



**PERFORMANCE AGREEMENT**

**BETWEEN**

**Secretary and Director**

**DEPARTMENT OF AIR TRANSPORT  
MINISTRY OF INFORMATION & COMMUNICATIONS**

**(July 1, 2016 – June 30, 2017)**

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**Preamble**

The Performance Agreement is entered into between the Secretary and Director, Department Of Air Transport.

The objectives of this Performance Agreement are:

- a) To establish clarity and consensus about annual priorities for the Department Of Air Transport consistent with the 11th Five Year Plan of the Ministry, and Government's other priorities;
- b) To provide an objective and fair basis for evaluating the overall performance of the Department Of Air Transport at the end of the financial year

The Performance Agreement represents an important accountability mechanism for inculcating a performance based culture at all levels of government.

**THEREFORE**, the parties hereto agree as follows:

## **Section 1: Vision, Mission and Objectives**

### **Vision**

To provide efficient and reliable delivery of services for safe, secure and sustainable operation of airports in Bhutan

### **Mission**

To develop and manage airport and air navigation infrastructure and services to international standards, meeting our stakeholders value while profitably contributing to the national economic development.

### **Objectives**

- 1) To increase safe, reliable and affordable Air Transport
- 2) To prevent corruption
- 3) To provide effective and efficient direction and operational services

## Section 2: Objectives, Success Indicators & Target

Objective	Weight	Action	Success Indicator	Unit	Weight	Excellent [100%]	Very Good [90%]	Good [80%]	Fair [70%]	Poor [60%]	
To increase safe, reliable and affordable Air Transport	87	To enhance safe air transport operation at PIA	Timeline by which Security Gadgets, Arms and Ammunition purchased	Percent	3	100	90	80	70	60	
			Timeline by which Flight inspection/calibration of Nav-Aids equipment carried out	Date	1.5	05/31/2017	06/30/2017	06/30/2017	07/31/2017	07/31/2017	
			Percentage completion of Relocation and up-gradation of Airport Substation at PIA	Number	2	70	60	50	40	30	
			Percentage completion of Construction of parallel taxiway at PIA	Percent	1.5	50	40	30	20	10	
			timeline by which AMSS is upgraded to AMHS	Date	2.5	06/30/2018	07/31/2018	08/31/2018	09/30/2018	10/31/2018	
	Increase in ton of Air Cargo Carriage (in million kg)			Percentage completion of new Cargo Complex at PIA	Percent	2.5	50	40	30	20	10
				Increased in air cargo carriage (million kg)	Million	1.5	1.5	1.4	1.3	1.2	1.1
	To increase passenger handled by PIA annually			Percentage completion of Existing terminal building modification at PIA	Percent	3	50	40	30	20	10
				Percentage completion of Modification and up-gradation of central heating system at PIA	Percent	2	50	40	30	20	10
				Number of passenger handled by PIA annually	Number	2	255000	245000	240000	235000	230000
	Improvement and enhancement of airport facilities at			Percentage completion of Construction of maintenance store building at PIA	Percent	3	100	90	80	70	60

Objective	Weight	Action	Success Indicator	Unit	Weight	Excellent [100%]	Very Good [90%]	Good [80%]	Fair [70%]	Poor [60%]	
		PIA	Percentage completion of Refurnishing of new terminal VVIP and ceremonial lounge	Percent	2	100	90	80	70	60	
			Number of passenger three sitter chairs purchased	Number	2	200	180	160	140	100	
			Percentage completion of improvement of network and network security	Percent	2.5	100	90	80	70	60	
			Percentage completion of construction of public toilet at parking area	Percent	2	100	90	80	70	60	
	To enhance safe air transport operation at Domestic Airports			Percentage completion of Nav/Aid improvement activities at Domestic Airports	Percent	3.5	100	90	80	70	60
				Percentage completion of installation and commissioning of AWOS at YDA and fabrication of two new wind sock mast on either side of the runway	Percent	1.5	100	90	80	70	60
				Percentage completion of seasonal river dredging work at GDA-RGoB	Percent	2	100	90	80	70	60
				Percentage completion of Air side security fencing at BDA	Percent	3	100	90	80	70	60
				Percentage construction of security quarter at GDA	Percent	2.5	20	15	10	5	5
				Percentage completion of Construction of access road and car park at GDA	Percent	2.5	20	15	10	5	5

Objective	Weight	Action	Success Indicator	Unit	Weight	Excellent [100%]	Very Good [90%]	Good [80%]	Fair [70%]	Poor [60%]	
			Percentage completion of Development of YDA- Demolishing of hills beside runway, reshaping and resurfacing of runway, construction of car park and access road (ADB)	Percent	3	100	90	80	70	60	
			Number of crash fire tender for BDA purchased	Number	2	1	1	1	1	0	
	Improvement and enhancement of Airport facilities at Domestic Airports			Compensation of land at BDA & GDA	Percent	1.5	50	40	30	20	10
				Percentage completion of Construction of Fire station at GDA	Percent	2.5	100	90	80	70	60
				Percentage completion of Purchase and improvement of network and network security for domestic Airports	Percent	2	100	90	80	70	60
				Number of farm tractor for GDA purchased	Number	1	1	1	1	0	0
	Increase passenger using Domestic Sectors annually			Number of passenger using domestic air sector increased	Number	2	4300	3500	3000	2500	2500
				Percentage completion of terminal and associated services (parking and power supply) at BDA	Percent	4.5	20	15	10	5	5
	Implement national integrity and anti-corruption			Gift register maintained	Date	1	07/01/2016	07/01/2016	08/01/2016	09/01/2016	09/01/2016
				Number of executives who have done integrity diagnostic testing	Number	2	1	1	1	0	0

Objective	Weight	Action	Success Indicator	Unit	Weight	Excellent [100%]	Very Good [90%]	Good [80%]	Fair [70%]	Poor [60%]
		strategy	Number of executives and P1 level who have done asset declaration on time	Number	2	4	3	2	1	0
		Improve public service delivery (Checking in and Checking out of	Reduce check in time of Airbus passenger	Minutes	2.5	80	90	100	110	115
			Reduce check out time of Airbus passenger	Minutes	2.5	35	40	45	50	55
		Capacity Development	Number of Human Resource trained for security and safety (Mandatory)	Number	4	10	8	6	4	2
			Number of AVSEC personnel availed training and seminar in Security and Surveillance	Number	4.5	10	7	5	3	3
			Number of Human Resource who availed in-country training for Security, Fire & Maintenance	Number	2	40	30	20	10	5
To prevent corruption	5	Implement action plan adopted after the conduct of Integrity Diagnostic Test	Percentage of IDT recommendations implemented	Percent	5	91-100	81-90	71-80	61-70	<60
To provide effective and efficient direction and operational services	3	Provide effective and efficient operational and direction services	Timeline by which office renovation is carried out	Date	0.5	NA	NA	NA	NA	NA
			Number of months for which Monthly salary of employees are credited into individual accounts by 30th of every month	Number	1	12	-	-	-	11
			% of working days for which pool vehicles are kept under running condition	Percent	0.5	98	95	92	90	88



Objective	Weight	Action	Success Indicator	Unit	Weight	Excellent [100%]	Very Good [90%]	Good [80%]	Fair [70%]	Poor [60%]
			% reduction of office and vehicle maintenance cost compared to previous fiscal year	Percent	0.5	NA	NA	NA	NA	NA
			Turn around time for cheque clearance by Accounts	Days	0.5	5	6	7	8	9

**Section 3: Trend values of success indicators**

Objective	Action	Success Indicator1	Unit	Actual Values [FY 2013-14]	Actual Values [FY 2014-15]	Target Values [FY 2015-16]	Projected Values [FY 2016-17]	Projected Values [FY 2017-18]
To increase safe, reliable and affordable Air Transport	Capacity Development	Number of AVSEC personnel availed training and seminar in Security and Surveillance	Number				10	
		Number of Human Resource trained for security and safety (Mandatory)	Number				10	
		Number of Human Resource who availed in-country training for Security, Fire & Maintenance	Number				40	
	Implement national integrity and anti-corruption strategy	Gift register maintained	Date				07/01/2016	
		Number of executives and P1 level who have done asset declaration on time	Number				4	
		Number of executives who have done integrity diagnostic testing	Number				1	
	Improve public service delivery (Checking in and Checking out of Airbus passenger)	Reduce check in time of Airbus passenger	Minutes				80	
		Reduce check out time of Airbus passenger	Minutes				35	
	Improvement and enhancement of Airport facilities at Domestic Airports	Compensation of land at BDA & GDA	Percent				50	
		Number of farm tractor for GDA purchased	Number				1	

Objective	Action	Success Indicator1	Unit	Actual Values [FY 2013-14]	Actual Values [FY 2014-15]	Target Values [FY 2015-16]	Projected Values [FY 2016-17]	Projected Values [FY 2017-18]
		Percentage completion of Construction of Fire station at GDA	Percent				100	
		Percentage completion of Purchase and improvement of network and network security for domestic Airports	Percent				100	
	Improvement and enhancement of airport facilities at PIA	Number of passenger three sitter chairs purchased	Number				200	
		Percentage completion of Construction of maintenance store building at PIA	Percent				100	
		Percentage completion of construction of public toilet at parking area	Percent				100	
		Percentage completion of improvement of network and network security	Percent				100	
		Percentage completion of Refurnishing of new terminal VVIP and ceremonial lounge	Percent				100	
		Increase in ton of Air Cargo Carriage (in million kg)	Increased in air cargo carriage (million kg)	Million				1.5
	Percentage completion of new Cargo Complex at PIA		Percent				50	

Objective	Action	Success Indicator1	Unit	Actual Values [FY 2013-14]	Actual Values [FY 2014-15]	Target Values [FY 2015-16]	Projected Values [FY 2016-17]	Projected Values [FY 2017-18]
	Increase passenger using Domestic Sectors annually	Number of passenger using domestic air sector increased	Number				4300	
		Percentage completion of terminal and associated services (parking and power supply) at BDA	Percent				20	
	To enhance safe air transport operation at Domestic Airports	Number of crash fire tender for BDA purchased	Number				2	
		Percentage completion of Air side security fencing at BDA	Percent				100	
		Percentage completion of Construction of access road and car park at GDA	Percent				20	
		Percentage completion of Development of YDA- Demolishing of hills beside runway, reshaping and resurfacing of runway, construction of car park and access road (ADB)	Percent				100	

Objective	Action	Success Indicator1	Unit	Actual Values [FY 2013-14]	Actual Values [FY 2014-15]	Target Values [FY 2015-16]	Projected Values [FY 2016-17]	Projected Values [FY 2017-18]
		Percentage completion of installation and commissioning of AWOS at YDA and fabrication of two new wind sock mast on either side of the runway	Percent				100	
		Percentage completion of Nav/Aid improvement activities at Domestic Airports	Percent				100	
		Percentage completion of seasonal river dredging work at GDA-RGoB	Percent				100	
		Percentage construction of security quarter at GDA	Percent				20	
	To enhance safe air transport operation at PIA	Percentage completion of Construction of parallel taxiway at PIA	Percent				50	
		Percentage completion of Relocation and up-gradation of Airport Substation at PIA	Number				100	
		timeline by which AMSS is upgraded to AMHS	Date					06/30/2018
		Timeline by which Flight inspection/calibration of Nav-Aids equipment carried out	Date				05/31/2017	

Objective	Action	Success Indicator1	Unit	Actual Values [FY 2013-14]	Actual Values [FY 2014-15]	Target Values [FY 2015-16]	Projected Values [FY 2016-17]	Projected Values [FY 2017-18]
		Timeline by which Security Gadgets, Arms and Ammunition purchased	Percent				100	
	To increase passenger handled by PIA annually	Number of passenger handled by PIA annually	Number				255000	
		Percentage completion of Existing terminal building modification at PIA	Percent				50	
		Percentage completion of Modification and up-gradation of central heating system at PIA	Percent				50	
To prevent corruption	Implement action plan adopted after the conduct of Integrity Diagnostic Test	Percentage of IDT recommendations implemented	Percent				100	100
To provide effective and efficient direction and operational services	Provide effective and efficient operational and direction services	% of working days for which pool vehicles are kept under running condition	Percent				98	
		% reduction of office and vehicle maintenance cost compared to previous fiscal year	Percent				NA	

Objective	Action	Success Indicator1	Unit	Actual Values [FY 2013-14]	Actual Values [FY 2014-15]	Target Values [FY 2015-16]	Projected Values [FY 2016-17]	Projected Values [FY 2017-18]
		Number of months for which Monthly salary of employees are credited into individual accounts by 30th of every month	Number	-	-	-	-	-
		Timeline by which office renovation is carried out	Date				NA	
		Turn around time for cheque clearance by Accounts	Days				5	

#### Section 4: Definition of Success Indicators

Success Indicator	Description	Data Collection Methodology	Data Collection Frequency	Data Source
Number of Human Resource trained for security and safety (Mandatory)	Mandatory Training	Compilation of training record from AFD	Annually	AFD Unit
Number of AVSEC personnel availed training and seminar in Security and Surveillance	Capacity Development of AVSEC	Compilation of Training record from AFD	Annually	AFD
Number of Human Resource who availed in-country training for Security, Fire & Maintenance	Capacity development of concern section staff	Compilation of training record from AFD	Annually	AFD
Timeline by which Security Gadgets, Arms and Ammunition purchased	To enhance the security surveillance of the airport	Compilation of procurement data from AVSEC Section	Annually	AVSEC Section
Timeline by which Flight inspection/calibration of Nav-Aids equipment carried out	To enhance the safe air navigation services	Compilation of progress data from Com/Nav Section	Annually	Com/Nav Section
timeline by which AMSS is upgraded to AMHS	To upgrade air navigation services	Compilation of progress data from Com/Nav Section	Annually	Com/Nav
Percentage completion of Relocation and up-gradation of Airport Substation at PIA	To accommodate increase passenger car parking and also to cater increased power load	Compilation of progress data from Engineering Section	Annually	Engineering Section
Percentage completion of Construction of parallel taxiway at PIA	To accommodate increase flight frequency	Compilation of progress data from Engineering Section	Annually	Engineering Section
Increased in air cargo carriage (million kg)	To increase air cargo carriage capacity	compilation of data from airlines operators	Quarterly	Druk Air and Bhutan Airlines
Percentage completion of new Cargo Complex at PIA	To provide cargo storage facilities	Compilation of progress data from Engineering Section	Annually	Engineering Section
Percentage completion of Existing terminal building modification at PIA	Accommodation of increase passenger	Compilation of progress data from Engineering Section	Annually	Engineering Section
Percentage completion of Modification and up-gradation of central heating system at PIA	To facilitate efficient heating system in the terminal for passenger during winter	Compilation of progress data from Engineering Section	Annually	Engineering Section
Number of passenger handled by PIA annually	To increase the passenger handled by PIA	Compilation of data from airline operators	Quarterly	Drukair and Bhutan Airline



Success Indicator	Description	Data Collection Methodology	Data Collection Frequency	Data Source
Percentage completion of Construction of maintenance store building at PIA	To provide proper space for storage of spares and maintenance item in the airport	Compilation of progress data from Engineering Section	Annually	Engineering Section
Percentage completion of Refurnishing of new terminal VVIP and ceremonial lounge	To facilitate VVIP and VIP in the terminal	Compilation of progress data from Engineering Section	Annually	Engineering Section
Number of passenger three sitter chairs purchased	Requirement for new arrival terminal	Compilation of procurement data from Engineering Section	Annually	Engineering Section
Percentage completion of improvement of network and network security	Enhancement of information technology system and network	Compilation of progress data from ICT Section	Annually	ICT
Percentage completion of construction of public toilet at parking area	To provide additional toilet facilities to the public with additional car parking	Compilation of progress data from Engineering Section	Annually	Engineering Section
Percentage completion of Nav/Aid improvement activities at Domestic Airports	To ensure that com/nav. equipment are protected from the damaging effect of lightning	Compilation of progress data from Com/Nav. Section	Annually	Com/Nav. Section
Percentage completion of installation and commissioning of AWOS at YDA and fabrication of two new wind sock mast on either side of the runway	To provide meteorological observing need for safe and efficient weather forecasting	Compilation of progress data from Met. Section	Annually	Met. Section
Percentage completion of seasonal river dredging work at GDA-RGoB	To ensure that airport is protected from flood hazard	Compilation of progress data from Engineering Section	Annually	Engineering Section
Percentage completion of Air side security fencing at BDA	To ensure airport security	Compilation of progress data from Engineering Section	Annually	Engineering Section
Percentage construction of security quarter at GDA	To enhance emergency response time	Compilation of progress data from Engineering Section	Annually	Engineering Section
Percentage completion of Construction of access road and car park at GDA	Facilitate movement of aircraft	Compilation of progress data from Engineering Section	Annually	Engineering Section
Percentage completion of Development of YDA- Demolishing of hills beside runway, reshaping and resurfacing of runway, construction of car park and access road (ADB)	To enhance safety	Compilation of progress data from Engineering Section	Annually	Engineering Section
Number of crash fire tender for BDA purchased	To enhance emergency response time	Compilation of procurement data from ARFFS Section	Annually	ARFFS section

Success Indicator	Description	Data Collection Methodology	Data Collection Frequency	Data Source
Percentage completion of Construction of Fire station at GDA	To ensure optimum performance of CFT vehicle	Compilation of progress data from Engineering & ARFFS Section	Annually	Eng & ARFFS Section
Compensation of land at BDA & GDA	To enhance air transport connectivity development	Compilation of progress data from Adm	Annually	Adm Section
Percentage completion of Purchase and improvement of network and network security for domestic Airports	Enhancement of Information Technology Systems and networks	Compilation of progress data from ICT Section	Annually	ICT section
Number of passenger using domestic air sector increased	safe, reliable and affordable domestic air services	compilation of data from flight operators	Quarterly	Druk Air & Bhutan Airlines
Percentage completion of terminal and associated services (parking and power supply) at BDA	To accommodate additional passenger	Compilation of progress data from Engineering Section	Annually	Engineering Section
Gift register maintained	maintain of gift register to keep record of the gifts received by the Department	Compilation of record from Adm Section	Annually	Adm Section
Number of executives who have done integrity diagnostic testing	Executives who have done the integrity diagnostic testing successfully	Administrative record from the department	Annually	Adm
Number of executives and P1 level who have done asset declaration on time	To implement the anti-corruption strategy	Compilation of data from AFD	Annually	AFD
Reduce check in time of Airbus passenger	To enhance public service delivery	Compilation of data from airlines and airport immigration	Biannually	Airlines and Airport Immigration
Reduce check out time of Airbus passenger	To enhance pubic service delivery	Compilation of data from Airport Immigration	Biannually	Airport Immigration
Number of farm tractor for GDA purchased	To ensure safe air operations	Collection of procurement data from store and eng section	Annually	Store and Eng section
Number of months for which Monthly salary of employees are credited into individual accounts by 30th of every month	Timely credit of staffs salary	Collection of record of salary deposit from accounts section	Monthly	Accounts Section
Timeline by which office renovation is carried out	On time execution of office renovation work	Collection of record of office renovation from AFD	Annually	AFD
% of working days for which pool vehicles are kept under running condition	To ensure pool vehicle are kept in running condition	Collect record of pool vehicle maintenance from MTO	Monthly	AFD & MTO

Success Indicator	Description	Data Collection Methodology	Data Collection Frequency	Data Source
% reduction of office and vehicle maintenance cost compared to previous fiscal year	To reduce the cost of office and vehicle maintenance	Collect office and vehicle maintenance record from AFD and MTO	Annually	AFD & MTO
Turn around time for cheque clearance by Accounts	To reduce the turn around time for release of cheque	Collect record of payment made by accounts section	Monthly	Accounts Section

## Section 5: Requirements from other Departments & Secretariat Divisions

Organisation Name	Relevant Success Indicator	Requirement from the Organisation	Justification for the Requirement	Requirement detail	Impact (If Not Met)
SECRETARIAT	Number of Human Resource trained for security and safety (Mandatory)	Bhutan Civil Aviation Authority	BCAA audits security and safety system of DoAT and provides the training based on the findings.	Capacity development of Human Resource of DoAT	ICAO and HR requirement will not be met
SECRETARIAT	Number of AVSEC personnel availed training and seminar in Security and Surveillance	Bhutan Civil Aviation Authority	BCAA audits the security system of DoAT and training will be send based on the audit findings	Capacity development of aviation security	International standard will not be met
SECRETARIAT	Percentage completion of Construction of parallel taxiway at PIA	GNHC	timely release of Gol fund	For timely completion of project	Project progress will be hampered
SECRETARIAT	Percentage completion of new Cargo Complex at PIA	Ministry of Finance	Timely release of RGoB fund	For timely completion of project	project progress will be hampered
SECRETARIAT	Percentage completion of Existing terminal building modification at PIA	GNHC	Timely release of Gol fund	for timely completion of project	project progress will be hampered
SECRETARIAT	Percentage completion of Modification and up-gradation of central heating system at PIA	GNHC	Timely release of Gol fund	For completion of project on time	project progress will be hampered
SECRETARIAT	Number of passenger handled by PIA annually	Druk Air, Bhutan Airlines and Bhutan Air Services	Timely furnishing of data	For timely submission of data for APA progress report	data submission will be delayed
SECRETARIAT	Percentage construction of security quarter at GDA	National Environment Commission	For issuance of Environment clearance on time	For timely execution of project	Project execution will be delayed
SECRETARIAT	Percentage completion of Construction of access road and car park at GDA	National Land Commission	sort out the land issues with private land owners	For timely execution of land	Project execution is will delayed
SECRETARIAT	Number of crash fire tender for BDA purchased	Ministry of Finance	Timely disbursement of fund from ADB	Need for airport expansion	project completion timeline will not be met

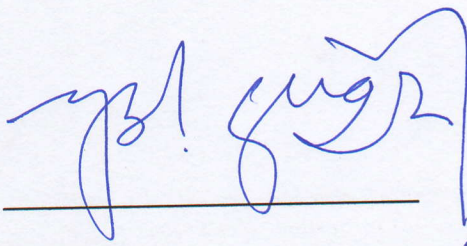
Organisation Name	Relevant Success Indicator	Requirement from the Organisation	Justification for the Requirement	Requirement detail	Impact (If Not Met)
SECRETARIAT	Compensation of land at BDA & GDA	National Land Commission	Compensation of land	compensate private land owners and get the final thram for the airports	The proposed projects cannot be carried out on time
SECRETARIAT	Percentage completion of terminal and associated services (parking and power supply) at BDA	National Environment Commission and Bumthang Dzongkhag	necessary clearance from dzongkhag and NEC	For timely execution of project	Project execution time will be delayed

Whereas,

I, the Director, Department of Air Transport, commit to the Secretary and the Minister, Ministry of Information & Communications to deliver the results described in this Annual Performance Agreement.

I, the Secretary, commit to the Director, Department of Air Transport to provide necessary support for the delivery of results described in this Annual Performance Agreement.

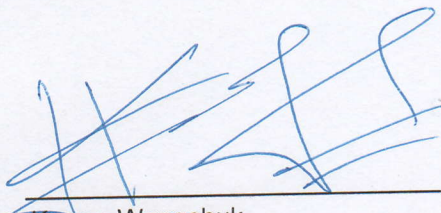
SIGNED:



Secretary

4/8/16

Date



Karma Wangchuk  
Director

4/08/2016.

Date