

Guidelines for Preparation of the Ninth Five Year Plan (January 2001)

PART II: SECTOR PLAN GUIDELINES

VIII. SECTOR POLICY GUIDELINES	2
1. DEFINITION OF SECTOR PROGRAMS	2
2. EDUCATION SECTOR	2
3. TECHNICAL TRAINING SECTOR (NTTA)	3
4. EMPLOYMENT SECTOR (NEB)	3
5. HEALTH SECTOR	3
6. AGRICULTURE SECTOR	4
7. LIVESTOCK SECTOR	5
8. FOOD QUALITY CONTROL SECTOR.....	5
9. FORESTRY SECTOR.....	6
10. IRRIGATION SECTOR	6
11. ROAD SECTOR	7
12. CONSTRUCTION STANDARD AND QUALITY CONTROL SECTOR.....	7
13. CONSTRUCTION DEVELOPMENT BOARD.....	8
14. URBAN DEVELOPMENT AND HOUSING SECTOR.....	8
15. INFORMATION TECHNOLOGY SECTOR (DIT).....	8
16. TELECOMMUNICATION SECTOR (BTA)	9
17. AVIATION SECTOR	10
18. SURFACE TRANSPORT SECTOR.....	10
19. MEDIA SECTOR	11
20. POSTAL SECTOR	11
21. TRADE SECTOR	11
22. INDUSTRY SECTOR	12
23. TOURISM SECTOR.....	12
24. POWER SECTOR	13
25. GEOLOGY AND MINES SECTOR.....	13
26. CULTURE AND LANGUAGE SECTOR.....	14
27. ENVIRONMENT SECTOR.....	14
28. MONETARY AND FINANCIAL SECTOR.....	15
29. PUBLIC FINANCE SECTOR.....	15
30. NATIONAL PENSION AND PROVIDENT FUND PLAN	16
31. LAND INFORMATION AND SURVEY SECTOR	16
32. CENSUS AND IMMIGRATION SECTOR	16
33. MANAGEMENT TRAINING SECTOR (RIM)	17
34. DEVELOPMENT PLANNING AND MANAGEMENT SECTOR (PCS)	17
35. PUBLIC SERVICE SECTOR (RCSC).....	17

I. SECTOR POLICY GUIDELINES

1. Definition of sector programs

The Ninth Plan shall consist of sector plan and dzongkhag plan. Unlike in the past, the sectors should not include in their plan those programs and activities along with budget outlay, which are reflected in the dzongkhag programs. The sector programs shall be defined and determined by the following criteria:

- Coverage – more than one dzongkhag or national
- Scope – beyond the capacity of dzongkhag(s) to manage
- Type – policy, technical and research oriented

2. Education Sector

The education sector witnessed a highly noticeable success during the Eighth Five Year Plan in achieving effective coverage through extensive expansion program. However, this success brought about several challenges that will confront the sector both during the Ninth Plan and in the future. It will be necessary for the sector now to seriously review the past strategy and approach, and make the necessary changes to redirect policy and program activities to help address the challenges effectively. Key areas that the sector needs to address during the Ninth Plan are outlined below:

- Improvement of quality of education both in terms of the delivery system as well as the content of the delivery;
- Synchronization of the higher education policy with the objective of providing basic education to all up to class X;
- Formulation of master plan for each school to avoid ad-hoc expansion and relocation;
- Introduction of Information Technology (IT) to facilitate the process of provision of education and more importantly as a means to development of IT itself in the country;
- Encouragement of private sector participation in the provision of education at all levels;
- Development of greater synergy between the education system and skills requirement in the job market;
- Formulation of a clear policy on the construction and management responsibility for urban and rural primary schools; and

- Building a sound data and information base for informed decision making and rational planning.

N.B For new school constructions, decision on location/site should be properly made to avoid the present experience of relocation and re-siting in the future.

3. Technical Training Sector (NTTA)

Since the sector is newly established, it will be imperative for it to prepare and implement the following programs during the Ninth Plan:

- Formulate and implement a HRD program to build its capacity to deliver and coordinate technical and vocational training within the country;
- Prepare a national TVET policy; and
- Prepare a Master Plan/Strategic Plan to guide its future plans and programs.

4. Employment Sector (NEB)

The employment sector lead by NEB shall carryout the following programs and activities during the Ninth Plan:

- Prepare and implement a national employment/labor policy and regulations for the country;
- Facilitate and promote generation of employment both in the public and private sectors; and
- Build database and information system on the employment situation in the country and establish a mechanism to disseminate the information to job seekers.

5. Health Sector

The health sector brought manifold changes in the quality of life of the Bhutanese people over the past decades with significant increase in the overall life expectancy due to reduction in the infant and maternal mortality and morbidity rates, low incidences of diseases, enhanced access to piped drinking water supply and greater awareness on health and sanitation issues. These achievements brought about by the expansion of services must now be complemented with greater thrust on improving the quality and adopting measures to sustain it further. The health sector should, therefore, focus on the following issues during the Ninth Plan:

- Improvement of the quality of service with focus on building the capacity to deliver services and instituting an effective delivery system;
- Strengthening the curative and diagnostic capacity for timely treatment;

- Consolidation and improvement of quality of health infrastructure;
- Introduction of user charges on selected health care system based on the principle of equity, providing access and achieving long term sustainability;
- Formulate clear policies and programs on the management and utilization of the Health Trust Fund.

6. Agriculture Sector

Over 79% of the population depends on agriculture sector for livelihood and income. It is, therefore, very important that the sector activities/programs for the Ninth Plan are made more relevant to the need, priorities and capacities of the farming population. Moreover, with the decision of the government to prepare the Ninth Plan based on geogs, there will be a major impact on the programs and strategy of the sector. Most of the executing and implementing responsibilities of the sector now would be carried out by the dzongkhags and geogs themselves. In view of this, following are some of the policy and strategic measures that the sector shall consider while formulating its Ninth Plan proposals:

- Putting thrust on the construction of farm/feeder roads in the sector program;
- Fostering better linkages between research, extension and the practical realities at the farm level to make agricultural activities more relevant to the farming community;
- Formulating clear policy on agriculture land use;
- Preparing policy on farm mechanization with concrete area specific activities;
- Preparing area specific agricultural production programs with reliable production estimates;
- Redefining food grains self sufficiency with clearer strategy measures considering ground reality;
- Exploring commercialization of agriculture based on the production potential, market demand and accessibility;
- Preparing a meaningful and effective plant protection program to avoid unwarranted loss of crops to pests;
- Undertaking development and application of biotechnology to optimize benefits from the rich diversity of on-farm species and varieties as well as wild ones;
- Developing internal and external markets for farm produces and products;

- Creating closer linkages and coordination between Bhutan Development Finance Corporation (BDFC) and the Department of Agriculture and Livestock Services (DALs) to enable farmers to get easy access to rural credit for purchase of farm inputs;
- Avoiding stereotype programs that do not consider location characteristics, potential, need and priorities of the people; and
- Assessing the status of national food security and formulating future strategy with concrete area specific programs where food insecurity risk is higher.

7. Livestock Sector

Livestock continue to be an integral part of Bhutanese farming system and the source of livelihood for many pastoral communities. Despite several efforts made during the past 40 years to improve animal breed and enhance productivity, subsistence situation is still prevalent with increasing reliance on import of livestock products particularly meat, cheese and eggs. Livestock sector should, therefore, re-examine the livestock development programs and formulate activities considering the following:

- Establishing closer linkage between breed improvement program and the actual need and capacity of the farming population;
- Making clearer identification of target groups for implementing breed improvement programs;
- Preparing concrete area action program on animal health and breed improvement;
- Making specific program activities to enhance dairy and poultry production based on the wider application of commercial principles;
- Closing down other livestock farms that are not related to the breed improvement and research;
- Linking the input supplies with rural credit schemes; and
- Formulating clear policy on subsidy for backyard farms and cooperatives and quantifying it.

8. Food Quality Control Sector

The new food quality control agency had been established to inspect and ensure quality food supply in the market since most of it is imported from outside. The agency shall carry out the following during the Ninth Plan:

- Formulate and implement appropriate policies and regulatory instruments, in close coordination with the Trade and Industries Sector, to ensure that the production and supply of food items in the market are of standard quality and safe for consumption; and
- Prepare and maintain food statistics in the country and must, on periodic basis, prepare and publish food balance sheet for the country.

9. Forestry Sector

With 72.5% of the land area under forests, the forestry sector has a very important role in the economic development of the country. While we are totally committed to the conservation of our forest resources including the biodiversity, cautious and sustainable use of these resource shall be made based on the principle of co-existence between man and nature. Sustainable management of the forestry sector has deep implications on the success of other sectors, particularly, agriculture, livestock, industries and most notably the power sector. The Ninth Plan forestry programs should include the following:

- Effective watershed management programs to protect the sources of rivers for hydropower generation and agricultural development;
- Realistic forestry resources management and conservation plans that considers the implications of conservation on the rural life and activities;
- Rational timber pricing policy based on the income and capacity of the population;
- Clear strategies and options to minimize fuel wood consumption;
- A definite strategy for involvement and training of private sector to create potential for development of value chain in private wood-based industries; and
- Introduction of bio-prospecting and biotechnology related industries to make sustainable use of plant and animal genetic resources.

10. Irrigation sector

Irrigation is one of the most important activities for agriculture sector in increasing the production of food grains to achieve sufficiency in cereals. Furthermore, this has been one of the areas where peoples' participation has been quite active in implementing and managing the schemes. In order to increase the benefit and usefulness of the irrigation activities, the sector should carry out the following during the Ninth Plan:

- Identify high risk and scant rainfall agricultural areas and prepare irrigation strategy and plans;

- Carry out research on the suitability of different irrigation techniques to different crops and areas; and
- Further strengthen the mechanisms for construction and maintenance of the irrigation canals by marrying the existing traditional systems with the modern systems.

11. Road Sector

Since the country's socio-economic development depends largely on an efficient and reliable road network, road infrastructure development shall continue to receive priority during the Ninth Plan. Unlike the past plans, the Ninth Plan road sector activities should fall within the purview of Road Sector Master Plan, and no separate activities shall be entertained. The Master Plan should incorporate the following:

- Comprehensive road network plan with focus on the existing north- south and east-west highways;
- New roads construction activities with time frame and budget;
- Clear road maintenance program on resurfacing, routine maintenance, widening and improvement and realignment;
- Plan and activities on bridges that includes both rehabilitation and new construction;
- Clear plan on institutional capacity development for road survey and design, quality control standards, supervision and geo-technical studies;
- Plan for choice of road construction and maintenance technology;
- Clear and a reliable unit cost basis to replace the existing dual costing system;
- A reliable and up-to-date rate analysis basis (BSR) should be established; and

Furthermore, as far as possible, private sector participation in road works, particularly new construction and maintenance activities, should be encouraged with clear and transparent modalities for participation.

12. Construction Standard and Quality Control Sector

The construction industry in Bhutan, today faces serious quality and standard challenges. As a result, the life and performance of our buildings and infrastructure facilities are reduced incurring enormous investment loss and presenting high safety and standard risk. The newly created division should therefore build up programs for the Ninth Plan in the following areas:

- Quality and standards for construction materials both domestic and imported;
- Laboratory facility for material testing;
- Reliable engineering code of practices;
- Mechanism to enforce quality and standards;
- Engineering ethics and professionalism;
- Institutional and human resource capacity for quality and standard analysis;
- Reliable schedule of rates for cost and rate analysis; and
- Inventory and data base on construction materials.

13. Construction Development Board

The quality and performance of our builders have wider impact on the life and sustainability of our infrastructure. Today, due to poor selection practice and ill defined criteria in issuing licenses and awarding contract for all categories of construction without much regard to qualification, performance, credibility and most importantly skills and know how, the quality of services in the construction industry remain fairly low. The CDB should formulate activities for the Ninth Plan to address the following:

- Clear and transparent classification and registration of contractors;
- Proper system of pre-qualification of contractors;
- Clear licensing system based on skill, resource and professional experience
- Sound classification system;
- Clear mechanism for arbitration and conflict resolution; and
- Strong database and information on construction industry.

14. Urban Development and Housing Sector

It must be recognized that urban development has failed to keep pace with urbanization in the country although it is an alien culture come to us by the sweep of modern development that we have embraced. Therefore, it must also be recognized that we have a Herculean task at hand, even to remedy what has gone ashtray in urban development process. During the Ninth Plan, it shall be imperative upon the sector to carry out the following, among others, to set a desirable direction in urban development process in the country:

- Preparation of Master Plans for all present and potential urban centers to remedy and prevent haphazard development;
- Formulation of urban development and housing policies and regulations, especially the building standards need to be made clear to achieve greater synergy between the modern and traditional architecture of buildings;
- Preparation of clear land use and management plan in the urban areas;
- Exploration and implementation of techniques and technologies for use of unproductive slopes for settlement building to reduce pressure on the prime agriculture land;
- Establishment of a database and information management system better planning and management of urban facilities; and
- Preparation of concrete plans for satellite towns to curb rural-urban migration.

15. Information Technology Sector (DIT)

As we move from industrial to information economy, the IT has an immense role to play. The pace and efficiency of our country's march to globalization will to a large extent depend on our ability to capitalize on IT. Therefore, the sector during the Ninth Plan should:

- Formulate and implement IT development policy, regulation and legislative framework;
- Prepare and implement an appropriate and useful HRD and research program;
- Formulate and implement national IT master plan including the establishment of INTRANET;
- Identify areas both in the public and private sector where IT can be introduced to reduce cost and enhance productivity; and
- Initiate programs to reduce the risk of digital divide between urban and rural and modern and traditional sectors in the economy.

16. Telecommunication Sector (BTA)

Completion of digital microwave system nationwide has catapult Bhutan's status at par with the telephony world. However, issues such as Tele-density, rural penetration level, service quality, value-added service and universal service obligation, in context to the conversion of Bhutan Telecom into a corporate entity, still remain crucial. Therefore, the

MOC and BTA should formulate clear policy and strategy for the Ninth Plan, keeping the following in mind:

- Telecommunication network expansion and the universal service obligation (rural telecom);
- Rationalization of telephone tariff;
- Interconnection and spectrum allocation;
- Network planning, choice of technology and convergence;
- Linkage between IT and telecommunication; and
- Close coordination with other sectors in planning and carrying out future network expansion.

17. Aviation Sector

The sector provides link for the country with the outside world and it has a 'direct bearing on the maintenance of the sovereignty and security of our nation-state'. No effort shall be spared to improve the safety and quality of our air service. During the Ninth Plan, the sector shall carry out the following:

- Prepare plan for an alternative airport to expand the air service;
- Formulate Civil Aviation Master Plan to enable the sector to plan for future air services including the domestic air service; and
- Enhance safety and improve quality of services through HRD.

18. Surface Transport Sector

Since land or the surface transport system is the only viable national transportation system in the country, there is an urgent need to build adequate support infrastructure for it to be effective and efficient. It is also necessary to have a proper policy and regulation in place for the public transport services to be reliable, effective and efficient. Following are some actions that the sector shall undertake during the Ninth Plan:

- Formulation and implementation of a Master Plan for public transport infrastructure and system for both rural and urban areas. This should include facilities such as bus terminals and parking, comfortable place for bus stop particularly on the highways;
- Preparation of national surface transport policies and regulations including traffic management;

- Improvement of the safety and services of public transport facilities; and
- Formulation and implementation of effective and efficient mass transport systems in the urban and populated areas.

19. Media Sector

The Ministry of Communications shall formulate and implement a media policy; given the importance of the role of media in the development of the country and the huge impact it has on the society and in view of the changing media landscape. Other programs on media to be planned and implemented by the BBS and Kuensel are as follows:

- BBS shall plan and implement programs to improve the quality of both the radio as well as television programs to bring it up to the international standard;
- BBS shall, on priority basis, extend the FM radio service to all dzongkhags;
- BBS shall also make programs to extend its television services to all dzongkhags in the country where it is feasible;
- BBS shall make and implement programs to establish financial sustainability in its operations and management; and
- Kuensel shall improve its content and quality and prepare to launch a daily issue.

20. Postal Sector

While the role of postal sector in urban areas had been comparatively reduced with the introduction of telecommunication services such as electronic mail, facsimile and telephone services, it must continue to play an important role in reaching the mails to the rural areas. The Ministry of Communications must define universal postal service obligations and enforce it upon the postal sector.

The postal sector during the Ninth Plan must prepare and complete address-coding system in all the urban centers in coordination with the municipal administrations and dzongkhags. The sector must also improve the efficiency and effectiveness of its mail delivery system.

21. Trade Sector

With the force of globalization into which Bhutan too is engulfed, issue of trade will assume paramount importance in our relations with other nations. If we are not fully prepared in having in place the necessary legislative and regulatory instruments, our interactions with others on trade matters will be constrained although we have very little to trade with as our overall trade balance has always been negative. Therefore, during the Ninth Plan it will be imperative upon us to do the following:

- Formulation of an appropriate trade policy to facilitate the smooth integration into the global market and accelerate growth of trade;
- Diversification of goods and market;
- Promotion of exports;
- Improvement of trading infrastructure to improve the efficiency in trading; and
- Building the capacities at the various levels to facilitate growth of trade.

22. Industry Sector

It must be recognized that predominantly and historically Bhutan has been and still is an agrarian society. Industrialization and industrial culture is alien to us. We only have about two decades of experience in industrialization and we depend so much on imports to meet our needs on industrial products. Therefore, industrialization needs to be grounded on strong footing for us to become a visible entity in the globalised market. During the Ninth Plan, the sector shall consider the following to facilitate and boost industrialization in the country:

- Formulation of a comprehensive national industrialization policy and regulation to facilitate proper development and location of industries in the country;
- Continue divesting of industrial activities to the private sector to promote growth of private sector;
- Finalization and adoption of Foreign Direct Investment (FDI) policy and legislation; and
- Promotion of small scale and cottage industries particularly in rural areas on products that have a niche.

23. Tourism Sector

Tourism is one of the fastest growing sectors in the economy with potential for not only foreign exchange earnings but also as a source of employment with greater opportunities for private sector participation. It is, therefore, important that the sector should focus on the following during the Ninth Plan:

- Formulating a clear and concrete policy and programs for development and improvement of infrastructure and services;
- Master plan for specific tourist areas;

- Diversification of tourism into different areas besides culture and trekking. Niche markets in tourism such as Eco-tourism, adventure tourism etc based on the country's natural beauty, biodiversity and distinct culture must be further explored and pursued; and
- Focusing on development of professionalism in the tourism sector.

24. Power Sector

Revenue generation from the power sector continues to be the highest in the country contributing 41.7% of national revenue although a very small percentage of the hydropower potential has been exploited so far. Out of the total hydropower potential of 30,000 MW, 16,000 MW is technically viable. But currently only about 345 MW has been exploited. The domestic consumption is only 80MW and the bulk of the generation is exported to India. Currently 30% of the population has access to electricity. In order to maintain the electricity growth rate of 7% per annum, we will have to take several measures. Both Basochu (60.8MW) and Kurichu (60MW) hydropower projects will be completed and commissioned during the 8th plan. However, it will not be adequate to maintain the level of growth rate required and it will be necessary to raise tariff for export and industries. More projects need to be planned and implemented. Therefore, the Power Sector programs during the Ninth Plan should focus on the following:

- Rural electrification programs since 70% of the rural households still lack access to electricity;
- Rational and cost effective national grid planning for the hydropower plants coming on stream;
- Formulate and implement policies and strategies on power tariff; and
- Formulate water resource management plan to avoid future conflicts among the different water users.

25. Geology and Mines Sector

The primary objectives of the geology and mines sector are to identify and facilitate exploration of mineral resources in keeping with sustainable principles and environment conservation. The sector needs to carryout the following to achieve the above objectives during the Ninth Plan:

- Prepare an action plan for institutional strengthening and implement it without further delay;
- Formulate a standard procedure for issue of mining lease and regulation of mining activities;

- Carry out geological investigations in the major investment and infrastructure project areas; and
- Explore ways and means of promoting mineral development in the country to generate revenue without harming the environment.

26. Culture and Language Sector

The sector had been given priority during the past plans and it shall receive its due priority even in the Ninth Plan as well because of the fact that it holds a very crucial role in strengthening our national sovereignty and security. During the Ninth Plan, the sector shall carry out the following:

- As discussed and agreed during the Midterm Review of 8th plan, the culture sector should “make a concerted effort to advocate and promote cultural values through the school children and education system;”
- Prepare a clear cut roles and responsibilities between the sector and dzongkhag administrations to preserve and promote culture within the country;
- Prepare and implement a strategy for the maintenance of religious and cultural centers in the country; and
- Develop the Zhungkha literature and create innovative learning instruments and tools.

27. Environment Sector

The state of environment in the country today is largely undisturbed compared to other countries in the region because of the conservation ethics being deeply rooted in our Buddhist religion and culture. However, with the increasing population and urbanization trend, there will be added stress on the environment in the coming years. The sector shall focus its attention in the following areas during the Ninth Plan:

- Create awareness among others sectors to integrate and address environmental concerns in their programs by formulating and implementing an effective Integrated Conservation and Development Strategy;
- Formulate and implement environmental management program in the urban areas; and
- Adopt a balancing strategy to enforce regulations and standards to prevent environmental pollution increases in the rivers and streams and yet at the same time, to ensure that development is not hampered or sacrificed.

28. Monetary and Financial Sector

The monetary and financial sector, regulated and managed by Royal Monetary Authority (RMA), shall be required to prepare itself to meet the emerging challenges coming from the globalization of the economy through liberalization of trade and opening up the markets for external shocks. Among others, the RMA shall undertake the following during the Ninth Plan:

- Control the inflation in the country through effective monetary management and operations;
- Regulate financial market operations to increase investment in the economy; and
- Adopt a prudent management strategy for the national reserve to overcome future currency risks and earn better returns.

29. Public Finance Sector

The development financing in the country at present is largely supported by external sources. However, by the end of 7th plan, the country has been able to meet the maintenance cost of development from the internal revenue generation. There is an enormous difficulty for the public finance sector to meet the growing demand for finances from all sectors and organizations within the country. On the other hand, the institutes in the financial market in the country are faced with the problem of excess liquidity. The problem, therefore, is related to both structural adjustment programs and savings and investment decisions within the economy. During the Ninth Plan, there shall be policy reconciliation exercises as well as programs to improve the situation. Following are some considerations that shall be looked into during the plan period:

- Preparation of an effective framework to establish functional linkages between the public finance and financial institutions in the monetary management within the country;
- Prepare policies on taxation system and implement programs on broadening the tax base with equity and fairness;
- Streamlining and improvement of tax administration and collection to minimize the cost;
- Introduction of tax education program to educate the tax payers on the principles adopted for different taxes;
- Review and introduction of specific measures to use tax policy as a tool to stimulate investment and growth;

- Introduction of a two-year rolling budget to correct the lapses in existing coordination mechanism between the five-year plan and annual budget, and to facilitate resource mobilization; and
- Introduction of electronic budgeting and accounting system to improve the efficiency of development program implementation within the country.

30. National Pension and Provident Fund Plan

As a newly established government organization, the National Pension Board shall carry out the following during the Ninth Plan:

- Build its capacity to manage the pension scheme on sound financial management principles;
- Formulate appropriate legislative and regulatory instruments for wider application of commercial principles in the effective and efficient management of the pension fund; and
- Carryout research and invest the fund in profitable ventures to build the fund and provide increased benefits to the members of the fund.

31. Land Information and Survey Sector

Land information is vital for all sectors for its development planning and management. Considerable progress had been made in updating and improving the land information system within the country through cadastral survey mapping and computerization of land records. During the Ninth Plan, the Survey of Bhutan should be able to complete and produce a final record of land categories within the country with the latest maps and mapping technology.

32. Census and Immigration Sector

A reliable population estimate of the country is an important input for the effective and efficient development administration and planning in the country. Among others, the sector must come up with a technically accurate population size for the country during the Ninth Plan. On the immigration front, the sector shall carry out the following as recommended during the Midterm Review of the 8th plan:

- Effective measures must be planned, adopted and enforced to regulate and control the movement of people along the border areas;
- Prepare an effective institutional strengthening program to improve the sectors efficiency in delivery of its services to the public; and

- Recruitment procedures and responsibilities for deployment of national work force shall be formulated and streamlined.

33. Management Training Sector (RIM)

In the area of management training, Royal Institute of Management (RIM) plays a key role. The institute must aim toward becoming a premier management institute in the region by focusing on the following areas during the Ninth Plan:

- Develop a high level of professionalism among its faculty;
- Diversify and link its training programs to meet the present as well as emergent needs of both the government organizations including the dzongkhags and private sector; and
- Carry out research on the development administration and management within the country and suggest recommendations to the government.

34. Development Planning and Management Sector (PCS)

We have a unique system of public administration and development management, which will, as stated in our Vision 2020, “continue to evolve along the path we have already set.” Capacity constraints have affected the drive for change in public administration and development management although the political will exists for change. During the Ninth Plan, following programs shall be executed in public administration and development management:

- Policies and programs will be formulated to monitor and evaluate the process of change in development administration management and guide the development in preferred direction;
- Develop new planning and management instruments that are responsive to the challenges ahead and address emerging issues professionally and appropriately;
- Develop an information system and database required to monitor and evaluate the nations development process and programs; and
- Formulate and implement an efficient and effective dzongkhag and sector development coordination mechanism.

35. Public Service Sector (RCSC)

The overall guiding principle behind public service sector is the Royal Civil Service Commission’s policy to have *a small, compact and efficient* civil service. All the decisions and programs under the sector are dictated by this policy. The core issue here is to define what should be the role of government first, and then accordingly decide its

size. It will be unrealistic and will have a deterring effect on the economy if the government was to shoulder and take lead in majority of the activities and it is constrained by availability of manpower and capacity. Therefore, public service sector shall consider the following programs and actions during the Ninth Plan:

- Review the manpower needs of the sectors and devise effective system for deployment and management;
- Review the recommendations of the Special Task Force on Restructuring Exercise;
- Strengthen the Dzongkhag capacity in line with the decentralization policy; and
- Study the feasibility of establishing a scholarship fund for the needy and meritorious children.