

དབལ་ལྷན་འབྲུག་གཞུང་། ངན་ལྷན་བཀག་སྐོམ་ལྷན་ཚོགས།

ROYAL GOVERNMENT OF BHUTAN  
ANTI-CORRUPTION COMMISSION  
'NATION'S CONSCIENCE'  
THIMPHU, BHUTAN



"LEAD BY EXAMPLE"

"If your care, you will dare"

ACC/PD-06/2008/2908

29<sup>th</sup> April, 2008

Dzongdags,  
Dzongkhag Administration

**Sub: Systems Improvement in Timely Disbursement of Rural Insurance Claims**

Dear Dzongdags,

Assessing from the complaints received by our office, local governance is one of the most corruption prone areas. This directly and adversely impinges on the day-to-day lives of the common people. We have made efforts to continually share information on such matters with the Dzongkhag Administration in particular and agencies in general. In pursuit of this effort, we wish to inform you that our office has received numerous complaints on the delayed disbursement and misuse of Life Insurance and House Insurance claims. Consolidated version of the complaints is enclosed for information and more importantly for improving the disbursement system.

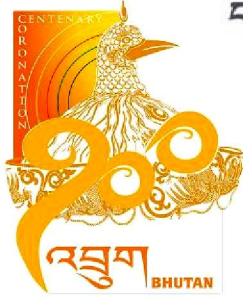
A cursory review of the issue reveals that after the money is disbursed from RICBL, it invariably takes a long time to reach the bereaved family or the victims. Benefits do not reach the victims/bereaved families when they require it most causing immense pain and difficulties to them.

When disasters and misfortune strike our people, the least the public servants can do is help them get what is entitled to them in time. Misusing such benefits is simply criminal. As Dzongdags, certainly you must be aware of people's predicament and plans may already be underway to improve the system. Such small steps will gradually build people's trust and confidence in the public officials and ultimately the government. Continuous efforts have to be made in simplifying procedures, reducing discretionary powers, enhancing transparency and accountability of public servants' conduct and disseminating important information to the public. We trust that with your initiative and the support of concerned agencies, an effective system of disbursement of rural insurance schemes will be in place soon.

With warm regards,

Yours sincerely,

Neten Zangmo



དཔལ་ལྷན་འབྲུག་གཞུང་། ངན་ལྷན་བཀག་སྐོམ་ལྷན་ཁག་ལྷན་ཁག་།

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Chairperson

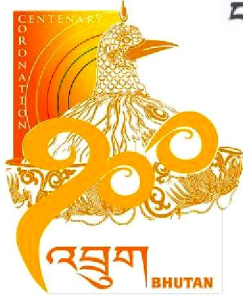
Cc.

1. Secretary, Ministry of Home and Cultural Affairs, Tashichhodzong, for information
2. Secretary, GNH Commission, Tashichhodzong, for information.
3. Managing Director, RICBL, Phuentsholing, for information
4. Chief Investigation Officer, OACC

**Encl:** Consolidated complaints (one page)

**Consolidated Complaints on Misuse of Rural Insurance Claims (shared with MHCA, GNH Commission, Dzongdags & RICBL for sensitization and systems improvement)**

- A house belonging to someone, which was lying vacant for some years had a fire accident in summer. Gup claimed the insurance.
- From 1999 to 2002, Gup's clerk had stolen life insurance money of 3 people by forging Gup's signature.
- ADM officer misused money released against fire insurance claim.
- The insurance of houses are being misused by revenue clerks, departmental heads and GYT chairpersons and this is carried out hand in hand with the Gup. Further, the clerk in alliance with the GYT chairman does not reimburse the full amount of claim from RICBL to the people.
- The department heads in alliance with the GYT chairperson are making fake documents to deceive the government.
- The rural house insurance premium for the year 2007 collected by the Gup from entire households was not deposited with the Dzongkhag authority. Beneficiaries (visited 9 times to Dzongkhag) of the insurance claims were



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rejected by the Dzongkhag and asked to collect it from the Gup. The Gup did not pay them yet.

- The Gup has falsely claimed insurance for the deaths of minors (below eight years).
- Life insurance collected from the people was not paid to the Dzongkhag on time. Later the money was deducted from the monthly salary of the Gup, Mangmi and the Gewog Clerk. The life insurance claims of the deceased were paid only after 6 months. The life insurance contribution for the year 2007 has not been given to the Government but is being used for private purpose.