Embassy of India

Thimphu

Press Release : Government of India provides a grant of Nu./Rs. 1.204 billion towards key development projects in Bhutan

Today, Ambassador Ruchira Kamboj handed a cheque of Nu. 1.204 billion to Dr. Tandi Dorji, Hon'ble Foreign Minister of Bhutan, for the smooth functioning of various development projects in Bhutan. These projects are spread over diverse sectors inter alia Health, Education, Culture, Cottage and Small Industry Development, Livestock Enterprise Development and Infrastructure. This grant is part of the Project Tied Assistance (PTA) committeed by the Government of India to the Royal Government of Bhutan under the 12th Five Year Plan.

A major part of this grant amounting to Nu. 667.88 million will be spent on improving the quality and access to education for the children living in the remote parts of Bhutan under the "**Existing Central Schools**" project. This project strives to enhance the facilities in various central schools and aims to provide economies of scale in terms of resource allocation. It is being implemented by various Dzongkhags and Thromdes across Bhutan.

Government of India will also be providing funds to the tune of Nu. 149.49 million under this grant towards the "**Procurement of Medical Equipment for JDWNRH**". The money would be utilised to purchase and upgrade medical equipment for the hospital for improved service delivery, reduced referral cost, speedy diagnosis and treatment.

For accelerating the growth of cottage and small scale industries in Bhutan, a **dedicated market place has been set up at Changzamtog, Thimphu and a common service centre is being developed.** Funds have been earmarked in this grant for the renovation of the market place and procurement of necessary equipment. For **development of Livestock Enterprise in Bhutan**, funds have been allocated to improve livestock breeds, facilitate access to markets and introducing new livestock production technologies.

Major infrastructure projects such as "**Reinforcement of Bridges on Samtse - Tashichhoeling Road and Improvement of Jamtsholing Road**" would get funding under this grant amount. Further, money will also be spent on the development of infrastructure in the College of Language & Cultural Studies - Trongsa, College of Natural Resources - Punakha and the Samtse College of Education.

Fund have also been earmarked for the preservation and restoration of **Lingzhi Dzong and Sanchen Monastery.** These works would include creation of sanitation, water and electricity supply facilities for the improving the living conditions of the monasteries.

For the 12th Five Year Plan of Bhutan, Government of India has committed a financial support of Nu./Rs. 45 billion comprising Nu./Rs. 28 billion of Project Tied Assistance, Nu./Rs. 8.5 billion of assistance towards High Impact Community Development Projects and Nu./Rs. 8.5 billion of Program Grant assistance. Since the start of the 12th plan, India has released Nu./Rs. 22.05 billion till date, which is 49% of the total commitment. To mitigate the effects of COVID - 19 pandemic, Government of India has provided early releases of Nu./Rs. 5.01 billion from the committed development assistance since March 2020.

The people and the Government of India stand resolutely committed to the long term well-being and prosperity of the people and the Royal Government of Bhutan.
