

**Inaugural Speech of Hon'ble Speaker on the opening of 3-Day Workshop
on Budget Analysis and Scrutiny
20 – 22 May, 2019 at Norkhil Boutique Thimphu, Bhutan**

Hon. Dorji Wangdi, Vice President of Opposition Party, Hon. Kinley Wangchuk, Chairperson of the Eco. And Finance Committee and the Hon. Members of the National Assembly's Economic and Finance Committee;

Eminent resource persons from Lok Sabha, Shri. Abhijit Kumar, Additional Secretary and Shri R.C Tiwari, Joint Secretary;

Dr. Johannes Binder, Resident Coordinator, Austrian Development Agency;

Mr. Yoichiro Ishihara, Resident Representative /Sr. Country Economist of World Bank;

Secretary General Dasho Chenchu Dorji of National Council;

Secretary General and Director of National Assembly;

Officials from World Bank, Ministry of Finance and my dear Committee Secretaries of Parliament of Bhutan;

Good morning and welcome to this inaugural session of this important workshop.

India and Bhutan share close relation that is exemplary in today's world where inter-state friendship has been difficult for most of the nations. Our friendship is not only time tested but has been exemplary in a manner that we have open our hearts for each other.

India has been a key partner in strengthening the democratic institutions in Bhutan. More particularly, the Parliament of Bhutan has greatly benefited from the support and cooperation from the Parliament of India. In July 2017, we were able to conduct a workshop on committee functioning system most successfully for our committee staff. The workshop was facilitated by five distinguished resource persons from Lok Sabha and Rajya Sabha.

It would be remiss on my part if I do not mention the longstanding training programs offered by the Bureau for Parliament Studies and Training of the Indian Parliament to our secretariat officials. It has indeed been one of the key factors for creativity and initiatives in the parliamentary secretariats of Bhutan.

In the recent past, the Parliament of Bhutan had numerous exchange programs with the Parliament of India. It is of significant importance that we not only continue but also bolster our traditional practices of exchanges on all possible levels.

Today, we are delighted to have two distinguished and senior parliamentary staff from Lok Sabha Secretariat Shri. Abhijit Kumar and Shri R.C Tiwari, amongst us. They bring along years of long experience and expertise in the field of parliamentary affairs, especially in the area of Budget analysis, which we see as an opportune moment to develop our own capacity. And, I am more than confident that it is an opportunity for learning and further strengthening our ties of friendship and goodwill.

Bhutan accords high importance to **Good Governance agenda** and strengthening **Public Financial Management (PFM)** is its integral part. Bhutan 2020, A Vision for Peace, Prosperity and Happiness (the Vision), a twenty- year perspective strategy sets the direction where Bhutan wants to be in the year 2020, seeks full development of the country's governance and legal institutions as good governance outcomes. The Five-Year Plans, the key planning document for the country, emphasizes enhancing capacity building, transparency, accountability, efficiency and effectiveness in governance. Good governance is one of the four pillars of the **Gross National Happiness (GNH)**. With all strategic documents placing great importance to good governance, it is imperative that **Public Financial Management (PFM)** within the country is

continuously strengthened. Similar to other countries, public at large has become more demanding in terms of transparent and efficient government.

The **2016 Public Expenditure and Financial Accountability (PEFA)** report shows the progress made between 2010 and 2015. Based on its findings, a comprehensive, sequenced and time-bound **PFM Reform Strategy and Action Plan 2017 to 2021** has been prepared by the country.

While there was an overall improvement in **PEFA scores** in several areas, the indicator on “**Legislative scrutiny of the annual budget law**” remained “**D+**” indicating a need for support in capacity building of parliamentary Economic and Finance Committee in particular.

We are thankful to the **Austrian Development Agency, European Union** and **The World Bank** for providing support under the **Bhutan Strengthening Public Financial Management Project** wherein a component is included in the above project to support parliamentary committees.

To ensure an efficient and effective service delivery to the citizens of a country, the Parliament has a very important role to play both for the review of the draft budget report and finally to review the execution of budget through Annual Budget Report.

We believe that **Bhutan Strengthening Public Financial Management Project** funded by **Austrian Development Agency** and **European Union** and administered by the **World Bank** will help strengthen the overall **Governance and Public Financial Management in Bhutan**.

I would like to say that one of the core functions of Parliament of Bhutan as a democratic institution is scrutiny of the budget proposals presented before it. In 2014, the need for a Finance Committee was felt while deliberating the Annual Budget with the primary role to review, deliberate and debate on the National Budget, National Financial Statements and any other fiscal matters and submit recommendations to the Parliament. The first Finance Committee was established in 2015. The Committee was renamed as Economic and Finance Committee (EFC) with revised terms of reference when the two erstwhile committees (Finance Committee and Economic Development and Private Sector Committee) were combined after the third Parliament was constituted in 2018. Given that the Finance Committee was established not long ago, the function is still evolving. There is a need for strengthening the technical capacity of the Committee to enable it to be effective in its review and oversight roles.

Finally, I would like to take this opportunity to express my sincere thanks to the organizers and in particular our eminent resource persons from Parliament of India. Again this workshop would not have been possible without the support of World Bank, EU and Austrian Development Corporation. I wish you all a fruitful 3-day of interesting and beneficial workshop and also to the resource persons to have a pleasant stay in Bhutan.

I warmly welcome you all once again...

Thank you and TashiDelek!