



ཨ་ཁྲུག་གི་རྒྱལ་ཡོངས་ཚོགས་འདུ།

NATIONAL ASSEMBLY OF BHUTAN



6th June, 2022

Annual Budget for FY 2022-23

The Finance Minister presented the National Budget for the Financial Year (FY) 2022-23 along with the budget expenditure of the previous fiscal year to the National Assembly today.

The budget for the FY 2022-23 as per the Finance Minister will continue to adopt an expansionary fiscal policy with initiatives focusing on the theme **“Accelerating Economic Recovery and Investing for Resiliency and Sustainability”** through strategic investments in the areas of:

1. Food self-sufficiency,
2. Human capital development,
3. Sustainable infrastructure development and
4. Improved social security.

It was also submitted that the above objectives will be further reinforced by the following key budget principles:

- a. Recurrent budget will be met from available domestic revenue at all times and controllable recurrent budget is provided as annual block grant to agencies;
- b. Agencies to ensure strategic capital investment in order to realize the desired outcome;
- c. The FY 2022-23 budget will ensure the optimum use of available domestic resources whilst ensuring minimum non-essential imports;
- d. The LGs must align their local priorities with overall national priorities, i.e., Water, Road, Agriculture, Health and Education to ensure better harmonization of priorities; and
- e. The budget FY 2022-23 is more people centric, while at the same time inculcating the sense of ‘fundamental duty to the state’ as a citizen of this country.



ཨ་ཁྲུག་གི་རྒྱལ་ཡོངས་ཚོགས་འདུལ།

NATIONAL ASSEMBLY OF BHUTAN



The Minister also reported on the Economic Performance and Outlook which included economic situation in FY 2021-22 and economic outlook for FY 2022-23, National Response to COVID-19, Economic Recovery Measures including fiscal measures, monetary policy measures, and policy and regulatory interventions, Transformation Initiatives, Public Financial Management Reforms, Fiscal Performance and Outlook, and selected Financial Performance of SOEs.

The Finance Minister also reported on the budget priority areas for FY 2022-23 as followings:

- a. Policy Priorities of the Budget for Economic Recovery;
- b. Spending Priorities for FY 2022-23;
 - i. Quality Education for All
 - ii. Public Healthcare
 - iii. Agriculture and Food Security
 - iv. Human Capital Development and Skilling
 - v. Sustainable Infrastructure Development
 - vi. Mining and Manufacturing Industries
 - vii. Tourism
 - viii. Urban development, housing and public amenities sector
 - ix. Communication and ICT Sector
 - x. Energy sector
 - xi. Religion and Cultural services
 - xii. Law and Order services
 - xiii. General Public Services
 - xiv. Sports
 - xv. Local Governments (LGs)
- c. Flagship Programs FY 2022-23;
 - i. Water and Irrigation
 - ii. Digital Drukyl



འབྲུག་གི་རྒྱལ་ཡོངས་ཚོགས་འདུན།

NATIONAL ASSEMBLY OF BHUTAN



- iii. Waste and Stray Dog Management
 - iv. Health
 - v. Startup and CSI Development
 - vi. Organic
 - vii. Education
 - viii. Tourism
 - ix. National Day Footprint Flagship program
- d. Budget Appropriation Bill FY 2022-23.

A total budget of **Nu.81,827.311million as a Budget Appropriation Bill for FY 2022-23** including Nu. 36,340.942 million for current expenditure, Nu.38,466.945 million for capital expenditure, Nu.5,740.524 million for principal repayment, and Nu. 1,278.900 million for on-lending was tabled today. The Minister urged all the budgetary bodies to ensure optimal utilization of the allocated budget to stimulate growth, generate employment and encourage private sector participation.

The Supplementary Appropriation Bill for the Financial Year 2021-22 amounting to Nu.3,866.933 million on account of incorporation of donor funded activities and technical adjustment as empowered by Section 57 and 60 of the Public Finance (Amendment) Act of Bhutan 2012 was also tabled.

The House referred the Bills to the Economics and Finance Committee for further deliberation. The Committee is scheduled to report back its finding and recommendation to the House on 15th June 2022.