

PARLIAMENT OF BHUTAN



PROCEEDINGS AND RESOLUTIONS (TRANSLATED) OF THE TWENTY-FIRST SESSION OF THE NATIONAL COUNCIL OF BHUTAN

(2nd Day of the 9th Month to 14th Day of the 9th Month
of the Earth Male Dog Year Corresponding to 15th June
to 27th June 2018)

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Proceedings and Resolutions (Translated) of the 21st Session of the National Council of Bhutan

(Friday, 15th June 2018 corresponding to the 2nd Day of the 5th Month of Earth Male Dog Year of the Bhutanese Calendar)

A. Proceedings for the Opening Ceremony

The 21st Session of the National Council of Bhutan, which is the 1st session of the third National Council, commenced on 15th June 2018 corresponding to the 2nd Day of the 5th Month of Earth Male Dog Year of the Bhutanese Calendar with traditional *Zhugdrel Phuensum Tshogpai Tendrel* ceremony presided over by the Hon'ble Chairperson.

B. Opening Address of the Hon'ble Chairperson

The Hon'ble Chairperson said that the 1st session of the third National Council commenced on an auspicious day and on behalf of the all the members of the third term of the National Council and also on his own behalf, welcomed the Hon'ble Prime Minister, the Hon'ble Speaker of the National Assembly, Zimpon Wom from His Majesty's Secretariat, Secretary General of the National Assembly and the Dzongkha Development Commission and all other guests for gracing the opening ceremony. He also extended his greetings to all the people around the country who are watching it on television and listening to it on radio.

The Chairperson thanked His Majesty the King for conferring of *Dakyen* to all the members of the third

term of the National Council and also to the Chairperson on the auspicious occasion of Lord Buddha's Parinirvana. He said that along with the *Dakyn*, there is an added responsibility to all of them. Further, he thanked the people of Wangduephodrang Dzongkhag for re-electing him and the members for electing him as the Chairperson.

Moreover, he stated that Bhutan is a country blessed by *Guru Rinpoche* and *Zhabdrung Rinpoche*. He said that the country is enjoying peace and security mainly due to the gratefulness of our successive monarchs and in particular, he said that it is the result of the great deeds of His Majesty the Fourth King and His Majesty the King. Further, he stated that democracy in Bhutan is a responsibility bestowed to the people from the Golden Throne. Therefore, he said that the members of the first and second term of the National Council had served as a role model and in the similar manner; he hoped that the third term of the National Council, which is composed of a mixture of members, is able to efficiently carry out the responsibilities of the National Council.

While serving for the next five years in the National Council, the Chairperson said that the members will be mindful of the direct advice granted to them by His Majesty the King and will also reflect upon the key messages conveyed by His Majesty through Royal Addresses granted on various national occasions. He said that they will serve in accordance with the provisions of the Constitution of Bhutan, the National

Council Act and the Rules of Procedure. In addition, the members will also focus and carry out policy review on issues such as narrowing the gap between the rich and the poor, strengthening the economy of the country, resolving youth unemployment problems, reducing corruption and addressing the problems related to unoccupied village households (gungtongs). He also said that after the conclusion of the 21st session of the National Council, the members will focus on developing a strategic roadmap for the next five years.

The Chairperson said that the agenda for the 21st session of the National Council will include follow-up on the resolutions of the 20th session, ratification of Agreement Between the Royal Government of Bhutan and the Government of the People's Republic of Bangladesh for the Avoidance of Double Taxation and Prevention of Fiscal Evasion with respect to Taxes of Income, deliberation on the Annual Anti-Corruption Report 2017, deliberation on the Budget and Appropriation Bill for the Financial Year 2018-2019 and conduct of one Question Time proceeding. He also informed that the agenda for the Joint Sitting of the Parliament will include deliberation on disputed clauses of the Audit Bill of the Kingdom of Bhutan 2017, deliberation on Public Accounts Committee report and presentation of Annual Report by the Prime Minister of Bhutan.

Lastly, the Chairperson hoped and prayed for the successful completion of the five year term of the

National Council with the blessings of the Triple Gem and the Guardian deities, the prayers from the Central Monastic Body, the profound advice and guidance of Their Majesties, the diligence and co-operation of the civil servants and those working in the local governments and with the support from all the people of twenty Dzongkhags. He offered his prayers for the long life and prosperity of deeds of His Majesty the King, Her Majesty the *Gyaltsuen*, His Royal Highness the *Gyalsey*, His Majesty the Fourth King, Their Majesties the Queen Mothers, Members of the Royal family, His Holiness the *Je Khenpo* and all the Accomplished Masters and upholders of the precious teachings of the Buddha. He also prayed for everlasting peace and prosperity for all the people in the country under the benevolence and guidance of our leaders.

(Monday, 18th June 2018 corresponding to the 5th Day of the 5th Month of Earth Male Dog Year of the Bhutanese Calendar)

C. Implementation Report on the Resolutions of the 20th Session of the National Council

The National Council during its 20th Session had deliberated on two issues related to review of policies and two issues under Any other Business (AoB) and adopted some recommendations which were submitted to the government and the relevant agencies. The Deputy Chairperson and the Hon'ble member of Bumthang Dzongkhag submitted the implementation reports that were received as per Annexure I.

On this, the Hon'ble members have acknowledged the responses received on the issue pertaining to omission of budget allocated for black-topping of Chuzomsa-Baylangdra road. However, on the other issues of Entitlement of Leave Encashment to Local Government Members and Assessment of Access to and Use of Government-to-Citizen (G2C) Services, the members found that the responses received from the government lacked clarity and were not up to satisfaction. Therefore, it was resolved that with regard to Entitlement of Leave Encashment to Local Government Members, a further review will be carried out which will be co-ordinated by Hon'ble member of Bumthang Dzongkhag and members who have raised their concern on the issue. It was also resolved that the Deputy Chairperson will co-ordinate a meeting with the members who have raised their concern on the issue to further deliberate and review the issue related to Government-to-Citizen (G2C) Services.

With regard to issue related to providing legal aid to indigent persons, the previous session of the National Council had comprehensively deliberated on the issue and had submitted recommendations to the government. However, no official response was received from the government. Therefore, the National Council deliberated on the issue and decided to further submit a written question to the government seeking response on the issue since it has direct benefit to the country and the people. Accordingly, response was received by the National Council from the government.

(Friday, 22nd June 2018 corresponding to the 9th Day of the 5th Month of Earth Male Dog Year of the Bhutanese Calendar)

D. Re-deliberation on the Implementation Reports

The National Council during its 20th Session deliberated on the Assessment of Access to and Use of Government-to-Citizen (G2C) Services and had submitted recommendations to the government. The responses received from the government on the issue were reported to the House on 18th June 2018. However, some of the members were not satisfied with the responses received from the government and it was resolved that an internal committee will be formed to further deliberate on the issue. Subsequently, the internal committee deliberated on the issue and consented to accept the response received from the government. Therefore, the internal committee recommended to the House that the earlier response on the issue were sufficient and that there is no need to seek additional response. The National Council accepted the recommendation as proposed by the internal committee.

Similarly, the responses received from the government with regard to Entitlement of Leave Encashment to Local Government Members were also reported to the House. The members were not satisfied with the responses received from the government and it was also

resolved that an internal committee will further deliberate on the issue. During the deliberation, the internal committee came to a consensus that the issue of entitlement of leave encashment to local government members was definitely important even though it is not clearly specified in the relevant laws. Since the term of the present government is soon coming to an end, it is not possible for the National Council to once again send resolution to the government. Therefore, considering the importance of the issue, it was resolved that the issue will be deliberated again during the term of the new government.

(Friday, 22nd June 2018 corresponding to the 9th Day of the 5th Month of Earth Male Dog Year of the Bhutanese Calendar)

E. Legislative Issues

1. Introduction of Agreement Between the Royal Government of Bhutan and the Government of the People's Republic of Bangladesh for the Avoidance of Double Taxation and Prevention of Fiscal Evasion with respect to Taxes of Income

The Member-in-Charge of the Agreement Between the Royal Government of Bhutan and the Government of the People's Republic of Bangladesh for the Avoidance of Double Taxation and Prevention of Fiscal Evasion with respect to Taxes of Income, the Hon'ble Minister for Finance said that the Agreement was signed mainly to further improve the existing relations between the

two countries, to enhance trade and business that would help boost the country's economy, to encourage Foreign Direct Investments and to encourage experts from both the countries to provide services as it eliminates double taxation on their income.

To this, some of the members submitted that a similar Agreement was also signed with India before and asked what are the differences between the two Agreements signed with India and Bangladesh. Further, they asked whether there is any risk associated with the Agreement in the future and what are the immediate benefits of the Foreign Direct Investments. They also raised doubts about the non inclusion of an Article - 'Limitation of benefits' in the Bangladesh Agreement which is included in the Agreement with the Government of India.

In response, the Hon'ble Minister for Finance said that with regard to the Agreement with Bangladesh, fiscal incentives are granted to big hotels which are included under Foreign Direct Investments and with regard to Agreement with Government of India, incentives are granted for education services. In addition, he stated that there is also difference in duration of establishment of business in Bhutan by the two neighbouring countries. He also submitted that along with the benefits, there may be some disadvantages from the Agreement. However, he emphasized that the benefits far outweigh the disadvantages. Further, with regard to the benefits of Foreign Direct Investments, he said that currently there are business person set up in

the banks to provide technological services. With regard to the non-inclusion of an Article - 'Limitation of benefits' in the Agreement, he submitted that the answer will be provided in written form.

Ratification of the Agreement

The National Council deliberated on the Agreement between the Royal Government of Bhutan and the Government of the People's Republic of Bangladesh for the Avoidance of Double Taxation and Prevention of Fiscal Evasion with respect to Taxes of Income on 22/6/2018 and ratified it. The House resolved to submit the same to His Majesty the King for Royal Assent.

Voting details on the ratification of the Agreement Between the Royal Government of Bhutan and the Government of the People's Republic of Bangladesh for the Avoidance of Double Taxation and Prevention of Fiscal Evasion with respect to Taxes of Income

Date: 22/6/2018; Total Votes: 21; 'YES': 21; 'NO': 0; 'Abstain': 0

The following voted 'YES':

1. Hon'ble Phuntsho Rapten
2. Hon'ble Tashi Wangmo
3. Hon'ble Karma Tshering
4. Hon'ble Nima

5. Hon'ble Jigme Wangchuk
6. Hon'ble Surjaman Thapa
7. Hon'ble Sangay Dorji
8. Hon'ble Lhatu
9. Hon'ble Anand Rai
10. Hon'ble Dan Kumar Sunwar
11. Hon'ble Dorji Khandu
12. Hon'ble Ugyen Tshering
13. Hon'ble Pema Dakpa
14. Hon'ble Choining Dorji
15. Hon'ble Sonam Pelzom
16. Hon'ble Tshewang Rinzin
17. Hon'ble Tashi Samdrup
18. Hon'ble Tempa Dorji
19. Hon'ble Lhaki Dolma
20. Hon'ble Karma Gyaltshen
21. Hon'ble Ugyen Namgay

*(Monday, 25th June 2018 corresponding to the 12th Day
of the 5th Month of Earth Male Dog Year of the Bhutanese
Calendar)*

2. Introduction of the Budget and Appropriation Bill for the Financial Year 2018-19 and Supplementary Budget and Appropriation Bill for the Financial Year 2017-18

The Hon'ble Minister for Finance submitted a motion to introduce the Budget and Appropriation Bill for the Financial Year (FY) 2018-19 in the National Council. The Hon'ble Minister in his introduction reported that the Draft 12th Five Year Plan (FYP) is not yet endorsed although it is all set for implementation. Therefore, he said that the budget for the first year of the 12th FYP did not include any capital budget. However, in order to carry out continued developmental activities in the country, an Interim Budget has been formulated for the FY 2018-19. Accordingly, he submitted that capital budget for six months and current budget for one year has been allocated for the FY 2018-19. Along with that, he also presented the budget allocation made by the government for the FY 2017-18 and how the allocated budget was utilized by the government.

He reported that the total budget appropriation for the FY 2018-19 is estimated at Nu. 37,524 million of which domestic revenue is Nu. 35,854 million and external grants is Nu. 2302 million. He stated that the estimated grants include Nu. 1058 million of project-tied grant from Government of India and the balance external grants is expected from the European Union and other external sources for ongoing projects. He also reported that the total expenditure for current and capital is estimated at Nu. 34,461 million which is an increase of 1.8 percent compared to the previous FY.

He said that the reason for the increase is because a budget of Nu. 50 million is provisioned for payment of retirement benefits to the Member of Parliaments and a budget of Nu. 469 are provisioned for the general elections. The capital expenditure for the FY is estimated at Nu. 5386 million of which Nu. 1453 million has been provisioned for spillover activities and Nu. 1171 million has been provisioned for critical regular activities under Royal Government of Bhutan financing. He also reported that Nu. 2760 million has been provisioned for external funded on-going activities which are funded by external donors and approved by the government. For the FY 2018-18, a sum of Nu. 1842 has been provisioned for loan repayments and Nu. 14 million for on-lending to Bhutan Power Corporation for rural electrification. He submitted that during the FY, the on-lending and recoveries is estimated to be Nu. 14 million and Nu. 788 million respectively.

Likewise, he reported that based on the planned disbursements for the on-going projects, the external debt stock is estimated to be Nu. 189,255 million by the end of the FY 2018-19. The external debt stock is expected to grow by 12 percent on account of expected disbursement for on-going hydropower projects (Puna I, Puna II, Nikachhu and Kholongchhu). He also submitted that the hydropower debt stock is estimated at Nu. 151,171 million which is about 75.9 percent of total external debt and the non-hydro debt is estimated at Nu. 3874 million mainly borrowed from multilateral development banks at highly concessionary terms.

2.1 Adoption of the Budget and Appropriation Bill for the Financial Year 2018-19

The National Council comprehensively deliberated on the Budget and Appropriation Bill for the Financial Year 2018-19 on 25/8/2018 and passed it without any amendments and changes.

Voting details on the adoption of the Budget and Appropriation Bill for the Financial Year 2018-19

Date: 25/6/2018; Total Votes: 23; 'YES': 23; 'NO': 0; 'Abstain': 0

The following voted 'YES':

1. Hon'ble Dasho Tashi Wangyal
2. Hon'ble Phuntsho Rapten
3. Hon'ble Tashi Wangmo
4. Hon'ble Karma Tshering
5. Hon'ble Kesang Chuki Dorjee
6. Hon'ble Tirtha Man Rai
7. Hon'ble Jigme Wangchuk
8. Hon'ble Surjaman Thapa
9. Hon'ble Sangay Dorji
10. Hon'ble Lhatu
11. Hon'ble Anand Rai

12. Hon'ble Dan Kumar Sunwar
13. Hon'ble Dorji Khandu
14. Hon'ble Ugyen Tshering
15. Hon'ble Pema Dakpa
16. Hon'ble Choining Dorji
17. Hon'ble Sonam Pelzom
18. Hon'ble Tshewang Rinzin
19. Hon'ble Tashi Samdrup
20. Hon'ble Tempa Dorji
21. Hon'ble Lhaki Dolma
22. Hon'ble Karma Gyaltshen
23. Hon'ble Ugyen Namgay

2.2 Adoption of the Supplementary Budget and Appropriation Bill for the Financial Year 2017-18

The National Council comprehensively deliberated on the Supplementary Budget and Appropriation Bill for the Financial Year 2017-18 on 25/6/2018 and passed it without any amendments or changes.

Voting details on the adoption of the Supplementary Budget and Appropriation Bill for the Financial Year 2017-18

Date: 25/6/2018; Total Votes: 23; 'YES': 23; 'NO': 0; 'Abstain': 0

The following voted 'YES':

1. Hon'ble Dasho Tashi Wangyal
2. Hon'ble Phuntsho Rapten
3. Hon'ble Tashi Wangmo
4. Hon'ble Karma Tshering
5. Hon'ble Kesang Chuki Dorjee
6. Hon'ble Tirtha Man Rai
7. Hon'ble Jigme Wangchuk
8. Hon'ble Surjaman Thapa
9. Hon'ble Sangay Dorji
10. Hon'ble Lhatu
11. Hon'ble Anand Rai
12. Hon'ble Dan Kumar Sunwar
13. Hon'ble Dorji Khandu
14. Hon'ble Ugyen Tshering
15. Hon'ble Pema Dakpa
16. Hon'ble Choining Dorji
17. Hon'ble Sonam Pelzom

18. Hon'ble Tshewang Rinzin

19. Hon'ble Tashi Samdrup

20. Hon'ble Tempa Dorji

21. Hon'ble Lhaki Dolma

22. Hon'ble Karma Gyaltshen

23. Hon'ble Ugyen Namgay

(Thursday, 21st June 2018 corresponding to the 8th Day of the 5th Month of Earth Male Dog Year of the Bhutanese Calendar)

F. Issues related to Annual Reports

1. Report on the Annual Anti-Corruption Commission Report 2017

As per the Constitution and in accordance with section 169 (1) of the Anti-Corruption Act 2011, the Annual Anti-Corruption Commission (ACC) Report 2017 was submitted to the National Council and was reviewed by the Good Governance Committee of the National Council. The Committee submitted its report on the Commission's policy priorities; performance of the ACC over the past year; Bhutan's ranking on Transparency International's Corruption Perception Index (TI-CPI); implementation status of National Council's resolutions; and issues for deliberation and recommendations.

The Chairperson of the Good Governance Committee, Hon'ble Tashi Wangmo submitted that the Commission's policy priorities are categorized under immediate priorities and long term priorities. She reported that the immediate priorities for the Commission includes organizational re-structuring and staffing, operationalization of Complaints and Investigation Management System (CIMS), professionalize internal operations of the ACC and enhancing coordination and networking with critical key partners. Similarly, for the long term priorities, she reported that the ACC has focused on branding ACC as an employer of choice, financial security, reducing backlog of complaints, professionalize and enhance management of complaints and investigations and enhance prevention and awareness programs. She also reported on the strategic focus of the Commission for the year 2018.

In addition, other members of the Good Governance Committee reported on the key performance of the ACC over the last 12 months with regard to dissemination of public education, prevention programs, systemic studies, behavioral change programs, complaints and referrals, Bhutan's international standing in relation to Transparency International's Corruption Perception Index (TI-CPI) and implementation status of the resolutions of the 19th Session of the National Council. The members reported that with regard to dissemination of public education, a total of 149 sessions reaching out to 26,381 participants from schools, colleges, training institutes, government

agences and corporate sectors were conducted by the ACC. With regard to behavioral change programs, the ACC in collaboration with the Ministry of Education has established Integrity Clubs in four schools. Regarding prevention programs, it was reported that in order to embed ethics and integrity in public service, training for Human Resource Officers were conducted and integration of 14th NKRA: Corruption Reduced, into the Annual Performance Agreement (APA) 2016-2017 was also carried out. Further, it was reported that 14 Companies from the DHI portfolio and Listed Companies have signed the Corporate Integrity Pledge (CIP) to formalize their commitment to promote ethical businesses in the country

Likewise, with regard to systemic studies, it was reported that the ACC has launched two research reports: Public Road Construction Research Report and the 3rd National Integrity Assessment (NIA) Report. With regard to complaints and referrals, it was reported that the ACC received 305 complaints, which is a decrease of 13.3% from the previous year. However, complaints against Thimphu Dzongkhag was the highest with 100 complaints registered. The ACC has so far completed investigation of cases including referrals from the Royal Audit Authority (RAA) achieving overall case turnover of 70.3%. However, some cases have been forwarded to the Office of the Attorney General (OAG) and to the Courts at various stages of trial process. It was also reported that the Transparency International Corruption Perception Index (TI-CPI) 2017 ranked Bhutan as 26th cleanest

country out of 180 countries with a score of 67 which is a significant improvement as compared to the previous year.

On this, some of the Hon'ble members submitted that corruption allegations against the local governments are consistently higher over the past years and therefore, the ACC needs to carry out targeted interventions to prevent such corruptions in the future. They also submitted that there is a critical need to strengthen the human resources who deal with finance in the local government functionaries and to provide trainings and advocacy programs related to corruption. Further, the members submitted that Integrity Clubs which are established in some schools of only six Dzongkhags should be established in other Dzongkhags as well. In response, the Chairperson of the Good Governance Committee said that prevention of corruption is not the responsibility of the ACC alone and that it is a collective responsibility of all the people of Bhutan. She also submitted that trainings and advocacy programs are included for the relevant officials and the ACC has even appointed relevant officials in the agencies.

1.1 Adoption of Recommendations on the Annual Anti-Corruption Commission Report 2017

The National Council deliberated on the Annual Anti-Corruption Commission Report 2017 on 21/6/2018 and 25/6/2018 and resolved to submit the following recommendations to the relevant agencies for implementation:

The National Council, Recalling that the Section 7(1) of the Anticorruption Act of Bhutan 2011 states:

“The State shall, make adequate financial provisions for the independent administration of the Commission as a part of annual national budget.”

Noting that despite government’s effort in stepping up budgetary support, the actual budget allocation for the ACC has decreased over the past years after conclusion of support from a donor partner; and

Recognizing that ensuring adequate financial provision for the ACC at all times is essential for an effective functioning of the ACC;

Further Noting that complaints received over the past consecutive years show the following distinct trends:

- a) the complaints received against local governments are the highest;
- b) the types of complaints are mainly abuse of functions by public servants; and
- c) maximum number of complaints are from Thimphu and Chukha Dzongkhags; and

Considering that the current information on the complaints received could be further improved by providing a disaggregated data on the actual

cases of corruption versus the total complaints received against each agency, and by taking into consideration the number of establishments under each category of agency while comparing among agencies on the number of complaints received.

Hereby, recommends:

1. The government to ensure that adequate financial resources are allocated to the ACC for its effective and efficient functioning, specifically for the 12th Five Year Plan period.
2. The ACC to reflect in its future annual reports, the following additional information with regard to the complaints received:
 - a. Incidences of actual corruption cases from among the total complaints received, and disaggregate such information by each agency/Dzongkhag;
 - b. The number of establishments under each category of agency (for example, 10 ministries under central government, and 205 gewogs under local government) to be taken into consideration while comparing the number of complaints received against various agencies.

Voting details on the adoption of the Recommendations on the Annual Anti-Corruption Commission Report 2017

Date: 25/6/2018; Total Votes: 23; 'YES': 23; 'NO': 0; 'Abstain': 0

The following voted 'YES':

1. Hon'ble Dasho Tashi Wangyal
2. Hon'ble Phuntsho Rapten
3. Hon'ble Tashi Wangmo
4. Hon'ble Karma Tshering
5. Hon'ble Kesang Chuki Dorjee
6. Hon'ble Tirtha Man Rai
7. Hon'ble Jigme Wangchuk
8. Hon'ble Surjaman Thapa
9. Hon'ble Sangay Dorji
10. Hon'ble Lhatu
11. Hon'ble Anand Rai
12. Hon'ble Dan Kumar Sunwar
13. Hon'ble Dorji Khandu
14. Hon'ble Ugyen Tshering
15. Hon'ble Pema Dakpa

16. Hon'ble Choining Dorji
17. Hon'ble Sonam Pelzom
18. Hon'ble Tshewang Rinzin
19. Hon'ble Tashi Samdrup
20. Hon'ble Tempa Dorji
21. Hon'ble Lhaki Dolma
22. Hon'ble Karma Gyaltshen
23. Hon'ble Ugyen Namgay

(Friday, 22nd June 2018 corresponding to the 9th Day of the 5th Month of Earth Male Dog Year of the Bhutanese Calendar)

G. Proceedings of Question Time

1. Hon'ble Minister for Agriculture and Forests

The Hon'ble Member of Zhemgang Dzongkhag said that the National Council had reviewed the Agriculture policies and submitted a recommendation to the government to work on the pricing policy based on the cost of production of field and horticultural crops. He said that the National Council appreciates the efforts taken by the Ministry to publish the cost of production of field and horticultural crops in 153 farm shops. However, despite the operation of farm shops since 2015, the purchase of commodities through buyback

are not much visible and moreover the buyback prices for some commodities are even set lower than the cost of production. Therefore, he submitted that the National Council would like to ask what commodities and quantity have been purchased by farm shops through buyback mechanism and can the lower buyback price for some commodities encourage people to take up agricultural works.

In response, the Hon'ble Minister for Agriculture and Forests said that farm shops were initiated in 2015 and 2016 as a trial process by the Ministry and therefore a great deal of business could not be carried out. He said that it is not mandatory for the people to sell their crops at farm shops rather it is adequate for the people to sell their crops elsewhere if they can get higher income. The farm shops have included a mechanism of buyback of commodities if the farmers are not at all able to sell their produce as per their desire. He submitted that in 2017, farm shop in *Kagtong* village under *Zhemgang Dzongkhag* bought 2.5 metric tonnes of ginger which fetched Nu. 31,000 and farm shop in *Sephu* bought around 8 metric tonnes of cabbage, farm shop in *Dhungmen* under *Pema Gatshel Dzongkhag* purchased 4000 metric tonnes of maize, farm shop in *Yangyer* under *Trashigang Dzongkhag* bought 4000 metric tonnes of maize and around 35000 metric tonnes of paddy from *Punakha and Wangdue Phodrang Dzongkhags* and maize was purchased by farm shops in *Tsamang* and *Gatse Tshogome*. In summary, the farm shops have purchased cash crop and horticultural

crops like potato, cabbage, radish, quinoa, watermelon, bananas and eggs from around 75 Gewogs.

Further, he said that the existing buyback price prepared by the Ministry of Agriculture and Forests are as per the quality and condition of the commodities. With the change in time, he said that the market rates of the commodities will rise and fall and therefore it is possible to re-prepare the differences in the rates. He also submitted that in order to encourage people to take up agricultural works, such issues should be made aware to the people during the constituency visits by the Hon'ble members.

To this, the Hon'ble members said that the buy back price of agricultural commodities should be made equal to the cost of production and asked what are the plans to buy back cash crops like apples and cardamom. The members also asked about the system of payment of compensation from the government side in the event the farms shops are not able to sell the commodities after it is taken by the Food Corporation of Bhutan. Further, the members asked what are the concession given on the essential food items to the people living in highlands where there is no access to motorable roads. They also asked about the plans of the government to establish farms shops in the *Chiwogs* as most of the farms shops are currently established in *Gewog* Centres which is causing difficulty for the people living in the remote areas.

On this, the Hon'ble Minister for Agriculture and Forests responded that the buy back price for

commodities are prepared by the Ministry in consultation with other agencies. With regard to Food Corporation of Bhutan, he said that it is mainly beneficial to the rural areas and if any problems arises, it is resolved in co-ordination with the Ministry of Finance. He added that this will continue in the future as well. With regard to cash crops, he said that business is carried out between private individuals from the past and therefore the farms shops could not buy the cash crops. However, the government has been providing support if any problems arises during such business by the private individuals. For the people living in the highlands, a concession of 50% is given on the price that the people have been paying in the past for the purchase of items. In addition, he said that highlands development project is included in the 12th Five Year Plan so that people living in the highlands can themselves produce the basic need items. He also said that there are other measures that are being put in place to improve the services.

*(Wednesday, 27th June 2018 corresponding to the 14th
Day of the 5th Month of Earth Male Dog Year of the
Bhutanese Calendar)*

H. Closing Ceremony

1. Closing Address of the Hon'ble Chairperson

The 21st Session of the National Council concluded on 27th of June 2018 corresponding to the 14th Day of the 5th Month of Earth Male Dog Year of the Bhutanese Calendar. The Chairperson expressed his appreciation

to the Hon'ble Prime Minister and the Hon'ble Speaker for gracing the closing ceremony. Likewise, he also extended special thanks to both of them for gracing the opening and closing ceremonies of the National Council.

The Chairperson said that the National Council was able to conduct effective and successful deliberations during the 21st session because of the support rendered by the Secretary General, the Director, the officers and all other staff. On behalf of the National Council, he also thanked the Royal Bhutan Police for providing external security services, the Department of National Properties for providing logistical arrangements and the Bhutan Broadcasting Service and all other media firms for providing notification and dissemination of news and information.

He said that while carrying out the responsibilities of the National Council, the members will be guided by the profound advice granted by His Majesty the King. Moreover, he said that members will render their services keeping in mind His Majesty's address during the 13th convocation of Royal University of Bhutan on 25th June 2018 where His Majesty emphasized on the importance of new ideas and talents and the essence of hard work, dedication and commitment towards any works in order to achieve effective results.

The Chairperson said that the members of the third term of the National Council are very fortunate to have the opportunity to serve the *Tsa Wa Sum* and therefore urged the members not to waste the opportunity and

serve to the best of their abilities. In order to facilitate this, the 4th plenary meeting of the National Council established a Special Committee. He said that the Special Committee will identify the issues for deliberations in the 22nd session and will distribute the work to other Committees of the National Council. He also presented a summary of the legislative issues and issues related to review of policies deliberated by the National Council during the 21st session and presented on the draft agenda for deliberation in the 22nd session of the National Council.

The 21st Session of the National Council concluded on 27th of June 2018 corresponding to the 14th Day of the 5th Month of Earth Male Dog Year of the Bhutanese Calendar with *Zhaptern* for the long lives of His Majesty the King, His Majesty the Fourth Druk Gyalpo, His Royal Highness the Gyalsey, Her Majesty the Gyaltsuen, Their Majesties the Queen Mothers, the members of Royal Family, His Holiness the *Je Khenpo* and the *Lamas and Truelkus* - the upholders of the precious teachings of the Buddha and with *Tashi Moenlam* for the peace and prosperity of the country and people.



(Tashi Dorji)

Chairperson

National Council of Bhutan