number not sufficient for competitiveness securement purposes.

Under these conditions, it is necessary to fundamentally relax either the wishes expressed by the Bhutan side or the basic requirements by the Japan side, or to relax both sides' requirements even to a small extent. For example, targetable professionals will widen if the recruitment requirements is relaxed to include persons who have obtained master's degree in other countries with excellent grades or who have participated in a training program done in Japan such as JICA training program (long-term and short-term), instead of solely those who earned a master's degree in Japan. Another option will be to broaden the scope of target persons to RUB and RIM teachers as well as administrative officers as long as it is confirmed that those teachers could contribute to the development of Bhutan.

Furthermore, in the Ph.D. program, the RCSC wishes to fix not only the area to economics but also the accepting university and supervising professor in advance. In response to this, it is considered possible to implement the program smoothly by considering acceptance at graduate schools from which administrative officers obtained master's degree and graduate schools that have accepted JDS fellows in Ph.D. program.

Including relaxation of recruitment requirements and fixing accepting university, it is necessary for the first Operating Committee to fully discuss how to implement the program.

(5) Prevention of Job Leaving

There had been cases where a civil servant who has earned a master's or Ph.D. degree abroad by LTT resigns after a mandatory reinstatement period (two times longer than the LTT period) in search of a job with better conditions with the result that specialized professionals fail to be accumulated in the organization.

This tendency manifests itself for a person who receives a scholarship in a program that widely recruits candidates publicly from among a wide range of persons. Given that the government is involved in the recruitment and selection for JDS, it is necessary to rigorously examine to see whether each candidate has a long-term vision about his/her career in the Bhutanese government at the HR division that he/she belongs to or in a technical interview.

(6) Need for Enrichment Programs

Ministries and agencies visited in the fields survey proposed arranging for a more practical training based on an internship at government offices and enterprises during the two-year stay in Japan as a beneficial step. Further endeavors should be made, which are likely to deliver added value for the purpose of improving JDS fellows' skills, helping build a human relationship serving as the foundation for a good relationship between both countries and generating differentiation

from other scholarship programs. In so doing, instead of merely asking each accepting university to usefully spend special program expenses, it will be necessary to consider introducing a scheme that can be used according to JICA's intention more faithfully.

(7) Importance of Japanese Language

Interview with RCSC and Bhutanese who had experience of studying in Japan revealed that they expect JDS fellows to learn discipline, work ethics, the balance between economic development and cultural protection through interactions with Japanese and Japanese society during the fellows' stay in Japan.

Acquiring knowledge of the Japanese language is helpful to understand the Japanese mind and spirituality more deeply and to help to form a bridge between Japan and Bhutan in the future. Even though they stay in Japan for two years, this is not enough to deepen their understanding of the Japanese and Japanese culture. This isn't a problem if the project only has the purpose of acquiring knowledge in a specialized academic field, but if the purpose is also to foster human resources that will contribute to the friendly relations between the two countries in the future, it is necessary that among the activities of the project there is a program that teaches Japanese language and promotes an understanding of Japanese culture.

Language is the foundation of cultural understanding and it is an essential tool to communicate with the Japanese. In order to continue with the study of Japanese, it is possible to provide opportunities for which using Japanese is necessary. For this reason, internships in Japanese government agencies and companies, homestay programs that give opportunities to interact with ordinary Japanese and the like are effective.

(8) Networking, Establishment of a Follow-Up Scheme and Roles of Implementing Agent Measures to Be Taken During JDS fellows' stay in Japan for Follow-up Conducted after They Return Home

To make continuous follow-up easier and link those activities to the results of strengthening the partnership between Japan and Bhutan, loyalty to Japan needs to be increased from while students' stay in Japan so that they will be motivated to maintain their relationship with Japan following their return. By implementing measures to maintain and develop the loyalty that was increased during their stay in Japan in post-return follow-up, better results can be expected.

In some cases, the implementing agent is currently providing support in the target countries of the JDS project for establishing an alumni association or holding other events based on the local project office. However, it takes additional time and cost to improve the loyalty of returned fellows who have lost a connection with Japan for a certain period of time and it is not always efficient. For this reason, the measures provided for the JDS fellows staying in Japan and the follow-up measures provided after they return home should be discussed in an integrated manner as continuous measures.

Follow-up Measures Implemented after the JDS fellows Return Home

For sustainable follow-up activities, it is expected for the Japan side to enhance the follow-up content in collaboration with the existing JICA Alumni Association in Bhutan (JAAB) while absorbing the information and experiences of Australia Awards which has been proceeding activities in order to implement measures for maintaining and improving the loyalty developed during the JDS fellows' stay in Japan. In particular, over the several years until activities come into full swing, Japan is anticipated to support funding and facilitate activities.

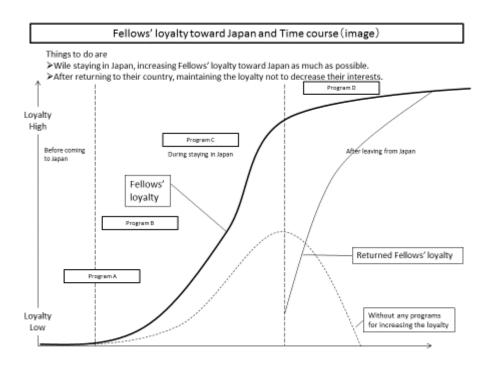


Figure 27 Fellows' Royalty toward Japan and Time Course (Image)

Networking with Japanese Administrative Officers for Networking

From the viewpoint of improving loyalty to Japan, the measures to be provided to the JDS fellows during their stay in Japan generally include the holding of lessons for understanding the Japanese culture and seminars for informing about development experience in Japan. However, it is desirable to implement measures utilizing the greatest characteristics of the JDS project, which mean that the JDS fellows are administrative officers involved in policy making of each country. For the JDS fellows who are expected to serve as a bridge between Japan and Bhutan as a person fond of or familiar with Japan, a network with the Japanese ministries and agencies would be useful for their future career. It is desirable to provide support for establishing a network through exchange with administrative officers and the holding of seminars and workshops with the persons concerned with the Japanese ministries and agencies as a lecturer.

The network formulated by these measures is practical for the fellows' operations after they return

home, giving an incentive to the fellows to maintain such network and therefore it is expected to establish a continuous relationship. In addition, it is desirable to utilize the fellows further based on this foundation even after they return home.

Roles to Be Performed by the Implementing Agent

Role as a Mediator

The JDS fellows formulate a network with various Japanese people during their stay in Japan. However, it is not easy to meet an appropriate person only by establishing a personal relationship between individuals and such network merely connects a point with a point, having only a sporadic effect. For this reason, the implementing agent is expected to function as a mediator between the JDS fellows and the Japanese ministries and agencies and the persons concerned with ODA. It is expected that the implementing agent will perform matching based on the interest of both parties and work for establishing an organizational network and thereby contribute to better project achievements.

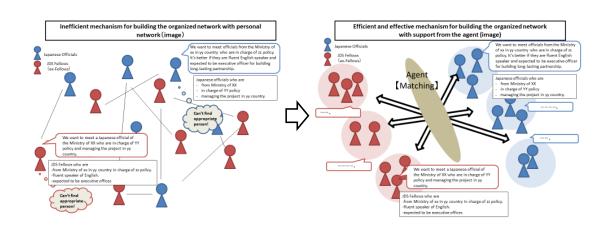


Figure 28 Roles as a Mediator by the Implementing Agent

Firm Network Foundation with JDS Fellows

The implementing agent gets involved with the JDS fellows from the time of public announcement for recruitment and selection, regularly contacts the fellows through monitoring, and so on. during their stay in Japan and provides immediate support in the case of emergency. For the JDS fellows, the implementing agent is like a partner having a firm trust relationship. For this reason, the Agent can understand the information on the quality and other matters of JDS fellows in a detailed and integrated manner.

Generally speaking, a problem arising in connection with the follow-up of the fellows is to obtain the information on their whereabouts after returning home. In the JDS project in other countries, the implementing agent and the JDS fellows have a trust relationship and therefore the JDS fellows can contact the implementing agent even after returning home, and they have already

established a relationship and system that make it possible to know the detailed matters on the fellows' division and work. Particularly the project has its administration office in the relevant country and obtains support from the returned fellows for recommending application, orientation and other major activities. For this reason, the project administration office can be used as a base for follow-up activities.

The role to be played by the implementing agent would be to function as the network foundation with the JDS fellows who are staying in Japan or have returned home based on their mutual trust relationship. The implementing agent's function for establishing a relationship with the JDS fellows should be focused on from the viewpoint of follow-up activities.

Network Foundation with the Japanese Ministries

On the other hand, it is also important to advertise the JDS project to the persons concerned with the Japanese ministries and agencies. According to the questionnaire survey conducted by the consultant independently, the degree of recognition of the JDS project by the persons concerned with the Japanese ministries and agencies is very low⁴². However, the importance of a network with the JDS fellows is high for the persons concerned with the Japanese ministries and agencies. For example, in terms of the infrastructure export, human resource development is considered to form the basis of all measures taken for the infrastructure export and its many-sided significance was also pointed out by the Ministerial Meeting on Strategy relating to Infrastructure Export and Economic Cooperation.⁴³

In order to enhance the opportunities to utilize JDS project at ministries and agencies, it is important to inform them that the fellows from the ministries and agencies that can be counterparts of the projects developed by Japanese ministries and agencies in Bhutan are staying in Japan, that the JDS returned fellows have been actually promoted in each country and are playing an important role for diplomacy and economy, and that the existence of the implementing agent makes it easier to select an appropriate network conveniently and thereby create an opportunity for utilizing the JDS project.

For this reason, the implementing agent is expected to have a network with, and the ability to transmit information to, not only the persons concerned with ODA but also the Japanese ministries.

The measures mentioned above will make the JDS project a human development project that can achieve the development of the relevant country and the economic growth of Japan at the same time, enabling the establishment of win-win relationship between Japan and Bhutan.

⁴³ 16th Cabinet Office Ministerial Meeting on Strategy relating Infrastructure Export and Economic Cooperation, March 2, 2015

 $^{^{42}}$ According to questionnaire for "JDS Networking Event for JDS Fellows and Japanese Administrative Officers" hosted by JICE

3-6. Conclusion

In this preparatory survey, the intent of the JDS was determined with the political and social background of Bhutan in mind, while sufficiently understanding the Sub-Programs established in line with the Bhutan's development plan and Japan's aid policy. Also, the research was conducted in order to validate the situation of each administrative organizations such as its role and mandates, necessity of human resource development in priority area/development issue and the number of potential JDS candidates. Based on the results, the JDS scale as a 4 batches in one package and each sub-program basic plan were drafted. Accordingly, it is highly valid to implement the JDS project in Bhutan and adequate with its significance.

For implementing JDS, the RCSC, the co-chair of the Operating Committee, being a central organization of the nation's civil service system and having influence on each government agency's personnel affairs made it possible to establish a system that is the most suitable for the flexible management of civil service system selection of promising human resources and placement of returned fellows after their return.

One achievement from the survey in question was the fact that it was confirmed that the cooperation would be obtained for acquiring high-quality candidates from JICA experts previously dispatched to individual Bhutanese government ministries with the cooperation of the JICA office, something verified by visiting them.

The JDS program, which began to accept foreign students for study in Japan from 2000, has been implemented for a total of 15 countries to date. Among those in other countries, JDS is considered as a project attaining successful results by obtaining the cooperation of local entities involved. The proposal in the JDS basic research mentioned earlier said it was important to continue JDS in order to build a relationship of trust (with the partner country government) and bolster the diplomatic relationship with the nation. JDS, being a human resource development program based on a long-term perspective, take time before delivering results. However, the number of JDS fellows will steadily grow in the future, who will likely form a critical mass in the nation's government while playing key roles in its central and local governments after returning to the country. One major achievement from the preparatory survey was the fact that it made it clearer that JDS would improve and develop further in the future through the active cooperation and endeavors between the two nations' government officials involved.

End

List of Appendixes

- 1. Member List of the Survey Team
- 2. Flowchart of the Preparatory Survey for JDS
- 3. List of Contact Persons
- 4. Minutes of Discussions (M/D)
- 5. The Number of JDS Fellows to be Accepted for the Next Four Years under the JDS Project in Bhutan

Member List of the Survey Team

Name	Assigned Work	Organization and Position
Ms. Tomomi ORITA	Leader	Director Grant Aid Project Management Division 2, Financial Cooperation Implementation Department, JICA
Mr. Shintaro TAKANO	Cooperation Planning	Deputy Director Grant Aid Project Management Division 2, Financial Cooperation Implementation Department, JICA
<consultants></consultants>	T	
Mr. Tsuyoshi SHIONOYA	Human Resource Development Planning	Managing Director International Student Programs Department I, JICE
Ms. Mayumi AOKI	Overseas Study Planning	Deputy Director International Student Programs Division, International Student Programs Department I, JICE
Mr. Yuji KAWAMOTO	Needs Study	International Student Programs Division, International Student Programs Department I, JICE

	Field Survey	In Japan	Accepting University
2017 Aug.	Mar ∼Aug (JICA/Embassy/MOFA) - Formulation of the list of target areas and Component)		
Sep.		Sep. Request Survey of accepting	SepOct.
Oct.	Examine proposal from	Oct Contract with a consulting firm for the survey	Preparation as submission of proposal
Nov.	universities by JICA Office Nov. - Survey on the need and achievements of	Nov. Review of proposals from universities(JICA) - Evaluation of proposals	
Dec.	JDS Project by Consultant DecFeb. [Agreement on the program	- Consideration for the draft of accepting universities	
2018	framework] (OC/JICA Survey Team)	Jan.	
Jan.	Agreement on - implementing structure - JDS sub-program, components - target organizations - accepting universities and each number of	 - Preparation for the outline design of the budget Feb. - Submission of the report on the budget to Ministry of Foreign 	
Feb.	- recruitment and selection method	Feb Formulation of the basic plan for	
Mar.	Mar Explanation of the basic plan for the target priority areas to the government of Timor-Leste	Mar Notification of the result of the selection to accepting universities (JICA)	Mar Receive selection results - Preparation for receiving
		Mar Preparation of the draft report on the preparatory survey	
Apr.		Apr Finalization of the report on the preparatory survey	
		low after Preparatory Survey	
	May Exchange of Note [E/N] - Grant Agreement [G/A]	End of May Approval by Japanese Cabinet for JDS Project in JPY 2018	
	AugRecruitment of JDS Fellows Nov Document Screening		
2019	- DecFeb. -Technical Interview	Aug Fellows arrival in Japan - Briefing and Orientation	Sep Enrollment to universities

The Project for Human Resource Development Scholarships (JDS) List of Contact Persons during the Field Survey in Bhutan

1. Discussion on the Minutes

Date and Time	Contact Person	Remarks
December 15 th	■ Embassy of Japan in India	
(Fri.), 2017	 Mr. Naoki YANAGIDA, Second Secretary 	
10:00-11:00	- Mr. Daisuke KODAMA, First Secretary	
December 18 th (Mon.), 2017 15:30-16:30	 JICA Bhutan Office Mr. Koji YAMADA, Chief Representative Mr. Kota WAKABAYASHI, Representative 	
December 20 th (Wed.), 2017 9:30-11:00	 Royal Civil Service Commission Ms. Kesang Deki, Commissioner Ms. Tashi Pen, Director, HRDD Ms. Dechen Eudon, HR officer, HRDD Mr. Sangay Yeshi, Assist. HR Officer, HRDD Ms. Tshewang Choden, Asst. HR Officer, HRDD 	
December 20 th	Gross National Happiness Commission	
(Wed.), 2017	 Ms. Kuenzang Sangay, Dy. Chief Program Officer 	Discussion with
11:00-12:00		the Operating Committee
January 29 th	■ Royal Civil Service Commission	Members
(Mon.), 2018	- Ms. Kesang Deki, Commissioner	
14:00-15:00	 Ms. Tashi Pen, Director, HRDD 	
	- Ms. Dechen Eudon, HR officer, HRDD	
	- Mr. Sangay Yeshi, Assist. HR Officer, HRDD	
	- Ms. Tshewang Choden, Asst. HR Officer, HRDD	
February 1st,	■ Royal Civil Service Commission	
(Thu.), 2018	- Mr. Sangay Yeshi, Assist. HR Officer, HRDD	
15:30-16:00	- Ms. Tshewang Choden, Asst. HR Officer, HRDD	
February 2 nd (Fri.), 2018 10:00-11:00	 JICA Bhutan Office Mr. Koji YAMADA, Chief Representative Mr. Kota WAKABAYASHI, Representative 	
May 7 th (Mon.), 2018 15:00-16:00	 JICA Bhutan Office Mr. Kota WAKABAYASHI, Representative 	
May 9 th (Wed.), 2018	 Royal Civil Service Commission Ms. Kesang Deki, Commissioner Ms. Tashi Pen, Director, HRDD 	
10:00-12:00	, ,	

	_	- Ms. Dechen Eudon, HR officer, HRDD		ssion with
	_	Mr. Sangay Yeshi, Assist. HR Officer, HRDD	the	Operating
			Comi	mittee
May 9 th (Web.),		Gross National Happiness Commission		
2018	_	Ms. Kuenzang Sangay, Chief Planning Officer of Plan	Mem	bers
12:30-13:30		Monitoring and Coordination Division		
	_	Mr. Penjor, Dy. Chief Program Officer		

2. Visit to expected Target Organizations

Date and Time	Contact Person	Remarks
December 18th	■ Ministry of Economic Affairs	
(Mon.), 2017	- Mr. Yeshey Rangrik Dorjee, Director, Directorate	
10:30-11:30	Service	
	- Mr. Pema Longdhen, Chief HR Officer	
December 18th	■ Ministry of Agriculture and Forest	
(Mon.), 2017	- Khampa Tshering, Chief HR Officer	
13:00-14:00	Human Resource Management Division	
December 19th	■ Ministry of Education	
(Tue.), 2017	- Mr. Dhendup Tshering, Deputy Chief HR Officer,	
10:00-11:00	Teacher Professional Support Division	
	- Ms. Karma Geley, Deputy Chief HR Officer, Human	
	Resource Division	
	- Mr. Sonam Dorgi, Senior Human Resource Officer,	Expected Target
	Human Resource Division	Organizations
December 19th	■ Ministry of Foreign Affairs	
(Tue), 2017	- Mr. Kinley Wangdi, Director, Department of	
11:30-12:30	Directorate Services Mr. Tashi Dandun Siniar HP officer Human Resource	
	 Mr. Tashi Dendup, Sinior HR officer, Human Resource Services 	
	- Mr. Subarna Biswa, Assistant HR officer, Human	
	Resource Services	
December 19 th	■ Ministry of Finance	
(Tue), 2017	- Dr. Ugyen Tshewang, Chief Human Resource Officer	
14:00-15:00	- Ms. Teshening Uhamo, HR officer	
	- Ms. Nefen Tohomo, Assistant HR officer	
December 20 th	■ Royal Monetary Authority	
(Wed.), 2017	- Mr. Julien Gurung, Director, Administration & Finance	
14:00-15:00	Department	
December 20 th	■ Ministry of Works and Human Settlement	
(Wed.), 2017	- Mr. Lem Tsewang, Chief Human Resource Office,	
15:15-16:15	Human Resource Division	
	- Mr. Jambay Nima, Chief Assistant Officer, HRD	

D 1 21st		
December 21st	■ Ministry of Home and Cultural Affairs	
(Thu.), 2017	 Sangay Thinley, Chief HR Officer, HR division 	
9:00-10:00	– D 111 :	
December 21st	Royal University of Bhutan	
(Thu.), 2017	- Mr. Gajel Lhundup, Register	
11:00-12:00	- Mr. Pema Chephel, Senior HR officer	
December 21st	Royal Institute of Management	
(Thu.), 2017	- Mr. Thinley Namgyal, Assistant professor/Register	
14:00-15:00	- Mr. Jit Tshering, Associate professor, Head	
	- Mr. Dorji Peljor,	
	- Mr. Jigme Wandi,	
	– Mr. Tenzin Dorji	
January 30 th	National Environment Commission	
(Tue.), 2018	- Mr. Tenzin Khorlo, Chief Environment Officer, Water	
10:00-10:30	Resource Coordination Division	
	- Mr. Thinley Namgyel, Chief Environment Officer,	
	Environment Assessment and Compliance Division	Expected Target
	- Ms. Tenzin Wangmo, Chief Environment Officer,	Organizations
	Climate Change Division	
	- Mr. Kesang Jamtsho, Human Resource Officer	
February 1st	■ National Land Commission	
(Thu.), 2018	- Mr. Geley Norbu, Director, DoSAM	
10:00-11:00	- Mr. Binay Tamang, Chief Survey Engineer, DoSAM	
	 Mr. Lobzang Tobgye, Sr. Survey Engineer, DoSAM 	
	- Mr. Jigme Tenzin, Sr. Survey Engineer, DoLAM	
	 Mrs. Karma Tshomo, Asst. Land Registrar, DoLAM 	
	- Mr. Kota, Asst. HRO, NLCS	
	- Ms. Thinley Choden, Asst. HRO, NLCS.	
February 5 th	■ Ministry of Home and Cultural Affairs	
(Mon.), 2018	 Sangay Thinley, Chief HR Officer, HR division 	
11:00-12:00	3,	
February 5 th	■ Ministry of Finance	
(Mon.), 2018	 Dr. Ugyen Tshewang, Chief Human Resource Officer 	
15:00-16:00		
February 7 th	■ Ministry of Agriculture and Forest	
(Wed.), 2018	- Khampa Tshering, Chief HR Officer, Human Resource	
12:00-13:00	Management Division	
February 7 th	■ Ministry of Works and Human Settlement	
(Wed.), 2018		
14:30-15:00		
10.00		

3. Visit to Other Organizations

Date and Time	Contact Persons	Remarks
December 19th	■ JICA Expert	
(Tue), 2017	- Mr. Tsuneo Oishi, JICA Expert	
14:00-15:00		Human resource
December 19 th	■ JICA Expert	needs in Bhutan
(Tue), 2017	- Mr. Tomoaki Tsugawa, JICA Expert	
14:00-15:00		
January 29 th	■ Civil servants with the experience of study in Japan	Scholarship
(Mon.), 2018	- Ms. Tashi Pen, Director, HRDD	program for civil
17:00-18:00		servants in
17.00-18.00		Bhutan
January 30 th	Australia Awards	Scholarship
(Tue.), 2018	- Mr. Tashi Loday, Program Officer	program in
10:00-11:00		Bhutan
January 30 th	■ Civil servants with the experience of study in Japan	
(Tue), 2018	- Mrs. Tashi Wangmo, Eminent Member of National	Scholarship
13:00-14:30	Council	program for civil
January 31st	■ Civil servants with the experience of study in Japan	servants in
(Wed.), 2018	- Mrs. Dago Zangmo, Ministry of Works & Human	Bhutan
15:30-16:30	Settlement	

MINUTES OF DISCUSSIONS ON THE PREPARATORY SURVEY OF THE PROJECT FOR HUMAN RESOURCE DEVELOPMENT SCHOLARSHIP TO THE ROYAL GOVERNMENT OF BHUTAN

In response to a request from the Royal Government of Bhutan (hereinafter referred to as "Bhutan"), Japan International Cooperation Agency (hereinafter referred to as "JICA") decided to conduct a Preparatory Survey in respect of "the Project for Human Resource Development Scholarship" (hereinafter referred to as "the JDS Project") to be implemented in Bhutan.

In view of the above, JICA dispatched a Preparatory Survey Team (hereinafter referred to as "the Team") headed by Ms. Tomomi Orita, Director of Grant Aid Project Management Division 2, Financial Cooperation Implementation Department, JICA, to Thimphu from December 18 to 22, 2017.

The Team held a series of discussions with the members of the Operating Committee of the JDS Project. The both parties reached an agreement on the JDS Project as attached hereto.

Thimphu, December 22, 2017

计口节

Koji YAMADA Chief Representative JICA Bhutan Office Dasho Karma Tshiteem

Chairman

Royal Civil Service Commission

The Royal Government of Bhutan

I. Objective of the Preparatory Survey

The Bhutan side understood the objectives of the Preparatory Survey explained by the Team referring to ANNEX 1 "Flowchart of the Preparatory Survey".

The main objectives of the Survey are:

- (1) To agree on the framework of the JDS Project from Japanese fiscal year 2018 to 2021 to be implemented under Japan's grant aid
- (2) To design the outline of the JDS Project through collecting basic information on human resource development for civil servants in Bhutan
- (3) To explain the outline of the JDS Project to the relevant parties of Bhutan
- (4) To estimate overall costs of the first cycle, that is a period of five years, of the JDS Project

II. Objective of the JDS Project

The objective of the JDS Project is to support human resource development in recipient countries of Japanese Grant Aid, through highly capable, young civil servants and others, who are expected to engage in formulating and implementing social and economic development plans and are expected to become leaders in their countries, by means of accepting them in Japanese universities as JDS Fellows. Moreover, the Project aims to strengthen the partnership between their countries and Japan.

JDS Fellows accepted by the Project will acquire expert knowledge, conduct research, and build human networks at Japanese universities, and are expected to use such knowledge after returning to their work, to take an active role in solving practical problems of the social and economic development issues that their countries are facing.

III. Framework of the JDS Project

1. Project Implementation under the Operating Guidelines

The Bhutan side confirmed that the JDS Project is implemented under the framework described in the "Operating Guidelines of the Project for Human Resource Development Scholarship (ANNEX 2)" and "Flowchart of JDS Project for the Succeeding Four Batches (ANNEX 3)".

2. Implementation Coordination

The both parties confirmed that the implementation coordination of the JDS Project is as follows.

(1) Implementing Organization

Royal Civil Service Commission (hereinafter referred to as "RCSC") is responsible for administrative matter of the JDS Project, and therefore RCSC is regarded as the Implementing Organization.



(2) Operating Committee (hereinafter referred to as "O/C")

The Committee is composed of the representatives from the following organizations.

Bhutan side

- RCSC (Co-Chair)
- Gross National Happiness Commission

Japanese side

- Embassy of Japan in India
- JICA Bhutan Office (Co-chair)

3. Target Areas of the JDS Project

Based on the discussion held between the both parties, supposed target priority areas as Sub-Program and target development issues as Component are identified as below.

Priority Area as Sub-Program 1:

Enhancement of Policy Making Capacity for Industrial Development

Development Issue as Component

- 1-1 Agriculture and Rural Development
- 1-2 Industrial Foundation Development
 - Economic Policy
 - Public Policy / Administration
- 1-3 Infrastructure Development for Sustainable Economic Growth

Priority Area as Sub-Program 2:

Reduction of Vulnerability

Development Issue as Component

2-1 Countermeasures for Climate Change and Disaster Risk Management

4. Target Organizations

Both parties agreed to select the candidates of the JDS Project from civil servants mainly from the target organizations in accordance with the allocated Component mentioned above. The target organizations shall be discussed during the next survey in January 2018, and be finalized at the O/C meeting before starting recruitment (ANNEX 4).

5. Maximum Number of JDS Fellows (Master's Program)

The total number of JDS Fellows for the first batch in Japanese fiscal year 2019 shall be at nine (9) and this number would indicate the maximum number per batch for four batches, from Japanese fiscal year 2019 to 2022.

6. Accepting Universities and Supposed Numbers of JDS Fellows per University

Bhutan side agreed that the Team will select and propose suitable universities based on eligibility of proposals to the target areas, and the universities shall be agreed during the next survey in January 2018.



7. Introduction of PhD Program in Japan under the JDS Project

The Team explained that PhD Program could be also introduced in Bhutan after confirmation of its needs in target organizations in order to contribute to development of the country. PhD program would be offered at most one (1) slot per batch.

8. Basic Plan for Each Component

The Team explained a Basic Plan for each component (ANNEX 5), which included the background, project objectives, summary of the activities of the project and other, would be prepared for mutual understanding of both parties during the Preparatory Survey.

Both parties confirmed necessary meeting arrangement would be taken for preparation of the Basic Plan for each component.

IV. Important Matters Discussed

1. Selection of the JDS Fellows

Both parties confirmed the importance of recruitment and selection of the appropriate candidates, and agreed that promotion of JDS and recruitment of the competent candidates should be done actively by Bhutan side.

2. Monitoring and Evaluation

It was agreed that monitoring and evaluation of JDS graduates should be done actively by Bhutan side for expanding their outcomes and human network. In order to understand the features of the JDS Project, the Team recommended conducting monitoring mission to Japan formed by O/C members in its early stage.

3. Request of Components for Civil Servants in Administrative Services

From the series of discussion with ministries of Bhutan, the Team confirmed that human resource development for civil servants in administrative services is crucial for the development in Bhutan. Concerned ministries requested a component which could cover subject areas such as public policy, public administration, economics and finance. Both parties agreed to accommodate such requests into Component 1-2 "Industrial Foundation Development."

4. Undertakings of the Project

Both parties confirmed the undertakings of the Project as described in ANNEX 6. It will be reconfirmed upon the signing of the Grant Agreement.

ANNEX 1: Flowchart of the Preparatory Survey

ANNEX 2: Operating Guidelines of the Project for Human Resource Development Scholarship by Japanese Grant Aid (JDS) under the New System

ANNEX 3: Flowchart of JDS Project for the Succeeding Four Batches

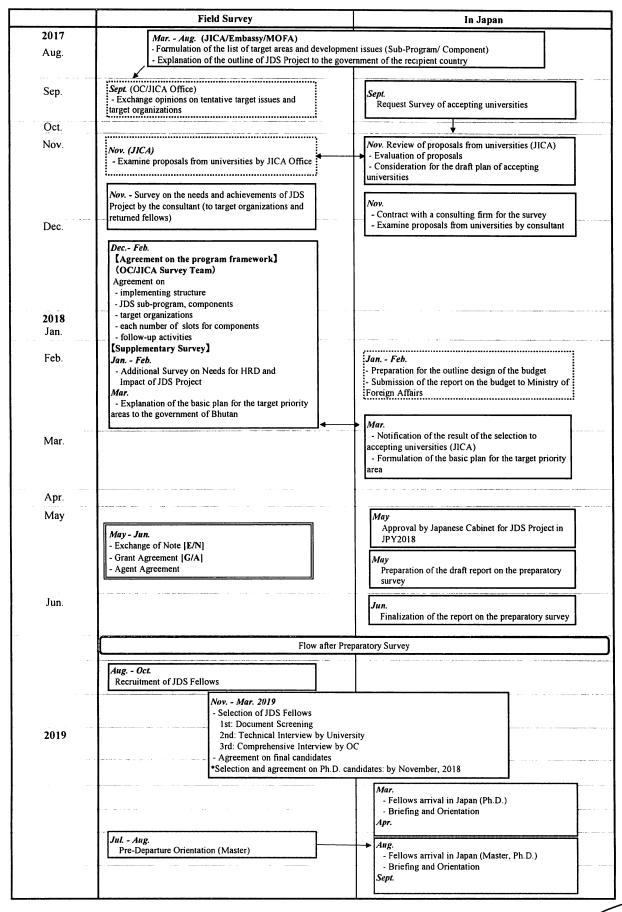
ANNEX 4: Design of JDS Project for four batches

ANNEX 5: JDS Basic Plan for the Target Priority Area (Draft)

ANNEX 6: Undertakings of the Project (Draft)







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Operating Guidelines of the Project for Human Resource Development Scholarship by Japanese Grant Aid (JDS) under the New System

July, 2015

Japan International Cooperation Agency (JICA)

These operating guidelines apply to the Project for Human Resource Development Scholarship, which starts in/after Japanese fiscal Year 2015 under the New System.

PART 1 Basic Principles

1. Preface

The purpose of the Project for Human Resource Development Scholarship (hereinafter referred to as the "JDS") is to support human resource development in developing countries that receive Japanese grant aid (hereinafter referred to as "recipient countries") through accepting highly capable, young government officials and others, who are expected to engage in formulating and implementing social economic development plans and are expected to become leaders in their countries, by means of accepting them in Japanese universities as JDS fellows. Moreover, the Project aims to strengthen the partnership between their countries and Japan.

JDS fellows accepted by the Project will acquire expert knowledge, conduct research, and build human networks at Japanese universities, and are expected to use such knowledge after returning to their work, to take an active role in solving practical problems of the social and economic development issues that their countries are facing.

Many of the issues of developing countries cannot be solved through the efforts of these countries alone, and thus responses amid a framework of international cooperation are vital. Furthermore, these responses cannot be separated from the actual development sites that are constantly trying to find solutions. This is why the JDS Project is expected to develop human resources that are capable of tackling development issues within the framework of international cooperation, including actual development sites.

These guidelines prescribe general guiding principles which are to be followed regarding the operation of the JDS Project as a whole. They are to be based on the Exchange of Notes (hereinafter referred to as the "E/N") concluded with the government of the recipient country when the Japanese government approves the implementation of grant aid (hereinafter referred to

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as the "Grant"). Also, they are to be based on the Grant Agreement (hereinafter referred to as the "G/A") concluded between the government of the recipient country when the Japan International Cooperation Agency (hereinafter referred to as "JICA") provides funds.

2. Overview of the JDS Project

(1) Basic Concept

- (a) JDS is designed to foster exceptional human resources capable of working to resolve various development challenges in the recipient countries in future by imparting advanced expertise to JDS fellows through studying at Japanese universities. The recruitment, selection, and dispatch of JDS fellows shall be conducted based on mutual agreement of the concerned officials from recipient countries and Japan.
- (b) JDS contributes to strengthen the partnership between Japan and the recipient country by graduating a wide range of fellows who have deep understanding about Japan.
- (c) The courses offered by the JDS are basically master's course with considering the applicability and duration of study, but limited number of doctor's courses could be also offered when the proper needs for the human resource development in more advanced level as well as appropriate candidates are identified.
- (d) The language of study shall, in principle, be English. This is based on the recognition that efforts to solve the development issues that developing countries face are undertaken under international cooperation frameworks and on the assumption that ex-JDS fellows will be active on the international stage after their return to their home countries.
- (e) For the purpose of the JDS Project which is to support human resource development, targeting highly capable, young government officials and others who are expected to engage in formulating and implementing social and economic development plans and to become leaders in their countries in future, the main fields of study are categorized in "Social Science" such as Law, Economics, Public Policy.

(2) JICA

JICA will perform necessary operations for the implementation of the JDS Project pursuant to international agreement in accordance with the relevant laws and ordinances of Japan.

(3) Implementing Organization

A designated authority of the government of the recipient countries shall take on a role of the Implementing Organization for JDS Project.



The Implementing Organization shall enter into contracts on the services for the JDS Project with an agent recommended by JICA.

(4) The Consistency with the Framework of Japan's County Assistance Policy

The priority fields of study shall be selected by each government of recipient countries and JICA among the study fields which are regarded as highly effective to cooperate in implementing the JDS Project, in a point of view that the JDS Project shall be consistent with the framework of Japan's Country Assistance Policy determined by the Ministry of Foreign Affairs of Japan.

(5) Japanese Accepting Universities

JICA shall enquire Japanese universities; about educational programs suitable to the recipient countries' needs in each priority fields of study and select universities which offer most suitable educational programs as prospective accepting universities. JICA shall consult with the recipient countries' governments on selecting the university for JDS fellows among the prospective accepting universities above, and determine the accepting universities.

(6) Eligible Organizations

Organizations which are eligible for the JDS Project shall be determined in each priority fields of study unless determination of eligible organization is inappropriate due to country's government official system, in such a case as personnel rotation among organizations are commonly practiced. Several eligible organizations may be determined in each priority field of study.

The eligible organizations are required to cooperate in consultation with accepting universities, and in drafting the basic plan of the field of study.

Also, the Eligible Organizations are required to cooperate in inviting the applications from suitable persons among their officials.

(7) Preparatory Survey

Prior to the implementation of the JDS Project in the recipient countries, JICA shall conduct a preparatory survey. The preparatory survey shall be conducted every four year period to design the JDS Project for the period ("A batch of": JDS fellows shall be accepted in each fiscal year of the four-year period constitutes one cycle of the JDS Project).

The major objectives of the preparatory survey shall be as follows¹:

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 $^{^{1}\,}$ The following items are included in the preparatory survey started by July, 2015.

- (a) To agree on priority fields of study for JDS fellows,
- (b) To agree on accepting Japanese universities,
- (c) To agree on eligible organizations of each priority field of study,
- (d) To identify the needs for human resource development including number of potential candidates for the JDS Projects
- (e) Discussion on measures for promoting meaningful outcome from the JDS Project,
- (f) Finding the outcomes from the JDS Project, in the case where the Project continues, and
- (g) To estimate overall costs of the first cycle, that is a period of four years, of the JDS Project.

(8) The Agent

After the conclusion of the E/N and G/A, JICA shall recommend the contractor of the preparatory survey as an agent (hereinafter referred to as "the Agent") to the recipient country.

The Agent, in accordance with a contract concluded with the Implementing Organization in the government of the recipient country, shall perform the following duties toward smooth implementation of the JDS Project:

- (a) To work on the recruitment and selection procedures of JDS candidates,
- (b) To provide JDS candidates with information on study in Japan,
- (c) To carry out matriculation procedures and make arrangements for trips to Japan for JDS Fellows,
- (d) To handle payment of tuition fees and scholarships,
- (e) To provide pre-departure and after arrival orientation on JDS before/after arrival in Japan to JDS fellows,
- (f) To monitor academic progress and living conditions of JDS fellows,
- (g) To organize JDS fellows' returning program which consists of support for necessary procedure on JDS fellows' returning, Evaluation meeting on JDS program upon the graduation, meeting for reporting the results after JDS Fellows' returning to their respective countries, and
- (h) To perform other duties necessary for JDS Project implementation.

(9) The Operating Committee

An Operating Committee shall be set in each recipient country towards the smooth implementation of the JDS Project.

The Operating Committee (hereinafter referred to as "the Committee") shall consist of

⁽g) To prepare the basic plan of each priority field of study



⁽f) To select the candidates for the first batch

government officials from related organizations of the recipient country (e.g.: diplomatic authorities, authorities in charge of economic cooperation, government official's personnel authorities, education authorities) and the relevant Japanese officials of Embassy of Japan and JICA. In principle, a representative of the government of the recipient country shall serve as chairperson, and a representative of the Government of Japan shall serve as vice chairperson. However, it shall be possible for representatives of the two governments to serve as co-chairpersons based on an agreement between the two governments. The chairperson (representative of the government of the recipient country) shall chair and manage Committee meetings. A JICA representative shall serve as the head of the Committee's secretariat, and shall handle all administrative duties of the Committee, including calling Committee meetings and taking meeting minutes.

The major roles of the Committee are as follows:

- (a) To discuss the JDS Project design in the preparatory survey,
- (b) To select JDS fellows from the candidates,
- (c) To encourage the recipient country in utilization of ex-JDS fellows and following up them, and
- (d) To review other aspects related to the management and implementation of the JDS Project.

(10) Number of JDS Fellows

The number of JDS fellows of each batch shall be agreed by the both governments and stipulated in the contract between the recipient country and the Agent accordingly. In principle, two to five fellows shall be admitted in a graduate school for each fiscal year.

(11) Scope of Expenses covered by the Grant

Expenses covered by the Grant shall be divided into the following two categories:

- (a) Expenses for the purchase of services necessary for implementing the JDS Project:
 - Expenses for recruitment and selection,
 - Expenses for pre-departure and after arrival orientation and arrangement in Japan,
 - Expenses for monitoring academic progress and living conditions of JDS fellows,
 - Expenses for JDS fellows' returning program which consists of support for necessary procedure on JDS fellows' returning, evaluation meeting on JDS program upon graduation, meeting for reporting the results after JDS Fellows' returning to their respective countries



- (b) Expenses necessary for the JDS fellows and accepting universities in Japan:
 - · Scholarships,
 - · Allowances for travel to and from Japan,
 - · Outfit allowances,
 - · Accommodation allowances for rent,
 - · Subsidiary allowances to purchase books,
 - · Shipping allowances,
 - · Traveling and seminar allowances,
 - · Tuition fees.
 - Expenses for Special Program as customized activities provided for JDS fellows by accepting universities to maximize the impact of the Project, and others.

3. Qualifications and Selection of JDS Fellows

(1) Qualifications and Requirements

- (a) Nationality: Applicants must be citizens of the recipient country
- (b) Age: In principle, JDS fellows shall be between the ages of 22 and 39 (both inclusive) as of the first of April of the fiscal year of their arrival in Japan.
- (c) Applicants must not be serving in the military.
- (d) Persons who have strong will to work for the development of recipient countries after their return home.
- (e) Persons have acquired a master's degree after studying abroad on a scholarship awarded by other foreign assistances are ineligible. Persons who are currently receiving or planning to receive another scholarship through other foreign assistance are ineligible as well.
- (f) JDS fellows must be in good health, both mentally and physically.
- (g) Persons who have English proficiency that is fluent enough for studying in Japan.

(2) Recruitment and Selection

(a) Recruitment and selection polices

Eligible organizations of each priority field of study shall invite applications for the JDS candidates from its own officials and submit qualified candidates to the Implementing Organization or the authority agreed among the Operating Committee. Recruitment from the public by the recipient country



shall not be precluded if recruitment from the public is deemed to be reasonable.

The selection of JDS fellows shall be unequivocally based on overall evaluation to each person's academic abilities and the suitability of research plan to the development issues in recipient countries. The fellows shall be determined through an examination of the application documents and interviews.

(b) System for Selection

- ①The Committee shall administer all parts of the selection process, from the system for selection to determination of fellows.
- 2 The Committee shall address the following issues:
 - 1) Determination of specific method for selection of JDS fellows (including selection policy and selection criteria)
 - 2) Confirmation of the selection schedule
 - 3) Implementation and management of selection tests
 - 4) Determination of final candidates
- ③After the accepting universities' admission approval for the candidates, the Committee shall determine JDS fellows.

4. Conditions for Study in Japan

(1)Benefits

(a) Scholarships

The Agent shall pay allowances, such as scholarships and tuition, directly to JDS fellows and accepting universities on behalf of the government of the recipient country in accordance with the contract signed with the recipient country. Each amount of the said allowances shall be specified separately.

(b) Term of Scholarship Payment, etc.

In principle, the scholarship shall be provided for the JDS fellow from his /her arrival date to the departure date after his/her acquisition of the scheduled degree within the initially scheduled period of study. In principle, the extension of the period of study shall not be accepted. The recipient country shall cancel payment of the scholarship and arrange the JDS fellow's early return to the recipient country in any of the following cases:

A false statement has been found in the JDS fellow's application.



- The JDS fellow violates any article of his/her pledge to the recipient country.
- The JDS fellow is subject to disciplinary action by the university or has no prospect of academic attainment within the initially scheduled period of study.

(2) Obligation to report

During the JDS fellow's study period in Japan, the recipient country shall monitor JDS fellows' academic progress regularly with the assistance of the Agent, and report the results to JICA.

(3) Follow up

Because a key of the JDS Project is to create human networks and to encourage JDS fellows to help the recipient country achieve development issues in economic and social development in their countries after their return home, the recipient country shall conduct surveys on the JDS fellow' activities after their return and promote academic and cultural exchange with Japan. Furthermore, the recipient country shall study ways of assigning JDS fellows to the work that provides them with the opportunity to play important roles in the central government, etc., after their return home.

PART 2 Contract with Agent and Verification

1. Recommendation of Agent

In order to implement the JDS Project smoothly, following the conclusion of the G/A, JICA shall recommend the consultant that undertakes the preparatory survey to the recipient country as the Agent.

2. Contract Procedure

Pursuant to the provisions of the E/N and the G/A, the government of the recipient country shall enter into an agent contract with the Agent set forth in the preceding article. The Grant is ineligible unless JICA duly verifies the contract. The contract shall be made in duplicate and be submitted to JICA for its verification by the government of the recipient country through the Agent.

3. References to the G/A

The agent contract shall refer to the G/A in a manner that it reads as follows: "JICA extends its grant to the Government of (name of the recipient country) on the basis of the Grant Agreement signed on (date) between the Government of (name of



the recipient country) and JICA concerning the Project for Human Resource Development Scholarship"

4. References to the number of JDS fellows

The agent contract shall refer to the number of JDS fellows for each fiscal year of the four-year period, with said number serving as the upper limit.

5. Scope of Service

The agent contract shall clearly state all purchase of the services to be implemented by the Agent under the Grant.

In the event that a contract includes services which are not covered by the E/N and the G/A, such a contract shall not be verified by JICA.

6. Period of Execution

The agent contract shall clearly stipulate the contract period. That period shall not exceed the period of validity of the Grant as prescribed in the G/A.

7. Contract Price

The total amount of the contract price shall not exceed the amount of the Grant specified in the E/N and the G/A. The contract price shall be precisely and correctly stated in Japanese yen in the Contract using both words and figures. If there is a difference between the price in words and that in figures, the price in words is deemed correct.

8. Verification of Contracts

The agent contract shall clearly state that it shall be verified by JICA to be eligible for the Grant in accordance with the provisions of the E/N and the G/A.

9. Payment Procedure

In accordance with the E/N and the G/A, the contract shall have a clause stating that "payment shall be made in Japanese yen through a Japanese bank under an Authorization to Pay (A/P) issued by the Recipient or its designated authority." Payment shall be made in accordance with the procedures of JICA.

Because the payment includes the JDS fellows' living expenses in Japan, due care shall be taken to ensure that the payment is made on the designated date in a timely manner. Thus, the government of the recipient country must issue an Authorization



to Pay without delay.

10. Responsibilities and Obligations of the Recipient Country

The agent contract shall clearly state the responsibilities and obligations of the Recipient Country in accordance with the E/N and the G/A.

11. Amendments

If the agent contract requires amendment, it shall be made in the form of an Amendment to the Contract, referring to the contract presently in force identified by its verification date and number.

The Amendment to the Contract shall clearly state that:

- (1) all the clauses except that (those) which is (are) amended, remain unchanged.
- (2) the Amendment to the Contract shall be verified by JICA to be eligible for the Grant.

12. Project Modifications

The Grant shall be used properly based on the Contract between the Implementing Organization of recipient country and the Agent which is verified by JICA. If unpredicted circumstances, however, require any modifications of the project, as illustrated below except minor modifications, the recipient country through the Agent shall obtain prior consent from JICA. The prior consent for the modifications is conducted by JICA to ensure that the modifications for the project are appropriate and whether any modifications are required on the contract price or not, however it does not mean that JICA will assume the legal or technical responsibilities for the substance of the modifications.

- 1) significant change of dispatching numbers of JDS fellows;
- 2) change of sub-program (JDS priority area)
- *If application of the Guidelines is inconsistent with the laws and regulations of the Government of the recipient country, the Government of the recipient country is requested to consult with JICA.

END





		JFY 2017			JFY 2	018	JFY 2019	JFY 2020	JFY 2021	JFY 2022	JFY 2023	JFY 2024	JFY 20	025
	4 5 6 7 8	9 10 11	12 1 2 3	4 5 6	7 8 9	10 11 12 1 2	3 1st Half 2nd	1st Half 2nd Hal	1st Half 2nd Half	1st 2nd Half Half	1st 2nd Half Half	1st 2nd Half Half	1st Half	2nd Hal
reparatory Survey for Planning utline Design for JFY 2018		(Agreen	Preparato	ry Survey] an for next										
Lst Batch E/N in JFY 2018 (①) for 5 Terms or JDS Fellows 2019)			Cabir Meet		1 2	1st Term	2rid Term A arrival of JDS Fellows	3rd Term	4th Tarm ▼ meturn	5th Term				+
nd Batch E/N in JFY 2019 (②) for 5 rms (for JDS Fellows 2020)							© ← → recruitment ② selection	arrival of JDS Fellows		return				
rd Batch E/N in JFY 2020 (②) for 5 Terms or JDS Fellows 2021)								◆ ← → → F → → ★ recruitment &	atrival of		y teturn			
4th Batch E/N in JFY 2021 (④) for 5 Terms or JDS Fellows 2022)									© recruitment & eselection	arrival of JDS Fellows		Peturn		
						-1		Project Period	for 8 years					_ _

: Cabinet Meeting

★: Exchange of Notes (E/N)、Grant Agreement (G/A)

▲ : Arrival

▼ : Return to Bhutan



Design of JDS Project for the Four Batches (Tentative)

	Sub-Program		Compone	ent -	5	GI .	Target Group		
	(JDS Priority Areas)		(JDS Developme	ent Issues)	Degree	Slot	Super Structure	Agency	
		1-1	Agriculture and Rural	Development	-Agriculture -Science	2	To be determined by Operating Committee	To be determined by Operating Committee	
	Enhancement of Policy making	1-2	Industrial Foundation	Economic Policy	-Economics -International Development -Arts in International Relations	2			
C	Capacity for Industrial Development		Development	Public Policy / Administration	-Public Management and Administration -Arts in International Relations	2			
		11-3	Infrastructure Develop Sustainable Economic		-Engineering -Environmental Studies	2			
- 1	Reduction of 2-1 Countermeasures for Cli Disaster Risk Manageme		_	-Engineering -Environmental Studies -Science	1				



The Project for Human Resource Development Scholarship (JDS) Basic Plan for the Target Priority Area (draft)

Basic Information of Target Priority Area (SubProgram)

- 1. Country: Kingdom of Bhutan
- 2. Target Priority (Sub-Program) Area:
- 3. Operating Committee:

Bhutan Side: Royal Civil Service Commission, Gross National Happiness Commission

Japanese Side: Embassy of Japan, JICA Bhutan Office

Itemized Table 1-1

1. Outline of Sub-Program / Component

(1)Basic Information

- 1. Target Priority (Sub-Program) Area:
- 2. Component:
- 3. Implementing Organization:
- 4. Target Organization:

(2) Background and Needs (Position of JDS in Development Plan of Bhutan)

(3) Japan's ODA Polic	\prime and Achievement (including the JDS \parallel	Project)
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Relevant Projects and Training Programs of JICA Bhutan Office:

2. Cooperation Framework

(1) Project Objective

The objective is to strengthen the government's administrative capacities in the country, through providing opportunities to obtain the Master's degree and Doctoral degree to the young capable government officials who are expected to play leadership roles to contribute to the socio-economic development of the country. It also aims to build a human network, and eventually strengthen the bilateral relationship / partnership between Japan and Bhutan.

(2) Project Design

- 1) Overall goal
- 2) Project purpose

(3) Verifiable Indicators

- 1) Ratio of JDS fellows who obtain Master's degree and Doctoral degree
- 2) Enhancement of the capacity of JDS returned fellows on research, analysis, policy making and project operation/ management after their return.
- 3) Policy formulation and implementation by utilizing the study outcomes of JDS returned fellows.

(4) Number of JDS Fellows and Accepting University

Graduate School of XX X fellows / year total X fellows / 4 years

(5) Activity (Example)

Graduate School of XXXXX

Target	Contents/ Programs to achieve target
1) Before arrival in Japan	
Pre-departure preparation in Bhutan in	
order for the smooth study/ research in	
Japan	
2) During study in Japan	
3) After return	
Utilization of outcome of research	

(6)-1 Inputs from the Japanese Side

- 1) Expenses for activities of Special Program provided by the accepting university before, during, and after studying in Japan (e.g. preparatory instructions including local activities, special lectures and workshops, follow-up activities after returning home)
- 2) Expenses for studying in Japan (e.g. travel expenses, scholarships during stay in Japan, examination fees, tuition fees, etc.)
- 3) Expenses for supports during stay in Japan (e.g. monitoring, daily life support, etc.)

(6)-2 Input Duration and the Number of JDS Fellows

1 batch X fellows × 4 years = X fellows

From the year 2019 (Until 2021) : X fellows, From the year 2020 (Until 2022) : X fellows From the year 2021 (Until 2023) : X fellows, From the year 2022 (Until 2024) : X fellows

(7) Inputs from Bhutan Side

- 1) Dispatch of JDS fellows
- 2) Follow up activities (e.g. providing opportunities for JDS returned fellows to share/disseminate the knowledge they acquired in Japan at their organizations/ other priority organizations)

(8) Qualifications

- 1) Nationality: Citizen of Bhutan
- 2) Age: Below the age of 40 as of 1st April in the year of dispatch (in principle).
- 3) Academic Background:
 - Completed the undergraduate level (Bachelor Degree) of education.
 - Has a good command of both written and spoken English at graduate level.
- 4) Work Experience:
 - Completed X year probation period.
- 5) Eligible Officers:
- 6) Others
 - A person of sound mind and body
 - A person falls under any of the following items is not eligible to apply:
 - Those who are currently awarded or scheduled to receive another scholarship
 - Those who have obtained a master's or higher degree overseas under the support of foreign scholarship
 - Military personnel registered on the active list or person on alternative military service cannot apply for JDS.



Undertakings of the Project (Draft)

(1) Specific obligations of the Recipient which will not be funded with the Grant

Items	Deadline	In charge	Estimated cost	Ref.
Committee") in order to discuss any matter that may arise from or in connection with the G/A	after signing on the G/A	RCSC		
To appoint the head of representatives of the Recipient who will be a chairman of the Committee		RCSC		
To open the Bank Account (Banking Arrangement (B/A))	Within 1 month after signing on the G/A	GNHC		
To issue A/P to a bank in Japan (the Agent Bank) for the payment to the Agent	Within 1 month after receiving B/A from the Bank	GNHC	-	
banking services based upon the B/A				
1) Advising commission of A/P	Within 1 month after the signing of the agreement	GNHC	approx. JPY6,000	
2) Payment commission for A/P	Every payment	GNHC	approx. 0.1% of the payment amount	approx. JPY100,0 00 -200,000
To organize the first meeting of the Committee	Within 1 month after assigning the Agent	RCSC		
To organize the Committee meeting	During the Project	RCSC		
To ensure that customs duties, internal taxes and other fiscal levies which may be imposed in the country of the Recipient with respect to the purchase of the products and/or the services be exempted.	During the Project	GNHC		
To accord the Japanese physical persons and/or physical persons of third countries whose services may be required in connection with the supply of the products and/or the services such facilities as may be necessary for their entry into the country of the Recipient and stay therein for the performance of their work	During the Project	GNHC/ RCSC		
To bear all the expenses, other than those covered by the Grant, necessary for the implementation of the Project	During the Project	RCSC		
To give due environmental and social consideration in the implementation of the Project	During the Project	RCSC		
	Committee") in order to discuss any matter that may arise from or in connection with the G/A To appoint the head of representatives of the Recipient who will be a chairman of the Committee To open the Bank Account (Banking Arrangement (B/A)) To issue A/P to a bank in Japan (the Agent Bank) for the payment to the Agent To bear the following commissions to a bank of Japan for the banking services based upon the B/A 1) Advising commission of A/P 2) Payment commission for A/P To organize the first meeting of the Committee To organize the Committee meeting To ensure that customs duties, internal taxes and other fiscal levies which may be imposed in the country of the Recipient with respect to the purchase of the products and/or the services be exempted. 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(RCSC: Royal Civil Service Commission, GNHC: Gross National Happiness Commission,

B/A: Banking Arrangement, A/P: Authorization to pay)

(2) Other obligations of the Recipient funded with the Grant

No	Items	Deadline	Amount (Million Japanese Yen)
1	To work on the recruitment and selection procedures of JDS candidates	During the Project	
2	To provide JDS candidates with information on study in Japan	During the Project	
3	To carry out matriculation procedures and make arrangements for trips to Japan for JDS fellows	During the Project	
4	To handle payment of tuition fees and scholarships	During the Project	
5	To provide pre-departure and after arrival orientation on JDS before/after arrival in Japan to JDS fellows	During the Project	
6	To monitor academic progress and living conditions of JDS fellows	During the Project	
7	To organize JDS fellow's returning program which consists of support for necessary procedure on JDS fellows' returning, evaluation meeting on JDS program upon the graduation, meeting for reporting the results after JDS fellow's returning to their respective countries, and	During the Project	
8	To perform other duties necessary for implementation of the Project.	During the Project	
	Total		

(Note) Progress of the obligations of the Recipient may be confirmed and updated from time to time in a written form between JICA and the Recipient.



MINUTES OF DISCUSSIONS ON THE PREPARATORY SURVEY OF THE PROJECT FOR HUMAN RESOURCE DEVELOPMENT SCHOLARSHIP TO THE ROYAL GOVERNMENT OF BHUTAN

Reference is made to the Minutes of Discussions dated December 22nd, 2017 between the Japan International Cooperation Agency (hereinafter referred to as "JICA") and the Royal Government of Bhutan, on the Project for Human Resource Development Scholarship (hereinafter referred to as "the JDS Project"). The said Minutes of Discussions agreed on the objective of the JDS Project, basic framework of the JDS Project such as implementing coordination and target areas of the JDS project.

Following to the above discussions, the JICA Preparatory Survey Team (hereinafter referred to as "the Team") was dispatched to Thimphu from January 25th to February 8th, 2018. The Team held a series of discussions with the Bhutan side. The both parties reached an agreement on the JDS Project as attached hereto.

Thimphu, February 2, 2018

Koji YAMADA

Chief Representative

JICA Bhutan Office

Kesang Deki

Commissioner

Royal Civil Service Commission

The Royal Government of Bhutan

I. Framework of the JDS Project

1. Accepting Universities and Supposed Numbers of JDS Fellows per University

Based on the discussion held between the both parties, it was agreed that the educational programs of the following universities and graduate schools (GS) for master's program are suitable to the needs in Bhutan.

Those assumed development needs described above shall be notified as "research area" to JDS applicants to indicate the direction of study/ research of each JDS Fellow as well as to accepting universities in order to prevent the mismatching between accepting universities and JDS applicants.

Sub-Program 1: Enhancement of Policy Making Capacity for Industrial Development

Component: 1-1 Agriculture and Rural Development

The University of Tokyo, GS of Agricultural and Life Sciences (2 slots)

Component; 1-2 Industrial Foundation Development

- Economic Policy International University of Japan, GS of International Relations (2 slots)

- Public Policy / Administration Ritsumeikan University, GS of International Relations (2 slots)

<u>Component:</u> 1-3 Infrastructure Development for Sustainable Economic Growth Nagoya University, GS of Environmental Studies (2 slots)

Sub-Program 2: Reduction of Vulnerability

<u>Component:</u> 2-1 Countermeasures for Climate Change and Disaster Risk Management Nagoya University, GS of Environmental Studies (1 slot)

2. Target Groups

Both parties confirmed main expected target groups (target super structure and target organizations) as in ANNEX. The target groups shall be finalized at the 1st Operating Committee meeting before the start of recruitment in 2018.

ANNEX: Design of JDS Project for four batches

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Design of JDS Project in Bhutan for the Four Batches (for JDS Fellows 2019 - 2022)





							Expected Main Target	
Sub-Program (JDS Priority Areas)		Component (JDS Development Issues)		Slot	Accepting University	Degree	Super Structure a. Major Occupational Group (MoG) i. Sub Group	Parent Agency
	1-1	Agriculture and Rural Development		2	University of Tokyo (Graduate School of Agricultural and Life Sciences)	Master of Science in Agriculture	Technical Service a. Agriculture and Livestock Service Group b. Forestry and Environment Protection Services Group	MoAF
	1-2	Industrial	Economic Policy	2	International University of Japan (Graduate School of International Relations)	Master of Arts in International Development or Master of Arts in Economics	Administration Service Finance Service Technical Service (Statistical Services)	*Cross sector
Enhancement of Policy making Capacity for Industrial Development		Foundation Development	Public Policy / Administration	2	Ritsumeikan University (Graduate School of International Relations)	1. Administration Service 2. Finance Service International Relations		*Cross sector
		Infrastructure Do Sustainable Eco		2	Nagoya University Graduate School of Environmental Studies (in cooperation with the Graduate School of Engineering)	Master of Environmental Studies Master of Engineering	1. Technical Service a. Architectural, Engineering and Land Services Group i. Engineering Services ii. Farm Mechanization Services iii. Geology and Mines Services iii. Heritage, Sites, Conservation Services iv. Meteorology/Hydrology Services v. Urban Development Control Services	*Cross sector
Reduction of Vulnerability	2-1	Countermeasure Change and Dis Management		1	Nagoya University Graduate School of Environmental Studies (in cooperation with the Graduate School of Engineering)	Master of Environmental Studies Master of Engineering	Technical Service Architectural, Engineering and Land Services Group i. Engineering Services ii. Meteorology/Hydrology Services	*Cross sector

^{*}Cross sector: Civil servants working in any agency falling under the Superstructure and MOG specified

The Number of JDS Participants to be Accepted for the Next Four Years under the JDS Project in Bhutan (Master's Course)

Expected Number of JDS Participants Sub-Program Component University Graduate School 1st Batch 2nd Batch 3rd Batch 4th Batch Total Graduate School of 1-1 Agriculture and Rural Development University of Tokyo Agricultural and Life 2 2 2 2 8 Sciences International University Graduate School of Enhancement of Economic Policy 2 2 2 2 8 **International Relations** of Japan Industrial Foundation Policy making 1-2 Capacity for Development Graduate School of Industrial Public Policy / Administration Ritsumeikan University 2 2 2 2 8 **International Relations** Development 1-3 Infrastructure Development for Sustainable Economic Growth Graduate School of Nagoya University 2 2 2 2 8 **Environmental Studies** Reduction of Countermeasures for Climate Change and Disaster Risk Graduate School of Nagoya University 1 1 4 Management Vulnerability **Environmental Studies** Total 9 9 9 9 36