



དཔལ་ལྷན་འགྲུལ་མཉམ་སྲུང་བློ་བཟང་གི་འཛིན་སྐྱོང་ལྷན་ཁྲུན་པུ་ཏོག་

**ROYAL GOVERNMENT OF BHUTAN
ANTI-CORRUPTION COMMISSION**

"NATION'S CONSCIENCE"
THIMPHU, BHUTAN

LEAD BY EXAMPLE

ACC/PREVENTION-02/2007/1415

10 April 2007

Honorable Minister,
Ministry of Finance,
Tashichodzong

Honorable *Lyonpo*,

The Office of the Anti-Corruption Commission (OACC) endeavors to pursue a comprehensive anti-corruption strategy – public education, prevention, investigation, capacity development and partnership. Responding to corruption prone-systems is a priority, which can be achieved only with sustained commitment, particularly of the heads of government/public agencies, whose central role is implementing policies and enforcing regulation effectively.

The OACC's experience of little over a year reconfirms that one of the main causes of corruption is inherent weakness in organizational administration and management, in essence weak leadership. The Office has made efforts to highlight systemic weaknesses as revealed by complaints and investigations - from record keeping to enforcement of rules to simplification and consolidation of rules. It has been learnt that the Ministry of Finance amongst others is revising the procurement manual and also working towards an efficient budget release and accounting system, facilitating smooth and effective implementation of the devolution policy of the Royal Government. Further, procurement, which involves huge resources and which unfortunately has not been given due importance, warrants a closer look. Shortly, the OACC will share its experiences with the concerned agencies, in particular the Ministry of Finance. Timely payment of bills is also reported to be a persisting problem. A transparent and an effective system of clearance needs to be instituted, enforced and any civil servant unnecessarily delaying the payment should be taken to task.

Lyonpo, manipulation of TA/DA bills including double and false claims is a common form of corruption and is rampant. Claims are made even without making any field trip, generally called "table tours." It is also understood that in certain sectors, TA/DA are regularly claimed as they are expected to travel for a certain period every month. It is unfortunate that such claims are made even by those in positions who should be overseeing and controlling such malpractices. While for some it augments their earning, others complain of its inadequacy. The Ministry may wish to review the inherent issues together with personnel management and administration, with an emphasis on professionalism. After all, it is about creating a civil service that upholds excellence, integrity and professionalism.

The amount may not be significant at an individual level, but the aggregate amount is substantive to be ignored; it is a huge loss to the government. TA/DA may account for nearly 6.0 % of the annual budget. In an effort towards enhancing good governance in small, simple and sure measures, the Ministry of Finance is requested to reinforce the TA/DA rules and procedures by all the line agencies or importantly, if warranted amend it or institute a mechanism through a budgetary process to effectively administer it to curb the rampancy of false claims.

The OACC looks forward to Honorable *Lyonpo's* persevering support in fulfilling our common goal of a clean and efficient public service.

With respect,

Yours faithfully,



(Neton Zangmo)
Chairperson

Copy to:

1. Honorable Prime Minister, Cabinet Secretariat, Tashichodzong
2. Honorable Chief Justice, Royal Court of Justice, High Court – submitted for kind information and also for enforcement.
3. Honorable Speaker – submitted for kind information and also for enforcement.
4. *Kalyon*, RAC – submitted for kind information and also for enforcement
5. Auditor General, RAA
6. Chairperson, RCSC, c/o Ministry of Agriculture
7. Chairperson, Committee of Secretaries, c/o Ministry of Home & Cultural Affairs - it is our firm belief that Secretaries as senior most bureaucrats can make the difference.
8. Secretary to His Majesty the King, Tashichodzong