

PREFACE

The Ninth Plan (2002-2007) begins amidst unprecedented historical changes in Bhutan. Under the enlightened and compassionate leadership of His Majesty the King, we have witnessed unparalleled political and administrative reforms that have established a strong foundation for the development of a dynamic system of governance that upholds the true principles of democracy. The decentralization process, initiated by His Majesty the King in 1981, was fostered over two decades by gradual increases in authority and responsibility commensurate with the people's ability. This steady process of decentralization culminated in 1998 with the devolution of executive powers from the Throne to the elected Council of Ministers.

In November 2001, in yet another historic move, His Majesty commanded the drafting of a written constitution for the country. As the pillar of the country's governance, the constitution will embody the expectations and aspirations of the people to safeguard the sovereignty and security of the *Palden Drukpa*, and the rights of the Bhutanese people, for all time to come.

The *Chathrims* for the *Dzongkhag Yargye Tshogchung* and the *Gewog Yargye Tshogchung* are being revised to provide additional authority for the formulation, execution, monitoring and implementation of development activities.

The Ninth Plan itself also reflects these changes. Significantly, the Ninth Plan will be made up of 201 *Gewog* plans that have been formulated by the communities and their elected representatives. In addition, they will be responsible for its implementation, monitoring and evaluation, with only technical backstopping support being provided by the *Dzongkhag* and central agencies.

The Ninth Plan is the result of several intensive consultations in which all stakeholders, individuals at the community level, to the central ministries, have participated. It reflects our macro-economic situation, our priorities, the themes and objectives of our development, and the strategies to achieve them.

The total size of the Ninth Plan is Nu. 70,000 million, made up in almost equal parts of capital and current outlay. This is an increase of almost 75 percent over the Eighth Plan expenditures. Since the guiding philosophy of our national development, "Gross National Happiness", is to maintain a balance between material progress and spiritual well-being, the Ninth Plan accords high priority to both infrastructure development, improvement in the quality of social services and preservation and promotion of our culture and environment. In addition, an added emphasis is being made on the development of the private sector as their growth is essential for sustaining further progress.

As in the past, the needs of Bhutan are still far greater than its resources. Much has been achieved but much more still remains to be done. On our part, the Royal Government remains committed to the full coverage of recurrent expenditure by domestic resources but at this stage of our development, we will still require support for most of our investment programs. In this respect, we look forward to that same spirit of support and cooperation from our development partners, which has made possible all our development successes so far.

I take this opportunity to express my appreciation to all the sectors and agencies for their timely inputs and to thank them for their cooperation. I would also like to acknowledge the valuable support and guidance received from the members of the Planning Commission in producing this document.

The Eighth Plan is now nearing completion and I am pleased to report that we have successfully implemented almost all of the development programs and activities. I would like to share this success with our development partners, and thank them for their support. I would also like to take this opportunity to assure our people and development partners that with the same level of optimism, determination and cooperation, the Ninth Plan will be even more successful in taking Bhutan closer to the fulfillment of its vision.

May the blessings of the guardian deities of Palden Drukpa and the hard work and enlightened leadership of our Beloved King continue to bring peace and prosperity to the people of Bhutan.

Tashi Delek!



Lyonpo Khandu Wangchuk,
Chairman,
Planning Commission,
Royal Government of Bhutan,
Thimphu.

3rd April, 2002

INTRODUCTION

The Ninth Plan Main Document provides the macro-economic framework, key national as well as sector policy guidelines and general direction for the Ninth Plan. The document is divided into five parts:

- Part I provides background information on the country and its development philosophy of “Gross National Happiness”;
- Part II is a review of the country’s economic performance during the Eighth Plan and explains about development planning and management in the country;
- Part III deals with the different development themes such as poverty, employment, women, children and gender, private sector, governance, preservation and promotion of culture and environment, which underscore the Ninth Plan priorities and focus;
- Part IV spells out the Ninth Plan objectives, strategies and the Plan outlay. It provides the macro-economic framework and briefly highlights the Dzongkhag and Gewog plans in terms of their focus and outlay in the Ninth Plan; and
- Part V contains 15 sector specific chapters. Each chapter includes information on the current situation of the sector and highlights the objectives and strategies which will govern the sector’s development activities during the Ninth Plan.

GLOSSARY

Chathrim	Acts, rules and regulations
Chhu	River\Water
Chimi	People's representative and member of National Assembly
Choekey	Language of Religion/Classical language
Chhoesi	Dual system of government (Je Khenpo and Desi)
Chorten	Religious stupa
Dolha	Slate carving
Driglam Namzha	Code of Etiquette
Druk Desi	Temporal head
Dungthrim	Magistrate at sub-district court
Dratshang	Monastic body
Druk Gyalpo	HM the King of Bhutan
Drungtsho	Doctor
Dungpa	Head of a sub-district
Dungkhag	Sub-district formed by a few gewogs
Dzong	Fortress
Dzongda	District Administrator
Dzongrab	Deputy District Administrator
Dzongkha	National language
Dzongkhag	District
Dzongpon	Fort-governor
Dzongkhag Yargye	
Tshogchung (DYT)	District Development Committee
Gup	Elected leader of the gewog
Gewog	Block made up of several villages
Gewog Yargye	
Tshogchung (GYT)	Block Development Committee
Je Khenpo	Chief Abbot
Jinzo	Clay Statue making
Kasho	Royal Decree
Klu	Subterranean deities
Lhakang	Temple
Lhari	Painting
Lhenkhag	Ministry
Lhentshog	Commission
Lhengye Zhungtshog	Cabinet
Lodey Tshogdey	Royal Advisory Council
Lozey	Ballad (Literally ornament of speech)
Pam	New settlement

Patra	Carving on wood and slate
Penlop	Head of a region accountable to the Druk Desi
Thazo	Weaving
Tshemzo	Stitching, Embroidery and Appliqué
Tsadrog	Grazing Land
Tseri	Shifting Cultivation
Tshogdu	National Assembly
Thrimpon	District Magistrate
Thrimkhang	Court
Thrimkhang Gongma	High Court
Thrimshung Chhenmo	Supreme Laws
Tsa-Wa-Sum	The Government, the Country and the King
Tsho-manmo	Lake-woman
Zorig Chusum	Thirteen traditional arts and crafts

PART I
COUNTRY BACKGROUND