



**PERFORMANCE AGREEMENT**  
**BETWEEN**  
**PRIME MINISTER AND MINISTER**  
**Ministry Of Labour And Human Resources**

**(July 1, 2017 – June 30, 2018)**



## TABLE OF CONTENTS

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Section 1: Vision, Mission and Objectives

Section 2: Objectives, Actions, Success Indicators and Target

Section 3: Trend Values of Success Indicators

Section 4: Description and Measurement of Success Indicators

Section 5: Requirements from other Ministries, Agencies and Dzongkhags



**Preamble**

The Performance Agreement is entered into between the Prime Minister and Minister, Ministry Of Labour And Human Resources.

The objectives of this Performance Agreement are:

- a) To establish clarity and consensus about annual priorities for the Ministry Of Labour And Human Resources consistent with the 11th Five Year Plan , and Governments other priorities;
- b) To make the Ministry Of Labour And Human Resources fully responsible for driving implementation and delivering the results against the annual priorities;
- c) To provide an objective and fair basis for evaluating the Ministry's overall performance at the end of the year;

The Performance Agreement represents an important accountability mechanism for inculcating a performance based culture at all levels of government.

**THEREFORE**, the parties hereto agree as follows:

## **Section 1: Vision, Mission and Objectives**

### **Vision**

A nation where its citizens have the opportunity for gainful and quality employment characterized by harmonious and productive relationship in the workplace and the community

### **Mission**

Ministry shall strive to: Promote and facilitate gainful employment through provision of effective employment services; Facilitate availability of adequate and competent human resources to drive and sustain national socio economic development; Provide access to quality TVET for every Bhutanese training seeker; Improve the quality and relevance of the TVET system through adoption of BVQF, and Quality Assurance systems; and Promote decent working conditions through sound labor policies and enforcement of laws; Gather and generate credible information and for planning and implementation of programs; and Consult and coordinate with relevant stakeholders and listen to their voice and incorporate their advices in the actions of the Ministry.

### **Objectives**

- 1) To improve quality and relevance of TVET
- 2) To improve working environment/condition in the private sector
- 3) To facilitate achievement of full employment
- 4) To ensure full budget utilization
- 5) To enable effective and efficient ICT Service delivery
- 6) National Integrity and Anti-Corruption Strategy (NIACS) implemented.

**Section 2: Objectives, Success Indicators & Target**

Objective	Weight	Action	Success Indicator	Unit	Weight	Excellent [100%]	Very Good [90%]	Good [80%]	Fair [70%]	Poor [60%]	
To improve quality and relevance of TVET	41	Make TVET courses more relevant to the needs of the labour market	Percentage of TTIs/IZCs graduates awarded National Certificates	Percent	3	100	90	80	70	<70	
			Percentage of employers satisfied with the competence of TTI/IZC graduates	Percent	2	100	90	80	70	60	
	Introduce new/ higher level courses	Number of new courses introduced	Number	3	6	4	3	2	1		
		Percentage of overall enrollment in TTIs/IZCs	Percent	3	91-100	81-90	71-80	61-70	<60		
		Number of candidates trained through formal programs (TTIs & IZCs)	Number	5	750	700	650	600	550		
	Diversify and expand TVET			Number of NC3 level courses introduced	Number	3	2	-	-	-	1
				Timeline by which 3 courses are launched at JWPTI	Date	3	08/31/2017	09/29/2017	10/31/2017	11/30/2017	12/29/2017
				Timeline by which National Diploma in Technical Education (ND 2) is implemented	Date	3	02/01/2018	03/01/2018	04/01/2018	05/01/2018	06/01/2018
				Percentage of operational plan of JWPTI implemented	Percent	3	100	90	80	70	60
	Development of Assessment Resources, Training of Assessors and assessment			Timeline by which College of Rigney is inaugurated	Date	2	08/31/2017	09/30/2017	10/31/2017	11/30/2017	12/31/2017
				Percentage of National Assessment conducted for accredited courses	Percent	3	100	90	80	70	60
Facilitate accreditation of courses in TTIs, IZCs and private training providers			Percentage of Courses in TTIs and IZCs accredited	Percent	3	100	80	60	40	20	

Objective	Weight	Action	Success Indicator	Unit	Weight	Excellent [100%]	Very Good [90%]	Good [80%]	Fair [70%]	Poor [60%]		
To improve quality and relevance of TVET	41	Facilitate accreditation of courses in TTIs, IZCs and providers accredited	Percentage of courses in private training providers accredited	Percent	2	40	30	20	10	5		
		Certification of Bhutanese skilled workers through RPL	Number of eligible Bhutanese candidates certified through RPL	Number	3	600	550	500	450	400		
	17	Enforce and implement Labour and Employment Act, 2007 and continue awareness and advocacy	Number of enterprises inspected	Number	4	2000	1800	1600	1400	1200		
		Strengthen Labour dispute prevention and settlement mechanism	Percentage of workplace accident	Percent	3	1	1.2	1.4	1.8	2		
To improve working environment/condition in the private sector		Strengthen Labour dispute prevention and settlement mechanism	Percentage of disputes resolved	Percent	3	100	95	-	-	90		
		Facilitate introduction of Provident Fund in private and corporate sectors	Percentage of workers with PF scheme	Percent	4	65	63	62	60	59		
		Strengthen foreign workers recruitment procedures	Reduce downtime of online LabourNet System to 1 hour per day	Hours	3	1	2	3	4	5		
		Conduct Annual Labour Force Survey and Establishment Census/Job Prospecting Survey	Timeline by which the Labour Force Survey report is published	Date	4	04/30/2018	05/31/2018	-	-	06/30/2018		
			Timeline by which the Establishment Census/Job Prospecting Survey report is published	Date	3	05/31/2018	-	-	-	06/30/2018		
		Support new businesses start ups by youth	Number of new business start-ups by youth	Number	4	120	100	80	60	<40		
		Facilitate employment of youth		Number of candidates trained through various skills development programs	Number of candidates trained through various skills development programs	Number	6	930	830	730	630	530
				Percentage of youth unemployment	Percentage of youth unemployment	Percent	4	2.5	2.7	2.9	3.1	>3.1
				Percentage of female youth unemployment	Percentage of female youth unemployment	Percent	3	5	6	7	8	>8
				Percentage of registered job seekers placed	Percentage of registered job seekers placed	Percent	4	70	65	60	55	50



Objective	Weight	Action	Success Indicator	Unit	Weight	Excellent [100%]	Very Good [90%]	Good [80%]	Fair [70%]	Poor [60%]
To facilitate achievement of	32	Facilitate employment	Percentage of overall unemployment reduced	Percent	4	2.5	2.7	2.9	3.1	>3.1
To ensure full budget utilization	5	Ensure full budget utilization	Percentage of budget utilized	Percent	5	100	-	-	-	<100
To enable effective and efficient ICT Service delivery	3	Enhance basic ICT skills of non ICT staff members. Improve public service delivery through innovative ICT services/improve LAN and internet services.	Percentage of non ICT staff trained. Acceptable downtime of LAN and internet connectivity per incidence.	Percent Days	1 1	50 1	45 1.5	40 2	35 2.5	30 >2.5
		Ensure compliance to e-GIF standards.	Percentage compliance to e-GIF standards.	Percent	1	100	-	-	-	<100
National Integrity and Anti-Corruption Strategy (NIACS) implemented.	2	Conduct face to face sensitization program on Ethics and Integrity Tools by concerned TOT participants (Gift Rules & its management, Asset Declaration Rules & its management, Conflicts of Interest Declaration & its management, Code of Conduct and Grievance Redress Mechanism.	Percentage of Employees sensitized on: - Gifts, Conflicts of Interest, Code of Conduct, Asset Declaration and Grievance Redress Mechanism	Percent	2	Above 90	89-80	79-70	69-60	59 and below

**Section 3: Trend values of success indicators**

Objective	Action	Success Indicator	Unit	Actual Values [FY 2013-14]	Actual Values [FY 2014-15]	Target Values [FY 2015-16]	Projected Values [FY 2016-17]	Projected Values [FY 2017-18]
To improve quality and relevance of TVET	Make TVET courses more relevant to the needs of the labour market	Percentage of TTIs/IZCs graduates awarded National Certificates	Percent	-	-	-	80	100
		Percentage of employers satisfied with the competence of TTI/IZC graduates	Percent	-	-	-	100	100
	Introduce new/ higher level courses	Number of new courses introduced	Number	-	-	-	6	6
		Percentage of overall enrollment in TTIs/IZCs	Percent	-	-	-	90	91-100
		Number of candidates trained through formal programs (TTIs & IZCs)	Number	-	-	-	750	750
Diversify and expand TVET		Number of NC3 level courses introduced	Number	-	-	-	-	2
		Timeline by which 3 courses are launched at JWPTI	Date	-	-	-	-	08/31/2017
		Timeline by which National Diploma in Technical Education (ND 2) is implemented	Date	-	-	-	-	02/01/2018
		Percentage of operational plan of JWPTI implemented	Percent	-	-	-	-	100

Objective	Action	Success Indicator	Unit	Actual Values [FY 2013-14]	Actual Values [FY 2014-15]	Target Values [FY 2015-16]	Projected Values [FY 2016-17]	Projected Values [FY 2017-18]
To improve quality and relevance of TVET	Diversify and expand TVET	Timeline by which College of Rigney is inaugurated	Date	-	-	-	-	08/31/2017
	Development of Assessment Resources, Training of Assessors and assessment	Percentage of National Assessment conducted for accredited courses	Percent	100	100	100	100	100
	Facilitate accreditation of courses in TTIs, IZCs and private training providers	Percentage of Courses in TTIs and IZCs accredited	Percent	30	60	70	80	100
		Percentage of courses in private training providers accredited	Percent	20	30	40	40	40
To improve working environment/condition in the private sector	Certification of Bhutanese skilled workers through RPL	Number of eligible Bhutanese candidates certified through RPL	Number	-	-	200	800	600
	Enforce and implement Labour and Employment Act, 2007 and continue awareness and advocacy	Number of enterprises inspected	Number	800	1200	1250	2000	2000
	Strengthen Labour dispute prevention and settlement mechanism	Percentage of workplace accident	Percent	1.4	1.3	1.2	-	1
		Percentage of disputes resolved	Percent	80	90	95	95	100
	Facilitate introduction of Provident Fund in private and corporate sectors	Percentage of workers with PF scheme	Percent	-	-	-	59	65

Objective	Action	Success Indicator	Unit	Actual Values [FY 2013-14]	Actual Values [FY 2014-15]	Target Values [FY 2015-16]	Projected Values [FY 2016-17]	Projected Values [FY 2017-18]	
To improve working environment/condition in the private sector	Strengthen foreign workers recruitment procedures	Reduce downtime of online LabourNet System to 1 hour per day	Hours	-	-	3	2	1	
	To facilitate achievement of full employment	Conduct Annual Labour Force Survey and Establishment Census/Job Prospecting Survey	Date	-	-	-	06/30/2017	06/30/2018	
		Support new businesses start ups by youth	Timeline by which the Labour Force Survey report is published	Date	-	-	-	05/31/2017	05/31/2018
To ensure full budget utilization	Facilitate employment of youth	Number of new business start-ups by youth	Number	21	13	120	120	120	
	To enable effective and efficient ICT Service delivery	Facilitate employment of youth	Number of candidates trained through various skills development programs	-	-	-	-	-	930
		Facilitate employment	Percentage of youth unemployment	Percent	-	-	10.7	-	2.5
			Percentage of female youth unemployment	Percent	-	-	12.7	-	5
	To ensure full budget utilization	Facilitate employment	Percentage of registered job seekers placed	Percent	-	-	-	-	70
			Percentage of overall unemployment reduced	Percent	-	-	-	-	2.5
	To ensure full budget utilization	Ensure full budget utilization	Percentage of budget utilized	Percent	-	-	-	-	100
Enhance basic ICT skills of non ICT staff members.		Percentage of non ICT staff trained.	Percent	NA	NA	NA	NA	50	

Objective	Action	Success Indicator	Unit	Actual Values [FY 2013-14]	Actual Values [FY 2014-15]	Target Values [FY 2015-16]	Projected Values [FY 2016-17]	Projected Values [FY 2017-18]
To enable effective and efficient ICT Service delivery	Improve public service delivery through innovative ICT services/improve LAN and internet services.	Acceptable downtime of LAN and internet connectivity per incidence.	Days	NA	NA	NA	NA	1
	Ensure compliance to e-GIF standards.	Percentage compliance to e-GIF standards.	Percent	NA	NA	NA	NA	100
National Integrity and Anti-Corruption Strategy (NIACS) implemented.	Conduct face to face sensitization program on Ethics and Integrity Tools by concerned TOT participants (Gift Rules & its management, Asset Declaration Rules & its management, Conflicts of Interest Declaration & its management, Code of Conduct and Grievance Redress Mechanism.	Percentage of Employees sensitized on: - Gifts, Conflicts of Interest, Code of Conduct, Asset Declaration and Grievance Redress Mechanism	Percent	NA	50	70	80	above 90

#### Section 4: Definition of Success Indicators

Success Indicator	Description	Data Collection Methodology	Data Collection Frequency	Data Source
Percentage of TTIs/IZCs graduates awarded National Certificates	TTI /IZCs graduates are awarded NC1, NC2 and NC3 level. The achievement of the target is based on the number of graduates attending the NC examination. (No. of graduates attending/Total no. of graduate X100)	Administrative record	Annually	DTE and DOS, MoLHR
Percentage of employers satisfied with the competence of TTI/IZC graduates	This is an indirect indicator to measure the quality and relevancy of training. No. of employers that rate TVET graduates as satisfactory and above in any perception survey	Tracer study	Annually	TISD, DTE, MoLHR
Number of new courses introduced	To make TVET more attractive through the diversification of courses. This is also to introduce short term courses whereby TVET graduates in the field can update their skills in keeping with the change in technology in the field.	Administrative data	Annually	TISD, TPSD, TTIs/IZCs (DTE)
Percentage of overall enrollment in TTIs/IZCs	To inform the Ministry on whether the institutes are oversubscribed or undersubscribed, which would in turn imply the attractiveness of the institutes to the youth as a mainstream choice. Percent enrolled against slot announced	Administrative record	Annually	TTIs/IZCs, VETD/DHR
Number of candidates trained through formal programs (TTIs & IZCs)	To inform the Ministry on the number of technical workforce produced by the technical institutes. No. of graduates of TTIs and IZCs in a year	Administrative record	Annually	TTIs/IZCs, TISD/DTE

Success Indicator	Description	Data Collection Methodology	Data Collection Frequency	Data Source
Timeline by which 3 courses are launched at JWPTI	Launch one long term and two short term power training courses	Administrative record	Annually	TISD, JWPTI, DTE
Timeline by which National Diploma in Technical Education (ND 2) is implemented	1. Develop NDTE curriculum based on developed NCS. 2. Certify 1st batch of instructors of TTIs at National Diploma level 2.	Administrative record	Annually	TPSD/DTE
Percentage of operational plan of JWPTI implemented	Construction of additional infrastructures (50%), Procurement of tools and equipment (25). Recruitment of faculty and capacity building (25).	Administrative record	Quarterly	TISD, DTE
Timeline by which College of Rigney is inaugurated	Inaugurate Rigney College and introduce 3 courses (Lhadri, Jimzo and Patra).	Administrative record	Annually	TISD, DTE, MoLHR
Percentage of National Assessment conducted for accredited courses	No. of National Assessments conducted for accredited courses / Total no. of accredited courses x 100	Administrative Data	Quarterly	ACD, DOS, MoLHR
Percentage of Courses in TTIs and IZCs accredited	No. of courses accredited/no. of courses leading to NC x 100	Administrative Record	Monthly	TVET QAMIS
Percentage of courses in private training providers accredited	No. of courses accredited / No. of courses leading to national certification (those courses viable for private training providers to take up)	Administrative Record	Monthly	TVET QAMIS
Number of eligible Bhutanese candidates certified through RPL	Skilled workers without formal training are assessed and certified through RPL.	Administrative Data	Quarterly	ACD/DOS
Number of NC3 level courses introduced	Number of NC3 level courses introduced	Administrative data	Annually	TPSD, TISD (DTE), MoLHR
Number of enterprises inspected	1. Enterprises that are liable for inspection as per the Labour and Employment Act 2007 of the Kingdom of Bhutan. 2. No. of enterprises inspected is exclusive of follow-up inspections.	No. of Routine and Special inspections conducted by the Labour Officers	Quarterly	Inspection reports and Departments Annual Reports, DoL

Success Indicator	Description	Data Collection Methodology	Data Collection Frequency	Data Source
Percentage of workplace accident	Workplace accidents that are reported to the Department and the Regional Offices. The % of workplace accident is obtained by: No. of accidents/Total workforce X 100. Total Workforce (82,369) is based on the 11th FYP HRD Master Plan for the economic sectors 2013 -2018) plus total foreign workers in the country (50000)	Inspection reports and the Departmental Annual report	Quarterly	Workplace accidents reported to the DoL and regional offices
Percentage of disputes resolved	Labour disputes that are registered with the Department either by employee or employer on workplace grievance that is resolved through mediation and also forwarded to court for settlement. The % of dispute resolved is obtained by: No. of cases resolved/no. of cases received X 100	Number cases received and resolved by the Head and Regional Offices	Quarterly	Departmental and Annual Report, DoL
Percentage of workers with PF scheme	Number of workers enrolled under PF scheme in Pvt. and Corporate Sector/Total workforce excluding civil servants and Armed forces (82369- As per 11th FYP HRD Master plan) x 100	Administrative records	Quarterly	Departmental and Annual Reports, DoL
Reduce downtime of online LabourNet System to 1 hour per day	Reducing the breakdown time for LabourNet system to deliver efficient services. This will be recorded by ICT Unit and Foreign Workers Division, DoL	LabourNet system log book/Google spreadsheet reporting form	Daily	LabourNet system
Timeline by which the Labour Force Survey report is published	Compile, analyse, and publish the report. However, the publication date is subject to approval from the Cabinet.	Survey Report	Annually	Labour Force Survey, LMIRD, DoEHR, MoLHR



Success Indicator	Description	Data Collection Methodology	Data Collection Frequency	Data Source
Timeline by which the Establishment Census/Job Prospecting Survey report is published	To collect information on establishment details, human resource requirements and training	Survey Report	Annually	Job Prospecting/Establishment Survey, LMIRD, DoEHR, MoLHR
Number of new business start-ups by youth	New businesses start ups by youth who have undergone EDP courses	Administrative Records	Quarterly	ESED, DoEHR, MoLHR
Number of candidates trained through various skills development programs	Number of candidates trained in various skills development programs through Apprenticeship Training Program, Critical Skills (pre-service and in-service), Special Skills Development Program (SSDP) and Village Skills Development Program (VSDP)	Administrative records	Quarterly	DoEHR and DTE, MoLHR
Percentage of youth unemployment	The reduction of youth unemployment will be calculated based on the Labour Force Survey (LFS) and the administrative data maintained with the Job Portal System. 1. Youth unemployed number from LFS (Survey Period) 2. Number of youth employed for the remaining months will be calculated from the job portal system.	Survey and Administrative data	Annually	Labour Force Survey Report, DoE, MoLHR
Percentage of female youth unemployment	The reduction of female youth unemployment will be calculated based on the Labour Force Survey (LFS) and the administrative data maintained with the Job Portal System. 1. Female Youth unemployed number from LFS (Survey Period) 2. Number of female youth employed for the remaining months will be calculated from the job portal system.	Survey and administrative data	Annually	Labour Force Survey Report, DoEHR, MoLHR

Success Indicator	Description	Data Collection Methodology	Data Collection Frequency	Data Source
Percentage of registered job seekers placed	% of registered jobseekers placed against the number of jobseekers registered with the Ministry through various employment facilitation programs of the ministry like DES, Overseas and other skills training programs, etc. The placement facilitated by other agencies will also be accounted for.	Administrative record	Annually	ESD, DoEHR, MoLHR
Percentage of overall unemployment reduced	Overall unemployment rate	Survey	Annually	Labour Force Survey Report, DoE, MoLHR
Percentage of budget utilized	This SI measures the variance between revised budget and expenditure of an agency for a fiscal year.	Through analysis of annual budget and expenditure	Annually	MYRB
Percentage of non ICT staff trained.	This success indicator measures the percentage of staffs other than ICT professional provided with training on basic ICT skills. This will reduce the turn around time of providing basic troubleshooting services. The training will be provided by ICT Division.	Admin record on training conducted.	Biannually	Admin record
Acceptable downtime of LAN and internet connectivity per incidence.	This success indicator measures the minimum downtime of LAN and internet connectivity in Ministries/Agences/Thromde/Dzongkhag administration office. If the downtime is caused by incidents which are out of ICT Division's control, ICT Division should maintain a record of such incidences and provide periodic report to DITT. This downtime does not include the travel time for ICT officers working in Dzongkhag need to travel to gewogs/CC to rectify connectivity issues.	Admin record.	Monthly	Admin record

Success Indicator	Description	Data Collection Methodology	Data Collection Frequency	Data Source
Percentage compliance to e-GIF standards.	This success indicator measures and ensures that Ministries/Agencies/Thromdes/dzongkhags comply to e-GIF standards in all ICT related activities.	Records of e-GOV review meetings.	Biannually	admin record
Percentage of Employees sensitized on: - Gifts, Conflicts of Interest, Code of Conduct, Asset Declaration and Grievance Redress Mechanism	<p>This indicator will measure the proportion of employees sensitized through face to face sensitization program on the above mentioned Ethics and Integrity Management Tools.</p> <p>The indicator will assess both the proportion of employees sensitized and the level of awareness created among the employees on the tools. Of the total weightage (100 percent), 40 percent is assigned on the delivery part and 60 percent on the level of awareness created. Further 40 percent weightage is apportioned as:</p> <ol style="list-style-type: none"> <li>1) No. of tools sensitized – 5 tools (10%);</li> <li>2) Mode of Delivery - face to face sensitization program (10%);</li> <li>3) Duration - one day or more (10%); and</li> <li>4) Percent of employees sensitized – 80 &amp; above (10%).</li> </ol> <p>The agencies will report on the above weightage (40 percent) using the standard form developed by ACC.</p>	<ul style="list-style-type: none"> <li>• Supporting documents from the agencies</li> <li>• Questionnaire based desk survey</li> </ul>	Annually	Admin Data

**Section 5: Requirements from other Ministries, Agencies & Dzongkhags**

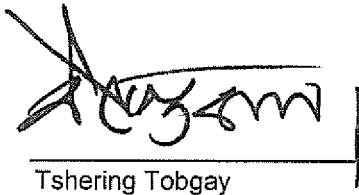
Organisation Name	Relevant Success Indicator	Requirement from the Organisation	Justification for the Requirement	Requirement detail	Impact (If Not Met)
CABINET SECRETARIAT	Timeline by which the Labour Force Survey report is published	Approval of the Labour Force Survey Report 2017	The LFS report is published only upon the approval of Cabinet	Approval of the Labour Force Survey Report 2017	The Report cannot be published and disseminated

Whereas,

I, the Minister, Ministry Of Labour And Human Resources, commit to the Prime Minister, the Government and the people of Bhutan to deliver the results described in this Annual Performance Agreement.

I, the Prime Minister, commit to the Minister, Ministry Of Labour And Human Resources, on behalf of the Government and the people of Bhutan, to provide the necessary fund and resources for delivery of the results described in this Annual Performance Agreement.

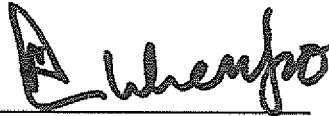
SIGNED:



Tshering Tobgay  
Prime Minister of Bhutan

4.8.17

Date



Ngeema Sangay Tshempo  
Minister

4.8.17

Date