

**Embassy of India
Thimphu**

India-Bhutan Development Cooperation: Release of INR/Nu. 3.9 billion (390 Crores) for 13th Five Year Plan PTA, HICDP and PG

India's development partnership with Bhutan is an important pillar of bilateral relations. For the 13th FYP period of the Royal Government of Bhutan (RGoB), Government of India (GoI) has announced support of INR/Nu. 100 billion (10,000 Crores). Of this, INR/Nu. 70 billion (7,000 Crores) has been earmarked for Project Tied Assistance (PTA) projects, INR/Nu. 10 billion (1000 Crores) for High Impact Community Development Projects (HICDP), INR/Nu. 15 billion (1500 Crores) for the Economic Stimulus Programme (ESP) and INR/Nu. 5 billion (500 Crores) as Programme Grant.

2. During the Third India-Bhutan Development Cooperation Talks for the 13th FYP, sixty one (61) PTA projects of amount INR/Nu. 49.57 billion (4957 Crores) were approved by the two governments. The projects under implementation cover areas such as agriculture, irrigation, ICT, health, education, scholarships, capacity and human resources development, infrastructure development, energy, and urban development. An amount of INR/Nu. 2.15 billion (215 Crores) has been released to RGoB for thirty (30) projects as per the extant PTA fund disbursal mechanism.

3. During the first HICDP Committee Meeting, a total of 283 projects of amount INR/Nu. 4.17 billion (417 Crores) were approved by both governments and have commenced implementation. HICDPs, also known as Small Development Projects (SDP), are short-gestation projects mainly in areas such as drinking water supply networks, irrigation canals, farm roads, basic health units, and other rural infrastructure. An amount of INR/Nu. 1.25 billion (125 Crores) has been released as first tranche for implementation of HICDPs. The Programme Grant (PG) component is a direct budgetary support to Bhutan. Till date, INR/Nu. 500 million (50 Crores) has been released to RGoB for PG.

4. The Government of India enjoys robust development partnership with the Royal Government of Bhutan and is committed to strengthening it further.

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