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**TRANSPORT POLICY**  
**Table of Contents**

1.	Background .....	2
2.	Vision .....	3
3.	Mission .....	3
4.	Surface Transport .....	3
4.1	Objectives .....	3
4.2	Strategies .....	3
4.2.1	Improve accessibility, equity and affordability of passenger transport services.....	3
4.2.2	Promote urban transport .....	3
4.2.3	Provide choice of passenger and freight transport .....	4
4.2.4	Develop, upgrade and maintain transport infrastructure and facilities .....	4
4.2.5	Promote road safety to minimize road traffic accidents.....	4
4.2.6	Enhance efficiency of administration and improve public service delivery system .....	4
4.2.7	Initiate transport research .....	4
4.2.8	Develop institutional capacity .....	4
4.2.9	Promote private sector participation .....	4
4.2.10	Develop efficient freight transport system .....	5
4.2.11	Protect environment and promote the use of energy efficient and less polluting vehicles .....	5
5.	Air Transport .....	5
5.1	Objectives .....	5
5.2	Strategies .....	5
5.2.1.	Enhance safety and security of air services.....	5
5.2.2	Develop domestic air services .....	5
5.2.3	Promote international air services .....	5
5.2.4	Expand, upgrade and maintain airport infrastructure and facilities at par with international standard .....	6
5.2.5	Strengthen legal and institutional capacity, and improve service delivery system .....	6
5.2.6	Address environmental issues and gender disparity .....	6
6	The Way Ahead.....	6
7.	Definition .....	6

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## Transport Policy

### 1. Background

Road and air transport are the two major modes of transport in the country, and this sector has witnessed a modest growth during the last forty years since Bhutan launched the first five-year development plan. Rapid economic development and higher purchasing power of the people have led to greater mobility and therefore, increased demand for transport services. People's expectations for efficient and quality transport services and facilities have also increased correspondingly. Role of the government has since changed over the years focusing mainly on policy and regulatory issues, setting technical and services standards, strengthening enforcement and monitoring tools, developing basic transport infrastructure and protecting natural environment.

However, the sector continues to be plagued by problems despite its very important role in accelerating socio-economic development of the country. The quality, quantity and accessibility of transport infrastructure and services are still far from adequate. Passenger transport services in remote areas are either inadequate or unreliable, mainly due to high operating cost, seasonal flow of passengers and low earnings. Similar is the case with urban transport services. While urban residents are demanding better and efficient transport facilities and services, affordability remains an important factor for rural population. Problems related to traffic congestion, road crashes and environmental pollution continue to increase. Traffic enforcement is low due to lack of trained enforcement professionals, safety equipment and limited mobility. There has been a dramatic increase in the number of motor vehicles in the country while the road network has increased only marginally. Transportation cost and travel time are very high and the freight industry is in need of greater streamlining and development.

Growth in the international aviation sector has been modest and encouraging. Safety and security of air services, aviation infrastructure and associated facilities which are often capital intensive, would require continuous attention and up-gradation. Domestic air service is yet another important area requiring priority attention of the Government.

For the above reasons, the need for a sound, forward looking and technologically efficient transport system has been felt necessary as it not only results in cost savings in other sectors but also assists in speeding-up their growth. Therefore, the policy document is expected to support guide and support the growth of transport sector on the belief that:

- Improved access to reliable and safe transportation system is important for socio-economic development of the country, enhance quality of life and facilitate expansion of trade and tourism;
- Efficient transport system is necessary to achieve significant reduction in travel time, road user cost and the cost of transportation;
- Roads accidents impose immense loss to the communities and therefore not desirable;
- Road and transport system have adverse impact on natural environment and air quality;
- Private sector participation can bring about improvement in the level of transport services;
- Improved and efficient delivery of services to the public lead to higher productivity and promote good governance;
- Efficient transport system maximizes Gross National Happiness by continuously raising living standard, and expanding opportunities and choices of our people.

Recognizing further the high cost associated with road traffic accidents and aviation incidents, the Royal Government, through the approval of this policy document, reiterates its commitment to support the implementation of road and aviation safety programmes by way of allocating adequate resources.

**2. Vision**

Access to safe, affordable, efficient and environment friendly transport system for accelerated socio-economic development.

**3. Mission**

- 3.1 Provide and develop safe, reliable, efficient, cost- effective and environment friendly transport services in support of strategies for socio-economic development of the country.
- 3.2 Develop and operate domestic air services, and facilitate and improve international air services to promote air travel and trade in keeping with international standards, giving particular emphasis on safety and security aspects.

**4. Surface Transport**

**4.1 Objectives**

The overall policy objective of the surface transport sector is to improve access to safe, reliable, affordable, convenient, environment-friendly, responsible and high quality transport system in the country by minimizing constraints to the mobility of people, goods and services. Specific objectives are to:

- a) Improve accessibility, equity and affordability of passenger transport services;
- b) Promote urban transport;
- c) Provide choice of passenger and freight transport;
- d) Develop, upgrade and maintain transport infrastructure and facilities;
- e) Promote road safety to minimize road traffic accidents;
- f) Enhance efficiency of administration and improve public service delivery system;
- g) Initiate transport research;
- h) Develop institutional capacity;
- i) Promote private sector participation;
- j) Promote efficient, reliable and responsible freight transport industry providing services at minimum cost;
- k) Protect environment and promote the use of energy efficient and less polluting vehicles.

**4.2 Strategies**

The strategies outlined below will be supplemented by the recommendations made in the Surface Transport Master Plan, to the extent relevant and considered essential.

**4.2.1 Improve accessibility, equity and affordability of passenger transport services**

- a) Ensure that the needs of all commuters including children, women, sick or physically disabled and elderly are adequately addressed;
- b) Increase transport network and frequency of services;
- c) Subsidize passenger transport services on uneconomical routes;
- d) Regulate tariffs for passenger transport services including taxis, with tariff for freight transport determined by the market forces
- e) Reduce transportation cost and travel time through better and shorter roads including tunneling, in consultation with other relevant agencies;
- f) Expand non-motorized transport in remote areas in consultation with other agencies.

**4.2.2 Promote urban transport**

- a) Introduce urban transport where lacking and increase the number of city buses and expand route coverage, where already existing;
- b) Develop mass public transport such as sky train, electric tram or trolley buses;
- c) Implement car-pooling/car-sharing programmes through appropriate mechanisms;

- d) Encourage non-motorized transport such as cycling and walking in consultation with other agencies.
- 4.2.3 Provide choice of passenger and freight transport**
- (a) Explore, plan and develop alternative modes of passenger and freight transport such as railways and ropeways;
  - (b) Explore and implement water transport.
- 4.2.4 Develop, upgrade and maintain transport infrastructure and facilities**
- (a) Improve land use planning and correct spatial imbalances to address transport infrastructure and operation requirements;
  - (b) Develop quality transport infrastructure such as integrated bus terminal, offices and waiting sheds;
  - (c) Promote and develop convenient rest facilities along national highways.
- 4.2.5 Promote road safety to minimize road traffic accidents**
- (a) Promote cooperation and collaboration among stakeholders;
  - (b) Improve road traffic management and information network system including road signs;
  - (c) Promote safer roads in consultation with relevant agencies;
  - (d) Educate road users including pedestrians;
  - (e) Develop safer vehicle programmes;
  - (f) Develop an efficient incident management or post accident management system;
  - (g) Support enforcement agencies with modern equipment and adequate mobility.
- 4.2.6 Enhance efficiency of administration and improve public service delivery system**
- (a) Deploy ICT and promote e-services;
  - (b) Reduce processing time for driving license to one week and vehicle registration to five hours;
  - (c) Study and implement Intelligent Transport System;
  - (d) Establish reliable data-bank;
  - (e) Develop and enforce service standards and basic facilities in passenger transport vehicles;
  - (f) Develop appropriate skills for efficient public service delivery;
  - (g) Achieve better compliance to laws, rules and regulations and ensure fair and effective enforcement
- 4.2.7 Initiate transport research**
- (a) Review and amend legal and policy instruments;
  - (b) Undertake road safety research and costing of traffic accidents;
  - (c) Develop and implement fare model for passenger transport services and taxis;
  - (d) Upgrade vehicle standards and maintenance practices;
  - (e) Streamline vehicle import procedures in consultation with relevant Ministries/ agencies;
  - (f) Review tax, fees and other charges system relevant to motor vehicles and transport system.
  - (g) Develop fuel policy
- 4.2.8 Develop institutional capacity**
- a) Develop institutional capacity and professionalism;
  - b) Foster bilateral, regional and international cooperation.
- 4.2.9 Promote private sector participation**
- (a) Encourage and facilitate the involvement of private sector in transport activities;
  - (b) Support professional development.

**4.2.10 Develop efficient freight transport system**

- (a) Establish a comprehensive land freight transport information system;
- (b) Set-up uniform regulations on axle load, construction standards, vehicle and driver requirements; and guidelines to ensure safety and security of freight transport;
- (c) Encourage containerized cargo for international trade;
- (d) Conduct periodical consultation at the national level among government, public and private sectors, operators, stakeholders and users in order to promote interactive participation towards the establishment of an acceptable and effective land freight transportation system;
- (e) Establish regulations for transportation of hazardous materials and substances.

**4.2.11 Protect environment and promote the use of energy efficient and less polluting vehicles**

- (a) Enforce emission standards and develop vehicle maintenance practices;
- (b) Establish regulatory framework and operating standards for automobile workshops;
- (c) Explore, plan and develop environment-friendly transport system including the conversion of diesel engines to appropriate modes.

**5. Air Transport****5.1 Objectives**

The overall policy objective of the air transport sector is to develop domestic air services through the establishment of regional airports and improve external air links with full Instrument Landing System facility.

Specific objectives are to:

- (a) Enhance safety and security of air services;
- (b) Develop domestic air services;
- (c) Promote and expand international air services;
- (d) Expand, upgrade and maintain international airport infrastructure and facilities;
- (e) Strengthen legal and institutional framework, and improve service delivery system;
- (f) Address environmental issues and gender disparity.

**5.2 Strategies****5.2.1. Enhance safety and security of air services**

- (a) Continuously ensure high levels of safety and security of commercial air transport in compliance with Bhutan's obligations under international conventions ratified by the government and other domestic laws and regulations;
- (b) Establish an effective emergency and disaster management system;
- (c) Develop search and rescue capabilities;
- (d) Separate regulatory, provider and development functions;
- (e) Consolidate all security responsibilities at the airports;
- (f) Management of Bhutanese airspace, including the establishment of Flight Information Region through required infrastructure and facilities.

**5.2.2 Develop domestic air services**

- (a) Facilitate the introduction of domestic air services within the tenth plan;
- (b) Up-grade heliports/helipads and develop regional airports;
- (c) Encourage private sector participation and foreign direct investment.

**5.2.3 Promote international air services**

- (a) Develop international airport with Instrument Landing System capability;
- (b) Facilitate the growth of trade and tourism;

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- (c) Foster bilateral, regional and international cooperation;
  - (d) Enhance cooperation and collaboration among stakeholders;
  - (e) Regulate traffic and tariff until such time the market dictates otherwise.

#### **5.2.4 Expand, upgrade and maintain airport infrastructure and facilities at par with international standard**

- (a) Enhance security surveillance system and emergency response capabilities;
- (b) Up-grade and modernize communication and navigation aid, meteorological services and the Air Traffic Control facilities; and
- (c) Develop and expand infrastructure and associated facilities.

#### **5.2.5 Strengthen legal and institutional capacity, and improve service delivery system**

- (a) Develop institutional capacity and professionalism at all levels for efficient delivery of services;
- (b) Promote the use of Information and Communication Technology to enhance productivity and reduce cost;
- (c) Improve airport services and public service delivery system.

#### **5.2.6 Address environmental issues and gender disparity**

- (a) Address environmental issues associated with aviation infrastructure development including adequate facilities for safe disposal of waste;
- (b) Provide equal employment and career advancement opportunities.

### **6 The Way Ahead**

This document has highlighted a number of initiatives and provided framework within which relevant agencies and institutions are requested to provide their resources and attention for developing a safe and efficient transport system in the country. Such collaboration has become necessary considering the complimentary role that the transport sector provides to other economic activities. Road safety is yet another area that requires multi-sectoral approach.

Consequent to the approval of this policy document, detailed action plan, specifying time line and the agencies responsible for each activity will be developed for implementing the programs in a phased manner. The Ministry of Information & Communications will monitor and oversee the implementation of this policy document, which will be reviewed and amended periodically.

### **7. Definition**

In this policy document:

**“Electric trolley bus”** (also known as trolley bus or trackless trolley or simply trolley) is a bus powered by two overhead electric wires from which the bus draws electricity using two trolley poles. Two poles are required in order to accommodate the return current, which can not pass to the ground as in the case of an electric tram since trolleybuses use rubber tires rather than steel wheels on rail.

**“Electric tram”** is a rail-borne vehicle (lighter than a train) used for transport of passengers (and occasionally freight), which travels along rail tracks laid down for specific use of the tram system.

**“Intelligent Transport System”** is an umbrella term for a range of technologies including processing, control, communication and electronics that are applied to a transportation system. It also includes an advanced approach to traffic management including congestion, safety, pollution control and transport efficiency.

**“Passenger transport services”** refer mainly to bus services which provide scheduled services on designated routes, and are duly authorized to carry passengers on payment of fare fixed for a given journey.

**“Rest Facility”** means a passenger facility located on a highway where drivers and passengers can eat, take rest and use the rest-room before resuming the journey.

**“Road traffic”** means the quality of road vehicles, drivers/operators of vehicles, road traffic operation, road environment and the road traffic network.

**“Transport infrastructure and facilities”** means integrated bus terminals, offices, and rest and vehicle repair facilities along the national highways.

**“Two-wheelers”** means a two-wheeled motor vehicle which has its own motive power but not human or animal power.