

SAVING LIVES CHANGING LIVES

# **Building a resilient food system in Bhutan**

### National priorities for the agriculture sector

The Royal Government of Bhutan in its 12th Five Year Plan (2018-2023) has provided strategies to promote commercialization, and agribusiness development and diversification while ensuring food self-sufficiency. The 2030 Renewable Natural Resources (RNR) Strategy 2030 prioritises food self-sufficiency through transformation of the RNR sector while ensuring sustainable natural resource management.

#### The food system

A food system consists of everyone and everything involved in producing, distributing, or consuming food. High-performing food systems provide adequate incentives and returns to food producers, processors and distributors, and deliver sufficient, safe and nutritious food to well-informed consumers, with minimum delay and spoilage. However, the food system is disrupted by a range of shocks, including those linked to climate change and economic globalization, and a significant number are broken due to strife and conflict, sometimes for long periods.

In Bhutan, while 60 percent of the population is engaged in agriculture, it still imports over 50 percent of its total food requirements. There are several challenges within the food system, which became more pronounced during the COVID-19 pandemic.

## **Challenges**

In Bhutan, the COVID-19 pandemic exposed structural issues in the agriculture sector but also national commitment to find long-term and transformative solutions to issues afflicting the sector.

Bhutan is dependent on food imports, mainly from India and faces food insecurity. Only 2.6 percent of its total land is arable and agricultural production costs in Bhutan are high.

The country is also highly vulnerable to natural hazards and increased climate variabilities. Investments made in research, innovation and technology in the sector is also limited.

Some of the key challenges identified in Bhutan's food system are rural to urban migration; human-wildlife conflict; poor water management; limited agroenterprises; inadequate marketing system; and limited access to credit and subsidies.

Employment in agriculture is mainly for small-scale subsistence farming with low productivity, often with limited processing and value addition.

#### **COVID-19 response**

WFP supported the Government's Economic Contingency Plan in which an Agriculture Stimulus Package was afforded national priority to increase Bhutan's agriculture production, food security and resilience in the wake of the COVID-19 pandemic. WFP's assistance supported rural livelihoods, production of nutritious crops, post-harvest management, farm level storage, farmer linkage to viable markets like schools and institutions, and integrated capacity strengthening of farmers, government agencies, local entrepreneurs, and value chain service providers.



#### **WFP** in Bhutan

WFP, through its Country Strategic Plan 2019-2023, focuses on a food system and resilience approach in its strategic partnerships with the RGoB, supporting Bhutan in enhancing food security and nutrition, and a transformative food system that is carbon-neutral while also being economically viable.

WFP Bhutan has a strategic system approach to developing climate resilient food systems and is investing USD 7 million to support RGoB across the food system and agriculture value chain – from production in the field to final consumption.

WFP's assistance will be implemented through various programmes and activities to increase demand for locally available nutritious foods while supporting the Government in strengthening production capacity, post-harvest management, marketing, knowledge management, cost efficiency, and coordination and policy.

### Agriculture value chain approach



WFP aims to support Bhutan's national pathway for food system development in key strategic areas such as:

 Supporting rural women smallholder farmers' economic empowerment by building capacity and providing better access to market opportunities.

- Supporting youth cooperatives and private sector enterprises in promoting business incubation opportunities, value addition to farm produce and market facilitation.
- Enhancing the availability of digital market information services and contract marketing services to smallholder farmers and trader
- Strengthening market efficiency through enhanced supply chain linkages and services like infrastructure, transport, and market information.
- Coordination of international development agencies working in food systems for better synergy and knowledge sharing.

## **Building a future**

Governments have widely recognized that investing in smallholder farmers is key to unlocking the agricultural potential of their countries, reducing poverty, promoting inclusive growth and empowering women, among other advancements. WFP's technical expertise in developing programmes and supporting policies around smallholder market access has positioned WFP as a credible partner in government-led efforts to achieve the SDGs. The core objective is to transform food systems by strengthening the ability of smallholders to do business, and supporting government's capacities to design smallholder-friendly policies.



