

TA COMPLETION REPORT

Division : AWAR

TA NO./NAME: TA No. 2764-BHU: Irrigation Program Strengthening Project				TA AMOUNT APPROVED: \$300,000 REVISED AMOUNT:		SOURCE: JSF	
EXECUTING AGENCY: Ministry of Agriculture				TA AMOUNT UNDISB.:^a \$94,485.83		TA AMOUNT UTILIZED: \$205,514.17	
DATE: 29 June 1998	APPROVAL: 7 Mar 1997	SIGNING: 14 Mar 1997	FIELD: 12 Jun 1997	CLOSING: ORIGINAL: 31 Dec 1997 ACTUAL:			

TA DESCRIPTION
 As Phase I of the Irrigation Program Strengthening Project (IPSP), the TA was designed to assist the Government in determining the potential of irrigation for horticultural and other non-paddy crops and setting in place a legislative framework for community organizations. The TA is co-financed, on a parallel basis, by the Netherlands Development Organization (SNV) which provided an Irrigation Advisor and inputs for water management research.

TA OBJECTIVE AND SCOPE
 The objective of the TA was to provide assistance to the Government to undertake Phase I of the IPSP through assessment of the future scope for irrigation and crop diversification, development of the legislative and policy environment for irrigation development, assessing training needs, and drawing up a program of support activities for the Eighth Plan. The scope of the TA covered a sample inventory of irrigation systems, a socioeconomic survey, drafting of legislation for water user associations, water management research, assessing training needs, recommendation for decentralization and drafting a framework for implementation of Phase II of IPSP.

INPUTS EVALUATION
 A total of 8 person-months of consultancy was provided, 4 person-months each for an Irrigation Institutions Specialist and an Agricultural Economist. The consultants provided their inputs in two stages with two months in each stage. The consultants worked closely and had good relationship with the SNV Irrigation Advisor and counterpart staff. The TORs were satisfactorily completed on schedule.

The counterpart staff and other staff of Research, Extension and Irrigation Division (REID) cooperated well with the consultants and their performance was satisfactory.

The Bank fielded two missions during the TA period. This number was sufficient for monitoring the TA.

Other inputs provided included a vehicle, computers and training for operating computer software. The SNV-financed water management research will cover a total of three years.

OUTPUTS EVALUATION
 The main output from the Irrigation Institutions Specialist was a legislative framework for Water User Associations appropriate under Bhutanese conditions. During the first stage, the Irrigation Institutions Specialist reviewed existing legislations and presented three options for consideration, i.e. (1) amendment to the Land Act, (2) proposal for a Water User Association Act, and (3) proposal for a General Association Act. The Government expressed preference for Option 2 and a draft legislation on the formation and operation of water users associations was completed by the consultant. The draft legislation is now with the Ministry of Planning for further consideration, and REID will keep the Bank informed of the enactment.

The Agricultural Economist reviewed the food production trend and prospects for crop diversification into high value horticultural crops. He also provided assistance in analysis of results of the socioeconomic survey. The study concludes that in the absence of reliable statistics, it is very risky to promote crop diversification particularly in view of the uncertainties in the export market for horticultural crops. It was recommended that the export market for agricultural crops be examined more closely before promoting crop diversification.

The SNV Irrigation Adviser supervised the sample inventory of irrigation systems, assessed training needs and proposed decentralization for REID. The framework for implementation of Phase II of IPSP was not done because the agreement with the Dutch Government to proceed with Phase II of IPSP did not materialize. The SNV will continue financing of the water management research for another 2 years.

OVERALL ASSESSMENT AND RATING
 The TA has achieved its objective of developing legislative framework for water users associations and assessment of the potential for crop diversification. The overall rating is generally successful.

LESSONS LEARNED
 To undertake in-depth studies in Bhutan, there is a need for close coordination with senior officials on policy matters possibly through a Steering Committee. In the case of this TA, such a committee was not formed because senior officials were already involved in too many committees. There is a need to look into alternative means to promote coordination among line agencies in the future.

RECOMMENDATION AND FOLLOW-UP ACTION
 The TA was designed with a follow-on Bank-financed PPTA for a horticulture project in mind. The PPTA was dropped from the pipeline because adequate grant financing for a horticulture project was available from the UNDP. No further follow-up action is necessary.

Prepared by: A.T. Loh	Designation: Project Economist
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^a TA account is still open for remaining disbursements.