

## Transparency International Corruption Perceptions Index (CPI) – Bhutan Country Analysis

### Introduction

Transparency International (TI) released the Corruption Perceptions Index (CPI) for 2025 on 10 February 2026, assessing and ranking 182 countries and territories based on perceived levels of public sector corruption. The CPI is a composite index constructed from multiple independent expert and business surveys and assessments conducted by reputable international institutions. Scores range from 0 (*highly corrupt*) to 100 (*very clean*), enabling cross-country comparison and tracking of trends over time.

This report presents a detailed analysis of Bhutan's CPI performance by examining the underlying data sources used in the CPI calculation and situating them within Bhutan's broader governance and institutional context. It further identifies areas where progress has plateaued and outlines forward-looking strategies required to sustain and enhance Bhutan's standing in future CPI assessments.

### Global and Regional Context

The CPI 2025 continues to reveal a sobering global picture. The global average score declined to **42**, marking the first drop in over a decade. A total of 122 out of 182 countries scored **below 50**, indicating that the majority of countries continue to struggle to effectively contain corruption. At the same time, the number of countries scoring above 80 has contracted sharply from 12 a decade ago to just five in 2025.

Of particular concern is the emerging trend of democracies experiencing declining CPI scores, including countries such as the United States (64), Canada (75), New Zealand (81), the United Kingdom (70), France (66), and Sweden (80). At the lower end of the index, South Sudan (9), Somalia (9), and Venezuela (10) occupy the bottom three positions, followed closely by Yemen (13), Libya (13), Eritrea (13), Sudan (14), Nicaragua (14), Syria (15), and North Korea (15).

Countries with strong and independent institutions, credible enforcement, open governance systems, and active civic engagement continue to dominate the top tier of the CPI. Conversely, countries characterized by weak accountability mechanisms, limited transparency, and constrained civic space remain concentrated at the lower end of the index.

Within the Asia-Pacific region, progress remains uneven. While a small number of countries have registered incremental improvements, many continue to experience prolonged stagnation, reflecting structural governance constraints and emerging corruption risks linked to economic complexity, regulatory burden, and political financing. Against this backdrop, Bhutan's performance remains notable, though increasingly subject to the same “ceiling effects” observed among higher-performing countries globally.

### Bhutan's CPI Performance

Bhutan's CPI performance over recent years demonstrates:

- sustained placement among the top 20 countries globally;
- continued leadership within the South Asian region; and
- performance significantly above both the global and Asia-Pacific averages.

For the CPI 2025, Bhutan achieved a score of 71, with a confidence interval of 68-74, and ranked 18<sup>th</sup> out of 182 countries and territories.

Within the Asia, Bhutan maintains its 3<sup>rd</sup> position and 5<sup>th</sup> in the Asia-Pacific region, as shown in **Table 1**. The four countries leading the region are Singapore (84), New Zealand (81),

Australia (76), and Hong Kong (76). Bhutan's score of 71 not only exceeds the Asia-Pacific regional average of 45 but also surpasses the average score of the European Union (64), the highest performing region globally. In the South Asian context, Bhutan continues to maintain its position as the top-performing country in the region.

**Table 1: Bhutan's Global and Regional CPI Rank and Score from 2018-2025**

Year	Global Ranking	No. of participating countries	Score (0-100)	Asia Pacific Ranking	No. of Surveys Used	Confidence Range
<b>2025</b>	<b>18</b>	<b>182</b>	<b>71</b>	<b>5</b>	<b>4</b>	<b>68-74</b>
2024	18	180	72	5	4	69.31-74.69
2023	26	180	68	6	4	64-72
2022	25	180	68	6	4	64-72
2021	25	180	68	6	4	64.32-71.68
2020	24	180	68	6	4	64.08-71.92
2019	25	180	68	6	4	63.48-72.52
2018	25	180	68	6	4	63-73

While this performance reaffirms Bhutan's reputation for clean governance, the confidence interval and source level trends suggest that future improvements will require targeted and technically sophisticated interventions rather than broad policy expansion.

Similar to the past years, four data sources were used for constructing Bhutan's CPI. Among these data sources, except for 'Varieties of Democracy Project', all scores for other data sources remained same as illustrated in **Table 2**.

**Table 2: Data Sources for Bhutan's CPI Score**

Year	World Bank Country Policy & Institutional Framework Assessment	Global Insight Country Risk Ratings	Bertelsmann Foundation Transformation Index	Varieties of Democracy Project
<b>2025</b>	<b>75</b>	<b>72</b>	<b>73</b>	<b>64</b>
2024	75	72	73	66
2023	60	71	69	70
2022	60	71	69	70
2021	60	71	69	71
2020	60	71	69	72

## Understanding Bhutan's CPI through its Data Sources

The CPI does not measure corruption directly. Instead, it aggregates perceptions from a range of expert assessments and business surveys, each with distinct conceptual lenses and methodologies. Deeper analysis of the data sources conveys the following underlying signals:

### 1. *Bertelsmann Transformation Index (BTI)*

The BTI assesses how effectively countries manage political and economic transformation toward democracy, rule of law, and market-based governance. BTI assessments are ordinal in nature. While scores are reported on a numerical scale from 1 to 10, expert judgements are anchored to four ordered response options, with numeric values providing additional calibration within each category.

Within the CPI framework, the BTI contributes a governance performance lens, complementing institutional design focused sources such as the CPIA and transaction focused sources such as business risk ratings. For the CPI purposes, from the three dimensions viz. democracy, market economy, and governance, following two BTI criteria, as depicted in **Table 3**, are used:

**Table 3: Bhutan's BTI score**

Dimension	Democracy	Governance
Criteria	Rule of Law	Resource Efficiency
Sub-Criteria	Prosecution of Office Abuse	Anti-Corruption Policy
<b>Question</b>	<i>To what extent are public officeholders who abuse their positions prosecuted or penalized?</i>	<i>To what extent does the government successfully contain corruption?</i>
<b>2024</b>	8/10	9/10
<b>2023</b>	8/10	9/10
<b>2022</b>	8/10	9/10
<b>2021</b>	8/10	9/10
<b>2020</b>	8/10	9/10

The focus of the sub-indicator on *Prosecution of Office Abuse* is not on the existence of laws alone, but on whether the:

- rule of law is applied consistently and impartially, including in cases involving senior or politically exposed officials;
- conflicts of interest and ethical misconduct are effectively addressed, with accountability mechanisms sufficiently insulated from political influence; and
- corruption and abuse of office do not enjoy impunity, with enforcement actions carrying real deterrent value.

Hence, the score of **8/10** on the *Prosecution of Office Abuse* sub-criteria places Bhutan within the 'Strong' level of rating as shown in **Table 4**.

**Table 4: Bhutan's rating level under Prosecution of Office Abuse**

Level	Score	Distinguishing Features
<b>Best</b>	10	Officeholders who engage in corruption are consistently and rigorously prosecuted under established laws. Legal consequences are predictable, and cases systematically attract adverse public scrutiny, reinforcing deterrence and accountability.
<b>Strong</b>	7	Officeholders who engage in corruption are generally prosecuted and often face adverse publicity. However, occasional cases escape accountability due to political influence, legal ambiguity, or procedural loopholes.
<b>Weak</b>	4	Prosecution of corrupt officeholders is inconsistent and inadequate. Legal action occurs sporadically, and adverse publicity is occasional rather than systematic, weakening deterrence.
<b>Worst</b>	1	Officeholders can engage in corruption without fear of legal consequences or public exposure. Prosecution is rare or absent, and abuse of office carries little reputational or legal cost.

Similarly, the sub-indicator on *Anti-Corruption Policy* focuses on whether institutional arrangements exist and function in practice to support prevention, detection, and enforcement, including whether:

- anti-corruption policies are implemented and monitored, rather than remaining declaratory in nature;
- public officeholders are subject to clear accountability standards, including asset declarations, conflict of interest (CoI) rules, and codes of conduct;
- key integrity mechanisms are operational, such as auditing of state spending, regulation of political and party financing, and access to information for citizens and the media; and
- public procurement systems operate in a transparent and accountable manner, supporting effective prosecution and deterrence of corruption.

Based on this, the score of **9/10** on the *Anti-Corruption Policy* sub-criteria places Bhutan within the '**Strong**' rating level, as shown in **Table 5**.

**Table 5: Bhutan's rating level under Anti-Corruption Policy**

Level	Score	Distinguishing Features
<b>Best</b>	10	The government is successful in containing corruption. Comprehensive integrity mechanisms are in place and effective, including auditing of public spending, regulation of party financing, access to information, accountability of officeholders, and transparent public procurement.
<b>Strong</b>	7	The government is often successful in containing corruption. Most integrity mechanisms exist, but some operate with limited effectiveness, affecting consistency and enforcement depth.
<b>Weak</b>	4	The government shows partial willingness or capacity to contain corruption. Only a few integrity mechanisms are in place, and those that exist are largely ineffective or weakly enforced.
<b>Worst</b>	1	The government fails to contain corruption. Integrity mechanisms are absent or non-functional, and corruption is neither systematically prevented nor addressed.

Therefore, Bhutan's overall BTI score of 73 out of 100 in the CPI reflects that:

- anti-corruption policies are comprehensive, coherent, and aligned with international norms;

- legal and institutional arrangements for addressing office abuse are well established; and
- enforcement action is *generally* credible and non-selective when cases arise.

However, at the same time, the BTI does not suggest a system that is entirely risks free. Its accompanying narratives acknowledge that underlying governance risks such as occasional political, legal, or procedural loopholes remain, and financial irregularities, particularly in large public expenditure and infrastructure projects, continue to pose governance risks. This signals a shift in corruption risks away from overt abuse of authority toward more complex, process-driven vulnerabilities that require strong preventive controls, specialized oversight, and sustained institutional vigilance.

## 2. *World Bank Country Policy and Institutional Assessment (CPIA)*

The World Bank's CPIA is a diagnostic tool used by the World Bank to evaluate the quality of a country's policy and institutional framework. Within the CPI, the CPIA contributes to the assessment of public sector governance integrity, focusing on whether formal institutions, rules, and oversight mechanism are adequate to ensure that public authority is exercised responsibly, transparently, and in the public interest.

Unlike perception only indices, the CPIA places strong emphasis on formal institutional arrangements and observed governance practices, making it particularly influential in shaping CPI outcomes for countries with established public sector systems. Amongst the four Clusters under the CPIA viz. economic management, structural policies, policies for social inclusion/equity, and public sector management and institutions, the CPI uses the indicator on '*Transparency, Accountability, and Corruption in the Public Sector*' under the public sector management and institutions cluster as shown in **Table 6**.

**Table 6: Bhutan's CPIA score**

Cluster	Public Sector Management and Institutions
Criteria	Transparency, Accountability, and Corruption in the Public Sector
2024	4.5/6
2023	4.5/6
2022	4.5/6
2021	4.5/6
2020	4.5/6

This indicator on *Transparency, Accountability, and Corruption in the Public Sector* assesses the extent to which public authority is exercised in a transparent, accountable, and integrity-driven manner, supported by effective oversight and safeguards against abuse, including:

- executive and senior public officials are effectively accountable to oversight institutions, ensuring checks and balances constrain the misuse of power;
- civil society, media, and the public have timely and reliable access to information on public affairs and policies, including fiscal information on public expenditures, revenues, and major contract awards;
- risks of state capture by narrow or vested interests are constrained through institutional safeguards and transparency; and

- public resources, including aid flows and natural resource revenues, are managed with integrity, minimizing opportunities for misappropriation or misuse.

Based on this, the score of **4.5** out of 6 places Bhutan within the '**Moderate Strong**' rating scale as shown in **Table 7**.

**Table 7: Bhutan's rating scale under Transparency, Accountability, and Corruption in the Public Sector**

Rating Scale	a) Checks & Balances/ Political Accountability	b) Transparency & Media	c) Public-Private Boundaries & CoI	d) Use of Public Funds & Procurement
1 (Very Weak)	No checks on executive power; positions bought and sold; anticorruption absent or politically targeted; citizens cannot challenge the state	Decision-making secret; budgets not public; media fully controlled; access to information denied	State captured by narrow interests; officials routinely favour own or allied businesses	Systematic diversion of funds with impunity; procurement opaque, non-competitive, and bribe-driven
2 (Weak)	Checks exist but ineffective; political finance unregulated; incumbents dominate; claims against state ineffective	Minimal fiscal information disclosed; media not independent; journalists intimidated; internet censored	CoI widespread; laws biased to private interests; corruption distorts implementation	Frequent diversion of funds; low sanction risk; bribery and collusion common in contracting
3 (Moderate Weak)	Some checks exist but lack authority or resources; political finance rules poorly enforced; selective anticorruption	Limited transparency; key budget documents missing; media constrained by restrictions or harassment	Rules exist but often violated; CoI common; selective or weak enforcement	Occasional diversion of funds; some deterrence; bribery and collusion common
4 (Moderate Strong)	Checks largely effective; no selective targeting; political finance partly opaque; citizens can seek redress	Decision-making generally transparent; extensive fiscal data published; partially independent media	Clear public-private boundaries; CoI and asset rules limit undue influence	Funds infrequently diverted; procurement mostly competitive; bribery uncommon
5 (Strong)	Executive power effectively constrained; political finance transparent; allegations investigated impartially; legal redress predictable	Full, timely disclosure of decisions and budgets; strong access to information; independent media	CoI and asset rules fully enforced; top officials not immune from prosecution	Rare diversion of funds; competitive procurement; effective and impartial appeals
6 (Very Strong)	All criteria for "5" fully met with strong institutional resilience	Transparency and media independence firmly embedded	CoI safeguards deeply institutionalized	Strong track record with no warning signs and expectation of continued improvement

Hence, Bhutan's score of 75 for CPIA in the CPI confirms the successful establishment of the foundational architecture necessary to deter systemic corruption as follows:

- Decision-making at the executive level is *generally* subject to oversight by constitutional bodies, regulatory institutions, and internal accountability mechanisms.

- Separation of roles across institutions, combined with procedural controls, *limits* unilateral exercise of authority.
- Policies, administrative decisions, and public expenditures are, *by and large*, governed by clear rules and documented processes.
- Public finance management and procurement systems are assessed as being *largely* safeguarded against misuse or diversion.

However, the absence of upward movement over multiple assessment cycles indicates that existing institutional arrangements are no longer generating incremental perception gains. Persistently weaker performance in related CPIA dimensions such as *business regulatory environment* and *efficiency of revenue mobilization* suggests that corruption risks are increasingly linked to regulatory complexity and administrative discretion rather than high level abuse.

### 3. *Varieties of Democracy (V-Dem)*

The V-Dem project assesses democratic governance through expert coded indicators covering political institutions, public authority, and accountability practices. Within the CPI framework, V-Dem serves as the most behaviour and perception sensitive data source, complementing institution focused sources such as the CPIA and policy & enforcement focused sources such as the BTI.

For the purpose of the CPI, V-Dem uses the *Political Corruption Index*, which is a composite index that aggregates executive, public sector, legislative, and judicial corruption sub-indices as depicted in **Table 8**.

**Table 8: Bhutan's V-Dem score**

Dimension	Democracy					
Index	Political Corruption Index					
Sub-Indices	Executive Corruption Index		Public Sector Corruption Index		Legislature Corrupt Activities	Judicial Corruption Decision
Indicators	Executive Bribery & Corrupt Exchanges	Executive Embezzlement & Theft	Public Sector Corrupt Exchanges	Public Sector Theft		
2024	3.34	3.54	2.28	3.13	3.17	2.68
2023	3.34	3.31	2.51	3.13	3.17	2.86
2022	3.34	3.31	2.51	3.13	3.17	2.86
2021	3.43	3.63	2.51	3.13	3.21	2.86
2020	3.43	3.63	2.51	3.13	3.54	2.86

The focus of the *Political Corruption Index* is on whether:

- corruption is constrained across executive, legislative, judicial, and public sector institutions, rather than concentrated in a single domain;
- both grand corruption (involving senior political or executive actors) and petty corruption (occurring in routine public administration and service delivery) are limited;
- bribery, kickbacks, and corrupt exchanges are rare and unpredictable, rather than routine or expected;
- embezzlement, theft, or misappropriation of public resources by public officials is effectively constrained; and

- public decision-making, including legislative processes and judicial outcomes, is insulated from informal influence, inducements, or preferential treatment.

Under the *Executive Corruption Index*, the indicator on *Executive Bribery & Corrupt Exchanges* assesses whether members of the executive such as the head of government, cabinet ministers, and their agents grant favors in exchange for bribes, kickbacks, or other material inducements. The focus is not on isolated allegations, but on whether such practices are perceived to be:

- routine and expected in dealings with the executive;
- occurring frequently but unpredictably; or
- rare and exceptional, indicating strong norms of executive integrity.

Based on this, the score of **3.34** on the *Executive Bribery & Corrupt Exchanges* indicator places Bhutan within the '**Low Corruption**' rating level, as shown in **Table 9**.

**Table 9:** Bhutan's rating level under *Executive Bribery & Corrupt Exchanges*

Level	Score	Distinguishing Features
<b>Most Corrupt</b>	0	Granting favors in exchange for bribes or kickbacks is routine and expected in dealings with the executive.
<b>High Corruption</b>	1	Corrupt exchanges occur more often than not; inducements are commonly required to secure executive action.
<b>Moderate Corruption</b>	2	Corrupt exchanges occur but are unpredictable; actors cannot reliably anticipate when inducements are necessary.
<b>Low Corruption</b>	3	Corrupt exchanges occur occasionally but are not expected as a normal part of executive dealings.
<b>Least Corrupt</b>	4	Corrupt exchanges never or hardly ever occur; executive decisions are not influenced by material inducements.

The indicator on *Executive Embezzlement & Theft* examines whether members of the executive steal, embezzle, or misappropriate public funds or state resources for personal or family use. It assesses whether executive officials act as:

- personal custodians of public resources; or
- responsible stewards who keep public and private interests clearly separate.

The score of **3.54** on the *Executive Embezzlement & Theft* indicator places Bhutan within the '**Low Corruption**' rating level, as shown in **Table 10**.

**Table 10:** Bhutan's rating level under *Executive Embezzlement & Theft*

Level	Score	Distinguishing Features
<b>Most Corrupt</b>	0	Executive members constantly treat public resources as personal or family property.
<b>High Corruption</b>	1	Executives are responsible stewards of some resources but often misappropriate others.
<b>Moderate Corruption</b>	2	Executive behaviour is mixed, with responsible stewardship about as common as misuse.
<b>Low Corruption</b>	3	Executives are responsible stewards of most public resources, with limited misuse.
<b>Least Corrupt</b>	4	Executives almost always safeguard public resources and clearly separate them from private interests.

Together with executive bribery, this indicator captures grand corruption risks within the executive branch and helps distinguish between influence-based corruption and direct misuse of state assets.

Under the *Public Sector Corruption Index*, of the two indicators, the *Public Sector Corrupt Exchanges* indicator assesses whether public sector employees, particularly those involved in routine administration and service delivery, grant favors in exchange for bribes or informal payments. The emphasis is on typical, everyday interactions between citizens and the State, and whether such practices are:

- widespread and systemic;
- common but not universal; or
- scattered and limited to a small minority of officials.

The score of **2.28** on the *Public Sector Corrupt Exchanges* indicator places Bhutan within the '**Moderate Corruption**' rating level, as shown in **Table 11**.

**Table 11:** Bhutan's rating level under Public Sector Corrupt Exchanges

Level	Score	Distinguishing Features
<b>Most Corrupt</b>	0	Petty corrupt exchanges are systematic and widespread, involving most officials almost all the time.
<b>High Corruption</b>	1	Corrupt exchanges are common and regular, involving a majority of public employees.
<b>Moderate Corruption</b>	2	Corrupt exchanges occur sometimes, involving about half or fewer officials.
<b>Low Corruption</b>	3	Corrupt exchanges are scattered, involving only a small minority occasionally.
<b>Least Corrupt</b>	4	Petty corrupt exchanges never or hardly ever occur.

The other indicator on *Public Sector Theft* examines whether public sector employees steal, embezzle, or misuse public funds or resources for personal benefit. It assesses whether misuse of resources is:

- constant or frequent;
- occasional and selective; or
- rare and strongly constrained by norms and oversight.

Based on this, the score of **3.31** on the *Public Sector Theft* indicator places Bhutan within the '**Low Corruption**' rating level, as shown in **Table 12**.

**Table 12:** Bhutan's rating level under Public Sector Theft

Level	Score	Distinguishing Features
<b>Most Corrupt</b>	0	Public employees constantly misappropriate public resources as personal property.
<b>High Corruption</b>	1	Employees steward some resources responsibly but often misuse others.
<b>Moderate Corruption</b>	2	Responsible stewardship and misuse occur with similar frequency.
<b>Low Corruption</b>	3	Employees responsibly manage most resources, with limited misuse.
<b>Least Corrupt</b>	4	Public employees almost always safeguard public resources.

Together, the two public sector indicators capture integrity risks in routine governance and service delivery, complementing the executive level focus of grand corruption.

Under the *Legislative Corrupt Activities* indicator, it examines whether members of the legislature abuse their positions for financial or personal gain. It assesses whether such behaviour is:

- common or widespread, indicating routine misuse of legislative office;
- occasional and selective, involving a limited number of legislators or circumstances; or
- rare and exceptional, reflecting strong norms of integrity and insulation from private interests.

Based on this, the score of **3.17** on the *Legislative Corrupt Activities* indicator places Bhutan within the '**Low Corruption**' rating level, as shown in **Table 13**.

**Table 13: Bhutan's rating level under Legislative Corrupt Activities**

Level	Score	Distinguishing Features
<b>Most Corrupt</b>	0	Most legislators engage in corrupt activities.
<b>High Corruption</b>	1	Many legislators engage in corrupt activities.
<b>Moderate Corruption</b>	2	Some legislators engage in corrupt activities.
<b>Low Corruption</b>	3	Corruption occurs very occasionally, involving few legislators.
<b>Least Corrupt</b>	4	Legislators never or hardly ever abuse office for financial gain.

The indicator captures practices such as accepting bribes, facilitating advantages for connected firms or individuals, exchanging legislative influence for future employment or benefits, and misusing public or campaign funds. Together, these elements reflect the extent to which legislative decision-making is perceived as free from undue private influence.

Under the *Judicial Corruption Decision* indicator examines whether judicial decisions are influenced by undocumented payments, inducements, or informal pressure. It assesses whether:

- favorable or expedited judicial outcomes can be obtained through bribery or informal influence;
- judicial processes are perceived as uneven, influence-prone, or inconsistent; or
- decisions are predictable, impartial, and insulated from external pressure.

Based on this, the score of **2.68** on the *Judicial Corruption Decision* indicator places Bhutan within the '**Moderate Corruption**' rating level, as shown in **Table 14**.

**Table 14: Bhutan's rating level under Judicial Corruption Decision**

Level	Score	Distinguishing Features
<b>Most Corrupt</b>	0	Bribes or undocumented payments are always required to influence judicial decisions.
<b>High Corruption</b>	1	Bribes are usually required.
<b>Moderate Corruption</b>	2	Bribes are required about half of the time.
<b>Low Corruption</b>	3	Bribes are not usually required.
<b>Least Corrupt</b>	4	Bribes are never required; judicial decisions are free from corruption.

The indicator is particularly sensitive to perceptions of discretion and fairness, capturing confidence in judicial integrity even in systems with formally independent Courts.

Overall, the decline in Bhutan's V-Dem score from 66 to 64 in the CPI correlates with emerging gaps in the areas of governance where officials exercise judgement and where public confidence matters most, rather than with failures in national integrity system or formal controls. The indicator level results point to comparatively lower confidence in judicial decision-making and frontline public sector interactions, where unevenness, limited transparency in reasoning, and perceived informal influence are more likely to arise. These gaps are concentrated at the citizen and public institutions interface, where integrity is assessed not only by outcomes but by the consistency, predictability, and explainability of decisions. As a result, the score movement reflects vulnerabilities in how discretion is managed and communicated in practice, rather than an increase in bribery, embezzlement, or systemic abuse of office.

#### **4. Global Insights Country Risk Rating**

The Global Insight Country Risk Ratings is designed to assess operational and regulatory risks that may affect economic activity, investment decisions, and business operations.

Within the CPI framework, the *Control of Corruption* dimension focuses on transactional exposure to corruption, particularly where interactions between the state and private actors occur. The indicator evaluates the likelihood that individuals or firms encounter corruption in:

- licensing and permitting processes;
- regulatory approvals and inspections;
- public procurement and contract awards;
- customs, import-export, and border related procedures; and
- routine administrative interactions.

The Global Insight Country Risk Ratings therefore complements institution focused indices by examining how corruption risk is experienced in practice, especially from the perspective of economic actors.

Bhutan's score of **0.83** out of 1 place it among 'Low Risk' jurisdictions in terms of corruption affecting business and administration as shown in **Table 15**.

**Table 15: Bhutan's rating level under Control of Corruption**

Dimension	Control of Corruption
2024	0.83
2023	0.83
2022	0.83
2021	0.83
2020	0.83

The assessment reflects several positive features:

- Bribery is not a routine feature of administrative or regulatory processes;
- corruption does not constitute a material obstacle to conducting business;
- public officials generally adhere to rule-based procedures; and
- administrative interactions are perceived as predictable and orderly.

However, the lack of improvement over time highlights a small but persistent underlying risk. This risk is not associated with systemic bribery or widespread misconduct, but rather with:

- the exercise of administrative discretion;
- uneven application of rules across cases or agencies; and
- perception based concerns arising from opacity or limited explanation of decisions.

### Strategic Diagnosis

Taken together, the CPI data sources suggest that Bhutan has entered a consolidation phase of integrity reform. At this stage, further improvements are constrained not by the absence of laws, mandates, or institutions, but by more complex and less visible governance challenges. In particular, the principal constraints on continued upward movement include:

- *Plateauing core integrity indicators*, reflecting diminishing returns from existing frameworks;
- *Underlying transactional corruption risks* in service delivery and administrative processes;
- *Perceived vulnerability in judicial decision-making*, which undermines confidence in enforcement outcomes;
- *Growing importance of consistency, transparency, and explainability* in discretionary decision-making at the public-private interface; and
- *Complexity driven risks* in large public finance, procurement, and infrastructure projects.

These challenges call for a strategic recalibration rather than a simple expansion of existing measures.

### Recommendations for Sustained Improvement

In view of the above, the ACC deems it necessary for Bhutan to transition from first generation anti-corruption reforms, focused on institutions, mandates, and legal frameworks, to second generation integrity reforms that emphasize intelligence, proactiveness, coherence, and predictability. Therefore, in moving forward, key priorities include:

- **Strengthening predictability of consequences** through faster case resolution, clearer procedural thresholds, and more visible asset recovery and restitution;
- **Targeting high-risk interfaces** such as procurement, licensing, inspections, border processes, and contract management by reducing discretion and enhancing transparency;
- **Reinforcing judicial integrity safeguards**, including CoI management, greater transparency in case resolution, and deterrence against solicitation or informal influence;
- **Improving the business regulatory environment** by streamlining procedures, reducing compliance burdens, and promoting credible business integrity initiatives; and
- **Leveraging data and intelligence for early detection and disruption of corruption risks**, particularly in complex financial landscape.

To this, sustaining and improving Bhutan's CPI performance will require *whole-of-government* ownership of integrity outcomes. As corruption risks evolve, line ministries, law enforcement & regulatory agencies, and oversight bodies must internalize integrity as a core operational responsibility, while the ACC continues to spearhead coordination of prevention, intelligence, and institutional reform across sectors. Such efforts must be complemented by stronger inter-agency coordination, increased use of technology and data driven risk analysis, and adaptive strategies capable of responding to emerging corruption dynamics linked to private sector growth, foreign investment, and increasingly complex public finance landscape.

## Conclusion

Bhutan's CPI performance reflects a governance system that is widely trusted, institutionally sound, and capable of enforcing accountability. This standing has been shaped by the consistent tone from the top set by His Majesty The King, the sustained political will of successive governments, and the constructive cooperation of public institutions, civil society, the private sector, and citizens at large. These collective efforts have laid a strong foundation for integrity and public trust.

At the same time, the CPI 2025 underscores that future gains will depend on addressing subtler and more complex corruption risks embedded in service delivery, judicial processes, regulatory systems, and large-scale public expenditure. These challenges are less about the absence of rules or institutions, and more about how consistently, transparently, and convincingly authority is exercised in everyday practice.

The fight against corruption in Bhutan is therefore entering a new and more demanding phase – one that prioritizes integrity outcomes over institutional form, proactive prevention over reactive measures, and consistent targeted action over uniform approaches. The *Diamond Strategy*, including the vision for Gelephu Mindfulness City, further calls upon institutions to prepare not only for present challenges, but for higher standards, greater complexity, and evolving global expectations. Successfully navigating this transition will be critical to sustaining Bhutan's standing and advancing toward higher standards of governance, public trust, and national aspiration.

\*\*\*