

1. Conferring of *Dakyen*, Oath taking and Election of Speaker and Deputy Speaker

i. His Majesty confers *Dakyen* to the Prime Minister of Bhutan's first democratically elected Government

Druk Phuensum Tshogpa's Nanong-Shumar constituency member and Party President, Lyonpo Jigmi Y. Thinley was elected as the Prime Minister of the country's first ever democratically elected Government subsequent to the party having won 45 of the total 47 National Assembly seats. On the 4th Day of 3rd Month of Male Earth Rat Year corresponding to April 9, 2008, Lyonchhen Jigmi Y. Thinley received the auspicious five-colour *dhar* from His Majesty the King. He received the symbolic scarf and sword in the Throne Room of Tashichhodzong.

Before proceeding to the Prime Minister's Office in a *Chipdrel* procession, the Lyonchhen was escorted to the *Gyelyong Tshokhang*, where he was presented a Guard of Honour by the Royal Bhutan Police. The *Zhung Dratshang* presided over a special *Tendrel* ceremony inside the Prime Minister's Office and offered the eight auspicious objects. The special ceremony concluded with thousands of well-wishers offering *Tashi Khadhar* and Tashi Delek to the Prime Minister.

ii. His Majesty confers *Dakyen* on new Cabinet

The Druk Phuensum Tshogpa formed the country's first democratically elected Government following the party winning 45 of the total 47 National Assembly seats. The party high command nominated South Thimphu constituency member and Party Vice-President, Lyonpo Yeshey Zimba as Minister for Works and Human Settlement; Lamgong-Wangchang constituency member, Lyonpo Khandu Wangchuk as Minister for Economic Affairs; Bartsham-Shongphu constituency member, Lyonpo Wangdi Norbu as Minister for Finance; North Thimphu constituency member, Lyonpo Ugyen Tshering as Minister for Foreign Affairs; Khar-Yurung constituency member, Dasho Zangley Dukpa as Minister for Health; Samkhar-Udzorong constituency member, Minjur Dorji as Minister for Home and Cultural Affairs; Dorokha-Tading constituency member, Thakur S. Powdyel as Minister for Education; Chokhor-Tang constituency member, Dr. Pema Gyamtsho as Minister for Agriculture; Shompangkha constituency member, Nandalal Rai as Minister for Information and Communications and; Panbang constituency member, Dorji Wangdi as Minister for Labour and Human Resources.

His Majesty the King conferred *Dakyen* on the 10 Cabinet Ministers nominated by the first democratically elected Government. His Majesty granted the five colour

dhar to the Cabinet Ministers in the Throne Room of Tashichhodzong on April 11, 2008. The special ceremony ended with officials, employees, members of the business community, friends and well-wishers offering *Tashi Khadhar* and *Tashi Lekmoen* to the Ministers.

iii. Oath taking ceremony

On the 16th Day of the 3rd Month of Male Earth Rat Year corresponding to April 21, 2008, in a symbolic representation of the King, the “*Ku-Sung-Thuk-Ten*” to the Golden Throne was received inside the National Assembly hall and placed at the Throne in a simple ceremony. Prior to the ministration of the Oath or Affirmation of Secrecy by the Prime Minister, Speaker, Cabinet Ministers and the Deputy Speaker as per Section 19 of Article 10 of the Constitution and as provided in the Fourth Schedule of the Constitution, the members clad their new blue “*Namza*” after the Zhugdrel Phuensum Tshogpai Tendrel and the Marchang Ceremony. The members of the National Assembly then took the Oath or Affirmation of Office as provided in the Third Schedule of the Constitution in front of the Golden Throne. It was administered by Hon’ble Lyonpo Sonam Tobgay, Chief Justice of Bhutan.

iv. Election of the Speaker and the Deputy Speaker

Druk Phuensum Tshogpa's Radhi-Sakteng constituency member, Dasho Jigme Tshultim was the nominee for Speaker and Kikhorthang-Mendrelgang constituency member, Yangku Tshering Sherpa from the same party was the nominee for Deputy Speaker. Prior to ministration of the election of Speaker and Deputy Speaker, although no submission was made by the House with regard to the Speaker nominee, the Leader of Opposition put forth that Goenkhatoe-Laya constituency member, Damchoe Dorji of People's Democratic Party was well-experienced and suitable for the post of Deputy Speaker.

On this, members from the ruling party also reiterated the capability and suitability of Damchoe Dorji as the Deputy Speaker nominee. However, members pointed out that there would be no one to make submissions and partake in the deliberations of the House from the opposition party in the event Damchoe Dorji was elected as Deputy Speaker. Damchoe Dorji of the opposition party also submitted that the present situation does not permit him to stand as the nominee for Deputy Speaker and hence supported Yangku Tshering Sherpa as the Deputy Speaker nominee. Subsequently, the election of the Speaker and Deputy Speaker was administered through secret ballot wherein all the 47 members cast their votes. The results of the election of the Speaker and

the Deputy Speaker are illustrated in the following table held on the 16th Day of the 3rd Month of Earth Rat Year corresponding to April 21, 2008.

Sl. No.	Name	Dzongkhag	Constituency	Yes	No	Total
1	Dasho Jigme Tshultim	Trashigang	Radhi-Sakteng	46	1	47
2	Yangku Tshering Sherpa	Tsirang	Kikhorthang-Mendrelgang	47	0	47

v. Oath or Affirmation of Secrecy

Following the election of the Speaker and the Deputy Speaker and as per Section 19 of Article 10 of the Constitution, the Prime Minister, Speaker, Cabinet Ministers and the Deputy Speaker took the Oath or Affirmation of Secrecy as provided in the Fourth Schedule of the Constitution.

vi. Awarding of Tashi Khadhar to members of National Assembly by His Majesty the King

Subsequent to Oath or Affirmation of Office and Oath or Affirmation of Secrecy, at 1500hrs of the same day, His Majesty the King granted an audience to the members in the Throne Room and awarded *Tashi Khadhar* as a mark of the closest bond between the King and the people after which members were directly escorted to the

august hall of the National Assembly. The day concluded with the simple ceremony of offering *Tashi Khadhar* to the members by the well-wishers.

vii. His Majesty confers Orange Scarf to the Speaker

Following the nomination of Druk Phuensum Tshogpa's Radhi-Sakteng constituency member, Dasho Jigme Tshultim as Speaker on 16th Day of the 3rd Month of Earth Rat Year corresponding to April 21, 2008, the election of the Speaker was administered and conducted through secret ballot. The Speaker nominee Dasho Jigme Tshultim secured 46 out of 47 votes cast and was elected as the Speaker to the National Assembly. His Majesty the King conferred the orange scarf to the new Speaker on 25th Day of the 3rd Month of Earth Rat Year corresponding to April 30, 2008 which asserted great importance on the authority and independence of the three arms of the Government. Also, the orange scarf was symbolic of the full support and encouragement in ensuring that the Legislature undertakes its duties and responsibilities without any fear or favour.

Till date, apart from Ministers being elected as Speaker, it was unprecedented that orange scarf was conferred to a serving Speaker. This special ceremony was marked by a simple *Tendrel* ceremony at the Speaker's Office and ended with well-wishers offering *Tashi Khadhar* and *Tashi Lekmoen* to the Speaker.

viii. His Majesty awards Orange Scarf to the Leader of Opposition

Sombaykha constituency member, Tshering Tobgay of People's Democratic Party was formally announced as the Leader of Opposition following the declaration of the party as the Opposition Party after winning 2 of the total 47 National Assembly seats. While there was no institutional norm for conferring of *Dakyen* to the Leader of Opposition, as a special instance, His Majesty the King conferred the orange scarf to the Leader of Opposition through the exercise of the Royal Prerogatives under Article 2.16(a) of the Constitution, at Tashichhodzong on June 16, 2008.

The *Dakyen* was conferred as a mark of full support and encouragement to Opposition's unique responsibility in Bhutanese Democracy and its profound constitutional duties at this critical stage at the start of democracy. The special ceremony was marked by a simple *Tendrel* ceremony at the Opposition Leader's Office and ended with well-wishers offering *Tashi Khadhar* and *Tashi Lekmoen* to the Opposition Leader.

Proceedings and Resolutions of the First Session of the First National Assembly

0935 hrs

I. Establishment of Committees of the National Assembly

Subsequent to informing the House on the sitting procedures by the Hon'ble Speaker, the Secretary of the National Assembly reminded of the existing system of constituting numerous different committees by the House as and when deemed necessary. He said that the committees established were namely the select committees, special committees and standing committees and elucidated that the business of the current sitting was to constitute standing committees. Furthermore, he elaborated on the tenure of the committees, membership in the different committees, appointment of committee chairperson and other guidelines towards constituting of these committees.

Concerning the standing committees, he explained that Committees are established for a term of Parliament through a standing order or through a resolution passed by the House.

Regarding the appointment of the members to the Committees, the Secretary explained that the total number of members cannot exceed more than five and that a Minister cannot become a member to any of these Committees. He reminded that there was the need to

determine and finalise the Rules of Procedure by both the Houses according to Article 10, Section 11 of the Constitution. He also stated that there was the need to constitute Committees to carry out the business of Parliament and that this be stipulated in the Rules of Procedure of both the Houses.

The Prime Minister said that under the democratic system, the Parliament was the most important body from among the three arms of the Government. Likewise, since the most important functions of the Parliament was to enact laws and consider important policies, it was imperative for members to fully comprehend as to whether the ministries and commissions working under the Government were functioning towards the benefit of the present and the future. He added that considering the fact that we have well-qualified members, the establishment of as many committees by the Parliament as per the need would greatly help in the effective and efficient functioning of the Government.

Further, he proposed to change the widely used term “*Tshogchung*” to “*Droetshog*” since the deliberations held were through discussions. On this, the Speaker put forth that the Dzongkha Development Commission be consulted to see which of the two words “*Tshogchung*” or “*Droetshog*” was more appropriate.

On the reference of the National Council and the National Assembly as Upper House and Lower House, the Secretary of the National Assembly reminded that the Fourth Druk Gyalpo held that the two Houses should be treated at par with each other. He submitted that henceforth, it would be more proper to refer the National Council and the National Assembly as “the two Houses” and not as “Upper House and Lower House”.

Like the Prime Minister, the Leader of Opposition also said that the members of National Assembly were all experienced and well educated and supported the motion of constituting these committees. Concurrently, he submitted that it would affect the efficient working of the civil service in the event too many committees were constituted against the actual requirements. He also pointed out that it was imperative to clearly spell out the responsibilities and extent of these committees. Concerning the term “*Tshogchung*”, he expressed concern that the term was widely used and replacing it with “*Droetshog*” would lead to inconveniences in the future.

Deliberating on these submissions, members said that whatever work the National Assembly or the Parliament performs were to make policies and guidelines which shall be implemented by the ruling Government. Since the National Assembly and the committees do not have to deal with bureaucrats, the numbers of committees have no impact on the civil service.

The National Assembly resolved to constitute as many committees as concurred upon by the House and also reminded that a member shall not become a member to more than three committees. Thus, on the 30th Day of the 4th Month of the Earth Rat Year corresponding to June 3, 2008, the following committees and members were endorsed by the House.

Sl. No.	Committee	Members	Constituency	Remarks
1.	Public Accounts	1.Choida Jamtsho	Nganglam	consensus
		2.Karma Rangdol	Gangzur-Minjay	consensus
		3.Sonam Penjor	Kengkhar-Weringla	consensus
		4.Kesang Wangdi	Khamdang-Ramjar	consensus
		5.Chencho Dorji	Doga-Shaba	consensus
2.	Foreign Relations	1.Gyem Dorji	Nyisho-Sephu	consensus
		2.Damcho Dorji	Goenkhatoe-Laya	consensus
		3.Ugay Tshering	Chapcha-Bongo	consensus
		4.Pasang Thrinlee	Athang-Thedtsho	consensus
		5.Karma Rangdol	Gangzur-Minjay	consensus
3.	Ethics and Credentials	1. Choida Jamtsho	Nganglam	consensus
		2.Kesang Wangdi	Khamdang-Ramjar	consensus
		3.Norbu Wangzom	Jomotshangkha-Martshala	consensus
		4.Tshering Penjor	Kabji-Talo	consensus
		5.Hemant Gurung	Lhamoyzingkha-Trashiding	consensus
4.	Human Rights	1.Damcho Dorji	Goenkhatoe-Laya	consensus
		2. Hemant Gurung	Lhamoyzingkha-Trashiding	consensus

		3. Ugyen Wangdi	Dremitse- Ngatshang	consensus
		4. Prem Kumar Gurung	Gelephu	consensus
		5. Tshering Tenzin	Menbi- Tshenkar	consensus
5.	Culture (GNH)	1. Rinchen Dorji	Drakteng- Langthel	consensus
		2. Nidup Zangpo	Nubi-Tangsibji	consensus
		3. Durga Prasad Chhetri	Sipsu	consensus
		4. Karma Wangchuk	Chumey-Ura	consensus
		5. Prahlad Gurung	Pugli-Samtse	consensus
6.	Labour & Employment	1. Ugyen Dorji	Dewathang- Gomdar	consensus
		2. Ugay Tshering	Chapcha- Bongo	consensus
		3. Nar Bahadur Gurung	Patalay- Tshirangtoe	consensus
		4. Chencho Dorji	Phuentsholing	consensus
		5. Sonam Jamtsho	Drujeygang- Tseza	consensus
7.	Women & Children	1. Karma Lhamo	Mongar	consensus
		2. . Damcho Dorji	Goenkhatoe- Laya	consensus
		3. Norbu Wangzom	Jomotshangkha- Martshala	consensus
		4 Lila Pradhan	Ugentse- Yoeseltse	consensus
		5. Lhatu	Wamrong	consensus
8.	Private Sector Development	1. Ugay Tshering	Chapcha- Bongo	consensus
		2. Tshering Dorji	Bardo-Trong	consensus
		3. Namgay Wangchuk	Lingmukha- Toewang	consensus
		4. Dupthob	Bumdeling- Jamkhar	consensus
		5. Prem Kumar Gurung	Gelephu	consensus

9.	Poverty Reduction	1. Lhatu	Wamrong	consensus
		2. Choeki Wangmo	Thrimshing	consensus
		3. Dupthob	Bumdeling-Jamkhar	consensus
		4. Ugen Tenzin	Bji-Katsho-Uesu	consensus
		5. Kinley Dorji	Goenkhamey-Lunana	consensus
10.	Legislative	1. Ugyen Wangdi	Dremitse-Ngatshang	consensus
		2. Rinchen Dorji	Drakteng-Langthel	consensus
		3. Gyem Dorji	Nyisho-Sephu	consensus
		4. Yangkhu Tshering Sherpa	Kilkhorthang-Mendrelgang	consensus
		5. Karma Lhamo	Mongar	consensus
11.	Environment/ Land/ Urban Development	1. Ugen Tenzin	Bji-Katsho-Uesu	consensus
		2. Nidup Zangpo	Nubi-Tangsibji	consensus
		3. Lila Pradhan	Ugentse-Yoeseltse	consensus
		4. Choeki Wangmo	Thrimshing	consensus
		5. Chencho Dorji	Doga-Shaba	consensus
12.	Youth & Sports	1. Pasang Thrinlee	Athang-Thedtsho	consensus
		2. Namgay Wangchuk	Lingmukha-Toewang	consensus
		3. Kinley Dorji	Goenkhamey-Lunana	consensus
		4. Durga Prasad Chhetri	Sipsu	consensus
		5. Prahlad Gurung	Pagli-Samtse	consensus
13.	Media & ICT	1. Tshering Tenzin	Menbi-Tshenkhar	consensus
		2. Tshering Penjor	Kabji-Talo	consensus
		3. Ugyen Dorji	Dewathang-Gomdar	consensus
		4. Sonam Jamtsho	Drujeygang-Tseza	consensus
		5. Chencho Dorji	Doga-Shaba	consensus

14.	Education Development	1. Ugyen Dorji	Dewathang-Gomdar	consensus
		2. Yangkhu Tshering Sherpa	Kilkhorthang-Mendrelgang	consensus
		3. Nar Bahadur Gurung	Patalay-Tsirangtoe	consensus
		4. Tshering Penjor	Kabji-Talo	consensus
		5. Lila Pradhan	Ugentse-Yoeseltse	consensus

Following the constitution of the committees and appointment of the members, the Hon'ble Speaker stated that the respective members should appoint their respective committee chairperson and deputy chairperson within two days and inform the same to the National Assembly Secretariat. (30th Day of the 4th Month of the Male Earth Rat Year corresponding to 3rd June, 2008)

0935 hrs

II. Procedure on the endorsement of the National Assembly Bill of the Kingdom of Bhutan 2008

1. First Reading

The Secretary of National Assembly, Nima Tshering, presented a brief background of the Bill and presented the Bill for the first reading by the House on Monday the 13th Day of the 5th Month of Male Earth Rat Year corresponding to 16th June, 2008.

2. **Title- the discussion on whether to refer to it as the “Rules of Procedure” or as an “Act”**

During the first reading of the Bill, the Chairman of the Legislative Committee submitted that Section 11 of Article 10 of the Constitution does not state that the National Assembly and the National Council shall conduct their business after determining their respective Acts. Hence, he moved to decide whether the Bill in question will be referred to as “Act” or as “Rules of Procedure”.

While deliberating on this issue, most of the members submitted that it would be more appropriate and convenient in the smooth conduct of the House if there is a separate National Assembly Act and not an umbrella Parliament Act. As put forth by the members, the House resolved to refer the Bill in question as “National Assembly Act”.

3. **The National Assembly Bill was endorsed with the following amendments:**

The House deliberated the National Assembly Bill in detail. In the Preamble, the Legislative Committee submitted that the phrase, “**the highest legislative body**”, may be amended. However, other Members submitted that the phrase was very appropriate to the institution of the Legislature and therefore, the House resolved that the phrase, “**the highest legislative body**”, shall be retained without amendment.

Chapter I, Section 2, is amended as, **“This Act hereby repeals the Chathrim for the Elections of National Assembly Members, 1995 and any provisions of law, by-laws, rules or regulations which is inconsistent with this Act”**. On this, the National Assembly also directed that the amendment be incorporated in the Dzongkha text.

Chapter III, Section 12, the Kabji-Talo constituency member submitted that both “formal degree” and “formal university degree” received from institutions within the country may be incorporated under the Section. On this, the House resolved that this issue shall be fully deliberated during the enactment of the Election Bill.

Chapter III, Section 15, amendment as proposed by the Legislative Committee in the English text is endorsed as, ~~“No~~ **A person who is disqualified by a judgment of a court of competent jurisdictionelections of members of the Assembly, shall not be eligible for election as a member of the Assembly so long as such disqualification continues”**.

Chapter III, Section 17, the amendment proposed by the Legislative Committee was endorsed as, **“A member may, by writing under his hand, addressed to the Speaker, if the House is in session, or the Secretary General if the House is not in session, resign his seat therein, and upon the acceptance of such resignation**

by the Speaker, the seat of that member shall become vacant”.

Chapter III, Section 18, the amendment proposed by the Legislative Committee was endorsed as, “A member shall not tender resignation of the seat while the **dispute related to** election of that person as a member of the National Assembly is lawfully contested”.

Chapter III, Section 22, the amendment proposed by the Legislative Committee as, “Section 21 shall not apply where a vacancy occurs within ~~twelve~~ **six** months before the expiry of the timeSection 7”, was not endorsed. It was submitted by Goenkhatoe-Laya constituency member that the proposed amendment would entail inconveniences. On this, the Chairman of the Committee explained that it was viewed appropriate by the Committee to reduce the period of “twelve months” to “six months” with reference to Section 9 of Article 15 which states “less than one hundred and eighty days”. The House resolved to retain this provision as in the Bill without any amendments.

Chapter VI, Section 36, after a thorough deliberation by the House, it was resolved that the provision shall be retained as in the Bill without amendments.

Chapter VI, Sections 40 and 41 were deleted. Further, the House resolved to replace it with a new section as,

“The Speaker shall remain bipartisan in carrying out his/her duties.”

On Chapter VII, Section 50, the Goenkhatoe-Laya constituency member submitted that provisions under sub-section (f) and (g) needs to be thoroughly discussed by the House. The motion was seconded by the Doga-Shaba constituency member. After having deliberated by the House, it was resolved that Section 50 shall be retained without any amendments and also directed that a “detailed form” be drawn up for this Section and distribute it to members.

Chapter VII, Section 55, was amended as, “Gifts of pecuniary value which a member receives either as guest or host in connection with his mandate shall be notified and handed to the Secretary General. ~~The member may apply to keep the gift if he pays into the Consolidated Fund a sum equivalent to its value. Notification shall not be required of the, material value of the gift does not exceed a sum laid down by the Speaker in consultation with the Secretary General as~~ **governed by the rules prescribed by the Anti Corruption Commission”**.

Chapter VIII was deleted since it was submitted by the members that it was included in the Constitution.

Chapter IX, Section 66, the amendment proposed by the Committee was endorsed as, **“At the commencement of each session of Parliament, the Druk Gyalpo shall be**

received in a joint sitting of Parliament with Chipdrel Ceremony. Each session shall be opened with a Zhug-drel-phunsum tshog-pai ten-drel and each session shall conclude with the Tashi-mon-lam”.

Chapter IX, Section 73, it was submitted by the Bji-Katsho-Uesu constituency member that the word, “Dzongkha”, be replaced with, “National Language”. However, majority of the members shared the view that it was imperative to conduct the proceedings of the House in Dzongkha and thus, it was resolved that the provision shall be retained as in the Bill without amendments.

Chapter IX, Section 78, the amendment proposed by the Committee was not endorsed and the provision was retained as in the Bill.

Chapter X, Section 83, amendment proposed by the Committee was endorsed as, “At the conclusion of His Majesty’s address **or after His Majesty’s message**, a member each from both the parties shall move a motion of thanks”. The House also directed to finalize on the usage of the term either “The Druk Gyalpo” or “His Majesty the Druk Gyalpo” but not both, for the purpose of uniformity.

Chapter XI, Section 89, was amended as, “Every member desiring to speak on an issue shall notify the

Speaker in advance **by raising their hand** and obtain his permission”.

Chapter XII, Section 111, as desired by the Bardo-Trong constituency member for clarification on the Section, the Chairman of the Committee explained that the provision was essential for the Hon’ble Speaker and that it was imperative to retain the provision under the said Section. Thus, it was resolved to retain Section 111 without any amendments.

Chapter XVI, Section 139, was amended as, “~~A member may move a motion of no confidence on a Minister by A~~ **motion of no confidence against the Minister shall be moved by not less than one-third of the total members of the National Assembly by** a written notice to the Secretary General”.

Chapter XXIV, Sections 267 and 268, were deleted and replaced with a new provision as, “**Salary, Allowances, benefits and other emoluments of the members of the National Assembly shall be in accordance with the Parliamentary Entitlements Act of the Kingdom of Bhutan**”.

Chapter XXIV, Section 275, was retained without any amendments.

Chapter XXV, Section 286, was amended as, “A member shall declare all gifts and benefits received in connection with their official duties, in accordance with

~~the requirements for the disclosure of pecuniary interests~~
~~with~~ **the rules prescribed by the Anti Corruption Commission**".

Chapter XXVII, Section 311, amendment proposed by the Minister for Labour and Human Resources was endorsed as, "The Secretary General shall, under the supervision of the Speaker ~~control~~ **manage** the affairs of the National Assembly and be responsible for the ~~management~~ **administration** of the National Assembly Secretariat".

Chapter XXVII, Section 312, amendment proposed by the Minister for Labour and Human Resources was endorsed as, "The Secretariat's budget shall be approved, the Ministry of Finance shall provide the Secretariat with interim finds, which shall be at least equal to the previous year's **current** budget".

Chapter XXVIII, Sections 318 and 319 were deleted as submitted by the Goenkhatoe-Laya constituency member since these provisions were covered by Section 320.

Chapter XXIX, Section 329, was amended as proposed by the Committee as, "The Royal Audit Authority, ~~the Royal Civil Service Commission~~, and the Anti Corruption Commission ~~and the Office of Attorney General~~ shall submit their Annual Reports before the

National Assembly for taking such action as deemed appropriate”.

Chapter XXIX, Section 330, it was resolved that the provision shall be retained as in the Bill without any amendment.

Chapter XXX, Section 333, as submitted by the Drakteng-Longthel constituency member that the Dzongkha text should be regarded as authoritative in the event of discrepancies between the two texts, thus, it was resolved that the provision shall be retained without any amendments.

Subsequent to effecting the necessary amendments and additions to all the Sections of the Bill, the House endorsed the National Assembly Act of the Kingdom of Bhutan at 1142 hrs on 23rd Day of the 5th Month of Earth Rat Year corresponding to 26th June, 2008.

III. Presentation of the Annual National Budget Report

The Finance Minister presented the National Budget Report for the Fiscal Year 2008-2009 and the Budget & Appropriation Bill. Copies of the National Budget Report & Budget & Appropriation Bill booklet were distributed to the members prior to the presentation. The Finance Minister said that the budget for FY 2008-09 was prepared against the backdrop of the draft Tenth Plan and that the budget aims to realize the Government’s socio-economic objectives based on the

principles of equity and justice, where there is opportunity and security for all. He added that the presentation was in line with the Public Finance Act, 2007.

1. Annual Financial Statements (AFS) of the FY 2006-2007

In accordance with the Public Finance Act, the total expenditure during the FY 2006-07 amounted to Nu. 15,166.107 million representing around 32% of the GDP. This is an increase by 14% over that of the previous FY which was chiefly attributed to some of the major activities related to national elections and preparatory activities for national celebrations.

He said that the total recurrent expenditure of Nu. 7,636 million reflects an increase of Nu. 1,006 million (15%) over the FY 2005-06 and that the recurrent expenditure was fully covered by the internal revenue of Nu, 10,082 million realized during the FY.

2. Revised Budget Estimates of FY 2007-2008

The Finance Minister said that at the start of the new Financial Year in July 2007, the total outlay was estimated at Nu. 20,585.600 million. Due to incorporation of new activities required to be undertaken during the year, the overall expenditure estimates had increased to Nu. 22,222.72 million by April 2008, representing 7.95% increase from the original budget

estimates. Further, the Finance Minister also elucidated on the current expenditure, capital expenditure, domestic revenue and tax revenue.

3. Budget Estimates and Budget & Appropriation Bill, FY 2008-2009

Deliberating on this Report, the Leader of Opposition submitted that there were inconveniences for approving the Budget for the new Financial Year before even having looked at the draft Tenth Plan and expressed doubts that the Plan and the Budget may not correspond with each other later on. He submitted that current expenditure and Casualty Fund of the three Armed Forces, and Labour Trust Fund should also be reflected in the Budget. However, the House acknowledged incorporating only the Casualty Fund in the Budget of the next fiscal year.

The Finance Minister said that although the final draft of the Tenth Plan could not be tabled before the House, it was required that by July, the Budget of FY 2008-2009 has to be approved. Otherwise, no expenditure could be made on any activities that have been initiated as per the Finance Act in the event the Budget was not approved. Therefore, he said that the Budget be approved by the House in order to continue carrying out the planned activities.

Deliberating on the Budget for the first year of the Tenth Five Year Plan, majority of the members pointed out

that their promises to their respective constituencies have not been reflected in the Budget, while others alleged of unequal budget allocation between the Dzongkhags and the Geogs. With regard to the budget estimates for the Local Governments, members submitted that there were also huge differences in the allocation of budget between the developed Dzongkhags and the less-developed Dzongkhags.

In connection to the submissions made on unequal budget allocation between the Geogs, the Leader of Opposition cited reference from the budget proposal wherein Chhoekhor Geog of Bumthang Dzongkhag was allocated Nu. 12 millions whereas Samrang Geog of Samdrup Jongkhar was allocated only Nu. 0.25 million.

On this, the Finance Minister said that equal allocation of budget does not mean that every Ngultrum of the total budget has to be distributed equally. He explained that factors like the appropriateness and viability of executing various developmental activities in the respective Geogs has to be closely taken into consideration while allocating their budget. Further, he informed that the present budget estimates will undergo changes after the Government of India assistance of 100 billion Rupees has been finalized.

The Hon'ble Speaker reminded that it was imperative to accord the Local Governments with greater responsibility and authority in order to enable them to

smoothly carry out additional activities, thereby strengthening these Local Governments. It was expected that the constituencies would be allotted with adequate budget and human resource in the budget estimates of the next financial year. He added that the budget should be justly and equally allotted in order to achieve the goals of Gross National Happiness. Further, he also reminded that it was of utmost importance to bear in mind the principle mission of poverty alleviation while allocating the budget.

The House expressed satisfaction and appreciation to the Ministry of Finance for having prepared the National Budget Report and Budget & Appropriation Bill as per the financial procedure. On 23rd Day of 5th Month of the Earth Rat Year corresponding to 26.06.2008 at 1135 hrs, the House approved the Budget Estimates of the Financial Year 2008-2009 and endorsed the Budget & Appropriation Bill through voting by means of members raising their hands.

4. Annual Financial Statements

Copies of the Audited Annual Financial Statements booklet were distributed to the members prior to its presentation by the Finance Minister.

Highlighting the key summary of the presentation made by the Finance Minister on the Audited Annual Financial Statements, the Hon'ble Speaker said that the total Government expenditure during the FY 2006-2007 amounted to Nu. 15,166 million and the internal revenue

collected during the year was Nu. 10,082 million. He added that the excess expenditure of about Nu. 600 million could not be covered from the revenue and had to be met from external funding and reminded that it was of utmost importance that the general public was aware of this. Subsequently, the House expressed profound appreciation to the Ministry of Finance for tabling the detailed statements. The deliberation on the Annual Financial Statements ended on 23rd Day of 5th Month of the Earth Rat Year corresponding to 26.06.2008 at 1135 hrs.

1143 hrs

IV. Parliamentary Entitlements Bill of the Kingdom of Bhutan, 2008

1. Presentation of the Bill by the Secretary of the National Assembly

The Secretary of the National Assembly, Nima Tshering, presented the background of the Parliamentary Entitlements Bill of the Kingdom of Bhutan 2008 for its enactment by the House.

While deliberating on the Bill, majority of the members put forth that a **National Committee** may be constituted to review the Bill and then its recommendations be presented to the Pay Commission. The Minister for Labour and Human Resources informed the House that the Pay Commission was studying the pay revision of the Parliamentarians and the Civil Servants and therefore, inconveniences may entail later on in the event the Bill was endorsed by the House. Some

members submitted that since the Entitlements Bill was for the Parliamentarians, the Bill may be discussed with the members of the National Council prior to its deliberation in the Assembly.

The House resolved not to endorse the Parliamentary Entitlements Bill. The House also resolved that a **National Committee** shall be constituted and its members shall consist of the National Council Chairperson, Leader of Opposition, Finance Minister and the National Assembly Speaker. The Committee shall thoroughly discuss the Bill and present its report before the House.

0935 hrs

V. Public Election Fund Bill of the Kingdom of Bhutan, 2008

1. Introduction and Background Presentation of the Bill by the Chief Election Commissioner

The Chief Election Commissioner, Dasho Kunzang Wangdi, introduced the Public Election Fund Bill of the Kingdom of Bhutan, 2008 for the enactment by the House on Friday the 24th Day of the 5th Month of Male Earth Rat Year corresponding to 27th July, 2008.

2. The National Assembly endorsed the Bill with the following amendments:

Chapter I, Preamble, was amended as, “*Whereas*, pursuant to Article 16 of the Constitution of the Kingdom of Bhutan, the elections to Parliament shall be

State financed and funds disbursed in a non-discriminatory manner, and **in keeping with Section 16 of Article 22 and Section 7 of Article 23** to regulate these **and any other expenditure related to election campaign**".

Chapter I, Section 2, several members submitted that the said Section be removed from this Chapter and incorporate the same towards the end of the Bill. However, the House resolved to retain the Section as in the Bill without any amendments.

Chapter I, Section 2(q), was deleted.

Chapter II, Section 4, it was resolved that this provision shall be retained as in the Bill without any amendments.

Chapter II, Section 7, was amended as, "The Election Commission shall fix the maximumelection to Parliament and ~~Local Government~~ from time to time".

Chapter III, Section 16, was amended as, "Every Geog and **Dzongkhag Thromde, which is not part of a Geog**, shall be entitled to nominate one candidate to the National Council elections".

Chapter III, it was resolved that a new section shall be incorporated after Section 29 as, "**The Election Commission shall provide fund for incurring expenses related to the conduct of the National**

Referendum, in accordance with the Referendum Act”.

Chapter IV, Section 34, was amended as, “A National Council candidate shallwithin thirty days of the ~~completion of the election~~ **declaration of results** to the ~~Election Commission~~ **Division”.**

Chapter IV, Section 38, was amended as, “ The unspent funds may be used only for paying.....to the National Assembly ~~or the National Council elections~~ provided proper documentation is maintained in the election return under Section 112”.

Chapter IV, Section 41, was amended as, “~~Any person~~ **Any party member or candidate** guilty of violation of section 40 shall be dealt in accordance with the Election Act and **if any political party is found involved**, the party shall be dissolved by the order of the Supreme Court”.

Chapter VI, Section 58, was deleted.

Chapter VII, Section 64, it was resolved that a new provision shall be incorporated under it as, “**No individuals or organizations, during an election period, shall sponsor meals, entertainment, donations or activity of any kind which may benefit or damage the electoral prospects of any party or candidate”.**

Chapter VIII, Section 76, was amended as, “The Funds, **and the party’s own funds, incase of Primary Round and General Elections,** shall be limited to financing and reimbursement for election campaigns expenses...”.

Chapter X, Section 100, was amended as, “The Election Commission shall notify bothterminate its proceedings **and make such findings public**”.

Chapter XI, Section 111, was amended as, “Any party ~~or person~~ found guilty.....shall not be eligible for funding”.

Chapter XIV, Section 138, was amended as, “Any loan taken by a political party ~~or candidate~~ shall beKingdom of Bhutan”.

Chapter XIV, Section 151, was amended as, “The motion to make any amendment to this Act shall be imitated by ~~simple majority~~ **one third** of the total number of members of ~~Parliament~~ **either of the two Houses**”.

Chapter XIV, Section 152, was amended as, “**The amendment of this Act by way of additional, 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 Election Commission”.

The House endorsed the additions and amendments to the above-mentioned Sections of the Bill. With 99 percent of the members raising their hands in favour of the Bill being passed, the House endorsed the Public Election Fund Act of the Kingdom of Bhutan on 5th Day of 5th Month of Earth Rat Year corresponding to 7th July, 2008 at 1330 hrs.

0936 hrs

VI. Amendments made to the Parliamentary Entitlements Bill of the Kingdom of Bhutan, 2008

When the Parliamentary Entitlements Bill was initially tabled before the House on 23rd Day of 5th Month of Earth Rat Year corresponding to 26th June, 2008, it was resolved that a **National Committee** shall be constituted and that the Committee shall thoroughly discuss the Bill and present its report before the House. In pursuant to this, the House endorsed the Bill with following additions and amendments on 8th July, 2008.

The House resolved to amend the title of the Bill in the Dzongkha text.

Chapter I, Preliminary, it was resolved that in the Dzongkha text, the title of the Bill as amended above must be incorporated.

Chapter II, Section 5(a), was amended as, “~~The Chairperson~~ **A member** of the Royal Civil Service Commission”.

Chapter III, Section 10, change incorporated only in the Dzongkha text of the Bill.

Chapter III, a new section was incorporated after section 10 as, “**Deputy Speaker of National Assembly and Deputy Chairperson of National Council shall receive reasonable salary and other reasonable allowances slightly higher than the Members of Parliament for their additional responsibility**”.

Chapter III, Section 14, was amended as, “A member of Parliament shall be entitled to daily **subsistence** allowance for travel undertaken for purposes mentioned above. The daily **subsistence** allowance entitlement shall be given as under Annexure I of this Act”.

Chapter III, Section 17, was deleted since the majority of the members submitted that Parliamentarians should not be entitled to sitting fees.

Chapter III, Section 20, was amended as, “Every member of Parliament shall be provided with a lump sum amount to purchase a vehicle, fee of customs duty, in the beginning of his or her term and a monthly **driver** and vehicle maintenance allowance. Such proportionateand the monthly allowance shall be as given in Annexure I”.

Chapter IV was deleted since it was submitted that awarding of such Kabney and Patang was at the discretion of His Majesty the King.

Chapter V, Sections 26, 27 and 28 were deleted since these provisions were clearly mentioned in the Acts of both the Houses.

Chapter V, Section 37, were amended as, “A member of parliament who leaves office for any reason other than ~~termination from service~~— **those mentioned in section 30**, shall be entitled to;”

The House made additions and amendments to the above-mentioned Sections of the Bill. The Bill was endorsed with the members raising their hands in favour of the Bill being passed, upon which the House endorsed the Parliamentary Entitlements Act of the Kingdom of Bhutan on 7th Day of 5th Month of Earth Rat Year corresponding to 9th July, 2008 at 1211 hrs.

VII. Submission of *Tashi Lekmoen* on the Prime Minister’s visit to India

The Hon’ble Speaker said that Bhutan and India enjoy the highest level of friendship and goodwill under the magnanimous and visionary leadership of His Majesty the King. On the invitation of the Government of India, the Prime Minister, Lyonchhen Jigme Y. Thinley undertook a state visit to India on 14.07.2008. It was the first official visit made at the state level by the first ever democratically elected Prime Minister of Bhutan. The

Prime Minister was accompanied by the Minister of Economic Affairs, the Minister of Foreign Affairs and other top Government officials. The Hon'ble Speaker expressed hope that the visit would realise the aspirations of the Government and the people in manifold and offered prayers for the safe return of the delegation to the country.

In this connection, the Leader of Opposition said that the Government of India has rendered full morale support to Their Majesties the Kings during the time of the introduction of democracy in the country, apart from rendering generous assistance both financially and in human resource. The Government of India also extended various other important assistance and support during this historic transition in our country. He expressed hope that the Prime Minister, during his visit, would convey the gratitude and appreciation of the Government and the people of Bhutan to the Government leaders and the people of India for the support rendered during introduction of democracy in the country. Furthermore, he expressed hope that the Prime Minister, on behalf of the Bhutanese people, would also convey our profound gratitude on our bilateral economic engagement of 100 billion Rupees for the Tenth FY Plan which was committed by the Prime Minister of India during his visit to our country. He offered prayers that the Prime Minister accomplishes all his aspirations during the visit.

Likewise, the Kabji-Talo constituency member said that the first ever democratically elected Prime Minister of our country was recognised as amongst the most experienced and able leaders in the world. He expressed confidence that the visit will be very successful and prayed for his safe return to the country. Also, he prayed that the entire accompanying delegation does not encounter any difficulties during the visit and safely return to the country.

1211 hrs

VIII. Election Bill of the Kingdom of Bhutan, 2008

1. Introduction and Background Presentation of the Bill by the Election Commission

The Chief Election Commissioner, Dasho Kunzang Wangdi, introduced the Election Bill of the Kingdom of Bhutan 2008, for the enactment by the House on Wednesday the 7th Day of the 5th Month of Male Earth Rat Year corresponding to 9th July, 2008.

2. Amendments effected on the Bill

Chapter I, Section 1(b), it was resolved not to incorporate the amendment proposed by the Council but retain it as provided in the Bill.

Chapter II, Section 11(b), the amendment proposed by the Council was endorsed as, “A candidate shall be selected at a *Zomdu* ~~either through consensus or with a~~

~~majority decision~~ through a **majority vote** of the voters at the *Zomdu*".

Chapter II, Section 16, amendment proposed by National Council is endorsed as, "Each Gewog shall, for the purposes of Section 14, be divided into chiwogs equal to the number of ~~elected tshogpas~~ **seat allocated** in the Gewog Tshogde and each such Chiwog shall elect one tshogpa to the Gewog Tshogde as provided hereinafter".

Chapter II, Section 16, the amendment put forth by the Election Commission to replace the phrase, "**as per the provision under Section 14**" with the phrase "**for the purposes of Section 14**", was also endorsed.

Chapter III, Section 21 (e) and (f) were deleted.

Chapter III, a new Section proposed by the Council was endorsed after Section 31 as, "**A person who is appointed as the Chief Election Commissioner or the Election Commissioner shall not hold any office of profit**".

Chapter III, Section 35(a), the amendment proposed by the Council was endorsed as, "Introduce any device or system for the purpose of registration of voters, issue of **voter photo** identity cards to them, conduct of elections, for counting of votes and declaration of results thereof".

Chapter III, Section 51, the amendment proposed by the Council was endorsed as, “The Election Commission shall designate or ~~nominate~~ **appoint** an officer of the Government as a Dzongkhag Electoral Officer for every Dzongkhag”.

Chapter IV, the headings of Section 55 were endorsed as proposed by the Council as, “**Dzongkhag Electoral Registration Officers and Assistant Dzongkhag Registration Officers**”.

Chapter IV, Section 55, the amendment proposed by the Council was endorsed as, “The Election Commission may designate or ~~nominate~~ **appoint** one or more persons as Registration Officers and Assistant Registration Officers to assist any Dzongkhag Electoral Officer in the efficient and effective performance of his functions”.

Chapter IV, Section 58, the amendment proposed by the Council was endorsed as, “The Election Commission shall designate or ~~nominate~~ **appoint** a Returning Officer for one or more constituencies”.

Chapter IV, Section 60, the amendment proposed by the Council was endorsed as, “The Election Commission may designate or ~~nominate~~ **appoint** one or more persons as Assistant Returning Officers to assist the returning Officer in the performance of his functions”.

Chapter IV, Section 72, National Assembly resolved not to endorse the amendment proposed by the National Council but to retain it as provided in the Bill.

Chapter V, Section 83, the amendment proposed by the Council was endorsed as, “The Chief Election Commissioner may at any time convene a meeting of the Delimitation Commission and **shall have a deciding vote in the event of equal votes**”.

Chapter V, Section 98, the amendment proposed by the Council was endorsed as, “Every notification under Section 97 shall be placed before both Houses of Parliament, **for information and the Delimitation Commission shall** provide further publicity as ~~is given to an order of the Delimitation Commission~~ **specified** under Section 87”.

Chapter VII, Section 118, the amendment proposed by the Council was endorsed as, “The Electoral Roll for any Parliamentary constituency shall be revised when necessary in the prescribed manner by reference to the qualifying date;

- a) Before each election to the **National Council** or the National Assembly;
- b) Before each bye-election to fill a casual vacancy in the seat allotted to the constituency in the **National Council** or the National Assembly.

Chapter VIII, Section 134(g), the amendment proposed by the Council was endorsed as “An application for registration shall contain: **“A copy of the Charter of the Party”**”.

Chapter VIII, the National Assembly resolved to endorse the two new provisions submitted by Council as **“In the event of only one party contestant in the election of an opposition party, a bye election shall be held”** and **“or in the event no registered parties submits to contest in the election within the notified date, the ruling party shall continue in Government for the remainder of the term”**.

Chapter VIII, Section 149(c), the amendment proposed by the Council was endorsed as, ~~“Outstanding amounts of all debts incurred by, or on behalf of the party as at the end of the financial year~~ **Assets and liabilities accrued, by or on behalf of the party, as at the end of the financial year”**.

Chapter VIII, Section 151, the amendment proposed by the Council was endorsed as, “Every eligible voter shall be entitled to be a member ~~or be associated with or~~ and be elected as an office-bearer of political party.

Provided such person is not **disqualified under any law made by Parliament** or has not been disqualified under section 101”.

Chapter IX, Section 163(g), the amendment proposed by the Council was endorsed as, “Chairperson and members of National Judicial Commission **under the Judicial Service Act 2007** notwithstanding anything contained in section 161”.

Chapter X, Section 174(c), the House noted that the reference of the age limit as reflected in the Dzongkha text is not reflected in the English text, thus the House directed that consistency in both the texts of the Bill needs to be carefully reviewed.

Chapter X, 174(e), a new clause is endorsed as proposed by the Council as, “**is not affiliated with a political party**”.

Chapter X, Section 175(d), the amendment proposed by the Council was endorsed as, “Functionally literate.....discharge his duties **except the candidate for the post of Thrompon must possess a formal university degree**”.

The House also endorsed the proposal of the Council to incorporate a new sub-section under Section 175 as “**(e) not affiliated with a political party**”.

Chapter X, Section 176(c), the amendment proposed by the Council was endorsed as, “has been dismissed.....public service **or the corporate sector**”.

Chapter X, Section 176(k), the amendment proposed by the Council was endorsed as, “holds any office.....under Chapter-8 9 of this Act”.

Chapter X, Section 181, the amendment proposed by the Council was endorsed as, “A truelku, lam,....., excluding the laity, **as determined/registered as or religious personalities under the provisions of the Religious Organizations Act 2007** shall neither.....any party or candidate”.

Chapter X, Section 186(b), the proposal of the Council, to add a new proviso to the Section was endorsed as, **“Provided that, Primary Round shall be forgone and the General Elections conducted directly if only two political parties submit the Letter of Intent”**.

Chapter XII, Section 203(d), the amendment proposed by the Council as, “A seat in the National Council or Local Government if he belongs to ~~or has affiliation to~~ any political party. Provided that the disqualification under sub-section (d) shall cease to operate after the lapse of one year from the dateof a political party **and such resignation or removal shall be immediately notified by the concerned party office in the print media with a copy submitted to the Election Commission**”, was not endorsed and it was further amended by the National Assembly as, “A seat in the National Council or Local Government if he belongs to ~~or has affiliation to~~ any political party. Provided that the

disqualification under sub-section (d) shall cease to operate ~~after the lapse of one year~~ from the dateof a political party **and such resignation or removal shall be immediately notified by the concerned party office in the print media with a copy submitted to the Election Commission**".

After a prolonged deliberation on the second provision under Section 203(d) as to whether it was required to retain the phrase on the duration or not, the House resolved to remove the said phrase after twenty five members raised their hands in favour of the latter motion.

Chapter XII, Section 229, the amendment proposed by the Council was endorsed as, "The list of validity nominatedsymbols and **name of party affiliations, if any in case of General Elections,** together.....as prescribed".

Chapter XIV, Section 265, the amendment proposed by the Council was endorsed as, "The election campaignas announced, **or with respect to the election of Local Government elections** by the Election Commission.....of poll for the election".

Chapter XIV, Section 268, the proposal of the Council to insert the proviso of this Section under Section 267 was endorsed as, " Provided in the case of Primary

Round of elections to the National Assembly allocatingconstituencies to elect political parties”.

Chapter XIV, Section 269, the amendment proposed by the Council was endorsed as “The allocationpolitical parties **and candidates concerned**”.

Chapter XV, Section 274, the amendment proposed by the Council was not endorsed.

Chapter XV, Section 278, the amendment proposed by the Council was endorsed as, “No person shall receive.....concerned party and **such contributions are accounted for and in keeping with other provisions of this Act**”.

Chapter XVI, Section 294, the proposal of the Council to delete this Section was endorsed.

Chapter XVI, Section 295, the amendment proposed by the Council was endorsed as, “A political party oradvance intimation to **and receive approval from** the appropriate authoritiesmeetings and their ~~programme~~ campaign **schedule** and instruct their membersto a political rally, meeting or any other political function **and take steps to ensure that there is no blockage or hindrances to traffic and no cause is given for any other public inconvenience**”.

Chapter XVI, Section 299, the amendment proposed by the Council was endorsed as, “Members of Parliament, ~~including Ministers~~, or members of Local Government **or members of political parties and candidates** shall not enter anyfrom Election Commission”.

Chapter XVII, Section 329(g), the amendment proposed by the Council was endorsed as, “The spouse or dependantsin sub-sections (a) ~~or (b)~~ to (e), if the spouse.....residing with him; and”.

Chapter XVII, Section 345, the amendment proposed by the Council was endorsed as, “The names of contestingwith their **photographs and in the event of General Election with the** respective names of political party and symbols”.

Chapter XIX, Section 440, the amendment proposed by the Council was endorsed as, “The Election Commission shall,the Returning Officers of all ~~Parliamentary~~**National Assembly** constituencies under Section ~~440~~ **439**, in case of the Primary Round ~~of elections to the National Assembly~~ ;

(a) Calculate, record and consolidate.....of votes cast in all ~~parliamentary~~**National Assembly** constituencies throughout Bhutan.....registered political party; and”.

Chapter XIX, Section 441, the amendment proposed by the Council was endorsed as, “The Election Commission

shall.....officers of all—~~parliamentary~~—**National Assembly** constituencies, in case.....from those constituencies to the National Assembly”.

The House also endorsed the proposal of the Council to add a new Section after Section 441 as, “**The Election Commission shall, on receipt of the Final Result Sheets from the Returning Officers of all National Council constituencies, declare in a prescribed form, the candidates who have secured the highest number of valid votes in their respective constituencies as having been duly elected from those constituencies to the National Council**”.

In Chapter XIX, the amendment proposed by the Council to amend the sub heading of Section 439 was endorsed as, “~~Transmission of Results of Elections in Parliamentary Constituencies~~”.

In Chapter XIX, the amendment proposed by the Council to amend the sub heading of Section 440 was endorsed as, “**Declaration and Publication of Results of Elections in Parliamentary Constituencies**”.

Chapter XIX, Section 442, the amendment proposed by the Council was endorsed as, “The Election Commission shall, after the declaration of results of elections under Sections 440, ~~and~~ 441 **and 442**, publish these results by notification and give further publicity, as it may deem appropriate”.

In Chapter XIX, the amendment proposed by the Council to amend the sub-heading of Section 448 was endorsed as, “Constitution of the National Council ~~and Local Governments~~”.

The National Council also put forth to delete the phrase “or the Local Government” from Section 448, 449 and 452 respectively. The House noted that the deletions were appropriate and resolved to endorse the aforementioned amendments.

Chapter XIX, the proviso of Section 449, the amendment proposed by the Council was endorsed as, “Provided that the issue of such notifications.....National Council ~~or Local Government~~ concerned functioning, if.....said notification”. And further, directed that some minor rearrangement of the said provision be incorporated in the Dzongkha text.

Chapter XIX, the six new Sections proposed by the Council were endorsed under the sub-heading, “**Constitution of Local Governments**”, as, “**Section 454: The Election Commission shall, after the declaration of results of elections from all constituencies to the Local Governments, declare by notification the names of the candidates from each of the constituencies concerned**”.

“Section 455: The Local Government concerned shall, on the issue of notification under Section 454, be deemed to have been duly constituted”.

Provided that the issue of such notification shall not affect the duration of the Local Government concerned functioning, if any, immediately before the issue of the said notification”.

“Section 456: The Election Commission shall present a duly authenticated copy of the notification under Section 454 before the Druk Gyalpo”.

“Section 457: Nothing contained in Section 454 shall preclude the Election Commission from issuing the notification, if the election in any constituency has not been completed for any reason before the date fixed for the completion of that election and where the date for the completion of that election has been extended”.

“Section 458: The Returning Officer shall, on completion of the counting and preparation of the Final Result Sheet under the provisions of Section 425, 430 and 435, and in the absence of any direction of the Election Commission to the contrary, declare in a prescribed form, the candidate who has secured the highest number of valid votes in the constituency as having been duly elected from the constituency to the Local Government concerned”.

“Section 459: The Returning Officer shall, on declaring the result of election in the constituency in the prescribed form, transmit a duly authenticated copy of the said declaration form to the Election Commission”.

Chapter XXIII, Section 556, the amendment proposed by the Council was endorsed as, “A poll at any election to Parliament or a Local Government shall be taken in the constituency concerned even if there is only one contesting candidate or **political party**”.

Chapter XXIII, the new Section 448 as proposed by the Council was not endorsed.

Chapter XXIII, Section 572, the amendment proposed by the Council was endorsed as, “~~The High Court~~ **Supreme Court** shall have the power to award reasonable penalty where a particular offence is not covered or is only partially covered by this or any by law made under this Act, and is not otherwise excluded from adjudication”.

Chapter XXIII, Section 573, it was proposed by the Council that the “Amendment clause”, be amended as per the revised Rules of Procedure of the two Houses after the National Assembly Act and the National Council Act were endorsed. The House then directed to amend the said Section after the endorsement of the respective Acts of both the Houses.

Annexure, Clause (ff), the amendment proposed by the Council was not endorsed.

The House endorsed the additions and amendments made to the above-mentioned Sections of the Bill. The House also endorsed the remaining Chapters and Sections that did not require amendments and accordingly passed the Election Bill of the Kingdom of Bhutan on 14th Day of 5th Month of the Earth Rat Year corresponding to July 17th 2008 at 0936 hrs.

0937 hrs

IX. National Referendum Bill of the Kingdom of Bhutan, 2008

1. Introduction and Background Presentation of the Bill by the Election Commission

The Chief Election Commissioner, Dasho Kunzang Wangdi, introduced the National Referendum Bill of the Kingdom of Bhutan, 2008 for its enactment by the House on Thursday the 14th Day of the 5th Month of Male Earth Rat Year corresponding to 17th July, 2008.

2. The National Assembly endorsed the Bill with the following amendments:

The Preamble of the Bill was endorsed as proposed by the Council as, “ *Whereas*, pursuant to Article 32 34 of the Constitution.....National Referendum Bill of the Kingdom of Bhutan, 2008”.

Chapter III, Section 11, was endorsed as amended by the Council as, “The respective ~~Chairman~~ **Chairpersons** of the Dzongkhag..... as per Article ~~32~~ **34**, Section 2(b) of the Constitution”.

Chapter IV, Section 36, change endorsed in the Dzongkha text.

Chapter VI, Section 68, the National Council proposed that amendments to this Section be made as per the revised Rules of Procedure of the two Houses after the enactment of National Council Act and National Assembly Act. The House acknowledged and resolved to amend the Section as proposed.

Chapter VI, a new Section on authoritative text was endorsed as proposed by the Council as Section 71, **“The Dzongkha text shall be the authoritative text, if there exists any difference in meaning between the Dzongkha and the English text”**.

The Goenkhatoe-Laya constituency member moved the motion for the endorsement of the National Referendum Bill of the Kingdom of Bhutan. The House endorsed the Sections of the Bill through additions and amendments. With the entire members raising their hands in favour of the Bill being passed, the National Referendum Bill of the Kingdom of Bhutan was unanimously passed on 14th Day of 5th Month of Earth Rat Year corresponding to 21st July, 2008 at 1150 hrs.

1238 hrs

X. Ratifying the Agreement on Establishing the SAARC Food Bank

1. Introduction and objectives of the Agreement by the Agriculture Minister

The Agriculture Minister said that the Agreement on Establishing the SAARC Food Bank was a reaffirmation of commitment to the realisation of the Charter adopted in Dhaka in 1985 by the Governments of SAARC (South Asian Association for Regional Cooperation) Member States comprising Afghanistan, Bangladesh, Bhutan, India, Maldives, Nepal, Pakistan and Sri Lanka. It was recognising further that the establishment of a regional food reserve by Member countries based on the principle of collective self-reliance would improve their food security. The Minister expressed hope that the House would ratify the Agreement which consisted of 16 Articles.

Regarding the subsequent ratifying of the Agreement on Establishing the SAARC Food Bank by the respective Houses of Member States, members said that the establishment of a regional food reserve would serve as a means of combating the adverse effect of natural calamities. The House commended the initiative and ratified the Agreement on Establishing the SAARC Food Bank with the entire members raising their hands in favour of the Agreement on the 14th Day of 5th Month

of the Earth Rat Year corresponding to July 17, 2008 at 1303 hrs.

XI. Report on the Prime Minister's successful visit to India

The Prime Minister said that his visit to India and meeting with their top Government leaders and senior officials even before the completion of hundred days since elected to office is an important government initiative and signaled the advent of democracy. He said that the 42 member delegation included the Economic Affairs Minister, Finance Minister, Foreign Minister and 5 government secretaries and was well-received which manifested the excellent bilateral ties between the two countries and the highest regard and respect they have for His Majesty the King. He also mentioned that the positive response from the Government of India was reflective of their faith and commitment in the Bhutanese people and their full support to the newly constituted democratic government in the country.

The Prime Minister informed that he conveyed the warmest regards and felicitations of His Majesty the King during the meet with the leaders of the Indian Government and on behalf of His Majesty the King and the Royal Government, invited the President and Prime Minister of India to the Coronation Celebration. The Prime Minister said that he further reiterated the importance of fostering friendship between the people of the two countries and ascertained to undertake continued

efforts to maintain the existing excellent relation between India and Bhutan in spite of a major political transition in the country. Further, he had stated that efforts to strengthen this bilateral relation would be wholly based on the foundations initiated by His Majesty the Fourth King and as per the command and guidance of His Majesty the King.

The Prime Minister said that on behalf of His Majesty the King, the Government and the people of Bhutan, he conveyed our heartfelt gratitude and appreciation to the Government of India for their generous financial assistance and cooperation in the socio-economic development of our country since 1961.

Furthermore, he informed the House that the President of India, the Prime Minister and the Ministers have all commended on the changes that have been taking place in our country wherein they made particular mention to the visionary leadership and unprecedented initiatives of His Majesty the Fourth King and the instantaneous oratory and statesmanship that His Majesty the King has championed over a very short period of time since His taking over of the affairs of the State. They all added that the Bhutanese people were indeed very fortunate to be blessed with such great Monarchs.

Reporting to the House, the Prime Minister said that the Government of India committed to render financial and other necessary assistance in order to ensure a very

strong foundation towards the success of democracy in the country. The Government of India also reassured to provide financial assistance and cooperation in the socio-economic developments in our Tenth FY Plan.

He said that the Government of India expressed their deepest gratitude to His Majesty the Fourth King for having selflessly led the Three Armed Forces and successfully removed the Indian insurgents from Bhutanese soil in 2003. In gratitude to the utmost security concern and act extended by our Government, the Government of India sincerely pledged to ensure that henceforth no anti-national elements that pose to harm our nation shall operate from Indian soil.

While discussing on India's bilateral economic engagement of 100 billion Rupees in our country's Tenth FY Plan which was committed by the Indian Prime Minister in his address to the joint-sitting of the Parliament during his State visit to the country, the Government of India reaffirmed to a substantial increase in their financial assistance in the Tenth Plan from the previous Ninth Plan. The Government of India pledged to provide an additional 35 billion Rupees in the Tenth Plan.

The Prime Minister also reported that Bhutan and India have signed to produce 5,000 mega watt hydropower energy by 2020. However, with the visit of the Indian Prime Minister to the Kingdom, it has been decided to

raise the production of hydropower energy to 10,000 mega watt within 12 years with the support of 59 billion Rupees from the Indian Government.

He also submitted that the Indian Government has committed to provide the entire financial assistance for the institution of the College of Health Sciences at Thimphu, the construction of rail link connecting Hangshimara to Phuntsholing called the “Golden Jubilee Rail Line” and offering of Nehru-Wangchuck Scholarship to the Bhutanese students in leading Indian universities and institutions. He said that these three major projects put together were of the order of 40 billion Rupees. Likewise, the Government of India has agreed to provide financial support in the construction of roads in the 205 Geogs which will also be funded by the other donor agencies.

The Prime Minister pointed out the problem of the frequent shortages of Indian Rupees in our financial institutions since the import of basic commodities and other major trade with India was made only through the Rupee. In order to solve this problem, the Government decided to seek loan through the mortgage of USD 50 million with the Reserve Bank of India at 10% interest. However, the Constitution provides that a minimum foreign currency reserve that is adequate to meet the cost of not less than one year’s essential import must be maintained. The Government, concerned that the maintaining of foreign currency reserve in USD would

be contradictory to the provisions of the Constitution, further sought assistance wherein the Indian Government has agreed to provide a loan of 4 billion Rupees in order to lower the interest rate to its minimum.

The Prime Minister informed that immediately after it was learnt that Bhutan was also included amongst those countries banned from the import of essential commodities from India, the Government made a special request to the Indian Government through the Indian Embassy in Bhutan. The Government of India immediately acknowledged and exempted Bhutan from India's ban on the export of essential commodities. He also said that the Trade Ministers of both the countries agreed not to apply such ban between the two countries at any point of time. The Prime Minister underlined that this exemption which enabled our less-affluent Bhutanese people to avail essential commodities at par to the less-affluent Indian people should be considered as a very major assistance.

Lastly, the Prime Minister submitted that the relationship between the two countries shall be further enhanced with ever lasting ties of friendship and goodwill. He added that the exchange of visits at the State level by the Prime Minister of both the countries has immensely contributed in furthering the present excellent Bhutan-India relationship. More so, be it at UNO or any International Conventions, India and

Bhutan decided to share their ideas and ideologies for the benefit of both the countries and accordingly support each other.

To this, the Minister of Home and Cultural Affairs and the Bji-Katsho-Uesu constituency member supported that the visit of the Bhutanese Prime Minister to India was of great success and this has immensely benefited our country. Members added that this was also because of the excellent goodwill and friendship constantly nourished by our beloved Monarchs in the past. Furthermore, it was also due to the continuous prayers performed by the clergy to the protective deities. Hence, members expressed profound gratitude to the Dratshang and the Shedras.

On this, the Leader of Opposition expressed deep appreciation on the fruitful visit made by the Prime Minister and for being able to meet with the Leaders of the Indian Government. He also mentioned that the positive response from the Government of India to the first ever democratically elected Prime Minister was a manifestation of genuine appreciation and respect accorded to our new Government. Since the Government of India has consented to commit a substantial amount of assistance to the country and the new Government, the Leader of Opposition, on behalf of the Opposition Party, pledged to render all possible support to the new Government in enhancing the relationship between the two countries.

The Speaker said that the official visit to India led by the Prime Minister, Finance Minister, Foreign Minister, Minister of Economics affairs, Ambassador of Bhutan in India and Cabinet Secretary from July 14 to July 17, 2008 has not only helped to further strengthen the security and friendship between the two countries but also provided an avenue to discuss various issues of national importance which bore fruitful outcome. The Speaker, on behalf of the National Assembly, expressed profound appreciation for having accorded excellent security and the warmest hospitality to the delegation and for their safe return to the country.

The House noted that the successful outcome of the talks held during the visit on setting up of numerous Hydropower Plants and increase in the Hydropower energy production to 10,000 mega watt will immensely benefit the people of both India and Bhutan. The House expressed profound gratitude and appreciation to the Prime Minister of India, H.E. Dr. Manmohan Singh, the Government and the people of India for their untiring support and cooperation towards ensuring the success of democracy in our country. In this connection, the House offered prayers for the sun of friendship between the two countries to shine for all times to come. Likewise, the House commended and expressed profound appreciation to the Prime Minister for the success of the 4 day State visit to India and for the fruitful outcome of the talks during the visit.

XII. Continuation of deliberation on the Parliamentary Entitlements Bill of the Kingdom of Bhutan, 2008

The Parliamentary Entitlements Bill of the Kingdom of Bhutan which was endorsed as Parliamentary Entitlements Act of the Kingdom of Bhutan on Wednesday, the 7th Day of the Fifth Month of the Male Earth Rat Year at 1211 hrs corresponding to 9th July, 2008 was forwarded by National Assembly along with views and amendments to National Council for review as per the Parliamentary procedure. After thorough discussion on it by the National Council, the Bill was forwarded back to the National Assembly with proposal for amendments to the General Section and to Section 2, 10, 17, 20 and 21. Subsequent to discussing each Section, the above Sections were retained as endorsed earlier by the National Assembly without amendment.

Further, new Sections proposed by National Council on **1) Leave, 2) Discretionary allowance and 3) expenses for carriage and personal effects while joining** were accepted by the National Assembly to be incorporated in the Act.

As per the motion put forth by the Nyisho-Sephu constituency member, Gyem Dorji, for the adoption of the Parliamentary Entitlements Bill of the Kingdom of Bhutan, the Bill which was forwarded back to the National Assembly by the National Council with proposal of additions and amendments, was endorsed as

the Parliamentary Entitlements Act of the Kingdom of Bhutan on Monday, the 18th Day of the 5th Month of the Male Earth Rat Year at 1255 hrs corresponding to 21st July, 2008 with the entire members raising their hands in favour of the motion.

XIII. Ratifying the Agreement for Establishment of South Asian University

1. Introduction of the Agreement by the Minister of Foreign Affairs

The Minister of Foreign Affairs said that the motion on the institution of the University was submitted after the Indian Prime Minister raised this issue during the 13th South Asian Association for Regional cooperation (SAARC) and subsequently, member countries signed the agreement during the 14th SAARC meeting. He said that the Agreement for Establishment of South Asian University was formulated after realising the need to provide a forum where our academicians, scholars, researchers and gifted students can work together in the service of human advancement; desirous of establishing an institution that will advance a sense of South Asian community; recognizing the need to offer world-class education, comparable to the best universities in the world and; realising the need to educate women and men who will provide leadership not only in their own countries but throughout the region. He expressed hope that the House will duly ratify the Agreement consisting

of 10 Articles which Bhutan has signed at Dhaka, Bangladesh in 2005.

During the course of the deliberation on the Agreement by the House, the Leader of Opposition, Lyonpo Tshering Tobgay commended and submitted full support to the SAARC member countries for their consensus to the establishment of South Asian University.

The House noted that such noble initiative would be immensely beneficial and commended the SAARC member countries for their consensus to the establishment of South Asian University. The House unanimously ratified the Agreement for the Establishment of South Asian University with the entire members raising their hands in favour of the Agreement on the 18th Day of 5th Month of the Male Earth Rat Year corresponding to July 21, 2008 at 1304 hrs.

0938 hrs

XIV. National Council Bill of the Kingdom of Bhutan 2008

1. Introduction of the National Council Bill by the Secretary General of National Council

The Secretary General of National Council, Tshewang Norbu, introduced the National Council Bill for enactment by the House on Tuesday, the 19th Day of the 5th Month of Male Earth Rat Year corresponding to 22nd July, 2008.

2. **The National Council endorsed the Bill with the following amendments and transmitted back to the National Assembly:**

In Chapter II, Section 3, the amendment proposed by the Council to replace the phrase **“Houses of Parliament”** with **“highest legislative bodies”** was not endorsed and it was resolved that the provision shall be retained as in the Bill.

In Chapter II, Section 10, amendment proposed by Council to insert a new sub section as (f) was not endorsed by National Assembly and further resolved to delete sub Section 10 (c).

In Chapter III, Section 13, amendment proposed by Council to insert a new sub section as, **“Is of the minimum age of twenty five years and maximum of sixty five years at the time of filing the nomination”** was endorsed.

In Chapter III, Section 21, amendment proposed by the Council as, **“If the member so resigning is the Chairperson, the declaration shall be addressed and delivered to the Vice Chairperson”** was not endorsed by the National Assembly and it was resolved that the provision shall be retained as in the Bill.

In Chapter III, Section 32, the amendment proposed by the Council to insert the following new Section as follows was endorsed:

“On assuming office and at the start of each year, a member shall inform the Secretariat in writing about his:

- a) **Bio-data and educational qualifications;**
- b) **Occupation, trade, profession or vocation;**
- c) **Positions (whether remunerated or not) held in, or membership of corporations, associations or other institutions and bodies;**
- d) **Agreements pursuant to which, during or after his membership, a member is to be assigned certain activities or granted pecuniary benefits; and**
- e) **Activities pursued in addition to his occupation and mandate, in particular the delivery of expert opinions, writing and lecturing”.**

In Chapter III, Section 33, the amendment proposed by the Council as “A member shall, ~~thereafter~~, declare his income, asset and liability and that of his spouse and dependents ~~annually and three months prior to vacation of office~~ in accordance with the guidelines contained in the Anti-Corruption Act”, was endorsed.

In Chapter III, Section 34, the amendment proposed by the Council as “Gifts of pecuniary value which a member receives ~~either as guest or host~~ in connection with his duties shall be governed by the rules prescribed by the Anti-Corruption Commission”, was endorsed.

In Chapter III, the deletion of Section 45 and 47 as proposed by the Council was endorsed.

In Chapter III, the proposal to insert a new Section after the deletion of Section 45 and 47, was endorsed as, “**The salary, allowances, benefits and other emoluments for a member shall be as determined**

under the provisions of the Parliamentary Entitlements Act”.

In Chapter III, the amendment proposed by the Council in Section 46 which was incorporated under Section 85 was not endorsed.

In Chapter IV, Section 50, the amendment proposed by the Council to insert the phrase “**deputy chairperson**”, was endorsed.

In chapter IV, Section 60, the amendment proposed by the Council as, “If the Chairperson is of the opinion, that a member is deliberately contravening the provisions of this Act **during the sitting of the House**, ~~or that a member is in contempt of or is disregarding the authority of the Chair, or that a member’s conduct is grossly disorderly~~, the member shall be made to withdraw immediately from **such a sitting** ~~the House~~.”, was not endorsed. But it was resolved that this provision shall be retained with the following amendment, “ If the Chairperson is of the opinion, that a member is deliberately contravening the provisions of this Act or that a member is in contempt of or is disregarding the authority of the Chair, or that a member’s conduct is grossly disorderly, the member shall be made to withdraw immediately from **such a sitting** of the House”.

In chapter IV, Section 61, the title of the Section was endorsed as, “**Removal of the Chairperson and Deputy Chairperson**”.

In Chapter IV, Section 61, the amendment proposed by the Council as “The motion for the removal of the Chairperson or **Deputy Chairperson** shall be moved by not less than one-third of the total members of the National Council”, was endorsed.

In chapter IV, Section 62, the amendment proposed by the Council as, “The motion for removal, if passed by two-third ~~a simple majority~~ of the total members of the National Council, shall require the Chairperson to be removed by the Druk Gyalpo, **and in the case of the Deputy Chairperson, by the Chairperson**”, was endorsed.

In Chapter VI, the proposal of the Council to insert new Sections as 80 and 81 was not endorsed.

In Chapter VIII, Section 123, the amendment proposed by the Council as, “The National Council shall monitor and review the fiscal performance and position of the government in accordance with the **principles of** fiscal sustainability and transparency”, was endorsed.

In Chapter VIII, Section 146, the proposal of the Council to delete this provision was not endorsed and it was resolved that the provision shall be retained as in the Bill.

In Chapter VIII, Section 147, proposal by the Council to delete the first sentence and to insert it under Chapter XIV was endorsed as, “~~The National Council may determine its Rules of Procedure and the Chairperson shall conduct the proceedings of the national Council in accordance with the rules.~~ The National Council may

also appoint Committees to carry out the business of the National Council”.

In Chapter IX, Section 160, the amendment proposed by the Council was not endorsed and it was resolved that the provision shall be amended as, “Prior to each fiscal year, ~~a Committee~~ **the Secretariat** shall prepare an estimate of the budget that will be required for the payment of the charges and expenses of the National Council and the members thereof during the fiscal year and such expenses shall be met from state funds”.

In Chapter XIII, Section 189, the amendment proposed by the Council was not endorsed.

In Chapter XIV, Section 194, the National Assembly resolved to make further amendment to the amendment proposed by the Council as, “ **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 Council**”.

In Chapter XIV, Section 195, the amendment proposed by the Council is endorsed as, “In any instance of a difference in meaning between the Dzongkha and the English texts of this Act, ~~each~~ Dzongkha text shall be regarded as ~~equally~~ the authoritative ~~and Courts shall reconcile the two texts.~~

Furthermore, it was resolved that henceforth the Authoritative texts of the Acts shall be made uniform like mentioned above.

The Drakteng-Longthel constituency member moved the motion for the endorsement of the National Council Bill of the Kingdom of Bhutan by the House. The House duly endorsed the National Council Bill with 97 members raising their hands in favour of the motion and thus, the National Council Bill of the Kingdom of Bhutan was unanimously passed on 20th Day of 5th Month of Earth Rat Year corresponding to 23.07.2008 at 1045 hrs.

1051 hrs

XV. Re-deliberation on the National Assembly Bill of the Kingdom of Bhutan, 2008

The National Assembly Bill of the Kingdom of Bhutan, 2008 was endorsed by the House on the 23rd Day of the 5th Month of Male Earth Rat Year corresponding to 26th June, 2008 at 1142 hrs.

In line with Parliamentary practices, amendments made on the Bill by the National Assembly were transmitted to the National Council for further review. The Council elaborately deliberated on the Bill and then forwarded it back to the National Assembly.

The Bill was again deliberated in the National Assembly and the House endorsed it with the following amendments:

It was resolved that the inconsistency in the translation between the Dzongkha and the English text and the sequencing shall be looked into by the National Assembly Secretariat.

The Preamble shall be endorsed as proposed by the National Assembly.

In Chapter II, Section 4, the inconsistency in the translation between the Dzongkha and the English text shall be reviewed and corrected accordingly.

In Chapter II, Section 5, the National Assembly resolved not to endorse the amendment proposed by the Council but to retain it as provided in the Bill.

In Chapter III, Section 13(f), the amendment proposed by the Council is endorsed as, “Holds any office **of profit** under the Government, public companies or corporations”.

In Chapter III, Section 22, the following amendment proposed by the Council was endorsed as, “Section 21 shall not apply where a vacancy occurs within ~~twelve~~ **six** months before the expiry of the timesection 7”.

In Chapter VI, Section 40, it was resolved that the Dzongkha text shall be retained as it is but the English text shall be amended.

In Chapter X, Sections 82 and 83, it was resolved that the English and the Dzongkha text shall be made consistent as put forth by the Council.

In Chapter X, Section 87, the amendment proposed by the Council was endorsed as, “If a message from the National Council requires any action to be taken **or any matter referred** ~~thing to be done by~~ to the Assembly, it shall be **immediately** set down on the agenda and shall be considered thereafter”.

In Chapter XV, change proposed by the Council in the Dzongkha text is endorsed.

In Chapter XV, Section 128, amendment proposed by the Council in the Dzongkha text is endorsed.

In Chapter XVI, Section 143, the amendment proposed by the Council is endorsed as, “If the House passes ~~an explicit~~ a **two third majority of** vote of no confidence in a Minister thereof, the Prime Minister shall recommend the removal of that Minister to the Druk Gyalpo”.

In Chapter XVIII, Section 159, the amendment proposed by the Council is endorsed as, “A member shall not present a petition ~~from~~ **for** himself”.

In Chapter XIX, Section 175, the National Assembly resolved not to incorporate the amendment proposed by the Council but to retain it as provided in the Bill.

In Chapter XXI, amendment proposed by the Council in the Dzongkha text is endorsed.

In Chapter XXI, Sections 229, 231 and 232, the National Assembly resolved that inconsistency between the Dzongkha and the English texts shall be reconciled but did not endorse the amendment proposed by the Council.

In Chapter XXI, Section 235, the amendment proposed by the Council is not endorsed and the National Assembly resolved that the provision shall be retained as in the Bill.

In Chapter XXI, Section 275, the amendment proposed by the Council is endorsed as, “Members shall ~~always~~ clad themselves in the national dress with *Tshoglam* and *Kabney* and members conferred with *Dhar* shall, in addition, wear their *patang*”.

In Chapter XXVI, Section 300, the amendment proposed by the Council is endorsed as, “The National Assembly shall appoint committees, composed of members of ~~Parliament~~ **National Assembly**, to examine any matter within the jurisdiction assigned to them by the House, and to carry out any mandate given to them by the House”.

In Chapter XXVI, Section 304, the amendment proposed by the Council is endorsed as,

“A Joint Committee composed of members from both **the** Houses may be established by an Act of Parliament or by concurrent resolution of both the Houses”.

In Chapter XXVI, Section 333, the amendment proposed by the Council is endorsed as, ~~“In any difference in meaning between the Dzongkha and the English text shall be regarded as equally authoritative and Courts shall reconcile the two texts.~~

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

0145 hrs

XVI. Re-deliberation on the Public Election Fund Bill of the Kingdom of Bhutan, 2008

The Public Election Fund Bill of the Kingdom of Bhutan, 2008 was endorsed by the House on the 5th Day of the 5th Month of Male Earth Rat Year corresponding to 7th July, 2008 at 0130 hrs with 99 % of the members raising their hands in favour of it being passed.

In line with Parliamentary practices, amendments made on the Bill by the National Assembly were forwarded to the National Council for further review. The Council elaborately deliberated on the Bill and then was forwarded back to the National Assembly.

The Bill was again deliberated in the National Assembly on the 24th July, 2008 and the House endorsed it with the following amendments:

In Chapter II, Sections 3, 4, 5, and 7, the National Assembly resolved that the amendments proposed by the Council shall not be endorsed and the provisions shall be retained as provided in the Bill.

In Chapter III, Sections 17 and 27, the National Assembly resolved that the amendments proposed by the Council shall not be endorsed and the provisions shall be retained as provided in the Bill.

In Chapter IV, Sections 31, 33 and 37, the National Assembly resolved that the amendments proposed by the Council shall not be endorsed and the provisions shall be retained as provided in the Bill.

In Chapter VII, Sections 65 and 68, the National Assembly resolved that the amendments proposed by the Council shall not be endorsed and the provisions shall be retained as provided in the Bill.

In Chapter XI, Section 115 the National Assembly resolved that the amendment proposed by the Council shall not be endorsed and the provisions shall be retained as provided in the Bill.

In Chapter III, the Council put forth to insert a new Section after Section 23 stating that, “if State financing

of the Local Government elections is approved by both the Houses, a separate Section will be incorporated by Election Commission to set eligibility criteria for funding of Local Government Elections”, however, this proviso was not endorsed by the National Assembly.

In Chapter IV, the proposal of the Council to insert Section 33 after Section 35 was not endorsed.

In Chapter IV, Section 34, the proposal of the Council to insert a new Section after section 34 as, “A candidate to Local Government Elections shall file his election return within thirty days of the declaration of results of the election to the Division”, was not endorsed.

In Chapter IV, the proposal of the Council to merge the Sections 36 and 38 as, “The unspent amount out of the campaign funds provided to the political parties **for the Primary Round** by the Election Commission, upon completion of the Primary Round shall be retained for use in the General elections ~~while the parties ineligible to contest the general elections shall refund the unspent amount to the Division. The unspent funds may be used only for paying expenses incurred during both the primary round and general elections to the National Assembly or the National Council elections~~ provided proper documentation is maintained in election return under section 112, **while the parties ineligible to contest the general elections shall refund the unspent amount to the Division**”, was not endorsed.

In Chapter V, the proposal of the Council to insert a new Section after Section 54 as, “The Election Commission shall, disburse funds to the candidates for Local Government elections which shall be an amount equal to or less than Ngultrum 30,000/- per candidate in case of *Thrompon/Gup/Dzongkhag Thromde Thuemis /Mangmis* or Ngultrum 10,000/- per candidate for *Thromde Tshogde Tshpgpa/Geowg Tshogde Tsogpa* elections”, was not endorsed.

In Chapter VI, Section 58, the National Assembly initially deleted this Section but the Council amended it as, “Expenditures incurred or authorized by a candidate contesting elections to ~~Dzongkhag Tshogdues and Thromde Tshogdes~~, **Local Governments** shall, subject to any orders of Election Commission under Section 7, be limited to a maximum amount of Ngultrum ~~50,000, 30,000/- and Ngultrum 10,000/- respectively~~ or as may be fixed by the Election Commission from time to time”.

In Chapter VII, Section 64, the National Assembly initially deleted this Section but the Council amended it as, “No Political party shall accept financial contribution or in kind contributions, other than those voluntarily offered to it by any of its registered members, of an amount or value exceeding Ngultrum 100,000/- per month per member **per year** ~~in an election to the National Assembly~~ or as may be fixed by the Election

Commission from time to time”, and the Proviso in the Dzongkha text also be deleted.

The aforementioned amendments were endorsed by the House and members further submitted to insert an additional proviso under the same latter Section as, **“Provided that no individual or organization, during an election period, shall sponsor meals, entertainment, donations or activity of any kind which may benefit or damage the electoral prospects of any party or candidate”**. It was further submitted that in the event the Council does not endorse the above mentioned provision, the same be incorporated in Chapter IX, after Section 84.

The National Assembly resolved that since the amendments submitted by the two Houses are related to Election Bill, the same be incorporated under the Election Bill.

In Chapter VII, Section 69, the amendment proposed by the Council is endorsed as, “Any party found guilty of violation ofmaximum amount stipulated under this Act, **notwithstanding any other action that may be taken under the Election Act of the Kingdom of Bhutan, 2008**”.

In Chapter VII, Section 72, the amendment proposed by the Council is endorsed as, “Any person contravening the provisions of section 71 shall be guilty of ~~petty misdemeanor~~ **felony of fourth degree**”.

In Chapter VIII, Section 77(a), the amendment proposed by the Council is endorsed as, “Public debates for parties and candidates for ~~Primary Round and general~~ **Parliamentary** elections”.

In Chapter XI, Section 109, the amendment proposed by the Council is endorsed as, “A party must maintain a correct and up to date account ~~of all~~ **and prepare:**

- ~~(a) Amounts received by, or on behalf of the political party during the financial year;~~
- ~~(b) Amounts paid by, or on behalf of the party during the financial year; and~~
- ~~(c) Outstanding amounts all debts incurred by, or on behalf of the party at the end of the financial year.~~
- (a) Income and expenditure statements for the financial year; and**
- (b) Balance sheet (Statements of Affairs)”.**

In Chapter XIV, Section 138, the amendment of the National Assembly, “Any loan taken by a political party ~~or candidate~~ shall be only from the financial institutions within the Kingdom of Bhutan”, was not endorsed by the Council who submitted that the provision be retained as in the Bill. Thus, it was agreed that the provision shall be retained as in the Bill.

As moved by the member from Doga-Shaba constituency to pass the Bill, the National Assembly passed the Public Election Fund Bill of the Kingdom of Bhutan, 2008 on

Thursday the 21st Day of the 5th Month of Male Earth Rat Year corresponding to 24th July, 2008 at 0152 hrs with 100 % of the members raising their hands in favour of it being passed.



29 July, 2008

Sd/-
(Jigme Tshultim)

SPEAKER

List of the National Assembly Members who participated in the 1st Session of the First National Assembly

1. Prime Minister, Jigmi Yoedzer Thinley, Nanong-Shumar constituency, Pemagatshel Dzongkhag
2. Speaker, Jigme Tshultim, Radhi-Sakteng constituency, Trashigang Dzongkhag
3. Leader of Opposition, Tshering Tobgay, Sombeykha constituency, Haa Dzongkhag
4. Lyonpo Yeshi Zimba, South Thimphu constituency, Thimphu Dzongkhag
5. Lyonpo Khandu Wangchuk, Lamgong-Wangchag constituency, Paro Dzongkhag
6. Lyonpo Wangdi Norbu, Bartsam-Shongphu constituency, Trashigang Dzongkhag
7. Lyonpo Ugyen Tshering, North Thimphu constituency, Thimphu Dzongkhag
8. Lyonpo Zanglay Drukpa, Khar-Yurung constituency, Pemagatshel Dzongkhag
9. Lyonpo Minjur Dorji, Kanglung-Uzorong constituency, Trashigang Dzongkhag
10. Lyonpo Thakhur Singh Powdyel, Dorokha-Tading constituency, Samtse Dzongkhag
11. Lyonpo Dr.Pema Jamtsho, Choekhor-Tang constituency, Bumthang Dzongkhag
12. Lyonpo Nandalal Rai, Shompangkha constituency, Sarpang Dzongkhag
13. Lyonpo Dorji Wangdi, Panbang constituency, Zhemgang Dzongkhag
14. Deputy Speaker, Yangku Tshering Sherpa, Kilkhorthang-Mendrelgang constituency, Tsirang Dzongkhag

15. Karma Wangchuk, Chumey-Ura constituency, Bumthang Dzongkhag
16. Ugyen Tshering, Bongo-Chapcha constituency, Chukha Dzongkhag
17. Chenchu Dorji, Phuentsholing constituency, Chukha Dzongkhag
18. Sonam Jamtsho, Drujeygang-Tseza constituency, Dagana Dzongkhag
19. Hemant Gurung, Lhamoizingkha-Tashiding constituency, Dagana Dzongkhag
20. Kinley Dorji, Goenkhamy-Lunana constituency, Gasa Dzongkhag
21. Damchoe Dorji, Goenkhatoe-Laya constituency, Gasa Dzongkhag
22. Ugye Tenzin, Bji-Katso-Uesu constituency, Haa Dzongkhag
23. Karma Rangdol, Menjay-Gangzur constituency, Lhuentse Dzongkhag
24. Tshering Tenzin, Menbi-Tsengkhar constituency, Lhuentse Dzongkhag
25. Ugyen Wangdi, Drametsi-Ngatshang constituency, Mongar Dzongkhag
26. Sonam Penjore, Khengkhar-Weringla constituency, Mongar Dzongkhag
27. Karma Lhamo, Mongar constituency, Mongar Dzongkhag
28. Chenchu Dorji, Doga-Shaba constituency, Paro Dzongkhag
29. Choida Jamtsho, Nganglam constituency, Pemagatshel Dzongkhag
30. Tshering Penjore, 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, Jomotsangkha-Martsala constituency, Samdrup Jongkhar Dzongkhag
34. Pralhad Gurung, Pugli-Samtse constituency, Samtse Dzongkhag
35. Durga Prasad Chhetri, Sipsu constituency, Samtse Dzongkhag
36. Lila Pradhan, Ugentse-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. Drupthob, Bumdeling-Jamkhar constituency, Trashiyangtse Dzongkhag
41. Kezang Wangdi, Khamdang-Ramjar constituency, Trashiyangtse Dzongkhag
42. Rinchen Dorji, Drakteng-Langthel constituency, Trongsa Dzongkhag
43. Nidup Zangpo, Nubi-Tangsibji constituency, Trongsa Dzongkhag
44. Nar Bhadur Gurung, Patalay-Tsirangtoe constituency, Tsirang Dzongkhag
45. Pasang Thrinlee, Athang-Thedtsho constituency, Wangduephodrang Dzongkhag
46. Gyem Dorji, Nyisho-Sepu constituency, Wangduephodrang Dzongkhag
47. Tshering Dorji, Bardo-Trong constituency, Zhemgang Dzongkhag