

Bhutan Country Paper
SAARC Statistics meeting
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A. Background

Bhutan, a land locked country chose to remain in isolation almost wholly cut off from the rest of the world in the past. The land to labour ratio being favourable, the self sustaining communities of the country lived mostly in the river valleys with very limited interactions with each other and the outside world. Economic activity, therefore, remained long confined to subsistence agriculture supplemented by livestock rearing and cottage industries based on traditional handicrafts. Therefore, no modern statistical system was followed. However, around 40 years back the country chose to break its isolation and decided to set its feet on the path of planned economic development. The planning process was initiated officially in 1961 when the first plan for development was launched under the supervision of a self-contained Development Secretariat. Ten years after that in 1971, Planning Commission was constituted for preparing the Third Plan. During the Third Plan, it was keenly felt that the lack of integrated, coherent and up-to-date system of statistics in the country posed a serious handicap to the Royal Government of Bhutan (RGoB) in its planning and evaluation of plans. Therefore, to solve the statistical constrains, a statistical cell was setup under the Ministry of Development in 1971, which was later upgraded and renamed as Central Statistical Organization (CSO) within the Planning Commission in 1979.

Since CSO was not able to cope with the statistical demand of the Government due to lack of financial and technical capability, especially in the field of socio-economic data, the RGoB sought the assistance of ESCAP to send a mission in 1983. Based on the recommendation of the mission from the ESCAP, several projects were implemented with the aim of developing appropriate statistical system and flow of statistics for proper formulation and implementation of development plans.

With the major restructuring of government towards the end of 2003, the RGoB realizing the importance of statistics for planning and monitoring of socio-economic development planning activities in the country, the Central Statistical Organization was reorganized as an autonomous body and officially named as National Statistical Bureau (NSB) with the following mandates for NSB and the Board:-

Mandate of NSB

- Develop and maintain a National Statistical Data Bank to build time series database for the nation.
- Be the central apex body to validate, authenticate and disseminate national statistics to ensure uniformity in the concepts, definitions and classification so as to enable comparison of data at the national and international levels.
- Be the Central Body to coordinate with sectors and provide technical support in developing statistical work plan for statistical activities.

- Closely interact with sectors and provide technical support in planning and designing of surveys for collection of primary data and help in identifying data needs.
- Bring out regular statistical publications – National Accounts, CPI, Statistical Yearbook, Bhutan at a Glance, Socio-economic indicators.
- Act as a clearing-house for all statistical information and publications.
- Conduct workshops and training to develop and update skills of the statistical personnel in the country.

B. Mission/Mandate of the National Statistical Board:

- Promote and maintain an efficient statistical system.
- Formulate policies on all matters relating to statistical operations in the country.
- Provide guidance and direction to the National Statistical Bureau.
- Approve annual statistical work plan.
- Direct and approve statistical activities and operations in the country.

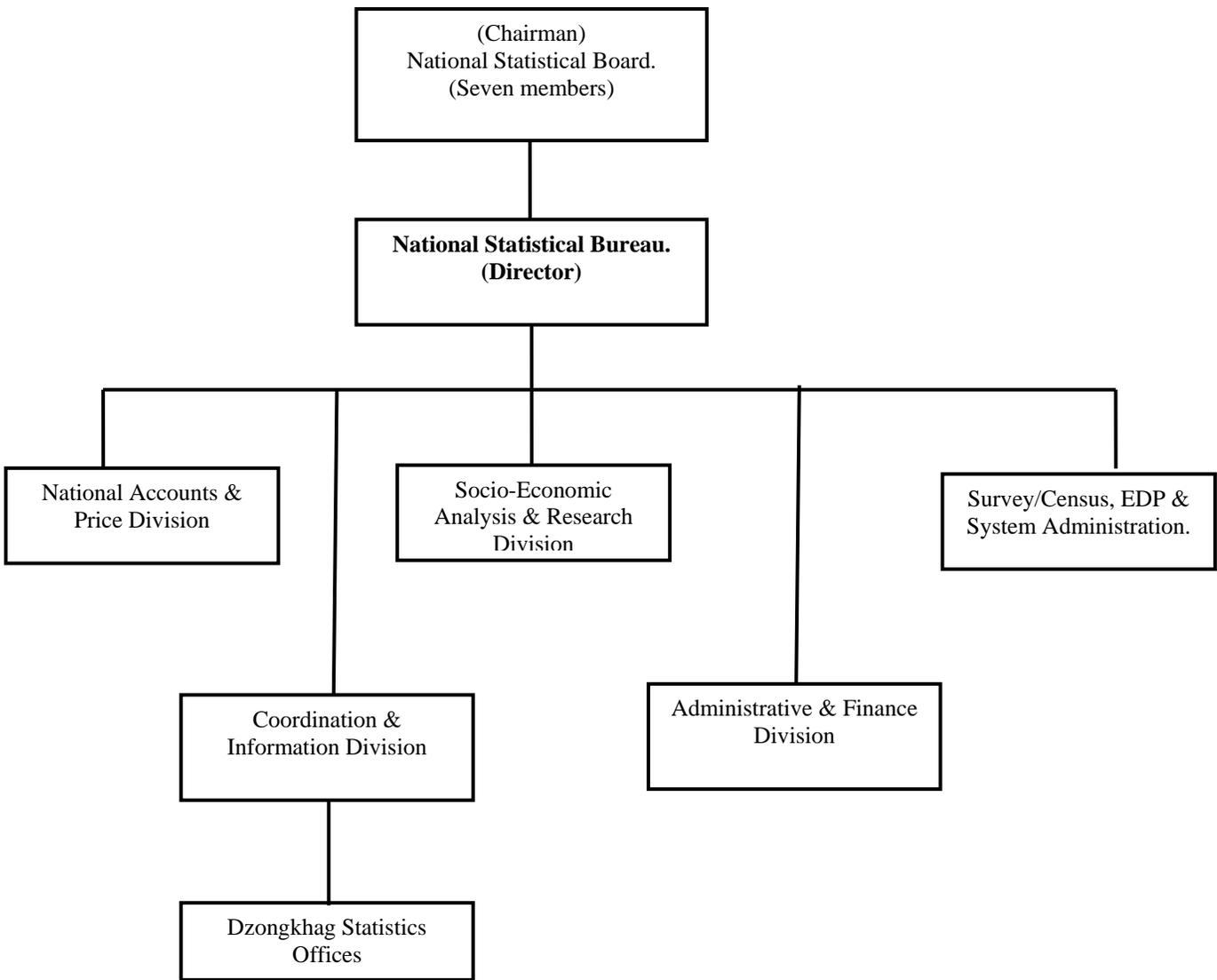
C. Current structure of National Statistical System

National Statistical Bureau of Bhutan is the central coordinating agency for statistics and mandated to be the apex body for statistics, has the utmost responsibility to coordinate and validate, authenticate statistically data.

All the statistical survey activities carried out by other agencies are carried out in close consultation with the NSB. However, the statistical system in Bhutan is relatively decentralized and involves several national agencies like the Royal Monetary Authority of Bhutan (RMA) which is responsible for compiling and disseminating balance of payment, monetary and financial accounts, and the Ministry of Finance (MOF), Department of Power. They produce statistics based on their official records to serve their own analytical and policy needs. Besides, it also publishes some information, which is useful in the national context.

Within this structure, NSB has the mandate to collect process and disseminate statistics. In practice, NSB is primarily responsible for compiling national accounts, price statistics, household expenditure and income statistics and poverty statistics. It also compiles all the general statistics and disseminate them in the annual Statistical Yearbook.

INSTITUTIONAL ASPECTS



D. Future plans

- Increase frequency of publication of GDP (from annual to biannual)
- To adopt SNA 1993
- To produce whole sale price index
- To formulate an statistical act