

GOVERNMENT OF INDIA
MINISTRY OF EXTERNAL AFFAIRS

LOK SABHA

UNSTARRED QUESTION NO- 3416

ANSWERED ON – 08/08/2025

PROJECT TIED ASSISTANCE

3416. SHRI CHHATRAPAL SINGH GANGWAR

Will the Minister of EXTERNAL AFFAIRS be pleased to state :-

(a) the objective of launching ten new projects with Bhutan under the 'Project Tied Assistance' Programme;

(b) the specific areas covered in these projects and the expected outcomes thereof;

(c) whether the Government has provided financial assistance of 750 crore and a programme grant of 100 crore for the Economic Stimulation Programme (ESP) of Bhutan; and

(d) if so, the current status of utilisation of these funds and their impact on Bhutan's economic recovery?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF EXTERNAL AFFAIRS

(SHRI KIRTI VARDHAN SINGH)

(a to d) India's development support to Bhutan is an important pillar of our close bilateral ties. GoI has committed support of INR 10,000 Crore for Bhutan's 13th Five Year Plan (FYP) period (2024-2029) for Project Tied Assistance (PTA) projects, High Impact Community Development Projects (HICDP), Economic Stimulus Programme (ESP) and Programme Grant.

In the 4th Development Cooperation Talks held in New Delhi on 30 June 2025, the second tranche of 10 new PTA projects amounting to INR 1113 crores across sectors such as healthcare, connectivity, urban infrastructure and livestock were approved.

GoI has so far released INR 750 crores towards Economic Stimulus Programme, which is being implemented by the Royal Government of Bhutan (RGoB) to boost domestic production, create new businesses, revitalize existing enterprises, generate employment opportunities, and increase tourist arrivals. GoI has also released

till date INR 100 crores of direct budgetary support to Bhutan as Programme Grant.

The RGoB has stated that the successful implementation of the 13th FYP will enhance the economy and create meaningful opportunities for the youth. The RGoB has conveyed their sincere appreciation and gratitude to the Government of India for its generous support for the 13th FYP of Bhutan.

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