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སློན་ཆེན་ཡིག་ཚང་།
ROYAL GOVERNMENT OF BHUTAN
PRIME MINISTER'S OFFICE

22 April 2021

Press Release on the Next Tranche of Financing the National Resilience Fund and Continuation of the Druk Gyalpo's Relief Kidu

His Majesty The King has Commanded that the Druk Gyalpo's Relief Kidu (DGRK) be continued for an additional period of 15 months from April 2021. The DGRK provides income and interest payment support to people who continue to face economic difficulties and uncertainties due to the COVID-19 pandemic.

While finalising the possible sources of the next tranche of financing for the National Resilience Fund (NRF), the NRF Task Force submitted several options, including transfers from government budget, borrowings from domestic market and concessional loans from multilateral development banks.

However, His Majesty Commanded that efforts to replenish the NRF should neither disrupt the economy nor affect the development plans and projects of the government. Transfers from government budget would reduce resources earmarked for implementing the 12th Plan development projects. Borrowing from the domestic financial market would crowd out the private sector and hinder a speedy economic recovery after the pandemic.

External borrowings would increase our national debt and burden future generations. These are measures which may be considered at a later time in the event that the pandemic worsens or recovery prolongs, and when other means of addressing our difficulties have been exhausted. In the meantime, even as we hope and pray for the pandemic to end soon, our strategy must be to remain fully prepared.



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Therefore, Royal Command has been granted that the next tranche of the NRF be financed in its entirety from His Majesty's Kidu Fund and the Sungchob Fund. His Majesty's Kidu Fund has been used to grant Kidu to thousands of Bhutanese to alleviate hardships and provide the ultimate social safety net.

The Sungchob Fund was established by our Kings as a security fund for the country during times of need.

His Majesty The King has said that in order to safeguard our security and sovereignty, we must invest in our youth. With this in mind, His Majesty had committed both the Kidu Fund and Sungchob Fund for Gyalsung, Bhutan's National Service. However, His Majesty has Commanded that the Funds must now be used to support our people through this period of great difficulty, as ensuring the wellbeing of our people must take precedence over even our most important national projects.

For further information on the DGRK, please visit www.royalkidu.bt or call Toll Free Numbers 1186/1187/1188