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## PRESS RELEASE

The Royal Civil Service Commission, working closely with our executives, has submitted our report on restructuring the Civil Service to the Lhengye Zhungtshog. With approval accorded by the Lhengye Zhungtshog, we will be reorganising our Civil Service agencies into the following clusters:

1. Governance cluster to ensure whole of government approach to drive Civil Service transformation to serve our public better.
2. Economic cluster to drive Bhutan's economic transformation in a sustainable and responsible manner, in line with our aspirations to become a prosperous and developed country.
3. Social cluster to ensure that Bhutanese society continues to progress, as it adopts a holistic approach towards caring for our people and communities, and giving them the best chance to succeed and live fulfilling lives.
4. Security cluster to secure, defend and expand Bhutan's national interests to ensure our nationhood and sovereignty.

Each cluster of agencies will be led by a Coordinating Secretary who will be appointed from amongst the Secretaries in the Cluster. Reporting to the Cabinet and the Ministers, the four Coordinating Secretaries will form the Committee for Coordinating Secretaries (C4CS) and will be accountable for ensuring that the Civil Service is well-coordinated, and plans and implements policies from an integrated, national perspective. We are in the process of finalising the appointments of the Coordinating Secretaries, before we implement the cluster concept.

We are progressively rolling out the changes as detailed below, starting with the Governance cluster. This will lay a strong foundation for subsequent major changes that we will be rolling out in the other clusters. We will share updates on the overall developments on restructuring periodically.

### I. Governance Cluster

The Cabinet Secretariat will now comprise two Departments: the Office of the Cabinet Affairs and Strategic Coordination, and the Office of the Prime Minister.

The Cabinet Secretariat will take on the following additional responsibilities.

1. National Human Resource Planning from the Ministry of Labour and Human Resources



2. Perspective Planning and Regulatory Coordination from the Gross National Happiness Commission (GNHC)
3. Macro-Economic Policy from the Ministry of Finance (MoF)

Under the MoF, we will be making the following changes.

1. Department of Macro-Economic Affairs will be renamed the Department of Macro-Fiscal and Development Finance. GNHC's responsibility of managing external grants will be transferred to this department.
2. Department of National Budget will be renamed the Department of Planning, Budget and Performance. The responsibilities of central and local government planning from GNHC and government performance management from Cabinet Secretariat will be transferred to this department.
3. Department of Public Accounts and the Department of National Properties will be renamed Department of Treasury and Accounts, and Department of Procurement and Properties respectively.

The GNHC's strategic planning functions will be elevated and integrated into the Cabinet Secretariat, and its other functions transferred to the MoF as mentioned above, and the Centre for Bhutan and GNH Studies for greater synergy and impact.

## **II. Economic Cluster**

The Ministry of Economic Affairs' Department of Cottage and Small Industry will be folded into the Department of Industry. The Department of Hydropower and Power Systems will be merged with the Department of Renewable Energy and renamed the Department of Energy.

## **III. Security Cluster**

The Ministry of Foreign Affairs' Department of Regional Cooperation will be merged with the Department of Multilateral Affairs. The Department of Economic and Tech Diplomacy will be set up to develop our national economic interests on the trade and technology fronts. The Department of Protocol will be renamed the Department of Protocol and Consular Affairs.