

**RESOLUTIONS (TRANSLATION) OF THE 4TH SESSION OF THE
NATIONAL COUNCIL OF BHUTAN**

*(6th Day of the 10th Month of the Female Earth Ox Year corresponding to
November 23, 2009)*

A. OPENING CEREMONY

The 4th session of the National Council of Bhutan commenced on the 6th day of the 10th month of the Female Earth Ox Year of the Bhutanese Calendar corresponding to November 23, 2009. In keeping with the rich cultural traditions of the country, the opening session began with the offering of *marchang*. The inaugural session was presided over by the Hon'ble Chairperson.

B. OPENING SPEECH BY THE HON'BLE CHAIRPERSON

The Chairperson welcomed the Hon'ble Members, media, and people from different parts of the country watching the opening ceremony on television or listening to the radio. At the outset, he expressed his sincere gratitude to His Majesty the King for appointing Tashi Wangyal as an Eminent Member with the resignation of Dasho Karma Ura, Eminent Member in July this year. He also offered his *Tashi Delek* to Hon'ble Sonam Kinga of Trashigang Dzongkhag on being elected as the Deputy Chairperson of the National Council on September 17, 2009.

With deep sense of regret, the Hon'ble Chairperson reminded the House of the unexpected natural disasters such as earthquake, wind storm and fire that hit the Dzongkhags in the east and west causing immeasurable pain and difficulties to the people. He expressed his heartfelt gratitude to His Majesty the King for not only personally visiting the affected areas but also helping the victims immediately from carrying out funeral rites to rebuilding homes and providing basic necessities like food and clothing.

He conveyed his deep appreciations to the Government led by the Hon'ble Prime Minister, Cabinet Ministers, Leader of the Opposition Party, Gyalpoi Zimpon, Dzongkhag Administrations, Local Leaders, Armed Forces and Schools for providing full support during the disasters. He also thanked the Members of Parliament, the general public, international agencies and other friendly countries for their assistance and contributing to His Majesty's Relief Fund. He was confident that the experience gained by the Hon'ble Members from the constituency visit during the disasters would help in the deliberations on such issues in the Parliament.

The Hon'ble Chairperson also expressed his gratitude to the Central Monk Body led by His Holiness the Je Khenpo, *Dratshang, Goendays* and *Gomdays* who performed special *kurims* to avert such natural disasters and prevent from reoccurring in the country.

On the international front, the Hon'ble Chairperson said that the visit by His Excellency S. M. Krishna, the Foreign Minister in June 2009 and His Excellency Chidambaram, the Home Minister in August 2009, the Foreign Secretary, the Chief Election Commissioner, the Auditor General and other high officials from India not only strengthened the existing relationship between Bhutan and India but also resulted in successful bilateral talks and project assistance. He, therefore, extended his special appreciation to the Royal Government of Bhutan and Government of India. Similarly, on the invitation of the Hon'ble Prime Minister of Bhutan, Her Excellency Sheikh Hasina, the Prime Minister of Bangladesh made her first South Asian goodwill visit to Bhutan after being elected as the Prime Minister on November 6, 2009. Besides strengthening the ties of friendship between the two countries, the visit also witnessed the renewal of the existing trade agreements and

reduction in the trade tariffs which will greatly benefit the people of Bhutan.

Lastly, the Hon'ble Chairperson informed the House that the 4th Session of the National Council would deliberate on four Bills and two Reports to be received from the National Assembly. He expressed his hope that with the blessings of the guardian deities, wise guidance of Their Majesties the Fourth and the Fifth Kings and the wisdom of the Hon'ble Members, the deliberations would be fruitful and contribute towards laying a strong foundation for democracy further leading to the realization of the goals of Gross National Happiness, and bringing peace and prosperity in the country.

C. EXPRESSION OF APPRECIATION BY THE HON'BLE MEMBERS

The Hon'ble Members from Trashigang, Mongar and Haa Dzongkhags thanked His Majesty the King for granting compassionate *kidu* to the people affected by natural disasters such as earthquake and wind storm in the eastern Dzongkhags and fire in Wamrong under Trashigang and Haa township. His Majesty the King personally visited the disaster affected areas, met the people and granted *semso soilra*. He provided advice to allay the fears and restored confidence in the minds of the people. The Members also expressed their sincere gratitude to His Majesty the King for granting the excess land declared during the cadastral resurvey as *kidu* to the people of Mongar Dzongkhag who were mainly dependent on agriculture for their livelihood.

Further, the members conveyed their deep appreciation to the Government led by the Hon'ble Prime Minister, Minister for Education, Minister for Home & Cultural Affairs, Leader of the Opposition Party, *Gyalpoi Zimpon*, Secretaries to the Government, Dzongdas, Civil Servants, Local Leaders, Armed Forces and Students for helping the

victims during the disasters. They also thanked all the citizens of Bhutan and the international community for generously contributing to His Majesty the King's Relief Fund. Similarly, they expressed their profound gratitude to the *Zhung Dratshang*, His Holiness the Dungshey Rinpoche and His Holiness Namkhai Ningpo Rinpoche for conducting special *kurims*.

In the wake of such natural disasters, Hon'ble Kuenlay Tshering and Hon'ble Member from Gasa Dzongkhag supported the proposal for a Natural Disaster Management Bill and establishing His Majesty's Relief Fund with adequate resources. They said that since Bhutan was a mountainous country with glacial lakes, disasters were imminent in the future. Therefore, they submitted that the Government should not only formulate appropriate policies and strategies to prevent disasters but also create awareness during international conferences and solicit funding support to meet the emerging challenges.

On this, the National Council expressed its gratitude to His Majesty the King and the people at large both within and outside the country for their unfailing support provided during the disasters. The House resolved to incorporate the experiences and insights gained from the recent disasters while discussing on the proposed Natural Disaster Management Bill and His Majesty's Relief Fund.

D. ADOPTION OF AGENDA FOR THE SESSION

For discussion during the 4th Session of the National Council, the House adopted nine (9) agenda items besides Question Time and other miscellaneous businesses. Among these, the Bhutan Standards Bill, 2009, Tobacco Control Bill of the Kingdom of Bhutan, 2009, Royal Monetary Authority (Amendment) Bill of the Kingdom of Bhutan, 2009 and amendment of Bhutan Marriage Act, 1980 which had been

deliberated in the 3rd session of the National Council and submitted to the National Assembly shall be further discussed if the latter had any amendments.

(01/12/2009 and 02/12/09 corresponding to 14th and 15th Day of the 10th Month of Female Earth Ox Year)

E. ISSUES RELATED TO LEGISLATION (ADOPTION OF AMENDMENT BILLS)

1. The Royal Monetary Authority (Amendment) Bill, 2009

The Royal Monetary Authority (Amendment) Bill, 2009 was deliberated in the 3rd Session of the National Council and amendments were made on 22 Sections. In accordance with Article 13 (5) of the Constitution of Bhutan, these were submitted to the National Assembly for adoption. The National Assembly in its 4th Session had deliberated on the Bill and endorsed 10 Sections, amended 12 and added 8 new amendments. A total of 30 sections were received from the National Assembly on which the National Council thoroughly deliberated on December 1&2, 2009. Following amendments were made:

The title of the Bill was amended as, “The Royal Monetary Authority of Bhutan (~~Amendment~~) Bill, 2009.

The second paragraph of the Preamble was amended as, “Parliament of the Kingdom of Bhutan do hereby enact the Royal Monetary Authority of Bhutan Act, 2009 at its **Fourth** Session of the First Parliament as follows.”

Added a Repeal Clause as follows:

The RMA Act, 1982 and any provisions of any law, by law, rules or regulations which are inconsistent with this Act shall be repealed unless otherwise provided in this Act.

The title of Chapter 2 was amended as, **“~~Constitution of the~~ The Royal Monetary Authority of Bhutan“.**

Chapter 2, Section 8 (l) was amended as, **“Perform regulatory functions for sectors which have a direct bearing on the monetary financial system, but not covered under this or any other Act”.**

Chapter 2, Section 11(c) was amended as, **“On the recommendation of the Board, establish offices abroad upon approval by Royal Government.”**

Chapter 4, Section 32 (c) and 33 to be discussed in the Joint Sitting of Parliament.

Chapter 4, Section 34 was amended as, **“Any fees and allowances for members of the Board shall be determined by the Royal Government on the recommendation of the Board.”**

Chapter 4, Section 39 was amended as, **“An appointed member of the Board may resign on giving notice in writing to the Royal Government. Such resignation shall be effective upon its acceptance by the Royal Government and, as soon as may be practicable, another member shall be appointed in his place for the full five year term unexpired period of his appointment.”**

Chapter 4, Section 40 was amended as, **“The Governor may be removed from office by ~~His Majesty the King~~, the *Druk Gyalpo*, upon the recommendation of the Prime Minister. The appointed members of the board may be removed from office by the government. Both removals shall be only upon finding by a committee constituted for the purpose of permanent incapacity or incapable of carrying out of their duties or of ~~serious misconduct~~, substantially prejudicing the interest of the authority. The affected members shall be given a proper hearing.”**

Chapter 4, Section 44 was amended as, “The Deputy Governors shall be appointed for a term of five years, **which may be extended by one more term if he/she performs well or until the superannuation age, whichever is earlier.**”

Chapter 4, Section 46 was amended as, “Sections 38, 39, 40 **and 41** shall apply, so far as is applicable, to persons appointed to the office of Deputy Governor.”

Chapter 4, Section 49 to be discussed in the Joint Sitting of Parliament.

Added a new clause following Chapter 4, Section 55 as, **“The decision shall be passed by the simple majority vote. In case of a tie vote, the chairman shall have the authority to cast the deciding vote.”**

Chapter 4, Section 68 to be discussed in the Joint Sitting of Parliament.

Chapter 4, Section 72 was deleted from the Bill

The new clause added after Chapter 4, Section 77 and 111 to be discussed in the Joint Sitting of Parliament

Chapter 7, Section 134 was amended as, “The Board shall have the authority to **establish a mediation or arbitration cell as and when necessary.** ~~to set up Payment & Settlement Tribunal to hold hearing and adjudicate, in an independent manner, on disputes among system participants, service providers and operators of any recognized Payment & Settlement System.’~~”

The new clause added after Chapter 8, Section 141 to be discussed in the Joint Sitting of Parliament

Chapter 9, Section 156 and 157 to be discussed in the Joint Sitting of Parliament

The new Clause added after Chapter 12 Section 179 (o) to be discussed in the Joint Sitting of Parliament

Chapter 12, Section 180 to be discussed in the Joint Sitting of Parliament

(08/12/ 2009 and 09/12/09 corresponding to 22nd and 23rd Day of the 10th Month of Female Earth Ox Year)

2. Amendment of Marriage Act of Bhutan 1980

The National Council in its 3rd Session deliberated on the Marriage Act of Bhutan, 1980 in detail and made amendments to ten sections. It was then submitted to the National Assembly for adoption in accordance with

Article 13(5) of the Constitution of Bhutan. Although the National Assembly had deliberated on the Bill in its 4th Session, there was no clear indication as to whether or not the amendments were passed. In a letter received from the Speaker of the National Assembly, it just stated that the whole Act needed to be amended which according to the National Council was not in keeping with the prescribed procedures for passing of Bills. Therefore, clarification of the National Assembly was sought again on whether or not the amendments of the National Council had been passed. Following this, a Joint Committee of the Parliament reviewed the Bill and made the following amendments which were passed by both the Houses. These shall be submitted to the Druk Gyalpo for Royal Assent. The National Council also resolved that the amendments made to the Marriage Act by the erstwhile National Assembly in its 83rd and 84th Session shall be incorporated in the revised Act and printed for distribution to the general public.

Section KHA 7-2 was amended as, “In the case of married couple having children get divorced **unless the court finds compelling reasons to order otherwise** children under the age of 9 years shall remain under the custody of the mother.

Compelling reasons by which a mother can be deprived of custody include: neglect, abandonment, unemployment and immorality, habitual drunkenness, drug addiction, maltreatment of the child, insanity, affliction with communicable illness, and any other ground that the court determines.

In such a case, the custody of a child may be given to the other parent or to a third person or recognized organization established under Civil Society Organization Act in the best interest of the child.

The court shall, in case of divorce of the parents, formulate a procedure for the other parent to meet with the child/children.

Section KHA 7-6(2) was amended as, “For finding out the costs incurred for a marriage, the amount determined by a minimum of three impartial witness not related to either of the parties to the marriage shall be accepted.”

Section KHA 7-6 (3) was amended as, “However ~~in any case the limitation for~~ **the** claims of **for** such **expenditure** shall not exceed ~~three thousand Ngultrums~~ **20% of one year’s income of the payee**

Section KHA 8-6 was amended as, “If any person causes a dispute between a couple who are innocent of committing any offence or brings a false allegation of a an offence on the part of either of the parties to cause a divorce between them, then such a person ~~shall be punished with a term of imprisonment extending from one month to six months or with a fine amounting from Ngultrums one hundred fifty to Ngultrums nine hundred ro with both, depending upon the gravity of the offence~~ **causing rift between a married couple by making false allegations shall be liable under relevant provisions of the Penal Code of Bhutan.**

Section KHA 8-7(1) was amended as, “If a ~~woman~~ **married person** who had consented to have illicit relations with one or two men/women is injured because of the act of several other men/women ~~several other men also having enjoyed her,~~ then in such a case, a report shall have to be submitted to the ~~local Court of law or village elders~~ **competent jurisdiction or Royal Bhutan Police or Gewog/Thromde Tshogde members** within twenty-four hours of the incident, excluding the time taken for making the journey to submit the report”, and

KHA 8-7 (2) as, **“In such a case, the person who procures her/him and each of those involved in the immoral act shall be guilty of gang rape and shall be liable for sentencing as per the Penal Code of Bhutan.”**

KHA 8-8 (1) was amended as “If such a person succumbs to his/her injuries when committing such an act, then that person who had procured his/her and those persons involved in the act shall be ~~have to~~ ~~each pay the stipulated amount as prescribed in the section of~~ **liable for** culpable homicide under the Penal Code **of Bhutan as and make** contribution towards the expenses for the ~~last~~ **funeral** rites for that ~~woman~~ **person**.

Section KHA 8-17 was amended as, **“If a person alleges his/her partner having illicit relation with another person and takes position of property of that illicit partner or engages in battering that person and causes physical damages, such harmful and forceful acts shall be forbidden. If a person violates these provisions, he/she shall be guilty of extraction and battering of the other person on separate accounts and shall be liable as per the Penal Code of Bhutan.”**

Section KHA 8-24 (1) was amended as, “If as mentioned in the aforesaid Section, a person abducts a woman after making her unconscious or by influencing her mind by the use of medicines or drugs, and if that woman is subsequently traced out, then that offender shall be **liable as per the Penal Code of Bhutan**.

Such compensation shall be paid to the victim as determined by the court in accordance with the Penal Code of Bhutan”

KHA 8-24 (2) was similarly amended as, **“And if in such a search, the abductor only is caught and the woman person who had been abducted is not found, then that offender shall have to restore all the properties taken by that woman person who had been abducted”**.

(07/12/ 2009 and 08/12/09 corresponding to 21st and 22nd Day of the 10th Month of Female Earth Ox Year)

F. ISSUES RELATED TO LEGISLATION (ADOPTION OF NEW BILLS)

1. TOBACCO CONTROL BILL OF THE KINGDOM OF BHUTAN, 2009

The National Council first deliberated on the Tobacco Control Bill of the Kingdom of Bhutan, 2009 in its 3rd Session and submitted to the National Assembly for adoption in accordance with Article 13(5) of the Constitution of Bhutan. The National Assembly deliberated on the Bill in its 4th Session and sent it back along with 23 amendments in accordance with Article 13 (7) of the Constitution. The National Council deliberated on the Bill on 07/12/09 and 08/12/09 and made the following amendments:

In the Preamble, amendments were made to read as, **“Parliament of the Kingdom of Bhutan do hereby enact the Tobacco Control Act at its fourth Session of the first Parliament as follows:”**

Chapter 3, Section 11(c) was amended as, **“Sell and buy tobacco and tobacco products within the country”**.

Chapter 3, Section 12 was amended as, “A person may import tobacco and tobacco products for personal consumption as per the **quota quantity** approved by the Tobacco Control Board”.

Chapter 3, Section 13 to be discussed in the Joint Sitting of the Parliament

Chapter 8, Section 32 (l) was amended as, “promote public awareness on import ~~quota~~ limitations, especially at border areas”.

Chapter 9, Section 35 (a) to be discussed in the Joint Sitting of Parliament

Chapter 11, Sections 48, 49, 50, 51, 52, 53 and 54 to be discussed in the Joint Sitting of Parliament

Chapter 12, Section 60 was amended as, “Thromde” means an large urban area or a municipality **as specified in the Local Government Act** ~~with a minimum population of 5000 people in which more than 50% of the population is dependent on non primary activities and having the potential to sustain its service through its revenue such as taxes and fees.”~~

(03/12/ 2009 and 08/12/09 corresponding to the 16th Day of the 10th Month of Female Earth Ox Year)

2. STANDARDS BILL OF THE KINGDOM OF BHUTAN, 2009

The National Council deliberated on the Standards Bill of the Kingdom of Bhutan, 2009 in its 3rd Session, made amendments to 21 sections and submitted to the National Assembly for adoption in accordance with Article 13 (5) of the Constitution. The National Assembly deliberated on

the Bill in its 4th Session and sent it back along with amendments to 19 Sections. These were thoroughly deliberated in the National Council and resolved as follows:

The title of the Bill was changed as, **“Bhutan Standards Bill of the Kingdom of Bhutan, 2009”**.

Chapter 1, Section 2 was amended as, **“This Act shall repeal all other laws, by laws, rules, regulations or directives the provisions of which are inconsistent with this Act hereby repeals any provision of laws, by-laws, rules, regulations or directives which are inconsistent with this Act”**.

Title of Chapter 2, Section 3 was amended as, **“Establishment of Bhutan Standards Bureau, Appointment of Director Head and its members”**

Chapter 2, Section 3 to be deliberated in the Joint Sitting of Parliament.

Chapter 2, Section 4 was amended as, **“oversee the implementation of the World Regional and International Trade Organization (WTO) Agreement on Technical Barriers to Trade (TBT) related to standards and technical barriers to trade”**

Chapter 2, Section 5 was amended as, **“The Board of Bureau shall consist of the following members”** and after deleting clauses (a) to (d), replaced by new clauses as follows:

- a) Chairperson, who shall be the minister from a relevant ministry;**
- b) One member each, above or equal to the level of director, from different relevant ministries;**

- c) **The head of the Bureau who shall be the Member Secretary of the Bureau; and**
- d) **Not more than 5 members appointed by the Chairperson representing industry, scientific and research institutions, consumer interests and other interests who shall possess knowledge of standards or other matters likely to be assistance to the Bureau in the performance of its functions under this Act.**

Chapter 2, Section 7 & 8 to be deliberated in the Joint Sitting of Parliament

Chapter 2, Section 9 was amended as, “The Head of the Bureau shall exercise and discharge such powers and duties of the Bureau as may be delegated to it by the **Board of Bureau**.”

Chapter 2, Section 10 to be deliberated in the Joint Sitting of Parliament.

Title of Chapter 3 was changed as, “**Powers and Functions of the Board of Bureau**”.

Chapter 3, Section 15 was amended as, “The **Board of Bureau** shall exercise such powers and perform such functions as may be assigned to it by or under this Act and, in particular, such powers include the power to:”

Chapter 3, Section 15 (r) was amended as, “Oversee implementation of ~~WTO-TBT~~ **Regional and International Trade Agreement** provisions **related to standards** including operation of TBT National Enquiry Point”.

Chapter 4, Section 21 was amended as, “The Bureau may, by order, grant, renew, suspend or cancel a license for **the use of the Bhutan Standards Certification Mark** in such manner as may be determined by regulations.”

Chapter 5, Section 29 (a) to be deliberated in the Joint Sitting of Parliament

Chapter 6, Section 41 was amended as, “A person who is or has been engaged in the administration of this Act, discloses, except for the purpose of exercising his functions or when required to do so by a court or under any law, any information acquired by him in the exercise or purported exercise of his functions under this Act to any other person shall be guilty of an offence punishable **under the Penal code of Bhutan.** ~~with imprisonment for a term which may extend to six months or with a fine which may extend to seven months of daily national minimum wage rate”~~

Chapter 6, Section 45 was amended as, “~~No court subordinate to that of a District Court specially empowered in this behalf shall try any offence punishable under this Act.~~ **A court of law having jurisdiction shall hear cases** and try any offence punishable under this Act.”

Chapter 6, Section 48 was amended as, “The ~~Minister~~ **Chairperson**, after consultation with the **Board** may make regulations for carrying out the provisions and purposes of this Act. Without prejudice to the generality of this Section, the regulation may include, but not limited to, the following”:

Chapter 6, Section 52 (q) was amended as, “**Chairperson** means the **person** for the time being responsible for matters relating to Bhutan Standards Bureau”.

(26/11/ 2009 corresponding to the 9th Day of the 10th Month of the Female Earth Ox Year)

G. ISSUES RELATED TO LEGISLATION (RATIFICATION OF CONVENTION)

1. Ratification of SAARC Convention on Mutual Assistance in Criminal Matters

1.1. Introduction of the Convention by Hon’ble Minister for Foreign Affairs

The Hon’ble Minister for Foreign Affairs said that the SAARC Convention on Mutual Assistance in Criminal Matters was proposed in the 14th SAARC Meeting held on April 2007 in New Delhi, India. The Convention was signed in April 2008 in Colombo, Sri Lanka by the Member States and so far been ratified by India, Bangladesh, Sri Lanka and Maldives. The Hon’ble Minister said that it was submitted to the Parliament for ratification.

The Convention was deliberated among the Legislative Officers of the SAARC member countries with the aim to reduce crime within and outside the country through mutual assistance. It was submitted that since the 16th SAARC meeting was due to be held in Bhutan in April 2010, it was important to ratify all conventions and agreements before the meeting.

The National Council after thorough deliberation ratified the Convention without any amendment in accordance with the Constitution of Bhutan.

(23/11/ 2009 corresponding to the 6th Day of the 10th Month of Female Earth Ox Year)

H. ANNUAL REPORTS AND STATUS OF REVIEW OF ACTS

1. Report on Amendment to Anti-Corruption Act, 2006

The Chairperson of the Good Governance Committee, the Hon'ble Member from Tsirang Dzongkhag reported that as proposed in the 3rd Session of the National Council, a Committee had been formed with members from the Good Governance Committee and Anti-Corruption Commission and was working on the amendment of the Anti-Corruption Act, 2006. In order to make the Act beneficial and effective in the country, it was also important to study other related Acts and collect feedback from the public. He said that the final amendments to the Anti-Corruption Act shall be tabled for discussion in the 5th Session.

2. Report on the status of amendments to the Penal Code of Bhutan, 2004 and Civil & Criminal Procedure Code, 2001.

The Chairperson of the Legislative Committee, Hon'ble Kuenlay Tshering reported that work on amendment of the Penal Code of Bhutan, 2004 and Civil & Criminal Procedure Code, 2001 was going on in accordance with the resolution of the 3rd Session of the National Council to make the Acts consistent with the provisions of the Constitution of Bhutan which was passed in 2008.

Since these Acts were related to the Anti-Corruption Act, Marriage Act of Bhutan and Bhutan Drugs & Narcotics Control Act, he said that the Committee was conducting thorough discussions with the relevant institutions and seeking public views to make the laws equitable, trustworthy and effective. He submitted that the proposed amendments on the two Acts shall be tabled for deliberation in the 5th Session.

The Hon'ble Member from Bumthang Dzongkhag reported that the Cultural & Social Committee was also working on amendment of these two Acts. In particular, Section 183 of the Penal Code of Bhutan, 2001 pertaining to offence and its grading for rape of a child above twelve years of age and issues related to divorce cases needed review.

In this connection, the Hon'ble Members from Pemagatshel and Gasa Dzongkhags said that the responsible Committees should inform other Members on amendments being initiated on any Act or Bill so that they could collect the views and comments of the public during their constituency visits to make the amendments more meaningful.

On this, the National Council directed the two Committees to prepare the amendments to the Anti-Corruption Act 2006, the Penal Code of Bhutan 2004 and the Civil and Criminal Procedure Code, 2001 for deliberation in the 5th Session.

(24/11/2009 corresponding to the 7th Day of the 10th Month of Female Earth Ox Year)

2. Annual Report of the Anti-Corruption Commission (ACC)

In keeping with Article 27 (4) of the Constitution of Bhutan, the Anti-Corruption Commission is required to submit an Annual Report on its policies and performance to the Druk Gyalpo, the Prime Minister and Parliament. Accordingly, the Hon'ble Member from Tsirang Dzongkhag, on behalf of the Good Governance Committee, presented the Annual Report 2009 received from the Anti-Corruption Commission. He touched on the implementation status of the recommendations made by the Parliamentary Ethics & Credentials Committee of the National Assembly and the guidelines of the Anti-Corruption Commission. Of the five parts

of the report consisting of General Assessment of ACC's Direction, National Anti-Corruption Strategy Framework, Institutional Development, Performance of ACC and Fundamental Challenge, he reported on the first three parts.

Firstly, the Committee reported that the Parliamentary Ethics & Credentials Committee had made 13 recommendations on the National Anti-Corruption Strategy Framework submitted by ACC in the 2nd Session of the National Assembly. It was noted that the Commission in 2009 had focused mainly on institutional development, strengthening of legislation, implementation of gift rules by various agencies, and procurement and contract rules and regulations.

Secondly, it was reported that the formulation of National Anti-Corruption Strategy Framework had commenced in April 2006 and completed in March 2009. The framework had seven strategic considerations such as promotion of quality leadership, ensure sustained political will, review legal framework, review and strengthen institutional capacity, review and refine systems, develop long-term educational strategy in building an awakened citizenry, and promote partnership with relevant people and institutions.

Thirdly, it was reported that to strengthen institutional capacity, a new complaints and follow up section was established in 2009 with three officers. On human resource development, 29 officials from ACC and 3 from other agencies had attended workshops/seminars/trainings in the field of public governance, government anti-corruption methods, international conventions, corruption studies, international regulatory reforms and office management. The Rules of Procedure for the Commission had been adopted and contract for the construction of ACC building with funding support from Government of India been awarded.

Institutional linkages had been established with International Anti-Corruption institutions like Singapore, Hong Kong, India, the Philippines, Korea and Malaysia.

The Hon'ble Member from Gasar Dzongkhag continued presentation on parts four and five of the Annual Report 2009. Fourthly, in respect to Performance of the ACC, he said that to prevent corruption, the Commission had undertaken activities such as collaboration and partnership programs for greater national integrity, integrity assessment, system studies, asset declaration, tripartite forum of ACC, Royal Audit Authority and Internal Audit units, public education, advocacy and awareness program, behavioral change program, the amendment of Anti-Corruption Act, prosecution referral guidelines, gift rules, debarment rules, disciplinary inquiry committee rules, ratification of UN Convention Against Corruption, complaints management and investigation, mandatory competency training for new recruits, improvement of investigation manual and analysis of complaints.

Fifthly, one of the main challenges faced by the Anti-Corruption Commission had been in the recruitment of new officers. In 2006, the ACC was able to recruit only two officers against ten vacant posts and in 2007, only one officer was recruited against 13 vacant posts. The Commission was functioning with 13 in-service employees who were transferred under Government orders.

The Hon'ble Members from Haa, Lhuentse, Trashigang and Pemagatshel Dzongkhags submitted that the ACC was an indispensable institution in a democratic system. They expressed their appreciation to the ACC for the commendable achievements within a short period of time. They said that the submission of the 2nd Annual Report to Parliament for the first

time would go a long way in establishing a good culture of enhancing transparency and accountability.

The Hon'ble Members submitted that corruption was on the rise because of the lack of proper implementation of Acts in the country. The most corrupt practices centered on the abuse of authority, misuse of government funds and favoritism. They opined that these practices were influenced by the traditional culture of acquaintance. They submitted that this culture had to be discarded if we were to serve the country with sincerity and patriotism. Misuse of government fund might reduce, they said, if the salary of the civil servants were raised to make them self-sufficient.

Lack of human resources was one of the main challenges of the Anti-Corruption Commission. The Hon'ble members said that the National Council should consider this problem while deliberating on the Civil Service Bill. They also suggested that a specific provision stating that "an appointment to the post of head of organization shall be free of corruption" be inserted in the Civil Service Rules. Similarly, it was pointed out that there was no mention of the status on the recent letter of the Hon'ble Speaker to the Finance Ministry recommending increase in the allowances and entitlements of employees working in institutions like the Anti-Corruption Commission.

Further, they submitted that it would be convenient if the Asset Declaration of the civil servants were submitted to the Royal Civil Service Commission, the private sector to the Bhutan Chamber of Commerce & Industry and the Non-Government Organizations to their respective organizations, which the ACC, RAA and Internal Audit Units (IAU) could later review. The head of agencies should be made accountable to monitor and exercise administrative controls. To ensure code of conduct,

they submitted that it should be included in the school curriculum for education and proper dissemination.

On the 13 recommendations made by the Parliamentary Ethics and Credentials Committee of the National Assembly, they said that Section 5 and 7 were not clear in the report. It was also important to know the status of the corruption cases forwarded by the ACC to the Office of Attorney General for prosecution. Since most of the corruption cases involved the Local Government, administration and senior officers, they said that it was a cause of concern in a democratic system. Therefore, the Government and the ACC had to ensure uniform administrative actions and strict monitoring of senior officers to curb corrupt practices.

Since Income and Asset Declaration was one of the measures to curb corruption, doubts were raised on the institutional arrangements between the ACC and the Department of Revenue & Customs. The Hon'ble Members felt that the officers above Director level should declare their asset once in a year while people below the Director did so every after two years. Further, they questioned whether the ACC investigated the corruption cases based on reports or did it on its own initiatives and whether it was empowered to do so in the case of the latter. The moral responsibility to fight corruption fell not only on the ACC as an institution alone but collectively on all Bhutanese citizens alike. Therefore, it was imperative to initiate measures through public consultation to curb the menace.

On this, the National Council commended the ACC for achieving substantive results despite being a new institution with limited human resources. The Good Governance Committee was directed to take note of the above views and doubts for submission to the ACC for taking appropriate measures to reduce corruption to the extent possible. Since

the responsibility of fighting corruption fell on every Bhutanese citizen and not on ACC alone, the National Council agreed that it was important to face the challenge with renewed sense of unity and solidarity.

4. Report on the Status of Bhutan-China Boundary

4.1. Report by the Secretary for International Boundaries

Dasho Pema Wangchhuk, the Secretary for International Boundaries, in his presentation to the National Council on the status of Bhutan-China Boundary said that it was imperative to clearly demarcate the borders as Bhutan was landlocked between two neighbouring giants. Under the command of His Majesty the Fourth King, border talks had been held in detail with India from 1963 till 2006. Accordingly, boundaries had been demarcated and stone pillars being erected along the border.

However, Bhutan-China border had not been demarcated and border talks were still going on. The Secretary reported that the 19th Round of Talks was scheduled to be held in January 2010. Before the meeting, the resolutions of the past talks and papers for discussion in the coming meeting as submitted to the Cabinet were also presented to the two Houses of Parliament for information.

The House was informed that the areas of dispute were in Pasamlung between Lhuentse and Bumthang in the central part and Doklam, Chharithang, Sinchulumpa and Dramana in Haa in the western part of the country. Although, Shakhatoe/Gieu was also an area of dispute, the main areas of contention were in the above four areas of western Haa. Gieu was granted to Kazi Ugyen Dorji as *Tsamdro* by the 13th Dalai Lama in return for his hospitality when he was in India on exile. A *Kasho* was issued allowing Kazi Ugyen Dorji and his descendants to use it as pasture land. Although Bhutan had the right to use the pasture land, he

informed that it still belonged to Tibet as nominal pasture and water taxes had to be paid annually to Tibet.

The First Round of boundary talk with China was held in Beijing, China in 1984 and till date 18 Rounds of talks had been held. He also informed that in 1989, claim lines depicted on sand models and maps were presented to the Parliament in Lungtenphu during the 68th Session of the National Assembly and signed by the Speaker and the Deputy Speaker. In 2004, the Chinese started construction of roads in the disputed area of Langmarpochhu towards Phutoegang in the western part of Haa. Since this was in contravention to the 1998 Agreement, Bhutan had lodged a complaint through its Embassy. The Foreign Minister also had held talks with the Chinese Foreign Minister on the sidelines of the United Nations Conference bringing the construction to a halt. In 2008, a further 900 meters of road was constructed to which the Bhutanese Government again filed a complaint to the Chinese Government following which the construction had been stopped.

In 2000, he said that the Bhutanese Government had laid claims over Doklam, Chharithang, Sinchulumpa, Dramana and Gieu along the disputed border as these pasture lands were important for the people living in the highlands of western Bhutan who mainly depended on livestock for their livelihood. Moreover, our people had been using these lands since time immemorial. The problem, he reported, was that not only had the Chinese herders been using the same lands for grazing but also the name of places used by the Chinese and the Bhutanese differed. In addition, there were also differences in the claim area put forward by Bhutan and China. While Bhutan's claims covered about 1128 sq km, the Chinese claim covered 1300 sq km.

The Secretary for the International Boundaries reported that as submitted earlier, the Bhutan-China Boundary talks had been held and was being continued as commanded by His Majesty the Fourth King. He said that there was no cause for concern as the Government continued its efforts to resolve the border issue with the Chinese Government through dialogue.

To this, the Hon'ble Member from Haa Dzongkhag said that although the Bhutanese people had been using the pasture lands of Gieu, Phorten and Dramana beyond the *kangsum* (posts) fixed by the Chinese since 50 years ago, the Chinese had prevented the Bhutanese from grazing cattle by demanding payment for the use of land and water. This had posed hardship to the herders of Bhutan who depended on cattle for their livelihood. He enquired whether the land granted to Kazi Ugyen Dorji by the 13th Dalai Lama covered only the Gieu area or also covered other pasture lands under dispute. He also asked if it was true that rivers had served as boundaries in the past.

In response, the Secretary for International Boundaries said that the reasons for fixing *kangsum* (posts) by the Chinese in several areas after 1959 were not clear. May be, they had done it in an attempt to demarcate the boundary. Bhutan similarly had fixed *kangsum* but our herders who dependent on livestock for livelihood continued to face huge problems. Therefore, the Government had advised the people not to pay any land or water taxes but to continue using the pasture lands till the disputes were resolved. Further, he clarified that the land akin to five fingers granted to Kazi Ugyen Dorji by the 13th Dalai Lama was understood to include only Gieu. Nevertheless, our claim lines presented in yellow covered the areas above Gieu. Although in the past, boundaries were generally demarcated by rivers, he said that this was not the case in the western sector.

The Hon'ble Member from Haa Dzongkhag expected that the 19th Boundary Talks would be held amicably with mutual respects based on the 1998 Agreement to settle problems of the herders along the disputed areas. He said that China was admired based on its area, population and economy not only in Asia but world over. As such, he hoped that China would keep in view its global image and set a good example by not indulging in disputes with a small country like Bhutan over a tiny piece of land.

Similarly, the Hon'ble Member from Bumthang Dzongkhag submitted that in the past, of the two areas of Boedla and Gengla, the people of Kurtoe considered Boedla as the international border and grazed their cattle in the area. Since the Chinese claimed that the area belonged to them and harassed our herders, he sought clarification on its current status. In the map displayed in the House, he said that both China and Bhutan had marked their own claim lines. While the Chinese claim lines were marked red, Bhutan's claim lines were marked yellow. The Hon'ble Member said that it was important to know if the claim lines made by Bhutan were also provisional like that of the Chinese wherein they had agreed to concede beyond the claim lines marked red.

Although, it was said that Bhutanese had established army camps and cattle sheds in Boedla, the Secretary for International Boundaries informed that on actual verification, it was found that the area was very steep covered with snow and had no evidence of any camps or cattle sheds. Moreover, the story of a rich man from Khomteng in Tibet gifting a *Sungbum* for use of land, water and pasture land believed to be in Khoma Lhakhang could not be proved. There was neither evidence of land and water tax that had been paid nor the said *Sungbum* identified.

Therefore, he said that the boundary had been demarcated along the Gengla ridge following the watershed.

Further, the Secretary for International Boundaries informed that the Chinese had agreed to concede some area beyond the provisional claim lines marked in red on the map. However, he said it was not sure which area would be conceded as the name of places differed. Therefore, a joint technical survey team would be fielded during the 19th Round of Talks in order to finalize the places. As far as Bhutan was concerned, he hoped to claim all pasture lands as marked in the map in yellow.

The Hon'ble Member from Trashigang Dzongkhag said that according to the 1998 Agreement, Bhutan and China had demarcated the boundary between the two countries and signed an Agreement in 1959. Since the construction of roads further south by the Chinese had been in contravention to the 1959 Agreement, he asked on how the 1959 boundary was to be identified. He also questioned the existence of a "line of actual control" since China had claimed that the construction of road was carried out within the "line of actual control". He further sought clarification on the "extended claim line".

Similarly, the Hon'ble Member raised his concern on the continued construction of road by the Chinese despite sending complaints by the Bhutanese Government right from the beginning. Moreover, the Chinese agreement to concede Pasamlung while taking over land in the west as a package deal was not fair because Pasamlung already belonged to Bhutan, whereas the pasture lands in the west had been used by the Bhutanese herders since time immemorial. Therefore, he wanted to know on what grounds the Chinese claimed these pastures to be their land.

In response, the Secretary for International Boundaries informed that while carrying out trade between Bhutan and Tibet in 1959, after crossing Tremola, one reached Phari and arrived in Tibet after crossing the bridge at Langmarpo. Therefore, the bridge at Langmarpo had been traditionally considered to be the boundary. However, no actual demarcations had been made on maps. With regard to the construction of road by the Chinese in contravention to the 1988 Agreement, the Secretary for International Boundaries explained that while the boundary talks were initiated in 1984, the period from 1984 to 1988 was spent discussing on the formulation of guiding principles for the boundary talks. Talks were further delayed from 2007 to 2008 due to formation of the new Government and Coronation of His Majesty the King. To expedite the boundary talks, the Chinese had continued the construction of roads.

The Secretary for International Boundaries clarified that the “Line of Actual Control” existed only between China and India in the disputed areas. Due to delay in the boundary talks between Bhutan and China, such a new phrase had been coined to push the boundary further south. He said that the Government was taking up this issue in the 19th Round of Talks.

Explaining the extended claim line, he said that it referred to the increased new claim lines laid out by the Bhutanese Government on the old claim lines where Chinese army camps and towns were located. Since Bhutan insisted on claiming the old claim lines, the Secretary said that the Chinese had agreed to concede 186 sq. km of land in Luling. If this was not acceptable, they agreed to further concede Chharithang as well as Pasamlung in the east. However, Bhutan had maintained that this was not acceptable because Pasamlung already belonged to Bhutan and

that the claims in the western sector were as per the old claim lines. This process of bargaining was known as a package deal.

The Hon'ble Member from Sarpang Dzongkhag said that in the current international scenario, it was important to establish relationships with other countries. Just like the trade relations that existed between Bhutan and Tibet in 1959, he felt the need to establish diplomatic, trade and economic relations between Bhutan and China and asked on its current status.

In response, the Secretary for International Boundaries said that it was the responsibility of the Ministry of Foreign Affairs to look into the relationships between two countries. However, as he was present during the talks, he reported that the Chinese had repeatedly offered to begin diplomatic and trade relations even before finalizing the boundaries. In the interest and security of the nation, he said that it was of utmost importance to first complete the boundary demarcation. Works on diplomatic relations could be carried out later by the Ministry of Foreign Affairs.

The Hon'ble Member from Trongsa Dzongkhag said that it was very important that pasture lands be retained as these were essential for our people. He also expressed his doubts on the McMohan Line to which the Secretary explained that it was the line between the Chinese and Indian Border and had nothing to do with Bhutan.

The Hon'ble Members from Paro and Pemagatshel Dzongkhags, and Hon'ble Karma Y. Raydi asked on the status of boundary demarcation carried out in the past by inserting letters in glass bottles due to lack of proper equipment in the country. Similarly, they expressed doubts on the 1998 Agreement signed between Bhutan and China according to which it

had been agreed that the boundaries would be based on the 1959 Agreement until such time the issue of trade relations and boundaries were finalized. They also asked if the three agreements drafted by the Chinese on diplomatic relations had been finalized. Further, media reports suggested that Chinese airplanes had been flying over Indian airspace. Therefore, they wanted to know if there were any air space demarcations between Bhutan and China, and how the issue of Chinese airplanes flying over our airspace would be dealt with in the event such a case arose.

Although, there had been instances in the past where borders were demarcated by letters in glass bottles, in the absence of proper equipment, the Secretary for International Boundaries said that the borders were mostly demarcated by following rivers and watersheds. Further, he informed that the three (3) agreements drafted by the Chinese were elaborations to the 1998 Agreement to make it operational. These had not yet been signed and were to be discussed in the 19th Round of Talks. Coming to the air space, he said that if the land demarcation was carried out first, it would be automatically demarcated. He also informed that the Indian airplanes flying over Bhutanese airspace today were doing so with prior permission from Department of Civil Aviation. Similar procedure would later be followed with regard to Chinese airplanes once the boundary issues were finalized.

Hon'ble Kuenlay Tshering said that since our country was a small landlocked country in between two giant neighboring countries, the signing of the 1998 Agreement had benefited in enhancing peace and security in the country. It would further ensure our sovereignty and bring peace if the finalization of boundaries between Bhutan and China were expedited. Similarly, the Hon'ble Member from Gasa Dzongkhag submitted that the finalization of boundaries would enable us to identify

potentially risky glacial lakes and accordingly prepare mitigation measures. Moreover, Bhutan had lot of hydropower plants because of its pristine environment, which had greatly benefited the economy. Therefore, it was important to study and protect the sources of water to make these plants sustainable. He also reported that in 2008, 21 and in 2009, 17 personnel of the Peoples Army of China had illegally entered the Bhutanese territory. Since this was a serious security concern, he wanted to know the current relationship between the security forces of Bhutan and China.

In response, the Secretary for International Boundaries said that the issue was being discussed based on the boundary map signed by the then Speaker and Deputy Speaker in 1998. Although the Chinese Army had intruded into Bhutanese territory from time to time, he assured that there was no cause for concern as these had happened since Chinese Army camps were located close to the border areas.

On this, the National Council expressed its heartfelt gratitude to His Majesty the King and His Majesty the 4th Druk Gyalpo under whose leadership and wise guidance works on demarcation of international boundaries had made significant achievements. Since most of the Bhutanese people were herders depending on cattle for their livelihood, the National Council urged the Government to make every effort to retain the four pasture lands according to our old claim lines. The House reminded that since the boundary between Bhutan and China was critical for our security, it was imperative to expedite finalization of boundary demarcation before establishing diplomatic, trade and economic relations.

(04/12/ 2009 corresponding to the 17th Day of the 10th Month of Female Earth Ox Year)

IX. QUESTION TIME

1. The Minister of Labour & Human Resources

The Hon'ble Member from Zhemgang Dzongkhag submitted that unemployment had been recognized as a pressing national issue. Accordingly, the Royal Government and the Ministry of Labour & Human Resources had formulated many plans and policies to address these issues for which she expressed her appreciation. However, she wanted to know how the Ministry of Labour & Human Resources was coordinating with other ministries and what specific policies and plans it had in place to counter the immediate challenges since unemployment was going to be a serious problem in the near future.

The Minister for Labour & Human Resources expressed his gratitude to the National Council for inviting to respond to questions of national importance. He also said that this provided an excellent opportunity for the two Houses to cooperate and work together with sincerity of purpose.

The Hon'ble Minister informed that the ministry was working in close coordination with other ministries to face the pressing challenges since unemployment had become a serious concern in the country. He reported that unemployment had increased from 3.7% in 2007 to 4 % in 2009. The number of unemployed was about 13,000 and with the increase in population, it was expected to increase to 93,000 by 2013. However, the Royal Government and the Ministry of Labour & Human Resources were formulating plans and policies to provide job opportunities to 75,000 in the 10th Plan reducing the percentage to 2.5.

He informed that unemployment was mainly due to the mismatch of education, skills and expectations of the youth against the available jobs and that youth comprised major portion of the population. 71% of the

unemployed were below the age of 29 and 52% below the age of 22 making up 4% of the total population. The Government and the ministry were, therefore, working towards developing a National Human Resource Development Policy, a HRD Master Plan and boost economic development in the country, among others.

In addition, 14 sectors had been identified to provide employment, 10 of which were tourism industry, agriculture, information & communication, Industry, handicrafts, trade, power projects, financial services sector, education and health. In addition to the existing 6 vocational institutes, a traditional handicraft center in Tsirang and a vocational institute in Gelephu would be established to enhance the training provided in the vocational institutes. Until now, people came to look for jobs only in Thimphu. Hereafter, he said that employment offices would be established in a few Dzongkhags to expand facilities depending on feasibility.

2. The Minister for Finance

Hon'ble Tashi Wangmo submitted that according to Vision 2020, by this time, it was expected that most of the development expenditure would be met from internal revenue making the country self-reliant. However, she expressed doubts that the vision could be fulfilled since development expenditures still continued to be financed through donor assistance. Therefore, she wanted to know what plans and policies the Government had for 2013 onwards in order to fulfill the vision.

In response, the Finance Minister informed that the Royal Government had always taken into consideration the goals set in Vision 2020 and His Majesty the King's wishes to meet the current expenditure from internal

revenue while carrying out development activities. He said that since the 7th Five Year Plan, government revenue had covered current expenditure and also had financed capital expenditure. Similarly, the current Government endeavored to meet the development expenditure from domestic revenue in the 10th Plan in order to make Bhutan self-reliant.

The Finance Minister admitted that it was most distressing having to depend on external funding year after year, plan after plan and government after government. Hence, there was a need for transforming the economic structure in line with the four pillars of Gross National Happiness to achieve economic self-reliance. Among others, the Government had identified the following six assets to transform the structure of the economy. 1) Bhutan was located between two of the world's most populated countries with rapid pace of economic growth. Thus, we had the amplest of market just next door. 2) Peace and security prevailed in the country thanks to our wise monarchs. This secure environment attracted foreign investors and encouraged tourists to visit Bhutan which benefited the economy. 3) Because of its pristine environment, Bhutan had plenty of fresh air and water. Our hydropower projects were without pollution and generated income for the economy. 4) The strong traditional culture helped maintain stability and sovereignty of the country. 5) In keeping with the Government policy, our education system was based on English language, and that today was a great advantage in the international arena. 6) Bhutan had the best of governance and the rules of law. And this was a key element for sustainable development.

Given these assets, the Finance Minister said that our economic architecture would be centered around four main areas. Firstly, make Bhutan a world-class service hub, viz., establishing world-class education centers, world-class health centers, financial service centers

and intensifying tourism industry. Secondly, harness water resources to expand hydro-electricity with minimum impact on environment. Based on the hydropower potential of 32,000 Megawatt, it was initially planned to achieve 5,000 Megawatt of electricity generation by 2020. However, the target had been doubled to 10,000 Megawatt for which agreements had also been drawn up with Government of India. Thirdly, develop information and communication technology infrastructure. Finally, establish Bhutan as a brand name for marketing organic food products. The Government would promote organic agriculture such that anything Bhutanese is organic, green and pure.

Hon'ble Tashi Wangmo pointed out that due to lack of adequate financial resources, it was difficult to enhance the pace of economic develop in the country. This was further aggravated by the rampant misuse of government funds by public servants. Therefore, she felt that it was important to strictly follow the annual reports of the Royal Audit Authority. In response, the Finance Minister said that the Government had been dealing with such problems in the past and would keep these in mind while carrying out its duties.

The Hon'ble Member from Trashigang Dzongkhag informed that to promote micro-trade and self-employment, the Ministry of Economic Affairs in 2006 had allowed people to carry out business after registration without license as long as their profit was below one million. These business enterprises were also exempted from paying annual renewal fee and other charges as they did not have license. However, the Department of Revenue & Customs under Ministry of Finance had levied taxes on them like any other business. This showed that the two ministries had differing policies on the development of small entrepreneurs. The Hon'ble Member, therefore, wanted to know what plans the ministry had in place to streamline such policy contradictions

and the basis on which taxes were levied on these small enterprises, as they did not maintain any book of accounts.

The Finance Minister admitted to the inconsistency between the two ministries and agreed to look into the possibility of reviewing the policies to solve the problem. He clarified that the tax levied on the small entrepreneurs were based on the estimation of the tax officials and the average profit of the past three years. Moreover, the business enterprises were also asked to do their own expenditure estimates.

On this, the Hon'ble Member from Trashigang Dzongkhag pointed out that people faced lot of problems due to inconsistency in the policies between ministries. Therefore, he said that the Government should ensure that the policies were streamlined and accordingly implemented.

(08/12/ 2009 corresponding to the 22nd Day of the 10th Month of Female Earth Ox Year)

3. Minister for Agriculture, representing the Minister for Home & Cultural Affairs

The Hon'ble Member from Sarpang Dzongkhag said that the Kasho issued by the National Assembly Speaker on June 10, 2009 regarding *Zhapto-Lemi* stated that works involving digging of water canals, reconstruction of drinking water supply, clearing of mule tracks, construction of bridges and *Lhakhangs* would be carried out without any wages while the government would finance, pay daily wages and provide machineries for the construction of new farm roads and reconstruction of old structures with the people contributing labour. However, the people of Gelephu, Buru, Dekiling and Shompangkha Geogs under Sarpang Dzongkhag were not paid any wages when they worked along the Gelephu and Sarpang highway twice a year for a period of two weeks

each clearing forests for security reasons. This had not only caused huge problems to the people of the four Geogs but also contravened the *Kasho* issued by the Speaker.

In response, the Minister for Agriculture informed that such works were initiated in 1990 due to the anti-national and militant problems where people along the Sarpang-Gelephu highway were harassed, ambushed and robbed. In 2001 under instruction of the Government, a meeting had been held in Jigmeling Police Training Center and clearing of forests started then. This had not only reduced the number of incidents but also eased the burden of army and police patrols, greatly benefiting the people and the country.

Due to the porous border between Bhutan and India, he said that the problem had not been completely solved. However, assault cases had reduced drastically with the forest clearing and immensely benefitted the people of the four Gewogs. As it was one of the important measures for ensuring the present and future security of the country, the Government had released annually Nu. 700,000/= for the purpose. The fund was used to pay the daily wages of the people of the four Gewogs. However, when the amount was divided according to the size of the area, it had fallen below the daily minimum wage rate. Although it had caused inconvenience to the people, the Government had no other option but to ensure security along the border. However, he said that the Government was looking at alternatives such as procuring machines, contracting the work and planting grass on either side of the road where the forests had been cleared.

Similarly, the Hon'ble Members from Haa and Trashigang Dzongkhags submitted that the Government should look into the possibility of

contracting out the maintenance of farm roads in the villages since the people faced a lot of problem while contributing labour.

In response, the Minister for Agriculture said that the Government had worked out a framework for maintenance of farm roads. For example, minor works such as maintenance of irrigation channels would be carried out by the people themselves while major ones such as renovation of farm roads destroyed by landslides etc. would be done by the Government. Although *Zhapto-Lemi Chathrim* had been repealed and there was no need for people to contribute labour, they still had to carry out minor works such as renovation of Lhakhangs, clearing mule tracks and construction of suspension bridges which were vital in the community.

X. MISCELLANEOUS ISSUES

1. Rules of Procedures for ratification of International Conventions and Treaties

Hon'ble Kuenlay Tshering pointed out that the international conventions once ratified were deemed to be the law of the Kingdom. While these benefited some countries, these could be detrimental to others. It was important that all international conventions were discussed and examined by the Parliament to see if these were in line with the provisions of the Constitution of Bhutan and other Acts in the country before they were signed. Therefore, he proposed for drafting Rules and Procedures for ratification of International Conventions, Covenants, Treaties, Protocols and Agreements in accordance with Article 10 (25) of the Constitution of Bhutan.

Supporting the proposal, Hon'ble Karma Yezer Raydi submitted that any International Convention, be it a Law, Protocol or Treaty should be differentiated and accordingly ratified. In particular, he said that any International Law should be passed in accordance with Article 13 of the Constitution like any other Act to which the Deputy Chairperson agreed. On the procedure for ratification of Conventions already signed and submitted to Parliament, the Deputy Chairperson said that it was important to carefully study the need for such a procedure and also see whether the Conventions needed to be submitted to Parliament in the first place. Although the Conventions were submitted to the National Council on time, he felt that these should be submitted three months prior to the parliamentary session.

On this, the National Council resolved to submit a proposal to the Hon'ble Speaker of the National Assembly since there was a need to establish proper rules of procedure for ratification of International Conventions.

(01/12/09 corresponding to 14th Day of the 10th Month of Female Earth Ox Year)

2. Report on the Workshop held in Paro

The Hon'ble Member from Gasa Dzongkhag reported that a Workshop of the Members was held in Paro on (5-6) November 2009 before the 4th Session to discuss the mandates of the National Council, review its past performance and propose future plans of action.

After thorough review during the two-day workshop, he said that the number of Standing Committees of the National Council had been reduced from seven to six. The International Relations & Security Committee had been taken out because the House felt that one of the primary mandates of the National Council was to safeguard the security

and sovereignty of the country. Therefore, it was the collective responsibility of all the Committees and Members.

The six newly constituted Standing Committees were, viz., Legislative Committee, Good Governance Committee, Social & Cultural Affairs Committee, Natural Resources & Environment Committee, Economic Affairs Committee and House Committee. The Chairperson and members of the Committee had been agreed upon as given in Annexure - I. It had been decided that the House Committee would comprise the Chairpersons of the other 5 Committees as Members with the Deputy Chairperson of the National Council as its Chairperson.

The Hon'ble Member reported that considering the difficulties faced in the past, it had been resolved that a member would serve only one Committee so that the mandates of the Committees were carried out more efficiently and effectively. It had also been agreed that the National Council and its Committees would focus on sustainable economic development, poverty alleviation, security and sovereignty of the country, good governance, climate change, food security and issues related to legislation.

On this, the National Council resolved that the Chairpersons and Members of the Committees should take ownership of the above resolutions of the workshop and implement properly in order to fulfill the mandates of the National Council. Further, the Secretariat of the National Council was directed to inform all Ministries, Department, Agencies, Non-Governmental Organizations and other private organizations concerned on the change in the number and composition of Standing Committees of the National Council.

(09/12/09 corresponding to 23rd Day of the 10th Month of Female Earth Ox Year)

3. Ownership and implementation of the National Anti-Corruption Strategy Framework

Having extended her felicitations on the occasion of the celebration of International Anti-Corruption Day, the Hon'ble Member from Zhemgang Dzongkhag recalled that the Good Governance Committee of the National Council had earlier presented the Annual Anti-Corruption Report as required under the Constitution. Following this, the Good Governance Committee had submitted the questions and doubts raised in the House to the Anti-Corruption Commission. She said that the Anti-Corruption Commission had provided clarification on these issues.

Submitting the report, she said that the number of corruption cases had varied year to year. This was attributed to the public awareness and education programs carried out by the Commission within a short span of its establishment. Therefore, people were now more educated and cautious about reporting on others. She reported that the pay and allowance of the employees of the Anti-Corruption Commission had been revised from 20 % to 45 % following the recommendation of the Hon'ble Speaker of the National Assembly to the Finance Minister. The system of declaring assets to both the Anti-Corruption Commission and Department of Revenue & Customs had also not posed problems since they worked in close coordination. Further, it was reported that the Commission was working on a system to declare assets on-line.

With regard to plans and programs to receive complaints related to corruption, the House was informed that the Commission lacked the necessary human resource for such a program since it had been only recently established. The Commission had not been able to even complete on time the investigation of reports received on corruption as it was not only involved in investigations but also in preventing corruption.

Although, the Good Governance Committee while presenting the National Anti-Corruption Strategy Framework had submitted that fighting corruption was a collective responsibility of each and every citizen, the onus had fallen only on the Government, Parliament and Commission concerned. With its institutionalization, prevention of corruption depended very much on the heads of institutions, agencies and departments. It was, therefore, important that they ensured efficiency and quality at the workplace. There was also a need for the Government and agencies to shoulder equal responsibilities, refine the existing rules and procedures, incorporate corruption in the school curriculum, promote the institution and learn from international best practices to eradicate corruption from the country.

The Hon'ble Members from Pemagatshel, Gasa, Trashigang and Thimphu Dzongkhag also expressed their appreciation to the Government for celebrating the International Anti-Corruption Day. They said that it was imperative to eradicate corruption to strengthen good governance and achieve the noble goal of Gross National Happiness. Although, Bhutan was among the least corrupted countries in the region, considering the area and population of the country, corruption was still very high. Therefore, every individual should pay extra attention in fighting corruption and not just leaving it to the Anti-Corruption Commission and Royal Audit Authority alone. In particular, the Hon'ble Members urged all three arms of the State, constitutional offices and armed forces to take ownership and implement the National Anti-Corruption Strategy Framework prepared by the Anti-Corruption Commission.

They also pointed out that the decisions of the Anti-Corruption Commission made after the investigations on corruption charges had not been respected by the ministries, departments and agencies and that the

funds misused had not been paid back to the Government even to-date. This they said had been a source of disappointment for the Commission.

On this, the National Council directed the Good Governance Committee to carry out a study on the implementation of the decisions of the Anti-Corruption Commission. Since combating corruption was a major national concern, the National Council resolved as follows:

The National Council:

- Recognizing Good Governance as one of the pillars of Gross National Happiness;
- Acknowledging that Transparency and Accountability are key to Good Governance;
- Recognizing the risk of eroding Transparency and Accountability through Corruption;
- Appreciating the policy of zero tolerance to corruption by the Government;
- Commending the Anti-Corruption Commission for formulating the National Anti-Corruption Strategy Framework.

Hereby:

1. Urges the three arms of the State, ministries, agencies, religious institutions, constitutional offices and the armed forces to take ownership of the National Anti-Corruption Strategy Framework; and
2. Calls upon all ministries, institutions and agencies to formulate and implement plans and policies in line with the National Anti-Corruption Commission Strategy Framework.

4. Report on the review of the Royal Monetary Authority Bill, 2009 by the Joint Committee

The Hon'ble Member from Pemagatshel Dzongkhag reported that on the Royal Monetary Authority Bill 2009, the National Assembly had amended 30 sections of which the National Council had accepted 13 Sections. The two Houses had differences on 17 Sections and so in keeping with the resolutions of the National Council had held a meeting of the Joint Committee of Parliament. After thorough discussion, the Committee had agreed on 6 of the 17 sections in which inconsistencies between Dzongkha and English versions had been rectified. However, due to persistent differences on 11 Sections, the Joint Committee had resolved to discuss these in the Joint Sitting of Parliament on which the Hon'ble Member solicited support of the House.

On this, the National Council reminded that the decisions made by the Joint Committee on any disputed Bill before submission in the Joint Sitting of Parliament had the validity. Therefore, the House resolved to support the submission of the Hon'ble Member in accordance with the authority vested in the Committee.

5. Establishment of Voting Procedures

The Hon'ble Member from Gasa Dzongkhag submitted that in order to conduct proper voting in the House and for general awareness of the public, it was necessary to develop a voting procedure which would enable smooth conduct of future sessions. Since this was a new system in a democratic setup in which Bhutan did not have much experience, the House resolved that the Joint Committee formed to draw up rules of procedure for the Joint Sitting of Parliament should develop a voting system that would also cater to the voting needs of the two Houses.

XI. CONCLUDING CEREMONY

1. Speech by the Hon'ble Chairperson

The Hon'ble Chairperson recalled that the 4th Session of the National Council had deliberated on five (5) legislative issues, reviewed six (6) reports including implementation status and discussed other miscellaneous issues. Of the five related to legislation, the amendments to Marriage Act of Bhutan, 1980 that had been passed by both the Houses would be submitted to His Majesty the King for Royal Assent. Since there were differences between the two Houses on the Royal Monetary Authority Bill of the Kingdom of Bhutan, 2009, Bhutan Standards Bill, 2009 and Tobacco Control Bill of the Kingdom of Bhutan, 2009, he said that the House had resolved to deliberate on these Bills in a Joint Sitting of Parliament. In keeping with the command of His Majesty the King, he said that a Joint Committee would be formed for every disputed Bill to thresh out the differences and arrive at a consensus acceptable to the respective Houses. The Bill in the form arrived upon by the Committee would then be submitted to the Joint Sitting and passed after voting.

The Hon'ble Chairperson said that one of the agenda items in the 4th Session was the Question Time, in which three Cabinet Ministers had participated and clarified all doubts of the people, succinctly. This signified the full support of the ruling Government led by the Hon'ble Prime Minister to the National Council as an institution recognizing its importance in a democratic system of governance.

Similarly, he said that the National Council in its 5th Session would deliberate on the amendments to the Penal Code of Bhutan, 2004, Civil & Criminal Procedure Code of Bhutan 2001 and Anti-Corruption Act of Bhutan, 2006. Therefore, the five Standing Committees were directed to review minimum of two Bills each and submit reports to the House before the session.

The Hon'ble Chairperson expressed his satisfaction on the successful conclusion of the 4th Session of the National Council which he attributed to the blessings of *Kencho Sum*, the wise guidance of His Majesty the King, active participation of the members and unfailing support of the Secretariat staff. The closing ceremony on the 23rd Day of the 10th Month of the Female Earth Ox Year corresponding to December 9, 2009 ended with prayers for the long life of Their Majesties the Fourth and Fifth Kings and members of the Royal Family.