

**PROCEEDINGS AND RESOLUTIONS OF THE 75th SESSION OF THE NATIONAL
ASSEMBLY HELD FROM 20TH JUNE TO 16TH JULY, 1997**

I. OPENING CEREMONY

The 75th Session of the National Assembly of Bhutan began on the morning of the auspicious 15th Day of the 5th Month of the Female Year of the Fire Ox corresponding to June 20, 1997 with the performance of the traditional ceremony of the Zhugdrel Phuntsum Tsogpai Tendrel.

In his opening address, the Speaker of the National Assembly, Dasho Kunzang Dorji, welcomed His Majesty the King, the representatives of the Central Dratshang and the Rabdeys, ministers and officials representing the government and the representatives of the people. He expressed his deep gratitude for the trust and confidence reposed in him by His Majesty the King and the hon'ble members by electing him as Speaker of the National Assembly. He pledged to serve the Tsa-Wa-Sum with unwavering devotion and loyalty and uphold the age-old institution of the Palden Drukpa.

The Speaker also extended his Tashi Delek to the new representatives of the Dratshang, the government and the people who were attending the National Assembly for the first time. He reminded all the members of the very important role they had to play in the decision making process of the country and in ensuring socio-economic progress in Bhutan.

Our country, the rich paradise of medicinal herbs and sandalwood, was blessed by Ugyen Guru Rimpoche as his sacred abode, said the Speaker. It had also been blessed by many sages and revered Lamas, the foremost of whom was the great spiritual leader Shabdrung Ngawang Namgyal who unified the country into a sovereign, independent nation. Following a period of internal discord and instability before the turn of the last century, during which the people faced great hardship, the well being of the nation was ensured with the establishment of the cherished system of hereditary monarchy, said the Speaker. With the blessings of the Triple Gem, the protection of the Guardian Deities and the good fortune of the people, Gongsar Ugyen Wangchuk, the Trongsa Poenlop, was unanimously elected as the first hereditary monarch of Bhutan in 1907. Thus began an era of unprecedented peace and stability and phenomenal progress for our country.

The Speaker reminded the members that His Majesty Jigme Dorji Wangchuk, the third hereditary monarch of Bhutan, had established the National Assembly in 1953 so that the

King, officials of the government and representatives of the people could sit together and discuss the socio-economic development of the country and all issues of national importance. His Majesty the Third Druk Gyalpo also started the process of planned development in Bhutan. Since then, after His Majesty the present monarch ascended the Golden Throne, the security and sovereignty of the country had been greatly strengthened. According equal importance to the spiritual and material well-being of the people, His Majesty has preserved and renovated existing religious institutions and also established new religious institutions and Lhakhangs complete with sacred images and precious articles of religious worship. At the same time, with the well-being of the Bhutanese people foremost in his mind, His Majesty has also reposed great trust and confidence in them. Giving high priority to the policy of decentralization, His Majesty established the Dzongkhag Yargay Tshokchungs (District Development Committees) during the 5th Five Year Plan to promote active people's participation in development. In 1991, His Majesty instituted the Gewog Yargay Tshogchungs (Block Development Committees) to further decentralise the decision-making process. With His Majesty's farsighted vision and dynamic leadership, all sectors of socio-economic development like Health, Education, Agriculture and Livestock, and Trade and Industry had seen unprecedented growth. The people of Bhutan have never enjoyed such peace and prosperity, said the Speaker.

However, since 1990, disgruntled people in the southern parts of the country had indulged in subversive activities to harm the well-being of the country and the people. The terrorist activities perpetrated by the ngolops had resulted in the loss of human life, serious setbacks to development programmes, and endangered the security of the country. However, because of His Majesty the King's farsighted leadership and the unwavering dedication and loyalty of the security forces, the integrity and security of the country had been safeguarded and preserved.

The Speaker reminded the Assembly that the 7th Five Year Plan would be completed by the end of June and the 8th Plan would commence from July 1, 1997. With the blessings of the Guardian Deities, the wise and farsighted leadership of His Majesty the King, and the good fortune of the people, the country had not only been able to make tremendous socio-economic progress but had also succeeded in safeguarding its peace and security despite the very difficult times it had faced as a result of the ngolop problem. As in the past sessions, the genuine concerns of the people for the security of the country were reflected in the agenda which had been received from the people of the 20 Dzongkhags. It was,

therefore, appropriate that such issues of national concern should be discussed by the National Assembly.

The Speaker reminded all the members that they had been nominated by the Central Dratshang and Rabdeys and the government, and elected by the people of their constituencies as the best persons to represent them. He also reminded the members that the National Assembly was the highest decision-making body where matters of national importance were deliberated. He, therefore, expressed his hope and confidence that the hon'ble members would all keep in mind the national interest and well-being of the country, and endeavour to participate in the deliberations in a manner worthy of the trust and faith reposed in them. With these words, the Speaker declared open the 75th Session of the National Assembly.

II. DISTRIBUTION OF DOCUMENTS

Following the opening ceremony, the Ministry of Finance distributed copies of its report on the 1996-97 Budget and the 1997-98 Budget to every member of the National Assembly.

Making a brief statement after distributing the document, the Finance Minister expressed his appreciation to the previous Speaker, Dasho Passang Dorji, for successfully completing his tenure after serving nine years as Deputy Speaker and Speaker of the National Assembly. On behalf of all the members, the Finance Minister also congratulated Dasho Kunzang Dorji who had been elected as the new Speaker on June 18, 1997 and had been conferred with the scarf for the post by His Majesty the King on the auspicious occasion of the opening of the 75th Session of the National Assembly. He reminded the members that the National Assembly was the highest body which discussed important issues affecting the present and future well-being and security of the nation. He expressed his hope and confidence that under the guidance of the new Speaker, the deliberations of the 75th Session of the National Assembly would be successful.

The Finance Minister informed the members that the document distributed by the Finance Ministry contained a report on the budget for the first year of the 8th Five Year Plan. It also contained a report on the expenditures and revenue under the budget for the fiscal year 1996-97 which had been approved by the 74th Session of the National Assembly. Since the 7th Five Year Plan was ending on June 30, 1997, the report also contained an account of the progress made in the implementation of development activities and establishment of service facilities during the 7th plan. He said that this document was being distributed two days before the formal presentation of his report on June 23, 1997 so that the members

would have time to read and study the document. He requested the members to express their views on June 23.

The Planning Ministry also distributed a report on the 8th Five Year Plan. The Planning Minister reminded the members that since the 8th Five Year Plan would begin on July 1, 1997, it was important for the members to read and study the document carefully. They should express any doubts and views they had on the report on June 23 when he would make a detailed presentation of the report.

III. BHUTAN-CHINA BOUNDARY TALKS

The people's representative of Chang and Kawang gewogs in Thimphu Dzongkhag, after offering his Tashi Delek to His Majesty the King, the new Speaker and all the members of the National Assembly, on the auspicious occasion of the opening of the 75th Session of the National Assembly, requested for information on the Bhutan-China boundary talks. The representative said that having completed 11 rounds of border talks so far, and in keeping with the decision of the 74th Session of the National Assembly, the public requested for a briefing on the progress of the talks and any difficulties regarding the negotiations so that they could have a better understanding of the issue.

Before addressing the Assembly on the topic of Bhutan-China boundary talks, the Foreign Minister first extended his Tashi Delek and congratulation to the new Speaker on his election to this important post and expressed his deep appreciation, on behalf of the Assembly, to the previous Speaker, Dasho Passang Dorji, for carrying out his duties successfully with utmost dedication. The Foreign Minister then informed the members that a Bhutanese delegation led by himself and which included the Secretary of Survey visited Beijing in November last year for the boundary talks. The Bhutanese delegation put forward Bhutan's claims to Doklam, Sinchulung, Dramana and Shakhatoe in the western sector of the northern border and stressed that these were vital as pasture land for the people of Ha valley. Furthermore, in accordance with the views expressed by the members of the National Assembly during the 74th Session, the Bhutanese delegation informed their Chinese counterparts that Tibetan herdsman had been intruding into Majathang and Jakarlung, in the central sector of the boundary, and had even constructed sheds. The Foreign Minister said that the Chinese officials did not make any comment on the Bhutanese territorial claims but on the question of intrusion by Tibetan herdsman, they pointed out that China had made a package proposal to Bhutan during the seventh round

of talks. They had offered to give Bhutan the Pasamlung and Jakarlung valley, with an area of 495 square kilometres, in the central sector of the boundary, if Bhutan agreed to concede in the western sector. The Chinese said that since there was no agreement on the proposal, they could not control the activities of the Tibetan herders along the border. The Minister informed the Assembly that nevertheless the Chinese had agreed to look into the question of the intrusion in the Majathang and Jakarlung areas.

The Foreign Minister informed the National Assembly that a Chinese delegation led by the Vice Foreign Minister would come to Thimphu for boundary talks in August this year. The Bhutanese delegation would not only discuss all the pending issues pertaining to the northern border but would also faithfully convey the views of the National Assembly members to the Chinese delegation .

The people's representative of Ha submitted that although the subject of the northern boundary in the western sector, which was the pasture land of the Haps, was discussed during the 73rd Session of the National Assembly, he was once again compelled to speak on it. As the livelihood of the people of three of the five gewogs of Ha Dzongkhag were dependent on their yak herds, the areas of Doklam, Sinchulung and Shakhatoe were extremely important pasture land of these people. Moreover, since time immemorial, generations of Haps had lived and grazed their herds in these areas. As the land was within Bhutan, there had never been any question of paying taxes to the Tibetans and the Haps had never paid even half a Chhetrum as tax to the Tibetan government for those lands. Furthermore, as the Tibetans had never claimed these lands, there had never been any dispute over them during the past many generations. Therefore, there was no reason at all why a dispute should now arise concerning those lands with the Chinese government. The people's representative of Ha stressed that when the Royal Government conducted negotiations with the Chinese government on the boundary issue, the views expressed by the public should be borne in mind.

In response, the Secretary of Survey said that judging from the repeated submissions in the National Assembly by the people's representatives regarding the Bhutan-China boundary talks, it appeared that there were some doubts that the Bhutanese delegation may not have been concerned enough while conducting the negotiations. He clarified that the talks were carried out in complete conformity with the instructions of His Majesty the King and the resolutions of the National Assembly and that the decision of the 74th session had been particularly kept in mind during the last round of talks in Beijing.

His Majesty the King clarified that the Chinese wanted to exchange Pasamlung and Jakarlung valleys, with an area of 495 square kilometres, with the pasture land of Doklam, Sinchulung, Dramana and Shakhatoe, totaling 269 square kilometres. His Majesty suggested that the issue should be discussed in the Assembly since the 12th round of boundary talks was going to take place soon in Thimphu. His Majesty the King also reminded the members that the disputed areas of the northern border were 495 square kilometres in the central sector and 269 square kilometres in the western sector comprising of 89 square kilometres in Doklam, 42 square kilometres in Sinchulung and 138 square kilometres in Dramana and Shakhatoe.

The Bumthang Chimi submitted that the boundary in the Bumthang area had been thoroughly discussed during the 74th session and that the two areas north of Bumthang, Pasamlung and Majathang, were Bhutanese territories since ancient times and that the traditional border was at Choegongla. He said that the Chinese proposal to exchange the lands in the western sector with those in the central sector in Bumthang was untenable as both the areas had always belonged to the Bhutanese. He said the Bhutanese delegation at the boundary talks should explain this matter very clearly to the Chinese side.

Similarly, the people's representative of the Bhutan Chamber of Commerce and Industry said that since the disputed lands were actually Bhutanese territory, the question of exchanging them as proposed by the Chinese delegation did not arise. In this regard, he recalled that during the visit of Pandit Jawaharlal Nehru, the Prime Minister of India to Bhutan in 1958, Bhutanese officials had received the Indian Prime Minister at the border which was known locally as the Langmarbi Chhu (Red Bull River). The Chinese officials received him across the bridge over the Langmarbi Chhu on the northern side and the Bhutanese officials received him on the southern side of the bridge.

The Deputy Minister of Agriculture stated that the National Assembly had resolved in its past sessions that, in the course of the border talks between Bhutan and China, not even a small piece of Bhutanese territory should be ceded to the other side. He said that until the 10th round, the border talks focused on clarifications on the different sectors of the northern border. It appeared that in the 11th round, the Chinese had made a proposal to exchange lands which were in fact Bhutanese territory and therefore obviously not acceptable to Bhutan. With a large number of Bhutanese people dependent on livestock for their livelihood, these pasture lands were vital for their survival. He said that each

disputed area in the Bhutan-China boundary should be discussed separately and that the negotiations should not be conducted like a business transaction.

Likewise, in their statements, the people's representative from Thimphu and a Royal Advisory Councillor submitted that the disputed areas in the western sector of the northern border were Bhutanese territory owned by the people of Ha for generations and which constituted vital pasture land for them. They said that, as in the past, the Bhutanese delegation should continue to brief the National Assembly on the progress of the Bhutan-China boundary negotiations.

While some of the people's representatives insisted that the Foreign Ministry and the Survey Division should explain on what basis the Chinese were laying claim to Bhutanese territory, other members said that in their opinion it appeared that perhaps China which was a powerful country may be exerting pressure on a small country like Bhutan. They all stated that the Bhutan-China boundary should be resolved and demarcated on the basis of the traditionally recognized borders that have existed since time immemorial.

The Secretary of Survey informed the members that as reported to the National Assembly in its past sessions, a four-point guiding principle for the boundary negotiations had been agreed to during the 5th round of the Bhutan-China boundary talks. In 1989, before the talks were held in Thimphu that year, the Bhutanese survey and army officials conducted field verifications along the northern border points. These officials were accompanied and assisted by local people who knew the borders well. Thereafter, during the 68th Session of the National Assembly, a sand model and a map of the border areas clearly delineating the boundaries were exhibited to all the members of the National Assembly at the Lungtenphu complex. That map was duly attested by the Speaker and the Deputy Speaker. The Secretary submitted that the border talks had always been guided by the decisions and the resolutions of the National Assembly and henceforth also the Bhutanese delegation would not deviate from this practice.

The Minister for Trade and Industry informed the members that the Chinese government had made some proposals at the beginning of the negotiations to which Bhutan had not responded. They had, for example, proposed that the negotiations be based on the establishment of bilateral trade and diplomatic relations. This might be the reason for the new proposal, he said.

The Foreign Minister assured the members that when the Chinese delegation, led by their Vice-Minister for Foreign Affairs came to Thimphu in August this year for the next round of talks, the Bhutanese delegation would faithfully inform and explain to them the views expressed by the hon'ble members of the National Assembly concerning the Bhutan-China border. He said that it would be highly beneficial for the Chinese delegation to know the views of the National Assembly. Further, the Minister informed the Assembly that although in the past sessions each disputed area had been discussed separately, from the 7th round, the Chinese had proposed that the disputed area in the western sector may be ceded to them as they considered it of great importance to them for their security, and in exchange they had proposed that the Pasamlung area would be ceded to Bhutan. The National Assembly had not approved this proposal and in accordance with the decision of the National Assembly, the Bhutanese delegation had not agreed to the Chinese proposal. The Foreign Minister assured the members that, in the future also, no decision would be taken regarding the northern boundary without the approval of the National Assembly. Therefore, the hon'ble members should not have any concern or doubt on the issue.

The Foreign Minister expressed his opinion that it would be better to conduct the talks without haste and with great care and patience as it involved the national interests of the country. He reminded the Assembly that China was one of the largest and most powerful nations in the world today. A small country like Bhutan must be tactful in its approach to its boundary negotiations with its large neighbour. He said that it was very important to maintain good relations in the process of the negotiations.

In summing up the discussions, the Speaker expressed his satisfaction that the Sino-Bhutan boundary issue had been discussed in great detail by the Assembly. He said that the Royal Government should keep in mind the deep concerns of the people and the national interests of the country during the boundary negotiations.

The National Assembly directed the Bhutanese officials participating in the boundary negotiations to report the outcome of the 12th round of the talks to the next session of the National Assembly.

IV. RESETTLEMENT OF LANDLESS PEOPLE

The people's representatives of 35 gewogs from Mongar, Sarpang, Pema gatshel and Samdrupjongkhar Dzongkhags submitted their request for resettlement of landless people and Tseri cultivators.

The people's representative from Mongar conveyed the gratitude of the people to His Majesty the King for announcing the resettlement programme for landless people and Tseri cultivators during the National Day at Gelephu last year. This announcement was an answer to the people's repeated submissions in the 70th, 71st, 72nd and 73rd sessions of the National Assembly for resettlement of landless people. There were 674 households from Mongar Dzongkhag that had applied for immediate resettlement. He said that the people were inquiring when the resettlement programme would commence.

Submissions were also made by the people's representative from Sarpang, on behalf of the people of Bhur, Serzhong, Gelephu, Dhanabari and Kalikhola gewogs in Sarpang Dzongkhag, that landless people should be resettled on vacant land in their Dzongkhag. The vacant land, overgrown with forests, was providing a haven for terrorists and also for wild animals. Resettlement would not only provide security for those living in the nearby villages against the continued raids by ngolops, but it would also stop the migration of people to urban areas.

The people's representative from Pemagatshel also reiterated the repeated requests made by the people from her Dzongkhag for early resettlement of landless people and Tseri (shifting cultivation) cultivators on land available in any part of the country. She requested for an early implementation of the resettlement programme.

Similarly, the people's representatives of Samdrupjongkhar and Sarpang Dzongkhags requested that the resettlement of landless people on vacant land in the south be considered on an urgent basis. Although this request had been made repeatedly in the previous session, it had become necessary to re-submit the request. The vacant land were turning to forest which could provide a safe haven for terrorists, and wild animals from the forested areas were damaging crops. Early resettlement in these areas would go a long way in restoring peace and stability and safeguarding the security of the people against ngolop raids. Resettlement would not only provide much needed land to the landless people, but also help to reduce the expenditure for security. The resettlement programme would, therefore, have multiple benefits.

The people's representative from Sarpang Dzongkhag, expressed the deep gratitude of the people to His Majesty the King for celebrating the 90th National Day in Gelephu on December 17, 1996, despite the problems in the Dzongkhag since the outbreak of ngolop activities in 1990. He requested for an early implementation of the resettlement programme as announced during the National Day Celebration last year.

Responding to the submission by the people's representatives, the Home Minister informed the members that as decided by the National Assembly under Section VI of the proceedings and resolutions of its 74th Session, His Majesty the King had issued a Kasho in July 1996, to establish a National Resettlement Committee. The Committee comprising the Home Minister (as Chairman), the Chief Operations Officer of the Royal Bhutan Army, the Secretary of Survey and the Secretary of Agriculture was directed to take steps to resettle people who were landless or had insufficient land, and people dependent on Tseri cultivation so that they could enjoy a better quality of life

The Home Minister reported that the committee had held several meetings and started processing the list for resettlements along the guidelines issued by the Royal Government. The committee had already received 10,104 applications, of whom 2,069 had directly applied for land Kidu to His Majesty the King, while 8,035 had applied for resettlement through the Dzongkhags. Meanwhile, resettlement areas covering 36,981 acres in several Dzongkhags were being surveyed. It was important to identify suitable land for farming and study numerous other factors such as availability of water and accessibility for providing service facilities to the resettled families. The Home Minister reported that despite all efforts to carry out the instructions of the government and fulfil the wishes of the people, progress had been slow due to several valid reasons.

He pointed out that the 10,104 applications required individual case by case examination by the respective Dzongkhags. The survey of the land for resettlement took time because there was serious manpower shortage since the Survey Division was already committed to completing the cadasdral survey of all the 20 Dzongkhags by the end of the 7th Five Year Plan. Since the resettlement areas were mostly forest land, and being near disturbed areas security had to be provided for the survey teams, field verification had been difficult and time consuming.

The Home Minister acknowledged that it would indeed fulfill the wishes of the people and be a source of satisfaction to those implementing the programme if it were possible to

implement the resettlement programme at this point of time. However, since it would not be feasible to start resettlement during the monsoon season, every effort would be made to start the resettlement programme by October, 1997.

The Deputy Minister for Agriculture submitted that the Ministry of Agriculture supported the requests of the people's representatives for early resettlement. He said that in many of the Dzongkhags, Dungkhags and Gewogs, there was an acute shortage of arable land due to population increase and land fragmentations over the years. He informed the members that there were more than 3,500 landless households, more than 25,000 households completely dependent on about 300,000 acres of Tseri land, and at least 16,000 households owning less than two acres of farm land.

Over 44,500 households in the rural areas were in acute need of land to sustain themselves. That was why the people had been repeatedly requesting for resettlement on productive agricultural land during the past several sessions of the National Assembly.

The Deputy Minister also pointed out that His Majesty the King had, till date, granted 63,660 acres of land to 14,161 families with land Kidu. Nor was resettlement a new programme. Since 1974, His Majesty had initiated 18 resettlement projects. These projects had helped raise the living standards of the people, discourage rural-urban migration and increase food productivity and self sufficiency, and reduce Tseri cultivation, thereby promoting environmental preservation.

If scattered and isolated villages and households were to be left in their present locations on difficult and inaccessible terrain, they would not benefit from development programmes even after another 20 years. On the other hand, if they were resettled in suitable areas, it would be possible to provide them with cost effective infrastructure and service facilities.

The Deputy Minister suggested that the resettlement programme should be taken up in phases, with priority given to landless households and those completely dependent on Tseri cultivation.

The Planning Minister pointed out that Bhutan was, today, one of the acknowledged international leaders in preserving the bio-diversity, but the practice of extensive Tseri cultivation was having a negative impact on the environment. Having always looked after the Kidu of people with insufficient land, His Majesty the King had further commanded that the resettlement programme should promote balanced development for the people of

the 196 gewogs in the 20 Dzongkhags of the country. The resettlement programme would also facilitate the effective implementation of development programmes.

The Planning Minister pointed out that by the end of the 7th Plan there would be 312 educational institutions and 659 hospitals, BHUs and health centres in the country besides an impressive network of roads and telecommunication facilities. He pointed out that in proportion to the size of the population, the number of educational institutions and health facilities was already high. However, due to the scattered location of many villages in difficult and inaccessible terrain, the Royal Government had not been able to fully achieve its developmental goals. The solution to this problem was to implement resettlement programmes in suitable areas where service facilities can be established cost effectively and development programmes carried out successfully. The Planning Ministry fully supported the implementation of the resettlement programme this year as reported to the National Assembly by the Home Minister. The resettlement of landless people and Tseri cultivators would greatly benefit both the government and the people.

Many Chimis, recalling that repeated requests had been made during the previous sessions of the National Assembly for the resettlement in the south of people who were landless or dependent on Tseri and Pangshi cultivation, expressed their appreciation that the Royal Government had decided to implement the resettlement programme from October 1997. They requested for the resettlement programme to be implemented without postponement from this date.

The Sarpang Dzongda pointed out that an early implementation of the resettlement programme in the south would greatly benefit the security of the people in the southern Dzongkhags. The continued threat from terrorist attacks by the ngolops would be reduced and they would be prevented from establishing camps in the forested areas in the south. Agricultural activity and productivity would also be promoted for the benefit of the people and the country.

The people's representatives expressed their appreciation for the Royal Government's decision to start the resettlement programme in the south from October 1997 and requested that this decision be implemented without any changes.

The National Assembly decided that the implementation of the resettlement programme would begin from October 1997. In keeping with the resolutions of the past sessions of the National Assembly on this issue, the first preference for resettlement would be given to the landless people followed by those who were dependent on Tseri cultivation and lastly those who did not have sufficient agricultural land.

V. REPORT ON THE 1996-97 BUDGET AND PRESENTATION OF THE 1997-98 BUDGET.

On Monday, June 23, the Finance Minister, Lyonpo D. Tshering, submitted his report on the 1996-97 budget and presented the 1997-98 budget to the National Assembly.

REPORT ON THE 1996-97 BUDGET

The Finance Minister reported that the conclusion of the current fiscal year had brought the 7th Five Year Plan to a successful end. The objective of the Royal Government of covering recurrent cost by domestic revenue had been achieved, and the country, under the dynamic leadership of His Majesty the King, continued to record impressive achievements in all round development, particularly in the social sector. The Royal Government also continued to follow a policy of sound fiscal management and was able to retain the overall budget deficit at a level below 3% of GDP. The support of our development partners in terms of technical and financial assistance remained strong and enabled Bhutan to progress rapidly on the path of socio-economic development, he said. Aid management and utilization also continued to be amongst the best in the developing world.

The most important feature of the 1996-97 budget was the 25 percent increase in the salary of civil servants and of other government employees. The wages of Gups, Chimis and the national work force were also enhanced considerably. During the course of the year, the salary of the Royal Bhutan Police personnel was further enhanced by 25 percent. On the economic policy front, the Royal Government initiated liberalization of imports and removed quantitative restrictions. With a view to streamline and improve the procedures and to institute a transparent system, a simple but comprehensive tariff structure was introduced. The earlier system of levying 100% duty on any import for which exemptions have not been obtained had been replaced by a simpler system of tariff rates for different types of goods.

The original outlay of Nu. 5,927.32 million had increased to Nu. 5,999.93 million. This represented a slight increase of 1.23%. The capital expenditure decreased by 3.68%. The decrease was the result of lower aid disbursement in certain major projects. The current expenditure increased by 7.23% to Nu. 2,357.27 million. While the objective of controlling the recurrent costs was vigorously pursued, it had been necessary to provide supplementary budget for various important activities.

The revenue originally projected at Nu.1,980.37 million was expected to increase to Nu.2,375.66 million by the end of the fiscal year registering a growth of 20%. Domestic revenue was, therefore, able to cover the entire recurrent cost which is an outstanding achievement considering the large increase in the recurrent budget on account of the increase in the salary of government employees and the police force during the fiscal year, said the Finance Minister. The main contribution to the additional revenue came from the enhancement in the tariff for the sale of Chhukha power to India. During the visit of His Majesty the King to India in January 1997, the Government of India agreed to increase the Chhukha power tariff to Nu.1 per unit from the earlier rate of Nu.0.50 per unit. This resulted in an increased earning of Nu.124 million during the last three months of the fiscal year.

The overall budget deficit projected at 4% of the GDP was reduced to less than 2% further ensuring Bhutan's progress towards sustainability and self-reliance.

Since the inception of planned development, Bhutan had made impressive strides in all round development resulting in improved standard of living and greater well-being for all the citizens. While the developments in agriculture, communication, conservation of the environment and other sectors had also been impressive, the most remarkable achievements had been in the areas of health and education. Bhutan had already achieved 72% enrollment for education and over 90% primary health care coverage. The literacy rate had increased to 54% and life expectancy had increased to 66 years. Notwithstanding the achievements, the Royal Government continues to provide over 22% of its entire annual budget to the social sector, and the services are still provided free to the people, said the Finance Minister.

On the macro-economic front too, the 7th Plan had been a great success. The economy achieved a sustained average growth rate of 6% over the plan period which was amongst the highest in the region. The GDP per capita reached a level of US\$ 545 also indicating that the income level of the average Bhutanese was higher than in most of the neighbouring

countries. As a result of the high priority that the Royal Government attached to equitable income distribution, there was no widespread disparity of wealth in Bhutan.

The prudent fiscal and monetary policy pursued by the Royal Government also ensured stability with inflation remaining at a single digit level on average during the plan period. The currency exchange rate also remained stable over the period creating a conducive environment for investment and growth.

The balance of payments position continued to grow stronger as a result of better export performance and improved aid disbursement. The most noteworthy achievement was in the balance of payments with India which had always been negative throughout the previous Plans. During the last Assembly session, the Finance Ministry had reported that the Rupee reserve was only Rs.160 million but today we are happy to inform the hon'ble members of the National Assembly that our Rupee reserves have reached a level of Rs. 900 million, said the Finance Minister. As a result of the improvement in the balance of payments situation, the total reserves of the country including Rupees had grown to the equivalent of US\$ 170 million or Nu. 6,120 million which was adequate to cover 24 months import requirement. This was a remarkable achievement by any standard and had enhanced Bhutan's self reliance in a significant manner.

The Royal Government, over the years, as a matter of policy, had been very cautious in availing of external loans and as a result, the external debt of the country did not increase significantly during the plan period. The external debt in convertible currency stood at US\$ 81.87 million, whereas the Rupee debt was Rs.970 million. The debt service ratio was 12% which was considered to be at an internationally acceptable level. It is to the Royal Government's credit that the loans had been used mainly for setting up highly profitable and revenue generating industries which had become the backbone of the Bhutanese economy, said the Finance Minister.

The budget deficit also remained at a low level of 2.5% of GDP on the average as a result of sound fiscal management practices. The performance on the revenue front and continued efforts to cut costs had enabled Bhutan to balance current expenditures with domestic revenue.

In keeping with the policy of liberalization, the Royal Government had introduced a transparent and comprehensive customs tariff structure aimed at promoting trade and industry in the private sector. The new customs tariff was among the lowest in the region

with exemptions for essential items and the highest rate being only 30% except for alcohol and tobacco. Foreign exchange availability for current and capital accounts were also made more liberal. In another move to enhance economic growth, the sales tax schedule was revised to reduce the rates significantly for the industrial and transport sectors.

The financial sector also saw several reform measures to make the sector stronger and more responsive to the needs of the economy. Interest rates had been partially deregulated and various legislations were under preparation. A new bank had been established and the Royal Monetary Authority had introduced various measures to develop a sound financial system such as prudential guidelines, supervision and inter-bank cooperation, said the Finance Minister.

The 7th Plan started amidst one of the most troubled times in the history of Bhutan. The southern Bhutan problem not only seriously disrupted development but threatened the very existence of the nation. The continued anti-national propaganda as well as frequent terrorist incursions in the border areas created an environment of fear and uncertainty which not only impeded development but created serious security problems. The Royal Government, however, with the blessings of the Guardian Deities and the enlightened leadership of His Majesty the King, was able to steer the nation safely through this unprecedented crisis and take the country towards greater achievements. In spite of the serious security problems, the Royal Government spared no efforts and managed to restore most of the service facilities, destroyed by anti-national elements, for the benefit of the Southern Bhutanese people.

The Finance Minister reported that the Plan period had also witnessed the commencement of the construction of large projects like the Kurichhu and Basochhu power projects, the Dungsum Cement Project and the Tala Hydro Power Project.

PRESENTATION OF THE 1997-98 BUDGET

The Finance Minister submitted that the fiscal year 1997-98 heralded the beginning of the 8th Five Year Plan which would start on 1st July 1997 and end on 30th June 2002. Given the overall success of the 7th Plan, particularly in achieving self-reliance in meeting the recurrent cost from domestic revenue, the 8th Plan was starting on sound footing. The Plan itself with an outlay of Nu.30,000 million basically aims at consolidation and improvement of all social infrastructure, he said. The Plan size was nevertheless 92.4% more than that of

the 7th Plan outlay. The main reason for the large outlay was the high cost of construction, growing size of the social sector and greater emphasis on quality.

In addition to the planned consolidation and improvement of social infrastructure, the 8th Plan period was expected to usher in an era of unprecedented growth and opportunities. All the large projects like the Kurichhu, Basochhu and Tala Hydro Electric Project as well as the Dungsum Cement Project would be under implementation right from the beginning of the 8th Plan. Moreover, the overall improvement in the socio-economic infrastructure, including institutional aspects, was expected to broaden the base and further strengthen the capability of the private sector and enable it to assume its rightful role as the engine of growth.

The 8th Plan envisages an outlay of Nu.30,000 million of which Nu.16,076.94 million is the projected recurrent expenditure and debt repayment and the remaining Nu.13,923.06 million is the projected capital expenditure, reported the Finance Minister. Domestic revenue was projected at Nu.15,912.02 million and the balance amount of Nu.14,088 million is expected as external assistance. During the course of the Plan, these estimates covering an overall period of five years, would invariably undergo changes if there was substantial change in the size or cost of major activities.

The fiscal year 1997-98 is the first year of the 8th Plan and as such we need to ensure a reasonable compatibility between the 1997-98 budget and the financial parameters of the Plan itself, said the Finance Minister.

The budgetary outlay of Nu.6,674.29 million for the fiscal year 1997-98 was 11.2% more than the revised budget of Nu.5,999.93 million for 1996-97. The current expenditure projected at Nu.2,562.71 million was 8.7% more than in 1996-97. The capital budget was also more by a significant amount of 10.3% reflecting the fact that most of the projects were ongoing or ready for implementation from the beginning of the 8th Plan period.

An important feature of the 1997-98 Budget was the 20% increase in the salary of civil servants and all other government employees and a similar increase in the salary of the police force which would result in additional resource requirement of Nu.185.72 million. The resource position in 1996-97 did not permit the Royal Government to increase the salary levels of government employees by a full 50% as desired by His Majesty the King.

With the enhancement in the tariff to Nu.1.0 per unit for sale of power to India, as agreed to during the visit of His Majesty the King to India in January 1997, the resource position of the Royal Government had improved significantly. It was, therefore, decided to increase the salary of all government employees by 20% over the 1996-97 level. The increase of 20% this year is equivalent to a 25% increase over the 1995-96 salary level, said the Finance Minister. Hence, His Majesty's objective of raising the salary by 50% over the 1995-96 level had now been achieved.

In view of the upward revision of the pay scales, government employees would also benefit from increases in the other service benefits, the entitlements of which were tied to the basic pay. Recognizing the increased cost of living and the importance of retirement benefits, His Majesty the King had commanded the Ministry of Finance to review the existing gratuity system and study the benefits of introducing a pension scheme in its place.

In spite of the immense financial burden, the Royal Government had approved such a large increase in the salary of civil servants and other government employees to improve their well-being and to enable them to fully concentrate on their jobs with integrity, loyalty and dedication. The Royal Government and its employees must maintain and reinforce the image of a good, corruption free government that is capable of serving the nation's interests, said the Finance Minister.

The recurrent expenditure had increased mainly as a result of the increase in the salary levels. This, however, had been more than matched by increase in the revenue. With the increase in tariff for sale of power to India, the additional revenue expected was Nu.623.86m which would increase the overall revenue by 26.5% over the 1996-97 levels. The government would once again be able to move closer to the goal of self-reliance.

In another major move, the Royal Government had also delinked the salary of corporations completely from that of the civil service. Till now, employees of the corporations followed the civil service scale and were paid varying levels of corporate allowances. Some of the non-commercial corporations were paid 25% above the civil service scale while others were paid 45% above the civil service scale. The time had come for each and every corporation to base their pay scales on performance, size and the nature of the business. Henceforth, pay scales of corporations would be approved by their respective Boards based purely upon performance and profitability.

Commercial corporations in the public sector influenced salary and wage levels in the private sector. Hence automatic increase in salary levels, without improvement in performance, would have the effect of raising salary and wage levels without increase in productivity. Therefore, it was no longer desirable for commercial organizations to follow civil service pay scales.

The Finance Minister reported that the revenue target for the 8th Plan was Nu.15,912.02 million which constituted 53% of the 8th Plan outlay. The revenue projected was 75% more than the amount of Nu.9,078 million collected during the 7th Plan.

The Bhutanese people enjoyed most of the services either free or at highly subsidized rates and at the same time paid very little taxes. In other countries where social services were free or subsidized, the people paid very high levels of taxes. In the twenty Dzongkhags of Bhutan, the rural taxes had not been increased for over thirty years and the annual collections remained at less than 0.2% of the total revenue even though over 80% of the Bhutanese people were farmers. The business income tax was about 5% of the total revenue. The bulk of the revenue was still contributed by indirect taxes, corporate income tax, royalties and dividends from public sector corporations. While the revenue as a whole was a little more than 20% of the GDP, the ratio of tax revenue to the GDP remained below 8% which was very low by any standard. The annual tax collections also lagged behind the GDP growth reflecting the fact that most Bhutanese were still outside the tax bracket.

While appreciating the positive revenue scenario, there was an urgent need to diversify the source of revenue and build a broader base. The general public must participate in the process of nation building and sustainable development, through payment of taxes and user charges in whatever little measure was possible. The Royal Government must also examine the options for introduction of other taxes such as personal income tax towards the fulfilment of basic social tenets such as equity and also to help streamline the entire tax system. In most countries, personal income tax occupied a central position as it enables a government to assess a person's total income and levy taxes according to a person's ability to pay.

In the area of taxation, Bhutan must continue to concentrate upon streamlining the system, institution building and ensuring efficiency and effectiveness. In the meantime, tax rates and coverage may remain low and the Bhutanese people will continue to remain amongst

the least taxed people in the world. With the improvement in tax administration and a broader coverage, and the successful implementation of industrial projects, it is expected that tax collection during the 8th Plan would further improve and be adequate to cover the entire recurrent expenditure, said the Finance Minister.

The financial sector which in recent years had been plagued by a significant amount of non-performing loans was now beginning to improve with nearly all the financial institutions reporting good profits and better recovery rates. Most of the problems were a legacy of the past when proper guidelines did not exist and many loans were sanctioned without proper appraisal. The timely introduction of prudential guidelines and strict supervision by RMA as well as greater controls now being exercised by the boards had enabled the financial institutions to improve their performances during the last three years.

The Ministry of Finance proposes to fully deregulate interest rates for both deposit and lending, said the Finance Minister. This was necessary to ensure rational interest rates which were in keeping with market forces and hence beneficial to borrowers and the economy. Interest rate policies would be based upon market conditions and approved by respective boards where the government as well as the private sector were adequately represented.

While the institutional framework for the financial sector was steadily improving, the problem of excess liquidity build up was still growing as a result of inadequate demand for loans. This problem was the result of lack of a dynamic private sector and showed that the impressive growth rate achieved was mainly the result of public sector investments .

The Finance Minister reported that the private sector in Bhutan was still relatively weak and not strong enough to assume its rightful role as the engine of growth. In view of its importance, the Royal Government would continue to provide all possible support to strengthen and build the private sector. The private sector must become the main force behind economic development, expansion of trade and provision of services. The government could no longer remain the main employer of the nation's workforce, particularly the educated youth. The private sector must, therefore, absorb the growing educated youth in commerce and industry.

The 8th Plan offers more opportunity for private sector growth and development than ever before in the past, reported the Finance Minister. The huge investments provided

opportunity for business in transport, housing, trading, employment, construction and other service industries. Moreover, the government was offering shares in the State Trading Corporation and the Silicon Carbide Project to the general public as part of the drive towards privatization. The government's commitment to the private sector development remained firm and all measures necessary would be taken to strengthen and broaden the private sector base to enable it to assume its rightful role in establishing a strong and vibrant economy. The Royal Government would continue to provide support in terms of training and other opportunities which would have long term benefits.

The Finance Minister said that one of the major concerns of the Royal Government, also shared by Bhutan's development partners, was the issue of sustainability in terms of maintenance of the increasing facilities set up with donor assistance. This was all the more serious in view of the rapid expansion of infrastructure particularly in the social sectors where most of the services were provided free to the people. The problem of sustainability was considered to be serious for roads, rural water supply and other infrastructures where there was no direct financial returns.

The well being and quality of life of the Bhutanese people remains the highest priority of His Majesty the King and the Royal Government, said the Finance Minister. While being fully aware of the ever increasing costs, the basic social infrastructures such as schools, hospitals, roads, rural electrification, drinking water supply, sanitation, etc. even though not sustainable in financial terms, were provided as *Kidu* to the people.

The Royal Government proposed to approach the issue of sustainability in two ways. The approach presently taken was to consider the entire recurrent cost together and to strive to cover this cost with domestic revenue. This objective of the Royal Government had been successfully achieved during the 7th Plan and was expected to be achieved during the 8th Plan and beyond. In fact this was the most rational approach in a small developing country where economy of scales, particularly in the social sector, was not possible as a result of the dispersed nature of human settlements.

In keeping with His Majesty's policy of decentralization to give greater responsibilities to the people at the grassroots level, the *Gewog Yargay Tsogchungs* (Block Development Committees) would further facilitate and enhance people's participation in decision making and the process of local development. Local communities at the village and block level would gradually have to assume greater responsibility in the maintenance and upkeep of primary schools, basic health units, drinking water schemes, irrigation channels, farm roads and any other facilities of direct benefit to the community. This would not only help reduce

the burden of maintenance on the national budget but also instill a sense of ownership at the community level. This was the only way to ensure sustainability of basic infrastructure at the village level. The government, however, will provide technical services and other essential support so that local communities are not overburdened, said the Finance Minister.

The Finance Minister reported that the fiscal year 1997-98, the first year of the 8th Plan, was starting with a current revenue surplus. This was indeed a very auspicious beginning for the 8th Plan and boded well for the entire period which would see unprecedented socio-economic development on a scale never before matched in Bhutan's history. The Plan outlay of Nu.30,000 million was itself significant but did not include an estimated expenditure of over Nu.18,982 million on the Tala, Kurichhu and Basochhu Power Projects and the Dungsum Cement Project.

The Round Table Meeting (RTM) for Bhutan held in January 1997 at Geneva was a resounding success with donors pledging over US\$ 450 million for Bhutan's 8th Plan and expressing their goodwill and continued support for the policies and programmes of the Royal Government. It had been particularly encouraging to hear the donors express their appreciation of the Royal Government's sound fiscal management practices, good aid utilization, and highly visible project impact. The efficiency of the Royal Government's administrative mechanism was also noted and the civil service was praised for its integrity and commitment. In order to build upon the past gains and to further streamline the process of all round development, the donors cautioned Bhutan about financial sustainability and population growth and recommended further reforms in the financial and industrial policies.

The Government of India, our largest donor was also forthcoming and pledged financial assistance to the tune of Rs.9,000 million for the 8th Plan programmes, said the Finance Minister. The GOI also agreed to finance the largest and latest Indo-Bhutan landmark project the Tala Hydro-Electric Project and the Dungsum Cement Project, outside the framework of the 8th Plan.

On behalf of the Royal Government of Bhutan, the Finance Minister thanked all the donors, for their continued support without which it would not have been possible for Bhutan to make such rapid progress in all round development. We are particularly grateful

to our close friend and neighbour and largest development partner, India, for its unstinted cooperation and support since the beginning of planned development in Bhutan, he said.

The determining factor for the successful implementation of development works and the achievement of the 8th Plan objectives would be the ability of the government and the people to work hand in hand with utmost dedication and resolution. The only factor which could undermine the successful implementation of the 8th Plan was the threat from the ngolops. The Finance Minister expressed his confidence that, given the solidarity and unity of the Bhutanese people under the dynamic leadership of His Majesty the King, no harm would ever come to the Tsa Wa Sum.

The fiscal year 1997-98 and the 8th Plan as a whole was poised to usher in an era of unprecedented prosperity. We will build upon the gains made during the 7th Plan, said the Finance Minister, and just as in the past we are confident that with the blessings of the Guardian Deities of the Palden Dukpa and the vision and selfless leadership of His Majesty the King, the objectives of the 8th Plan would be achieved and the future of the nation fully secured.

The Finance Minister expressed his confidence and prayer that the people of Bhutan would continue to prosper and attain greater happiness under the enlightened leadership of His Majesty the King.

The people's representatives of Punakha, Bumthang, Lhuentse, Trashigang, Dagana and Ha Dzongkhags, the Lhuentse Dzongda and Royal Advisory Councillors thanked the Finance Minister and commended his report on the 1996-97 Budget and his presentation of the 1997-98 Budget to the National Assembly. They expressed their deep appreciation for the sound policies and programmes drawn up by His Majesty the King and the Royal Government in successive Five Year Plans, each more comprehensive and bigger than the previous Plan. Health and education services, agriculture and animal husbandry centres, roads and bridges and telecommunication facilities had been established throughout the country. Industries had been established and trade and commerce had been promoted. As a result, besides the benefits of free health and education facilities, the people of Bhutan enjoyed greater peace and prosperity than ever before. They also expressed their deep satisfaction that despite the subversive activities by the ngolops to overthrow the established system of government in Bhutan, and the difficult period the country went through because of the continued ngolop activities, the 7th Five Year Plan had been successfully concluded to the satisfaction of the government and the people. This was

possible because of the blessings of the Guardian Deities, the dynamic and farsighted leadership of His Majesty the King and the good fortune of the people.

One of the Royal Advisory Councillors expressed his deep appreciation for the decision taken by the government to increase the salary of civil servants by 20 percent from the first fiscal year of the 8th Plan. He also pointed out that there was a tendency for all businesses and house owners to raise their prices and rents as soon as there were rumours of a salary increase. As a result, there was minimal benefit to civil servants when they received a raise in salary. He requested the Ministry of Finance to introduce a rent control measure, on the same lines as when the government was paying the house rent for civil servants living in rented houses prior to the merging of house rent component with the pay. This would ensure that civil servants derived maximum benefit from an increase in their salaries.

The Samtse Dzongda expressed his view that having different pay and allowance scales for civil servants and those working in public sector corporations and financial institutions might amount to having two different policies for people working under the same government. Perhaps it may be better if the government fixed the same scale of pay and allowances for civil servants and those working in public sector corporations and financial institutions. He also pointed out that despite the continued terrorist activities by the ngolops, the 7th Plan development programmes in the south had been implemented on the direct command of His Majesty the King and had now been completed successfully. He expressed his hope and prayer that, with the government and people working together closely, the 8th Five Year Plan would also be implemented successfully.

The people's representative from Bumthang, recalling the Finance Minister's doubts during the 74th Session on meeting the recurrent expenditure from internal revenue because of the pay increase given to government servants last year, said it was indeed commendable that the recurrent expenditure for the fiscal year 1996-97 had, in fact, been met from internal revenue. He also expressed his deep appreciation to His Majesty the King and the Royal Government for the achievements of the 7th Plan which were clearly visible in the development infrastructures and service facilities established in all the Gewogs and Dzongkhags, and in the improved living standard and income of the people.

The people's representative from Punakha submitted that His Majesty the King had established Gewog Yargay Tshogchungs in 1991 so that the people could play an active role in looking after the various service facilities established in their gewogs. To further

promote this objective, the Zhapto Lemi Chathrim was also tabled for enactment during the 74th Session of the National Assembly. As a result of these farsighted initiatives, the people have been able to properly use and look after the service facilities established in their gewogs and the 7th Plan had been successfully completed in all the Dzongkhags, he said.

The Minister for Trade and Industry submitted that despite the ngolop problem, the 7th Plan had been successfully completed because of the wise leadership provided by His Majesty the King. He reminded the members that there were many major projects that had already started or had been finalised and would be implemented during the 8th Plan, such as the Kurichu and Basochu power projects, the Dungsam Cement Project and the Tala Hydro-Electric Project which was three times larger than the Chhukha Power Project. A large workforce numbering in the thousands would be required to complete these projects. Although the national policy called for this manpower requirement to be met from within the country, the hon'ble members were all aware of the difficulty in mobilising the required workforce internally and all the related problems regarding this matter. He emphasised the important role that the Bhutanese private sector had to play in the successful establishment of these projects. Moreover, if Bhutanese contractors successfully undertook various contract works for these projects, such as building of roads and other construction works, the large infusion of funds for these projects would remain within the country.

The representative of the Bhutan Chamber of Commerce and Industry noted that under the Royal Government's policy on human resource development, the requirements of the private sector had been taken into consideration. Moreover, the private sector had been encouraged to employ as many educated and qualified Bhutanese nationals as possible in order to promote its growth and the growth of the Bhutanese economy. However, the private sector had not been able to contribute much towards the fulfilment of this objective. One of the main reasons for this was because the major industrial projects were located in the southern Dzongkhags and most commercial activities were also carried out in the south where the continued ngolop activities had affected the output of the private sector. He expressed the hope that the security problem would be taken care of and as a result, the private sector would flourish during the 8th Plan and contribute substantially to the national revenue and the growth of the Bhutanese economy.

Addressing the Assembly, His Majesty the King said that within the last two years, the salaries of civil servants had been increased by 50 percent, and the security forces had received a 100 percent raise last year and 25 percent this year. His Majesty felt that, like the civil servants, the pay of Chimis and Gups should also be increased by 25 percent

during the new fiscal year. With a budget outlay of more than Nu. 30,000 million for the 8th Five Year Plan, it was of utmost importance that the Gups, Chimis and government officials all worked together with one thought and mind to successfully implement the many development programmes under the Plan. His Majesty expressed his hope that the Chimis and Gups would carry out their responsibilities of ensuring close coordination between the country and people even more effectively than before. His Majesty directed the Ministry of Finance to make budgetary provisions to increase the salaries of the Chimis and Gups by 25 percent.

The people's representative from Trongsa offered the deep gratitude of all the Chimis and Gups to His Majesty the King for further increasing their salaries even though they had received a raise last year. He expressed the determination of the Chimis and Gups to do their best to fulfil their responsibilities to the people and the country even more faithfully than before. With this submission by the people's representative from Trongsa, the deliberation on the report on the 1996-97 budget and the presentation of the 1997-98 budget was concluded.

VI. REVIEW OF THE 7TH FIVE YEAR PLAN AND PRESENTATION OF THE 8TH FIVE YEAR PLAN.

On June 24, 1997 the Planning Minister Lyonpo C. Dorji submitted a review of the achievements during the 7th Five Year Plan. He also presented a report on the policies, objectives, strategies and major sectoral programmes for the 8th Five Year Plan. He informed the members that the 8th Plan document had two volumes : Volume I containing the Royal Government's objectives and strategies for the Plan and Volume II containing Project Profiles of all the projects to be implemented during the 8th Plan period.

The Planning Minister pointed out that the launching of the 8th Five Year Plan (1997-2002) is an auspicious time as it would witness the completion of 25 years of the golden reign of His Majesty King Jigme Singye Wangchuck. Under His Majesty's enlightened and farsighted leadership, Bhutan had implemented five successful economic development plans, ushering in unprecedented progress in all sectors and bringing rapid improvement to the standard of living and quality of life of the Bhutanese people, said the Planning Minister.

Before the advent of planned development in 1961, Bhutan's economy was not monetised and modern infrastructure and means of communication were conspicuous by their absence. The social amenities like educational and health facilities were meagre. Today, however, Bhutan could boast of being one of the progressive developing countries in the region.

With the generous support of our close friend and neighbour, India, and many other development partners, Bhutan successfully completed seven five-year plans, said the Planning Minister. The quality of life of the Bhutanese people was now internationally acknowledged to be higher than that found in many developing countries. Some progresses were unquantifiable while, for some achievements, there was no baseline going back to the early five-year plans.

In the social sector, universal coverage of health services had been achieved and the enrollment in education and literacy rates had recorded a dramatic increase. Health coverage recorded a rise from 50% in 1985 to over 90% in 1996. Life expectancy increased from 48 in 1985 to 66 years in 1994 and infant mortality rate decreased from 142 per 1,000 in 1985 to 70.7 per 1,000 in 1994. Iodine deficiency disorder was almost eliminated. 58% of the rural population had access to piped drinking water.

In 1961, there were 11 schools with 440 students. Today there were 312 schools and institutions with over 92,000 students. The total enrollment had reached over 72%. Literacy rate increased from 23% in 1980 to 54% in 1996.

In the transport and communications sector, state of the art telecommunication technology had been installed. Digital telephone and facsimile services had been established in almost all district headquarters and would be completed in the rest of the districts by March, 1999. A total of 6,074 telephones and 103 post offices were in place today, whereas none existed in 1961. The construction of 310 suspension bridges and 3,285 km of road had enhanced access to various parts of the country and improved transportation of goods and services to and from rural settlements.

On the macro-economic front, the economy recorded an average of 6.7% growth during the period 1985 to 1996, which was one of the highest in the SAARC region. The per capita increased to Nu. 19,600 (US\$ 545) in 1996 from US\$ 140 in 1971. Gross reserves remained significantly high to cover about 24 months of import requirement against 12

months in 1992. These spectacular achievements were a tribute to the enlightened vision and leadership of His Majesty the King, a monarch who symbolized the aspirations of the Bhutanese people, and who raised the profile of the country in regional and international spheres.

With the 7th Plan ending in June 1997, we have successfully implemented seven five-year plans and now we are on the threshold of yet another challenging chapter of our development, the 8th Five Year Plan, said the Planning Minister.

The 8th Plan was the result of extensive consultations between the people of each Dzongkhag represented by their respective Gewog Yargay Tshogchungs and Dzongkhag Yargay Tshogchungs and with various agencies. Guided by His Majesty the King's unique concept and approach towards development, the 8th Plan acquired shape and direction with invaluable suggestions and advice of the Planning Commission, Technical Committee and the Policy and Planning Divisions of various ministries, organizations and Dzongkhag administrations.

We are confident that the government and the people will together ensure the successful implementation of the 8th Plan, ushering Bhutan into the next millennium, said the Planning Minister.

Achievements of the 7th Five Year Plan.

Significant progress had been made during the 7th Plan towards achieving self-reliance, a very important national goal. The economy recorded a growth rate of 6% during the Plan period. The balance of payments position remained healthy as the gross reserves increased from 12 months import cover to about 24 months.

Structural reforms with comprehensive tariff liberalization and financial sector reforms were introduced to create a conducive environment for development of manufacturing, trade and industrial sectors. User fees for municipal services had also been introduced in major towns. The recurrent expenditures were met from the internal revenues with the increase in internal revenue collection from Nu. 4,838.4 million during the 6th Plan to Nu. 9,078 million in the 7th Plan, an increase of about 88%. However, tax collection from the rural sector constituted only 0.2% of the total revenue while the tax contributions from the business community was only 5%.

The issue of sustainability was addressed during the Plan through various sectoral programmes. In order to ensure the sustainability of natural resources, the Nature Conservation and Forest Act and Mines and Minerals Management Act were passed by the National Assembly in 1995. In the same year, the National Assembly also ratified two international conventions on Biological Diversity and Climate Change further confirming the country's strong commitment to conserve and protect the environment and habitat.

Family planning campaigns were carried out through all means of communication to contain the growth of population within a manageable size to support the policy of sustainability. This was considered important because of the inevitable negating effect of population growth on development. Within the purview of reproductive health and family planning, special emphasis was given to mother and child health care to reduce maternal and infant mortality rates and increase the ratio of survival among new born children.

The expansion of additional service facilities/infrastructure were carefully carried out, taking into consideration the overall sustainability and the implementing capacity. Therefore, the overall strategy of social and infrastructural development was the qualitative improvement of services through consolidation rather than expansion.

The Planning Minister reminded the members that the Royal Government attached great importance to the capacity development of the private sector and joint public corporations. A series of Comprehensive Entrepreneurship Development courses were held in the country to enhance institutional capability and to build indigenous entrepreneurial capacity. A total of 251 business men and women were trained towards private sector development by 1996. Three workshops for the development of cottage industries were held in Khaling, Bumthang and Panbang. Several business opportunity workshops were also conducted in various Dzongkhags. Between 1992 and 1996, the RCSC placed 182 graduates in the private sector and the public corporations. 20% of the total budget of human resources development was earmarked for the private sector. Out of 128 fellowship slots planned for the private sector, 104 were implemented by the end of April, 1997.

The four financial institutions disbursed a total of Nu. 3,501.999 million credit during the plan period to promote small entrepreneurs in carrying out commercial and industrial activities.

His Majesty the King's annual meetings with the business community was a confirmation of the high importance that the Royal Government attached to private sector development.

During His Majesty's meeting with the business community in August, 1996, several important policies to help the business community were announced. For instance, interest rates on loans for manufacturing and industries, trucks and buses, agriculture and livestock, and housing were reduced by 1% and the earlier system of charging compound interest on the loans was replaced by a simple interest. Import duties were reduced and Bhutan Sales Tax (BST) was waived off for many commodities. Further, to improve the quality and safety of surface transport, the royalty and duty on the import of buses were waived off for the benefit of the general public. Broadly, the above policy changes were announced to bring about an equitable distribution of wealth among the people and to expand the private sector base. The Calcium Carbide and Salt Iodization Plants in Phuentsholing, Gypsum and Coal Mines in Pemagatshel and Samdrupjongkhar, respectively, Sha Slate Mines in Wangdue Phodrang, tourism, hotels and transport services were privatized. The management of three government workshops in Thimphu, Phuentsholing and Samdrupjongkhar were privatized on a lease basis.

The Planning Minister reminded the members that the policy of encouraging people to participate in the implementation of development programmes through decentralization was initiated personally by His Majesty the King in 1981 at the district level and was further taken down to the block level in 1991. This policy was given an added impetus during the 7th Plan with the adoption of Decentralization Guidelines in 1993. In accordance with the above guidelines, all the sectors have decentralized several of their functions to the Dzongkhags. Dzongkhags were made fully responsible for the planning, implementation and monitoring of programmes which were decentralized, with technical backstopping from the centre. To cite some examples, all field and regional activities of agriculture and livestock sectors, all educational and health services except referral hospitals and tertiary institutes, construction and maintenance of feeder and farm roads, drinking water, suspension bridges, mule tracks, etc. were decentralized.

Priority had also been accorded to human resource development. During the plan period, 3,421 persons were trained in the in-country training institutes and 2,797 outside the country. About 70% of the planned training slots were implemented by the end of 1996. Overall enrollment in schools increased from 67% in 1990 to over 72% in 1996. In order to ensure that the policy of decentralization and people's participation was effectively implemented and to enhance their institutional capacity, the Royal Government conducted trainings for the Gups (GYT Chairmen) from various parts of the country in 1992, 1993, and 1994.

Further, to facilitate an effective decentralization process, graduates were appointed as Dzongkhag Planning Officers in almost all the Dzongkhags. Efforts would be made to place graduates in the rest of the Dzongkhags in the forthcoming Plan. A series of planning symposia were also conducted for the planning officers from the Dzongkhags and Policy and Planning Divisions (PPDs) in 1992, 1993, and 1994 and at the Dzongkhag and Gewog levels in 1995.

Service centres and satellite townships were identified in most of the remote Dzongkhags to boost growth and promote a regionally balanced development in the country. The Semtokha Rigzhung Institute would be relocated at Trongsa and a Rigney school for promoting arts and crafts was established in Trashiyangtse. RNR research centres were established in all the regions to help farmers increase agricultural and livestock production. The objectives of the Agriculture, Livestock and Forestry Sectors during the 7th Plan were to enhance food self sufficiency, improve nutrition, and the income of the rural people through sustainable management and utilisation of natural resources.

Horticultural crop production earned additional hard currency for the country and enhanced the income of the people. Nutrition surveys of the rural population showed that the calorie intake was generally adequate.

More systematic information on land use became available with the creation of Land Use Planning Section in the Ministry of Agriculture.

The Power Sector strived to achieve its main objectives of increasing government revenues through the generation and export of power, meeting demand for electricity at a reasonable cost for all consumers, and ensuring the sustainable use of hydro-power resources to this end, sub-transmission and distribution programme for six urban centres were completed. A total of 5,990 households would be electrified by the end of the plan period. Revenue had been enhanced.

The main contribution to the national revenue came from the enhancement in the tariff for the sale of Chhukha power to India. During the visit of His Majesty the King to India in January 1997, the Government of India agreed to increase the Chhukha power tariff to Nu. 1 per unit from the earlier rate of Nu. 0.50 per unit. This resulted in an increased earning of Nu. 124 million during the last three months of the fiscal year. In addition to the above, the following major investment projects were undertaken :

Feasibility Studies: Detailed Project Reports (DPR) for Tala (1,020 MW), Sunkosh (4,060 MW), Bunakha (180 MW), and Wangchu (900 MW) hydro-power projects were completed.

Tala Hydro-Electric Project: The Tala Project agreement was signed in 1996 during His Majesty's visit to New Delhi. While the estimated cost is Nu. 14,080 million, it is anticipated that it will escalate to more than Nu. 30,000 million. The project is expected to be completed in 8 years.

Kurichu Hydro-Power Project: The construction of the 45 MW Kurichu Hydro-Power Project began in 1995 at an estimated cost of Nu.2,860 million at Gyelposhing, Mongar. The project is expected to be commissioned by the year 2000. The capacity is anticipated to increase by an additional 15 MW, bringing the installed capacity to 60 MW. During the construction, the six eastern Dzongkhags would benefit by way of contracts and employment. After commissioning, further benefits would be accrued through rural electrification and also through industrialization, besides providing power to the Dungsum Cement Project.

Basochu Hydro-Power Project: The Project, with a capacity of 60.8 MW, at a cost of Nu. 1,515 million, is expected to be completed in the 8th Plan. It will provide immense benefits to the people of the west-central region by fuelling small and medium scale industries in addition to generating employment opportunities and work contracts during the construction period.

Chhukha Tail Race Tunnel: With the completion of the Chhukha tail race tunnel in 1996, at a cost of Nu. 33.54 million, the installed capacity had increased from 336 MW to about 370 MW, prompting a substantial increase in revenue generation.

Rangjung Hydro-Power Project : The Project, with 2.2 MW capacity, at a cost of Nu 235 million, was commissioned in April, 1996. The project will supply electricity to more than 3,000 consumers covering Trashigang and Trashiyangtse Dzongkhags.

The objectives of the Trade and Industry Sector during the 7th Plan were to increase revenue generation, create employment and increase the contribution of the manufacturing sector to the GDP from 7% to 13%. Feasibility studies were completed for glass bottles,

silicon carbide, cement project, magnesium metal, calcium carbonate, construction materials, tungsten mining and beneficiation, and agro-based industries. An industrial service centre was established at Thimphu and infrastructural work at the Gidakom Industrial Estate had started. Two buffer stock POL depots were established in Dechhenchholing and Deothang to maintain a stock of petrol, diesel and kerosene oil in order to meet the needs of people during emergencies such as road blocks in the monsoons. The Wood Craft Centre and Bhutan Agro-Industries were also established during the plan period. In addition to the above, the following major investment projects were undertaken :

Dungsum Cement Project : The agreement for the establishment of the Dungsum Cement Project was signed in March, 1996 during His Majesty's visit to New Delhi. The production capacity of the project is estimated to be 0.5 million tonnes annually. With the commissioning of this project within the 8th Plan, cement requirements for domestic constructions and mega hydro-power projects would be met and it would also considerably boost revenue generation. The construction of the project, at an estimated cost of Nu 4,000 million, would benefit the south-eastern region by way of employment and other income earning opportunities.

Expansion of the Penden Cement Plant : The expansion of the Penden Cement Plant's production capacity from 400 metric tonnes per day to 800 tonnes per day was completed in 1996 at a cost of Nu. 440.298 million, thus contributing to the enhancement of revenue generation.

Ferro Silicon Project : The Project, with an annual capacity of 15,000 metric tonnes, at a cost of Nu. 963.81 million, was commissioned in March, 1995, and started commercial production since April, 1995. The project has also boosted the revenue generation of the government.

Increasing of coverage and strengthening, consolidation and diversification of the services were the main objectives of the Health Sector during the 7th Plan. The health coverage increased from 70% in 1992 to over 90% by the end of the Plan.

The main objectives of the Education Sector were to increase the coverage, enhance the relevance, quality of education and literacy rate through alternative forms of education, and strengthen technical and vocational education and training. Enrolment levels between pre-primary and Class VI increased from 51,411 in 1992 to over 74,000 as of 1997. Enrollment of girls increased from 42% to 44% during the same period.

The provision of an efficient communications network, creation of awareness of issues related to socio-economic development, and increasing the cost effectiveness of the services were the main plan objectives of the Transport and Communication Sector. In the Telecommunication sub-sector, the open wire trunk lines were replaced by the state of the art technology, digital microwave transmission systems. All the switching systems in the eastern, central and south-eastern Dzongkhags were replaced by digital switching system. The total installed capacity more than doubled from 4,090 at the beginning of the Plan to 9,126 lines by the end of the Plan. Eastern, central, south-eastern and parts of western region were now linked to the rest of the world via satellite and had direct dialing facilities including facsimile services.

Concluding his review of the 7th Plan, the Planning Minister informed the members, that the original 7th Plan outlay was Nu. 15,590.70 million of which Nu. 6,980.4 million was for development programmes and Nu. 8,610.3 million for recurrent expenditure. The total estimated expenditure during the Plan has already reached Nu. 22,000.00 million, including major projects, he said.

Following the Planning Minister's presentation, members of the Assembly expressed their appreciation for the achievements of the 7th Plan and the overview of the programmes and objectives of the 8th Five Year Plan.

The people's representatives of Mongar, Pemagatshel and Zhemgang Dzongkhags and a Royal Advisory Councillor expressed their appreciation and satisfaction over the progress made by Bhutan, despite its small size, difficult mountainous terrain and lack of technology. They further expressed their deep appreciation that His Majesty the King, who was the life force and central pillar of the institution of the Palden Drukpa and whose actions reflected his belief in the true concept of human rights, had personally taken the initiative to promote and ensure active people's participation at the grassroots level in the decision making process and socio-economic development of the country. As a result, through the Gewog Yargay Tshogchungs and the Dzongkhag Yargay Tshogchungs, the people today played an active role in the use and maintenance of service facilities, and in the planning and implementation of development programmes in their villages and Dzongkhags.

Accordingly, the Five Year Plans were now finalised with the active participation of the people. After the proposals of the people were received by the Planning Commission, His Majesty the King personally visited every Dzongkhag and conducted public meetings to discuss and finalise the development programmes with the people of each and every Dzongkhag, taking into consideration the feasibility of the programmes and the availability of funds. The 7th Five Year Plan, which was finalised in this manner with the required additional funds for its programmes mobilised from donors, had been successfully completed despite the ngolop problem in the south. The success of the 7th Plan was clearly evident from the progress achieved in various sectors like education, health, agriculture, livestock , communication, trade and commerce and also the unspoilt environment in all the Dzongkhags, reflecting balanced development throughout the country. The members offered their deep appreciation for this achievement.

The people's representative from Punakha, recalling that planned development in Bhutan was initiated by His Majesty Jigme Dorji Wangchuk, the third Druk Gyalpo, offered a vote of thanks, on behalf of the National Assembly and the people of Bhutan, for this initiative which had made it possible for the country to achieve its present level of development. He further submitted that His Majesty, the present Druk Gyalpo, observing the shortcomings in centralised implementation of development programmes during the first four Five Year Plans, had decentralised the decision making process from the 5th Plan onwards. Pointing out that the successful implementation of the 7th Plan programmes was due entirely to the wise guidance provided by His Majesty the King, he offered his deep gratitude to His Majesty and the Royal Government for the impressive achievements of the 7th Plan. He also reminded the members that subversive elements with vested interests who had started the ngolop problem in southern Bhutan had made false allegations that the Royal Government had been diverting development funds to meet the cost of deploying security forces in the south. The utter baselessness of this allegation had been proven by the successful implementation of the 7th Plan programmes, he said.

Other people's representatives pointed out that the ngolops had destroyed many service facilities in the south established by the government for the benefit of the Lhotshampa people. Repeated submissions had been made in the National Assembly by the people that the 7th Plan funds should be diverted for security purposes because safeguarding the security of the country was more important than implementing development programmes. However, His Majesty the King had insisted that development programmes must continue to be implemented everywhere. Accordingly, the 7th Plan programmes were also

implemented in the south and many service facilities destroyed by the ngolops had been renovated or rebuilt, resulting in balanced development throughout the country, for which the people's representatives expressed their deep gratitude to His Majesty the King.

Likewise, the people's representatives of Trashigang, Punakha and Dagana Dzongkhags submitted that when the country was going through a very difficult period because of the ngolop problem in the south, the commendable achievements of the 7th Plan had been possible because His Majesty the King had taken the full responsibility for resolving the problem. Not only the programmes which had been finalised for the 7th Plan but important programmes which had come up later had also been successfully completed. Apart from implementing development programmes in the rural areas beyond the expectation of the people, the government had also responded to their spiritual needs by renovating and improving religious institutions and Lhakhangs with precious Kusung Thuktens, thereby contributing to the flourishing of the Dharma. The people's representatives expressed their deep appreciation to His Majesty the King and the Royal Government for giving the people the opportunity to actively participate in the decision making process which had further contributed to the rapid socio-economic progress taking place in the country.

The people's representative from Trashiyangtse submitted that within a few years of the establishment of Trashiyangtse Dzongkhag, a new Dzong had been constructed and a new Rigney School opened. Since the establishment of the new Dzongkhag, many development programmes had also been implemented. The people of the eight gewogs of Trashiyantse, therefore, offered their deep gratitude to His Majesty the King for all the development programmes that had been implemented in their new Dzongkhag.

The Paro Chimi offered the sincere gratitude and deep appreciation of the people of the six gewogs of Paro for His Majesty the King's personal visits to their Dzongkhag to discuss and launch the 7th Five Year Plan. Under His Majesty's personal guidance and leadership, Paro Dzongkhag had achieved rapid development for which the people were deeply grateful.

The people's representative from Wangdue Phodrang offered the deep appreciation of the people of his Dzongkhag to His Majesty the King and the Royal Government for the successful implementation of the 7th Plan. He said that the people would also like to express their happiness with the initiation of the Basochu Hydro-Electric Project which

would bring tremendous economic benefits to their Dzongkhag. He extended a vote of thanks from the people of Wangdue Phodrang to the Government of Austria for its generous technical and financial contribution towards the Basochu Project.

The representative of the Bhutan Chamber of Commerce and Industry submitted that His Majesty the King had not only reduced taxes and interest on loans for the benefit of the business community, but had also effectively maintained the security of the country. As a result, economic development had expanded and, in particular, the private sector was enjoying increasing prosperity. He offered the deep gratitude of the business community to His Majesty the King.

The people's representative of Tangsibji Gewog in Trongsa Dzongkhag expressed the deep gratitude of the people to His Majesty the King for reducing the interest rate on rural credit loans for farmers to 13% with effect from October 1, 1996. This had been of tremendous benefit to the rural people as it enabled them to promote livestock and agriculture development for their economic upliftment. The people and the business community of Trongsa Dzongkhag, therefore, wished to reiterate their deep gratitude to His Majesty the King.

THE EIGHTH FIVE YEAR PLAN

The Planning Minister reported that the GDP for the 8th Plan was projected to grow at an average rate of about 6.7% per annum. By the end of the Plan, the population growth rate was projected to decline to 2.56% from the estimated 3 % in 1996.

The overall tax and non-tax sources were forecast to increase by about 7.2% per annum during the 8th Plan. The total revenue generated from tax and non-tax sources was forecast to reach Nu. 15,912.02 million during the plan period. The total revenue forms 53% of the total plan outlay and would fully meet the recurrent and maintenance cost. We are not entirely dependent on foreign aid for development and survival as misconstrued by the ngolops and it is clearly not our policy, said the Planning Minister. Stemming from this misconceived belief, the ngolops' relentless and malicious propaganda to undermine and sabotage external aid assistance to Bhutan had been completely futile. The fact that our internal 8th Plan revenue forecast was an increase of 75% from the 7th Plan, that the Royal Government would be meeting 100% of its 8th Plan recurrent and maintenance costs, and that Bhutan now had a foreign exchange reserve sufficient to cover 24 months' import, are clear indications that the country was definitely not entirely dependent on external

assistance for survival. Under the guidance and leadership of His Majesty the King, Bhutan was today economically very healthy and strong. Furthermore, once the mega projects under implementation or in the pipeline during the 8th Plan are commissioned, Bhutan will enjoy an even stronger economic position thereby achieving our national goal of economic self-reliance, said the Planning Minister.

The Royal Government will formulate and implement appropriate macro-economic policies to enhance the role of the private sector which will, in turn, stimulate growth and employment, he said. A prudent and effective public finance management would be ensured through a package of revenue-raising measures, effective expenditure management, and maintaining a sustainable deficit level.

The Agriculture sector was projected to grow by about 2.5% per annum, mainly as a result of productivity gains and horticultural development. The Manufacturing and Energy sectors were projected to grow at a rate of 12% and 7% per annum respectively and 19.4% for mining and quarrying. Export to India and third countries were projected to increase by 15% and 10% per annum respectively by the end of the Plan.

GOALS OF THE 8TH PLAN

The guiding principle of the Royal Government's development initiatives was to achieve sustainability in development while maintaining a desirable balance between development and the level of contentment and happiness of the people. The concept of Gross National Happiness so profoundly enunciated by His Majesty the King shall form the basis for all our development efforts, said the Planning Minister. Accordingly, the following goals had been enshrined in the 8th Five Year Plan:

1. Self-reliance

The achievement of the goal of national self-reliance will largely depend on continued progress being made in revenue generation through internal revenue mobilization and human resource development and the application of technology appropriate to Bhutan's development needs. Investment in essential social services is balanced by investment in the economic sectors to increase GDP, personal incomes and government revenue. The economic sector growth is assumed to come through increased production and productivity, creation of employment opportunities, expansion of trade in terms of scale

and diversified markets, and through hydro power development, for which there is immense potential.

2. Sustainability

Sustainability is one of the main criteria in the 8th Plan for the selection of social and economic programmes and projects. It must ensure that all development policies and strategies are in consistence with environmental conservation and cultural values, and that it enhances the capacity of the country to increasingly provide, from its own resources, the financial and other services required to support self-reliance.

3. Preservation and Promotion of Cultural and Traditional Values

The preservation and promotion of Bhutan's unique cultural and traditional values will continue to be pursued in the 8th Five Year Plan. These elements, highly valued in themselves by all the people, are also essential embodiments of the nation's identity. For a small country with neither military might nor economic strength and located between the two most populous countries of the world, the preservation and promotion of its distinct cultural identity is seen as an important means for its survival as a sovereign, independent country. It was this identity that protected and sustained Bhutan and also provided the foundation for its major policies.

While seeking to develop the Kingdom in order to improve the living standard of the people, His Majesty the King has made determined efforts to promote its rich spiritual and cultural heritage so that values and customs which have given strength and resilience to Bhutan through the ages are not eroded in the process of modernization.

A number of programmes are, therefore, included in the 8th Plan to foster Bhutan's rich spiritual and cultural heritage by preserving and promoting literature, art and architecture, promotion of the national language and traditional values, restoration of historical and cultural monuments and sustaining and strengthening important institutions such as Dratshangs, Gomdeys, Shedras, Drubdas, Anim Dratshangs, Sanskrit Patshalas and other cultural centres.

4. National Security

Bhutan has always been known to the world as a peaceful kingdom nestled in the great Himalayas. Until recently, Bhutan, unhindered and undistracted, single-mindedly pursued its planned development endeavours. Where it took centuries for other nations to attain what Bhutan has attained today, Bhutan achieved unprecedented progress in just over three decades. However, the progressive and steady pace of socio-economic development was seriously disrupted by the anti-national activities in the last years of the 6th Plan. These subversive activities erupted in the south, ironically, the region which enjoyed a faster rate of growth and development than the other parts of the country. They were instigated by people with vested interests who wanted to destabilize the peace and tranquillity of the country and turn Bhutan into a Nepali state.

The impact of this violent uprising was seriously detrimental to the country's security and the people's well-being besides being economically damaging. The Royal Government sustained heavy losses from the rampant destruction of schools, health and agricultural extension centres, power supplies, communication services, etc. which were built at great cost over the last thirty six years for the benefit of the people in southern Bhutan. But it was of far greater concern to the Royal Government and the people that the anti-national uprising not only created ethnic tension in the country but threatened its very sovereignty.

Without peace and security, development cannot take place. The Bhutanese people stand firmly and strongly united in their conviction that the security and survival of the country takes precedence over economic development. Security for the country and its people to lead a life and follow a path of development of our own choice, without external interference, is an overriding goal which will be strengthened and pursued as the economy grows.

5. Balanced Development

His Majesty the King has consistently stressed the need to secure balanced development throughout the Kingdom. Balanced development involves, as far as possible, providing equal access to basic services and facilities of comparable quality to all Bhutanese wherever they live in the Kingdom. However, factors such as physical terrain and comparative advantages enjoyed by different regions will influence the location of industrial and related income-generating enterprises.

Under the policy of bringing about balanced development in the country, one of the most important issues that needs to be addressed is the movement of population from rural to urban areas. The Royal Government has recognised this since the 5th Five Year Plan when it decided to introduce the decentralization policy and create nucleus growth centres in the Dzongkhags to discourage people moving to the urban centres. The policy measures such as the integrated area development strategies, resettlement of communities from the disadvantaged locations to potential areas for economic development, relocation of service facilities, etc. were also introduced and will be pursued further in the forthcoming Plan.

6. Institutional Strengthening and Human Resource Development

Significant progress has been made in institutional and human resource development since the beginning of planned development. However, in both the public and private sectors, there is a further need to improve management as well as the supply of skilled and professional human resources, currently in shortage, and to ensure their effectiveness and efficient utilization. The latter also applies to technical assistance which, unless used selectively, and matched by an appropriate HRD programme, may retard efforts towards achieving self-reliance and sustainability.

The national HRD programme of the plan reflects the needs of government agencies and private sector which are derived through the development of manpower planning during the 7th Plan. A twenty year perspective HRD Master Plan is being drawn up to address the manpower requirement of the nation.

7. Decentralization and Community Participation

Community participation has long been traditional in a range of local activities from house-building to construction and maintenance of religious and cultural centres. In recent years, communities have become further involved in development work such as constructing community and farm roads, community schools, basic health units and irrigation channels. Without their support the costs of these services would be beyond the government's limited budgetary resources. The government will continue to encourage and mobilize community participation for these essential services during the 8th Plan in order to instill a sense of ownership of service facilities, among the people in their respective villages and gewogs.

8. Privatization and Private Sector Development

The important role of the private sector in the overall socio-economic development of the country has been recognized throughout Bhutan's development plans. The government adopted appropriate strategies and policies to enhance the process of privatization. A number of policy instruments currently pursued to promote the private sector include the following :

- (i) Efforts to establish a legal and “enabling” environment conducive to the promotion of entrepreneurship and the private sector. For example, the Companies Act of 1989, Commercial Sale of Goods Regulation, Industrial Property Regulation, Demonopolization Policy, etc.;
- (ii) The implementation of a policy of privatization and corporatization of public sector enterprises, although this is guided as much by the need to secure improvements in government finances as to promote the private sector;
- (iii) The implementation of programmes to promote small and cottage enterprises focusing on training in the skills required to establish and manage small businesses, combined with the establishment of industrial extension services. For example, the private sector has been allocated 26% of the training slots in the 8th Plan HRD Master Plan;
- (iv) The expansion of credit programmes through financial institutions, in particular the Bhutan Development Finance Corporation for rural areas;
- (v) The construction of industrial estates, development of sites and services and industrial service centres;
- (vi) The provision of support to private sector organizations, mainly the Bhutan Chamber of Commerce and Industry;
- (vii) The Chathrim on Employment of Bhutanese Nationals in the Private Sector.

During the 8th Plan, priority will be given to the continued growth of the private sector to ensure that it plays a greater role in the country's economic activities. Private sector development will continue to focus on two aspects : (i) privatization of public sector activities - divestiture programmes, in part or in whole including management; and (ii) enhancing the current level of trade and business activities and promoting industries and

projects that have not been developed till now. In principle, the private sector will be encouraged to assume activities that have so far been carried out by the public sector to broaden its base and enhance its contribution to the GDP, employment and national revenue, thus enabling the fulfilment of the national goal of self-reliance.

Focus of Core Areas during the 8th Plan

The development of hydro-power and industries is considered an important development strategy to enhance the goal of self-reliance and sustainability, said the Planning Minister. Blessed with pristine environmental conditions, hydro-power is one of the major renewable resources of the country with a potential of at least 20,000 MW, of which only about 2% had been harnessed so far for economic development. Development of hydro-power is expected to provide a cascading effect on establishment of industries. Hence, the development of hydro-power pursued by industrialization will increase the national revenue, enhance employment opportunities, and the per capita income of the people.

In view of the above factors, the Power Sector had been allocated the largest share of resources under the 8th Plan, including the investment allocated under the non-planned programmes.

The major investment projects to be undertaken during the Plan are the Detailed Project Reports (DPR) for the 265 MW Mangdechu and 760 MW Punatsangchu hydro-power projects. A Silicon Carbide Project with a capacity of 10,000 metric tonnes per annum will be set up. The project is estimated to cost Nu. 252.11 million and will have a gestation period of two years. Besides, the spillover works on Dungsum Cement Project, the Basochu and Kurichu hydro-power projects will be completed within the 8th Plan. Further, about 50% of the works on the Tala Project is expected to be completed within the Plan. In addition to the above, construction of many mini and micro hydro-power projects will be undertaken for rural electrification.

Infrastructure is viewed as a prerequisite to start any development in the country. A well spread and good infrastructure will enhance development by increasing the efficiency of economic activities and the delivery of services. Development of infrastructure is extremely expensive with a high unit cost and difficult in a country with a rugged terrain and scattered and sparse pattern of human settlement. However, continued emphasis has been placed on its development since the launching of planned development in the country. During the 8th Plan, the development of infrastructure consisting of services such as

telecommunications, roads, transport and human settlement has been allocated about 18.6% of the Plan outlay.

The Planning Minister pointed out that human development was the central tenet of Bhutan's development philosophy. The social sector, therefore, with the aim to meet the basic needs of the people, had been accorded high priority throughout the development plans. Besides, the universal goals set for health and education also required to be fulfilled by the turn of the century. Reflecting the importance of the sector, about 22% of the 8th Plan outlay was allocated to meet these challenges.

Although Bhutan is only a developing country, it has one of the most generous social service facilities: free education right from primary to college including scholarships for higher studies outside the country and free health services from outreach clinics to referral services including treatment outside the country.

Bhutan is truly a welfare state where all services are provided free of cost and yet people are the least taxed unlike in other parts of the world where people are heavily taxed to meet the cost of these social services, said the Planning Minister. For example, the RNR sector services are heavily subsidised, rural taxes collected from the twenty Dzongkhags formed only 0.2% of the total revenue, the business community's contribution to the total tax revenue is about 5% only and no personal income tax is levied.

As in the past, under the 8th Plan also, Human Resource Development is considered one of the key areas for economic development and improving the process of governance and delivery of development programmes. The in-country and external training will receive strong support to enhance the human capital development. Equal emphasis will be given to the capacity development of both public and private sectors including corporations. Within the HRD Plan, the private sector including corporations is allocated about 39% of the training slots with a budget provision of Nu. 441.95 million. The capital budget allocation for HRD is Nu. 1,484.15 million which is about 10.7% of the total capital budget of the Plan. Additional resources would be mobilized during the course of the Plan implementation to meet further requirements of the sectors. All efforts will be made to enhance the capacity of the Bhutanese economy through strengthening of absorptive capacity both in terms of manpower as well as resource utilization.

The development of the RNR (Agriculture, Livestock and Forestry) sector will receive high importance as 85% of the people are dependent upon this sector for their livelihood. The contribution of the sector is specially significant for the achievement of the national goal of establishing food security and food self-sufficiency and increasing the income of people at the grassroots level. Throughout the five year plans, the sector had been accorded high priority. During the 8th Plan, the sector will focus on increasing food production and value adding through horticulture and cash crop development in order to improve the income of the people, thus enhancing the living standard of rural sector/population.

The Planning Minister reported that the total 8th Five Year Plan outlay is projected at Nu. 30,000 million of which Nu. 16,076.94 million and Nu. 13,923.06 million are recurrent and capital expenditures, respectively. The Plan outlay is an increase of 92.42% over the 7th Plan outlay. However, as in the 7th Plan, the outlay may exceed the projected figure considering such factors as inflation, actual project costs being higher than those estimated, etc.

The Planning Minister informed the Assembly that the Sixth Round Table Meeting was held in Geneva on 21st January, 1997. Thirty one development partners comprising bilateral, multilateral, financial institutions and NGOs participated in the meeting and pledged an amount of US \$ 450 million (Nu. 15,975 million) in support of Bhutan's 8th Five Year Plan. The development partners highly appreciated the high standard and the comprehensiveness of the 8th Plan documentation which importantly included a twenty-year vision. They also commended the Royal Government for its sound development policies, good governance and strategies that maintained a balance between economic development and environmental conservation and preservation of its cultural heritage. Furthermore, the development partners congratulated Bhutan for the efficient and transparent utilisation of external assistance.

The commitments made at the RTM and the high level representation of the development partners bore testimony to their persevering support and co-operation to Bhutan's development endeavours. On behalf of the government and people of Bhutan, the Planning Minister expressed his deep gratitude to the Government of India for the continued support and generous contributions that it had extended to Bhutan since the inception of planned development. He also expressed the deep appreciation of the government and the people of Bhutan to all the other development partners for their support and commitment to Bhutan's socio-economic development. He also placed on record the Royal Governments

profound gratitude and appreciation to the UNDP for co-ordinating and co-chairing the meeting with the World Bank and for the successful culmination of the meeting.

With the resourcefulness and creative genius of the Bhutanese people, and above all, the visionary and far sighted leadership of His Majesty the King, Bhutan was poised to meet the challenges of the 21st century with confidence and greater aspirations, said the Planning Minister. He concluded his presentation with the words, “May the Triple Gem bless our beloved King, Country, and People and lead us to ever higher reaches of glory and happiness.”

The people’s representative from Thimphu thanked the Planning Minister for his presentation of the 8th Plan. Pointing out that one of the objectives of the 8th Plan was to preserve and promote cultural and traditional values, he reminded the Assembly that His Majesty the King had issued a Kasho, and the Dzongkha Development Committee had also issued circulars, that Dzongkha should be used for all correspondences and meetings with the public. Noting that these directives were not always adhered to, he expressed concern that the national language was not being given due importance and that this trend might lead to the erosion of Bhutan’s rich cultural and traditional heritage. Everyone should, therefore, abide by these directives and, in particular, the promotion of Dzongkha should be given even more emphasis than before in schools and educational institutions.

The people’s representative from Punakha expressed his appreciation for the clear presentation of the 8th Plan objectives. In particular, he expressed his appreciation for the policy of promoting sustainable development which was reflected in the fact that Bhutan had successfully maintained its pristine environment even though it was a developing country. He said that the people were ready to work together with the government to promote environmental conservation by implementing such policies as maintaining the existing 72% of forest cover in Bhutan. Although Bhutan is a small nation between two large and powerful countries, our forefathers had been able to preserve its status as a sovereign, independent country because they cherished our rich tradition and culture, he said. Therefore, every effort should be made to ensure that future Bhutanese generations would also appreciate and cherish the country’s rich cultural heritage. As a step in this direction, he suggested that the National Assembly should pass a resolution that signboards, notices and circulars should all be written in Dzongkha.

The Finance Minister, in his capacity as the Chairman of the Dzongkha Development Committee, thanked the two members for their views. He said that the Dzongkha Development Committee, which had been established on the command of His Majesty the King, had issued circulars to all departments and offices, including the armed forces, that all correspondences with the public must be carried out in Dzongkha. He informed the members that the offices and departments had been complying with these directives. He also pointed out that, as the members were aware, the proceedings and resolutions of the National Assembly which used to be recorded in the classical language known as Choekey were now all recorded in Dzongkha. Textbooks which were in Choekey before had been reprinted in Dzongkha. Kuensel published its news and the national radio service broadcast its news and programmes in Dzongkha. Announcements and notices were being issued in Dzongkha and Dzongkha literary programmes were also being encouraged. All these developments were a testimony to the priority that was being given to the promotion of Dzongkha. English was used by government officials and departments to communicate with foreigners. Dzongkha was used in the National Assembly in the Lhengyel Shungtshog (cabinet) and for all internal official meetings.

The Finance Minister also informed the Assembly that all the laws and legislations were written in Dzongkha. The Dzongkha Development Committee had published a Dzongkha Dictionary and printed various traditional literature and folklore in Dzongkha in its efforts to promote the national language. He said that along with the government, all Bhutanese people should also play an active role in promoting Dzongkha. He expressed his hope that the Bhutanese people would nurture their children in traditional values and make them understand the importance of speaking Dzongkha and appreciating their rich cultural heritage and unique national identity.

The Secretary of Health and Education said that just as every country had its own national language, Dzongkha was the national language in Bhutan, and the Education Division was making every effort to promote it. Nobody attached more importance to promoting Dzongkha than His Majesty the King. Besides the Kasho to the Dzongkha Development Committee, His Majesty had also commanded the Education Division to make every effort to simplify the teaching of Dzongkha to encourage students to learn their national language. Accordingly, the Education Division had been improving its Dzongkha textbooks, developing textbooks for community schools and printing reading materials in Dzongkha to promote awareness in environmental conservation. At the same time, the Secretary pointed out that since Bhutan was a small country with a population of about

6,00,000 people, Dzongkha was not a feasible medium for interacting with the rest of the world, for which purpose English was the most suitable language. He submitted that it should be a source of satisfaction for both the government and the people that Bhutanese officials were participating actively and effectively in international conferences and seminars because of their proficiency in English.

One of the Royal Advisory Councillors said that greater importance should always be given to one's own national language and that a person should not become too attached to using foreign languages. Since children learn everything from their parents and family during their early formative years, it is the responsibility of parents and the family to teach them all important aspects of our tradition and culture, he added.

The Chairman of the Royal Advisory Council reminded the members that the policy of promoting Dzongkha was already included in the Plan document as one of the objectives of the 8th Five Year Plan. The Dzongkha Development Committee and the Education Division were making every effort to promote Dzongkha in keeping with the directive from His Majesty the King. As such, there was no need to have a separate deliberation on this point.

The Speaker concluded the discussion on this issue pointing out that the Plan document clearly included the promotion of Dzongkha and the preservation and promotion of traditional and cultural values as one of the objectives of the 8th Five Year Plan.

The people's representative from Wangdue Phodrang expressed his hope and prayer that just as the 7th Plan had been successfully completed, the expectation from the 8th Plan would also be fulfilled with the government and people working hand in hand to ensure its successful implementation.

The people's representative from Dagana, on behalf of the Gups and Chimis and the people of southern Bhutan, expressed his deep appreciation to His Majesty the King for the impressive results of the 5th, 6th and 7th Plans formulated by the Planning Commission under His Majesty's wise and dynamic leadership, and for once again increasing the salary for Gups and Chimis. He also expressed his hope and prayer that the development programmes of the well formulated 8th Five Year Plan would be successfully implemented with the government and people working closely together with one thought and mind.

The people's representative from Ha thanked Bhutan's friendly neighbour India for her generous technical and financial assistance towards the Kingdom's development process and expressed his hope and confidence for her continued support. He also expressed his deep appreciation to the other donor countries for their continued assistance despite the efforts of the ngolops to turn the donors against Bhutan with false and baseless allegations against the Royal Government.

The people's representatives from Thimphu, Pemagatshel and Punakha Dzongkhags expressed their confidence in the programmes of the 8th Five Year Plan formulated for the economic progress and development of the country under the wise guidance of His Majesty the King. They expressed their hope and prayer that, with the government and people working closely together, Bhutan's national goals and objectives would be achieved even more successfully than before.

The National Assembly recorded a vote of thanks to Bhutan's closest friend and largest development partner, India, and to all the friendly countries and international organisations and agencies for the generous assistance extended by them to promote the economic progress of the Bhutanese people. The Assembly noted that despite the ngolop activities, the 7th Plan had been successfully concluded because of His Majesty's selfless leadership and constant efforts to ensure the well-being and happiness of the people of Bhutan. With the country poised to begin the 8th Five Year Plan, the National Assembly recorded a vote of thanks to His Majesty the King for his wise and selfless leadership. The Assembly offered its prayers for His Majesty's long life and glorious reign, and his continued guidance at the helm of affairs, and for the fulfilment of the cherished goals of the government and people of Bhutan.

VII. ISSUES RELATED TO DEVELOPMENT PROGRAMMES

1. Problem of frequent road blocks on the Mongar-Lhuentse highway.

The people's representative from Lhuentse submitted that although the Royal Government had constructed the Mongar-Lhuentse road for the benefit of the general public of Lhuentse Dzongkhag, frequent roadblocks were being experienced at Chali Wanglachu and Rodpashong due to soil instability in the area. The Division of Roads was doing its best to repair the road and had even stationed a bulldozer permanently at Rodpashong. Despite

these measures, travellers still faced roadblocks which was also causing heavy loss to the government exchequer. In view of this the people of Lhuentse requested the government to look into the best possible means to solve this problem.

In response, the Secretary of Public Works Division reported that when His Majesty the King visited Lhuentse Dzongkhag for the 7th Five Year Plan review meeting, the people had submitted the problem of frequent roadblocks on the highway to Lhuentse, and His Majesty had commanded the PWD to study all possible options to solve the problem. Accordingly, the PWD had carried out detailed studies and come up with three options to deal with the problem. The first option was to construct a four kilometer bypass road crossing the Kurichu river and then rejoining the highway. With no villages across the Kurichu to benefit from it the cost involved for constructing the bypass road and two bridges over the Kurichu would be more than Nu. 129 million.

The second option was to construct a new road along the Kori La range, touching the top of Chali village and joining the highway at Gorgang. However, this road upto Gorgang would be 68 kilometers long and would cost more than Nu. 275 million to construct. The soil condition along this road was not much different from the unstable soil condition at Rodpashong. The Secretary also pointed out that with 14 kilometers from Mongar to Kori La, 68 kilometers from Kori La to Gorgang and another 30 kilometers from Gorgang to Lhuentse, the distance of the Mongar-Lhuentse highway would be extended to 112 kilometers from its present length of 79 kilometers. The Mongar-Lhuentse highway which was sanctioned by His Majesty the King during the 5th Plan for the benefit of the people of Lhuentse had been constructed at a cost of Nu. 36 million. During the 7th Plan, Nu. 12 million from Government of India assistance had been spent to build retaining walls and drainages along the road, and to plant grass and trees to improve soil stability. These soil stabilization measures had helped reduce the landslides in the area.

The third option was to concentrate on maintaining and improving the existing road. The PWD Secretary reported that Nu. 500,000 was being spent every year to drain the land above the slide area at Rodpashong and to carry out river protection along the Kurichu river below. He informed the members that having undertaken considerable maintenance works at Rodpashong over the last few years, the landslides had reduced. Since soil stability along the proposed new road via Kori La to Gorgang was also not very good, landslides could be a problem as it takes several years for new roads to stabilize, and it may result in great financial loss to the government with no benefit being derived by the

people. He, therefore, submitted that it would be better to maintain and improve the existing highway to Lhuentse.

The Lhuentse Dzongda submitted that the landslides on the Mongar-Lhuentse highway had been the focus of repeated discussions in the Dzongkhag Yargay Tshogchung meetings. He said that the problem at Rodpashong was a key factor affecting the economic development of the people of Lhuentse Dzongkhag and the people had also appealed to His Majesty the King regarding the problem. Despite all the efforts put in by the PWD, nothing seemed to help as Rodpashong was a landslide prone area. The soil above the road kept sliding down and the area below the road was being eroded by the Kurichu river, causing the road to sink and rendering it unfit for traffic. He proposed that, even though it would involve heavy expenditure for the government, it would be better for the future if the present road was extended from Mongar along the hills above Tormashong to the centre of Chali village, and then over the hills above Tsakaling to the existing highway at Rewan. This would increase the overall length of the Mongar-Lhuentse highway by about 5 kilometers only. If this was not feasible, a road may be constructed from Mongar to Kori La and via Thhemdangbi to Gorgang. This would benefit one Gewog under Mongar and half a Gewog under Lhuentse, involving a total of about 1,000 households. If either of these options were taken up, it would promote the sale of agricultural and livestock produce in the Dzongkhag, and increase the accessibility of health and educational facilities.

A Royal Advisory Councillor and the people's representatives from Mongar and Lhuentse pointed out that the main reason for the problems faced by the people of Lhuentse, including members of the business community and government servants, was the high prices of commodities due to the roadblocks at Rodpashong. Although a bulldozer was permanently stationed at Rodpashong it was only resulting in loss to the government while the problem faced by the people was not being eased significantly. They requested the government to consider either of the two options proposed by the Lhuentse Dzongda as it would benefit about 18 villages in the two Dzongkhags of Mongar and Lhuentse.

The Deputy Minister for Communications reported that the landslide situation at Rodpashong and Wanglachu was improving every year. Proper draining of the area above the road and river protection along the Kurichu below would further stabilise the soil at Rodpashong and reduce the occurrence of landslides. Building a new road today and having to maintain it later would only result in additional expenditure. Therefore, as submitted by the PWD Secretary, it would be a more feasible and cost effective choice to concentrate on the maintenance and improvement of the existing highway to Lhuentse.

His Majesty the King said that the problem of landslides at Rodpashong had been raised by the people during the 7th Plan review meeting at Lhuentse. As everyone was aware the Public Works Division had been directed to study all the feasible options to solve this problem and they had come up with three options. The first option was to build a bridge below Rodpashong and construct a four kilometer bypass road along the other side of the Kurichu and then rejoin the highway after crossing a second bridge. However, there were no villages to benefit from the bypass road and it required the construction of two bridges within a distance of four kilometers. The second option was to build a 68 kilometer road from Mongar to Gorgang via Kori La at a cost of Nu. 275 million while benefitting about 1,000 households. The third option was to concentrate on maintaining and improving the existing highway to Lhuentse. His Majesty said that the three options could be discussed and finalised later this year during the 8th Plan meeting for Lhuentse Dzongkhag.

The National Assembly, noting that the government had been doing everything possible to solve the problem of landslides at Rodpashong on the Mongar-Lhuentse highway, decided that the issue should be discussed and finalised later during the 8th Five Year Plan meeting for Lhuentse Dzongkhag.

2. Request to Conclude Construction of Tashithang-Gasa Road via Gathana in the 8th Plan.

The people's representative from Gasa submitted that although the construction of the 10 kilometer road from Tashithang to Gasa was not economically justifiable, including it in the 8th Plan would be of great socio-economic benefit to the people for which they would like to express their deep gratitude to the government. He said that the people requested for the remaining road to Gasa to be constructed within the 8th Plan as this would help to fulfill the policy of promoting the self-reliance of people living in remote areas.

The Secretary of the Public Works Division reported that a detailed study carried out by the PWD showed that the road between Tashithang and Gasa would be 35 kilometers long. He said that PWD officials inspected the area along the proposed road with the representatives of the prospective donor country. It was found that besides there being only a small population to benefit from the proposed road, there would be considerable ecological problems involved in its construction. As such the donor had expressed its regret about funding the proposed road to Gasa. However, if the needs of the people of the area were indeed great, the donor was willing to support installing a ropeway. To install the ropeway it was found that a six kilometer road would have to be constructed from

Tashithang to Gathana since the area between these two points was difficult and rugged and a high ridge would obstruct the ropeway. The estimated cost for the road and two bridges was Nu. 33 million. A ropeway from Gathana to Gezapang would be installed after the road was constructed. The Secretary said that the construction of the road from Tashithang to Gathana and a ropeway from Gathana to Gezapang was included in the 8th Plan.

The Planning Minister informed the members that since Gasa was the only Dzongkhag that was not connected by a motor road, His Majesty the King had commanded that donor assistance should be sought to build a motor road to Gasa even though the size of the population did not make it viable. As reported by the PWD Secretary, the Netherlands government would be funding the construction of the six kilometer motor road and two bridges between Tashithang and Gathana, and a ropeway from Gathana to Gezapang. The Dutch Government would also be funding the installation of a 60-70 kilowatt micro hydel project for Gasa Dzongkhag in the 8th Five Year Plan. He said that the ropeway which was being designed in the Netherlands had a carrying capacity of 500 kilograms and had cabins for passengers. It would benefit the people of Gasa, Laya and Lunana and was the most environmentally friendly method of communications for the area. He, however, suggested that final discussions on the issue could be carried out later when His Majesty the King and the government officials come to Gasa for the 8th Five Year Plan meeting.

The Gasa Dzongda submitted that the people of Gasa were aware that following His Majesty the King's directive during the 73rd Session of the National Assembly, the Planning Ministry had carried out a study and sought donor assistance for building a motor road to Gasa. He reported that during the DYT and GYT meetings, the people of Gasa had expressed their deep gratitude to the Royal Government, the Planning Ministry and the Public Works Division for the proposed motor road from Tashithang to Gathana and the ropeway from Gathana to Gezapang. He further submitted that although the Planning Ministry and the PWD had made every effort in accordance with the decision of the National Assembly, the proposed motor road to Gasa could not be built during the 7th Plan since donors had not been forthcoming to fund the project. He said that the people were, therefore, submitting a request to include the construction of the road in the 8th Plan before the Plan begins. He acknowledged that the size of the population in Gasa may not justify the road and its construction may also involve ecological problems. Since a study had not been carried out so far, no definite report could be submitted about Gasa Dzongkhag's potential in forest produce, minerals, hydro-power and medicinal plants. He submitted that

if either a motor road or a ropeway could be built upto Gasa Dzong, it would help to realise His Majesty the King's vision of bringing overall progress to the people of Gasa by making it into a new Dzongkhag. A motor road or a ropeway would greatly reduce transportation costs and cut down the development budget for the Dzongkhag. The price of essential commodities, which have to be brought from Thimphu and Punakha, will be lowered for the benefit of the people and government servants in the Dzongkhag, and this would help to encourage capable government servants to accept postings in Gasa.

The Dzongda further submitted that with increased development activities the number of goods and materials that had to be transported to Gasa Dzongkhag was increasing every year. However, ponies and porters remained the sole mode of transportation. With so much time and effort expended on transporting goods and materials, the seasonal agricultural works of the people were being affected. Connecting Gasa with a motor road or a ropeway would promote the sale of agricultural produce and increase the income of the people. Also, Gasa had hot springs which were visited by people from all walks of life in Bhutan in the winter months. A motor road or a ropeway would make the journey much easier for them in terms of time, expense and convenience. Tourism could also be promoted, bringing in foreign exchange earnings. Gasa would be able to catch up to other Dzongkhags in economic development, fulfilling the national policy of balanced development and self-reliance. The Dzongda, therefore, requested for a motor road or a ropeway to be built upto Gasa Dzong during the 8th Plan.

Speaking on the issue, His Majesty the King said that the PWD should build the six kilometer road from Tashithang to Gathana and the Planning Ministry should request the Netherlands government for assistance to extend the ropeway from Gathana to Gasa Dzong instead of leaving it halfway at Gezapang.

The National Assembly decided that, as directed by His Majesty the King, the Public Works Division and the Planning Ministry should take steps to extend the motor road from Tashithang to Gathana and install a ropeway from Gathana to Gasa Dzong.

3. Construction of new motor roads in Zhemgang

The people's representative of Phangkhar, Bardho and Shingkhar gewogs in Zhemgang Dzongkhag submitted that the request for construction of motor roads from Gongphu to Panbang, and Dakphel to Buli had been included in the 8th Five Year Plan at a total

estimated cost of Nu. 128 million, for which it was learnt that the Netherlands government had committed Nu. 40 million. However, there had been no confirmation so far about the funding for the Gongphu-Panbang road. If the government faced difficulties in finding sufficient funds, the people of the concerned areas were ready to contribute free labour for constructing the road. They only requested the government to provide technical assistance such as machineries, tools and implements. They also proposed that the funds for construction of new infrastructure in the gewog could be diverted for road construction, keeping some amount for the maintenance and repair of existing infrastructures. The Chimi recalled that during the 7th Plan review meeting held at Zhemgang, His Majesty the King had been pleased to accord high priority to the construction of motor roads in Zhemgang for the benefit of the people of Khengrinamsum. The people wished to express their deep gratitude to His Majesty the King, he said.

In response, the Secretary of the Public Works Division reported that during His Majesty the King's visit to Zhemgang in 1995 for the National Day celebrations, His Majesty had met with the Sustainable Development Project personnel from Netherlands working in the Dzongkhag and had mentioned to them the importance of building motor roads in Zhemgang. The Project personnel acknowledged the importance of motor roads to promote rural development in Zhemgang and said that they would do their best to obtain funds from their government. Accordingly, the PWD had included the construction of 102 kilometers of new motor roads in Zhemgang in the 8th Five Year Plan. These included a 37 kilometer road from Dakphel to Buli for which a survey had been completed. The cost for this road, including the construction of two semi-permanent bridges at Pomdagong Chu and Bargoen Chu, had been estimated at Nu. 98 million. The Netherlands government had committed Nu. 40 million and the remaining Nu. 58 million was also being negotiated with them. If this shortfall in funds could be obtained, the Dakphel-Buli road could be constructed on schedule. If not, it would not be possible to construct this road in the 8th Plan, he said.

According to a preliminary study, the Gongphu-Panbang road would be 65 kilometers long and cost about Nu. 263 million without including the cost for constructing two major bridges over the Mangdue Chhu and the Drangme Chhu rivers. The only possible access to the Indian side for this road would be through the Manas Game Sanctuary which was a major problem. The general public of Panbang engaged in transporting their oranges have reported that a toll tax of Nu. 300-400 is charged per truck to ply on the road through the Indian side of the Manas Game Sanctuary.

During a tour of Panbang Dungkhang, His Majesty the King, observing the problems of the people, had commanded the PWD to build a motor road from Panbang to Mathongori on the Indian side of the Manas Game Sanctuary. During the construction of this road, the PWD faced a lot of difficulties and problems from the Indian forestry personnel while transporting the machinery and materials for building the road. Letters of complaint that this road was environmentally harmful for the Manas Game Sanctuary had been sent repeatedly to the Royal Government. Newspaper articles denouncing the construction of this road had also appeared from time to time. The cause of any flooding in nearby areas was also being attributed to the construction of this road. The access to the Indian side was being rendered even more difficult with the Bodo and Ulfa militants frequenting this area. With unavailability of funds and no suitable access to the Indian side, the construction of this road is not feasible, said the PWD Secretary.

The Punakha Dzongda recalled that when he was Dzongda of Zhemgang, a study had been carried out by the representatives of the Netherlands government and the Dzongkhag administration in Zhemgang and a report also published. According to this report, the Netherlands government had agreed to help in the construction of two motor roads to promote the development of the people of Khengrinamsum. However, they had indicated that more than 50 percent of the cost of constructing these roads should be borne by the Royal Government.

The Deputy Minister for Communications pointed out that the main purpose of constructing this road was to promote the sale of agricultural produce of the people of Gongphu and Panbang. However, if after constructing the road at great cost there was no access to the Indian side, it would not be possible to sell the local produce outside and the people would derive no benefit from the road. Although the Netherlands government had indicated that they would extend assistance for development of roads in Zhemgang, they had so far committed only Nu. 40 million and this would only help to cover part of the cost of constructing the Dakphel-Buli road. Although there was a plan to construct a motor road from Gongphu to Panbang, it had so far not been possible to obtain the required donor funding. Even if the government were to construct the road at its own cost, it would not be possible for the government to maintain it and with no outlet for their products the people also would not be able to benefit from the road. Therefore, it would be better to take up the construction of this road at a later date when the situation had improved and agricultural production had also increased in the area.

The Zhemgang Dzongda submitted that the construction of a motor road from Gongphu to Panbang had been discussed many times in the Dzongkhag Yargay Tshogchung. He said that when the representatives of the Netherlands government and the Royal Government discussed the construction of roads in Zhemgang, the Netherlands representatives had said that out of the Nu. 140 million they had committed for the sustainable development activities in the Dzongkhag, they would earmark about 25 percent for road construction. So they had committed Nu. 40 million for the Dakphel-Buli road. Regarding the Gongphu-Panbang road, they had recognised its importance and said that the road would be of benefit to the socio-economic development of the people.

The Dzongda said that constructing the Dakphel-Buli road was very important as the people of Kheng had to travel four to five days at a stretch to carry materials and essential items for development infrastructures and schools. Although the PWD Secretary had reported about the problems in constructing the Gongphu-Panbang road, he requested that the road from Panbang may be extended by about 10 to 15 kilometers to reach Phangkhar Gewog which had several development centres. This road would benefit the people of Phangkhar and Ngangla gewogs, he said.

The Planning Minister reported that the Netherlands government had recognised the importance of constructing motor roads in Zhemgang. However, although programme documents had been drawn up no agreements had been signed. They had agreed to earmark 25 percent of the total funding for Zhemgang for road construction in the Dzongkhag, which was coming to about Nu. 40 million. However, it may take a few years before this money is actually received. Therefore, it would be better to concentrate on finding the additional funding and finalise the construction of the Dakphel-Gongphu road.

His Majesty the King reminded the members that although the Netherlands government had committed Nu. 40 million, an additional Nu. 58 million was required to build the Dakphel-Buli road. It would be best if the Planning Ministry could negotiate with the Netherlands government for this additional fund. If the additional funding cannot be obtained, it would be better to build the Dakphel-Buli road by diverting funds from the overall budget of the Road Division. His Majesty informed the Assembly that in the 8th Plan, a budget of Nu. 1,976 million had been allotted for the construction of 410 kilometers of new roads by the Public Works Division. Regarding the Gongphu-Panbang road, it is about 65 kilometers long and required the construction of two major bridges, and since it would have no exit to the Indian side it would not be economically

viable. His Majesty suggested that the problems and difficulties regarding the Gongphu-Panbang road could be further discussed during the 8th Five Year Plan meeting for Zhemgang Dzongkhag.

The National Assembly decided that, as suggested by His Majesty the King, the construction of the Gongphu-Panbang road should be discussed further during the 8th Five Year Plan meeting for Zhemgang Dzongkhag. Regarding the construction of the 37 kilometer Dakphel-Buli road, the additional funds required above the Nu. 40 million committed by the Netherlands government should be met from the budget of Nu. 1,976 million allotted to the Public Works Division for the construction of 410 kilometers of new roads during the 8th Five Year Plan.

4. Construction of Road from Samtse to Phuentsholing

The people's representative from Samtse submitted that although Bhutan enjoyed the best of relations and cooperation with India, in 1996 alone, it experienced three bandhs (road blocks) on the Phuentsholing-Jaigon road lasting a total of more than thirteen days. These bandhs resulted in hardship for the people and brought economic activities to a standstill. Since the threat of bandhs organized under the influence of the ngolops and their supporters in the border areas was likely to increase, it was very necessary to have an alternative road, preferably from Samtse to Phuentsholing via Satheka. In view of the security threat in having the road close to the border, the Chimi submitted that the road if constructed should be at least 5-10 kilometers away from the border.

The Secretary of the Public Works Division reported that preliminary studies carried out by the PWD before the beginning of the 7th Plan had indicated that the distance of the Samtse-Phuentsholing road would be about 104 kilometers for which a budget of Nu. 487 million could be needed. In addition, three major bridges would have to be built, one at Phuentsholing with a span of 100 metres over Amochhu river, another over the Lori Tsangchhu with a span of 30 metres and the third at Hanabari Tsangchhu also with a span of 30 metres. A budget of Nu. 72 million would be required for these three bridges alone. About 10 small bridges and culverts would have to be built, raising the total cost of constructing a motor road from Samtse to Phuentsholing to about Nu. 559 million. Although the construction of the road was highly necessary as submitted by the people of Samtse, careful observation and study had revealed that the road would pass through heavy rainfall areas with unstable soil prone to landslides. Therefore, he submitted that the

construction of such a road at this point of time would be very expensive and maintaining it would also be extremely difficult.

The representative of the Bhutan Chamber of Commerce and Industry said that as Bhutan and India enjoyed very close and friendly relations, Bhutanese people did not face any problem in travelling in the border areas through Indian territory. However, as the Samtse Chimi had submitted, one of the most important roads between Bhutan and India was the Jaigon-Phuentsholing road and there had been three bandhs on this road last year by the local Nepalese people under the influence of the ngolops with whom they are of the same ethnicity. These bandhs had caused great hardship for the public, businessmen and civil servants. There was no guarantee that such incidents would not be repeated in the future. As such if there were no roads linking the country within itself, it would be difficult to safeguard the country's security. The BCCI representative recommended that a road from Samtse to Phuentsholing should be constructed at a minimum distance of about 10 kilometres inside the border, and passing through Takpadamtay. He said that this road would not entail any of the difficulties for construction as enumerated by the PWD Secretary. It would be much shorter and only one bridge would have to be constructed. The road would also greatly benefit the people of Takpadamtay and the surrounding villages.

The Finance Minister acknowledged the importance of the proposal to build a motor road from Samtse to Phuentsholing. He said that the Jaigon-Phuentsholing road was the main conduit of economic activity and transportation between Bhutan and India, and when problems arose on this road, it caused great losses to both the government and the public. In fact, if there were no Druk-Air service, it would be difficult to travel in or out of the country during such incidents. However, as the Secretary of the Public Works Division had submitted earlier, the construction of such a road would need a budget of Nu. 559 million for which no external donors were available at this stage. Therefore, the Finance Minister suggested, the construction of the road should be considered at an appropriate time in future when the required funds were available.

The Planning Minister appreciated that the difficulties mentioned by the Samtse Chimi were indeed true. However, the proposal to build a road from Samtse to Phuentsholing had not been included in the 8th Plan. Moreover, the total cost for such roads at present estimates would come to more than Nu. 700 million. He pointed out that the 8th Plan provided for the construction of 410 kilometres of new roads and the repair and maintenance of 3,285 kilometres of existing roads. In addition, the Plan envisaged many

new development projects as well as the repair and maintenance of the existing ones. He, therefore, suggested that it would not be prudent to propose a project for which material and manpower requirements were not available. The Planning Minister reminded the members that since 1981, all development plans were finalized only after they had been discussed between the government and the people in public meetings in each and every Dzongkhag. If proposals which were not included in the Plan were to be submitted ad hoc to the National Assembly, the whole process of finalising the national plans would be made irrelevant.

The Deputy Minister for Communications appreciated that the main reason for making the proposal to construct a new road was due to the incidents of roadblocks on the Jaigon-Phuentsholing road. However, if the Jaigon road could be blocked, the new road could also be blocked. As such, the construction of a new road from Samtse to Phuentsholing would not solve the problem of bandhs and roadblocks. Also, the volume of trade between Samtse and Phuentsholing was minimal and most of the goods produced in the industries in the south were exported to India. He suggested that since relations between Bhutan and India were excellent, the existing roads on the Indian side should continue to be used. This would save the government from having to spend a huge amount of money for the proposed road and the public would also not face the problem of providing manpower to build the road.

The Minister of Trade and Industry said that the time had come when the government and the people must think seriously about the road network in southern Bhutan. In fact, there should be a road linking the whole of southern Bhutan from Sipsu in the west to Daifam in the east and not just from Samtse to Phuentsholing. As submitted by the public, travellers often faced great difficulties in not being able to reach from one part of the country to another through roads within the country. For example, those travelling from Phuentsholing to Gelephu or Samdrupjongkhar had to face the risk from ULFA and BODO disturbances and those travelling to Samtse faced the ngolop threat. As a result, there was a serious threat of loss of life and property for those travelling through these areas.

The Minister said that during the 8th Plan period, several major hydro-power projects and industries were going to come up in Bhutan for which regular movement of labour and materials was essential. As these movements would have to take place through neighbouring Assam and West Bengal which were facing constant disturbances, the government and people of Bhutan were also affected by these grave problems. It was in

this context, that there was a need to give special consideration to the issue of a road network in southern Bhutan. As reported by the Ministers of Finance and Planning and the PWD Secretary, there was both budgetary and manpower problems in constructing the proposed road from Samtse to Phuentsholing, and providing security to the bridges would also be very difficult. As such although it would not be feasible to construct a new road immediately, it should be kept in mind that one of the important goals of a sovereign, independent nation is to attain self-sufficiency. If travellers have to keep on passing through another country's territory to reach from one part of their country to another, there would be no end to the difficulties that they would have to face. Therefore, the Trade and Industry Minister said that while he was not suggesting that a Sipsu-Daifam highway should be constructed during the 8th Plan itself, he was recommending that plans should be formulated to construct such a highway in phases during the 8th, 9th and 10th Plan periods.

The Dagana Dzongda said that the difficulties of travelling from one place to another because there were no direct roads within Bhutanese territory in southern Bhutan was well known to all the members. He supported the proposal by the Minister for Trade and Industry that the Public Works Division should initiate a project for the construction of a highway through southern Bhutan. He was not suggesting that the highway be completed in the 8th Plan itself but rather that the project should be implemented in phases. He said that constructing a road within Bhutanese territory linking Sipsu to Daifam in the 8th, 9th and 10th Plans would greatly facilitate the movement of agricultural and forest produce and various other goods for trade. This would greatly benefit both the government and the people.

The Thimphu Chimi said that travelling from Wangdue to Gelephu via Tsirang caused no anxiety to anyone whether by day or night. However, travellers going from Gelephu onwards to Phuentsholing, Samtse or Samdrupjongkhar through India were in a constant state of trepidation and anxiety until they reached their destinations. Although building the proposed highway would entail very high cost, as already submitted by the other speakers, whatever requirements were not available from within the country should be sought from outside. While it would initially impose a very heavy burden on the government to build the road, facilitating the movement of forest produce, minerals and cash crops for trade would, in due course of time, prove to be very beneficial to the government and the people.

The Ha Chimi said that Phuentsholing was one of the main gateway to Bhutan and that travellers coming to it from Samdrupjongkhar and Gelephu increased every year. To avoid

undue risks to the life and property of these travellers, roads should be constructed within Bhutanese territory to connect these places. To this end, new roads should be constructed at important and strategic points along southern Bhutan. This could be done by adjusting with the 410 kilometres of new roads included under the 8th Plan.

The Chairman of the Royal Advisory Council said that both from the nation's present convenience and future security, the construction of a road along southern Bhutan connecting Sipsu in the west to Daifam in the east was indeed necessary. However, great as the need may be it could not be implemented immediately. He suggested that the proposal of a new road from Samtse to Phuentsholing should be discussed between the government and the people during the Plan meetings to finalise the programme of the 8th Five Year Plan.

The National Assembly resolved that the construction of a new road from Samtse to Phuentsholing should be submitted to the government when His Majesty the King and government officials visit Samtse Dzongkhag in the course of the 8th Five Year Plan meeting and that a decision on the matter should be taken at that time.

5. Motorable bridge over Punachhu at Khuruthang

The public of Lingmukha, Dzoma, Chhubu, Toewang, Shengana and Bjimena gewogs submitted a request for a motorable bridge to be constructed over the Punachhu at Khuruthang during the 8th Plan. They submitted that the bridge would not only directly benefit the public of the neighbouring gewogs by greater socio-economic development in the area but would also accelerate the development of the new township at Khuruthang. This would remove any apprehension the shopkeepers may have in moving to the new township as the bridge would provide greater access to both the public and the shopkeepers, thereby increasing the flow of goods and services. The proposed bridge would help in bringing the Administration closer to the people and speed up development activities in the area. Presently, all vehicles going to the other side of the Phochu river had to make a detour via Wangdue Phodrang. This bridge would shorten the journey by at least 30 kilometres, thus enhancing transportation in the area. It would also provide a substitute for the Wangdue Phodrang bridge which was quite old and requires periodical repair and maintenance. This would be useful in case the old Wangdue bridge was damaged in the event of a natural calamity.

The Secretary of the Public Works Division reported that a feasibility study for a motorable bridge at Khuruthang had been carried out. The bridge with a span of 363 feet would cost more than Nu. 15 million to build. He also informed the Assembly that in 1995, materials for the construction of a suspension bridge over the river at Khuruthang, worth Nu. 2.6 million, had already been delivered to Punakha. This suspension bridge would benefit the people on the other side of the river as well as the new township at Khuruthang. The Secretary pointed out that the distance between Punakha and Wangdue was only 13 kilometres and in addition to repairing and maintaining the existing bridge at Wangdue, another motorable bridge would be constructed about 500 metres upstream from the old bridge with foreign donor assistance at an estimated cost of Nu. 41.6 million. If another motorable bridge were to be constructed at Khuruthang there would be three bridges within a distance of only 13 kilometres, thus leading to inequity as some places in the country did not have even a single bridge. Furthermore, the existing 22 kilometre road from Wangdue to Shengana provided an effective passage for goods and services. Accordingly, the proposal to construct a motorable bridge at Khuruthang was not included in the 8th Plan, said the Secretary.

Speaking on the subject were a Royal Advisory Councillor, the people's representative from Thimphu and the people's representative of the Bhutan Chamber of Commerce and Industry. They pointed out that with the relocation of the Punakha township to Khuruthang, the people of Punakha who lived on the other side of the river, ranging from Tamidamchu at the head of the valley to those at Omtékha at the lower end of the valley, would have to bring their agricultural produce to Khuruthang via the bridge at Wangdue. As they were large producers of agricultural goods, it would greatly benefit them if a motorable bridge could be built at Khuruthang. If this was not possible, building a suspension bridge at Khuruthang should also greatly benefit the people on both sides of the river. As reported by the PWD Secretary, preparations had already been made to build this bridge. They also suggested that of the two bridges which would be in place within the 13 kilometres stretch along the Puna Chu, one of them should be built at Khuruthang.

The Deputy Minister for Communications informed the Assembly that when the Ministry carried out a feasibility study of the proposal for a motorable bridge at Khuruthang, it was found that the cost would come to Nu. 15 million and that unless the people of the five gewogs on the other side of the river could produce 1,000 metric tons of agricultural goods per day, the construction of the bridge would not be justified. He said that even if the goods

had to be sold via Wangdue Phodrang, as there were motorable roads on both sides of the river, people would only have to carry them for about 100 metres from the roads to the proposed bridge. Therefore, for the time being, a suspension bridge would be adequate for Khuruthang.

The National Assembly concluded that, as submitted by the Deputy Minister for Communications and the Secretary of the Public Works Division, if a new bridge were to be constructed at Khuruthang, it would result in three bridges within a distance of 13 kilometres between Punakha and Wangdue. Moreover, budgetary provisions had been kept only for the repair and maintenance of the old bridge and the construction of one additional bridge during the 8th Plan. It was, therefore, decided that constructing a motorable bridge at Khuruthang was not feasible.

6. River bank protection around Maokhola river

The people's representative of Gelephu and Serzhong Gewogs under Sarpang Dzongkhag submitted that Gelephu was the flattest and the most fertile land in the country and that it had the potential to fulfill His Majesty the King's hope of making it the rice bowl of the country. However, the Maokhola river was causing extensive damage to the arable land in Gelephu

Every year when the Maokhola was in spate during the monsoon season, its course would change at random, causing extensive damage and destruction to cultivable land. So far, it had damaged over 1000 acres of land. Increased deforestation along its banks and catchment areas might be responsible for the sudden increase in the volume of water during the monsoon season which made the river highly unpredictable. If river bank protection measures were not taken urgently, there was every possibility that in a few years time, the course of the river would change towards the Gelephu township, said the Chimi. As the danger of floods increased every year, the people of Sarpang Dzongkhag wanted to apprise the National Assembly about this serious problem and to submit that there was an urgent need to carry out river bank protection works along the Maokhola.

The Secretary of the Public Works Division said that although the river did destroy agricultural land in Gelephu and Serzhong, it would be too expensive to control the river. The area received between 4,000 to 5,000 mm of rainfall every year, most of it during the monsoon season. However, data on hydrology, river flow characteristics and the processes

of mass movement of sediments and siltation were not available. He said that such data and geological mapping of the area was necessary to form a long term river protection plan.

The Deputy Minister for Agriculture informed the Assembly that Sarpang Dzongkhag had proposed two river protection works to be taken up under the 8th Plan: two kilometres along the Maokhola and one kilometre in Kalikhola/Deorali Gewog, at an estimated cost of Nu.450,000. He said that the Agriculture Ministry had considerable experience in irrigation and river protection work. Experts working for the Ministry had concluded that it was futile to make piece-meal efforts at river protection for a number of reasons. During the monsoon season, the volume of water increased dramatically due to heavy rains, causing flash floods bringing huge quantities of sediment which filled up river beds, leading to changes in river courses. In such situations river protection works are of no use as the water tends to flow over them and the works are buried under sediments or washed away. Also with the river and streams changing course every year, this year's protection works are of no use the following year. Because of such problems, the Gelephu Area Development Project which was built in 1978 with Government of India assistance of Nu. 25.11 million was terminated in 1986. The pump house for this project was buried under the debris of a normally small stream flowing below it.

Likewise, the Taklai Irrigation Project had to construct new intakes and protection works every year. This project which was constructed in 1983 at a cost of US \$ 4.2 million financed by the UNCDF and the UNDP, and for which considerable money was spent on maintenance every year, was destroyed in 1992 by the people of Taklai and Danabari gewogs before they emigrated and left for Nepal.

In the course of implementing the Area Development Project and Taklai Irrigation Project, many institutions and experts had been engaged to study the river behaviour and to suggest suitable measures to control floods. The Central Water Commission of India was engaged by the Government of India and the UNDP engaged consultants to undertake the study. All experts after studying the behaviour of the Maokhola and its tributaries had stated that it was not technically viable nor economically feasible to undertake any permanent river protection works. When with so much financial and technical inputs from the Government of India and the UN system, it had not been possible to protect irrigation channels from small streams, it would be even more difficult to control the Maokhola river.

The Deputy Minister said that it was true that the river damaged agriculture land, but not 1000 acres as reported by the Gelephu Chimi. Taking up river protection works on the Maokhola would be of no benefit and would only result in very heavy expenditure for the government.

The Sarpang Dzongdag said that as the people of Gelephu were concerned that if the Maokhola was left uncontrolled, in a few years time it would pose a very real threat to Gelephu town. They had repeatedly put up the matter of river bank protection in the Dzongkhag Yargay Tshogchung. On inspecting the banks of the Maokhola, it was found that a reforestation programme by the Forestry Sector had proved most useful in containing the river. As such, he suggested that trees should continue to be planted along both the banks of the Maokhola river.

It was also found that the river protection works carried out to protect the pump house of the Area Development Project had protected the fishery project and the town and saved valuable lands in Lodrai during the floods in 1996. He submitted that even if a major river protection could not be constructed on the Maokhola, smaller ones should be built at vital points and the Forestry Sector should continue to plant trees along the banks.

The Deputy Minister for Agriculture informed the Assembly that a reforestation project in southern Bhutan, started in 1984 with loan from the World Bank, covered a total area of 9,000 acres out of which 5,000 acres were in the Gelephu area and of which 3,000 acres were in the Maokhola basin. The project which was scheduled to end in 1989 had been extended by one year to 1990 but before it could be completed properly, the ngolop problem started in southern Bhutan, as a result of which the project had been disrupted. In the 7th Plan, over 10,000 seedlings were distributed for planting in over 200 acres of land in Gelephu area by the Forestry Sector under the social forestry programme and this programme will continue to be carried out, said the Deputy Minister.

The representative of the Bhutan Chamber of Commerce and Industry and a Royal Advisory Councillor said that as the threat from the Maokhola to arable land and Gelephu town was great, the government should look into the possibility of providing river bank protection during the 8th Plan from the budget earmarked for river protection works.

The National Assembly noted that, as submitted by the Deputy Minister for Agriculture and the Secretary of the Public Works Division, the Royal Government had spent a

considerable amount of funds for the irrigation projects and river protection works in Gelephu. Regarding the issue of river protection, it should be discussed and decided later during the 8th Five Year Plan meeting for Sarpang Dzongkhag. At the same time, as reported by the Deputy Minister for Agriculture, reforestation works should be intensified in the Maokhola basin.

VIII. MISCELLANEOUS ISSUES

1. Request for Dratshang at Bumthang.

The people's representative from Bumthang submitted that although Bumthang Dzongkhag was one of the most sacred abodes of Guru Rinpoche with numerous sacred Lhakhangs and monasteries, it did not have a Dratshang at the historical Jakar Dzong which was built by the country's illustrious forefathers. The people of the Dzongkhag were deeply religious and regularly worshipped the main protective deities Yeshey Gembo and Pelden Lhamo since time immemorial. The Chimi said that while Bumthang was the summer residence of the Trongsa Dratshang, the monks were too busy with regular Kurims at Kurjey Lhakhang, Jambay Lhakhang and Jakar Dzong during their three months stay to meet the needs of the people. The establishment of a Drup Tse Zhi Tsechu in 1994 kept them even more occupied. The people of Bumthang, therefore, requested for a branch of the Trongsa Dratshang, with about 50 monks, to be permanently established in Bumthang.

The Bumthang Dzongda supported the request. Although there were many Lhakhangs and monasteries in Bumthang, they could not fully meet the needs of the people because they were involved in performing various Tsechus and established religious ceremonies. Moreover with the rise in population and improvement in living standards, the religious needs of the people had also increased. If a branch of the Trongsa Dratshang could be established permanently at Bumthang it would greatly benefit the people without involving additional expenditure for the government. He informed the members that there were 165 monks in the Trongsa Dratshang besides 55 monks studying in Sheydras and 93 in Drubdas, making a total of 313 monks. He suggested that out of these 313 monks, a required number could be kept permanently at Jakar Dzong.

The Home Minister, in his capacity as the Chairman of the Special Commission for Cultural Affairs, said that the Commission was aware of the concerns expressed by the people of Bumthang. He said that as the Trongsa Dratshang stayed at Kurjey Lhakhang for

three months in summer, it gave the impression to the people that the Jakar Dzong was not only left empty but that regular religious offerings in the Dzong might also have been neglected. As their request was for a small branch Dratshang and not for a big Dratshang, it should not be difficult to fulfill, he said. However, the request had to be discussed with the Trongsa Dratshang and the Special Commission would take a decision on it after a thorough examination of the matter.

The Bumthang Chimi expressed his satisfaction that the Special Commission would look into the request. As for the monks' residence, he informed the Assembly that the previous Dzongkhag Administration office in the Dzong could be used after some repair work was done.

The National Assembly decided that the request for a Dratshang at Jakar Dzong shall be considered by the Special Commission Cultural Affairs after a thorough examination of the matter.

2. Establishment of a Dratshang at Trashiyangtse

The people's representative from Trashiyangtse submitted on behalf of the public of the eight gewogs of his Dzongkhag that Trashiyangtse, the seat of Tertön Pema Lingpa, did not have a Dratshang to fulfill the religious needs of the people. A request had been submitted during the 73rd Session of the National Assembly for the establishment of a Dratshang with about 25 monks. As the Dratshang had not yet been established, the request was being submitted once again.

The monks of the proposed Dratshang could reside in the old Yangtse Dzong which had three-storeys. If necessary they could move to the two Lhakhangs at Rigsum Goemba in the summer while the Yangtse Dzong could be used as their winter residence. The living expenses of the monks could be met from the income generated by the land and livestock belonging to the monasteries of Rigsum Goemba and Gomphu Kora which also had land at Tsaling.

In addition, the 4,000 households in the Dzongkhag were willing to subsidise the expenses of the Dratshang. As such, the government would need to provide only a minimal subsidy to cover any shortfall.

The Chimi pointed out that at present the sacred Gomphu Kora Tsechu was performed by the Trashigang Dratshang. Although there were many Gomchens and Anims in Trashiyangtse there were no monks to perform the ceremonies and Kurims for the well being of the Dzongkhag and the nation. Therefore, the public of Trashiyangtse requested for the establishment of a Dratshang so that the Dharma may flourish and Kurims may be performed for the long life and well being of His Majesty the King and the peace and prosperity of the nation.

The Thimphu Chimi said that it was not enough to merely say that the Dharma flourished in Bhutan but that actions should support such statements. With the progress and development taking place in the country and the people drawing closer to their spiritual heritage, Dratshangs should be established wherever required to fulfill the spiritual needs and aspirations of the people.

A member of the Royal Advisory Council pointed out that His Majesty the King had started many development plans for the economic advancement of the country and the well-being and prosperity of the people. Likewise, the clergy should also establish Dratshangs for the spiritual well-being of the people, the benefit of all sentient beings and the flourishing of the Dharma.

The Chairman of the Special Commission for Cultural Affairs, the Home Minister, informed the Assembly that the government had not forgotten the request of the Trashiyangtse people. The establishment of the Dratshang, with 25 monks, had been considered by the 73rd Session of the National Assembly and His Majesty the King had commanded that the Special Commission should look into the feasibility of establishing the Dratshang. The Special Commission had recommended that the Dratshang should be established after the old Dzong had been renovated.

However, the people of Trashiyangtse had been very busy with the construction of the new Dzong and other development works in the Dzongkhag. If the renovation of the old Dzong had also been taken up at the same time, it would have caused much inconvenience to the people and, therefore, it had been postponed. The renovation of the old Dzong could now be taken up as soon as the new Dzong had been completed. Once the old Dzong is renovated, the Dratshang could be established at a convenient and auspicious date, said the Home Minister.

The Chimi of Trashiyangtse thanked the Chairman of the Special Commission for his assurances that the renovation of the old Dzong would be started soon and the Dratshang would be established thereafter.

The National Assembly, noted that the Special Commission for Cultural Affairs was in the process of establishing a Dratshang at Trashiyangtse in keeping with the resolution of the 73rd Session of the National Assembly, and that the Dratshang had not yet been established because renovating the old Dzong simultaneously with the construction of the new Dzong would have created difficulties for the people. The National Assembly resolved that the renovation of the old Dzong should be started soon and the new Dratshang should be established as requested by the people of Trashiyangtse.

3. Reduction of cost of cremation and death rites

The people's representative of Goenshari Gewog under Punakha Dzongkhag said that the people wanted to express their deep appreciation and gratitude to His Holiness the 70th Je Khenpo and the Central Monk Body for reducing the cost of cremation and death rites. This initiative of the Dratshang was particularly appreciated by the poorer sections of society who had always found the performance of cremation and death rites very expensive. The people were also gratified that the Dratshang had made the rites more elaborate and introduced the use of the ritual instruments such as Dungs and Jalings while reducing the cost of their performance.

The representative of the Bhutan Chamber of Commerce and Industry and the Paro Chimi said that the Dratshang had taken cognizance of the fact that while the well off could afford to make expensive and elaborate arrangements for cremations, those who did not have the means may not be able to bring their dead for cremation due to the high cost of the rituals. The people were, therefore, very grateful to His Holiness the Je Khenpo and the Dratshang for reducing the costs for cremation and death rites to a minimum. They suggested that the Rabdeys and Goendays in the Dzongkhags should also be advised by the Dratshang to follow the same procedure.

The Finance Minister offered the deep appreciation of the Ministry of Finance to His Holiness the Je Khenpo and the Central Monk Body for taking cognizance of the difficulties imposed on the poorer sections of the people by the past trend of expensive and elaborate arrangements for cremation rites, and reducing the costs for such rites while making it uniform for everyone.

The Finance Minister reminded the members that while in the past the public faced great difficulties due to heavy taxes and woola, the people today had the opportunity to enjoy a life of peace and contentment with the government taking care of their problems. However, as no one was immortal, the greatest Kidu faced by the people today was during times of death in the family. While well off people could afford expensive cremation rites, for the poorer people such requirements proved extremely difficult and they often had to resort to taking loans which they were not in a position to repay. The reduction of cremation and death rites by the Dratshang was, therefore, most beneficial to the people. It was also most gratifying that the Dratshang had taken the responsibility to undertake all cremation and related rites for those whose relatives could not afford the cost. If all the Rabdeys in the Dzongkhags were to follow the same practice introduced by His Holiness the Je Khenpo, it would benefit the people of the whole country, said the Finance Minister.

The Thimphu Chimi joined the other members in offering the appreciation and gratitude of all the people to His Holiness the Je Khenpo and the Dratshang for reducing the costs of cremation and death rites.

The National Assembly concluded its discussion on the subject by offering the appreciation and gratitude of all the members to His Holiness the Je Khenpo and the Central Monk Body for taking into account the difficulties faced by the poorer sections of the people and reducing the cost of cremation and death rites.

4. National Kurims

The people's representative of Dzoma Gewog under Punakha Dzongkhag expressed the appreciation and gratitude of the people to the Central Monk Body, the Rabdeys in the Dzongkhags, the Shedras and Dubdeys, Anim Dratshangs and Gomdeys for the frequent performances of national Kurims for the peace, prosperity and security of the country. He said that under the benevolent reign of His Majesty the King, the teachings of the Buddha flourished in the kingdom, in particular the Kagyue and the Ningma practices. He expressed the hope that the traditional religious ceremonies and national Kurims would continue to be performed for the peace and security of the country.

The National Assembly recorded its appreciation and the gratitude to the Central Monk Body, the Rabdeys, the Shedras and Dubdeys, the Anim Dratshangs and Gomdeys for their performances of national Kurims for the long life of His Majesty the King and the peace, prosperity and security of the nation.

5. Training for Jabmis

The Speaker informed the members that, as was well known to all of them, there was no representative from the judiciary in the National Assembly, it being an independent body. However, as the public of Shapa and Wangchang gewogs under Paro Dzongkhag had submitted a point in the agenda concerning the training of Jabmis (legal counsel), the Hon'ble Chief Justice had been invited as a special guest for the occasion to clarify any points that may come up during the discussions.

The people's representative of Shapa and Wangchang gewogs under Paro Dzongkhag submitted that since 1996, the High Court had conducted two training courses for Jabmis to improve the legal system of the country. Since the Gups and Chimis were often obliged to be directly involved with disputes in the villages, it was requested that Gups and Chimis be included in the next training course for Jabmis as it would greatly help them to resolve disputes and enhance the dispensation of justice in the villages.

The Samtse Dzongda said that, as per His Majesty the King's instructions, the High Court had conducted two training courses for Jabmis. According to those who had participated in the trainings, it was most useful in improving their knowledge of the country's legal system and practice. The trainings were also useful in the context of furthering their knowledge of human rights issues. The Dzongda said that while he agreed with the view that in their capacity as a bridge between the government and the people, the Gups and Chimis would greatly benefit from the training course for Jabmis, he did not see any reason why the National Assembly should discuss a separate training course for the Gups and Chimis as they could easily join the Jabmi course on their own as was the case during the past two training courses.

Addressing the Assembly, the Chief Justice expressed his gratitude on behalf of all his colleagues in the High Court and all the judges of the District Courts for the opportunity given to the judiciary to clarify issues relating to legal matters in the great hall of the National Assembly. He said that it was a matter of great satisfaction that the people's representatives from all parts of the country faithfully submitted the views and concerns of the people for the consideration of the National Assembly. He said that the judiciary of Bhutan was an independent and impartial body and that under the laws of Bhutan everyone was equal regardless of cast, creed, position, wealth or influence. The judiciary of Bhutan was pleased with the appreciation of the members of the National Assembly for the successful Jabmi training programme and encouraged by the requests for more trainings.

The Jabmi training programme was started as a result of His Majesty the King's desire to improve and enhance the legal system and to ensure that all Bhutanese people had access to impartial justice. If the Courts and those who had undergone the Jabmi training are able to handle litigations as per the provisions of the law, it would help in fulfilling His Majesty the King's wishes and meet the aspirations of the general public.

Although the judiciary was strapped for funds, in accordance with His Majesty the King's instructions, the first Jabmi training was conducted in March 1996 with 74 participants from all the Dzongkhags. The second training course was organized in August 1997 with 94 participants, among whom were two Gups and two Chimis. In the future, also, the High Court would continue to invite and select candidates for the training programmes, as it had done in the past, as long as the candidates were qualified. He said that the High Court would be pleased to receive applications from interested candidates whether they were Chimis, Gups or members of the public as long as they were able to meet the required qualifications, adding that Jabmi training was an advancement of justice.

The Paro Chimi said that the public had benefited immensely from the two Jabmi training courses and expressed his gratitude to the Hon'ble Chief Justice for organizing the trainings as well as for the assurances that Jabmi trainings would be conducted in the future also. He clarified the reason for submitting the request for a separate Jabmi training course for the Gups and Chimis. He said that when persons who were not associated with either the government or the public were involved in disputes as Jabmis, the litigants had to bear the costs of their services on the basis of daily expenses which resulted in extra expenditure for them. Although the Gups and Chimis do not hold their posts permanently, by virtue of their present positions, they become involved in settling disputes in their villages and Dzongkhags. Therefore, if they were trained to offer proper legal counsel, they would be able to serve the people more effectively, and as such the submission had been made, he said.

A member of the Royal Advisory Council stated that although the High Court had organized trainings for Jabmis, if their legal fees were not fixed, poorer people would never be able to afford the high fees charged by the Jabmis. Therefore, he submitted that the High Court fix the rates of legal fees.

The representative of the Bhutan Chamber of Commerce and Industry submitted that, in keeping with the development of the country, His Majesty the King had instructed that Jabmi trainings should be conducted so that all Bhutanese people would become fully

familiar with the country's legal system. Accordingly, the High Court had so far organized two Jabmi training courses which had been attended by those who were interested.

He added that litigants at the village level normally try to settle their cases at the village level itself although some take them further to the Dzongkhag Courts. If they were not satisfied at the Dzongkhag level, they would go up to the High Court and even appeal to His Majesty the King.

When disputes arose, the public first turn to the Gups and Chimis who then become directly involved. Therefore, if the Gups and Chimis are to be trained as Jabmis, they would become fully conversant with the provisions of the laws, particularly with new legislations that were being enacted in keeping with the changing times. They would thus be able to help solve many of these problems at the village or Dzongkhag levels.

The Home Minister said that, as mentioned by the Hon'ble Chief Justice, interested persons may participate in the Jabmi trainings according to their own wishes and as such he saw no reason for the Assembly to pass a decision on the matter. Regarding the request to fix the rates charged by Jabmis, the Minister said that if a rate was fixed, it may actually result in creating problems between the Jabmis and the clients due to the differences in their opinions on how much should be paid for their services. In addition, it may defeat the whole purpose of promoting the Jabmi system. Therefore, there was no need to take a decision on the rates for legal fees for Jabmis.

The people's representative from Ha submitted that when disputes arose in the villages, the Gups and Chimis along with respected elders in the community were called upon to mediate and settle them. Although in the past there was no tradition of Jabmi trainings, His Majesty the King had instructed that such training should be started. As the rates for the services of Jabmis had not been fixed, he heard that some Jabmis in Thimphu were charging more than Nu. 100,000 for a single case. Similarly, in the villages, also, wealthy people were paying much higher fees than others. Thus, it would appear that while the more affluent members of society would be able to avail of legal counsel, the poorer people may not be able to afford it. As this could lead to great problems for both the government and the people later on, it was important that proper consideration be given to the matter.

A Royal Advisory Councillor reiterated the need for fixing the rate of fees for Jabmis. He said that those litigants whose residences were close to the Courts faced lesser problems

than others who had to come from far away places and in such cases the services of the Jabmis became useful but rather expensive.

The Minister for Planning noted that the Paro Chimi had submitted that the Gups and Chimis who had to often deal with disputes in the villages should be given the opportunity to participate in the Jabmi training courses. The subject of fixing the rates for legal fees was not included in the agenda. As such, there was no need for the Assembly to discuss the fixing of rates for legal fees.

The National Assembly, noting that the members had expressed their satisfaction with the briefing given by the Hon'ble Chief Justice on the purpose and conducting of Jabmi training courses, decided that it was not necessary to deliberate and pass a resolution on the subject.

Regarding the fixing of rates for legal fees for Jabmis, 168 of whom had been trained so far by the High Court, it was felt that this could be appropriately decided by the judiciary, and there was no need for the Assembly to take a decision on the matter.

6. Appreciation for the Amendment to the Marriage Act

The people's representative of Shapa and Wangchang gewogs under Paro Dzongkhag submitted that the public wanted to express their appreciation to the government for the introduction of the Amendment to the Marriage Act in the 74th Session of the National Assembly and which was duly enacted by the Assembly. The Chimi said that the amendments had helped to reduce divorce cases and other marital problems. The amendments also adequately covered child support to children born out of wedlock and to children whose parents had separated.

A member of the Royal Advisory Council said that it had been reported that some people who had divorced and settled the terms of their divorce before the enactment of the Amendment to the Marriage Act by the 74th Session of the National Assembly had appealed to the Courts to consider settlement of their dues according to the amended clauses. As such, he wondered whether the judiciary should be asked to clarify how they adjudicated such cases.

The Assembly resolved that the Amendment to the Marriage Act had already been discussed and enacted during the 74th Session, and, as everyone was aware that the new laws came into force only after enactment, there was no need to discuss the subject any further.

7. Direct Recruitment of outside labourers

The people's representative from Trashiyangtse Dzongkhag expressed the gratitude of the contractors of his Dzongkhag to the Royal Government for granting all kinds of works such as building of houses, roads and project works to the private sector. He then submitted that while Bhutanese workers were able to carry out most of the construction works, outside labourers were needed for certain types of skilled works such as those involving the use of steel. Although at present the government granted approval to contractors to recruit temporary outside labourers based on the category of the contractor and the size of the work, the practice was problematic for those contractors in remote parts of the country as the requisite forms had to be obtained from the Bhutan Chamber of Commerce and Industry and the applications processed in Thimphu. This resulted in the contractors having to travel long distances and delays in receiving the permits on time. The Chimi requested that the Dzongdas of the various Dzongkhags be authorised to issue permits for recruitment of outside labourers and that if this was not possible, the contractors should be allowed to submit their applications through the Dzongkhas without having to come personally to Thimphu. This would be of great help to all the contractors, in particular, the petty contractors, he said.

The Home Minister said that the submission by the contractors of Trashiyangtse Dzongkhag regarding recruiting of outside labourers needed to be considered very carefully by all members of the Assembly.

He said that if the rules of recruiting outside labourers were to be changed for the convenience of a few contractors in Trashiyangtse Dzongkhag, it could result in promoting unemployment of Bhutanese nationals. He pointed out that Trashiyangtse had built a new Dzong without a single outside labourer and, therefore, the Dzongkhag had enough manpower. If the people were able to build such a huge Dzong without recruiting outside labourers, there was no reason to do so for smaller construction works.

The Minister reminded the members that the issue was discussed thoroughly in the past sessions of the Assembly wherein it had directed the Home Ministry to control and regulate the recruitment of non-national work force to ensure that the opportunity would first go to the Bhutanese work force and that if outside workers were necessary, to carefully examine the requirement. The Registration Division of the Home Ministry had been working in strict accordance with the resolutions of the National Assembly, he said.

In keeping with His Majesty the King's command and the decision of the National Assembly, a Committee had been specially established for the recruitment of non-national workers. This had been done with the present well being and the future security of the country in mind. In addition, the Cabinet had approved a procedure for the recruitment of non-national labour and circulated it in 1995 to all the Dzongkhags and gewogs. The Registration Division of the Home Ministry was strictly guided by this procedure for recruitment of non-nationals, he said.

The Home Minister pointed out that, as was well known to everyone, although the Dzongkhags had not been authorised to recruit outside labourers, for the convenience of the contractors, if they were not able to complete their works in time, the Dzongkhags were now authorised to extend the validity of the permits of non-national skilled workers for a period of three months without the matter having to be put up to the Committee.

The main reason why the recruitment of non-national workers had not been decentralized to the Dzongkhags and was controlled by the Registration Division and the Committee is to ensure that we do not create a serious problem for ourselves again, he said. The Minister recalled that in the past, when the Dzongkhags were authorized to recruit non-national labourers, even those jobs that could be filled by Bhutanese nationals such as people looking after cash crop orchards, cow-herders and domestic helps were recruited from outside, leading to the grave situation in the country which all the members were fully aware of.

He reminded the members that there were 113,000 non-nationals working in the country in 1988. The government and the country faced a serious problem when most of them refused to leave even after their work contracts had expired. For example, after the completion of the Penden Cement Project in 1988, the non-national workers refused to relinquish their jobs. Not only did they refuse to go but said that even if they had to leave, they would do so only after receiving cash compensation. Only after paying them a total of Nu. 4.254

million did the non-national work force at the Penden Cement Project in Gomtu agree to leave the country. This was reported to the National Assembly in its past sessions, and after thorough deliberations, the Assembly had repeatedly called for strict control in recruitment of outside labourers.

The Home Minister said that keeping the present well being and future security of the country in mind, the National Assembly should carefully consider whether there was any need to decentralize the authority for recruitment of non-national labourers to the Dzongkhags. He reported that the main objective of the Committee, constituted for recruitment of outside labourers, was to ensure that people who could harm the country were not employed. The Committee was also required to keep in mind the importance of strengthening national security, and to promote job opportunities for Bhutanese nationals so that they could enhance their abilities and skills, thus contributing to the fulfilment of the national goal of self-reliance. As such, permits were issued to the contractors to recruit outside labourers only for skilled jobs which could not be done by Bhutanese nationals.

The Home Minister conceded that, as submitted by the Chimi of Trashiyangtse, in order to avoid having to travel long distances and also wasting time, the applications for recruitment of outside labourers by the contractors could be forwarded to the Committee through the respective Dzongkhags. The Committee would then make its decision upon proper verification and convey it through the concerned Dzongdas. He felt that this should be acceptable to the contractors.

The Secretary of Health and Education said that the problem submitted by the Trashiyangtse Chimi was quite genuine. While there were very few skilled labourers in the villages, there were many development works in the Dzongkhags which required skilled workers. He reminded the Assembly that in 1994 His Majesty the King had commanded that skilled labour training must be provided to national workers. In 1996, His Majesty had again commanded the Education Division to initiate trainings for skilled labour as it would be of great benefit to the people and country. He reported to the Assembly that, accordingly, the Education Division had started trainings for skilled labour in the villages.

The Secretary informed the members that in the past, the villagers were asked to report to training centres but as this was found to be inconvenient to them the trainers now visited the villages which had greatly facilitated imparting the necessary skills to the villagers. In Khaling, for example, trainings in carpentry, masonry, plumbing and electrical fittings proved very successful. As the results of even one month's training were highly

encouraging, the Secretary said that it appeared that the government's objectives would be met successfully.

The Secretary also reported that last winter, a one month training in basic carpentry, electrical fittings and roofing for cooks and cleaners of various schools was conducted during the school holidays at the Changzamto School in Thimphu. In this short time, all those trained were found to be capable of executing the above jobs as well as any outside worker. He, therefore, concluded that if Bhutanese workers were given trainings in skilled jobs, they would be able to fulfil the goal of self-reliance in skilled labour.

The Minister for Trade and Industry informed the Assembly that it had been sending regular reminders to all commercial organizations, industries and the business community explaining government policy on recruitment of outside labourers, the reasons for the policy and the procedures for their recruitment. He reported that contractors engaged in the construction of hydro-power projects, industries and other major projects were compelled to recruit non-national labourers as they could not find the large numbers required from within the country.

The Minister said that the National Assembly should deliberate whether it would be possible to consider the submission by the Trashiyangtse Chimi to either decentralize the authority for recruiting outside labourers to the Dzongkhags or to allow applications to be submitted through the Dzongkhags.

He said that the Ministry of Trade and Industry had no difficulty in acting according to the existing procedures for the recruitment of non-national labourers. Moreover, with the state of development in the country where instant communication through telephone and facsimile was available, there was no reason why submission of applications through the Dzongkhags should be difficult for any one. Nevertheless, the Minister said that all concerned people should give extra thought to the issue of recruiting outside labourers.

The Trashiyangtse Chimi thanked the Home Minister, the Secretary of Health and Education and the Trade and Industry Minister for their clarifications. He said that it was not at all the intention of the people in his Dzongkhag to avoid work and employ non-national labourers indiscriminately. He pointed out that thousands of people in his Dzongkhag had been carrying out all kinds of development works in the Dzongkhag. As the government was awarding contracts for large projects to private contractors, there was

the need for recruiting skilled labourers which the government had been approving for a period of three to six months and which would also help to enhance the skills of Bhutanese workers. The submission had been made to simplify the procedures.

The Chimi thanked the Home Minister for stating that applications may be submitted through the Dzongkhags without the contractors having to come all the way to Thimphu.

The representative of the Bhutan Chamber of Commerce and Industry expressed his appreciation to the Trashiyangtse Chimi for raising the problems faced by the contractors in Bhutan in recruiting non-national labourers. He reported that during the 12th general meeting of the BCCI, the representatives of the business communities of all the 20 Dzongkhags expressed concern over the inability of contractors to complete contracts on schedule wherever the requirement for skilled works could not be met by Bhutanese workers.

He pointed out that contractors were obliged to complete their works within a stipulated time period. Where the works required skilled labour which were not available in the country and when the recruitment of such labourers from outside was delayed, it resulted in the overall delay in completing the works, thus leading to imposition of fines on the contractors. Therefore, being aware of the policies on the recruitment of outside labourers, the government should waive the fines on contractors when they could not complete their works on time because of delay in recruiting skilled labourers.

He submitted that, for example, if a contractor got a work worth Nu. 10 lakhs to be completed in six months and the work required some skilled non-national labourers, it took two to three months to complete the formalities through various organizations like the BCCI, the Trade Ministry and the Home Ministry. By the time the 10 skilled non-national labourers were recruited, four months would have passed. When the work could not be completed in the stipulated time, the contractor would be fined 10 percent of all contract cost and be declared incompetent. He, therefore, proposed that as skilled labourers were scarce in the country and needed to be recruited from outside following the prescribed procedure, all Ministries and Division should extend the contract periods when the works could not be completed in time for the above reasons.

In response, the Home Minister said that the solution to the problem cited by the BCCI Chimi regarding the completion of formalities for recruitment of outside labourers was actually in the hands of the contractors who should process the formalities well in time. He pointed out that some contractors made a request for 75 non-national labourers when the

actual need was 25 people. The Home Ministry considered such requests carefully after consulting the Trade Ministry on the size of the work and assessment of the true requirement of skilled outside workers, and this practice would be continued. He said that perhaps the real reason for the delay in completing contract works was the negligence of the contractors themselves. In attempting to increase their profit margins, contractors concentrated on recruiting outside labourers who agreed to the lowest of wages and were, therefore, not as skilled as they should be. He pointed out that continued hiring of large numbers of outside labourers will undermine the development of the national work force.

The Trashigang Dzongda informed the members that, as reported in the 74th Session of the National Assembly, the eastern Dzongkhags did not face labour shortage problems. In Trashigang Dzongkhag, all development works such as building of industries, hydro-power and roads were carried out with minimum outside workers. As Bhutanese nationals were employed, it brought them much benefits, including an increase in their incomes.

The Dzongda pointed out that the main reason for the outbreak of the ngolop problem in southern Bhutan was the fact that every year during the census, the population in most gewogs would double from the previous year. This had happened due to large scale employment of outside labourers by a few influential contractors and businessmen, and the problem had been overlooked because strict control had not been exercised on the recruitment of outside labourers.

If the procedure for recruitment of outside labourers was not strengthened, it would result in the employment of even the most basic kinds of workers such as cooks, barbers and sweepers from outside the country with every possibility of creating unemployment for Bhutanese nationals. In keeping with His Majesty the King's command to ensure that such a situation did not arise and that trainings for skilled labour in the villages should be initiated, a programme for training of villagers had been started in Khaling. The Ministry of Health and Education provided facilities for lodging, rations and daily allowance for about 70 to 80 people. They were trained in carpentry, masonry, cement works, electrical fittings and plumbing and those who completed the training would offer their services on a commercial basis to the Dzongkhag or take up works on contract basis.

Those who completed the trainings were given equipment and tools worth more than Nu. 3,000 each as an incentive. He submitted that, likewise, as many people as possible should be trained in various skills so that all works could be executed by nationals and the benefits

would remain with the Bhutanese people. If the recruitment of non-national labourers is allowed to continue unabated every year for the benefit of a few contractors, there will never be a time when we can achieve full self-reliance in keeping with the pace of development in the country, he said. Therefore, everyone concerned should give careful thought to the issue.

The Bumthang Chimi said that the submission by the Trashiyangtse Chimi was not for recruiting unskilled labourers but skilled workers for short durations to complete contract works. However, if the issue was not considered very carefully and the policy for recruitment of outside workers was not strengthened, it could create the same kind of problem that erupted in the country a few years ago.

The Chimi said that, as a contractor himself, he used to engage four non-national labourers in the past. However, since 1989, in accordance with government policies, he had repatriated them and was now engaging Bhutanese workers who he had trained in skilled works. As Bhutanese workers were capable of shouldering any job once they were trained, what was important was to have them teach other national workers who could acquire the skills after three to four years experience. The Chimi, therefore, suggested that when contractors and government and private organizations recruited skilled labourers from outside, they should be put to work with Bhutanese workers who could acquire the necessary skills from them. This way, the goal of self-reliance could be achieved in due course of time.

He also informed the Assembly that last year when the Chimis from the other Dzongkhags arrived in Thimphu they did not observe many non-national labourers. But this year, the numbers seemed to have increased considerably in Thimphu town and the surrounding places.

The Chimi pointed out that although the Home Minister had reported that the Home Ministry was strictly following the government policies on the recruitment of outside labourers, it was very necessary to take note of the fact that the number of outside labourers in Thimphu had greatly increased.

The Deputy Minister of Agriculture said that the Trashiyangtse Chimi had requested for the authority to recruit outside labourers to be decentralized to the Dzongkhags and if that was not possible to allow applications to be routed through the Dzongkhags without the contractors having to come personally to Thimphu. Since the Home Minister had agreed that, for the convenience of the people, applications for recruitment of outside labourers

could be routed through the Dzongkhags and that the Home Ministry after examining the applications would give its decision on the matter without delay, there was no need to prolong the discussion on the matter.

The Deputy Minister said that what Bhutan had achieved in terms of development in 37 years, other countries had taken 300 to 400 years and, as such, it was possible for some mistakes to be committed. Therefore, it was necessary for everyone to uphold and implement the national policies, and if there were any problems along the way, they should be discussed and rectified. Even more important, the government and people should work together to safeguard the security of the country and fulfill the national goals and aspirations, he said.

The National Assembly noted that, as submitted by the Home Minister, the past sessions of the Assembly had considered the issue of outside labourers and had passed resolutions on it. As such, there was no need to change these resolutions and all concerned should continue to abide by them. The National Assembly also decided that in order to safeguard national security and achieve the goal of self-reliance, all concerned government and private organizations should support and promote the training of skilled Bhutanese workers. Regarding the procedure for recruitment of outside labourers, the Assembly decided that it was not necessary for the contractors to personally come to Thimphu to submit their applications which could, henceforth, be routed through the concerned Dzongkhags.

8. Request for establishment of new gewog after merging adjoining village.

The Dagapela Chimi submitted that the public of Dorona and Emiray gewogs in Dagapela Dungkhag,

which had a very small population with scattered households, requested for the creation of a new gewog of Bjurugang. He said that earlier, 110 households in the seven villages of Bjurugang, Kashithang, Namshigang, Tapgang, Bartza, Lungtengang and Eytosi had been merged with Kana Gewog under Dagana Dzongkhag after separating from Chhukha Dzongkhag. In order to form a separate Bjurugang Gewog, the whole of Dorona Gewog with 132 households, and part of Emiray Gewog, namely Jhorkharkha, Powgaon and Tanju with 52 households, could be merged with Bhjurugang. In addition, the Thrams of about 10 households in Tapgang which were still under Chhukha Dzongkhag should be registered under Dagana Dzongkhag.

At present, Bjurugang had a BHU and an Agriculture Sub-Centre. The construction of an Animal Husbandry Sub-Centre and community schools had been proposed for the 8th Five Year Plan.

The remaining villages of Emiray Gewog, namely Sanu Dhappar, Emiray and Deorali with 100 households, could be merged with Gozhi Gewog, thereby dissolving Emiray Gewog as desired by the public. Similarly, the people requested that the 29 households in Khagochen Village under Gozhi Gewog should be merged with Kana Gewog, with the Bhalleychu river as the gewog boundary. This merger would greatly benefit the people of the area, he said.

The people's representative of Tseza and Karli gewogs submitted that when villages under Chhukha Dzongkhag were merged with Dagana, 10 households in Tapgang had been left out. These households were registered under Chapchha Gewog. He requested for these households to be merged with Bjurugang when it was made into a new Gewog.

The Home Minister reported that the request for merging some of the villages in Dagapela and creating a new gewog at Bjurugang had been received by the Home Ministry also. However, the Ministry had not had the time to study the request properly. He said that the request for merging villages into a new gewog had to be studied very carefully, otherwise it could lead to problems later for both the government and the people. It was necessary to verify the gewog boundaries and all the Thrangs with the actual land position and census records of the people before merging villages into a new gewog. It was also very important to study the socio-economic facilities and the impact on the people. We will also have to study the facilities available in the existing gewogs because, if we create a new gewog, not only will many development facilities become redundant but new service facilities will have to be established in the new gewogs, he said. He suggested that the Home Ministry should carry out a feasibility study and submit the report to the government for a decision.

The Chhukha Chimi submitted that although the census and land records of the 10 households in Tapgang had always been kept under Chapchha Gewog in Chhukha Dzongkhag, they could be registered wherever it was feasible as per the policy of the government.

The Dagana Dzongda said that the people had been requesting for the merger of some of the villages into a new gewog since 1993. As the issue had been raised repeatedly in the Dzongkhag Yargay Tshogchung, it had been brought before the National Assembly. While this issue could be decided after the Home Ministry had carried out a feasibility study, he suggested that the Home Ministry should also discuss the establishment of development centres in the proposed new gewog with the concerned government departments.

The National Assembly resolved that the request for merging the adjoining villages in Dagapela into a new gewog should be decided after the Home Ministry submitted its report to the government following a thorough feasibility study of the request carried out in close consultation with the concerned government departments.

9. Request for Regrouping of Isolated

Households.

The people's representative of Tsangkha Gewog in Dagana Dzongkhag submitted that following the emigration of people on their own free will since 1992, the people who were loyal to the Tsa-Wa-Sum and had stayed in the country were facing problems on account of the fact that in some gewogs in Dagana it takes more than one hour to reach from one house to another. Wild animals were also a problem because they were destroying crops. Therefore, the people requested that isolated households should be regrouped wherever there were large settlements in the gewogs.

If people were regrouped in one settlement by giving replacement land, there would not be any financial implication to the government while the public would benefit in many ways. For instance, it would be easier to provide drinking water, access to health facilities, irrigation schemes and education to children of all households. It would be easier to establish Renewable Natural Resource centres, demarcate forest land and prevent forest fires. The remaining land could be kept as reserve forest, he said.

The people's representative of Lajab and Khipisa Gewogs in Dagana Dzongkhag submitted that the government had never failed to look after the Kidu and welfare of the people. His Majesty the King had been granting land to landless people and to those whose agricultural land were damaged by floods or landslides. Those who could not build houses on their land in rural areas had also received Kidu assistance. He requested that, likewise, it would be very beneficial if isolated households could be regrouped together by giving replacement land where there was available government land.

The Home Minister said that he appreciated the proposal of the people of Tsangkha Gewog because it was aimed at improving the welfare of the people. Such a suggestion had also been discussed in past sessions of the National Assembly. Small scattered villages were a common problem in all the 20 Dzongkhags. If we decide to regroup the isolated households in Tsangkha Gewog, every Dzongkhag with scattered villages will ask for them to be regrouped, he said. This would be a problem because after regrouping one gewog it would not be fair to refuse a similar request from another Dzongkhag. He pointed out that a hasty decision now might lead to serious problems later which may be more difficult than implementing a resettlement programme. There may also be strong resentment from many households that might not want to move from their present locations. The government cannot force people to leave their homes and land, and regroup them in another location. Even if everyone in the area wanted to move to another location it would be like implementing a resettlement programme which would be very difficult to carry out. Such proposals needed careful study and it would serve no purpose for the Assembly to deliberate on the matter. He suggested that the Home Ministry should be given time to study the feasibility and implications of the proposal and, if found appropriate, it could be approved by the government.

The Dagana Dzongda submitted that the feasibility study for regrouping of villages should not be left to the Home Ministry and the Dagana Dzongkhag alone but it should also involve the Agriculture, Health and Education, and Communication Ministries. This was necessary since requirements of schools, health facilities, roads and water supply and agricultural land would have to be taken into consideration. He said that the proposal had been discussed in the Gewog Yargay Tshogchungs and the Dzongkhag Yargay Tshogchung, and sectoral heads in the Dzongkhag had been sent to conduct studies in the gewogs. Since their reports indicated that regrouping the isolated households would be beneficial, the matter had been submitted to the National Assembly. He suggested that the concerned ministries could study the reports of his sectoral heads and decide if the proposal was feasible.

The people's representative from Bumthang submitted that although he was not familiar with Dagana, it did stand to reason that regrouping isolated villages would facilitate the establishment of development and service facilities and effective implementation of development programmes. However, it was also necessary to consider whether harmony or friction will prevail in greater measure in such a situation. This should be kept in mind while conducting the feasibility of the proposal, he said.

The people's representative from Ha pointed out that during the deliberation on resettlement it had been decided that the resettlement programme would commence from October this year. The request for regrouping of villages had been submitted by the people of Tsangkha Gewog because the land of their neighbours who had emigrated had turned to forest and wild animals were damaging their crops. He suggested that landless people should be resettled on these vacant lands when the resettlement programme was implemented. This will take care of the security concerns of the isolated households requesting for regrouping, he said.

The National Assembly decided that, as submitted by the Home Minister, the Home Ministry should coordinate with the concerned ministries and departments and carry out a study of the proposal by the Dagana Chimis. The government should then take a decision according to the feasibility of the proposal.

10. People who had applied to emigrate are still residing in Bhutan

The people's representative of Tsangkha Gewog in Dagana Dzongkhag reported that many people who had been so keen to sell their property and leave the country more than five years ago were now increasingly visible in their former Dzongkhags and in other parts of the country. When these people applied to emigrate, their applications were delayed by the GYT members for a period of one month so that they could discuss and decide with their family members whether they really wanted to emigrate. The applications were forwarded by the gewogs to the Dzongkhag only after getting final confirmation from the applicants, he said. Today many of these emigrants were now being seen coming to the villages. People whose names were not in the census records for more than five years were suddenly back and some of them carried letters from various heads of organizations stating that they were working in Bhutan. Such people were security risks, he said. Many departments and private organisations had employees without proper verification of nationality which was creating big problems in the southern gewogs and Dzongkhags in matters relating to census. Therefore, the people of Tsangkha Gewog would like to request that such people should not be employed by any of the government or private organizations.

The representative of the Bhutan Chamber of Commerce and Industry stated that as the submission by the Chimi of Tsangkha was a matter of grave national importance, the Assembly should deliberate very carefully on it and decide on an agreed course of action.

He said that, as was well known to all the members, the people who had emigrated had left Bhutan in spite of the best efforts of His Majesty the King and the government to persuade them to stay back. They had left for their motherland Nepal after selling their land and immovable property and taking everything else with them. Now many of them had come back to Bhutan. Such people will cause serious problems for both the government and the people, he said. They should not be allowed to stay in the country.

Speaking in support, the Chimi of Trashigang wondered how such people could be allowed to come back as and when they pleased after having emigrated from Bhutan and left for Nepal in spite of the best efforts by the government to stop them. This kind of two faced duplicity would not be accepted anywhere in the world, he said. Such people who have come back after emigrating and those who had applied to leave but are still around should not be allowed to stay in the country.

The Dagana Dzongda said that during last year's census in Dagana there were 57 people whose names were not in the census. Some of these people carried documents stating that they had been working in government and private organizations. As the cause of the present threat to the country's peace and stability emanated from such people who had no loyalty to Bhutan, in future, also, there was a grave danger to the nation's well being and security if the number of such people were to increase year by year. The fact that many emigrants were returning illegally was an encouragement to others. He said that if the citizenship and immigration laws of the country were not applied strictly, the country will soon face a serious problem. He cautioned that as the Bhutanese saying goes, one should "take necessary precautions before illness strikes and clear the drains before the onset of the rains". He reminded the members that it had been decided in the past sessions of the National Assembly that government departments and private organizations should not employ people without confirming their census status from the concerned Dzongkhags. He said that he was submitting the matter to the National Assembly because he felt the problem deserved close attention.

In response, the Home Minister said that he appreciated the genuine concerns of the people for the security of the country which was reflected in their report on the presence of emigrants who had returned. He reminded the Assembly of the long and porous border in the south, from Sikkim to West Bengal, Assam and Arunachal Pradesh. Such a long and open border could not be closed or fully protected. Moreover, with the limited number of immigration personnel it was difficult to identify genuine Bhutanese citizens in the south

from the ngolops and emigrants because they were of the same ethnic background. He also reminded the members that one of the main objectives of terrorist attacks in the villages in southern Bhutan was to rob and steal Bhutanese citizenship identity cards. These identity cards were given by the ngolops to the Nepalese people in the refugee camps in Nepal to back up their claims to being Bhutanese refugees.

The Home Minister pointed out that the Bhutanese citizenship cards, which were printed in Calcutta in 1982 for Rs. 2.00 each to save costs, was now easily and cheaply copied and reproduced in many printing presses in India and Nepal. In fact, fake Bhutanese citizenship cards had become a lucrative business in the refugee camps in eastern Nepal. This has been confirmed by those people who had come from the camps in Nepal to commit terrorist acts in southern Bhutan and who were caught by the Southern Bhutanese village volunteers, he said.

The Minister reminded the members that most of the people who had applied to emigrate and had left the country had registered themselves in the refugee camps in Nepal after claiming to have been forcefully evicted from Bhutan. These same people who had been accusing the Royal Government of persecution and human rights violations had been inflicting untold suffering on the people in southern Bhutan.

The Minister said that if those who had emigrated were found in the villages and gewogs, all Dzongkhag officials, GYT and DYT members and the people and also all residents of the urban areas should report them immediately to the nearest immigration office or police station. He assured the members that each case would be thoroughly investigated and dealt with in accordance with the citizenship and immigration laws of the country.

The Chimis of Punakha and Trongsa submitted that His Majesty the King had personally visited southern Bhutan and in an effort to try and persuade people from emigrating had exempted them from rural taxes and labour contributions for development works. However, they refused to listen and emigrated from the country. They said that upon hearing that many of them were now returning to Bhutan and seeking employment in government and private organizations, the people were greatly concerned.

They pointed out that the 73rd Session of the National Assembly had decided that without written verifications from the concerned Gups, Chimis and respective Dzongkhags, government departments and private organizations should not employ anyone. Therefore, all those seeking jobs in government and private organizations should not only produce

citizenship identity cards but, in addition, identification documents from their respective Dzongkhags and village authorities. Since illegal residents can only be identified by the Dzongdas, Chimis and Gups, all concerned should abide by the resolution of the 73rd Session of the National Assembly. If identification letters from heads of government or private organizations were accepted, it would be like locking the front door while keeping the thief inside the house.

The Chairman of the Royal Advisory Council pointed out that this issue had been repeatedly deliberated in past sessions of the National Assembly and resolutions had also been passed, but such debates and resolutions would be futile if they only remained on paper. While it is the respective Gups, Chimis and people in the villages who will know if any emigrants have returned to their gewogs, it would be difficult for them to know if the emigrants went to other gewogs and Dzongkhags. Therefore, if any new faces are seen in the villages and gewogs the people should report them immediately to the nearest police station or immigration office, as already mentioned by the Home Minister. If this is done and action is taken according to our citizenship and immigration laws, it will not be so easy or possible for those who have emigrated and left the country to return illegally, he said.

The Deputy Minister of Agriculture said that, as submitted earlier by the Home Minister, in order to ensure that people who had emigrated or absconded from the country after carrying out criminal activities do not re-enter and settle in the country, all Dzongkhag officials, GYT and DYT members and the people in villages and towns should immediately report the presence of emigrants and absconders to the nearest immigration office or police station who should in turn take action as per the laws of the land. This would take care of the concerns of the people on this issue. However, he cautioned that there was every possibility of such people resettling in other Dzongkhags and in towns like Thimphu and Phuentsholing where they were less likely to be recognized as emigrants rather than in their original Dzongkhags. As submitted earlier by the people's representatives, while it was a requirement for those seeking employment in government service to produce citizenship and census records, there were possibilities of public sector organizations that do not have to follow the civil service rules and private sector organizations not carrying out thorough verifications at the time of employment. To overcome this problem, he recommended that the National Assembly resolve that, henceforth, all government organizations as well as the private sector carry out thorough verification of the citizenship status of people being considered for employment, in close consultation with the Immigration and Census Division and concerned Dzongkhags.

A member of the Royal Advisory Council and the Thimphu Chimi pointed out that as the Chimi and the Dzongda of Dagana mentioned earlier, if there were people whose names were not in the census records, there was every possibility that the number of such people seeking employment could go up every year. Since other Dzongkhags could also face a similar problem, it would be useful if the members could be informed about the course of action taken to deal with those people whose names were no longer in the census records in Dagana Dzongkhag but who were found working in the country.

In response, the Dagana Chimi reminded the Assembly that His Majesty the King had visited southern Bhutan many times and even travelled on foot to areas with no motor roads and had personally pleaded with the people who had applied to emigrate not to leave the country. From Tsangkha Gewog, 14 households decided to emigrate and leave the country. Later many households which had agreed to remain behind also re-submitted their applications to emigrate when influenced by their friends to leave. Some submitted their applications more than three times. I have spent 22 years so far serving the people and the government in Tsangkha Gewog and, as such, I am fully conversant with the issue of the people who have emigrated from the country, he said. Some people had even applied three times to emigrate and those documents are with us, he added. Before 1994 no one whose name did not figure in the census record was detected. In 1997, about 57 persons were found in Dagana who had emigrated from the country. These people produced letters stating that they had been working from 1994-1997 in various organizations. Some had letters from headmasters saying that they were school teachers; others produced letters from private companies saying that they were factory workers; still others produced letters from the Forest Department and the BDFC. These letters are with Dzongkhag administration and some with the Gups and Chimis. As their claims appeared doubtful, verifications were carried out with the immigration list where it was found that they had left the country since 1991. If they had been working in Bhutan all this while, why were they not present for census every year? Not only were their names registered as having emigrated from the country but when the Dzongkhag records were checked, even the day and the month of their departure were clearly noted. The important thing, he said, is to take early action as per the laws of the land when information is received from the people about the presence of emigrants who had returned and were seen in the villages and gewogs. The people are concerned that if this is not done we may soon have all the people in the refugee camps in Nepal coming to Bhutan, he said.

The Minister for Trade and Industry agreed that the government authorities, Dzongkhag officials and heads of both the public and private sector organizations must work together to stop the illegal return of emigrants and their employment in the country. The Minister informed the Assembly that all major industries followed the recruitment procedures established under the RCSC rules. For example, recruitment of people at Tala Hydro-Electric Project and Dungsum Cement Project had their own clear cut guidelines on employment of personnel. Whether they were nationals or non-nationals, people were employed only after careful scrutiny by a committee set up for the purpose. Likewise, major private companies such as Bhutan Calcium Carbide Ltd., Bhutan Ferro- Silicon and Bhutan Particle Board Ltd. followed the corporation rules and regulations while recruiting employees. However, as submitted by the people's representatives, since oversights could take place, all private and public organizations should be extra vigilant in implementing these rules.

The Trashigang Dzongda submitted that the people were extremely concerned about the presence of ngolops in their midst. They compared it to sleeping with a snake. He reminded the Assembly that His Majesty the King had never discriminated between the north and south and, in fact, development was more concentrated along the southern Dzongkhags. His Majesty had initiated many attempts at national integration. He said it should not be forgotten that Nepali was accepted as an official language in Bhutan. Hinduism was encouraged, and the close relationship between Hinduism and Buddhism emphasized. His Majesty had personally contributed to the development of Hindu institutions and temples.

Yet, for all His Majesty's efforts in persuading them not to leave the country, many people had refused to stay in Bhutan and emigrated. "Water, which has flown downstream, cannot be turned back", he said. He pointed out that if the number of emigrants returning and seeking employment were to increase, it would lead to serious problems in the country. As submitted by the Dagana Chimi, great difficulties were being encountered by the different Dzongkhags when various organizations were freely issuing identification documents which can only be done by the Home Ministry, Immigration and Census Division and the concerned Dzongkhag Administrations. Therefore, such documents should, henceforth, be declared invalid and only the census and Thram records of the concerned Dzongkhags should be recognized during the annual census in the Dzongkhags.

The people's representatives from Ha, Pamagatshel, Wangdue Phodrang and Dagana Dzongkhags submitted it should be decided that, henceforth, identification documents issued by various organizations should not be recognized and only the identification and

census verification by the concerned Dzongkhag Administrations should be considered valid. The presence of emigrants in any Dzongkhag should be reported immediately to the nearest police station by all concerned. Also, all organizations should, henceforth, confirm the identities of applicants for jobs with the concerned Dzongkhag Administration before giving them employment.

The National Assembly noted that if those who had applied to emigrate and left the country on their own free will were to return surreptitiously, it would pose a constant threat to the nation's security. As the issue had been debated in past sessions and resolutions had also been adopted, all concerned should be more alert and deal with the matter in accordance with the resolutions of the National Assembly and the citizenship and immigration laws of the country.

11. Revalidation of Citizenship Identity Cards.

The Samtse Chimi submitted that the people of Chengmari Gewog under Samtse Dzongkhag submitted that the public were concerned about the large number of people, especially terrorists from Jhapa, Nepal who were crossing the border into Bhutan. He submitted that although the past sessions of the Assembly had decided that new citizenship identity cards would be issued only after the problem of the people in the refugee camps was resolved, the existing ID cards should be revalidated, as an interim measure, to stop illegal immigration and, above all, to protect the security of the country.

In response, the Home Minister said that the issue of revalidating ID cards raised by the Samtse Chimi was an important one and that it had been discussed by the National Assembly in 1989 and in all the subsequent sessions. In particular, he said that Para 15, Section 6 of the 73rd Session in 1995 had resolved that any issue related to the citizenship identity cards must be conducted in accordance with the existing citizenship laws and the immigration rules and regulations and the resolutions of the National Assembly. As such, it would suffice if the issue raised by the Samtse Chimi was dealt with according to the resolution of the 73rd Session of the National Assembly.

The Punakha and Ha Chimis submitted that with just one immigration and census officer in each Dzongkhag, it was not possible to check the infiltration of anti-nationals into the country. In fact, when this officer went on tour to the villages, those coming to the Dzongkhag headquarters on census related matters faced the inconvenience of having to

wait for his return. They pointed out that if there were not enough immigration personnel in different Dzongkhags to check and examine the ID cards, even issuing the most full proof ID cards would not be of any use. As the issue was an important one, the National Assembly had been discussing it since its 70th Session. They emphasized that the most important thing was for the immigration and census personnel to be very vigilant in carrying out their duties.

As the ngolops had access to fake ID cards, it was difficult to differentiate between the ngolops and Bhutanese citizens at the checkpoints between Thimphu and Phuentsholing and other places, especially when they came dressed in Gho and Kira. They were able to mix and mingle like fish and weed and, thus, there was the danger that they could easily infiltrate into the country including the capital city also. As such, it was submitted that in order to stop infiltration by the ngolops, the old ID cards should be revalidated.

The Home Minister reminded the members that the 73rd Session of the National Assembly had decided that issues related to the citizenship ID card will be dealt with according to the citizenship laws and the immigration rules and regulations of the country.

He clarified that while the Punakha Chimi was correct in pointing out that the Dzongkhags had only one immigration official each, there were different teams of people manning the immigration checkpoints which had been set up at various points along the national highways. For example, the Kharbandi checkpoint had immigration, police, revenue and customs officials working together in close cooperation. There were also checkpoints at Chhukha, Hongtsho, Wangdue Phodrang and other strategic places around the country. The Minister said that it was true that there was a shortage of immigration officials and it was only natural that officials sometimes made mistakes. However, he assured the members that they were performing their tasks to the best of their abilities. He added that the immigration officials were trained to examine the citizenship cards and travel documents and to do so without harassing the travellers. He also clarified that it was not feasible to check each and every traveller in the country because it would cause delays and inconveniences to stop and check all the vehicles on all the roads. Moreover, the anti-nationals do not use the highways to enter Bhutan since they can easily cross over undetected on foot anywhere along our long and porous border, he said.

The representative of the Bhutan Chamber of Commerce and Industry said that since the ngolops had left the country in 1990, their main objective, as explained by the Home

Minister, was to loot, kill, and terrorize the people so as to create instability in our country. He submitted that as the ngolops robbed the people of their ID cards and as it was easy to duplicate them, it was imperative to add a new identification mark to the present ID cards. He pointed out that when the ngolops came dressed in Gho and Kira and produced an ID card, it was difficult to differentiate them from Bhutanese citizens. They could also cross the border at any point. This meant that they could infiltrate the country with ease and be a threat to the national security. Therefore, it would be better to imprint a validation mark on the existing citizenship ID cards, he said.

The National Assembly decided that the issue of citizenship ID cards should be dealt with in accordance with the resolution of the 73rd Session of the National Assembly and the citizenship and immigration laws of the country.

IX. ISSUES RELATED TO THE NGOLOP PROBLEM

1. Punishment of Anti-nationals as per the laws of the land.

The people's representative of Dagapela under Dagana Dzongkhag submitted that Tek Nath Rizal was a citizen of Bhutan who had been elected by the people of Dagapela as a Chimi. Since he possessed only minimal educational qualifications, His Majesty the King had sent him to Australia for a short course to learn English with the hope that he may be able to serve the country and the people more usefully.

The public also elected him as a Royal Advisory Councillor with the hope that he would look after the interest of the country and the welfare of the people. But instead of serving his King and country with loyalty and dedication, he deceived the people and started the ngolop uprising. He turned against the Tsa-Wa-Sum and attempted to create serious misunderstandings between the government and the people. When his treacherous activities came to light, he was extradited from Nepal and charged for his crimes in the High Court where he was found guilty of treason and sentenced to life imprisonment.

The Chimi said that according to radio and newspaper reports in Nepal, the ngolops and some non-governmental organizations were demanding Rizal's release and accusing Bhutan of human rights violations. It was shameful that the Nepalese government, which was not able to solve its own problems, was interfering with the well established legal

system and internal affairs of another country. The international community should know that, in Bhutan, we have laws which were established for the benefit of the nation and the people, he said.

The Thimphu Chimi said that the issue submitted by the Dagapela Chimi was an important one. Bhutan was a Buddhist Kingdom and under the benevolent guidance of His Majesty the King, had always stood by the teachings of the Dharma. Even the ngolops, who had committed much violence and treachery, had always been fairly treated and their activities were subjected to careful investigations according to the law. The full responsibility for solving the ngolop problem had been taken up by His Majesty the King while the people had been exhorted to strive for development and progress. The success of the 7th Plan was a proof of His Majesty's wisdom and foresight. With the blessings of the Guardian Deities and His Majesty's wise guidance, our country continues to progress and prosper, he said.

The Home Minister observed that for every action, whether in religion or worldly matters, Karmic results of cause and effect or Ley-Jum-dey would ultimately come to pass. Tek Nath Rizal was responsible for sowing the seeds of anti-national and terrorist activities against the Tsa-Wa-Sum. When his subversive activities came to light, he was extradited from Nepal and brought before the court of law. He was tried by the full bench of the High Court, found guilty and sentenced to life imprisonment.

However, His Majesty the King had benevolently issued a Kasho declaring that Rizal would be granted the royal pardon once the problem of the people in the refugee camps in Nepal was resolved. In spite of that, there was no change in his behaviour and attitude in prison. Even the medical doctor who attended to his health complaints was subjected to verbal abuse and threat from him. When the so-called peace marchers came to Phuentsholing last year, he told the doctor that "my people have come and when they reach Thimphu I will deal with you all".

As Bhutan was a sovereign, independent country, whoever committed crimes and offences was dealt with according to the law. In the case of Tek Nath Rizal also, he was found guilty of the charges against him after a fair trial conducted by the full bench of the High Court and sentenced as per the provisions of the law. The Home Minister said that the government was well aware that, as mentioned by the Dagapela Chimi earlier, the Nepalese newspapers and radio had been frequently spreading false information about Bhutan. This was part of the disinformation campaign launched by the people in the refugee camps in Nepal claiming to be Bhutanese refugees. Many people who were involved in carrying out this disinformation campaign against Bhutan on behalf of the ngolops were doing so

because they were ignorant of the true situation in Bhutan, having never set foot in the country.

The Home Minister said that after seven years of the ngolop problem, it was clear that more than ever it was the objective of the ngolops to harm Bhutan in any way possible. They were trying to tarnish Bhutan's image and stop international assistance through their false allegations. They were also doing everything they could to incite political parties in India and Nepal against Bhutan, and through them, to pressurise the Royal Government. And they were trying to turn all the Nepalese in the neighbouring areas of North Bengal and Sikkim against Bhutan. It is a widely known fact that the entire problem in southern Bhutan was started by the ngolops to destroy the country's established system of government and turn Bhutan into a Nepali state, he said.

The Minister said that the past resolutions of National Assembly continued to guide government actions on the subject of punishment of ngolops, in particular Chapter 13, Section VI of the 73rd Session and Chapter 9 Section V of the 74th Session. Henceforth, also, the resolutions of the National Assembly would continue to be followed. He informed the members that a total of 1,833 ngolops had been arrested since 1990. Out of these 1,685 had been granted amnesty, 73 were serving sentences after being tried by the High Court, nine had been acquitted by the High Court, 65 had completed their sentences and were released, one was under trial and there were no pending cases.

The Minister said that no one should have any doubts that the ngolops would not be punished according to the laws of the country. He assured the members that not only the ngolops, but anyone who committed crimes would always be dealt with according to the laws of Bhutan.

The representative of the Bhutan Chamber of Commerce and Industry said that Rizal had carried out subversive activities and attempted to overthrow the government and harm the country. He had been arrested, charged and tried by the High Court of Bhutan. As the saying goes, "if one evil life is terminated a hundred others will be saved," he should have been awarded capital punishment but was instead sentenced to life imprisonment. Moreover, His Majesty the King, in the true spirit of a Buddhist King of a Buddhist Kingdom, issued a decree that once the problem of the people in the refugee camps in Nepal was solved between the two countries, Rizal would be granted the royal pardon and released from prison. However, instead of being grateful to His Majesty the King, Tek Nath Rizal continued to harbour designs to destroy the peace and stability of the country.

This was clearly evident from his behaviour in prison and the way he had been threatening even the prison doctor.

The people of Bhutan have very strong feelings against him for his harmful activities against the Tsa-Wa-Sum, he said. They strongly believe that even though he does not receive the capital punishment he deserves, his sentence of life imprisonment should not be reduced. This would help to reassure the people that justice was done. The BCCI Chimi also submitted that every effort should be made to extradite other ngolop leaders like Rizal and have them tried and punished in strict accordance with the laws of the country.

The people's representative from Trashiyangtse, supported the submission of the BCCI Chimi. He said that Tek Nath Rizal was a citizen of Bhutan, who after having served many years in a post that is a bridge between the government and the people, had shamelessly turned against the Tsa-Wa-Sum. His evil designs and subversive activities led to the ngolop uprising and the wanton destruction of development service facilities and the large scale acts of dacoity, murder and rape in southern Bhutan perpetrated by the ngolops since 1990. As the person responsible for bringing untold sufferings to the Bhutanese people, Tek Nath Rizal should be given capital punishment instead of being pardoned after the problem of the people in the refugee camps in Nepal is resolved. Otherwise, there was every possibility that he would continue to carry on with his evil designs against the Tsa-Wa-Sum. Even if he is not awarded capital punishment, under no circumstances should his sentence of life imprisonment be commuted or reduced, said the Chimi.

Concluding the discussion, the Speaker said that although Tek Nath Rizal had been tried for his crimes and found guilty of the charges against him, His Majesty the King had decreed that he would be pardoned after the problem of the people in the refugee camps in Nepal was solved. Yet he had shown no appreciation for this magnanimity. Therefore, going by the treasonous activities Tek Nath Rizal had committed against the Tsa-Wa-Sum, the members were justified in calling for him to serve the full term of his life sentence. However, the National Assembly had reposed in His Majesty the King the full responsibility of finding a lasting solution to the ngolop problem. Therefore, the National Assembly should abide by His Majesty the King's decision.

The National Assembly decided that the issue of punishment of ngolops should be dealt with as per the laws of the land and the resolutions of the past sessions of the National Assembly.

2. False allegations by the people in the refugee camps in Nepal

The people's representative of Kikhorthang and Tshokana gewogs under Tsirang Dzongkhag submitted that the people in the refugee camps in Nepal and their supporters had been alleging to the international community that there were human rights violations in Bhutan. However, there have never been human rights violations in Bhutan and the people of Tsirang wished to refute the false allegations made by the people in the refugee camps in Nepal. The Chimi pointed out that Bhutan followed the Buddhist principles of universal peace and non-violence. So how could human rights violations take place in a country where Buddhism played such an important role? Bhutan enjoyed peace and prosperity under the benevolent guidance and rule of His Majesty the King. The Chimi pointed out that, in actual fact, it was the ngolops in the refugee camps in Nepal who were the real violators of human rights. They had not only revolted against the government but had inflicted untold pain and suffering on the people of southern Bhutan. The ngolops know this better than anyone else as it was they who committed rape, murder, theft, robbery, dacoity and other acts of terrorism on innocent people who had known nothing but peace and prosperity before. The allegations of human rights violations made by the ngolops are totally baseless, said the Chimi.

Likewise, the people's representative of the Shengana and Bjimena gewogs under Punakha Dzongkhag said that the allegations of human rights violations in Bhutan made by the ngolops were totally false and unfounded. The ngolops who had inflicted untold suffering on the Southern Bhutanese people were the real violators of human rights. He said that the ngolops were making their false allegations to gain sympathy and support both from the Nepalese people and the international community. He added that Bhutan's election to the UN Commission on Human Rights in 1993, and re-election for a second term this year, was ample proof of the trust and confidence that it enjoyed in the eyes of the international community. Therefore, the people of Punakha felt that greater efforts should continue to be made by the government to refute the false allegations made by the ngolops.

The Trashiyangtse Chimi said that such allegations made by the ngolops were not based on truth but were blatant lies. The people in Bhutan enjoyed all aspects of human rights. On the other hand, the ngolops were guilty of murder, rape, theft, armed robbery, dacoity and many other atrocities, all of which was very well known to the ngolops themselves. It was both surprising and unfortunate that these people who were involved in such heinous activities in Bhutan should receive support and help from the Nepalese government.

With the support of the Nepalese government, which was not able to take care of its own problems, the ngolops were regularly spreading false information about the Royal Government and Bhutan to the donor countries and the international organizations. He said that the Bhutanese people could not accept these blatant allegations by the ngolops and wished to refute them very strongly.

The representative of the Bhutan Chamber of Commerce and Industry said that the Southern Bhutanese people of Nepalese origin, who had entered the country in the beginning of this century as forest labourers, enjoyed far more benefits over the years than the Northern Bhutanese as a result of His Majesty the King's magnanimous policies towards them. They were the best judges of this fact, he said. As an example, he said that in Sangbay Gewog which was like a Dungkha under Ha Dzongkhag, a primary school and a Basic Health Unit were established only about 15 years back, while in the adjoining area in a remote village in southern Bhutan called Yaba, such facilities had been provided more than 30 years ago.

The Chimi said that when the ngolops did not succeed in destroying Bhutan's peace and stability, they went on a wanton spree of dacoity, murder, rape and destruction of development and service facilities in southern Bhutan. Thereafter, they went to the refugee camps in Nepal and began to spread baseless allegations of human rights violations in Bhutan. Even if the ngolops had no shame in carrying out such atrocities, their actions had become an unbearable issue in the minds of the people of Bhutan.

Like the cat which cannot digest butter or the person who does not appreciate the freshness of the mountain stream and the warmth of the sun's rays when there are clouds everywhere else, the ngolops turned against the Tsa-Wa-Sum and tried to destroy the peace and tranquillity of the country. They blew up and destroyed health facilities, schools, roads, bridges, and agriculture and animal husbandry centres which the government had built at great cost for the benefit of the Southern Bhutanese people. In the Mochu valley, they not only robbed and beat up the villagers of Mochu village who had been their friends all their lives but they also desecrated the Mochu Lhakhang. They destroyed sacred images, defecated on religious scrolls which were torn and strewn all over the floor of the monastery, and stole valuable religious artifacts. Are such atrocities what the ngolops mean by human rights? he asked.

The BCCI Chimi reminded the members that short of folding his hands, His Majesty the King had pleaded many times with the people in southern Bhutan not to leave the country but they had refused to listen and emigrated from the country, saying that Nepal was their homeland and that they were leaving for the land of their ancestors. In one incident, my neighbours in Samtse were leaving and I tried to persuade them not to leave, he said. The Dzongkhag officials also delayed them for 20 days but they refused to stay back and emigrated from the country.

He said that the people's representatives, who lived with the people in the villages, were the best persons to judge if the allegations of human rights violations were true or false. The representatives lived in the villages and knew and understood what was going on in the southern Dzongkhags. He said that as far as the people were concerned, all the allegations of human rights violations made by the ngolops were totally false and baseless.

He added that all Bhutanese people, from civil servants and businessmen to farmers in the villages enjoyed equal opportunity to improve their station in life depending on their qualification and ability. The opportunities for all Bhutanese were based purely on merit and not on the basis of cast, creed or position. Everyone enjoyed all the aspects of human rights and were equal before the law. As such the people of Bhutan wished to strongly refute and condemn the baseless allegations of human rights violations made by the ngolops.

The people's representative of Mewang, Genye and Dagala gewogs under Thimphu Dzongkhag said that even if the ngolops repeated their baseless allegations thousands of times, their own evil actions could not be hidden as the truth was plainly visible for everyone to see. He recalled the Bhutanese saying, "a father's advice is necessary for the son to succeed and a businessman's prosperity is the result of sound investment". Likewise, if all the people continued to follow His Majesty the King's wise leadership with the pure bonds of faith and trust, nothing could prevent the fulfillment of the national goals and objectives. As such, he felt that there was no need to bother about the baseless allegations made by the ngolops.

He pointed out that the Royal Government had been carrying out development activities for the benefit of the people in all parts of the country. For instance, from the time of pregnancy, the health of both mother and child was looked after by the government through the successful implementation of the maternal and child health programme. He reminded

the members that, in Bhutan, children were brought up to respect their parents and elders. He recalled the saying “children should listen to their parents because the father’s advice is the son’s path to success”. The ngolops, however, were like the bird that prefers to eat the scattered grains rather than the pile placed before them and the restless goat that cannot stay still in one place. When His Majesty the King, who is like a father to his people, appealed to them not to leave the country they refused to listen.

After leaving the country and finding that the living conditions in Nepal were not what they expected, they could not find any reason to justify their departure. Just as a drowning man will grasp at straws and a desperate man will say anything to save himself, the ngolops resorted to making their baseless allegations of human rights violations in Bhutan. The important point for us to keep in mind is the pure bonds of faith and loyalty that exists between the government and the people, as a result of which everyone can see the fruits of development and progress that is being enjoyed by the people of Bhutan.

Addressing the National Assembly, the Home Minister said that the people of Kikhorthang and Tshokana should know best whether there were any human rights violations taking place in Bhutan. After all, it is the wearer of the shoe who knows where it pinches. As such, it is the people in the villages who were affected by the ngolop terrorism who will really be able to explain the situation clearly because they were the ones directly affected.

The Home Minister said that the ngolops were violating the laws and committing heinous crimes and then blaming the Bhutanese government. The real violators of all the basic human rights have been the ngolops who have terrorised our people and then falsely maligned the Royal Government to serve their own selfish motives, he said.

Updating the Assembly on the terrorist activities and crimes the ngolops had committed as of June 1997, the Home Minister said that since 1990, the ngolops had murdered 70 people in Bhutan, committed 60 cases of rape, 1,004 reported case of dacoity and robbery, kidnapped 241 people, hijacked and destroyed 101 vehicles, attacked and injured 685 people, sabotaged and destroyed 41 schools and health facilities, destroyed 66 village houses, and made a total of 67 attacks on the security forces. Meanwhile, 117 anti-nationals were apprehended by the Southern Bhutanese village volunteers and handed over to the police, 2,239 assorted rifles and pistols were captured from the terrorists and anti-national supporters, 219 grenades and home-made bombs recovered, and 516 kilograms of gelatin explosives recovered from the ngolop terrorists,

The above figures represented only those which were confirmed or reported to the police. There were many more unconfirmed murders of Bhutanese nationals who were kidnapped and executed in anti-national camps across the border, said the Home Minister.

The ngolops were claiming that the Royal Government of Bhutan had committed human rights violations but according to the above facts, they were the ones who had violated every aspect of human rights. The ngolops appear to have forgotten who beheaded Balaram Giri and Kailash Dahal in Gomtu, ruthlessly executed Chuma Tswang in Pagli, Dhan Bahadur in Phibsoo, shot the Gelephu Dungpa Chimi Dorji, and destroyed many of the development service facilities which were established for the benefit the people of southern Bhutan.

The Home Minister said that the Royal Government was aware that the ngolops and the media in Nepal had been deliberately spreading disinformation about Bhutan. They had launched a relentless propaganda campaign against Bhutan to misinform the international community to garner support from themselves.

The Home Minister also agreed that Bhutan's election to the UN Commission on Human Rights and its recent re-election for another term was an eloquent testimony of its standing with the international community regarding human rights.

He assured the members that the government was doing everything possible to correct the misinformation and propaganda against Bhutan whenever it was necessary. However, he pointed out that being a small country with limited resources, Bhutan was unable to launch a big publicity campaign. Bhutan had diplomatic relations with only 18 countries and had embassies in five countries while Nepal had diplomatic relations with more than 80 countries and a large population of Nepalese working overseas and in international organizations. He said that, as all the members were aware, the people claiming to be Bhutanese refugees in Nepal, and the ngolops, had the full support and backing of the government and the people of Nepal.

The people's representative of Tsangkha Gewog in Dagana Dzongkhag said that the ngolops had firstly tried to create misunderstanding between the government and the people of southern Bhutan. They had then destroyed many development and service facilities established by the government for the benefit of the people. When they could not overthrow the government through all these subversive activities, they left the country and

began to spread baseless allegations of human rights violations in Bhutan to gain the sympathy and support of the international community. The Chimi pointed out that in the Gewog Yargay Tshogchungs, the Dzongkhag Yargay Tshogchungs and the National Assembly, the members had the opportunity to openly express their opinions and that all members enjoyed freedom of expression. Likewise, in employment, education, business opportunities and all other human activities, people enjoyed their rights and freedoms in equal measure. Therefore, news reporters should not believe the false allegations of the ngolops without verifying the facts.

The Chairman of the Royal Advisory Council said that the Bhutanese people, who had been disturbed from their peaceful existence by the ngolops, had expressed their concern over this issue many times. The ngolops, he said, had two basic objectives in spreading their false propaganda: to gain international sympathy, support and aid and to turn international opinion against Bhutan on the refugee issue.

He pointed out that several international human rights organizations had visited Bhutan at the invitation of the government to see the true human rights situation for themselves.

He informed the members that when he was the Bhutanese Ambassador in India a few years back, some journalists who had never even set foot in Bhutan had written articles criticizing Bhutan for human rights

violations, based only on the information supplied by the ngolops. After visiting Bhutan and seeing the true situation for themselves, they expressed regret for having been misinformed about the situation in Bhutan.

A member of the Royal Advisory Council pointed out that the false allegations by the ngolops was not only aimed at destroying the peace and progress which Bhutan enjoyed, it was also aimed at changing the cherished Bhutanese system. Even though the international community knew the real situation, Bhutan must continue to clarify the truth, he said. The ngolops had made all kinds of false allegations against Bhutan but it was like the saying, “nothing good will ever come out of the enemy’s mouth”.

Similarly, the Deputy Minister for Agriculture said that human rights was considered an important issue by all governments in the world today. Therefore, the ngolops had been misinforming many governments that human rights was not respected in Bhutan so as to gain sympathy and support for their activities against the Royal Government.

However, with the first hand knowledge on the human rights situation gained from the regular visits to the country by the representatives of the UN High Commission for Human Rights, as well as from officials stationed in the country as representatives of the UN System and donor countries, the ngolops have had no success in turning friendly countries and international organizations like the UN against the Royal Government, said the Deputy Minister.

As stated earlier by the Chairman of the Royal Advisory Council, the concern and respect the Royal Government has for human rights is reflected in the fact that the representatives of organizations of many countries concerned with human rights issues have been invited to visit the country on a regular basis. The Royal Government's concern and respect for human rights has been recognised and appreciated by all those who are familiar with Bhutan, he said.

As such, only countries and organizations who have had no dealings or interactions with the Royal Government may believe the false allegations made by the ngolops with regard to the human rights situation in the country.

The Deputy Minister pointed out that in many countries, the ordinary citizen was subjected to untold difficulties and sufferings as they have little or no access to officials while dealing with legal and other cases. In Bhutan, the Royal Government, in order to facilitate participation in the decision making process, provided opportunities and access to all its citizens for active involvement at the block, district and even national level. Every member of the public had access to the senior most government officials, the courts and also His Majesty the King. In my opinion, no other country has such freedom or rights, in actual practice, as we do in Bhutan, said the Deputy Minister.

The Bumthang Chimi said that all people in Bhutan enjoyed the right to food, clothing and shelter which were the most basic rights. The government provided free education to all Bhutanese citizens right from the primary level to higher education and training opportunities were similarly provided. People also had free and equal access to health, agriculture and other facilities and enjoyed equal opportunity based on their capabilities. The Bhutanese people knew for themselves all the rights that they enjoyed.

As for freedom of expression, the Chimi cited the example of the National Assembly where all members, regardless of whether they were Ministers or senior officials or peoples' representatives enjoyed the right to freely express themselves in equal measure.

The Lhuentse Dzungda said that the ngolops had created misunderstanding between the government and the people in southern Bhutan, robbed, raped, murdered and tortured innocent people and committed other unspeakable crimes. Having left the country they were now accusing the Royal Government of human rights violations with the objective of harming Bhutan's peace and prosperity.

He said that the term human rights connoted something that was fundamentally beneficial to the people, but the ngolops had used it with an entirely different meaning. Wondering from where they had come up with such an interpretation of the term, he said that it was the intention of the ngolops to disturb the peace and prosperity of the country and create instability in Bhutan.

The Secretary of Health and Education said that as a country which attached great importance to the message of Lord Buddha's Dharma, Bhutan enjoyed all human rights. It was up to every citizen to decide whether there was human rights in Bhutan. He said that it was His Majesty the King's main concern that the people of Bhutan should enjoy peace and happiness.

In Bhutan, education, from primary school to the university level was provided free of cost. Health services, from outreach clinics to hospitals, and all other basic needs of the people, were provided free by the government. As the government attached high importance to the basic human rights of the people, all patients in the country, in all the different categories of health facilities, enjoyed free medical care and attention. If they could not be treated in the country, they were sent abroad with an attendant with all expenditure borne by the government. In my opinion, the Secretary said, taking care of the welfare and Kidu of the people is the most important aspect of promoting their human rights.

The Foreign Minister said that the real motive behind the ngolop's demand for human rights was to grab political power. They were also claiming that they wanted multiparty democracy and had declared that the Lhosampas constituted up to 58 percent of the population.

The Foreign Minister said that the attempt to establish political parties was not new because, in 1952, Girija Prasad Koirala came to Sarpang and Tsirang and established the Bhutan State Congress. He later became the Prime Minister of Nepal.

The ngolops had not only many foreign advisors but, from their pamphlets, it was clear that they were trying to divide Bhutan by attempting to cause disunity between east and west Bhutan. They were trying to apply the divide and rule policy used by the British in India when they divided the Hindus and Muslims. This was clear from the pamphlets distributed by ngolop leaders, he said.

The Minister said that everyone in the government and the public must be fully alert to this danger, although it was most definite that the ngolop designs will not be successful as the people of Bhutan were fully united in race, religion and tradition. However, he said, the members of the Assembly should inform the people about the intention of the ngolops in making their baseless allegations.

Under the benevolent rule of His Majesty the King, all Bhutanese people had the opportunity to enjoy all human rights and to use the development facilities such as roads, bridges, drinking water supplies, hospitals and schools. As the sovereign, independent Kingdom of Bhutan was making rapid socio-economic progress from year to year, the ngolops and their supporters were not happy with that. It would be difficult to find another country where such peace and happiness prevailed, he said.

If all Bhutanese people served the Tsa-Wa-Sum with loyalty and dedication, and unity in thought and action, no one could cause harm to the country. Therefore, it was important that the unity of the government and people should be like water and milk. The ngolops and the people of Nepal were of the same race, religion and language and, therefore, had the same culture and tradition. Since the ngolops claimed that there was no human rights and democracy in Bhutan and that there was human rights and democracy in Nepal, the ngolops should live in Nepal, said the Foreign Minister.

The people's representative from Ha said that since representatives from several international organizations had visited Bhutan, they were well aware of the human rights situation in Bhutan. As such, there was no need to make further clarifications on the matter.

Ngolop leaders like Bhim Subba and R.B. Basnet had been educated by the government and given important posts in the civil service. If they had not absconded shamelessly after stealing large amounts of money, they would still be serving in important positions in the government.

The ngolops had left a peaceful country like Bhutan and chose to live in Nepal. That is where they should now remain, he said. Nepal, he added, was going against the SAARC goals of regional cohesion and friendship by supporting the ngolops against another member state.

Our forefathers have bequeathed us with the legacy of a sovereign, independent country, said the Chimi. Under the wise and farsighted leadership of our successive monarchs, the security and well being of our country has been further strengthened. As such, despite their subversive activities the ngolops will not be able to harm our country, he said.

In response, the Home Minister said that, as the hon'ble members were well aware, the people in the refugee camps in Nepal who were claiming to be Bhutanese citizens were making their baseless allegations of human rights violations in Bhutan to gain support and assistance from the international community. However, the international community had taken note of the true human rights situation in the country and Bhutan's track record in good governance. That was why Bhutan had been re-elected to the United Nation Commission on Human Rights. This was a clear indication of the international community's positive opinion of the human rights situation in Bhutan.

Another member of the Royal Advisory Council stated that, as mentioned by the Foreign Minister, the main objective of the ngolops was to turn Bhutan into a Nepal dominated state. Therefore, all members of the Assembly should give careful consideration to this objective of the ngolops. He said that the ngolops had become envious of the peace and prosperity enjoyed by the Bhutanese people under the benevolent rule of His Majesty the King. While there was not a grain of truth in their allegations, they had tried to lie with a mountain of hollow justifications. It was, therefore, the duty of all Bhutanese citizens to work together with the government with loyalty and dedication to ensure the security and well being of the country for future Bhutanese generations.

The Chhukha Dzongda, the people's representative of Chang and Kawang gewogs under Thimphu Dzongkhag and the people's representative of Bjena and Ruepisa gewogs under

Wangdue Phodrang Dzongkhag also expressed their views on the issue. They pointed out that the false allegations made by the ngolops of human rights violations in Bhutan stood in stark contradiction with the terrorist activities perpetrated by them. It would appear that their idea of human rights was totally different from the internationally accepted definition. As such the duplicity of the ngolops was a threat not only to Bhutan but to the whole world. Bhutan was not the only country to face the threat of ngolops and terrorist activities, so strong measures should be taken to deal with them. As the saying goes, “if evil is not rooted out, the good will not be able to flourish”. The members also pointed out that the claims of the ngolops that ethnic Nepalese constituted 58 percent of Bhutan’s population clearly revealed that they were including the Nepalese in the neighbouring areas of India and their relatives in Nepal as part of the Southern Bhutanese population.

The Dagana Dzongda said that he wanted to ask the ngolops whether their wanton destruction of development facilities in southern Bhutan, from Daifam in the east to Sipsu in the west, and the untold suffering inflicted by them on the people through continued terrorist activities should be considered as their version of human rights. He suggested that just as the ngolops had made use of pamphlets, newspapers and the radio to make baseless allegations of human rights violations against the Royal Government, the government should also refute them in the radio, the newspapers and through pamphlets.

The Minister for Trade and Industry said that Bhutan was appreciated by the international community for the rights and benefits enjoyed by the people and for His Majesty the King’s concern for the well being of the people. Meanwhile, the Minister added, the Bhutanese people knew what kind of human rights and democratic system really existed in neighbouring and far off democracies.

He pointed out that when the ngolops first made their false allegations, some members of the international community believed them because they did not know the real situation. But they later praised the government when their representatives visited Bhutan and learned the truth. The allegation of human rights violations was just a tool to achieve their ulterior motives, said the Minister.

The main objective of the ngolops in Nepal, who were espousing the cause of human rights and trying to come back to the country, was to take over political power in the country by changing the system of government and to introduce multi-party democracy. As the people of Bhutan had full faith and confidence in the hereditary monarchy in the country, there was absolutely no need to look for another form of government.

The National Assembly discussed the issue of the false allegations by the ngolops about human rights violations in Bhutan over a period of two days. Members were highly upset with the baseless allegations by the ngolops and spoke one after another to refute them. As the debate continued unabated, the Speaker intervened and said that, as submitted by Chimis from all parts of the country and many government representatives, the allegations by the ngolops were indeed false. He pointed out that Bhutan's re-election to the UN Commission on Human Rights and the strong support from donors was adequate proof of the country's good human rights record.

The issues submitted to the National Assembly represented the views and experiences of the people who had been affected by the atrocities and crimes committed by the ngolops, the Speaker said. The Bhutanese people were fully aware that the ngolops themselves were the violators of basic human rights in the country. He advised the Chimis to explain to the people the real objectives of the ngolops in making these false allegations against a peaceful and progressive country like Bhutan.

The National Assembly reaffirmed the loyalty and faith of the Bhutanese people in the cherished system of hereditary monarchy which was the pillar and life force of the Palden Drukpa. It directed the Chimis to explain to the people the real objectives of the ngolops in making the false and baseless allegations of human rights violations in Bhutan. It also resolved that the Royal Government should make more concerted efforts to refute the baseless allegations by the ngolops about human rights violations and apprise the international community about the true situation in Bhutan.

3. Relatives of ngolops

The people's representative from Pemagatshel Dzongkhag said that His Majesty the King had treated all Bhutanese citizens alike and as such all Southern Bhutanese people had enjoyed equal rights including education, trainings, employment in government service, promotions, business opportunities, and access to all the free service facilities. However, the relatives of the ngolops in the country were not only providing the ngolops in Nepal with information but it was also not possible to depend upon their loyalty and dedication to the Tsa-Wa-Sum. In the meanwhile, the ngolops continued to do everything possible to destabilise the Kingdom and disrupt the peace and harmony enjoyed by the people. As there were many people who lived with one leg inside the country and the other outside,

the Chimi submitted that in order for the ngolop problem to be solved, it was imperative that the relatives of ngolops should not be allowed to stay in the country.

Supporting the proposal of the Pemagatshel Chimi, the representative of the Bhutan Chamber of Commerce and Industry pointed out that, among the ngolops, in some cases the parents were outside the country while the children were in Bhutan, and in others, the children were outside and the parents remained in the country. Therefore, as a result of the support the ngolops in Nepal received from their relatives in the country, government policies and department activities were immediately known to them in detail. It was necessary to separate black from white and “to root out the evil so the good can flourish”. The relatives of ngolops should, therefore, be removed from service in government and private organizations.

Recalling his earlier posting as the Pemagatshel Dzongda, the Samdrupjongkhar Dzongda said that even though Pemagatshel was a remote Dzongkhag, the people were deeply concerned about the country’s peace and security. He pointed out that it was the public of Pemagatshel who had submitted during the 72nd and 74th sessions of the National Assembly, when there were serious problems in the country because of the ngolop uprising, that the development budget for the 7th Plan should be diverted for security purposes. They had also pledged their full loyalty and support to the government to ensure the country’s peace and security. Therefore, as submitted by the Pemagatshel Chimi, if the relatives of ngolops were removed from government service, it would not only help in maintaining the country’s security but would also bring peace of mind to the people in the Dzongkhags.

The people’s representatives from Trashiyantse and Trashigang Dzongkhags said that there were many relatives of people who had turned against the Tsa-Wa-Sum and become ngolops, and who were, enjoying the benefits of employment in the country. In spite of the subversive activities of their relatives, these people continued to hold jobs in government service because of His Majesty the King’s magnanimous decision that they should not be discriminated against. However, instead of being loyal to the Tsa-Wa-Sum these people have been providing information on all matters in the country to the ngolops in Nepal. Therefore, it was vital that the relatives of ngolops should either be terminated from government service or some other appropriate measures should be taken “to separate the white from the black”. In this regard, the matter should not be left to the government alone but that Gewogs Yargay Tshogchungs and the people should also be vigilant and see

if relatives of ngolops carried out any activities harmful to the Tsa-Wa-Sum. If the problem was not handled with great care, the country could face a serious security threat.

The Lhuentse Dzongda reminded the Assembly that the issue of the relatives of ngolops had been discussed during the 72nd, 73rd and 74th sessions of the National Assembly when the public from different Dzongkhags had submitted that relatives of ngolops should not be employed in any government or private organizations. However, in keeping with His Majesty the King's command that the relatives of ngolops should be treated without any discrimination, the previous sessions of the Assembly had decided that any action against civil servants, whether they were relatives of ngolops or not, should be governed by the Civil Service Rules and Regulations. The Royal Government had followed one policy for all Bhutanese citizens and the recruitment, training and promotions of civil servants by the RCSC had been based purely on merit. However, he said that the relatives of ngolops did not think in the same manner. For example, in Lhuentse Dzongkhag there were many Southern Bhutanese civil servants among whom were relatives of ngolops. In 1992, one Dr. Purna Bahadur Chettri had absconded from the country. After that the Administrative Officer of the Lhuentse Dzongkhag, Nar Bahadur Gurung also absconded. Similarly, the head of the district irrigation project in Lhuentse, a civil engineer by the name of B.S Nirula embezzled Nu. 95,721 from the Tangmanchu Irrigation Project.

The government had treated the three of them like any other Bhutanese citizen, giving them opportunities for higher education, trainings and promotions in the civil service. Yet, like the horse that kicked its feeder, they broke the laws of the country. Since then, there had been an atmosphere of mistrust against those Lhotsampas officials in the Dzongkhag who had relatives among the ngolops.

The relatives of ngolops were not only suspected of helping to spread false allegations against the government, but the general feeling was that the ngolops would create more problems within the country if their relatives continued to work in different government sectors. Therefore, if the relatives of ngolops were allowed to remain in the country, the ngolop problem will never be solved, he said.

The Shongphu Chimi and the Mongar Chimi stated that the reason for the continuation of the ngolop problem was as a result of the support they received from their relatives in Bhutan who were not only supplying information to the ngolops but who may also be helping in their terrorist activities. As the ngolop problem could never be solved so long as

the relatives of ngolops were in the country, the Chimis submitted that whatever the risks or consequences may be, all concerned organizations should act with firmness and remove the relatives of ngolops from government service.

In response, the Secretary of the Royal Civil Service Commission said that the RCSC had always shared the views of the Assembly members that the relatives and family members of ngolops should not be employed in the civil service because their loyalty and commitment to the Tsa-Wa-Sum could not be relied upon. They also maintained close contact with the ngolops. No other country in the world employed, especially in the civil service and the security forces, relatives of people who had committed treason against the state, and people who had been involved in acts of terrorism such as hijacking of vehicles, kidnapping, murder, burning and blasting of schools, hospitals, and other development facilities constructed for the benefit of the people at great cost to the government.

The RCSC Secretary said that the fact that thousands of relatives of ngolops were still being employed in the country caused much concern and difficulty for the Royal Civil Service Commission. As submitted by the Pemagatshel Chimi, important state secrets and other vital information were being passed on to their ngolop relatives. As such, it was no wonder that the ngolops in Nepal seemed to know in no time even the smallest details of what was happening in the different Ministries and Divisions of the Royal Government. Worse still, the information was grossly distorted by the ngolops and their friends and published as anti-Bhutan propaganda, not only in Nepal but also in several other countries.

That was why as submitted earlier, in other countries, relatives of ngolops and people who had committed treason against the state and acts of terrorism were not employed in the civil service and security forces, the RCSC Secretary pointed out. Bhutan, he said, was perhaps the only country which made such exemption because of His Majesty the King's command, and still continues to employ relatives of ngolops in government service.

Since 1990, a large number of Southern Bhutanese civil servants had absconded from the country and joined the ngolops. The leaders of almost all ngolop groups in Nepal were former civil servants. Therefore, the continued recruitment of ngolop relatives was causing additional concern to the RCSC, said the Secretary. As the members of the Assembly were aware, many Southern Bhutanese civil servants absconded after stealing large sums of government money and important documents from their organizations.

However, he said that while the RCSC shared this national concern, the Royal Government had followed one policy for all Bhutanese and, in keeping with this policy, the recruitment, training, and promotion of civil servants had been based purely on merit. In the past seven years, despite the serious ngolop problem in southern Bhutan and the considerable risk and embarrassment to the Royal Government because of Lhotsampa civil servants absconding and joining the ngolops in Nepal, the RCSC had, on the command of His Majesty the King, not resorted to any action against the relatives of ngolops.

As of 1997, about 25 percent of the civil servants were from southern Bhutan. Since 1990, 1,209 new Lhotsampas had been inducted into the civil service and another 1,463 Lhotsampa civil servants had been promoted. Further, 655 Lhotsampas had been sent abroad for training out of which 101 were students sent to study in professional fields.

The RCSC Secretary said that although applicants were thoroughly screened for recruitment to the civil service, as well as for promotions and trainings, it was difficult to gauge a person's true feelings and intentions and, therefore, an element of security risk would always remain. He reported that as of date, 467 Southern Bhutanese civil servants had absconded from their posts, many of them with large sums of government money. Hundreds of Southern Bhutanese civil servants had also resigned from the civil service and after getting their benefits had joined the ngolops in Nepal. Several Southern Bhutanese students sent abroad for higher studies did not return to the country. Such actions by the Southern Bhutanese civil servants and students had caused much embarrassment and disappointment to the government both at home and abroad.

The Royal Government had educated and trained these people at great cost with the hope that they would contribute to the progress and development of the country. By absconding or resigning and leaving in such large numbers, they had not only harmed His Majesty the King's policy of national integration but also brought about immeasurable loss to the country in terms of skill and experience.

The Secretary said that being equally concerned as the people about the continued employment of the relatives of ngolops in government service, the RCSC had decided several times to retire the immediate family members of the ngolops from government service. However, on each occasion the RCSC decision was overruled by His Majesty the King on the ground that no civil servant should be dismissed unless he or she had violated

the Civil Service Rules and Regulations. As such, the Commission could not carry out its decision and caused great difficulties for the various organizations.

In spite of the RCSC's best efforts to examine the applications for recruitment, promotion and trainings, it was difficult to make out a person's true feelings from the outside. As long as the relatives of ngolops continued to be employed in the civil service, the government and the country would continue to face difficulties and risks, said the Secretary.

Therefore, it was the hope and prayer of the government that the Lhotsampas, particularly those in the civil service, will in turn prove themselves to be loyal citizens so that the aspirations and vision of His Majesty the King to build a strong, united and prosperous Bhutan will be fulfilled, said the RCSC Secretary.

Speaking on the issue, the Home Minister said that the Royal Government appreciated the concerns of the people. He agreed there was every possibility that the family members and relatives of the ngolops were supporting the anti-national activities of their relatives in Nepal.

He pointed out that it was not the policy of the government to evict or punish the family members and relatives of ngolops unless they had committed crimes. The laws of the land will apply to anyone who had committed offenses or violated the laws. Under such circumstances they will be brought before the court of law for fair and just trial according to the laws of the land.

The Home Minister said that Bhutan was, in fact, the only country where relatives of ngolops were living in the country and were treated equally with all other citizens. No other country allowed the employment of ngolops' relatives in government service and the security forces.

The Home Minister reminded the Assembly of His Majesty the King's words during the 74th Session: "If relatives of ngolops have not been involved in any subversive activities, they are not liable to any punishment under the laws of the land. Children cannot be punished because their parents are ngolops".

But it was a fact, said the Home Minister, that ngolops continued to carry out subversive activities for the last seven years even as their close relatives kept working in government service. For example, he said that the so-called peace marchers who entered Phuentsholing on 15 August last year were led by Hari Prasad Adhikary who had been arrested in 1989

and 1990 for carrying out subversive activities and had been granted the royal pardon on both occasions in keeping with His Majesty the King's policy of granting amnesty to defuse the ngolop problem. Even as Hari Adhikary was leading the so-called peace marchers into Phuentsholing, his brother, sister and sister-in-law were all living and working in government service in Phuentsholing, he said.

The Home Minister said that, as a member of the Royal Civil Service Commission, he wished to submit that many civil servants retired every year. In 1996, a total of 933 civil servants had left service out of which 557 were compulsorily retired. He said that compulsorily retirement was not a new concept started in Bhutan but that it existed in other countries as well. Therefore, he submitted that if the relatives of ngolops in government service were to be compulsorily retired, it would not be in contravention of the Royal Civil Service Commission Rules and Regulations.

The people's representative from Ha said that for the last seven years, the loyal citizens and ngolop supporters had been living together without any discrimination, but the latter did not think or act alike. For example, relatives of ngolops continued to abscond from the country with large sums of government money. He also cited an incident in 1996 when three people from Sangbay Gewog in Ha Dzongkhag had hired 10 Southern Bhutanese workers from Yaba under Sipsu Dungkhang to harvest cardamom. They had been raided by ngolop terrorists at night during which the three persons from Ha were attacked. Two of them sustained knife wounds and the third, critically injured, had to be evacuated to Sipsu Hospital and later to Siliguri, in India, for treatment. It was only by good fortune that they survived. It was more than surprising that the 10 Lhotsampas were not even touched by the ngolop terrorists.

The Chimi pointed out that there were many cases where the parents and elder members of the family had become ngolops and left for Nepal while the children remained in government service. For example, he said that from Chengmari, one Parsuram Kafley, the elder son of Kafley Bajay, had left the country after becoming a ngolop leader but his younger brothers continued to be in government service even to this day.

As such, when the family members and relatives of ngolops continued to work in government and private organizations in the country, it posed a grave threat to the country's peace and stability. Therefore, he submitted that it was not at all early, if not too late already, to remove the relatives of ngolops from government service.

The Finance Minister pointed out that His Majesty the King had commanded that as long as the relatives of ngolops, in the civil service or in the private sector, continued to serve the Tsa-Wa-Sum there should be no discrimination against them. As a result, the children and family members of ngolops were being educated, employed and promoted in service like everyone else.

The Minister said that Bhim Subba and R.B. Basnet had absconded from the country with more than Nu. 80 million. Tek Nath Rizal was an assistant to a bulldozer operator when the government educated him and gave him employment. Rongthong Kuenlay had misused and stolen vast sums of money from the government.

He said that there were many important financial organizations like Revenue and Customs, National Budget and Aid Coordination which relied on the RCSC for the recruitment of employees and since the RCSC did not discriminate against the relatives of ngolops, many of them were employed in critical posts and entrusted with large sums of money.

In the four financial institutions in Bhutan, including the Bank of Bhutan's 25 branches around the country, there were as many Lhotsampas as other Bhutanese even in the higher levels of management. There were also many ngolop relatives in the private sector, benefiting from loans and reaping the benefits of private sector growth along with Lhotsampas who were loyal to the Tsa-Wa-Sum.

The Finance Minister pointed out the grave risks of employing so many family members and relatives of ngolops in jobs which they could leave at any time with large sums of money. He expressed his concern that, if there was a problem, the Ministry would be blamed since it was responsible for the appointment of finance and accounts staff.

The Minister said that the government and the people had waited patiently for seven years, hoping that the ngolops and their relatives would change their attitude towards the government. As there have been no changes for the better, if we wait any longer, we may find ourselves facing a very serious problem, he said. The government was taking an undue risk by continuing to employ the relatives of ngolops.

The Chimi of Dagapela said that many people who worked in the government and the private sector not only visited their relatives in the camps in Nepal regularly and passed on

sensitive information but they also supported the anti-national terrorists. He said that such people should be immediately terminated from their services.

The Planning Minister said that the Lhotsampas who had emigrated had left Bhutan despite the sincere and repeated efforts of the Royal Government to dissuade them. His Majesty the King had visited all the villages where people had applied to emigrate and pleaded with them to withdraw their applications and not to leave the country, especially when it was going through a difficult period. His Majesty the King had exempted rural taxes and labour contribution for development works and the sales tax on orange exports for the Southern Bhutanese in 1992 as an incentive for them not to leave the country.

Yet, the Lhotsampa emigrants left the country, on their own free will, after selling all their property and being fully aware that, according to Bhutanese law, they would forfeit their citizenship once they left Bhutan. They had then been congregated in the refugee camps in Nepal as part of a political game-plan of the ngolops, openly expressing their solidarity with the illegal immigrants and other ethnic Nepalese claiming to be Bhutanese refugees.

The Planning Minister pointed out that the steady pace of 35 years of development had been disrupted by the anti-nationals. Social facilities like schools, health units, rural water projects, bridges, agricultural centres and other development services, which were built at great cost by the government for the benefit of the people, were wantonly destroyed. Apart from the loss to the government, the people suffered from the absence of such essential facilities and the insecurity caused by the frequent terrorist attacks.

Despite these losses and the grave danger posed by the ngolops to the country's security, development activities continued in the south with greater vigour and determination. The 7th Plan outlay for the southern Dzongkhags increased by 181 percent over that of the 6th Plan.

The Planning Minister cautioned the members that, even as the 8th Plan was underway with a large development outlay of Nu. 30,000 million and an additional outlay of Nu. 18,000 million for the implementation of mega projects, the ngolops were now trying to sabotage the implementation of the Plan. The Minister said that the intentions and objectives of the ngolops will always be to make every attempt to turn Bhutan into a Nepali state. Peace and tranquillity will give way to chaos, turmoil and apathy, thereby destabilising the country and endangering its very sovereignty.

The ngolops living in Nepal and India were spreading baseless allegations to malign Bhutan and jeopardize its close ties and future relations with India. The Minister informed the members that the politically motivated anti-nationals, bent on fulfilling their schemes under the guise of human rights and democracy, were making every effort and trying their level best to attract international media attention and getting other nations to pressurize Bhutan.

He informed the Assembly that during his aid sensitization tour last year, he found that the anti-nationals had visited the donor countries in advance of the Bhutanese delegation and tried their best to spread their propaganda and garner international support to stop aid to Bhutan. Before the RTM, they had visited many donor countries and even non donor agencies to build pressure against Bhutan.

However, they failed to convince the donor countries and the international organizations they visited because of Bhutan's track record of good governance, proper utilization of foreign aid, and the high success rate of development programmes which had been benefiting the people at the grassroots level.

Bhutan, he said, had always been commended by the donors for good governance, and the transparent and efficient utilization of international assistance which was visible in the tangible results enjoyed by the people. That was why, despite the malicious allegations and concerted efforts made by the ngolops to undermine the RTM held in January 1997, donors pledged a record assistance of US \$ 450 million for the 8th Plan.

The Minister recalled that the issue of not employing the relatives of ngolops had been discussed in the past sessions of the Assembly. Under the present circumstances, with the ngolops continuing their anti-national activities over the last seven years, he said that he saw no justification for their relatives to be employed in government service any longer when large numbers of people were being compulsorily retired and retrenched every year by the RCSC.

A member of the Royal Advisory Council from southern Bhutan informed the Assembly that the ngolops were able to continue carrying out terrorists activities in southern Bhutan because of the support and help from their relatives in Bhutan with whom they were able to exchange visits and information. Not only was sensitive information from the country being sent out by the relatives of the ngolops, these activities of the relatives of ngolops

were affecting the interests of the loyal Lhotsampas. As such, the government should take a strong counter measure, he said.

The Deputy Minister for Communications said that it was obvious and natural that the ngolops who had left the country and many of their relatives who were still in Bhutan shared the same interests. He pointed out that, in accordance with the RCSC rules and regulations, incompetent people were being compulsorily retired, but the ngolops, with subversive intentions, were far worse. As submitted by the previous speakers, it would be much better for the Ministries and Departments if the relatives of ngolops were compulsorily retired.

With the discussion becoming more prolonged, the Speaker noted that the issue of the relatives of ngolops was causing great concern to both the government and the people. As they posed a threat to the country's well being and security, in the past sessions also, the people had repeatedly submitted that the relatives of the ngolops should not be allowed to stay in government service. However, in accordance with His Majesty the King's command, they had been allowed to continue in government service. As there had been no change in the attitudes of the ngolops, the people were greatly concerned and, therefore, the issue had been brought before the present session and discussed at great length over the course of two days. Keeping the country's present well-being and future security in mind, the Speaker said the issue of the termination of the relatives of ngolops from government service should be dealt with according to the laws of the land and the Civil Service Rules and Regulations.

A member of the Royal Advisory Council and the representative of the Bhutan Chamber of Commerce and Industry submitted that, although, as per the decisions of past sessions, the issue had been dealt with according to the Civil Service Rules and Regulations for the last seven years, there was still no tangible result regarding any change in the attitude of the ngolops. Therefore, the time had come when the National Assembly must take a decision beyond the provisions of the Civil Service Rules and Regulations and clearly differentiate between those people who served the Tsa-Wa-Sum with loyalty and dedication and those who were supporting the ngolops. If the present session was to also conclude that the matter should be dealt with according to the Civil Service Rules and Regulations, there would once again be no progress in resolving this issue despite the lengthy deliberation.

The relatives of the ngolops had ample time from 1990 to 1997 to make their choice. As submitted by many members it was obvious that they had chosen the side of the ngolops. There was every danger that apart from absconding with large amounts of government money, they could also sabotage important industries and projects in the country. As such, the relatives of ngolops must be removed from government service. Furthermore, the relatives of the ngolops should not be allowed to join the private sector as their presence in this sector would also impede the resolution of the ngolop problem.

The people's representative of Mewang and Dagala in Thimphu Dzongkhag supported the submission of the Royal Advisory Councillor and the BCCI Chimi. He said, that while the actions taken by the RCSC in accordance with the royal command was all right upto now, if the Assembly were to pass the same resolution as before, it would appear that there was no need to distinguish loyal citizens serving the country with dedication from those who harboured harmful intentions. It was out of concern on this account that the people's representatives were insisting that the relatives of ngolops should be terminated from government service.

He acknowledged that the government policy was in keeping with the age old saying that "a good deed in return for an evil act will lead to peace and harmony while a bad deed in return for a harmful act will lead to greater conflict". The government had treated all Bhutanese citizens equally and without any discrimination just as one does not look for differences in the color of a black crow's brood. However, the actions and attitudes of the ngolops and their relatives had not changed. Instead of being grateful to the government, the ngolops continued with their subversive activities and their relatives in Bhutan continued to support them. So it was necessary to make a distinction between the good and the bad as the reward for bad deeds should always be different from the reward for good deeds. He expressed the view that other countries made a distinction between what was good and bad for their security and national interests. The process of making that distinction in Bhutan after seven years was certainly not early, if not too late. When the country is about to embark on its 8th Five Year Plan with huge development outlays, if such people who have no feelings of loyalty and dedication to the country are retained in government service, it may lead to a very regrettable situation later on, he said. Therefore, the National Assembly should take the future security and well being of the country into consideration and take a decision to retire the relatives of ngolops from the government service.

Likewise, a member of the Royal Advisory Council said that from the discussions and the submissions made by the hon'ble members, it was very clear that it was necessary for the Assembly to take a decision that will not be bound by the Civil Service Rules and Regulations. Otherwise, the Assembly would not be making any progress on the issue which had been debated repeatedly during its sessions. We would be like a lost traveller who keeps returning to the same spot every night to set up camp, he said. He recalled the traditional saying, "it is not the method that matters but the action". Despite the government's magnanimous treatment of the relatives of ngolops, their actions and attitudes, and that of their relatives, had not changed. Since they can no longer be trusted or relied upon, as submitted by the other members, the relatives of ngolops should be terminated from service without any delay, he said.

The Chairman of the Royal Advisory Council observed that the Assembly had conducted in-depth deliberation on the issue of the relatives of ngolops for the last one and half days, and it was the general agreement among all the members that the relatives of ngolop should be retired from government service. As the matter had been discussed at great length, the Kalyon suggested that the Assembly should resolve that all the relatives of ngolops should be compulsorily retired from government service. Regarding the procedures for retiring them and their retirement benefits, the Royal Civil Service Commission should be entrusted to decide on the matter as appropriate.

The people's representative from Samtse said that the people in his Dzongkhag were greatly perturbed by the fact that the relatives of ngolops were sending sensitive information to the ngolops. He said that they had also become a great risk to the country and suggested that they should be sent out of the country without any delay. He cited two examples of the unreliability of the relatives of ngolops. One was the case of Ratan Bikram Pradhan who worked in the Bank of Bhutan branch in Bumthang and embezzled Nu. 950,000. He was now serving his prison sentence at Trashigang. The second case was Laksman Gurung, nephew of Lok Bahadur Gurung, who was working in the BDFC in Bumthang. He absconded from the country with Nu. 475,000 and left for Jhapa, Nepal.

The Chimi further submitted that all cases of people with doubtful citizenships in the government and private organizations, some of them in senior posts, should be dealt with according to the citizenship laws of the country and the immigration rules and regulations. He pointed out that when ngolops came back to the country to commit terrorist activities, their relatives supported them. As they were a constant threat to the security of the country,

all relatives of ngolops should be terminated from service both in government and private organizations.

The people's representatives from Lhuentse and Wangdue Phodrang said that in many organizations, there were many Lhotsampas whose relatives were actively engaged in ngolop activities, and as such in both the government and private organizations, such people could not be trusted. For example, one Krishna from Sipsu whose family members had all left Bhutan, was posted in Minjay Gewog under Lhuentse Dzongkhag as a school teacher. He totally neglected his duties and openly declared that he was ready to leave for Nepal at any time. Later, he was transferred to Wamboor school.

The many Lhotsampa civil servants, specially the relatives of the ngolops, who were posted in various Dzongkhags and who had to deal with the public on development activities could not be relied upon to carry out their responsibilities with any sense of dedication. As such, there was every possibility that the implementation of the country's development programmes may be affected. Therefore, all the relatives of ngolops should be relieved from government service, he said.

The Paro Chimi said that there had been no improvement in the situation during the last seven years of the ngolop problem in the country. There had been no change for the better in the thinking of the relatives of ngolops in spite of the many considerations on the part of the Royal Government. In fact, the results of these considerations were as non-existent as the imprint of a finger in a pool of water. If the ngolops are allowed to continue in government service, a solution to the ngolop problem will never be found, he said. As the time had come when the iron must prove its mettle and the stone its hardness, all relatives of the ngolops should be terminated from government service without any retirement benefits.

The Deputy Minister for Agriculture said that the relatives of the ngolops in government service had not only continued to enjoy the benefits and opportunities just like any other civil servant but, in the past seven years, they had continued to be recruited into the service. However, as their thinking and actions had not changed at all for the better, the problem of employing them emerged not only in the government but also in public corporations and the private sector. But although many members had called for the relatives of ngolops to be terminated from service without any benefits, the Deputy

Minister submitted that it would be a magnanimous gesture if the RCSC were to retire them compulsorily with full benefits.

After a lengthy discussion, from the morning of the 30th June till mid-day on 1st July, the Speaker, in summing up the debate, said that the Assembly had an extensive discussion on the issue for two days during which the members, specially the people's representatives, took the floor one after the other and submitted that in accordance with His Majesty the King's command, the RCSC had treated the relatives of the ngolops without any discrimination. Firstly, the relatives of the ngolops had been enjoying all social facilities equally with the loyal and dedicated citizens. Secondly, they had received the same opportunities for recruitment, trainings and promotion and other benefits in the civil service. Thirdly, those in the private sector enjoyed the same facilities and benefits as other citizens. Yet, in the past seven years, instead of showing any appreciation, there had been no change in their attitude and actions. On the other hand, while their relatives continued to enjoy full benefits in government service and lived in peace and contentment, the ngolops kept carrying out their subversive activities against the Tsa-Wa-Sum in an effort to undermine the peace and progress of the country and harm its well-being and security. The relatives of the ngolops had been providing support and assistance to the ngolops in their subversive activities. As they had continued to repay kindness with ingratitude, the members of the National Assembly had unanimously agreed they were a grave risk to the country's well-being and security and posed a serious threat to its peace and prosperity.

Among the members of the Assembly, some had submitted that all relatives of ngolops in government service as well as in private organizations should be terminated from service. Others had submitted that those in government service should be terminated from their services without any retirement benefits. But the majority of the members had submitted that relatives of ngolops in government service should be compulsorily retired with retirement benefits.

Accordingly, the National Assembly resolved that all relatives of ngolops in government service shall be compulsorily retired with post service benefits as admissible under the RCSC rules, and that the Royal Civil Service Commission shall implement the decision without undue delay.

4. Ban on the return of people who left the country

The people's representatives from Trongsa, Tsirang, Sarpang and Paro, representing 37 gewogs in these Dzongkhags, submitted that a ban must be imposed on the return of people who had left the country.

The Chimi from Trongsa submitted that the ngolops had lived in Bhutan enjoying peace and prosperity before they left the country. They emigrated from the country in spite of the repeated appeals made to them by His Majesty the King. His Majesty had visited their villages in southern Bhutan to personally appeal to them not to emigrate but they turned deaf ears and left the country. Now these people were demanding to return to Bhutan and they even organized several so-called peace marches to enter Bhutan along with thousands of Nepalese falsely claiming to be Bhutanese citizens. Some of the ngolops had actually entered Bhutanese territory under the pretext of a "peace march" but instead of arresting them, the government had given them food and shelter and sent them back. The people have repeatedly submitted this point so as to ensure that those who had no loyalty at all and left the country should never be accepted back as citizens of Bhutan.

The people's representative from Tsirang Dzongkhag submitted that the ngolops had been trying to enter the country under the guise of carrying out a "peace march". They had attempted to forcefully enter Bhutan twice through Jaigaon claiming they were Bhutanese refugees who wanted to submit a petition to His Majesty the King.

The ngolops left Bhutan after totally disregarding His Majesty the King's repeated appeals to them not to leave the country and the Kashos issued by His Majesty exempting gungdawoola and rural taxes in order to encourage them to stay back. People who showed no gratitude to the government nor any sense of loyalty to the country were now saying that they wanted to submit a petition to His Majesty the King. They seem to have forgotten that they had insisted on leaving the country after selling their property, while other ngolops left the country after destroying development facilities, committing terrorist acts such as rape, murder, theft, armed robbery and treasonable activities. Therefore, under no circumstances should such people who had emigrated and left the country be allowed to return to Bhutan.

The people's representative from Sarpang Dzongkhag submitted that the people of Sarpang were concerned about rumours that some of those who had left the country may be allowed to come back. They were further perturbed that their repeated requests for resettlement of people in southern Bhutan had not been implemented so far, thinking that this might be

due to the possibility of allowing some of the people in the refugee camps in Nepal to come to Bhutan.

The people of Sarpang condemned the ngolops who had inflicted unbearable psychological and physical suffering on them. The ngolops had not only disrupted socio-economic development in the country but had also completely tarnished the image of the Southern Bhutanese people. As such, the people of Sarpang submitted that those people who had left the country should be totally banned from returning.

The Paro Chimi submitted that the people who had left southern Bhutan were not evicted forcibly but left the country on their own free will and engaged in anti-national activities once they were outside Bhutan. It had been reported that His Majesty the King and the Prime Minister of Nepal met recently and had agreed to hold talks between the officials of the two governments, to be followed by a joint ministerial meeting to solve the problem of the people in the refugee camps in Nepal. The public wanted to reiterate their request that not a single person who had left the country should ever be accepted back under any circumstances.

Supporting the submission of the Sarpang Chimi, the people's representative from Kalikhola pointed out that if a poisonous snake was to be kept in one's house, there was every risk that one day it would bite. Under no circumstances should any of the people who had turned against the Tsa-Wa-Sum and left Bhutan be allowed to return, he said.

The representative of the Bhutan Chamber of Commerce and Industry said that the people who had applied to emigrate left the country on the instigation of a few persons with vested interests after their attempts to take over the country through subversive activities had failed. They left Bhutan on their own free will as part of a game plan of the ngolops to take over political power in Bhutan. As reported earlier by the Tsirang Chimi, they had left the country in spite of His Majesty the King's personal appeals to them and exemption from gungdawoola and rural taxes as an incentive for them to stay back.

After having emigrated from Bhutan, they went to Nepal and have been trying their best to create problems for Bhutan. Recently they have come up with the gimmick of a so-called peace march to forcefully enter Bhutan. The Chimi said that he had personally witnessed one of their so-called peace marches. He said that it was out of concern from such activities that the people were bringing up this issue before the National Assembly.

The people who wanted to return to Bhutan under the guise of the “peace marches” included those who had committed subversive activities against the Tsa-Wa-Sum and committed various crimes such as theft, robbery, dacoity and rape. They also included those who had emigrated and left the country in spite of the best efforts of the government to stop them.

The Chimi said that among the so-called peace marchers who entered Phuentsholing in 1996, he had personally seen people who had emigrated from Dorokha Dungkhag under Samtse Dzongkhag. The reason why these people want to return to Bhutan was not out of any wish to live peacefully with the loyal and faithful citizens of Bhutan but to further their goal of taking over political power in the country. Therefore, they should not only be totally banned from returning to the country but if some of them should manage to enter Bhutan, they should be dealt with very strictly in accordance to the immigration laws. He reminded the Assembly of the saying “if one evil life is terminated a hundred other lives will benefit”. He pointed out that ngolops were also trying to destroy the friendly relations that existed between Bhutan and India by instigating people of Nepalese origin in the neighbouring areas in India through malicious and distorted lies about Bhutan. As such, the ngolops should never be allowed to return to the country.

Likewise, the Trashiyangtse Chimi said that even as they were enjoying peace and happiness in Bhutan, the ngolops in southern Bhutan started the anti-national activities against the Tsa-Wa-Sum in 1990 at the instigation of people with vested interests. They committed various acts of terrorism including murder and dacoity. However, as a result of the active participation of the loyal citizens in safeguarding the security of the country, as militia volunteers, the ngolops could not achieve their subversive objectives. So they left the country followed by their supporters who sold their land and property and emigrated. It is most shameless of them to now say that they want to return to the country. If they should somehow manage to return to the country, it would create serious problems for the people of Bhutan. As such, the government should take necessary action to ensure that not a single ngolop will return to the country.

The Dagana Dzongda said that the points raised by the Chimis were very valid. Since 1991-92 when Southern Bhutanese people began to leave the country, His Majesty the King issued a Kasho exempting them from rural taxes, gungdang woola, shaptolemi and cash crop sales taxes in an effort to discourage and stop them from leaving. Copies of the

Kasho issued by His Majesty were not only distributed to the people but the contents were explained to them personally after visiting their houses in each and every village.

With people applying to emigrate from the country, it appeared that the government had been given an impression that perhaps people were being forced to leave the country by the Dzongkhags. His Majesty the King had issued a Kasho reminding all concerned that it was a punishable offence under the law for anyone to forcibly evict any Bhutanese citizen from the country. A team led by the Home Minister and the Chief Justice visited the southern Dzongkhags to investigate if any forcible eviction was taking place. There were 400 households which had applied to emigrate from the country and the investigation team interviewed each and everyone of them,

The people who had applied to emigrate were informed that if they left the country they might regret their decision later on and, therefore, they were asked to wait for a period of two weeks to reconsider their decision. However, they refused to change their minds and said that they wanted to emigrate to Nepal. They said that Nepal was their motherland and so they wished to emigrate and live in Nepal.

The Dzongda informed the Assembly that an American woman reporter who was visiting southern Bhutan came to his Dzongkhag. She interviewed 120 households in Dagana who had applied to emigrate from the country. The interview was conducted without any of the Dzongkhag officials being present. Although he did not know what these people told her, after her departure, he heard from some people that when she asked them why they wanted to leave for Nepal, they had replied that they wanted to return to their motherland and that it was better for them to stay hungry in Nepal than to live in Bhutan. Therefore, it was most suspicious that people who had left the country uttering such words should now want to try everything possible to return to Bhutan. It is certainly not out of any good intentions toward the country, he said.

The Dzongda appreciated that the Royal Government had been engaged in conducting bilateral negotiations with the Nepalese government until now, and had been consistent in its policies. He said that in the process of bilateral negotiations with Nepal, an important point for the Royal Government to keep in mind was that the people who emigrated from the country did not do so in secret or under any confusion. They left after completing all the prescribed legal procedures and after giving careful thought and consideration to their applications to emigrate. It was important for the Nepalese delegation to be clearly apprised of this point, he said.

The Thimphu Chimi submitted that in spite of the best efforts of His Majesty the King, people from southern Bhutan who had been bent upon emigrating to Nepal could not be dissuaded from leaving the country. They had now apparently found out that, in Nepal, they cannot enjoy the peace, happiness and prosperity which they had in Bhutan. So now they were saying they wanted to return to Bhutan. However, they were fully aware that according to Bhutan's citizenship laws, once they had renounced Bhutanese citizenship and left the country, they would not be able to reclaim it at will. As such, these people have no right to return, he said.

He recalled the traditional saying, "the wise will think first before acting but the fool will only regret later". It was too late for these people to regret now, and the government should not even consider accepting their return. Since they emigrated and left the country on their own free will they should now remain in Nepal. They must never be allowed to return to Bhutan, he said.

The Home Minister said that he appreciated the genuine concern of the people's representatives for the security and well being of the nation which was reflected in their requests to ban the return of emigrants and ngolops to Bhutan.

The Home Minister said that the National Assembly had been considering this issue regularly since 1990 and resolutions had also been passed. In particular, the 74th Session had a detailed discussion on the issue and adopted a resolution which adequately takes care of the matter. As such, he felt that there was no need to have any further discussion on the issue.

He reminded the members that those people who had left the country had done so of their own free will after renouncing their Bhutanese citizenship. When His Majesty the King told them that although Nepal may be their ancestral home, they should reconsider their decision and stay back in Bhutan as they would enjoy a better life in Bhutan. In Gelephu, a woman at the meeting had said that just as the Maokhola river would never flow backwards, their decision to leave the country was irrevocable and that even if they were pulled by the hair to stay back, they would not change their minds.

Just as birds prefer to eat scattered grains and restless goats will not stay in one place, the ngolops had left the country of their own free choice. Now, they were trying to come back to the country where they had refused to live, said the Home Minister.

For the purpose of stepping up their subversive activities against Bhutan, the ngolops had formed two organizations in 1995 called the Bhutan Coalition for Democratic Movement (BCDM) and the Appeal Movement Coordination Council (AMCC). By September 1995, the AMCC began to play a more active role in making all kinds of baseless allegations against Bhutan to malign its image. It also formulated the strategy of a so-called peace march to forcefully enter Bhutan with large numbers of ethnic Nepalese.

On January 14, 1996, the AMCC began their “peace march” from the refugee camps in Nepal. It also declared the launching of Phase III of its “Appeal Movement” which was to intensify their propaganda activities.

The Home Minister reminded the members that while the declared objective of the “peace march” was to submit an appeal letter to His Majesty King, the real agenda of the ngolops was to use this as a ploy to forcefully enter Bhutan with tens of thousands of ethnic Nepalese falsely claiming to be Bhutanese refugees, all gathered along the way from Nepal to Bhutan.

As the “peace march” had to pass through Indian territory, the ngolops planned to create misunderstanding between India and Bhutan. It was also a publicity gimmick to gain international support. The Minister informed the members that the “peace marchers” had arranged for a BBC reporter, and Nepalese and Indian journalists to cover their publicity gimmick and had reached them to the border town of Jaigaon before they attempted to enter Phuentsholing.

He said that the “appeal letter”, which was actually a 37 point demand, had already been received by His Majesty the King and the 74th Session of the Assembly last year also had a detailed discussion on the matter. In fact, the so-called appeal letter was like a dictation of terms to His Majesty the King and the Royal Government. Looking at the demands of the ngolops it would appear as if they had won a war and were dictating terms to a defeated party.

They demanded that general amnesty without any precondition be declared as a basis for reconciliation and all ngolop prisoners must be released immediately without any condition. All people in the refugee camps in Nepal must be taken back and given employment in government and private organizations. Trade licences must be issued to them without any restrictions. All the people in the refugee camps in Nepal must be

repatriated and settled in Bhutan with the full participation and supervision of the UNHCR, the ICRC and the UNCHR and other human rights organizations and non-government organizations.

In addition, they demanded the immediate suspension of the Citizenship Act, and the immigration rules and regulations, and to invalidate the 1988 census records. They also demanded that the executive organ of the government must be formed on a multi-party basis and the judicial system must be changed.

The Home Minister said that the ngolops had declared from the very beginning that their objective was to gather a minimum of 100,000 people in the refugee camps in Nepal, and bring them to Bhutan with international support. He said that the real objective of the ngolops was clearly revealed by the demands in their so-called appeal letter which could be summarized as follows:

- i. Declare null and void Bhutan's citizenship laws and its immigration rules and regulations.
- ii. Bring all ethnic Nepalese claiming to be Bhutanese refugees in Nepal into Bhutan.
- iii. Overrun Bhutan with ethnic Nepalese people.
- iv. Take over executive power from the Royal Government and start political parties.
- v. Ensure the government in Bhutan is run by Nepalese people.
- vi. Turn Bhutan into a Nepali state.

It is quite obvious that after overrunning our country with ethnic Nepalese from Nepal and India to whom they have promised citizenship and land, they aim to seize political power by changing our established system of government to a multi-party system, and thereby, turn Bhutan into a Nepali state, he said.

The Home Minister informed the Assembly that ngolop "peace marchers" had entered Phuentsholing town on August 15, 1996. Although they were returned to the places from where they had come, on 21 December 1996, they again gathered at Jaigaon on the border with Phuentsholing and conducted a day-long sit-down demonstration. As they had come

through Indian territory, they had been handed over to the Indian police who reached them to the Nepalese border.

The Home Minister said that the submission made by the members that the ngolops should be banned from returning had much validity. As such, the government had been following the past resolutions of the National Assembly strictly and in the future, also, it would continue to be guided by the Assembly resolutions, in particular, the resolution of the 74th Session. Therefore, he submitted that there was no need to pass a separate resolution on the issue.

The people's representative from Tsirang Dzongkhag said that it was difficult to make out the reasons for the ngolops wanting to return to Bhutan. If, as they claimed, there was no human rights in Bhutan, there was no need for them to come back, and if they wanted to return, then it was hard to understand why they had turned against the Tsa-Wa-Sum and wantonly destroyed so many development and service facilities. And why did they not heed His Majesty the King's appeals to them not to leave the country? If the ngolops are allowed to return to Bhutan they would pose a threat to the security and disrupt peace and harmony in the country.

The people's representative from Ha said that although the issue had been thoroughly discussed in the National Assembly since the 70th Session, it was a matter of great concern to the public and, therefore, Chimis were obliged to bring this concern amongst the people of the different Dzongkhags to the attention of the Assembly.

He said that Bhutan was a small country and most of its fertile land were all in southern Bhutan. The south also had huge tracts of forest containing valuable timber. Before Bhutan started its development plans, many Nepalese had come to Bhutan to look for jobs and had settled in southern Bhutan, and did not go back. If the value of the forests which they had cleared were converted to cash it would have financed most of the Five Year Plans. However, vast tracts of forests were destroyed by these people without the government receiving any revenue. Ever since the Nepalese had set foot in Bhutan, they had not brought anything good but had only caused harm to the country, he said.

Nevertheless, the succeeding monarchs of the country had allowed them to settle in the country and provided them with more development services and facilities than most of the northern Dzongkhags, which was visible for every one to see for themselves.

The Royal Government had established these development and service facilities for the benefit of the people of southern Bhutan, spending millions of Ngultrum. However, since 1990 many of these facilities had been destroyed by the ngolops. And when the ngolops failed to achieve their objective of overthrowing the government, people in southern Bhutan began to apply for emigration. When the Dzongkhag officials tried to explain to these people that although they were of Nepalese origin, they had become Bhutanese citizens and were enjoying peace and prosperity in the country, and as such they should not leave the country, they would not agree to delay their departure after completing the legal procedures for emigration.

Going by the duplicity of the ngolops and their baseless allegations against Bhutan it would appear that perhaps the ngolops consider the Bhutanese people to be very simple minded. However, the true and loyal citizens of Bhutan knew very well what was best for their country including the system of government. We know what is best for us, he said, recalling the saying “one should know what is edible even in the poison and what is unfit for consumption even in the best of medicinal herbs.”

The ngolops have no business trying to establish a new system of government in the country with the help and support of foreign countries. We, the true Bhutanese, who are living where our forefathers lived, know what system of government is best for us to ensure that our future generations will also be able to live in peace and security in the country we bequeath to them, he said. All Bhutanese are also fully aware of the tremendous socio-economic development that has taken place in a span of 30 years under the benevolent rule of our beloved monarchs, he added.

The Chimi said he had heard that some of Bhutan’s donor countries had been supporting the ngolops through the UNHCR while some had wanted to play a role in the ongoing bilateral talks between Bhutan and Nepal. This had caused some doubts in the mind of the people about their true intentions. Although it is gratifying to note that, as reported by the Planning Minister, Bhutan’s donor countries had made generous commitments to the 8th Plan, if any of them also supported the ngolops, we do not want to accept their assistance, he said. Because in that case, their actions would be like offering sweets for the mouth while searing the heart with molten wax.

The Punakha Chimi submitted that on the question of banning the return of ngolops to Bhutan, not only had several consecutive sessions discussed the matter and passed

resolutions but His Majesty the King had also said that the government would not take any decision on the issue without the approval of the National Assembly. As such, it would suffice if the matter was dealt with accordingly.

The Chimi refuted the ngolop allegations that there was no human rights in Bhutan because there were no political parties in the country. He said that while past generations led a difficult life in the service of their country, before the advent of planned development programmes, their Majesties the third and fourth Druk Gyalpos introduced far reaching changes which had resulted in the well-being and progress enjoyed by the people of Bhutan today. It was His Majesty the Third Druk Gyalpo who established the National Assembly, the highest legislative body, in 1953 while His Majesty the present Druk Gyalpo established the Gewog Yargay Tshogchungs and Dzongkhag Yargay Tshogchungs to decentralize the decision making power to the people right down to the villages. These political institutions fulfill the aspirations of the people better than any political parties for which we have no need at all, he said.

On this issue, the Minister of Trade and Industry said that since there was the possibility of the people in the refugee camps in Nepal returning to Bhutan, all the members of the National Assembly, with one single voice, were demanding that they not be allowed to do so. There was a lot of substance in this submission as it was not only those who had left the country wanting to return, but from what one heard, there were many others who had not even stepped foot into the country who wanted to come and settle in Bhutan.

Although most of the anti-national elements had surfaced in southern Bhutan, as stated by the representatives, it was also the Southern Bhutanese who had faced the brunt of the problem. The people of southern Bhutan had suffered from rape, robberies, and other terrorist acts committed by the ngolops. In view of these hardship and suffering of the people of southern Bhutan, His Majesty the King had most compassionately looked into each of their problems, and the hospitals, schools and other development facilities which had been destroyed were reconstructed. As a result, there was now a degree of peace and stability in the southern region.

Everyone was aware of the problems and dangers that would arise if all the people claiming to be Bhutanese refugees in Nepal came into the country. Hence, when the Royal Government holds talks with the Nepalese government, it would be necessary for the Bhutanese delegation to bear in mind the decisions taken on this issue in the previous sessions of the National Assembly, and act accordingly, said the Minister.

The National Assembly resolved that the issue of banning the return of people who had left the country should be dealt with according to the Bhutan Citizenship Act, 1985 and the immigration rules and regulations of the country, and in particular, the relevant resolutions of the 74th Session of the National Assembly.

5. Bhutan-Nepal talks

The people's representative of Bardho Gewog under Zhemgang Dzongkhag submitted that, as discussed during the 74th Session of the National Assembly, the 8th round of Bhutan-Nepal talks on the people in the refugee camps in Jhapa, Nepal was to take place in Thimphu. He said that the public wished to request for an update on whether the talks had taken place and the progress of the negotiations.

In response, the Foreign Minister reminded the members that he had presented a detailed report to the National Assembly last year on the results of the 7th meeting of the Ministerial Joint Committee (MJC) which was held in Kathmandu in April 1996. Since then, said the Foreign Minister, Bhutan had taken the initiative to propose holding an informal meeting of officials of the two governments to do the groundwork for the 8th MJC meeting. The Nepalese government agreed to the proposal and the officials talks were held in Thimphu at the end of February this year.

The Foreign Minister informed the Assembly that His Majesty the King had met with the Prime Minister of Nepal, Mr. Lokendra Bahadur Chand and his officials during the 9th SAARC Summit in Male in May 1997.

His Majesty the King explained the Bhutanese position on the problem of the people in the refugee camps in Nepal very clearly to the Nepalese Prime Minister. His Majesty informed Prime Minister Chand that in December 1991 when he met the former Prime Minister Girija Prasad Koirala during the 6th SAARC Summit in Colombo, His Majesty had told him that most of the people coming to Nepal and claiming to be Bhutanese refugees were neither refugees nor even from Bhutan. His Majesty had requested Prime Minister Koirala not to allow such people to enter Nepal without proper verification as it would provide an opportunity for many destitute ethnic Nepalese to congregate in the camps for free handouts from international organizations. His Majesty had pointed out that a congregation of such people would create problems between Bhutan and Nepal in the future. Prime Minister Koirala had said that he could not comply with His Majesty's request as it would

hurt the sentiments of the Nepalese people and he would be strongly criticized by the political parties in Nepal.

His Majesty informed Prime Minister Chand that it was common knowledge that there were a large number of non-Bhutanese registered in the refugee camps in Jhapa, Nepal. His Majesty told him that the anti-nationals in Nepal were instigating the Nepalese people living across the borders in India against Bhutan and forming numerous support groups among them with the objective of changing Bhutan's system of government and its laws, particularly its citizenship laws. His Majesty told the Nepalese Prime Minister that such activities by the people in the camps in Nepal were not acceptable to the Bhutanese people and the Royal Government was obliged to keep that in mind in the course of the search for a solution to the problem.

The Foreign Minister also informed the Assembly that His Majesty had proposed to the Nepalese Prime Minister that since the informal meeting of the officials in Thimphu in February this year had been useful, another meeting of the officials of the two government should be held in June to prepare the ground for the 8th MJC meeting. The Nepalese Prime Minister had agreed to the proposal.

The Minister reported that on 16th June he received a message from the Nepalese Foreign Secretary through the Bhutanese Ambassador in Delhi enquiring when the second meeting of the officials and the 8th meeting of the MJC could take place. He had asked the Bhutanese Ambassador to inform the Nepalese government that it was not possible to hold the officials meeting in June because of the 75th Session of the Assembly which was going to commence on the 20th of June and that the Nepalese officials could come to Thimphu for the talks at any time, according to their convenience, after the 8th of July when the Assembly session would have concluded.

The Foreign Minister said that one of the factors impeding the progress of talks between Nepal and Bhutan was the constant change of government in Nepal. During the last seven years, there had been five Prime Ministers and every time there was a change of government in Nepal there had been changes in the composition of the Nepalese delegation to the MJC meetings, and this had invariably resulted in a change of the Nepalese position during the MJC talks.

The Dagana Chimi said that the people in the refugee camps in Nepal were not refugees because they had emigrated and left the country of their own free will. He pointed out that,

in other countries, refugees were people who had to flee their country as a result of persecution, people who were affected by war and other calamities, families which were separated and wounded and people who had to escape without even the most basic belongings. All these factors did not apply to the ngolops and the people who had emigrated from the country of their own free will after selling their property.

In the refugee camps in Nepal, there were many poor people from the neighbouring areas of the region who were living with the people who had left from Bhutan. All these people had congregated in the camps as a result of the aid assistance and support given to them by international organizations and the Nepalese government. Therefore, it was the responsibility of the Nepalese government to look after them.

The representative of the Bhutan Chamber of Commerce and Industry said that the Foreign Minister had submitted a very detailed briefing on the Bhutan-Nepal talks. The Assembly had been kept informed about the outcomes of the Ministerial Joint Committee talks between Bhutan and Nepal including the 7th MJC talks last year. Regarding future talks, the Bhutanese delegation should be guided by the views expressed by His Majesty to the Nepalese Prime Minister recently and the agreements reached in the past MJC meetings such as the agreement reached by both sides that there are four categories of people in the refugee camps in Nepal.

The Minister for Trade and Industry thanked the Foreign Minister for clearly briefing the National Assembly regarding discussions between the Bhutanese and Nepalese governments. However, it was necessary to give serious thought to the Bhutan-Nepal talks primarily in view of the fact that what the Nepalese government proposed was not possible for the Bhutanese side to accept. On the other hand, the Nepalese side would not agree to what the Royal Government of Bhutan had put forward as a solution. As a consequence, there was no acceptable outcome to the dialogue. To add to this situation were the frequent changes taking place in the Nepalese government resulting in substantive change in views from time to time. Keeping these problems in mind the Royal Government should continue the talks with Nepal.

The Thimphu Chimi said that Bhutan and Nepal have had seven rounds of MJC talks so far and the eighth round was also due to be held. Keeping in mind the present well being and the future security of the country, the Royal Government had been submitting reports on the Bhutan-Nepal talks both for information and discussion, and the position of the Royal Government during the talks had been guided by the decisions of the National

Assembly. However, regarding future talks with Nepal, the people had asked for clarifications as to whether they would be conducted on the same lines as before or whether the government would adopt a new approach to suit the situation.

The Ha Chimi pointed out that when people went to Nepal claiming to be Bhutanese citizens, they were recognized as refugees by the Nepalese government. Although several rounds of talks had been held by the two governments on this issue, there had been no positive results so far due to very obvious reasons. When the number of people in Nepal claiming to be Bhutanese refugees was very small, His Majesty the King had asked Prime Minister Girija Prasad Koirala not to encourage such people to come to Nepal. However, Mr. Koirala, who started the Bhutan State Congress in Sarpang and Tsirang in 1952, had said that he could not comply with the request. So people claiming to be Bhutanese refugees were allowed to come freely to Jhapa, Nepal and when their numbers increased, international assistance which began to flow in for them was channelled through the Nepalese government and NGOs. Mr. Koirala is still in Nepal, so the people in the refugee camps in Nepal should talk to him and not with the Royal Government of Bhutan, he said.

It is well known that before people from southern Bhutan left for the refugee camps in Nepal, family members first went to consult their relatives in Nepal and make arrangements for their stay. After making the arrangements they emigrated from the country. For the successive governments in Nepal, the refugee problem was an important source of foreign exchange earnings and, as such, they were not keen to solve the issue quickly. Therefore, there was no need for the Royal Government to expend time and resources on holding talks with Nepal on this issue.

A Royal Advisory Councillor said that although there was no reason for the Royal Government to have talks with Nepal, as a good neighbour and a concerned member of the international community, His Majesty the King had tried to find a lasting solution through a process of dialogue based on friendship and goodwill. However, he said that the Royal Government should be aware that the ngolops and the Nepalese government had the same view and objective on the issue. Their ultimate goal was to bring all the people in the refugee camps in Nepal including the ngolops to Bhutan and have them settled in the country.

Although it was the Nepalese government which had instigated and encouraged the Southern Bhutanese people to turn into ngolops, the Royal Government had initiated the

foundations for the bilateral talks to find a solution to the problem of the people in the refugee camps in Nepal. Throughout the successive rounds of talks held so far, the Royal Government had never taken a negative stand but the Nepalese government had kept creating difficulties, as a result of which the talks had not been progressing well.

The Councillor pointed out that the ngolops who had left the country after destroying so many development service facilities, and even desecrating sacred religious objects in the monasteries, were trying to come back with large numbers of ethnic Nepalese from outside to overrun Bhutan. Since the objective of the ngolops and the Nepalese government is the same, there is no scope for a successful outcome of the talks with Nepal, he said. That was why the Nepalese government had been adopting such an inflexible stand like the sword which cannot be bent and the sickle which cannot be straightened. In such a situation, he said, it is important for the Royal Government to act in accordance with the position adopted by the Nepalese government. After all, paddy should be dried according to the warmth of the sun, he said.

The Thimphu Chimi submitted that although the governments of Bhutan and Nepal had been carrying out negotiations on the basis of the past agreements of the Ministerial Joint Committee, there had been no conclusive outcome so far. Quoting a traditional saying that “if the road is wrong only the journey is delayed but if the plan is wrong the outcome will be disastrous”, he wondered whether it might be worthwhile for the Royal Government to consider a new approach to the talks.

The Foreign Minister informed the Assembly that when His Majesty the King explained Bhutan’s position on the issue to Prime Minister Lokendar Bhadur Chand at Male’, the Nepalese Prime Minister and his officials did not make any substantive response. He said that during the meeting, the Nepalese Foreign Minister, the Foreign Secretary and the Advisor to the Prime Minister and himself were present.

The Minister said that when problems arose between two countries, it was a normal practice for the countries to engage in negotiations. As Bhutan is a member of the United Nations, it was Bhutan’s hope to resolve the problem through negotiations in keeping with international practice. However, it would appear that achieving that purpose seemed to be difficult. Although the bilateral talks had not made much progress up to the 7th round, as a result of the instability of the governments in Nepal, the Foreign Minister said that it was important that the talks be continued on the basis of the past agreements and understandings.

The National Assembly resolved that when the Royal Government conducts bilateral talks with Nepal on the problem of the people in the refugee camps in Nepal, it should note the concerns expressed by the members of the National Assembly and explain them clearly to the Nepalese delegation. It also directed the government to report the outcome of the talks to the next session of the National Assembly.

6. Extradition

The people's representatives of 98 gewogs in Sarpang, Pemagatshel, Samdrupjongkhar, Samtse, Tsirang, Trashigang, Paro and Dagana Dzongkhags and the representative of the Bhutan Chamber of Commerce and Industry submitted nine points calling for the extradition of ngolop leaders to Bhutan.

The people's representative from Sarpang Dzongkhag pointed out that the ngolops had incited and instigated subversive activities against the government and committed crimes against the people. The people in the south had become targets of their terrorist activities. Our brothers and sisters have been murdered, robbed and raped in the course of their incessant terrorist attacks and the untold sufferings inflicted upon us by the ngolops can never be forgotten or forgiven, he said. The people of Sarpang Dzongkhag had, therefore, requested the government not to let the ngolop leaders get away without punishment. We would like to urge the government to leave no stone unturned to extradite the ngolop leaders so that they can be punished as per the laws of the land.

The Chimi of Pemagatshel submitted that the ngolops who had carried out acts of treason against the Tsa-Wa-Sum, embezzled huge amounts of government and private funds and then absconded from the country, must be brought back through dialogue with the concerned countries so that they could be tried in the courts of law and punished as per the laws of the land. This was imperative as it would not only curb ngolop activities and embezzlement of government funds in the future but would also show that the country was firm in its actions against ngolops who violated the laws of the land.

The Samdrupjongkhar Chimi said that the ngolops who had absconded to other countries after revolting against the Tsa-Wa-Sum and embezzling large amounts of money must be extradited at any cost and punished as per the laws of the land. If this was not done, the security and stability of the country would be at great risk.

The people had heard from the newspaper reports the arrest of the ngolop Rongthong Kuenley Dorji in India by the Government of India. As Bhutan and India enjoyed excellent relations, the Royal Government should take all necessary steps to have him extradited to Bhutan at the earliest and punish him according to the laws of the land.

The Samtse Chimi said that ngolops like Rongthong Kuenley, R.B. Basnet, Bhim Subha and others had increased their subversive and criminal activities against the Tsa-Wa-Sum since 1990. They were residing in Nepal and attempting to create problems in Bhutan with help from the Nepalese government. The ngolops had tried to enter Bhutan a number of times and continued to terrorise and rob the innocent people. In keeping with the resolutions passed repeatedly in the National Assembly since 1991, the Royal Government should make concerted efforts to bring these ngolops back and have them punished according to the laws of the land.

The representative of the Bhutan Chamber of Commerce and Industry said that when Bhutan was enjoying peace, prosperity and harmony, people with vested interest had risen against the Tsa-Wa-Sum. The main leaders instigating the anti-national activities were Rongthong Kuenley, Bhim Subba and R.B. Basnet. So, wherever they might be, they should be brought back and tried for their crimes.

The Tsirang Chimi said that when Rongthong Kuenley absconded, he owed huge sums of money to the financial institutions and private parties. After absconding to Nepal, he became a ngolop leader and began subversive activities against Bhutan.

He said that the people of Tsirang were happy to hear of his arrest in India and wanted to offer heartfelt thanks to the Government of India. The people wanted to request the Royal Government to make all necessary arrangements with the Government of India to extradite Rongthong Kuenley to Bhutan and have him punished according to the laws of the country.

Likewise, Bhim Subba and R.B Basnet were senior officials who had stolen millions of Ngultrum from Bhutan and gone to Nepal to become ngolop leaders. Although they were just common thieves, the Nepalese government had treated them as dissident leaders, which was shameful. If they were not punished and allowed to go scot-free, there was the possibility that others might follow their example quoting a traditional saying “if the fire in the forest is not put out when it is small, the entire forest will soon be destroyed”,

The people's representative of Shongphu, Samkhar and Radi gewogs under Trashigang Dzongkhag pointed out that the extradition of Rongthong Kuenley had been discussed in the 74th Session of the National Assembly and its deliberations reflected on pages 71 to 79 (of the Dzongkhag version) of its proceedings and resolutions. As per Agenda Item V, Points 2 and 3, Rongthong Kuenley had defrauded and misused large amounts of money from financial institutions and private parties, dishonoured the Genja (legally binding agreement) he had signed on his release from prison when he received the royal pardon, and turned against the Tsa-Wa-Sum indulging in subversive activities from outside the country.

Although the National Assembly had resolved that he should be extradited and tried according to the Thrimshing Chenpo and the National Security Act 1992, he had not been extradited as yet and as a result, he had been continuing his ngolop activities against the Tsa-Wa-Sum. He had also been spreading false propaganda that some of his supporters were Sharchops. The Chimi said that such claims were totally baseless.

Rongthong Kuenley was not from Sharcho Trashigang but from Kheng Mamung in Zhemgang and his false claims had no credence. The people of Trashigang, therefore, strongly condemned him for trying to spread misinformation against the loyal citizens of the country. The Chimi said that the people wanted to urge the government to extradite him as soon as possible so that he might be given the punishment that he deserved.

The people's representative of Shaba Gewog under Paro Dzongkhag submitted that there were people from southern Bhutan who had absconded from the country with huge amounts of money and moveable property, in addition to carrying out subversive activities against the Tsa-Wa-Sum and, therefore, they should be extradited to Bhutan and punished according to the laws of the land.

He said that Rongthong Kuenley Dorji who had been making outrageously false allegations against the Royal Government after absconding from the country had now been arrested by the Indian Police. Since Bhutan and India enjoyed very close friendship like milk and water, the Royal Government should request the Government of India for his extradition, so that he can be tried and punished as per the laws of the land.

The Chimi of Tseza and Kana gewogs under Dagana Dzongkhag submitted that Rongthong Kuenley had first been granted work by the government. Then he was given numerous

trade licenses to set up various trading agencies. He had also taken advantage of the facilities extended to him and taken large loans from the financial institutions. In spite of all the Kidus and numerous assistance granted to him by the government, he extended active support to the anti-nationals. Yet, he was granted the royal pardon, because His Majesty the King hoped that he would not indulge in such activities in the future. With his extravagant lifestyle and compulsive gambling habits, he was a failure in business and his loan defaults increased. Therefore, realising that he could not repay his loans, and faced with many cases against him in the courts, he fled to Nepal and not only started making baseless allegations against the government, but continually tried to subvert the Tsa-Wa-Sum.

In his seditious pamphlets, Rongthong Kuneley had alleged that no development had taken place in Dagana Dzongkhag. The Chimi said that the people of Dagana refuted the false statements of this ngolop and criminal. The Dagana people had never seen him and he had never set foot in their Dzongkhag. The Chimi informed the Assembly that motor roads had been constructed in Dagana 18 years ago and health facilities and primary schools established 30 years ago. Much had been achieved in agriculture and all the other fields of development over the years.

Therefore, the government should take all necessary measures to extradite Rongthong Kuenley Dorji and have him tried in the Court and punished in strict accordance with the laws of the country.

The Chimi of Trashiyangtse pointed out that after Rongthong Kuenley became a ngolop, he was attempting to create communal discord and religious disharmony in Bhutan and harm the close and excellent relations between Bhutan and its neighbour India.

There was no reason for the people to believe his allegations that the government was discriminating against the Sharchops in favour of the Ngalops. The fact that in all government organizations, there were Sharchops at all levels depending on their abilities and that development activities were taking place in all the Dzongkhags in the east proved him wrong. He should be extradited at the soonest and tried in the Court in strict accordance to the laws of the country.

The Chimi said that Rongthong Kuneley was born in Zhemgang but had married into a family in Rongthong in Trashigang Dzongkhag and that was how he came to be called Rongthong Kuenley. The government had granted him more than 20 trade licenses but instead of serving the Tsa-Wa-Sum, he had become a ngolop. The people of Kheng were ashamed and hurt at this ingratitude and treachery. They had requested that the government

should not let Rongthong Kuenley get away with his ngolop activities. He should, therefore, be punished according to the laws.

The people's representative from Ha Dzongkhag said that Rongthong Kuenley had been employed by the government but because he was found unreliable, he left service and joined the private sector. The government had generously granted him more than 20 trade licenses. The financial institutions granted him large loans which he spent on his lavish lifestyle. The people, knowing his unreliable character, did not even trust him with the responsibility of a Chipon or a village headman. Instead, he became a ngolop and ran away to Nepal. Likewise, R.B. Basnet and Bhim Subba were senior officials in the government but they absconded from the country after stealing a huge amount of government funds. Therefore, the government should take all measures necessary to extradite them to the country.

The Chairman of the Royal Advisory Council said that all Bhutanese people knew about R.B. Basnet, Bhim Subba and Rongthong Kuenley and the type of people they were. First and foremost, they were traitors. Rongthong Kuneley ran away to evade the court cases for financial fraud, non repayment of loans and embezzlement. He went and joined the ngolops and was made their leader, not because of any qualifications or capability but being a Northern Bhutanese, they hoped that his presence would give the Nepalese ngolops some credibility.

He said that, as everyone was aware, Rongthong Kuenley was in the custody of the police in India. The Royal Government of Bhutan had requested for his extraditions and in keeping with the close ties of understanding and friendship which Bhutan enjoyed with the government and the people of India, he would be extradited.

The Home Minister acknowledged the concern of the people regarding the extradition of ngolop leaders to Bhutan and their trial according to the laws of the country. He said that in the past, criminals who violated the laws in Bhutan ran away to Tibet. Today, those who stole money or committed murder, dacoity, and other crimes absconded to Nepal where they claimed to be Bhutanese refugees.

Government servants who embezzled large sums of money left the country when faced with legal consequences. Indeed, as the saying goes "patriotism is the last refuge for

scoundrels” these law breakers have been claiming they were working for the good of the country.

The Home Minister recalled a report to the Assembly by the Finance Minister during the 70th Session in 1991 on the embezzlement of funds by the ngolop leaders, R.B. Basnet and Bhim Subba. When R.B. Basnet was the Managing Director of STCB, he stole public funds amounting to Nu. 116 million. Bhim Subba, as the head of the Power Department also stole public funds amounting to Nu. 69.6 million.

He said that there were many other officials also who had misused or embezzled public funds. They were now engaged in propaganda and terrorist activities against the Tsa-Wa-Sum. These were serious offences under the Bhutanese laws.

The Home Minister said that the ngolop, Rongthong Kuenley Dorji, who was recently arrested and remanded in judicial custody in India, had absconded from Bhutan to escape legal charges for financial fraud and non-repayment of numerous loans. Residing in Nepal, he had been actively engaged in conspiracy and unlawful activities against Bhutan to cover up his background as a fugitive offender.

The Home Minister informed the National Assembly that Bhutan and India had signed a new extradition treaty on December 28, 1996. It was signed by the Home Minister himself and the Indian Ambassador to Bhutan, Mr. Dalip Mehta, in Tashichhodzong in the presence of His Majesty the King.

This year, the Royal Government had requested the Government of India to extradite Rongthong Kuenley so he could face charges of financial fraud and non-payment of loans from the government, financial institutions and private parties. The Minister informed the members that there were seven cases of financial fraud against Rongthong Kuenley. Five cases were already subjudice, four in the High Court and one in the Mongar District Court, before he absconded. Two cases of financial fraud and cheating were filed against him in the Samdrupjongkhar District Court by two former business associates.

The Home Minister pointed out that it was ironic that one of the cases subjudice in the High Court was registered by R.B. Basnet when he was the Director of Revenue and Customs. R.B. Basnet had charged Rongthong Kuenley for not paying for a department

truck which he had bought in a public auction. The Minister informed the Assembly that as of June 1996, Rongthong Kuenley's defaults totalled more than Nu. 12 million.

On the command of His Majesty the King, the extradition treaty between Bhutan and India was read out in full to the National Assembly.

The representative of the Bhutan Chamber of Commerce and Industry said that the extradition treaty was a comprehensive one. He hoped that in keeping with the agreement, the ngolop Rongthong Kuenley, who was arrested in Delhi, would be handed over to Bhutan.

A Royal Advisory Councillor, while expressing satisfaction with the new agreement, said the people were concerned that Rongthong Kuenley had still not been brought to Bhutan. He hoped that the government would take necessary action to extradite him as soon as possible in accordance with the agreement.

The Trongsa Chimi said that the people were happy to learn that His Majesty the King and the government had further strengthened the security of the nation with the signing of the new extradition agreement.

The Ha Chimi pointed out that Bhutan and India had always shared a close relationship based on genuine friendship. With the signing of the extradition agreement, the relationship stood even stronger than ever. He hoped that Rongthong Kuenley would be extradited in accordance with the agreement and tried at the High Court.

The Thimphu Chimi said that as the people had made repeated submissions in the National Assembly to extradite the ngolops who had absconded from the country, the signing of the extradition treaty by the Royal Government was a matter of great satisfaction. The ngolop leaders like Rongthong Kuenley Dorji, R.B. Basnet and Bhim Subba had caused great loss to the country by stealing huge amounts of money which could have financed the country's annual budget expenditures for about five years.

As the relations between India and Bhutan were excellent, it was hoped that the ngolop Rongthong Kuenley would be extradited from India in accordance with the extradition agreement. Likewise, if other ngolop leaders like R.B. Basnet and Bhim Subba were extradited to the country, it would be a source of satisfaction to the people.

Rongthong Kuenley had stated in his seditious pamphlets that Bhutan should be commemorating the advent of Shabdrung Ngawang Namgyel as its National Day and not the coronation of His Majesty the First Druk Gyalpo. Perhaps he did not know that, in accordance with tradition, Bhutan has been observing in a much more elaborate manner than before, the Shabdrung Kuchoe on the 10th Day of the 3rd month every year in all the twenty Dzongkhag in the country.

The Chimi said that until the installation of Trongsa Penlop Gongsar Ugyen Wangchuk as the first hereditary monarch of the country, Bhutan was faced with constant internal strife and instability. His coronation on 17 December 1907 ushered in an era of peace and happiness in the country and that was why 17 December was being celebrated as the National Day of Bhutan.

The Deputy Minister for Agriculture said that the new extradition agreement which was signed last year brought great benefit to Bhutan. It had further strengthened Indo-Bhutan relations. Some members of the Assembly had expressed their doubts that, although Rongthong Kuenley had been arrested, he had not yet been extradited. The Deputy Minister said that the members should understand that there were many time-consuming formalities and procedures involved in the process of extradition and that in accordance with the new extradition agreement, the Indian government will hand him over in due course of time and, as such, there was no cause for concern.

The National Assembly recorded a vote of thanks to the government and people of India for their continued friendship and cooperation to the government and people of Bhutan and for the signing of the new extradition agreement between the two countries.

The Speaker concluded the discussion on the extradition of ngolops by pointing out that the impassioned submissions by the people to extradite the ngolops who resided in foreign countries spoke for themselves.

The National Assembly resolved that the Royal Government, bearing in mind the submissions made by the people, should extradite the ngolop leader Rongthong Kuenley Dorji to Bhutan in accordance with the new extradition agreement signed with the Government of India, and put him on trial as per the laws of the land. Likewise, the Ministry of Foreign Affairs and the Ministry of Home Affairs should take all necessary action to extradite other ngolop leaders and have them tried as per the laws of the country.

7. Expression of Appreciation

The people's representative of Dzomi Gewog under Punakha Dzongkhag submitted that ever since the outbreak of anti-national activities in the south in 1990, His Majesty the King, keeping in mind the security of the country and the well-being of the people, had frequently toured the southern Dzongkhags, despite heavy security risk, to find a solution to the problem. He also submitted that it was due to His Majesty's wise and able guidance that the Royal Government enjoyed the trust and confidence of the people and also of the international community, resulting in continued donor support and assistance for development programmes. The public of Dzomi Gewog, therefore, wished to express their deep appreciation for the wise and dynamic leadership provided by His Majesty the King.

Similarly, the people's representative from Thimphu Dzongkhag submitted that Bhutan had been blessed by the second Buddha, Ugyen Guru Rimpoche, as his secret abode, and also by great spiritual leaders like Phajo Drugom Shigpo and Shabdrung Ngawang Namgyal who had provided both spiritual and temporal leadership and ensured the future of Bhutan as a country where the Dharma flourished. Since the enthronement of Bhutan's man of destiny, Gongsar Ugyen Wangchuck, as the first hereditary monarch, and under the dynamic leadership of His Majesty the present Druk Gyalpo, the people of Bhutan had enjoyed unprecedented peace and prosperity. For example, those who could not even afford a horse before owned cars today while those who used to live in huts now lived in buildings. All this was possible because of His Majesty's deep concern and commitment for the welfare of the people. For this, he said, the people would like to express their eternal gratitude to His Majesty the King.

Likewise, the people's representatives of Bumthang and Trashiyangtse Dzongkhags submitted that in spite of the ngolop uprising in southern Bhutan more than seven years ago, the people continued to enjoy peace and prosperity because His Majesty the King had himself taken the responsibility to find a lasting solution to the ngolop problem. Due to the blessings of the Guardian Deities and the wise and far-sighted leadership of His Majesty the King, the people were not only enjoying peace and happiness but also greater prosperity as a result of the ever increasing development activities every year. The people, therefore, wished to express their deep gratitude to His Majesty and the Royal Government, he said.

Similarly, the people's representative of Kana and Tsangkha gewogs of Dagana Dzongkhag submitted that because of the development programmes initiated by His

Majesty the King for the benefit of the country and the welfare of the people, there had been tremendous improvement in the living conditions of the people, for which they would like to express their deep gratitude to His Majesty.

The Deputy Minister of Agriculture submitted that despite the numerous problems and difficulties created by the ngolop uprising, under the wise and dynamic leadership of His Majesty the King there had been considerable achievements in the field of development. In other countries with similar ngolop uprisings and related problems, officials and members of the public would misuse their authority, loot the people and subject them to untold sufferings. In the case of Bhutan, when foreigners who had heard of the problems related to the ngolop uprising in southern Bhutan visited the country, they were surprised, impressed and happy with the developments taking place and the peace and secure environment enjoyed by the people. This happy situation has been possible because of the wise, benevolent and dynamic leadership of His Majesty the King, and we pledge our unwavering respect, loyalty and gratitude to His Majesty, he said.

The Tshenyi Lopen of the Central Dratshang submitted that since His Majesty ascended the Golden Throne as the Fourth Druk Gyalpo, the security of the country had been further strengthened, and the people enjoyed unprecedented peace and prosperity. Despite the tremendous difficulties posed by the ngolop problem in southern Bhutan, His Majesty had not only initiated the 7th Plan programmes but also taken the full responsibility of protecting the security of the nation upon himself. His Majesty had also provided unstinted support and assistance in spreading the Dharma for the well-being of the people and the country, for which the clergy wished to express their deep gratitude. He also appreciated the bonds of unity, trust and cooperation between the government and the people which had been further strengthened over the years. He prayed for the long life of His Majesty the King and every success in whatever task, both spiritual and temporal, His Majesty embarked upon.

The Finance Minister submitted that in spite of the ngolop problem in southern Bhutan the 7th Plan programmes had been successfully completed because of His Majesty the King's far-sighted and dedicated leadership. Progress had been achieved not only in economic development but also in spiritual affairs. Bhutan being a Buddhist country, which is the basis of peace and happiness in the Kingdom, His Majesty had also given due importance to the preservation of its rich religious and cultural heritage. Adequate funds had been allotted every year for the development of the Dratshang and various religious institutions

in the country, and Shedras and Drubdras had been established throughout the length and breadth of the country to ensure the flourishing of the Dharma.

He pointed out that the success of the 7th Plan was a testimony to the wise and benevolent leadership of His Majesty the King and the close and excellent bond between the government and the people. He expressed his hope and confidence that the 8th Plan, launched on 1st July 1997, would also be implemented successfully with the dedication and commitment of the officials of the Royal Government and the active participation of the people, in keeping with His Majesty's policies and his aspirations for the country.

The National Assembly expressed its deep appreciation to His Majesty the King for his great concern for the security of the country and the welfare of the people. Despite the grave security risks involved, His Majesty had made frequent visits to the southern Dzongkhags, following the ngolop uprising in southern Bhutan, to look into the welfare of the people. His Majesty had also ensured tremendous socio-economic progress with the initiative of numerous development programmes. On behalf of the people of the 20 Dzongkhags of the country, the National Assembly offered a vote of thanks to His Majesty the King. The National Assembly also offered its sincere prayers for the long life and glorious reign of His Majesty the King, and for the peace, progress and prosperity of the Bhutanese people.

8. Pledge of Support and Loyalty

The people's representative from Trashigang Dzongkhag submitted that since the outbreak of the ngolop problem in southern Bhutan in 1990, the Royal Government had held several rounds of talks with the Nepalese government in order to resolve the problem of the people in the refugee camps in Nepal. However, even after seven rounds of talks and in spite of several concessions made by the Royal Government on the four agreed categories of people, there had been only a limited progress in the negotiations. The people of Trashigang Dzongkhag were fully aware that His Majesty the King, keeping in mind the security of the country and the well-being of the people, was working tirelessly to find a lasting solution to the ngolop problem and ensure that the country would never face such a security threat again. The public of the 16 gewogs of Trashigang Dzongkhag, therefore, wished to pledge their total loyalty and unwavering support to the Tsa-Wa-Sum, he said.

Likewise, the people's representative from Samdrupjongkhar Dzongkhag submitted that the peace, happiness and prosperity that prevailed in the country was due to His Majesty

the King's wise and benevolent leadership. The public of Samdrupjongkhar wished to reiterate their unswerving loyalty and support to the Tsa-Wa-Sum.

The people's representative from Trashiyangtse Dzongkhag said that at a time when the country was successfully carrying out its development programmes, some anti-national elements who had failed in business, spiritual practice and public service had indulged in subversive activities against the Tsa-Wa-Sum. The disappointment that would be felt by the Royal Government by such shameless treachery was fully justified. He said that the public being fully aware of the subversive activities of these people had reported them to the government. The actions of these people had greatly disappointed and shamed the loyal citizens of the country, and the people requested that they should be dealt with as per the provisions of the National Security Act, 1992. The Chimi submitted that the sunshine of peace, happiness and prosperity enjoyed by the country was possible only due to the wise leadership provided by His Majesty the King and the Royal Government. The people of Trashiyangtse, therefore, wished to pledge their total loyalty and support to the Tsa-Wa-Sum from the innermost core of their hearts. If necessary, we stand ready to sacrifice our lives for the Tsa-Wa-Sum, said the Chimi.

The Secretary for Health and Education recalled that when the Bhutanese people came to hear about the ngolop uprising they had come forward to protect the nation's security and offered their full support to His Majesty the King and the Royal Government, not only in terms of their material possessions but even to sacrifice their lives if necessary to protect the security of the country. However, His Majesty the King had told the people that all he wanted from them was for them to observe the bonds of Tha-Dam-Tsi between the government and the people.

As everyone was aware, His Majesty the King's palace was a humble log cabin. In the 25 years since he ascended the Golden Throne, His Majesty had dedicated himself completely to the welfare of the people and the interest of the country, the fruits of which were plainly visible for everyone to see. As a result of His Majesty's selfless leadership, it had become possible for the Bhutanese people to hold their heads high with pride in the comity of nations. To ensure that the security of the country was not compromised and the country was able to continue on the enlightened path shown by His Majesty the King, it was important that Bhutanese citizens taught their children, loyalty and dedication to the Tsa-Wa-Sum. This is vital to ensure that from generation to generation, the people of Bhutan will live in peace and prosperity in the country bequeathed to them by their forefathers, said the Secretary.

The people's representative from Samtse Dzongkhag submitted that although Samtse Dzongkhag continued to be a disturbed area, with the ngolops still carrying out their terrorist activities, various development programmes had been implemented by the government for the benefit of the people in the 7th Plan. The Samtse-Tendu road, Basic Health Units at Dorokha and Tendu, a new bridge in Bara, a 33 KV power line between Gomtu and Samtse and FCB auction yards in Samtse and Sipsu had been constructed in the Dzongkhag at great costs by the government.

He added that health programmes like National Immunization Day and Mother and Child Health Care were also carried out successfully in all the gewogs. Schools had been re-opened and education coverage had increased. Besides the construction of the Dorokha road which was approved during the 74th Session of the National Assembly, other necessary development activities had been undertaken successfully in the Dzongkhag. Therefore, the people of Samtse wished to reiterate their pledge of support, loyalty and dedication to the Tsa-Wa-Sum.

The people's representative from Mongar Dzongkhag submitted that His Majesty the King had always looked after the welfare and Kidu of the people and had ensured that the country enjoyed peace and prosperity. When the ngolops began their subversive activities and disrupted the peace and progress of the country, destroying all the development service facilities, His Majesty the King, disregarding the grave security risks, personally visited all the disturbed areas to see for himself the problems faced by the people and to ease their difficulties. The happiness, peace and prosperity enjoyed by the Bhutanese people today was due to the blessings of the Guardian Deities and the wise leadership of His Majesty the King. The people of Mongar, therefore, offered their prayers for the good health and long life of His Majesty the King and for everlasting peace and prosperity in the Kingdom. They also wished to reiterate their pledge of total support and loyalty to His Majesty the King and the Royal Government.

The people's representative from Dagana Dzongkhag submitted that the best way to ensure the country's continued progress was for the people and the government to show Tha-Dam-Tsi in terms of body, speech and mind towards His Majesty the King. The people of Dagana Dzongkhag wished to pledge their total support to uphold this sacred Bhutanese tradition, he said.

The people's representative from Pemagatshel Dzongkhag submitted that during His Majesty the King's visit to Pemagatshel, the people had pledged everything they had, their material possessions and their very lives, to ensure the security of the country. His Majesty had told them that he did not want anything from the people but only their Tha-Dam-Tsi. It was this bond between His Majesty the King and the people that was the root of Bhutan's strength and which had kept the country secure from the subversive activities of the ngolops. With

total belief in this bond, the people of Pemagatshel pledged their unwavering Tha-Dam-Tsi to His Majesty the King and the Royal Government.

When the sun of peace was shining upon the Bhutanese people, with comprehensive development programmes underway and steady progress being made on the path of socio-economic development, disloyal people attempting to subvert the country had started the ngolop problem in southern Bhutan. At that time, the people of the eastern Dzongkhags had pledged their full support, material as well as physical, to protect the Tsa-Wa-Sum. They wished to once again reiterate their pledge of total support and loyalty to His Majesty the King and the Royal Government.

The people's representative from Thimphu Dzongkhag submitted that under the benevolent rule of the successive hereditary monarchs of Bhutan, the fruits of peace, happiness and prosperity that the people enjoyed were visible for everyone to see. In 1990, when the ngolop problem broke out and the country was going through a difficult period, the people from all parts of the Kingdom had come forward and offered their services as well as their material possessions to meet the threat from the ngolops. His Majesty the King, while deeply appreciating the patriotism of the people, which was reflected in their readiness to offer their material possessions and even their very lives to protect the security of the nation, had told the people that there was no need to be unduly concerned about the ngolop problem. Emphasizing the importance of improving their quality of life, His Majesty exhorted the people to concentrate on their agricultural works and the implementation of development programmes. The fact that the people of Bhutan have not faced any difficulties and continue to enjoy peace and progress is all due to His Majesty the King's wise leadership, he said. The people, therefore, wished to pledge their everlasting loyalty and support to His Majesty the King.

The people's representative from Ha Dzongkhag submitted that since 1990, the ngolops had been trying to disrupt development activities and harm the peace in the country. However, the personal concern and commitment of His Majesty the King had

safeguarded the security of the country. The people also had expressed their commitment in the past sessions of the National Assembly to serve and support their King and country, not only by contributing manpower and materials but, if necessary, by even sacrificing their lives without hesitation.

He, however, cautioned that due to the changing times, it was possible that not all people would be of the same mind these days, just as all birds did not have the same feathers. As such, it could not be ruled out that a few persons with subversive intentions could always plan to carry out harmful activities. It was, therefore, very important for everyone to be vigilant about such possibilities. Everyone from the people in the villages and gewogs to government servants and members of the clergy should serve the Tsa-Wa-Sum to the best of their abilities without waiting for His Majesty the King to take the initiative.

The Lhuentse Dzongda pointed out that Bhutan was a land where the Dharma of Lord Bhuddha flourished. It was a Kingdom ruled by the cherished system of hereditary monarchy with farsighted government policies, a good legal system and sound development plans and programmes all guided by Buddhist values. He expressed his hope and confidence that both the present well being and future security of the country would be further strengthened as a result of these values. He said that in keeping with the principle of Ley-Jum-Dey (law of cause and effect), one of the most crucial factors for ensuring the security of the country was the pure bond of Tha-Dam-Tsi between the government and the people. It was, therefore, very important that the responsibility of promoting the national interest should not be left to His Majesty the King alone. All government officials, from the Ministers downwards, should accord the highest priority to serving the nation and ensuring its well being and security.

The Wangdue Phodrang Chimi submitted that His Majesty the King had taken the full responsibility of solving the ngolop problem. As a result, the people of Bhutan did not miss a single day of work nor were their normal lives disrupted during the last seven years of the ngolop uprising. The people had complete trust and faith in His Majesty the King and they wished to once again pledge their total loyalty and Tha-Dam-Tsi to their beloved King and country.

The BCCI representative submitted that the people and the government shared the pure bonds of Tha-Dam-Tsi which were like milk and water. He said that all genuine Bhutanese had always cherished their unique national identity and rich traditions and

values. He recalled that when the business community offered financial assistance for the security of the nation, His Majesty the King would not accept them, saying that it was enough if the business community prospered and served the country with loyalty. On behalf of the business community of Bhutan, he reiterated their solemn pledge of sincere support and service to the Tsa-Wa-Sum.

The Dagana Dzongda reminded the Assembly that Bhutan was unified into a sovereign, independent country by Shabdrung Ngawang Namgyal in the 17th century. However, due to internal rivalries and civil strife there was widespread unrest and discord, resulting in great difficulties for the people until 1907 when Trongsa Penlop, Gongsar Ugyen Wangchuck was unanimously elected as the first hereditary monarch of Bhutan. Since then the country had enjoyed an era of unprecedented peace, happiness and stability.

The Dzongda pointed out that the bonds of Tha-Dam-Tsi between His Majesty the King and the government and people were as closely blended as milk and water. In keeping with the principle of Ley-Jum-Dey, if such bonds of Tha-Dam-Tsi continued to be maintained and every citizen served the Tsa-Wa-Sum with total dedication and commitment, then no enemy or security threat, internal or external, could ever harm the country.

Likewise, the people's representative from Trongsa Dzongkhag submitted that it was His Majesty the Fourth Druk Gyalpo who had maintained peace and security in the country and ensured rapid economic progress for the people. The people, therefore, wished to pledge their unwavering loyalty to the Tsa-Wa-Sum and prayed that the future generations would also do the same in the face of any crisis facing the country.

The people's representative of Kana and Tsangkha gewogs in Dagana Dzongkhag submitted that the 7th Plan development programmes had been successfully implemented in southern Bhutan in spite of the ngolop problem which had affected their Dzongkhag. The implementation of these development activities had further enhanced the living standards of the people. The people, therefore, expressed their deep appreciation to His Majesty the King and pledged their loyalty to the Tsa-Wa-Sum.

Similarly, the Chimi from Sarpang Dzongkhag submitted that although the ngolops had disrupted the peace and tranquillity in the south, development activities had not been halted but carried out very successfully. He reminded the members that during the 71st

Session of the National Assembly, all the people of the five Dzongkhags and one Dungkhag of southern Bhutan had submitted a signed pledge of unswerving loyalty to the Tsa-Wa-Sum. While some people had emigrated and left the country, there were many Lhotshampas who had remained fully loyal to His Majesty the King and the country. We are committed to working hand in hand with His Majesty and the government towards removing the ngolop problem, and we pledge our full support in ensuring that the ngolops do not threaten the country in the future also, he said.

The Tsirang Chimi submitted that despite all the troubles arising from the ngolop uprising in southern Bhutan, His Majesty the King had ensured that the people of Tsirang received the benefits of economic development. Although the ngolops have robbed us of food and sleep, we have seen progress and development, he said. The people, therefore, wished to express their deep appreciation and declared their readiness to serve the Tsa-Wa-Sum in whatever capacity that might be required.

The Planning Minister said that His Majesty the King had personally visited all the Dzongkhags spending about 120 days briefing the people on the policies and programmes of the 7th Five Year Plan. He recalled the achievements and success of the 7th Plan which were presented to the National Assembly in the opening week of the session. Despite the ngolop problem, the implementation of the 7th Plan was a major success because of His Majesty the King's personal commitment and wise guidance, he said.

The Minister further added that all Bhutanese people should continue to cultivate and nurture the bonds of Tha-Dam-Tsi. It was the responsibility of the government officials and Chimis to inculcate this value in the minds of the people. As for the government officials, we have the highest respect and confidence in His Majesty the King, he said. We have always served the Tsa-Wa-Sum with loyalty and dedication, and will continue to do so to the best of our abilities,

The National Assembly was pleased to note the pledges of total support and unfailing loyalty to the Tsa-Wa-Sum from all the people of Bhutan. The National Assembly also pledged its total support and loyalty to His Majesty the King who had always worked selflessly and with the highest personal commitment for the well-being of the people and the security of the country.

The people's representative of Drujeygang Gewog under Dagana Dzongkhag submitted that the Royal Government and the security forces faced great hardship in maintaining the security of the country against terrorist activities launched by the ngolops in their attempts to destabilise the country. Despite constant threats and attacks from the anti-national terrorists and at great peril to their lives, the security forces and the police had been safeguarding the security of the country. Therefore, the people of Dagana Dzongkhag wished to express their appreciation and gratitude to the security forces and the police for protecting the nation's security and maintaining law and order in the country.

The Chimi commended the Royal Government, the security forces, the police, government officials posted in the border areas, the residents of the towns and the village volunteers, who with one mind and thought had successfully foiled the attempts by the ngolops to forcefully enter the country under the guise of "peace-marches". The people of Dagana offered their sincere appreciation and gratitude to all of them, she said.

One of the Royal Advisory Councillors expressed profound gratitude to His Majesty the King for his farsighted and wise leadership which had been decisive in maintaining the well being and security of the country. Despite the ngolop uprising in southern Bhutan, the peace and security of the nation had been maintained because of His Majesty's wise and far-sighted approach in dealing with all aspects of the ngolop problem.

The security forces and the police who were serving the Tsa-Wa-Sum even at the risk of their lives had won the admiration and respect of the people of Bhutan. Our appreciation and gratitude for the security forces are not mere words but come from the depths of our hearts along with the hope that they will continue to serve the nation with the same dedication, he said.

The Councillor also pointed out that last year when the ngolops tried to enter Phuentsholing, posing as peace-marchers, every resident of the town rose to the occasion and turned out in full strength to support the security forces and ensure that the security of the country was not harmed. This display of the true spirit of the Palden Drukpa by the people was a matter of great pride and inspiration. Our sincere gratitude is due to each and everyone involved, he said. It was indeed an example of true patriotism to be emulated by all Bhutanese citizens. Should the need arise in the future, all Bhutanese citizens must

come forward with one mind and thought, and together deal with any threat to the national security.

The Thimphu Chimi pointed out that due to the blessings of the Guardian Deities and the far-sighted leadership of His Majesty the King, the security of the nation had remained unharmed despite the ngolop problem. As recorded during the 74th Session of the National Assembly last year, I would like to put on record that the security forces and the police deserve our deep appreciation and gratitude for the dedication with which they have been safeguarding the security of the nation at great risk to their lives and under very difficult conditions, he said.

The National Assembly noted that since the ngolop uprising in 1990 and the outbreak of large scale terrorist activities which disrupted the peace and threatened the stability of the country, the security forces and the police had protected the security of the country from the ngolop threat and displayed their readiness to even sacrifice their lives in the line of duty. They had proven themselves to be true sons of the Palden Drukpa and lived up to the expectations of His Majesty the King and the people of Bhutan. The National Assembly, on behalf of the people of Bhutan, recorded a vote of thanks to the security forces and the police, and all others who had come forward to support them in safeguarding the security of the country.

10. Expression of Appreciation to Government of India

The people's representative of Chang Gewog in Thimphu Dzongkhag submitted that the continued support and assistance provided by India, a very close friend and neighbour, not only in the development process of the country starting from the 1st Five Year Plan but also in dealing with the ngolop problem, had greatly benefitted Bhutan. He expressed appreciation and gratitude for the support provided by the Government of India to the Royal Government in dealing with the so-called peace marches organized by the ngolops, some of whom had even managed to enter Phuentsholing under the guise of "peace marchers". He felicitated the new Prime Minister of India and his government, and expressed his confidence that the Government of India would continue to provide the same level of assistance and support that had been extended in the past.

The Health and Education Secretary submitted that as a result of the high priority given to education by His Majesty the King, the country had 312 educational institutions today providing primary, secondary and tertiary education to over 92,000 boys and girls.

His Majesty had also given special attention to providing health coverage throughout the country to prevent disease and enable the people to enjoy a healthy life. As a result, there were 659 health facilities, ranging from outreach clinics to referral hospitals. This had resulted in a remarkable improvement in health conditions and life expectancy of the people.

As a result of the continued assistance provided by the Government of India from the 1st Plan, the Health and Education Sectors had achieved tremendous progress. During the 7th Plan, construction of district hospitals had been taken up at Lhuentse and Trashiyangtse, a referral hospital for the eastern Dzongkhags at Mongar and an expansion of the National Referral Hospital at Thimphu, all with Indian assistance. In addition, Basic Health Units were being constructed at Bhangtar and Chaskhar. Once completed, these facilities would greatly benefit the people of Bhutan. On behalf of the Education and Health Divisions, the Secretary expressed his sincere appreciation to the Government of India for its generous assistance.

The Secretary informed the members that the Education Division had to spend millions of Ngultrums every year for the maintenance of existing educational institutions and construction of new facilities. He expressed appreciation for the assistance which the Government of India had agreed to extend for the development of schools during the 8th Plan. He also informed the Assembly that by the end of the 8th Plan, the number of school going children would exceed 100,000 and many additional classrooms and hostels would have to be constructed.

The Secretary further submitted that since his arrival, Mr. Dalip Mehta, the Indian Ambassador to Bhutan, had been devoting full attention to ensuring continued support and assistance to Bhutan's development programmes as well as to further strengthening the close and friendly relations between India and Bhutan. On behalf of the Health and Education Sectors, he expressed his sincere appreciation and gratitude to the Indian Ambassador to Bhutan for his personal support and assistance.

He reminded the members that earlier when Bhutan started its education system, it had to depend on teachers from India. Even after it started producing its own qualified and trained teachers, Bhutan was still employing a large number of Indian teachers as the number of national teachers was not enough to cover all the schools. These teachers from India had served the Royal Government with dedication and commitment in keeping with the spirit of the excellent state of Indo-Bhutan relations. The Secretary expressed his sincere appreciation to all the Indian teachers for their valuable contributions to Bhutan's education system.

The people's representative of Trashiyangtse noted that the Government of India had not allowed any activity which could harm the security of Bhutan to take place from its soil. He hoped that with the signing of the extradition agreement between the two countries, if ngolop leaders who had revolted against the Tsa-Wa-Sum were to set foot on Indian soil, they would be arrested and extradited to Bhutan. He expressed his appreciation to the Government of India for providing full support and cooperation in dealing with the situation created by the ngolops attempting to forcibly enter Bhutan on the pretext of "peace marches". He expressed his hope that such cooperation and support would continue to be extended in the future.

The Minister of Trade and Industry said that everyone was aware of the excellent relations, prevailing since time immemorial, between India and Bhutan. Since Bhutan was not only a small country but also landlocked, it was of utmost importance to maintain such relations with India. The Government of India had extended the friendliest of co-operation in granting transit facilities for Bhutan's trade with other countries. As a result, there had been absolutely no problems in developing trade and economic ties with other countries. Therefore, the Ministry of Trade and Industry wished to express its deep appreciation to the Government of India.

It was known to all that the Government of India had been providing assistance to the Kingdom of Bhutan since the launching of its 1st Five Year Plan. When the National Assembly members went to inspect the Chhukha Hydroelectric Project all the members were unanimous in saying that the project was the largest source of revenue for the country. The Minister reminded the members that this project was established with the assistance of the Government of India.

He said that with the cooperation and assistance extended by the Government of India, the Kurichu Project in the east, the Tala Hydro-Electric project in Chhukha Dzongkhag and the Dungsum Cement Project were all currently under implementation. It was not only in the area of economic and social development that the Government of India had extended its assistance, but India had rendered unstinted help when Bhutan faced serious problems, especially when the anti-nationals tried to forcibly enter Bhutan on the pretext of being “peace marches” and subvert the country. In view of this, from the side of the Ministry of Trade and Industry, we would once again like to express our deep appreciation and gratitude to the friendly Government of India, he said.

Similarly, a Royal Advisory Councillor and the people’s representative from Dagana Dzongkhag submitted that as a result of His Majesty the King’s wise and dynamic leadership, the close ties of friendship, fraternity and understanding between Bhutan and India had been even further strengthened over the years. Due to this excellent relationship, India had been extending support whenever Bhutan faced any difficulties and problems, which was deeply appreciated by the people of Bhutan. The Chhukha Hydro-Electric Project stood out as a symbol of the close and friendly relations between Bhutan and India. They pointed out that the completion of the Kurichu and Tala Hydro-Electric Projects and the Dungsum Cement Plant, which were being established during the 8th Plan with Government of India assistance, would bring tremendous economic benefits to the people of Bhutan. Hence, they expressed their sincere appreciation to the Government of India for its generous assistance and support to Bhutan.

The Planning Minister said that in 1958, before the start of planned development in Bhutan, the first Indian Prime Minister, Pandit Jawaharlal Nehru visited the Kingdom via Sikkim and Tibet. Since that historic visit, the friendship between the two countries had grown from strength to strength.

When Bhutan embarked upon a process of planned economic development in 1961, India was the only donor to extend assistance. The first two Five Year Plans were funded entirely by the Government of India. Although, other donors such as UN agencies and some friendly countries began to provide assistance from the 3rd Five Year Plan, India remained the most important and largest donor in terms of financial and technical assistance.

The Minister informed the members that the Government of India had committed an assistance of Nu. 9,000 million during the 8th Plan. An additional Nu. 18,000 million had

also been committed for major projects like the 1,020 MW Tala Hydroelectric Project, the Dungsum Cement Project and the Kurichu Hydroelectric Project. On behalf of the government and people of Bhutan, the Ministry of Planning would like to express its deep appreciation to the Government of India for its continued and unfailing support and assistance, he said.

Similarly, the people's representative of Drugyelgang Gewog in Dagana Dzongkhag expressed her sincere appreciation to the Government of India and to the State Government in West Bengal for prohibiting the launching of harmful activities against Bhutan from Indian soil. Their action was based on the genuine goodwill and friendship that existed between the two countries, she said. She expressed her hope that in the future also, the Government of India and the West Bengal Government would continue to provide such assistance and cooperation.

His Majesty the King informed the National Assembly that India was celebrating the Golden Jubilee of its independence from British rule in 1947. On the occasion of its Golden Jubilee, His Majesty the King, on behalf of the government and people of Bhutan, extended a very auspicious Tashi Delek to the President, Prime Minister, and the government and people of India. His Majesty also expressed his hope and prayer for India's continued prosperity and well-being, and everlasting peace and happiness for the people of India.

His Majesty expressed his satisfaction that over the past fifty years, Indo-Bhutan friendship and cooperation had grown from strength to strength. He expressed his hope and confidence that the close ties of friendship and understanding between the two governments and peoples would continue to grow and flourish for the mutual benefit of both countries.

The National Assembly extended a vote of thanks to India, Bhutan's closest friend and neighbour, for its continued support and cooperation towards Bhutan's socio-economic development. The National Assembly also recorded the Tashi Delek extended by His Majesty the King, on behalf of the government and people of Bhutan, on the auspicious occasion of India's Golden Jubilee, and the Tashi Moenlam by all the members that the close friendship between India and Bhutan will flourish for all times to come.

XI. ISSUES RELATED TO BODO AND ULFA MILITANTS

**1. Discussions on points raised by the people's representatives
from Thimphu, Paro, Zhemgang and Ha Dzongkhags.**

The people's representative of Chang Gewog in Thimphu Dzongkhag submitted that the people were concerned about reports that ULFA militants fighting against the state government of Assam had intruded into the Samdrupjongkhar area and had even established camps. The people were also concerned about reports that the Indian army was entering Bhutanese territory in pursuit of these militants. It was also suspected that the ngolops frequenting the border areas could be extending assistance to the ULFA militants, thereby creating bigger problems for Bhutan. The people, therefore, wished to know the views of the Royal Advisory Councillors and the position of the Royal Government on this issue.

The people's representative of Pangkhar and Ngangla gewogs under Zhemgang Dzongkhag submitted that the movement of the armed Bodo militants from Assam through Changnarzam in Fangkhar Gewog to Nanglam was a cause of much concern to the public as it could harm the good relations between Bhutan and India. They were also concerned that such illegal intrusions by the Bodos deep into Bhutanese territory could affect Bhutan's security. Therefore, the people wanted to request the government to take appropriate steps to deal with this problem in its early stage.

The people's representative of Samar Gewog in Ha Dzongkhag submitted that the people were greatly concerned about reports that a large number of ULFA militants had intruded into Bhutanese territory in eastern Bhutan. The presence of these militants who were fighting against India could harm the existing friendly relations between India and Bhutan. The Royal Government should, therefore, consult the Indian Government on the matter and initiate steps to deport the militants from Bhutan. Furthermore, it was vitally important that the government take all necessary measures to strengthen national security.

The Chimi from Paro Dzongkhag representing the views of the people of Shaba, Tsento and Wangchang gewogs submitted the deep concerns of the people over the reported intrusion by Bodo and ULFA militants into the eastern Dzongkhags at a time when the country was still facing the ngolop problem. If such intrusions by the ULFAs and the Bodos were not controlled from the beginning, it could become a serious problem later. The Chimi said that it was reported that ULFA and Bodo militants were buying food items from the villagers after paying them very high prices in order to keep them happy. Therefore, it was important that the government take preventive measures to ensure that the ULFA and Bodo militants did not create problems for Bhutan.

One of the Royal Advisory Councillors said that the hon'ble members should know that the solution to the ULFA and Bodo militants could not be found through a military option. He said that His Majesty the King had already discussed the problem with the Indian government. However, the people in the affected villages could also help. The Gups, Chimis and the members of the Gewog Yargay Tshogchungs should report any relevant information regarding the matter to the government through their Dzongkhags.

The Chimi of Trashiyangtse pointed out that if the militants from Assam were allowed to establish camps in Bhutan, it would not only be a security threat to the nation but there was also the possibility of them forming an alliance with the ngolops and causing greater problems for the country. Therefore, just as the fire must be put out while the flames were small and an enemy must be subdued before he gained strength, the government must strengthen and intensify border patrols to stop the militants from entering Bhutanese territory.

Addressing the National Assembly, the Home Minister said that the concerns of the hon'ble members regarding the intrusion of ULFA and Bodo militants into Bhutanese territory was fully appreciated and shared by the government. He said that ULFA stood for the United Liberation Front for Assam and that they were militants fighting for the independence of Assam. The Bodos were Mechey tribals living across Bhutan's border and were fighting for the creation of a Bodoland for themselves.

The Home Minister reminded the Assembly that the open and porous border of about 700 kilometres which Bhutan shared with India, from Sikkim to West Bengal, Assam and Arunachal Pradesh were mostly covered with dense jungles and that the people of the two countries were able to cross into each other's territories freely. Indian nationals were given a 15 day permit for Bhutan which could be extended for another 15 days if required. Just as there were many Bhutanese who crossed into India, there were a large number of Indians who crossed from India into Bhutan every day for a variety of reasons, including tourism and business. As such, it was very difficult for the immigration and security officials to distinguish Bodo or ULFA militants from other Indians.

The Minister pointed out that the militants from Assam had not established camps in any of the villages in the eastern Dzongkhags but that some of them after crossing the Bhutanese border had established camps in the dense forests along Bhutan's border with India, close to their villages in India.

It was not possible for the limited number of security troops that Bhutan had to cordon the entire area in the Bhutan-India border. Therefore, it was very difficult for the Immigration Division officials and security personnel to take effective measures against ULFA and Bodo militants who were well armed and hiding under the cover of dense forests. Even if vigilance were to be increased at the border check points, it was very easy for the militants to cross over through other places along the porous border.

The Minister said that he appreciated the submission by the Trashiyangtse Chimi to strengthen border patrols and the concern expressed by the other Chimis that the ULFA and Bodo militants might join hands with the ngolops. In order to curb the threat from anti-social elements, ngolop terrorists and militants in the border areas with India, the Royal Government had sought the cooperation and help of the Indian states of West Bengal and Assam. The cooperation between the peoples and the governments of these two Indian states and the people and government of Bhutan had greatly increased. In addition, every measure was being taken to check people at all check points.

The Home Minister assured the Assembly that His Majesty the King and the Royal Government were making every effort to safeguard the security of the country and the people. His Majesty the King had discussed the issue with the Government of India and, in keeping with the very close and friendly relations between the two countries, the problem would be solved in due course of time.

The Minister for Trade and Industry said that Bhutanese businessmen, people and government officials, while travelling in the south, had no choice but to pass through West Bengal and Assam. Nowadays, in view of the militancy in those areas Bhutanese travellers faced a lot of danger and inconvenience. Their problems were further compounded by the deployment of the Indian army in the areas to counter the militants.

The Minister informed the members that to reach Nanglam through the Indian National Highway 31, it was necessary to pass through 50 kilometres of territory inhabited by Bodo people. This was a big problem not only for the movement of men and materials for the Dungsum Cement Project but also for the people of Nanglam and those involved in the orange business.

Samdrupjongkhar was like the gateway to eastern Bhutan and the militancy in the border areas caused much problem to the general public, and in particular for the implementation of the Kurichu Power Project. According to hearsay, the Bodo and ULFA militants appeared to have a lot of money. Those entering Bhutanese territory were said to offer high prices for food items bought from the villagers as well as paying very high wages for any work done for them. Thus, it would appear that their main objective was to keep the local people happy.

If the militants who had crossed into the country were not made to leave, there was the danger that they could join hands with the ngolops and create serious problems for Bhutan. The governments of India and Bhutan not only enjoyed excellent relations but India was also a major donor to the country and had always helped Bhutan even when it had its own difficulties. It was but right for Bhutan to also help India. However, it was necessary to carefully consider the implication of any move made on this issue.

From what had been heard, the Bodo and ULFA militants not only possessed a variety of modern weapons but had also acquired military training in other countries. In the event the Bhutanese army were to be used to move out the Bodo and ULFA militants they would become our adversaries, he said. Then all Bhutanese people and vehicles going through their territory would be targeted by them.

As both Bhutan and India were members of the Non-Aligned Movement and the South Asian Association for Regional Cooperation (SAARC), it would be against the principles of these organizations for the Indian army to enter Bhutan to flush out the Bodo and ULFA militants. As there was no clear way out it was essential to bear in mind the submissions made by the people's representatives and have discussions on this issue with India which was a close friend and neighbour.

Likewise, the Chimis of Dagana, Zhemgang, Bumthang and Thimphu Dzongkhags and one of the Royal Advisory Councillors submitted their views on the issue. Some of them recalled that there existed good relations between the peoples of the eastern and southern Dzongkhags of Bhutan and the Assamese people since ancient times. As the main route of travel for the Bhutanese people of these areas was through Assam, the Royal Government should try and solve the problem created by the ULFA and Bodo militants on the basis of friendship and cooperation with India.

Others submitted that the movement of the ULFA and Bodo militants who had crossed into Bhutan should be known by the Bhutanese people in the concerned areas and that if the Gups, Chimis and the members of the Gewog Yargay Tshogchungs reported the matter through the Dzongkhags, it would help the government in taking measures to stop their entry into Bhutan.

The Samdrupjongkhar Dzongda submitted that since his transfer to the Dzongkhag about two months back, he had observed that the problem of intrusions by Bodo and ULFA militants had serious implications and was a source of great concern to the local people. He informed the Assembly that under his Dzongkhag, stretching from Daifam Dungkhag to Nanglam Dungkhag, there were many camps set up in the forests by the ULFA and Bodo militants. However, he asserted that the militants had neither been invited by the people nor given permission to stay but had come illegally across the long and porous border which they could easily cross at many places.

As the border check points were established only on the main roads, the ULFA and Bodo militants were able to enter Bhutan easily through other areas, and as such, attempts to stop their entry by blocking the roads were quite futile.

When the Indian army carried out operations against the ULFA and Bodo militants, the militants were able to enter Bhutanese territory easily through the dense jungles and use these inaccessible areas as hideouts. The militants could enter northern Dzongkhags also and, in fact, there were frequent reports of such intrusions by them.

The Dzongda also informed the Assembly that Bhutanese citizens travelling from Samdrupjongkhar to Phuentsholing, through Assam, faced great difficulties due to the numerous security checks conducted by the Indian military personnel. Because of the great difficulties faced by the people of Samdrupjongkhar, His Majesty the King visited Bhangtar, Daifam and Nanglam Dungkhags in March this year. After His Majesty's visit, the checking of Bhutanese travellers decreased considerably, leading to an improvement in the situation.

Nevertheless, as everyone was aware, Samdrupjongkhar still faced great problems as a result of the problem of Bodo and ULFA militancy in Assam. As for a solution to the problem, whether they were called ULFAs or Bodos, they were all Indian citizens just as the saying went "regardless of their names, the axe and hoe are both made of metal". As

such, the only realistic solution was for the militants to negotiate their problems with their own government.

The Chimi of Pemagatshel reminded the Assembly that the difficulties faced by the eastern Dzongkhags as a result of intrusion by the Bodo and ULFA militants had been discussed during the 73rd Session and was reflected in its Proceedings and Resolutions under Agenda No. IX, Para 6. As Pemagatshel was adjoining Samdrupjongkhar, whenever there was a problem in Samdrupjongkhar regarding the militants, Pemagatshel was also faced with the same difficulties.

The Chimi reported that both the ULFA and the Bodo militants were seen in his Dzongkhag from time to time and that they often came in groups of 15 to 20 people. As the people viewed the situation seriously, the villagers had reported it to the government. The Chimi submitted that there was a need for the National Assembly to give a serious thought to the problem.

The Deputy Minister for Agriculture said that the Forestry Division under the Ministry of Agriculture carried out patrols in all the Dzongkhags for the protection of the wildlife sanctuaries and reserve forests. For the areas in the south bordering Assam, forestry patrols were conducted regularly in Kalikhola, Sarpang, Manas, Nanglam, Samdrupjongkhar, Bangtar and Daifam. While patrolling the forests in these areas the forestry patrol teams had encountered groups of well armed ULFA and Bodo militants dressed in military uniforms. The forest guards, however, could not confront the militants who carried sophisticated weapons while they themselves were very poorly equipped. Such incidence have been reported by the Agriculture Ministry to the government.

Since the outbreak of the ngolop problem in southern Bhutan, the government had issued arms and ammunition, although in very limited quantity, to the forestry personnel in southern Bhutan. A group of three to four forest guards were issued with one rifle and 10 to 20 rounds of ammunition. With such limited and poor quality arms and with no proper training in their use, the forestry personnel had no choice but to avoid any confrontation when they came across Bodo and ULFA militants who were not only well trained but armed with the latest weapons.

According to the laws of the land and the rules and regulations of the Immigrations and Census Division, foreigners cannot enter the country without obtaining permission from the

relevant authorities. The entry of the ULFA and Bodo militants into Bhutanese territory in military uniforms and carrying all kinds of arms was, therefore, illegal.

As the objectives of the ULFA was to separate the state of Assam from the Union of India and make it into an independent country and that of the Bodos to separate from Assam and have a Bodoland for themselves, both were fighting against the Government of India and were fugitives from Indian laws. The concerns expressed by the hon'ble members on this issue were very relevant. However, the problem was not new and had been discussed in the Lhengyel Shungtsog (the Cabinet). The Deputy Minister, therefore, recommended that, the options available to resolve the problem should be discussed and reviewed by the Lhengyel Shungtshog.

The representative of the Bhutan Chamber of Commerce and Industry pointed out that as the border in southern Bhutan was extremely porous, one of the most effective ways to stop illegal entry of outsiders into the country would be the vigilance and efforts of the people themselves. It was, therefore, very important that people in the border areas should show loyalty and dedication to their country instead of exploiting the situation and trying to make quick profits by doing things which were not in keeping with government policy. They should keep in mind the saying, "if the thought and plan is wrong the consequences will be disastrous". Even if the ULFA and Bodo militants were to offer Nu. 500 for one chicken, people should not sell the chicken. Even if they offered Nu. 1,000 for a Sang of meat, it was up to the people not to sell the meat. Therefore, it was important not to think only of one's personal profit and interest but of the national interest and security of the country. People must show Tha-Dam-Tsi while the government, given the good relations with India, discussed the problem at the political level, he said.

Responding to the submission from the Thimphu Chimi who had asked for the views of the Royal Advisory Council, the Chairman of the Royal Advisory Council said that the Councillors understood the serious dimension of the problem. He expressed his appreciation to the Chimi for bringing up the point which was an important one for the present well being and future security of the country. He informed the Assembly that the Lhengyel Shungtshog had already discussed the problem and that while it was not appropriate for him to divulge the details of the Cabinet discussion, he assured the members that the Cabinet and the Royal Government were fully aware of the problem and its potential impact on the country. He, therefore, suggested that it would suffice if the Assembly were to decide that the issue should be taken up by the Royal Government with

the Government of India. If, however, the problem lingered on, the matter could be submitted to the National Assembly again as and when appropriate.

The Planning Minister expressed his concern over the potential impact of the ULFA and Bodo militancy on the implementation of development activities when the country was about to embark on its 8th Five Year Plan with an outlay of Nu. 30,000 million. He said that security was also vital for the success of mega projects like the Dungsam Cement Project and the Kurichu Power Project which were being established with assistance from the Government of India.

The Minister said that at a time when the country was still faced with the ngolop problem, the problem of the ULFA and Bodo militants in Samdrupjongkhar and Sarpang Dzongkhags could affect the implementation of the 8th Plan development programmes. He also expressed concern about reports that the ngolops had joined hands with the ULFA and Bodo militants and the possibility that they could intensify subversive activities against the country. Under such circumstances, it would be very difficult to realize the national goal of economic self-reliance, he said.

The Bodo and ULFA militants who had established camps in the dense jungles inside Bhutan were by all accounts armed with very sophisticated modern weapons and also very well trained. If reports of the ngolops having joined hands with them were true, it would indeed be very difficult to ensure the successful implementation of the 8th Plan. The Minister also expressed concern over reports that some people were selling food items to the militants. The small profits that might be gained from such transactions would have a negative impact on the large scale development programmes being implemented for the benefit of the people. He, therefore, appealed to the Chimis, as the elected representatives of the people, to give serious thought and consideration to the situation in order to maintain peace and stability in the country.

The Sarpang Dzongda submitted that once the ULFA and Bodo militants were removed from the country, one way of ensuring that they did not intrude into Bhutanese territory would be to resettle people on the vacant lands along the borders in southern Bhutan.

The Dagana Dzongda pointed out that Bhutan had always shared a common border with Assam, from the Sunkosh river to Daifam. People living along the border, therefore, had developed a good relationship with the people of Assam over a long period of time and

they had always been crossing the border freely. The problem today arose because of the political turmoil in the state of Assam. While the militants crossed over into Bhutan because of the open border, it was not possible for Bhutan to use force and move them out at will.

The Dzongda said that the only permanent solution was for peace to prevail in Assam. Not only did Bhutan enjoy excellent relations with India but its relations with the state government of Assam was also very good. Therefore, Bhutan must urge the central government of India and the state government of Assam to try and resolve the ULFA and Bodo problems.

The people's representative from Thimphu said that the previous speakers had adequately conveyed the concerns of the people over the fact that before the ngolop problem in the country could be solved, the ULFA and Bodo militants were creating another problem by intruding into the eastern Dzongkhags. He conveyed the gratitude of the people to His Majesty the King and the Royal Government for taking cognizance of the people's concerns and considering various options to solve the problem posed by the ULFA and Bodo militants. In his opinion, the Bodo and ULFA militants were hiding temporarily inside Bhutanese territory and they did not have any intentions to harm the country. He said that it was more than adequate that His Majesty the King was giving careful consideration to resolving the problem.

The Punakha Chimi said that people living in the border areas must understand that the ULFA and Bodo militants were Indian nationals fighting against the Government of India and that their presence in Bhutan was not conducive to the friendly relations between the two countries. It also posed a threat to the security of the country.

A member of the Royal Advisory Council submitted that as there was a grave threat to the country's peace and security if the problem were to be prolonged, the Royal Government should initiate consultations with the Government of India and seek a solution without delay.

The Speaker, summarising the discussion, noted that the Royal Government was fully aware of the intrusions by Bodo and ULFA militants and the concerns of the people. As reported by the Home Minister, His Majesty the King was taking every measure possible to solve the problem. The Assembly, he said, should entrust the responsibility of finding a solution to the problem to His Majesty the King and the Royal Government.

The National Assembly decided that the responsibility of finding a solution to the problem concerning Bodo and ULFA militants should be entrusted to His Majesty the King and the Royal Government.

2. Patrolling of Border Areas

The people's representative of Trashiyangtse Dzongkhag submitted that they heard that Assamese militants called ULFAs had intruded and set up camps inside Samdrupjongkhar area. He said that if the government did not move them out soon, there might be possibilities of them forming an alliance with the anti-national ngolops and creating serious problems for Bhutan. This was a cause of great concern to the people of Trashiyangtse, he said. He, therefore, requested the government to have the police check all travellers at the border checkpoints without exception. He submitted that like Trashiyangtse Dzongkhag which bordered the Indian state of Arunachal Pradesh, there were other Dzongkhags which had borders with other Indian states. In all of these Dzongkhags, there was the possibility of the militants from India entering and hiding in the jungles in Bhutan. He, therefore, requested the government to have the borders patrolled frequently.

The Home Minister submitted that the concerns of the people and the concerns of the government were one and the same. The Royal Government was fully aware of the possibility of the militants from India and anti-nationals from southern Bhutan joining hands and creating problems for Bhutan. Accordingly, the concerned personnel manning different checkpoints were all working with extra care and dedication. However, the Indian militants, such as ULFA and Bodos, did not enter Bhutan through the checkpoints, but through areas where there were dense forests, which were very difficult to check and monitor. It was also difficult for the police and immigration officials to distinguish Indian militants from other Indians coming to the border towns. In spite of this, the Home Minister assured the Assembly that the officials and personnel of the concerned departments posted at the checkpoints would keep in mind the well being of the people and the security of the country, and discharge their duties with dedication and in accordance with the policies of the government.

The people's representative from Trashiyangtse thanked the Home Minister for his clarification on the issue.

XII. STRENGTHENING OF NATIONAL SECURITY

The people's representative from Samdrupjongkhar Dzongkhag expressed the deep gratitude of the people to His Majesty the King for his recent visit to the Dzongkhag to personally look into the problems faced by the people and to ensure their well-being. The people also wanted to offer their profound appreciation to His Majesty the King for the establishment of a new RBA Wing at Deothang for the security of the country and the welfare of the people. If it were feasible, they wanted to request for the establishment of a new recruit training centre at Deothang.

Similarly, the people's representatives of Tewang and Chubu gewogs in Punakha Dzongkhag submitted that in order to ensure that Bhutan's security was not jeopardized by the activities of the anti-nationals in the south, the people were ready to stand by the government and render full support at all times, both in material and physical terms.

The people's representative of Hungrey and Dop Shari gewogs in Paro Dzongkhag submitted that the people were fully aware of how the security forces carried out their duties. The people were greatly impressed by the loyalty and dedication of the security forces and had complete faith in their ability to safeguard the security of the nation. Under the far-sighted and dynamic leadership of His Majesty the King, the people were also ready to offer their services for ensuring the peace and security of the country.

As citizens of the country, all the people were ready to come forward with their support in any way required to overcome the existing ngolop problem and the problem of intrusions by the ULFA and Bodo militants in the eastern Dzongkhags. As the situation demanded ever increasing emphasis on safeguarding national security, the people reaffirmed their readiness to support the government, both in terms of material and manpower contributions, to strengthen the security of the country.

Likewise, the people's representatives from Bumthang, and Lamgong and Tsento gewogs in Paro Dzongkhag submitted that the ngolop problem which had broken out in southern Bhutan in 1990 had been further exacerbated by the problem of ULFA and Bodo militants. Therefore, safeguarding the country's security had been incorporated as one of the important objectives of the 8th Plan, clearly reflecting the government's commitment to ensuring the security of the country. The 74th Session of the National Assembly had decided that the responsibility of protecting the nation's security should be shouldered by the security forces, the police and village volunteers. However, it was equally the responsibility of all Bhutanese citizens to extend full support to the security forces in

protecting the nation's security. If everyone in the villages and gewogs right upto the Dzongkhags worked together closely to safeguard the country, the security of the nation will be more greatly strengthened than ever before.

The fact that the nation did not face any insurmountable problem today was due entirely to His Majesty the King's farsighted leadership and the dedication of the security forces in safeguarding the security of the country. The people wished to express their deep appreciation to the security forces for the dedication with which they discharged their duties and their readiness to even sacrifice their lives to protect the security of the country. While the armed forces acted as the shield against any external threat, the people were ready to come forward as militia volunteers to protect important installations like Dzongs, industries and bridges.

Addressing the Assembly, His Majesty the King informed the members that, because of the security problems in the east from ULFA and Bodo militants, he had personally visited Samdrupjongkhar, Deothang, Bangtar, and Daifam in December last year and again in March this year. His Majesty said that, as all members of the Assembly were aware, since last year, the DANTAK camp in Deothang was to be handed over to the Royal Bhutan Army and the RBA Wing 10 established there. This year ten officers and two companies of RBA soldiers had been posted at Deothang and the taking over of the complex was in progress. A lot of work would have to be done to complete the establishment of Wing 10 at Deothang.

His Majesty also informed the Assembly that during his visit to Daifam a decision had been taken to establish a new RBA camp at Daifam and the location had already been selected. A decision had also been taken to establish a RBA camp in Nganglam near the Dungsum Cement Project which was going to be established during the 8th Plan with a grant of Nu. 4,000 million from the Government of India. The decision to establish this camp was taken in consideration of security requirements for the project. The construction of the RBA camps at Daifam and Nganglam would be started in August this year.

Regarding the submission by the Samdrupjongkhar Chimi to establish an army training centre in Deothang, His Majesty pointed out that the Royal Government had already established a RBA Training Centre in Wangduephodrang, a RBG Training Centre in Dechenchholing and a RBP Training Centre in Jigmeling in Gelephu. These centres,

which were well equipped with all necessary facilities like firing ranges, mess, residential quarters and training fields, were established over the years at a substantial cost. Establishing a new centre would only result in heavy financial implications for the government without any additional benefits. Besides, as Wing 10 had not been fully established at Deothang, it would be more practical to send recruits to the existing training centres, His Majesty said.

The people's representative from Thimphu Dzongkhag expressed the people's deep appreciation for His Majesty the King's far-sighted initiatives in establishing security forces and training centres all over the country to safeguard the security of the nation. While soldiers had been trained within the country, officers had been sent outside for training. The establishment of Wing 10 in Deothang, he said, was particularly beneficial in maintaining security because of the long and porous border in the south.

The Secretary for Health and Education said that it was most gratifying to hear the views of the hon'ble members and to know that the people of all the Dzongkhags were fully committed to strengthening the security of the nation. As a result of such support from the people, the government officials were also greatly encouraged in discharging their duties. He said that the most important element for the security of the nation was Tha-Dam-Tsi between the government and the people. Without Tha-Dam-Tsi even large armies would be useless. If everyone dealing with security thought and acted alike the security of the nation would be naturally strengthened.

Bhutan had existed as a sovereign, independent country throughout its history due to the blessings of the Guardian Deities and because the government and the people thought and acted as one to safeguard the well-being of the country. The Secretary suggested that it was important for the hon'ble members to convey these messages of unity of thought and mind to the people.

The people's representatives of Punakha and Ha Dzongkhags and the BCCI Chimi submitted that in the past session also the people had pledged their complete and unwavering support to the government in safeguarding the nation's security. The people wished to reiterate their pledge of total support, both in terms of material and manpower contributions, to protect the security of the country. Referring to the problem of the Assamese militants, they said that given the very close ties of friendship, cooperation and understanding between Bhutan and India, there was no reason for either country to be involved in any activity that might be harmful to each other.

Since His Majesty the King, out of concern for the security of the country, had been personally visiting all the disturbed areas, it had been decided in the past session of the National Assembly that the security forces should ensure His Majesty's personal security during such visits. The people hoped that the security forces would not fail in discharging this important responsibility. For their part, the people stood ready at all times to offer both physical and material support to protect the security of the country and serve the Tsa-Wa-Sum with loyalty and dedication.

They also expressed their hope and expectation that all government officials would carry out their responsibilities in safeguarding the nation with loyalty and dedication. To this end, they should cherish His Majesty the King's command more than gold itself although the weight of its responsibility may be heavier than a mountain.

A member of the Royal Advisory Council submitted that His Majesty the King, realising the concerns of the people, had not only established a new RBA Wing 10 at Deothang but also decided to set up two more camps at Nganglam and Daifam for which he expressed his gratitude. The issue of safeguarding the security of the country was discussed during the 73rd Session of National Assembly also. As discussed in that session, he suggested that students above class VI should be given basic training in the use of weapons during their winter vacations. In times of emergency, this would be of great help to the security forces who were carrying out their duties to the best of their abilities despite their limited strength.

Similarly, the Chhukha Dzongda and the people's representative of Wangdue Phodrang submitted that Bhutan had been able to safeguard its security because of the wise and dynamic leadership of His Majesty the King and the loyalty and dedication of the security forces to their country. Citing the example of an easily breakable stick becoming virtually impossible to break when tied together in a bundle, they pointed out that unity of thought and action between the government and the people was vital for strengthening and ensuring the security of the nation.

The Finance Minister reminded the Assembly that the people had repeatedly pledged their total commitment, their lives and possession to safeguard the security of the country, for which he expressed his deep appreciation and satisfaction. Until the ngolop uprising in 1990, Bhutan was like the hidden paradise of peace and tranquillity. He said that the government officials were as concerned as the people about the threat posed to the security

of the nation by the ngolop problem. Therefore, the task of safeguarding the security of the country should not be left to His Majesty alone. This sacred responsibility should be shared by everyone, the public and government officials alike, he said.

The Finance Minister said that the capability of the soldiers in all the Wings had been greatly enhanced and now a new Wing had also been established at Deothang. Expressing his deep appreciation to the security forces for serving their country with loyalty and dedication, he emphasized that the most important element for strengthening the security of the nation was the bonds of Tha-Dam-Tsi between the government and the people.

If the people served His Majesty the King with Tha-Dam-Tsi, and worked together with the government, the peace and happiness in the country would be further enhanced and the nation's security more greatly strengthened than ever before. Therefore, it was most vital for everyone concerned to serve the Tsa-Wa-Sum with complete Tha-Dam-Tsi.

The Lhuentse Dzongda said that the reason why Bhutan had enjoyed peace and happiness through the years was due to the strong bonds of Tha-Dam-Tsi between the government and the people. However, with the changes in time and greater interaction with the rest of the world, changes in attitude and thinking could also arise among some of the people. Therefore, while security forces would always be required to protect the nation, the most important requirement for national unity and strength is the unwavering mind and thoughts of the people, he said.

Although Bhutan was a small country, with a small population, having no economic or industrial clout, it had managed to preserve its status as a sovereign, independent nation because of the pure bonds of Tha-Dam-Tsi between the government and the people. As the Dzongdas were like bridges between the government and the people, he pledged that they would serve the nation with utmost Tha-Dam-Tsi and Ley-Jum-Dey, and fulfill their responsibilities including the implementation of all development programmes under the Five Year Plans.

A member of the Royal Advisory Council pointed out that the ngolop uprising had made it necessary to strengthen the security forces to counter any possible threat to the well being and security of the country. He, therefore, expressed his deep appreciation for the establishment of the new RBA Wing 10 at Deothang.

In all matters, the mind was supreme, he said. If the mind did not register the image even the eyes were as good as blind. That was why it was so important for everyone to cherish the pure bonds of Tha-Dam-Tsi. As everyone was aware, His Majesty the King worked day and night to ensure the success of his farsighted policies for ensuring the security of the nation and the successful implementation of development programmes for the well being of the people. To realize and appreciate His Majesty's selfless commitment and dedicated service to the people and the country is to know the true meaning of Tha-Dam-Tsi, he said.

It was the good fortune of the people and the country to have a leader like His Majesty the King. If all the people came forward to serve His Majesty the King with Tha-Dam-Tsi, the security of the country would be forever strengthened and the people of Bhutan would enjoy peace and prosperity for all times to come.

The people's representative from Trashiyangtse Dzongkhag thanked the hon'ble member who had emphasized the importance of Tha-Dam-Tsi and Ley-Jum-Dey in safeguarding and strengthening the security of the country. He recalled that Bhutan had faced several threats to its security during its recent history. Firstly in 1950, the Nepalese in southern Bhutan had started seditious activities. Later, a group of Tibetans created problems in the country. Most recently, it was the ngolop uprising in southern Bhutan which had created problems for the country. However, as a result of His Majesty the King's wise and farsighted leadership and the bonds of Tha-Dam-Tsi between the government and the people, the peace and stability of the country had not been affected.

The Chimi expressed his hope that with the establishment of the RBA Wing 10 at Deothang, the problem of ULFA and Bodo militants would not be able to harm the country. Regarding the establishment of an army training centre at Deothang, it could be reconsidered after the Wing was fully established. The Chimi also offered his prayers for the long life and glorious reign of His Majesty the King and for the peace, happiness and prosperity of the people of Bhutan.

The people's representative from Trongsa Dzongkhag submitted that, no matter from where any threat arose, the responsibility of safeguarding the security of the country fell on all Bhutanese citizens. However, when the ngolop uprising in 1990 threatened the security of the nation, His Majesty the King took upon himself the responsibility of finding and commitment to safeguard the security of the country.

The Dagana Dzongda pointed out that Bhutan had remained a peaceful and stable nation between the two largest countries in the world. Bhutan's strength, through the ages, was the Tha-Dam-Tsi between the government and the people. Inspired by the bonds of Tha-Dam-Tsi our forefathers had successfully repelled invasions from Tibet in the north and the British in the south, he said. Since the 70th Session of the National Assembly, the people had been repeatedly pledging their support, both material and physical, and expressing their readiness to even sacrifice their lives to safeguard the country. If these words were matched by deeds, there was no question of the security of the country ever being in danger. However, in keeping with the changing times, it was possible for a few selfish persons, whether they were in government service or in the private sector, to harbour harmful thoughts against the country. Therefore, apart from verbal pledges, it was important for everyone to observe Tha-Dam-Tsi to safeguard the nation's security. Everyone should remain steadfast in mind and thought and endeavour to follow the national policies and uphold the laws of the land.

The Chairman of the Royal Advisory Council observed that for their part the security forces had not failed in their duty to protect the nation's security. Likewise, if the people and government officials also continued to uphold the bonds of the Tha-Dam-Tsi and Ley-Jum-Dey and worked together with one voice and mind, the security of the country would be more greatly strengthened than ever before.

The Minister for Trade and Industries said that the sacred Bhutanese values of Tha-Dam-Tsi and Ley-Jum-Dey were essential for the security of the country especially at the present time when the ngolops were trying to destabilise the country. Loyalty for the country was essential to protect it from enemies, whichever direction they happen to come from. It was equally necessary for safeguarding the peace and happiness of the people, the fruits of development, and to ensure that future generations could continue to live on the land of their forefathers. Such achievements had not been possible until the establishment of hereditary monarchy in 1907. Today, during the reign of His Majesty the Fourth Druk Gyalpo, the Kingdom had become a welfare state. In order to ensure that the happiness of the people and the peace of the country would continue for all times to come, it was absolutely essential for all Bhutanese people to be unwavering in upholding the bonds of Tha-Dam-Tsi, he said.

The Dratshang member of the Royal Advisory Council expressed his appreciation for the importance attached by both government representatives and the Chimis to upholding the bonds of Tha-Dam-Tsi and the Buddhist principles of Ley-Jum-Dey. This clearly reflected the values of the Dharma which was flourishing well in the country.

Under the benevolent rule of successive monarchs, Bhutan had enjoyed peace and prosperity. However, persons with vested interests had instigated the ngolop problem. Nevertheless, due to the wise leadership of His Majesty the King and the Tha-Dam-Tsi shown by the people, the ngolops had not been able to harm the security of the country.

The Councillor reminded the members that Bhutan was a land which had existed since time immemorial. As a unique Buddhist Kingdom its rich traditions and values were shaped by the Dharma. With the present situation in the Kingdom, the security of the nation depended on the Tha-Dam-Tsi between His Majesty the King and the people. It was this Tha-Dam-Tsi which helped past generations to protect the Kingdom from all invading forces throughout its history and it would be this Tha-Dam-Tsi which would continue to safeguard Bhutan in the future.

The National Assembly resolved that concerning the request for an establishment of a training centre under the new RBA Wing 10 at Deothang, for the time being, as suggested by His Majesty the King, the training of new recruits for the security forces should continue to be carried out at the existing training centres. The National Assembly noted that despite the ngolop problem which had erupted in southern Bhutan in 1990, due to the blessings of the Guardian Deities, the wise leadership of His Majesty the King and the good fortune of the people, the country had been able to maintain its security and stability. The National Assembly recorded its satisfaction over the people's pledges of total loyalty and commitment to His Majesty the King and their willingness to sacrifice even their lives to protect the security of the nation. The Assembly noted that such commitment and support from the people boded well for the future of the country.

XIII. Concluding Ceremony.

Addressing the National Assembly at the conclusion of its 75th Session, the Speaker Dasho Kinzang Dorji said that the 75th Session had successfully deliberated many issues of national interest and adopted important resolutions. The success of the deliberations was due to the inspiration provided by His Majesty the King, and the active participation of the

hon'ble members on issues of national importance and points reflecting the genuine concerns of the people.

The Speaker pointed out the importance and the need to effectively implement the decisions of the National Assembly. He also reminded the Chimis of their responsibility to inform the people about the decisions of the National Assembly and ensure their implementation without delay. As bridges between the government and the people, the Chimis had an important role in the decision-making process and in promoting the well-being of the country.

The Speaker recalled that, during the 25 golden years of His Majesty the King's reign, the security and the sovereignty of the nation had been greatly strengthened. The phenomenal success and achievements in both religious and temporal affairs and the tremendous advancement in the economic status of the people were the result of His Majesty's personal commitment to promoting the well-being and prosperity of the Bhutanese people. With His Majesty's dynamic leadership and wise guidance, Bhutan had achieved in three decades what other countries took hundreds of years to achieve. It is due to His Majesty the King's farsighted leadership that we can stand proud among other nations today, he said.

The Speaker also acknowledged the unfailing support and assistance Bhutan had received from India, its closest friend and development partner, and other international and bilateral donors for the Kingdom's economic development. He expressed his deep appreciation to India and all other development partners and said he was confident that their friendship and cooperation would continue to grow in the future.

The Speaker pointed out that, even as Bhutan was enjoying peace and the fruits of its sound development programmes, the ngolop uprising in the south had disrupted development activities and posed a serious threat to the security of the country. It was only due to the wise leadership of His Majesty the King that the country had continued to achieve economic success. His Majesty the King, who took on the full responsibility of finding a lasting solution to the ngolop problem, had ensured the security and stability of the country through his farsighted leadership.

The Speaker pointed out that despite the serious disturbances by the ngolops, the 7th Plan had been successfully completed. He expressed his full confidence that the 8th Plan would bring even greater peace and prosperity to the people and the nation, said the Speaker.

The 75th Session of the National Assembly was concluded with the members collectively offering Tashi Moenlam for the long life and glorious reign of His Majesty the King, the

security and stability of the country and for the sun of everlasting peace and happiness to shine on the people of Bhutan.

Date : 16th July,1997

sd/-

Kinzang Dorji

Speaker

National Assembly of Bhutan