

## **Q1. Question to the MOEA Minister - 28th Session of the National Council**

In response to a question during the 22nd Session of the National Council – on 16th January 2019 - the Hon Minister for Economic Affairs said that issuance of licenses and renewal of licenses will be suspended until the Minerals and Mines Management Act 1995 (Amendment Bill) is passed by the Parliament. Further, the Hon'ble Minister specifically mentioned that unless the bill is passed, the moratorium imposed in 2014 would not be lifted.

Contrary to the assurances by the MOEA Minister in the National Council, on 21st August 2019, the Minister directed the Department of Geology and Mines to: “lift the existing moratorium and start accepting applications for quarries and mining.” Accordingly, the Ministry of Economic Affairs issued a notification on the lifting of the moratorium on new applications for lease of mines and quarries.

As the MOEA is aware, the Minerals and Mines Amendment Bill 2020 could not pass in the last session of Parliament due to a shocking curtailment of a three-day Joint Session debate into two hours by the Hon Speaker.

Most recently, the MOEA Minister in an interview to BBS on 10 November stated that 36 provisions in the Minerals and Mines Management Regulations are being reviewed. In particular Section 15 of the Regulations on allocation of mines is being reviewed.

Can the Hon Minister of MOEA kindly clarify the following?

1) Will the proposed changes to Mining Regulations lead to a lifting of the moratorium on issuance of new mining leases and renewal of mining leases before the Amended Act is passed by Parliament?

2) Can the Hon Minister assure the House that any changes to the Minerals and Mines Management Regulations will be in adherence to the Constitution of the Kingdom of Bhutan?

## **Q2.**

The 600 MW Kholongchhu project has been talked about since 2009 with the whole of eastern Bhutan waiting eagerly for the project to start and anticipating to benefit from the construction of the project. The nation was expected to benefit from the revenues it would generate on completion.

Yet more than a decade later, all that we see are some construction of roads and construction of power lines to the various project sites, and some colonies being built.

As we are all aware, the people have given up their ancestral lands and are putting up with the noise and dirt of what little construction that is going on at present.

No major works have started on the project. The much-anticipated economic benefits through business opportunities and employment are yet to pick up as with other projects such as the Punatsangchhu projects.

From what can be gathered from the pace of the project (and what is heard) is that decisions are getting delayed at every step of the way due to major differences of views and opinions between the Shareholders (DGPC and SJVNL) and no hard decisions are possible to be taken at the Board meetings.

This appears to be attributed mainly to the hung Board with 50:50 membership and a Chairman who has neither the voting right nor a casting vote. While the Board composition is a special arrangement that has been reached, it is still in contravention of the Companies Act of Bhutan. The SJVNL dominated management does not seem to have helped.

In view of the delays in decision making and the completion of the project nowhere in sight, the expectations of the people and the nation have not been met.

In this regard the National Council would like to ask the government the following questions:

1) Is the Royal Government concerned about the lack of progress of this project and what percentage of the work is completed so far?

2) What plans and strategies does the Royal Government have resolve the existing problems to ensure that the construction of the Kholongchhu project is expedited?