



ཡུལ་ཕྱན་འབྲུག་གཞུང་། དངུལ་རྩིས་ལྷན་ཁག།

Ministry of Finance
Royal Government of Bhutan

SECRETARY

MoF/DMD/DCDMD/Notification/2026/380

17 August, 2026

NOTIFICATION

Implementation of the Sovereign Guarantee and On-Lending Framework and Assessment Methodology Manual for Sovereign Guarantee and On-Lending Framework

The Ministry of Finance hereby notifies all relevant agencies and the general public that the **Sovereign Guarantee and On-Lending Framework 2026** and the accompanying **Assessment Methodology Manual for Sovereign Guarantee and On-Lending Framework 2026** shall come into force with effect from **1 August 2026**. The Framework establishes the policy, governance, eligibility, approval, pricing, monitoring and reporting requirements for Sovereign Guarantees and On-Lending, while the Assessment Methodology Manual provides the standardized technical procedures for credit risk assessment, fiscal risk quantification, risk-based pricing, collateral and other risk mitigation measures, and portfolio monitoring.

The implementation of these instruments is intended to ensure that Government support for economically viable and strategically important investments is provided in a transparent, consistent and risk-based manner, while safeguarding fiscal sustainability, limiting contingent liabilities, and ensuring that public resources are used efficiently in support of national development priorities.

The Ministry of Finance calls upon all relevant agencies, beneficiaries and other stakeholders to extend their full cooperation in the implementation of the Framework and Methodology, particularly through the timely provision of accurate and complete financial, operational and project information, compliance with reporting and monitoring requirements, and effective implementation of agreed risk mitigation measures. Such collective efforts will be essential to strengthen fiscal discipline, improve accountability and transparency, and advance the national objective of prudent fiscal risk management and long-term fiscal sustainability.

Lekhi Wangmo
Secretary