



CIVIL SERVANTS' WELFARE SCHEME

A SELF-HELP PROGRAMME 'of, by and for' THE CIVIL SERVANTS

BY-LAW REVISED 2022

**ROYAL CIVIL SERVICE COMMISSION
ROYAL GOVERNMENT OF BHUTAN**



**DEDICATED TO THE 60TH BIRTH ANNIVERSARY
OF
HIS MAJESTY THE FOURTH DRUK GYALPO**

“As far as you, my people are concerned, you should not adopt the attitude that whatever is required to be done for your welfare will be done entirely by the government. On the contrary, a little effort on your part will be much more effective than a great deal of effort on the part of the government.”

- from the Coronation Speech of His Majesty the 4th Druk Gyalpo



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Abbreviations:

BCSR: Bhutan Civil Service Rules & Regulations

BoT: Board of Trustees

CID: Citizenship Identity

CSW: Civil Service Well-being

CSWS: Civil Servants' Welfare Scheme

DLG: Department of Local Governance

DoMS: Department of Medical Services

EOL: Extraordinary Leave

HR: Human Resource

MC: Marriage Certificate

MoF: Ministry of Finance

MoH: Ministry of Health

MoHCA: Ministry of Home & Cultural Affairs

NCWC: National Commission for Women & Children

NOC: No Objection Certificate

SMS: Short Message Service

ToR: Terms of Reference

FMC: Fund Management Committee

1. Introduction

- 1.1. The Royal Civil Service Commission as the central personnel agency is mandated, among others, to maintain a safe and healthy working environment including health, safety and welfare of its civil servants as prescribed in the Sections 27(f) and 89 of the Civil Service Act of Bhutan 2010 and also other prevailing laws;
- 1.2. Considering welfare as equally important as health and safety for civil servants, the RCSC has initiated the Civil Servants' Welfare Scheme, a programme 'of, by and for' civil servants whereby members and their dependents can receive financial relief in times of need;
- 1.3. The operation of the scheme and its membership rights and duties will be governed by this By-Law.

2. Preliminary

- 2.1. This scheme shall be called the Civil Servants' Welfare Scheme (hereinafter referred to as the scheme);
- 2.2. It will be abbreviated as CSWS;
- 2.3. It shall come into effect from 30th Day of the 9th Month of Wood Female Sheep Year of the Bhutanese calendar corresponding to the 11th November, 2015.

3. Authority

- 3.1. The prerogative of the Commission shall prevail over the issues not covered in this By-Law;
- 3.2. The Commission shall be the final authority in the interpretation of this By-Law;
- 3.3. The decision of the Commission shall be final and binding.

4. Purpose

- 4.1. To reinforce the age-old values of *Tha-Damtsi* and *Ley-Jumdrey* and inculcate a sense of fraternity in the Civil Service.

5. Objectives

- 5.1. Provide financial assistance to the civil servants and their direct dependents in times of need;
- 5.2. Take care of civil servants while in service and after superannuation;
- 5.3. Provide expanded welfare services, besides admissible grant for death, as may be decided by the Committee or the Commission from time to time depending on the fund position;
- 5.4. Instill sense of purpose, dedication and focus on one's duty.

6. Scope

- 6.1. Cover for death of members and dependents as defined;
- 6.2. Cover in the event of medical referral of a member outside Bhutan;
- 6.3. Cover in the event of the childbirth of a member;
- 6.4. Depending upon the status of the funds, areas of intervention by CSWS could expand to cover the following exigencies in the future:
 - 6.4.1. Permanent disability;
 - 6.4.2. Terminal illnesses;
 - 6.4.3. Any others, as deemed necessary by the Commission;
 - 6.4.4. Evolve as a Civil Service Credit Union.
- 6.5. Explore and make prudent investments for scheme sustainability.

7. Membership and Coverage

- 7.1. Membership is for regular Bhutanese civil servants;
- 7.2. Civil servants (appointed prior to the launch of the scheme) shall have one-time opportunity to either become members of this scheme by submitting **Form 3.1**;
- 7.3. Civil servants on long-term leave (study, secondment, medical, EOL, maternity leave, etc.) prior to the launch of the scheme will be given the same option as in clause 7.2 upon rejoining service. However, non-confirmation of membership within the period of one month after resuming the service will result in default non-membership;
- 7.4. Civil servants appointed after the launch of the scheme shall become members by default and register using Registration Form (**Form 3.2**);
- 7.5. Membership to the scheme is for life and withdrawal is not an option while in service unless terminated in line with the clause 8;
- 7.6. The scheme shall cover member's direct dependents. Members must nominate and indicate a primary nominee among the dependents. Nomination of dependents and any update should be done using **Form 3.3**;
- 7.7. If the member has already made one claim in the name of the spouse then such a member cannot nominate second spouse as dependent;
- 7.8. The scheme and the benefits thereof revolve around the member through his/her monthly contribution. Death of the member will automatically void the membership;
- 7.9. The members upon superannuation shall be granted free membership through Lifetime Membership Certificate (**Annexure 1**). But the coverage will then be only for the member himself/herself;
- 7.10. Those members who do not have any direct dependents can nominate at least one person as a representative to receive the admissible grant upon his/her demise;
- 7.11. Expatriates and contract civil servants shall not be eligible for membership.

8. Termination of Membership

Membership shall be terminated in the event of the following:

- 8.1. Death of the member will automatically void the membership;
- 8.2. Separation from the service by way of:
 - 8.2.1. Voluntary resignation;
 - 8.2.2. Early Retirement Scheme;
 - 8.2.3. Compulsory Retirement;
 - 8.2.4. Termination;
 - 8.2.5. Delinking of the Agency from the Civil Service.
- 8.3. Deceitful nominations, fraudulent claim, willful failure and violation of any other provision of this By-Law shall be construed as a violation of the Civil Service Code of Conduct and result in commensurate administrative action in line with BCSR, including refund of double the inadmissible claim made.

9. Fund

- 9.1. Funds for the Civil Servants' Welfare Scheme shall be generated through a monthly contribution from all its members;
- 9.2. The contribution shall be deducted at source by the respective Finance/Accounts Sections and deposited into the welfare account maintained with a partner financial institution;
- 9.3. The deduction shall start from the salary of the month of November, 2015. For fresh recruits joining as regular civil servants, the deduction shall start at the end of the month s/he becomes a member as per clause 7.4;
- 9.4. Monthly contributions should reach the designated account within the 10th day of the following month;
- 9.5. If a member fails to make the contribution on time, s/he must immediately pay the due contribution as arrears in the following month;
- 9.6. Members planning long-term absence have the following options:
 - 9.6.1. Make advance contribution for the entire period of absence to keep the membership alive. If death of the member were to occur prior to exhaustion of such a contribution, refund of the balance contribution shall be made along with the admissible payout grant;
 - 9.6.2. To temporarily discontinue membership for the duration of absence. No risk coverage shall be extended during the temporary discontinuation period. Membership can be reactivated upon resumption of office.
- 9.7. The scheme shall require every member to make a monthly contribution in the following categories:

Position category	Contribution (Nu.)
Executive & Specialists	300
Professional & Management	200
Supervisory & Support	100
Operational	75

- 9.8. The above contribution amount shall prevail until amendment of this By-Law;
- 9.9. In the event of wrong/double contribution by a member, s/he will be reimbursed immediately upon notice;
- 9.10. Any contribution(s) by non-member will be reimbursed immediately upon notice.

10. Welfare Scheme Management

- 10.1. A separate Savings Account shall be opened and maintained with the partner financial institution for administration of the scheme;
- 10.2. The partner financial institution shall manage the account and release the grant/refund upon approval of the RCSC into the claimant's bank account or issue personal cheque through their branch office nearest and most convenient to the claimant. For this, the partner financial institution shall have dedicated employees;
- 10.3. The partner financial institution shall provide interest as per the rate specified in the MoU;
- 10.4. The partner financial institution shall maintain the records of all the members and transactions in a computerised system, which will be shared with the RCSC;
- 10.5. Both the systems at the RCSC and the partner financial institution shall have smart features;
- 10.6. The partner financial institution shall submit monthly fund status report to the RCSC;
- 10.7. In case the scheme becomes unsustainable, the CSWS Fund Management Committee (FMC) shall apprise the Commission for appropriate intervention;
- 10.8. All members shall be given the right to view the status of the fund;
- 10.9. HR Officer shall submit monthly reports of claims to the RCSC through the respective HR Committees;
- 10.10. The report on the scheme will be published quarterly;
- 10.11. The scheme shall be subject to audit.

11. Savings

- 11.1. Monthly contributions shall be accumulated as savings into the designated account maintained by the partner financial institution;
- 11.2. Partner financial institution shall credit the interest amount at the negotiated rate as covered in the MoU;
- 11.3. Available funds could be invested in profitable ventures upon approval of the CSWS FMC.

12. Benefits

- 12.1. The payment of admissible grant will become payable only upon credit of the first remittance to the designated account;
- 12.2. Only one payment will be made against a death instance irrespective of the number of contributing members;
- 12.3. This is a defined benefit scheme and all members shall be equal beneficiary of the scheme irrespective of the contribution:
 - 12.3.1. Nu. 75,000 in the event of the death of a member;
 - 12.3.2. Nu. 35,000 in the event of the death of a dependant; and
 - 12.3.3. Nu. 50,000 in the event of the death of a superannuated member.

- 12.3.4. Nu. 20,000 in the event of medical referral of a member/superannuated member outside Bhutan.
- 12.4. Nu. 10,000 in the event of the childbirth.
- 12.5. The above grant amount will prevail until amended by the Commission/CSWS FMC. However, it is subject to progressive review by the Commission/CSWS FMC to keep up with changing needs and times;
- 12.6. In the event of the death of a member who is also a dependant of another member, only one payment, whichever is higher, shall be made;
- 12.7. In the event of a death of a common dependent, the claim could be made by one of the members but only upon production of NOC from all other member(s). The HR Officer verifying the claim should assure that the NOC from all other member(s) are attached;
- 12.8. In the event of death of member and the primary nominee/dependent at the same time, only the coverage of the CSWS member shall be made.
- 12.9. Members with common dependent shall not be eligible for Clause 12.7 if claim has already been made against the common dependent;
- 12.10. Use of the scheme fund as collateral to avail personal loan shall not be permitted.

13. Claim Procedures

- 13.2 Claimant submits the duly filled form (*Form 3.5 for Semso, Form 24-7 for Medical Referral and Form 24-8 for Childbirth*) to the HR Officer;
- 13.3 HR Officer verifies (involve Civil Registration & Census Section and Gewog Administration if required) the claim against the following documents as applicable:
 - 13.3.1 Citizenship identity card of the claimant (if not member)
 - 13.3.2 Citizenship identity card of the deceased (if not member)
 - 13.3.3 Marriage Certificate in case of the claim being made for the spouse. The original letter from the court would suffice in lieu of the Marriage Certificate to make the claim against the late spouse without MC;
 - 13.3.4 Birth Certificate/Health Card in the case of claim being made for the childbirth;
 - 13.3.5 Family Tree from the Dept. of Civil Registration & Census reflecting the CID number allotted to the child in the case of claim being made for the child aged one year and above and 15 years and below;
 - 13.3.6 Legal adoption paper from the NCWC (for adopted child);
 - 13.3.7 Medical Referral Sanction Order.
- 13.4 Head of the Agency scrutinizes and approves/regrets;
- 13.5 HR Officer forwards the claim electronically to the RCSC for approval/regret;
- 13.6 RCSC makes the final approval and auto notify the partner financial institution and Agency concerned;
- 13.7 The partner financial institution deposits the admissible grant amount in the claimant's bank account and simultaneously send a SMS to the claimant;
- 13.8 The claim shall be closed and deemed complete when the partner financial institution deposits the money (this must be done within one working day from the receipt of the approval from the RCSC);

- 13.9 In case the claimant does not have a bank account:
 - 13.9.1 The partner financial institution informs both the RCSC and the Agency concerned when the cheque is ready;
 - 13.9.2 HR Officer will inform the claimant to visit the partner financial institution/Branch Office;
 - 13.9.3 The partner financial institution/Branch Office writes a cheque;
 - 13.9.4 The claim will be closed and deemed complete when the partner financial institution issues the cheque and claimant acknowledges through a receipt;
- 13.10 Claimant may make the claim within 90 days from the date of death;
- 13.11 Claim should be routed through the member's working agency;
- 13.12 Claim by and for the superannuated member can be routed through the agency that the member last served or the agency that is most convenient to claimant's current place of residence or directly through the RCSC.
- 13.13 All claims for the dependents should be made by the member only;
- 13.14 Claim for the member should be made by the primary nominee or by one of the dependents upon production of the authorization from the primary nominee. In the event the dependents are minor, a designated nominee should process the claim. In the case of claim for a common dependent, it will be as per clause 12.6;
- 13.15 In the event the member and all his/her dependents die at the same time, the Committee shall decide in consultation with the agency concerned as to who shall receive the admissible grant;
- 13.16 Release of the admissible *semso* grant shall be made within five working days from the date of receipt of the claim form by the HR Officer of the agency concerned.

14. Administration

14.1 Commission

- 14.1.1 The Commission shall be the ultimate authority with regard to the administration of the CSWS. The Commission shall be responsible to oversee implementation of the CSWS. It shall advise the Committee on the introduction of new products/services for civil servants and work closely with [CSWS FMC](#) on investment possibilities as and when deemed appropriate.

14.2 Well-being Committee

- 14.2.1 There shall be a Well-being Committee to ensure that the Civil Service Well-being remains true to its objective for all times. It has responsibility to successfully implement programs at hand and also come up with future programs to take care of emerging needs of the Civil Service. The Committee shall oversee the management of the CSW as stated in the ToR;
- 14.2.2 The Committee shall adjudicate on all matters arising from the scheme. It shall have original jurisdiction over all issues related to administration of the scheme. Issues not resolved by the Committee shall be escalated to the Commission. Commission decisions can be appealed to the High Court within 10 days from date of Commission decision;

14.2.3 Composition of the Well-being Committee

i. Director, RCSC	Chairperson
ii. Chief HR Officer, HRMD	Member
iii. Chief HR Officer, HRDD	Member
iv. Chief HR Officer, HRAD	Member
v. Chief HR Officer, LTD	Member
vi. Head (Well-being Unit)	Member Secretary

14.2.4 CSWS Fund Management Committee

Commission shall appoint a CSWS FMC mandated to review the contribution vis-a-vis the payout amount of the scheme and also to explore investment avenues so as to ensure that CSWS is sustained over time and continues to remain an effective and relevant intervention for all times. The CSWS FMC shall function in line with the ToR approved by the Commission.

14.3 Well-being Unit

14.3.1 The Well-being Unit, RCSC shall manage the day-to-day affairs of the CSW as stated in the ToR.

15. Closure of the Scheme

15.1. In the unlikely event of closure of the scheme, the RCSC shall:

15.1.1. Notify the members about the closure of the scheme;

15.1.2. Refund the balance amount to its contributing members pro-rated to their contribution. However, only the members who have not made a single claim will be eligible for such a refund;

15.1.3. Constitute a committee consisting of representation from all major agencies to decide on the residual fund after making the refund as per clause 15.1.2;

15.1.4. Not be liable for any lawsuit after the closure of the scheme.

16. Amendment

16.1. The amendment of this By-Law by way of addition, variation or repeal shall be affected based on the decision of the Commission.

17. Forms

17.1. All relevant forms are attached herewith.

Definition

1. **Admissible claim:** a defined claim or grant amount payable in the event of death
2. **Civil Service Credit Union:** a financial cooperative to provide loans at competitive rates to its members
3. **Commission:** Royal Civil Service Commission
4. **Common dependent:** when a person is declared as dependent by two or more members
5. **Committee:** Well-being Committee of the Civil Service Well-being
6. **Deceitful nominations:** nominations made beyond the defined direct dependents
7. **Direct dependents:** member's own biological parents, a spouse, and children (including legally adopted if the member does not have biological child)
8. **Fraudulent claim:** claim made against a fictitious death or against a wrong dependent or a double claim
9. **Member:** a regular and Bhutanese civil servant who has enrolled as the member of the CSWS
10. **Permanent disability:** when the member becomes physically handicapped which in turn effects his/her performance at work
11. **Primary nominee:** a person identified by the member from his/her list of dependents to make the admissible claim in the event of the death of the member
12. **Single dependent:** when a person is declared as dependent by only one member
13. **Terminal illnesses:** any kind of illness that has been termed as terminal by a competent medical authority/board
14. **Willful failure:** the deliberate failure by the member to make the monthly contribution on time

Annexure 1: Lifetime Membership Certificate





ROYAL CIVIL SERVICE COMMISSION

Civil Servants' Welfare Scheme

CSWS Registration Form (New Recruits)



Upon appointment in the Civil Service, I,bearing EID
 No.:working under (Agency)
 hereby join as a member of the Civil Servants' Welfare Scheme of the Royal Civil Service
 Commission w.e.f.

I pledge to abide by the terms and conditions of the scheme.

Place:

Date:

Sd/
 (Legal stamp)
 Signature

Verified by the HR Officer:

Date

Name

Signature

Official seal

Approved by the Head of the Agency:

Date

Name

Signature

Official seal



ROYAL CIVIL SERVICE COMMISSION

Civil Servants' Welfare Scheme

Nomination/Update Form



1. Information about the member

- | | |
|---------------------------|------------|
| • Full name: | EID no.: |
| • Position Title & Level: | Gender: |
| • Agency: | CID no.: |
| • e-mail id.: | Contact #: |

2. Information about the direct dependent(s):

Direct dependants comprise of one's own biological parents, a spouse, and child(ren), including legally adopted, if the member does not have biological child.

(Dependent in sl. # 1 is the primary nominee)

Sl. #	Name	CID number	Date of birth	Relationship
1				
2				
3				
4				
5				

(Add rows if required)

The member must attach the photocopy of the following documents:

1. Citizenship identity card of the member;
2. Marriage Certificate of the member;
3. Citizenship identity card of dependents (except for child below the age of 15 years);
4. Family Tree from the Dept. of Civil Registration & Census reflecting the CID number allotted to the child aged one year and above and 15 years and below;
5. Birth Certificate/Health Card of children (aged 1 year and below); and
6. Legal adoption paper from the NCWC (for adopted child).

3. Undertaking:

I, hereby do confirm that the above list of nominees are my authentic dependants.

Place:

Date:

Sd/
(Legal stamp)
Signature

For official use:

Verified by the HR Officer:

Date
Name
Signature
Official seal

Approved by the Head of the Agency:

Date
Name
Signature
Official seal



ROYAL CIVIL SERVICE COMMISSION

Civil Servants' Welfare Scheme

Claim Form



1. Information about the deceased

- Full name:
- CID no.:
- Date of death (dd/mm/yyyy):
- If member, provide the information below:
 - EID no.:
 - Agency:
- Tick ONLY one whichever is applicable:
 - Member
 - Superannuated member
 - Dependent (only if not 1 or 2)

2. Information about the claimant

- Full name:
- CID no.:
- Mobile no.:
- Relationship to the deceased:
- Name of the bank/branch:
- Bank account no.:
- If member, provide the information below:
 - EID no.:
 - Agency:

3. Attach the death certificate OR a statement from the Gup certifying the death.

4. Undertaking:

I, hereby do confirm that the above information is true to the best of my knowledge. In the event the above declaration is found to be incorrect, I shall be liable for action as per the law of the land.

Place:
Date:

Sd/
(Legal stamp)
Signature

For official use only

Verification by the HR Officer:

Crosscheck the following documents (photocopy) as applicable:

1. Citizenship Identity Card of the claimant
2. Citizenship Identity Card of the deceased
3. Marriage Certificate in case of a claim is being made for the spouse or the photocopy of the letter from the court in lieu of the Marriage Certificate
4. Family Tree from the Dept. of Civil Registration & Census reflecting the CID number allotted to the child in the case of claim being made for the child aged one year and above and 15 years and below
5. Birth Certificate or Health Card in case of a claim is being made for a child aged 1 year and below
6. Legal adoption paper from the NCWC (for adopted child)
7. Lifetime Membership Certificate in case of a claim by and for the superannuated member

Date

Name

Signature

Official seal

Approval by the Head of the Agency

Date

Name

Signature

Official seal

a. Information of the civil servant/Agency:

- Name:
- Position Title and Level:
- EID:
- Agency:
- Mobile No:

b. Reasons for Reimbursement (tick wherever relevant and attach supporting documents):

- Non-member
- Double deposits
- Wrong deposits

Place:

Date:

Sd/
(Legal stamp)
Signature

c. Reimbursement details:

- Deposits made to CSWS from to
- Total Amount: Nu..... /-
- Bank details:
 - Account No:
 - Bank:
 - Branch:

Verification by the HR Officer:

Name/Signature/Seal