

# DNT's Manifesto of People's Aspirations: The Nation First

*By Sonam Kinga, Druk Nyamrup Tshogpa*

## The Vision

Three years ago, His Majesty stated at the 113th National Day celebrations in the sacred precinct of Punakha Dzong that our country was at a critical juncture, a crossroad, and an inflection point. One path provided the option of continuing to do business as usual. It was the easier option: less disruptive, more populist! The other path was to radically change and transform the way we do things. It was the difficult option: more disruptive, less populist. The choice was between that of prioritising short-term populist electoral gains and of placing long-term interest of the nation despite immense electoral risks!

DNT took a conscious decision, however painful it was, to traverse the second path. It appeared and felt disruptive to the status quo. But it was convinced that this was the necessary path towards radical transformation within a short time. It drew strength in making that decision by believing in the profound vision and wisdom of His Majesty The King.

Today, DNT is not stuck at the crossroads. It has moved on undeterred despite tremendous challenges. How could it go wrong by placing its unquestioned faith in the Royal vision? Therefore, it is not the time now to reverse the gear, go back to the crossroad, and ponder which path to take. Rather, now is the time to continue the process of implementing the Royal vision and wisdom of transformation. For DNT, the act of moving forward with the national agenda of transformation is the act of “putting the nation first”!

The ultimate destination of this journey of transformation is the unprecedented prosperity of our country and well-being and happiness of our people. That destination is “Bhutan 2034” which is a “Developed Nation Timeline” that DNT believes is possible, doable, deliverable! This manifesto is about economic empowerment, an underlying condition for the fulfillment and happiness of our people! A defining character of this

manifesto is that it is aligned with the 13th Five-Year Plan and hence is a genuine reflection of the people's aspirations as articulated during the twin consultative process of the government and of DNT.

## **The Objective**

In this vision of a tech-driven high-income entrepreneurial nation, the overarching objective is to create an economy by doubling our GDP to USD 5 billion by 2029 and USD 10 billion by 2034. By these two target years, we aim to increase the annual average household income to USD 30,000 and then to USD 60,000 respectively. Likewise, we aim to increase GDP per capita of USD 4,256 and USD 12,000! To achieve this objective, DNT's plans and strategies are as follows:

## **The Means**

### ***Development of the Private Sector***

Recognising the central role of the private sector in building such a national economy, our goal is to significantly increase private sector investment from the current 40 percent to 50 percent. We will ease restricted business sectors for expanding public-private partnerships in areas such as energy, timber, medicinal cannabis, forest resources, mining, charcoal production, etc. To address the macroeconomic imbalance, we will support private sector undertakings by way of lowering interest rates, reducing tariffs and double taxation, liberalising licensing and regulatory regimes, and enhancing access to credit for businesses and industries which promote exports and substitute imports. We will do away with double taxation, taxes on dividends, as well as BIT (Business Income Tax) and presumptive taxation policy.

### ***Entrepreneurship at the Centre***

A significant development compared with the past is to re-centre entrepreneurship in the definition of the private sector and give it the place it deserves! Entrepreneurship is about the economic empowerment of our people, particularly our youth. Our ambitious plan foresees the establishment of hundreds of enterprises in the digital economy to generate a minimum of 5,000 jobs. For vulnerable households without anyone earning income,

we will support an enterprise each, either individually or communally. This will require us to provide interest and collateral-free loans to skilled and certified entrepreneurs as well as farmers. Based on the viability of the projects, we intend to provide significant interest and collateral-free loans based on need and/or assessed value. Anywhere between 50-100 premium products with Brand Bhutan will be developed in the next five years and sold in “Exotic Bhutan Product Outlets/Stores” in select regional and global cities.

### ***Skilling and Employment***

Despite political concerns of youth going abroad, we will keep exploring well-paying jobs for our youth abroad while simultaneously creating opportunities within the country. We aspire to create full employment (97.5 percent) with quality jobs and enhance the income of the bottom 40 percent by fourfold. This will be done within a holistic ecosystem of skilling and re-skilling, regional/global certification, business incubation, innovation, financing, product branding and marketing to maximise exports. The experiences and lessons from the De-suung Skilling Programme to achieve such an objective has been very instructive. Everyone will have the opportunity to avail skilling programmes as well as recognition and certification of prior learning.

### ***Foreign Direct Investment***

We will bring in Nu 100 billion worth of Foreign Direct Investments, up from the current Nu 43 billion. This will require us to expand sectors of investment beyond hospitality industries. Our objective is to bring in foreign capital, transfer of technology, and global standards as well as generation of employment. Furthermore, we will design a special Green Bonds package to encourage foreign remittances and onshore investment with government-backed securities. This opportunity will be particularly open in the hydropower sector and Gig economy.

### ***Gig Economy and Digital Parks***

An exciting means towards economic empowerment of our people is to create and support Gig economy and digital jobs. We will do this by establishing digital parks. These centres will have common facilities, co-

working spaces, high internet bandwidth via fiber optic connection, digital tools, and applications for supporting digital jobs. We will enhance and improve the inward online remittance system for the digital workforce.

### ***Expanding and Diversifying Renewable Energy***

To build on the contribution of hydropower to our economy, our target is to generate an additional 3,000 MW of hydropower. We seek to harness 500 MW of solar power and increase the energy sector's contribution to the economy by Nu 65 billion by 2029. Besides completing various ongoing projects and accelerating the construction of 600 MW Kholongchhu, DNT will initiate the construction of the following projects: 1,125 MW at Dorjilung, 404 MW at Nyera Amari, 180 MW at Bunakha, and 2,585 MW at Sunkosh. Besides, we will initiate the following small power projects: 90 MW at Jomori, 45 MW at Gamri-I, 26 MW at Bindu I&II and 25 MW at Begana.

In order to diversify energy sources, we will construct the 23 MW Gaselo wind power project, establish the 400 MW utility scale solar facilities, 50 MW solar rooftops in public institutions, and 30 MW wind power projects in addition to setting up and implementing Solar Thermal and Bio Energy projects. The diversification of the energy market within the country will create many new jobs and also harmonise with the creation of 5,000 jobs in the digital economy.

### ***Expanding Water Projects and Businesses***

We will invest Nu 5 billion to expand the water flagship projects in rural and urban communities. In addition to the 460 projects built in the last five years, we will build more than 200 integrated water projects for drinking and irrigation. We will also establish water-based industries such as breweries and carbonated beverages and develop a premium bottled water for export. We will pursue the establishment of green hydrogen plants through FDI (Foreign Direct Investment) to promote a hydrogen economy.

### ***Food Security and Agro-business***

The contribution of agriculture, livestock, and forestry sectors to GDP will be enhanced by 7-8 percent to Nu 50 billion in 2029 and Nu 70 billion by

2034 from the current Nu 30 billion. A primary goal will be to attain self-sufficiency in grains and complete self-sufficiency in essential vegetables (chili, tomato, onion, beans, and cauliflower) and betel leaf. DNT will promote commercial production of high-value vegetables and niche products, support chain-link fencing in all villages, establish gewog-level cold storage to save post-harvest losses at source, expand access to cheaper credit with reduced interest rates of 4-5 percent for rural housing and 50 percent subsidy for purchase of agriculture machinery.

An important commitment in the spirit of economic empowerment of our people is to enable rural land and property to be placed as collateral for acquiring loans. We will also enable landholders to opt for the most economically viable land use if *chhuzhing* (wet land) are uncultivable or fallow due to lack of water or other compelling socio-economic reasons. The Bhutan Development Bank Ltd will be re-mandated as a dedicated bank for agriculture as well as cottage and small industries. Insurance for crop damages will be provided.

We will facilitate export of timber in raw form after obtaining all permits and certification and expand production of high-value wood products such as agar, pine nuts and medicinal plants. To support the traditional idea and practice of community forestry, we will implement the legal provision of providing *sokshing* (wood lot) on leasehold to the farmers.

### ***Connectivity (Roads)***

We will invest Nu 20 billion to upgrade, improve, and construct new highways, particularly the construction of highways from Lhamoi Zingkha to Dalbari, Kuri Gongri to Sherichu, and Tareything (in Gelephu) to Panbang. Another Nu 5 billion will be invested to upgrade highways from Trashigang to Rangjung, Trashigang Chazam to Trashi Yangtse, and Gangola to Lhuentse besides completing Laya, Lingzhi, and Soe GC roads. In doing so, the requirements for 50 feet of Road Right of Way in rural areas as stipulated in the Road Act 2013 will be reviewed. We will also provide *satshab* (land/or cash compensation) for land lost to farm road construction based on the provisions of the Land Act. The ownership and maintenance of gewog centre roads will come under the purview of the Department of Roads.

The construction of 150 bridges connecting inter-gewog and intra-gewog communities will also require Nu 5 billion investment. To save on cost and expedite work, a bridge-building plant will be started in the country. Expanding from the 400-plus farm roads, we will lay GSB on all remaining farm roads in the country and blacktop and/or cement selected farm roads including roads between gewogs and access roads to community lhakhangs and public institutes. To connect remote communities, particularly in border areas, we will build cableways transportation.

### ***Connectivity (Internet)***

Besides physical connectivity, we will expand internet connectivity by expediting works for the 3rd internet gateway from Bangladesh to provide reliable and high-speed internet and reduce costs significantly. For education, we will expand on-campus internet access and speed in public institutions, particularly schools, colleges, and training institutes. We will also negotiate with telecom companies to provide discounts for internet data packages for students to enhance online learning. We will do away with the forfeiture of unspent money balance for mobile phone data and voice recharge beyond the end of the month. To enhance online learning opportunities, we will provide data allowance for rural and single-parent families.

### ***Education***

Ultimately, development is about people and for the people. They must benefit from and take ownership of the course of development. To prepare our people, particularly the youth, to participate in the process of nation-building, quality education, and skilling takes utmost priority. On the one hand, government spending on education will be further increased. On the other hand, alternative financing for education through grants and donations by foundations worldwide will be explored.

In order to continue transformation in the education sector, from primary to tertiary levels as well as technical and vocational pursuits, DNT will make huge investments in professional development of teachers and trainers, create inclusive and equitable infrastructure and facilities, conducive work stations, technology-driven learning environment (computers, high-speed internet, smartboards, projectors, etc), build sports and recreational

facilities and develop curriculum and assessment system which are aligned with market-demands for knowledge and skills and with regional and global standards so that our children and graduates are prepared for the 5th Industrial Revolution. To usher in greater flexibility and tap into expertise, we will enable teachers to change professions in the civil service and also encourage civil servants to take up teaching. We commit to doing away with the super-structure of the teaching profession.

For the urban poor, boarding facilities will be provided in three schools in Thimphu and Phuntsholing. We will also provide midday meals in all schools, rural and urban. For rural schools, we will provide school buses, free printing, and notebooks. We commit to make teaching the most attractive profession. Besides scholarships for Masters degrees, remunerations and incentives will be reviewed. Administrative functions in schools and educational institutes will be off-loaded from teachers to reduce workload. On-campus or near-campus affordable housing will be provided to teachers.

TVET (Technical and Vocational Education and Training) learning will be promoted as a preferred option incentivised with scholarships, simulation-based learning, continued education leading to higher qualifications, and overseas on-the-job trainings in select trades. Skilling and re-skilling opportunities will be provided to rural communities besides life-long learning and alternative learning opportunities so that life chances are continually maximised.

### ***Health***

For our society to be educated, skilled, and productive, access to quality healthcare is a necessity. DNT will build on the successes of the last five years to deliver high-quality health care services. We will increase the number and quality of health workers and also retain them by providing competitive salaries and benefits. The intake of medical students for in-country MBBS training, which was launched recently will be expanded.

Cluster hospitals with four to five specialists will be introduced, based on need assessment, in addition to the eight done in the last five years. We will promote the indigenous medical system so that the National Institute of Traditional Medicine becomes a world-class institute. Linkages will be established with international brand names to provide wellness and healing services.

Specialist diagnostic facilities such as upper gastrointestinal endoscopy, pap smear, mammography, ultrasound, etc., will be provided on a regular basis in the gewogs. To prevent premature death from common cancers, identify hypertension and diabetes early on, and eliminate cervical cancer, we will provide annual health screening at the community level. We will introduce liver transplants as well as heart and plastic surgery services. An important service will be door-to-door medical service for elderly people aged 65 years and above in rural areas. For their well-being, we will increase life insurance payments on a cost-sharing basis.

In urban areas, we will initiate home-based healthcare services to cater to bedridden patients by partnering with the private sector. We will reduce waiting time in hospitals by having more chambers and operating off-hour clinics.

The menace posed by drugs: trafficking, sale and distribution, and consumption affects every family and the nation in dangerous ways. With the National Drug Task Force and the Pema Secretariat at the helm, we will counter this menace to secure the health and lives of our people, particularly our youth. For this purpose, we will upscale surveillance, detection, deterrence, and treatment and make Bhutan a drug-free nation.

### *Tourism*

The tourism sector, which has been deeply affected by the pandemic, is gradually bouncing back. Inspired by His Majesty's profound vision of transformation and royal guidance, an unprecedented reform was initiated in the tourism sector whose objective was not only to generate additional revenue but also address larger national security concerns.

Going forward, our aim is to incrementally bring about 150,000 dollar paying tourists and 200,000 Indian tourists annually. We will be monitoring the number of tourists, income earned, and the quality of services provided. The payment gateway will be improved by strengthening financial services and enhancing the use of credit and debit cards more easily.

We will continue to provide fiscal incentives for the industry players until they have bounced back. Attractive packages will be designed through concessions and discounts. An important commitment on our part is to



continue investing part of the income from SDF back into the tourism sector in terms of marketing, training, beautification, improvement of amenities, and supporting a pension and provident fund scheme for staff in the industry. Community tourism will be central to an enhanced approach to tourism with a spring and/or Eastern chapter of the Royal Highland Festival.

### **In the Hot Seat: National Economic Development Board**

This is a manifesto of people's aspiration for genuine progress. It is a result of six months of intense nationwide public consultations. This is about economic empowerment of our people who are not mere beneficiaries but also participants in the economic process and creation of wealth. A key actor in governance and socio-economic development are the local governments. The annual grant to local governments will be continued and enhanced incrementally every year.

“Putting the nation first” by transcending political interests is about placing people at the centre as active players and owners both of the process and outcome of development. The translation of the content and objectives of this manifesto into national policies will be spearheaded by the National Economic Development Board under the chairmanship of the Prime Minister. All policies will be driven by independent research teams and/or expert groups and rigorously reviewed before implementation.