

TRANSLATION OF THE PROCEEDINGS AND RESOLUTIONS OF THE 77TH SESSION OF
THE NATIONAL ASSEMBLY OF BHUTAN

I. OPENING CEREMONY

The 77th Session of the National Assembly of Bhutan commenced on the auspicious 16th Day of the 5th Month of the Year of the Earth Female Hare corresponding to 29th June 1999. His Majesty the King was escorted to the National Assembly Hall in the traditional *Chhipdrel* and *Serdrang* procession which was followed by the *Zhugdrel Phuensum Tshogpai* ceremony.

As the 25th Anniversary of the Coronation of His Majesty the King is being celebrated this year, a special session of the National Assembly was held before the start of deliberations to mark the occasion. In the 25 years of His enthronement, His Majesty the King has carried out innumerable and unparalleled deeds for the present and the future well-being of the country and the people. As a token of their profound gratitude and as a symbol of the pure bond of loyalty and trust between His Majesty the King and the people, and in acknowledgement of His Majesty's remarkable achievements, the members of the National Assembly made an offering of a *Sergi Khorlo* (Golden Wheel) and a letter of gratitude and a prayer inscribed in gold, in the form of a *Thangka*.

THE LETTER OF GRATITUDE AND PRAYER OFFERED BY THE MEMBERS OF THE
NATIONAL ASSEMBLY, INSCRIBED IN GOLD, IN THE FORM OF A *THANGKA*.

Offered at the lion throne of the precious King Jigme Singye Wangchuck, exalted ruler turning the Golden Wheel of Governance in the medicinal land of the Palden Drukpa.

We the members of the National Assembly of Bhutan humbly supplicate and unanimously make these submissions. To us the people of Bhutan, Your Majesty is the personification of our collective merit. Even before attaining the age of seventeen, Your Majesty had to ascend the golden throne as the fourth hereditary King of the Wangchuck dynasty. Sacrificing the care-free world of youth, Your Majesty had to assume full responsibilities for the dual system of Government of our country. Ever since, Your Majesty has aspired for us, the attainment of the noble goal of Gross National Happiness through balanced inner spiritual development and outer economic progress. Emphasising a regionally balanced development and ensuring equitable development and self-reliance as the main pillars of Your Majesty's wise

policies for our country and people, Your Majesty continues to work indefatigably towards the realisation of these noble goals, even at great risks to Your Majesty's personal safety.

Your Majesty has always been a true patron of the Dharma which is the ultimate source of the present and the future well being of our people. Your Majesty's patronage of the Dharma has led to the further enhancement of learning and accomplishment of the religious bodies and the *shedras* and *dubdras*. The rich and age-old tradition and culture of Bhutan have been well preserved and promoted. This has strengthened the people's firm belief in the Dharma and has fostered a strong sense of *Thadhamtshi* and *Leyjumdrey* which is the basis of an ideal code of conduct that would eventually help to attain liberation. In earlier times, our country had very few schools, hospitals, roads, electricity and other infrastructures, the resource base of the economy was undeveloped and the people's incomes very limited. Consequently, the life of our people were very hard. Since the enthronement of Your Majesty, medical care and coverage of health services has been expanded, and with the increase in life expectancy, the very gift of life has been assured. The provision of free modern and traditional education has enhanced the knowledge and skills of the people.

Infrastructure development such as air and surface transport, telecommunications, electricity and natural resources have been developed far beyond expectations. These have promoted and expanded industrial and commercial undertakings by the public and private sectors. In addition, development in agriculture and livestock has enhanced people's income and the standard of living.

Even today the people of Bhutan are the least taxed in the world. The national objective of meeting the entire budgetary requirement for the maintenance and operation of development infrastructure from internal revenue has been realised since 1995. This has been a source of great pride and satisfaction for all Bhutanese who also see it as an auspicious sign heralding the achievement of the national goal of economic self-reliance and self-sufficiency in the near future. That such economic and material development has been achieved without damaging the natural environment is indeed a wondrous achievement and Bhutan is well deserving of the high regard that the international community continues to accord to it. Although Bhutan is a small land-locked country, it is due to Your Majesty's enlightened and far-sighted foreign policy that today Bhutan is a member of the United Nations and other international organisations and enjoys diplomatic and friendly relations with many other nations. This has further strengthened the security and the sovereignty of our country.

Your Majesty has initiated clear delineation and definition of the roles, responsibilities, processes and mandates of the Legislature, the Judiciary and the Executive. These have led to impartial, equal, well-disciplined, capable, effective, efficient and transparent system of governance that is genuinely in the service of our Tsa-Wa-Sum. Furthermore, Your Majesty has always laid particular emphasis on the policy of decentralisation and the delegation of power, and initiated the establishment of the Dzongkhag Yargye Tshogchhungs and the Geog Yargye Tshogchhungs in the country. They continue to serve as important fora for ensuring maximum participation of the people in the decision-making process of the country. Furthermore, during the 76th Session of the National Assembly, Your Majesty introduced a system whereby the National Assembly elects the Council of Ministers. And finally, the devolution of executive power from the Throne to the people is unprecedented in the modern world and it has earned the admiration and respect of all.

Since your enthronement, Your Majesty has always endeavoured to ensure peace and prosperity of the people and the nation, and to promote the present and the future interests of our country. Even if we were to fill the whole country with precious jewels, and offer it to Your Majesty, we would not be able to adequately repay Your Majesty's benevolence. Nevertheless, on behalf of the people of Bhutan, the members of the National Assembly would like to unanimously take the occasion of the 25th Anniversary of Your Majesty's Coronation to wish Your Majesty long life, like the sun and the moon, appeal to Your Majesty to continue with Your Majesty's far-sighted leadership, and with a white scarf which symbolizes the purest bond of loyalty, offer this *Sergi Khorlo*, as a token of our deepest gratitude, and as a symbol of our unforgettable prayers and good wishes.

We would also like to submit that:

*In this land, unmatched even by the sun, the jewel of the sky,
Peerless Jigme Singye, sun-like and even beyond in his flawless wisdom,
Bringing with love, to perfection the lotus of the religious and the secular
We pray for you to remain on the Lion Throne for aeons on.*

*In this medicinal land, the country of the Palden Drukpa
The source of immediate and ultimate benefit and happiness
The hereditary Dharma Kings of the Wangchuck dynasty
May this lineage continue, like an ever-flowing river, into eternity.*

May this country's sovereignty remain pure and secure

May the wealth of the nation flourish.

And as the people enjoy the ultimate fruits of peace and happiness

May the dual system of the Palden Drukpa thrive forevermore!

With this prayer for the continued reign of Your Majesty, the members of the 77th Session of the National Assembly of the Kingdom of Bhutan make this submission on the 16th Day of the 5th Month of the Earth Female Hare Year of the 7th Rabjung.

With innumerable supplications.

Note: A brief description on the Golden Wheel and the reasons for offering it to His Majesty the King are attached in Annex 'A'

II. BEGINNING OF THE DELIBERATIONS

At the start of the deliberations of the 77th Session of the National Assembly, the Speaker welcomed His Majesty the King and all the members of the National Assembly. He extended a warm Trashi Delek to the new members, especially to the women members. He said that the fact that women are increasingly beginning to be elected as people's representatives to the National Assembly is a matter deserving of appreciation by all.

The Speaker recalled that in the *zomdus* in the villages and in geog meetings, women are the main participants. He said that it is a tradition in Bhutan that the responsibilities of running the households are mostly borne by women. In addition, it has been mainly due to His Majesty's policy of social development where there is no gender discrimination that increasing number of women are now not only participating in meetings at the village and geog meetings but are also participating at the district and national level debates.

The Speaker said that this is a special year for all Bhutanese people as it is the 25th year of His Majesty the King's glorious enthronement. Expressing his heartfelt appreciation on the celebration of the special occasion of the Coronation Silver Jubilee, the Speaker said he had all along been longing to share with the members, his feelings on this occasion of great national pride. The spontaneous devotion and great enthusiasm with which the people and private sector directly participated in the commemorative programme and celebrations created a dynamism of its own and is in itself, a most inspiring and wondrous event, he said.

On the occasion of the 25th Anniversary of the Coronation, the people of Bhutan acknowledged the peaceful and happy years of His Majesty's reign. For the people of Bhutan, His Majesty is like the sun and the moon that is impartial and all-embracing, the outer wall that protects us from external enemies and the inner gem that is the source of wealth and merit through compassionate rule. Between the Monarch and the people is a bond of devotion, faith and loyalty that is even stronger and purer than the bond between a parent and a child. Under His Majesty's benevolent rule, whatever situation arose to disturb the peace and happiness in the country, the people of Bhutan - as if of one body, speech and mind – without a single moment of doubt, have always stood firmly behind His Majesty. This was amply demonstrated for all to witness and to derive inspiration from, he said.

The Speaker reminded the members that the power of the result of united thought and action, born of the powerful relationship of pure and undefiled honour and loyalty is very rare in this world. If all of us not only understand this but also practice it, there could be no greater power to ensure the continued security and sovereignty of the Palden Drukpa. Therefore, we the people should never neglect to uphold the bond of honour and devotion existing between the Monarch and the people.

The Speaker informed the members that a number of points and issues have been received from all over the country for inclusion in the agenda for the 77th Session of the National Assembly. Out of these, the most important has emerged to be the threat to the national security posed by the infiltration of the ULFA and Bodo militants from the Indian state of Assam into the south-eastern parts of Bhutan, without the least regard to the sovereignty of our country. As the infiltration by the militants had not only posed a serious threat to the present and future sovereignty and security of the country but also to the close friendship and cooperation that exists between India and Bhutan, the people of almost all the Dzongkhags have submitted issues relating to this problem for deliberation by the Assembly so that the situation could be resolved expeditiously.

He further reminded the members that as the ULFA and Bodo problem has been a constant source of concern to the Bhutanese people, it has been repeatedly raised and discussed in the earlier sessions of the National Assembly. Further, during the 76th Session of the National Assembly, the representatives of the people of all the geogs of the 20 Dzongkhags and the representative of the Bhutan Chamber of Commerce and Industry had not only submitted that the Government should find ways and means to solve the problem but had also pledged their full

support, both physical and material. They entrusted the responsibility of solving the problem to His Majesty the King.

The Speaker also informed the members that even in this session, the people have urged the Royal Government to take expeditious measures to resolve this problem peacefully and submitted that even if military measures have to be resorted to, the militants should be removed from our soil at the earliest. He reminded the members that if the problem is not resolved as early as possible, it will increase the threat to our country's sovereignty. Therefore, it is important for the members, keeping at heart the grave concerns of the people, to participate fully and without any reservations in the deliberations. Above all, it is the responsibility of all the members to come to a meaningful resolution on the issue.

At the start of the National Assembly session last year, His Majesty issued a most unexpected *Kasho* to the National Assembly. His Majesty the King, in his ultimate trust in the people, had restructured the Lhengye Zhungtshog into a Council of Ministers elected by the National Assembly, said the Speaker. His Majesty also commanded the National Assembly to adopt a practice to register a vote of confidence in the Druk Gyalpo, which caused extensive debates in the National Assembly. The Speaker reminded the members that despite repeated submissions by the members that there was no need for registering a vote of confidence in the Druk Gyalpo, His Majesty the King refused to consider their request. Subsequently, a drafting committee representing the religious community, Government and the Chimis of all 20 Dzongkhags had drafted the Chathrim for the Lhengye Zhungtshog and the Mechanism for the Vote of Confidence, in accordance with the command of His Majesty the King and the resolutions of the 76th Session. The Speaker, therefore, requested the members to keep the present and future interest of the country at heart and review these two Chathrimso that they can be enacted during this session of the National Assembly.

The Speaker also informed the members that seven other Draft Acts have been tabled before the National Assembly by various ministries and urged them to deliberate carefully as these Acts need to be passed by the current session. Finally, the Speaker expressed his hope and offered his prayers that the deliberations on the other issues before the 77th Session of the National Assembly could be concluded successfully.

Following the Speaker's opening speech, the following Draft Acts were distributed among the members:

1. Review of the 1998-99 Budget and the Presentation of the 1999-2000 Budget
2. Chathrim For Vote of Confidence
3. Lhengye Zhungtshog Chathrim
4. Legal Deposit Act: An Act to Collect, Preserve and Manage Bhutan's Documentary Heritage, 1999
5. Bhutan Municipal Act
6. Road Safety & Transport Act
7. Bhutan Telecommunication Act
8. Bhutan Postal Act, 1999
9. Bankruptcy Act
10. Movable & Immovable Property Act

III. EXPRESSIONS OF FELICITATION

On the occasion of the Silver Jubilee of the Coronation of His Majesty the King, the public of the fourteen Dzongkhags of Wangdi Phodrang, Chukha, Bumthang, Paro, Trashigang, Yangtse, Zhemgang, Samdrup Jongkhar, Trashigang, Punakha, Pema Gatsel, Dagana, Thimphu, Trongsa and Mongar offered their heartfelt felicitations and deep gratitude to His Majesty the King. The following is a summary of their submissions:

Bhutan has always been a sovereign, independent country since time immemorial and had never been colonized by others. It was named, '*Palden Drukpa Chogley Namgyal*' by the Dharma king Zhabdrung Ngawang Namgyal who introduced the dual system of government. A period of endless internal strife ensued during the rule of the Desis for power and control, causing immense suffering to the people. This situation finally led the people to install Gongsar Ugyen Wangchuck as the first hereditary King of Bhutan in 1907. Since then, the country has enjoyed continued peace and stability.

In 1974, due to the blessings of the Triple Gem and the prayers of our illustrious ancestors and of the hereditary monarchs and above all, due to the good fortune and merit of all our people His Majesty Jigme Singye Wangchuck assumed the great responsibility of governing the country from a very young age. Through His Majesty's untiring efforts, the country has been able to achieve tremendous progress and reap the benefits of modern development. It is a matter of great admiration that His Majesty has been able to achieve these developments in only 25 years whereas other countries have taken over a hundred years to achieve similar developments. Among the developing countries, Bhutan has emerged as a successful model of stability and development.

To promote the social and economic development of our country, social services such as hospitals and schools, roads and bridges, electricity and drinking water supply, agriculture and animal husbandry have been provided free of cost to the people. Infrastructure necessary for development like tele-communications, forestry and industry have been established, and many other services have been subsidized. An unprecedented improvement in the living standard of the people has been made, which is one of the main prerequisites for realizing the goal of Gross National Happiness. The goal of self-reliance is likely to be achieved within a short period of time. There has been no epidemics, strife and suffering in the country. Instead, the country has been enjoying peace and prosperity. Therefore, there is every reason to consider the Year of the Earth Female Hare a special year in the history of our country.

Similarly, the Dharma and the age-old culture and tradition of our country have been preserved and promoted. The conservation of our rich natural environment which has become an example to other countries, has further contributed to our national identity and prestige.

Placing great importance to the devolution of power to the people, His Majesty the King established Dzongkhag Yargye Tshogchhungs and the Geog Yargye Tshogchhungs. These have enabled the people to participate directly in the decision-making process not only at their village and Dzongkhag level, but also at the national level. Finally, at the 76th Session of the National Assembly, full executive power was devolved to the elected members of the Lhengye Zhungtshog. Although, outwardly Bhutan is a monarchy, in essence, this change has shown that the people of Bhutan enjoy more democratic powers than those of the countries subscribing to the democratic system of government.

His Majesty the King has established diplomatic relations with all the countries of the SAARC region, besides being a member of the United Nations and also establishing diplomatic relations with other friendly countries. Development assistance for the socio-economic development of the country have been received from these countries continuously. These assistances are utilised for the purposes for which they were received. All donor aided projects and programmes are being successfully implemented.

The benefits of development have reached all people equally throughout the country. Peace and prosperity have flourished like a lake in summer. During the last 25 years, unprecedented socio-economic development have taken place. Further, it has been due to His Majesty's singular effort that the security and sovereignty of the country have been strengthened.

For all these, the people have expressed their deep appreciation and gratitude. His Majesty's incomparable reign is a matter of great satisfaction.

The celebration of the 25th Anniversary of His Majesty's glorious reign this year, by the people from all walks of life, in all the Dzongkhags, geogs and villages, has provided an opportunity for them to reaffirm their full faith and confidence in His Majesty the King, our Supreme Jewel. This opportunity was greatly appreciated by all. The people of Bhutan, through body, speech and mind, pledge to serve His Majesty with *Thadamtshi* and *Leyjumdrey*. They prayed that after the next 25 years, they will again have the opportunity to celebrate the 50th anniversary of His Majesty's enthronement. They prayed that with the blessings of the Triple Gem, His Majesty, who is the guardian of our dual system of temporal and religious rule, would enjoy perfect vitality of body, clarity of speech and unmistakable view of mind, and that His Majesty would live as long as the sun and moon. The people also prayed that His Majesty the King further strengthen the unique system of governance of our country and provide even greater wealth of peace and happiness to the people.

Thereafter, the Trashigang Chimi submitted that His Majesty had not only created Trashigang as a new Dzongkhag, but also established and promoted religious institutions which are the people's refuge for both their present and future lives. Electricity has also been recently provided in the Dzongkhag. Chhoeten Kora, a holy site for pilgrimage which was blessed by the saints, has been renovated and its *sertog* gilded in gold. Another holy site, Gomphu Kora, which was blessed as a Bae-yul (a sacred hidden site) by the Second Buddha Guru Rimpoche has also been renovated. The people of his district would, therefore, like to express their sincere gratitude for all these developments.

The Punakha Chimi said that in ancient times when the Desis governed the country, the people were faced with constant internal strifes, epidemics, heavy taxation and labour contribution. They had to live under intense coercion and heavy burden. Thereafter, due to the blessings and the power of our Guardian Deities, our clergy, Government officials and the people of Bhutan unanimously submitted a *Genja* installing Gongsar Ugyen Wangchuck, from the predestined lineage of the gods, as the first hereditary monarch. Since the start of the Wangchuck dynasty, the welfare of the country and people have improved progressively under the reign of different monarchs. The Chimi also submitted that this year, the people are fortunate to be able to celebrate the 25th Coronation Anniversary of His Majesty who has worked tirelessly for both the present and future well-being of our country.

He submitted that His Majesty the King, as a Dharma King, has patronized the cause of religion for the benefit of the people and that, as an impartial upholder of the law, He has codified and amended the laws, like the Shinje Gyalpo. His Majesty is a Bodhisattva for devolving executive power to the people and detaching himself from the secular power; a god of wealth for endowing various resources for socio-economic development and eliminating poverty; a reincarnate of Guru Rimpochhe for preserving and protecting the religion, and the cultural heritage like language and dress, and the natural environment and for strengthening national identity; a brave general for safeguarding the sovereignty and security of the country even at the risk of his own life; a wise and a far-sighted leader endowed with the wisdom of establishing friendly and strong relationships with other countries. Therefore, the people of Bhutan, even with all their resources and efforts and for all eternity, can never ever repay His Majesty for everything that he has done for them. May the life and the reign of such a benevolent King last for hundreds of aeons, by winning victories over adversaries from all directions. The people pray that amidst the bounty of peace and happiness, the auspicious sun of fraternity shining among the King, the ministers and the people will never set.

Similarly, the Pemagatshel Chimi submitted that it was during the coronation of His Majesty the King that Pemagatshel was established as a new Dzongkhag for the benefit of the people of the district, and that it is due to this very reason that the 25th Anniversary of His Majesty's Coronation is being celebrated by the people of Pemagatshel Dzongkhag with much greater joy than the people of other Dzongkhags. Ever since the establishment of Pemagatshel as a new Dzongkhag, the people of the Dzongkhag have greatly benefited from its planned development programmes. Last year, His Majesty the King, by placing his complete trust in the people, had devolved full executive power to an elected Council of Ministers and introduced changes in the governance of our country. This is truly a unique action on the part of His Majesty the King.

In many other countries, those in power are never satisfied with what they already possess and crave for more power. The Chimi pointed out that we in Bhutan are most fortunate to have a King like His Majesty who always places the interests of the country and people before anything else. This is a matter of great fortune and pride for us, he said.

The Sarpang Chimi submitted that the 25th Anniversary of His Majesty's Coronation was celebrated by the people with great joy. The people are very happy to be under His Majesty's benevolent rule and their gratitude to His Majesty the King are beyond the expression of their

body, speech and mind. The people of Sarpang Dzongkhag are proud to live in a country where everyone thinks of himself or herself as belonging to one nation.

The representative of the Bhutan Chamber of Commerce and Industry and the Chimis of Haa, Lhuentse, Gasa, Tsirang, Dagana and Sarpang Dzongkhags submitted that although His Majesty had to shoulder the responsibilities of governing the country from a very tender age, His Majesty has always kept the interests of the country uppermost in his heart and had always concentrated on the present and future well-being of the country. Tremendous socio-economic development has been achieved by our country. By emphasising on the decentralisation policy, His Majesty has established the Dzongkhag Yargey Tshogchhungs and Geog Yargey Tshogchhungs within a short period of time. During the last session of the National Assembly, His Majesty introduced the system of the National Assembly electing the Council of Ministers through secret ballot. Besides achieving unparalleled socio-economic development, His Majesty has also introduced far-reaching policy changes. There is, therefore, every reason to celebrate the 25th Anniversary of His Majesty the King's Coronation.

Similarly the Samtse Dzongda and the Chimis of Tsirang and Samtse Dzongkhags submitted that, after the past few years when Samtse and other Southern Dzongkhags faced various difficulties due to the anti-national problem, the people including immature children and the elderly celebrated the Silver Jubilee of His Majesty's coronation this year with great pride and enthusiasm. From the way people celebrated the auspicious occasion, with utmost satisfaction and enthusiasm, one can conclude that it is a clear sign of their strong and unwavering loyalty and dedication to His Majesty the King and His Majesty's love and compassion for his subjects.

They further added that even a child, from the remotest part of the country, could understand that 2nd June 1999 was an important day and, accordingly, it was celebrated widely across the country. The 25th anniversary celebrations of a reigning monarch is an event which has never occurred in the history of our country. Among the countries of the world, Bhutan is well-regarded as a country with a unique national identity. Bhutan has achieved incomparable development under the dynamic leadership of His Majesty the King. They prayed that His Majesty's love and compassion for his people will continue to shine like the rays of the sun and the moon.

The Trongsa Dzongda and Chhukha Dzongda and a Royal Advisory Councillor submitted that it is too numerous to enumerate all the activities undertaken by His Majesty the King for his people and the country during the last 25 years. They said that the 25th anniversary celebrations of His Majesty's coronation was also an occasion to celebrate the tremendous socio-

economic development in the country based on His Majesty's wise and sound development policies.

They submitted that the celebrations of the 25 years of His Majesty's enthronement provided an opportunity for all the people across the length and breadth of the country to understand and appreciate the noble thoughts and deeds of His Majesty the King. They further said that during the celebrations, all the people, irrespective of their wealth or position, had participated with equal eagerness and appreciation. It was a clear indication that His Majesty's far-sighted vision of promoting national integration was succeeding.

As His Majesty the King has turned our country into an exemplary one for the rest of the world, friendly neighbouring countries like India and others appreciate and trust us. They are providing assistance for our development which is being used prudently. Development assistance has been used most conscientiously from a minister down to a field staff. The people pray and hope that the Government will continue with the same wise policies and that they will be able to celebrate the 50th anniversary of His Majesty's golden enthronement.

The Chairman of the Lhengye Zhungtshog, Lyonpo Jigmi Y. Thinley informed the members that when the proposal to celebrate the 25th anniversary of the coronation was submitted to His Majesty the King, His Majesty had turned it down saying that there was no need for such celebration which would only involve lots of expenditure. His Majesty had said that if the Government, private organizations and the people were to carry out activities beneficial to the country, with true loyalty and dedication, nothing would please His Majesty more and had, therefore, refused to consent to the Silver Jubilee celebrations. Later, as repeated requests were received from the people saying that they needed an opportunity to show their gratitude to His Majesty the King for the tremendous socio-economic development of the country, the Lhengye Zhungtshog also had to appeal to His Majesty the King again. His Majesty relented but had commanded that the programme should be brief and that the celebrations should be beneficial to the people. In the event, the celebrations were a grand success and an unforgettable experience for the whole country and people. The occasion provided the people with an opportunity to understand, appreciate and thank His Majesty for his remarkable achievements vision and leadership. It was also an occasion to feel proud of being a Bhutanese. The fact that the general public, civil servants and the armed forces participated, right from the preparatory works to the culmination of the celebrations, with great enthusiasm is an indication of the faith, devotion and respect which the people have for His Majesty the King.

During the deliberations on this agenda item, the members of the Assembly availed themselves of the opportunity, one after the other, to express their appreciation and gratitude for the unimaginable progress and development achieved under the glorious reign of His Majesty the King. The members expressed their unforgettable gratitude to His Majesty the King and prayed for His Majesty's long life and continued reign and for his noble deeds to be spread to the furthest nook and corner of the kingdom. They prayed for the continuation of peace and prosperity in the country. The deliberations concluded with the prayers that the country would again be able to celebrate the 50th year of His Majesty's glorious enthronement with happiness and jubilation.

IV. REPORT ON THE PERFORMANCE OF THE GOVERNMENT BY THE CHAIRMAN OF THE LHENGYE ZHUNGTSHOG

The Speaker of the National Assembly said that as all the members of the National Assembly are aware, in keeping with the provision of the *Kasho* issued by His Majesty the King to the 76th Session of the National Assembly, executive powers of governance have been devolved to the Council of Ministers with complete trust and confidence. It is now a year since the Council of Ministers, united in faith and loyalty, took over the task of governance of the country from the very day the 76th Session of the Assembly concluded. The Speaker informed the Assembly that Lyonpo Jigmi Y. Thinley, the Chairman of the Lhengye Zhungtshog would present to the 77th Session of the National Assembly the report of the performance of the Council of Ministers in the last one-year.

Accordingly, Lyonpo Jigmi Yoezer Thinley, the first Chairman of the Lhengye Zhungtshog submitted a report on the performance of the Council of Ministers and the general state of affairs in the country in the last one-year. In a presentation that lasted an hour and twenty minutes, he said that due to the many wise policies formulated by His Majesty the King, our country has been able to implement all our national priorities without any lapses. The new Council of Ministers has also based all their decisions and policies on the noble vision and far-sighted policies initiated by His Majesty the King.

Lyonpo Jigmi Y. Thinley recounted that the Council of Ministers has aspired, through a balance of material and spiritual development, to achieve the three national objectives: strengthening of the security and sovereignty of the nation, promoting economic self-reliance through regionally balanced development, and of achieving Gross National Happiness. In this connection, seven important policy initiatives were taken as follows:

1. Strengthening the system of good governance in the country;
2. Promotion of socio-economic development;
3. Preservation and promotion of the cultural heritage;
4. Strengthening of the legal system in the country;
5. Preservation of the natural environment;
6. Strengthening the independence and sovereignty of the country by promoting friendly relations with other countries; and
7. Strengthening national security;

The Chairman said that the introduction of the profound changes in the system of governance in Bhutan last year by His Majesty the King has evoked admiration and astonishment as well as queries from foreign countries, international organizations and the media. Similarly, there are many Bhutanese who consider such a change an abrupt decision by His Majesty the King.

Since his enthronement, His Majesty the King has gradually introduced many far-reaching changes in the country, and has brought about carefully considered reforms. Foreseeing a gap between policy makers in the capital and the beneficiaries in the villages, it was as early as the Fourth Plan that His Majesty had started introducing the concept of participatory development.

The people have actively participated in various development activities. To enable communities to assume greater responsibilities, His Majesty introduced the decentralization policy in 1979 to devolve authority from the centre to the Dzongkhags. The Dzongkhag Yargey Tshogchhungs (DYT) were established in 1981 and ten years later, the Geog Yargey Tshogchhungs (GYT) were established. Today, in addition to the members of the National Assembly, there are 572 DYT members in 20 Dzongkhags and 2,614 GYT members from 202 geogs in the country, elected directly by the people.

Even as the central Government was streamlined to make it more responsive and effective, authority was devolved from the centre to the people, changing completely the role of the Government and the people.

Therefore, the policy changes introduced last year were not at all an abrupt and sudden decision by His Majesty. On the contrary, they were a continuation of the reforms, which His Majesty had carefully thought over for long. These reflect the trust and confidence His Majesty

has in the people. As in a democratic system, all plans and programmes are initiated by the people in the villages and finalized eventually in the National Assembly. Such a system of decision-making has enabled the people to formulate their own plans and programmes and also to take decisions by themselves.

In keeping with His Majesty's command to create a small, compact and efficient government, the Bhutanese civil service today comprises of only 13,845 well-trained civil servants. Policies have also been formulated by which ministers and civil servants are required to go on tours and hold discussions with the people, and fulfill their needs, based on the feed-backs and responses.

His Majesty the King has recently commanded that the salary of civil servants be increased. The salary of Gups and Chimis has also been raised to encourage them to fulfill their increased responsibilities. A pension scheme is now being drawn up to provide Government servants economic security on retirement.

In the last one year, the value of agricultural exports reached Nu.661.00 million. This has greatly contributed to the income of the rural people. In 1998, a total of Nu.23.00 million have been disbursed to farmers through the rural credit programme. In addition, the distribution of essential agricultural machinery to the people will soon be resumed.

This year due to scarce rainfall, the winter crop was affected. As His Majesty was seriously concerned about the impact that the late rainfall might have on the crops, and the difficulties it would cause the farmers, the Royal Advisory Councillors were deputed to the villages to assess the situation. As it has been forecasted that there would be abundant rainfall, and that the crops would not suffer damage, there is no reason for our people to worry about food shortage.

The resettlement of the landless people, people dependent on *tseri* cultivation and those with limited land holdings are being continued as per the government's resettlement policy.

The Government continues to support public health care and immunization programmes. Since our country has one of the highest population growth rates in the world, various programmes have already been initiated to prevent the adverse impacts that may arise as a result of uncontrolled population. In this regard, Her Majesty the Queen, Ashi Sangay Choden Wangchuck has accepted the position of the UNFPA Goodwill Ambassador. Programmes to curb excessive population growth are being initiated and emphasized.

To promote and improve primary health care coverage in the country, hospitals at Lhuentse and Trashigang have been newly constructed. The construction and extension works of the Mongar Referral Hospital, and the Trongsa and Trashigang hospitals will begin soon.

Of the 520 patients sent outside the country for specialized medical treatment by the Health Division, a majority of them were from the rural areas. Within the country, efforts are being made to speedily upgrade the in-country referral capacity.

As it considers the education sector to be one of the main pillars of social development, the Royal Government of Bhutan continues to lay the highest priority to providing education to its people. Today, there are a total of 107,437 students in the country and 72% of its school-going children are enrolled in schools. In the last one-year alone, 18 community schools, seven junior high schools, three high schools and 34 non-formal education centres have been established.

The Chairman reported that the Government is seriously concerned about providing gainful employment opportunities to our youth. Many programmes to prevent urban youths from drug abuse and crimes, and to rehabilitate juvenile delinquents have been initiated. The Crown Prince, His Royal Highness Dashi Namgyal Wangchuck is the patron of the Scouts Association. A Youth Guidance and Counselling Centre at Motithang, a Youth Development and Re-habilitation Centre at Tsimalakha and National Technical Training Authority at Motithang have also been established.

A Youth Development Fund has been launched with a contribution of US \$ 1 million granted by His Majesty the King. Her Majesty the Queen Ashi Tshering Pem Wangchuck is the President of this Fund. A sum of Nu.1.3 million has already been raised from within the country.

As the topography of Bhutan is characterised by steep cliffs and high mountains, the existing 3,375 kilometres of roads are all prone to dangerous landslides. In the last one year, the damage caused by the heavy summer rains have necessitated the Public Works Division and the Dantak to employ 350 contractors to clear and maintain the roads. An expenditure of approximately Nu.131.977 million was incurred for the purpose. Also in the year, road accidents have claimed the lives of many travellers. To prevent such accidents, the number of buses for transporting passengers were increased and strict road safety regulations have been framed.

In accordance with the command of His Majesty the King that information exchange and communications facilities should be further upgraded, compatible with other countries, Internet

and Television have been launched in Thimphu. These facilities will soon be expanded to other Dzongkhags and villages. It is hoped that such facilities will greatly benefit the people.

Again in keeping with His Majesty the King's command, the construction of 600 units of low-cost housing has already begun in Thimphu and Phuentsholing. The Ministry of Communications is in the process of drafting a housing policy to address the increasing demand for housing. 53 different sites for large and small towns have been identified and compensation rates have also been revised so as to benefit the owners of the lands that would be procured for the townships.

Following the recent visit to India by His Majesty the King, the Chhukha power tariff has been increased from Nu. 1.00 to Nu.1.50 per unit. This has greatly boosted our national revenue.

Bhutan has high potential for hydro electricity generation and the construction works at Tala, Basochu and Kurichu hydro power projects are all doing well. The Tala Project alone has provided employment to 700 Bhutanese. It has also provided business opportunities to 115 contractors and numerous truck owners are engaged in transportation. In the last one year, the Power Division has provided electricity to 1500 households in 72 villages. Today, a total of 31,600 rural households have electricity.

The people of Bhutan have unwavering faith in the Dharma and are committed to the practice of virtuous deeds that accumulate merit and expiate sins. Dratshangs have been established at Gasa, Trashi Yangtse and Semtokha in fulfillment of the command of His Majesty the King and the wishes of the people. This has been aimed to further promote the Dharma teachings. In addition, existing religious institutions have been expanded and new ones established. These have ensured that the Dharma teachings will continue to flourish.

His Majesty the King had commanded that the expenditure for the re-construction of Paro Taktshang should be borne from our own resources, without seeking any foreign aid. However, Bhutanese and other devotees have voluntarily contributed a sum of Nu.17.1 million toward the re-construction of the temple. As the heat generated during the fire has weakened the cliff at Taktshang, the examination of rocks could not be conducted as yet. Nevertheless, the seasoning of timber and other preparatory works are almost complete and the construction work will begin soon.

Among the many incarnates of the eminent luminaries of the past, the most renowned in our history, Desi Tenzin Rabgye and Je Kuenga Jamtsho have been re-born in the country. This is an auspicious sign for the advancement of the Dharma and for the benefit of all sentient beings.

In Bhutan, economic development and the preservation of the culture, including literary works, has been given equal emphasis. As a result, Bhutanese authors have written and published 26 different books in the past one year. The most notable among them is the commendable book by Her Majesty the Queen Ashi Dorji Wangmo Wangchuck.

There is a growing regional and international interest in Bhutan's tradition and culture. Exhibitions on Bhutan were held in Switzerland and in some cities in Spain last year. A similar exhibition will be held in the Netherlands this December followed by a major one in Germany next July. Preparations for these exhibitions are already underway.

Their Majesties the Queens have given great importance and support to the efforts to preserve and promote our cultural heritage and traditions. Among the many initiatives taken, a significant one is the commencement of the repair works at the dilapidated historical home of Kawang Mangkhel under the patronage of Her Majesty Ashi Dorji Wangmo Wangchuck.

Her Majesty Ashi Tshering Pem Wangchuck has taken up the full responsibility for raising funds for the restoration and renovation of Wangdichholing Dzong in Bumthang, which was the ancestral home of our former Kings. It is to be an ethnographic museum which will recreate the early court life and also serve as a memorial for the benefit of the future generations.

Similarly, and in accordance with a prophecy that a *Dudul Jangchub* Chhoeten will be built at Punakha, the construction of the Chhoeten which has been taken up by Her Majesty Ashi Tshering Yangdon Wangchuck, is almost complete. The construction of this monument, which symbolizes a place of refuge for both the present and the future lives, has been explicitly aimed to dispel the outer, inner and secret misfortunes that may befall the Three Foundations (Tsa-Wa-Sum) of Bhutan. It will contribute to the flourishing of the Dharma and benefit all sentient beings.

In addition to the above initiatives for the preservation and promotion of our culture, Her Majesty Ashi Sangay Choden Wangchuck has undertaken to establish a Textile Museum that would have on display a variety of religious costumes, props, articles and instruments. The funds for the Museum will be from private sources and the project is expected to begin soon. The Government would like to express its high admiration for the royal initiatives that will further enhance the promotion of the Dharma and our age-old cultural heritage.

The Royal Government of Bhutan is seriously concerned with the unfortunate trends that are emerging as a consequence of modern development in the country. The country has witnessed a growing spate of crime and a deterioration of the spiritual values. A total of 136 Lhakhangs and Goembas have been desecrated and 1134 Chhoetens have been robbed so far. To counter such sacrilegious vandalism, the Government is strengthening the judicial system and rehabilitation facilities. In this regard, drafts of seven new Acts have been distributed to the members of the Assembly for ratification in the current 77th session.

Due to His Majesty the King's foresight and vision, Bhutan has emerged today as a leading example in environmental preservation and ecological balance. Since 1970, the Royal Government had framed policies that does not allow economic development to take place at the cost of the natural environment. This is a matter of utmost satisfaction to everyone.

Although Bhutan has a forest cover of 72%, the export of timber has been banned and Environmental Impact Assessment guidelines has been drawn up. Environmental consciousness has led to the closure of three environmentally harmful industries and, most recently the use of plastic has been banned in the country.

Bhutan and India continue to enjoy excellent relations. His Majesty the King visited India twice during the course of one year. The visits have further strengthened the excellent relation with our closest friend and neighbour. The Chairman of the Lhengye Zhungtshog, Lyonpo Jigmi Y. Thinley himself, represented Bhutan at the South Asian Association for Regional Cooperation Summit (SAARC) last year and recently visited Japan on an official visit. The Foreign Ministry's new procedure of keeping Bhutan's development partners informed regularly of the developments in the country has been greatly appreciated.

We continue to receive development assistance from our various donors, among which the larger donors are: India, Austria, Denmark, Japan, the Netherlands, Switzerland and the United Nation and other international organizations such as the World Bank, and the International Monetary Fund. Bhutan has decided to host the SAARC summit in the year 2002. The current Chairperson of SAARC, Sri Lanka's President Chandrika Bandaranaike Kumaratunga, is scheduled to visit Bhutan on 8 July, 1999.

As everyone is aware, His Majesty the King has taken the full responsibility for the security and sovereignty of our country. Without the least regard to his own personal safety, His Majesty continues to frequently visit high-risk areas to personally assess the situation and to ensure the well-being of the Bhutanese people.

Although the problem in Southern Bhutan still poses a threat to our country, it had been largely mitigated through the wisdom and personal efforts of His Majesty the King. In this regard, the Government deeply appreciates the unwavering loyalty and support of the people to His Majesty the King and the unfailing service of the security forces.

The bilateral talk between Bhutan and Nepal scheduled for January this year could not be held due to the dissolution of the then Nepalese Government. With the formation of a new Government in Nepal, the Government hopes to resume bilateral talks soon and that the talk would lead to a fruitful solution.

On the functioning of the Lhengye Zhungtshog, Lyonpo Jigmi Thinley said that the new Council of Ministers has followed the provisions of the existing Chathrim. It has discussed and deliberated on issues of national security, major policies and decisions, acts, agreements, matters beyond those contained in the five year plans, framing of laws, and emergency situations which required immediate action.

He pointed out that the main responsibilities of the Lhengye Zhungtshog are to implement the National Assembly resolutions, the five-year plans that are updated and revised each year, and uphold general law and order in the country.

The Chairman of the Lhengye Zhungtshog chairs the cabinet meetings and undertakes the responsibilities of the Head of Government. In order to avoid mistakes and duplications, decisions are taken by general consensus of the Lhengye Zhungtshog. As the ministers are all new, in order to discuss among themselves and decide by consensus, a Lhengye Nyamdrel Tshogchung or the Coordination Committee of the Council of Ministers has been established.

The Bhutan Chamber of Commerce and Industry representative said that His Majesty the King took the people into confidence and devolved executive power to the Lhengye Zhungtshog during the 76th Session of the National Assembly. He said that, as reported by the Chairman of the Lhengye Zhungtshog, the successful accomplishments of the Government are a result of the wisdom of His Majesty the King in decentralizing executive power as can be clearly seen by all the people of Bhutan. Just as His Majesty entrusted the cabinet with such a grave responsibility, the people have also elected the Council of Ministers with great confidence. The Chimi expressed great admiration for the initiatives taken by Their Majesties the Queens to preserve and promote

our cultural heritage, and expressed the hope that the cabinet would continue to achieve even greater success.

Similarly, the Punakha Chimi submitted that echoing the trust and confidence of His Majesty the King, the people have elected the members of the Lhengye Zhungtshog through secret ballot. The Lhengye Zhungtshog has honoured this trust and served with unquestionable loyalty to His Majesty and the people. He thanked them for the successes and for furthering the immediate and future interests of the country.

The decentralization policy initiated by His Majesty the King has provided the people with the opportunity to participate in the governance of the country right from the village to the national level. He expressed appreciation for the Lhengye Zhungtshog's success in fulfilling the wishes of the people.

On the threshold of the 21st century, the people of Bhutan can face the world with pride and happiness. This has been possible because of the blessings of the *Kuenchogsum* (the Triple Gem), enlightened leadership of His Majesty the King and the competency of the elected Lhengye Zhungtshog.

As the Royal Advisory Councillors were elected by the National Assembly with full trust and confidence, the same is expected from them also. He said that as members of the cabinet, it would be fitting if the Royal Advisory Councillors were also to brief the Assembly about their own responsibilities to the Government and the people.

The Trashigang Dzongda submitted that development activities, as envisioned by His Majesty the King, has been successfully implemented. The Chairman and the Council of Ministers have strengthened Bhutan's international image and have intensified domestic activities within a broad national perspective. The people have every confidence that, under the leadership of the next Chairman also the Council will continue to fulfill people's needs and aspirations.

The Chimis of Trashigang, Wangdue Phodrang, Haa and Trashigang Dzongkhags as well as a Royal Advisory Councillor commended the achievements of the elected Ministers of the Lhengye Zhungtshog who have lived up to the trust of His Majesty the King and in one year have fulfilled many of His Majesty's aspirations.

In addition, many Chimis paid special tribute to Their Majesties the Queens for their vital participation in enhancing the nation's image, preservation of our invaluable cultural heritage, and for their efforts in social development.

Similarly, some of the Chimis expressed gratitude for the opportunity the people had in celebrating the Silver Jubilee of His Majesty the King's coronation under the guidance of the new Lhengye Zhungtshog.

In response to the question raised by the Punkaha Chimi, the Chairman of the Lhengye Zhungtshog and the Kalyon pointed out that the roles and responsibilities of the Councillors are outlined in the Chathrim for the Royal Advisory Council. As elected Councillors, they are not only knowledgeable and well educated but are also firm and committed in their loyalty and dedication and as such, a matter of great satisfaction to the Lhengye Zhungtshog. The Lhengye Zhungtshog with its 15 members including six ministers, the elected Councillors, representatives of the Monk Body and the Kalyon, is like a plot of good land with a perfect mix of water, fertilizer and temperature, and thus able to bear rich harvest.

One of the most important responsibilities of the Royal Advisory Council is to counsel His Majesty the King on matters of national importance, and to examine legal cases which have been appealed to His Majesty the King, after having gone through the High Court. Besides, the Councillors also have the responsibility of looking into problems of national importance. For example, the Councillors this year undertook the assessment of the impact of the delayed rainfall and heard the views of the people on the problems caused by the ULFA-Bodo militants inside our territory.

Furthermore, the Councillors have the responsibility to oversee and ensure that the Government administration and the financial spending is efficient and is in line with the wishes and aspirations of the people. The Councillors continue to fulfill this important role and responsibility. If they discover any failings by the government, they must report directly to His Majesty the King and to the National Assembly.

A Royal Advisory Councillor added that after attending the meetings of the Lhengye Zhungtshog, he has come to understand and appreciate how the previous ministers have fulfilled the wishes and policies formulated by His Majesty the King. They have worked for the security of the country and in the interests of the people of Bhutan. He said that the newly elected ministers continue to govern the country in an even better manner.

The Pemagatshel Dzongda and the Chimis of Sarpang and Haa Dzongkhags submitted that the successful performance of the Lhengye Zhungtshog in the last one-year is not only due to the work of the Ministers of the Lhengye Zhungtshog but also of the Royal Advisory Councillors. The tours in the Dzongkhags conducted by different ministers have helped to avoid time-consuming paper work and many decisions could be taken quickly and on the spot. They also expressed their gratitude to Their Majesties the Queens for taking responsibilities in preserving our invaluable cultural heritage and for the initiatives towards the general upliftment of the Bhutanese society.

The National Assembly noted that in response to the report submitted by the Chairman of the Lhengye Zhungtshog to the National Assembly, the members commended the Council of Ministers for their accomplishments in the last one-year. The members also offered tribute to Their Majesties the Queens for their commitment and patronage of the Dharma and the preservation of our cultural heritage. The members of the Assembly agreed that the achievements in the past year which would go down in history, are as a result of the far-sighted policies and the noble vision of His Majesty the King. The discussion on the agenda concluded with the members offering their prayers for the wellbeing and long life of His Majesty the King and for the flourishing of his glorious reign.

V. REVIEW OF THE 1998-99 BUDGET AND THE PRESENTATION OF THE 1999-2000 BUDGET

The report on the 1998-99 Budget and the Budget for the fiscal year 1999-2000 as prepared by the Ministry of Finance, were distributed to all the members of the National Assembly on 29th June 1999. On 30th June 1999, the Finance Minister Lyonpo Yeshey Zimba made the following presentation to the National Assembly:

Taking the opportunity of the annual budget presentations, he said that the Ministry of Finance would like to join the members of the National Assembly and the people of Bhutan to offer its Trashi Delek and deepest gratitude to His Majesty the King on the occasion of the Silver Jubilee of the Coronation. In the 25 years of His Majesty's enthronement, Bhutan has witnessed unprecedented development and the sun of peace and happiness has continued to shine over the people of Bhutan.

Bhutan which was one of the poorest countries in South Asia in the past, has today become a model of social development and progress in the region. There was a time when there

were very few educated people in the country. However, as a result of high priority placed on education by the Government and the efforts of the people, the literacy rate in the country has reached to more than 54 percent in a very short span of time. Similarly, due to the improvement in health services, life expectancy of the people has increased from 45 to 66 years.

A few years back, the people faced great difficulties as communications was very poor and there was no electricity in most of the places. Today, we have a network of more than three thousand kilometers of motorable road which connects all the Dzongkhags. In addition, the benefits of telecommunication has reached all parts of the country. Besides being sufficient for domestic consumption, Bhutan now exports electricity which has greatly increased the country's revenue. Despite unprecedented socio-economic development within a short span of time, Bhutan has been able to preserve its age-old religious and cultural traditions as well as protect its pristine natural environment. Therefore, Bhutan's development process has been unique as compared to other countries. When we look at the process of development in other countries, we see that as socio-economic development increases, the gap between the rich and the poor also increases. The reason that Bhutan has been able to avoid such a situation has been due to the concentrated efforts of the Royal Government to ensure equitable socio-economic development in the country, keeping the welfare of the common people at heart. The Finance Minister said that under the wise leadership of His Majesty the King, Bhutan has the potential to make even greater progress.

The Finance Minister said that the successful implementation of the 1998-1999 Budget is a matter of much satisfaction. He hoped that the 1999-2000 Budget will also be similarly implemented by all the concerned persons and organizations with renewed efforts and determination. If Government and the people did not give in to laxity but applied even more effort while implementing the year's planned programmes, there is no reason why the objectives of the budget cannot be achieved successfully. Having presented the Budget Report in detail, the Finance Minister expressed his deep appreciation to all the donor countries and the multilateral aid agencies. He also expressed the Royal Government's gratitude to India, Bhutan's closest friend and neighbour and expressed his hope and confidence that they would continue to render their co-operation and assistance in the planned socio-economic development of Bhutan.

Note: The full text of the National Budget for the Financial Year 1998-99 and the report on the 1999-2000 is attached as Annexure B.

After the review of the last fiscal year and the presentation of the present fiscal year starting from July 1999 by the Finance Minister, the Chimis of Trashigang, Trongsa, Trashiyangtse, Samdrupjongkhar, Dagana, Pema Gatshel, Lhuentse, Bumthang, Punakha and Zhemgang Dzongkhags expressed their satisfaction and appreciation for the sound and balanced budget in which our internal revenue could meet our recurrent expenditure. Some of them pointed out that the fact that the country now has a foreign exchange reserve of US\$ 280 million is a testimony of the success of our planned development and sound fiscal policy. They also expressed their appreciation for the adequate budget allocated for the nation as a whole and for the farmers and the private sector, and the continued plan budget for providing free facilities and subsidies for social development. Further, they expressed their special appreciation to His Majesty the King for the talks with the Government of India through which Bhutan could increase the power tariff from Nu.1.00 a unit to Nu.1.50 and for the increase in the salary of civil servants.

Other Chimis expressed the appreciation of the people to His Majesty the King, to the Lhengye Zhungtshog and the Finance Ministry for not only keeping the country out of debt but keeping it in a position to meet its recurrent expenditure from its internal revenue. This was achieved firstly, by following a cautious borrowing policy, and secondly, by successfully servicing our external debt, thus enabling us to further our national goal of self reliance. Still others thanked the Royal Government for increasing the salaries of Gups and Chimis and sanctioning the appointment of clerks for the Gups, on the occasion of the Silver Jubilee of His Majesty the King's enthronement and in recognition of the increasing work of the Gups and Chimis, following His Majesty's policy of devolution of power to the people. As the Royal Government and the people have shown such high trust in the Gups and Chimis and have also increased their salaries, the Gups and the Chimis also pledge to serve the Government and the people to the best of their abilities.

Some of the Chimis submitted that like the river which has its source in the snow-capped mountains but flows into the vast ocean, the frequent increases in the salary of the civil and military services must ultimately add to the income of the general public. They also expressed their appreciation to the Government for the housing programme in Thimphu and Phuentsholing which will go a long way in alleviating the problems faced by civil servants in the lower income group.

The Sarpang Chimi and the Chimi of the Bhutan Chamber of Commerce Industry said that they would like to join the others who expressed their sincere appreciation to the Finance

Minister for his presentation of the national budget. They pointed out that ultimately the socio-economic development of a country must depend on its sovereignty and, therefore, emphasized the need to provide sufficient funds for the nation's security. Priority must be given to strengthening the security of the country and, if required, funds must be diverted from the development sector to meet security needs.

Expressing their sincere appreciation to the Finance Minister, the Chhukha Dzongda and Samtse Dzongda, and a Royal Advisory Councillor submitted that after going through the report on the national budget which was further explained clearly by the Finance Minister and copies of the reports distributed to the members, they found that the budget allocations were well-prepared and well-matched with the need and the capabilities of the different Dzongkhags. They reminded the Assembly that Bhutan was one of the least taxed countries in the world where health and education facilities were given free of cost. For the benefit of the people and to promote their capabilities, trade, agriculture and live-stock were heavily subsidized. As a result, Bhutan's per capita income is already one of the highest in South Asia. The literacy rate has reached 54 percent, and the average life expectancy is now 66 years. However, despite concentrating all our efforts on the rapid and unprecedented socio-economic development of the country, we have not only succeeded in preserving our rich religious and cultural traditions but also maintained our pristine environment, all of which are solely due to the far-sighted leadership of His Majesty the King.

The Speaker said that the past year had achieved much socio-economic development. In addition, His Majesty's recent visit to New Delhi had resulted in a greatly enhanced revenue through the increased power tariff for the benefit of the people of Bhutan. All these are auspicious developments because they have coincided with the celebration of His Majesty the King's 25 years of glorious reign.

The Speaker reminded the members that the fact that we have been able to achieve a high level of economic development, provide *kidu* in the social sector for the benefit of the people, and are able to meet our recurrent expenditure from our own revenue, are all due to His Majesty the King's unparalleled leadership and guidance. On behalf of all the members of the National Assembly, the Speaker expressed his deepest gratitude to His Majesty the King. Thereafter, the National Assembly approved the national budget for the fiscal year 1999-2000.

VI. BHUTAN-CHINA BORDER TALKS

Bhutan-China Border

The representative of the Bhutan Chamber of Commerce and Industry submitted that although border talks between Bhutan and China were being held every year, as it involved important negotiations between two countries, a resolution had not yet been reached. As decided during the 76th Session of the National Assembly that the outcome of the border talks would be reported to the house, he requested the Government for a briefing on the outcome of the recent round of talks.

In response, the Secretary of Survey reported that Bhutan and China had held twelve rounds of border talks since 1984. He pointed out that the Assembly had been briefed on the outcome of each round of negotiations upto the 11th round. In order to ensure easy understanding and recognition of the boundary between the two countries, exhibitions with sand models and maps, showing the topography of the land, rivers, mountains and valleys in the northern border areas had been held for the hon'ble members at the Lungtenphu and Yangchenphu auditoriums. The Secretary also recalled that the disputed areas on the boundary had been shown to the hon'ble members with the aid of maps in the august hall of the National Assembly during its 73rd Session. Although a total of 1,128 square kilometres of disputed area had been identified in the western sector during the initial rounds of the negotiations, it had been gradually reduced to 269 square kilometres. Nevertheless, as the Chinese had started logging activities and road constructions in the disputed areas causing great concern and difficulties to the people in western Bhutan whose livelihoods are dependent on their grazing rights in these areas, the matter was discussed thoroughly during the 74th Session of the National Assembly.

In keeping with the instructions of His Majesty the King and the resolutions of the National Assembly, the Bhutanese delegation, at the 11th round of the talks in Beijing in 1996, had fully conveyed our concerns and difficulties to the Chinese delegation, said the Secretary. At that time, the Chinese delegation proposed that the two countries should sign an interim agreement on friendly relations between the two countries and had even presented a draft of the agreement which they asked the Bhutanese delegation to sign. Since the Bhutanese delegation had no authority from the Royal Government to sign such an agreement, they returned without giving any definite answer. In 1997, a Chinese delegation visited Thimphu and in 1998, the 12th round of border talks was held in Beijing. The Foreign Ministers of the two countries signed the interim agreement on maintaining peace and tranquility along the Sino-Bhutanese border. The

Secretary hoped that the agreement would greatly help Bhutan and China in resolving the boundary issue.

Speaking on the issue, the Foreign Minister said that in the absence of a mutually agreed basis for negotiations, it was important that such an agreement be signed during the talks in Beijing from 7th to 13th December, 1998. As approved by His Majesty the King and the Lhengye Zhungtshog, the agreement was signed on 8th December, 1998 by the Chinese Foreign Minister and himself. He said that the agreement provides for peaceful co-existence between the two countries based on the following five principles which he said would greatly benefit a small country like Bhutan:

1. Mutual respect for each other's sovereignty and territorial integrity;
2. Mutual non-aggression;
3. Non-interference in each other's internal affairs;
4. Equality and mutual benefit; and
5. Peaceful co-existence.

As the discussions were held on the basis of the above five principles, it helped to narrow down the differences. The agreement has laid down the principle, spirit and framework for continuation of the boundary talks until it is concluded to the satisfaction of both the countries. The most important provision of the agreement ensures that peace and tranquillity is maintained along the border until such time as the border question is finally resolved. It was also agreed that both Governments would observe the status quo on the boundary as before March 1959 pending a final settlement.

On His Majesty the King's suggestion, the text of the agreement signed in Beijing by the Foreign Ministers of the two countries in December last year was read out to the house by the National Assembly Secretary.

The Royal Advisory Councillor and the Chimi from Haa submitted that despite several rounds of talks between the two countries, the boundary issue had not yet been resolved. As a result, the people of three of the five geogs of their Dzongkhag, whose livelihood depended on their yak herds remained deeply concerned over their traditional pasture land near the northern borders. They pointed out that an unresolved border also had implications for the whole country. Proper demarcation of its border is as important as economic development for strengthening a country's sovereignty. In this regard, the agreement to observe the status quo of the northern boundary as before March 1959 was very important and beneficial. The people will be greatly

reassured when they learn about the signing of the agreement with China to maintain peace and tranquillity in the northern border, clearly indicating that the boundary negotiations with China are making good progress. They said that the people of Haa will be able to continue grazing their yaks on the pasture land they had always owned.

Nevertheless, they pointed out that even as the owner of a small plot of land should be clear about its boundary to avoid dispute and problems with the neighbours, at the national level, it is vital that the boundary between nations should be clearly demarcated. They urged the Government to ensure a successful conclusion of the boundary negotiations without undue delay.

The Royal Advisory Councillor from Bumthang said that the interim agreement would be very beneficial for ensuring the long-term security and sovereignty of the country. He said that as a Chimi, in the past, he had visited the border areas and had seen Tibetan and Chinese herdsmen living there. On talking with them, he had found out that they were staying there illegally. He said that during the summer months when the herdsmen of Bumthang took their yaks to graze on their pastures, the Tibetans from across the border chased away their herds and kept their own herds in the area.

Likewise, the Chimis of Punakha, Paro, Thimphu and Pemagatshel Dzongkhags submitted that as long as the border issue between Bhutan and China is unresolved, it will continue to be a cause of grave concern for all the people in the country. Some Chimis pointed out that the agreement signed between Bhutan and China, based on the five principles of peaceful co-existence, is beneficial to the country's sovereignty. Others expressed their hopes and prayers that the boundary talks would progress well and that the northern border would be successfully demarcated. Other Chimis pointed out that Bhutan shares its border with China not only in the western sector but also in the north-east. They urged the Government to keep in mind the Assembly's deliberations and conduct future negotiations in accordance with the spirit of the interim agreement signed last December and make every effort to achieve even better results from the talks.

Speaking on the issue, His Majesty the King explained that, as all the hon'ble members were aware, after twelve rounds of talks with China since 1984, the northern boundary had not yet been resolved because there were three areas still under negotiation. The areas under discussion were 89 square kilometres in Doglam, 42 square kilometres in Sinchu Lumba and 138 square kilometres in Shakhatoe, totalling 269 square kilometres. His Majesty recalled that this matter had been discussed thoroughly in the Assembly last year.

His Majesty said that as China is a large and powerful country and Bhutan a small one, it is very important that the boundary negotiations are conducted in an atmosphere of goodwill and friendship. His Majesty expressed the hope that the Chinese Government would consider the matter positively and a fair demarcation of the northern border will be arrived at soon.

In the meantime, there should be no problem along the northern border if both Governments functioned according to the interim agreement signed by the two Foreign Ministers last year. This was very important because, with the problem Bhutan was facing along its southern border, if problems were to also arise along the northern boundary, it would pose a grave danger for the security and well-being of the country.

The National Assembly expressed its satisfaction that the Bhutanese delegation to the border talks had kept the concerns of the people in mind while negotiating the border issue and that, even though China was a large and powerful country while Bhutan was a small nation, an interim agreement for maintaining peace and tranquillity along the northern boundary had been signed with the Chinese Government in December 1998. The National Assembly recorded its gratitude and appreciation to His Majesty the King and the Royal Government and called for the border talks to be conducted in keeping with the wishes of the people and the spirit of the interim agreement, with every effort made to successfully conclude the boundary negotiations as early as possible.

VII. ISSUES RELATED TO DEVELOPMENT PROGRAMMES

1. JIGMELING BRIDGE AT BHUR

The people of Sarpang Dzongkhag expressed their deep appreciation to the Royal Government for the construction of the new Jigmeling Bridge at Bhur. It was inaugurated coinciding with the celebration of 25 years of His Majesty the King's glorious enthronement to the Golden Throne. They submitted that this bridge is not only of great convenience to the people but will also facilitate development activities in Sarpang Dzongkhag. Further, it is of immense benefit to all the people of the country as it is on the national highway.

Similarly, the Zhemgang Chimi said that the Jigmeling Bridge has not only benefited the people of Sarpang but also made it much more convenient for the people of the eastern Dzongkhags to commute. The people of eastern Dzongkhags travelling between Samdrup

Jongkhar and Phuentsholing through Assam face a lot of inconvenience due to the ULFA and Bodo problem. Since travelling through the northern national highway is difficult during the winter due to snowfall, the Jigmeling Zam provides an alternative route to choose from the three national highways, depending on their convenience. The Chimi, therefore, expressed the gratitude of the people of the eastern Dzongkhags. The deliberations on this agenda was concluded thereafter.

2. NEW DRATSHANGS AT GASA AND SEMTOKHA

The people of the four geogs of Gasa Dzongkhag expressed their heartfelt gratitude to His Majesty the King for most graciously approving their appeal made during the 8th Five-Year Plan meeting to establish a new Rabdey in their Dzongkhag. A Rabdey headed by a Lam Neten with 55 monks has now been established. They submitted that the establishment of the Rabdey in Gasa Dzong will not only greatly benefit the people of Gasa Dzongkhag but that the annual Kurims being performed will also benefit the whole country.

Similarly, the people of Thimphu Dzongkhag expressed their gratitude for the establishment of a new Dratshang in Semtokha Dzong. Among the many Dzongs built by Zhabdrung Ngawang Namgyal, the Semtokha Dzong is the first historical Dzong to be built in 1629. It is said that when the Dzong was consecrated by the Fourth Desi, Tenzin Rabgye, Duetsi (amrita) had dripped from the carved slate images around the central tower. A similar event was also experienced in 1998 when people saw Duetsi dripping from the carved slate images during His Majesty's visit to the Dzong while the 'Gempoi Tongtshog' ceremony was being performed there. The establishment of the new Dratshang has provided opportunity for children who could not be admitted in schools to pursue their education. It has also benefited the people living in the vicinity in the performance of their religious rites and other ceremonies. Besides, the establishment of the Dratshang has also helped in the maintenance of the Dzong which was built around 370 years ago.

The Chimi of Trashi Yangtse said that despite its remote location, His Majesty the King had upgraded it from a Dungkhag to a Dzongkhag, out of his love and concern for the well-being of the people. Since then, there has been a lot of socio-economic development in the Dzongkhag. Although Trashi Yangtse Dzongkhag has many important sacred places blessed by Guru Rimpoche, it had only Lhakhangs and Goendeys and no Dratshang. However, a new Dratshang in the Dzongkhag has been established this year after repeated requests by the people in the National Assembly. This new Dratshang greatly benefits the people of the Dzongkhag in the performance of all religious ceremonies and in conducting the annual Tshechu at Chhoetenkora

and Gomkora. For all these benefits, they would like to submit their deepest gratitude to His Majesty the King and the Royal Government.

The Home Minister informed the members that under the benevolent reign of His Majesty the King, the country has witnessed unprecedented socio-economic development and the people live in peace and happiness. Trashy Yangtse and Gasa had been established as new Dzongkhags in the recent years as commanded by His Majesty. Dzongdas supported by adequate staff had been posted. A new Dzong had been built in Trashy Yangtse. Township areas had been established and guest houses built in the two Dzongkhags. These initiatives have greatly benefited the people through enhanced socio-economic development. As requested by the people during the 8th Five Year Plan meetings, His Majesty has established a Rabdey each in Trashy Yangtse and Gasa Dzongkhags. His Holiness the Je Khenpo had also toured the eastern Dzongkhags to look for appropriate sites for the establishment of new Dratshangs.

Similarly, this year a new Dratshang had been established in Semtokha Dzong headed by a Lam Neten along with seven Lopens and 200 monks. The Home Minister said that for establishing new Dratshangs and Rabdeys, and for providing food allowances and living facilities for the Lam, Lopens and the monks as well as for renovating old Dzongs, the Government has to incur heavy expenditure. However, in the one year of the Silver Jubilee of His Majesty's Golden enthronement alone, three new Dratshangs were established and numerous new Lhakhangs and Goendeys were constructed. These would greatly facilitate in further promoting the teachings of the Dharma.

The Trashigang Chimi also expressed deep appreciation and gratitude, on behalf of the people of his Dzongkhag, to His Majesty the King for establishing new Rabdeys and Dratshangs in the three Dzongkhags for the purpose of promoting the Dharma in general and for ensuring peace and harmony in the country in particular. The discussions on the agenda item was then concluded.

3. REQUEST FOR A MOTORABLE BRIDGE

The people of Punakha Dzongkhag requested for the construction of a motorable bridge between Gumkarm and Langjam Tsho at an appropriate site. They pointed out that the bridge would immensely benefit the people of the geogs living on the other side of the river by linking them with the newly established Khuruthang township. Besides, the bridge will promote the socio-economic development of the area and the business activities in the newly established town. Furthermore, the detour which the people have to make by travelling via Wangdue Phodrang will

no longer be necessary, and the travel time between the two sides of the river will be reduced from a few hours to several minutes only.

The Chimi of the Bhutan Chamber of Commerce and Industry pointed out that the Royal Government had to spend a lot of money moving the township from Punakha to Khuruthang according to the urban development policy. However, most of the consumers live on the other side of the river. In order to promote the business activities of the people, there is an urgent need for a bridge to facilitate transport and communication between the people on either sides of the river. He, therefore, supported the submission of the people of Punakha that the bridge will greatly benefit the people and the business community if it could be constructed, even though it is not projected in the Plan activities.

Similarly, the Punakha Dzongda pointed out that out of nine geogs in the Dzongkhag, the people of five geogs are located on one side while the Dzong, township and other development activities are on the other side of the river. The absence of a motorable bridge is causing a lot of difficulties. He pointed out that if a serious patient could not be carried across the suspension bridge, he has to be brought to the hospital all the way from Wangdue Phodrang . This takes more than an hour to cover the distance, whereas it would take just eleven minutes if there was a motorable bridge. Similarly, students from the region between Gumkarm and Langjam Tsho have to walk more than eight kilometres daily to reach the Logodama and Khuruthang schools. The villages in the five geogs on the other side of the river face problems in transporting their agricultural produce to the market. He also informed the members that since the Government has made Kuruthang a model town, businessmen have taken loans and completed the construction of their shops. The Dzongkhag Yargye Tshogchung has already resolved that all the shops located near the Dzong must be shifted to Kuruthang township with effect from the 1st July 1999 and an office order to that effect had already been issued. Since the people of the five geogs on the other side of the river have to come to Khuruthang to do business, the business there will not prosper in the absence of a bridge and there is every possibility that in the end, the shops built with loans from the financial institutions will be seized by them as the shopkeepers would not be able to repay their loans. As a result, the Khuruthang township will not become a model town. He submitted that the people would be very grateful if a motorable bridge is constructed as submitted by the Punakha Chimi, considering the welfare of the people and the business community.

The Secretary of Roads informed the Assembly that the issue of constructing a motorable bridge at Khuruthang had been deliberated at great length during the 75th Session of the National Assembly. Owing to various reasons, it was resolved that the construction of a motorable bridge

was not feasible. However, as the people made repeated submissions during the Eighth Five Year Plan meeting in the Dzongkhag, His Majesty the King had commanded the Roads Division to conduct a survey to assess its feasibility. Accordingly, feasibility surveys were carried out in three different areas. It was found that the ravine below Khuruthang was quite stable. He pointed out that a bridge across the river would have to be 400 feet long which would cost the Royal Government more than Nu. 40 million. While there is a genuine need to construct the bridge considering its benefit to the people, he informed the members that a construction of a 135 metres long bridge at Wangdue Phodrang which would cost Nu. 86 million is already projected in the 8th Five Year Plan. In addition, there already exists a suspension bridge at Punakha within a distance of 13 km from Wangdue Phodrang as well as the existing motorable bridge at Wangdue Phodrang. If a motorable bridge were to be constructed at Khuruthang, there would be three bridges within a short distance of 13 km only which is not justifiable. He reminded the members that in 1995, the Roads Division had bought and supplied materials worth Nu. 2.6 million for the construction of a suspension bridge at Khuruthang. Therefore, if this suspension bridge were to be constructed at Khuruthang, it would greatly benefit the people on the other side of the river as well as the Khuruthang township.

The Punakha Chimi submitted that the source of Kidu for the people is the Royal Government, and as such, they had to resubmit the request for a motorable bridge at Khuruthang. He said that the Government should not think only of the distance of 13 km between Wangdue Phodrang and Punakha but should consider the needs of the people living on the other side of the river who have to travel via Wangdue Phodrang. Even if a big bridge cannot be constructed, the construction of a motorable bridge at Khuruthang with materials collected from old bridges within the country will greatly benefit the people. He said that doubts were raised as to whether the Ministry of Trade and Industry was displeased with the business community of Punakha for shifting the erstwhile convenient location of the town at Punakha to a difficult area like Khuruthang. As there is no bridge at the present location, it is not only difficult for people to commute but there is every possibility that business will also fail. Therefore, the people would be very grateful if the National Assembly were to resolve that a motorable bridge would be constructed in the future when the Government is in a financial position to do so.

Supporting the Punakha Chimi, a Royal Advisory Councillor and the Chimis of Bumthang and Haa Dzongkhags pointed out that the bridge was not for the benefit of one or two households but for the entire community of five geogs. Besides, it would also solve the difficulties faced by the business community of Khuruthang. They would therefore, like to

support the submissions of the Punakha Chimi that a provision be kept in the future for the construction of a motorable bridge whenever the Royal Government is able to finance it.

The Deputy Minister for the Ministry of Communication submitted that the major difficulties of the people of the five geogs on the other side of the river could be solved if a suspension bridge were constructed as planned by the government. The Deputy Minister expressed his opinion that if a suspension bridge fails to solve the problem, it can be projected in the programmes of the 9th Five-Year Plan after thorough discussions.

The Minister for Trade and Industry clarified that the main responsibility of the Ministry is to develop trade and industry and to promote private sector according to the Government policies. He said that, as all the members of the Assembly were aware, there is neither the reason nor a Government policy to put the people and the business community in difficulty and there is, therefore, no reason to be displeased with the business community of Punakha. The shifting of townships of the different Dzongkhags was decided in the meetings between the concerned departments of the Government and the Dzongkhag Yargye Tshogchhungs of the Dzongkhags. There has never been any direct participation by the Ministry of Trade and Industry in such meetings. Thus, the decision to shift the town to Khuruthang was taken between the relevant Government departments and the people of Punakha through mutual discussion. The Minister also informed the members that when the issue of shifting of the town was discussed during His Majesty's visit to Punakha, the members of the Dzongkhag Yargye Tshogchhungs had requested, one after another, that the town should be moved to Khuruthang and accordingly, the decision was taken at that time. As for the construction of a motorable bridge at Khuruthang, the Minister said that the Ministry of Trade and Industry is fully aware of the importance and the benefit to the people and that the Ministry is in constant touch with the concerned departments on the subject. However, as informed by the Secretary of Roads, the construction of a big bridge on the Wangdue river has not only been projected in the current Plan but all the activities of the Plan period have been decided and the budget earmarked accordingly. Therefore, for the time being, it would not be possible to take up the construction of a bridge at Khuruthang.

The Punakha Chimi submitted that much like the saying that "as the water in a channel can dry up, so can the teachings of a Lama be erroneous", he had also erroneously made unjustified references to the Ministry of Trade and Industry. He, therefore, offered his apologies for it. He expressed his gratitude to the Ministry of Trade and Industry for being fully aware of the benefit of the bridge to the people and for consulting with the concerned departments. He said that it would fulfill the wishes of the people if the National Assembly were to resolve that the construction of a motorable bridge at Khuruthang would be considered in the 9th Five Year Plan

as suggested by the Deputy Minister of Communications, and not decide to reject the submission totally.

The Minister for Finance informed the Assembly that, as explained by the Minister for Trade and Industry, the Punakha township was shifted to Khuruthang according to the wishes and the desire of the people. Although, all the Assembly members agree that the Khuruthang bridge will greatly benefit the people of Punakha, there are five bridges to be constructed along the national highways in the 8th Five Year Plan, for which the resources have not yet been fully finalized. Even if one or two of these planned bridges are left out, it would create great difficulties for the movement of goods and people through the length and breadth of our country. The Minister, therefore, said that the construction of a motorable bridge at Khuruthang should be considered by the Government at a later stage when funds are more readily available.

The National Assembly noted that the construction of a motorable bridge over Puna Tsangchhu at Khuruthang was deliberated at great length during the 75th Session of the National Assembly and that it had decided that it was not feasible to construct the bridge. However, due to the genuine difficulties faced by the people of Punakha and the business community of Khuruthang town, the request for a motorable bridge at Khuruthang had been re-submitted to the National Assembly. In view of the fact that it is not been projected in 8th Five Year Plan and that the resources for the new bridges along the national highway which are already in the Plan are also not yet finalized, the National Assembly resolved that the bridge at Khuruthang will be considered at a later stage when the Government is in a better financial position.

4. THE GYELPOZHING-NGANGLAM MOTOR ROAD

The Mongar Chimi expressed her gratitude for the deliberation on the construction of a motor road from Gyelpozhing to Nganglam during the 76th Session of the National Assembly. She said that the road would not only alleviate the difficulties faced by the people of Mongar, Lhuentse and Pemagatshel Dzongkhags but would also greatly facilitate the erection of the transmission lines for the Kurichhu Hydel Project and, later, in the maintenance of the Project. She, therefore, submitted that the people would be grateful if the construction of the road could be started during the year 1999-2000 even if it were only for a distance of 10-15 kilometres.

In support, the Chimis of Samdrup Jongkhar and Trashy Yangtse Dzongkhags pointed out that since Nganglam is located in an isolated region, the construction of the road from Gyelpozhing to Nganglam would contribute to the socio-economic development of the area. It would also boost the overall national development with particular benefits to the people of the

five eastern Dzongkhags. They requested the Assembly to approve the construction of the road as it would also have a positive impact on the Kurichu Hydel Project and the Dungsam Cement Project.

In response, the Secretary for Roads said that the Gyelpozhing-Nganglam road would certainly benefit the five eastern Dzongkhags. Following extended discussions on the subject during the 76th Session of the National Assembly, the Roads Division conducted a feasibility survey and found out that the length of the road would be about 68 kilometres. In addition, a 100 metre bridge over Sorphu Rongchu, a 50 metre bridge over Dangmechu and another 50 metre bridge over the Kurichu would have to be built. While the Gyelpozhing-Nganglam road would undoubtedly benefit the people of the region, the construction of the 68 kilometre road and three bridges would require a huge expenditure of about Nu. 756.7 million.

The construction of the Gyelpozhing-Nganglam road had not been included in the Eighth Five-Year Plan where there is a provision for the construction of 260 kilometres of new roads and repair and maintenance of 190 kilometres of existing roads with a total budget allocation of Nu.1,149.7 million. Therefore, the Gyelpozhing-Nganglam road can only be considered if additional foreign aid were forthcoming.

The Minister for Health and Education pointed out that realizing the benefits of the construction of the Gyelpozhing-Nganglam road, the people of the eastern Dzongkhags had raised the issue in the previous session of the Assembly and it has again been submitted for discussion in the current session as well. He informed the members that he had walked from Gyelpozhing to Pemagatshel, Yangbari to Dagsa and to Lingmithang on a tour to assess the impact of the health and education related programmes. He agreed with the people that the road would greatly ease their difficulties and that it would especially benefit the people of Zhemgang Dzongkhag. While he was fully aware of the heavy expenditure that the Government would have to incur, he said that if the Assembly were to approve the construction of even 10-15 kilometres of the road now, one day the entire stretch of the Gyelpozhing-Nganglam road would become a reality.

A Royal Advisory Councillor and the Bumthang Chimi expressed their gratitude to the Government for its continued support to the people of Mongar. They pointed out that if the Gyelpozhing-Nganglam road was constructed, the cement requirement for the Kurichu Project can be supplied from the Dungsam Cement Project, and the power requirement of this Project can be met from the Kurichu Project. Moreover, all the materials and equipment required for the two

projects can be easily transported on this road which would be much shorter than the present route.

They said that this road would be necessary for many people in the Dzongkhag to avail the services of the Mongar Referral Hospital. Beside benefiting the people of the five eastern Dzongkhags, the road would also enable the people of Zhemgang and Bumthang Dzongkhags to market their produce. Therefore, the Gyelpozhing-Nganglam road which would benefit both the people and the Government must be built at the earliest. They added that even if the road cannot be constructed at one go due to budgetary constraints, a yearly construction of at least 10-15 kilometres can be initiated which will fulfill the wishes of the people. On behalf of the people of the five eastern Dzongkhags, they thanked the Minister for Health and Education for his extensive tour in the area and for his continued support for their requests in the National Assembly.

The Trashigang Dzongda submitted that he had toured Mongar, Yangmari and Nganglam on six different occasions and was, therefore, fully conversant with the problems of the people in these areas. Since there is not even a feeder road in all these areas, the people have to travel for five to six days on foot to reach the Dzongkhag headquarters. Therefore, he suggested re-allocating and sharing the budget allocated for the construction and maintenance of feeder roads in other Dzongkhags, if separate funds for the construction of this road cannot be allocated. The problems of those people who have to travel on foot, carrying heavy loads for five to six days, would be greatly alleviated. He pointed out that due to security threats in Nganglam the construction of the road could begin from Gyelpozhing. Even if five to six kilometres of road were constructed every year, it would still be of great benefit to the people. Therefore, he fully supported the request by the people of Mongar to start the construction of the Gyelpozhing-Nganglam road.

His Majesty the King reminded the members that although the issue of constructing the Gyelpozhing-Nganglam road had been raised during the 8th Plan Meeting in Mongar in 1997, the decision had been deferred due to the security threats posed by the presence of armed militants from Assam in the areas through which the road had to be constructed. Although the Secretary of Roads has submitted that the estimated length of the road is 68 kilometres, when the work starts, it will be much longer. Apart from having to construct three big bridges over the Kurichu, Dangmechu and the Sorphu Rongchu, bridges will also have to be constructed over all the smaller rivers and streams in the area. His Majesty informed the members that in 1997 when estimates for Gyelpozhing-Nganglam road were prepared for construction of new bridges alone, the cost came

to over Nu. 438 million. Today, the cost is estimated to have increased by more than Nu.100 million. As submitted by the people's representatives, if the road can be constructed, it would facilitate better communications and promote commercial activities for the people of Mongar, Kurtoe, Pemagatshel, Zhemgang, Bumthang, Trongsa, Trashigang and Samdrup Jongkhar, including the establishment of commercially viable industries. While the Government had allocated Nu. 1,149. million for the construction of new roads besides maintenance in the 8th Plan, it is important for the Assembly members to consider whether external assistance will be forthcoming, sufficient internal revenue can be generated and the Ministry of Finance is financially comfortable. Furthermore, since this road has to exit from Nganglam and pass through areas populated by the Bodos before reaching the highway in Assam, it is necessary to keep in mind the security threat posed to Bhutanese people and goods passing through this road.

The Finance Minister informed the members that foreign assistance for road construction is normally available only for materials and equipment and that it is very difficult to get financial aid. The government, therefore, has to set aside a considerable portion of the budget for road construction which limits other new capital investments. He said that donors are reluctant to fund such infrastructure activities with grants and the Government has to resort to obtaining loans. For example, the current maintenance of the Thimphu-Trashigang highway is funded with loan taken from the Asian Development Bank. Other roads in the country are also being constructed with loans. Although, there is no doubt that the construction of the Gyelpozhing-Nanglam road would greatly benefit the people, it would not be easy to build it if the situation in the aligned areas is not conducive for it. The Minister said that while all the members agree on the benefits that the Gyelpozhing-Nanglam road will have for the people, it would be better to start the work later after the security in the area has improved. Then, external loans could be sought if the expenditure cannot be met from internal revenues.

The Minister for Trade and Industry informed the members that it is planned that once the Kurichu Hydropower Project is completed, power would be transmitted to the Dungsam Cement Project through Nganglam and exported to India through Gelephu. For that purpose, transmission lines of 32 kilometres from Gyelpozhing to Pemagatshel and 35 kilometres from Pemagatshel to Nganglam, a total of 67 kilometres from Gyelpozhing to Nganglam has to be erected. For that purpose, a road of 67 kilometres was also to be constructed by the Kurichu Project. However, as the costs have increased tremendously, the Government of India has not agreed to the construction of the Gyelpozhing-Nanglam road. Although the absence of the road is causing difficulties, the erection of transmission lines is something that has to be done, and

hence, it has been decided to award the contract for the erection of the transmission lines to an Indian contractor at a cost of Nu.120 million.

The Thimphu Dzongda added that the construction of the Gyelpozhing-Nganglam road would not only benefit the people of the five eastern Dzongkhags but also the whole country. Therefore, the issue had been discussed in the 76th Session of the National Assembly and also in the current session. His Majesty the King and all the members agree that the road would bring immense benefits. Although, the road would greatly benefit both the Kurichu and the Dungsam projects, the cost of its construction should be borne by the Kurichhu Project. Now, as the cost of the construction cannot be met by the Kurichhu Project due to budget constraints, it is considering the use of helicopters for the erection of the transmission cables. The cost in this case would also be very high. The Gyelpozhing-Nganglam road would be shorter by some 90 km compared to the present overall distance from Gyelpozhing to Samdrup Jongkhar. Although building the road would require heavy expenditure for the present, it will accrue tremendous benefits to the people and the Government in future. Moreover, there are only three major roads which serve as main trading road links for the country. As suggested by some of the members earlier, the Dzongda submitted that the construction of the road should begin from Gyelpozhing. He urged for a plan to begin constructing about 10 km of the road every year.

His Majesty the King agreed that, as submitted by the Assembly members, the Gyelpozhing-Nganglam road should be constructed at the rate of 10 to 20 kilometres every year from Gyelpozhing despite the budgetary and security constraints. However, the security concerns were a bigger problem than the financial constraints. All those working on the construction of the road would face serious risks to their lives and it will be necessary to station security personnel at the construction sites and bridges. This would entail much difficulties and problems for both the people and the government. His Majesty pointed out that the exit for the Gyelpozhing-Nganglam road from Nganglam to the Assam highway has to pass through the middle of ULFA and Bodo populated areas, posing serious security problems for Bhutanese vehicles and people using the road. Nevertheless, as submitted by the members, the only highways in the country which provide an outside link are the Thimphu-Phuenthsoling highway in the west, the Trashigang-Samdrup Jongkhar highway in the east and the Trongsa-Gelephu highway in the centre. Bhutanese people have to travel through Assam very often but when problems arise in the state of Assam, the people in the eastern Dzongkhags face a lot of difficulties because there are no roads which can be used between Kalikhola and Daifam. If there was a road from Gyelpozhing to Nganglam, it would help to ease the difficulties faced by the people. Therefore, as requested by the people, it should be decided that the construction of the new motor road from Gyelpozhing to

Nganglam should be started from Gyelpozhing. The length of the road to be constructed every year, the mobilization of funds and other details should be left upto the Lhengye Zhungtshog to decide.

The National Assembly resolved that, as commanded by His Majesty the King, the construction of the Gyelpozhing-Nganglam road will begin from Gyelpozhing and that the Lhengye Zhungtshog will decide on the mobilization of funds and other requirements, and that the construction of the new road will be started in the Eighth Five Year Plan itself.

VIII. ISSUE OF RESETTLEMENT PROGRAMME REQUEST FOR RESETTLEMENT

The Chimis of Dagana, Samdrup Jongkhar, Samtse, Sarpang, Haa, Trashigang and Zhemgang Dzongkhags submitted that the resettlement programme, which His Majesty the King had started out of concern for the welfare of the landless people, had not only improved the livelihood of the people, but also contributed to promoting closer co-operation and understanding among the Bhutanese people and strengthening the social bonds and culture of the country. Above all, the programme had helped strengthen the security of the villages, reduced the destruction of crops by wild animals and contributed to the success of development activities, leading to well-integrated Bhutanese communities. The Chimis submitted that the resettlement programme must be continued for the welfare of the poorer sections of the society. Some Chimis requested that landless people should be settled in suitable places near their Dzongkhags and not in distant areas. Others submitted that, as far as possible, landless people and those who are solely dependent on *tseri* (shifting cultivation) must be resettled on a larger scale.

A Royal Advisory Councillor and the Samdrup Jongkhar Dzongda said that the Royal Advisory Councillors had visited the resettlement areas in the course of their tours of the various Dzongkhags, on the command of His Majesty the King, to assess the welfare of the people. The Councillors had found that, in accordance with His Majesty the King's instructions, landless people and those dependent on *tseri* had been resettled on fertile lands available and they were enjoying the benefits of social services in equal measure with the rest of the people in the respective Dzongkhags. The people who had been resettled, therefore, expressed their sincere gratitude to His Majesty the King. The people requested for the resettlement programme to be taken up extensively as it would greatly benefit the landless people and particularly those dependent on *tseri* cultivation for their livelihood. This would not only help protect the natural

environment but even more important, it would help in safeguarding and strengthening the national security.

The Secretary for Survey informed the members that, as 85 percent of our people depend on agriculture for their livelihood, His Majesty the King had always advocated equitable development of the people. Since 1974, a total of 15,125 families had been resettled. Therefore, resettlement was not a new issue discussed in the National Assembly. He informed the members that in 1997, 1,500 families had applied for resettlement and, after a thorough investigation of their cases, 750 families were resettled. Last year, 1,500 applications were received, out of which 1,159 families were resettled.

The Secretary noted that as there were a large number of people who were landless or dependent on *Tseri* cultivation, the resettlement programme had been discussed in the National Assembly since the 72nd Session. A Resettlement Committee headed by the Home Minister had been appointed by His Majesty the King in 1997 to identify families which needed to be resettled. The applications for land *kidu* and resettlement are thoroughly investigated to include only those (i) who are landless, (ii) who do not have enough land to subsist on and (iii) those who depend solely on *tseri* for their livelihood. The Committee, in cooperation with the Dzongkhags, is working continuously to resettle the people as per their wishes, he said.

The Deputy Minister for Environment reminded the house that, to preserve our natural environment, His Majesty the King had established an environment committee in 1992 which was later upgraded to the National Environment Commission. The head of the Commission and the staff were granted an audience by His Majesty the King during which one of His Majesty's most important commands was that the environment should be protected against damages caused by *tseri* cultivation. This year, due to various factors, many places suffered forest fires causing unprecedented accumulation of smog in the air. In the process, many trees had been destroyed. A preliminary estimate by the Division of Forest assessed the minimum damage to forests at Nu.140 million. However, if a thorough estimate were done, the damage would be found to be much greater. In any case, the loss incurred to the nation's environment was extremely high.

The Deputy Minister said that, although the main reason for the resettlement programme is for the *kidu* of landless people, it should be kept in mind that amongst others, one of the important benefits of the programme will accrue from the resettlement of people who are dependent solely on *tseri* cultivation as this would greatly contribute to the preservation and protection of Bhutan's pristine natural environment.

The National Assembly noted that, as submitted by the Secretary for Survey, the resettlement programme is not a new issue but had been discussed many times in the National Assembly. Resettlement programmes had been started since many years back as commanded by His Majesty the King and they continue to be implemented today in accordance with the resolutions of the National Assembly. The reason for the repeated submissions by the people for resettlement is because resettlement programmes have benefited them greatly. The National Assembly decided that the request of the people for resettlement should be dealt in accordance with the resolutions of the previous sessions of the Assembly.

IX. MISCELLANEOUS ISSUES

1. TENURE OF GUPS AND CHIMIS

As the 76th Session of the National Assembly had resolved that the issue of whether to extend the tenure of Gups and Chimis should be discussed with the public, the following views of the people of the different Dzongkhags were submitted by the Chimis to the 77th Session of the National Assembly:

The public of the eight Dzongkhags of Haa, Lhuentse, Wangdue Phodrang, Gasa, Mongar, Tsirang, Thimphu and Chhukha submitted that the existing three-year term for Gups and Chimis, as specified in the Chathrim of Gups and Chimis, is too short. The first year is usually taken up on familiarization and understanding of the roles, responsibilities and procedures of the different Government agencies. By the second and the third year, when they have gained enough experience and exposure, it is time for them to step down from their posts. As such, they are unable to render any meaningful service to the public or the government. Therefore, the people feel that the term should be increased to five years. This would not only ensure that the training, seminars and workshops conducted by the Government agencies for the Gups and Chimis would be gainfully utilized but the Gups and Chimis will also be in a better position to carry out the development programmes successfully in accordance with the decentralization policy. Therefore, they submitted that the tenure of Gups and Chimis should be increased from three to five years so that they would be better able to serve the people and the government.

On the other hand, the public of the eleven Dzongkhags of Bumthang, Samtse, Punakha, Samdrup Jongkhar, Sarpang, Dagana, Zhemgang, Pema Gatshel, Trashigang, Paro and Trashigang Yangtse submitted that the tenure of Gups and Chimis depend on the performance of the Gups and Chimis themselves. If they are capable and render effective services to the people and the

government, the person is re-elected even after the completion of the three-year term. Depending on their capabilities, some Gups and Chimis have served for six to nine years while others have not been able to complete even the initial three year term. A shorter term also ensures that other prospective candidates have the opportunity to be elected as Gups and Chimis thereby increasing the number of people who are familiar with the needs of the people and Government policies. With these justifications, they submitted that there is no need to amend the existing rules and regulations in the Chathrim of Gups and Chimis.

The Trongsa Chimi said that the people of the five geogs of Trongsa Dzongkhag had no strong views on the issue and would be happy to go along with the decision of the majority of the Dzongkhags.

The National Assembly noted that the agenda item for the extension of the tenure of the Gups and Chimis was submitted to the 76th Session of the National Assembly by the people of Chang geog. In accordance with His Majesty the King's command and as resolved by the National Assembly, the Chimis were to discuss the matter thoroughly with the public at the Geog Yargye Tshogchhungs and Dzongkhag Yargye Tshogchhungs. The views of the people of all the twenty Dzongkhags were then to be submitted for deliberation in the 77th Session of the National Assembly. Accordingly, in the submission at the present session by all the twenty Dzongkhags, eight Dzongkhags supported the proposal to increase the tenure of Gups and Chimis from three to five years while eleven Dzongkhags felt that it was not necessary to do so. Trongsa Dzongkhag endorsed the decision of the majority, thereby, increasing the number of those Dzongkhags against the extension of the tenure to twelve. Therefore, the National Assembly resolved that the provision in the existing Chathrim for Gups and Chimis is adequate and that there is no need for it to be amended.

2. AN OFFICE AND AN ASSISTANT TO THE GUP

The public of Dagala and Mewang geogs under Thimphu Dzongkhag submitted that with the increase in development programmes, the workload and responsibilities of the Gups have also been increasing every year. To overcome the problem of an office for the Gups, they requested the Government to provide the necessary materials for its construction. In this connection, they thanked the Royal Government for approving the appointment of an assistant to the Gup with a monthly salary of Nu. 1,500 with effect from 1st July 1999.

The Home Minister informed the house that there had been a tradition in the past of appointing an assistant to the Gup. However, it was discontinued for some time and the

entitlements of the assistant were merged with the salary of the Gup. He added that in the last few years, the people have been reporting to the National Assembly that they were facing inconveniences without an assistant to the Gup. The 73rd and 74th Sessions of the National Assembly had directed the Ministry of Home Affairs to investigate and study the problem. The Minister said the study revealed that when the Gup was on tour, there was no one in the office to attend to the public on urgent and important matters. Furthermore, with the decentralization of power to the Geog Yargye Tshogchhungs by His Majesty the King for execution of all development activities, the workload for the Gups had increased manifold. In light of this, it was felt imperative to appoint an assistant to the Gup to help him in his office work. Accordingly, His Majesty the King had very graciously approved the appointment of an assistant with a monthly salary of Nu.1,500 with effect from 1st July 1999.

The Home Minister reported that the assistant to the Gup shall be appointed by the concerned Geog Yargye Tshogchhungs. He shall be selected from amongst those who are capable and can read and write. He should be a person with high integrity and be of help to both the Gup and the public. If the public so desires and wishes to elect him as a Gup or Chimi in the future, he should be competent enough to shoulder the responsibilities. However, the Secretary of the Geog Yargye Tshogchung shall continue to be the headmaster of the local school.

On the establishment of the Gup's office, the Minister reported that when the Home Ministry worked out an estimate for the 202 geogs in the country, the financial implication including stationery and residence for the Gup and his assistant was found to be extremely high. Moreover, after the three year tenure of the old Gup, if the newly elected Gup has to travel for two or three days across mountaineous and difficult terrain to reach the geog centre or the Gup's office, it would create a lot of inconveniences for the Gup. As such, the establishment of the Gup's office was found to be not feasible. The Home Minister submitted that the present system of having the Gup's office in the house of the Gup or in any vacant Government building is much more practical. The National Assembly, therefore, resolved that a separate office for the Gup is not warranted and the current practice should be continued.

3. PROMOTION OF THE NATIONAL LANGUAGE

The Lhuentse Chimi submitted that although His Majesty the King had commanded a long time back that our national language Dzongkha should be promoted, most ministries continue to use English for official correspondences, to record minutes of meetings and in drawing up Chathrim. Most people also use English to communicate with their friends and

family members. While recognizing the importance of the English language, the Chimi felt that the letters sent to the Gups and Chimis in English were inappropriate. Moreover, our younger generation, especially those who live in the towns, do not use Dzongkha and as such, there is the danger that gradually they would lose touch with their national language. Therefore, he requested that the national language should be further developed and widely promoted.

The Chimi of the Bhutan Chamber of Commerce and Industries pointed out that since our culture, language and dress were all symbols of our sovereignty and independence, it is important that they be preserved, promoted and treasured like our own lives. In keeping with the government's policy of promoting Dzongkha, all schools in the Kingdom have been provided with adequate Dzongkha teachers. The Dzongkhag Development Commission has also taken many initiatives to promote Dzongkha and has issued regular directives and circulars to all the people to promote our national language. In the past, written Dzongkha was not extensively used because the literacy level was low and there were few people who could read and write Dzongkha. Now, because of His Majesty the King's farsighted vision in actively promoting Dzongkha in the schools, the national language is beginning to flourish. The tree planted by His Majesty is beginning to bear fruit. In a few years from now, the fruit will not only be sufficient for ourselves but will also be adequate for sale to others. Beginning this year, all vehicle license plates are being written in both Dzongkha and English, and vehicles owners are actively implementing the notification. He requested that if all the Government Ministries and Divisions were to use Dzongkha in their official correspondences, it would facilitate communication. He expressed appreciation and satisfaction with the concerted efforts being made by the Government in promoting the national language.

The Minister for Health and Education, in his capacity as the Chairman of the Dzongkha Development Commission, expressed his appreciation to the public of Lhuentse Dzongkhag for bringing the issue of developing and promoting Dzongkha for deliberation in the National Assembly. Since this is an issue of national importance, he said that he wanted to thank the people and the Chimi of Lhuentse Dzongkhag for it.

In our land of the Palden Drukpa, the spiritual and cultural legacy of Zhabdrung Ngawang Namgyal has not only remained undiminished but also has spread to all the corners of the country. In fact, the Palden Drukpa identity has grown from strength to strength. The Minister reported that His Majesty the King has repeatedly commanded and also issued a special *Kasho* that the national language, Dzongkha must be promoted by the Government and all the Dzongkhags. As the Royal Command is "heavier than the mountains and more precious than gold", the command has been implemented satisfactorily. The Minister informed the National Assembly that with the devolution of the authority of governance, the Lhengye Zhungtshog, has

decided to strengthen the Dzongkha Development Commission. Moreover, since all Ministers are members of the Dzongkha Development Commission, they have stressed the importance of the usage of Dzongkha. Accordingly, several activities are being carried out.

The Minister said that although spoken Dzongkha has existed over a thousand years, written Dzongkha was initiated only in 1971. Until then, *Choekey* was used for written communication. Despite the difficulties in changing written communication from *Choekey* to Dzongkha, the Dzongkha Development Commission and other civil servants have been striving hard to develop and promote written Dzongkha, in keeping with the command of His Majesty the King.

As an example of the importance accorded to the promotion of Dzongkha, the Minister said that legal Acts and documents are being written in Dzongkha. In the present session of the Assembly, nine Chathrimis have been submitted for consideration which are all in Dzongkha and not in English. Recognizing the importance of Dzongkha, the Lhengye Zhungtshog considers Chathrimis only in the Dzongkha and not in other languages. Likewise, Dzongkha is widely used in the judicial system. The National Assembly also attaches great importance to Dzongkha. Beside the agenda and resolutions of the National Assembly, all other related correspondence are also in Dzongkha. In this connection, it may be mentioned that even though the Lhotshampa Chimis have the option to use Nepali in the National Assembly, most of them speak in Dzongkha, which is a matter of great satisfaction.

The Education sector has also introduced numerous initiatives to promote Dzongkha. For example, as reported in the preceding session of the National Assembly, the teaching of environmental studies in Dzongkha has been introduced in the schools from Pre-Primary to Class III. In keeping with the objective of promoting Dzongkha, the younger generation should be imparted proper Dzongkha education. Towards this end, several books have been written in Dzongkha. Of these, the book entitled *Tsithong* was written with a view to inculcate in the minds of the younger generation a sense of *Thadamtshi* and *Leyjumdey* and prepare them to become worthy and productive citizens of the country. It is hoped these books will bring about a positive change in the thinking and attitude of our young boys and girls.

His Majesty the King has always said that the destiny of the country lies in the hands of the younger generation. If we impart good knowledge of Dzongkha today, it will help preserve and develop the national language in the future. In keeping with the resolutions of the previous sessions of the National Assembly, the traditional institutions are being developed and strengthened. A new Rigney School has been established in Trashy Yangtse and the School for Language and Culture in Semtokha has been upgraded to a college. A Dzongkha Honours course

in Sherubtse College and a Dzongkha course in the National Institute of Education, Samtse were also introduced.

To help fulfill His Majesty the King's aspirations, the Dzongkha Development Commission and the Education Division have jointly put together many programmes in Dzongkha to promote the national language in the rural areas. They conducted a literacy survey over two years throughout the country and opened 35 non-formal education centres, in addition to the existing ones, to further promote Dzongkha in the rural areas. However, while the official responsibility of promoting Dzongkha is with the Dzongkha Development Commission and the Education Division, every Bhutanese citizen must take a genuine interest and be willing to work hard to learn, read and write Dzongkha. These collective efforts will go a long way in ensuring the survival and the growth of our national language.

The Minister said that the reason why we have to learn English is that once we cross our borders, outsiders would not know our language and, if we did not know their language, it would be very difficult to communicate with each other. Therefore, the learning of English is indispensable as more and more Bhutanese travel outside the country. Furthermore, English is required to participate in important discussions between Governments. For this reason, it is important that both Dzongkha and English is learnt. To develop and promote Dzongkha, the Dzongkha Development Commission and the Education Division have published several books.

(Some of the books published by the Dzongkha Development Commission were distributed to the members of the National Assembly).

The National Assembly recognized that one of the most important policy objectives of the Royal Government is to develop and promote Dzongkha. The people of Lhuentse Dzongkhag are to be commended for emphasizing the need for all Ministries, Divisions and Dzongkhags to use Dzongkha in official correspondences, in the meetings, in recording the minutes, and in drawing up Chathrim, but most importantly in communications with the rural people. It expressed satisfaction with the concerted efforts and activities by the Government, as reported by the Chairman of the Dzongkha Development Commission to promote the national language. The National Assembly resolved that the policy to develop and promote Dzongkha is of great importance and the full support and cooperation of the civil service, the private organizations and the general public must be given for its development and promotion.

4. *DRIGLAM NAMZHAG AND THE DRESS CODE*

The Punakha Chimi submitted that in keeping with the needs of the changing times and for the socio-economic development of our country, modern education is necessary. Although wedged between two powerful countries, India and China, our small country has always maintained its sovereignty and independence. Our national dress and *Driglam Namzhag* are not only the foundations for the peace and happiness of our people, but they are also important aspects of our national identity. Therefore, it is important that outside knowledge and inner values are harnessed skillfully and put to work harmoniously like the two wings of a bird.

His Majesty the King had issued a *Kasho* in 1989 for the preservation and promotion of our unique culture. Led by the Special Commission for Cultural Affairs and the Dzongkha Development Commission, numerous religious and cultural institutes and projects have been established, and our age-old *Driglam Namzhag* preserved and promoted for which the Chimi expressed gratitude and appreciation. He pointed out that the responsibility for the preservation and promotion of our cultural heritage should not only be left to the Royal Government but it should be a joint effort of both the Government and the people. For the future generations, appropriate measures including penalties for infringement needs to be decided upon in a separate resolution or be clearly spelt out in a written document as this would greatly benefit the youth and those who uphold the tradition of *Driglam Namzhag* and the dress code.

The Thimphu Chimi submitted that in a town like Thimphu where there is a congregation of all kinds of people, it is difficult to ensure that the *Driglam Namzhag* and dress code are observed properly. Therefore, it is important to have a clear Chathrim for them. He submitted that the members of the Assembly should consider the subject seriously.

The Chimi of Dorokha in Samtse Dzongkhag submitted that it is important that the people of the Southern Dzongkhags learn the *Driglam Namzhag* and the national language. A non-formal education programme was initiated in Samtse Dzongkhag in 1990 to further promote our culture and values. Although the elderly as well as the young participated in this programme with interest and enthusiasm, it was disrupted by the *ngolop* problem. As the people of Samtse are interested in learning more about our culture, our national language and in wearing *gho* and *kira*, he said that the people would be grateful if the non-formal education programme could be resumed in the Dzongkhag.

In response, the Home Minister reminded the Assembly that His Majesty the King has always said that being a small country, Bhutan has neither military might nor economic power and that our main strength lies in our unique culture and tradition. Therefore, His Majesty has

repeatedly stressed that it is very important that our unique culture and tradition are preserved and promoted.

Our cultural heritage includes the Dzongs, Lhakhangs, Goendeys, religious institutions, *kusung thuktens*, the national dress, language, the *Zorig Chusum*, songs, dances, music, sports, *Driglam Namzhag*, attitude, way of thinking including precepts of *Thadamtshi* and *Leyjumdrey*. These were developed over many centuries and have been passed on from one generation to the next. In this regard, His Majesty the King had issued a *Kasho* in 1989 on the need to preserve, promote and strengthen the national identity. The responsibility for its implementation was entrusted to the relevant agencies, the Dzongkhag Yargye Tshogchhung and Geog Yargye Tshogchhung and all the people of the 20 Dzongkhags.

The *Kasho* issued by His Majesty the King on the 27th Day of the 3rd Month of the Year of the Earth Monkey corresponding to 1989, specified that the responsibility for preserving, promoting and observing *Driglam Namzhag* should be taken up by all relevant agencies, the Dzongkhag Yargye Tshogchhung and Geog Yargye Tshogchhung and all the people of the 20 Dzongkhags. Accordingly, the concerned agencies have been carrying out the directives of His Majesty the King as well as the wishes of the people as raised repeatedly in the past sessions of the National Assembly.

Similar to the efforts in the sphere of development, many initiatives have been made for the preservation and promotion of our rich cultural heritage during the past 27 years. Major changes have occurred in Bhutan and a lot of Bhutanese people have had opportunity to receive modern education both within and outside the country. The country also had to face the *ngolop* problem in the south. Despite these threats the efforts towards the preservation and development of our culture have been most successful.

The Minister noted that amongst the many aspects of *Driglam Namzhag* and the unique Bhutanese culture, the Punakha Chimi has specifically mentioned the dress code. In this regard, it was pointed out that before His Majesty issued the *Kasho*, the *gho* and *kira* were worn mostly by people in the rural areas. People in the urban areas had preferred to wear western outfits while the Lhotsampas of Southern Bhutan wore either the Nepali dress, *dowra sural* or other forms of dress from outside the country. There were also some schools where the *gho* and *kira* were not the school uniforms.

In the ten years since the above mentioned *Kasho* was issued by His Majesty the King, the situation has changed completely and today the national dress is worn throughout the country with pride. For instance, ten years ago in Gelephu, except for one or two persons, people were not seen wearing the *gho* and *kira*. It is therefore, a matter of satisfaction that today, even at the Sunday vegetable market, people wear the *gho* and *kira*.

The Bhutanese experience show that for the preservation and promotion of culture, education, understanding and conviction is as important as the enforcement of laws, rules and regulations. The younger generation has to be educated and having gained an understanding and appreciation of the *Driglam Namzhag*, should carry the responsibility of further promoting it.

It is especially important that the younger generation have knowledge and understanding of the different aspects of our culture and, in particular, the *Driglam Namzhag*. In this regard, as a part of the activities commemorating the 25 years of His Majesty's enthronement, a 423-paged book called the *Norbui Threngwa* has been published under the guidance of Gyalpoi Zimpon Dasho Dorji Gyaltsen. The Special Commission has also published a 149-paged book on the ways of implementing *Driglam Namzhag*. The Minister expressed the hope that these books would go a long way in increasing understanding and knowledge of the people on *Driglam Namzhag* and also expressed gratitude to Gyalpoi Zimpon Dasho Dorji Gyaltsen and Lyonpo Dago Tshering, the former Chairman of the Special Commission for Cultural Affairs.

The use of different uniforms by various organizations has been discussed at the Coordination Committee of the Council of Ministers. The justifications for the use of these uniforms that were submitted by the different organizations are presently being studied. The Minister said that as every effort is being made to preserve and promote the national dress and *Driglam Namzhag*, in line with His Majesty the King's command and the resolutions of the past sessions of the National Assembly, there is no need for any changes to the on-going work.

In support, the Health and Education Minister pointed out that the *Driglam Namzhag* of the body, speech and mind is very important. He said that, the *Driglam* of the mind is more important than the *Driglam* of the outer form. For example, while it is important that a statue be adorned with gold, turquoise, coral, pearls and diamonds, it is even more important that the inner *Zung* includes the complete and noble essence of wisdom.

The Education Division has endeavored to increase the awareness and understanding of our traditional culture and *Driglam Namzhag* in the students. Efforts are being made to provide knowledge to young children and turn them into responsible citizens. One such effort is the scouts

programme which offers children the opportunity to develop character and integrity. In addition, the Dzongkha curriculum includes the ways in which the national language, dress and *Driglam Namzhag* can be observed. Therefore, it is hoped that before long *Driglam Namzhag* will be further developed and promoted than ever before. Nevertheless, it is difficult for teachers alone to provide this kind of education to all the students in the 343 schools and 81 non-formal education centres in the country. It is, therefore, very important that the personal development and character-building of children is not left to the Education Division alone but that the responsibility is shared by every parent. Furthermore, since the first six years of a child is the most important stage of physical growth and mental development, it is important that the parents inculcate in children the values that underpin the Bhutanese culture and system.

The members of the National Assembly should relay and explain to the people in their constituencies this important responsibility. It is very important that the Bhutanese people learn and cultivate good attitude and behavior from childhood and this has to start in their homes. The situation can then be likened to a tree that can bear flowers and fruits as a result of well-developed roots. It is very pertinent that the precepts of cause and effect, *Thadamtshi Leyjumdrey*, from which is derived the attitude in life, is taught by example to the younger generation not only by the teachers but also by the parents. It is, therefore, important that the members of the National Assembly inform the people and the responsibility of promoting *Driglam Namzhag* which is essential for Bhutan's unique identity as a sovereign, independent country, is shared by the people and the Education Division.

The Sarpang Chimi submitted that when he meets people, he always introduces himself first as a Bhutanese and then as the Sarpang Chimi. This, he explains, is because he is proud to be a Bhutanese, to be wearing the Bhutanese dress and speaking the Bhutanese language. He further submitted that in the future, too, he is committed to the promotion of the national dress, language, and *Driglam Namzhag*.

The Samtse Dzongda pointed out that there is a difference between saying it in words and embracing it mentally. Some may think that wearing the national dress and speaking the national language equals to the total observance of *Driglam Namzhag*. Even if some formality of *Driglam Namzhag* is observed in the offices, once outside, it is forgotten. The further promotion of *Driglam Namzhag* is the shared responsibility of the concerned Dzongda and people's representatives. He submitted that there is the need to promote *Driglam Namzhag* of body, speech and mind, and out of which the mind is the most important.

Similarly, the Samdrup Jongkhar and Sarpang Chimis and a Royal Advisory Councillor expressed their full support to the preservation and the promotion of the national dress and *Driglam Namzhag*.

The Thimphu Dzongda recalled that several past sessions of the National Assembly had resolved to give high importance to *Driglam Namzhag* because of its relevance to ensuring the nation's security and sovereignty and in realizing Government policy objectives. Accordingly, the relevant Ministries and, in particular, the Education Division have ensured that *Driglam Namzhag* has been included in the school curriculum and promoted in schools. Similarly, the national dress and *Driglam Namzhag* have been emphasized in the Dzongkhag Yargye Tshogchhungs and Geog Yargye Tshogchhungs. As everyone is aware, *Driglam Namzhag* has flourished in the country along with socio-economic development, during the reign of our Fourth Druk Gyalpo.

It has been mentioned that although other Dzongkhags are observing *Driglam Namzhag*, Thimphu appears not to be doing so. As the capital city, Thimphu has a big population, among whom are many unlawful and disrespectful elements. The other Dzongkhags should not take the example of Thimphu but instead try to maintain their existing high levels of observance of *Driglam Namzhag*. He expressed the hope that one day Thimphu would also be observing a similar level respect for *Driglam Namzhag*.

Similarly, the Paro Dzongda submitted that *Driglam Namzhag* has gained more importance since the last Plan period and has become widespread in the country. He added that similar to the initiatives of the Education Division, it would be beneficial if *Driglam Namzhag* trainings could also be imparted when the Government ministries and departments conduct trainings and workshops for the Dzongkhag Yargye Tshogchhung and Geog Yargye Tshogchhung members.

The Dratshang representative pointed out that *Driglam Namzhag* derives from the Dharma teachings. The *Vinaya* outlines 253 rules for the monks which may be summarized into *Phampa Zhi* (the Four Renouncements). For the laity, it may be summarized into *Lhachhoe Gewa Chu* (Ten Virtues) and *Michhoe Tsangma Chudug* (Sixteen Acts of Social Piety), which may be further condensed to *Za Cha Dro Sum* (the correct manners of eating, behaving and walking). The representative expressed gratitude to the Special Commission for Cultural Affairs and other concerned organizations for their efforts to promote *Driglam Namzhag*. He said that the people must also cooperate in the promotion of *Driglam Namzhag*.

The Chhukha Dzongda submitted that although there was no need for him to make any additional points on the subject, the different uniforms adopted by the various agencies are being seen by some members of the public as not being in conformity with the national dress and *Driglam Namzhag*. Therefore, if the various organizations who use uniforms were to inform the public of the justifications and need for such uniforms, it would clarify doubts in the minds of the people.

In response, the Home Minister said that apart from the security forces, those agencies for whom uniforms are required are the Forestry Services Division, the pilots of the Druk Air, street cleaners of Thimphu town, those working in the Surface Transport Authority, Revenue and Customs Division, Telecommunications and motor vehicle workshops. Due to inconveniences at work, uniforms had to be adopted for these organizations. The issue was also discussed by the Council of Ministers who decided to further study and assess the necessity for these uniforms. The Minister said that, if necessary, the results could be presented at the next session of the National Assembly.

The Speaker had the two books on *Driglam Namzhag* titled *Norbui Threngwa* and ways of implementing *Driglam Namzhag* compiled by Dasho Gyalzim and the Special Commission for Cultural Affairs, distributed to all members of the National Assembly. He said although in the past, there were records on *Driglam Namzhag*, it was never put in writing. He expressed his appreciation and gratitude to the Gyalpoi Zimpon and the Special Commission for writing these books and hoped that these books would greatly help the people to further preserve and promote *Driglam Namzhag* throughout the country.

The Punakha Dzongda, the representative of Bhutan Chamber of Commerce and Industry, and the Chimis of Trongsa, Wangdue, Haa and Punakha Dzongkhags submitted that the values of *Driglam Namzhag*, which are the basis of our national identity, have continued to be emphasized and given due consideration and promoted. They expressed support for its promotion in the future as well. They submitted that while even the Dzongkhags near the international border continue to observe the dress code and emphasize *Driglam Chhoesum*, in Thimphu, the capital, it is mostly the children of the high officials and wealthy people who are not observing the dress code and instead wearing shirts and trousers. In earlier times, it was the well-to-do people who set the right example, but these days, it is their children who are bringing in improper values. As the other Dzongkhags look up to Thimphu, as it is the capital of our country, there is the need to improve *Driglam Namzhag* in Thimphu. Also some organizations, out of total disregard for the national dress, have brought out their own uniforms, designed after outside dress

forms, which could influence the general public to also disregard the national dress in the future. But above all, some people have started wearing half *kiras* and *ghos* and as these are not in keeping with our traditional dress form, they should not be allowed.

The Dagana Chimi pointed out that at the heart of the lengthy deliberations was basically the fact that both the Government and the people have been making concerted efforts to preserve and promote *Driglam Namzha*. However, not being able to identify new ways and means for the further promotion of *Driglam Namzhag* in the future, it would be beneficial if the National Assembly were to come out with some decision on it.

A Royal Advisory Councillor pointed out that on the golf course located between Tashichhoedzong, the centre of our religious and Government affairs, and the High Court, one can see His Majesty the King playing golf in the national dress. Finding that it poses no problem to His Majesty, the other golfers should also have no difficulties with playing golf in the national dress. Therefore, the present practice of the golfers being dressed in trousers, shirts and caps should be corrected.

Concluding the discussions on the issue, the National Assembly recognized that the Dratshang, the Government and the people have preserved, practised and promoted our rich and unique culture and tradition, including *Driglam Namzhag* which is the main foundation of our national identity. As non-adherence to the dress code is mostly found in the capital Thimphu, and as the defaulters are found to be mostly the children of the well-to-do in the society, the parents of these children should advise their children to give due regard to the national dress and follow the noble path shown by *Driglam Namzhag*. In addition, the practice of having uniforms by various organizations should be discouraged as far as possible. The National Assembly resolved that the Special Commission for Cultural Affairs, in accordance with the command of His Majesty the King and in line with the existing Chathrim, should study the appropriateness of the uniforms that are already being used by different organizations and also the correct attire to be worn on the golf course between Trashichhoedzong and the High Court.

5. DESECRATION OF *KUSUNG THUKTEN* BY THE *NGOLOPS*

The Samtse Chimi reported that the people are aware that the *ngolop* Sangla and his accomplices who robbed the *nangtens* of the Geley Lhakhang in Chhukha Dzongkhag on 17th April 1999 were sent by Rongthong Kuenley Dorji and Chheku Dukpa, leaders of the so-

called Druk National Congress. It has now become evident that the *ngolops* are behind the robbery and desecration of Lhakhangs and Chhoetens in the country. He expressed the hope that international agencies and other foreign organizations who are supporting these traitors would understand their evil actions and stop extending support to them.

The Samdrup Jongkhar Chimi submitted that in the past, our illustrious ancestors had constructed many Lhakhangs, Chhoetens and Goendeys as the *sogshing* (life-tree) of the Dharma in our religious country. The loss of *nangtens* in our time only confirms the saying that where there is good, there is also evil, and for every Bodhisattava that is born, a devil incarnate also comes into existence; and where the Dharma flourishes, anti-Dharma forces will also try to take root. Similarly, it has been established that the evil force behind those who are committing anti-Dharma and criminal activities are the *ngolop* leaders Rongthong Kuenley Dorji and Chheku Dukpa of the Druk National Congress. They have mobilized other *ngolops* to rob the invaluable *nangtens* of Lhakhangs, Goendeys and Chhoetens and sell these precious items to finance their anti-national activities. Besides being traitors to the Tsa-Wa-Sum, they are also enemies of the Dharma. Since it has been clearly established that the robbers and desecrators of the Geley Lhakhang were sent by them, similar sacrilegious activities carried out earlier could also have been organized by the *ngolop* leaders Rongthong Kuenley Dorji and Chheku Dukpa of the Druk National Congress. The Chimi submitted that all criminals who are apprehended for their involvement in the desecration and robbery of *kusung thuktens* must be awarded capital punishment.

The Chhukha Chimi also pointed out that those who robbed the Geley Lhakhang in April this year were *ngolops* sent by Rongthong Kuenley Dorji and Chheku Dukpa of the Druk National Congress. These *ngolops* who had left the country had now turned their resentment against the Buddha-Dharma by robbing and desecrating *kusung thuktens* as their anti-national activities against the Tsa-Wa-Sum had proved unsuccessful. He urged that the perpetrators of such sacrilegious crimes who are apprehended by the police must be punished without any leniency according to the resolutions of the National Assembly and the provisions of the *Thrimzhung Chhenmo*.

Speaking on the issue, the Minister for Home Affairs said that, as submitted by the Chimis, members of Rongthong Kuenley's so-called Druk National Congress had been recently involved in the desecration and robberies of *kuten sungtens*. The Minister pointed out that it was obvious that the main motive behind such heinous acts by these *ngolops* is to generate funds for themselves and their criminal and seditious activities through the sale of the precious artifacts.

As the hon'ble members are aware, the recent robbery and desecration of Geley Lhakhang under Chhukha Dzongkhag on 17th April was carried out by five members of the Druk National Congress, namely Sangla, his son Tshewang Gyeltshen and their accomplices, Kunzang, Dorji Wangdi and Kezang Lhendup. The five men had been staying in Birtamod in Nepal with Chheku Dukpa, the Deputy Chairman of the Druk National Congress. It has been clearly established that these men had been sent by Chheku Dukpa and that he had also given them a revolver for carrying out robbery of *kuten sungtens* from Lhakhangs and Chhoetens, said the Minister.

The five men had arrived at Jaigoan from Nepal on 12th April 1999. As Sangla was familiar with Geley Lhakhang, they planned to rob it first. After by-passing the Kharbandi checkpost, they took a lift in a truck up to Wangkha which is short of the Chhukha checkpost and then walked through the forests to Geley Lhakhang. On 17th April 1999, they robbed the Geley Lhakhang of 113 *phurbas*, 40 *thangkas*, one image carved from a rhino horn, five *sungkhors*, 22 *ringas*, 10 *zees*, 76 antique silver coins and corals.

While escaping with the stolen artifacts, the five *ngolops* came across a group of villagers in Metekha village who became suspicious on seeing a revolver in their possession. Concerned that the villagers might inform the police about them, they decided to hide the stolen items in a cave on the bank of the Pachu river below the Ridingkha village for retrieval later. Based on the information provided by the villagers, the police arrested Dorji Wangdi and Kezang Lhendup a few days later while the others escaped to Nepal. With the information disclosed by Dorji Wangdi and Kezang Lhendup, the police were able to recover all the stolen artifacts from the cave except for 6 *zees* and 27 silver coins.

The self proclaimed Chairman of the so-called Druk National Congress, Rongthong Kuenley, and the five criminals who robbed the Geley Lhakhang at his behest are people who do not even know the meaning of *Thadamtsi* and *Leyjumdrey* and who had revolted against the Tsa-Wa-Sum. They had defaulted on many loans, cheated many people and they still continued to spread false allegations against the Government and threaten the Gups, Chimis and civil servants.

More recently, they have even resorted to robbery of *kuten sungtens* from our Lhakhangs and Chhoetens to generate funds for themselves and their criminal and seditious activities, said the Home Minister. They have also started resorting to arson and bomb attacks. It is now confirmed that two other members of Rongthong Kuenley's Druk National Congress were responsible for the bomb attack at the Changlingmithang pavilion on 7th November 1998. The

bombing was an attempt to disrupt the celebrations of His Majesty the King's birthday. The two members of the Druk National Congress responsible for the crime have now been arrested by the police.

The Home Minister pointed out that *ngolops* like Rongthong Kuenley and his accomplices cannot always keep on escaping from justice or the laws of the country. In this regard, under the classification of people in the camps in Nepal, as agreed between the Government of Nepal and Bhutan, these criminals fall under Category Four, namely: "Bhutanese who have committed criminal acts". Many of them, such as those who are responsible for the robbery of Geley Lhakhang and the bomb attacks at the Changlingmithang ground, have already been apprehended while others, including Rongthong Kuenley Dorji, will one day be surely brought before the Court of Law in our country to stand trial for their crimes, said the Minister.

The Mongar Chimi submitted that, although Bhutan is a Buddhist country, the robbery of *kusung thuktens* is increasing every year and is seriously affecting the Dharma in the country. He, therefore, urged the Government to take the matter seriously and to punish strictly all those who have been apprehended according to the severity of their crimes so that they would not repeat them. He said that they should not be given light sentences on the excuses that it is their first or second attempt.

Similarly, the Trashigang Chimi said that *ngolop* leaders like Rongthong Kuenley Dorji and Chheku Dukpa, who have directed the desecration and robbery of Lhakhangs and Chhoetens in our country, should be extradited from wherever they are living after discussing the matter with the concerned Government and then be brought before the law. This would greatly reduce the robbery of *kusung thuktens* from the Lhakhangs and Goendeys in the country.

A Royal Advisory Councillor and the Samtse Dzongda submitted that it was well known that *ngolop* organizations like the ones headed by Rongthong Kuenley Dorji and Chheku Dukpa were receiving support and assistance from foreign countries on the basis of the false allegations of human right violations in Bhutan that were being spread by them. It had now become clear to all that they were robbing the *kusung thuktens* in the country to sell them and generate funds for themselves and their seditious activities. Although the evil motives of the *ngolops* must have become clear to the foreign organizations who were supporting them, these organizations had not stopped their support. Since such support to the *ngolops* may be regarded as rendering help for the destruction of Bhutan's spiritual heritage, the National Assembly must deliberate the matter thoroughly and come out with a firm resolution.

The Punakha Chimi submitted that the people of Bhutan must be united in resisting the instigation of the *ngolops* from outside the country. It has been clearly established that the robbery of the Geley Lhakhang in Chhukha Dzongkhag, and the bomb attacks at the Changlingmithang pavilion before His Majesty the King's birthday celebrations last year, were the handiworks of the *ngolops*. He hoped that countries, governments and international organizations who had not understood the real motives of the *ngolops* till now, will henceforth, stop their support to these traitors who were also engaged in the desecration and robbery of the *kusung thuktens* in the country.

The National Assembly noted that it was clear to everyone that the *ngolops* of the so-called Druk National Congress, led by Rongthong Kuenley and Chheku Dukpa were carrying out robbery and desecration of the country's *kusung thuktens*.

The Assembly decided that when these *ngolop* criminals are apprehended in due course of time, as submitted by the Home Minister, they will be tried in the courts and punished for their crimes in strict accordance with the laws of the land.

6. AMENDMENT OF LAWS PERTAINING TO KUSUNG THUKTEN

The Chimis of Kawang and Chang in Thimphu Dzongkhag, the Bhutan Chamber of Commerce and Industry, Chhukha, Punakha, Wangdue Phodrang and Trashigang Dzongkhags submitted that the issue of the amendment of the laws pertaining to *Tensum* had been discussed in the previous sessions of the National Assembly. However, it is being submitted again for discussion in this session as the Lhakhangs, Goendeys and Chhortens, containing a variety of *namgtens*, and built by our ancestors, great Lamas and eminent luminaries of the past for the benefit of posterity and to subdue evil forces, are being desecrated and robbed by the *Tenpai Rudras* (enemies of the Dharma) who are destroying the source of peace in the Kingdom. Those who have become *ngolops* and left the country are sending others to rob the *namgtens*. These people are not only robbing the Lhakhangs, Goendeys and Chhortens but are also injuring and murdering the caretakers, and as a result it has become very difficult to appoint caretakers in the villages.

They pointed out that our country is a Buddhist kingdom. While His Majesty the King is outwardly a monarch at heart he is a Bodhisattava incarnate full of compassion. Therefore, not a single criminal convicted of robbing or desecrating our sacred *Tensums* has been given capital

punishment so far. It would appear that such magnanimity may be the cause for the increase in such criminal activities. As the saying goes, “a King’s love is for his people, while laws are essential for peace and order.” Even though the laws of the country on *kusung thuktens* are adequate, the non-application of *Tha 1-9* and *Tha 1-12* of the *Thrimzhung Chhenmo* seems to have led to the increase in the number of criminals. Therefore, the National Assembly should carefully consider whether the lives of the *ngolops* and the enemies of the Dharma are more valuable or the preservation of the Dharma is more important. To reduce the incidences of criminal activities and for the benefit of the nation’s security, all those arrested for robbing *kusung thuktens* should be given life imprisonment and in the extreme cases awarded capital punishment.

As the saying goes, “if evil is not subdued, good will not flourish”, such crimes must be prevented through strict application of the law. The people who rob Lhakhangs and Goendeys should either be given life imprisonment or capital punishment. As long as it is in the national interest of our country and benefits the people, it is not always necessary for us to blindly follow the trend in other countries. Today, even if a person is given life imprisonment for desecration and robbery of *kusung thuktens*, he is a prisoner only in name. He does not have to undergo rigorous imprisonment and his needs for food and shelter are taken care of. Therefore, criminals are not afraid of going to jail. The criminals who are arrested for robbery and theft of *kuten sungtens* and imprisoned for life should serve rigorous sentences. Those people who come to rob *kuten sungtens* on the instructions of *ngolop* leaders, and who fall in the hands of the law because of *Leyjumdrey* and *Thadamtshi* must be awarded capital punishment.

Bhutan is a Buddhist kingdom and we should perhaps view even evil deeds with compassion. However, in order to protect our important and precious *nangtens* and to reduce the number of criminals and for the future security of our country, the National Assembly should accord the highest importance to this issue and think of the unthinkable regarding the punishment of criminals robbing *kusung thuktens*. At the very least, *Tha 1-9* of the *Thrimzhung Chhenmo* must be enforced without any leniency.

In response to these submissions, the Home Minister said that the concerns raised repeatedly by the representatives of the people regarding the desecration and robbery of our *kuten sungtens* are very genuine. As reported in the *Kuensel* in recent issues, several robberies and desecration of our Lhakhangs, Goendeys and Chhoetens have taken place, some of which are as follows:

1. On May 11, several images were desecrated and *zungs* stolen in Pangshong Goenpa in Wangdue Phodrang. The caretaker was gruesomely murdered and his assistant seriously injured;
2. On April 30, an attempt was made to desecrate and rob the very sacred Chendebji Chhorten located on the East-West highway;
3. On April 17, five *ngolops* from the refugee camps in Nepal robbed the Geley Lhakhang under Chhukha Dzongkhag and took five loads of *kusung thuktens* most of which were fortunately recovered through the joint efforts of the police and local people; and
4. In April last year, the Pelphug Lhakhang in Paro Taktshang was set on fire and the people still feel a deep sense of loss and sorrow.

The Home Minister reported that so far, a total of 136 Lhakhangs and 1,132 Chhortens in the country have been desecrated and robbed. Before discussing the measures to curtail the increasing cases of theft, arson and desecration of precious religious artifacts from our Lhakhangs and Goendeys, it would be worthwhile to consider the possible reasons for the increase in such crimes:

1. In the last decades, even as modern education and socio-economic development progressed, the Bhutanese people have also become more religious. However, as the saying goes, “where the Dharma flourishes, evil also keeps pace,” there have also been an increasing number of people who have lost faith in the Dharma and are overwhelmed by material greed. Our Lhakhangs which are the lifeline of Buddhism are being destroyed, burnt and robbed by such ruthless and treacherous people. Some of these criminals are local inhabitants who are knowledgeable about the *nangtens* in the Lhakhangs and Goendeys. Their greed are such that nothing, including the knowledge that they are liable for life imprisonment in this life and to suffering in lower realms after death, prevents them from committing such heinous crimes;
2. There is growing popularity of Buddhism in North America and Europe while in the old Buddhist countries like Taiwan, Hong Kong and some Asian countries, Buddhism is once again flourishing after its decline in the past. While the spread of Buddhism in these countries is very good, it must be remembered that the people in

these countries are very rich and it creates increasing markets for *kuten sungtens* from older Buddhist countries like Bhutan. Besides, artifacts like the *Zee* are considered as good omen amulets supported by an incident of a Korean aircraft crash a few years ago when all passengers on board died except for one person who was wearing a *Zee*. Owing to this, the demand for *Zees* shot up considerably. Today, a nine-eyed *Zee* would fetch a price of anything upto US \$ 21,000, or nearly Nu. 1 million;

3. It has been found that the *ngolops* based in Nepal have now resorted to sending armed terrorists to rob the Lhakhangs and Goendeys in our country of the *nangtens* in order to generate funds for themselves and for their criminal and seditious activities. The robbery of five loads of *kuten sungtens* from the Geley Lhakhang in Chhukha Dzongkhag on April 17 this year was carried out by five criminals who were all members of *ngolop* Rongthong Kuenley's party, the Druk National Congress. They were staying in Birtamod in Nepal with Chheku Dukpa, the deputy leader of the Druk National Congress who sent them to rob and steal precious *nangtens* from Bhutan and who provided them with a revolver.

As all the honourable members are aware, there are more than 2,003 Lhakhangs and 13,000 Chhoetens built at great costs and difficulties by our forefathers. These Lhakhangs and Chhoetens dot the hillside all over the country and many are isolated by high mountains and dense forests, making them easy targets for criminals. It is, therefore, very difficult to stop thefts, arsons, and desecration among such a large number of Lhakhangs and Chhoetens.

The National Assembly, since its 72nd Session, has repeatedly deliberated the laws pertaining to the security of *kusung thuktens* and had decided that the existing laws were adequate. While laws and enforcement of laws are important, other measures to prevent desecration and thefts of our *kusung thuktens* are equally important. In this connection, the Royal Government, taking into account the seriousness of the threats to our Lhakhangs and Goendeys, has drawn up a series of measures in order to prevent desecration and theft of *kusung thuktens*. Many of them were presented to the 76th Session of the National Assembly last year. These measures include:

1. Proper documentation of all *kusung thuktens* in the Kingdom with their photographs, which has recently been completed;
2. Recruitment of additional caretakers, training of all caretakers and proper handing-taking over of *kuten sungtens* whenever caretakers are changed;

3. Establishment of Shedras and Drubdas wherever feasible and in places such as Tango, Cheri, Seola, Dongkarla, Tshochhagsa and Tshamdra Goenpa;
4. Greater involvement of the local community Gups and Mangi Aps, along with the Lhakhang caretakers, should become members of the committee for inventorying *kuten sungtens* for their respective geogs;
5. Keeping watchdogs for additional security of the Lhakhangs and Goendeys especially those in isolated places;
6. Moral and religious education in schools;
7. Lams and Lopons to regularly instruct people and advise them on the adverse consequences of desecration and robbing of *kusung thuktens* both in the present life and in the hereafter;
8. Whenever and wherever the above-mentioned measures fail to prevent thefts of *kusung thuktens*, they must be replaced and new ones made. As of today, *nangtens* for all the 1,123 Chhoetens robbed were replaced with new *zungs*. The Royal Government of Bhutan is also giving priority to the promotion of *zorig chusum* which is essential for the preservation of our Lhakhang and Goendeys and their *nange-tens*.

If Lhakhangs, Goendeys and Chhoetens built with great hardship by our forefathers are left without proper maintenance, it will affect the good fortune of the communities in the concerned areas. The local communities must, therefore, bear the main responsibilities for protecting the Lhakhangs, Goendeys and Chhoetens in their respective villages. For example, the support and co-operation of the people of Metekha greatly enhanced the effectiveness of the Royal Bhutan Police in catching the criminals who robbed the Geley Lhakhang and retrieving most of the *kuten sungtens*. For this reason, in 1993, His Majesty the King had commanded that all the monks, members of the Dzongkhag Yargye Tshogchhung and the local communities must look after the Lhakhangs, Goendeys and Chhoetens in their respective localities. The *Kasho* was read out to the members during the 76th Session of the National Assembly last year.

His Majesty the King remains greatly concerned over the protection of our cultural heritage in general and with the increase in cases of desecration, theft and arson of the

Lhakhangs, Goendeys and Chhoetens in particular. Accordingly, His Majesty the King has recently issued another *Kasho* to the Ministry of Home Affairs and the Special Commission for Cultural Affairs to install *mithups* (fireproof and theft proof safes) in all our Lhakhangs and Goendeys. To realise His Majesty's wishes, the Ministry of Home Affairs is presently working on an appropriate model which can be constructed by local artisans. The model, along with specifications, will be distributed to all the Dzongkhags. Without further delay, every Lhakhang, Goendey and Chhoeten with important *nangtens* will be provided with fire protection facilities. If the locally installed *mithups* do not serve the purpose in certain Lhakhangs and Goendeys, imported ones will be installed.

(The Deputy Director of the National Assembly then read out the *Kasho* of His Majesty the King issued on the 3rd Day of the 4th Month of the Year of the Earth Hare commanding the construction of *mithups* in our Lhakhangs and Goendeys).

The Minister for Home Affairs informed the house that beginning this financial year, all responsibility and authority for restoration and reconstruction of Lhakhangs and Goendeys and their *nangtens* are being decentralised to the Dzongkhag Yargye Tshogchhungs. As substantial funds are required every year for the restoration of desecrated Lhakhangs and Goendeys and for replacement of their stolen *nangtens*, as well as for general preservation and promotion of our rich cultural heritage, the Royal Government continues to provide generous budget allocation as part of the annual budget of the Special Commission for Cultural Affairs and the twenty Dzongkhags.

Moreover, as requested by the representatives of the people during the 76th Session of the National Assembly, His Majesty the King issued a Royal Charter to establish a Trust Fund for Cultural Heritage on the 10th Day of the 5th Month of the Year of the Female Earth Hare, coinciding with the Birth Anniversary of Guru Rimpochhe. A minimum of US \$ 10 million will be invested in the Trust Fund. The Royal Charter also spells out in detail all the terms and conditions for the operation of the Fund. The principal amount of the Trust Fund will be untouched and only the interest accrued would be utilized for the preservation and promotion of our cultural heritage including our Lhakhangs and Goendeys and their *nangtens*. The Trust Fund will ensure that money is always available for the preservation and promotion of our cultural heritage.

The Minister informed the house that the Royal Charter for the Trust Fund for Cultural Heritage is the third *Kasho* to be issued by His Majesty the King on the preservation and

promotion of our culture. He said that all the persons working in the Special Commission for Cultural Affairs and other concerned agencies would like to offer their pledge to endeavour to carry out the commands of His Majesty the King and the wishes of the people in the preservation and promotion of the country's rich cultural heritage.

The representative of the Dratshang said that our Kingdom of the Dharma was visited by the second Buddha Guru Rimpochhe and blessed as a *Baeyul* (sacred hidden place). As predicted by Guru Rimpochhe, Zhabdrung Rimpochhe came to this land to become the supreme ruler, and since then there has been peace in our country. Furthermore, in accordance with the prayers of Zhabdrung Rimpochhe, since His Majesty the King ascended the Golden Throne there has been peace and economic development as never before, which the people can never forget. On behalf of the Dratshang, he thanked the representatives of the people for raising the issue of Laws on *kusung thuktens* in the current session of the National Assembly. He said that excessive attachment to material development has increased the desire of the people. Motivated by the desire for happiness and the comforts of the present life only, some people are increasingly resorting to illegal activities. He said that it is because of this that our many important and sacred *nangtens* are being stolen.

He pointed out that in addition to His Majesty the King's highest consideration for the benefit of the Dharma, His Holiness the Je Khenpo and the monastic community have established many Dratshangs and Shedras. Many religious ceremonies such as *Kurims*, *Tshechus*, *Bumdeys* and *Do-Duens*, both for the living and the dead are being performed. However, it is imperative to plan for the safety and security of our important *tensums*. Despite our great attention to the *tensums*, they are still being stolen by people who have neither faith nor the ability to discriminate between good and evil. The religious community is dismayed and continues to confront great difficulties. The inevitability of fate is such that the stolen *tensums* are usually recovered. He pleaded that for the sake of the peace of the country and benefit of the community, these recovered items be restored to their respective Lhakhangs and Goendeys after thorough investigations.

The Chimis of Haa, Trongsa, Tsirang, Wangdue and Dagana Dzongkhags expressed their gratitude to His Majesty the King for the many initiatives to preserve and safeguard our priceless *tensums*. The responsibility to safeguard the *tensums* must not be solely entrusted with the Government. If it is not too late, it is not too early for the people to share in the responsibility for ensuring the security of our *tensums*. Other members reported that the opening of Dratshangs with a certain number of monks in some of the Lhakhangs and Goendeys improved their security.

As such, they requested for the establishment of more Dratshangs. Many of the Chimis submitted that in order to supplement the regulations regarding *tensums*, unless the arrested culprit has no property at all, his entire property must be confiscated and the proceeds used to replace the stolen artifacts. If the culprit is a national and not a foreigner, he knows that such sacred religious items were made by our forefathers with great sacrifice for the benefit of the future generations. As such crimes tarnish the image of our country as a Buddhist nation, once imprisoned, such criminals must not be allowed bail or amnesty. They must be segregated from other convicts and be made to undergo rigorous imprisonment.

Some of the Chimis remarked that in several countries capital punishment is meted out without clemency to drug traffickers. It is most regrettable that in our country of the Buddha-Dharma, faithless people have emerged who are desecrating our sacred *kusung thuktens* and undermining the good fortune and well-being of the country. Therefore, capital punishment must be relentlessly awarded to such criminals.

Some of the Chimis noted that His Majesty the King considers peace and happiness in the country more important than the financial burden on the government. Just as one effective panacea is good for a 100 different illnesses, His Majesty had commanded that *mithups* be installed in every Lhakhang and Goendey spread across the country to protect the important *nangtens*. The Chimis expressed their gratitude to His Majesty the King for the special *Kasho* issued in this regard.

A Royal Advisory Councillor and the Samtse Dzongda said that till now peace and happiness have prevailed in the country because our country is an important *Baeyul* blessed by many eminent luminaries of the past. Our people place strong emphasis on *Leyjumdrey* and *Thadamtshi*. Although, our illustrious ancestors have built many Lhakhangs and Goendeys and enriched them with many *tensums*, in our time, these *zungs* are regrettably being robbed for sale in foreign markets. This is a matter of great sadness for all the Bhutanese people.

The perversion in people's thoughts and attitudes have given way to criminal activities and this is a major mistake of the people of this century. As the saying goes, 'if evil is not subdued, good cannot flourish', many of the representatives of the people support capital punishment to reduce such crimes. However, our country is a land of the Dharma, seen by other countries of the world as a model of compassion and kindness. As the highest legislative body in the country, it is not appropriate for the National Assembly to endorse capital punishment even to those involved in the desecration and robbery of *kuten sungtens*. Bhutan is a small country with a

small population and economy. We cannot avoid interaction with other countries. Besides, as a member of the United Nations, it is important to understand international norms and laws. Therefore, rather than support capital punishment, we should advise others against it. It was pointed out that it is in view of such considerations, that criminals serving prison sentences in the jails in Bhutan enjoy all comforts and amenities. Therefore, in order to ensure the preservation and protection of our *tensums*, the Special Commission for Cultural Affairs should act on the basis of the provisions of the *Kashos* issued by His Majesty the King and the eight remedial measures outlined by the Minister for Home Affairs.

On this issue, some members reiterated that everyone knows how important the *nangtens* of our country are. However, as a Buddhist country, capital punishment is not a justifiable penalty. Moreover, our country is committed to human rights and the imposition of capital punishment will violate our basic Bhutanese principles and policies. Other members noted that Nepal is a ready and profitable market for stolen *nangtens*. People are not bothered by the dire consequences of such evil deeds since they are concerned only with making money. The Chimis proposed that Bhutan should hold talks with Nepal to prevent trade in such items. The debate on this issue was a prolonged one, and the Assembly members, greatly concerned with the problem of the robberies and thefts of *Tensums*, suggested various ideas to prevent it.

The Speaker noted that many Chimis advocated severe punishment for those who desecrate and rob the *tensums* because they understand how important and sacred the *kusung thuktens* are. The Government shares this concern with the people. His Majesty the King has issued two *Kashos* wherein His Majesty has provided a better solution for safeguarding our priceless *nangtens* than the ideas that have been proposed in the house. His Majesty had issued directives to install *mithups* in the Lhakhangs and Goendeys which have priceless *nangtens*. It is only fitting that the members of the National Assembly, on behalf of the people, have unanimously expressed their gratitude to His Majesty the King for issuing the *Kashos*.

The Speaker also noted that the essence of the discussion was to punish those who desecrate and rob the *tensums*. He reminded the members that, as submitted by the Home Minister, every Bhutanese must shoulder the responsibility of safeguarding the *tensums* by practising the eight suggested measures rather than dwelling on framing laws and imposing punishment. He emphasized that the responsibility of safeguarding the *tensums* must not be left solely to the Judiciary and the Royal Government but it is of utmost importance that every Bhutanese do everything possible to share this important responsibility.

The National Assembly resolved that there was no need for the 77th Session to amend the existing laws regarding *kusung thuktens*. The Judiciary should expedite all cases related to robbery of *kusung thuktens* and all those found guilty should be punished strictly in accordance to *Tha* 1-9 of the *Thrimzhung Chhenmo* without being granted bail monetary compensation under any conditions. The Royal Bhutan Police must not keep such criminals in the same prison with other convicts and they must be kept in strict confinement.

7. RURAL–URBAN MIGRATION

The people of Trashigang, Trashy Yangtse and Samdrup Jongkhar Dzongkhags submitted that an increasing number of people are abandoning their rural homes and lands to avoid community works, restoration of old village Lhakhangs and other community services without any concern for the future generation and migrating to urban areas to seek employment there. After migrating to urban centres, some of them loiter around without any jobs. This trend has created difficulty to the concerned Gups and Chimis in conducting annual census and collecting rural taxes. The shortage of manpower in implementing community developmental activities has also been acutely felt. Some of the people who loiter around aimlessly could also resort to petty crimes and even join anti-national elements if left on their own. Therefore, the Chimis requested the National Assembly to come out with an appropriate measure to curtail the rural-urban migration.

A Royal Advisory Councillor and the Trashigang Dzongda submitted that the Royal Government has established social service centres at every village for the welfare of the people. Besides, the Gups, Chimis, Mang Aps and Chipons monitor the developmental activities and look after the problems and welfare of the people in the villages. Nevertheless, more and more people are migrating from the rural to urban areas every year, increasing the number of unemployed people. This would make it difficult for the Government to achieve on time the planned development programmes undertaken for the benefit of the people. It is, therefore, necessary that the Ministries and Departments take concrete measures to curb the migration. Also, it is important to maintain proper record of those who migrate to the towns so that *ngolops* and criminal elements cannot blame their crimes upon the people who have migrated from the villages to urban areas.

Similarly, the Chimis of Thimphu and Punakha Dzongkhags submitted that many people first come to urban areas like Thimphu to meet their relatives working in the Government or private sectors. Then they construct temporary shelters on vacant Government land and refuse to vacate after staying there for many years. This has created problems in many Dzongkhags which have big towns, particularly in Thimphu. They said that crimes in urban areas would be reduced if

some measures were taken to make the unemployed rural folks loitering in the towns return to their villages and work on their land which might otherwise turn fallow.

Many problems have also cropped up in collecting land and household taxes in cases where registered heads of the family remain absent from their villages for many years. When the prices of goods are increasing every day, it would be better for farmers to continue farming their lands. This would also help achieve the Government's policy of national self reliance.

The Home Minister informed the house that a growing trend in rural-urban migration is taking place not only in Trashigang but in all the 20 Dzongkhags. The number of migrants looking for better livelihood and employment opportunities in the urban centres increases naturally with progress in socio-economic development of our country and better education of our people. Therefore, there is no way to check the rural-urban migration. Nevertheless, the trend could be reduced through efforts to improve the quality of life in rural areas.

The Royal Government has promoted equitable socio-economic development in every region, Dzongkhag, village and town irrespective of whether the communities are rich or poor. Thus most of the development services like the RNR centres, schools, health centres, roads and bridges, mule tracks are located in the rural areas. Even trade and industry licenses are issued mostly to rural people. Very soon, as in Thimphu today, electricity, telephone, fax, e-mail, internet, and even television services will be provided in rural areas. The Minister said that even if all the urban services can not be provided to the rural areas, it is the policy of the Royal Government to provide most of the services so that the rural population would be dissuaded from leaving their homes.

It is due to the above policy of the Royal Government that Bhutan is much better off in comparison to other countries who have less than 50% of their population in rural areas. In Bhutan, over 80% of the population live in rural areas. The capital city Thimphu, the largest urban centre, has a population of less than 40,000. Moreover, the wise policy of the Royal Government has not created a wide difference in the quality of life between the people living in urban and rural areas.

The Minister said that the three problems of rural-urban migration raised by the Trashigang Chimi should not be considered as major problems. Relatives and household members of those who migrated to urban centres seeking employment opportunities can shoulder the responsibilities related to annual census, collection of rural taxes, *Zhabto Lemi* and other

issues in the villages. Besides, the issues related to census, rural taxes and *Zhabto Lemi* are covered in the 1993 Census Guidebook, the Rural Tax Manual of the Ministry of Finance and the *Zhabto Lemi Chhathrim*. Therefore, the above rule books will help the Gups and civil servants to deal with issues of census, taxes and communities services for those people who are not in the villages.

The Minister also pointed out that besides the rural areas, the problems caused by rural-urban migration to the urban areas were also discussed at length during the 73rd Session of the National Assembly in 1995. It was resolved then that "...all Bhutanese citizens have the right to reside in any part of the country and, moreover, the Citizenship Act and Government policies also allow them to live either in Thimphu or in any of the Dzongkhags without any restriction being imposed". The Minister, therefore, submitted that there is no need to alter or add to the above resolution during the current session of the National Assembly.

The Minister for Health and Education submitted that the civil servants, businessmen and the private sector employees bring their relatives to the urban centres despite housing shortages and their incapacity to provide basic necessities. They also bring along their siblings, nephews and nieces to study in urban schools, abandoning the schools in their geogs and Dzongkhags. Therefore, the Education Division is facing great difficulty in accommodating students in urban schools. The parents are also greatly concerned. The Minister also submitted that those students who come from rural areas increasingly resort to theft, drugs and even prostitution when they cannot afford to live the lifestyle of urban students. The Education Division has, therefore, formulated policies to solve such problems and provide opportunity to educate the village children in their own villages and nearby schools. Around 170 community schools established since 1984 were upgraded from Class III to Class VI. There are also plans to upgrade many community schools to primary schools. Out of 39 Primary Schools upgraded to Junior High Schools within the last two years, 31 were in the villages. Besides, a plan has been adopted to construct good residential quarters for teachers in the villages, and also to post good teachers.

The Minister also pointed out that considering the *kidu* of the villagers, the Government provides ration supplied by the World Food Programme and stationery free of cost to village schools. These are not available in urban schools. Besides, agricultural and livestock studies are introduced in schools to benefit the students since most people in Bhutan depend on agriculture and livestock for their livelihood. The rural students are given two-week summer break coinciding with the rice transplanting season so that they can help their parents in the fields. Stressing that the parents have equal responsibility, the Minister said that the task of providing

education to as many students in the village schools should not be left to the Education Division alone.

The Secretary of the Royal Civil Service Commission submitted that the root cause of the problems mentioned by the members was the population growth in the country. Although Bhutan is a very small country, its population growth rate is among the highest in the South Asia. Therefore, even as providing education to the youth becomes more difficult despite the allocation of a substantial budget for the education sector, so would it be with employment opportunities in the country later on. However, if the Health Division succeeds as targeted in bringing down the 3 percent growth rate to 2 percent at the end of the Eighth Five Year Plan, , there will be no population related problems in the future.

The Minister for Trade and Industry said that to enable people in villages to live in peace and happiness, His Majesty has established many developmental infrastructure across the country. However, the people are still attracted by the relative benefits in the urban centres. Their migration has a negative impact on rural Bhutan in terms of reduced manpower required for implementing development activities, rural-tax collection and it adds pressure on urban infrastructure and services. These problems are also faced by other societies, particularly by those in the developing countries.

The Minister also added that most of the migrants do not report for their census in their villages. Some of them who are employed in doing contract works and need to move from place to place fail to provide education to their children and even leave themselves unregistered in the census. Such exclusion from the census causes many problems. The Minister said that it was time for the National Assembly to come out with remedial measures and stressed the need for more measures to discourage migration through equitable distribution of facilities and services rather than instituting laws to stop it.

Likewise, the Wangdue Phodrang Chimi submitted that in order to provide education to rural children, the Government has established schools and provided stationery and food free in almost every village. He said that despite this rural people still move to urban areas. This creates a lot of inconvenience especially in implementing development activities in rural areas. There is also the danger of the number of students in rural areas going down. The majority of retired military personnel also prefer to stay in urban areas rather than return home and take up farming for which they have limited experience. A situation may also arise whereby the benefits of

community services developed by the villagers would be denied to those families who return to villages.

A Royal Advisory Councillor submitted that he could not see any major problem caused by rural-urban migration in the country. His Majesty the King has been granting land *kidu* to the people according to their needs. Besides, there is not enough reason to stop people from migrating as the Government continuously endeavours to promote balanced development throughout the country.

He further pointed out that if young people are able to look after the well-being of their parents and families, they should face no inconvenience in coming to urban centres to look for job opportunities. As for the parents and siblings of civil servants coming to live with them in the urban areas, he referred to the saying, “knowing that the parents will age, children are brought up”, and said that this should not be a problem at all. If people live peacefully and in conformity with the laws, there is no need to make new laws that would prevent them from moving or living anywhere in the country, whether from villages to towns or from village to village.

The Speaker noted that there was a general consensus among the Assembly members that the Bhutanese people must be allowed to live in any part of the country and that avoidance of the negligible amount of rural taxes and *Zhabto Lemi* was not a big problem. While the existing policy was adequate, the Ministry of Home Affairs should take note of the issues raised by the members. Likewise, the concerns expressed by the Ministry of Health and Education must be borne in mind by the Assembly members and by the people of their respective constituencies. The Speaker pointed out that the problem of rural-urban migration is a result of economic development. As the small problems related to this phenomenon in Bhutan are not unsolvable, the house resolved that there is no need for any new measure to stop the rural-urban migration and that the Resolution of the 73rd Session of the National Assembly on this issue is adequate.

8. PROBLEM OF COMMUTERS BETWEEN GELEPHU AND BONGAIGAON, INDIA.

The Chimi of the Bhutan Chamber of Commerce and Industries reported that the Bhutanese vehicles plying between Gelephu and Bongaigaon in Assam are often attacked and robbed. If the objective of these attacks was purely to rob the passengers, the assailants would be targeting all vehicles plying in the area irrespective of whether they carry Bhutanese or Indian license plates. But it is only the Bhutanese registered vehicles that are robbed every time while

the Indian registered vehicles plying along this route are never attacked or robbed. Going by this fact, it is suspected that the residents in this area might be indulging in such activities for some reasons or the other. This grave situation needs to be looked into and addressed by the Government as soon as possible.

The Home Minister informed the National Assembly that there were three important motor roads between Bhutan and India. Of these, one is from Gelephu to Bongaigaon. The other two are the Phuentsholing-Thimphu highway and the Samdrup Jongkhar-Trashigang highway. The Gelephu-Bongaigaon road leads to the Gelephu-Tsirang-Wangduephodrang-Dagana highway and the Gelephu-Zhemgang-Trongsa highway. Moreover, when there were frequent roadblocks between Phuentsholing and Thimphu, the Gelephu-Bongaigaon road is crucial as an alternate route to Thimphu and other western Dzongkhags.

The Minister agreed that in the recent years, passenger travelling on the Gelephu-Bongaigaon road have encountered numerous difficulties due to frequent armed attacks and robberies. He clarified that it was not only the Bhutanese but also the Indian registered vehicles that were being robbed. The frequent attacks on the Gelephu-Bongaigaon road are mainly because of the presence of several groups of militants hiding under the cover of thick forest in the area. For this reason, the road from Sarpang to the Assam highway had been closed to vehicles since many years back.

The Minister informed the house that the area was infested with several groups of armed militants fighting either for independence of Assam from India or for a separate state from Assam, and also the *ngolops* from Bhutan.

Besides the armed militants who are responsible for carrying out the ambush, robbery and extortion, the *ngolops* coming from Nepal with political motives, also indulged in such activities on this route to raise funds for carrying out seditious activities against Bhutan. The *ngolops* have also often robbed and stolen *Kusung Thuktens* from Lhakhangs and Goendeys in Bhutan. Similarly, the armed militants in Assam have robbed the residents in the area and commuters on this route for money and valuables to fund their subversive activities.

The Minister said that the Gelephu-Bongaigaon road was an important road for the Bhutanese people. Since the Government was fully aware of the risk to the businessmen and other passengers travelling on this road, the issue was being discussed with the political leaders in India and specially with the police and civil authorities across the border in Assam. He informed the

National Assembly that the Indian officials have been assisting Bhutanese commuters by providing armed security to escort convoys of Bhutanese vehicles leaving Gelephu every morning at 9.00 am and back to Gelephu from Ranikatta every afternoon at 3.30 pm. Most of the Bhutanese vehicles that were robbed in the past one year were those which have not followed the security arrangements provided by the Indian security personnel and had travelled on their own.

The Minister expressed gratitude to the Indian Government, particularly, the State Government of Assam for providing security to the Bhutanese vehicles plying on the Gelephu-Bongaigaon road despite attacks by armed militants on vehicles carrying the Indian security personnel. He said it was difficult to say when exactly the situation on the Gelephu-Bongaigaon road would improve. As long as the armed militants fighting against India and the *ngolops* trying to subvert Bhutan were camped in the area, it was possible that armed robbery and extortion of the commuters would continue. At this juncture, the only solution would be to refrain, as far as possible, from travelling on the Gelephu-Bongaigaon road. However, if it was necessary to travel along this route, he advised that the vehicles join the convoy at 9.00 am in the morning and 3.30 pm in the afternoon for which the State Government of Assam provided security to the Bhutanese vehicles.

The Sarvang Chimi said that he agreed with the statement of the BCCI Chimi on the problem of travelling between Gelephu and Bongaigaon. On the basis of the excellent relations that exists between Bhutan and India, and the close and friendly relations established by the Sarvang Dzongda and Superintendent of Police with their counterparts in the Kokrajhar district of Assam, the Indian Government has deployed the Central Reserve Police (CRP) on this route for the security of the travellers. However, Bhutanese commuters are still being subjected to unbearable harassment due to the continued attacks, robbery and extortion on this route.

Because of the vast area and huge population of India, there was a major conflict between the Muslim and Santal communities in the area in 1994. A similar communal riot broke out between the Santal and the Bodos in 1996. Some of these people had infiltrated into Bhutanese territory to escape the turmoil. Upon their return from Bhutan, they were resettled along the Indian border and provided relief aid by the Government of India. Since last year when food supplies were withdrawn, the number of robbery cases on the Bhutanese commuters have increased. However, it is not clear which of the militant groups, the ULFA, Bodo, Santal or the Muslim groups, are responsible for these attacks. The Chimi expressed his appreciation for the constant and friendly dialogue between the Government of India and the Royal Government in addressing the problem of commuters on the Gelephu-Bongaigaon road and hoped that it will be continued with a renewed sense of urgency.

The Chimis of Dagana and Haa Dzongkhags said that the problem of the Gelephu-Bongaigaon road had implications for Bhutan's national security and the well-being of the Bhutanese people. The Chimis requested the Lhengye Zhungtshog to take up the matter with the Government of India to find a solution to the problem. Moreover, the Gelephu-Bongaigaon road would have to be used in the event of traffic on the Phuentsholing-Thimphu highway gets disrupted due to the problem of landslides at Sorchen. Therefore, if the National Assembly could explore ways to find a lasting solution to the problem, the benefit that would be accrued to the business community and the general public would be immense. The Chimi expressed deep appreciation of the Indian security forces for rendering necessary assistance for the safe passage of Bhutanese commuters through Assam.

The Sarpang Dzongda clarified that the Bhutanese travellers were attacked between the Gelephu checkpoint and in a forested place called Bangulu in Deosiri in Assam. In the last 18 months since November 1997, thirty three vehicles have been robbed including two vans of Bhutan Posts and Telegraph. Of these 33 vehicles, 24 belonged to private individuals, six were Government vehicles and three were vehicles of Government of India personnel working in Bhutan. Apart from these, it is also reported that many other Indian vehicles had also been attacked. Such attacks were perpetrated mainly by the ULFA militants fighting for the independence of Assam from India, Bodos fighting for a separate state from Assam and the Santals who were in conflict with the Bodos. Some of the attacks were being perpetrated by the *ngolops* who are carrying out seditious activities against the Tsa-Wa-Sum.

The Dzongda said that besides the close and traditional ties of friendship that exist between Bhutan and India, the police and the civil authorities in Kokrajhar, Assam and Sarpang Dzongkhag were in close touch over the smallest of problems. For instance, when a DCM truck and a bus carrying Indian security personnel were ambushed in the forest at Bangulu in Assam last year, they sought help from Gelephu. The Dungpa and the Superintendent of Police immediately rushed to the scene and evacuated the injured Indian security personnel to the hospital.

While the Royal Government has been making concerted efforts to find a permanent solution, Indian security personnel have been deployed for immediate relief of commuters on this route. As reported by the Home Minister, the passenger buses from Gelephu to Bongaigaon, and between Phuentsholing and Samdrup Jongkhar leave together in a convoy at 9.00 am in the morning. Similarly, other passenger buses originating in different places but coming to Gelephu travel together from Ranikatta at 3.30 pm in the afternoon with escort provided by the Indian

security personnel. The Dzongda reminded the National Assembly members that it was important that they inform the people in their respective constituencies on these arrangements for their safety.

The Speaker noted that the problem of the commuters and the measures taken with the help of the Indian and Assam governments, to ensure safe passage to Bhutanese travellers on the Gelephu-Bongaigaon road, were clearly explained to the National Assembly by the Home Minister and the Sarpang Dzongda. Under the wise leadership of His Majesty the King, the Bhutanese officials have maintained good relations with their Indian counterparts at the sub-division, district and state levels. They have jointly worked for the welfare of the peoples on both sides of the border. The Speaker expressed his appreciation for these developments.

The National Assembly endorsed the deep appreciation of the Bhutanese people to the Government of India and the State Government of Assam for the kind assistance in providing security to Bhutanese travellers on the Gelephu-Bongaigaon road. The Assembly advised Bhutanese commuters to move in a convoy escorted by the Indian security personnel. On this note, the deliberation on armed robbery of commuters on the Gelephu-Bongaigaon road was concluded.

X. ISSUES ON *NGOLOPS*

1. THE RELATIVES OF *NGOLOPS*

The people's representative from Samtse Dzongkhag submitted that the relatives of *ngolops* have been provided equal employment opportunities in both the Government and private sectors. However, as they have one foot inside the country and the other outside, they pose a serious threat to the security and sovereignty of the country. Since they cannot be trusted, the relatives of *ngolops* should be removed from service in both the public and private sectors.

In response, the Secretary of the Royal Civil Service Commission noted that the submission of the Samtse Chimi was being made out of his love and concern for the country and thanked the Chimi for the submission. He pointed out that the issue regarding the relatives of *ngolops* had been discussed in each session of the National Assembly since the 72nd Session.

He recalled that the issue had evoked intense and emotional discussions in the earlier sessions of the National Assembly. He also reminded the members that His Majesty the King, in his far-sighted wisdom, and his compassion for all his subjects, had treated all of them equally.

His Majesty had commanded that if the relatives of the *ngolops* have not violated the law, they should not be accused simply for being the relatives of *ngolops*. As a result, the relatives of *ngolops* did not face any difficulties.

However, the magnanimous gesture did not result in a change in the behaviour and thinking of the relatives of *ngolops*. Instead they have continuously provided sensitive information to their relatives living outside the country, thereby endangering national security. As such, the people had re-submitted this point in each session of the National Assembly and it was debated extensively, particularly during the 75th Session. As the activities by the relatives of the *ngolops* could endanger the security and sovereignty of the country, the National Assembly had decided that the relatives of *ngolops* in the civil service should be compulsorily retired with full benefits as per the RCSC rules. Consequently the actions taken by the RCSC in accordance with this resolution had been presented to the 76th Session during which the members had expressed their satisfaction.

The RCSC Secretary pointed out that, as the hon'ble members were fully aware, it is the policy of the Government to maintain a compact and efficient civil service and develop a dynamic private sector with qualified and experienced manpower. In keeping with this objective, the RCSC, between 1985 and 1999, had retired 9,691 persons from the civil service. This included 39 red-scarf officers and officers above Grade III. He added that in the future, also, every effort would be made to keep the number of civil servants to the minimum level.

The RCSC Secretary informed the house that His Majesty the King had issued clear instructions to develop and train the private sector. In keeping with the royal command, a budget of Nu.712 million had been set aside for private sector development during the Eighth Plan period. This constitutes 48 percent of the total budget outlay of Nu. 1,481 million for Human Resources Development during the Eighth Five-Year Plan. As human resources development and strengthening of the private sector are one of the main foundations of socio-economic development, they had been given top priority by His Majesty the King.

As decided by the 75th Session of the National Assembly, it is not in the best interest of the country to employ relatives of *ngolops* in the civil service because of the risks to the security of the country, said the RCSC Secretary. He, however, submitted that they should be allowed to continue working in the private sector, not just for their livelihood, but to also give them a chance to appreciate the opportunities they were receiving and develop a sense of loyalty and dedication to the Tsa-Wa-Sum.

The Samtse Dzongda explained that the people of Samtse had made the submission to stop employment of relatives of *ngolops* in both the public and private sectors because of their deep concern for the security of the country. He pointed out that the people living in and around the southern Dzongkhags like Samtse, though of different nationalities, are of the same race and shared the same language and ways of life. They also moved freely across the porous and open border. As a result, robberies and terrorist activities were perpetrated with ease. He recounted that when the problems first started in Southern Bhutan, the Ghumauney and Nainital schools were bombed and destroyed by the *ngolops*. Recently, the headmaster of the Nainital school who was temporarily residing in the school, which was rebuilt at a cost of Nu.550,000 by the Royal Government out of concern for the welfare of the people, nearly lost his life when the building he was staying in was bombed and destroyed. It was obvious that the culprits knew where the headmaster was living and also the location of the security personnel at the time. Such activities could only have been carried out in collaboration by people both inside and outside the country. The Dzongda added that in 1998, subversive pamphlets with false allegations to incite the people were distributed and posted at various places in Nainital and Chengmari. Furthermore, the robberies and terrorist attacks in Samtse could only have been carried out with inside information about which households had money and how much they had earned from sale of cash crops. The *ngolops* who are actually behind the robberies and acts of terrorism have tried to blame them on the Indian people living in the border areas in their effort to undermine the friendly relationship between the Bhutanese people and the locals living across the border in India. Therefore, it was obvious to the people that the *ngolops* and their relatives in the country are in constant touch with each other. He submitted that enemies within the country are more dangerous than those outside. That is why, it is very important to investigate and differentiate the relatives of *ngolops* who have betrayed the trust of the Tsa-Wa-Sum and those who are innocent, he said.

The representative of the Bhutan Chamber of Commerce and Industry supported the Samtse Chimi's submission that the relatives of *ngolops* should not be employed in Government service or in the private sector. This proposal had much substance and should be considered seriously by the Assembly. The RCSC Secretary had pointed out that when the relatives of the *ngolops* were compulsorily retired from Government service, His Majesty the King had decreed that they be allowed employment in the private sector, and many of them were given business licenses. He reminded the members that although the relatives of the *ngolops* were not discriminated from other citizens and were given the opportunity for employment within the country, they have not shown gratitude and loyalty to the Tsa-Wa-Sum. These people continued to collaborate with their relatives outside the country. Since they will be unhappy at their

compulsory retirement from Government service, they now pose an even greater threat to the security of the country. It would be better if the relatives of the *ngolops* are not given business licenses or employed in the private sector, he said.

Similarly, the Punakha Chimi noted the RCSC Secretary's submission that although the relatives of the *ngolops* were compulsorily retired from Government service, they were given the opportunity to work in the private sector which was also a chance for them to show their loyalty to the King and country. They were given this opportunity solely due to the compassion of His Majesty the King. However, as submitted by the Samtse Chimi and the Dzongda, it is apparent that keeping the relatives of the *ngolops* inside the country threatens the security of the country. A pot once broken cannot be mended. He submitted that, for the time being, the submission by the RCSC Secretary could be endorsed but it was important to institute a system to monitor and assess the activities of the relatives of the *ngolops* inside the country. If it is found that they are extending support to the *ngolops*, they should then be dealt with in strict accordance with the laws of the land.

The Speaker noted that the Samtse Chimi's submission, that the relatives of the *ngolops* employed in Government and private sector service could not be trusted, had been deliberated many times in the National Assembly. The members have, time and again, expressed their concern that the relatives of the *ngolops* inside the country would not only be supplying sensitive information to the *ngolops* in Nepal but also aiding them in subversive activities. However, he reminded the house that His Majesty the King has consistently pursued an impartial and non-discriminatory policy towards all his subjects. Furthermore, His Majesty has also commanded several times that unless an individual is found to be personally involved in subversive activities, he or she cannot be punished simply for being a relative of a *ngolop*. Therefore, the relatives of *ngolops* had received the same opportunities for employment, promotion and training in the public and private sectors as other citizens. However, they had not shown any appreciation for this magnanimous gesture. Therefore, the National Assembly, during its 75th Session, had no option but to pass a resolution for the compulsory retirement of relatives of *ngolops* from Government service, and this decision had been implemented by the Royal Civil Service Commission.

The National Assembly decided that the implementation of the 75th Session's resolution on the relatives of the *ngolops* by the Royal Civil Service Commission was adequate. The house decided that, in keeping with the steps taken by the government, the relatives of the *ngolops* would be allowed to continue working in the private sector.

2. PUNISHMENT OF *NGOLOP* RONGTHONG
DORJI

KUENLEY

The Tsirang Chimi submitted that it was resolved in the previous sessions of the National Assembly that the *ngolop* Rongthong Kuenley Dorji must be extradited to Bhutan and tried as per the laws of the land. He had not only worked treacherously against the Tsa-Wa-Sum but had also defaulted on loans to the financial sectors and private parties besides committing financial fraud before absconding from the country. The Chimi requested the Government for a briefing on the implementation of the Assembly resolution on this case.

In response, the Home Minister said that, as reported to the National Assembly during the 76th Session last year, the *ngolop* Rongthong Kuenley Dorji had been arrested and remanded in judicial custody in India. Rongthong Kuenley Dorji will face charges for financial fraud and non-payments of loans to the financial institutions and private parties once he is extradited to Bhutan. The Royal Government had requested the Government of India to extradite him in accordance with the Extradition Agreement of 1996 signed between India and Bhutan.

The Minister said that there were a total of seven cases of financial fraud and non payment of loans registered against Rongthong Kuenley in Bhutan's courts. As of 30th June 1998, he had a total loan liability of Nu.13,215,160 out of which a sum of Nu.4,562,132 was owed to the Bank of Bhutan in Phuentsholing. Five of these cases were already sub-judice in the different courts of Bhutan even before he absconded from the country. Two other cases of financial fraud were filed against him in the Samdrup Jongkhar and Mongar district courts by two of his former business associates.

Besides these seven cases of financial fraud and non payment of loans, there were four other charges against Rongthong Kuenley for carrying out seditious activities, spreading false allegations to malign the Royal Government of Bhutan, trying to create social and religious disharmony in the country and resorting to threats and unlawful intimidation against people who refused to support his seditious activities. These charges were drawn up in accordance with the provisions of the National Security Act 1992, said the Home Minister.

As submitted above, Rongthong Kuenley Dorji was remanded in judicial custody in India until 12th June 1998, when the Chief Metropolitan Magistrate in Delhi released him on bail with the following conditions:

- i. he shall be kept under constant surveillance;
- ii. he is required to report to the concerned police station twice a week; and
- iii. the travel documents issued by the Government of Nepal to Rongthong Kuenley are to be surrendered to the local authorities.

Rongthong Kuenley is presently on bail and staying in New Delhi under these conditions issued by the Chief Metropolitan Magistrate. As the hon'ble members were aware, Bhutan and India enjoy excellent relationship. On 28th December 1996, an Extradition Agreement was signed between the Kingdom of Bhutan and the Republic of India at the Tashichhoedzong, Thimphu. The agreement was signed by the former Home Minister, Lyonpo Dago Tshering and former Indian Ambassador, Mr. Dalip Mehta, in the presence of His Majesty the King. The Royal Government of Bhutan confirmed and ratified the Extradition Agreement on 19th May 1997, and it was also ratified by the Union Cabinet as well as the President of India.

The Home Minister said that it was now upto the Government of India to respond to the Royal Government's request for the extradition of Rongthong Kuenley in accordance with the Extradition Agreement of 1996 between the two countries. As desired by the National Assembly, the Ministry of Home Affairs and the Ministry of Foreign Affairs, through the Royal Bhutanese Embassy in New Delhi, were following up on the request for Rongthong Kuenley's extradition. The case was presently sub-judice in the High Court in New Delhi. The Home Minister reminded the members that the Courts in India took a long time to solve cases, sometimes even years. He, however, expressed his hope that the Government of India would be in a position to respond to the Royal Government's request and Rongthong Kuenley would be extradited to Bhutan at an early date, so that, as desired by the National Assembly, he could face the charges against him in the courts of law in Bhutan.

The Punakha Chimi said that, as the National Assembly had discussed the issue of the punishment of the *ngolop* Rongthong Kuenley many times in the past, the members should wait for the Governments of Bhutan and India to find a solution to extradite him to Bhutan. He expressed his hope that, as India is Bhutan's closest friend, the Government of India will expedite the extradition of Rongthong Kuenley in accordance with the Extradition Agreement.

The Speaker of the National Assembly noted that, in keeping with the Extradition Agreement signed in 1996, efforts were being made to extradite Rongthong Kuenley. As submitted by the Home Minister, although the court cases take a long time in India, there is no doubt that, eventually, Rongthong Kuenley will be extradited to Bhutan in accordance with the Extradition Agreement and he would then be tried in the courts for the charges pending against him.

The National Assembly decided that the Royal Government should continue to work with Government of India to extradite Rongthong Kuenley so that he can be brought to trial and punished for his crimes in accordance with the laws of the country.

3. BAN ON THE RETURN OF *NGOLOPS*

The Samtse Chimi submitted that in 1996 many people from Dorokha Dungkhag had come to Samtse saying that they wanted to emigrate and leave the country. With a view to allowing them to reconsider their decision, the Dzongda stopped them for ten days and even paid them daily allowances. He advised them to remain in their country and not to emigrate. Despite this, except for 20 of them, all the others had turned their backs and left the country. When these people had been asked in the Geog Yargye Tshogchhung why they wanted to leave the country they had said that it was of their own free will that they wished to leave. But as soon as they crossed the border, they had claimed that they were forcibly evicted from the country by the Government. Once in Nepal, they registered themselves as refugees for the free food, shelter and other facilities available in the camps and began spreading false allegations against the Royal Government.

The Chimi said that these people were told before their departure that just as the course of the rivers flowing down from the Himalayas cannot be reversed, once they left the country, they will never be allowed to return to Bhutan. As such, the Chimi submitted that the Government should never allow the return of the *ngolops* to the country.

The Punakha Chimi said that whenever a problem of national security arose, His Majesty the King had always taken upon himself the full responsibility for resolving it. As a result, the people did not have to face any difficulties and had been enjoying peace and prosperity under His Majesty's benevolent rule. Yet some of the Lhotshampas had left the country on their own free will after selling their properties. Once outside, they claimed to be refugees and joined the camps in Nepal from where they have conspired against the Tsa-Wa-Sum. Therefore, the Government must never agree to take back these people who had left the country on their own free will, and a ban must be imposed on their return.

A Royal Advisory Councillor and the Chimis of Zhemgang, Sarpang and Wangdue Phodrang Dzongkhags submitted that while the sovereign, independent nation of Bhutan was enjoying peace and tranquillity under the benevolent reign of His Majesty the King, the *ngolops*, with vested interests, had tried to destabilize the country through subversive activities. They had tried to incite rebellion against the Tsa-Wa-Sum and committed murder, rape and armed robbery which caused untold suffering to the people despite the fact that His Majesty had treated them with the care and affection of a father for his children. Further, His Majesty had repeatedly asked the people applying for emigration not to leave the country but they had turned deaf ears to His Majesty's appeals and did not even bother to give it a second thought. Now, whether they try to come back shouting slogans or waving banners, the Government and the people should take a firm stand together and stop them from entering the country.

The Haa Chimi said that the people of Samtse had every right to feel bitter towards the people who had left the country and then returned to try and instigate other Lhotshampas against the Government. He said that these people had not been satisfied with the fertile lands, previously belonging to the Haaps, given to the Lhotshampas by the Government. Nor were they content with the many hospitals, schools, livestock centres and numerous industries established in their Dzongkhags. His Majesty the King had even waived all taxes for them for one year to discourage them from leaving the country, but they had failed to appreciate the magnanimous gesture and took no heed.

The Chimi said that, after they left the country, they had joined the other *ngolops* in the refugee camps in Nepal and began a campaign of malicious propaganda against the Government and people of Bhutan. Many of them also returned to raid the villages and rob innocent people in Southern Bhutan. They also tried to force other Lhotshampas to join them. The Chimi cited a saying that "while it would be possible to retract a wrong step, it would not be possible to undo a wrong decision". Therefore, it is possible that such people who had left the country might also not wish to come back. However, even if they did want to return, the Government should put a ban on their return and not allow them to do so.

The Chimis of Chhukha, Bumthang and Trashigang Dzongkhags pointed out that no one asked the emigrants to leave the country. In fact, they had left in spite of His Majesty the King's personal appeals to them to stay back. Not succeeding in their attempts to turn Bhutan into a Nepali nation, these people had left claiming that Nepal was their true homeland. Now, after

having tried to harm the Tsa-Wa-Sum and destabilise the country for many years, how could they even think of returning to Bhutan?

The Tsirang Chimi said that as reported by the Samtse Chimi, the people of Tsirang were also concerned with the problems related to the *ngolops*. He asked how the *ngolops* could expect the people to believe that there had been a sudden change of heart in them. The people claiming to be refugees in Jhapa had always conspired as to which farmers in Southern Bhutan they would rob, rape or kill and which Lhakhang to desecrate and loot. If such people are allowed to come back, there is every possibility that they would harm our country's sovereignty and security, he said. Therefore, every effort must be made to ensure that none of these people are allowed to return to the country.

The Chimis of Paro and Dagana Dzongkhags said that His Majesty the King had personally appealed to the Lhotshampas applying to emigrate not to leave the country. With a view to stop them from emigrating, His Majesty had also exempted them all rural taxes for one year along with *Gungda Woola* and *Shaptolemi*, and the payment of sales tax on cash crops. Yet they sold their land and property and left proudly for their homeland, with the intention of never coming back. Therefore, the question of their return does not arise. Nevertheless, such people have several times attempted to enter Bhutan forcefully through Phuentsholing. Therefore, the people of all the Dzongkhags must be ever vigilant to ensure that not a single one of them is allowed to enter Bhutan.

In this connection, the Chimis said that the security forces, the police, civil servants, business community and the general public of Phuentsholing deserve the appreciation and deep gratitude of all the members of the National Assembly for serving the Tsa-Wa-Sum with complete loyalty and stopping the *ngolop* traitors from entering Bhutan. Like the frequent attempts by the *ngolops* to enter Bhutan forcefully through Phuentsholing, similar attempts could also be made through other places in Bhutan. Therefore, all the members of the GYT's and DYT's in all the Dzongkhags must be ever alert and keep a strict vigilance.

Speaking on the issue, the Home Minister first updated the National Assembly on the terrorist activities committed by the *ngolops*.

He informed the members that, since the problem started in 1990, the *ngolops* had murdered 73 Bhutanese people. This included only those cases which were reported to the police and confirmed after investigation. They have also committed 63 cases of rape, kidnapped 241

persons, carried out 1,029 cases of dacoity and armed robbery, hijacked 64 vehicles including two wheelers and attacked and injured 696 people in the villages in Southern Bhutan. Meanwhile, the village volunteers in Southern Bhutan had caught 118 *ngolops* who had come to raid the villagers and handed them over to the police.

The *ngolops* had also destroyed and damaged several basic infrastructure facilities, vital for the country's socio-economic development, by using explosives and setting them on fire. These include 12 Basic Health Units, 13 Police Checkposts and Outposts, 4 Revenue and Customs offices and post offices, 21 Forest Range/Beat offices, 30 schools, 67 private houses, 37 vehicles and 16 bridges. They also carried out 67 attacks and ambushes on security personnel.

Besides the loss of life and property to both the people and the Government, the destruction of essential basic infrastructure facilities has seriously affected planned socio-economic development programmes in Southern Bhutan, said the Home Minister.

He pointed out that while the *ngolops* have been claiming that the Royal Government of Bhutan had violated human rights, all these facts show that they are the ones who have been violating every aspect of human rights. As all the members of the Assembly were aware, the *ngolops*, based in the refugee camps in Nepal had continued to break every law and committed the most heinous acts of terrorism which have caused untold suffering to the innocent people in Bhutan.

The Home Minister also informed the house that the bomb blast on 7th November 1998 at the Changlingmithang pavilion was carried out by two members of the so-called Druk National Congress to disrupt the celebrations of His Majesty's birthday and the Children's Day of Bhutan because they knew it would hurt the sentiments of the people. Furthermore, the *ngolops* of the Druk National Congress had been sending armed men to rob *kuten sungtens* from the Lhakhangs and Goendeys in Bhutan to generate funds for themselves and their criminal and seditious activities through the sale of these valuable items. This had been revealed by two of the five *ngolops* from Nepal who had been caught by the police following the recent robbery of the Geley Lhakhang in Chhukha Dzongkhag.

The *ngolops* have also been trying to instigate the residents of Jaigoan and other bordering towns in India against Bhutan and to infiltrate into Bhutan to carry out unlawful activities. During the last six months, there had been four attempts by the *ngolops* to forcefully enter Phuentsholing. However, their evil designs failed because of the alertness of the public and

the security personnel, and also because the public of Jaigoan refused to co-operate with them. Most of those who had tried to illegally enter Phuentsholing were not Bhutanese nationals and four of them had been involved in terrorist activities inside Bhutan.

Apart from the attempts to create religious and communal disharmony in the country, the *ngolops* have been making constant efforts to turn the people and political parties in India against the Government and the people of Bhutan, particularly, the people of Nepali origin across the border. They have formed 31 support groups among the people of Nepali origin in Darjeeling, Jalpaiguri and the Duars region. They have also tried to turn all other countries who have friendly relations with Bhutan against the Kingdom, said the Home Minister.

They are supported in their efforts to malign the Royal Government by many non-governmental organisations in Nepal who were acting with the *ngolops* out of their vested interest to attract international support for themselves. They were also assisted by the media in Nepal in trying to misinform and mislead the foreign countries and international organisations under the guise of democracy and human rights.

It has been reported that there are almost 100,000 refugees in the camps in Nepal. However, as everyone knows, a large number of these people in the camps are not Bhutanese. The main objective of the *ngolops* has been for these people to come to Bhutan and take over political power, so that all of them can be made Bhutanese citizens and given employment.

As the hon'ble members are aware, the government's policy regarding the people in the camps in Nepal has always been very clear, said the Home Minister. The ministerial level talks between Bhutan and Nepal, held by the Ministerial Joint Committee, have agreed and reflected in the signed minutes of the meeting, that there are four categories of people in the camps in Nepal:

- i. Bonafide Bhutanese if they have been evicted force fully;
- ii. Bhutanese who have emigrated;
- iii. Non Bhutanese people;
- iv. Bhutanese people who have committed criminal acts.

On Category I, His Majesty the King and the Royal Government has made it clear right from the very beginning that the Royal Government would take full responsibility for any Bhutanese found to have been forcefully evicted from the country. Such persons would be recognised and accepted as genuine refugees and those responsible for forcefully evicting them would be punished according to the laws of the country.

On Category II, the Royal Government has made it clear that those who have emigrated should be dealt with in keeping with the citizenship and immigration laws of Bhutan and Nepal. The Royal Government has also agreed that if any Bhutanese who emigrated is found to have been forcefully made to leave the country, the person would fall under Category I and would be dealt with accordingly.

On Category III, non-Bhutanese, they must return to their own countries.

On Category IV, the repatriation of these people will be in keeping with the laws of the two countries. They will have full opportunity to prove their innocence in the courts of law in Bhutan.

Apart from the Ministerial Joint Committee and other official meetings between Bhutan and Nepal, His Majesty the King had conveyed Bhutan's positions on these four categories of people to the successive Prime Ministers of Nepal during his meetings with them.

The Home Minister reminded the members that the issue on the ban on the return of *ngolops* had been discussed repeatedly during the past Sessions of the National Assembly and several resolutions had also been passed. It had been resolved, amongst others, that they shall be dealt in accordance with the resolution of the 71st and subsequent sessions of the National Assembly as well as the Citizenship Acts of Bhutan. As the Royal Government had been following these resolutions of the National Assembly and would continue to do so in the future, he felt that there was no need for further discussion on the issue in the current session of the National Assembly.

The Chimis of Lhuentse, Trashigang and Dagana Dzongkhags said that people who had left the country had done so according to their wishes. After carrying out anti-national activities for many years, if they now want to come back, it is totally unacceptable to the people of Bhutan. They submitted that the Government should deal with such people in accordance with the past resolutions of the National Assembly and the laws of the country. They said that the Bhutanese delegation to the Bhutan-Nepal talks should bear in mind that the people who had left the country cannot be considered as refugees because they had left on their own free will and even refused to heed the appeals of His Majesty the King to them to stay back.

The Punakha Chimi reminded the house that the former Prime Minister of Nepal, Mr. G. P. Koirala, who supported the *ngolops*, had given an interview to the BBC in 1991 in which he had spread false allegations against Bhutan and said that Bhutan had a dictatorial system of government. The *ngolops* had also alleged that donor assistance for development programmes was being diverted for security forces and alleged that they had left Bhutan because there was no human rights in the country. In case they talk of wanting to return, the matter should be dealt with accordance to the past resolutions of the National Assembly and the laws of the country.

Similarly, a Royal Advisory Councillor and the Chimi of the Bhutan Chamber of Commerce and Industry said that, like the spreading of an epidemic, the people of Bhutan had to face untold misery due to the *ngolop* problem that started in 1990. Even to this day, the *ngolops* have been carrying out some of the most unimaginable and heinous activities like the recent robbery of Geley Lhakhang and the bomb blast at Changlingmithang pavilion. He noted that the Ministerial Joint Committee meetings between Bhutan and Nepal could not be held due to the political instability in Nepal. Now that Nepal had a new Government in place, when the bilateral talks resumed, the Nepalese Government should be asked to stop the subversive activities by the *ngolops* based in Nepal which were detrimental to the security of Bhutan. They also urged the Home Ministry to continue with the active vigilance along the southern border.

They submitted that although there was nothing wrong in continuing with the bilateral talk regarding the people in the camps in Nepal on the basis of the four agreed categories, should a situation arise where the agreed categories have to be changed, the Government should not take any decision without first consulting the National Assembly.

The National Assembly noted that His Majesty the King, out of his love and compassion for the people, and his concern for the security of the nation, had visited the high security risk areas in Southern Bhutan without any regard for his personal safety and had repeatedly appealed to the people who had applied to emigrate not to leave the country. Yet, these people had paid no heed and left the country. After having left the country, they began to spread false and malicious allegations against Bhutan. They had also engaged in the destruction of infrastructural facilities, committed crimes such as rape, murder, kidnapping, ambush and armed robbery. The National Assembly decided that the issue of people who have left the country should be dealt with on the basis of the four agreed categories of people in the camps as laid down in the signed minutes of the Ministerial Joint Committee of Bhutan and Nepal. The National Assembly resolved that the issue on the ban on the return of *ngolops* should be dealt in accordance with the resolutions of the National Assembly as well as the Citizenship Acts of the country.

XI. EXPRESSION OF APPRECIATION

1. Expression of appreciation for deputing the Royal Advisory Councillors

The Chimis, on behalf of the people of the 202 geogs in the 20 Dzongkhags of Bhutan, expressed their deepest gratitude to His Majesty the King for deputing the Royal Advisory Councillors, led by the *Zhung Kalyon* to assess the crop harvests as this winter had very little rainfall and which caused deep concern to His Majesty that the people might face food shortage as a result. The Royal Advisory Councillors were also asked to obtain the views of the people on the problem of the encampment of the ULFA-Bodo militants in south-eastern regions of Bhutan. Although the people were initially worried that the dry season early this year might affect the crops, due to the blessings of the Triple Gem and the good fortune of His Majesty the King, no major damages have occurred. The people are specially grateful to the Royal Government for creating a food reserve to overcome any unforeseen food shortages in the future. Regarding the security threat posed by the ULFA and Bodo militants inside Bhutanese territory, the people deeply appreciated the opportunity to express their concerns and opinions on the problem. The Chimis made the following submissions:

The Tsirang Chimi expressed the people's heartfelt gratitude to His Majesty the King for resettling landless and poor people, for constructing irrigation channels to make dry land arable, developing healthy livestock in the Dzongkhag and for the various programmes to enable the sale of cash crops of all the different Dzongkhags. Although there was only a minor indication of drought this winter, His Majesty the King deputed the Councillors to different Dzongkhags to assess the extent of damage it may have caused on the crops for which the people are most appreciative. However, the people submit that their main concern these days is the infiltration of the ULFA-Bodo militants inside Bhutanese territory.

Similarly, the Dagana Chimi submitted that in 1997, hailstorms destroyed crops in most of the geogs of Dagana. The heavy summer rains in 1998 blocked the road between Sankosh and Dagana Dzong and vehicles could not ply for four months. Deeply concerned, the Royal Government had mobilised and transported food provisions like salt, cooking oil and rice when the people of Dagana, the Dratshang, students in schools and civil servants were faced with severe food shortage. This year, when there was only a minor indication of drought, His Majesty deputed the Royal Advisory Councillors to the villages to assess the crop condition, and also to

seek the views of the people on the ULFA and Bodo militants who have created a tense situation in the country. For this, the people of Dagana Dzongkhag wished to express their deep gratitude and appreciation to His Majesty the King. To solve the problem of vehicular traffic on the motor road in the Dzongkhag, the Deputy Minister of Communication and officials of the Road Division visited Dagana Dzongkhag in May this year. It was decided then to black-top the motorable road and work has in fact already started. The people hope that the black-topping of the road between the Sankosh and Daga Dzong will be completed by the year 2000.

The Gasa Chimi submitted that the people of Laya and Lunana depend on yaks for their livelihood. For the *kidu* of the people, particularly of those who had no yaks, the Royal Government had provided *jimn* and yak breeding material and also improved the pastures. These measures have enabled the people without livestock to prosper equally with others who possess livestock for which they express their deepest gratitude. They hope that in the future also, the *kidu* of the poor would continue to receive consideration.

The Chimi of the Bhutan Chamber of Commerce and Industry submitted that as the shops in Wangdue Phodrang are only temporary structures, they could not meet the requirement for fire insurance and their shops were not insured. As a result, the owners of some of the shops which were gutted by fire in the past could not receive any insurance benefits. For the *kidu* of the business community of Wangdue Phodrang, His Majesty the King had commanded that the shops be covered by insurance. On behalf of the business community of Wangdue Phodrang, the Chimi expressed deep gratitude to His Majesty the King.

The Wangdue Phodrang Chimi submitted that the people were highly appreciative of the food security reserve arranged by the Royal Government for the people to avail in the event of food shortages that may arise due to droughts and bad harvests. Regarding the security threat posed by the presence of the ULFA and Bodo militants inside Bhutan, he said all the people must come forward to defend the country. He pledged that the people of Shar Dhargye stand ready to defend the security of the country.

The Trashigang Chimi said that His Holiness the Je Khenpo, who is the source of refuge for both the present and future lives, visited the Dzongkhag which provided a great opportunity for the general public of Trashigang in particular the practitioners of the Dharma, and the people of neighbouring Dzongkhags to receive *Wang* (empowerment), *Lung* (initiation) and *Thri* (instructions) from His Holiness. The people of Trashigang will always cherish the unforgettable *Wang*, *Lung* and *Thri* blessings from His Holiness, the like of which were never held in the past. The teachings of the Buddha were made understandable even by the lay people and by showing

them the true path to liberation has brought limitless benefits to the people. The people of Trashigang would, therefore, like to express their heartfelt gratitude to His Holiness the Je Khenpo.

The Paro Chimi submitted the people's deep gratitude to His Majesty the King for deputing the *Zhung Kalyon* and the Royal Advisory Councillors to different Dzongkhags to assess the condition of the winter crop after the dry spell last winter, and also to ask the people for their views on the ULFA and Bodo problem. The people also expressed their gratitude to Her Majesty the Queen, Ashi Sangay Choden Wangchuck, the UNFPA Goodwill Ambassador for talking to the people of Paro about family planning. They also expressed their gratitude to Her Majesty the Queen, Ashi Tshering Yangdon Wangchuck for inaugurating the exhibition during the Paro Tshechu for the preservation and promotion of the Zorig Chusum. The people were deeply grateful to Their Majesties the Queens for granting them the opportunity to meet and interact with Their Majesties.

The Trashigang Chimi expressed the deep gratitude of the people to His Majesty the King for his constant concern for their well-being. His Holiness the Je Khenpo visited Trashigang Dzongkhag and the people not only got the rare opportunity of meeting His Holiness but the new Dzong could also be consecrated. His Holiness conducted the *Wang, Lung* and *Thri* blessings for the people.

Similarly, the people expressed their profound gratitude to Her Majesty the Queen, Ashi Sangay Choden Wangchuck, Goodwill Ambassador of UNFPA, for her talk on family planning, and to the ministers of the Royal Government and the Royal Advisory Councillors who visited the Dzongkhag to find out the welfare of the people, assess the condition of the winter crops and to seek the people's views on the ULFA and Bodo problem.

Likewise, the Zhemgang Chimi expressed the people's heartfelt gratitude to His Majesty the King, for his concern over the welfare of the people of Khenrig Namsum. His Majesty had deputed the *Zhung Kalyon* and the Royal Advisory Councillors to assess the condition of winter crops after the sparse rainfall last year, and also to ask the people's view on the problem of the ULFA and Bodo militants. Besides, the Ministers of the Lhengye Zhungtshog representing His Majesty the King also visited remote villages to solve peoples difficulties and for which they are particularly grateful.

In addition, the Trongsa Chimi submitted that although there had been some damage to wheat and barley crops in their Dzongkhag, the people did not face any food shortage. The main

concern of the people, however, is the presence of ULFA and Bodo in our country. The people expressed their deep gratitude to His Majesty the King for taking the full responsibility of resolving the problem. They pledged their full support.

The Mongar Chimi said that in addition to the visit by the Royal Advisory Councillors, the visits of His Holiness the Je Khenpo, Their Majesties the Queens and the Ministers of the Lhengye Zhungtshog to the different Dzongkhags have strengthened the confidence of the people. But above all, the frequent personal visits of His Majesty the King to all the remote regions of the country have greatly enhanced the peace and happiness enjoyed by the people of the country.

The Kalyon said that the issue of the security threat posed by the infiltration of armed ULFA and Bodo militants inside Bhutanese territory had not only been discussed in the past sessions of the National Assembly, but it had also been discussed with the people and the students by His Majesty the King during his visits to the Dzongkhags. His Majesty had commanded that the Royal Advisory Council visit different Dzongkhags to ask the people their genuine views on the ULFA-Bodo problem.

His Majesty was also greatly concerned by the possible damage to crops as a result of the dry winter and had commanded the Royal Advisory Councillors to investigate food shortages that may be faced by the people. Accordingly, the Councillors led by the *Kalyon* himself had visited all the Dzongkhags as commanded.

He reported that the absence of rain had done no major damage to the crops mainly because farming in summer is more intensive than in winter. Besides, with the income from livestock produce, backup available from the Government's food reserve, every Bhutanese family having at least one member working either in the Dratshang, civil service, the service forces, or in the private sector, leave alone food shortage, people now wear better clothes and eat better food than ever before in our history. Whatever views and suggestions the people had expressed regarding the problem of the ULFA and Bodo militants in our country have all been fully reported to the Royal Government. This issue has been submitted again for discussion in the National Assembly by the people and it is very important that the Assembly deliberate on this issue and pass an appropriate resolution.

The Samdrup Jongkhar Chimi submitted that His Majesty the King, out of profound love and affection for his people, continues to look after the welfare of the people of Bhutan. There

will never be enough words to express their gratitude to His Majesty. All they can do is pray for the long life and continued reign of His Majesty the King.

The Speaker informed the Assembly that the signs of a dry season last winter and the possible damage to winter crops had brought deep concern to His Majesty the King. His Majesty had, therefore, deputed the Royal Advisory Councillors to tour the different Dzongkhags, meet the people, assess the difficulties and problems they might be facing, and also to seek their genuine views on the security threat posed by the ULFA and Bodo problem. Noting the expressions of appreciation submitted by the people, he said that it was indeed an acknowledgment of their gratitude to His Majesty which they were submitting in the august hall of the National Assembly for His Majesty's unceasing concern for the welfare of his subjects. Always concerned over any problem faced by the people, His Majesty has assumed the grave responsibility of safeguarding the security of the country, he said. It is, therefore, a matter of deep satisfaction that the people, on their part, have pledged their unwavering loyalty and support to His Majesty the King.

The National Assembly prayed for the long life and glorious reign of His Majesty the King and for the country of the glorious Palden Drukpa to flourish for all times to come, and for the successful fulfillment of all the national goals, policies and programmes through the harmonious efforts based on the close and pure bond between the King, the Government and the People. The expression of appreciation was concluded with prayers for ever lasting peace and happiness.

XII. ISSUES RELATED TO THE ULFA-BODO PROBLEM

The people of the 202 geogs in the 20 Dzongkhags of Bhutan and the Bhutan Chamber of Commerce and Industry submitted that the Royal Government should explore all possible means to solve the ULFA-Bodo problem. For their part, the people pledged their full support in both material resources and manpower requirements. The views of the people on this issue were submitted by the Chimis as given below.

The Chhukha Chimi submitted that although our country is small and landlocked, it has always enjoyed peace, happiness and prosperity due to the blessings of the second Buddha Ugyen Guru Rimpoche, the protection of our Guardian Deities and, above all, due to the wise and benevolent leadership of His Majesty the King. However, the increasing threat posed by the presence of the ULFA and Bodo militants inside Bhutanese territory has rendered food tasteless

and sleep difficult for the people. If this problem is not resolved quickly it will become a serious security threat which will become difficult to remove. During the 8th Five-Year Plan meeting, the people had submitted to His Majesty the King that the people of Chhukha were ready to volunteer as militias, if called upon by the government, and serve in the high risk areas even at the cost of their lives. They had also submitted that in the event of an armed confrontation with the militants, resulting in great difficulties for fellow citizens in the affected areas, they were ready to extend whatever support may be needed by them. The people of Chhukha reiterated their support which was not mere words, he said, but a wholehearted pledge. The Chimi requested for a decision on their submission so that the people could be informed about it.

The Chimis of Wangdue Phodrang and Bumthang Dzongkhags said that, earlier in 1990, when the *ngolop* problem arose in Southern Bhutan, His Majesty the King had taken full responsibility in resolving it and the people did not have to face any major hardship as the problem was peacefully contained. Today, ULFA and Bodo militants who are rebelling against the Indian Government have established their presence in the borders areas of some of the eastern Dzongkhags. The presence of these militants on Bhutanese soil has caused very deep concern to the people. They expressed their deep gratitude to His Majesty the King for taking the full responsibility of resolving the problem during the 76th Session of the National Assembly. It would be good if ways could be found through dialogue with the Government of India to solve the ULFA-Bodo problem peacefully. However, if a peaceful solution cannot be found and a military option has to be resorted to, the people are fully behind whatever decision is taken and are ready to come forward with material support as well as manpower. They reiterated their whole-hearted support which had already been submitted to the Royal Government.

The Chimis of Paro and Tsirang Dzongkhags said that the main reason why the people did not face any difficulty when the *ngolop* problem arose in Southern Bhutan was because of the dedicated and loyal services rendered by the security forces under the command of His Majesty the King, for which, the people expressed special gratitude. Today, the people of Bhutan are deeply concerned by the presence of militants from India who had rebelled against their Government and infiltrated into the eastern Dzongkhags of our country. Although the Royal Government is making every effort to solve this problem, the people would like to request that talks with the Government of India be pursued vigorously to resolve the problem as soon as possible. If a solution is delayed, the militants will be able to further strengthen their camps inside Bhutan and the threat to our national security will become even more serious. While the Royal Government must look into every possible means to remove these militants from our country, the responsibility should not be left entirely to the Government. The people, therefore, pledged to

extend their full support in terms of material and manpower requirements for resolving this problem.

Similarly, the Chimis of Trashigang Dzongkhags submitted that while the people of our sovereign country of the glorious Palden Drukpa were enjoying peace and prosperity under the benevolent reign of His Majesty the King, the armed militants fighting against the Government of India had infiltrated into our territory just as the saying goes, “where the Dharma flourishes, evil also takes root.” The continuous movement of the ULFA and Bodo militants from Assam, carrying arms and wearing uniforms, raises doubts that they may even be receiving support from the Government of Assam. However, as the saying goes, “subdue the enemy through strategy and foster relations through love and compassion,” the necessary strategy must be employed to make the ULFA and Bodo militants leave the country as soon as possible. Otherwise, there is every possibility that the *ngolops* and the ULFA militants would join hands to harm the Tsa-Wa-Sum.

The Chimis recalled that His Majesty the King had already assumed full responsibility for solving the ULFA-Bodo problem and they expressed their hope and confidence that His Majesty would employ all possible means to make the militants leave the country peacefully. However, if they do not agree to a peaceful solution, then military force would have to be resorted to as there would be no option left. The people are ready to come forward for militia service and provide both physical and material support. As the saying goes, “subdue the enemy when it is small and put out the fire while it is still a spark,” the Chimis called for a conclusive decision to be taken in the current session of the National Assembly on how to make the militants leave Bhutan without further delay.

The Chimis of Samdrup Jongkhar and Trashigang Dzongkhags said that the infiltration of ULFA and Bodo militants from the neighbouring State of Assam into our sovereign, independent Kingdom of the Palden Drukpa is like the “wild birds coming from the jungles and trying to take over the coop from birds in the house”. It was also like a situation where uninvited guests have become a threat to the owner of the house and the well-being of the family. In places where these armed militants have infiltrated, the people are finding their food tasteless and their nights sleepless. The progress of development activities have also been seriously affected. The people, therefore, appealed to His Majesty the King to hold talks with the Governments of India and the State Government of Assam on the basis of friendship and co-operation and consider different strategies to make the militants leave Bhutan as soon as possible. For their part, the people pledged their full support in terms of resources and manpower to make the militants leave the country. As it is likely that some Bhutanese nationals are collaborating with the militants and

rendering them support, they must be punished in strict accordance with the National Security Act. Since the ULFA-Bodo problem is basically an issue between the Government of India and its people, the Government of India must be requested to provide security in the border areas of Assam to ensure smooth trade and commerce between Bhutan and India.

The Chimis of Punakha and Thimphu Dzongkhags said that the issue of the presence of ULFA-Bodo militants in the eastern Dzongkhags had been discussed in the past sessions of the National Assembly. Though the Royal Government had been adopting various ways and means to solve this problem, the refusal of the militants to leave the country had caused great concern to the people. Speaking frankly, they pointed out that several years had already elapsed since the ULFA-Bodo militants had entered Bhutan. They wondered whether the Gups, Chimis and GYT members of the concerned areas were not aware when the militants first entered our territory or whether they had been neglectful in reporting it to the Government. It was also apparent that the Dzongkhag officials had not perceived the threat that these militants would pose to the nation's security and had ignored the matter. Otherwise, it should have been natural for the security forces to react immediately and prevent the militants from setting up camps in Bhutan right from the beginning. They noted that efforts are now being made to make these militants leave the country through peaceful means. However, if they refuse to do so, it will be necessary to resort to the military option for which the people are fully prepared to make physical and material contributions and, if necessary, even sacrifice their lives. If their services are required the very next day, the people are ready to come forward today itself.

Despite the gravity of the problem, the people are unaware of any plans or measures that the Government officials may have submitted to His Majesty the King to resolve the ULFA-Bodo problem. Earlier, during the *ngolop* problem in Southern Bhutan, the people did not have to face any difficulties after His Majesty took the full responsibility of resolving the problem. This time, again, His Majesty the King has taken the full responsibility for resolving the ULFA-Bodo problem for which the people are deeply grateful. Apart from being deeply concerned about the issue, the people are unable to come out with any definite proposals. However, there are many senior Government officials who have been appointed and given authority by His Majesty the King with full trust and confidence. As one idea from these senior officials would be far more effective than a hundred thoughts of the common people, they called upon the ministers and senior officials to come out with options and ideas to support His Majesty the King in working out a solution to the problem.

The Chimis of Lhuentse and Mongar Dzongkhags submitted that the ULFA-Bodo militants had illegally entered Bhutanese territory since a few years back, established camps and also started military training. As this poses a grave threat to the security and sovereignty of the

country, His Majesty the King has not only taken the full responsibility for solving the problem but is exploring all possible ways and means to resolve it peacefully. The Chimis expressed their hope and prayer that through the blessings of Guru Rimpochhe and the protection of the Guardian Deities of the Palden Durkpa, the Bhutanese people and the country would not have to face the very worst of situations.

These are times when His Majesty the King, who is concerned only with the well-being and interests of the people and the country, has to consider various options, peaceful as well as military, to resolve a very serious problem facing the Bhutanese nation. During such times, it is important for the people to harness the positive energy and power of *Tendrel* (auspicious inter dependent causes) by harmonizing its essence through sincere faith and honour in all actions undertaken to achieve a purpose. As Jetsuen Milarepa said, “If the principles of *Tendrel* are applied to physical appearance and application, realization will dawn upon the mind.” Likewise, during the opening of the 77th Session of the National Assembly this year, all the members of the house offered His Majesty the King the auspicious *Sergi Khorlo* (golden wheel) with sincere prayers for His long life and glorious reign. His Majesty’s acceptance of this symbolic offering, which indicates the existence of a sacred bond of faith and loyalty between the King and his subjects, was a source of deep happiness to the people as it is a good *Tendrel* foretelling the fulfillment of His Majesty’s noble aspirations.

Bhutan is a land of the Dharma where *Tendrel* is strongly emphasized and observed. The positive energy and power of *Tendrel* generated by the *Sergi Khorlo* will enhance the long life and glorious reign of His Majesty the King, with his far-sighted wisdom ensuring victory over all adversaries. As such, the Chimis expressed their hope that no harm would come from the ULFA-Bodo problem and the country would never have to face such a problem ever again as peace naturally prevails in Bhutan. The Chimis called for the ULFA and Bodo militants to be removed from Bhutanese territory as soon as possible through peaceful means and strategies.

However, if it is the collective destiny of the Bhutanese people that a peaceful solution will not be found despite every effort being made, then there are no reasons to regret it. There will be no backing down or hesitation on the part of the people who all pledge their full support for whatever decision His Majesty the King may take to resolve the problem.

The Chimis of Gasa, Trongsa, and Pemagatshel Dzongkhags recalled that the people of Bhutan were living happily and enjoying the fruits of socio-economic development when the *ngolop* problem broke out in Southern Bhutan in 1990. Just as the saying goes, “an evil person

can harm the country and a troublesome bird will disturb the roost,” some unscrupulous people, driven by greed and vested interests, had tried to incite the Southern Bhutanese people to rise against the Tsa-Wa-Sum. His Majesty the King took the full responsibility of resolving the problem and it was due to His Majesty’s far-sighted wisdom that these *ngolops* could not achieve their objectives for which the people expressed their deep gratitude.

Today, Bhutan is facing a serious threat to its sovereignty and security from the increasing presence of the ULFA and Bodo militants who had infiltrated into the jungles inside Bhutanese territory along the border. Although the people are deeply concerned, they are unable to propose any concrete solution to the problem and have, therefore, entrusted the full responsibility of solving the problem to His Majesty the King. For their part, the people pledged to extend their full support in terms of material resources as well as manpower whenever commanded by His Majesty. They further pledged to serve the Tsa-Wa-Sum with loyalty and dedication and to defend the sovereignty and security of the country even at the cost of their lives.

The Chimi of the Bhutan Chamber of Commerce and Industry submitted that the business community and the people were deeply concerned that armed militants from the State of Assam had established camps in the jungles inside Bhutanese territory as it posed a grave threat to the security and sovereignty of the country. During the 76th Session of the National Assembly, His Majesty the King had assumed full responsibility for resolving this problem and His Majesty has been working continuously towards this end. Moreover, during the Royal Address to the nation during the Silver Jubilee Celebrations on 2nd June this year, His Majesty declared that the ULFA-Bodo problem must be resolved as soon as possible. On behalf of the business community, the Chimi expressed their deep gratitude to His Majesty the King.

He said that the continued presence of these militants inside the country was like sleeping with a snake in the bed. Every effort must be made to make these militants leave the country as soon as possible through all possible means and strategies. The presence of these militants was creating serious problems for the commercial activities of the business sector and affecting the implementation of development programmes for the benefit of the people. The business community are ready to support any initiative taken by His Majesty the King in resolving this problem and come forward with manpower or material requirements. If this problem cannot be resolved through peaceful means and a military option has to be resorted to, it is necessary for the National Assembly to give careful consideration to several matters before implementing the option. Firstly, all roads linking different places in Southern Bhutan have to pass through Indian territory. Therefore, strategies to prevent difficulties to the business community and the

Bhutanese people travelling through these roads need to be worked out. Secondly, if the Bhutanese security forces engage the militants in open combat to expel them from Bhutanese territory, there is every possibility that the militants would be joined by their Assemese supporters and relatives who live near the Bhutanese border. Therefore, the Royal Government should, from the very beginning, hold talks with the Government of India and request them to stop the ULFA-Bodo supporters and relatives in Assam from entering Bhutan. Uptil now, the militants have been bringing their food supplies and other essentials from India. The movement of such supplies should be stopped very strictly at the Indo-Bhutan border. In addition, it is very important to stop those members of the business community and the public who are motivated by monetary gain from collaborating in any way with the militants.

He submitted that the Government must prohibit any Bhutanese from dealing with the ULFA-Bodo militants, even for a *phita* of rice. Any person who fails to comply with such prohibitions and continues to help the militants in any way must be punished in strict accordance with the laws of the country.

The Haa Chimi said that the ULFA and Bodo militants, who have rebelled against our neighbour India, have entered illegally into Bhutan which has always been a sovereign, independent country and disturbed the peace and happiness of our land of the Dharma. When His Majesty the King visited Haa to discuss the 8th Five-Year Plan, the people had pledged their full support in terms of manpower and material resources to resolve the ULFA-Bodo problem. If the problem cannot be resolved peacefully, the *gups*, *chimis*, *mangaps*, *geog tshogpas* and the people of Haa are ready to come forward and shoulder any task delegated to them, without any fear, doubt or regret. As the *Triple Gem* is their witness, they are prepared to even sacrifice their own lives to safeguard the security of the country.

The Trashigang Chimi recalled that during the recent visit of the Royal Advisory Councillors to the Dzongkhag, the people of the 16 geogs of Trashigang had offered whatever material and manpower support the Royal Government needed to resolve the ULFA-Bodo problem. He reaffirmed that pledge on behalf of the people. He pointed out that some of the Bhutanese people were involved in supplying rations and doing business with the militants, so it was important to investigate such cases thoroughly. It was decided in the past National Assembly sessions that no Bhutanese person should be allowed to render any form of assistance to the ULFA and Bodo militants. However, if some people, motivated by greed and personal gain, continue to help the militants without giving any consideration to the security of the country, the ULFA-Bodo problem will become even more serious than ever. The current session of the

National Assembly should hold an extensive deliberation on how to remove the ULFA and Bodo militants from Bhutanese soil and also decide on firm punitive action to be taken against all Bhutanese nationals who are found extending assistance to the militants, regardless of their status or position in the Bhutanese society.

The Sarpang Chimi submitted that the ULFA-Bodo problem had been discussed thoroughly in the Geog Yargye Tshogchhungs and Dzongkhag Yargye Tshogchhung and it was decided that under no circumstances should any Bhutanese render any form of assistance to the ULFA and Bodo militants. Therefore, any person found to be helping the militants must be punished very strictly. He submitted that the people are fully united in their support for His Majesty the King and the Royal Government, and they are ready to come forward any time it may be required to defend the security and sovereignty of the country through full commitment of body, speech and mind.

The Thimphu Chimi submitted that the people of his Dzongkhag were deeply concerned by the infiltration of the ULFA and Bodo militants inside Bhutanese territory in the eastern parts of the country. While these militants are fighting against the Indian Government in the state of Assam, they are using the jungle areas of a small and close neighbour like Bhutan for their hide-outs. This poses a very serious threat to the security and sovereignty of our country, he said. Since the problem is actually between the militants from Assam and the Indian government, it should, perhaps, be resolved by the Government of India itself. However, as India and Bhutan are very close neighbours and friends, he hoped that the two Governments could find a way to resolve the problem. What is of paramount importance for us in Bhutan, he said, is to ensure that our children will be able to inherit and live on the land of their forefathers. To this end, all Bhutanese must place their full confidence and trust in His Majesty the King, uphold the values of *Thadamtshi* and *Leyjumdrey*, have faith in the Tripel Gem, and work together in the service of the country with one thought and mind. While expressing his hope that the ULFA-Bodo problem would be resolved through peaceful means, he pledged the full support of the people in terms of material and manpower requirements if it became necessary to resort to a military option.

The Dagana Chimi said that the ULFA-Bodo issue had been discussed in the National Assembly since its 75th Session and the Chimis had conveyed all Assembly resolutions to the people at meetings where a person from every household in their constituencies were present. The people were deeply concerned to learn about the ULFA-Bodo problem. Upon being informed that, during the 76th Session, His Majesty the King had taken the full responsibility for finding a

solution to the problem, the people were deeply grateful and gained confidence, but they still remained very deeply concerned by the problem.

The Chimi noted that just as the ULFA and Bodo militants, who have rebelled against our friendly neighbour India have established camps inside Bhutanese territory, many *ngolops* against the Tsa-Wa-Sum are also staying in Indian territory. This situation, therefore, posed a serious threat to Bhutan's security and sovereignty. In order to resolve the ULFA-Bodo problem, it is important to find out who are transporting rations and other supplies to the militants since these necessities cannot drop from the sky or just sprout from the ground. If steps are taken to identify persons responsible for this and stop the supplies, it would contribute greatly towards finding a solution to the problem.

He called upon the other Chimis not to forget the important pledges they had made in the august hall of the Assembly to support the Government in resolving the ULFA-Bodo problem because such a lapse on their part once they reached their geogs and constituencies would greatly harm the efforts to safeguard the security and sovereignty of the country. He pointed out that it would not be proper to leave the responsibility of resolving the problem to His Majesty the King and the Royal Government alone. It is important for the Government and the people to discuss this important issue freely and frankly and co-operate closely in implementing the decision taken by the National Assembly. If some people provide rations to the militants and others pretend not to see those who are helping to transport supplies for the militants through various check-posts, then the problem will naturally escalate and become even more serious. He pointed out that it was of utmost importance for the current Session of the National Assembly to pass a clear cut resolution on how to make the militants leave Bhutanese territory as soon as possible.

The Chairman of the Royal Advisory Council (*Zhung Kalyon*) noted that the representatives of all the Dzongkhags had submitted many important views on the ULFA-Bodo problem. On behalf of the Royal Advisory Council, he also wished to make a brief submission on the issue. In April this year, His Majesty the King had commanded that, as elected and trusted representatives of the people, the Royal Advisory Councillors should tour the Dzongkhags and discuss the ULFA-Bodo problem with the people. Although, the people had expressed their views during His Majesty's visits to the Dzongkhags to discuss the 8th Five-Year Plan and their views on the issue had also been submitted as an agenda item for discussion in the National Assembly every year, His Majesty had commanded the Councillors to find out if the views of the people regarding the ULFA-Bodo problem were genuine or mere rhetoric. Accordingly, the Councillors met the people in all the twenty Dzongkhags.

When the Councillors met and discussed the issue with the members of the Dzongkhag Yargye Tshogchhungs as well as the general public, the people gave their assurance that the views which they had been submitting to the National Assembly and to His Majesty the King had come from the depths of their hearts and out of the deep concern they felt over the ULFA-Bodo problem.

He said that the people were finding their food tasteless and their nights sleepless because the militants, who were armed with very lethal weapons, had infiltrated into Bhutanese territory and greatly disturbed the peace and security of the country. Since consumer goods including basic items like common salt, which are not produced in the country, have to be procured from across the border, the people were encountering considerable difficulties in transporting these items. In addition, the ULFA-Bodo problem was causing major difficulties for the transportation of machinery, essential equipments and movement of experts through Assam for the mega projects like Kurichhu Hydel Project and other projects in the eastern Dzongkhags funded by international organizations and the Government of India. Serious difficulties in transportation of equipment, goods and commodities through Assam was faced by the government, the business community and the general public. Such views were expressed by all the people, he said.

The Kalyon pointed out that although the ULFA-Bodo problem is in the eastern Dzongkhags, the people of other Dzongkhags are also deeply concerned. Everyone knows that when trouble crosses the border it will reach the centre of the country just as a boil on a little toe can cause pain to the whole body. The people had told the Councillors that they considered it very important for His Majesty to be personally informed that the people understood the need for the Government and the people to work together to solve the problem. His Majesty the King is like the Sun and the Moon, a monarch of destiny who is the outer protective wall and the inner jewel of the country. His Majesty the King, keeping in mind the present and future interest of the country, would look for a peaceful solution to the ULFA-Bodo problem and it would be good if the militants left the country in this manner. However, if the peaceful approach does not work and a military option has to be resorted to, the people have submitted that, apart from the armed forces, even the elderly men in the villages will come forward fully prepared to sacrifice their lives in the service of the country.

The people have submitted that it would not be proper to leave it upto His Majesty alone to deal with the problem. When the security of the country is threatened, it is the responsibility of every citizen to do whatever is necessary and possible to safeguard the national security. The

need for the Government and the people to work hand in hand to effectively address the problem had been submitted repeatedly to His Majesty the King. It is, therefore, only fitting that the hon'ble members who are deeply concerned by the problem should make repeated submissions on the ULFA-Bodo problem and that the National Assembly should deliberate at length on the issue.

His Majesty the King noted that the ULFA-Bodo problem had been discussed extensively by the members in the previous session of the National Assembly and that the essence of the submissions made by them in the current session was not different from the views they had expressed in the 76th session. Since the last Assembly session, the Royal Government had held two rounds of talks in Thimphu with the leaders of the ULFA. His Majesty directed the Home Minister to brief the National Assembly on the talks held with the ULFA leaders so that it would help the hon'ble members during the deliberations on the issue in the current Assembly session.

The Home Minister submitted that the issue of the infiltration of armed ULFA and Bodo militants into Bhutan had been discussed at great length during the 75th and 76th sessions of the National Assembly. In view of the deep concern of the people, from all parts of the country, over the serious threat posed to the nation's security and sovereignty due to the presence of armed ULFA and Bodo militants inside Bhutanese territory, the issue had been raised once again during the current session of the National Assembly.

The hon'ble members are, in fact, echoing the voices of the tens of thousands of Bhutanese people who had made similar submissions to His Majesty the King during the 8th Five-Year Plan meetings in the different Dzongkhags. Similar concerns were also expressed to the members of the Royal Advisory Council during their recent tours to the different Dzongkhags, and they were also raised during the visits to the Dzongkhags by the Cabinet Ministers during the past one year.

The Minister expressed his deep appreciation for the concern expressed by the people and their pledge to serve His Majesty the King and the Royal Government, including their readiness to even sacrifice their lives, if necessary, to resolve the ULFA-Bodo problem and remove the militants from the country. After all, if we are not concerned about the security of our own country, why should others bother about it, he said.

The Minister said that the deep concern of the people over this issue is fully shared by the Government. The presence of the armed ULFA and Bodo militants inside our territory posed the

3. Dasho Tashi Dorji
4. Dasho Jampel Ngedup

The Minister said that, as the talks with the ULFA leaders had not yet concluded, it was not appropriate to mention all the details of the meeting. He reported that the Royal Government representatives informed the ULFA leaders the gist of the concerns expressed by the members of the National Assembly last year. They were reminded of the tremendous problems created for Bhutan by their presence inside Bhutanese territory. Their continued presence infringed upon Bhutan's sovereignty and security, created great difficulties for the Bhutanese people, and could harm Bhutan's close friendship with India and the state of Assam. Then there was the implications of the Indian army entering Bhutan in pursuit of the militants and the possibility of Bhutanese soil becoming a battleground. Bhutan could also receive an image of a country that harboured armed foreign militants. The ULFA leaders had also been advised against fighting the might of the Indian army and that their chances of achieving independence for Assam were not realistic. Above all, they were very clearly and firmly asked to relocate their camps and leave Bhutan as soon as possible.

The Home Minister then informed the Assembly the gist of the responses made by the ULFA leaders to the representatives of the Royal Government :

1. The ULFA is fighting for the independence of Assam and they are determined to fight until they achieve their objective;
2. Since 1992, they were forced by circumstances to enter Bhutanese territory as Bhutan is Assam's immediate neighbour and the jungles of Bhutan provide the best sanctuary to save their lives;
3. They were well aware of the difficult situation created for Bhutan by their presence and had discussed the issue amongst themselves many times;
4. As their camps in other places were not secure and convenient, they reiterated that they were not able to leave their camps in Bhutan. They would leave Bhutan once they were ready for which they needed more time for at least one and half years;

5. However, they were willing to consider reducing the number of camps, minimise the number of troops, and keep them as mobile units and not move out during the day time;

The Minister reported that the Royal Government representatives had told the ULFA leaders that none of these options proposed by them met the concerns of the Royal Government and the Bhutanese people which was the very presence of armed foreign militants on Bhutanese soil.

6. When advised to avoid armed conflict and consider a peaceful solution, the ULFA leaders replied that they were in fact willing to do so on three conditions which were already submitted to the Government of India :

1. Talks should be held outside of India;
2. The U.N should be involved in it; and
3. The independence of Assam is not negotiable.

The Royal Government representatives told them that India will never let Assam become an independent state and, therefore, their objective was not realistic.

The Minister reported that, finally, the two sides had agreed to continue the dialogue and that the ULFA would be represented at the highest level at the next meeting.

The Home Minister said that he hoped that the ULFA leaders would agree to Bhutan's request to relocate their camps and leave Bhutanese soil peacefully at an early date. However, we must remember that, unlike the normal negotiations with other countries or international agencies, we are negotiating with armed militants who are fighting for the independence of Assam from India, he said. Therefore, it was difficult to predict the final outcome of the talks with the ULFA leaders.

Nevertheless, every opportunity must be given for the talks to achieve a peaceful solution. The Home Minister reminded the Assembly that, with the blessings of the Guardian Deities and the far-sighted wisdom of His Majesty the King, Bhutan had overcome many serious and complex problems. The most important thing for all of us at this stage, he said, is to place

our faith in our Guardian Deities and our complete trust in His Majesty the King who has always had the well-being of the people foremost in his mind.

The Minister submitted that, as pointed out earlier, the National Assembly had entrusted the full responsibility of finding a solution to the ULFA-Bodo problem to His Majesty the King and the Royal Government. To this end, it is of utmost importance for the Bhutanese people of all walks of life to have total confidence and trust in the decisions taken by His Majesty the King and the Royal Government and to be ever ready to contribute towards resolving the ULFA-Bodo problem with utmost loyalty and dedication to the Tsa-Wa-Sum, fully prepared to sacrifice their lives, if necessary, in the service of the country.

The Trongsa Chimi submitted that, besides the eastern and Southern Dzongkhags, there is every possibility that the ULFA-Bodo problem might spread to the central and northern Dzongkhags if it is prolonged. Therefore, if the problem is not resolved soon it will definitely become a very serious threat to the security and sovereignty of the country.

During the talks between the Home Minister and the ULFA leaders, they had said that they were compelled to take shelter inside Bhutan's forests for their safety. However, the actions of these militants on Bhutanese soil are likely to harm the friendly relations between Bhutan and India which have always been close and harmonious like water and milk. As the main objective of these militants is to fight against the Government of India for the independence of Assam, our country cannot be allowed to be used as a base for launching their subversive activities, said the Chimi.

He pointed out that His Majesty the King had taken the responsibility of solving the anti-national problem that arose in Southern Bhutan in 1990 and it had been gradually contained, with peace and happiness prevailing in the country. He expressed the hopes and prayers of the people that under the far-sighted leadership of His Majesty the King, the ULFA-Bodo problem would also be resolved. He said that there were reports that a few Bhutanese were cooperating with the militants. This is a total contradiction to pledges of support made by the people to the Royal Government. The Government should, therefore, look into this matter very carefully and take strict action against those who are involved in helping the militants as this would go a long way in solving the problem.

The Pemagatshel Dzongda submitted that since Pemagatshel was close to the border with Assam, in the past, it was suspected that some people from the Dzongkhag were supporting the

militants. However, after His Majesty the King had discussed the matter with them during the 8th Plan meeting in April 1998, the people had become aware of the impact such activities would have on the country's security and of the difficulties it would cause to the people themselves. The problem had also been discussed at length in the GYT and DYT, and rendering of any kind of help or support to the militants had been strictly forbidden.

He added that there might be a few people who, out of ignorance and greed, were still helping the militants. These people should be punished in strict accordance with the National Security Act, 1992. He also expressed appreciation for the two rounds of talks that had been held between the Home Minister and the ULFA leaders upon the command of His Majesty the King. As reported by the *Kalyon*, the ULFA-Bodo problem had been discussed with the people by the Royal Advisory Councillors who had been sent on tour to the 20 Dzongkhags on His Majesty's command. The people had expressed the view that if the peaceful measures failed, military action might have to be resorted to. In such a situation, the people in the nearby areas will be affected but they are willing to face that because the sovereignty and security of the country is at stake, he said. The time had come to stand up firmly against the ULFA-Bodo militants.

He submitted that the Government should continue the talks with the militants and make them leave the country through dialogue. If this does not work then it will be necessary to decide on a military option, he said.

The Chimi of the Bhutan Chamber of Commerce and Industry said that according to the report of the Home Minister, the major outcome of the talks with the ULFA militants was their proposal to reduce their troops, keep their camps mobile and move around at night. This makes it sound as if we had invited them to our country, he said. The fact of the matter is that the ULFA militants have forcefully infiltrated into our country, and since they were not invited by us, there is no reason why we should extend the deadline or consider their inconveniences.

As submitted by the Chimis of all the 20 Dzongkhags, it will be highly appreciated if the removal of the ULFA militants from Bhutan is effected through peaceful negotiations, he said. However, if this is not possible, then military action will have to be taken up for which the people have unanimously pledged their support through material resources and manpower. If necessary, the people are ready to even sacrifice their lives to protect the sovereignty and security of the country. Therefore, there is no need for further discussion on the issue. Unless the Government has difficulty in implementing the military option, the majority of the members have in fact agreed on it, he said.

The Punakha Chimi expressed his gratitude to the Home Minister for leading the talks with the ULFA leaders and for pointing out to them the difficulties caused by their presence inside Bhutanese territory. He further submitted that talks with the militants should be continued without delay to arrive at a peaceful solution.

He pointed out that it was more than eight years since the ULFA and Bodo militants had infiltrated into the jungles of Bhutan, but instead of talking about leaving, they still wanted to stay for another one and half years. This is not at all acceptable to us, he said. They are preparing to fight the Indian Government from Bhutanese soil, and they are a threat to the security of the country. He pointed out that their presence could harm the excellent relations that exist between Bhutan and India and undermine the trust and confidence between the two countries.

The Chimi added that for a peaceful solution of the ULFA-Bodo problem, the Dratshang and the religious community should also perform *kurims*, and special prayers for the well-being of our country. However, it is even more important for the people to think and act with one mind and provide full support for any decision taken by the Government.

The Minister for Health and Education commended the spontaneous reaction of all the people, from Trashigang in the east to Haa in the west, and from Gasa in the north to Sarpang in the south, in committing not only financial and physical support but for their readiness to sacrifice even their lives for the land of the glorious Palden Drukpa. As all citizens of Bhutan have been nurtured on the land, the nation and the people are together like the outer body and inner soul. Just as a mosquito is brushed away without a second thought the moment it rests on our body, it is important that the security problem which has gripped Bhutan is also solved immediately without further delay, he said.

The Minister said that he was brought up, right from his childhood to his present honoured position, by the Royal Government of Bhutan. Therefore, as a son of the soil, he had always sought ways to serve his motherland. With the Triple Gem as witness, the Minister pledged to serve the Tsa-Wa-Sum with his body, speech and mind. He said that if all the Bhutanese, whether a Minister, farmer or a soldier, are united in thought, spirit and deed, no enemy can inflict any harm on the country.

Like the submissions made by all the representatives of the people, the Minister said that the Ministry of Health and Education also stands ready to support and safeguard the security of the country in any way possible and whenever the situation demands. Similarly, the civil servants

are also of the same mind and thought as the people. They are ever ready to serve the country. The Minister said that he was highly gratified to hear the submissions of the people's representatives to serve the country with loyalty and dedication, and their willingness to even sacrifice their lives in the service of the Tsa-Wa-Sum.

The Chimis of Wangdue Phodrang and Dagana Dzongkhags said that the two rounds of talks held by the Home Minister with the ULFA leaders, in accordance with the command of His Majesty the King, would greatly contribute to finding a solution to the problem. The continued presence of the ULFA militants inside Bhutanese territory threatened the security of the country and would affect the implementation of development programmes. Since one idea from His Majesty the King is worth more than a hundred proposals from the people, they appealed to His Majesty to devise a strategy to remove the ULFA militants from the country. For their part, they pledged the complete support of the people to His Majesty the King in terms of financial resources and manpower. They said that the Government of India had provided generous financial and other assistance for the process of socio-economic development in Bhutan. They hoped that India would also extend all necessary assistance in terms of financial resources and other requirements for resolving the ULFA problem.

The Chimis of Bumthang and Paro Dzongkhags said that according to the two rounds of talks held between the Home Minister and the ULFA leaders, the militants wanted to continue staying in Bhutan for another one and half years. This makes it look like they have the right to do anything they want in our country. The ULFA militants are *ngolops* against the Indian Government and since they are using Bhutanese territory to launch their subversive activities against the Government of India, their continued presence on Bhutanese soil can harm the excellent relations that exist between Bhutan and its closest neighbour, India. Therefore, the third round of talks with the militants should be held without further delay, and they should be asked to leave Bhutan as early as possible.

The Minister for Trade and Industry said that the Chimis of the 20 Dzongkhags and the Bhutan Chamber of Commerce and Industry had all expressed their grave concern over the presence of the ULFA and Bodo militants inside the country. They had appealed to His Majesty the King to decide on the strategy to remove the militants as soon as possible and had pledged their full support in terms of material resources and manpower. He noted that the people had made similar submissions during His Majesty's tour to the 20 Dzongkhags for the 8th Plan meetings and also in the previous Assembly sessions. During the tours of the Dzongkhags conducted by the Royal Advisory Councillors earlier this year, the people had made the same

submission regarding the problem caused by the presence of the ULFA and Bodo militants inside Bhutanese territory.

The Minister noted that the Government and the people shared the same view in wanting the ULFA-Bodo problem to be resolved as soon as possible. Of the two options available for removing the militants, one was through peaceful negotiations. If this failed, the people had already expressed their readiness for the other option of resorting to military action. Regarding the military option, the Minister reminded the Assembly members that the militants are Assamese people and Assam has a population of about 25 to 26 million. If military action is taken against the militants, we must be aware that it will affect the peace and well-being of the Bhutanese people and also the socio-economic development of the country, said the Minister. In particular, the people of 12 Dzongkhags which will be directly affected will face serious difficulties and problems. Except for the Phuentsholing-Thimphu highway, all other roads linking Bhutan to India would be blocked or seriously affected.

Because of this, movement of people, vehicles and goods along the entire stretch from Kalikhola to Daifam will be unsafe. Moreover, trade and industrial activities will be seriously affected. The Minister informed the Assembly that exports from the 12 eastern Dzongkhags through the commercial outlets along this stretch were worth about Nu. 304 million a year. In 1998, farmers from these Dzongkhags earned Nu. 57 million from cash crops exported through the FCB besides what they sold directly to Indian traders.

Import of food items, oil, medicines and other items through trade routes into these 12 Dzongkhags last year came to Nu. 360 million. The Minister expressed concern that if the trade route along the affected border areas were closed, 12 of Bhutan's Dzongkhags would suffer severe difficulties. All essential food items and other supplies including fuel would have to be transported from Phuentsholing to Thimphu, and then to Bumthang, Trashigang, Samdrup Jongkhar and the other affected Dzongkhags.

Although the problem had not yet become very big, private enterprises are not willing to establish new industries in places like Gelephu, which are very suitable for industrial projects, until the threat posed by the ULFA and Bodo militants is removed.

The Minister also informed the members that despite His Majesty's repeated command to complete the Dungsam Cement Project as soon as possible, it could not be done so due to the present security problem caused by the militants. Likewise, His Majesty had commanded that work on the Kurichhu Hydropower Project should be expedited and completed on schedule as

electricity from the Project to the entire eastern Dzongkhags will greatly benefit the people. When the work started, a budget of Nu.2,500 million was allocated for the project. Today, the cost has increased to Nu. 4,000 million and by the time the project is completed, a minimum of Nu. 5,000 million will have to be spent, he said.

If the ULFA-Bodo problem escalates, it will not be possible for machinery and other materials required for the project to be transported through Samdrup Jongkhar and these materials will have to be transported through Thimphu. This will not only double the cost but also cause delays as the materials will not reach the project site on time. As a result, it will not be possible to complete the project by 2001 as scheduled and the project deadline may have to be extended further.

Although every effort is being made to solve the problem peacefully and talks are being held with the ULFA leaders, as already submitted by the Home Minister, being hardened militants, there is no saying whether they will abide by any agreement reached during the talks. However, since there is no better option than to continue the dialogue and try to resolve the problem peacefully, every effort must be made to resolve the ULFA-Bodo problem through dialogue. If the peaceful approach does not work, then there is no option but to resort to military action for which the people have already pledged their full support in terms of manpower as well as material resources, said the Minister.

The Haa Chimi submitted that the people were deeply concerned over the serious problem created by the infiltration of ULFA and Bodo militants inside the eastern Dzongkhags. He said that the people are thinking about the problem even in their sleep. However, he hoped that through the blessings and protection of the Guardian Deities, the far-sighted leadership and personal merit of His Majesty the King and the collective good fortune of the people, the problem would not result in serious consequences for the country.

He said that under the far-sighted leadership of His Majesty the King, the able and dedicated Ministers and senior officials of the Royal Government had been considering every possible means to resolve the problem with intelligence and wisdom. Therefore, the people hoped that the problem will be solved peacefully. However, if the peaceful approach does not work and there is no other option for ensuring that we are able to live on the land where our forefathers had lived, then military action will have to be resorted to even if we have to sacrifice our lives. Whatever means have to be adopted must be done expeditiously, he said, as it was due to our delay in taking action earlier that the militants had been able to enter and establish themselves inside the country in such large numbers. He reminded the Assembly of the urgency

of the situation and said that if expeditious measures are not taken, it will seriously compromise the security of the country.

The Mongar Chimi pointed out that Bhutan was a land of the Dharma and, through the blessings of the Triple Gem, the protection of the Guardian Deities and the wise leadership of His Majesty the King, it had not suffered from internal strife or external aggression like other countries of the world. Attempts by some people with vested interests to carry out subversive activities in Southern Bhutan had not succeeded in harming the security of the country. At a time when the Bhutanese people were enjoying peace and happiness, the ULFA militants who are fighting against the Indian Government had created a very serious problem for the country by infiltrating inside Bhutanese territory. As such, the views of the people on this grave issue have been submitted to the National Assembly by the Chimis one after another, he said.

The Chimi pointed out that if these militants were not removed from the country soon, they would seriously affect both the present and future interests of the country. Therefore, it is imperative to take measures to make them leave the country without further delay. As India and Bhutan enjoy very exemplary relations, the two Governments should, if possible, try to find a solution to this problem through dialogue. Since the situation is not good for both countries and has serious future implications for Bhutan, the problem should be discussed with the ULFA leaders by the Indian Government and the Royal Government. Meanwhile, we must carry out a thorough investigation to find out, identify and take action against those Bhutanese nationals who are rendering assistance to the ULFA militants.

The Home Minister said that the continued presence of the armed ULFA and Bodo militants inside Bhutanese territory seriously threatened the security of the country and, therefore, it was very important to make them leave as soon as possible. As submitted earlier, two meetings had been held with them and the ideal solution would be for them to leave the country peacefully. However, since they are militants and even the way they hold talks is different from others, it is difficult to determine the final outcome of the talks with them. As mentioned by the Chimis, they have entered our country forcefully and illegally and it does not look like they will leave so easily just because we ask them to do so, he said. The militants themselves are also well aware that they have illegally infiltrated inside the borders of a sovereign, independent country.

The Minister pointed that since, their principal objective is independence of Assam from India, they would not cease their militant activities against the Indian Government. As admitted by them that they cannot find convenient alternative sites for relocating their camps, they are not

likely to move out so easily. Nevertheless, we have already had two meetings with them and have agreed to meet again, said the Home Minister.

The Zhemgang Chimi submitted that, as everyone was aware, the ULFA and Bodo militants had rebelled against the Government of India, and because their rebellion was unsuccessful, they had escaped into Bhutanese territory and established camps where they have since been conducting military training. They also continue to move frequently across the border with Assam. The Chimi pointed out that if the militants are allowed to stay any longer inside Bhutan, it would not only seriously threaten the sovereignty of the country but also harm the excellent relations between Bhutan and India.

The fact that there are over 25 million Assamese people who would support the ULFA and Bodo militants, while our own population is only about 600,000, should not deter us from resorting to the military option if it becomes necessary. At the same time, we should remember that all trade links for Eastern Bhutan go through Assam, and, therefore, the talks with the ULFA leaders, conducted by the Home Ministry on the command of His Majesty the King, should be continued to resolve the problem.

A Royal Advisory Councillor pointed out that, in the past, our forefathers had fought wars with the Tibetans in the north and the British in the south and had handed over to us a nation, which despite being small, has always been a sovereign, independent country. Through the blessings of the Triple Gem and the collective good fortune of the people, we have a wish fulfilling gem in our fourth hereditary King. Due to his flawless skills and wisdom, no enemies, seen and unseen or known and unknown, have been able to harm the country, and the Bhutanese people have been able to live in peace and happiness. Like an unexpected hailstorm, the ULFA and Bodo militants had entered Bhutanese territory without anyone asking them to come and have stayed without anyone giving them permission to stay. As submitted by the Chimis of the 20 Dzongkhags and also by the Government representatives, these militants are openly wearing military uniforms and carrying guns on Bhutanese soil. There can be no greater threat to the security and sovereignty of the country than the continued presence of these armed militants, he said. In the second round of talks with the ULFA leaders, the Royal Advisory Councillors had also participated in an effort to find an expeditious solution to the problem.

As submitted earlier by the Home Minister, the Bhutanese side did not agree to their request for staying for one and half years more on our soil and their proposal to move out only during the night. The Bhutanese people have all been very deeply concerned ever since the ULFA

problem had emerged in the country. Just as a bull feels the impact on its head when the rock hits its horns, the people are all aware that when there is a problem in the east, it will affect the west and when there is a problem in the west, it will also be felt in the east.

The ULFA-Bodo problem had not only been discussed in the past sessions of the National Assembly, but the people had also expressed their deep concerns to His Majesty the King during the 8th Five Year Plan meeting in the Dzongkhags. Similarly, this issue had also been raised during the tours of the Ministers to the Dzongkhags and the recent tours of the Royal Advisory Councillors. The people had pointed out that if this problem was not resolved soon, the continued presence of these militants would have serious repercussions ranging from the loss of revenue from forest produce in the short term to gravely affecting the security and sovereignty of the country in the long run. Their continued presence would also make the Indian Government and people feel that the Bhutanese Government and people are supporting these militants and thereby harm the very close relations between India and Bhutan.

The Thimphu Dzongda pointed out that the armed ULFA and Bodo militants have not only established camps inside Bhutanese territory but they have also been conducting military training for quite some time. As this threatens the sovereignty and security of our country, the hon'ble members have all expressed deep concern and are fully agreed that the militants should be removed from our country, he said. The ideal solution would be to resolve the problem through peaceful means but if this approach does not work, then military action should be resorted to. He also reminded the members that the responsibility for solving this problem had already been reposed in His Majesty the King, so there was no need to prolong the discussion on this issue. He requested the Home Minister to tell the militants during the next meeting with them, if they again mention that they had come to Bhutan to take shelter from the Indian army, that their actions do not indicate they are only taking shelter. They go about carrying arms and conducting military training inside a sovereign, independent country. Regarding their request to be allowed to stay in the country for one and half years more, they should be told that their goal of gaining independence of Assam from India is unrealistic and the talks should, therefore, focus on their early departure from Bhutanese territory.

The Dagana Chimi pointed out that although the issue had been discussed for the last two days, due to the complex nature of the problem, no concrete proposal had been submitted by anyone. She submitted that a single thought of His Majesty the King is more useful than a hundred thoughts of the people. Till now, all actions and decisions taken by His Majesty had always been in the interest of the people. On this issue too, the people placed their full faith and

trust in His Majesty the King and would support any course of action decided by His Majesty to resolve the problem.

The Thimphu Chimi expressed his appreciation that the deliberations on the ULFA-Bodo problem showed there was no contradiction between the actions of the Government and the wishes of the people. He said that these militants were not being realistic in saying that they needed to stay inside Bhutan for a few years while they fought for the independence of Assam from India. Instead of achieving their objective it looks like they are buying their own suffering, he said.

If they really needed to take shelter in Bhutan for some time as they profess, they should not be going around carrying arms and doing military training but instead should be keeping a very low profile and behaving humbly in which case their request could be considered as an appeal for compassion. Instead, they have not only attacked our security forces but have also threatened and harmed our forests guards. They have also harmed the people travelling through the affected areas. Therefore, the people have grave doubts that while they make appeals to our Government, their real intention is to harm the Bhutanese people and the country. He inquired whether the Home Minister had been able to convey these points to the ULFA leaders during the meetings with them.

The Chhukha Dzongda submitted that during his tours of the villages in his Dzongkhag, he found that all the people were deeply concerned about the effect the ULFA-Bodo problem would have on the well-being and security of the country. He said that the people had always wondered why the Government had not taken any action when these militants had entered the country since seven or eight years back. The Home Minister's report on the two rounds of talks held with the militants had removed the doubts of the people.

He said that there were doubts among the people that certain elements who are envious of Bhutan's unparalleled peace and progress in South Asia had instigated the ULFA and Bodo militants to enter our country and disrupt its peace and prosperity. They also felt that the militants had perhaps thought that Bhutan would not dare to expel them as they are from Assam which has a population of 25 million while Bhutan has just over 600,000 people.

He pointed out that, in the past, our forefathers had been able to protect our country from invasions by British and Tibetan forces and they had safeguarded Bhutan's sovereignty and security without seeking any external military support. Today, in our own times, we must be no

less prepared to safeguard and protect the security and sovereignty of our country. Whether the ULFA militants continue to fight the Government of India till they achieve their objectives of independence of Assam or whether the Government of India grants them independence or not, the intention of these militants to stay in Bhutan for one and half years threatens Bhutan's security and sovereignty. As such, the possibility of a confrontation with these militants cannot be ruled out. Therefore, it is important for the Home Minister to make it clear to the ULFA leaders during the next round of talks that the Bhutanese people do not accept their proposals at all. The ULFA leaders must be told frankly that if they do not leave peacefully, the National Assembly has deliberated on the use of military option, he said.

The Wangdue Phodrang Chimi noted that after having infiltrated illegally into our eastern and Southern Dzongkhags, the ULFA leaders were now proposing to reduce the number of their troops and to keep their camps mobile. However, their proposal makes it more likely that they want to penetrate even to the western and northern Dzongkhags, he said. Therefore, rather than allowing them to stay one and half years more, it is not advisable to give them even one or two months. He requested the Home Minister to impress upon their leaders, during the next round of talks, to leave Bhutan peacefully so as to avoid the need for a confrontation which would cause hardship and problems to both sides.

The Samtse Dzongda said that our country which is very small, in terms of size and population or economic and military power, is located between two big and powerful countries. Besides, the people of 12 Dzongkhags in our country have to maintain regular trade and economic contacts with Assam. As we have always enjoyed good relations with the State of Assam and with India since ancient times, the problem related to the ULFA and Bodo militants must be resolved peacefully through dialogue. As the saying goes, "subdue the enemy through strategy and foster good relations through love and compassion". In order to prevent this problem from developing into a dangerous situation, we must look for a peaceful solution placing our full faith in His Majesty the King's far-sighted leadership and the blessings of the Triple Gem.

The Home Minister informed the members that even as the ULFA-Bodo problem was being deliberated in the Assembly since the previous morning, he had received a telephone call from Samdrup Jongkhar last night that, at 10.50 p.m on the same night of 12 July, a bomb had exploded in one of the buses belonging to Barma Travels. The bus was damaged very badly and a nearby fuel container had also been set on fire. Fifteen minutes later, another bomb exploded in a restaurant, damaging it and a telephone booth adjoining it. The police were investigating the incidents.

The Minister said that Bhutan was facing a difficult situation from the continued presence of the ULFA and Bodo militants inside the country when the *ngolop* problem in the south had not yet been resolved. The hon'ble members were all fully aware that the continued presence of these militants threatened the security and sovereignty of the country and affected the implementation of development programmes and activities. He noted that some members advocated a peaceful solution while others recommended the use of force. Some expressed satisfaction with any strategy adopted by the Government while others wanted the militants to be sent out from the country within one to two months. In this regard, he said that the Royal Government was making every effort to resolve the problem through peaceful means and had so far held two meetings with the ULFA leadership. Although the first meeting was attended by mid-level ULFA leaders, the second meeting was attended by two of their senior leaders and it had been agreed that the dialogue would continue.

Intervening in the deliberations, His Majesty the King noted that all the members had expressed deep concern over the grave threat posed to the security and sovereignty of the country by the continued presence of the ULFA and Bodo militants inside Bhutanese territory. The hon'ble members were also unanimous in calling for the speedy removal of the militants from Bhutanese soil either through peaceful means or through military action. The Chimis had also conveyed the pledges of the people of all the 20 Dzongkhags to extend their full loyalty and support to the Government, in terms of manpower and material resources, and even to sacrifice their lives, if necessary, to resolve this problem.

His Majesty suggested that, rather than reiterating what had already been discussed, it would be more useful if the hon'ble members were to frankly offer their views and proposals on the strategies that the Royal Government should consider adopting to remove the ULFA and Bodo militants from Bhutanese soil. His Majesty informed the Assembly that there are about 21 camps established by the ULFA and Bodo militants between Kalikhola and Daifam. It should be kept in mind that these camps are not located in towns and villages but deep in the forests.

His Majesty said that the Royal Government had conducted talks with the most important leader of the ULFA. When the Home Minister had mentioned to the hon'ble members that he could not predict the final outcome of the talks, it was because the ULFA leaders had presented contradictory and unacceptable proposals. However, it was not advisable to reveal all the details of the talks because the militants might then decline to come for further talks.

The best approach for a peaceful resolution of the ULFA-Bodo problem is for the Royal Government to hold talks with the militants, and get them to leave the country without causing

any harm to each other. Although, it would be difficult to predict how they would respond to the position and suggestions of the Royal Government of Bhutan, it would be better if the National Assembly were to decide that the talks with the militants should be continued further.

One effective strategy for a peaceful resolution of the problem, His Majesty said, would be to stop rations and other supplies from reaching the camps of the militants from our villages and towns. If the Government and the people worked together to enforce the blockade it would cause serious problems to the militants. However, the hon'ble members should bear in mind that this strategy will also entail great risk and difficulties for the Bhutanese people.

His Majesty pointed out that in order to stop rations and supplies from reaching the militants, it will be necessary to keep a strict vigilance and block all bridges and all the roads, footpaths and mule tracks, at strategic points, leading to their camps. His Majesty commanded that this responsibility must be borne by the security forces. At the same time, all Bhutanese citizens must stop helping the militants by carrying or selling any supplies to them. His Majesty also stressed the importance of stopping all supplies coming to the militants from Indian territory.

In order to ensure that an effective blockade is imposed, the National Assembly should decide that any person, whether a Bhutanese or an Indian citizen, found assisting the militants in any way shall be punished according to the National Security Act, 1992.

The Chimi of the Bhutan Chamber of Commerce and Industry expressed his deep gratitude to His Majesty the King for clearly explaining a viable strategy to remove the ULFA-Bodo militants from the country. He said that the problem Bhutan faced today was not out of any likelihood of war breaking out between two countries but because foreign militants had illegally entered inside Bhutanese territory. If the problem cannot be resolved peacefully, then it would be necessary to resort to military action. In the event that a military option has to be adopted, it is vital for the Government to create sufficient fund for security requirements, and for the Royal Bhutan Army to train militia volunteers and keep them ready for military service whenever required. At the same time, since Bhutan is a land of the Dharma, the religious community should offer prayers to the Guardian Deities and perform the annual *Kurims* and *Bumdeys* on a greater scale than before for the well-being and security of the country.

The Goongloen Gongma of the Royal Bhutan Army noted that the ULFA-Bodo problem had been discussed at length over the past two days because the people were deeply concerned by the threat posed to the security and sovereignty of the country by the continued presence of these heavily armed militants on Bhutanese soil. The members had called upon the Government to

explore all necessary measures to make the militants leave the country including military action, if necessary. He expressed his appreciation to the people for the complete trust and confidence they had reposed in His Majesty the King for resolving the problem, and for their full support in terms of material resources and manpower to achieve this objective.

He submitted that the security forces, under the personal command of His Majesty the King, were discharging their responsibility of safeguarding the security of the nation to the best of their abilities. On behalf of the security forces, he pledged to carry out with utmost loyalty and dedication all the commands of His Majesty in addressing this problem arising from the continued presence of the ULFA and Bodo militants inside Bhutanese territory. As the hon'ble members were aware, the anti-national activities initiated in 1990 to destabilise the country had failed to harm the country because of the judicious and effective handling of every critical situation by His Majesty the King who had assumed the full responsibility for solving the problem.

The Goongloen Gongma expressed his deep appreciation for the unity and solidarity pledged by the members of the National Assembly and for the support in terms of manpower and material resources in solving the ULFA-Bodo problem. This expression of solidarity and support will be a tremendous source of inspiration and motivation for the security forces, he said.

The Goongloen Gongma reported that His Majesty the King, being greatly concerned by the activities of the militants in the country, had taken several initiatives and measures to strengthen security all along the ULFA-Bodo affected areas. On His Majesty's command, the Royal Bhutan Army had taken over the DANTAK camp in Deothang in August 1997 and established a Command Centre and Wing 10. RBA soldiers were deployed in Nganglam in October 1997 and the strength of the security forces was also increased in Daifam. The establishment of Wing 9 in Gelephu, which was started in 1996, was completed last year.

In view of the growing security commitment, the strength of the security forces had been increased since 1996. In order to meet the requirement of additional personnel, recruits training at Tencholing was conducted at full capacity. Since that was found to be inadequate, the training facilities of the Royal Body Guards at Dechenchholing was also being utilised. So far, two batches of recruits have already been trained at Dechenchholing while a third batch is currently undergoing training.

He also informed the National Assembly that with the substantial increase in the pay of the armed forces granted by His Majesty the King since 1996, there was an increase of volunteers joining the security forces.

In order to meet the accommodation requirement due to the increase in troop strength, additional construction works were carried out. In Deothang, the entire complex had to be rebuilt because the existing houses were semi-permanent structures which had been in use for 40 years. A security check-post was also constructed at Pinchina. The first phase of accommodation was completed in Daifam in November 1997, followed by the second phase in April 1999. In Nganglam, the first phase of accommodation was completed in November 1997 and the second phase in April 1999. Further, military camps in Samdrup Jongkhar, Kalikhola, Gelephu and Sarpang were also renovated. The Goongloen Gongma reported that a total of Nu.177.81 million was spent entirely from the army budget for these construction works.

He also reported that in view of the situation in Southern Bhutan, His Majesty the King was pleased to command that the police outposts along the border areas, from Kalikhola to Diafam must be strengthened. His Majesty had further commanded that while performing their duties, the police personnel must be provided with secure facilities. This meant not only increasing the strength of the police force in these areas but incurring heavy expenses in providing accommodation and establishing compound walls, watch-towers, security lights and other security facilities. Between 1996 and 1999, a total of Nu. 37.19 million was spent for strengthening the police force in Bhangtar, Panbang, Gelephu, Kalikhola, Samdrup Jongkhar, Jigmeling and Nganglam. This amount did not include the cost of pay and allowances, ration and training.

The Chimis of Haa and Mongar Dzongkhags expressed their deep appreciation to the armed forces who, under the command of His Majesty the King, had served to the best of their ability in protecting the security of the nation when the *ngolops* attempted to destabilize the country in 1990. They also expressed their hope and prayers that, henceforth also, the armed forces will bravely face the enemy and overcome any threat posed to the security of the country. They submitted that since the security threat from the ULFA and Bodo militants was becoming more serious, the Government and the people must join hands to remove the problem. To this end, militia training must be imparted to all able-bodied men in the villages who are ready to undergo such training. When the nation faces a threat to its security, it is very important for the Government and the people to think and act together to safeguard the security and sovereignty of the country. Therefore, the Government must thoroughly investigate the cases of people who

render assistance to the militants out of greed and selfish interest, and punish them strictly according to the laws of the country.

The Punakha Chimi pointed out that as the ULFA and Bodo militants could not possibly live off the jungle, the main reason why they had been able to camp and stay inside Bhutanese territory for so long was because they had no difficulty in acquiring and transporting food and other supplies. In order to deter those people who are helping the militants in transporting and procuring their supplies, all persons found rendering assistance to the militants must be punished very strictly. However, provisions and supplies to the militants cannot be cut off effectively by taking measures in Bhutan only. The Royal Government and the Government of India must hold discussions because it is very important for the Indian Government to cut off the supply line to the militants from the Indian side of the border.

The Chimi pointed out that, in the past, our forefathers had defended our country at the risk of their own lives without any hesitation even though they did not possess the weapons that we have today. As a result, they had been able to pass down a legacy of a sovereign, independent country to their children. Similarly, it is our duty today to serve our country with unwavering loyalty and patriotism so that we can also hand over this legacy intact to our sons and daughters. To this end, if the ULFA and Bodo militants cannot be removed from the country through peaceful means, and military action has to be resorted to, the people are ready to implement any command from His Majesty the King and are fully prepared to sacrifice their lives, if necessary, to safeguard the country.

The Chimis of Chhukha and Haa Dzongkhags pointed out that the militants had not only entered Bhutanese territory, carrying arms with them but they were also carrying out military training. In December 1998, the Bhutanese security forces travelling through India were ambushed by the militants but our security forces have not retaliated despite such provocation. The Chimis felt that armed confrontation with the militants had now become inevitable. Therefore, development programmes should be suspended in the country and the Eighth Plan budget should be diverted for security purposes. The time had come to prepare for an armed confrontation with the militants.

The Chimis also pointed out that in order to cut off supplies to the militants it will be necessary to keep strict vigil not only along motor roads but also along mule tracks and footpaths. The Chimis expressed the deep appreciation of the people to the armed forces for protecting the security of the country day and night. The people were fully aware that the security forces endured great hardships in discharging their duties in the service of the country. The people

hoped that the armed forces would continue to serve and protect the sovereignty of the country with the same dedication and commitment. If necessary, the people were also ready to volunteer for military service to support the armed forces in protecting the security and sovereignty of the country.

The Sarpang Dzongda submitted that, in order to effectively cut off all supplies to the ULFA and Bodo militants, both Bhutanese and Assamese people must be prevented from transporting any goods and supplies to the ULFA militants. While the police, army and the Dzongkhag administration have always been consulting each other on all relevant issues, he proposed the constitution of a security committee in the Dzongkhags affected by the ULFA-Bodo problem. The committee could comprise of the Dzongda, the Superintendent of Police and the Army Commander in the Dzongkhag. Such a committee would be able to enforce the approved measures to cut off supplies to the militants much more effectively. To this end, it is also necessary to identify all the motor roads and footpaths used to transport supplies to the camps of the militants, he said.

The Minister for Health and Education noted that the Chimis had given their solemn pledge to protect the security and sovereignty of the country even by sacrificing their own lives. His Majesty the King has pointed out how the people can contribute towards resolving the problem and the hon'ble members should deliberate on this and arrive at a decision, he said. Militancy is a problem that is faced by countries all over the world, so the presence of these militants inside Bhutan is not a unique situation. Militants and guerrillas are those who carry out armed attacks and activities beyond the law against an established government. They usually stay in the jungles and other places where they can hide more conveniently. Since the presence of the ULFA and Bodo militants is a serious problem for Bhutan, the National Assembly has held extensive deliberations in the past sessions, also, on how to resolve it. He called upon the Assembly members to keep in mind the strategy which His Majesty had been pleased to command and to focus the discussion on the practical implementation of this strategy.

The Trashigang Dzongda said that the people were also of the view that it is very important to restrict any sort of interaction with the militants, as commanded by His Majesty the King, and that those who assist the militants in any way must be identified and prosecuted under the law. He said it was not necessary to investigate past cases but from the day the National Assembly passes a resolution that no Bhutanese citizen shall assist the militants, the Gups, Chimis, GYT members and the concerned civil servants must firstly convey this decision clearly to the people of every geog and village and, thereafter, if any person is found helping the

militants in any way, the people of the respective areas must identify such offenders and report the case to the nearest police station. Further, the respective courts must expedite the trial of the offenders and sentence them strictly according to the law. If such a resolution is adopted by the National Assembly, it will greatly contribute to the solution of the problems caused by the militants, he said.

The Deputy Minister for National Environment Commission pointed out that there is a vast and porous border of more than 700 kilometres between Bhutan and India and, as such, it would be difficult for the security forces to maintain vigilance along this entire stretch. Militants in every part of the world depend on the support of some section of the people for their survival. If all supplies are to be effectively stopped from reaching the ULFA militants, it would also entail the arrest of Indian subjects in Bhutan who extend support to them. Therefore, it would be necessary for the Governments of India and Bhutan to discuss this issue and have a clear understanding on the matter to prevent problems in the future. It is also necessary to discuss with the Indian Government the need to stop movement of supplies to the militants across the many footpaths from the Indian side of the border. Since the militants use the many footpaths and not just the highway from the Indian side, maintaining a vigil on the Bhutanese side of the border alone will not be effective in stopping supplies from reaching the camps of the militants.

The Minister for Foreign Affairs said that if the threat from the ULFA-Bodo problem is compared to a fire, the fire is spreading very fast. Being fully aware of the serious threat this problem posed to the security and sovereignty of the country, all the members had expressed their deep concern. The Minister pointed out that His Majesty the King, without any regard for his personal safety, had taken upon himself the full responsibility of resolving the problem. As everyone is aware, His Majesty has been personally visiting the affected areas to see what difficulties our people are facing on account of the ULFA-Bodo problem, he said.

As submitted by the people, if the militants cannot be removed from the country through peaceful means, and the military option has to be resorted to, Bhutan's security forces and the Government can shoulder their responsibilities and deal with the situation. The military option would, however, bring a lot of suffering and difficulties upon the people. Out of deep concern for the sufferings that the people would have to face if the military option is adopted, His Majesty the King has been making every effort to find a peaceful solution to the problem. His Majesty has also commanded the Lhengye Zhungtshog to avoid military confrontation and look for a peaceful alternative to make the militants leave the country.

The Minister said that, as submitted by the Goongloen Gongma, even though we have a small security force, under the command of His Majesty the King, the soldiers of the three service forces are all physically and mentally fit and always ready to discharge their duties in defending the security of the country. In the past also, when our country faced major unforeseen crises, the armed forces have successfully protected the security of the country.

The Minister said that so long as the ULFA and Bodo militants continue to stay in the country, they pose a grave threat to the security of our country. Therefore, during the next round of talks with the ULFA leaders, the militants must be told very firmly to leave the country without further delay. At the same time, if anybody is caught extending any form of assistance to the militants, the person must be immediately brought before the Courts and punished as per the laws.

The Chimis of Trashi Yangtse and Bumthang Dzongkhags said that, as submitted by some of the members, the people do not have any concrete proposal for a solution to the ULFA-Bodo problem. Even the Chimis themselves do not have any definite proposal other than what had already been submitted and discussed. Therefore, the strategy which His Majesty the King was pleased to command should be adopted. Since the militants have their camps in the forests, an effective blockade of their supplies would naturally contribute towards resolving the problem. The Chimis expressed their gratitude to His Majesty the King for the wise suggestion, and called upon the Assembly to pass a resolution to stop all supplies to the militants.

They submitted that the responsibility of blocking supplies to the militants must not be left to the Royal Government and the security forces alone but the people must also jointly shoulder this responsibility. Since most people in the villages are simple-minded, it is possible that they may help in transporting supplies to the militants for monetary gain. Therefore, the Gups, Chimis and the responsible people of the villages must inform the people of their respective geogs that such collaboration with the militants will compound an already grave threat to the security of the country. Thereafter, if there are people who continue to help the militants and undermine the policy of blocking supplies to them, these people must be punished according to the provisions of the National Security Act, 1992. Meanwhile, it is important to continue holding talks with the ULFA leaders and a resolution to this effect should be passed by the National Assembly. If these efforts also cannot bring about a satisfactory resolution of the problem, the National Assembly should again deliberate on the issue on the basis of the experience already gained and come out with new strategies which should resolve the problem.

The Chimis of Thimphu and Chhukha Dzongkhags expressed their gratitude to His Majesty the King for the excellent direction He was pleased to provide on the ULFA-Bodo deliberation. They pointed out that it was the collective responsibility of all the Bhutanese people to resolve the ULFA problem. As the saying goes, “one should first ring the bell inside the hall before beating the drum outside,” all those who are extending assistance to the ULFA and Bodo militants inside Bhutanese territory must be thoroughly investigated and accordingly punished for their crimes. They submitted that it would indeed be the best course of action for the National Assembly to pass a resolution to block all supplies to the militants inside Bhutan.

A Royal Advisory Councillor submitted that the presence of the ULFA and Bodo militants, who are fighting against the Government of India, inside Bhutanese territory from Kalikhola in the east to Daifam in the west is harming the security and sovereignty of the country. The fact that all the members of the Assembly are in full agreement with His Majesty the King’s suggestion for solving the problem is an auspiciously clear testament of the complete trust and faith reposed in His Majesty by all the people. While the three service forces must, of course, shoulder the responsibility of stopping supplies from reaching the ULFA and Bodo militants, the people must also play their part. Whatever may have been the past situation, all men and women along the border areas in their respective Dzongkhags must, hereafter, react with spontaneous concern for the country, like a sensitive skin which feels the burning heat of the fire, and be fully prepared to defend the security and sovereignty of the country. If anyone is seen transporting supplies and helping the militants in any other way, the case must be reported to the police or the security forces and the offenders must be punished according to the provisions of the National Security Act. A resolution to this effect should be passed by the National Assembly.

The Wangdue Phodrang Chimi said that all human beings need food to survive and cannot live on grass and water alone. As submitted by other members, if the armed forces can effectively stop all supplies from outside reaching the militants and if the local people also stopped extending any kind of help to the ULFA and Bodo militants, they would then be naturally forced to leave the country.

He submitted that the implementation of the strategy of stopping all supplies from reaching the militants should be coordinated by the Dzongdhas of the concerned Dzongkhags. For their part, the Chimis gave their pledge, and that of the Gups and GYT members also, to do their best in ensuring the effective implementation of this strategy. All persons found helping the militants in receiving their supplies must be punished according to the National Security Act, 1992. Meanwhile the Royal Government must continue the talks with the ULFA leaders without

further delay. At the same time, military training should be imparted to all able-bodied young people in the villages so that they can reinforce the armed forces if it becomes necessary later and thereby contribute towards resolving the ULFA-Bodo problem.

The Lhuentse Chimi submitted that while all motor roads, footpaths, mule tracks and bridges must be guarded by the security forces to ensure that supplies do not reach the militants, the Gups and Chimis must warn the people not to help the militants in any way. Just as cowherders who run out of food leave their cattle to come home and fetch their ration, he expected that the militants too would have no alternative but to leave Bhutan once they ran out of rations and supplies. In this regard, he expressed his doubt that some of the villagers, and especially members of the business community engaged in selling groceries and food items in different parts of the affected Dzongkhags, might be selling supplies to the militants. The officials of the concerned Dzongkhags must, therefore, work out a system to investigate and stop such activities.

The Finance Minister said that the extended deliberation on stopping supplies from reaching the ULFA and Bodo militants was indeed very important. He reminded the members that according to the National Security Act, all those who helped the enemies of the Tsa-Wa-Sum in any capacity are liable for punishment, not just those who provided food and shelter. The Government had been deeply concerned about the resource situation in the country in the event the ULFA-Bodo problem developed into a military emergency and, under the visionary guidance of His Majesty the King, had made contingency plans more than three years ago.

The Minister pointed out that the development budget for the 12 eastern Dzongkhags that will be affected by the ULFA-Bodo problem is Nu.8,500 million for the Eighth Plan period, not including the estimated cost of Nu.5,000 million for the Kurichu Power Project. He said that the ULFA-Bodo problem made it very difficult to say for sure whether the Plan objectives could be achieved successfully, and existing development infrastructure could also be harmed. An escalation of the problem would seriously affect trade and commercial activities for the 12 Dzongkhags of central and eastern Bhutan. All trade would have to be routed through Phuentsholing and Thimphu and the cost of goods would double. In order to ease the difficulty that the people would face in such a situation, His Majesty the King had commanded that a contingency fund must be created to provide essential commodities and services to the people over a six-month period and that this fund of Nu.937 million must not to be taken from the development plan budget.

Bhutan had achieved phenomenal socio-economic development in the past 25 years and it is very important to maintain this pace of development. However, it is even more important to safeguard and strengthen the security of the country, he said. Therefore, the Government and the people must together share the responsibility of solving the ULFA-Bodo problem.

The strength of a nation is very important for countering a threat to its security. For Bhutan, our strength in countering the threat from the ULFA and Bodo militants lies in the unity of the people and the Government, in thought as well as in action, under the wise leadership of His Majesty the King. It is through the strength of such unity and the bond of loyalty and trust in His Majesty the King, as well as our faith in our Guardian Deities, that we will be able to defend the security of our country and hand over the legacy of a sovereign, independent nation to our future generations, he said. To this end, we must all be prepared to sacrifice our lives, if necessary, and serve the Tsa-Wa-Sum through full efforts of our body, speech and mind.

Intervening in the debate, His Majesty the King said that the contingency fund of Nu. 937 million mentioned by the Finance Minister to cover the basic essential services and needs of the people for a period of six months in the event of an emergency situation arising from the ULFA-Bodo problem, would be sufficient for a year if it is utilized carefully. Upto now, the Finance Ministry had put aside Nu.160 million for emergency security needs and the Government will have to place more than Nu.700 million into the fund. His Majesty informed the members that, in addition, the Army Welfare Fund had reserves totalling more than Nu.800 million built up since 1976. In case of an emergency, this was an independent fund with the army which could be availed if there was a shortfall in the budget for the security forces.

His Majesty said that if there was a problem in the eastern Dzongkhags because Bhutanese people and vehicles cannot travel through Assam, basic necessities and all essential goods will have to be transported through Phuentsholing and Thimphu. As the Finance Minister had reported, this would naturally lead to an increase in the cost of goods and commodities. Therefore, during such an emergency situation, basic food items sold by the Food Corporation of Bhutan (FCB) at a subsidised price today, may have to be distributed freely to the people. Similarly, petroleum products like kerosine may also have to be distributed freely and the Government had decided on procuring vehicles to transport petrol, diesel and other essential fuel. If facilities like power transmission lines and microwave repeater stations, development centres and bridges are destroyed, they will have to be rebuilt immediately. Therefore, Government ministries and divisions had worked out estimates and prepared detailed plans to deal with an emergency situation. The contingency fund of Nu. 937 million, based on these estimates, is vital

for the Government to successfully implement the necessary measures for dealing with any emergency situation arising out of the ULFA-Bodo problem.

The Minister for Trade and Industry said that, apart from the National Assembly, the people had raised the ULFA-Bodo issue during the 8th Plan meetings in the Dzongkhags and had called for measures to ensure that such problems did not arise in the future. Because of grave doubts that the ULFA and Bodo militants, who posed a serious threat to national security, were receiving their supplies and provisions through the help of people in Assam, Bhutanese Tshongpas and some Indian traders in Bhutan, the Trade Ministry had been warning the business community against any dealings with the militants. However, the only action that the Ministry can take against those who continue to deal with the militants is to cancel their trade licences but this will not deter them since they can make more money from the militants. Therefore, such people should be dealt with in accordance with the National Security Act, 1992. Once people are stopped from helping the militants, there is a chance that the talks with them will be more fruitful, said the Minister.

Speaking on the issue again, His Majesty the King pointed out that in order to effectively block all supplies to the militants, the security forces must carry out security checks on everyone who travels on the motor roads, footpaths and mule tracks leading to their camps inside Bhutan. Once this measure is implemented, any person who is caught transporting supplies, whether he is a militant, an Assamese supporter, an Indian national or a Bhutanese citizen, must be punished according to the laws of the land.

His Majesty pointed out that once an effective blockade is imposed, the militants will be unable to procure provisions and supplies either from Assam or from villages and towns in Bhutan and within two to three months they would face many difficulties. There was every possibility that the militants will then start ambushing and attacking the security forces and raiding the villages in the affected areas. The National Assembly members should bear this in mind while deliberating on the issue.

His Majesty pointed out that, as the hon'ble members were aware, such a policy could not be implemented earlier because the security forces were under-strength and not properly established along the areas between Kalikhola and Daifam. His Majesty reminded the Assembly that during the *ngolop* problem in 1990, the security forces had to be sheltered in FCB warehouses, vacant Government quarters and, as a last resort, even in school buildings. Since there was no military set-up and infrastructure between Kalikhola and Daifam, the illegal

infiltration of the armed ULFA and Bodo militants into Bhutan's forests could not be prevented nor was it possible to stop supplies and arms from reaching their camps in Bhutan.

His Majesty informed the members that, today, army camps had been established in Kalikhola and Sarpang and Wing 9 of the RBA established in Gelephu. A new army camp had been established in Nganglam and it was being extended while a Command Centre and Wing 10 of the RBA had been established in Deothang. His Majesty also informed the Assembly that patrolling by the army had been started in Bhangtar and a new army camp established in Daifam. If the National Assembly decided to block supplies to the camps of the ULFA and Bodo militants, it was now possible for the security forces to cut off supplies to the militants and, if necessary, implement the National Security Act.

The Samdrup Jongkhar Dzongda expressed his gratitude to all the members of the National Assembly for their concern and understanding of the serious problems and difficulties faced by his Dzongkhag. From June 3rd to 22nd, he had toured three Dungkhags and two geogs in the Dzongkhag. As instructed by His Majesty the King, he had clearly explained to the head of each and every household, who had come to attend the meetings, the grave threat posed by the militants to the security of the country and the serious implications and difficulties that would arise if they helped the militants in any way. He had made it explicitly clear that it is totally prohibited to help the militants who are fighting against the Indian Government. The people said that they had understood the briefing and directives on the issue and pledged never to help the militants. The Dzongda submitted that considering their pledges and the views expressed by the people he felt that those who had earlier sold rations to the militants had done so without comprehending the security implications and would now stop helping the militants in any way.

He, however, submitted that if there are any persons who, without regard to the security of the country and considering only their own personal gain, continue to support the militants in any way, they must be punished in strict accordance with the National Security Act. He said that the security forces, Government servants, business community and the general public in the border areas have been co-operating with each other and working closely together to deal with any emergency situation in their Dzongkhags and they would continue to work closely together in the service of the Tsa-Wa-Sum.

The Trongsa Dzongda expressed his deep gratitude to His Majesty the King for the strategy His Majesty had been pleased to suggest for resolving the ULFA-Bodo problem. He also expressed his appreciation that the Home Ministry had held two meetings with the ULFA leaders

and said that it was very important to continue the dialogue with them. Similarly, he thanked the Finance Minister for his report that a contingency fund was being created to meet the needs of an emergency situation.

A Royal Advisory Councillor pointed out that in order to resolve the grave security threat posed by the ULFA and Bodo militants, His Majesty the King had strengthened Bhutan's security forces. He expressed his confidence that, under His Majesty's wise leadership, the peace and security of the country of the Palden Drukpa would be ensured for all times to come. As the members of the security forces are also members of our own families, the people would be happy to support them. He said that it was a matter of deep satisfaction to hear the people give their solemn pledge to even sacrifice their lives in the service of the country.

In summing up the deliberations, the Speaker said that the infiltration of the ULFA and Bodo militants into our country had created many serious problems. Not only are they beginning to harm the life and property of the people but their continued presence in the country has become a grave threat to its security and sovereignty. Reflecting the deep concern of the Government and the people, the issue had been deliberated at length over the last two days of the session. The Assembly members had expressed their gratitude to His Majesty the King for the three point strategy, he had been pleased to suggest. During the 76th Session of the National Assembly, the full responsibility for resolving the ULFA-Bodo problem had been reposed in His Majesty the King. For their part, the people had pledged their full support in terms of material resources and manpower to implement any decision taken by His Majesty to resolve the problem, expressing their readiness to even sacrifice their lives, if necessary. This is indeed an auspicious reflection of the pure and sacred bond of loyalty and trust between the King and the people, he said.

The deliberation on the ULFA-Bodo problem was concluded with the adoption of a resolution as follows:

1. Recognizing that Bhutan is a small, land-locked country that has neither economic nor military might, and where the armed ULFA and Bodo militants have infiltrated into its territory without any regard to its sovereignty and have set up camps and are conducting military trainings, leading to a situation which poses the greatest threat to the sovereignty and security of the country, which is unprecedented in its history;

2. Keeping in mind that this situation has caused overwhelming anxiety and concern to the people, who have expressed their concerns over the ULFA-Bodo problem to His Majesty the King during His Majesty's visits to the Dzongkhags in 1996-97 to discuss the 8th Five Year Plan, and that the people have also made similar submissions in the previous sessions of National Assembly as well as to the Royal Advisory Councillors during their tours of the Dzongkhags this year;
3. Giving due consideration to the fact that the National Assembly, during its 76th Session, had reposed in His Majesty the King with unwavering trust and confidence, the full responsibility of resolving the problem created by the presence of the ULFA and Bodo militants, and the fact that the people have also pledged to fully support any decision and action taken by His Majesty the King, with complete loyalty and dedication, and for which they are prepared to extend full material or manpower requirements;
4. Having thoroughly examined the fact that the continued presence of the ULFA and Bodo militants in Bhutanese territory would become even more harmful for the security and sovereignty of the country, and if the militants refuse to leave the country even after all the efforts made through the ongoing process of dialogue, the people are ready to volunteer for military service and, if necessary, even sacrifice their lives to remove the militants from Bhutanese territory through the military option;
5. Having also thoroughly studied the fact that from the very beginning, the Royal Government has laid emphasis on finding a peaceful solution to the problem and, accordingly, the Home Minister had held two meetings with the ULFA leaders on 20th November 1998 and on 7th May 1999, and having noted the Home Minister's report on these meetings to the current session of the National Assembly;
6. Having given serious thought to the fact that during the meetings in the Home Ministry, the ULFA leaders had raised several points such as the reason for their entry into Bhutan, their inability to leave Bhutanese territory until they are fully prepared to fight for the independence of Assam, their proposal to reduce their camps and troops and to maintain them as mobile units, and the fact that their proposal is not acceptable to the hon'ble members of the National Assembly;
7. Recognizing and appreciating that close and excellent relations have always existed between the governments and peoples of Bhutan and India, and also between Bhutan and Assam, and

that the people of Eastern Bhutan and Assam enjoy age-old ties of good neighbourly relations;

8. Noting that the ULFA and Bodo militants and their Assamese supporters can enter Bhutan only after crossing the border of the state of Assam and that to prevent the movement of the militants and their supporters into Bhutanese territory, the Government of India must first impose restrictions on their movement on the Indian side of the border and that the Royal Government of Bhutan must discuss this issue with the Government of India;
9. Noting with satisfaction that although the Bhutanese security force is small in size, under the leadership of His Majesty the King, the three service forces have served the Tsa-Wa-Sum with complete loyalty and dedication during times of national crisis and they have gained in experience, and that preparations and initiatives taken to establish military camps in the border areas of Eastern and Southern Bhutan have been completed, and also noting with satisfaction that a contingency fund is being set aside as reported by the Finance Minister;
10. Acknowledging the main substance of the submissions made by the Assembly members during the deliberations on the issue over a period of two days and appreciating the clarifications made by His Majesty the King on the inherent advantages and disadvantages of the peaceful approach as well as the military option in resolving the ULFA-Bodo problem, and having thoroughly examined all the options available;

The National Assembly has accordingly resolved that, in order to underscore the Royal Government's peaceful policy and to avoid the difficulties and problems that military action would cause to the security and well-being of the Bhutanese people, the Royal Government should, implement the following three measures suggested by His Majesty the King to remove the ULFA and Bodo militants from Bhutanese territory:

- a. The most important measure to resolve the problem peacefully and remove the militants from Bhutanese territory is for the Royal Government to continue the process of dialogue with the ULFA leaders;
- b. As part of the peaceful approach to resolving the problem, an effective measure which must be implemented is to cut off all supplies to the camps of the militants, and to prevent such supplies from reaching them through Bhutanese villages and towns. To this

end, the security forces shall guard all bridges, roads, mule tracks and footpaths, at strategic points, to strictly enforce the blockade; and

- c. All persons, whether they are Assamese supporters of the ULFA and Bodo militants or whether they are Bhutanese or Indian citizens, if they are caught in Bhutan for helping the militants in any way, they shall be dealt with in strict accordance to the National Security Act, 1992.

XIII. VOTE OF CONFIDENCE IN THE DRUK GYALPO

During the deliberations on the submission by the people of the 20 Dzongkhags for the 76th Session's resolution on a mechanism for a vote of confidence in the Druk Gyalpo to be rescinded, the house noted that the resolution had been passed by the National Assembly last year in deference to the royal *Kasho* issued by His Majesty the King. The members of the Assembly, who had all been taken aback and very deeply concerned and saddened by the *Kasho*, had unanimously submitted that there was no necessity for drawing up a mechanism for a confidence vote in the Druk Gyalpo either in the present or in the future. The members made repeated appeals to His Majesty to withdraw and annul the *Kasho*.

However, as His Majesty the King reiterated the importance and necessity of such a mechanism for the present and future well-being of the people and the sovereignty of the country, the National Assembly had, out of respect and deference to the royal *Kasho* had passed a resolution that such a mechanism would be drafted by a Drafting Committee and submitted to the 76th Session of the National Assembly. When the Chimis explained the resolution to the people of their respective constituencies, after the conclusion of the 76th Session, the people had refused to accept it. The following is the gist of the submissions made by the people of the 20 Dzongkhags to the 77th Session requesting that the resolution on the vote of confidence in the Druk Gyalpo be rescinded:

The Chimis of Lhuentse and Pema Gatsel Dzongkhags submitted that in accordance with the prevailing system of conveying the National Assembly resolutions to the people throughout our country, a person from every household was called for a meeting in every constituency and the people were fully apprised of the resolutions passed by the 76th Session of the National Assembly, including the decision on the mechanism for a vote of confidence in the Druk Gyalpo. The people were not only shocked and concerned but also deeply saddened to hear about such a resolution. During prolonged deliberations on the issue, the people pointed out that just as Ling

Gesar was the emanation of a thousand Buddhas, His Majesty the King is also the personification of a thousand Buddhas striving for the benefits of the people of Bhutan.

The Chimis said that the people in their Dzongkhags had all submitted that, apart from offering a re-confirmation of the *Genja* (oath of allegiance) submitted to Gongsar Ugyen Wangchuck by our forefathers in 1907, there was absolutely no need to institute a mechanism for a vote of confidence in the Druk Gyalpo. The reason that the people of Bhutan do not have to face any difficulties and can live in peace and harmony is primarily because of the wise leadership of our monarchs who have ruled the country in keeping with the laws of the Dharma. The people strongly submit that the precious system of hereditary monarchy must continue to rule the country till the end of time and there is no need at all to establish any mechanism for a vote of confidence.

Similarly the Tsirang Chimi submitted that just as there is no need to investigate and verify the existence and power of the deities, the people have no reason to register a vote of confidence in His Majesty the King who is the ultimate refuge for the Bhutanese people and like a parent to whom one is deeply indebted. He said that the people of Tsirang refused to accept the resolution of the 76th Session of the National Assembly to have a mechanism for a vote of confidence in His Majesty the King and have requested for it to be annulled. He pointed out that there had never been a practice of registering a vote of confidence in the King. If any act of faith and measure of confidence is required, the people would like to submit a *Genja* reinforcing the *Genja* of 1907.

The Chimis of Wangdue Phodrang, Paro and Gasa Dzongkhags pointed out that, in the past, every region had a powerful ruler and every village a local chieftain. There was never-ending feuds and strife among these chieftains in their struggle for power as a result of which the people suffered great hardship from heavy taxes, hard labour and even enslavement. In order to promote peace and stability in the country, the representatives of the people, Government officials and the clergy submitted a *Genja* to Gongsar Ugyen Wangchuck and elected him as the first hereditary King of Bhutan in 1907 at Punthang Dechen Phodrang. Since then, peace and happiness have prevailed in the country and the Druk Gyalpo is truly the symbol of unity and peace in Druk Yul.

For the future of our country, our visionary and far-sighted third King Jigme Dorji Wangchuck established the National Assembly and the Royal Advisory Council. The *Thrimzhung Chhenmo* was enacted and the Judiciary was separated from the executive to dispense and ensure

justice for the people. The practice of serfdom was abolished and every Bhutanese, irrespective of social status, enjoyed equal human rights.

Even greater are the achievements of our fourth King who ascended the Golden Throne at a very young age and has ruled our country with far-sighted vision. During the past twenty five years of His enthronement, His Majesty brought about unprecedented socio-economic development for the benefit of the country and the people. Dzongkhag Yargye Tshogchhungs and Geog Yargye Tshogchhungs were established in every part of the country and this has enabled the people to participate actively in the decision-making process and in the implementation of development works and activities for their benefit.

When problems emerged in Southern Bhutan in 1990, His Majesty the King ensured that the people did not have to face difficulties and took on the full responsibility of resolving the problem. The Chimis pointed out that without even delegating this responsibility to the Government officials, His Majesty the King visited the disturbed areas and has resolved the *ngolop* problem. Therefore, how can anyone even think of moving a vote of confidence in such a King?

The Chimis of Trashig Yangtse and Samtse Dzongkhags submitted that full executive powers of governance was devolved to the Lhengye Zhungtshog during the 76th Session of the National Assembly last year in keeping with the royal *Kasho* which also called for a mechanism for a confidence vote in the Druk Gyalpo to be framed. The impact of the royal *Kasho* was like a river rushing down a steep mountain and it brought unbearable concern upon the people. His Majesty the King is the outer protective wall for ensuring the security and sovereignty of the country and the inner precious jewel that has brought progress and prosperity to the nation. With our monarchs upholding the golden yoke of the secular laws and the silken knot of the religious precepts for the benefit of the Bhutanese people there has been a pure bond of unwavering *Thadamtshi* and *Leyjumdrey* between our Kings and the people. As a result, no misfortune has befallen the Tsa-Wa-Sum.

People are self-sufficient and are able to live to the fullest drawing sustenance from the country and enjoying the nectar of happiness. His Majesty the King, who is the manifestation of the Buddhisattavas, is the primary source of all these achievements. As such, the people have complete and unwavering confidence in His Majesty the King. Therefore, there is no reason or any need at all for instituting a mechanism for a confidence vote in the *Druk Gyalpo*. The Chimis

submitted that the people pleaded against the introduction of any system for a confidence vote and called for the noble and cherished existing system to be fully retained.

The Samdrup Jongkhar Chimi submitted that the decree in the royal *Kasho* that Cabinet Ministers shall henceforth be elected through secret ballot for a term of five years, implemented by the 76th Session of the National Assembly, was deeply appreciated by the people. However, they were deeply disheartened that His Majesty the King had devolved all executive powers to the Lhengye Zhungtshog and also commanded that a mechanism to register a vote of confidence in the Druk Gyalpo be established.

Bhutan, the land of medicinal plants has been a sovereign, independent country since time immemorial and has never been colonized. Moreover, due to the collective good fortune of the people, from the day Gongsar Ugyen Wangchuk ascended the golden throne, there has been peace and stability in the country. It is written in the Lekshed Rinchen Terzoed that “if the best person is elevated as the ruler, all objectives will be fulfilled and peace will flourish in the country; if the wish-fulfilling Jewel is placed atop the house like a victory banner, its good benefits will pervade the whole land.” Likewise, after His Majesty Jigme Singye Wangchuck ascended the Golden Throne as the fourth hereditary monarch, at the tender age of 16, a new era dawned in our country. In order to bring peace and happiness to the people and to strengthen the country’s security, His Majesty the King has initiated various national policies, always placing the national interest above His own personal interests. His Majesty is, indeed, a true manifestation of a Bodhisattva. The people have the utmost faith, trust and loyalty in His Majesty the King and there is no reason at all for having a mechanism for a confidence vote in the Druk Gyalpo. The Chimi, therefore, appealed for this resolution of the 76th Session to establish a mechanism for a confidence vote in the King to be revoked.

The Chimis of Trashigang and Mongar Dzongkhags submitted that whatever policies and programmes His Majesty has initiated have always been aimed at promoting the peace and progress of the country and the well-being, happiness and *Kidu* of the people. Therefore, the people had expressed their deep regret over the 76th Session’s resolution on establishing a mechanism for registering a confidence vote in the Druk Gyalpo. The people have called for the issue to be resubmitted for deliberation and the resolution to be duly annulled.

The Punakha Chimi submitted that he had repeatedly explained to the people that establishing a mechanism for a confidence vote in the Druk Gyalpo did not mean that such a vote will have to be moved against His Majesty the King, and that such a mechanism is to be framed

in case it may be required in the future. However, the people could not be reassured on this issue. In the past, when our country was ruled by Desis, our forefathers had to endure great hardship under the governance of most of the Desis. As a result, the whole body of the clergy, the officials of the Government and the people had offered a *Genja* which unanimously established the cherished institution of hereditary monarchy to rule our country. If the National Assembly was to now establish a mechanism to register a confidence vote in the Druk Gyalpo, it will bring unbearable concern to the people, he said. Although setting up such a mechanism may not bring any problem to our country at present, the fact remains that it is not a good system to have as clearly evident when we look at examples in neighbouring countries. The people, therefore, appealed to His Majesty the King and the Royal Government and called for the resolution on such an undesirable system to be excluded from the National Assembly records.

Likewise, the Sarpang Chimi submitted that the system of having a mechanism for a confidence vote in the Druk Gyalpo is not in conformity with our customs and tradition. The people have refused to accept such a system despite repeated discussions on the issue in the Geog Yargye Tshogchung meetings. His Majesty is not just a King but also like a loving parent to whom the people owe everything. He is the Protector of the Dharma and a ruler who works tirelessly for the welfare of His people. Therefore, the people cannot even think of having a system to register a vote of confidence in the Druk Gyalpo when we have a ruler like His Majesty the King.

The Dagana Chimi submitted that the people of the 11 geogs of Dagana appealed that, although it is unthinkable to question a royal command, apart from the mechanism for a confidence vote, they are ready to fulfil any other command of His Majesty the King. On this issue, the people of the 11 geogs of Dagana humbly submit that we must uphold our existing customs and traditions and ensure that a system for a confidence vote in the Druk Gyalpo is never established.

The Thimphu Chimi submitted that last year, during the 76th Session of the National Assembly, His Majesty the King had issued a most unexpected *Kasho* which decreed that a mechanism for a confidence vote in the Druk Gyalpo must be established. Due to the repeated commands from His Majesty himself on this decree, the National Assembly had no choice but to pass a resolution to frame a mechanism for a confidence vote in the Druk Gyalpo. When this resolution was explained to the people, they had said that it had brought them unbearable concern and they were most unhappy that such a decision had been taken without consulting them. His Majesty the King is like the outer protective wall and the inner jewel of the country, the source of peace and good relations, a loving parent to whom we owe everything and the ruler we all deeply

respect. Apart from submitting a *Genja* to His Majesty the King like the one submitted to Gongsar Ugyen Wangchuck, there is no need at all to introduce a mechanism for a confidence vote in the Druk Gyalpo.

The Chimis of Trongsa and Zhemgang Dzongkhags submitted that this was the first time that such an idea as a mechanism for a confidence vote in the Druk Gyalpo had even been raised since the enthronement of Gongsar Ugyen Wangchuck as the first hereditary monarch of Bhutan. The people feel that introducing such a system is similar to children losing respect for their parents and turning against them. Generations ago, in the times of our forefathers, the Clergy, Government officials, regional governors and the people had unanimously elected and enthroned Gongsar Ugyen Wangchuck as the first hereditary King of Bhutan at Pungthang Dechenphodrang, invoking the Guardian Deities as witness of their utmost loyalty and trust, in order to bring peace, happiness and progress to the country. Since then, all these objectives have been achieved under the far-sighted leadership of our monarchs.

In addition, His Majesty the present King has been able to bring unparalleled progress and development to the country during the past 25 years of His reign. Due to His Majesty's wise leadership and far-sighted policies, the people of Bhutan have been able to enjoy unprecedented peace and prosperity. This year is an auspicious time for us as we are celebrating the 25th Anniversary of His Majesty's enthronement. As everyone knows, we, in Bhutan place great emphasis on Tendril and it is not at all auspicious to even discuss a system for a confidence vote in the King. The Chimis, therefore, pointed out that there was no need to introduce any mechanism for a vote of confidence in the Druk Gyalpo.

The Chimis of Haa and Thimphu Dzongkhags said that ever since Gongsar Ugyen Wangchuck was enthroned as the first hereditary monarch of Bhutan, all our Kings have ruled the country in accordance with the precepts of religious laws and selflessly promoted the welfare of the country and the people. In particular, His Majesty Jigme Singye Wangchuck, our fourth hereditary monarch, has worked single-mindedly to promote the well-being and interests of the country and the people without even a thought for his own personal welfare throughout the past 25 years of His reign. Whenever our country faced internal and external problems from time to time, the people have not been able to come up with any effective strategies and means to render their services and His Majesty the King has always taken the full responsibility for resolving the problems. Since our country is going through a difficult period today, the resolution for introducing a mechanism for a vote of confidence in the Druk Gyalpo must be nullified.

The Samtse Dzongda and the Chimi of the Bhutan Chamber of Commerce and Industry submitted that the monarchs of Bhutan are the fruition of the collective merits of the Bhutanese people. The reign of such Kings and their actions are not subject to scrutiny or judgement. Therefore, there is no need to frame any mechanism for a vote of confidence in the Druk Gyalpo. At a time when politicians and leaders in other countries are competing for whatever power they can get, His Majesty the King, our Supreme Jewel, keeping in mind the present and future well-being and security of the country, has devolved full executive powers to the Lhengye Zhungtshog after having already decentralised decision making to the Dzongkhag Yargye Tshogchhungs and Geog Yargye Tshogchhungs.

Last year, during the 76th Session of the National Assembly when His Majesty issued the royal *Kasho* decreeing the introduction of a mechanism for a confidence vote in the Druk Gyalpo, all the members had, one after another, repeatedly requested His Majesty to withdraw the royal command. However, except for the Assembly members, none of the people in the Dzongkhags had the opportunity to express their views on this issue. When the Chimis informed the people of their respective constituencies about the resolution regarding a mechanism for a vote of confidence, the people were deeply saddened and highly concerned over the Assembly's decision. As far as the people are concerned, it is more than enough that His Majesty has devolved all executive powers. While expressing their gratitude to His Majesty, the people wished to submit that it is not at all necessary to have a mechanism for a vote of confidence in the Druk Gyalpo, and as such, the resolution should be annulled.

Similarly, a Royal Advisory Councillor and the Chhukha Chimi submitted that the *Kasho* which was issued out of the blue by His Majesty the King, during the 76th Session of the National Assembly last year, had brought unbearable anguish and concern to all the members. When the resolution, passed in deference to the *Kasho*, was conveyed to the people, they said that they are ready to carry out any command of His Majesty, but the decree on the confidence vote could not be absorbed in their hearts. It is more than enough that His Majesty has already devolved decision making powers to the grass roots of Geog Yargye Tshongchungs and then full executive powers of governance to the Lhengye Zhungtshog. The people of all the 20 Dzongkhags are unanimous in appealing that a system for registering a confidence vote in the Druk Gyalpo must never be introduced. The people will be grateful from the depths of their hearts if the resolution on a mechanism for a confidence vote in the Druk Gyalpo is nullified without further discussion.

The representative of the Monk Body submitted that all Bhutanese people know how much peace, happiness and socio-economic development, His Majesty the King has brought to the country after his enthronement. Lord Buddha after attaining enlightenment thought that he

must impart his teachings to all the sentient beings. But his teachings were so profound that he thought it would be difficult for others to understand. The Buddha had said,

Sublime, quite, passive, illuminating and pure
Ambrosial – such a doctrine have I imbibed
Since none can comprehend, if taught
I will not teach but dwell in the woods.

When he remained without teaching, the King of the gods, *Jaajin* (Brahma) offered Lord Buddha a right-spiralled conch (*dungkar ekhil*) and *Tshangpa* (Vishnu) offered a thousand-spoked Golden Wheel (*Sergi Khorlo*). They requested the Buddha to turn the wheel of the Dharma for the welfare of sentient beings. Similarly, this year during the 25th Anniversary of His Majesty's enthronement, the National Assembly members, on behalf of the people of Bhutan, offered His Majesty the King a *Sergi Khorlo*. The offering was an expression of gratitude to His Majesty for the many successes achieved under His wise leadership to bring progress and happiness to the country. It was also a prayer for the long life and glorious reign of His Majesty, that He may live for as long as the *Amitayas* and that the lineage of our Kings will flow like a perennial mountain stream and rule the country forever. He said that, as already submitted by the people, the Monk Body would also be very grateful if His Majesty would be compassionate and rescind the royal command on establishing a mechanism for vote of confidence in the Druk Gyalpo.

The Haa Chimi submitted that from the day the royal *Kasho* was received by the National Assembly during its 76th Session, the decree on introducing a mechanism for a confidence vote in the Druk Gyalpo had been a source of deep concern and regret for all the Assembly members and to the people of Bhutan.

He said that our forefathers had instituted the cherished system of hereditary monarchy for the benefit of the future generations and the well-being and sovereignty of the country. The introduction of a mechanism for a confidence vote in the Druk Gyalpo today, when we have a King like His Majesty who is a veritable Bodhisattva-incarnate, would create inauspicious *Tendrel* and erode the good fortune of the Bhutanese people. He expressed his concern that the changes and misfortune which overtook the land of the Dharma in Tibet might similarly be visited upon Bhutan if we create such inauspicious *Tendrel*.

He pointed out that just as a tree whose roots are weakened can be uprooted by the wind, if we introduce a system for a vote of confidence in the Druk Gyalpo when we have a well

established system of hereditary monarchy, it will bring about undesirable changes in the future which will result in great problems for the people and the country. He, therefore, appealed that a system for registering a confidence vote in the Druk Gyalpo must never be introduced. If the National Assembly brings out a resolution which is totally contrary to the wishes and requests of the people, the Chimis will face very grave charges and displeasure from the people, he said.

A Royal Advisory Councillor submitted that when His Majesty the King had issued the royal *Kasho* most unexpectedly during the National Assembly Session last year, all the members had appealed to His Majesty to withdraw the decree on a mechanism for a confidence vote in the Druk Gyalpo and this appeal was being repeated this year also. However, there is a fundamental difference in the appeals submitted last year and during the current session. Last year's submissions were the spontaneous appeals of the Assembly members only while this year's submissions reflect the wishes and appeals of all the people of Bhutan to annul the resolution on the mechanism for a confidence vote in the Druk Gyalpo. He pointed out that our forefathers had submitted an inviolable *Genja* to Gongsar Ugyen Wangchuck and installed him as the first hereditary monarch in 1907 thus bringing to an end a period of internal strife, heavy taxes and woola for the Bhutanese people. If we introduce a system of registering a confidence vote in the Druk Gyalpo we may not be able to pass on the cherished system of hereditary to our future generations, he said.

Similarly, the Chimis of Trongsa and Bumthang Dzongkhags submitted that His Majesty the King had commanded that the National Assembly should frame a mechanism for registering a vote of confidence in the Druk Gyalpo. Despite the fact that a Royal Command cannot be questioned, the members, one after another, had pleaded against the need for such a mechanism. In the end, the Assembly had resolved to introduce a mechanism for a confidence vote as decreed by His Majesty. When the Chimis conveyed the Assembly resolution to the people of their respective constituencies the people were shocked and dismayed. The people expressed their doubts that the Chimis had not even appealed against the introduction of a system for a confidence vote.

The Chimis pointed out that besides establishing the Dzongkhang Yargye Tshogchhung and the Geog Yargye Tshogchhung to decentralise decision making to the gross roots level, His Majesty also devolved full executive powers of governance to the Lhengye Zhuntshog. He said that the *Genja* submitted by the Government officials, the clergy and the representatives of the people to Gongsar Ugyen Wangchuck in 1907, when he was elected as the first hereditary monarch of Bhutan, is in itself a true testament of a vote of confidence by the Bhutanese people

in all their hereditary monarchs. The Chimis pointed out that all the members were of one voice in their submissions that there is no need at all to introduce a mechanism for a vote of confidence in His Majesty the King and future Druk Gyalpos.

The Chimis said that they were fully aware of the saying that the command of a King is like a great river whose waters will never flow backwards and also that the royal command must always be honoured. However, a system for a confidence vote in the Druk Gyalpo never existed in the past and, in the future also, neither the people must move such a vote nor should any of our King's call for such a vote to be registered. They said that the people would be very grateful if the issue is never discussed in the Assembly.

Submitting his views on the issue, the *Kalyon* reminded the house that the members of the Royal Advisory Council are like bridges between the Government and the people. He said they are members of the Lhengye Zhuntshog and also members of the committee which prepared the Draft Mechanism for a Vote of Confidence in the Druk Gyalpo. He submitted that Bhutan is a unique country because of the blessings of the Triple Gem and the far-sighted leadership and wise policies of His Majesty the King. He said that the National Assembly must give very careful thought to bringing changes to established systems and introducing a mechanism for a confidence vote in the Druk Gyalpo at a time when the bond between the King and the people is so close and pure.

He said that as prophesised by Guru Rimpochhe, time itself does not change but people change. Playing upon the greed and self interest of individual votes can easily be purchased by vested interests. At a time when there are many elements who are trying to subvert the county and its cherished system, he said he could find no reason to have a mechanism for a vote of confidence in His Majesty the King who is like a Boddhisattva or in any future Kings. As all the hon'ble members are aware, wherever elections are held and votes are cast for public offices like Prime Ministers, ministerships, or even as members of Parliament, people resort to bribery, fraud, lobbying and exchange of favours to acquire the coveted post.

Similarly, those people who are involved in *ngolop* activities against the Tsa-Wa-Sum are also instigating and bribing others to carry out subversive activities. For instance, it has been clearly established that the persons who attempted to blast and destroy the pavilion in the Changlingmithang stadium were incited and paid money by the *ngolop* leaders in Nepal to carry out the subversive act. He pointed out that the *ngolop* leaders in Nepal had paid money to people to organize and participate in the anti-Government demonstrations attempted in different

Dzongkhags. The organisers and coordinators were paid Nu. 500 to Nu. 1,000 while participants were paid Nu. 50 to Nu. 100. Those who are attempting to harm the country and subvert its cherished system will always try to bribe and incite people who care more for money than for the security and national interests of the country.

Such elements can always exploit the situation and use money to instigate a vote of confidence against the Druk Gyalpo. It will not be difficult for people with money and vested interests to influence a small number of voters, he said, and by bribing just 100 members of the National Assembly, a King could be removed. As a result, the peace and prosperity enjoyed by the Bhutanese people may disappear like the rainbow in the sky. He, therefore, cautioned the Assembly members that it was of utmost importance to carefully consider the advantages and disadvantages to the nation, for the present and for the future, of introducing a system which never existed before.

The Wangdue Phodrang Chimi submitted that when he informed the people of his constituency last year about the decision of the National Assembly to have a mechanism for a vote of confidence in the Druk Gyalpo, the people were shocked and dismayed since they had not requested for such a system. They had accused the Chimis of raising this proposal on their own accord and passing a resolution. They had pointed out that Chimis do not have the power to raise issues without consulting the people. He said that the people did not want a new system like a mechanism for a confidence vote to be introduced and they appealed to His Majesty the King to revoke the decree on establishing such a system. A confidence vote in the Druk Gyalpo should never be introduced as it will not be in the interest of the country. The Chimi said that the people also submitted that, in future, no issues should be raised and deliberated in the National Assembly without consulting them. Since the appeals of the people from the entire country have been submitted fully in the National Assembly it should be decided that a mechanism for a vote of confidence in the Druk Gyalpo is not at all required, he said.

The Speaker noted that, as submitted by the Chimis, the people in their constituencies had been very unhappy on being informed about the resolution of the 76th Session on a mechanism for registering a confidence vote in the Druk Gyalpo and they had been overwhelmed by deep concern and sadness. He said that the house was fully aware that the people were very disappointed and unhappy with the Chimis for not preventing such a resolution from being passed. Since the people of all the 20 Dzongkhags did not want a mechanism for a confidence vote, they had submitted their requests in the agenda item to annul the resolution on this issue

during the current 77th Session. The house had fully understood the views of the people which were submitted very clearly by the Chimis.

The Speaker asked the members to keep in mind the following six points while deliberating on the issue of framing a mechanism for a vote of confidence in the Druk Gyalpo. He reminded the house that firstly, during the 76th Session last year, all the members had pleaded and submitted their reasons against a mechanism for a confidence vote more vigorously than in this session and the deliberations had lasted for a period of four days. All the members had pleaded with folded hands to His Majesty the King to withdraw the royal decree on the mechanism for a vote of confidence in the Druk Gyalpo and also that such *Kashos* may never be issued in the future.

Secondly, no matter how much the members pleaded and tried to explain the deep concern, shock and dismay which the people would feel over such a system as registering a confidence vote in the Druk Gyalpo, His Majesty had not relented. Instead, His Majesty had explained very clearly that He had kept in mind the present and future security and sovereignty of the country, and the well-being of the people in issuing the decree on the mechanism for a confidence vote.

His Majesty had also explained that there were a number of policies and objectives which were very important for the interests of the country and which must be implemented by His Majesty himself. If these objectives were not achieved during His Majesty's reign, they could not be fulfilled by the future generations.

His Majesty had then pointed out that if the National Assembly had complete faith in His Majesty the King, there was no need for the hon'ble members to have doubts and misgivings over the royal *Kasho*. His Majesty had accordingly called upon the members to endorse the royal *Kasho*.

The Speaker said that it was not just a matter of keeping in mind the saying that a royal command should not be disregarded. His Majesty the King had issued the royal *Kasho* on a mechanism for a confidence vote in the Druk Gyalpo after much thought and consideration for the present well-being and future security of the country. A thorough discussion had been held on the royal decree and the Assembly members, after understanding His Majesty's reasons for issuing the *Kasho*, had agreed to pass a resolution for framing a mechanism to register a confidence vote in the Druk Gyalpo. Furthermore, in accordance with His Majesty's command, a

37 member Drafting Committee had been formed, comprising the Speaker, Deputy Speaker, members of the Royal Advisory Council, representatives of the Government and the clergy, a Chimi from each of the 20 Dzongkhags and the Secretary of the National Assembly, with the Chief Justice as the legal adviser. The Committee had accordingly prepared a Draft Mechanism for Registering a Vote of Confidence in the Druk Gyalpo, and copies of the Draft had been distributed to the members on the opening day of the current 77th Session. The Speaker said that he assumed that the hon'ble members would have already gone through the Draft since it was circulated on the first day itself to facilitate deliberation and endorsement later during the session.

The Speaker reminded the members that the 76th Session of the National Assembly had already passed a resolution to enact a mechanism for a confidence vote in the Druk Gyalpo. Now a year later, during the current 77th Session, if we talk of revoking the resolution, it would make the house appear very inconsistent in everyone's eyes and opinion just like the fickle minded blacksmith, Jangkalep who forges a high quality sword every day only to melt it down the next day. Such fickleness and inconsistency would undermine the image of the highest legislative body in the country. If the Chimis explained all these points very clearly to the people, all their concerns and misgivings would be removed from their minds.

The Speaker called upon the members to keep the above six points in mind and focus the deliberation on adopting the mechanism for a vote of confidence in the Druk Gyalpo. The hon'ble members should deliberate on each and every item of the Draft Mechanism which will be adopted on the basis of a majority decision on each item.

Many members said that they were fully aware of all the points explained by the Speaker and submitted that a mechanism for a confidence vote in the Druk Gyalpo is not required at all. Some of the members suggested that this issue should be discussed once again with the people in their respective constituencies and it should then be included in the agenda of the 78th Session for further deliberation and a final decision. With the discussions becoming further prolonged, the Speaker intervened and once again asked the members to keep in mind the six points he had explained to them. He asked the members to focus the deliberations on the Draft Mechanism for a Vote of Confidence in the Druk Gyalpo.

The deliberation on this agenda item was finally concluded with the National Assembly:

1. Reaffirming its unwavering allegiance to the *Genja* of 17th December 1907 as the basis of the sovereignty of the Kingdom of the Glorious *Palden Drukpa* and its dual system of the

secular and the religious, the *Genja* having been submitted with true allegiance by the whole body of the Clergy, *Chilas*, *Penlops* and *Dzongpons* of all the regions and Dzongkhags, senior Government officials and the people who unanimously elected the Trongsa Penlop, Gongsar Ugyen Wangchuck as the first hereditary Monarch of Bhutan, and this reaffirmation of unwavering allegiance being hereby pledged to ensure that the Mechanism for a Vote of Confidence in the Druk Gyalpo will not in the slightest manner affect the unchangeable status of the Wangchuck Dynasty which was founded on this historic *Genja*;

2. Expressing its hope that while the revered rulers of the Golden Throne, the hereditary Kings of Bhutan, are a fruition of the collective fortune of all the people of Bhutan, if in the future, because of the past *Karma* should a King ever emerge who has less love for his country and the people, and a need should arise to enthrone the next in line to the Golden Throne from the Wangchuck Dynasty, the mechanism for a vote of confidence in the Druk Gyalpo should be able to facilitate the wishes of the people to enthrone a new King;
3. Having borne in mind the concerns expressed by the Assembly members during the 76th Session last year, and the misgivings and doubts of the people of the 20 Dzongkhags as submitted to the current session of the National Assembly ;
4. Having understood that the Mechanism for a Confidence Vote in the Druk Gyalpo would in fact strengthen and not harm the institution of hereditary monarchy, it being the main concern of the people that the introduction of such a system may adversely affect the cherished system of hereditary monarchy in Bhutan; and
5. Expressing the hope that when the Chimis explain the mechanism clearly and accurately to the people who are not willing to accept it, the doubts and concerns felt by these people will be removed and they will understand and be convinced of the need for such a mechanism;

Decided that, in keeping with the resolution of the 76th Session and the essence of the above five points, each and every article of the Draft Mechanism for a Vote of Confidence in the Druk Gyalpo will be discussed in the 77th Session of the National Assembly.

XIV. MECHANISM FOR A VOTE OF CONFIDENCE IN THE DRUK GYALPO

Opening the debate on the mechanism for a confidence vote in the Druk Gyalpo, on 14th July 1999, the Speaker reminded the house that, in accordance with Resolution No.6 of the 76th

Session of the National Assembly, a Committee had been appointed to draft the mechanism. With the Speaker as the Chairman, the 37 member committee comprised the Yangbi Lopen as the representative of the Clergy, the Deputy Speaker, the Kalyon of the Royal Advisory Council and the eight Councillors, the Secretary of the Royal Civil Service Commission, the Trashigang Dzongda and the Chhukha Dzongda as representatives of the Royal Government, a Chimi from every Dzongkhag representing the people of the 20 Dzongkhags, and the Secretary of the National Assembly Secretariat. The Chief Justice was the legal adviser. The Committee met four times to prepare the draft. A copy of the Draft Mechanism had already been distributed to all the members of the National Assembly on 29th June 1999 on the opening day of the 77th Session.

The Speaker also reminded the house that, although as an independent body, the Judiciary is not part of the Legislature or the Executive and is therefore, not represented in the National Assembly, the Chief Justice had been invited as a special guest for the deliberations to provide clarifications on any doubts that the hon'ble members may have on legal aspects of the Draft. The deliberation on the Mechanism for a Vote of Confidence in the Druk Gyalpo commenced with the National Assembly Secretary reading out each article of the Draft Mechanism, one by one, and the members submitting their views, comments and suggestions for changes.

The Chairman of the Lhengye Zhungtshog said that it was necessary to include a reference to the historic establishment of the cherished institution of hereditary monarchy in the first article of the preamble. The Chairman suggested that it would be appropriate if the following lines which are in the preamble of the Lhengye Zhungtshog Chathrim could be inserted as the first article of the preamble for the Mechanism to read as:

“Whereas, on 17th December 1907, the whole body of the Clergy, the State Councillors, the Penlops and Dzongpons of all the regions and Dzongkhags, and the representatives of the people, in order to promote peace, progress, prosperity and stability in the country, and to strengthen the security and sovereignty of the Land of the Glorious Palden Drukpa, unanimously elected Trongsa Penlop, Gongsar Ugyen Wangchuck as the first hereditary Monarch of Bhutan.”

As there was no contradictory views on this suggestion, the Assembly decided to insert the proposed paragraph in the preamble.

The Chairman pointed out that the second article of the preamble contained the phrase “which would undermine the cherished institution of hereditary monarchy.” The Chairman

suggested that this should be replaced by “which may undermine the cherished institution of hereditary monarchy”. The suggested change was adopted.

On Article 5, His Majesty the King noted that if ‘50 percent of the Dzongkhags’ are required to submit a motion for a vote of confidence for it to be included in the National Assembly agenda, then a vote of confidence in the Druk Gyalpo will never materialize. Therefore, His Majesty suggested that the key phrase in the article should, instead, read as “if one-third of the members of the National Assembly submit such a motion.”

The *Zhung Kalyon* submitted that it would be very harmful if the requirement for registering a motion for a confidence vote was changed to one-third of the National Assembly members rather than 50 percent of the Dzongkhags. In the future, it will be easy for people with vested interests to incite and bribe 50 out of the 150 National Assembly members to propose a confidence vote and thereby undermine the cherished institution of hereditary monarchy. As there is no guarantee that such a time will not come, it will be possible for 50 members of the Assembly to remove the Druk Gyalpo without the mandate of the people of Bhutan. He asked if the Assembly members were prepared to adopt such a mechanism.

He said that there are people in many countries all over the world who are motivated purely by self-interest and do not give a second thought to the national interest. They are ready to resort to spending millions to secure political victory over others in an age when people are not averse to accepting bribes. In such a scenario there is no need to resort to violence, bombs or demonstrations to destabilize the country. It will not require too much money for people with vested interests to instigate 50 to 100 Assembly members and achieve their objectives. Keeping in mind the saying “a wise man thinks ahead while the foolish person regrets later,” he urged the National Assembly to give careful consideration to the issue.

The Chhukha Dzongda, a Royal Advisory Councillor and the Punakha Chimi, who were all members of the Drafting Committee, said that the issue had been thoroughly discussed by the Committee. They said that the authority to register a motion for a confidence vote in the Druk Gyalpo should be left with the people of Bhutan. The members of the National Assembly have been elected by the people to address various issues as their representatives but they do not have the people’s mandate to submit motions for a confidence vote in the Druk Gyalpo.

They pointed out that it would not be appropriate for the members of the National Assembly to move a motion for a vote of confidence and also vote on the motion themselves. In accordance with the Chathrim of the National Assembly, the agenda of every session has always come from the people and cannot be submitted on their own by the Chimis. This requirement

under the Chathrim has not been amended and the people continue to submit points for discussion in the National Assembly through their respective Geog Yargye Tshogchhungs and Dzongkhag Yargye Tshogchhungs. Similarly, any proposal for a vote of confidence in the Druk Gyalpo should also be submitted to the National Assembly by the people through the Geog Yargye Tshogchhungs and Dzongkhag Yargye Tshogchhungs. There is no need at all to look for a new system for introducing such a motion in the National Assembly. Although it is not necessary to imitate other countries, the members of the Drafting Committee had studied other systems very carefully. The Drafting Committee had unanimously agreed that a motion for a vote of confidence in the Druk Gyalpo should be moved in accordance with the will of the people through the concerned Geog Yargye Tshogchhungs and Dzongkhag Yargye Tshogchhungs, and accordingly Article 5 had been drafted.

The representative of the Central Monastic Body, the Yangbi Lopen said that following the decree issued by His Majesty the King on a mechanism for a confidence vote in the Druk Gyalpo, the 76th Session of the National Assembly had deliberated on this issue at great length with all the members appealing that there was no need to introduce such a system. However, the Assembly members could not disregard the royal decree of His Majesty the King who had, through His wise and selfless leadership, brought such unprecedented progress and development to the country. As for proposing a confidence vote, it must not be left upto 150 members of the National Assembly to decide whether a reigning monarch should be subjected to a vote of confidence or not. Such a decision should be left with the people of Bhutan. The Yangbi Lopen submitted that Article 5 should be endorsed as drafted. The responsibility of the National Assembly is to deliberate on issues concerning the well-being and prosperity of the country and the removal of problems facing the nation. The responsibility of deciding whether a King should continue to reign or not must not lie with the National Assembly members but should be left in the hands of all the people in the country. For the future, this will be in the best interest of the country, he said.

The Minister for Finance expressed his appreciation to the Drafting Committee for keeping in mind the present and the future interests of the country while drafting the Chathrim. However, the Article that 50 percent of the Dzongkhags would be required to propose a vote of confidence was a wise suggestion but not very practical. Because of the practical problems involved in this requirement, His Majesty the King had suggested that it should be made possible for one-third of the Assembly members to move a motion for a confidence vote. He proposed that His Majesty's suggestion could be kept as the base for amending the Article on the lines that

it will require a minimum of 50 percent of the Assembly members to move a motion for a confidence vote in the Druk Gyalpo.

Noting the submissions made by some of the members that proposing a vote of confidence in the Druk Gyalpo is a decision that should be taken by all the people in the Kingdom and not by the small number of Assembly members, the minister pointed out that the Chimis are all elected by the people from amongst the most capable candidates and enjoy their trust and confidence. If the Chimis betray the trust of the people and create problems for the country they can do so on other important issues also and not just on the vote of confidence. He, however, expressed his confidence that the majority of the Assembly members will not betray the trust of the people and it should not be a problem to decide that a minimum of 50 percent of the National Assembly members will be required to move a motion for a confidence vote in the Druk Gyalpo.

The Sarpang Dzongda submitted that before the actual vote of confidence can take place the motion must first be introduced. He pointed out that it is not proper for the Assembly members to propose the motion and also vote on it. The proposal for moving a confidence vote in the Druk Gyalpo must be made by 50 percent of the Dzongkhags through the Geog Yargye Tshogchhungs and Dzongkhag Yargye Tshogchhungs, he said.

The Speaker reminded the house that, in keeping with the National Assembly Chathrim, all agenda points are submitted by the Chimis through the concerned Geog Yargye Tshogchhungs and Dzongkhag Yargye Tshogchhungs according to the wishes of the people. As such, it should not be a problem if the motion for a confidence vote is submitted by the Assembly members. The deliberations should, therefore, focus on whether the minimum requirement for submitting the motion should be one third or 50 percent of the Assembly members.

The Thimphu Dzongda said that the draft Article 5 required 50 percent of the Dzongkhags to submit the proposal for a confidence vote through the concerned Geog Yargye Tshogchhungs and Dzongkhag Yargye Tshogchhungs which would mean that there would be 10 Dzongkhags in favour and 10 Dzongkhags against the proposal. Since such issues are usually decided on a majority basis, he wondered whether the proposal for a confidence vote should not require the support of the majority of the Dzongkhags. The agenda for the National Assembly has always been submitted through the concerned Geog Yargye Tshogchhungs and Dzongkhag Yargye Tshogchhungs and never directly by the members. Article 5 also contains the same procedural requirement and, therefore, except for changing the percentage of the Dzongkhags required for making the proposal for a confidence vote, he saw no other problem with Article 5.

Similarly, the Dagana Chimi said that, although the mechanism for a vote of confidence in the Druk Gyalpo has been drafted in detail, there was some potential confusion with the Draft Article 5 because it required 50 percent of the Dzongkhags to move a motion for a confidence vote in the Druk Gyalpo. But this could still leave 50 percent of the Dzongkhags opposed to the proposal. She expressed her opinion that it would be better if the motion is required to be submitted by more than 50 percent of the Dzongkhags through their respective Geog Yargye Tshogchhungs and Dzongkhag Yargye Tshogchhungs.

The Speaker reminded the house that His Majesty the King had called for the Draft Article 5 to be amended along the lines that one-third of the Assembly members, rather than 50 percent of the Dzongkhags, can propose a motion for a confidence vote in the Druk Gyalpo. However, this was not being accepted by the members some of whom suggested that instead of 50 percent of the Dzongkhags being required to make the proposal it should be 50 percent of the Assembly members who can move such a motion. Therefore, it would be better if the Assembly decided whether 50 percent of the Dzongkhags or 50 percent of the National Assembly members should be the minimum requirement for proposing the confidence vote.

The Punakha Dzongda, a Royal Advisory Councillor and the Wangdue Phodrang Chimi pointed out that even if an agenda point was a small issue, it had to be submitted to the National Assembly through the respective Geog Yargye Tshogchhungs and Dzongkhag Yargye Tshogchhungs. Since the proposal to register a vote of confidence in the Druk Gyalpo is a serious issue concerning the position of a reigning monarch, they requested for the Article to be adopted without change. 50 percent of the Dzongkhags, instead of 50 percent of the Assembly members, should be the minimum requirement for submitting the proposal which must be routed through the respective Geog Yargye Tshogchhungs and Dzongkhag Yargye Tshogchhungs.

The Chairman of the Lhengye Zhungtshog said that no matter where and how a confidence vote in the Druk Gyalpo is moved and debated, it would ultimately involve the people. The views expressed by the Chimis in the National Assembly are not their personal views but must reflect the views of the people of their constituencies.

If the Article on submitting a proposal for a confidence vote in the Druk Gyalpo calls for a minimum requirement of 50 percent of the Dzongkhags to submit the proposal through the concerned Geog Yargye Tshogchhungs and Dzongkhag Yargye Tshogchhungs, such a motion will never reach the National Assembly. Then the noble aspirations of His Majesty the King and the

far-sighted wisdom with which He has introduced a mechanism for a confidence vote will not be fulfilled.

The Chairman of the Lhengye Zhungtshog said that he greatly appreciated the views expressed by the Assembly members which reflected their unwavering loyalty, trust and confidence in His Majesty the King. Bhutan is a small nation located between two large and powerful countries, and the institution of hereditary monarchy is vital for its continued well-being and progress. Our monarchy is the very life force of our country, he said. He pointed out that the mechanism for a confidence vote only makes it possible for a vote of confidence in the Druk Gyalpo and not in the cherished institution of hereditary monarchy. Therefore, the hon'ble members should not entertain any doubts on this issue. Instead it should be the unified goal of all the people of Bhutan to strengthen the cherished institution of hereditary monarchy.

He reminded the house that the proposal to introduce a mechanism for registering a vote of confidence in the Druk Gyalpo had not been submitted by the people. His Majesty the King had issued the command last year in the royal *Kasho*. In spite of the repeated appeals of all the Assembly members that the royal command should be withdrawn because the people did not want any system for registering a confidence vote, His Majesty had insisted that such a mechanism must be established in the long term interest of the Tsa-Wa-Sum.

Since the election of Gongsar Ugyen Wangchuck as the first hereditary Monarch of Bhutan in 1907, we have been blessed with Kings whose only concerns have been to promote the interest of the people and the country. Similarly, if the people also uphold the pure bonds of *Thadamtshi* and *Leyjumdrey*, our country will continue to be blessed with Kings who will truly be the most precious wish-fulfilling jewels of the nation. No matter what changes take place in the minds of the people and the extent of the country's development, a noble King will always be loved and respected, and no one will contemplate doing any harm to such a monarch.

The main concern of His Majesty the King, he said, is that if there comes a time in this country when a King cannot serve the interest of the people and the country, the peace and well-being of the nation could be affected. If there is no mechanism to replace a King who does not have any concern for the well-being of the people and the country it would not only be detrimental to the King himself but also to the cherished institution of hereditary monarchy. If the institution of hereditary monarchy is undermined and disintegrates, the very soul of Bhutan will be lost and even the existence of our country of the Palden Drukpa will be affected. Therefore, when we are in the process of finalising the mechanism for a confidence vote in the Druk Gyalpo

we should ensure that if a confidence vote has to be registered, the National Assembly will have a suitable mechanism.

The thoughts and actions of the present members of the National Assembly are all based on the pure bond of loyalty and trust which they have for the Tsa-Wa-Sum. Similarly, the future Chimis elected from amongst our children should also be equally trustworthy. Just as all the Assembly members today have declared their full confidence in His Majesty the King, we must trust our future generations to also declare their full confidence in the Druk Gyalpo. The responsibility for making our younger generations trustworthy falls upon us. Under the wise leadership of His Majesty the King, many far-sighted policies are being implemented to ensure that our younger generations can be entrusted with the future of the country. The people would certainly not elect Chimis who are harmful to the country but only those who will look after the interest of the people and the country. Therefore, even if a vote of confidence has to be moved it would be done in the interest of the Tsa-Wa-Sum. The Chairman of the Lhengye Zhungtshog expressed his hope and prayers that there will never come a time when a vote of confidence would have to be moved in a Druk Gyalpo. However, if it becomes necessary, and a minimum of half the Dzongkhags are required to propose the motion, then such a motion will never be moved in the National Assembly. He, therefore, suggested that the Article should be amended so that a minimum of 50 percent of the National Assembly members should be required to propose a confidence vote for it to be included in the agenda.

The Trashigang Dzongda, Pemagatshel Dzongda, a Royal Advisory Councillor and the Chimis of Punakha and Bumthang Dzongkhags agreed that, as pointed out by the Minister for Finance, the Chimis are indeed elected by the people with full trust and confidence. However, it is not possible to predict whether the thinkings of the people will change or not in the future. In other countries, there are people who are ready to even sacrifice their lives for political reasons. As everyone knows, such people have used themselves as human bombs to assassinate Presidents and Prime Ministers. As the saying goes, “when we look at events befalling others it may seem amusing but when it happens to ourselves it becomes unbearable,” what may seem inconceivable of happening in our country today cannot be ruled out in the future. We cannot be certain that people’s thinkings will not change and that certain elements will not resort to extreme measures and create serious problems for the country. The Drafting Committee had kept the future in mind while drafting this Article. If the Article is amended to make it possible for 50 percent of the Assembly members to propose a confidence vote in the Druk Gyalpo, there will be a serious risk that money and other incentives could be used to influence the Assembly members. Therefore, it would be better if, as laid down in the Draft Article, a confidence vote in the Druk Gyalpo can be

moved only if 50 percent of the Dzongkhags submit the proposal through their respective Geog Yargye Tshogchhungs and Dzongkhag Yargye Tshogchhungs.

Intervening in the debate, His Majesty the King pointed out that if a King served the country and people well they will never move a vote of confidence in him. If, as submitted by some of the members, 50 percent of the Dzongkhags would be required to move the confidence vote, 10 out of 20 Dzongkhags will never come together to submit the proposal for a confidence vote in the Druk Gyalpo. Even if the requirement is changed to 50 percent of the Assembly members, as proposed by some of the members, it will still be difficult for a confidence vote to be moved in a King who does not serve the country and has lost the confidence of the people. Reminding the Assembly members that they have a sacred responsibility to keep in mind the present and future well-being of the country, His Majesty said that they should not see anything objectionable in a confidence vote being deliberated in the National Assembly if one third of the members submit a proposal to move such a motion.

His Majesty explained that the mere submission of a motion for a confidence vote does not mean that the motion would be automatically adopted. The motion will have to be debated in the National Assembly unless there is full justification for proposing the vote of confidence, the proposal will not be endorsed by the house. His Majesty requested the members to endorse His proposal that if one third of the Assembly members submit a motion for a vote of confidence in a King who is not good for the country and the people, the proposal should be included in the agenda for discussion in the National Assembly.

The Minister for Health and Education wondered whether a system for a vote of confidence in a reigning monarch existed anywhere in the world. In Asian countries like Nepal, Thailand and Japan where monarchies have existed for centuries, there is no mechanism for a vote of confidence in the Monarch. Likewise, there is no such mechanism in the African, European and Arab countries where hereditary monarchies still exist. Moreover, in some monarchies, full executive power is still vested in the King. Therefore, the mechanism for a vote of confidence in the Druk Gyalpo which the National Assembly is discussing today is a new system, unprecedented in the history of the world.

This new system for a confidence vote in the Druk Gyalpo has not been requested or demanded by the people. Instead, the proposal for introducing such an unprecedented system has emanated from the Golden Throne through the royal *Kasho* issued by His Majesty the King. The Minister expressed his appreciation for the views expressed by the people from the depths of their hearts

about their concerns over the introduction of a mechanism for registering a confidence vote in the Druk Gyalpo. Similarly, everyone was shocked and dismayed when His Majesty devolved full executive powers to the Lhengye Zhungtshog during the previous session of the National Assembly. When we reflect upon this it is obvious that His Majesty has given up all personal desires and interests like a true Boddhisattva and that He is only concerned in working for the good of the people. Likewise, the introduction of a mechanism for a vote of confidence in the Druk Gyalpo also would be a far-sighted decision taken by His Majesty for the benefit of the people and the country.

The Minister recalled that the Assembly members had been deeply shocked and concerned by the command for the introduction of a mechanism for a confidence vote in the Druk Gyalpo and had appealed to His Majesty to withdraw the royal decree. However, since a royal command cannot be disregarded, the people had to finally accept it. The Minister noted that, as submitted by the hon'ble members, all the policies and programmes initiated by His Majesty the King have always been in the interest of the people and the country. Likewise, His Majesty's decision not to rescind the royal decree despite the fervent appeals of the Assembly members would be due to His far-sighted consideration for the present and future well-being of the people and the country. The Minister, therefore, appealed to the Assembly members to accept His Majesty's proposal for the amendment of Article 5.

Speaking on the issue, a Royal Advisory Councillor submitted his hope that the need to move a motion for a confidence vote in the Druk Gyalpo would never arise till the end of time. However, the future cannot be predicted. In order to promote equal opportunity for all our people, His Majesty has provided good education facilities for our younger generations. As time goes by, those who have completed their education will first need jobs. They will then want power and authority. Once there are many people who want power and authority, it will lead to many problems in the country. Ultimately, it will be the general public who will suffer. If a time ever comes when a motion for a vote of confidence in the Druk Gyalpo is deliberated in the National Assembly, there is a danger that the voice of the people will not be heard inside the National Assembly on such a vital issue. As the saying goes "the knowledge of swimming acquired without entering the water will not suffice when one falls in the river," once the confidence vote is introduced in the National Assembly, the voice of the general public will not be heard in the halls of the Assembly.

Although all the members had appealed that a mechanism for a confidence vote was absolutely unnecessary, His Majesty the King had insisted on introducing such a mechanism in

the interest of the country and the people. Therefore, if such a mechanism has to be adopted, it must be ensured that a proposal for a confidence vote in the Druk Gyalpo must be submitted by 50 percent of the Dzongkhags through their respective Geog Yargye Tshogchhungs and Dzongkhag Yargye Tshogchhungs and not by 50 percent of the National Assembly members. If such a proposal can be submitted by 50 percent of the Assembly members, there will always be the risk that 75 out of the 150 members of the National Assembly could be bribed and influenced by a few individuals with vested interests. If we do not prevent such possibilities from the very beginning, it will be too late in the future, he said.

The Dagana Chimi submitted that repeated appeals had been made on behalf of the people that they did not want any mechanism for a confidence vote in the Druk Gyalpo to be introduced. However, the appeals had not been accepted. Now, if the clause that a motion for a confidence vote must be proposed by 50 percent of the Dzongkhags through their respective Geog Yargye Tshogchhungs and Dzongkhag Yargye Tshogchhungs is also not adopted, it will go against the wishes of the people. The Chimi, therefore, urged the house to retain the clause that a motion for a confidence vote must be proposed by 50 percent of the Dzongkhags.

At this point, the Speaker reminded the members that His Majesty the King had explained the reasons why it should be made possible for a motion for a vote of confidence to be moved by one-third of the Assembly members. However, it appeared from the trend of the discussions that the hon'ble members did not fully comprehend the command. He, therefore, urged the house to deliberate on the issue in keeping with His Majesty's command and clarifications.

A Royal Advisory Councillor and the Punakha Chimi submitted that they had not derived any pleasure nor had any interest in deliberating on the mechanism for a vote of confidence in the Druk Gyalpo last year. However, as it is not proper to disregard a royal command, they had no alternative but to abide by His Majesty's repeated urgings and accordingly, the 76th Session had resolved that a mechanism for a vote of confidence in the Druk Gyalpo should be drafted. They submitted that they had fully understood His Majesty the King's command that it should be made possible for one-third of the National Assembly members to propose a motion for a vote of confidence. However, at the risk of disregarding a royal command, they felt compelled to submit their deep concerns on this issue. The National Assembly is the forum where every member, regardless of rank or status, has the equal right and freedom of expression. If they did not submit their views at the proper time and place in the august hall of the National Assembly it would be meaningless for them to do so later.

They submitted that His Majesty the King had already decentralized the power and process of decision making by establishing the Geog Yargye Tshogchhungs and the Dzongkhag Yargye Tshogchhungs. Furthermore, His Majesty has also devolved full executive powers of governance to the Lhengye Zhungtshog and thereby to the people. Therefore, it would only be fitting if the decision to propose or not propose a motion for a confidence vote in the Druk Gyalpo is left with the people. As such, it should require 50 percent of the Dzongkhags to submit a proposal through their Geog Yargye Tshogchhungs and the Dzongkhag Yargye Tshogchhungs for a motion to register a confidence vote in the Druk Gyalpo to be included in the agenda for discussion in the National Assembly. They submitted that a King and His subjects share a very close and special bond. Just as the commands of a King must be issued to his subjects, the people must also submit their *kidus* to their King. They submitted that the people were appealing to His Majesty to accept their submissions on this clause in Article 5 with great expectation.

The Thimphu Chimi submitted that the main reason why a motion for a vote of confidence should not be submitted by one-third of the Assembly members is that, according to the National Assembly Chathrim, all points for the agenda, regardless of their importance and urgency, must be submitted by the people through their respective Geog Yargye Tshogchhungs and Dzongkhag Yargye Tshogchhungs. The Drafting Committee had kept this in mind and, after thorough and extensive discussions, had decided that a motion for a vote of confidence in the Druk Gyalpo will be included in the agenda of the National Assembly only if 50 percent of the Dzongkhags submit such a motion through their respective Geog Yargye Tshogchhungs and Dzongkhag Yargye Tshogchhungs.

Intervening in the debate, His Majesty the King said that, as submitted by the Assembly members, it is indeed the responsibility of the Chimis to submit agenda points to the National Assembly which have been proposed by the people, through their Geog Yargye Tshogchhungs and Dzongkhag Yargye Tshogchhungs. His Majesty explained that even if the agenda on a vote of confidence was moved by one-third of the National Assembly members, it would still have to be routed through the Geog Yargye Tshogchhungs and Dzongkhag Yargye Tshogchhungs. Therefore, in essence the agenda would come from the people.

His Majesty the King said that the power to decide whether His Majesty himself or any other King, or even the institution of monarchy itself, was wanted or not rested in the hands of the people. His Majesty had always made this very clear to the people during his national addresses and in his meetings with the people and students during his tours of the Dzongkhags. Therefore, there was no need for the hon'ble members to feel undue concern over this issue.

His Majesty said that the importance of having a mechanism for a vote of confidence in the Druk Gyalpo had been clearly spelt out in the *Kasho* issued last year. The Assembly had discussed the *Kasho* at great length and a resolution had also been passed. Keeping in mind the need to have a political system which would benefit the present and future well-being of the country, it is necessary to have a practical mechanism to move a vote of confidence in the Druk Gyalpo. His Majesty, therefore, requested the house to decide that a proposal to move a vote of confidence in the Druk Gyalpo will be included in the agenda for discussion in the National Assembly if one-third of the Assembly member submit such a motion.

A Royal Advisory Councillor, the Paro Dzongda and the Trongsa Chimi submitted that the basic reason for the clause requiring 50 percent of the Dzongkhags to move a motion for a vote of confidence in the Druk Gyalpo is that a proposal on such an important issue must come from the people themselves. They said that, in keeping with His Majesty's command, it should be all right for one-third of the Assembly members to move a motion for a confidence vote in the Druk Gyalpo so long as the proposal has been discussed by the people and is routed through the Geog Yargye Tshogchhungs and Dzongkhag Yargye Tshogchhungs.

The Speaker reminded the house that the debate on the Mechanism to Register a Vote of Confidence in His Majesty the Druk Gyalpo had continued for two days. All the members had expressed their views and a thorough discussion had taken place on the amendment of Article 5. His Majesty the King had explained why the phrase '50 percent of the Dzongkhags' should be

amended to read as ‘one-third of the members of the National Assembly,’ and His Majesty repeatedly called upon the members to accordingly amend the Article. The Speaker suggested that in keeping with His Majesty’s wishes, Article 5 should be amended.

After a lengthy deliberation, the National Assembly decided to amend Article 5 to read as follows: “A motion to register a vote of confidence in the Druk Gyalpo shall be included in the agenda of the National Assembly only if one-third of the members of the National Assembly at one time, submit such a motion, through the Gewog Yargye Tshogchhungs and Dzongkhag Yargye Tshogchhungs’.

During the discussion on the draft Article 6 which reads, “In the interest of national security, the vote of confidence registered in the King of Bhutan will be postponed if there is: -

1. danger of civil strife,
2. external aggression”,

His Majesty the King recommended that this clause may be deleted. His Majesty pointed out that once a motion for a vote of confidence has been moved by one third of the National Assembly members and it is included in the agenda, the proceedings should be duly concluded. The Article was, therefore, not necessary. Since there was no objection, the house decided to delete this draft Article.

Concluding the debate, the Speaker noted that, ever since His Majesty Jigme Singye Wangchuck the Fourth Druk Gyalpo, who is the realisation of the collective fortune of the Bhutanese people, ascended the Golden Throne, the country has witnessed unparalleled socio-economic development and the teachings of Lord Buddha have also flourished in the Kingdom. His Majesty has also strengthened the nation’s security and sovereignty and made it like the heavenly realm of Zangdog Pelri. All the people of Bhutan are fully aware that it is due to His Majesty’s wise leadership that we are able to live in peace and happiness.

The Speaker pointed out that in many countries of the world there are constant power struggles among politicians and leaders to become Heads of State and Government and occupy public office. There are many countries which have hereditary monarchies but nowhere in the world is there a system for registering a vote of confidence in a reigning monarch. In Bhutan, His Majesty had not only devolved full executive powers to the Council of Ministers but also commanded the National Assembly to establish a mechanism for registering a vote of confidence

in the Druk Gyalpo. This is truly a most remarkable initiative by His Majesty the King and a most historic decision.

The Speaker recalled that this command had caused deep concern and dismay among all the people of Bhutan. The issue had been discussed at great length in the 76th and the 77th Sessions of National Assembly. The Chimis of the 20 Dzongkhags and the representatives of the Dratshang and the Government had appealed with folded hands that the introduction of such a system was not at all necessary for the people or for the country. All issues are normally resolved in the Assembly by consensus or through a majority decision. However, on this issue, His Majesty the King would not rescind the royal *Kasho* and insisted that the National Assembly must have a mechanism for registering a vote of confidence in the Druk Gyalpo. Since the command of the King is heavier than the mountains and more precious than gold, there was no option but to respect the royal command. The Speaker pointed out that the adoption of the Mechanism to Register a Vote of Confidence in the Druk Gyalpo, during the 77th Session of the National Assembly, will go down in the history of Bhutan and the world as a most remarkable and extraordinary event. Therefore, the fulfilment of the royal command should be seen as a profound act of selflessness by the Druk Gyalpo.

The Speaker noted that the Mechanism to Register a Vote of Confidence in the Druk Gyalpo marks a most remarkable change in the system of governance in Bhutan and will go down in the history of our country as one of the most remarkable events of the 20th century. The Speaker announced that the final draft incorporating all the changes made in the course of the debate on the Draft Mechanism will be read out to the house for final endorsement before the current session concluded.

A copy of the final Draft Mechanism to Register a Vote of Confidence in the Druk Gyalpo was circulated to each of the members of the National Assembly on July 26, 1999. The members of the National Assembly carefully reviewed the changes made in the Draft.

Accordingly, the National Assembly, in keeping with the command of His Majesty the King, adopted the Mechanism to Register a Vote of Confidence in His Majesty the Druk Gyalpo. Given the exceptionally pure and exemplary bond of faith, trust and loyalty that exist between His Majesty the King and the people, the National Assembly expressed its hope and prayers that there would never be an occasion to cast a vote of confidence in the Druk Gyalpo. The Mechanism to Register a Vote of Confidence in His Majesty the Druk Gyalpo was adopted by the National Assembly on the Thirteenth Day of the Sixth Month of the Year of the Female Earth Hare corresponding to 26th July, 1999.

XV. LHENGYE ZHUNGTSHOG CHATHRIM

Opening the debate on the enactment of the Lhengye Zhungtshog Chathrim on 15th July, 1999, the Speaker informed the house that, in keeping with Resolution No. 5 of the 76th Session, a 37 member Drafting Committee had been appointed to draft the Chathrim. With the Speaker as the Chairman, the Committee comprised the Deputy Speaker of the National Assembly, the Yangbi Lupon as the representative of the Clergy, the *Zhung Kalyon* and the eight Royal Advisory Councillors, the Secretary of the Royal Civil Service Commission, the Chhukha Dzongda and the Trashigang Dzongda as representatives of the Government, a Chimi from every Dzongkhag to represent the people of the 20 Dzongkhags and the Secretary of the National Assembly Secretariat. The Chief Justice was the legal adviser to the Drafting Committee which met four times to draft the Chathrim. The Speaker reminded the house that a copy of the Draft Lhengye Zhungtshog Chathrim, 1999 had been distributed to the members on 29th June, 1999 on the opening day of the 77th Session of the National Assembly.

The debate commenced with the Secretary of the National Assembly reading out the Draft Chathrim, Article by Article, and the Assembly members expressing their views on each Article of the Draft Chathrim.

The Bumthang Dzongda expressed his appreciation to the Drafting Committee for keeping in mind the command of His Majesty the King and the present and future interests of the country while drafting the Chathrim which was indeed of a very high standard. He suggested that since His Majesty is responsible for the security and sovereignty of the country the word, ‘full’ in ‘devolution of full executive powers,’ may be deleted in the fourth paragraph of the preamble. The Speaker clarified that the phrase ‘full executive powers’ was quoted from the *Kasho* issued by His Majesty the King. As there was no further views on the clarification the phrase was retained without change.

On Article 4(1) which reads, ‘His Majesty the Druk Gyalpo is the Head of State,’ His Majesty recommended that the clause may be deleted as this Chathrim should only pertain to the Lhengye Zhungtshog.

A Royal Advisory Councillor submitted that although the Draft is indeed a Draft Chathrim for the Lhengye Zhungtshog, the Drafting Committee felt it was necessary to clearly spell out the authority of the King when there was the opportunity to do so while this important legal document was being drafted. He pointed out that it was difficult to predict what kind of a

situation the country may face in the future as the thinkings of the people could change with the passage of time. He proposed that Article 4(1) should be retained.

The Chairman of the Lhengye Zhungtshog said that, as clarified by His Majesty the King, there was no need to include constitutional powers in the Chathrim for the Lhengye Zhungtshog. Moreover, it would not be good *Tendril* to delineate His Majesty the King's authority in a Chathrim which has been drawn up for the Lhengye Zhungtshog. He proposed that Article 4(1) to 4(6) should be deleted.

The Punakha Chimi said that, although he agreed with the Chairman of the Lhengye Zhungtshog, since he was a member of the Drafting Committee, he wanted to explain why the Committee had included certain clauses pertaining to the authority of His Majesty the King in the Draft Lhengye Zhungtshog Chathrim. After intensive discussions these clauses had been included in the Draft not because the Committee had any distrust in the present Council of Ministers but out of concern for what might transpire in the future. It cannot be ruled out that as time goes by, people will crave for more and more power which they might attempt to grab through any means available, leading to problems in the country's system of the government. He said that if certain provisions defining the authority of the Druk Gyalpo are not included in the Chathrim, at this stage, it could result in problems in the future. The words, 'devolution of full executive powers' in the preamble of the Lhengye Zhungtshog Chathrim and in the royal *Kasho*, can be manipulated by power hungry people to even usurp the authority of the King. Such a situation would not only disturb the peace and happiness of the people but harm the security and sovereignty of the country. In order to ensure that such a situation does not arise in the future, he requested that Article 4(1) to (6) may be retained in the Lhengye Zhungtshog Chathrim.

Intervening in the deliberations, His Majesty explained why Articles 4(2), 4(3), 4(4), 4(5) and 4(6) may be deleted. On Article 4(2) which states, 'Legislative authority shall be vested in the King and the National Assembly conjointly,' His Majesty the King pointed out that legislations have always been passed by the National Assembly and this Chathrim is for the Lhengye Zhungtshog. This clause may, therefore, be deleted. On Article 4(3) which reads, 'Executive authority shall be vested in the King and shall be exercised through the Lhengye Zhungtshog,' His Majesty pointed out that full executive powers have been devolved to an elected Council of Ministers through the *Kasho* to the Speaker of the National Assembly in 1998. Besides, this particular point is adequately covered under Article 7 of this Draft Chathrim. Therefore, this clause may also be considered for deleting. On Article 4(4) which states, 'The judicial power of the Kingdom of Bhutan shall be vested in one apex Court, and in such subordinate Courts as His

Majesty the Druk Gyalpo may from time to time ordain and establish,' His Majesty pointed out that this clause pertained to the Judiciary while the Draft Chathrim is for the Lhengye Zhungtshog. There was no need to include this clause in the Lhengye Zhuntshog Chathrim.

Likewise, on Article 4(5) which reads, 'His Majesty the Druk Gyalpo shall be the Commander-in-Chief of the Royal Armed Forces of Bhutan.' His Majesty pointed out that this Article had no relevance for being included in the Lhengye Zhungtshog Chathrim. On Article 4(6) which reads, 'His Majesty the Druk Gyalpo shall grant appointment of all the officers from Grade Three and above of the Royal Government of Bhutan,' His Majesty pointed out that this Article also did not merit inclusion in the Lhengye Zhungtshog Chathrim as such matters should be dealt in accordance with the Royal Civil Service Rules and Regulations.

The Punakha Chimi submitted that while it is true that Article 4(1) to 4(6) are not really relevant under the Lhengye Zhungtshog Chathrim, as pointed out by His Majesty the King, the Drafting Committee had included them as precautionary measures after holding extensive discussions on the issue. For example, if the provisions under the draft Article 4(6) are dealt in accordance with the Royal Civil Service Rules and Regulations, and not incorporated in the Lhengye Zhungtshog Chathrim, problems might arise because it is possible for the Ministries and Departments to amend or supplement those rules and regulations which have not been passed by the National Assembly. In the course of time, it is possible that the heads of the Ministries and Departments may even encroach upon the authority of His Majesty the King. Keeping in mind these possibilities of misuse of power, the Drafting Committee had incorporated Article 4(1) to 4(6) in the Lhengye Zhungtshog Chathrim.

Similarly, a Royal Advisory Councillor said that although the Chairman of the Council of Ministers had explained why Article 4 was not necessary, in his opinion this Article, although not having an immediate impact, would enable the future generations to recognise and appreciate the powers of the Druk Gyalpo. When the Drafting Committee held its discussions, the Chief Justice had also explained the long term implications of these provisions and all the members of the Drafting Committee had unanimously agreed to include Article 4(1) to 4(6) in the Lhengye Zhungtshog Chathrim. The Councillor pointed out that in other countries people resorted to any means they could find to grab authority and power and it would only be a matter of time before Bhutan also faced a similar situation. With fewer people truly caring for the national interest and more people driven by self interest and a craving for power, the unity and peace of our country could be seriously threatened. Ultimately, it will be the general public who will suffer the

consequences. The Councillor, submitted that, in order to prevent such a situation arising in the future, Article 4 should be retained in the Chathrim.

The Thimphu Dzongda submitted that it would not be a good *Tendrel* to delineate the authority of His Majesty the King in the Chathrim for the Lhengye Zhungtshog. There are other higher laws and the authority of His Majesty the King is already included under *Om Ah Hung* of the Thrimzhung Chenmo. The Lhengye Zhungtshog Chathrim should only pertain to the powers and functions of the Council of Ministers.

Another Royal Advisory Councillor pointed out that the members of the Drafting Committee had given serious thought and consideration to the provisions of this draft Article. It had been included in the Lhengye Zhungtshog Chathrim so that, like a railing along the staircase, it can provide a firm support for safeguarding the interest of the people and the country. The Article should, therefore, be retained in the future interest of the country.

The Trongsa Dzongda suggested that it would be more appropriate to combine all the sections of Article 4 and include it under the Preamble of the Lhengye Zhungtshog Chathrim.

The Chairman of the Lhengye Zhungtshog reminded the members that since it was His Majesty the King who initiated the devolution of executive powers to the Lhengye Zhungtshog, there was no need for the members to engage in a deliberation on the issue. He explained that, like the hon'ble members who had expressed their views, the Ministers of the Lhengye Zhungtshog have also been expressing their opinion primarily in the future interest of the country, without any thought about their benefits or their powers. He pointed out that Bhutan is a hereditary monarchy and it has a unique system. He said that he did not see any need to discuss the powers of the Druk Gyalpo while deliberating on the enactment of the Lhengye Zhungtshog Chathrim. Since His Majesty the King had also not issued any separate directive on this issue there was no need to debate on it. As such, there was no relevance for including the draft Article 4 in the Lhengye Zhungtshog Chathrim. If the powers of the Druk Gyalpo need to be spelt out, they should be written down in the Constitution of the country.

The Haa Chimi pointed out that if Article 4(1) to 4(6) is deleted from the Lhengye Zhungtshog Chathrim and not included in some other Chathrim or a Constitution, then doubts will remain about who is vested with the powers covered under the provisions of this draft Article. If the provisions under Article 4 are not included in this Chathrim, it would create doubts

in the minds of the people and confuse them. The Chimi, therefore, proposed that the draft Article 4 should be retained in the Lhengye Zhungtshog Chathrim.

Intervening in the debate, His Majesty the King said that, as already submitted by the Chairman of the Lhengye Zhungtshog, if the members decide to retain Article 4(1) to 4(6) they must carefully consider the benefits and the inherent problems of including these provisions in the Lhengye Zhungtshog Chathrim. His Majesty reminded the members that only those provisions which are relevant and necessary should be included in the Chathrim.

The Speaker reminded the members that the powers of the Druk Gyalpo have already been enshrined in the various laws and Acts passed by the National Assembly. Therefore, there was no need to prolong the debate especially after the clarification and directive given by His Majesty the King on this issue. In view of the submissions in favour of deleting Article 4(1) to 4(6) and His Majesty's clarifications and directives, the Speaker called upon the house to delete the draft Article from the Lhengye Zhungtshog Chathrim.

The National Assembly recalled that in 1907, the whole body of the Clergy and the people had unanimously elected Gongsar Ugyen Wangchuck as the first hereditary Monarch of Bhutan and had submitted an irrevocable *Genja* to this effect. The powers and authority of the Druk Gyalpo, as formulated in the draft Article 4(1) to 4(6), are inherent in this historic *Genja* and shall, therefore, be vested automatically in the hereditary monarchs of Bhutan.

Therefore, the National Assembly resolved that there was no need to include the authority and powers of the Druk Gyalpo in the Chathrim for the Lhengye Zhungtshog.

On Article 5(3) of the Draft Chathrim, the Chairman of the Lhengye Zhungtshog pointed out that the sequence of Article 5(3)(a)(i) which states, 'a citizen of Bhutan not married to a foreign national' and 5(3)(a)(ii) which states, 'a natural born citizen of Bhutan,' should be interchanged. As no differing views were expressed the suggested change was adopted.

The Samtse Dzongda pointed out that Article 5(3)(a)(iii) which reads, 'a person who has held senior Government posts at the rank of Secretary to the Royal Government and above' makes it seem that nominees from the private sector could also be included. Therefore, the phrase – 'civil servant' should be added so that the clause would read, 'a civil servant who had held senior Government posts at the rank of Secretary to the Royal Government and above.' The Bumthang Dzongda requested for clarification on whether a person holding a post at the rank of Secretary to the Royal Government should be a civil servant or not. The Pemagatshel Dzongda

sought clarification whether the Royal Advisory Councillors who are at the Secretary grade should be considered as holding posts at the rank of Secretary to the Royal Government.

The Tronsga Chimi pointed out that there is no system of awarding the rank of Secretary to the Royal Government to members of the private sector. Therefore, the above phrase ‘at the rank of Secretary to the Royal Government,’ should be construed as a civil service rank and there was no call for interpreting it any other way. Two Royal Advisory Councillors and the Chimis of Bumthang and Punakha Dzongkhags, who were also members of the Drafting Committee, clarified that the wordings of Article 5(3)(a)(iii) had been lifted directly from His Majesty the King’s *Kasho* received by the National Assembly. Therefore, there was no need to deliberate further on the issue. The Speaker acknowledged their submission and Article 5(3)(a)(iii) was passed without amendment.

On Article 5(3)(e)(ii) which reads, ‘a Minister shall not serve for more than two full consecutive terms,’ the Pemagatshel Dzongda submitted that if a Minister is capable, he should be eligible for another term even after serving two consecutive terms, provided he is nominated by His Majesty the King and elected by the National Assembly. He, therefore, submitted that there was no need for including this Article in the Chathrim.

The Chairman of the Lhengye Zhungtshog explained that in the event a Minister is still young and capable of serving the country in this high post after completing his term, he may be nominated by His Majesty the King for a second term. As this is more than adequate, this clause which reads, ‘a Minister shall not serve for more than two full consecutive terms,’ should be retained without change in the Lhengye Zhungtshog Chathrim.

Likewise, a Royal Advisory Councillor submitted that, with everyone in the country having equal access to education, there are many qualified and capable civil servants. In order to provide an opportunity for the many deserving civil servants to attain the post of a Minister, it is important that this clause in the Draft Chathrim be retained without amendment. As there were no differing views it was decided that Article 5(3)(e)(ii) would be retained without any change.

On Article 6(1) which reads, ‘The Chairmanship of the Lhengye Zhungtshog shall be held on a rotation basis among the Ministers for a term of one year each on the basis of the number of votes secured in their election,’ a Royal Advisory Councillor pointed out that in the event two Ministers secure an equal number of votes, there is no provision in the Chathrim as to who should be the first to serve as Chairman of the Lhengye Zhungtshog. This could create

problems in the future. He proposed that in such a situation, lots could be drawn to decide who should be the first to serve as Chairman. His suggestion was supported by another Royal Advisory Councillor and the Chimi of the Bhutan Chamber of Commerce and Industry. As no one objected to the proposal, Article 6(1) was passed with the proviso, 'In case of two or more ministers securing equal number of votes in the election, drawing of lots shall be resorted to.'

On Article 6(10) which reads, 'Any member of the Lhengye Zhungtshog may submit proposals for deliberation in writing through the Cabinet Secretary,' the Chairman of the Lhengye Zhungtshog proposed that instead of submitting the proposals for deliberation through the Cabinet Secretary, they should be submitted in writing to the Chairman. As there were no differing views, the Article was amended accordingly.

On Article 7(7) which reads, 'The prerogative to dissolve the Lhengye Zhuntshog, if necessary, shall vest in His Majesty the King,' His Majesty the King pointed out that Article 9(1) to 9(5) of the Draft Chathrim contained specific provisions for the termination from office of any member of the Lhengye Zhungtshog found guilty of serious violations of the law, amounting to a criminal offence, and for the replacement to be elected through secret ballot. His Majesty said that he had full faith and confidence that the Lhengye Zhuntshog, as a whole, will not be found wanting in integrity, and in loyalty and dedication to the Tsa-Wa-Sum. Therefore, a clause to dissolve the Lhengye Zhungtshog is not necessary.

The Royal Advisory Councillors explained why the Drafting Committee had included this clause clarifying that "the prerogative to dissolve the Lhengye Zhuntshog, if necessary, shall vest in His Majesty the King." While Article 9 provided for the removal of Lhengye Zhungtshog members found guilty of serious violations of the law, as pointed out by His Majesty the King, there was a difference between Article 7(7) and Article 9 in their scope and objective. Article 9 contained provisions to deal with individual members of the Lhengye Zhungtshog who are found guilty of serious violations of the law. Article 7(7) deals with the dissolution of the Lhengye Zhuntshog as a whole, which power and prerogative must be vested only in His Majesty the King. If careful and due consideration is not given to including such a provision when the Chathrim is being drafted and enacted, it will be too late in the future. The Councillors, therefore, requested that Article 7(7) should be retained without amendment.

They submitted that despite the repeated appeals by the members for retaining the six clauses of Article 4, in the future interest of the country, Article 4 was deleted from the Lhengye Zhungtshog Chathrim in deference to His Majesty's intervention and clarifications on why it

should be left out. Deleting Article 4 has already given a sense of loss like a precious jewel slipping away from one's hands. Now, if this important Article, laying down that the prerogative to dissolve the Lhengye Zhungtshog is vested in His Majesty the King, is also deleted from the Chathrim it could even undermine the auspicious principles of *Tendrel* which is very important for our country of the Palden Drukpa. The Councillors appealed to His Majesty for retaining Article 7(7) without amendment.

They submitted that while all the members of the Lhengye Zhungtshog may not commit grave errors in their work at the same time, there will be situations in the future when the Lhengye Zhungtshog may sometimes have to be dissolved. Since the Lhengye Zhungtshog is responsible for the executive governance of the country there must be a means to take corrective measures if it harms the Tsa-Wa-Sum through bad policies, negligence or short-sightedness. If the power to dissolve the Lhengye Zhungtshog is vested in His Majesty the King, it will be a vital asset for ensuring the security and well-being of the country and the people. Therefore, it will not be advisable to delete this Article from the Lhengye Zhungtshog Chathrim.

The Chimi of the Bhutan Chamber of Commerce and Industry and the Chimis of Punakha and Wangdue Phodrang Dzongkhags submitted that like the saying, 'the son treads on the path shown by the father,' under the wise and dynamic leadership of His Majesty the King, the Lhengye Zhungtshog today has very capable and well-educated members. The people also share His Majesty's hope and faith that a need to dissolve the Lhengye Zhuntshong will not arise. However, with the passage of time and changes in the thinkings of the people, we may not always have the same quality of ministers like we have today and it is difficult to predict what problems will arise in the future regarding the executive Government in our country. If a situation arises in the times of our future generations whereby it becomes necessary to dissolve the Lhengye Zhungtshog it is our responsibility today to draw up a provision for such a contingency in the Lhengye Zhungtshog Chathrim. Therefore, they earnestly requested for retaining Article 7(7) in the Chathrim.

The representative of the Zhung Dratshang, the Yangbi Lopen pointed out that in accordance with the command of His Majesty the King, the power to register a vote of confidence in the Druk Gyalpo had been given to the people and the National Assembly. Likewise, the Lhengye Zhungtshog, which has been given full executive powers by His Majesty the King, can take necessary action against the Ministers and Departments if they do not discharge their responsibilities properly. However, if there is no suitable authority to monitor and take corrective

action if the Lhengye Zhuntshog commits serious mistakes it could bring serious harm to the country and the people.

If the mistakes made by Lhengye Zhungtshog pose a risk to the security and sovereignty of the country and the well-being of the people, it is not possible for the Lhengye Zhungtshog to monitor and take action against itself. Therefore, if His Majesty watches over and provides necessary guidance to the Lhengye Zhungtshog it would ensure the present well-being and future security of the country and the people. The Yangbi Lopen, therefore, requested that Article 7(7) should be retained without change in the Lhengye Zhuntshog Chathrim.

The Chhukha Dzongda and Trashigang Dzongda pointed out that in all countries of the world, the power to appoint ministers and dissolve the cabinet is vested in the Head of State or any other authority defined by the constitution. In Bhutan such powers including dissolving of the Lhengye Zhungtshog are inherent in the Druk Gyalpo. The power and prerogative of the King to dissolve the Lhengye Zhuntshog has been defined in Article 7(7) to make it clear to everyone. While there may not be any problem for the present, a few decades from now it might be taken for granted that there is no authority of any kind to provide a check and balance to the powers of the Lhengye Zhuntshog. Therefore, if the provision in Article 7(7) is retained in the Lhengye Zhuntshog Chathrim it would benefit the interest of the people and the country.

The Deputy Minister of the National Environment Commission submitted that nowhere in the world is there a system of registering a vote of confidence in a reigning monarch. In our neighbouring countries, there is a system of registering a vote of confidence in the elected government. In keeping with His Majesty's vision and wishes we have established a Mechanism to Register a Vote of Confidence in the Druk Gyalpo, rather than a vote of confidence in the cabinet. As the saying goes, 'the stripes of a tiger are on the outside but the true colour of a person is on the inside and therefore not visible,' it is difficult to judge the minds of people. So, it is necessary to have a safeguard to ensure that the Lhengye Zhungtshog will serve the interest of the country and the people. This check and balance can be provided only if the power to dissolve the Lhengye Zhungtshog is vested in the Druk Gyalpo.

The Chairman of the Lhengye Zhungtshog said that he shared the views submitted by the hon'ble members. If Article 7(7) is deleted, it will lead to a situation whereby there is no way to dissolve the Lhengye Zhungtshog if there ever came a time when it is unable to fulfil the aspirations of the Government and the people, and the members have lost the trust of His Majesty the King. If the Lhengye Zhuntshog's activities are harmful to the Tsa-Wa-Sum and such a report

is submitted to His Majesty the King by the Royal Advisory Council, and if the Lhengye Zhungtshog loses the trust and confidence of His Majesty and the National Assembly, it must be dissolved. Therefore, it is important to have the provisions of Article 7(7) included in the Lhengye Zhungtshog Chathrim.

The *Kalyon* informed the members that Article 7(7) had been drafted after prolonged discussions by the Drafting Committee over the course of four meetings. He said that it was not an unusual provision which did not exist elsewhere in the world. For instance, governments and parliaments were being frequently dissolved in neighbouring countries, and the heads of state had the constitutional power to over-rule the Government in times of emergency. There were also provisions for neutral caretaker governments, under the guidance of the head of state or the Chief Justice, in the interim period between the dissolving of parliament and the election of a new house and government. Likewise, in Bhutan, it is His Majesty the King who must have the power to dissolve the Lhengye Zhungtshog and guide the nation in the interim period until a new cabinet is elected. Therefore, it is very important to retain Article 7(7) in the Lhengye Zhungtshog Chathrim.

The Finance Minister said that it is always necessary to have a separate authority to ensure that the governance of the country is being implemented soundly and in consistency with the national goals. In keeping with the devolution of full executive powers to the Lhengye Zhungtshog by His Majesty the King, the roles and responsibilities and other relevant provisions for the functioning of the cabinet have been framed in the Draft Chathrim. However, as submitted by the hon'ble members, it is possible that having been vested with full executive powers, the Lhengye Zhungtshog could overstep its responsibility in the future and misuse its powers. There being no foolproof system of election it could prove difficult to ensure that a cabinet member, once elected, would always honour the high responsibilities which have been entrusted to him by His Majesty the King, the Government and the people.

The Minister pointed out that the most important factor for the Lhengye Zhungtshog to provide effective governance and promote the interest of the country is for its members to all think and work in unison. The Lhengye Zhungtshog presently has 15 members comprising the six ministers and nine members of the Royal Advisory Council. If there is no harmony among them it can render this body ineffective. Without coordination even six members can be divided with each member harbouring different ideas and intentions, perhaps instigated by vested interests. In such a situation, the Lhengye Zhungtshog will not be able to function effectively or respond to problems that may arise in the country, and there could be no greater failure for the Lhengye Zhungtshog. Under such circumstances the country cannot afford the luxury of waiting

five years, or even one year, to re-constitute this important body. The Lhengye Zhungtshog will have to be dissolved immediately and new members elected. Therefore, it is very important to retain Article 7(7) in the Lhengye Zhungtshog Chathrim, he said.

The Pemagatshel Dzongda submitted that although His Majesty had commanded that Article 7(7) should be deleted, the members have all submitted the genuine reasons and need for retaining the provision under this Article. He submitted that the Assembly members were unanimous in appealing for Article 7(7) to be retained in the Lhengye Zhungtshog Chathrim and on their behalf, he again appealed to His Majesty to grant their humble request.

The Speaker noted that the representatives of the people, the Dratshang and the Government had all submitted that Article 7(7) must be retained in the Chathrim for the Lhengye Zhungtshog and not a single member had expressed a different view. The main reason submitted by the hon'ble members is that if it ever becomes necessary to dissolve the Lhengye Zhuntshog in the interest of the country, there must be a provision in the Chathrim which will make this possible. He, therefore, proposed that this Article could be retained with the proviso, 'if necessary in the interest of the country.'

The members acknowledged the Speaker's proposal and the house passed Article 7(7) with the proviso included in the Article to read as follows: 'The prerogative to dissolve the Lhengye Zhungtshog, if necessary in the interest of the country, shall vest in His Majesty the King.'

Commenting on Section 8(b) which reads, 'to submit reports to His Majesty the King,' the Kalyon proposed that it be amendment to read as, 'the agenda for discussion in the Lhengye Zhungtshog and its decisions shall be submitted to His Majesty the King in writing, and duly signed by the Chairman.'

A Royal Advisory Councillor, the Chhukha Dzongda and the Chimi of the Bhutan Chamber of Commerce and Industry proposed that Section 8(c) 'to submit reports to the National Assembly' should also be amended to read as 'to submit reports to the National Assembly in writing.' However, the Haa Chimi pointed out that if any confidential reports have to be distributed to the members of the National Assembly in writing, it would cause problems for all concerned. The Speaker reminded the members that the focus should be on the substance of the provisions under the various Articles of the Draft Chathrim. If routine procedural details have to

be included there will be no end to including such procedural details under all the other Articles also. He asked the members to keep this in mind.

The Chairman of the Lhengye Zhungtshog suggested that Article 6(3) regarding the functions and procedures of the Lhengye Zhungtshog which reads, 'The Chairman of the Lhengye Zhungtshog shall be designated as the Head of the Government,' may be inserted under Article 8(a) The members endorsed the proposal and it was decided accordingly.

Intervening in the discussions on Article 9(1) of the Draft Chathrim, His Majesty proposed that Article 9(1) which reads, 'His Majesty the King has the prerogative to remove a Minister from his/her office,' may be amended to read as, 'A Minister may be removed from his/her office under the authority of His Majesty the King if he/she is found to have committed any serious violation of the laws of the land.' The house decided to accordingly amend Article 9

(1). On Article 9(3) which reads: 'If any charge of:

- (a) treason;
- (b) high crimes;
- (c) intentional violation of the Chathrim;
- (d) misconduct or corruption involving the abuse of the powers of his office; or
- (e) any offence involving fraud, bribery, dishonesty or moral turpitude, signed by the complaint;

is made against a member of the Lhengye Zhungtshog, and delivered to the Speaker, stating out the particulars of the charge, the Speaker shall appoint a Commission from among the members of the National Assembly to investigate the case. If the report is found to be true, the motion shall be recorded in the agenda for discussion by the National Assembly,' His Majesty the King pointed out that if this provision is retained in the Chathrim it could cause unnecessary harassment for the Council of Ministers and they may be distracted from discharging their responsibilities. His Majesty the King recommended that serious thought needed to be given on this clause. His Majesty pointed out that if any member of the Lhengye Zhungtshog violates the law, it is a matter that has to be dealt with in the Court of Law. Therefore, there is no need to establish a committee to investigate such cases. On the other hand, establishing committees to deal with such cases would undermine the independent status of the Judiciary. His Majesty recommended that the Article could be amended by including a provision for the matter to be reported to His Majesty the King, the Lhengye Zhungtshog itself and National Assembly if the action of any member of the Lhengye Zhungtshog is harmful to the interests of the country. The amended Article could read as follows:

‘Any serious violation of the law by a member of the Lhengye Zhungtshog will not only undermine the credibility of the Executive but will also be detrimental to the interests of the country and the people. It shall, therefore, be incumbent upon all the members of the Lhengye Zhungtshog, in particular the Royal Advisory Councillors, in view of Chapter 4.7 of the Royal Advisory Council Chathrim, to bring to the notice of His Majesty the King, to the Lhengye Zhungtshog and the National Assembly, any action by a member which is harmful to the credibility of the Executive and the interests of the country.’

The Punakha Chimi submitted that, as pointed out by His Majesty the King, any violation of the law, even by cabinet members, should be dealt with by the Court. As the saying goes, ‘the place for cremating the dead is the cremation ground and the place for settling legal matters is the Court.’ He pointed out that even if the Lhengye Zhungtshog Chathrim contains a provision that any violation of the law by a Cabinet member must be reported to His Majesty the King, the Lhengye Zhungtshog itself and the National Assembly, after reviewing the validity of the report, the case will ultimately have to be forwarded to the Court of Law. Therefore, the Article should be amended as explained by His Majesty the King. The house decided to accordingly amend Article 9(3).

Intervening in the discussions on Section 10(1) which reads, ‘His Majesty the Druk Gyalpo, acting in accordance with the recommendation of the incumbent Chairman of the Lhengye Zhungtshog, may appoint a Civil Servant to be the Secretary to the Cabinet,’ His Majesty the King said that the Lhengye Zhungtshog should select a suitable civil servant and appoint the official as Cabinet Secretary through unanimous decision, and there was no need for the appointment to be made by His Majesty the King on the recommendation of the Chairman of the Lhengye Zhungtshog. His Majesty recommended that the Article should be amended as follows:

‘The Lhengye Zhungtshog may appoint a suitable civil servant to be Secretary to the Cabinet through unanimous decision.’

This proposal was endorsed by the house and Article 9(3) was accordingly amended.

A Royal Advisory Councillor expressed his appreciation to all the Assembly members for the thorough and fruitful debate on the Draft Chathrim for the Lhengye Zhungtshog. He requested

for copies of the final draft of the Chathrim, with all the endorsed amendments inserted, to be distributed to the members before the conclusion of the Session.

The Speaker noted that like the Mechanism for a Vote of Confidence in the Druk Gyalpo, the Chathrim for the Lhengye Zhungtshog also marked a remarkable change in the system of governance in our Kingdom of the Palden Drukpa. It will be recorded in the history of Bhutan as a most historic event of the 20th century. He informed the members that the final draft of the Chathrim, with all the endorsed amendments included, will be distributed to the hon'ble members for final review and enactment before the conclusion of the Session.

Copies of the final draft of the Chathrim for the Lhengye Zhungtshog were distributed to the members on 26th July, 1999 and it was reviewed Article by Article. The Chathrim for the Lhengye Zhungtshog, 1999 was enacted by the National Assembly on the 13th Day of the Sixth Month of the Year of the Female Earth Hare, corresponding to 26th July, 1999.

XVI. DEPOSIT ACT, 1999

Copies of the Draft Deposit Act, prepared by the Special Commission for Cultural Affairs, were distributed to the National Assembly members on 29th June, 1999. Deliberations on the draft Chathrim started on 20th July, 1999.

The Home Minister, who is also the Chairman of the Special Commission for Cultural Affairs, informed the members that the National Assembly continues to emphasize the need to preserve and promote our ancient tradition and culture. Bhutan has accorded great importance to the preservation of the old manuscripts and written records. Due to the blessings of the Guardian Deities and the far-sighted leadership of His Majesty the King, many Bhutanese now have access to education, both modern and traditional, in keeping with the socio-economic development in the country. As a result, the number of documents written in the country has been steadily increasing.

Therefore, if the Government does not establish a reliable system of collecting documents, no matter how many books on the Dharma or on any other subjects are published, they will become torn and tattered through sheer use. Besides, any fire or flood disasters will result in untold loss of these precious records.

Moreover, in this new age, as the number of people who have had modern education increases, the old practices and tradition are increasingly being researched and questioned. As it

is difficult to locate documents and written records, the Government feels that such documents should be collected and kept in one place. This would greatly facilitate research and study.

Throughout the world, there is the practice of procuring and keeping such documents safely. In our country, the National Library procures and maintains the old historic documents. But there is no systematic collection of the new documents and publications. It is, therefore, hoped that our history, legends, and other noble traditions would be preserved and promoted, and could be passed on intact to our future generations. The Minister, therefore, requested the Assembly that the Legal Deposit Act, draft copies of which have been already distributed to the members, may be approved and enacted.

The Secretary of the Royal Civil Service Commission and the Chhukha Dzongda pointed out that once the National Assembly passes the Act, it will become effective. Therefore, it is necessary that it is fully and thoroughly deliberated upon. As the proposed name of the Act 'Legal Deposit Act' does not seem appropriate, they suggested that it may be called the 'Deposit Act'. As the suggestion was unanimously accepted, the amendment was included.

In order to preserve, promote and secure the documented records of history, folk tales, beliefs and other literature which are essential components of our rich culture, and pass them on intact to the future generations, the National Assembly approved the Deposit Act on the 8th Day of the 6th Month of the Year of the Female Earth Hare corresponding to 20th July, 1999.

XVII. BHUTAN MUNICIPAL ACT

The Ministry of Communications distributed copies of the Draft Bhutan Municipal Act of 1999 to all the members on 29th June, 1999 and the National Assembly deliberated on it on 20th July, 1999.

The Deputy Minister for Communications said that, in keeping with the changes brought about by development, there is an increase in the rural population in the country, as has been the experience in other countries. This has resulted in a shortage of arable land that can be farmed for agricultural purposes. Livelihood of the rural population has, therefore, become difficult due to limited incomes. As a result people naturally move to urban areas. Moreover, the increasing number of educated people seeking employment in the Government also puts pressure on the urban population. As a result, the City Corporation has been unable to provide uniform and equitable public services. This has created many inconveniences. Some people, in contravention to the Government's policy, have built huts and shacks which not only mars the natural environment but is also detrimental to public health and hygiene.

He reminded the members that as the terrain of our country is characterized by mountains and valleys, there does not seem to be any alternative to expand urban areas without encroaching upon agricultural land. Therefore, it is most important that the existing urban areas are planned and managed properly, he said.

He pointed out that even if sound urban development plans and policies are prepared, if there is no parallel legal framework, it would be very difficult to have positive results. For instance, in 1995 His Majesty the King, out of his concern for the welfare of the people, made the Thimphu City Corporation autonomous and established a Committee to run it.

The Committee includes members selected from the business community. As a part of the city's development, considerable efforts and emphasis have been laid on the preservation of the natural environment. Although this has produced good results, the lack of a specific municipal Chathrim has meant that it has not been possible to curb or take action against those who have transgressed laws. This, he said is inevitable given the increase in the urban population. Therefore, the concerned Committee, the Ministry and the Lhengye Zhungtshog have discussed the Chathrim, a copy each of which has been distributed to all the members, he said.

He reminded the members that if the city area is to be truly developed it is important that the residents are fully involved. Once the City Corporation is legally established, it would need to work with everyone concerned, particularly to establish a good public relationship with the business and industrial community. If they are not able to participate in it, municipal development would be greatly affected. As this Chathrim is the first of its kind, it would be implemented in Thimphu as a pilot exercise and if successful, replicated in other urban areas, he said. If there are problems with the provisions of the Chathrim, they would be referred again to the National Assembly. However, he submitted that if the Assembly could pass the Chathrim, it would greatly facilitate further development of the city, in accordance with the noble aspirations of His Majesty the King.

The Chhukha Dzongda submitted that the objectives and provisions of the Chathrim are clearly spelt out. However, at the end of every Article, there is a comma instead of a full-stop. Further, a number of words have been spelt wrongly and needs to be corrected. The Assembly resolved that the concerned agency would edit the Chathrim once again.

The Chhukha Dzongda also pointed out that the phrase 'Pre-requisites before Creation' in Section 6 of Part II, is not appropriate and suggested that it be replaced by 'Reasons for Creation' or 'Purpose of Creation'. It was agreed that 'Purpose of Creation' would be inserted.

The Punakha Chimi requested clarification on Section 7 of Part II, which reads, ‘the City Corporation will be made Municipal Corporation and that the Municipal Corporation will be made City Corporation’. The Deputy Minister of Communication clarified that the word, ‘Municipal Corporation’ refers to a larger town while a ‘City Corporation’ refers to a smaller one.

Commenting on Section 10.6, the Bumthang Dzongda suggested that as the Committee constituted under this Chathrim is also responsible for ensuring that the traditional architecture and structure of houses are observed, such a provision should be included in the Chathrim. His suggestion was accepted and endorsed by the Assembly. The Assembly also resolved to substitute the word, ‘Subsection’ under Section 28 with ‘above-mentioned Section.’

The Chimi of the Bhutan Chamber of Commerce and Industry suggested that Section 53 which reads, ‘the Municipal Corporation shall have a common seal, which must: ...’ should be redrafted as, ‘the Municipal Corporation shall have a common seal, accompanied by signature, which must: ...’ The Assembly endorsed the suggestion of the Chimi of the Bhutan Chamber of Commerce and Industry.

Referring to Section 88 which reads, ‘All vehicles that are transferred to or purchased by the Municipal Corporation shall be registered and insured by the Municipal Corporation according to the Road Safety and Transport Act of Bhutan 1997,’ the Chimi of Punakha pointed out that the year of the Chathrim should be the year of its passing by the National Assembly, which is 1999. The Assembly resolved that the year of the Chathrim shall not be specified in the Chathrim, and the Section would read as ‘.... would be registered and insured according to the Road Safety and Transport Act of Bhutan.’

The Bumthang Dzongda pointed out that as there could be inconveniences in the interpretation of Section 108 in which there was a typing error, it should be redrafted to read as, ‘Investment of Excess Funds.’ His suggestion was accepted and endorsed by the Assembly.

The Secretary of the Royal Civil Service Commission pointed out that once the Chathrim is passed by the National Assembly it would come into force throughout the Kingdom of Bhutan. Therefore, it is important that the Chathrim should have both elegance and substance. He, therefore, suggested that the Bhutan Municipal Act be thoroughly edited and submitted again before the Assembly for review. The Assembly could then pass it after it is satisfied with the Draft, he said.

A Royal Advisory Councillor observed whether it would be advisable to make any spelling or other corrections before the final printing once the document is reviewed and passed by the members. In response, the Deputy Minister for Communications pointed out that as the corrections, additions and suggestions made during the discussions have been duly noted, there is no possibility of spelling and interpretation errors.

The Chhukha Dzongda submitted that since the Bhutan Municipal Act has now been passed by the Assembly, it should contain a provision stating that it shall apply to the large municipalities only and shall not apply to the small urban centres. The *Zhung Kalyon* pointed out that as Bhutan is a small developing country, we had to look at other countries as models for our plans and new undertakings. Similarly, our Chathrim are also based on laws of other countries and foreign experts have been employed to draft them in English. However, it is the national policy to emphasize importance of Dzongkha. Further, there has been a strong debate in the Lhengye Zhungtshog on the need to maintain records and resolutions in Dzongkha, he said.

Therefore, he expressed his deep appreciation to the members for corrections incorporated through extensive deliberations on the Chathrim which has been translated by competent persons from the concerned Ministries, Divisions and the Dzongkha Development Commission.

He informed the members that it is very difficult for the various Ministries and Divisions to obtain financial support from donor agencies for executing their plans and policies, in the absence of a sound legal framework. In view of this, the concerned organization had drafted the Chathrim with much difficulty. Therefore, he said that it was important for the members to review and pass the Chathrim without delay, before the conclusion of the Session.

He noted that no Chathrim passed by the Assembly is so sacrosanct as to be immune from amendment. Even the *Om Aa Hum* of the Thrimzhung Chenmo may be amended with the changes in time. Therefore, if the Chathrim is postponed from a day to a month and from a month to a year, there is every possibility that the sequence of its provisions and meanings may be distorted. Therefore, he said that it was necessary for the Assembly to pass the Chathrim.

The Assembly noted that extensive deliberations have been held on the Bhutan Municipal Act and its provisions were reviewed and corrected. It was resolved that the Ministry of Communications shall make copies of the revised Draft as soon as possible and distribute them to the members before the National Assembly concludes, for its final review and enactment.

Accordingly, the Ministry of Communications once again distributed copies of the final Draft Chathrim to the members on 26th July 1999 and the Draft was reviewed page by page. The National Assembly passed the Bhutan Municipal Act, 1999 on the 13th Day of the 6th Month of the Year of the Female Earth Hare corresponding to 26th July 1999.

XVIII. ROAD SAFETY AND TRANSPORT CHATHRIM

On 29th June 1999, the Ministry of Communications distributed copies of the Draft Road Safety and Transport Act, 1999 to the members of the Assembly. Deliberations on the Chathrim started on 21 July 1999.

Introducing the Chathrim in the Assembly, the Deputy Minister for Communications said that motor vehicles first appeared in the country in 1962. With the gradual expansion of transportation through motor vehicles, the Motor Vehicle Act 1976 was enacted and passed in 1976 to address the growing requirement of the transport sector. In line with the Motor Vehicle Act 1976, the Police was entrusted with the responsibility of licensing drivers and conducting vehicle fitness while the Revenue & Customs Division handled all matters relating to vehicle registration and motor vehicle taxes with the BGTS administering public transport services.

He pointed out that the Motor Vehicle Act, 1976 was enacted when there were very few motor vehicles in the country. Further, this Chathrim was considered inadequate as a number of safety provisions did not exist. Therefore, administration and enforcement often became difficult and ineffective because of involvement of many organizations in the administration of surface transport activities. As a result, motor vehicle accidents occurred more frequently. Expressing great concern over the increasing number of motor vehicle accidents in the country, His Majesty the King had commanded the Ministry of Communication to review the Motor Vehicle Act of 1976. Accordingly, matters related to motor vehicles, which were till then under the jurisdiction of different organizations, were integrated and brought under a single organization.

The Minister pointed out that the new Chathrim was drafted by targeting areas of concern such as driving under the influence of alcohol, speeding and over-loading, driving without license and controlling vehicular emissions harmful to the natural environment. The Draft Chathrim also contains provisions relating to development plans in the transport sector and is, therefore, expected to greatly benefit the Road Safety Authority.

The Road Safety & Transport Act has been reviewed by the Cabinet presided over by His Majesty the King. However, it could not be implemented as it could not be tabled before the National Assembly for enactment. Therefore, he requested the members to deliberate thoroughly on the Chathrim and pass it in this Session.

A Royal Advisory Councillor and the Samtse Dzongda submitted that the title ‘Road Safety and Motor Vehicle Chathrim’ was slightly confusing. They suggested that the title be changed to ‘Road Safety and Transport Chathrim.’ Hence, wherever the ‘Motor Vehicle’ appeared in the Chathrim, they should be amended to ‘Transport and Vehicles’ depending on the context and usage. They also requested that the date of commencement of the Chathrim should be the date on which it is passed by the Assembly. The National Assembly resolved to make these changes.

The Thimphu Chimi commented on the content of Section 2(b) of the Chathrim which reads, ‘All Vehicles belonging to the Royal Bhutan Police, Royal Body Guards, Royal Bhutan Army and personnel working in these Organizations’. He suggested that instead of stating the names of different armed forces, the words ‘Armed Forces’ would suffice. The house approved the suggestion.

Giving his comments on Section 53.3, the Punakha Chimi said that the words in bracket (both inside or outside the concerned motor vehicle) implied to the vehicle alone and not to the passengers. He suggested that this be changed to (any passenger concerned). The National Assembly approved this suggestion as well.

The Chimis of Punakha, Trashiyangtse and Dagana Dzongkhags and the Bhutan Chamber of Commerce and Industry said that Section 53.4 states, ‘If a person becomes totally disabled as a result of motor vehicle accident he or she shall receive a compensation of Nu.30,000 (Thirty thousand) according to the certificate signed by a Medical Officer.’ They argued that when a person becomes totally disabled as a result of motor vehicle accident, he or she is unable to work and earn any income. Given the rising inflation, a sum of Nu.30,000 would be of little help. Repeated submissions to have the compensation increased were made in the previous Session, they said.

In response, the Minister of Trade and Industry and the Deputy Minister of Communications said that, although there was a viable justification in what the Chimis suggested, it would be wiser to abide by the present Chathrim for the time being as the rate of compensation

given in the Chathrim was reasonable. However, compensation could be increased in future by the concerned organizations in keeping with changes in time. The members of the house resolved to make no amendments as suggested by the Ministers.

A Royal Advisory Councillor, the Chimis of Wangduephodrang, Bumthang and Dagana Dzongkhags and the Bhutan Chamber of Commerce and Industry commented one after the other on Section 53.5 which said, 'In the event of death, disability or injury of a person resulting due to his own carelessness, no compensation shall be paid to the victim after the case is cleared by the Court.' They pointed out that this provision was in the interest of neither the offender nor the aggrieved and submitted that it needed to be amended. The National Assembly resolved to amend the Section as, 'whether a person dies, becomes disabled or sustains injury due to his own carelessness or otherwise shall receive compensation as deemed appropriate by the Court in its judgement.'

During the discussions on the Road Safety and Transport Act, the National Assembly made the above changes and amendments. The grammatical and the sequencing errors in the Chathrim were debated at length and corrected accordingly. In keeping with the present development of the nation, the Road Safety and Transport Act 1999 was passed on the 8th Day of the 6th Month of the Year of the Female Earth Hare, corresponding to 21st July 1999.

XIX. BHUTAN TELECOMMUNICATION ACT, 1999

Copies of the Draft Bhutan Telecommunication Act, 1999 were distributed by the Ministry of Communication to every member of the Assembly on 29th June 1999. Deliberations on the draft Chathrim commenced on 22nd July 1999.

Introducing the Bhutan Telecommunications Act 1999 in the Assembly on behalf of the Ministry of Communication, the Deputy Minister for Communication said that rapid technological developments in the information and telecommunications sector have presented us with many new opportunities. An example is the availability of Internet and Electronic Mail (E-mail) services which are a key factor driving the global economy. We are today living in the Information Age where access to information through Information and Communication Technologies allow us to avail of education, health and business related information without even having to leave our offices or homes, he said.

He reminded the members that in Bhutan, the able guidance of His Majesty the King and his full dedication towards achieving a high level of socio-economic development for his subjects

and country has spurred infrastructure development in the field of telecommunications, and at present we enjoy services made available by state-of-the-art telecommunications infrastructure. It has been His Majesty's noble aspiration that both the public and private sectors participate fully in the development of telecommunications in the country. In order that we fulfill His Majesty's wishes and reap the benefits, it is imperative that we work towards the further development of telecommunications in Bhutan, he said.

He said that as it has become necessary to initiate changes in the Telecommunications sector, the first step for sector reform will be to transform the existing Division of Telecommunications into a state-owned corporation with a future outlook, as and when the Government deems fit for the privatization of this corporation. The main reason for transforming the Division of Telecommunications into a state-owned corporation, and then into a private company is that, as a governmental organization, it is unable to provide competitive services due to procedural delays and want of financial autonomy. Undertaking sector reform will, therefore, enable the timely provision of existing and new services to both the public and private sectors, improved efficiency and effectiveness in the telecommunication and the introduction of competition when deemed necessary, he said.

Policy and regulatory roles will then be separated from operational activities thus establishing a transparent licensing system, meeting of Universal Service Obligations, safeguarding competition and providing interconnection guarantees. The organization will be able to ensure that scarce and non-renewable natural resources such as the National Numbering Plan and the Radio Frequency Spectrum are well managed and equitably distributed among users. These principles conform to the World Trade Organization's guidelines and the International Telecommunication Union's regulations. The Bhutan Telecommunications Act is based on these principles of fairness and provide the legal impetus for future development of the telecommunications sector in the Kingdom.

The Bhutan Telecommunications Act forms the main legislation for the telecommunications sector and has been prepared in order to guide the development and regulation of the sector. This instrument makes provisions for the following:

1. The initial corporatization of the Division of Telecommunications into a state-owned corporation called Bhutan Telecommunications.
2. The establishment of a telecommunications regulatory authority within the Ministry of Communication.

3. The future dissolution of the state-owned corporation into a partially private company and removal of the exclusive privileges of Bhutan Telecom to provide services.
4. The introduction of enhanced and other telecommunication services either by the Government or the private sector.
5. The management of radio frequency spectrum.

The Chathrim also allows the Royal Government to implement its reform activities at its own pace.

The Bhutan Telecom will be a 100 percent Government owned public corporation, governed by the Companies Act of Bhutan, initially with the exclusive privilege to provide basic telecommunication services. The Act details the functions, obligations and powers of the corporation. It provides for finances of the corporation, the transfer and vesting of assets and liabilities to the corporation and control over the corporation by the Ministry of Communications.

The Minister informed the Assembly that the passing of the Chathrim and the establishment of a regulatory authority within the Ministry of Communications will provide the basis of the regulatory framework necessary for the successful and effective implementation of telecommunications reform. He requested the National Assembly to endorse the Bhutan Telecommunications Act 1999, considering the importance of telecommunication services and its positive impact on the socio-economic development of the country.

Taking the floor for his comments on Section 1.1 of the Act, the Punakha Chimi proposed that the Bhutanese Year be added to the short title, 'Bhutan Telecommunications Act, 1999.' He also proposed that as in other Chathrim the jurisdiction clause be added. The Assembly resolved that as in other Chathrim, besides the Bhutanese Calendar Year the jurisdiction clause shall also be added to the Chathrim.

On Section 8.7, the Secretary of Royal Civil Service Commission said that reading through the Section it sounds that the Minister of Communications can take decisions without having to inform the Government if he is of the opinion that disclosing such information would be against the security and commercial interests of the country. He pointed out that if the Minister of Communications does take such a decision without informing the Government, then various

authorities, corporations and other autonomous bodies may follow suit. He, therefore, submitted that either the Government will have to turn a blind eye to these organizations or the Assembly will have to determine a solution to this provision.

Responding to the submission, the Deputy Minister for Communications pointed out that the Minister for Communications is responsible for any risks associated with the functioning of the Ministry. Therefore, if the Minister's responsibilities are clearly demarcated, he will have to perform them by any means and he may not perform anything on his own without informing the Lhengye Zhungtshog.

The RCSC Secretary again submitted that comparing the English and Dzongkha versions of the Chathrim, it appears that the translation was from English to Dzongkha and not from Dzongkha to English. One understands from the English version that although the Minister must inform the Lhengye Zhungtshog on issues concerning national security, he is not obliged to do so if he is of the opinion that disclosure is against the interest of national security or the commercial interest of any person. The Chhukha Dzongda admitted that the issue is difficult to understand, and therefore, expressed his opinion that it would be better if it is amended.

The Deputy Minister for Communications reiterated that the Ministry cannot act without the consent of the Lhengye Zhungtshog. He reminded the members that if any commercial information is reported to the Lhengye Zhungtshog, it will cause inconvenience as business policies are changed frequently. In view of this, he said that it was specifically incorporated in the Chathrim. However, he proposed that sub-section 7(a) may be deleted.

Under Section 8.7, which reads, 'if the Minister is of the opinion that disclosure of the direction is against the following provisions, he/she will not be required to report, the Punakha Chimi proposed that, as submitted by the Secretary, Royal Civil Service Commission, the clause may be deleted. Supporting the submission of the Punakha Chimi the Minister for Trade and Industry said that the clauses:

- a) 'the interest of national security; or
- b) the commercial interests of any person,'

may be replaced with a provision requiring the Minister to report to the Lhengye Zhungtshog on any directive issued by him.

The Assembly decided to amend Section 8.7 to read as, 'the Minister shall present to the Cabinet a copy of every direction given under sub section (6)' and delete the clauses.

On Section 33.3 regarding the appointment of the Director by the Minister, the Secretary of the Royal Civil Service Commission proposed that the Director may be appointed according to the existing system. If a Minister decides and appoints a Director, other authorities would also demand the same powers thereby creating inconveniences. He, therefore, requested for amendment of the Section requiring the appointment of the Director in accordance with the prevailing system of the government.

The Deputy Minister for Communications clarified that although the Chathrim gives the Minister power to appoint the Director, in essence the Minister is bound to abide by the Civil Service Rules and Regulations.

The Assembly decided that a provision requiring the Minister to follow the Civil Service Rules and Regulations while appointing the Director shall be included in the Chathrim.

The Chimi of the Bhutan Chamber of Commerce and Industry pointed out that the Chathrim does not contain provisions for its amendment if necessary.

The Deputy Minister for Communications replied that as the National Assembly enacts the Chathrim, it must also amend it, if necessary. The Speaker reminded the members that only the National Assembly is vested with the authority to amend laws passed by it. Therefore, it was resolved that a provision stating, ‘the National Assembly shall have the powers to amend the Chathrim,’ shall be included in the Chathrim.

The Deputy Minister of Communication submitted that under Section 97.7, which states, ‘There shall be paid out of money provided by the General Assembly any sums required by the Minister for making grants, under this section,’ the word ‘General Assembly’ must be replaced with, ‘Finance Ministry.’ It was decided that the Section will be amended accordingly.

On Section 101, the Punakha Chimi pointed out that the Section states that if there appears any difference between the English and Dzongkha versions during interpretation, the English version shall prevail to resolve any ambiguity. However, other Chathrim is based on the Dzongkha version.

The Assembly resolved that in case of any differences in the interpretation of the Bhutan Telecommunications Act, the Dzongkha version shall prevail. The Bhutan Telecommunications Act of 1999 was passed on the 9th Day of the 6th Month of the Year of the Female Earth Hare, corresponding to 22nd July 1999.

XX. BHUTAN POSTAL ACT

Copies of the Draft Bhutan Postal Act were distributed to the members by the Ministry of Communications on 29th June 1999 and was deliberated upon by the National Assembly on 26th July 1999.

The Deputy Minister for Communications submitted that under the country's first Five Year Plan, the postal service was established as a public utility service. The postal service was considered essential and vital for the country's socio-economic development. Consequently, its establishment was accorded priority in the first Five Year Plan.

His Majesty the King had been pleased to command the Ministry of Communications to initiate postal sector reform to enhance efficiency and effectiveness of the postal service for the benefit of the public. In pursuance of the above command, the Ministry had decided to corporatize the erstwhile Department of Post. Such reform has been necessary because the erstwhile Department of Post had not always been able to adapt quickly and appropriately to the social and economic changes taking place in the country. Moreover, the postal service caused a significant drain on the Government budget. Further, corporatization of the Department was considered necessary in order to empower the postal administration. It was expected that autonomy in the postal sector would enhance the responsiveness of the postal service to the country's changing communication needs and adapt it to the economic realities. The principle objectives of the corporation are:

- (a) to provide an efficient postal service at an affordable price for the benefit of the public;
- (b) to make the postal administration financially self-sufficient within three years from the date of its corporatization; and
- (c) to pay a dividend to the Government from the 4th year of its corporatization, after deducting the cost incurred in meeting community service obligations.

The Minister said that as Bhutan is a member of the Universal Postal Union, the Ministry had taken into consideration the obligations to the Union while drafting the Chathrim. The draft Chathrim gives autonomy to the postal corporation and fulfills all legal requirements embodied in

the laws governing other Government corporations. He informed the members that during its 175th Session held on 6th September 1996, the Lhengye Zhungtshog, under the Chairmanship of His Majesty the King, had reviewed and cleared the Draft Act for its adoption by the National Assembly.

He said that while operating under the principles incorporated in the Draft Act during the last two and half years, the following objectives have been achieved:

The postal administration was able to improve the existing service and introduce new services in keeping with the changing needs of the people. The postal administration operating under the principles incorporated in the Draft Act, has been able to provide improved service for the benefit of the Government as well as the public. In the course of its implementation, it has been found that the provisions of the Chathrim did not conflict with other laws. In order to make the Postal Corporation self-sustaining, the Corporation no longer depends on the Government budget to cover its operating and capital expenditures.

Furthermore, the Corporation has been able to meet the community service obligation, i.e., providing affordable rural postal service. In fact, during this period, the coverage of the rural service has been expanded. This has been possible in spite of the fact that providing rural service is costly, particularly in a mountainous country such as Bhutan. The introduction of Bhutan Post transport network has improved the security of the mail as well as its delivery standard in the country. At the same time, the standard of international mail and parcel service between Bhutan and other countries has been improved through Druk Air.

The Deputy Minister said that in line with the directive of the Lhengye Zhungtshog, the Draft Chathrim was submitted for adoption in the National Assembly. He, therefore, requested the National Assembly to make such corrections or amendments as it deems necessary, and approve the Draft Chathrim.

The Punakha Chimi suggested that the date of commencement of the Chathrim may be written according to the Bhutanese calendar. He also proposed that an amendment clause be inserted as follows: 'Any amendment of the Chathrim, if necessary, shall be made by the National Assembly'. Further, he said that as in other Chathrim, it should include a provision stating that, 'In case of any contradiction between the Dzongkha text and other translated versions, the Dzongkha text shall prevail'. As other members also supported these views, the National Assembly decided that the concerned Ministry would incorporate these suggestions. Accordingly,

the Bhutan Postal Autonomous Corporation Act 1999 was passed by the National Assembly on the 13th Day of the 6th Month of the Year of the Female Earth Hare corresponding to 26th July, 1999.

XXI. BANKRUPTCY ACT

Copies of the draft Bankruptcy Act of 1999 were distributed to the members of the Assembly by the Ministry of Finance at the start of the 77th Session of the National Assembly on 29th June 1999. Deliberations on the review of the Chathrim began on 27th July 1999.

Presenting the Chathrim in the Assembly, the Finance Minister informed the members that there is presently no Bankruptcy Act in Bhutan. As such, the law does not make any distinction between a debtor who has absolutely no means to repay and a debtor who has adequate property to meet his loan obligations. In the interest of justice it is necessary to distinguish between those who have the means and those who do not have the means to repay their debts.

He pointed out that the Bankruptcy Act is a law which protects both the lender and the borrower. It enables the lender to recover, whatever is possible, even if the loan is not secured as long as the borrower has adequate property. This law also protects the borrower as a borrower who has exhausted all means and is discharged from all debt liability once declared bankrupt. Presently a debtor or even his children remain liable to repay even if there are no means left. In extreme cases a debtor who is unable to pay his debts may even face imprisonment.

The Finance Minister presented the salient features of the Bankruptcy Act to make it easier for the members to understand the substance of the Chathrim, as follows:

1. A person can be declared bankrupt only by a Court of law.
2. A petition for bankruptcy may be filed by the creditor or the debtor.
3. Only loans exceeding Nu.10,000 in total will be considered under this Act.
4. A petition must be filed within one year after conditions for bankruptcy have occurred.

5. A debtor may file a petition for bankruptcy only if there is a Court order for attachment of his property for non-repayment of his loans.
6. A debtor who has not complied with previous bankruptcy judgement may not file a new case for bankruptcy.
7. Conditions for Bankruptcy:
 - The debtor does not repay loan as per agreement; or
 - The debtor absents or departs from his usual place of abode; or
 - The debtor starts selling off his property; or
 - The debtor transfers all or substantially all of his property for the benefit of his creditors.

He said that once the bankruptcy petition is submitted, the Court may order attachment of property. The Court may appoint a receiver to take over the property on behalf of all the creditors and to use the sale proceeds to settle the debtor's liabilities. The first priority on the use of the proceeds will be to meet the cost of disposal of the property, insurance, etc. Thereafter, the proceeds will be used to repay the loans. Balance, if any, after meeting all costs will be paid to the debtor. The need for a receiver arises as there could be several creditors and the property is not a security for any of the creditors.

The Finance Minister said that while all the property may be attached to settle the dues, the Government would not like to see any debtor become absolutely a destitute. Hence, the Bankruptcy law exempts the following properties from attachment:

1. Religious articles up to value of Nu.5,000.
2. A dwelling place for the debtor and his family provided the house or flat does not have a loan on it.
3. Household goods worth up to Nu.25,000.
4. Tools, books etc. worth up to Nu.10,000.

In the event the debtor and his creditors agree in a Court of Law to reorganize the debtor's business then his property may not be attached.

After his property is attached and other formalities completed, a debtor may be declared a bankrupt. Once declared bankrupt, the debtor may apply for an Order of Discharge from the Court. After the Order of Discharge is awarded, the debtor is free from responsibility to repay any

remaining debt. However, even if Order of Discharge is issued a debtor is not free from obligations arising from illegal transactions or other liability to his spouse and children.

A bankrupt person who has not obtained an Order of Discharge is required to declare his status whenever he avails of loans exceeding Nu.100. In the event a bankrupt person does not abide by the orders of the Court and attempts to conceal his property, he shall be fined an amount up to the value of the property concealed or not surrendered, etc. and may also be imprisoned up to a period of one year.

The Finance Minister reported that the preparation of the Draft started in 1995 and extensive discussions had been held between all concerned agencies such as the Ministry of Finance, Bhutan Chamber of Commerce and Industry, Financial Institutions, the Royal Monetary Authority and the High Court. The Lhengye Zhungtshog also approved the Draft and constituted a sub-committee comprising two members of the Royal Advisory Council, representatives of the Ministry of Finance and the Royal Monetary Authority. The Draft was discussed with a representative of the High Court. He therefore, requested the Assembly to deliberate carefully on the Chathrim and endorse it.

The Chimis of the Bhutan Chamber of Commerce and Industry, Lhuentse and Wangdue Phodrang Dzongkhags noted that the Draft Bankruptcy Act distributed by the Ministry of Finance was a new Chathrim that did not exist before. They expressed their gratitude to the Finance Minister for explaining it in detail and said that it would greatly benefit both the country and the people. The Chathrim, drafted by the intellectuals from both within and outside the country, must be judiciously implemented by the people throughout the country. Besides, the Judiciary must resolve cases in accordance with the Chathrim for the benefit of the people. It is important to understand the provisions of the Chathrim. However, they said its provisions are difficult to understand. Therefore, they requested that rather than passing it in this Session, the Chathrim be postponed for discussion and enactment in the 78th Session of the National Assembly. Meanwhile, the concerned Ministry could do the necessary editing and changes in the Chathrim's provision.

Acknowledging the submissions of the members on the difficulty of understanding the Chathrim, the Finance Minister said that in any country of the world, legal documents are difficult to understand and one must, therefore, pursue a legal or related course to fully understand their provisions. The Minister submitted that if the members do not endorse this Chathrim simply because it is difficult to understand, it would cause much inconvenience to the people who would be affected by it.

The Minister informed the members that the Chathrim was drafted by the concerned organizations after extensive consultation and discussions. Therefore, the concerned organizations have no difficulty in understanding and interpreting the provisions of the Chathrim. He said that, as pointed out earlier, if the Chathrim is not passed a debtor will remain liable as a debtor until he repays his loans even if he has no means to pay it. Further, inability to repay the loan may render the debtor liable for imprisonment. This will cause loss and inconvenience to both the borrower and lender in the long run.

He pointed out that the present laws on the subject are ambiguous and, therefore, the cases pertaining to non-recovery of substantial loans filed in the Courts could not be dispensed speedily. Such prolonged cases cause great inconveniences.

The Minister informed the members that under the Royal command of His Majesty the King, the problems of Financial Institutions were investigated some years back. It was found that 579 people were in serious trouble with the Financial Institutions while thousands had minor default instances. Overall, about 30 percent of the borrowers were defaulting in their loan installment repayments. However, he said that the Financial Institutions could not enforce the *Genja* signed with the borrowers because there was no particular law for dealing in such cases. Eventually, when the cases were brought before a Court of Law, the Court was compelled to send destitute debtors to prison.

Therefore, the Chathrim is very important to dispense equal *kidu* to all the people. The Minister explained that the drafting of the Chathrim took a long time mainly because it could not be simplified and made comprehensible. However, he said that those who can understand legal documents will not have any problem of understanding its provisions.

The Minister said that if the Chathrim is not passed in the current Session, the Financial Institutions would constantly face unnecessary difficulties. The money with the bank belongs to the people. If money cannot be recovered from the borrowers, the incidental loss will have to be borne by the innocent citizens. Socio-economic development and commercial and industrial activities of the country will suffer if the Financial Institutions cannot operate viably.

Some members, the Minister said, are aware of the unprecedented economic performance of some countries of South East Asia in terms of commerce and industry. The economy of these very countries are now in ruins and they are dependant upon other countries. The reasons for their collapse were the lack of a sound legal framework and their failure to initiate appropriate

fiscal measures. Therefore, the Minister stressed that if the Bankruptcy Act can be passed it will greatly benefit all the people.

The Minister for Trade and Industry pointed out that at this transitional period in the development of the country no socio-economic, commercial or industrial development can be achieved with private savings only. Profitable utilization of borrowings from Financial Institutions and other money lenders needs to be resorted to. In the absence of a Bankruptcy Act in the country, major problems have arisen among lenders and borrowers such as the Financial Institutions, the Bhutan Chamber of Commerce and Industry and private organizations.

The main reason for drafting this Chathrim is that without it the common people and the novice businessmen who have no mortgage may not get a loan. Therefore, it creates an atmosphere in which the lender and the borrower can trust each other and both benefit from mutual transactions. In view of these, the Finance Minister said that if the Bankruptcy Act is passed, it will definitely benefit the people.

A Royal Advisory Councillor agreed with the submission of some of the members about the difficulty in understanding the Chathrim. Even the members of the Lhengye Zhungtshog have had difficulty in understanding it. However, we were able to understand it fully after forming a Special Committee comprising members of the Lhengye Zhungtshog and those who drafted the Chathrim and discussing with them.

The main reason for not being able to understand the Chathrim, he said was that the national language, Dzongkha is at present in the process of developing. Difficulty of understanding arises when equivalent words in Dzongkha have to be coined in accordance with the Chathrim. However, the Councillor submitted that the members will be able to understand it gradually as they put them into practice and become more familiar. Besides, it is the practice in many countries of the world to deliberately draft legal documents in such a way that it is difficult for the general people to understand them. However, he submitted that he did not see any difficulty and inconvenience with the Chathrim. He said that the Chathrim must be passed so as to facilitate loan transactions between Financial Institutions, the BCCI and the private sector and to achieve development objectives without hindrance.

Similarly, the Chhukha Dzongda also agreed that the Chathrim was indeed difficult to understand. However, if the Bankruptcy Act, unlike many other Chathrims passed in the current Session, is postponed it will create major inconveniences. If any difficulty is at all faced in

understanding the Chathrim, the Speaker has given every opportunity to the members to raise their doubts in the course of the discussion.

As pointed out by the Finance Minister earlier, some countries which have achieved socio-economic development in the past and became models of development are slackening now. However, as reported in the newspapers and magazines, they are now facing major difficulties in sustainability as they still do not have a proper and separate Chathrim like the Bankruptcy Act. To avoid these kinds of hurdles and inconveniences for the socio-economic development of the country, he suggested that the Chathrim which was distributed to the Assembly members should be passed.

As requested by the members, the Speaker had the Chathrim read out page by page and section by section and provided ample time to discuss and express their views and doubts on the Chathrim.

Commenting on Section 3.2 which reads ‘All Financial Institutions in Bhutan will be governed by the Financial Institutions Act of Bhutan 1992 and will not be covered by this Act,’ the Chimi of the Bhutan Chamber of Commerce and Industry and the Chhukha Dzongda submitted that this section must be deleted from the Chathrim. Since no one disagreed with the suggestion, it was resolved to delete it from the Chathrim.

A Royal Advisory Councillor submitted that under Section 22 which states ‘while hearing a bankrupt case in the Court,’ the word ‘bankrupt’ must be changed to ‘bankruptcy’ and it should apply to all the succeeding words. The Assembly decided accordingly as no one opposed the suggestion.

The Councillor also submitted that the words ‘not exceeding Nu.10,000/-’ may be added to Section 36.4 which states, ‘any implement, professional book or tools of trade of the debtor or a dependent of the debtor.’ The members resolved to incorporate his suggestion.

The Wangdue Phodrang Chimi submitted that the word ‘*Doentshen*’ may be substituted for the word ‘*Detshen*’ in the Dzongkha version of the Chathrim. His suggestion was also accepted. The National Assembly passed the Bankruptcy Act of the Kingdom of Bhutan 1999 on the 14th Day of the 6th Month of the Year of the Female Earth Hare coinciding with 17th July 1999.

XXII. MOVEABLE AND IMMOVEABLE PROPERTY ACT

Copies of the Draft Moveable and Immovable Property Act 1999 were distributed by the Ministry of Finance to every member of the National Assembly on 29 June 1999. Deliberations on the Draft Chathrim commenced on 28th July 1999.

The Finance Minister informed the members that the main objective of the Chathrim is to make loan agreements effective and enforceable in a Court of Law, if necessary. A modern economy requires investment for growth and development of the country. Without investment, there can be no enhanced employment, increased production of goods and services or increase in the incomes of the people. Today investors depend on loans to enhance production or establish new businesses. Development, particularly in the private sector, depends upon the quality of financial services, which in turn depends upon the strength of the financial institutions.

He pointed out that the main problem facing the financial sector in Bhutan is the high rate of loan defaults. The reason for this is mainly the inability of the financial institutions to enforce the provisions of the loan agreements. The existing laws are not clear enough to ensure uniform implementation and avoid very long delays by the Courts in passing judgements. The objective of this Chathrim is, therefore, to make loan agreements enforceable and to make wilful defaults difficult. Non repayment of loans is a serious criminal act which is sometimes not given the serious consideration it deserves by our Courts, as there are no clear-cut provisions in the Loan Act. The Minister submitted that this Chathrim has clear provisions to safeguard financial interests in accordance with the terms and conditions of the loan agreements.

He assured the members that the Chathrim is not meant to create difficulties for honest borrowers but to ensure justice. He pointed out that the money with the Financial Institutions belong to the general public and must accordingly, be protected from defaulters. In the absence of proper laws Financial Institutions would be in danger of collapse or face other problems affecting sustainability. Weak Financial Institutions would also endanger the overall economic performance as shown by the experience in South East Asia and elsewhere.

Highlighting the salient features of the Moveable and Immovable Property Act, he said:

1. Provisions of the loan agreements are effective and enforceable in a Court of Law, if necessary.
2. A guarantor remains liable even if all other means have not been exhausted.

3. Agreements with minors are not valid unless there is prior approval by a Court.
4. Loans under duress are not valid and complaint must be lodged within 15 days.
5. Gambling debts are not valid.
6. For loans from non-Bhutanese, property in Bhutan cannot be pledged as security unless so approved by the Government.
7. Religious articles may not be pledged as security.
8. Agreements requiring imprisonment or physical harm to a person's asset is not permitted.
9. Immovable properties of Monastic Institutions cannot be mortgaged as security for loans without approval of the Government.
10. Interest rates in the case of Financial Institutions shall be as per their own norms. Interest in all other cases shall not exceed 15% per annum on simple interest basis.
11. Interest shall accrue, even if a case is with the court, till judgement is passed.
12. Other laws pertaining to coercion will also be valid.
13. A secured party has the right to take over the security even without a Court's permission as long as there is no threat of violence.
14. In the event a debtor refuses to surrender the security the court may be approached by the secured party. The Court is bound to issue necessary order to enforce the agreement.
15. Once the Court's decision is passed, the Police is required to provide necessary support to enforce the decision.
16. In case of agriculture land as defined by the Land Act, only land in excess of 5 acres may be mortgaged as security.
17. All sales of properties are to be conducted by public notice wherever feasible.
18. All securities are to be registered for which Government may set up central and branch offices wherever required.
19. In the event a debtor absconds the Government may take over the property and compensate the creditors or permit the creditors to take the security as per this Act.
20. Interest during imprisonment may be waived for that period provided the Court establishes that the imprisonment had affected the business.
21. Even if a debtor dies the provisions of the agreement remains valid and the security can be attached.
22. In the event of a divorce and dispute over property, a Courts decision in the matter will be valid.
23. Family members are responsible for the debt only if they have signed the agreement as a concerned party or guarantor.

24. Where there is no security for a loan, the provision of the Bankruptcy Act will apply.

The Minister informed the members that this Chathrim was drafted a few years back and has been extensively discussed between the Ministry of Finance, Ministry of Trade and Industry, the Royal Monetary Authority, the BCCI and the High Court. The Draft was approved by the Lhengye Zhungtshog, which constituted a sub-committee comprising two members of the Royal Advisory Council, a representative of Ministry of Finance and a representative of Royal Monetary Authority. The final draft was discussed with a representative of the High Court.

For the kind information of the National Assembly members, the Minister reported that the Cabinet, about two years back, had already passed a decision which required the Courts to enforce the provisions of the loan agreements. The substance of this Chathrim is, therefore, not new and various aspects of it are already contained in other existing laws. However, in the absence of a proper Chathrim like this one, it would be extremely difficult for the Financial Institutions to play their rightful role in facilitating the economic development of the nation. He offered to clarify any points which are ambiguous or not clear, as the Assembly reviewed the Chathrim page by page. He also expressed his hope that the Assembly would endorse the Act. The discussions on the Draft Act commenced, thereafter.

Taking the floor for his comments on the Chathrim, the Bumthang Chimi sought clarification on Clause (l) under the General Provisions, Part 1 which reads: “ ... taking by sale and lease ...”

The Minister for Finance clarified that “...taking by sale and lease...” means that initially the property is given on hire whereby the cost is deductible from the rent. However, he said that if the clause cannot be understood, it can be redrafted. The Assembly concluded that the problem may have arisen due to the technicalities involved in the translation of the Chathrim from English to Dzongkha. Therefore, it was resolved that the Ministry of Finance shall edit it accordingly.

Coming to Section 14.1 of the Chathrim, the Punakha Chimi sought clarification on the words, “...Kusung thugten sungten... .” The Chimis of Bumthang and Wangdue Dzongkhags suggested that as the words, “Kusung thugten” are self-explicit the word “sungten” may be deleted. Accordingly, the Assembly resolved to delete the extra word “sungten” from Section 14.1 of the Chathrim.

Under Section 16.1 of the Chathrim, the Haa Chimi sought clarification on whether the Section regarding mortgage of immovable property belonging to Dratshang and Goendeys applied to private-owned Lhakhangs and Goendeys as well. He also sought clarification on Section 14.4 which reads: “Prescribed religious articles pledged as collateral in contravention of Subsection (1) shall be forfeited to the Royal Government,” and Section 16.1 which states that immovable property belonging to the Monastic Bodies may not be mortgaged unless prior to the mortgage ‘approval has been granted by the Dratshang Lhentshog.’ In response, the Minister of Finance suggested that if the words in the Section are not appropriate, the ‘Dratshang Lhentshog’ could be replaced with the ‘Special Commission for Cultural Affairs’ which would then apply to both Government and private-owned Lhakhangs and Goendeys.

Responding to his suggestion, the Home Minister who is also the Chairman of the Special Commission proposed that the approval for mortgage of Dratshang and Rabdey properties be given by the Dratshang Lhentshog as before, while for those which are private-owned may be given by the Special Commission for Cultural Affairs.

In response, the Kalyon and the Dzongdas of Samtse and Thimphu Dzongkhags pointed out that according to the laws and the *Kadyons*, no one is authorised to mortgage, exchange or sell any land, houses, etc. belonging to the Dratshang and the Rabdeys without the special permission of the Government. Therefore, they suggested that the provision may be maintained as it is.

The Yanglop of Zhung Dratshang said that, as of date, the Monastic Bodies have not sold a piece of land or any *Kusung Thugten* as it is prohibited to do so without the approval of the Royal Government. Therefore, he suggested that the word ‘Dratshang Lhentshog’ be replaced with ‘Royal Government.’ His view was supported by the Trongsa Chimi. The Assembly resolved that the word ‘Dratshang Lhentshog’ shall be replaced with ‘Royal Government’ in Section 16.1 of the Chathrim.

The Chimi of the Bhutan Chamber of Commerce and Industry pointed out that the provisions of Section 17.1 which states that no lender other than a registered financial institution may charge interest greater than 15 percent per annum conflicts with Section 19 which states that interest is payable if expressly made so by the terms of the agreement. The Minister for Trade and Industry suggested that the mode of calculation of interest and whether interest is chargeable or not in this Chathrim may be made similar to those of the Bankruptcy Act.

The Minister for Finance pointed out that the fixation of rate of interest has been provided for under Section 17.1. He further clarified that Section 19 of the Chathrim states that if rate of interest is expressed per day, week, month the contract must also contain an express statement of the yearly rate to which the stated rate is equivalent. Therefore, if the yearly rate is not stated, then the rate of interest will be the stated nominal rate as prescribed under Section 17.1.

Coming to Section 19 of the Chathrim, the Chimis of Punakha, Haa, Wangdue Phodrang and Bumthang Dzongkhags and the Bhutan Chamber of Commerce and Industry submitted that since the contract must contain that interests shall be calculated ‘daily, weekly, or monthly,’ if the contract contains neither the rate of interest nor a provision stating that 15 percent interest will be charged, then it may sound as if no interests is chargeable. Therefore, they submitted that the word, ‘If the yearly rate is not stated...’ should be replaced with ‘However,...’ Accordingly, the Assembly resolved that the words, ‘If the yearly rate is not stated...’ shall be replaced with, ‘However....’

Under Section 98.1, the Punakha Chimi submitted that he could not understand the words, ‘the security interest in the collateral transferred becomes unperfected fifteen days after the transfer.’ In response, the Minister for Finance clarified that the words mean that the security interests in the collateral transferred becomes unperfected fifteen days after the transfer is made unless the secured party registers a registration change statement within such fifteen days. The Chimi of the Bhutan Chamber of Commerce and Industry pointed out that while there was no problem in the interpretation of the Section, it would be easier to understand it if the words are changed to, ‘the security interest in the collateral becomes unperfected fifteen days after the transfer.’

The Punakha Chimi submitted that if the words ‘*gugi*’ and ‘*ngey med*’ in the Dzongkha version are replaced by ‘the security interests in the collateral becomes unperfected,’ it would be easy for everyone to understand. Accordingly, with the amendment of the Section to ‘the security interest in the collateral transferred becomes unperfected fifteen days after the transfer,’ the Assembly passed the Moveable and Immovable Property of the Kingdom of Bhutan Act, 1999 on the 15th Day of the Sixth Month of the Year of the Female Earth Hare, corresponding to 28th July 1999.

XXIII. CONCLUDING CEREMONY

TRASHI MOENLAM AT THE CONCLUSION OF THE NATIONAL ASSEMBLY SESSION

During the *Trashī Moenlam* ceremony at the conclusion of the 77th Session of the National Assembly, the Speaker expressed his hope that his submissions would appeal to the profound intellect of the honourable members. He said that the wise and farsighted leadership of His Majesty the King and the wisdom of the National Assembly members had led to a very candid deliberation. Due to this, he said that it has been yet another successful session. He expressed profound gratitude to His Majesty the King and to all members of the Assembly.

In his address to the nation during the coronation on 2nd June 1974, the Speaker recalled that His Majesty had pledged to serve the people and the country with love and dedication to the best of his ability. In the last 25 years, His Majesty has sacrificed personal concerns and committed himself to the welfare of the country and the people. He even overlooked risks to His own life, and achieved unequalled and innumerable successes for the peace, progress and security of the country. As a result, peace and prosperity have flourished in the country. The Speaker said that the people had an auspicious occasion to thank His Majesty during the Coronation Silver Jubilee Celebration this year.

Under the benevolent reign of His Majesty the King, Bhutan has witnessed unparalleled socio-economic development. There is a sense of jubilation as if heaven has descended down on earth. The people are able to enjoy wealth and prosperity. The Speaker invited everyone to express their gratitude once again to His Majesty the King on the auspicious occasion of the 25th Year of His Majesty's enthronement.

He recalled that His Majesty had issued a *Kasho* in the previous year during the 76th Session of the Assembly for establishing a mechanism for registering a Vote of Confidence in His Majesty the King. This had greatly shocked and caused deep concern to the Assembly members and the people. Although it is not correct to question a Royal Command, the members had nevertheless appealed to His Majesty out of concern that such an unimaginable command might affect the pure bond of faith and loyalty between the King and the people. They had submitted that this could become a basis for undermining the cherished institution of hereditary monarchy and even affect the sovereignty of the country in the future. They repeatedly appealed to His Majesty to revoke the royal command. However, considering the present and future well-being and interest of the people and the country, His Majesty did not consent to rescind the royal command. Instead, His Majesty had repeated his command to the National Assembly to formulate a mechanism for registering a Vote of Confidence, and present it during the 77th Session.

In keeping with His Majesty's command, the National Assembly constituted a Drafting Committee to draft the Lhengye Zhungtshog Chathrim and the Mechanism for Registering a Vote of Confidence in the Druk Gyalpo. When the Draft Mechanism was presented in the current session of the Assembly, the Chimis representing the people of the 20 Dzongkhags submitted their views on it. They pleaded against the endorsement of the Mechanism for Registering a Vote of Confidence in the Druk Gyalpo appealing that there is no necessity for introducing such a system. However, His Majesty emphasized the importance of having a mechanism to register a Vote of Confidence as a safeguard for the security and interest of the nation and did not accept the repeated appeals of the Assembly members.

According to the procedures of the National Assembly, decisions are taken on the basis of consensus or by majority decision of the members. The introduction of a mechanism for registering a Vote of Confidence in the Druk Gyalpo, however, was a command issued by His Majesty the King, and a royal command is like a river whose water cannot flow up the hill. The Assembly, therefore, had no alternative but to respect the command of His Majesty the King.

Quoting a saying, "If the meaning is not understood, even the profound teachings will not receive reverence," the Speaker pointed out that it is important to understand the reason for the royal command on introducing a mechanism for a confidence vote in the Druk Gyalpo. When we consider the saying, "The people need the King while authority is important for a King," introducing a mechanism for a confidence vote in the Druk Gyalpo when we have a King who cares for his subjects even more than a parent for the children, is indeed a cause for much regret and sadness. However, we should understand and be reassured by the fact that having a mechanism to register a confidence vote in the Druk Gyalpo will in fact strengthen the cherished institution of hereditary monarchy and ensure that it will flourish for as long as the rivers of the mighty Ganga flow into the ocean. Ultimately, this is what is most important for us as the institution of hereditary monarchy is the source of strength and unity for a small, landlocked country like Bhutan.

The Speaker noted that the members had ultimately understood and accepted that a mechanism for a confidence vote in the Druk Gyalpo will not undermine the cherished institution of hereditary monarchy, which has been the main concern of the people of Bhutan, and that it would in the long run contribute towards its greater consolidation. The Draft Mechanism had been examined and discussed at great length and had been finally adopted. However, since His Majesty is like a loving parent providing the ultimate refuge for the people, and the outer protective wall as well as the inner precious jewel of the nation, it is the fervent prayer of all the members that an occasion will never arise for a vote of confidence in the Druk Gyalpo.

The Speaker pointed out that although there are different political systems in the world, there is no system where the people can register a Vote of Confidence in a reigning monarch. The introduction of the Mechanism for Registering a Vote of Confidence in the Druk Gyalpo is an unparalleled event in the history of the world. Just as every political change in Bhutan has come from the Throne, the mechanism for a confidence vote in the King has also been introduced on the royal command issued by His Majesty in the *Kasho* to the National Assembly. It is an act of selflessness by His Majesty which has evoked profound admiration and respect in everyone.

The Speaker said that it is very important for the Chimis to immediately convey to the people of their constituencies that, as desired by them and discussed in the Assembly, the institution of hereditary monarchy will not be affected, and that the Mechanism for Registering a Vote of Confidence in the Druk Gyalpo will only contribute towards strengthening this cherished institution. This will help to gradually ease and remove the shock and dismay which the people of Bhutan have felt since the royal *Kasho* was issued last year.

The Speaker pointed out that our rich age-old cultural heritage is unique and appreciated by everyone. He underscored its importance for strengthening our unique national identity and our status as a sovereign, independent country. He said that the strength of unity among the people of Bhutan is also indispensable for strengthening our national sovereignty. The most important factor for ensuring such unity, he said, is the sacred and pure bonds of faith and trust between the King and the people of Bhutan.

Therefore, the members of the Assembly must all match words with deeds and remain ever steadfast in their loyalty and dedication. The Speaker reminded the Chimis that they are like bridges between the Government and the people. He called upon them to keep in mind the earnest submissions they had made during the deliberations on the problem of the ULFA-Bodo militants which posed the greatest security threat in our nation's history. It is very important that what has been expressed in words remains consistent with the actions that follow.

As submitted by the Chimis, the people will suffer immense difficulties and the security of the nation will be gravely threatened if the ULFA-Bodo problem is not resolved soon. Recognizing the importance of the issue, the National Assembly had deliberated on this issue for two days. Although His Majesty has taken the full responsibility to solve the problem, the people must provide full support for any strategies formulated by the Government and come forward with manpower and material resources as may be required.

The Speaker recalled that the Chimis, representatives of the Monk Body and the Government could not propose any well-defined strategy to solve the ULFA-Bodo problem. Therefore, the full responsibility was entrusted to His Majesty the King. The National Assembly deliberated at length on a three point strategy proposed by His Majesty. The Speaker said that it is very important for the Assembly members to convey to the people of their respective constituencies the resolution adopted by the Assembly on the three point strategy.

On the solemn and auspicious occasion of the Concluding Ceremony of the 77th Session of the National Assembly, all the members offered their prayers with body, speech and mind, that the precious teachings of the Buddha-Dharma will flourish and that His Majesty's reign will be long and glorious with the blessings of the Dharma-Protectors, that the country of the Palden Drukpa will never see epidemics or famine, that all beneficial activities will multiply in success, and through the harmony of mind and effort by the King, Government and People the sunshine of peace and happiness will forever shine upon the people of Bhutan. The 77th Session of the National Assembly concluded with the members joining in the *Trashis Moenlam* prayer on the morning of the 22nd Day of the 6th Month of the Year of the Female Earth Hare.

4th August 1999

sd/-

(Lyonpo Kinzang Dorji)

Speaker

The National Assembly of Bhutan

Annexure A

A BRIEF DESCRIPTION OF THE GOLDEN WHEEL

The golden wheel is the symbol of the teachings on the Four Noble Truths by the Buddha in Varanasi. The wheel was also used as an object of worship long before the images of the Buddha came into existence.

The turning into motion the Wheel of Dharma by Lord Buddha, thereby setting all sentient beings on to the path of liberation, and the turning of the Wheel of Universal Law by the King, thereby bringing peace and harmony to the people, are two phenomena, considered as similar aspects of one basic principle.

In the *Abhi Dharma Sutra*, are these words:
Crafted in gold, with a perfect round centre
A thousand spokes and a magnificent rim;
To the first king to conquer land
Victory was brought by the Wheel.

In consonance with these words, those kings who turned the wheels made of the fourth, third and second grade metals were able to bring under their dominion only the first, second and third *Lings* (regions). However, with the turning of the wheel made of gold, the first metal, the four regions and the entire universe can be conquered. Therefore, the golden wheel is the most important symbol from both religious and secular aspects.

There are other reasons that make the wheel an auspicious symbol. Amongst the 32 epithets of the Buddha, “the one with the sign of the wheel on the soles of his feet” is considered as the most auspicious. The wheel is also the most significant of the *Trashigagye* symbols. The successful functioning of the human body, capable of performing wonderful spiritual as well as worldly tasks follow the concept of the wheel manifest in the nervous system. Even the attainment of the ultimate state of deliverance, which can be achieved in a matter of moments through Mahamudra must rely on the causal power of the wheel.

In the *Ringai Zhingkhamb*, the Buddha *Namgar Nangsey* is depicted holding the wheel. Other Buddhas, Bodhisattavas and *Yidams* are also depicted thus. After attaining enlightenment, the Buddha gave the first teachings after being approached by *Lha Tshangpa (Brahma)*, who offered a golden wheel and implored the Awakened One to teach. The secret and mystical charms and incantations derived from the inherent meaning of the wheel are transcendental in nature. The Precious Wheel was used as weapons by most of the early Dharma kings. It is also an important symbol of law and an emblem of civil and military service. The wheel held by *Lha Jajin (Indra)* was taken as the symbol of his great victory over the *Lhamayins (Asuras)*. The external and physical manifestations of the wheel, including the prayer wheel, the chariot and the mechanical wheel are conceptually derived from the original golden wheel. The benefits bestowed by the inherent quality, wisdom and power of the Precious Wheel cannot be adequately extolled, even in an aeon.

The wheel has a range of one, four, eight, sixteen, thirty-two, hundred and a thousand spokes, each with its own significance and symbolism. The round centre of the wheel stands for the spherical Dharmadattu that is the source of samsaric existence as well as of ultimate

liberation. The jewel in the centre symbolises the Four Noble Truths, which is the essence of the Dharma and source of knowledge. The eight spokes stand for the eight-fold path, eight auspicious signs, eight temporal acquirements, eight collective inter-dependent origination, eight temporal knowledge, the eight attributes of the water, the eight qualities of perception and deliverance, etc., which are the worldly and transcendental wealth. The outer rim stands for the unity of solemn vow and an all-embracing world peace. Similarly, many symbolic attributes, in keeping with the occasion, can be elaborated.

For these reasons, it is said that wherever the *Khorlo Gyurwai Gyelpo* (the King who turns the Wheel) followed the direction of the wheel, everyone in that region submitted to him and he was thus able to conquer the world. To enumerate a few attributes of the wheel, an army whose marches cannot be obstructed accompanies a golden wheel with a thousand spokes. It enables a king to naturally comprehend matters of which he is not even aware and fulfils aspirations and wishes of the king and his ministers. The king with a wheel possessing these five qualities would have a natural personal brilliance that would hold others in his sway. The Precious Wheel that has the power to bring success to a king's action possesses all the important qualities of the Seven Precious Articles of Royalty.

The power and glory of the Golden Wheel will protect the surrounding area, endow knowledge and skills, fulfil wishes, integrate all that is good and noble, spread renown to the Three Realms of the Universe, increase life span and wisdom, gain victory over the enemies, set into motion the spiritual wheel and offer protection against danger from the four directions. It will also cause degraded natural resources to be revitalised, people to come together, wealth to accumulate, agents of evil to turn to good and generate auspicious qualities. Furthermore, fear and suffering caused by touch, sight and smell of malignant spirits will be overcome. Resources will be naturally available and impurities cleansed. The Wheel is thus empowered with the virtues of transcendental wisdom and is even more precious than *Samphel Wang*, the supreme amongst jewels.

Reasons for Offering the Golden Wheel to His Majesty the King

The eight-spoked Golden Wheel, resplendent with *Norzin Patra* and *Meri*, which are studded with turquoise and coral, is implanted in the centre of a silver lotus. The lotus is placed on top of a golden throne held high by eight lions. It has been prepared with utmost care and purity and contains the complete and noble affluence of the Monarch of the Three Realms of the Universe. The National Assembly, on behalf of the people of Bhutan offers it wholeheartedly to His Majesty on the special occasion of the 25th anniversary of the enthronement. The offering is a

token of their deep appreciation and gratitude to His Majesty the King for his extraordinary and unparalleled service to the nation. May this auspicious and pure offering, by its inherent virtues, bring His Majesty victory over all outer, inner and secret adversaries and be symbolic of the power and wisdom that can turn the Universal Wheel.

The purpose of the Zhelthang

The letter of gratitude and prayer for long life that is offered to His Majesty the King is the spontaneous and genuine expressions of the people from all parts of the country. The expressions are written in gold, the supreme metal. As a most important and grand written submissions hitherto, it has been prepared and offered in the form of a Zhelthang.

The material used for the Zhelthang

The material used for the Zhelthang is part of the robe of the most revered saint, the 69th Je Khenpo His Holiness the late Geduen Rinchen. The presence of the Zhelthang anywhere will be an eternal source of blessing and good fortune.

The *Tshelha Namsum* on top of the Zhelthang

The painting of the *Tshelha Namsum* in gold would bestow on His Majesty blessings for long life, victory over adversaries and protection against misfortune. His Majesty would, therefore, enjoy the gift of long life and accomplish the noble purposes of his benevolent rule. It is also symbolic of the realisation of the present and future interests of the country.

Centre-piece of the *Zhelthang*

The letter of gratitude submitted to His Majesty by the people of Bhutan is in acknowledgement of the unprecedented religious and socio-economic development that His Majesty has advanced in the last 25 years. Since no quantity of material offering can repay His Majesty's benevolence, the letter is presented as a profound expression of the total submission of the body, speech and mind of the people with prayers for His Majesty's long life. The letter, written in gold is an external manifestation of the pure and steadfast loyalty between the monarch and his people.

The Peripheral Design

The *Zhelthang* has designs of precious jewels and sacred wheels on its peripheral frame. These are symbols that will convey to posterity the strong bond of faith and trust existing between the Monarch and his people which will flourish, prosper and live on as a glorious highlight in history.

Annexure B

NATIONAL BUDGET FOR FINANCIAL YEAR 1999-2000 AND REPORT ON THE 1998-99 BUDGET

Felicitation to His Majesty

The Ministry of Finance has the privilege to join the people of Bhutan in expressing our heartfelt gratitude to His Majesty King Jigme Singye Wangchuck, the Fourth Druk Gyalpo, for 25 years of dedication and service to the nation. Under his stewardship and through his personal hard work, the country has, within a short span of time, made a quantum leap.

In the last 25 years, we have been transformed from a largely backward agrarian society using the barter exchange system, to a modern and monetised economy. We have enjoyed peace and prosperity, been able to charter our own course of development, kept our culture and tradition alive and achieved and sustained significant growth rates. Today, we enjoy a per capita income that is among the highest in South Asia, boast a literacy rate of 54%, life expectancy of 66 years and a pristine environment. In addition, our people enjoy free or highly subsidised services and pay little or no taxes. Even more significantly, we have made these remarkable strides without disrupting our way of life and all our people enjoy adequate food, clothing and shelter. Bhutan, one of the poorest countries in the world a couple of decades back, is now at the forefront of development in South Asia.

His Majesty has also set us on a development path that clearly distinguishes us from any other developing country. Today, Gross National Happiness, our number one national agenda is widely acknowledged for its wisdom. The simple but provocative philosophy seems pertinent to these times when unbridled economic pursuit is beginning to endanger the basic life support

systems required to sustain humanity, or the erosion of values that is causing untold social damage.

The sound management under the leadership of His Majesty has created a solid foundation for sustained growth. Given the clear direction for development in the future, Bhutan's fortune can only rise.

We would like to take this opportunity to felicitate our great King for 25 years of Golden rule, for His selfless service and for the peace and prosperity that we enjoy today. We pray that our guardian deities will protect and provide His Majesty with a long and healthy life.

Review of the 1998-99 Budget

The Ministry of Finance has the honour to present the 1999-2000 budget and the report on the 1998-99 budget to the honourable members of the National Assembly.

The conclusion of the current fiscal year brings us to the middle of the 8th Plan. This fiscal year, the first after the historic 76th National Assembly wherein His Majesty had entrusted more responsibilities to the people, was yet another successful year. This is largely due to the continuation by the new cabinet of the prudent policies and sound management practice of the past. The objective of covering the recurrent expenditures by domestic revenue, which has been increasing fast due to the Royal Government's strong commitment to the social sector and rural development, has once again been attained. The balanced budget is a reflection and result of the prudent fiscal policy of the Royal Government.

The increased domestic revenues, complemented by the support of our development partners enabled the initiation of many programmes and projects that will lead to the achievement of the 8th Plan objectives.

Notable investments were made in the social sector where the Royal Government continues to devote considerable resources to ensure improved quality of life for the people. Integrated rural development encompassing roads, communication facilities, availability of electricity, exploitation of horticultural and other potentials to ensure improved opportunities is evident in the major programmes that were initiated or carried out in the current fiscal year. This will be given additional impetus with the urban development focus on several rural towns, which will increase opportunities and bring markets closer to the farmers. Spillover activities continued to dominate public expenditure. This is largely due to the size and scope of some of the

programmes in the 8th Plan that are, by necessity of the task, large and thus requiring multi year implementation timeframes.

The Ministry of Finance is also pleased to report that the implementation of the large power projects such as Tala Hydropower Project, Kurichhu Hydropower Project and Basochhu Hydropower Project is picking up momentum. This trend will be on the rise in the coming fiscal year, increasing opportunities for employment and private sector participation. Close attention will be paid to the implementation progress of these projects, as they are essential to the fulfillment of His Majesty's vision of self-reliance and sustainable development.

Budget Abstract for Fiscal Year 1998-99

Nu. in millions

Expenditure Outlay	Approved	Revised
1. Current expenditure	2,849.922	3,016.034
2. Capital expenditure	4,149.355	4,172.879
Sub Total	6,999.277	7,188.913
3. Net Lending	44.708	48.687
4. Repaymeny	252.206	253.680
Total	7,296.191	7,491.280
Sources of Finance	Approved	Revised
1. Domestic Revenue	3,044.081	3,500.000
2. Grants		
a.GoI Program Grant	800.000	800.000
b.GoI Project Grants	1,471.148	1,292.03
c.Grants from Other Sources		1,479.065
1,484.582		
Sub Total	3,750.213	3,576.621
3. Borrowings	451.897	414.659

Total	7,296.191	7,491.280
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The revised budget increased by around 3% (Nu.195.089m). This increase was largely due to a rise in current expenditure caused by inflation and other minor additions. However, this was more than adequately covered by a substantial upward revision in domestic revenue that also covered lower than anticipated receipt of grants.

The Ministry of Finance is pleased to report to the National Assembly that the economy has once again recorded an excellent performance. The GDP growth rate continues to exceed 6% while average inflation remains below 10%. The balance of payments is once again positive and the nation's foreign reserves stand at a record level of USD 280m which is adequate to meet almost two years import requirements. The currency exchange rate remains stable and interest rates have not fluctuated. In view of the exceptional revenue position the Government did not have to resort to deficit financing. The consistent prudent fiscal management and sound monetary policies has enabled the Bhutanese economy to enjoy sustained growth for over a decade.

An important objective of the Royal Government is the coverage of recurrent expenditures by domestic revenue. The Royal Government continues to meet this objective. In fact a review of the past three fiscal years reveal that the Royal Government has been able to cover successfully a current expenditure growth which averaged 10% p.a. This reaffirms our commitment to sustain development investments.

Notwithstanding this achievement, to further boost domestic resource mobilisation, initiatives such as rationalisation of Business Income Tax and Corporate Income Tax, introduction of user charges and cost recovery etc. are underway. In the near future, our capacity to finance capital works will increase. This is an essential departure from past trends if the country is to truly achieve self-reliance. This will also reassure our development partners that the Royal Government has the political will and support of its people to sustain the impressive development achievements of the past and build on it into the future.

Fiscal Year 1999-2000

The fiscal year 1999-2000, the third year of the 8th Plan, promises to be as successful as the previous year. The budget for this fiscal year is only 10% more than the past year. This is mainly due to the fact that most of the programmes and projects for the 8th Plan are well

underway. It is also a reflection of our commitment to consolidation with emphasis on quality over expansion.

SUMMARY OF 1999-2000 BUDGET

Nu.in millions

Expenditure Outlay	Amount	Percent
1. Current expenditure	3,570.150	43.43
2. Capital expenditure	4,424.273	53.82
Sub Total	7,994.423	97.25
3. Net Lending	17.074	0.21
4. Repayment	209.258	2.55
Total	8,220.755	100.00

Nu.in millions

Sources of Finance	Amount	Percent
1. Domestic Revenue	3,869.791	47.07
2. Grants		
a. GoI Program Grant	800.000	9.73
b. GoI Project Grant	1,430.249	17.40
c. Grant from other sources	1,386.333	16.86
Sub Total	3,616.582	43.99
3. Borrowings	436.988	5.32
4. Resource Gap	297.394	3.62
Total	8,220.755	100.00

The main highlight of the 1999-2000 budget is the 20% increase in pay and allowances of the civil servants and the security forces that was approved by His Majesty the King. His Majesty, who has always had the well-being of the people working for the Government close to his heart, issued the decree to redress the erosion of pay and allowances caused by the rise in living costs.

The Ministry of Finance is also pleased to report that in recognition of the onerous responsibilities of the Gups and Chimis, as well as the anticipated increase in their duties as a result of the Royal Government's thrust on decentralisation and increased people's participation, His Majesty has commanded that their salaries be raised to Nu. 3,000 per month. Furthermore, to enhance the capacity of the Gup's office to discharge their growing responsibilities effectively and efficiently, an assistant will be provided for the Gups. The assistant will be paid Nu. 1,500 per month.

The total burden on the Royal Government as a consequence of these pay raises is Nu. 429.856m or around 5% of the total budget.

On the revenue front, domestic revenue is projected to increase by around 11%. This was made possible only by the initiative of His Majesty the King, who during a recent visit to India, negotiated an increase in the export power tariff. The 50ch increase in the tariff will bring in an additional revenue of Nu. 669.549m in the coming fiscal year alone.

As a result, domestic revenues are more than sufficient to cover projected current expenditures. However, this will not be sufficient to cover fully the increase in capital expenditures and given the minimal expansion in the size of external assistance, the budget will face a resource gap of Nu. 297.394m representing 3.6% of the total budget or less than 2% of the GDP. This is well within acceptable norms and no cause for concern. In fact a majority of this is for capital works that will eventually yield returns. Moreover, the resource gap is only an indicative figure that could change with progress in the field. Where necessary, financing of this gap will be sought by floating bonds to absorb some of the excess liquidity in the financial institutions. However, the Ministry of Finance will closely monitor the utilisation of these funds to ensure that the gap does not widen.

Sector Allocation of 1999-2000 Budget

The broad sector allocations of the budget for 1999-2000 is indicated below. These are based on extensive discussions with the sectors and within the overall framework of the approved 8th Plan. As such, the allocations reflect the Royal Government's priority.

Nu. in millions		
Sectors	Amount	Percent
Health and Education	2,175.684	26.47
Agriculture	748.578	9.11
Human Settlements	288.076	3.50
Communication	910.668	11.08
Energy	1,046.268	12.73
General Public Service	1,151.438	14.01
National Debt Service	285.837	3.48
Others	1,184.350	14.41
Provision for Pay Revision	429.856	5.23
Total	8,220.755	100.00
Policy and Programme Initiatives of Major Sectors		

Health and Education

The allocation for the coming fiscal year confirms the Royal Government's continued commitment to the health and education sector which receives around 26% of the total outlay for the year. The large investment in this sector is expected to improve the quality of human capital. This is the most important resource for any country and is the reason why the Royal Government is earnest in maintaining its commitment to this sector.

Major programmes include construction of additional facilities and upgradation. The Royal Government has also recently established the National Technical Training Authority. This authority will be responsible for coordination and advancement of technical and vocational education. This is expected to increase opportunities for all Bhutanese by providing alternative employment opportunities particularly at lower levels. It will also promote our traditional arts and crafts by providing training and ensuring gainful employment.

While this sector will continue to receive the highest priority, it requires massive investments that do not provide immediate returns and thus is an enormous budgetary burden. To mitigate this, the Royal Government will explore possibilities of private sector participation in education. However, such participation will only be permitted upon assurance that standards will be maintained. Simultaneously, cost recovery possibilities will also be explored to ensure sustainability of the massive investments.

Agriculture

Agriculture, on which 85% of our population depend for their livelihood and which, in spite of growth in other sectors still account for around 38% of GDP, will also continue to receive high priority. Given its importance as a major source of livelihood for our population, the Royal Government, regardless of the huge costs involved, will continue to invest in this sector.

To sustain and make further developments in this sector, an integrated approach that includes livestock, agriculture and forestry, has been employed. Numerous programmes are underway to achieve the sector's principal objective of increasing rural income through improved productivity such as introduction of scientific management practices, promotion of cash crops, increased irrigation, improved pest control and livestock management practices, etc.

The major programme initiatives in the coming fiscal year include, among others, the Second Eastern Zone Agricultural Programme (focused on six eastern districts), the Wang Watershed Project (four western dzongkhags) and the Sub Tropical Integrated Area Development Project (four Southern dzongkhags).

Human Settlements

As a result of the rapid development that we have made, large number of people are now beginning to migrate to urban areas. This trend is stretching the existing service facilities and causing acute housing problems.

To contend with this phenomenon, the Royal Government recently established the Urban Development and Housing Division within the Ministry of Communications. This is essential to provide focus on urban development and related issues. As an initial step and due to lack of private sector interest, the Royal Government has taken a decision to construct 300 units each of

low income housing in Thimphu and Phuentsholing. This initiative is part of a broader strategy to provide affordable shelter to the growing urban population.

A Housing Policy that addresses these issues from a strategic point has been drafted and is currently under review. Legal frameworks and management capacities will be strengthened for the management of the urban areas. Several district towns as well as Thimphu and Phuentsholing will receive assistance to improve the urban environment.

Communications

The 1999-2000 budget allocation for this sector is 11%. The roads sector will continue to receive priority. Improvement of national highways will continue along with the start of a programme for construction of around 155kms of feeder roads and some bridges in the coming fiscal year. The direct beneficiaries of these roads will be people of Zhemgang, Trashi Yangtse, Lhuentse and Pemagatshel dzongkhags. It is hoped that the construction of these roads will enable people to exploit horticulture and other potentials as well as improve communication.

Under the telecommunications sub-sector, the important activities will be the introduction of Internet and Email facilities, National Television as well as the preparation of a Telecommunications Master Plan and the provision of telecommunication services for remote parts of the country.

Information Technology holds immense potential of becoming a major industry and a source of employment for our future generations. Given the improvements in our education system, it is the intention of the Royal Government to take full advantage of this technology. The formulation of an Information Technology Strategy has already begun. This is expected to provide the required focus and guidance for further development.

The introduction of television is another important milestone under this sector. It is expected to be an important force for national integration and promotion of our culture and language.

Under the transport sub-sector, the Royal Government is intensifying efforts to strengthen the Road Safety and Transport Authority. Major emphasis is placed on improvement of public transport facilities for improved safety, convenience and comfort of travellers. Furthermore, the capacity of the Road Safety and Transport Authority to carry out effective monitoring and stringent enforcement of safety regulations is being enhanced.

Energy

Energy is the sector with the greatest potential for development and the budget allocation for this important sector is 13%. This allocation does not include investments in Tala Hydropower Project and Kurichhu Hydropower Project. This sector is also the largest contributor to domestic revenues with Chhukha Hydropower Corporation alone accounting for nearly half of total domestic revenues today.

Policy initiatives in this sector include the phased corporatisation of Division of Power. This has become necessary to ensure that power distribution to all corners of the country is efficient and sustainable. While we have abundant power potential, its transmission is an expensive affair. The actual cost of power transmission for urban and industrial consumers is Nu. 2.49 per unit while the tariff in effect is only 60ch per unit. Similarly, the cost of power transmission for rural areas is about Nu. 7 per unit while the tariff in effect is only 50ch per unit. The large subsidy provided by the Royal Government is not sustainable and given the need to increase investment in power infrastructure, an increase on the present tariff has become necessary. However, in line with His Majesty's wishes, special consideration will be made for the rural people in the revision of the tariffs so that they remain least affected. The Ministry of Finance would like to point out here that the tariff used to be 80ch per unit as far back as 1982.

Major programme initiatives in the coming fiscal year include the second phase of rural electrification for which the Royal Government has negotiated a loan. Studies and programmes are also underway to provide other sources of energy for people and places that are not connected to the national power grid.

Financial Sector

Financial sector development is essential for further development and growth of the economy. Numerous problems, mainly legacy of past inadequate legislations, guidelines etc. are being corrected. The results of the Royal Government's interventions are coming to fruition. Non-performing assets as a percent of total loans have decreased to around 10% today from around 20% in 1995.

Continuous improvement strategies including increased banking supervision, project appraisal training, etc. will be pursued. The opening up of the sector to foreign investment should

also provide further impetus to the development of this important sector. Possibilities of deepening the sector will also be explored. Liberalization policies that have been initiated in the past will be further strengthened and complemented by additional policies and legislation where necessary.

The lack of clear and adequate legislation has been one of the main impediments to the development of the financial sector. Legal frameworks are essential for improving financial discipline and transparency of transactions, both for the borrower and the lender. The existence of clear legislation would also ease credit availability and thus provide greater opportunities for enterprise.

The Ministry of Finance is pleased to report that two important legislations, the Bankruptcy Act and the Moveable and Immoveable Properties Act is ready and will be presented to the National Assembly for enactment later during this session.

The Royal Government will also continue to fulfil its commitment of providing credit to the rural population. In the last fiscal year, the Royal Government provided, through the sale of bonds, Nu. 50m for the BDFC's rural credit program. This is a quarter of the Nu. 200m that the Royal Government will provide over the next few years. This is not easy for a government that has limited resources but will be maintained to enable the farmers to engage in income generating activities. It is hoped that these efforts will yield dividends in the future and take us closer to "Gross National Happiness".

In order to enhance the efficacy of the rural credit initiative, the rural credit program has been decentralised. The increased involvement of the rural people in decision making through the Geog Loan Committees, complemented by the establishment of three regional offices, is expected to decrease loan approval periods, enable closer monitoring of credit utilisation and improve delivery and recovery of loans.

Private Sector

The Royal Government remains committed to private sector development and will continue to pursue policies and programmes for its upliftment. The Royal Government earnestly believes that Bhutan's further progress hinges on developments and successes in the private sector. Efforts to create an enabling environment for increased commercial activity include numerous interventions such as further simplification of procedures for business licenses, import

license etc. The Royal Government is also studying Foreign Direct Investment, dry port warehousing and hard currency export promotion mechanisms among others. Important legislation essential for enhancing private sector activity is being promulgated. The efforts of the Royal Government in the financial sector should also benefit potential entrepreneurs.

In addition, the investments in the coming fiscal year and the increased momentum in the implementation of the mega projects will translate into unprecedented opportunities for private sector participation. It is hoped that these opportunities will vitalise and strengthen our relatively weak private sector that is yet to tap its full potential, especially in the manufacturing sector.

To further the policy of His Majesty the king to promote broad-based private sector development, the Royal Government will continue to divest its holdings in public enterprises. To ensure and encourage broad-based participation, shares will be sold subject to ceilings for individuals. In this respect, the Ministry of Finance is pleased to inform that the offer of Penden Cement Authority Limited shares was well received with an actual demand of 58,392 shares (as compared to the offer of 21,894 shares). Given the huge demand, the Royal Government decided to allot 30,752 shares. In the coming fiscal year, the Royal Government will divest shares in the Royal Insurance Corporation of Bhutan.

The Royal Government would like to reaffirm its commitment to the development of a broad-based and dynamic private sector that will assume its rightful place as the main engine of growth. The private sector must become capable of fulfilling the important responsibility of enhancing the productive capacity of the country and providing gainful employment to future generations.

Domestic Revenue

The recent visit of His Majesty the King to India and the consequent revision in the tariff of export power from Nu. 1 per unit to Nu. 1.50 per unit increased the domestic revenue estimate for the coming fiscal year by Nu. 669.549m. The total domestic revenue estimate for the coming fiscal year is now Nu. 3,869.791m which will adequately cover current expenditures.

Domestic revenue growth in the last three fiscal years averaged around 20% per annum. Efforts to increase this will be sustained. Significantly, the tax revenue as a proportion of the total domestic revenue is 45%. Given the fact that there has been no major revision to the tax policy, this reflects, in addition to a growing economy, improved administration and collection of taxes.

While there will be no major changes to our existing tax policy in the coming fiscal year, the sales tax will be subject to its periodical review.

The National Assembly had approved the introduction of Personal Income Tax (PIT) in the last session, and the present calendar year was to be the first year of PIT. However, due to the lack of readiness of the required legislation and also the substantial increase in the power revenue, the introduction of PIT as announced by His Majesty the King during the Silver Jubilee Celebrations will be deferred for the time being.

Summary of National Revenue Forecast:FY 1999-2000

Nu.in millions

Source of Revenue	Amount	Percent
A. Tax Revenue	1,757.562	45.42
1. Direct Tax	1,063.664	27.49
Corporate Income Tax	761.113	19.67
Salary Tax	26.109	0.67
Business Income Tax	74.824	1.93
Health Contribution	14.642	0.38
Royalty	178.778	4.62
Rural Tax	8.198	0.21
2. Indirect Tax	693.898	17.93
Bhutan Sales Tax	246.697	6.37
Export Tax	19.897	0.51
Excise Duty	325.068	8.40
Tax on Motor Vehicles	41.890	1.08
Import Duty	36.436	0.94
Business & Prof. Licenses	7.418	0.19
Other Tax Revenue	16.492	0.43
B. Non-Tax Revenue	2,112.229	54.58
Admin. Fees and Charges	57.910	1.50
Capital Revenue	41.278	1.07
Revenue from Govt. Divs.	471.715	12.19

Dividends	1,270.099	32.82
Transfer of Profits	243.000	6.28
Other Non-Tax Revenue	28.227	0.73
Grand Total	3,869.791	100.00

The Ministry of Finance would like to highlight to the National Assembly, as reported on several occasions in the past and as shown in the table above, that the people of Bhutan are among the least taxed in the world. While 80% of our population are employed in the rural sector, rural taxes account for 0.2% of domestic revenues. Similarly, Business Income Tax contributes less than 2% to total domestic revenues. In addition to low taxes, the Royal Government provides most service facilities at highly subsidised rates or totally free such as health, education, power etc. The Ministry of Finance would like to report that this has only been possible because of the enlightened leadership of His Majesty the King and His deep love and concern for the welfare of His people.

External Assistance

Bhutan has the good fortune of having forged enduring relationships based on mutual trust and respect with all our development partners. This is evident in the large generous assistance that we continue to receive to this day, a trend uncommon to most developing countries.

Capital expenditures are almost fully covered by our development partners. In the last four fiscal years our donors have funded on an average 55% of our expenditures ie. almost the entire capital expenditures. This is testimony to not only close relations but is the manifestation of a deeper common understanding and confirmation that the development path we have chosen is in consonance with desirable universal views and values. We acknowledge and share all the successes in our development history with all our donors, especially the Government of India, the first donor and oldest friend of Bhutan, and thank each and every one deeply for their goodwill and support. Our future is made less uncertain by these enduring relationships that have stood the test of time.

On our part, the Royal Government will pursue without relent the attainment of common aspirations. The Royal Government will also ensure that the precious resources provided by the donors (and their taxpayers) will be optimally utilised and spare no effort in ensuring that benefits

accrue to the intended beneficiaries. Any and every opportunity to further improve cooperation will be explored on a continuing basis.

Loans

The Royal Government will continue to exercise extreme caution in availing additional loans. The expansion in loans utilisation over the last 3 fiscal years has been around 10% per annum. This reflects progress in implementation. This will rise as fresh loans will be availed in the coming fiscal year for rural electrification, rural roads and urban development. These are all highly concessional loans, sustainable and will not endanger or burden our children in the future. On the contrary, the careful investment will ensure that there are more opportunities and security for our country in the future. As a rule of thumb, the Royal Government will resort to debt only within the confines of our repayment and absorptive capacity and as a last alternative.

The external debt outstanding in convertible currency is USD 97m today and the Rupee debt on account of Chhukha Hydropower Corporation is Rs. 787.950m. The total debt servicing for fiscal year 1999-2000 amounts to Nu. 285.837m. Of this, Nu. 125.845m services the Rupee debt and an equivalent of Nu. 159.992m, the hard currency debt. The debt service ratio is around 9%. Our total debt compared to a reserve position of USD 280m reflects prudent approach to loan finances. However, the Rupee debt will increase sharply on account of the large investments for Tala Hydropower Project and Kurichhu Hydropower Project once the projects are at an advanced stage and the grant portion has been fully utilised. This should only pose a short-term challenge as these are sound investments that will generate large revenues upon completion. These projects will eventually become the backbone of our economy for further development.

Economic Prospects

The policies and programmes mentioned above and the progress in the implementation of the mega projects is expected to have a significant impact on the economy. We should witness an unprecedented level of activity all around the country and all through this plan. As a result, we expect the present positive growth rate of 6% to be surpassed. While the current account will be negative, the overall balance of payment is expected to be positive, around current levels of 10-11% of GDP. Given the stability in India, the inflation is anticipated to remain around present levels of 12% and exchange rates are expected to be stable.

While we have enjoyed sustained growth rates for over a decade, there is a clear need now to pay close attention to promotion of exports and the narrowing of the current account deficits. The current account with India is no longer a concern due to the large export of power.

However, the current account gap with the non-Rupee market is not only negative but likely to widen as a result of the growing demand for third country imports. Such a trend in the trade pattern is not sustainable and furthermore, exposes our economy to undue external shocks. It is now of utmost importance for the Royal Government to promote third country exports and convertible currency earning activities.

Conclusion

The fiscal year 1999-2000 is certain to be an exciting and successful year, being set off by the Silver Jubilee Celebrations around the country. The year will see increased activities as evidenced by the sizeable budget allocations. Moreover, the introduction of TV, Internet etc. will bring changes that will impact our country forever. It will also be the fiscal year that will bridge two centuries and take us to the next millennium.

The economy will receive impetus from increased Government expenditure and a stepping up of the implementation of the mega projects. Infrastructure activities such as rural roads, rural electrification, communication facilities, schools etc. will also take place throughout the country.

Bhutan will step into the next millennium with most of its natural resources intact, sound policies, a high level of social services and a pristine environment where tradition and culture flourish. With the solid economic, social and political foundation that has been built, we are poised to enter the next century with determination and confidence. However, while we take pride in our accomplishments, let us also remind ourselves to always be mindful, dedicated to remaining a united country and most importantly, to submit ourselves wholly to the leadership and guidance of His Majesty the King.

The true fortune of Bhutan began with the establishment of the hereditary Monarchy. The enlightened leadership has seen our country safely and securely through this century and we remain confident that as long as our people place their trust and faith in the leadership of His Majesty the King, Bhutan will materialize its dreams.

On the auspicious occasion of the Silver Jubilee celebrations, let us rededicate ourselves to serve and protect our King, Country and People. May the blessing of the guardian deities of the Palden Drukpa and the hard work and enlightened leadership of our beloved King continue to bring peace and prosperity to the people of Bhutan for all time.

Selected Monetary and Financial Indicators

Items	Description	1997/98	1999	March	Percent	Change
Millions of Nu.						
1	Total Assets of the Financial Sector	16,906.70	19,421.70		14.9	
	a. Royal Monetary Authority	7,666.80		9,208.40		20.1
	b. Four Financial Institutions	9,239.90	10,213.40		10.5	
2.	Money Supply	6,063.10	7,319.40		20.7	
	a. Quasi Money 1/-	3,562.90		4,440.50		24.6
	b. Demand Deposits	1,327.10		1,974.40		48.8
	c, Ngultrum in Circulation	1,050.30	740.70	-29.5		
3.	Domestic Credit	1,245.60		-75.00		-106.0
	of which Private Sector	1,242.10	1,287.50		3.7	
Millions of USD						
4.	Gross International Reserves	215.5		280.5		30.2
	a. Convertible Currencies	177.2	197.5		11.5	

Millions of Rs.			
b. Indian			
Rupees	1,629.10	3,520.40	116.1
5. Exchange			
Rate for USD			
(Period Average)	38.4	42.5	10.7
6. Consumer			
Price Index (%)	9	12.1*	

Note:

1/- quasi money includes foreign currency deposits & time deposits * consumer price index for 1998 is for the month of December.

Selected Monetary and Financial Indicators

Items Description	1997/98	1999 March	
			In Percent
7 Structure of Interest Rates			
a. Deposits	5.0-7.0	5.0-7.0	
i) Savings			
ii) Fixed Deposits			
3 months to			
1 year		8.0	8.0
1 year to less than			
3 years		10.0	10.0
More than 3 year	11.0		11.0
b. Lending Rates			
i) Export Finance	13.0		13.0
ii) Manufacturing,			
Service,			
Transport,			
Agriculture	13.0		13.0
iii) Housing	14.0		14.0
iv) Working Capital	15.0		15.0

v) Personal and General Trade	16.0	16.0
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