

**ENGLISH TRANSLATION OF THE PROCEEDINGS AND
RESOLUTIONS OF 2ND SESSION OF THE FIRST
PARLIAMENT OF BHUTAN**

0900 AM

I. OPENING CEREMONY

The 2nd Session of the First Parliament of Bhutan commenced on the 27th Day of the 10th Month of Earth Male Rat Year corresponding to December 24, 2008. In accordance with tradition, His Majesty the Druk Gyalpo was received by the Members of Parliament and escorted to the Assembly Hall in a *Chipdrel* and *Serdang* procession followed by elaborate *Zhugdrel Phuensum Tshogpai Tendrel*.

II. ADDRESS OF HIS MAJESTY THE KING

In His Royal Address to the opening ceremony of the 2nd Session of Parliament, His Majesty the Druk Gyalpo, said that, although not much time has lapsed after instituting Constitutional Democratic System in our country, it appeared that we have been practicing democratic system for many years, which is evident from the manner in which everyone shouldered their responsibilities while serving the nation.

I am not only personally very happy but also appreciative of all the Members of Parliament gathered here today. We instituted a democratic system with ardent hope and

prayers to ensure that our country grows from strength to strength and fulfills the needs and aspirations of our people with enhanced peace and prosperity.

It is clear to all of us that while instituting a democratic system, we have witnessed commendable results beyond our expectations within a short span of time. However, if the democratic system is to entail sustained benefit to the country and people, we have much work ahead of us. Therefore, it is crucial that every one of us strive to serve to the best of our abilities and shoulder greater responsibilities.

Although, there are twenty Dzongkhags and Gewogs and Constituencies, we share a single common goal. It is crucial that we protect our country and work in the interest of our people like a family under the same roof with support and cooperation. As Members of Parliament, you all bear great responsibilities and are gathered here in the Gyelyong Tshokhang to deliberate on significant national issues and it is of paramount importance that the Members engage in substantive deliberations in the long term interest of the country and people. I extend *Tashi Delek* to the Members of Parliament and hope and pray that the Members would actively participate in the successful deliberations.

III. OPENING SPEECH OF THE SPEAKER

1. At the outset, I, on behalf of National Assembly of Bhutan and on my own behalf, would like to extend a warm welcome, to His Majesty the King, Members of Royal Family, Prime Minister, Chairman of the National Council, Opposition Leader, Cabinet Ministers, Members of both the Houses, senior government officials, foreign dignitaries, representatives of various organizations, other guests who have come to witness the session, media personnel and all those who are witnessing the session live on TV and Radio, to the opening ceremony of second session of the parliament on this auspicious day of 24th December 2008 coinciding with 17th Day of 10th Month of Male Earth Rat Year.
2. On behalf of all the Members of the Houses and on my own behalf, I would like to take this opportunity to express our happiness for having enthroned His Majesty the King, Jigme Khesar Namgyel Wangchuck as the Fifth Hereditary King of Bhutan on 6th November 2008 after receiving Dhar Ney Nga as a symbol of empowerment as the Head of State from Machen at Puna Dewa Chenmoi Phodrang on 1st November 2008. It is our privilege to re-dedicate ourselves and offer our prayers for long life of His Majesty the King.
3. Bhutan and its people have always been blessed with peace and prosperity with enhanced socio-economic

development and strengthened religious and cultural heritage under the dynamic leadership of His Majesty the King. We, the Members of Parliament, bearing the command and guidance of His Majesty, would like to pledge to serve the country with our outmost dedication and loyalty.

4. The celebration of 100 years of Monarchy has been a great success by the grace of His Majesty the King, His Majesty the Fourth King, blessings of our protecting deities, and with the dedication of the Bhutanese people. All the elaborate arrangements and programmes were well coordinated depicting the hard work and unity at hearts of the Bhutanese people who contributed to the success of the celebration in a unique way. On behalf of all the members and on my behalf, I would like to thank all those who have participated in this historic celebration.
5. We also would like to thank all the State Guests from different countries who have consented to be our Guests of Honour for the celebration of the Enthronement of His Majesty the Fifth King, with particular thanks to Hon'ble Pratibha Patil, President of our best friend and development partner, India, Hon'ble Sonia Gandhi, President of Congress Party, and her family members who have taken time to grace the auspicious occasion.

6. In addition, it is our pleasure to inform the House that the coronation celebration of our Fifth King has been a great success. This was possible due to efforts put in by the Central Monk Body under the benevolent leadership of His Holiness the Je Khenpo Trulku Jigme Choeda and the five Lopons. The success of the celebration is attributable to the strong leadership of the Prime Minister, who steered the celebration committee under the dynamic leadership and guidance of His Majesty Jigme Singye Wangchuck.
7. We would like to offer our heartfelt felicitations to His Holiness Je Khen Thrizur and the Royal Grand Mother, Ashi Kesang Choden Wangchuck for having received the highest medal “Order of the King” from His Majesty the King on 15th November 2008.

The Parliament would like to congratulate the Prime Minister Jigme Y. Thinley and the Chief Justice, Lyonpo Sonam Tobgay for receiving the Druk Wangyel medals and Dasho Kunzang Wangdi, the Chief Election Commissioner, Aum Neten Zangmo, the Chairperson of Anti-Corruption Commission, Dasho Pema Wangchuk, the Secretary of International Boundaries and Dasho Pema Wangchen, Secretary to Fourth Druk Gyalpo for receiving the Druk Thuksey medals on December 17, 2008 coinciding with the National Day.

8. Acknowledging the additional responsibilities placed on the Members of both the Houses, His Majesty the King has issued a command for the Members to wear *Patang* on 5th December 2008. On the day, His Majesty has commanded that the *Patang* is granted to remind all the Members on the responsibilities they should bear and not as a show of additional power and authority. Therefore, I am hopeful that all the Members will bear in mind the Royal Command in discharging their duties.

9. On the Coronation Day address, His Majesty the King has emphasized on the importance of Equity and Justice, which is one of the main goals of the Governing party, *Druk Phuentsum Tshogpa*. In order to live up to the expectations of His Majesty the King and for the peace, prosperity and happiness of our people, the Executive, Judiciary and Legislative branches of the government have to work towards fulfilling the aforesaid goal of Equity and Justice.

The Legislative body will work hard in line with the Articles enshrined in the Constitution of the Kingdom of Bhutan and it is important for the Legislative body to

study the problems faced by the Executive branch while delivering public services.

10. Reduction of un-employment and poverty level should be given top priority in the Tenth Plan to achieve Gross National Happiness.
11. There are two main areas where we have to work hard to build a strong economy for our country. One is to harness our hydro-power capacity as discussed during the visit of Power Minister of the Government of India to generate 10,000 Megawatt in the Tenth Five Year Plan and the other is to promote and strengthen the tourism industry.
12. Among many important goals of the Ruling Party in the Tenth Five Year Plan, the construction of road network in all the Gewog centers, supply of electricity to all the villages of the country and setting up of One Stop Service centers are considered highly important by our people, and we all should work towards achieving concrete results within the plan period.
13. The Legislative body would like to extend full support and cooperation to the Prime Minister's initiative of zero tolerance towards corruption and act in accordance with Article 7 of the Constitution of Kingdom of Bhutan and due process of law.

14. Bhutan is new on the path to democracy and it is important for us to learn from others who have been in the system for decades. In order to gain first hand experiences, some of the Members have had the opportunity to visit both the Upper and Lower Houses of the Indian Parliament including myself as the head of the delegation right after the first Session. We also visited the Parliament of Denmark through our Parliamentary Twinning Programme in order to acquaint ourselves with the democratic procedures and parliamentary systems.

I would also like to add that some of our Members have been to different countries to attend seminars and workshops related to parliament and democracy, which would highly benefit in strengthening the system and function of democracy in our country.

15. I am hopeful that all the Members of Parliament will be more aware of the needs and aspirations of the people in your respective constituencies during your recent visit to the constituencies.

16. As most of the agenda submitted by the Members and those from the Dzongkhag Yargay Tshogdues are development related issues, the agenda have been sorted

out and sent to respective line ministries as per the preliminary round of discussion on the agenda. It is, therefore, important for the ministries to take immediate action on them.

17. In order to mitigate social problems associated with economic growth and for the promotion of equity and justice in the society, it is crucial to have proper rules and regulations in order to tackle these undesirable problems. Therefore, we have the following bills and the regional agreements to be discussed and endorsed during the current session:

- a) Royal Bhutan Police Bill
- b) Prison Bill of the Kingdom of Bhutan
- c) Waste Prevention and Management Bill of the Kingdom of Bhutan.

Regional Agreements

- a) Agreement on the establishment of the South Asian Regional Standards Organization
- b) Protocol of Accession of Islamic Republic of Afghanistan to Agreement on South Asian Free Trade Area (SAFTA)
- c) SAARC Fund Charter

18. We, the Members of Parliament, as the representatives of the people must bear the responsibility of looking into the problems faced by the people in our constituencies and work for their benefit. It is also our responsibility to formulate new laws, conduct timely review of the past legislations and oversee whether these laws are being implemented by relevant organizations. As we are viewed as leaders of our community, it is crucial to protect the rights and powers of our people.
19. Although the 1st Session of the First Parliament took a long time, the Constitution of the Kingdom of Bhutan as well as a few Bills have been endorsed. The 1st Session was a grand success primarily due to the cooperation and support of all the Members of Parliament.
20. I hope to receive full cooperation and support of all the Members for the successful conclusion of the present Session.
21. Lastly, on behalf of all the Members of Parliament and on my own behalf, I would like to thank His Majesty the King, Members of the Royal Family, senior government officials, representatives of international community and other guests for attending the Opening Ceremony of the 2nd Session of the Parliament.

IV. EXPRESSION OF APPRECIATION TO HIS MAJESTY THE KING'S ADDRESS

1. His Excellency the Prime Minister, Jigme Y. Thinley

His Excellency the Prime Minister on behalf of the Members of the ruling party and the Royal Government extended warm welcome and *Tashi Delek* to His Majesty the King for gracing the opening ceremony of the 2nd Session of the First Parliament after the Coronation Ceremony. He said that the enlightened guidance provided by His Majesty would immensely benefit the deliberation of important issues. He said that if we abide by the wise words and the guidance of His Majesty provided after the institution of constitutional parliamentary democracy, it is possible to accomplish the wishes of His Majesty the King. He expressed immense appreciation to His Majesty for providing wise guidance through His knowledge and wisdom.

2. Chairman of the National Council

The Chairman of National Council, on behalf of the Bhutanese people and the Members of Parliament, submitted appreciation to His Majesty for gracing the opening session of 2nd Session of the First Parliament of Bhutan despite pressing national engagements. Since 2008 is the epoch making year, which saw the

enthronement of Fifth Hereditary King, who is the embodiment of our collective merit, the Bhutanese people would like to pledge to serve our King with unflinching loyalty and dedication.

In order to make our new found parliamentary democratic system exemplary in the world, we would serve to the best of our abilities. The golden words of wisdom and guidance of His Majesty the King shall always remain in the minds of all the Members and further pledge to serve for all times to comes.

3. Leader of the Opposition

The Opposition Leader offered his appreciation for handing the Raven Crown to the Fifth King which legitimates the work of a destined King and expressed appreciation to His Majesty for illuminating the members of Parliament with words of wisdom by gracing and addressing the opening of the 2nd Session of the First Parliament despite busy schedules. He offered *Tashi Delek* to His Majesty the King for assuming the supreme Golden Throne by receiving the *Dhar Nye Nga* and the Raven Crown as the destined Fifth Druk Gyalpo. His Majesty is the destined King because His Majesty the fourth Druk Gyalpo bestowed trust and confidence by conferring Raven Crown to him, during a time when the nation was enjoying perpetual peace and security.

Although, it has been only about three weeks since the coronation of His Majesty the King, He has actually assumed the responsibilities of the affairs of the State two years back. Within this time, He has established the democratic system in the country by adopting the Constitution and devolving power to the Bhutanese people and accomplished great deeds for the benefit of the country and the people.

Furthermore, he said that, the actions of the Fourth Druk Gyalpo is not only known to the outside world but is also viewed as exemplary by world leaders. Among the major achievements in our country, His Majesty the King strengthened the independence of the country and enhanced the culture and religion, environment and socio-economic development. Thirdly, he also established a strong foundation for good governance towards meeting the objectives of Gross National Happiness. We are blessed with a wish fulfilling gem in the person of His Majesty the Fifth Druk Gyalpo.

Subsequent to that, the National Assembly Member from Gangzur-Menji constituency and the National Council Member from Haa Dzongkhag expressed appreciation for the successful celebration of the Coronation of Fifth King in the most peaceful manner which is attributable to the

good merit of His Majesty, the good faith of the Bhutanese people, blessings of the protective deities and the *Kurims* performed by *Dratshang* and *Goendeys*.

The Members also pledged to bear the words of wisdom of His Majesty in minds while serving the country. In the last 34 years of reign of His Majesty the Fourth Druk Gyalpo, the country witnessed dramatic socio-economic development. The institution of constitutional parliamentary democracy, which has emanated from the Throne is the manifestation of the selfless deed of His Majesty the King. Therefore, they offered prayers for the long life of His Majesty.

Similarly, the Members expressed profound hope that the foundation of democracy would take strong root and bring even greater prosperity under the reign of the Fifth King and offered prayers and wishes for the long life of His Majesty. They hoped that under the farsighted leadership of His Majesty the Fifth King, all the Bhutanese people would sail the ocean of *samsara* following the path of good governance and arrive at the destination of Gross National Happiness without any problems.

V. GOVERNMENT PERFORMANCE REPORT

The Prime Minister welcomed the Speaker and the Members of Parliament to the 2nd Session of the National Assembly and presented his report on the performance of the Royal Government as per Article 10 of the

Constitution of the Kingdom of Bhutan. Although the institution of the constitutional democratic government in our country was only eight months old, the Cabinet Ministers including the Prime Minister held a press conference on 24th July 2008 on the performance of the government after 100 days of the setting up of democracy in the country.

The Prime Minister said that a detailed report on the performance of the government would be presented in the forthcoming Session and the current report would mainly highlight the achievements of the three historic occasions of 2008.

Bhutan has witnessed unprecedented peace and prosperity in the last 100 years after the enthronement of the First Hereditary King in 1907. Even amidst continued peace and prosperity in the country, His Majesty the Fourth King commanded in 2001 for drafting of a unique Constitution that would lead to greater peace and prosperity for the benefit of all the Bhutanese people. In the year 2005, consultation meetings were convened in all the Dzongkhags by His Majesty the Fourth King and His

Majesty the King on the draft Constitution and amendments made after receiving people's views. As per the command of His Majesty the Fourth King, the people of Bhutan elected the new government through free and

fair election for the first time, which was conducted in a peaceful manner much to the surprise of the outside world. The People's Democratic Party and the Druk Phuensum Tshogpa took part in the election.

The Prime Minister expressed his appreciation and thanked the President and the Members of the People's Democratic Party for their participation in the historic election and for creating political awareness to the common people.

After having won the election and having formed the new government, the Druk Phuensum Tshogpa, instead of celebrating the victory in a grand manner, placed more importance to the preservation and promotion of our cultural monuments. The renovation works of Sementokha Dzong, Dechenphu Lhakhang and Trongsa Dzong were accomplished and consecrated. The masterpiece of the renovation works taken up by the new government was the renovation of Taa Dzong at Trongsa and converting it into a museum with the collection of very important relics and articles belonging to revered Lamas and the Royal Family members under the financial assistance from the Austrian Government. The Members of Parliament, civil servants, corporate and private workers, students and business community were invited to visit the museum at Taa Dzong. The new infrastructure built at Changlimethang stadium and at the Tendrel Thang would

also go a long way in preserving and promoting our cultural values. Besides, the government is also working towards addressing the problem of bipartisan created by the party politics in our community.

The live broadcast of the celebration of the coronation of our Fifth King has not only created cultural awareness among our Bhutanese people but has also helped showcase our precious cultural and traditional values to the outside world.

The Prime Minister also mentioned that the good rapport between the people and King has been further strengthened during the celebration when His Majesty the King met every Bhutanese and conversed with them like a family member, moving all Bhutanese people emotionally and heightening the existing love and affection for our Monarch.

It has also strengthened the strong relationship amongst the Bhutanese who will further secure the future sovereignty of our country and economic development which are stepping stones towards fulfilling our goals of Gross National Happiness without much delay.

The people of the country have experienced unprecedented peace and prosperity under the reign of Hereditary Monarchs since the enthronement of His Majesty the First King Gongsu Ugyen Wangchuck on 17th

December 1907. The celebration of our National day in all the 20 Dzongkhags was peaceful and a great success due to the blessings of our protecting deities, benevolent and dynamic leadership of His Majesty the Fourth King and His Majesty the King and the unwavering dedication of our people. There is no doubt, that the same spirit and manner would be continued in the future.

The Member from Nyisho-Sepu constituency expressed appreciation of the people of Bhutan in general and people of Nyisho-Sepu constituency in particular regarding free and fair election. He also extended his appreciation to the Prime Minister for his contribution as the Chairman of the Centenary and Coronation Celebration Committee.

The Prime Minister also expressed his appreciation for the contribution made by all those who took part in making appropriate arrangements for the celebration of the three historic events. Some of the Members expressed their appreciation on the steps taken by the government to redress the frictions created by party politics between the people through Equity and Justice, which are the main goals of the ruling party. The Prime Minister also mentioned that there were many areas where he would like to provide clarifications for the benefit of the supporters of the People's Democratic Party.

The Members from the People's Democratic Party said that the supporters of the People's Democratic Party would always support the ruling party and as Members of the opposition party, whatever they say and do is for the benefit of the common people but it is not with any ill feelings. They pledged their continued support to the ruling party as long as the ruling party worked for the benefit of the country and people.

Some Members urged the House not to take the allegations seriously and the opposition Members should also not validate them but strive to work jointly for solutions for the benefit of the people. It was important to bear in mind that the young aspiring politicians would look up to the present experienced party members and would aspire to do the same. Therefore, the Members from both the ruling and the opposition parties pledged to work towards fulfilling the aspirations of the people and live up to the expectation of His Majesty the King.

There are risks that evil minded people might attempt to disrupt the harmonious relationship among our people and obliterate our traditional values of *Tha-Dam-Tse* and *Lay-Jum-Dray*. Therefore, it is very important for us to be conscious of such things and strive to work together under the dynamic and farsighted leadership of His Majesty the King. It is also imperative to remind and correct each other for our common benefit.

The Opposition Leader expressed the need to report on the developmental activities carried out by the new government, the problems and issues faced during the implementation and future plans and activities as manifested during the election campaign.

He also expressed the importance of the need to inform the country and people on the plans and actions that the ruling government has taken up to mitigate the impact of global economic crisis on our economy.

Intervening in the discussion, the Speaker said that the developmental activities and related issues would be discussed during the presentation of the Tenth Five Year Plan programmes in the same session.

The report on the performance of the government concluded with the Prime Minister giving assurances to work in accordance with the manifesto of the party which is to work for “growth with equity and justice” and to live up to the expectations of His Majesty the King and fulfill the aspirations of the people.

Time: 12.30PM

Duration: 30 minutes

VI. WASTE PREVENTION AND MANAGEMENT BILL OF THE KINGDOM OF BHUTAN, 2008

While introducing the Waste Prevention and Management Bill of Bhutan, 2008 to the House for deliberation on

December 25, 2008 corresponding to the 28th Day of 10th Month of Earth Male Rat Year, the Minister for Works and Human Settlement presented the background and the objectives of the Bill. He submitted that the House may engage in detailed deliberation and endorse the Bill.

Accordingly, the National Assembly, after detailed deliberation, endorsed the Bill with the following amendments:

In Chapter II, Section 5, change is incorporated in the Dzongkha text only.

In Chapter II, Section 7, amendment is made as follows: “In the pursuit of sustainable.....in line with the **principal/ strategy** of the Middle Path and Gross National Happiness.

In Chapter III, Section 12, change is incorporated in the Dzongkha text only.

In Chapter III, Section 13, change is incorporated in the Dzongkha text only.

In Chapter III, Section 13(c), change is incorporated in the Dzongkha text only.

In Chapter III, Section 14, change is incorporated in the Dzongkha text only.

In Chapter III, Section 15, change is incorporated in the Dzongkha text only.

In Chapter IV, Section 20, change is incorporated in the Dzongkha text only.

In Chapter IV, Section 21, amendment is made as follows:
“The **lead responsibility** for implementation shall vest with..... National Environment Commission.

In Chapter IV, Section 21, amendment is made as follows:
“The Ministry for Works and Human Settlements and City Corporations for ensuring waste prevention and management in the Thromdes.”

In Chapter IV after Section 21, a new section was incorporated as follows:

“The lead implementing agencies shall make arrangements for dealing with waste with the following collaboration agencies”

In Chapter IV, Section 21(e), change is incorporated in the Dzongkha text only.

In Chapter IV, Section 21(e) (iii), amendments is made as follows: “Tourism Council of Bhutan for ensuring waste prevention and management from hotels, restaurants, camp sites and trekking routes”.

In Chapter V, Section 23(a), change is incorporated in the Dzongkha text only.

In Chapter V, Section 23(d), change is incorporated in the Dzongkha text only.

In Chapter V, Section 23(e), change is incorporated in the Dzongkha text only.

In Chapter V, Section 23(e), a new Section to be incorporated after Section 21 m as follows, “The Royal Bhutan Police shall render full support to the implementing agencies in the enforcement of this Act”.

In Chapter VI, Section 25, change is incorporated in the Dzongkha text only.

In Chapter VI, Section 26, change is incorporated in the Dzongkha text only.

In Chapter VII, Section 27, change is incorporated in the Dzongkha text only.

In Chapter VII, Section 28(e), change is incorporated in the Dzongkha text only.

In Chapter VII, Section 29, change is incorporated in the Dzongkha text only.

In Chapter VII, Sections 30, 31, and 33, change is incorporated in the Dzongkha text only.

In Chapter VIII, Section 34, amendment is made as follows: “The Royal Government of Bhutan shall allocate adequate funds..... powers and duties effectively under this Act”.

In Chapter VIII, Section 36, change is incorporated in the Dzongkha text only

In Chapter X, Section 40, amendment is made as follows: “A person shall report to the nearest local authority **including the Royal Bhutan Police** when he has..... prescribed disposal procedures”.

In Chapter X, Section 43, change is incorporated in the Dzongkha text only

In Chapter X, Section 49(b), change is incorporated in the Dzongkha text only

In Chapter XI, Section 50, change is incorporated in the Dzongkha text only

In Chapter XI, Section 52, change is incorporated in the Dzongkha text only

In Chapter XI, Section 53, is amended as follows: “The amendment of this Act by way of addition, variation or repeal shall be effected by a simple majority of the respective Houses or vote of no less than two-thirds of the

total members of Parliament present and voting on a motion submitted by one-third of the members of either House, provided that the amendment does not undermine the functions and effectiveness of the National Environment Commission and the implementing agencies”.

In Chapter XI, Section 55, amendment is made as follows: “The Dzongkha text shall be the authoritative text, in case of inconsistencies in the meaning between the Dzongkha and the English text”

In Chapter XI, Section 57(b), amendment is made as follows: “**Agency** includes municipal bodies under the Thromde Act 2007, or any ministry, department, **corporations, civil society organizations** or autonomous public body of the Royal Government of Bhutan including local government entities or companies incorporated under the Companies Act 2000”.

The National Assembly endorsed the Waste Prevention and Management Bill of Bhutan 2008 on the 29th day of the 10th month of the Male Earth Rat Year corresponding to 26th December, 2008.

VII. QUESTION HOUR ONE

1. Extension of Gasa Hot Spring project

The Member from Goen-Khatoe-Laya constituency submitted that the planned extension of Gasa hot spring project has been shelved in between due to problems pertaining to the environment. The hot springs not only benefit the people of Gasa Dzongkhag but also benefit all the Bhutanese people and tourists. He requested for an outline of the government's future plans and initiatives to solve the problems related to the hot spring.

In response, the Prime Minister said that Gasa hot spring was not only for the people of Gasa but would also benefit all other people visiting the hot spring. The Prime Minister said that it was one of the most valuable hot springs in the country with good medicinal values. After a detailed project extension for hot spring was prepared, the government was dissolved. However, while the new government was about to continue the project, there were environmental concerns raised by the people in the media.

Therefore, as per the *Lhengye Zhungtshog's* discussion on this matter in April and direction to the Ministry of Agriculture, the National Environment Commission, the Ministry of Agriculture and the Jigme Dorji Wangchuck National Park jointly prepared two reports. These reports

stated that the project would be detrimental to both the environment and to the wild life.

The extension of Gasa hot spring area was discussed again in the *Lhengye Zhungtshog*. The Agriculture Minister, Minister for Economic Affairs, Minister for Home and Cultural Affairs, the representatives from the environment sector, Jigme Dorji Wangchuck National Park officials and Gasa Dzongkhag Administration were instructed to submit a joint report after detailed study. Accordingly, a team led by the three ministers would be visiting the hot spring site within January, 2009. However, there are plans and policies to continue hot spring extension works within March and April next year.

In response, the Member concerned expressed his appreciation for the efforts made by the government to continue the Gasa hot spring extension project and offered full support from the constituency.

2. Release of vehicles on Sundays through Police gate at Lhamoizingkha

The Member from Lhamoizingkhag-Trashiding constituency submitted that the people have to go to Kulkulay in India for vegetable shopping due to the restriction imposed on vehicular traffic on Sundays through police gate at Lhamoizingkha, after the security

problems. This has not only caused problems for the vegetable buyers and sellers especially to those without vehicles. Therefore, the Member submitted to the government that the consideration be made to allow the passage of vehicles from Police gate at Lhamoizingkha on Sundays to ease the problems faced by the people.

In response, the Minister for Home and Cultural Affairs said that it was important for the people to know that the restriction of vehicular traffic through police gate at Lhamoizingkha on Sundays was imposed due to the security problem in the south before 2003. He assured that this issue would be looked into and measures taken to solve the problem in collaboration with Lhamoizingkha Dungkha and other concerned agencies. The Member concerned said that it would be appreciated if the issue was resolved as submitted by the Minister for Home and Cultural Affairs.

3. The need for publishing news in both Dzongkha and English

The Member from Kabji-Talo constituency said that the participation of the print media is vital in order to promote the National language, Dzongkha. He enquired how the general media organizations were participating and why the new media organizations were unable to publish the

news in Dzongkha even after one year of their establishment. Since the news coverage were carried out for the information of the large numbers of people, the system of awarding assistance to the media organizations on rotational basis needs to be reviewed and be awarded to the media organization which had the maximum coverage. He also proposed for the reduction of import duties on papers and printing equipments.

The Member from Dremitse-Ngatshang constituency said as the news was relayed only after the completion of work, it is felt that the government funds are wasted. Therefore, the Member reminded that it is imperative for such important announcements be made through regional news media offices or should be clearly broadcast through Bhutan Broadcasting Service Corporation considering the targeted audience.

In response, the Minister for Information and Communications said that the inability of private newspaper organizations to publish news in Dzongkha was mainly attributable to the problems due to lack of adequate number of Dzongkha experts and Dzongkha information technology facilities. The private media organizations have submitted their application to waive Bhutan Sales Tax (BST) for importing papers and

equipment. This inability may also be because of the one year time frame granted to the private media organizations to prepare themselves to publish news in Dzongkha. Moreover, the Minister said that in order to develop the private media organizations, equal opportunities were given to both the government and private media organizations in awarding announcements and advertisements. Since the media is critical in a democratic system, the government would provide all possible support to enable the media organizations to publish news in both English and Dzongkha.

To this, the Member expressed his appreciation to the Minister for Information and Communications for providing comprehensive response on the question and views expressed.

4. Vehicle Emission Test

The Member from Menbi-Tsengkhar constituency submitted that although the vehicle emission test system was being implemented strictly, it was observed that old vehicles which have crossed the maximum limit of emission were seen plying on the road. He asked as to how the Ministry of Information and Communications and the Road Safety and Transport Authority would tackle this issue.

In response, the Minister for Information and Communications said that considering the significance of conducting vehicle emission tests, it is being implemented even more vigorously than before. Moreover, an air pollution expert from Singapore was invited and a week long conference was convened. Since the existing emission test centers at Yangki Automobiles and USD are giving some errors, investigation on their emission testing equipment are yet to be carried out. The budget proposal to procure testing equipment is now approved and it is hoped that their capacity would be strengthened in the near future. However, the air pollution level in our country has fallen from 4.5 to 4.

To this, the Member concerned expressed his appreciation to the government for their proactive role in maintaining the minimum level of air pollution and also for adopting various control and preventive measures.

VIII. RATIFICATION OF SAARC CHARTER FUND

The Members of National Assembly deliberated on the ratification of SAARC Development Fund Charter (SDFC) after the Finance Minister presented the Charter's background and objectives.

The Finance Minister submitted that by fulfilling the objective of SDFC, to promote the common goal of self

reliance, there is a need to establish and strengthen cooperation in the field of economic, social, expertise, regional economic cooperation which entails mobilizing of additional funds for regional, inter- regional programs and projects on sustainable, sufficient and foreseeable basis. Therefore, the Minister presented the charter consisting of 1 to 13 Articles.

The main aim of the Charter is to achieve common regional development, cooperation and welfare in the region. It will focus on economic, social and infrastructure development in the region. It is also a result of the consideration for the need and importance of closer regional economic cooperation and integration through project collaboration. The fund will create sound, adequate and predictable funding mechanisms for the SAARC to facilitate in undertaking regional and sub-regional programs and projects.

The National Assembly Members, while deliberating the Charter, submitted that they accept the charter and endorsed it without any changes. They expressed their appreciation and gratitude to His Majesty the Forth King whose desire is to establish its office in Thimphu once all the member countries ratify the Charter. Members also expressed their gratitude to the Prime Minister and

endorsed to retain the Title of the charter as *Katrim* in Dzongkha text. The House ratified the SDFC on 30th December 2008.

IX. RATIFICATION OF PROTOCOL OF ACCESSION OF ISLAMIC REPUBLIC OF AFGHANISTAN OF AGREEMENT ON SOUTH ASIAN FREE TRADE AREA (SAFTA)

Following the brief presentation on the background and the objectives of the Protocol of Accession of Islamic Republic of Afghanistan to Agreement on South Asian Free Trade Area (SAFTA) by the Foreign Minister, the Members of National Assembly deliberated on the Charter.

The Foreign Minister informed the House that Afghanistan became a member as the 8th SAARC country on 3rd April in New Delhi during the 14th SAARC Summit. Afghanistan agreed to abide by the objectives of SAARC Charter, all the legal agreements of SAARC, notifications of SAARC and all the SAARC ratifications and resolutions. The Minister also informed the House that according to Article 24 of SAFTA, the agreement be amended through mutual consensus and also explained in detail the sections 1 to 8 of the Agreement.

To this, Members of the National Assembly welcomed Afghanistan in joining SAFTA. They also reminded that the procedures with regard to the ratification should be appropriately made. The House endorsed the ratification as proposed by the Foreign Minister with all the Members voting in favour through show of hands on 30th December 2008.

X. ESTABLISHMENT OF HOUSE COMMITTEE

While deliberating on the proposal for the establishment of the House Committee, the member of Kengkhar-Weringla constituency presented the rationale behind its establishment.

He stated that the reasons for establishing such a committee unlike other previous committees are firstly, to look into current administration related problems faced within the Members and will not deal with issues related to ministries and secondly, to avoid problems between the Members and the Secretariat in administrative matters.

It was also put forth that the committee be composed of members from constituencies of different regions. The proposal was supported by the members including the Prime Minister. While some of the members proposed that the committee be composed of nine members, others proposed that the number be kept at seven or eight and

that the Member Secretary also be appointed from amongst its members.

To this, the Speaker informed the House that the number of the Committee members should be appropriate and a Term of Reference for the Committee should also be drawn.

As directed by the Speaker, after finalizing the number of members and the Term of Reference, the House felt the need to include a woman member representative in the Committee. Consequently, Choeki Wangmo, Hon'ble Member from Thrimshing-Kangpara constituency, was included as a member.

Members amended a clause in the Committee's Term of Reference which earlier read as "from the date of passing" and changed it to "from the date of Passing by the House". The National Assembly on 30th December 2008 established the House Committee with the following Members:

1. Hon'ble Karma Rangdol , Chairperson
2. Hon'ble Damchoe Dorji, Vice Chairperson
3. Hon'ble Ugyen Tenzin, Member
4. Hon'ble Sonam Penjore , Member
5. Hon'ble Hemant Gurung, Member
6. Hon'ble Ugyen Tshering, Member
7. Hon'ble Rinchen Dorji, Member
8. Hon'ble Ugyen Dorji, Member
9. Hon'ble Choeki Wangmo, Member
10. Hon'ble Nidup Zangpo, Member Secretary.

XI. QUESTION HOUR TWO

1. Protection of crops from wild animals

The Member from Goen-Khatoe-Laya constituency questioned the Ministry of Agriculture on the course of actions taken to prevent the destruction of crops by wild animals which was raised in the 1st Session of the First Parliament.

In response, the Minister for Agriculture said that the problem of crops being destroyed by wild animals was not a new phenomenon and that the government was devising many preventive measures to resolve such problems. In 2008 alone, there were many prudent solutions formulated by the Ministry, which was being clearly laid down in the booklet distributed to all the members. He said that the implementation of the plans and programmes depended on the availability of fund, which is to be financed by the WWF and the Environment Conservation Division. However, the programmes will be implemented on priority basis depending on the seriousness of the problems.

The Minister also said that it was important to consider long term implications of the programmes and plans that may contradict the Rules and Acts of the country. He reiterated the need to revisit the Forestry Act 1995 for

more relevance and added that being a Buddhist country we cannot afford to kill the wild animals like in other countries.

2. Compensation for crops destroyed by wild animals

The Member from Gelephu constituency submitted that he had promised during the election campaign that he would ensure the protection of crops from being destroyed by the wild animals and if he is not able to fulfill his promises, the public would face immense difficulties. He also said that delay in providing them with compensation for the crops destroyed by wild animals further aggravated the problem. Therefore, the member asked to be briefed on the types of measures and plans put in place by the government.

In response to the above question, the Minister for Agriculture said that a proper system on the payment of compensation will be developed with the involvement of the beneficiaries. However, he sought the opinion of the floor to provide suitable suggestions and comments on the improvement of the plans and programmes laid down in the booklet.

The Speaker informed the House on the need to solve the problems associated with the destruction of crops by wild animals and said that the government would respond to

the plans and programmes laid down in the booklet. He emphasized on the need for a discussion on funds at the Dzongkhag and Gewog levels during the 10th Five Year Plan discussion. He also said that the report on the destruction of crops by wild animals was just 18 percent, which is very less compared to the ground reality. It is of utmost necessary to solve this problem as this was promised during the election campaign period.

The Members from concerned constituencies expressed their appreciation to the Ministry of Agriculture for the in-depth research done and for formulating plans and programmes to solve the problem of destruction of crops by wild animals. The Members said that although the programmes may not possibly be implemented in the near future, some actions need to be taken in the Dzongkhags and Gewogs where the problem of wild animals is rampant. Gelephu constituency member stressed that besides considering the proper system of compensating farmers for the crops destroyed by wild animals it would be appreciated if efforts are made to come up with immediate measures to counter the problem of destruction of crops by wild animals.

3. Construction of new farm roads

On behalf of the public of Dagana Dzongkhag, the Member from Drujeygang-Tseza constituency expressed appreciation to the efforts put in by the Ministry of Agriculture for coming up with multi- faceted programs and policies for the benefit of the people. He further submitted that the development of the farm road is indispensable for enhancing the living standard of the people. Since there are still some Gewogs under Dagana Dzongkhag which do not have farm roads, the concerned ministry was asked to brief on the plans regarding the construction of new farm roads.

In response, the Minister for Agriculture submitted to the House that the Local Government should incorporate the construction of farm roads in its plan including details such as location, distance and availability of construction machineries etc. In the event the farm road is not included in the plan it will still be considered if it is being supported by the Local Government and further backed by the Member of the concerned constituency, as has been practiced so far.

The Minister said that with the voluntary labour contribution from the people and machineries from the government, even if the approved budget for the road

construction is only for two to three km, there is the benefit and possibility of being able to construct a five km farm road. To this, the Ministry will make every effort and always support the construction of farm roads as it is one of the means of enhancing the income of farmers through sale of agricultural products.

4. Substitution and compensation for land used for farm roads

The Member from Wamrong constituency asked to be briefed on the plans and policies of the Ministry of Agriculture concerning those farmers whose limited land holdings were used for farm roads. He stressed that instead of monetary compensation there is the need to provide land substitution to those farmers who hold very little land. He informed that as of today, farmers have neither received any compensation for their land nor have they been given any land substitution as such.

In response, the Agriculture Minister informed the House that compensation of land has to be in line with the Land Act and the authority on land related issues rests with the Land Commission, whereas, the granting of land *Kidu* is the prerogative of His Majesty the King of which we are all aware of.

With regard to land compensation and substitution, the minister pointed out that the shortfall was primarily due to poor implementation of rules of procedures for land compensation and substitution. He further informed that all such related problems could be avoided if the rules of procedures for land substitution and compensation are followed properly henceforth. However, if we strictly follow the current system existing in the community they would not be entitled to such claims as the community has their own set of rules regarding the compensation and substitution of land.

To this, the Speaker expressed his hope that if the earlier system was followed wherein construction machineries were provided by the Ministry of Agriculture and the labour was contributed by the people from the benefiting communities and the work not awarded to the contractors, it would benefit the entire community and its people. He also said that in view of the above, it was imperative to carry out such works in all the Dzongkhags with equity and justice. To this, the Minister of Agriculture supported by saying that if the people do not solely depend on the government and render support by all those who are able to, then it would be possible to stick to the system. Furthermore, the Minister said that there is already a plan to assess the need for supply of machineries for

construction of farm roads and the availability of motor roads in all the Dzongkhags and Gewogs and is currently working on its program.

5. Poor quality farm roads

The Member from Goenkhomey-Lunana constituency asked the Ministry on the new plans and policies for construction of better farm roads as the condition of the present farm roads was not good enough for the people.

The Minister for Agriculture said although there are many farm roads constructed in the country, many of the farm roads are of poor quality and are not in a motorable condition. He informed that a plan has been worked out jointly by the Ministry of Works and Human Settlement and the Ministry of Agriculture for upgrading the road quality. In order to improve the quality of roads, the budget also needs to be increased. Besides budget allocation, how one carries out the work is also very important. In the present situation the contractors are more motivated by profit and tend to complete the work within the shortest possible time compromising the quality of road.

The Minister in support of not awarding work to the contractor and letting the local people construct the farm roads themselves, gave the example of Wambur farm

road which initially had the budget for about seven kms but because the people themselves constructed the road they were able to construct up to ten kms and quality was par with the feeder road.

6. Land compensation and substitution used for construction of Community schools and Basic Health Units (BHUs)

The Member from Nganglam constituency submitted a question on land replacement and compensation plans and policies for the benefit of those whose land were taken by the government for the construction of schools and hospitals.

In response, the Minister for Agriculture said that the Land commission clarified that the people are being provided and are still receiving land substitution. He pointed out ambiguities with regard to land substitution due to the lack of proper implementation of the rules and procedures. Another problem was that once the area is identified, construction started immediately without any proper planning in order to achieve the plan targets. Inevitably some schools had to be constructed in areas which were two hours walking distance due to the lack of land. In order to solve such problems it is imperative that proper land compensation and substitution be paid.

The Speaker said that regarding schools, it would be appropriate if the Ministry of Education work in consultation with the Gup and Tshogpas of the concerned village, Heads of the schools and the District Education Officer. He said that for the benefit of the people, it is imperative that works are carried out according to the rules and procedures and in line with the Constitution.

7. Bhutan -China border talks

The Member from Bji-Katsho constituency expressed concern regarding the border talks with China and requested the government for a briefing on its progress. He submitted that this is a concern not only for Haa Dzongkhag but for all the twenty Dzongkhags and His Majesty the King. Since the new government comprised of experienced Ministers it was imperative to finalize the Bhutan- China border talks. He also requested for a briefing on the basis of the numerous border talks held with China and the result of the talks. In times when Bhutan enjoys good relationship with the Chinese government under His Majesty the Fourth King and His Majesty the King, the Member sought clarification on the future plans of the new government regarding Bhutan - China border issue.

In response, the Minister of Foreign Affairs agreed on the importance of resolving border issues. The Minister reiterated that considering the size of the country it was important to have its borders clearly demarcated and to resolve all disputes. He pointed out that the Chinese on our border were first sighted in March, 1959 during which there was not much interaction and there were no issues arose regarding the border.

Bhutan joined the United Nations in 1971 and in 1980, Bhutan and China initiated border talks.

Four rounds of talks were held with China since April 1984, focusing mostly on laying down the groundwork for the discussion mainly on maps and the size of land area. The issue of surveying the land was not discussed at the time. Accordingly, works have been done as per the discussions held.

In the first phase of the fifth round of talks, the independent claimed areas of the two countries were discussed. In that, both the countries presented their respective total area and claim lines wherein a lot of disagreements ensued with each party asserting and justifying their respective claim areas.

During the 68th Session of the National Assembly on 24th October 1989, two map models were presented to all the

members in the Lungtenphu Army auditorium which was duly signed by the then Speaker Lyonpo Sangay Penjor and the Deputy Speaker, Dasho Passang Dorji as a mark of permanent endorsement of the mapped area.

Likewise, in the first phase of setting a claim line, the two countries prepared maps to the representative scale of 1:500,000 and was exchanged between the two countries. This marked the first phase of claim line and the details can be viewed in the report booklet.

During the discussion, although the government pointed out that Bhutanese settlements existed along the lakes of Toeganri the Chinese did not agree that it belonged to Bhutan and instead said that if any Bhutanese items were found in the area it would be returned. This was not discussed in the latter discussion.

The 7th Round of the border talk were held on the differences relating to Maps. Although there were not many differences relating to the Eastern and Northern parts, the 8th to 11th Round of the border talks were held mostly on the differences in land areas in the western sector of our country.

In the 11th round of border talks, a Memorandum of Understanding was signed between the two countries before the demarcation of international boundary line was

finalized, as a ground work for amicable outcome. In the 12th round of border discussions, which was held in China, the Prime Minister of Bhutan signed a very important agreement with China, particularly to respect each other's independence and maintain peace along the international boundary lines marking the first ever agreement between the two neighbors.

In the 13th round of border talks, the Chinese Government proposed three policy related issues which were to resolve the border disputes at the earliest, to develop diplomatic ties and to initiate trade between the two countries.

As resolved in the 14th round of talks an Expert Group was set up to examine the maps and other related issues. In the first meeting of the expert group, the Bhutanese team was led by Dasho Pema Wangchuk, Secretary for International Boundaries wherein it was decided that the areas near the border would be measured and mapped accordingly and the places would be clearly named in both Bhutanese and Chinese languages.

In the 16th round of China-Bhutan border talks, some differences arose on counter maps and a discussion was held on measures to resolve the differences.

During the 17th round of talks, it was discussed that the issue needs to be presented in the National Assembly,

therefore maps were presented and while discussing it was reported that the mapping was carried out as viewed from Simu to Lungtenphug. During the time, while the two expert groups were planning to present their own maps, some differences were noted and there were some differences in the size of the claim area because of which the maps were not exchanged between the parties.

In the 18th round of border talk, it was mentioned that since 1990 there was some shortfall in the area on the Bhutanese side of the border and kept on insisting on the past decisions taken and this discrepancy is yet to be settled. In this regard the Chinese Government offered three different documents for the Bhutanese government to study which are currently under study. Although border talks were held every year, talks have not been held for the last two years due to the country's transition to a democratically elected government. However, he assured that border talks would resume as soon as possible.

In addition, he reassured that the government is on the right track while carrying out responsibilities related to border related issues. He informed that all border related talks with our neighbors, particularly with the Chinese Government have been carried out amicably maintaining

goodwill and understanding between the two countries. The Chinese Government has been very supportive and cooperative in resolving the border issues at the earliest.

Acknowledging that the sovereignty of our country is dependent on the clear demarcation of the boundaries with our neighbors, the government is working hard to resolve the border issues at the earliest.

To this, the Members from concerned constituencies, expressed their appreciation for the detailed information on the border talks and submitted that if they had any further doubts after reading the document, they would ask the Ministry. The Members further reiterated the importance to resolve the border issues particularly at a time when the ruling government led by the Prime Minister, who was the then Foreign Minister, was very much involved in the discussions and has experience in border related issues along with the other experienced ministers.

The Speaker said that, as Bhutan is a small nation and shares its borders with India and China, the two most powerful and most populated Nations of the world, it was important that we maintain a secure and peaceful relationship with them.

In the past 50 years, 18 rounds of border talks have been held and Bhutan has been able to resolve many border related issues under the dynamic leadership of His Majesty the Fourth King Jigme Singye Wangchuck. This has greatly helped strengthen the security of the country. Besides, the signing of the Memorandum of Understanding with the Chinese Government during the time of the then Foreign Minister, is one of the most important agreements signed in the history of Bhutan.

The signing of this important agreement is testament to the independence and sovereignty of our country and this is solely attributable to the farsighted vision of His Majesty the Fourth King Jigme Singye Wangchuck and Lyonchen Jigme Yoeser Thinley. Therefore, it is important that the people of Bhutan remember them and remain grateful for all times to come. Although, not many members raised questions in this regard, it was pointed out that the details be clearly spelled out in the report.

The House resolved that henceforth, while discussing border issues and drafting agreements, it is important that references be made to Article 1, Section 3 of the Constitution of Bhutan which states “The International territorial boundary of Bhutan is inviolable and any alteration of areas and boundaries thereof shall be done only with the consent of not less than three-fourths of the total number of members of Parliament”.

XII. PUBLIC ACCOUNTS COMMITTEE REPORT

1. Annual Audit Report 2007

The Chairman of the Public Accounts Committee (PAC) submitted its first report on the Review report of the Royal Audit Authority (RAA) in the second session of the first Parliament. In accordance to Article 25, Section 5 & 6 of the Constitution of the Kingdom of Bhutan, the Public Accounts Committee (PAC) is mandated to review and report on the Annual Audit Report (AAR) to the Parliament for its consideration or on any other report presented by the Auditor General. As a part of the report the, RAA, to make the people more responsible in the use of public property a copy of summarized report in English was distributed to all the Members.

The PAC reported that the RAA has not only started to put emphasis on examining whether public resources were used profitably and judiciously but that they had also started to prepare reports in line with international norms of auditing keeping with changing times. The PAC commended the RAA for their initiatives in generating new reports and reforms undertaken. The RAA emphasized in ensuring economy, efficiency and effectiveness in the use of public resources. It had introduced various reforms of balance reporting in the

auditing arena consistent with the changing needs and best international practices. Some of the commendable initiatives introduced by RAA are Performance Audit, Thematic Audit, the Auditor General's Advisory Series, Continuous Professional Development Policy and Quality Assurance & Research Unit.

As of December 31, 2007, the RAA conducted 457 audits out of 415 targeted audits, achieving 110.12 %. The change in audit approach had not only discovered substantial number of corrupt cases but also recovered Nu.100.898 million, which is a record increase in the history of Royal Audit Authority. A total of 53 reports containing significant cases of corrupt practices were also forwarded to Anti-Corruption Commission for detailed investigation. Henceforth, it is crucial that the new government engage in substantive deliberation and render full support to these initiatives.

Although, all the observations mentioned in RAA reports are significant in nature, only the gist of those observations which more importantly bear policy implications are reflected in the PAC report presented to the National Assembly. To enable the PAC to effectively discharge its duties, the Committee sought clear directives to combat the corruption without fear and favour.

According to the Budget report for the financial year 2006-2007, the total revenue generated from tax and non-tax sources was Nu. 10,082.160 million as against the approved budget of Nu. 18,930.026 million, which was later revised to Nu. 21,158.355 million. However, the actual expenses amounted to Nu. 17,482.695 million and the resource gap was met from external borrowing and grants.

The status of the AAR - 2007 as of 15th October 2008 based on the responses received from the agencies showed that irregularities aggregating to Nu.103.729 million (52.10%) were resolved from the total irregularities of Nu.199.080 million leaving a balance of Nu.95.351 million (47.90%). The irregularities in the budgetary agencies consisting of Ministries & Departments, Dzongkhags, Gewogs and Autonomous Bodies aggregated to Nu.144.900 million followed by Nu.54.180 million pertaining to the Corporations, Financial Institutions and Non-Government Organisations (NGOs). The amount of irregularities in budgetary agencies in 2007 had increased by Nu.38.968 million, while the figure for the Corporations, Financial Institutions and NGOs decreased by Nu. 26.663 million representing an increase of 36.78% and decline of 32.98% respectively.

Ministry of Works & Human Settlement (MoWHS)

According to the Annual Audit Report (AAR), the MoWHS recorded the highest amounts of irregularities with Nu.48.638 million. Out of which a payment of Nu. 10.314 million was made for works not executed which fell under the nature of fraud, corruption and embezzlement. The case was then forwarded to the ACC and the amount was reduced to Nu. 7.145 million after their investigation. An appropriate action on this case by the Ministry is still awaited.

Dzongkhag Administrations

The aggregate of 16 Dzongkhag Administrations rank as one of the highest agencies with substantial irregularities amounting to Nu. 40.199 million. With increasing devolution of administrative and financial powers to the Local Governments under new democratic system, there is a need for ensuring the capacity building of Local Government institutions.

Ministry of Education (MoE)

The MoE had the highest cases of strong indicators of fraud, corruption and embezzlement amounting to Nu.13.584 million. The fraud and corruption case in the Ministry mainly pertains to a single scam in the

procurement of science laboratory equipment and consumable items, amounting to Nu. 13.068 million. This amount was siphoned off through illegitimate payments depriving quality of education in schools.

Resettlement Programme

The audit of resettlement programme projects under Dzongkhag Administrations, Sarpang and Tsirang showed significant cases of misuse of funds amounting to Nu. 1.369 million (Nu. 1.101 million in Sarpang Dzongkhag and Nu. 0.538 million in the Samtse Dzongkhag). In case of the Sarpang Dzongkhag, substantial amount was recovered but no administrative action was taken for the misuse of funds. In case of the Samtse Dzongkhag, neither the amount was recovered nor has any action been taken as of date.

Status of Audit Reports endorsed to Anti Corruption Commission (ACC)

During the year 2007, 32 audit reports containing major issues of fraud and corruption have been endorsed to ACC out of which 8 reports have been resolved leaving a balance of 24 reports unresolved. During the tripartite meeting of RAA, PAC and the ACC held on December 3, 2008, one of the major impediments in fulfilling the mandates of the ACC was inconsistencies in the nature of

verdicts awarded by various Court of Justices on same cases of same nature.

Performance Audit Reports

The rational of the Performance Audit is to support the systemic management improvement and service delivery in organizing the optimum utilization of available resources. Besides the normal propriety and compliance audits conducted during the year 2007, all Performance Audit Reports issued by the RAA contained various recommendations based on their findings due to systemic flaws to which some of the concerned agencies may have complied. However, such systematic flaws are of major concern to the Government and require directives of the Parliament.

Land Administration and Management

In the system audit of land transfers such as *Thrams*, site verification reports and site plans maintained by the Thimphu City Corporation (TCC) and issues pertaining to acquisition of private lands and leasing government land observed that the system of land administration and management was deficient and inadequate. This was due to lack of properly laid down system and procedures without transparency, consistency and accountability

Recording, Processing and Approval of Building Applications:

The system audit of records of the building permission for land development through *thrams*, site plans and drawings, etc., in equitable implementation of related regulations including provisions of Bhutan Building Rules (BBR) 2002 and Development Control Regulation (DCR) 2004 revealed that approval of the implementation of DCR 2004 for a period of 18 months on a trial run was accorded by the Thimphu City Committee Meetings without formal approval or notification of the Government. It also found out that, as against the prescribed timeframe of 90 days, there were abnormal delays in clearing building applications with process time taken varying from 37 days to as long as 731 days.

Land Pooling Mechanism

In the performance audit of land pooling mechanism, no specific time frame or regulations for implementation of all Local Area Plans (LAPs) were framed and documented. Absence of properly defined timeframe and regulations impeded the finalisation and effective implementation of LAPs. As observed some of the LAPs were yet to be finalised leading to delays in the implementation and inconveniences to the public. There

were many instances of landholdings where the TCC had allotted same *thram* numbers as well as plot numbers. Thus landholdings of different individuals having the same *thram* and plot number within the same area were confusing and gave rise to uncertainties and possible future complications.

Government Property Management System (GPMS)

The audit of GPMS was conducted observed that there were some cases of sale of Government land & sheds to private individuals. The authority to dispose off any Government property to any individual rests solely with His Majesty the King. Besides, Government buildings and its periphery were not demarcated from private land which thereby increased the risk of encroachment by either parties which could lead to future complications. It reflected negligence on the part of individuals and agencies concerned in the management of Government properties.

9th Plan Review - Department of Roads (DoR)

The actual budget received by the DoR during the 9th FYP was Nu. 7,527.715 million out of which Nu. 6,273.105 million was incurred during the plan leaving a balance of Nu.1,254.610 million.

On review of reports, several deficiencies and weakness in planning, construction and maintenance of roads and bridges were observed. While DoR has standards, specifications and Manuals for road construction and maintenance, they were not regularly updated and uniformly applied. Besides, the standards and specifications do not specify appropriate condition standards for roads and bridges. The absence of condition standards has posed difficulties in assessing the maintenance of roads. Lack of coordination between the DoR and other agencies has led to damage of roads by constant digging, roadside quarrying, logging and construction of permanent structures along the road right of way. Reckless logging and quarrying operations were found to be one of the major factors affecting surface & structural conditions of roads.

It was submitted that the Department of Roads, in recognition of the findings of audit report on the 9th Plan review, would henceforth initiate policy reforms and implement accordingly. The House reminded that, since all the development activities are carried out for the benefit of the people, it is crucial that any policy changes should be conducted transparently in consultation with the people.

It is imperative to solve the problems faced by the contractors and enhance their capacity and carry out the mega constructions by the government itself until their capacity is strengthened. While discussing as to how to solve the problems between the government and contractors, it is important to engage not only the relevant ministers, but also to involve the secretaries, directors and engineers.

Audit of Mining Operations

The performance audit of mining operations was conducted to ascertain whether the mining activities were carried out in compliance with relevant laws to minimise environmental damages caused through extraction of minerals. It was reported that there is continued mining of Talc despite its reserve in the country being on the verge of exhaustion. It also observed that the environmental restoration bond was not collected by the Mining Division as security for restoration of mined areas as result of which almost all the closed mines were not restored. Mining operations being allowed prior to the approval of the Final Mine Feasibility Study (FMFS) report.

Audit of Information Technology(IT)

The performance audit of IT security of the Ministry of Labour & Human Resources, Royal Monetary Authority

and the Bhutan National Bank Limited observed that there is inadequate information security strategy to address the need for risk assessment, policies and controls. The audit report also suggested that the Ministry of Information and Communication should formulate relevant policies and control measures to remedy the problems specified in the report.

The National Assembly while deliberating on the Public Accounts Committee (PAC) report commended the Public Accounts Committee for comprehensive presentation of the audit reports. The house also expressed their appreciation to the Royal Audit Authority for bringing reforms in audit approach and procedure and discharging their responsibility without fear and favour and submitting their report through public Accounts Committee to the national Assembly.

The House deliberated on the audit reports on December 30 and 31, 2008 and 1 to 5 January 2009 through strong check and balance between the government and the Members. The essence of the deliberation focused on the lack of imposing penalties despite the ever increasing instances of fraud, misuse and embezzlement and substantial amount of government funds being siphoned

by the contractors as reflected in the PAC report which is a cause of concern for the government.

It was submitted that government funds were misused in the Thimphu-Babesa expressway project. Although, the amount of money misused by the contractors in Thimphu-Babesa expressway project was refunded, the house questioned that no legal penalties were imposed. Most of the Members submitted that, they observed that no actions were taken with regards to misuse of Nu. 7 million on the expressway project and if the government, despite its knowledge neglects it and does not take action, it would further aggravate corruption problems.

Auditing of construction after two to three years of completion and certification by the engineers and resultant discrepancy in the funds is the problem in construction. Henceforth, it would be convenient for both the contractor and engineer, if the auditing is conducted within one year of completion of the work and the House also discussed about the collusion between the engineers and contractors.

To this, the Minister for Works and Human Settlement submitted that the constructions system and rules will be reviewed to address the problem. The problem also lies with the contractors as well and four rounds of meetings

to solve their problems have been held. Henceforth, in order improve the system, meetings will be held with the contractors to create convenient system.

The House, as submitted by the Minister for Works and Human Settlement resolved that a report on the review of construction system and rules should be submitted during next session. The House also resolved to remind the Chief Justice about the delay in awarding verdict regarding the irregularities amounting to Nu. 13 million in the Education Ministry despite the case being forwarded to Thimphu district court before one year.

Moreover, as submitted by the Finance Minister, it was resolved that a report has to be submitted regarding the amount of money recovered from those reflected in the audit reports of Ministry of Works and Human Settlement, Ministry of Education and Ministry of Works and Human Settlement.

The Members while expressing their concern about the affects of mines and mining operations to the community said that most of the mining factories are located in the southern Dzongkhags and landslides due to heavy rain during summer pose great danger to the community. They also submitted that there is potential danger of landslides

in Tintaly village under Samtse Dzongkhag due to the talc mining factory.

Similarly, the mining factories in Samdrup Jongkhar, Deothang and Rishor have affected about 20 households. Therefore, the Members submitted to shut the factories. Most of the Members in support of the this submission said that despite the presence of mining rules and regulations the people involved in mining operations did not implement them properly. The people involved in mining operations are forcefully obstructing the existing roads and making it difficult for the people and cattle to use the paths. Therefore, it is important to ban those flouting the rules and regulations.

The Minister for Economic Affairs said that, minerals resources are not only the wealth of Bhutan but they are also one of the main resources for most of the countries in the world. If we do not exploit the mineral resources owing to the negative impacts of mining operations on the community and environment, Bhutan will not be able to develop. Although, the mining operations create some environmental problems, it is important that one takes all possible measures to reduce environmental destruction. In order to ensure that mining operations are conducted

properly, a committee was formed to oversee the mining operations in June 2008.

Moreover, the mining problems mainly emerge from the lack of adequate number of mining experts. Currently, only 2 experts work where 5 experts are needed. Since the work has to be carried out in winter, it is difficult to complete it on time. It is crucial to work collectively to solve the problem rather than putting the responsibility solely on Ministry of Economic Affairs.

The natural resources are national wealth as enshrined in the constitution. The House reminded that it is important to bear in mind that the mining opportunities should be shared in equal and fair manner as per the wishes of His Majesty. Henceforth, all the mining operations should be conducted in accordance with relevant laws. The House offered support to the Anti Corruption Commission in taking strong action and resolved that all the mining rules and systems must be reviewed and a report thereof should be submitted in the next session. The House also directed the environment/land and urban development committee, that it is important to study the impacts of mining operations on the environment and communities.

Moreover, as per the report on mining operations, the environment is very important. Therefore, it is crucial that

we get concerned. It was resolved that, although the Ministry of Economic Affairs has started to work as per the audit reports, it would conduct comprehensive study to eliminate the problems and the reports thereof will be submitted to the cabinet with a copy of the reports endorsed to the Public Accounts Committee. The Public Accounts Committee, if it is necessary to deliberate on the reports, will submit their report in the next session.

2. Auditor General's (AG's) Advisory Series on Procurement & Constructions

The AG's Advisory Series pointed out core issues and problems in Constructions and Procurements and accordingly recommended measures to improve and streamline existing systems, procedures, strengthen internal controls, improve quality and timely delivery of services, promote economy, efficiency and effectiveness in the use of public resources. The series observed that there is deficiency, ambiguity and impracticalities of rules and regulations due to lack of timely review, modifications and wider stakeholder consultation and participation. There are also inadequate planning, feasibility studies, survey, consultations and coordinations.

“Fit for all” Designs - one design for similar constructions in various places irrespective of type of site and weather conditions was also reported. The series also mentioned that there is defective Contract Agreements and inadequate supervision and monitoring of work. It also mentioned that Private Consultancy Firms do not provide value for money. There are also instances of rush of activities towards the end of financial year, this advisory series is a timely reminder, so that the issues reflected herein can be addressed appropriately and lead to significant results.

As we formally adopt 10th Five Year Plan savings to the Government both in terms of money and in the form of improved quality of constructions, goods and services. According to individual audit reports, some wastage in these sectors was as high as 46% of the total cost and runs into millions of Ngultrum. It also states that a conservative estimate puts wastage on these areas between Nu. 4,368 million and Nu. 7,060 million in the 9th Five Year Plan. Therefore, if the issues reflected therein are addressed appropriately, the Government would save billions annually.

The House, while deliberating on the Auditor General’s (AG’s) Advisory Series on Procurements & Constructions

recognized the series as an important issue. Therefore, it would be appreciable if the procurements and constructions could be conducted based on the advisory series to save billions of funds from going to waste. The House also raised their doubts that the lack of quality and waste of budgets result from awarding of contracts based on the lowest quoted price.

The House submitted that if the work have to be started on time to have quality outcome after the budget allocation, the timely release of funds is crucial. One of the main problems that arise between the contractors and government is due to the lack of a Contractors Act. Therefore, it is important to have a Contractors Act in place at the earliest. Since the section 7/8 of the Advisory series 10 pertains to the engineering, it is important to enhance the capacity of engineers through the allocation of training budget in order to be able to implement the recommendations specified in the Auditor General's (AG's) Advisory Series.

Since the fronting and sub-contracting are main problems, it is crucial to streamline the contract system by allowing the sub-contracting through formulation of clear rules and regulations and include in the contract rules and regulations that is being currently reviewed by the

Minister for Works and Human Settlement. The fronting and sub-contracting are detrimental to the economic development of the country, resulting mainly from the lack of proper laws and framework in some of the ministries and departments and must consider the measures as to how to ensure check and balances.

The Minister of Ministry of Works and Human Settlement said that following the detailed deliberations by the Members, the Ministry will expedite the completion of reviewing the policies and system being carried out as per the Auditor General's (AG's) Advisory Series on Procurements & Constructions and submit a report thereof in the next session of the National Assembly.

The Speaker said that, it is important to work in accordance with the Auditor General's (AG's) Advisory Series and provided 90 percent support to it. The House submitted to the Cabinet to formulate procedure to implement the series.

The Members submitted that the collusion entails great losses to the government and it is important to generate a substantive resolution regarding the syndicate, fronting and sub-contracting. The Members also submitted that there has to be substantive resolution regarding fronting, syndicate and fronting. It is important to regard fronting as illegal.

To this, the Members submitted that it would be difficult for the government to solve the problems that mostly arise from the government side and it is imperative to resolve the problems in the house. Since the problems pertain to the past, a measure to resolve these problems, either with Royal Audit Authority or Royal Court of Justice, has to be adopted and a report thereof shall be submitted in the next session.

As per the AG's Advisory Series pertaining to the procurement and construction and the importance accorded by the government in promoting private sector, it is important to provide training and advice to the contractors working in the private sector. It would also be appreciable if the government could give daily subsistence allowance and mileage to the participants while attending such trainings.

With regard to the contribution during the times of emergency, there is opportunity to provide contribution by His Majesty from the relief fund as per the Section 12 of Article 14 of the Constitution. If there arises a need to contribute in contravention of the above Article, it may be contributed from a fund created by the Prime Minister. The separate contributions by the ministries and departments are not permissible. Therefore, it is resolved

that the Royal Audit, as example will prepare a list of contributions made by the departments and agencies and submit in the next session. Although there is no problem in the current system of allocation of planned budgets, taking into consideration the actual implementation it is planned to break up the budget into three parts.

The House agreed that there is a need to set clear roles and responsibilities of the Members and the moral responsibility rests on the Ministers. However, the main responsibility would fall on the secretaries, directors, finance officers and accountants. A list of responsibilities listed by the Ministry of Works and Human Settlement endorsed by the House and the implementation plan would be submitted in the next session.

Regarding the rules on the fronting and sub-contracting, the Ministry of Works and Human Settlement submitted that the rules are being formulated at the moment. The House resolved that fronting and subcontracting are not allowed and would not be supported by the House.

3. Status of the Follow-up Report of 2006 pending Audit Reports

As per the directives of the 87th session of the National Assembly, Ministries, Departments, Dzongkhags, Gewogs and agencies were directed to resolve all pending audit

reports by the end of December 2007. However, as of September 30, 2008, out of 1,098 reports, 754 reports (representing 69%) have been resolved leaving a balance of 344 reports (representing 31 percent). It was submitted for the House to direct how to resolve the pending reports and specify a reasonable time line to settle all the pending reports. The House submitted that it is important for the Ministers and officers in the departments to support and co-operate in resolving the pending audit reports at the earliest.

To this, the House pointed out that as per the 67th session resolution, the settlement of 754 audit reports out of 1098 from the pending audit reports till 2006 has been possible due to the collective action taken by the Royal Audit Authority, Ministries, Departments and Dzongkhag Administrations. Furthermore, public funds amounting to Nu. 449 millions need to be fully recovered and a report is to be submitted. In addition, as reported in the Audit Report it is the collective responsibility of the secretaries of the Ministries right down to the Geog level to settling the accounts. The House pointed out that it is very important to clear all accounts.

Incase of instances where due to lapse of time it is impossible to recover the amount, in consultation with the

RAA possibilities of writing off the amount should be considered. The report of such accounts needs to be submitted to the next session. The RAA may seek assistance and support from the PAC while working on settling the remaining accounts.

The House pointed out that as per existing rule of charging 25 % penalty in case of failure of payment of rural tax on time, it is imperative that the penalty be imposed without fail as proposed by the Public Accounts Committee. As there is yet to recover public fund irregularities of Nu. 449 millions, it is important that the amount be recovered by working out means and report the same to the House. In the event of the failure to recover the said amount, it will be decided to impose penalty according to the existing rule of levying 25 % penalty. The House resolved that the Finance Minister should study the system of levying penalty and submit a report.

4. Suggestions for improvement to Royal Audit Authority

On behalf of the House, the Speaker commended the Royal Audit Authority for presenting the clear and comprehensive report on the use of public resource. The member from Kabji-Talo constituency pointed out that the RAA is an independent authority and has full power to

investigate the use and misuse of public funds without any reservations. Recognising its importance the government has also provided full remunerations to the auditors. Although, the RAA has been conducting its responsibilities in the most fair and just manner and there has been no complaints so far. However, there are possibilities of misusing their power and authority while carrying out their duties, it is important that one be reminded that it is their responsibility and work in line with their code of conduct.

The House reminded the RAA should be grateful to the government for providing additional benefits compared to other Ministries and Departments. Therefore, it is imperative that the RAA respect the code of conduct while carrying out their duties in the Ministries, Departments.

5. Finalization of the Public Accounts Committee(PAC) membership

It was submitted that the Article 25, Section 6 of the Constitution of Bhutan stipulate that the Public Accounts Committee is a Parliamentary Committee. Therefore, it is imperative to have members from both the Houses and the current members of the PAC from the National Assembly needs to be re-elected.

The House while deliberating on this issue, the Health Minister submitted that instead of immediately electing new members and resignation of the current members, it is necessary to consider the ratio of membership based on the proportion of the members from the ruling Party by deliberating in the PAC and resolve accordingly. The Leader of the Opposition seconded the above submission and the House resolved to finalise the PAC membership during the Parliamentary sitting.

XIII.EXPRESSION OF CONDOLENCE TO THE DEATH AND INJURIES SUSTAINED TO THE FOUR FORESTERS

The Minister for Works and Human Settlement informed the House that four foresters died and two who sustained serious injuries are in Gelephu Hospital in critical condition due to the explosion of a bomb planted by miscreants while travelling between Sarpang town and their camp in Helay under Sarpang Dzongkhag. He also cautioned that if the Bhutanese are not constantly vigilant it would pose imminent serious danger. Since those deceased foresters were guarding the forest along the border areas by sacrificing their lives with dedication to the country this particular incident is indeed a great cause of grief.

To this, the Agriculture Minister submitted that under the command of His Majesty the King the Ministry of Agriculture and Department of Forest are providing all possible assistance to the surviving family members of the deceased and those two who are in Gelephu Hospital in critical condition.

The Leader of the Opposition and Minister for Information and Communications on behalf of the Parliament offered their sincere condolence to the family members of the deceased and the two surviving foresters for encountering such fate while discharging their responsibilities in protecting the national wealth. This reminds the Bhutanese people in general and the Members of the Parliament to bear in mind the dangers posed to the independence and security of the country. Therefore, they offered full support in uprooting the perpetrators.

The Speaker reiterated that the above submission and cautioned the Members to be careful while travelling.

XIV. EXPRESSION OF APPRECIATION IN CONFERRING DRUK WANGYEL MEDALS BY HIS MAJESTY THE KING

The Speaker, wished the Honourable Members good health in the year 2009. Moreover, on behalf of the Honourable Members of the National Assembly, he

offered his prayers and hopes that they would serve His Majesty the King and members of the Royal Family with dedication. The Honourable Members in order to express their appreciation to His Majesty the King in conferring Druk Wangyel medal to the Prime Minister, Jigme Y. Thinley and Chief Justice, Sonam Tobgay, offered one minute of standing obeisance and congratulated the recipients .

Similarly, the Minister for Works and Human Settlement, Minister for Economic Affairs, Leader of the Opposition, Members from Bji-Katsho, Dremitse-Ngatshang, Mongar constituencies and Deputy Speaker, while congratulating the recipients of Druk Wangyel medal said that the Prime Minister, Jigme Y. Thinley has always served the Royal Government with pure dedication and patriotism. In serving the Royal Government, he has not only achieved fruitful results for the present benefit and future welfare of the country but has also formulated policies and systems that stand out as an example to the outside world. On assumption of the leadership of the new democratic government he has ensured the success of celebration of three historic events. The award of such prestigious medal is an indication of His Majesty's recognition of his endeavours to which the House offered *Tashi Leksol*.

Likewise, the Chief Justice Sonam Tobgay also served the Royal Government with outmost dedication and commitment. During his service he revised the existing laws and formulated new laws in accord with the international legal and judicial standards. Moreover, under the command of His Majesty the Fourth King he worked hard in successfully drafting the Constitution. Based on the Constitution, Bhutan has ushered in democracy fulfilling the wishes of both His Majesty and the government. Therefore, the members of the National Assembly offered *Tashi Leksol* to him for receiving Druk Wangyel medal from His Majesty the King.

To this, the Prime Minister expressed his gratitude to the National Assembly Speaker, Ministers, Leader of the Opposition and the Honourable Members of the National Assembly for congratulating him. The Prime Minister said that the Chief Justice deserved to be conferred the highest honour of Druk Wangyel medal in recognition of his hard work and dedicated service to the government. He congratulated the Chief Justice and the Judges of the High Court, Dungkhag Court and the legal personnel for working hard in formulating the Constitution and receiving such great honour from His Majesty the King.

Regarding himself, the Prime Minister said that His Majesty conferred such prestigious medal to him in His Majesty's appreciation of the performance of the former government and to demonstrate His Majesty's trust and confidence in the working of the current democratic government. He said that, the medal is not awarded solely to him but it is in recognition of the collective service of all those who served the *Tsawa Sum* including the four former ministers who are in the present government and those ministers who resigned and secretaries and officials of the government. Therefore, he expressed his gratitude to the former ministers and civil servants ranging from secretaries to messengers.

To this the Speaker, on behalf of the Members of the National Assembly and on his own behalf expressed his gratitude to His Majesty the King for conferring of the highest honour of Druk Wangyel medal to highly capable leaders of the government. The deliberation on expression of *Tashi Leksol* in conferring of Druk Wangyel medal concluded with the Speaker opining that conferring of such award would inspire in serving the *Tsawa Sum* in future.

XV. ISSUES RELATED TO LEATHER BAGS

As per the Anti Corruption Commission Act accepting gifts worth more than Nu.1000 is against the rules.

Therefore, it was proposed that the price of leather bags costing Nu. 1800, presented to the members by the Druk Holding Company be reduced to Nu. 800 which would be paid from the National Assembly Secretariat's planned budget and present it to the Parliamentarians as New Year gift from the National Assembly.

To this, the Hon'ble Members from Menjay-Gangzur constituency and Kabji-Talo constituency submitted that, if this is not permitted by the Anti Corruption Act it would be better to stop such practices right from the beginning. Moreover, they said that the practice of presenting New Year gifts just results in waste of government resources. Therefore, bearing all these in mind it is not necessary to accept the leather bag. The Ministers for Home and Cultural Affairs and Health seconded the submissions of the two Members and said that in the changing time, it would be better if all the Members could provide support to the policies of Anti Corruption Commission. The presentation of gifts costing Nu.1800 per bag to all the 72 Members of Parliament would amount to tens and hundreds of thousands. This

particular issue should not be limited to Druk Holding and Investment alone. It is also imperative to deliberate with respect other agencies as well.

The Speaker said that the initiative of Druk Holding & Investments of presenting a leather bag each to the Members is appreciated. However, all the Hon'ble Members agreed that such practice is not acceptable. In order to realize the objectives of Gross National Happiness, it is crucial to adopt all possible measures to prevent corruption. Therefore, the house resolved that no such gifts would be accepted henceforth in the National Assembly.

XVI. QUESTION HOUR THREE

1. Difficulty Allowance for Customs workers at the customs check points

Chapcha-Bongo constituency Member put up a question regarding difficulty allowance for those customs staff at the checkpoints who work day and night without break and holidays.

To this the Finance Minister has informed the House that there is a system payment of compensation in the form of overtime payment while working after business hours. A sum of Nu.350/- per hour is charged for import of goods

and Nu. 50 is charged for every page of paper work that they need to clear. Furthermore, in April 2008, the system of payment of individual compensation was stopped and the amount was collected and shared among the people involved in the work. The Minister also clearly outlined the amount collected from April to December. Plans to levy import charge from 5 pm in summer and 4 pm in winter is expected to reduce the said problem.

The concerned constituency Member expressed his concern that if proper compensation is not paid according to work, there is a risk of people getting involved in corrupt practice. He expressed his gratitude to the Finance Minister for providing clarification on the reform of system of payment of incentives taken by the Government.

The Speaker pointed out that as questioned by the Chapcha-Bongo constituency Member, it is imperative that the issue be resolved as per the response made by the Finance Minister. It is further emphasized that that works should be carried out in line with Article 9, Section 13 of the Constitution of the Kingdom of Bhutan pertaining to Principals of State Policy. The Speaker also reminded that similar measures should be looked into for other Departments as well.

2. Budget Allocation

While expressing his gratitude to the Ministry of Finance for formulating new system of budgeting called the “Formula Based Budgeting”, the Member from Mongar constituency expressed his concern over the need to revisit the formula based budgeting considering the level of development and availability of road networks in the regions to mitigate the problems associated with it.

To this, the Minister of Finance informed the House that formula based budgeting was formulated based on three important conditions in the region with different degree of importance to the conditions. 70% of the allocation is based on population of the area, 25% on the poverty level and 5% on the size of the areas. As such the budget allocated is more on the higher side as the allocation is mainly based on population. However, there is a difference in calculation if it based on moving population. For instance, the budget allocated for travel cannot be utilized fully as some of the office workers do not go on tour.

The concerned Members submitted that although a detailed clarification on budget allocation process was provided by the Finance Minister, it is important that the budget allocation be revisited considering the number of days required.

3. Industrial development

The Member from Gelephu constituency said that industries have not been developed although it has been included in the Ninth Five Year Plan. He sought clarification from the Government and Ministry of Economic Affairs on the plans to develop industries and the extent of establishment of industries. In addition, he sought clarification on the status of development of industries at Dum Dum at Samtse and Jigmeling in Gelephu

In response, the Minister of Economic Affairs presented a detailed presentation on the plans for industrial development and on the need for bigger industrial land area. He also said that the development of industries would promote private sector development and generate employment for the youth. He emphasized that, the Government needs to place more importance on industrial development for the overall economic development of the country and allocate more funds for it. In case we are not able to develop the industries, the country will have to remain dependent on others. Therefore, it is crucial that the government allocate budget for the establishment of industries.

The concerned Member expressed his appreciation to the Minister of Economic Affairs for informing on the plans for establishment of industries on a great scale. The members stressed on the need to provide land substitution and compensation for those whose lands were taken over for the establishment of industries.

6. Problems related to electricity

Lingmu-Toewang constituency member raised his concern on not been able to supply electricity to Toewang, Chubur and Lemu Gewogs where there are seven villages and lack of any developmental activities in Puna Gongmo near Changyul Zam having nine households. Therefore, in order to satisfy their curiosity, it is necessary to explain the reasons for not being able to respond to their needs.

In response, the Minister for Economic Affairs said that plans for electrification of 28 villages under Toewang Gewog and 12 villages under Chubu Gewogs has been included in the Tenth Five Year Plan. Development activities have not been implemented in Puna Gogm due to some problems related to the policy and rules of the Local Government. However, as soon as approval is granted from the Dzongkhag, there are plans to supply electricity to Puna Gogm by Bhutan Power Corporation within 2009. Further more, within five years in the Tenth

Five Year Plan according to the rural electrification plan, the government needs a budget of Nu. 6000 million of which Nu. 4000 million has been generated from internal revenue. The government is exploring means to get the Nu. 2000 and therefore within the next five years it is hoped that electricity will be distributed to all the villages.

5. Budget Allocation of planned development activities

Lingmu-Toewang constituency Member said that the allocation of budget to the Gewogs and Dzongkhags based on area, population and poverty leads to insufficient budget. The Member sought clarification on the program to review the budget allocation by the related Ministry and the Commission based on criteria like population, land area and poverty level.

Similarly, the Member from Goen-Khatoe-Laya constituency said that under developed small Dzongkhags, less populated areas, Dzongkhags which do not have motorable roads and remote Dzongkhags and Gewogs face a lot of problems due to the current system of budget allocation by the Ministry of Finance. Budget is very important in order to promote balanced regional development. However, he expressed his concern in achieving balanced regional development of the 20 Dzongkhags and 206 Gewogs if the budget is unequally

distributed. Therefore, he sought clarification on the plans to review the present system of budget allocation by the Ministry of Finance.

In response to the above two questions, the Minister of Finance presented a detailed information on the budget allocation along with justifications. He said that it was important to understand the problems faced in budget allocation and that it needs to be based on are, population and poverty. If the House supported the current system of budget allocation it would go a long way in fulfilling the policy of balanced regional development in the country.

In addition, the Opposition Leader spelt out many areas where the allocation of fund was not sufficient to carry out the required activities, particularly in areas where there is less population, people living in poverty and where the land are is small. Menjay-Gangzur constituency Member also added that the problem of in-sufficient budget allocation for the planned activities was discussed and raised in Gewog and in the Dzongkhag Yargay Tshogdue (DYT).

The House resolved that since the allocation of fund for the Tenth Five Year Plan Budget has already been decided, it is imperative that the current system of allocation of funds be approved for the duration of the

Tenth Plan. The House also resolved that the issue would be revisited during the discussion of the budget in the Tenth Five Year Plan.

XVII. ANNUAL REPORT OF THE ANTI CORRUPTION COMMISSION (ACC)

The Chairman of the National Assembly's standing committee on Ethics presented the summary of the annual report for the year 2008 of ACC in the second session of the first parliament. The Committee also submitted about 13 recommendations to recognize and support the ACC and its works.

To this, the National Assembly Members opined that the report captures all the significant general activities and achievements of ACC. However, the names of the individuals in corruption are not reflected in the current report. If these names could be included in the future reports it would make the reports more comprehensive.

Some of the Members also questioned the appropriateness of the Ethics and Credentials Committee to present the Annual Anti-Corruption Report. In addition, most of the members submitted that based on the challenges specified by the ACC and 13 recommendations proposed by the Committee, it is crucial for the legislature, judiciary and executive to appreciate and render all possible support and

see which among the recommendations could be supported.

The Speaker said that, as submitted by the House, the Committee would deliberate on all the challenges of the ACC and recommendations thereof and resolve issues accordingly and concluded the deliberation for the day.

Continuing the deliberation on the report of the ACC, Hon'ble Member for Menjay-Gangzur constituency said that it is important to initiate measures to change peoples' attitude through single minded and strong solidarity ensure successful anti corruption works. If this could be done, it would not only serve the interest of the country and the people but also achieve the objective of Gross National Happiness.

Most of the Members submitted that, it is not only crucial for the Ministries and other organizations to render all possible support to prevent corruption as per the provision of the Constitution but also must execute without differentiation in a true and fair manner.

The Leader of the Opposition said that, although only three years has lapsed since the establishment of ACC, it has done very commendable jobs and declining cases of corruption year after year is also the indication of good work of the Commission. The government has also

empowered the Commission with huge power that is commensurate to its mandates. Therefore, it is important to use the power in a proper manner. He also said that the Commission needs to have capable employees and offered total support to the work of ACC.

The Member for Kengkhar-Weringla constituency submitted that, according to the report, many ministries and organizations do not accept and support the anti corruption works. He suggested that these kinds of issues could be better dealt through a tribunal from the Commission.

While the Speaker was about to open the deliberation regarding the 13 recommendations made by the Committee, the Prime Minister on behalf of the government commended the comprehensive report from the ACC. He expressed his appreciation to Ethics Committee for making a comprehensive report based on the report submitted by the ACC. He also said that the word corruption was not widely pronounced until last few years. While the word corruption may be new, corrupt practice is an old undesirable phenomenon that has been in place for a long time.

To this, the Prime Minister said that, after His Majesty initiated the deliberation and included in the draft

Constitution and instituted the ACC, people exchanged their views on corruption and expressed their opinions. In addition, the media organizations through print media, radio and television began to spread the information on corruption. However, owing to the newly established ACC, the people were not able to differentiate between corrupt and non corrupt acts. Therefore, there are continued practices of corruption in place.

He said that there are countable numbers of countries in the world, where democracy is not successful. Democracy has failed mainly due to the inability to prevent corruption. Therefore, if we cannot prevent corruption, Democracy will not be successful even in our country.

In addition, with regards to the recommendations in the report, the necessary support required from the different branches of government is clearly reflected. Therefore, it is not necessary to deliberate one by one. He submitted that it could be dealt through the office of the Prime Minister in consultation with the ACC accordingly by reviewing what is needs to be done and how it can be tackled. Moreover, it will be dealt through consultation among the three branches of the government and constitutional bodies such as Royal Audit Authority and

Royal Civil Service Commission and see the actions that need to be taken to expedite the actions and submitted to present a report thereof in the next session.

Although, corruption is decreasing due to the widespread awareness carried out by the media, the level of corruption is still high. Therefore, it is crucial to continually combat corruption. It is imperative for the government and private sector to provide support and submit a report on this in the next session.

The 13 recommendations presented by the Committee are as follows;

1. Government to expedite review and consolidation of anti-corruption laws with recommendation for corresponding changes in the other legislations;
2. Develop a standard policy and rule making protocol to avoid multiplicity and inconsistency of rules and policies;
3. All ministries and agencies ensure compliance of rules such as Bhutan Civil Service Rules 2006 e.g. operationalization of Code of Conduct, declaration of conflict of interest;
4. Private sector to develop and operationalize Business Code of Ethics;

5. Strengthen and standardize administrative penalties, especially on corruption charges so as to ensure consistency, fairness and transparency;
6. Ensure stringent and transparent system for recruitment of right people in leadership position;
7. Fix supervisory accountability to promote the culture of strong and quality leadership in bureaucracy;
8. ACC come up with National Anti-Corruption Policy Framework;
9. All Ministries and agencies develop anti-corruption measures and mainstream, in association with ACC (emphasis on service improvement-e.g. one-stop-services, service standards), reduction of cost such as administrative burden through Standard Cost Model tool) RCSC and ACC to partner in this area;
10. All ministries and agencies to take ownership of decentralized Asset Declaration system, which is an important tool to prevent corruption and enhancement of public officials accountability;
11. As long term measures, all education and training institutions to include integrity development and value education in the curriculum;

12. Strengthen the Office of Attorney General in terms of manpower and
13. ACC to be strengthened through conducive service conditions

The responsibility of preventing corruption generally falls upon all the Bhutanese people. However, if required, the Government should direct the concerned Ministry, ACC, Royal Audit Authority, Election Commission and legislature to assist and the Ethics and Credentials Committee and the and Public Accounts Committee are ready to provide any assistance and support required. As submitted by the Prime Minister, it was resolved that a report as to how many recommendations can be acknowledged and how many needs to incorporated in the rules would be submitted to the House. The Prime Minister commended ACC for excellent work performed so far and said that since ACC was established in accordance with the Constitution, it is crucial that that it functions as per the provisions specified in the Constitution. The deliberation on the annual report of the ACC was then concluded.

**XVIII.AMENDMENT OF COOPERATIVE ACT OF
BHUTAN 2001.**

During the deliberation on the Cooperative (Amendment) Act 2009 by the National Assembly, the Minister for Agriculture informed the House that the Act was amended in order to benefit the farmers and to improve trade through community cooperatives.

According to the Act, it is the responsibility of the Ministry of Home and Cultural Affairs but due to lack of human resource and professionals and since the Act is related to the Ministry of Agriculture, the Ministry of Agriculture has taken over from the Ministry of Home and Cultural Affairs. The Ministry of Agriculture keeping in mind the benefits of the farmers, has amended few clauses in the Act and submit the same for approval and support from the House..

While deliberating on the amendments proposed by Agriculture Ministry, none of the members opposed the amendments. However, the Leader of Opposition reminded the Agriculture Ministry that along with the development of the farmers' cooperatives it is important to also support and improve the textile and handicrafts industry. 92% of the members of National Assembly

supported the amendments and the following changes were made in the Second Session of the First Parliament.

1. This Amendment shall be called the Cooperative (Amendment) Act of Bhutan, 2009; and
2. It shall come into force on the 12 day of the 11 month of the Earth Male Bird Year of the Bhutanese calendar, corresponding to 8th January, 2009.
3. Article 2, sub section (2) of the Cooperative Act of Bhutan 2001, which talks about Primary Co-operative is amended as **Primary Co-operatives** means the first level of co-operative under this Act **formed either by individual farmers, individual non farmers, farmers' groups**, whose main purpose is the provision of quality products and services to satisfy the economic needs of the members and their communities.
4. Article 2, sub section (12) of the Cooperative Act of Bhutan 2001, which talks about Rule-making through consultation is amended as **“Rule –making through consultation** means the power and responsibility entrusted to the **Ministry of Agriculture (MOA)** to implement this Act by issuing implementing rules after consultation with stakeholders”.

5. After Article 2, sub section (19) of the Cooperative Act of Bhutan 2001, the following Article shall be inserted as herein under: **(20) Farmers group means a group of not less than three members deriving economic benefits from one or more economic enterprises related to Renewable Natural Resource Sector.**
6. Article 5 of the Cooperative Act of Bhutan 2001, is amended as “**The Ministry of Agriculture (MOA)** is mandated to implement this Act. It shall discharge the following regulatory powers and responsibilities”.
7. Accordingly it was decided that in the following sections Ministry of Home will be replaced by **Ministry of Agriculture** wherever necessary.
8. National Assembly resolved to amend the Cooperative Act of Bhutan 2001 as proposed by Agriculture Minister on 11th January 2009.

XIX. AMENDMENT OF LIVESTOCK ACT 2001

While deliberating on Livestock (Amendment) Act 2009, Minister for Agriculture informed the House the reason for amending Section 16.5 of Chapter 7 which deals with Fresh Meat Hygiene and Inspection. The Agriculture Minister submitted that more animals were slaughtered way ahead of time and the meat were stocked up resulting

in many cases of food poisonings and other health related problems. Therefore, it was proposed that slaughter of animals and sale of meat during whole of 1st and 4th Month of the Bhutanese calendar to be lifted except during the auspicious days. Many of the members seconded the proposal to amend the Livestock Act of 2001 as proposed.

To this, the Leader of Opposition suggested that before lifting the ban central monk body should be consulted. He said he will not support the motion without first carrying out consultations.

However, Members of National Assembly resolved to amend the Livestock Act 2001 by permitting it to hand raising votes. National Assembly amended the Livestock Act as follows:

1. This Amendment shall be called the Livestock (Amendment) Act of Bhutan, 2009, and
2. The Livestock Act (Amendment) shall come into force on the 12 Day of the 11 Month of the Earth Male Bird Year of the Bhutanese calendar, corresponding to 8th January, 2009.
3. In the Livestock Act of Bhutan 2001, section 16.5 of Chapter VII (*FRESH MEAT HYGIENE AND*

INSPECTION) is amended as “**The Ministry shall prohibit slaughter of animals and sale of meat on the auspicious days of 8th, 15th and 30th on the 4th day of the 6th month and on the descending day of Lord Buddha**”. 44 members of National Assembly by raising their hands resolved to amend the Livestock Act of Bhutan 2001 as proposed by Agriculture Minister on 11th January 2009.

XX. PROPOSAL TO STRENGTHEN LOCAL GOVERNMENT

1. Appointment of Gewog security personnel

The public of Nanong-Shumar, Khar-Yurung and Dagana and Paro Dzongkhag submitted that a Gewog caretaker be appointed in the Gewog centers established in all the Gewogs to safeguard important documents such as census records, land registration documents and other office equipment.

During the deliberation on the issues by the National Assembly, it was submitted that all planned development activities in the villages need to be implemented through the Gewog center. In order to strengthen the Gewog centre and the Local Government, huge sum of money was invested in the establishment of Gup offices. Since most of the officials live far away from the office, there is

a risk of losing important documents and office equipments. Hence it is very important that Gewog security personnel be appointed. Some of the Members submitted that instead of appointing Gewog caretakers, Chupons of respective Gewog should be paid extra money and made responsible. Since some of the Gewog centers are located in the urban areas where different kinds of people gather and it is possible that some problems might emerge. Therefore, it was submitted that it is crucial to have security personnel in the Gewog centre.

To this, it was suggested that in order to strengthen the local governance, under the direction of the Minister for Home and Cultural Affairs the relevant Ministries should discuss the issues according to the system of decentralization either during the review of the Local Government Act or during the annual meetings of the Dzongdags, Chairperson of DYT and GYT and then submit a report to the House. Furthermore, some of the Ministers reminded that it was important to provide opportunities to interested private people to discuss the issue instead of resolving it in the House.

Similarly the Speaker informed the House that it was imperative to provide support in order to strengthen the Local Government. He also reminded the House that the

submissions made by the Hon'ble Members should be considered while reviewing the Local Government Act in future. The House resolved that the issue would be discussed in the general conference of the local leaders consisting of Dzongdas and Chairpersons and submit a report in the next session.

2. Insurance Scheme

a) Rural Housing Insurance Scheme

The people of Dremitse-Ngatshang, Kengkhar-Weringla and Mongar constituencies submitted that the present system of insuring rural houses covers the risk of fire, earthquake and floods only. However, if the house is damaged naturally there are no insurance compensation and the house owners face difficulties in reconstructing their houses. In view of the problems faced by the people, it is submitted to either increase the rural housing insurance compensation or provide compensation for naturally damaged houses. Although, people have been paying insurance premium for more than 20-30 years, they have not received any compensation and have not been able to renovate their houses for a long time. Therefore, a compensation policy for the renovation of houses is required for the benefit of the people.

During the deliberation by the house on this issue, Leader of the Opposition said that, if we formulate the system of paying insurance compensation for the naturally damaged houses, it would pose problems to the insurance companies. However, it is crucial for the government to look for the alternative measures to solve the problems faced by the people.

The Finance Minister and Agriculture Minister submitted that the insurance companies function on a business model and having to pay more than what is collected as insurance premium would create problems. The payment of insurance compensation for all cases pertaining to natural damages other than the accidents would prove unsustainable and greatly affect the government budgets. Till now the government has been providing tax free timber and CGI sheets to the people.

Moreover, the Ministry of Agriculture has been providing free sand and stones to the people from respective areas. A study to review whether it would be better to provide timber or equivalent amount of money to the people while constructing a house is under way. The Ministry of Finance should review the above case.

The Speaker said that as submitted by the Finance Minister, it is hoped that these problems would be

addressed with the establishment of two to three insurance companies. The house concluded the deliberation on this issue and resolved that the Finance Ministry would discuss the matter with insurance companies and present a report in the next session.

b) Increase in annual life insurance premium

The people of Mongar Dzongkhag constituencies, Khilkhorthang-Mendrelgang under Tsirang Dzongkhag, Kabji-Talo under Punakha Dzongkhag, Chapcha-Bongo under Chukha Dzongkhag submitted that collection of Nu.30 per head every year as life insurance premium and paying Nu.10,000 as compensation could be raised to Nu. 60 per head per annum and increase the compensation to Nu.20,000. It was also submitted that the age of collecting life insurance premium could be reduced to 6 years from 8 years.

While the National Assembly deliberated on this issue, the Leader of the Opposition and Hon'ble Members submitted that the life insurance compensation should be increased according to the inflation rate. According to the Population and Housing Census conducted in 2006, the total number of deaths amounted to 4,550 people from the total estimated population of 6.5 million. Deducting the number of population below 6 years of age, the total

number of people eligible for life insurance compensation of Nu.10,000 each amounts to 3,500 people and the total compensation paid out would amount to 35 million. If the total numbers of people below 6 years of age are deducted from the total population of 6.5 million the actual population eligible for compensation would be about 5.5 million. With the collection of Nu. 30 per head from the total population of 5.5 million the fund would amount to 16.5 million, whereas the total payout amounts to 35 million resulting into deficit of Nu.18.5 million. However, till now this deficit has been borne by the government.

In line with the current situation, if the life insurance premium is increased to Nu. 60 from Nu. 30 and consequently increase the life insurance compensation payouts from Nu. 10,000 to Nu. 20,000, the total expenditure would increase to Nu.70 million and the total collection would amount to 32 million. However, if the life insurance compensation payout is increased to Nu.20,000 the deficit would also increase to Nu.37 million.

Even with the increase in life insurance premium from Nu.30 to Nu.60 and reducing the eligible age from 8 to 6 the total compensation payout would not be more than Nu.37 million. Therefore, in the interest of the people, it

was submitted to increase the life insurance premium and compensation.

Some of the Members submitted that most of the people face lots of difficulties in paying Nu.30 let alone being able to pay Nu.60 as life insurance premium. Therefore, it would be convenient if proper study is conducted by the Ministry of Finance in consultation with the insurance companies.

To this, Finance Minister reported that in the year 2002-2003 the total life insurance premium collected was Nu.13 million and the total compensation payout was Nu.29 million resulting into deficit of Nu.16 million. Similarly, there were deficits of Nu. 16 million in the year 2003-2004, Nu.15 million in 2004-2005, Nu.12 million in 2005-2006. Within the period of five years, the government has borne the loss of Nu. 28 million in terms of compensation payment.

With the increase in life insurance premium from Nu.30 to Nu.60, the total collection would amount to Nu.34 million, whereas, the total compensation payouts would be Nu.57 million. Therefore, every year additional amount of Nu.24 million would have to be paid from government fund. It is crucial to conduct study to ascertain the benefits

and detriments of reducing the premium paying age to 6 from 8 and develop alternatives to deal with such issue.

Accordingly, the National Assembly resolved that the Ministry of Finance, if possible should endorse the submissions of the Members and if not submit a report thereof after proper investigation in the next session.

3. Appointment of legal personnel at Gewog centre

Most of the issues arriving at the Gewog Administration office are legal matters. Therefore, the officials of the Gewog Administration office feel that their office should include workers with a legal background. This is due to the fact that the current workers are not qualified enough to resolve the legal matters.

When this matter was discussed in the National Assembly, the Members raised issue of how our nation currently does not have enough people who are knowledgeable in law.

In addition, one proposal from the Members was that students who have passed out from class 12 and who are unable to attend college should be given the opportunity to attend legal trainings which should go in accordance with the High Court. This way, those who have undergone

the legal training could support the Gewog Administration Office and could resolve the problem stated above.

Another proposal stated that officials who are currently working for the Gewog Administration could themselves undergo a similar legal training to resolve the issue.

However, according to some Members, the above two proposals will not solve the whole problem because the main authority to officially make a decision on a case is in the hands of the Drangpon. It was also mentioned that such an issue regarding the appointment of legal personnel at the Gewog centers will only devalue the National Assembly.

Developmental issues need to be raised during the ‘question hours’ only in order to avoid misunderstanding during the Assembly.

The Speaker responded that as the Members of the Parliament are representatives of the people, one or two issues which pertain to the people need to be discussed. The speaker believed it was a sensible suggestion to give legal trainings to those who are currently working at the Gewog Administration Office.

The Speaker mentioned that the agenda of the National Assembly is in accordance with the Constitution which

states that, the Local Government needs to be strengthened. Due to the importance of the Local Government, it is deemed necessary that all Members are aware of it.

Respected Ministries have stated that the Government is doing its utmost to help the people. However, due to shortage in budget, the government cannot solve the whole problem. Thus, there is no need to recruit new workers with a legal background at the Gewog Administration Office because the goal should be to have multitasking workers who are able to undertake different roles with the help of the internet.

The Ministries feel that legal official are unnecessary; however, the ministries are willing to examine the situation and see if new legal officials need to be recruited or if the current workers can undergo a legal training to help ease the situation.

The private sector proposed the establishment of law firms at the Ministry of Labor and some of the ministers encouraged the development of the private sector.

The Opposition Leader said it was reasonable to discuss Local Governance issues but felt that the authority of the Local Government should not be violated.

The House concluded that it will be a good practice to continue the legal trainings as it was previously conducted. He said that we must accept and include the issues raised by the people in the National as we are now a democratic nation. As a result, the Speakers reminded the Members that they are responsible for abiding by our nations Constitution when discussing issues.

4. Grant of annual entertainment allowance for Gewog centre

The public of Dremitse-Ngatshang, Kengkhar-Weringla and Mongar constituency informed the House that the Gewogs sees an increasing number of officials visiting every year for which private funds are used to entertain them. Therefore, it is submitted that a nominal amount be allocated to Gewog administration as annual entertainment allowance from the government.

During the deliberation on the issue the Members of Goen-Khatoe-Laya, Bumdeling-Tongshang and Gelephu constituencies and the Opposition Leader and Members from Bardo-Trong submitted that as requested by the Member from Drodrel constituency, the government should, if possible, allocate an annual entertainment budget to the Gewog or take strict measures to stop such

practices. It was also submitted that problems in collection of contributions arose because the reason for the contributions was not made clear. It was suggested that if the entertainment allowance was fixed at a minimum of five thousand, the total cost would be around Nu.10 lakh. The Members supported the proposal that the government should provide a nominal amount that would cover the cost of providing tea and snacks for the officials rather than host lunch for them.

In response, the Minister for Home and Cultural Affairs reminded the House that there were restrictions on collection of contributions for entertainment related purposes. Moreover, as already discussed during the tenth plan meeting regarding collection of contributions, the cabinet had issued an order restricting such activities. In addition, the Ministry for Home and Cultural Affairs has also issued a circular on February 2008 and reminded the Members to reflect on the prospect of government providing an entertainment allowance.

The Speaker urged the people to keep in mind the order issued by the government regarding the collection of revenue for entertainment purposes and reminded that the civil servants received travel and daily allowance while traveling. It was, therefore, important that the people be

aware that civil servants received travel and daily allowance from the government and in case collection was made for entertainment allowance people would be penalized according to the Anti-Corruption Act.

In support, the Members from Nganglam , Kabji-Talo, Chumey-Ura constituencies submitted that if the government had to provide entertainment allowance, it would add to the problems of the already financially burdened government. Moreover government official visiting the Gewog are already being given enough travel and daily allowance and therefore granting of additional allowance was not justified. In addition it was also submitted that the rationale for collection of contributions should also clearly laid out and. Furthermore, as submitted by the Member from Mongar, the government should study the possibility of providing such entertainment allowance and if required, the assembly would support the proposal. If it was not possible, then the previous office order circulated by the Ministry for Home and Cultural Affairs should be reinforced.

In addition, the Minister for Labour and Human Resource submitted that entertainment allowance could be paid from the current expenditure of the local government according to the increase in tax revenue after formulating

strict policies. The member from Athang-Thedtsho constituency submitted that strict rules and policies should be formulated by the Ministry of Home and Cultural Affairs since there many problems related to entertaining government officials visiting the Gewogs.

The Finance Minister said that officials visiting the Gewogs are all government employees who are being paid salaries and travel and daily allowance. If the government has to pay them entertainment allowance it would hinder the government's policy of achieving self sufficiency and self reliance. Therefore, it is suggested that allowance be paid from the local tax revenues collected from the villages.

In addition, Minister for Works and Human Settlement, Agriculture Minister, Health Minister and Member from Kabji-Talo constituency submitted that since a meeting is to be held between Dzongdas and Gups regarding the authority accorded to the Local Governments as per the Local Government Act, it would be best if the issue of entertainment allowance is discussed during the meeting.

The National Assembly resolved that the grant of annual entertainment allowance would be discussed during the meeting soon to be held between the Dzongdas and the Gups.

5. Reduction of Zhaptog Lemi contribution

The Member from Drakteng-Langthel constituency submitted that in all the Dzongkhags there is a system of contributing labour force as Zhaptog Lemi, however, in some Dzongkhags the contribution exceeded 15 days which contravened the decision of the 84th Session of the National Assembly. Therefore, it was submitted that the number of days required for labour contribution be reduced as far as possible.

On the onset of the deliberation, the Speaker reminded the Assembly that the discussions should be held in line with Article 7 section 11 of the Constitution of Bhutan which states that, “A Bhutanese citizens should have the right to equal pay for work of equal value.” During the deliberation on the issue, the Members of Ugyentse-Yoeseltse, Bardo-Trong, Thrimshing, Khamdang-Ramjar, Lhamoizingkhag-Trashiding constituency submitted that it was inevitable for the Dzongkhag administration to study the working of the Zhapto Lemi contribution and they submitted that the people would be grateful if the number of days required for Zhapto Lemi is reduced since people have to put aside their farm work for Zhapto Lemi.

It was also submitted that compulsory Zhapto Lemi should be completely removed although the Assembly had no say in case the villagers themselves planned on community development and agreed on labour contribution. The Members and the Deputy Speaker supported the endorsement of a minimum and maximum of 15 days of labour contribution.

In case of construction of community schools and Bhutan Health units /outreach clinics only the service for carpenters were paid whereas works related to masonry and other constructions were not paid at all. Therefore, it was submitted that the system of Zhapto Lemi be streamlined or reduced for the benefit of the people.

The Speaker said that the Government had introduced the system of Zhapto Lemi for the benefit of the people. Despite the great benefits that Zhapto Lemi has accrued to the people it has also been a source of problem for them. This was discussed in the 84th, 85th, 86th and 87th session and it was resolved in the 85th session that Zhapto Lemi would be stopped after the completion of the Ninth Five year Plan. It was also resolved in the 87th session that contribution to Zhapto Lemi would be reduced as far as possible. The speaker also reminded the assembly that reduction of Zhapto Lemi would contravene with the

policy to reduce expatriate workers in the country and realize the goal of making ourselves a self sufficient and self reliant country. The Speaker also reminded the Assembly that it should keep in mind the Articles of the Constitution of Bhutan.

In support, Members from Ngatsang and Karbe, Menbi-Tsengkhar, Chapcha Constituencies, the Opposition Leader and the Agriculture Minister submitted that as it has already been resolved that Zhapto Lemi contribution would be 15 days, in case of need for expansion and renovation of farm roads only 15 days of labour can be availed, therefore, the government should carefully study and be aware of the existing system of Zhapto Lemi. The Ministry of Home and Cultural affairs should strictly regulate the contribution of Zhapto Lemi and see to it that it is not being misused for private purpose. It was also suggested that a meeting be held regarding the system of contribution of labour and payments and a report be submitted to the Assembly. It was also imperative that the people understand the financial shortage that the government has and contribute labour whenever possible. The Members also submitted that 10-15 days of labour contribution was reasonable. It is understood that people especially living in the south having family of three to two Members faced problems when they had to contribute to

labour in addition to taking care of their crop and taking turns standing as security. Therefore, it would be in the interest of the people if the contribution of Zhapto Lemi is reduced. Most importantly, the people themselves have the authority to formulate plans and therefore if the system of Zhapto Lemi is streamlined according to it, there would be no problems.

In response, the Minister for Works and Human settlement informed the Assembly that the problem of Zhapto Lemi arose in the Dzongkhag and Gewog mainly because the system of Zhapto Lemi was not clearly conveyed to the people and because of the ambiguous system. He submitted that the 1996 Act should be repealed and that the system of Zhapto Lemi should be removed.

However, it was important that the three sections regarding People's Participation, Local self reliance and decentralized decision making be up held. The Minister also suggested that current system be continued under the direction of local leaders in cooperation with concerned villagers. In the instance that basic health units/ hospitals need to be constructed, a system to sign an agreement between the government and the people and the local leaders, should drawn up.

The Speaker said that since the discussion revolved around the idea of removing the system of Zhapto Lemi there was no harm in repealing the Zhapto Lemi Act. In addition, the government supports the construction of new irrigation cannels, drinking water and mule tracks. However, as per the 87th session of the Assembly, minor works in the rural are still being carried out carried out under Zhabto Lemi. The Speaker reminded the Assembly that such practice cannot be changed and it was important that the present system be maintained. He said that a system of signing and agreement by the Local Government is a very good proposal.

In addition, Members from Phuentsholing, Nyisho-Sephu, Goen-Khatoe-Laya constituencies submitted that poor people living in the south who also had to contribute their time in standing guard as security in the border areas in the night should be exempted from Zhapto Lemi. However, some Members opined that, since there are not many Bhutanese who are interested in manual work and in order to prevent influx of expatriate workers from flooding the country, that the Zhapto Lemi Act should not be repealed. In case of development works that the people cannot carry out, then works should be carried out according to the policies laid out by the Ministry of Home and cultural Affairs. For example the government should

provide assistance in the construction of community schools, irrigation channels and farm roads and if not possible then the people should themselves contribute. It was also suggested that the system of Zhapto Lemi should once again be revised and revisited.

In addition, the Ministers for Home and Cultural Affairs, Works and Human Settlement, Education, suggested that the word Zhapto Lemi be removed while retaining the three main principles of the Act. Moreover, since there were a lot of differences in the quality of work of different contractors from different regions, it was suggested that work should not be contracted out to the contractor from the same region but to those who provide better service worth the funding from the Government. Since the construction of school was different from other constructions, it was submitted that the construction of community schools under the Ministry of Works and Human settlement was inappropriate as it did not fall under the three main aims of Ministry of Works and Human Settlement. It was suggested that the resolution of the 87th Session of the Assembly be upheld as it had taken into consideration the benefits to the people.

The House resolved to repeal the 1996 Zhapto Lemi Act. However, the construction of village lhakhangs, drinking

water, irrigation channels, renovation of farm roads and bridges will be carried out by the villagers themselves as resolved in the 87th session of the Assembly. In case of construction of new farm roads, the Government will provide the necessary machineries while the beneficiaries will provide labour as per the resolution of the 85th Session of the Assembly. The House was reminded that, incase of contracting out construction of community schools, the people still had to provide labour and in the absence of Zhapto Lemi the Local Government should make an agreement on specifying the categories of Zhapto Lemi and implement the work.

6. Abolishment of Chupon system in the Gewog

The Member from Drakteng-Langthel constituency submitted that the Tshogpas were elected and paid for their services in the communities. Further, a representative from each household is required to serve as Chupon on rotational basis and basically entrusted with the task of calling people to *zomdues* and make collection for community purpose. Since these responsibilities can be carried out by the Tshogpas, it was submitted that the system of Chupons be abolished and the salary of the Tshogpas be enhanced.

During the deliberation, Members from Kabji-Talo, Jomo-Tsangha-Martsala, and Phuentsholing constituencies submitted that the system of Chupon should not be abolished as Gewog related works were mostly carried out through Zhapto Lemi. Instead the salary of the Chupon should be increased.

In response, the Minister for Labour and Human Resource and Minister for Home and Cultural Affairs submitted that according to the Constitution, it is important that we maintain the current system in the Gewogs and the Dzongkhags since the system of Chupon existed from a long time it was not necessary to discuss the issue. Moreover, the responsibilities of the Chupon have reduced as compared to earlier days.

The Speaker reminded the House that all discussions and decision of the Assembly should be in line with Article 7 Section 11 of the Constitution, which states that, a Bhutanese citizen shall have the right to equal pay for work of equal value. The discussion on Zhaptog Lemi was along the same lines. Therefore, it is imperative that a uniform system be followed while carrying out any activity. The Speaker suggested that the system of Chupon be abolished and that the responsibilities of the Chupon be taken over by Tshogpas.

The Prime Minister said that the government was unable to pay the Chupon despite the fact that they served the Gewogs, the government and the people. The Prime Minister reminded the Assembly that it was important thing to bear in mind that our goal was to achieve self reliance and self sufficiency. Therefore, it was important that the people serve the country by providing labour in lieu of financial support. Moreover, considering the current situation of the villages it would be best if the authority to remove or continue the system of Chupon in the village is left to the Gewogs. However, it was suggested that the issue be discussed during the review of the Local Government Act. The Health Minister and the Member from Menjay-Gangzur constituency submitted that the abolishment of the existing system of Chupon would affect the working of the Gewog and suggested that the current system of Chupon be revisited and revised as required.

The House resolved that the existing system of Chupon would be discussed in the meeting to be held with the Dzongdas and Gups and accordingly, changes will be incorporated in the review of the Local Government Act.

7. Construction of Nichula Gewog office

The public of Lhamoizingkhag-Trashiding and Drujeygang-Tseza constituencies, Dagana Dzongkhag submitted that since Gewog office is imperative for the

development of the Gewog, construction of a Gewog office in Nichula was required.

During the deliberation on the issue, the Minister for Home and Cultural Affairs informed the Assembly that construction of Gewog offices is already included in the Ninth Plan. Furthermore, designs have already been prepared by the Ministry of Home and Cultural Affairs in consultation with the Ministry of Health. These construction plans have already been distributed and it was the responsibility of the Gups and Dzongkhag Administration to initiate the work. The Minister also informed the Assembly that construction of more Gup offices in 204 Gewogs were included in the Tenth Five Year Plan.

The House resolved that as submitted by the Minister for Home and Cultural Affairs, the construction of Gup offices where required should be constructed as per the Tenth Plan.

8. Establishment of Micro banking facilities at Gewog centers

The public of Dremitse-Ngatshang, Kengkhar-Weringla and Mongar constituencies submitted that the civil servants working at the Gewog center had to go all the way to the Dzongkhag for banking purposes. This resulted in a waste of time and resources. The civil servants

therefore, requested that micro banking facilities be established in the Gewogs. The Member from Menjay-Gangzur constituency supported the proposal citing personal experience.

During the deliberation on the issue, the Finance Minister acknowledged the problems faced by the people in the Gewogs and agreed that the establishment of micro banking facility would benefit the people. In addition, the Minister also said, in the absence of a financial institution to carry out financial transactions, it would prove difficult for the decentralization policy of the government to succeed. However, the Minister submitted that the Ministry of Finance after meeting with the Royal Monetary Authority would establish micro banking facilities at the Gewog center for the benefit of the civil servants and the people in the Gewogs.

The National Assembly resolved that as submitted by the Finance Minister, micro banking facilities at Gewog centers will be established by the Finance Ministry.

9. Recruitment of RBP and Forest personnel at Bara and Tading Gewogs

The public of Bara and Tading Gewog under Samtse Dzongkhag submitted that these Gewogs shared border with the Indian State of West Bengal. Owing to its

proximity, they faced lots of problems such as smuggling of forest products and posing security risks. To mitigate these problems, the public of Bara and Tading Gewogs would like to request the government to deploy RBP and Forest personnel to these areas in order to reduce illegal trading of forest products and to protect the country's natural resource.

The Member of Bongo-Chapcha constituencies and the Education Minister submitted that the eight villages of Darla and Bongo Gewogs lies in close proximity to the border and the people living in these areas face security problems. It was submitted that it was imperative for the RBP and forest personnel be stationed in these areas to strengthen security.

During the deliberation on the issue, the Home Minister informed that additional appointment of police and forestry officials would depend on the number of crimes in the area. However, considering the prevailing crime rate in the two Gewogs, it does not warrant any additional placement of police and forest officials. In addition the current police force in Bindu could also cover Bara Gewog. It has been reported that there are 14 police personnel currently stationed and in addition a police officer will be appointed by April 2009. The Minister also

informed that as submitted by the people the Minister would himself look into the matter and take the necessary action.

Furthermore, the Agriculture Minister said that the Government had been formulating policies to protect our natural resources from being misused by the people from across the border and these policies would soon be implemented. The Minister also informed that deployment of personnel was not adequate and necessary equipment to protect themselves were required because without it, their lives would be endangered. In addition, the forest department is already working towards carrying out necessary steps to protect our forests.

The Speaker informed that, with the deployment of RBP and forest personnel in the south after the experiencing security problems, security has tightened and till date no security breach has occurred. He reminded that as submitted earlier, it was important that the concerned Ministries continue work to strengthen security in these areas. He reminded the House that it was important that the people themselves take on the responsibility of protecting the area because it was usually the people within the villages that resorted to such illegal activities.

The National Assembly commended the Minister for Home and Cultural Affairs in taking on the responsibility of reviewing the requirements of appointment of RBP and forest personnel in Bara and Tading Gewog. The Assembly also resolved that it was important for security to be strengthened and security personnel working in the border areas must also be mindful of their work to maintain the independence of our Country.

10. Establishment of new Gewog

The Member from Menbi-Tsengkhar constituencies submitted that creation of new Gewog for Jarey and Metsho Gewog needs to be considered because the people living in these Gewogs face problems due to the large number of people and households living there. Similarly, Member from Dorokha-Tading constituency and the Education Minister submitted that although the issue of bifurcation of Dorokha and Shengdeng Gewog was discussed in the past it has not yet been implemented. Therefore, the Members resubmitted the issue for due consideration. Furthermore, representing Radhi-Sakteng constituency, the Finance Minister submitted that the people would be grateful if Phongmey Gewog could be bifurcated into two Gewogs as submitted earlier in 1992 considering the large area, households and population of the Gewog.

Speaking on the issue, the Speaker reminded the Assembly that, according to Article 1, Section 4 of the Constitution, the territory of Bhutan shall comprise twenty Dzongkhags with each Dzongkhag consisting of Gewogs and Thromdes. Alteration of areas and boundaries of any Dzongkhag or Gewog shall be carried out only with the consent of not less than three-fourths of the total number of Members of Parliament. Therefore, it is important that the decision of Gewog bifurcation be taken by the Parliament as laid out in the Constitution.

During the deliberation on the issue, Members from Wamrong, Bardo-Trong, Drakteng-Langthel constituencies, the Opposition Leader, the Minister for Labor and Human Resources, Lyonpo Dorji Wangdi, submitted that since there will be many cases of Gewog bifurcation from other Dzongkhags, it is suggested that a list of Gewogs that required bifurcation be drawn up and submitted to the government which could then be studied together. Moreover, it was important to take into consideration the problems of the people and secondly the basis of Gewog bifurcation needs to be clearly defined by the Government.

At a time when our Government is facing financial deficit, it is imperative that the Government carefully consider the

creation of new Gewogs and Dungkhangs. It was suggested that with increasing development of communication facilities it would be best if Gewogs were merged together instead of being bifurcated. It was also suggested that Gewog branch offices be established in Gewogs which faced difficulties. In addition, the Tenth Plan has already been formulated and budget has already been allocated. Therefore, to avoid financial setback that might occur if Gewog bifurcation is included in the current plan it is recommended that Gewog bifurcation be done after the Tenth Plan.

The Prime Minister responded that, earlier the Home Ministry had the authority to decide on the bifurcation of Gewogs having large boundaries along with the Cabinet and the National Assembly. He also said that, now with democratization and according to the Constitution, three fourth consent of sitting Members of the Parliament is required for initiation of any change to the boundary of a Gewog and formation of a new one. The Prime Minister also submitted that in the process of reviewing the Tenth Plan, the Ministry for Home and Cultural Affairs would scrutinize the requisite boundary alteration of Gewogs. A report shall be then submitted to both the Houses of the Parliament prior to the beginning of Eleventh Plan. The

Minister for Works and Human Settlement also expressed similar views.

The Members from Goen-Khatoe-Laya and Drakteng-Langthel constituencies, Minister for Information and Communication and Minister for Education submitted that number of Gewogs should be abated instead of being expanded. It was said that with democratization, time has come where by the elected members and Gups have to approach the people instead of later approaching the former. It was then suggested that any matter related to the creation of a new Gewog would be better if consulted with the people.

The Minister for Home and Cultural Affairs submitted that the National Housing and Population census report of 2005 reflected the uneven distribution of households in Gewogs. It was also submitted that while deliberating on the creation of a new Gewog long term benefits should also be taken into consideration. In order to create a new Gewog a minimum of 429 households is required. The requirement for the creation and bifurcation of Gewog exist in all the Dzongkhags. Hence it is of utmost importance to scrutinize the matter properly. Then it was submitted that the Ministry for Home and Cultural Affairs would jointly work with the concerned Ministries and

submit a report to the next session of Parliament routed through the Cabinet.

In the absence of standard rules on the bifurcation of Gewogs, the National Assembly resolved that the Ministry for Home and Cultural Affairs would examine the issue carefully and submit a report during one of the sessions in 2012.

XXI .QUESTION HOUR FOUR

1. Finalization of Dagana Dzongkhag Township

Drujeygang-Tseza constituency Member submitted that the people of Dagana Dzongkhag faced problems due to lack of space for expansion of township. The site identified by the government has for town expansion it is unstable. Therefore, the Members questioned the government on future plans regarding the issue.

The Minister for Works and Human Settlements said that it was important for towns to expand to keep pace with increasing population in the country. Although it is the policy of the Government to develop the Dzongkhag town centers, it has not been able to due to lack of budget. The main reason for not being able to expand the town is due to the steep topography of the Dzongkhag and the unstable soil. The Minister informed that the Government

is studying the feasibility to stabilize the current area identified for town expansion besides studying the possibility of establishing a tertiary town in Dagapela.

2. Establishment of Basic Health Unit (BHU) and Drinking Water Supply

The Member from Dremitse-Ngatshang constituency sought clarification on the plans to establish a Basic Health Unit and an indigenous hospital. Further, he submitted that the requirement of an approval from the concerned Ministry for distributing drinking water in the rural areas has been seen as a bottleneck.

The Health Minister informed the House that the Government had plans to establish indigenous hospitals uniformly by seeking both internal and external funds. In line with Government policies for health services, the Ministry is conducting field researches in all the Dzongkhags on the need to set up indigenous facilities in all the 20 Dzongkhags along with the BHU. He also informed the House that there are plans for doctors to visit existing health units. With regard to rural drinking water supply the Health Minister said that the distribution of rural drinking water supply is planned to be carried out in the third phase in consultation with the Ministry of Works and Human Settlement. Technical training for the

individuals assuming the responsibility of taking care of the drinking water supply shall be provided. In order to address the problem of having to obtain approval from the Ministry, the authority will be handed over to the Dzongkhag.

3. Problem of Shortage of Doctors

The Member from Bumdeling-Tashiyangtse submitted that every one was aware of the shortage of doctors in Dzongkhag hospitals. He also reminded the new government's election promise to solve the problems related to the shortage of doctors and other health workers. A clarification was then sought on the government's plans and policies to solve the issue.

In response, the Minister for Health said that system of Basic Health Units in Bhutan is exemplary to the entire world. He informed the House that as approved by the Cabinet, the Government has recruited 26 specialists including 17 women specialist from Myanmar and orthopedists from America. The government has also sent many class XII graduates for medical studies with 60 students already pursuing MBBS in Sri Lanka. It was also informed that the Ministry of health is recruiting 25 nurses jointly with RCSC for training and the present

Institute of Health Sciences would be upgraded to a medical college.

The Minister also reported that currently there are 46 Specialists in the country and despite the presence of a proper system, it could not be implemented. He however said that plans to implement these systems are being developed as in other countries which will hopefully solve the problem.

4. Prohibition of Alcohol

The Leader of Opposition submitted that alcohol is widely used in our society both for religious and social purposes. However, as the country progresses there are increasing number of people who resort to heavy drinking habits. This not only causes health problem but also disrupts families and social fabrics. Therefore, he questioned about the plans and policies to address this problem.

To this, the Health Minister responded that alcohol related problem is a cause of concern for all Bhutanese people. The Minister reported that in 2007 there were 1947 alcohol related patients, which is 7% of the total patients reported. Of the 1947 alcohol related patients, 47 % were related to alcohol consumption, 34% were due to spirit consumption, and 24% were due to beer consumption. The statistics revealed that, the number of home brewed

alcohol consumers has dropped drastically and the number of beer consumers has increased. The Minister reported that the Ministry is striving to solve the alcohol related family and social problems in collaboration with the concerned organizations. He also informed that the issue was raised many times in the past sessions and many rules pertaining to the use of alcohol were formulated. He solicited support to implement the rules henceforth. He also informed the House that there is a plan to establish an information center on the dangers of alcohol and new rules are being formulated by the Ministry. However, it is very important that we all extend our support to implement and enforce the existing Acts and rules.

5. Budget for motor road construction at Gyelposhing

The Member from Menjay-Gangzur- constituency asked the Government on the Nu.120 million budget allocated for the construction of road at Gyelposhing, which later dropped to Nu.70 million and questioned about future plans.

The Minister for Works and Human Settlement responded that the main objective for the construction of motor road at Gyelposhing was to benefit the eastern Dzongkhags. The bid amounting to Nu.220 million was turned down by the government during the tender opening on 29

September, 2005. The work was re-tendered and the Government also decided on the implementation of some changes in the motor road plan. He also reported that M/s Tshering Construction completed 80% of the work with its bid amounting to Nu.49 lakhs in the re-tender. He further added that the Ministry is leaving no stone unturned while working for the construction of the road. He also informed on the meeting the Ministry had with the contractors. During the meet, the Ministry briefed on the procedures and implementation of the works. The reduction of amount in tender through syndicate was discussed as well with Government assuring to take stern action on such manifestation of corruption.

The Speaker expressed that the Government was aware of such corrupt practices. Nevertheless due to inadequate move by the Government, tribulations are being faced to tackle such corrupt practices.

6. Tenancy Act of Bhutan, 2003

The Member from Menbi-Tsengkhar constituency questioned the Government on the improper implementation of law notwithstanding the endorsement of the Tenancy Act of Bhutan, 2003. He informed the House that there was unreasonable hike in the rent by some landlords and some even increasing the rent twice in

a year. This has given rise to hardships for the civil servants with low income. He asked about Government's plans and support to implement the law accordingly and to build quarters through National Pension and Provident Fund (NPPF) for the welfare of civil servants.

The Minister for works and Human Settlement responded that there were mainly two reasons why the law was not implemented accordingly. Firstly, though the law implies on every body, the Ministry's authority is confined to urban areas causing inability to implement the law. Secondly, the number of people surpassed the number of houses. Therefore, the landlords charge the rent in their favor. The Ministry is also working towards a solution and will soon announce the requirement to draw an agreement between the tenant and the landlord.

He also added that the Ministry would provide land and every support for the construction of houses through National Pension and Provident Fund (NPPF) if there is a proper plan and program.

7. Conversion of farm road to feeder road

Member of Thrimshing constituency sought clarification on the possibility of converting farm road to feeder road in the Tenth Plan as it is mandatory to construct

bridges for farm roads whether the farm roads are of 10 km or 5 km.

To this, the Minister for Works and Human Settlements clarified that as per the policies, the Ministry of Agriculture is the main coordinating agency for farm and feeder roads. However, the Ministry of Works and Human would come up with a proper guidelines and strategies for construction of various roads and submit to the Cabinet for further consideration.

XXII. SECURITY PROTECTION FOR MEMBERS OF PARLIAMENT

The people of Lhamoizingkha-Tashiding, Drujeygang-Tseza constituencies under Dagana Dzongkhag submitted for the security arrangement to the Honorable Members when they travel for meeting to the Southern Dzongkhags.

During the deliberation on this issue, the Members from Drugyelgang, Bongo-Chapcha, Dogar-Shaba, Ugyentse-Yoeseltse, Menjay-Gangzur constituencies seconded the submission. Since there is news of Indian militants re-entering Bhutan it is imperative to make security arrangements before any problem arises in the security risk areas. It was submitted that, it was not appropriate for the Members themselves to table the issue regarding security protection for Members of Parliament and that

the government should take the initiative. It was submitted that if possible, security arrangements should be made for all civil servants above the director level.

To this, the Minister for Home and Cultural Affairs reminded that security is being provided till now and a system to strengthen the security is being developed which would be implemented accordingly in future.

Further, the Members from Lingmu-Toewang, Bji-Katsho, Goenkamey-Lunana, Kengkhar-Weringla, Athang-Thedtsho constituencies and the Leader of the Opposition reiterated that there are news of security problems and warranting security arrangements to prevent problems. Therefore, it was submitted that security arrangements was not only necessary for the Members and civil servants but for all people. In accordance to the authority and responsibility for security arrangements vested in the government, it is necessary to formulate security measures. However, security should not be left up to the government alone. It should also be complimented by developing life insurance policies and schemes.

The National Assembly resolved that since security is important for all the people, it is crucial to implement it with accordance to the security system being formulated by the Ministry of Home and Cultural Affairs to further strengthen the security.

XXIII. ISSUES RELATED TO MOTOR ROADS

1. Need for utilization of machineries in the reconstruction of motor road

The Member from Nganglam constituency submitted that the system of designing roads is based on the existing one, which needs to be upgraded to the international design level in constructing National Highways, feeder roads and farm roads to avoid future problems related to roads.

During the deliberation, on the issue, the Members were of the view that it is important to expand the highways and make it more convenient for travelling. In doing so the government is requested to consider widening the Thimphu-Phuentsholing highway making it double lane roads, depending on the availability of budget. One of the Members opined that if the Ministry of Works and Human Settlement considers implementing the recommendations made by the Royal Audit Authority (RAA) as reflected in the Public Accounts Committee report, then it would be adequate to address the above problem.

The Leader of the Opposition said that although there is a need for expansion of Trashigang-Samdrup Jongkhar highway, it would be more appropriate if the budget for the expansion of highway is used for construction of roads

in the villages of the six eastern Dzongkhags which have no road connectivity. The Members from Dewathang-Gomdar and Menjay-Gangzur constituencies supported the submission as the motor road would greatly benefit the people of the six Eastern Dzongkhags.

Furthermore, the Minister for Home and Cultural Affairs said that the Government has prioritized the expansion of Samdrup Jongkhar-Trashigang highways because it is highly beneficial to the people of the six eastern Dzongkhag which is densely populated. The Minister further urged that there is a need to expand the highway to facilitate transportation of heavy construction materials for the upcoming Hydro Power Projects and for safety of tourist travelling from Guwahati in view of the fact that the Government has plans to construct an Airport in the East. .

The Member from Bardo-Trong constituency submitted that even though there are not many vehicles plying on the Zhemgang-Gelephu road, it is crucial to be cost sensitive and consider the expansion of road while carrying out maintenance of the road such as construction of drains, retention walls and black topping of roads. This will benefit establishment of Mangdi Chhu and Dhigala Hydro Power.

It is felt that more money is wasted in small projects although construction experts of Ministry of Works and Human Settlements study the project before its implementation, which needs to be reviewed. In support, the member from Kabji-Talo constituency reminded that the issue raised is very important and the Roads Department needs to carefully review the matter. The Member also added that all major highways need to be expanded into double lane roads. While we recognize the importance of expanding highways in the six eastern Dzongkhags, it is equally important that the procedures of the National Environment Commission are followed.

In response, the Minister for Works and Human Settlement briefed the House on the existing policies and procedures regarding the construction of motor roads. The Minister also explained that while it is necessary to consider the impact on the environment we should also consider the conveniences to the people and availability of funds. The Minister for Economic Affairs said that the people should be grateful to the Indian government for having granted aid for the expansion of the Samdrup Jongkhar-Trashigang highway, which will greatly facilitate the transportation of equipments for the already approved construction of a hydro project in the Eastern Dzongkhag.

The National Assembly resolved that the Ministry of Works and Human Settlement is working on the guidelines and strategies for construction of different types of roads and will soon be discussed in the Cabinet. It is imperative that the Government construct roads as per the guidelines based on equity and justice. The Assembly reminded that while formulating road polices, it is important to draw up a list of types of roads existing in the Dzongkhags and the Gewogs which would help identify the places that have road network for discussion in the Tenth Plan and help promote balanced development.

XXIV.ROYAL BHUTAN POLICE BILL 2008.

During the deliberation on the Police Bill, the Minister for Home and Cultural Affairs while introducing the Bill highlighted on the establishment of the Royal Bhutan Police in the country. He said that the Royal Bhutan Police was established by the late His Majesty the Third King on 1st September, 1965 under the Ministry for Home and Cultural Affairs. With the change in time, the Royal Bhutan Police was later incorporated as one of the three service branches of the armed forces. The Minister also extended appreciation and gratitude to the Royal Bhutan Police for maintaining law and order not only in Dzongs, temples monasteries and others but also during the momentous trio events of 2008.

Given the importance of the Royal Bhutan Police in the country, the Minister informed that according to Article 28 of the Constitution it was incorporated under the Ministry for Home and Cultural Affairs.

The Minister further added that with the increase in population, the incidence of crime has also increased in the country. Hence, while deliberating the Police Bill it was important to consider both the present and future circumstances.

It was also informed that there are currently eleven Divisions of the Royal Bhutan Police in twenty Dzongkhags headed by Division Superintendents. Henceforth, according to the situation of the country every Division in the country shall be headed by a Deputy Superintendent. The Minister also said that the Government shall solve every problem given the significance of the Royal Bhutan Police..

The Hon'ble Members of the National Assembly enacted the Bill with the following amendment.

1. Title of the Bill

The Title of the Bill is amended in the Dzongkha text only.

2. Preamble

In keeping with **Article 28 of the Constitution of the Kingdom of Bhutan** with the objective of protecting and safeguarding the society and in order to strengthen and promote the primary responsibility of the Royal Bhutan Police for maintaining law and order and prevention and detection of crime, ~~the National Assembly of Bhutan hereby during its 87th session, enacts the Royal Bhutan Police Act.~~

Parliament of the Kingdom of Bhutan do hereby enact the Royal Bhutan Police Act 2009 at its Second Session of the First Parliament as follows:

3. In Chapter I, Preliminary, Section 1(b)

Change incorporated in the Dzongkha text only.

4. In Chapter II, Section 3

The Royal Bhutan Police shall, as a trained uniform force under the Ministry of Home Affairs, be primarily responsible for maintaining law and order and prevention of crime, and shall also be considered an important part of the nation's security force.

5. In Chapter III, Section 4

The Minister for Home and Cultural Affairs ~~may, from time to time,~~ **shall** give directions to the Chief of Police in

matters related to law and order, prevention of crimes and development of Police in the country to make it people friendly and professionally efficient.

6. In Chapter III, addition of a new clause after Section 5 (f) as “ report on human traffickers” and (i) is amended as “Motor Vehicle accident report from time to time;”

7. In Chapter III, addition of a new clause as Section 5 (h) (iv) as “Report on Children in conflict with law;”

8. In Chapter III, Section 9

Whenever there is a **threat of** serious breakdown of law and order affecting internal security of the country, the Chief of Police shall seek guidance and directions from the Minister for Home and Cultural Affairs for dealing with such situations.

9. In Chapter III, Section 10

Change incorporated in the Dzongkha text only.

10. In Chapter IV, Section 12

Administration of the Police Force ~~by the Chief of Police~~

The Royal Bhutan Police shall be administered ~~independently~~ in accordance with the provisions of this Act and the Chief of Police shall be responsible for ensuring its proper administration.

11. In Chapter IV, Section 13

The word “recommendation” in the Dzongkha text is changed.

12. In Chapter IV, Section 15

The roles and responsibilities of the Police Officers under Section 14 of this Act shall be as per Police Service Rules and Regulations which may be amended from time to time as recommended by the Police Service Board and approved by **the Minister for Home and Cultural Affairs.**

13. In Chapter IV, Section 17

Change incorporated in the Dzongkha text only

14. In Chapter IV, Section 18

The Chief of Police, **the Additional Chief of Police and the Deputy Chiefs of Police** shall be appointed by ~~His Majesty~~ the Druk Gyalpo, by warrant under His hand and seal, from among the list of names recommended by the Prime Minister from the list submitted by the Police Service Board based on seniority, qualification and capability.

15. In Chapter IV, Section 19

The Chief of Police shall be retired or ~~dismissed~~ **removed** from service by ~~His Majesty, the King~~ **the Druk Gyalpo**

on the recommendation of the Prime Minister on the grounds of proven gross misbehavior and inefficiency.

16. In Chapter IV, Section 20 (a) and (b) is deleted since it is already mentioned under Section 18.

17. In Chapter IV, Section 21

Change incorporated in the Dzongkha text only

18. In Chapter IV, Section 21(e)

The National Assembly resolved to retain the provision as provided in the Bill

19. In Chapter IV, Section 24

The word “ Identity card” is changed in the Dzongkha text.

20. In Chapter IV, Section 25

The word “ release” is changed in the Dzongkha text

21. In Chapter V, Section 27 (p) and (q)

(p) Provide ~~duties~~ **security** for the protection of VIPs;

(q) Provide ~~duties~~ **security** for the protection of vital installations;

22. In Chapter V, Section 28

Change incorporated in the Dzongkha text only

23. In Chapter V, Section 28 (a)

Change incorporated in the Dzongkha text only

24. In Chapter V, Section 28 (d)

The words “EVM”, “Polling centers” and “Counting centers” are changed in the Dzongkha text.

25. In Chapter V, addition of a new clause after section 28(f) as

Provide security to candidates where necessary;

26. In Chapter V, Section 29

No person of the Royal Bhutan Police shall **engage in political activities or align with any** ~~extend support to~~ political party or organization in any way except **as otherwise prescribed by law.** ~~for sending their votes through postal ballots for candidates in their constituency during national elections.~~

27. In Chapter VI, Section 32

The word “ designated authorities” is changed in the Dzongkha text .

28. In Chapter VI, Section 32 (b)

The word “ release” is changed in the Dzongkha text .

29. In Chapter VI, Section 32 (l)

Change incorporated in the Dzongkha text only (translation).

30. In Chapter VI, Section 32 (m)

Change incorporated in the Dzongkha text only

31. In Chapter VI, Section 34

Change incorporated in the Dzongkha text only

32. In Chapter VI, Section 36

Change incorporated in the Dzongkha text only

33. In Chapter VI, Section 37

Change incorporated in the Dzongkha text only

34. In Chapter VI, Section 38

Change incorporated in the Dzongkha text only

35. In Chapter VI, Section 39

Change incorporated in the Dzongkha text only

36. In Chapter VI, Section 41

Change incorporated in the Dzongkha text only

37. In Chapter VI, Section 42

Change incorporated in the Dzongkha text only

38. In Chapter VI, Section 43

Change incorporated in the Dzongkha text only

39. In Chapter VII, addition of a new clause after Section 45 (e) as

Report on human traffickers

40. In Chapter VII, Section 45 (h)

Change incorporated in the Dzongkha text only

41. In Chapter VII, Section 46

The Superintendents of Police / Officer Commanding/ Officer Incharges may undertake any crime prevention activities at local level. Wherever necessary, they ~~may~~ **shall** liaise with the respective Dzongdas/Dungpas for undertaking such activities.

42. In Chapter VII, Section 47

Whenever there is a **threat of** serious breakdown of law and order affecting any part of the Dzongkhag, the Superintendents of Police shall seek guidance and directions from the respective Dzongdas.

43. In Chapter VII, Section 48

The Superintendents of Police/ Officer Commanding/Officer In charges shall work in ~~elose eoordination~~ ~~with~~ **under the supervision of** the respective Dzongda / Dungpas in **accordance with**

National Disaster Management procedures in the times of disaster or natural calamities.

44. In Chapter VIII, Section 50 (a)

Change incorporated in the Dzongkha text only

45. In Chapter VIII, Section 53

Every Police Station must maintain a record of the entire firearms held by private fire arms **license** holders under their jurisdiction.

46. In Chapter IX, Section 56

An ~~intelligence~~ **investigation** officer who is designated by the Chief of Police shall have all the powers of investigation.

47. In Chapter IX, Section 57

The Royal Bhutan Police shall have the power to prosecute any person for any criminal offence **other than the felonies.** ~~committed under the laws of Bhutan provided that no person shall be prosecuted twice for the same offence.~~

48. In Chapter IX, Section 59

~~Subject to the Civil and Criminal Procedure Code of Bhutan,~~ Every Police person shall have the power to seize or search a person or a place upon obtaining a warrant

from a Court of law. However, any Police person may search any place, dwelling, store, conveyance or any person, without warrant, if he has sufficient reasons or grounds to believe that such a search is indispensable for the successful detection of a crime, **subject to the Civil and Criminal Procedure Code of Bhutan**

49. In Chapter IX, Section 61

The Superintendent of Police, **Officer Commanding/Officer Incharges under the direction of Dzongdag/Dungpas** may, as occasion requires, direct the conduct of all assemblies and processions on the public roads or in the public streets or thoroughfares, and prescribe the routes by which, and the time at which, such processions may pass.

50. In Chapter IX, Section 62

On being satisfied that it is intended by any person or class of persons to convene or collect an assembly in any such road, street or thoroughfare, or to form a procession, which would in the judgment of the Superintendent of Police, **Officer Commanding/Officer Incharges under the direction of Dzongdag/Dungpas**, if uncontrolled, be likely to cause a breach of peace, require by general or special notice that the persons convening, or collecting such assembly or directing or promoting such procession shall apply for a permit.

51. In Chapter IX, Section 63

On such application being made, the Superintendent of Police, **Officer Commanding/Officer Incharges under the direction of Dzongdag/Dungpas** may issue a permit, defining the conditions, on which such assembly or procession is to be permitted or to take place.

52. In Chapter IX, Section 64

The Police may also regulate the extent to which music, speeches and recitation of prayers may be carried out in the public places on the occasion of festivals and ceremonies as incorporated under ~~Section 165 (m)~~ of the Civil and Criminal Procedure Code of Bhutan and under ~~Section 49 (ii and v)~~ of the **Thromde Act of Bhutan Municipal Act 1999**.

53. In Chapter X, Section 72

A complaint made by any member of the public against a Police person must be enquired into and determined by a Committee ~~or a person~~ so empowered by the Chief of Police.

54. In Chapter X, Section 77(b)

The investigator shall inform the accused of the offence he is being charged with and to prepare his defense either in person or through ~~legal counsel~~ **Jabmi** ;

55. In Chapter X, Section 78

No Police officer shall investigate or enquire into any offence alone. He shall be assisted by such number of subordinate personnel **including female officer** as deemed necessary.

56. In Chapter X, Section 90

The **Royal** Government shall establish **independent** forensic laboratories as considered appropriate to:

57. In Chapter XIV, Section 102

~~Intelligence~~ **Investigation** Bureau

The Royal Bhutan Police shall within its organization have an ~~Intelligence~~ **Investigation** Bureau directly under the Chief of Police for the purpose of collecting intelligence and information relating to criminal and subversive activities against the Tsa-Wa-Sum and shall be headed by the Deputy Chief (IB).

58. In Chapter XIV, Section 103

The National Central Bureau shall be located at the Police Headquarter to liaise with the other Interpol member countries and Sub-Regional Bureaus. The National Central Bureau with its secure I-24/7 global Police communication system shall assist the Police ~~under the~~ ~~Intelligence~~ **Investigation** Bureau.

59. In Chapter XV, Section 104, the heading is amended as “~~Definition of Special Police Divisions~~”.

60. In Chapter XV, Section 113 (d) is deleted.

61. In Chapter XVI, Section 115

The members of the Royal Bhutan Police Service Board (hereinafter referred to as the “Board”) shall be appointed by **the Minister for Home and Cultural Affairs upon the recommendation of the** Chief of Police. The Board ~~shall consists of consisting of ten eleven~~ members shall be ~~convened by the Additional Chief of Police as the~~ Chairperson

62. In Chapter XVI, addition of new Section as 116 (i)

The Head of Law and Order Bureau, Ministry of Home and Cultural Affairs

63. In Chapter XVI, addition of new section after section 116 as

Quorum

The quorum of the Board meeting shall be two third of the members.

64. In Chapter XVI, Section 117

The Additional Chief of Police, as the Chairperson, **and the Head of Law and Order Bureau** shall be the permanent member of the Police Service Board. The

other members shall be appointed for a period of two years. ~~and shall not be reappointed for more than two consecutive terms.~~

65. In Chapter XVI, Section 118

The Board shall formulate policies, **rules and regulations** and guidelines for the Royal Bhutan Police concerning:

66. In Chapter XVI and XVII, Sections 115 to 127 is proposed to be incorporated after Chapter IV.

67. In Chapter XVI, Section 125

~~Assent of the Chief of Police~~ **Approval of the Minister for Home and Cultural Affairs.**

All policies and Service Rules and Regulations formulated and decided by the Board shall be submitted to the Chief of Police for ~~assent~~ **endorsement and further submission before implementation to the Home Minister for approval**

68. In Chapter XVII, Section 126

The primary duties of the Royal Bhutan Police are maintenance of law and order, prevention and detection of crimes, protection of life and property, and preservation of peace. Every ~~officers and men~~ **Police person** shall strive to maintain the highest standards of integrity, honesty,

fortitude, selflessness, loyalty and patriotism and endeavour to maintain professional excellence in the service of the Tsa- Wa- Sum. To fulfill these duties, every Police person shall:

69. In Chapter XVIII, addition of a new clause under Section 128 (z) as “Sexual harassment”

70. In Chapter XVIII, addition of a new clause after Section 129 (b) as “ extra duty hours”.

71. In Chapter XVIII, 129 (j) and (k)

(j) ~~Two years imprisonment~~ **In accordance with this Act in case of desertion;**

(k) ~~Life imprisonment~~ **In accordance with this Act in case of Mutiny;**

72. In Chapter XVIII, Section 131

The offence of mutiny involving the use of violence shall be a felony of the first degree as ~~is~~ **prescribed by** the Penal Code of Bhutan.

73. In Chapter XVIII, Section 132

The offence of mutiny involving the use of violence shall be a felony of the third degree as ~~is~~ **prescribed by** the Penal Code of Bhutan

74. In Chapter XVIII, Section 133

The offence of any person subject to this Act inciting any person to take part in a mutiny, actual or intended, or

knowing that a mutiny is taking place or is intended, but does not use utmost endeavors to suppress or prevent it or fails to report without delay that a mutiny is taking place or is intended shall be a felony of the fourth degree as ~~is~~ **prescribed by** the Penal Code of Bhutan.

75. In Chapter XVIII, Section 134

Any Police person who unlawfully or in breach of his engagement absents himself from duty under circumstances which show that he has the intention of not returning to his duty shall be deemed to have deserted. Such a Police person shall be guilty of an offence and shall be liable on conviction to imprisonment for a term not exceeding two years, and all arrears of pay due to him shall be forfeited. Such prisoner shall be treated as any other convicted ~~prisoner~~ **person**.

76. In Chapter XVIII, Section 135

Change incorporated in the Dzongkha text only

77. In Chapter XVIII, Section 136

A Police person shall be guilty of the offence of making away with firearms or equipment, if the personnel makes away with or loses by negligence, sells or destroys any arms, ammunition, equipment, or any other thing being the property of the government issued to him or entrusted

to him. Any Police person violating this shall be charged under ~~Section 129 or 154~~ **the provisions of** this Act as deemed appropriate.

78. In Chapter XVIII, Section 137 (d)

The National Assembly resolved that this clause should be clearly defined under section 210 as (gg).

79. In Chapter XVIII, Section 138 (a)

(a) The Police Service Board against the Police Officers **including the offense of mutiny and desertion;** and

80. In Chapter XVIII, Section 146

Any Police person having fully exhausted the appeal processes and still aggrieved by the decision of the Chief of Police may appeal to the High Court within 10 days **in accordance with the provisions of the Civil and Criminal Procedure Code of Bhutan.**

81. In Chapter XVIII, addition of new section after section 146

Independent inquiry committee

The Royal Government may institute an independent inquiry committee, as and when required to investigate the cases of serious misconduct by a police person.

82. The heading of Chapter XIX “~~Accountability and Liability~~” is amended as “Management of Public properties.”

83. In Chapter XX, Section 161

The salary, allowances, benefits and other emoluments of a Police person shall be such as may be fixed by the **Royal** Government upon the recommendation of the Pay Commission.

84. In Chapter XX, Section 162

Every Police person shall be entitled to free **proper** accommodation with free electricity and water. In the event **proper** accommodation cannot be provided, the house rent admissible as prescribed under the rules and regulations shall be sanctioned.

85. In Chapter XX, Section 163

~~Every~~ **A** police person shall be entitled to ~~the following~~ service benefits and allowances as ~~per se~~ prescribed in the Police Service Rules and Regulations **which will be at par with the Royal Bhutan Army / Royal Body Guards.**

86. In Chapter XX, Sections 163 (a) – (t), 164, 165, 166, 167, and 168 is resolved to be deleted from this Act and to be incorporated under the Rules.

87. In Chapter XXI, the heading of Section 169

~~Age of Superannuation of police person.~~

88. In Chapter XXI, Section 171

Superannuation age of a Police person shall be:

- ~~(a) Five years tenure or attaining the age of sixty years, whichever is earlier for the Chief of Police;~~
- ~~(b) Fifty eight years of age for the other Police officers;~~
- ~~(c) Fifty six years of age for other Police persons, and~~
- a) Two years more than that of Royal Bhutan Army/Royal Body Guard personnel across the board.**
- b) The term of office of Chief of Police shall be five years or until attaining age of superannuation which ever is ever is earlier;**

Provided that a police person if not promoted twice during their tenure of a service shall be retired.

89. In Chapter XXI, Section 174 (a)

Minister for Home and Cultural Affairs through the Police Service Board, if the resignation is submitted by the Chief of Police;

90. In Chapter XXII, Section 184

~~A Every Police person who has accumulated 300 days or more of leave at the time of retirement shall be entitled to~~

~~twelve months last basic pay at the time of retirement leave encashment at the time of retirement as prescribed under Rules.~~

91. In Chapter XXIII, Section 188

The promotion of a Police person to the next higher rank shall be based on **seniority, qualification and capability.**
~~the principles laid down herein under:~~

- ~~(a) The most deserving personnel;~~
- ~~(b) Meritorious service rendered;~~
- ~~(c) Based on merit and as an incentive and motivating factor depending on vacancy available and cannot be claimed as a matter of right;~~
- ~~(d) Equal opportunity to all Police persons who fulfills the promotion criteria;~~
- ~~(e) Personnel capable of effectively discharging his duties at higher rank;~~
- ~~(f) The promotion for officers shall be processed by the Police Service Board,~~
~~while the promotion of JCO, NCO and ORs shall be processed by a Committee in accordance with the Police Service Rules and Regulations.~~

92. In Chapter XXIII, Section 194

The Chief of Police shall revoke ~~illegal~~ **a promotion which has been granted other than by the prescribed procedure under this Act.**

93. In Chapter XXIII, Section 196

All Police persons shall be bound to serve in any part of the country in the service of the ~~Royal Government~~ **Tsa-Wa-Sum** or to proceed to any place outside Bhutan.

94. In Chapter XXIV, Section 198

In recognition of the meritorious services, the Royal Bhutan Police ~~shall~~ **may** make provisions to award the gallantry and service medals and allowances for the medals received by the individual as per the Police Service Regulations. ~~The gallantry and service medals shall be:~~ **They are ;**

95. In Chapter XXV, addition of new section after section 206

Public information system

The Chief of Police shall strengthen the public information system to guide and support the general public who are visiting the police station.

96. Addition of new section under Chapter XXV, as follows;

Assistance to other Government agencies

Subject to the production of a court order, the Royal Bhutan Police may, as required, assist any other Government agencies in the execution of their duties.

**97. Addition of new section under Chapter XXV, as follows;
Custody/detention of persons arrested by other agencies**

The custody/detention of a person arrested by any other Government agency shall be accepted by the Royal Bhutan Police provided such arrests were made in conformity with the existing laws of the country. However, all the legal formalities/requirements with respect to such detention shall be fulfilled by the concerned agencies affecting such arrests.

98. In Chapter XXVI, Section 208

The amendment of this Act by way of addition, variation or repeal shall be effected by a simple majority of the respective Houses or vote of no less than two-thirds of the total members of Parliament present and voting on a motion submitted by one-third of the members of either House, provided that the amendment does not undermine the functions and effectiveness of the Royal Bhutan Police.

99. In Chapter XXVII, Section 210 (c)

Deputy Chief of Police” shall mean officers designated to look after the Administration and Logistics, Intelligence bureau of investigation and the Crime and Operations

Branches of the Royal Bhutan Police or any other post designated from time to time.

100. In Chapter XXVII, section 210 (g) (h) (i)

(g) “Officer Commanding” shall mean any commissioned officer appointed to be the Officer Commanding of a Police station ~~by the Chief of Police.~~

(h) “Officer Incharge” shall mean any Junior Commissioned Officer appointed to be the Officer Incharge of a Police station, Out-Post and check post ~~by the Chief of Police.~~

(i) “Incharge” shall mean any Junior Commissioned Officer or non commissioned officer appointed to be Incharge of check-post or units ~~by the Chief of Police.~~

101. In Chapter XXVII, section 210 addition of a new clause as “(gg) physical punishment “means and includes those punishments as prescribed by the Rules”.

102. In Chapter XXVII, section 210 addition of a new clause as “(hh) VIP” means a person who requires special protection by the virtue of his office from time to time”.

As submitted by the Minister for Home and Cultural Affairs for the endorsement of the Royal Bhutan Police

Bill, 98 % of the Hon'ble Members of the National Assembly raised their hands in favour of the passing of the Bill and it was endorsed on 16th January, 2009 at 12:58 hours.

XXV. QUESTION HOUR FIVE

1. Problems related to poor quality education

The Member from Mongar constituency raised his concern over the poor quality of education which is mainly attributed to introduction of new curriculums starting from High Schools. He also mentioned that introduction of new curriculums and change in subjects should be made from the lower standards in our context so that students will have fewer difficulties when they go to higher standards.

2. Problems related to education curriculum

The Member from Dremitse-Ngatshang constituency expressed his concern regarding introduction of new subjects in the higher schools, which are totally different from what is taught in the lower classes leading to difficulty for the students to grasp when they go to higher classes. He also raised his concern over the in-sufficiency of text books in the schools and teaching of subjects referring TO old text books in some schools. All these contribute to poor quality of education. He asked the

Ministry of Education on the policies and measures taken to address the issues mentioned above.

To this, the Education Minister explained the existing education policies of the Government. The Minister informed the House that changes in the subjects have been made for classes ten to twelve in English, Dzongkha and extra-curricular subjects. He also mentioned that there is a curriculum guideline for all classes from class I to Class XII. The main reason for introducing new courses in the colleges above class XII is to provide better quality of education to students who complete University degrees as parents send their children to Universities outside the country seeking better quality education.

The House was informed that beginning 2009, the Department of Education introduced new science degree courses incorporating subjects of both international and national interests, while giving reference to Geography Honour Course. It is, therefore, necessary to introduce new courses considering the needs of the current situation. Regarding supply of text books he informed that currently there is no grave problem in supply of text books except in few cases. The problem of in-sufficient supply of text books arose only in a few schools which may be due to inaccurate information on the number of students.

3. Up-gradation of Gasa Primary School to Gasa Lower Secondary School

The Member from Goen-Khatoe-Laya submitted that the children of Gasa are deprived of quality education after the Gasa Lower Secondary School was downgraded to a primary School. The children are also in an encounter with miscellaneous problems. He then asked if there is a possibility of re-upgrading the Gasa Primary School to a Lower Secondary School.

The Minister for Agriculture also presented some clarification before the Minister for Education responded. He said that due to the migration of children to a lower altitude with a difference of 2000m, the children were not well accustomed climatically. The warmer place was also vulnerable to leeches and snakes. These factors obliged the children to flee the school. The education policy being the establishment of schools in proximity to children, it was suggested the school should be upgraded with class seven or eight though it is not possible up to class ten. He further added that there would be no problem with regard to class room facilities and space, provided appropriate measures are in place.

The Minister for Education in his response, explained the reasons for the downgrading of the Gasa Lower

Secondary school in to Gasá Primary school and the establishment of schools in Gasá. He said that one of the reasons for downgrading the Gasá Lower Secondary school to Gasá Primary School at Gipshong was to acclimatize the children to hot climate. He however said that in the course of time if the number of children is on rise, the school at Gasá will be upgraded accordingly.

The House acknowledged the existence of hardships and problems due to downgrading of Gasá Lower Secondary School to a Primary school. Hence, reminded the concern Authorities of the Ministry of Education to examine the situation, since the children of Laya and Lunana have to descend from a higher altitude to a warmer place covering a long distance.

4. Transfer of Teachers

Member from Phuentsholing constituency submitted that teachers posted in the remote areas are not transferred even after serving for more than ten to fifteen years in the same place. Therefore, the Members asked whether there are any plans to change the transfer policy based on equity.

In response, the Minister for Education acknowledged the concern expressed by Phuentsholing constituency member with regard to transfer of teachers. He explained that due

to the various personal problems, mass transfer of teachers could not be effected based on equity and on time. The Minister is working on formulating a system to transfer teacher who have been working in one place for five years or more to solve the problem of teachers who have served for long periods in one place.

The House resolved that it was important to implement the transfer of teachers according to the system of transfer being formulated by the Ministry based on equity. Furthermore, not only the teachers but the civil servants should also be transferred once their term is completed as decided in the 78 session of the National Assembly. The House reminded that henceforth, the transfer policy as enshrined in Bhutan Civil Service Rules and Regulations should be strictly adhered to.

5. Generate interest in work

Member from Wamrong constituency suggested that if the salary/wage is revised there will be more people willing to work. Hence, he asked the Ministry of Labour on the measures taken in order to generate interest in work.

In response, the Minister for Labour and Employment said that for any type of work to be taken up appropriate skills is a prerequisite. Therefore, it is important to impart required skills to youth seeking employment. The

Ministry is in the process of improving the curriculum in training institutes. Towards this end, the Ministry is working to strengthen the training institutions. He also said that it is not enough to have skills but it is more important that they have proper work ethics inculcated and developed within them. People are not willing to work in the private sector because of poor management system. As such the Ministry, in order to solve the problem, is holding talks with the private employers.

6. Authority of Education

The Member from Sombeykha constituency informed the House that the devolution of power by the King was based on the decentralization policy. As such, the authority of Education has been decentralized and is being implemented for 20 years. However, recently the Ministry the Education has centralized the authority which has created a problem in the Local Government and people related to education. Therefore, he sought clarification on the reasons for centralization of power by the Ministry.

In response, the Minister explained that considering the importance of education in the development of the country, the Government and the Gross National Happiness Commission, after a thorough consideration had decided to take care of plans and policies related to

education as it is the role of the Ministry to formulate all plans and policies. The Minister also reported on the plans and polices and the budget set aside for development of education. He also said that the Education Ministry has not made the decision alone to downgrade Gasa Middle Secondary School to Gasa Primary School but the decision was taken in consultation with the Dzongkhag administrators.

7. Implementation of Labour and Employment Act

The Member from Goen-Khatoe-Laya constituency expressed his concern over non- implementation of the Labour and Employment Act by the private employers in places like hotels, workshops and shops in the urban areas, which leads to violation of employment rights and underpayments. He urged the need for better monitoring by the Labour and Employment Ministry and asked on the future plans and policies to tackle problems associated with non-implementation of the Labour and Employment Act.

The Minister for Labour and Employment Ministry informed the House that the Ministry has created awareness on the Act in consultation with most of the Dzongkhag Administrations and is still being conducted in some Dzongkhags. He informed that the grey area in the implementation of the Act is non-signing of agreement

between the employers and the employees during recruitments. A concern over non-existence of legal backing with regard to housemaids was raised which leads to helplessness on the part of the Ministry to act when the cases of violation of rights of the housemaids are reported. The Ministry is strict on the violation of rights of the workers in work places when such cases are reported and it is working on measures to implement the Act without fail.

XXVI. QUESTION HOUR SIX

1. Transfer of Civil Servants

The Member from Menbi-Tsengkhar constituency submitted on the non uniform application of transfer rules in the civil service and the three armed forces regarding the transfer to remote places. The Member, therefore, sought clarification on how far the Royal Civil Service Commission has been implementing the transfer rule incorporated in the Royal Civil Service Rules and Regulations.

In response, the Prime Minister informed that the Armed force had a separate Act and was different from that of the civil servants. Furthermore, a rule of procedure for the armed force is to be formulated. The authority of transfer of civil servants rested with the Civil Service Commission which is to be established soon. The Cabinet would

submit the concerns regarding transfer of civil servants to the Civil Service Commission. The Prime Minister also said that the Cabinet would remind the Civil Service Commission to review, amend and streamline the transfer rules and regulations.

2. Expansion of Chubu Hot spring

The Member from Lingmu-Toewang constituency submitted that the Chubu hot spring saw an increasing number of visitors owing to its medicinal values. However, people are facing problems due to the small size of the hot spring. Clarification was therefore, sought on the plans to further expand and develop the hot spring.

In response, the Prime Minister informed that the government had plans to divert the hot water source to a different location of 2 kms with a larger space, to accommodate the people visiting the hot spring, subject to availability of budget. For this purpose the government is seeking funds. His Majesty the Fourth King has also commanded that the Chubu hot spring be renovated and expanded.

The National Assembly reminded that as a Buddhist country, the government should take endeavor to preserve our holy sites and medicinal hot springs.

3. Clarification on the merging of Toep and Bap Gewog to Punakha Dzongkhag

The Member from Kabji-Talo constituency submitted that due to the merging of Toep and Bap Gewog from Thimphu to Punakha Dzongkhag has resulted in problems in carrying out community programs and would like to seek clarification on the benefits of merging it with Punakha Dzongkhag.

In response, the Minister for Home and Cultural Affairs informed that report was submitted to the Ministry regarding the merging of Gewogs to Punakha Dzongkhag. Accordingly, the Ministry coordinated a meeting comprising of Members from the Ministry of Agriculture, National Land Commission and Gyalpoi Zimpon office and from both the Dzongkhags on 30th May 2008. The meeting decided to make efforts to resolve the problems faced by the people of Toep arising because of the merger. The Minister also explained that the merger was undertaken in line with the policies of the Government and electoral delimitation.

In addition, the Minister informed that the issue has been submitted to His Majesty the King and therefore, the Government for the time being is not in a position to take any action in this regard. However, he reassured that the

people of these two Gewogs had the freedom to carry out their traditional rituals as they have practiced in the past. Support will also be provided by the concerned Ministries from convenient under the direction of the Dzongkhag.

4. Restoration of Daga Dzong

The Member from Drugyalgang-Tsezang constituency submitted that it has been 340 years since the construction of Daga Dzong in 1651 and has not been repaired since. It was submitted that the Dzong was in need of repair and asked what plans the Government had to repair the Dzong.

In response, the Minister for Home and Cultural Affairs said that a team of experts studied the Dzong in 2005. The present Prime Minister, the then Home Minister visited the Dzong in 2006 and found that the Dzong was in need of repair for which a total of Nu 125 million has been allocated in the Tenth Plan.

5. Public holidays on Blessed Rainy Day (*Thribaap*) and Meeting of Nine Evils (*Nyempaguzom*)

The Member from Lingmu-Toewang constituency submitted that traditionally the Blessed Rainy Day and the Meeting of Nine Evils have been observed as public holiday in the community. Since its removal as a public holiday people are not happy and therefore the public

would like the above mentioned days to be reinstated as public holiday.

In response, the Home Minister explained that the two days were removed as public holidays because there were too many holidays in a year. Even the three day celebration of His Majesty the Fourth King's birthday has also been reduced to one day. However, since these two days have always been traditionally celebrated and has traditional values, the Minister submitted that one of these two days would be reinstated. The Speaker advised the Members to select one day to be reinstated as a public holiday and the Member from Kabji-Talo constituency voted for Blessed Rainy Day. Therefore, the Assembly decided to reinstate Blessed Rainy Day as a public holiday.

6. Need to reduce ill-treatment of prisoners by the Police

The Members from Menjay-Gangzur constituency submitted that it was reported in Bhutan Times newspaper that a person named Gyaltshen from Kurtoe was arrested by the police and kept imprisoned under a very severe condition. Moreover, it was also said that a boy was kept tied naked to a flag post which is not acceptable and would like to seek clarification from the Government on whether it has any system of paying compensation for those who are proven punished and not found guilty of the crime.

In response, the Home Minister said that Mr. Gyaltshen was apprehended by the Lhuentse Police on suspicion and the details of his arrest have been provided. Moreover, an investigation team has been deployed and if found true then the National Assembly will have to take necessary action.

During the deliberation, the Assembly decided that such actions were in violation of Human Rights and the Police should refrain from penalizing people who have not been proven guilty and must strictly abide by Section 14 of the Constitution.

The Speaker said that since Gyaltshen from Lhuentse was proven innocent, he should be compensated according to the Constitution and the matter should be reviewed by the Ministry of Home and Cultural Affairs.

7. Problems due to Road Blocks

The Member from Phuentsholing constituency submitted that people face a lot of problems due to the bypass which has been created through Manitar and Pasakha because of the expansion of National Highway from Gedu to Kamji. Therefore, the people would like to know what the Ministry of Home and Cultural Affairs is doing to solve the problem.

In response, the Home Minister said that the Ministry is still working on ways to reduce the problems faced by travelers caused by the expansion of the National Highway. However, it is important to study the security and conditions of the roads and the Minister assured that necessary actions will be taken to reduce the problems faced by the travelers and the people.

The Speaker cautioned the Assembly that one should do some research before raising questions during question hour. The Members were reminded to first clarify their questions with the concerned Ministries and Departments before submitting it to the Assembly.

XXVII. PAY REVISION

The Finance Minister presented the revised Pay Revision report submitted to the Cabinet by the Pay Commission to the National Assembly. The Minister reported that the report was based on public views, equity, domestic revenue, current expenditure and economic sustainability and also taking into consideration the ongoing global financial crisis. It has been agreed that a uniform pay revision of 35 % would be granted to all civil servants.

Prime Minister and Ministers

Given the economic growth of the country, the pay and allowances of the Prime Minister have been decided at par with the Cabinet Ministers. Although the Prime Minister,

Cabinet Ministers, Speaker, Chief Justice, Opposition Leader and the Chairperson of the National Council are not included in the current pay revision, they are entitled to discretionary grants. The discretionary grant for the Prime Minister has been revised to Nu.300,000 per annum and Nu.100,000 per annum for others. However the discretionary grants can not be used for personal benefits.

Constitutional Posts

Although, going by the individual rule of the institution, a different pay structure would be required for constitutional post holders. However, the pay scale has been maintained at par with other civil servants since no such specials rules have been established yet. Therefore, the pay revision for the constitutional post holders is also kept at 35 % at par with other civil servants with other entitlements revised as in the following table.

Description	CEC, Chairman of ACC and RCSC and AG	RCSC, Election and ACC Commissioners
House Rent	Free housing or 20% of pay	Free housing or 20% of pay
Mobile telephone allowance	Nu. 1500 per month	Nu. 1000 per month
DSA for official travel within and outside Bhutan	Equivalent to EX level in the civil service	Equivalent to EX level in the civil service

Members of Parliament

Pay increase for the Members of Parliament has been fixed at 20 % of their current pay and the allowance and other entitlements are as presented in the table below.

Si.	Description	Existing	Revision
1	Basic Pay	Nu. 30,000	20 % increase
2	House Rent	30% of basic pay	30% of basic pay
3	Transportation charges of personal effects on initial appointment and on retirement	-	As Applicable to EX level in the civil service
4.	DSA for official travel within Bhutan	Actual lodging in one room plus Nu. 500 or lumpsum of Nu. 800	As Applicable to EX level in the civil service
5.	DSA for official travel in India and abroad	In accordance with applicable rules	As Applicable to EX level in the civil service
6.	Transport (vehicle purchase allowance)	Nu. 700,000 for one term	Nu. 700,000 for one term
7.	Fuel/maintenance allowance	Nu. 6000 per month	Nu. 7000 per month
8.	Driver allowance	-	Nu. 6000 per month
9.	Mobile phone voucher allowance	-	Nu. 2000 per month
10.	Gratuity	-	1.5 times last monthly salary into number of years
11.	Provident Fund	8% each by Government and member	11% each by government and member
12	Travel expense on retirement	-	One month's last pay
13	Discretionary grant	Nu. 100,000 per annum	Nu. 100,000 per annum

Judiciary

According to the 2007 Judiciary Act, all the holders of Constitutional Offices under Judiciary are endowed with separate pay scale and entitlements according to prescribed rules. However, in the absence of such rules, the pay revision and entitlements have been based on their position levels. The pay scales of incumbents in Dzongkhags and Drungkhags have also been revised based on their position levels. Although the Attorney General is not a Constitutional post holder, the pay and entitlements shall be at par with Drangpons of Supreme Court given the significance of the post. Nevertheless in the absence of an Act on Supreme Court, it was submitted that the pay of the Attorney General shall be at par with other Drangpons in line with the Civil Service position classification system.

The House was also informed that the pay for Local Government functionaries such as Gups, Mangmis, Tshogpas and Gedungs have been revised with 45% increment on their current pay. The pay for the Elementary Service Personnel (ESP) such as Gardeners, Caretakers, Sweepers, Night guards and others have been revised at Nu.5000 with an increment of 61%. The pay for the Non Formal Education Instructors has been revised

from Nu.4500 to Nu.6000. The incentive paid to the regular teachers involved in non-formal education has also been revised from Nu, 1,500 per month to Nu.2000 per month.

Similarly, given the significance of preserving and promoting the cultural heritage, the pay for the artistes of the Royal Academy for Performing Arts have been revised with 45% increment. It was also decided that the pay and allowances for the class X, XII and college graduates working as temporary recruits in the Government has been revised ranging from Nu.4000 to Nu.6000 per month.

Post Service Benefits

1. Pension

The House was informed that the Government decided to make the benefit receivable at an assured level of 40% of the final basic salary from the current level of 30% - 40% of the career average salary. It was also informed that in order to make pension fund more sustainable, it was decided to increase the contribution rate from the current 16% (members 8 % and employers 8 % of the basic pay) to 22 % (members 11 % and employers 11 % of the basic pay).

2. Gratuity

- a. Currently those civil servants resigning after a service of 10 years are paid gratuity calculated as the last basic pay times the number of completed number of years of service subject to maximum of Nu. 600,000. In keeping with the salary revision it was decided to revise the maximum limit by 50% to Nu. 900,000.
- b. Early retirement benefit for senior civil servants 51 years and above opting for voluntary early retirement have been revised from existing two months salary to three months salary for every remaining year of service subject to maximum 15 month's salary.
- c. Civil servants below 51 years of age who opt for early retirement scheme have been fixed at one month's basic salary multiplied by the remaining years of service to superannuation subject to a maximum of 12 months.

Allowance

1. Patang Allowance

It was decided to increase the 'Patang' allowance from Nu.25, 000 to Nu.50, 000 in case the 'Patang' not provided by the Government.

2. High Altitude Allowance

High altitude allowance is revised from Nu. 1000 per month to Nu.2000 per month. The eligibility of the

allowance will be places of difficulty that will be identified by the government

Distance	Prevailing allowance	Revised allowance
Minimum of one Dolam from the nearest road head	Nu. 800 per month	Nu. 2000 per month
Beyond one Dolam from the nearest road head	Nu. 200 per Dolam subject to maximum of Nu. 1600 per month	Nu. 500 per Dolam subject to a maximum of Nu. 5000 per month

3. Mobile Phone Voucher Allowance

Mobile phone voucher allowance for Dzongdas is revised to Nu. 1000 per month and for Dzongrabs and Dungpas an allowance of Nu. 500 per month have been decided irrespective of their position level.

4. Housing/ House Rent Allowance

In addition to the pay revision, the housing allowance of Secretaries to the Government has been revised to 20 % of their basic pay or entitlement to free accommodation. The Dzongdas and Drungpas shall also be provided with rent free residence.

5. Teaching and Medical Professional Allowance

I. Doctors and Nurse allowance

It was decided to provide allowance to nurses and doctors based on the number of years served as detailed below.

Professional Level		Number of years of service		
		6-10 years	11-15 years	Over 15 years
a	Medical doctors with masters degree and above in their profession	20% of their basic pay (BP)	30 % of the BP	40% of the BP
b	General doctors with MBBS and above degrees but less than masters degree	20% of BP	25% of BP	30% of BP
c	Dentist with first degree and above but less than masters degree	10% of BP	15% of BP	20% of BP
d	Nurses with first degree and above	10% of BP	15% of BP	20% of BP
e	Nurses and clinical staff with diploma certificate	10% of BP	15% of BP	20% of BP

Note

1. Specialist will be provided 40% allowance irrespective of the number of years served.

2. Medical professionals engaged in clinical practice fall under section (e) and are eligible for such allowance.

II. Teaching Allowance

Teaching allowance is extended to all teachers engaged in teaching at the rate prescribed based on the number of years of service as shown below.

- 1) 10% of the basic pay as allowance for those teachers serving more than 5 years but less than 10 years.
- 2) 15% of the basic pay as allowance for those teachers serving more than 10 years but less than 15 years.
- 3) 20 % of the basic pay as allowance for those teachers serving more than 15 years.

Pay Revision Date

It is decided that the pay revision will be take effect from January 2009 and retirement benefits will be deducted starting from July 2009.

Financial Cost and Implementation

Additional financial cost of the Pay revision is estimated at Nu. 1, 333, 682 millions as detailed below:

Summary of financial cost-pay revision

Pay and Allowance	Net annual additional cost (Nu. Millions)
Pay	
Civil Service	840.536
Ministers, other ranks and MPs	19.893
Local government functionaries	32.676
NFE teachers	14.688
ESP	39.489
RAPA artistes	1.989
Subtotal Pay	949.271
Allowance	
Health	22.599
Education	121.734
Subtotal allowance	144.333
Other Associated Costs	
PF contribution	
<i>On additional Pay</i>	104.420
<i>On existing pay (11-8%)</i>	65.613
Subtotal PF	170.033
Leave encashment	70.04
Subtotal of other associated costs	240.37
Grand Total	1,333.682

During the deliberation, the Member from Goen-Khatoe-Laya constituency submitted that if possible, the pay revision for civil servants below grade 9 should be bit higher than the uniform 35 % revision as it would benefit

them more. The Opposition Leader also appealed that even if there is no possibility for uniform pay revision of more than 35 %, there should be an increment in the pay of civil servants at lower grade. The appeal was supported by the Member from Gelephug constituency; nevertheless others supported the uniform pay revision of 35 % as proposed by the Cabinet.

The Member from Drakteng-Langthel constituency submitted that the Prime Minister's pay and allowances should be revised with 50 % increment given the responsibilities and risk involved in the job. He also said that the future was to be considered as well and it was important to have a separate pay scale for the Prime Minister.

The Prime Minister explained that the current pay hike of 35 % was proposed in anticipation of expected funds. He was hopeful that exclusion of Prime Minister and other Ministers from present pay revision would benefit the needy civil servants. He also said that the revision of Prime Minister's pay was not required as of now and could be discussed at the end of Government's term in 2013. He appealed that a separate pay scale and allowances for the Prime minister could be decided upon before 2013.

The Speaker, however, said that the given the significance of Prime Minister's post, the pay and allowances should be decided immediately after the revision of the Lhengye Zhungtshog Chathrim and not to be delayed till 2013.

The Members submitted that the pay revision for Local Government authorities should be more than 45 %. Some other members submitted that if the system of Chupons is to collapse, the Tshogpas should be endowed with an increase in pay. The Prime Minister responded that the responsibilities of the community leaders need to be defined and reviewed. Therefore the Government will work accordingly considering the availability of funds.

The Speaker said that the Cabinet should consider the problems faced by the Local Government during the amendment of the Local Government Act. The National Assembly also supported the pay revision proposed for Elementary Service Personnel (ESP), Non Formal Education Instructors and Artistes of the Royal Academy of Performing Arts and Temporary Recruits. The 61 % pay hike for the Highway construction workers was also supported by the House.

It was also decided that the pay and allowances for the Secretary General of the two Houses shall be at par with Secretaries to the ten Ministries. Therefore they shall be

entitled to additional 20 % house allowance of their basic salary. It was also decided that with respect to the roles and responsibilities of Secretaries to the Commissions, the Royal Civil Service Commission shall be consulted with.

XXVIII. QUESTION HOUR SEVEN

1. Amendment of Land Act and issue of *Mithun*

The Member from Sombeykha constituency questioned if the Ministry of Agriculture has reviewed and amended Article 10 Section 239 considering the problems faced by people related to *Tsamdro* and shifting cultivation. Secondly, it was informed that Sombeykha Gewog in Haa is the origin of *mithun* and the government issued an order that *mithun* should be protected. However, the Gewog has seen no achievement even after 13 years. Moreover, it was instructed that other cattle such as Jersey were not allowed in the Gewog. This has hindered the diary produce in the Gewog and therefore, the people would like to know the future plans and policies of the government and if the government plans to pay compensation to those affected by the policy.

In response, the Minister for Agriculture said that amendments to Article 10, Section 239 of the Land Act relating to *Tsamdro* could not be decided and would have to be further discussed. The Minister also said that it was

the policy of the Animal Husbandry to maintain *mithun* in Haa Sombeykha Gewog and not allow rearing of other types of cattle. However, payment of compensation to those affected by the policy would be studied and a report will be submitted.

2. Haa Dzong

The Member from Bji-Katsho-Uesu constituency questioned the government on the plans to hand over Haa Dzong to the public, considering its historical significance.

In response, the Foreign Minister said that as discussed in the past 67th session of the Assembly held in 1989 in section 31, the Utse of the Dzong was renovated and the Zhung Dratsang has been entrusted with the responsibility to carry out Kurims and other traditional and religious practices. For security reasons, part of the Dzong is being used as training offices for the Army for security reasons. The Minister said that for the time being, the Dzong cannot be handed over back to the public.

3. Lack of Pullets for Poultry Farms

The Member from Kikhorthang-Mendrelgang constituency said that in accordance with the government's policy to reduce poverty, the Agricultural Ministry successfully established a poultry farm for 42

households. However, in recent times the poultry faced problems due to lack of pullets. The member questioned the government on the action taken to reduce such problems.

In response, the Minister for Agriculture said that the problem was mainly due to the outbreak of bird flu and restriction of import of poultry. However, he informed that a poultry farm is to be established in Sarpang which will ease the problem faced by the people. In addition, a poultry distribution farm has been established in Paro and will start distribution of pullets this year.

4. Order of Precedence of the Secretary Generals of the Two Houses

The Member from Lingmu-Toewang constituency submitted that according to the Order of Precedence created by Zhung Droengyer of Foreign Ministry, the Secretary Generals of the two Houses are placed in an order which is not befitting the image of the Parliament in a democratic system. Therefore, it was questioned whether there was any possibility of creating a more suitable Order of Precedence for the Secretary Generals of the two Houses.

In response, the Foreign Minister said that there is no standard uniform Order of Precedence in the world. It

differed from country to country to suit their own situation. Since the Secretary Generals of the two Houses serve the Members of Parliament their Order of Precedence was placed below that of the Members. It was submitted that it would be appreciated if the Royal Civil Service Commission could study the Order of Precedence of the two Secretary Generals.

5. Problems faced during the trading of potatoes

The Member from Nyisho-Sephu constituency informed the House that the people of eight Gewogs out of fifteen Gewogs in Wangdue Phodrang Dzongkhag depend on agricultural products mainly potatoes for their livelihood. He further said that a series of problems were faced by the farmers trading potatoes. Firstly, the yield of potatoes have been poor in the current year. Secondly, in the absence of a proper warehouse and due to the lengthy procedure involving auction has led to the damage of potatoes and incurred extra expenditure. Apart from these problems, he also informed that the due payments were also withheld exceeding even a month. Therefore the Ministry of Agriculture was questioned on how the problems could be solved.

The Minister for Agriculture responded that there were mainly two reasons for the problems associated to the

trading of potatoes. Firstly the road blocks along the Thimphu-Phuentsholing National Highway during summer have disrupted the trade involving potatoes. Secondly, only two metric tons of potatoes were bought despite the requirement of five thousand metric tones of potatoes to produce chips in Kolkata. The reason was the high content of starch in potatoes since they were kept in store for a longer period after harvest. He also said that the delay was caused due to the same procedure of auction irrespective of a trader having few bags or a truck load of potatoes.

Henceforth, for the convenience of the traders, there are plans to expand the auction yard. The Cabinet has also approved the reintroduction of a system of 'revolving fund' to facilitate payment. The Minister also suggested that come next year, the traders should put their produce together and hire transportation to minimize expenditure, time and obtain good price.

It was also informed that plans are in place to initiate cultivation of high altitude potato seeds. He also added that a guide book is being developed to guide the farmers on management of potatoes after cultivation till it is ready for commercial trade. Thus the Minister concluded by saying that if the procedures in the guide book are followed accordingly, the currently problems can be solved.

6. Illegal Sand Quarrying

Member from Goen-Khatoe-Laya constituency submitted that according to the Environment Act quarrying of sand is not allowed within 1 km distance from the Dzongs and Lhakhangs area. However, sand is being illegally quarried in Bajo Agricultural extension center although Chimi Lhakhang falls within the one km radius. Therefore, the Ministry of Agriculture was questioned on the implementation of Forest and Nature Conservation Act.

In response, the Minister for Agriculture said that the Ministry did not get the time to discuss the above matter with the concerned agencies due to lack of time and late receipt of inquiry. However, the Natural Resource Development Corporation Limited (NRDCL) under DHI has the authority to prohibit the stone and sand quarries. It was submitted that the NRDCL clarify the issue at a later date.

XXIX. ROYAL BHUTAN PRISON BILL, 2008

During the deliberation on the Prison Bill, 2009 in the National Assembly, the Chief of Police introduced the Bill as follows:

It was informed that since 1965 the administration of prisoners was actuated by the Royal Bhutan Police unlike

in other countries where Home Ministry is responsible. The administration of the Prisoners is to be detached from the Royal Bhutan Police considering the circumstances surrounding Human Rights, if both the apprehension and administration of prisoners are exercised by the Police.

The Prison Act, 1982 did not have explicit contents. Hence on 12th December, 2006 His Majesty the King commanded on the amendment of the Act.

It was informed that while making the Prison Bill, the Prison Act of other countries were referred. The important relevant sections of the previous Prison Act, Human Rights and United Nations Prisoners' Rights were also researched upon. Based on the Penal Code of Bhutan for the welfare, rehabilitation of prisoners and to assure management, administration and security of the prisons, the Prison Bill, 2009 was presented to the House for adoption.

Led by the Minister for Health, the Members extensively deliberated on who should manage and administer prisons and emphasized on a need of an apparent resolution. Thus the House resolved that like before, an officer of the Royal Bhutan Police would render training with respect to

the administration of a prison. The Members also deliberated and amended the Police Bill as given below:

1. Title of the Bill

Change in Dzongkha

2. Preamble

In keeping with the objective of ensuring proper establishment and standard of management, administration, control and security of prisons including the welfare of prisoners and matters relating to the reformation and rehabilitation of prisoners, ~~the National Assembly of Bhutan do hereby enact the Prison Act of the Kingdom of Bhutan.~~

Parliament of the Kingdom of Bhutan do hereby enact the Prison Bill of the Kingdom of Bhutan 2009 at its Second Session of the First Parliament as follows:

3. Section 2

The **Prison Act of Kingdom of Bhutan 2008 9** hereby repeals the Prison Act of 1980.

4. Section 3

Definitions of terms

3. (a)"Prison" means any house, building, enclosure or place, or any part thereof, declared to be a prison or reformative

training centre and includes the grounds and buildings within the prison enclosure and also the airing grounds or other grounds or buildings belonging or attached thereto and used by prisoner;

5. Section 3(o)

“Prison staff” for the purpose of this act, shall mean police personnel and shall be governed by the ~~Police Act 2007~~. **Royal Bhutan Police Act 2009.**

6. Section 4

The Chief of Police may **in consultation with the Minister for Home and Cultural Affairs:**

7. Section 5

~~Creation of~~ Detention rooms

All Police Stations and Outposts shall have separate detention rooms for male, female and juvenile, for the custody and confinement of persons under investigation, awaiting trial, and for the purpose of preventive detention.

8. Section 8

On recommendation of the Police Service Board ~~Additional Chief of Police, the Chief of Police~~ shall appoint a Senior Superintendent of Prisons as the head of the Prison Services Division.

9. Section 9

On recommendation of the Police Service Board ~~Senior Superintendent of Prisons~~, the Additional Chief of Police, shall appoint all subordinate officers to assist the Senior Superintendent of Prisons Services Division for the administration of the prison.

10. Section 11

Appointment of medical officer

A medical officer ~~may~~ **shall** be appointed by the prison authority in the Central Prison. However, in the dzongkhag prisons, the prison authorities in consultation with the Ministry of Health, shall identify and appoint a focal medical doctor for the medical treatment of prisoners. He shall be supported by adequate number of trained medical staff.

11. Section 12

~~Duties of Additional Chief of Police~~

~~The Additional Chief of Police in his capacity as the head of the Special Divisions of the Royal Bhutan Police shall look after the affairs of the Prison Services Division as incorporated under the Police Act.~~

12. Section 18 (e)

Text rephrased in Dzongkha

13. Section 19(d)

Make such returns and reports to the Superintendent/Officer Commanding/Officer Incharge as the ~~Superintendent/Officer Commanding/Officer Incharge~~ **he** may from time to time request;

14. Section 21 (h)

Text rephrased in Dzongkha

15. Section 21(o)

Ensuring that no ~~prisoners are accessible to~~ unauthorized dangerous weapons, abusive substance, alcohols, drugs **are accessible to the prisoners;**

16. Section 25

Category of prisoners

~~Political Prisoners~~ **Prisoners charged under the National Security Act;**

17. New Section to be inserted after Section 37 (b)

Be provided with appropriate diet to the expecting or nursing mother as prescribed by a medical officer;

18. Section 55

Where the Superintendent/Officer Commanding/Officer Incharge of a prison is of the opinion that a prisoner who

is confined in that prison requires medical treatment that cannot by reason of severity, be administered within the prison, ~~the Superintendent/Officer Commanding/Officer Incharge~~ **he** shall order the transfer of the prisoner from the prison for the purpose of receiving necessary treatment and the return of the prisoner to prison after treatment.

19. Section 58

All prisoners *including expecting or nursing mother* shall be exempted from labour subject to the medical officers' recommendation. Such exemption shall be for that period as specified by the medical officer.

20. Section 74

The dead body of the prisoner shall be handed over to the spouse/relatives *if willing*, in presence of witness and a receipt duly signed must be kept for records by the prison authority.

21. Section 81

In order that prisoners may maintain **personal hygiene** a ~~good appearance compatible with their self respect~~, no prisoners shall be permitted to keep long hair and beard at will. For this purpose, barbers shall be provided for the proper care of hair and beard.

22. Section 83

Any waste and refuse shall be disposed into pits covered properly to prevent the outbreak of disease. The Prison warden and the guards shall supervise such disposal **as per Waste Prevention and Management Act 2008.**

23. Section 101

Before the use of a firearm under **the provisions section 99** of this Act, steps shall be taken, where it is practicable in the circumstances to do so, to order the prisoner or other person to desist from his apparent course of conduct and to give warning that a firearm is about to be used. However, the use of firearms under above sections shall be, ~~as far as possible,~~ to disable and not to kill.

24. The use of word **punishment** in this chapter and where applicable may be replaced by **penalty** in conformity with other Acts.

25. Section 106

All prison staff shall be punishable under Section 117 of the **Royal Bhutan** Police Act if without lawful authority **commits the following:**

26. Section 107

Text rephrased in Dzongkha

27. Section 107 (c)

Text rephrased in Dzongkha

28. Section 107 (oo)

To be inserted under section 108 as major Offence

29. Addition of new section after 109

Violations by prison staff :

Any violation of the provisions of this act by the prison staff shall be dealt with in accordance with the Royal Bhutan Police Act.

30. Addition of new section after 110

The prison authority shall cause to be fixed in a conspicuous place outside every prison a notice of offences and penalties liable under this Act.

31. Section 113

Any prisoner who shows consistency and exemplary good conduct and behavior during the ~~last~~ **past** ten years in prison for lifers and three fourth of the sentence for others may be entitled to the following privileges:

- (a) Be recommended for reduction of sentence after review by **Inquiry** committee (both for life and other); or

- (b) Be entitled for general amnesty as and when granted under **the provisions Section 32** of the Penal Code of Bhutan, 2004.

32. Section 132

A spouse visiting the prisoner may use the conjugal cabins after due approval from the Superintendent/Officer Commanding/Officer In charge of the prisons ~~subject to the availability of such facilities~~ for conjugal visit. However, only one such visit shall be permitted in a month.

33. Section 134

The parents and relatives of the prisoners who wish to **stay overnight** ~~use the conjugal room~~ may be permitted on humanitarian grounds, subject to availability of such facilities. However, only one such visit shall be permitted in a month.

34. Section 135

The prisoners may be permitted to correspond with their families and friends both within and outside the country thrice a month. The writing materials and postage shall be borne by the prison authority. All mails and letters will be subjected to the following conditions:

- (f) ~~Postal stamps for more than the above shall be purchased by the prisoner on cash payment, and the stamps shall be made available with the prison authority; (Deleted)~~

35. Section 139

The staff of the prison shall be trained on:

- (c) ~~Guarding~~ **Management** of prison infrastructure;
- (g) ~~Trainings on~~ **Dealing with women and children;**
- (h) **First Aid;**
- (i) ~~Counseling;~~ and
Training on basic human behaviour and counselling;

36. Section 147

*~~Prison Reformatory works programs for Prisoners~~
(section 147 is split into two sections as 147 and 148)*

147. It should be the objective of the prison authority to ensure that the convicted prisoners are reformed during their stay in prison and that they acquire the necessary qualities and vocational skills, to ensure normal life in the society upon their release after serving the sentence. *(Second part of the old section)*

148. The prison authority may with the approval of the government introduce vocational courses in selected prisons in order to help the prisoners acquire vocation-

oriented skills so that after release they may be able to earn their livelihood. ~~The Royal Government of Bhutan, if deemed necessary, may also create a separate reformatory institute for the prisoner's vocational training~~

37. Section 152

The following categories of prisoners shall not be taken out for any prison labour: ~~within the prison complex:~~

- (a) ~~Political prisoner;~~ **Prisoners charged under the National Security Act;**

38. Section 156

The following record of prisoners shall be maintained by the prison office:

- (a) Admission register **and form**
- (b) Personal file;**
- (c) Release register **and form;**
- (d) Visitors register and form;
- (e) Seized property register;
- (f) Seized cash register;
- (g) Work register;
- (h) Absconder and re-arrest register;
- (i) Prisoner's death register;

- (j) Correspondence register;
- (k) Daily attendance register;
- (l) Sick register;
- (m) Medical check up register**
- (n) Hospital admission register**
- ~~(o) Personal file;~~
- (p) Transfer form/register;
- ~~(q) Hospital admission register;~~
- ~~(r) Medical check up register;~~
- (s) Prosecution diary;
- (t) Briefing register;
- (u) Punishment registers;
- (v) Character and conduct register;
- (w) Prison inspection register;
- ~~(x) Prisoners release form; and~~
- (y) Any other forms/ registers as may be necessary

39. Section 176

The Superintendent/Officer commanding/Officer In-charge of the prisons may conduct checks and searches in the cells and wards of the prisons from time to time. During the search, all prohibited items seized shall be

recorded in the prisoner's personal file and appropriate action will be taken as per Section 109 and 111 of the ~~Prison~~ **this** Act. No warrant is necessary to be obtained for conducting such a search under this section.

40. Section 180

Transfer of prison staff

All prison staff on completion of two years in the same prison shall be transferred to another prison to avoid fraternization with the prisoner ~~as follows~~ **as per the Royal Bhutan Police Act.**

- ~~(a) The Additional Chief of Police on recommendation of the Senior Superintendent of Prisons shall transfer all officers;~~
- ~~(b) The Senior Superintendent of Prisons shall transfer other prison staff;~~

41. Section 182

Amendment

The amendment of this Act by way of addition, variation or repeal shall be effected by a simple majority of the respective Houses or vote of no less than two-thirds of the total member of Parliament present and voting on a motion submitted by one-third

of the members of either House, provided that the amendment does not undermine the functions and effectiveness of the Prison Division under the Royal Bhutan Police.

42. Section 183

Authoritative text

The Dzongkha text shall be the authoritative text, if there exists any difference in meaning between the Dzongkha and the English text.

43. Section 184

Section to be put under rules and regulation.

44. Section 3 to be incorporated at the end of the bill.

Note: Inconsistency in translation will be looked into by the Members of the Legislative Committee, the National Assembly Secretariat and the Royal Bhutan Police.

XXX.PRESENTATION OF THE REVISED BUDGET FOR THE FISCAL YEAR 2008- 2009

The Finance Minister while presenting the revised budget for the year 2008 to October 2009 said that the revised budget includes the additional budget estimates for the donor assisted projects, expenditure for the ongoing activities, additional budget for extra activities and

important new activities. In the summary budget report for the period till November 30, 2008 the additional budget estimates amounted to Nu. 3,106.462 million. The total additional budget comprises of Nu.360 million for the current expenditure and Nu.2,746.298 for the capital expenditure. He submitted the additional budget for the year 2008-2009, amounting to Nu.488.439 million for the approval of the National Assembly.

The preliminary estimates of the donor assistance was targeted at Nu.3,147.877 and the during the year the estimate was revised to Nu.9,277.483. This includes the program tied assistance of Nu. 1,400 million and project tied assistance of Nu.4,145.598 million from Government of India and Nu.584.008 million from other external assistance. In the revised estimates of external borrowings, the 60% pertains to the borrowings for the Hydro Power Projects and 21% of soft loans from the international financial institutions.

While there were no questions raised by the members on the presentation of the revised budget for the year 2008 to November 2009, few members raised certain questions to which the Finance Minister provided comprehensive responses and the House endorsed the revised budget for the year 2008 to November 2009 as mentioned in the revised budget estimate report.

XXXI. CENSUS RELATED ISSUES

1. Issues related to Security Clearance Certificate and Drop out cases of Form 5 /4

The Members from Phuentsholing, Drujeygang-Tseza, Samtse Lhamoizingkhag-Trashiding, Drujeygang-Tading constituencies submitted that problems related to security clearance certificate be solved at the earliest and census relating to form 5 and 4 be dealt according to the Citizenship Act and census of people in Form 4 who have been dropped out also be regularized.

To this, the Member from Chapcha-Bongo constituency submitted that, although the problems related to census and security clearance faced by the Lhotsampas have emerged from the people themselves and the Government did not create the problem, and even as per the Citizenship Act, it is not appropriate to submit such an issue. However, if this issue is not addressed it would remain as a perennial problem. Therefore, though it may not be possible to solve the issue immediately, the government should seriously consider the issue and it would be appreciated if the Home Ministry and the relevant departments could study the problem and submit a report thereof in the next session.

Similarly, the Member from Kilkhorthang-Mendrelgang constituency, on behalf of the southern Bhutanese people, submitted his appreciation to the government for establishing developmental infrastructure despite the people in the south having engaged in unacceptable anti-national activities and security situations in the South. He submitted that although it is not appropriate to submit such issues in times of improved security situation through various strategies and measures initiated by the Government for the security of the country, there are many innocent people who face problems. Therefore, for the benefit of these people, he said that submissions have been made to the new government to study the census related problems and sought for explanations on the actions taken in this regard.

Security Clearance Certificate

To this, the Minister for Home and Cultural Affairs said that security clearance certificate is important for every Bhutanese people for all purposes. The system of security clearance certificate has been in place since 1970 and it is also specified in the Civil Service Rules 1975. After the anti-national problem in the south in 1990 which posed serious threat to the security and sovereignty of the country, the census related issues were extensively

deliberated from the 70th to 76th Session of the National Assembly. The Minister also reminded the House that the security clearance system has been reviewed and amended.

Moreover, the introduction of the security clearance certificate by the government has helped in the preventing of unlawful activities in the country over many years. He submitted that the Ministry considers the system as necessary for the security and sovereignty of the country. For instance, if we looked at the recent furtive activities initiated by the people in the camps in Eastern Nepal, it is imperative that the system of security clearance be continued.

In addition, it was reported that, it is common knowledge that, out of 26 bombs planted in the Bhutanese territory by the people in the camps in Eastern Nepal in collaboration with Bhutanese people 16 bombs exploded. It was also informed that the Bhutanese people in the border areas assisted the people in the camps in Eastern Nepal to establish their camps in Southern part of Bhutan. On 2nd January 2008, the Army captured 14 perpetrators and destroyed three camps of the Communist Party of Bhutan and 45 Bhutanese people who admitted to having participated in such activities since 2007. Considering

such issues, it is indispensable to have the system of security clearance to maintain the security and independence of our country.

Moreover, it is necessary to accord due respect to the decisions of the former Government's Cabinet regarding the census related problems and the strong systems that they have put in place. It was reported that, as per the directives of the current cabinet to initiate measures of addressing the problems related to security clearance, a Ministerial Committee has been established and it has convened three meetings. He submitted security clearance issues would be further reviewed in accordance to the changes in policy and measures would be developed to address the census related problems immediately after the conclusion of the National Assembly Session.

Issues related to Form 5

The Minister informed that individuals under Form 5 are eligible for special residence permit. The Ministry of Home and Cultural Affairs is strictly enforcing the resolution of the 67th Session of the National Assembly and Section Dha 3 of the Citizenship Act of Bhutan while updating the census status of those individuals. A detailed study on this issue is almost completed and an identification certificate for special residency permit from

2009 will be provided immediately, after the approval from the Government. The individuals holding such a permit can apply for citizenship in compliance to the provision of the Constitution of Bhutan and Citizenship Act of Bhutan. The Minister submitted that, the government would deliberate and formulate a framework in availing community services and facilities by the holder of special residency permit as soon as possible.

Census dropouts Cases

It was reported that there are three types of census drop out cases. Firstly, names of those people who failed to attend the National Population Census, 1992 were not recorded in the census record. Secondly, the census record of some individual in the Ministry of Home and Cultural Affairs reflect that they have officially migrated or that they absconded from the country. Thirdly, it included individuals who could not produce valid census documents during the National Population Census. The Assembly was informed that the census records maintained after the National Population Census is considered as the official document for reference by any individual regarding their census status. However, in order to address the problem of census drop out cases, the Ministry of Home and Cultural Affairs have submitted a

proposal of establishing a committee to the Cabinet. Upon approval by the Cabinet the issues related to census drop out cases will be reviewed thoroughly and those individuals who can produce valid official documents about their census status will be accordingly upgraded.

In support, the Member from Gelephu constituency submitted that, the problems of security clearance certificate and Form 4/5 needs to be streamlined through a uniform system irrespective of whether the individual is guilty or not to make it fair to the people. Moreover, considering the problems of the students in obtaining security clearance certificate, the Government should initiate measures to mitigate the census related issues.

In addition, the Member from Goen-Khatoe-Laya constituency submitted that such problems are faced not only in the South but also in other Dzongkhags as well. The Opposition Party also shared their concern and expressed their support to the initiatives taken by the Government to address the problem. He submitted that, the Government while deliberating on the measures of addressing the census related problem, it is of paramount importance to consider the country's security and independence in general and in particular the several rounds of talks held between the two countries about the

people in the camps in Eastern Nepal. Moreover, it is important to bear in mind the provisions of the Citizenship Act in deliberating and implementing the census related issues.

The National Assembly reminded that it is important to resolve the problems of security clearance, census drop out cases and form 4/5 faced by some people and it should be dealt as per the measures being taken by the Ministry of Home and Cultural Affairs. Since, Bhutan is small in every respect, security measures have to be strengthened and accorded due importance in order to maintain peace and stability. Moreover, if these issues are tackled in compliance to the provisions of the Constitution of Bhutan and Citizenship Act there is no room for such problems. The National Assembly pledged to provide full support to the works being carried out by a Ministerial Committee on behalf of the Government and directed to carry out the works effectively mainly in accordance to the Citizenship Act.

XXXII. REPORT ON TENTH FIVE YEAR PLAN

The Finance Minister while introducing the Tenth Five Year Plan to the National Assembly said that under the wise leadership of their Majesties the Kings, the Prime Minister, Cabinet and the Gross National Happiness

Commission formulated the plan after extensive research. A copy of 35 paged plan documents, containing the summary of the Ninth Five Year Plan and the Tenth Plan objectives strategies, goals, structure, budget allocation of various plans programs and activities covering till Local Government was distributed to all the Members.

The Finance Minister, in his presentation, stated that one of overarching objectives and priorities of the Tenth Five Year Plan is to reduce poverty to 32.2% and enhancing income and living standard of the rural communities. He submitted that since the 2008-2013 plan is an important strategy, the government strives to fulfill the needs and aspirations of the Bhutanese people through equity and justice.

The total budget outlay of the plan is Nu. 148.075 billion, excluding the capital investment in the hydro power projects. Out of the total budget outlay, capital budget amounts to Nu. 73.612 billion, which is 51% of the total budget and current budget amounts to Nu. 72.640 billion, representing 49% of the total outlay budget. The total budget outlay of the Tenth Five Year plan compared to Nu. 70 billion in the Ninth Five Year Plan has increased by 11% which is about 40 % of internal revenue.

The budget for developmental activities to be implemented in the Local Governments is about Nu. 12 billion and including the current budget, the total outlay for the Local Government is Nu. 27.412 billion, representing 18.8 % of the overall total planned budget outlay. The Capital budget is 16 % of the total planned budget and the overall total budget for Local Government of Nu. 42.834 billion, will be directly allocated to the Local Government for the benefit of the people. The Nu. 12 billion allocated for developmental activities will be distributed according to a formula formulated to distribute the funds equitably.

Although there were no major changes in the Tenth Five Year Plan report while deliberating in the House, the Members sought some clarifications and engaged in detailed discussion, to which the Finance Minister responded to their queries and doubts.

In formulating the policies and plans, the Speaker reminded the House that it is crucial to study the comparative social economic indicators and the GNH commission should bear in mind the outcomes and achievements of Ninth Five Year Plan. If this is not monitored the planning division of respective ministries should monitor the receipts of budget and its allocation and outcomes.

For example, it is important to implement in accordance to the plan activities and outcomes specified in page 54 of the Tenth Plan document. He also suggested that it is also important to consider the plan period and reduce it to two years from five years. In the Ninth Plan 75 % of the total outlay was financed through external sources of funds and only 25 % was met from internal revenue. The principle of self reliance is reliant on the plans therefore if our plans are financed entirely through external sources it would be difficult to achieve self reliance.

Similarly, in first year of the Tenth Five Year Plan till year 2013, the total expenditure is estimated to be Nu. 34 billion, where as our revenue is only Nu. 16 billion which would help achieve only 50% self reliance. Therefore, the most of the Members suggested reviewing the strategy bearing in mind the above situation. The Leader of the Opposition submitted that it would be appreciated if the center budget is decentralized to the Dzongkhags. It is important for the people to understand that, the Tenth Plan outlay is Nu. 146.252 billion and if we considered our revenue the Tenth Plan outlay would be only Nu. 75 billion and we would have to seek external funding of Nu. 72 billion.

The National Assembly expressed its appreciation to the Prime Minister, Cabinet and Gross National Happiness Commission for formulating the Tenth Plan and allocating substantial amount of budget aiming for the socio-economic development of the Bhutanese people. The Members also reminded that it is important to present a clear report on the annual expenditure while presenting the annual budget. The Members expressed their deep appreciation to the Government of India for providing huge grants in the tenth five year plan. The House also expressed boundless appreciation to the other development partners for the financial assistance. The deliberation on the Tenth Five Year Plan concluded with prayers and hopes to accomplish the vision of His Majesty the King and fulfill aspirations of the people and objectives of Gross National Happiness

XXXIII. RE-DELIBERATION ON THE MEMBERSHIP OF PUBLIC ACCOUNTS COMMITTEE (PAC)

The Chairman of the Public Accounts Committee (PAC) submitted that membership of the PAC could not be finalized during the 8th day of the Assembly sitting and it was decided to resolve during the joint parliamentary sitting. However, since there is no time for the joint sitting, he submitted to appoint PAC Member from the

National Assembly. In the midst of disagreement regarding the appointment of the Committee Member during the deliberation in the House, the Prime Minister suggested that it would be better to resolve the committee membership issue through discussion among the Members after the session and submit a report thereof to the Speaker.

XXXIV. EXPRESSION OF APPRECIATION

The Members from Bji-Katsho-Uesu, Shompangkha, Athang-Thedtsho, Sombeykha, Kengkhar-Weringla, Menjay-Gangzur, Drakteng-Langthel constituencies expressed their appreciation to His Majesty the Fourth King.

The Members expressed that the Bhutanese people have been fortunate to be under the umbrella of peace and happiness through the policies of One Nation One People, Decentralization, Self Reliance, Environmental Conservation and Gross National Happiness bestowed upon the people by His Majesty the Fourth King.

The Members submitted that the violence which erupted in southern Bhutan during 1990s was assuaged and solved through the personal initiative of His Majesty the Fourth King. Apart from this, when the sovereignty of the nation was on line, His Majesty the Fourth King personally took

initiative risking his own life and evicted the Indian militants from Bhutanese soil. The Members expressed that all the Bhutanese people should have unforgettable gratitude to these initiatives of His Majesty the Fourth King.

The Members also submitted their heartfelt gratitude for the phenomenal developmental changes brought by His Majesty the Fourth King. The sovereignty and security of the nation was further strengthened, religion and culture was promoted as never before and the friendly relationship between India and Bhutan was deepened. Besides, His Majesty introduced the policy of Gross National Happiness and instituted the Constitutional democracy in the country. The Members also highlighted on the enthronement of the crown prince by His Majesty the Fourth King. The Members therefore, submitted that the benevolent initiatives of His Majesty for the people's welfare can not be repaid eternally and even filling the entire nation with precious jewel would not surpass what His Majesty has done for the nation either. The Members nevertheless presented their deepest gratitude and appreciation to His Majesty the Fourth King.

The year 2008 saw the celebration of momentous trio events by the King, People and the Country successfully.

The peaceful and joyous events were successful with the blessing of the Triple Gem and the protective guardian deities. The success of the event is also attributable to the monastic and other religious bodies of the country. Furthermore it was mainly due to the prayers of His Majesty the Fourth King and the perpetual bondage between the monarchy and the people. Thus the Members expressed their infinite gratitude to the Fourth Druk Gyalpo and His Majesty the King.

The Members expressed that the Second Session of the First Parliament was successful with the aspirations of the people and the Government being fulfilled. This was firstly, due to the sublime guidance of His Majesty the King during the Opening Ceremony of the Second Session. Secondly, it was because of the specific coordination by the Speaker which improved every aspect of the procession of Second Session in comparison to the First Session.

The Members expressed that during the opening ceremony, His Majesty's insightful address reflected the present and future benefit giving rise to an additional sense of inspiration. The Members further added that the spiritually enriched address of His Majesty also stimulated a unique sense of feeling.

No effort has been spared for conducting the deliberation according to the insightful inaugural address of His Majesty the King. Therefore the deliberation was successful with the aspirations of the people and the Government being placed at the center.

The Members prayed for His Majesty to continue gracing the Parliament sessions from the Golden Throne and provide similar guidance in future sessions. They submitted that it would be inspiring and a guiding factor in the course of deliberation.

The Members said that the Second Session of First Parliament concluded fruitfully by fulfilling the wishes of the people and the Government. This has been possible firstly due to the beneficial guidance of His Majesty the King and secondly due to efficient conduct of business of the House by the Speaker. Thus the Members expressed their appreciation and presented their hopes and prayers to once again gather during the Third Session of the First Parliament in good health and spirit.

His Majesty's visit to Trongsa Dzongkhag, where Monarchy was instituted and kindly meeting the people of five Gewogs fulfilled the people's wishes and further deepened the veneration to the Monarchy. Similarly the first visit of the Prime Minister to Trongsa Dzongkhag

after the formation of the new Government and taking the reins of governance signifies loyalty and dedicated service to the Monarchy.

The Members also expressed their deep appreciation to the Government of India for rendering assistance during the conduct of elections to introduce democracy in the country. They also further expressed their appreciation on the security and financial assistance rendered during the year 2008. Therefore, the Members expressed their hopes that the relations between Bhutan and India would further grow from strength to strength.

The Members highlighted on the successful deliberation on the Tenth Five Year Plan in the current session of the National Assembly. Apart from this, the Members also expressed their appreciation to the Prime Minister for strengthening foreign relations of the country and exploring financial resources for the government plans. The Members also highlighted on the fraternal consideration to Bhutan by India and expressed immeasurable gratitude to the Government and people of India for their continuous financial support.

Furthermore, the Members expressed their appreciation to the Speaker for ensuring and guarding the Rules of Procedures in the conduct of the business of the House for the successful conclusion of the Second Session of the First Parliament.

**XXXV. EXPRESSION OF APPRECIATION ON THE
CONCLUDING CEREMONY OF THE SECOND
SESSION OF THE FIRST PARLIAMENT**

1. His Excellency the Prime Minister

The Prime Minister expressed his appreciation to His Majesty the Fifth Druk Gyalpo for gracing the closing ceremony of the National Assembly Session. He said that this has not only enhanced the status of the Parliament but also reminded the Members of the Parliament of their duties. The speech given by His Majesty during the opening ceremony of the session has been of utmost importance in guiding the session. It was purely through His Majesty's guidance that the Parliament was able to pass three Acts and for the fruitful deliberation on the Tenth Five Year Plan.

He said, the Tenth Plan is different from that of the past plans because the current plan is the first plan under the Democratic system of government which was introduced by His Majesty the King after ascending the Throne. He said that if the government is able to fulfill the wishes and aspirations of the people, there is a great hope that the foundation of democracy will be strengthened. Bhutan has the utmost gratitude towards the Government of India for the budgetary support extended towards our government

for the Tenth Five Year Plan. He went on to say that, since Members from both the Houses had little experience with democracy some minor mistakes were committed. However, he said that as long as the principles of the Tsa-Wa-Sum and democracy were upheld, such errors could be overlooked.

He said that, as a newly emerging democratic government, we have great unforeseen responsibilities and it is important that authority be vested accordingly to undertake those responsibilities. He reminded that the Members must hold the constitution as a guideline in keeping intact the check and balance system of our government. He expressed his utmost gratitude towards the Monastic Body for performing rituals which have ensured the peace and well-being of our nation till now. Equally, he extended the utmost gratitude towards the three Armed forces for the protection within and outside the boundaries of our nation. He concluded by offering prayers for the long life and glorious reign of His Majesty the King.

2. Chairman of the National Council

The Chairman of the National Council, on behalf of the Members expressed their gratitude towards His Majesty for gracing the closing ceremony of the Session. He said

that, it has been more or less nine months since a constitutionally democratic form of government has been introduced in the nation and these nine months has been making a lot of progress due to the cooperation between the government and the people. He expressed his hopes to serve the nation in order to fulfill His Majesty's wishes. He offered his prayers and hopes that with the blessings of the Triple gem and with the merit of His Majesties, the nation will be prosperous, peaceful, and that all the royal families lead a very fruitful life as well.

3. Speech by the Speaker on the concluding ceremony of the Second Session of the First Parliament

1. On behalf of the Parliament, may I extend the warmest welcome to the auspicious occasion of concluding ceremony of the Second Session of the Parliament on 22nd January, 2009 corresponding to the 27 Day of the 11 Month of Earth Male Rat Year.
2. If I may reiterate His Majesty's address during the opening ceremony of this session, His Majesty said "Although, not much time has lapsed after instituting constitutional democratic system in our country, it appears that we have been practicing democratic system for many years, which is evident from the manner in which everyone shoulders their responsibilities and serves the

nation. Since this is a positive sign, I am not only personally happy but also appreciative of all the Hon'ble Members who are gathered here today." It is very encouraging for us because it generated immense happiness and built confidence in our minds.

3. Some of the significant deliberations were made in the interest of the country and people, by the Members of Parliament during the current session in the respective Houses are:
 - a) Waste Prevention and Management Bill of Bhutan, 2008, deliberated and endorsed by the National Assembly has been forwarded to National Council.
 - b) Royal Bhutan Police Bill, 2009 and
 - c) Prison Bill of Bhutan, 2009 was endorsed by the National Assembly after being forwarded from the National Council.

These three bills upon being endorsed by the National Council will be submitted to His Majesty for Royal Assent as per the provision of the Constitution of Bhutan.

4. I hope that the people would have witnessed the proceedings and resolutions of both the Houses conducted and resolved in the interest of people and the country in

accordance with the provisions of the Constitution during a month long session live coverage through radio and television.

5. The reports to be submitted during the third session by the Ministries in accordance with the Public Accounts Committee's reports are:
 - a) Construction rules and regulations by the Ministry of Works and Human Settlement
 - b) Report on the review of rules and regulations of the mines and mining operations
 - c) Report on the problems faced by the Ministry of Economic Affairs as mentioned in the audit report to be submitted to the Cabinet and Public Accounts Committee
 - d) To strive to resolve and settle all the irregularities till 2007 as reflected in the Royal Audit Authorities' report
 - e) With regard to security guards in the Gewogs, it was resolved that the Ministry of Home and Cultural Affairs will discuss in the Annual Dzongda and Chairpersons conference and submit a report
 - f) It is important that Ministry of Finance should initiate actions on the rural housing insurance schemes and

- g) Carry out work relating to the enhancement of life insurance premium
 - h) The Chief Justice would be reminded about the delay in passing a verdict on the scam of Nu. 13 million in the Ministry of Education despite being forwarded to the Thimphu District court a year earlier.
 - i) I will write a separate letter to the Royal Civil Service Commission regarding the need to review the transfer and promotion rules of civil servants.
6. During the session, questions pertaining to the development issues were deliberated in detail through question hour with the provision of adequate time.
7. It is imperative that the Legislative Committee ensure that the existing laws and legislations that need to be reviewed are made consistent with the Constitution of Bhutan. Among these laws, it is hoped that it will be possible to review and deliberate the Royal Civil Service Bill, Local Governance Act, Lhengye Zhungtshog Act and the Municipal Act in the third session.

A system of uploading the draft bills, rules and regulations which need to be reviewed in the website for the public comments has been introduced. If the public embrace such an opportunity, it would truly contribute to democracy.

8. The problems of people such as poverty, youth and unemployment would be addressed, if the government could achieve all the plans specified in the annual plan by the government based on the principal of Gross National Happiness.

The whole responsibility rests on the people working in government, Dzongkhag and Gewogs. Therefore, despite the lack of substantial government revenue, salary increase ranging from 35 to 61 percent has been granted.

9. The Constitutional bodies and law enforcement and implementing agencies must shoulder their responsibilities of combating corruption ensuring rule of law through equity and justice. We must all pledge to strive in achieving His Majesty's vision of Gross National Happiness.
10. While submitting the agenda for the future session, it must be submitted through the Gewog Yargye Tshogde and Dzongkhag Yargye Tshogdues as practiced in the past.
11. If I may reiterate His Majesty's speech, is of great importance to strive and serve to the best of abilities through outmost cooperation and collective support like family members in order to realize the ultimate interest of the people. Democracy will be successful if the Members of Parliament conduct as per the enormity of the responsibility bestowed upon them because it is our collective responsibility.

12. I would like to express appreciation to the VIP security division for providing adequate security service during the session. I would also like to commend the Bhutan Broadcasting Service Corporation for comprehensive radio and television coverage of proceedings of both the Houses of the people. This has provided opportunity for the people to understand the democratic system.
13. Lastly, I would like to conclude the second session of the first parliament with offering of prayers to our protective guardian deities in general and the wise and farsighted leadership of His Majesty the King. It is due to the immense hard work and selfless leadership of our hereditary Kings that we have been able to live in unprecedented peace, happiness and prosperity and pray for greater achievements under the dynamic leadership of his Majesty the King for generations to come.



22 January, 2009

Sd/-

(Jigme Tshultim)

SPEAKER

List of Documents Distributed

1. Royal Bhutan Police Bill, 2009
2. Royal Bhutan Prison Bill, 2008
3. Waste Prevention and Management Bill, 2008
4. Agreement on the establishment of the South Asian Regional Standards Organization.
5. Protocol of Accession of Islamic Republic of Afghanistan to Agreement on South Asian Free Trade Area (SAFTA)
6. SAARC Fund Charter
7. Annual Anti-Corruption Report
8. 2008-2009 Budget Report
9. Tenth Five Year Plan Report

List of the National Assembly Members who participated in the Second Session of the First Parliament

1. Speaker, Jigme Tshultim, Radhi-Sakteng constituency, Trashigang Dzongkhag
2. Prime Minister, Jigme Yoezer Thinley, Nanong-Shumar constituency, Pemagatshel Dzongkhag
3. Lyonpo Yeshe Zimba, South Thimthrom constituency, Thimphu Dzongkhag
4. Lyonpo Khandu Wangchuck, Langong-Wangcha constituency, Paro Dzongkhag
5. Lyonpo Wangdi Norbu, Bartsam-Shongphu constituency, Trashigang Dzongkhag
6. Lyonpo Ugyen Tshering, Kawang, Lingshi-Soe-Naro constituency, Thimphu Dzongkhag
7. Lyonpo Zanglay Dukpa, Khar-Yurung constituency, Pemagatshel Dzongkhag
8. Lyonpo Minjur Dorji, Kanglung-Uzorong constituency, Trashigang Dzongkhag
9. Lyonpo Thakhur Singh Powdyel, Dorokha-Tading constituency, Samtse Dzongkhag

10. Lyonpo Dr.Pema Jamtsho, Choekhor-Tang constituency, Bumthang Dzongkhag
11. Lyonpo Nandalal Rai, Shompangkha constituency, Sarpang Dzongkhag
12. Lyonpo Dorji Wangdi, Panbang constituency, Zhemgang Dzongkhag
13. Leader of Opposition, Tshering Tobgay, Sombeykha constituency, Haa Dzongkhag
14. Deputy Speaker, Yangku Tshering Sherpa, Kilkhorthang-Mendrelgang constituency, Tsirang Dzongkhag
15. Karma Wangchuck, Chumey-Ura constituency, Bumthang Dzongkhag
16. Ugyen Tshering, Bongo-Chapcha constituency, Chhukha Dzongkhag
17. Chencho Dorji, Phuentsholing constituency, Chhukha Dzongkhag
18. Sonam Jamtsho, Drugyalgang-Tsezang constituency, Dagana Dzongkhag
19. Heman Guruang, Lhamoizingkha-Tashiding constituency, Dagana Dzongkhag
20. Kinley Dorji, Goenkhamy-Lunana constituency, Gasa Dzongkhag
21. Damchoe Dorji, Goen-Khatoe-Laya constituency, Gasa Dzongkhag
22. Ugey Tenzin, Bji-Katsho constituency, Haa Dzongkhag
23. Karma Rangdol, Menjay-Gangzur constituency, Lhuentse Dzongkhag
24. Tshering Tenzin, Menbi-Tsengkhar constituency, Lhuentse Dzongkhag
25. Ugyen Wangdi, Dremitse-Ngatshang constituency, Mongar Dzongkhag
26. Sonam Penjor, Kengkhar-Weringla constituency, Mongar Dzongkhag
27. Karma Lhamo, Mongar constituency, Mongar Dzongkhag
28. Chencho Dorji, Dogar-Shaba constituency, Paro Dzongkhag

29. Choida Jamtsho, Nganglam constituency, Pemagatshel Dzongkhag
30. Tshering Penjor, Kabji-Talo constituency, Punakha Dzongkhag
31. Namgay Wangchuck, Lingmu-Toewang constituency, Punakha Dzongkhag
32. Ugyen Dorji, Dewathang-Gomdar constituency, Samdrup Jongkhar Dzongkhag
33. Norbu Wangzom, Jomo-Tsangka-Martsala constituency, Samdrup Jongkhar Dzongkhag
34. Prahlad Gurung, Pagli-Samtse constituency, Samtse Dzongkhag
35. Durga Prasad Chhetri, Sipsoo constituency, Samtse Dzongkhag
36. Lila Pradhan, Ugyentse-Yoeseltse constituency, Samtse Dzongkhag
37. Prem Kumar Gurung, Gelephu constituency, Sarpang Dzongkhag
38. Choeki Wangmo, Thrimshing constituency, Trashigang Dzongkhag
39. Lhatu, Wamrong constituency, Trashigang Dzongkhag
40. Druptob, Bumdeling-Jamkhar constituency, Tashiyangtse Dzongkhag
41. Kelzang Wangdi, Khamdang-Ramjar constituency, Tashiyangtse Dzongkhag
42. Rinchen Dorji, Drakteng-Langthel constituency, Trongsa Dzongkhag
43. Nidup Zangpo, Nubi-Tangsibji constituency, Trongsa Dzongkhag
44. Narbhadur Gurung, Patale-Tsirang-toe constituency, Tsirang Dzongkhag
45. Passang Thinley, Athang-Thedtsho constituency, Wangdue Phodrang Dzongkhag
46. Gyem Dorji, Nyisho-Sepu constituency, Wangdue Phodrang Dzongkhag
47. Tshering Dorji, Bardo-Trong constituency, Zhemgang Dzongkhag