



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

**AGREEMENT ON SERVICE TERMS AND CONDITIONS
FOR CONTRACT EMPLOYEES**

PART I: GENERAL CONDITIONS

1. Agreement

THIS AGREEMENT is executed on..... (DD/MM/YYYY) between (the RCSC/ Agency), Royal Government of Bhutan, hereinafter called “the employer” and Mr./Ms., hereinafter called “the employee”.

WHEREAS the employer desires to engage the services of the contract employee on the terms and conditions hereinafter set forth; and

WHEREAS the contract employee is ready and willing to accept this engagement of service with the Government of Bhutan on these terms and conditions.

2. Nature of Service

The employer shall employ the employee oncontract and he shall serve the employer as or in such other capacity/place/department as the employer may from time to time require.

3. Duration of Agreement

The employment hereunder shall be for a total period of months commencing from the day month year (hereinafter referred to as the contract period), subject to premature termination as hereinafter provided.

4. Documents

Upon joining duty in the organisation concerned, the contract employee shall send a copy of his joining report through the controlling officer concerned to the employer.

An expatriate contract employee shall produce a certificate issued by the police/local authority of the area of his home address, certifying that he is a bonafide inhabitant of that locality, or a letter from an Embassy of the country of which he is a national certifying/verifying the nationality of the individual concerned or a valid passport.

The contract employee shall sign an oath of adherence to the Civil Service Values and Conduct and Confidentiality in the prescribed format

5. Duty

The contract employee shall devote exclusively to duties or to such other duties as the employer shall reasonably assign to him and shall personally attend thereto at all times by day or by night (including Sundays and Public Holidays, if necessary) except in the case of illness or accident in which case the employee shall forthwith notify the employer of such illness or accident and shall furnish such evidence as it may require.

The contract employee shall promptly and faithfully obey, observe and comply with all lawful orders, instructions and directions of the employer and observe all the rules and regulations and instructions in force for and in respect of the Government of Bhutan's property and management thereof.

6. Civil Service Values and Conduct

The employee shall be bound by the Civil Service Values and Conduct prescribed in Chapter 3 of the BCSR and in particular shall:

- 6.1 At all times during the continuance of this Agreement use the best endeavors to promote the interest and welfare of the employer; and
- 6.2 Respect all the Bhutanese spiritual, traditional and cultural values and practices. Accordingly, the employee shall conduct at all times in accordance with the BCSR.

7. Remuneration and Allowance

- 7.1 The employer shall during the employment period, pay to the contract employee the pay and allowances specified in Part-II which shall be payable monthly in arrears on the last working day of every calendar month.

8. Leave

- 8.1 A contract employee shall be eligible for the following categories of leaves except Extraordinary Leave and the Study Leave
 - 8.1.1 Casual Leave, Bereavement Leave, Paternity Leave shall be as per the relevant Sections in Chapter 10 of the Rule.
 - 8.1.2 Maternity Leave: The employee shall be eligible for Maternity Leave as per Section 10.7 of the Rule if the employee has served minimum of 12 months of service. However, if the employee has not completed 12 months of service

before applying for the leave, she shall be eligible for three months of Maternity Leave.

- 8.1.3 Earned Leave: The employee shall earn leave at the rate of 2.5 (two and half days) for every completed month of service. This leave shall be accumulated to a maximum of 30 days annually, which the employee is permitted to encash. In case the employee does not render a minimum of one year's service, he/she shall not be eligible to encash leave at credit.

The employee under teaching profession entitled to annual vacation shall not be eligible to Earned Leave. In an academic year, a civil servant in the Teaching Profession shall be entitled to:

- a. Full paid annual vacation for rendering a minimum of seven months service;
- b. One month paid vacation for rendering less than seven months but three months or more service; and
- c. No paid vacation for rendering less than three months service.

- 8.1.4 Medical Leave: The employee, who has been certified as incapable of performing duties due to illness or injury shall be granted Medical Leave up to a month on production of a medical certificate from a certified medical doctor in Bhutan. The employee on Medical Leave shall be entitled to gross pay.

- 8.1.5 If the Medical Leave exceeds one month at a time, the employer shall end the contract without notice whereby the employee shall be paid gratuity and repatriation benefits.

9. Leave Travel Concession (LTC)

The employee shall only be eligible for LTC after rendering a minimum of one year of service. LTC shall be paid once in a financial year with a maximum ceiling as per existing financial rules.

10. Difficult Area Allowance, Professional Allowance, Uniform Allowance, and Radiation Allowance shall be paid to the contract employees as per Chapter 11 of BCSR 2018.

11. Training: The employee shall be eligible for profession relevant in-country short term training only.

12. Medical Facility

A contract employee and the family members shall be provided medical treatment by the Government as per the prevailing medical treatment rules.

13. Housing

The employee shall be eligible for house rent allowance, where admissible, as per the prevailing financial rules. However, if Government accommodation is provided, house rent shall be deducted as per the prevailing rules.

14. Pension, Provident Fund, and Insurance Scheme

Pension, Provident Fund, Government Employee Group Insurance Scheme shall be, in accordance with relevant laws and regulations

15. Compensation

In the event of death, injury, or illness attributable to the performance of service under the terms of this Agreement, the employee shall be entitled only to compensation payable under Government Employee Group Insurance Scheme admissible for the grade of his post.

16. Deduction

Personal Income Tax and other statutory deductions shall be deducted according to the prevailing rules.

17. Terminal Benefit

17.1 Gratuity

A contract employee shall be entitled to receive one month's last basic as gratuity for every completed year of satisfactory contract service. However, for teaching profession, every completed academic year shall be considered for the purpose of calculating gratuity.

In the event the employee initiates and terminates the contract before the expiry of the contract term, one month's notice should be given to the employer to avail the gratuity for the completed year of satisfactory contract service.

In the event the employer terminates the contract, the gratuity shall be paid for the completed year of satisfactory contract service. However, when the employee's contract is terminated by the employer on ground of non-performance or misconduct or breach of contract terms and conditions, he shall not be eligible for gratuity.

In the event of the employee's death while in service, the gratuity shall be payable to the nominee(s) of the employee for the completed year of satisfactory contract service.

17.2 Repatriation Benefit

17.2.1 The following repatriation benefits shall be payable to the employee only once during the entire Civil Service period, irrespective of changing the status or terms of appointment:

- i. Transfer grant according to the prevailing rules;
- ii. Travel Allowance of an amount equal to the last basic pay that the employee is entitled to at the time of repatriation; and
- iii. Transport charge of personal effects as per the prevailing rules.

17.2.2 However, repatriation benefit shall not be permissible on the following conditions:

- i. When the employee's contract is terminated by the employer on ground of non-performance or misconduct or breach of contract terms and conditions;
- ii. When the employee initiates and terminates the contract before expiry of the initial contract term; and
- iii. When the service status is changed from contract to regular or regular to contract, except if required to travel to new place of posting which should be as per Section 14.9 of the BCSR 2018.

18. Mode of Payment

Remuneration and allowances and all other entitlements under the agreement shall be payable only in Ngultrums.

19. Rights and Obligations of the Employee

- 19.1 The rights and obligations of the contract employee are strictly limited to the terms and conditions of this Agreement. Accordingly, the contract employee shall not be entitled to any benefit, payment, subsidy, compensation or entitlement, except as expressly provided in this agreement.
- 19.2 The employee shall be solely liable for claims by third parties arising from the employee's own negligent acts or commissions in the course of performing this agreement, and under no circumstances shall the Government of Bhutan be held liable for such claims by third parties.
- 19.3 The title rights, copyrights, and all other rights of whatever nature in any material produced under the provision of this agreement by the employee shall be vested exclusively with the Government of Bhutan.
- 19.4 The employee shall not, at any time during the continuance of his employment hereunder, acquire or attempt to acquire any option or concession in Bhutan for him/herself or any other person.
- 19.5 The employee shall not draw, accept or endorse any bill on behalf of the employer or in any way pledge the credit of the employer except so far as he may have been authorized by the employer either generally or in any particular case.

20. Unpublished Information

- 20.1 The contract employee shall not communicate to any person, Government, or other Agency of the Government of Bhutan any unpublished information made known to the employee by reason of his association with the Government of Bhutan except as required by this assignment or upon written authorisation by the Government of Bhutan.
- 20.2 The contract employee shall not advertise or publicize his association with the Government of Bhutan under this agreement. Nor shall the name, letterhead, emblem,

or official seal of the Government of Bhutan be used for business or professional purposes or otherwise without the prior written approval of the Government of Bhutan. Such materials intended for official use by employees of the Government of Bhutan should not be permitted to come into the possession of persons who might make unauthorized use of them, and shall not be used for personal purposes. The provision shall survive the expiration or termination of this agreement.

21. Confidentiality and Non-competition

The Government of Bhutan requires, and the contract employee agrees that, during the term of the employment and at any time thereafter, the contract employee shall retain in confidence and not divulge or make available without the Government of Bhutan's advance written consent to any person, firm, corporation, or entity other than the Government of Bhutan or its designee, any information whatsoever. This includes the written embodiments of the services for the Government of Bhutan, in reports, studies, or the like, acquired or developed during the term of employment, which relates to or concerns the business or operation of the Government of Bhutan or of its clients or customers.

22. Renewal of Contract

Not less than six months before the date of which the contract employee's residential service in Bhutan under this Agreement is due to expire, he shall inform the employer in writing whether he desires to remain and continue in the service of the employer, who shall thereupon consider whether to re-engage the contract employee, provided that any such re-engagement shall be upon such conditions, including the duration of the new contract, as shall be agreed upon between the employer and employee.

The criteria for contract extension and renewal shall be based on Performance Rating, Availability of vacancy and Clean service record.

Any notice to be given hereunder shall be given in writing and be delivered or sent by registered post to the employer, and any complaint or application of the employee shall in the first instance be addressed to the Head of the office of the employing Department/Agency.

23. Termination of Contract

A contract employee shall not be indispensable to the Government of Bhutan and hence shall be liable to be removed from service at any time when the Government finds his services redundant or on violation of any of these provisions.

A minimum of one month's notice shall be issued by the party intending to terminate the contract before expiry of the term. However, in the case of lecturers/teachers, three months notice shall be required. In the event of failure to serve the notice in advance of the required period, the defaulting party shall pay to the other, the basic pay of the employee for the stipulated notice period.

The required notice period should also be given to avail gratuity.

24. Clearance Certificate

The contract employee shall be paid his retirement benefits upon completion of his assignment under this agreement upon production of a clearance certificate from the Royal Audit Authority and the employing Agency concerned.

Seal and Signature of Employer

Signature of Employee

Note: Employer and employee to sign on all pages of this document

PART II: PAY FIXATION

- 1. Position Title:.....

Position Level:.....
- 2. Agency:.....
- 3. Period of Contract
 - a) Initial appointment: from to (DD/MM/YYYY)
 - b) Renewal/Extension: fromto..... (DD/MM/YYYY)
- 4. Contract Type: Regular Consolidated Special
- 5. Emolument
Basic Pay: Nu.....[Nu. (in words)
.....only]
- 6. Contract Allowance: (if eligible) Nu.....
Annual Increment: (if eligible) Nu.
- 7. Other allowance (if entitled)
 - a. Professional allowance : Nu.....per month
 - b. Uniform allowance : Nu.....per month
 - c. Radiation allowance : Nu.....per month
 - d. House rent allowance : Nu.....per month
 - e. Difficulty area allowance : Nu.....per month
 - f. Other allowances, if any : Nu.....per month(Specify)
Gross Total (5+6+7) : Nu.....per month
- 8. Deduction
All deductions such as Personal Income Tax, Health Contribution, House rent (if a government house is allotted) shall be levied as per the prevailing rules.

Seal and Signature of Employer

Signature of Employee

PART III: MISCELLANEOUS

Laws

The Agreement shall be construed according to and be governed by the laws of the Kingdom of Bhutan.

Appeal

Any appeal due to breach of any of the terms and conditions under this agreement by either employer or employee shall have recourse to a legal action/arbitration in a court of law in the Kingdom of Bhutan only.

IN WITNESS WHEREOF, I,(employer) on behalf of the Agency and I, (employee), have hereto set our hands this day and year.

SIGNED by the contract employee
DD/MM/YYYY (Affix Legal Stamp)

In the presence of

SIGNED for and on behalf of the Agency:
DD/MM/YYYY

In the presence of