



**PERFORMANCE TARGET
BETWEEN
CHAIRPERSON OF THE BOARD, HONORABLE MINISTER, MoWHS AND
DIRECTOR, CONSTRUCTION DEVELOPMENT BOARD**

(July 1, 2017 – June 30, 2018)

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Preamble

The Performance Target is entered into between the Chairperson of the Construction Development Board, Hon'ble Minister, Ministry of Works and Human Settlement (MoWHS) and Director, Construction Development Board (CDB).

The objectives of this Performance Target are:

- a) To establish clarity and consensus about annual priorities for the CDB consistent with the 11th Five Year Plan document:
- b) To make CDB fully responsible for driving implementation and delivering the results against the annual priorities;
- c) To provide an objective and fair basis for evaluating the CDB's overall performance at the end of year;

The Performance Target represents an important accountability mechanism for inculcating a performance based culture at all levels of the agency.

THEREFORE, the parties hereto agree as follows:

Section 1: Vision, Mission and Objectives

Vision

“An agency for promoting a robust and vibrant construction industry at par with the best in the region”

Mission

“Development and promotion of an efficient, effective, quality based and corruption free Construction Sector enhancing healthy and competitive growth”

Objectives:

- I. To provide efficient registration services and information through ICT.
- II. To professionalize and build capacity of contractors through institutionalization.
- III. To enhance effective and efficient application of on-line evaluation system.
- IV. To provide and enhance arbitration services.
- V. Compliance of registration requirements and effective monitoring of committed resources for projects.
- VI. To promote mechanization and quality based construction industry.
- VII. To provide effective and efficient direction and operational services.

Section 2: Key objectives, priorities, actions, success indicators and target

Column 1	Column 2	Column 3	Column 4		Column 5	Column 6				
Objective	Weight of Objective	Actions	Success Indicator	Unit	Weight of Success Indicator	Target/Criteria Value				
						Excellent	Very Good	Good	Fair	Poor
						100%	90%	80%	70%	60%
1. To provide efficient registration services and information through ICT.	15	1.1. Provide registration services for contractors, consultants, architects and specialized Trades.	TAT for which the Registration services of Certificates for contractors, consultant, architects and specialized trade issued.	Hrs	10	7	14	-	-	21
		1.2 Publish guidelines on the registration system.	Guidelines on the registration system Published.	Nos.	5	1	-	-	-	0
2. Compliance of registration requirements and effective monitoring of committed resources for projects.	15	2.1. Conduct site inspections at construction sites.	No. of construction site inspections conducted	Nos.	5	20	15	-	-	5
		2.2. Monitor compliance of registration requirements.	No. of Dzongkhag visited to check the registration compliance of Large & Medium class contractors. (Dzongkhag wise)	Nos	10	20	15	10	-	5
3. To professionalize and build capacity of contractors through institutionalization.	20	3.1 Promote and strengthen construction industry	No. of mandatory training (Module-I) for contractors/employees Conducted (in batches)	Nos	5	4	3	2	-	1
			No. of mandatory training (Module-II) for contractors/employees	Nos	5	5	4	3	2	1

Column 1	Column 2	Column 3	Column 4		Column 5	Column 6				
Objective	Weight of Objective	Actions	Success Indicator	Unit	Weight of Success Indicator	Target/Criteria Value				
						Excellent	Very Good	Good	Fair	Poor
						100%	90%	80%	70%	60%
			Conducted (in batches)							
		3.2 Facilitate and conduct induction courses for aspiring contractors.	No. of Induction courses conducted for new contractors (in batches)	Nos	5	4	3	2	-	1
		3.3 Conduct awareness on legal frameworks related to arbitration	Awareness on legal frameworks related to arbitration conducted(in batches)	Nos	2.5	4	3	2	-	1
		3.4 Conduct awareness on legal frameworks related to contractual obligations	Awareness on legal frameworks related to contractual obligations conducted(in batches)	Nos	2.5	4	3	2	-	1
4. To enhance effective and efficient application of on-line evaluation system.	15	4.1. Conduct training on e-tool/ Ci-Net.	No. of training on E-tool/Ci-Net conducted for procuring agencies (in batches)	Nos	10	4	3	2	-	1
		4.2. Conduct awareness to contractors on the online registration system	Awareness on online registration system conducted (in batches)	Nos	5	13	10	5	-	1
5. To provide and enhance arbitration	15	5.1 Conduct Certification Training for Arbitrators.	Certification Training conducted(in batches)	Nos.	5	1	0	0	0	0
		5.2 Facilitate cases of	Cases of arbitration	%	5	100	-	-	-	-

Column 1	Column 2	Column 3	Column 4		Column 5	Column 6				
Objective	Weight of Objective	Actions	Success Indicator	Unit	Weight of Success Indicator	Target/Criteria Value				
						Excellent	Very Good	Good	Fair	Poor
						100%	90%	80%	70%	60%
services. 6. To promote mechanization and quality based construction industry.	15	arbitration.	facilitated.							
		5.3 Conduct Refresher Course for Arbitrators	Refresher Course conducted(in batches)	Nos	5	1	-	-	-	0
		6.1 Best practices in construction industry promoted.	Collaboration enhanced.	%	2	100	-	-	-	-
		6.2 Promote construction mechanization.	No. of Construction mechanization promoted.	Nos.	2	5	-	-	-	1
		6.3 Research and publish half-yearly information.	No. of information published	Nos.	2	2	-	-	-	1
		6.4 Conduct awareness on the new construction technology	Awareness on the new construction practices conducted (batches)	Nos.	2	4	-	-	-	1
		6.5 Produce TV spot on construction best practices.	TV spot produced	Nos.	1	1	-	-	-	-
		6.6 Number of contractors penalized for defaulting.	Reduction in number of defaulting contractors facilitated	%	1	100	80	60	20	10
		6.7 No. of Specialized Construction firms in Construction Industry	No. of construction firms in construction industry specialized	Nos.	1	10	6	4	2	1

Column 1	Column 2	Column 3	Column 4		Column 5	Column 6				
Objective	Weight of Objective	Actions	Success Indicator	Unit	Weight of Success Indicator	Target/Criteria Value				
						Excellent	Very Good	Good	Fair	Poor
						100%	90%	80%	70%	60%
		6.8 Number of Bhutanese contractors qualifying for HPP	Number of Bhutanese Contractors qualified for HPP	Nos.	1	3	2	-	-	1
		6.9 Works completed with Average Performance Score (APS) > 50%	Number of construction firms with APS > 50%	%	1	60	50	40	-	10
		6.10 Facilitate in reduction of number of projects running into time overrun	Number of activities carried out to reduce projects running into time overrun	Nos	1	5	3	2	-	1
		6.11 Research carried out to promote and stimulate efficiency and cost effectiveness in the construction sector	Number of research carried out	Nos	1	5	4	3	2	1
7. To provide effective and efficient direction and operational services.	5	7.1. Provide effective and efficient finance, human resource and administration services.	Timeline by which monthly salary of employees are credited into individual accounts	Date	1	25	26	27	28	29
			% of working days for which pool vehicles are kept under running condition	%	1	100	80	60	40	20
			% reduction of office and vehicle maintenance cost	%	1	5	10	15	20	25

Column 1	Column 2	Column 3	Column 4		Column 5	Column 6				
Objective	Weight of Objective	Actions	Success Indicator	Unit	Weight of Success Indicator	Target/Criteria Value				
						Excellent	Very Good	Good	Fair	Poor
						100%	90%	80%	70%	60%
			compared to previous fiscal year							
			Turn Around Time for cheque clearance by Accounts	Day	1	2	3	4	5	6
			Human Resource Services delivered.	%	1	100	-	-	-	-

Section 3: Trend values of the success indicators

Objectives	Actions	Success Indicator	Unit	Actual Value FY 12/13	Actual Values FY 13/14	Target Value FY 14/15	Projected Values FY 15/16	Projected Values FY 16/17	Projected Values FY 17/18
1. To provide efficient registration services and information through ICT.	1.1. Provide registration services for contractors, consultants, architects and specialized Trades.	TAT for which the Registration services of Certificates for contractors, consultant, architects and specialized trade issued.	Hrs	30	14	7	1	1	7
	1.2 Publish guidelines on the registration system.	Guidelines on the registration system Published.	Nos.	-	-	-	-	-	1
2. Compliance of registration requirements and effective monitoring of committed resources for projects.	2.1. Conduct site inspections at construction sites.	No. of construction site inspections conducted	Nos.	-	20	20	20	20	20
	2.2. Monitor compliance of registration requirements.	No. of Dzongkhag visited to check the registration compliance of Large & Medium class contractors. (Dzongkhag wise)	Nos	-	20	20	20	20	20
3. To professionalize and	3.1 Promote and strengthen construction industry	No. of mandatory training (Module-I) for contractors/employees Conducted (in batches)	Nos	-	-	6	-	5	4

Objectives	Actions	Success Indicator	Unit	Actual Value FY 12/13	Actual Values FY 13/14	Target Value FY 14/15	Projected Values FY 15/16	Projected Values FY 16/17	Projected Values FY 17/18
build capacity of contractors through institutionalization.		No. of mandatory training (Module-II) for contractors/employees Conducted (in batches)	Nos	-	-	-	-	4	5
	3.2 Facilitate and conduct induction courses for aspiring contractors.	No. of Induction courses conducted for new contractors (in batches)	Nos	-	2	4	-	6	4
	3.3 Conduct awareness on legal frameworks related to arbitration	Awareness on legal frameworks related to arbitration conducted (in batches)	Nos	-	-	-	-	-	4
	3.4 Conduct awareness on legal frameworks related to contractual obligations	Awareness on legal frameworks related to contractual obligations conducted(in batches)	Nos	-	-	-	-	-	4
4. To enhance effective and efficient application of on-line evaluation system.	4.1. Conduct training on e-tool/ Ci-Net.	No. of training on E-tool/Ci-Net conducted for procuring agencies (in batches)	Nos	1	3	8	11	13	4
	4.2. Conduct awareness to contractors on the online registration system	Awareness on online registration system conducted (in batches)	Nos	-	-	-	-	15	13
5. To provide and enhance arbitration services.	5.1 Conduct Certification Training for Arbitrators.	Certification Training conducted (in batches)	Nos.	-	-	-	-	-	1
	5.2 Facilitate cases of arbitration.	Cases of arbitration facilitated.	%	-	-	-	-	100%	100%
	5.3 Conduct Refresher Course	Refresher Course conducted	Nos	-	-	-	-	1	1

Objectives	Actions	Success Indicator	Unit	Actual Value FY 12/13	Actual Values FY 13/14	Target Values FY 14/15	Projected Values FY 15/16	Projected Values FY 16/17	Projected Values FY 17/18
	for Arbitrators								
6. To promote mechanization and quality based construction industry.	6.1 Best practices in construction industry promoted.	Collaboration enhanced.	%	-	-	-	-	100%	100%
	6.2 Promote construction mechanization.	No. of Construction mechanization promoted.	Nos.	-	-	-	-	5	5
	6.3 Research and publish half-yearly information.	No. of information published	Nos.	-	-	-	-	4	2
	6.4 Conduct awareness on the new construction technology	Awareness on the new construction practices conducted (batches)	Nos.	-	-	-	-	-	4
	6.5 Produce TV spot on construction best practices.	TV spot produced	Nos.	-	-	-	-	1	1
	6.6 No of contractors penalized for defaulting.	Reduction in number of defaulting contractors facilitated.	%	-	-	-	-	-	100
	6.7 No. of Specialized Construction firms in Construction Industry	No. of construction firms in construction industry specialized	Nos.	-	-	-	-	-	10
	6.8 Number of Bhutanese contractors qualifying for HPP	Number of Bhutanese Contractors qualified for HPP	Nos.	-	-	-	-	-	3

Objectives	Actions	Success Indicator	Unit	Actual Value FY 12/13	Actual Values FY 13/14	Target Value FY 14/15	Projected Values FY 15/16	Projected Values FY 16/17	Projected Values FY 17/18
	6.9 Works completed with Average Performance Score (APS) > 50%	Number of construction firms with APS > 50%	%	-	-	-	-	-	60
	6.10 Facilitate in reduction of number of projects running into time overrun	Number of activities carried out to reduce project running into time overrun	Nos	-	-	-	-	-	5
	6.11 Research carried out to promote and stimulate efficiency and cost effectiveness in the construction sector	Number of research carried out	Nos	-	-	-	-	-	5
7. To provide effective and efficient direction and operational services.	7.1. Provide effective and efficient finance, human resource and administration services.	Timeline by which monthly salary of employees are credited into individual accounts	Date	-	-	-	-	25	25
		% of working days for which pool vehicles are kept under running condition	%	-	-	-	-	100	100
		% reduction of office and vehicle maintenance cost compared to previous fiscal year	%	-	-	-	-	5	5
		Turn Around Time for cheque clearance by Accounts	Day	-	-	-	-	2	2

Objectives	Actions	Success Indicator	Unit	Actual Values FY 12/13	Actual Values FY 13/14	Target Values FY 14/15	Projected Values FY 15/16	Projected Values FY 16/17	Projected Values FY 17/18
		Human Resource Services delivered.	%	-	-	-	-	-	100

Section 4: Description, definition and measurement of success indicators

SI. No.	Success Indicator	Description (Purpose of the Indicator)	Data Collection Methodology (Mention the procedure of data collection and also the method behind calculations used)	Frequency of Data Collection (Annual, Half Yearly, Quarterly, Monthly)	Data Source(Name of Publication, Survey, Office Name, Year of Publication)
1	TAT for which the Registration services of Certificates for contractors, consultant, architects and specialized trade issued.	Registration and renewable is to ensure promotion of good construction practices and penalize defaulters.	Feedback survey	Yearly	CDB
2	Guidelines on the registration system Published.	To have the uniformity in the procedures and ensure that the registration system shall be carried out strictly as per the guidelines	Feedback survey	Yearly	CDB
3	No. of construction site inspections conducted.	Inspection of ongoing construction sites on compliance to the bidding document (HR & Equipment) in the construction sector.	Check list	Yearly	CDB
4	No. of Dzongkhag visited to check the registration compliance of Large & Medium class contractors. (Dzongkhag wise)	To ensure the compliance to registration requirements.	Check list	Yearly	CDB
5	No. of mandatory training (Module-I) for contractors/employees Conducted (in batches)	Build the capacity of the contractors/employees towards professionalization.	Training	Yearly	CDB
6	No. of mandatory training (Module-II) for contractors/employees				

SI. No.	Success Indicator	Description (Purpose of the Indicator)	Data Collection Methodology (Mention the procedure of data collection and also the method behind calculations used)	Frequency of Data Collection (Annual, Half Yearly, Quarterly, Monthly)	Data Source(Name of Publication, Survey, Office Name, Year of Publication)
	Conducted (in batches)				
7	No. of Induction courses conducted for new contractors (in batches)	To introduce aspiring contractors to construction industry.	Training	Yearly	CDB
8	Awareness on legal frameworks related to arbitration conducted	To create awareness on laws pertaining to Alternative Dispute resolution, Arbitration and contract for capacity building in construction industry	Training	Yearly	CDB
9	Awareness on legal frameworks related to contractual obligations conducted.		Training	Yearly	CDB
10	No. of training on E-tool/Ci-Net conducted for procuring agencies (in batches)	To improve the uniform applications of IT enabled evaluation and bring about ICTization in the CI.	NA	Yearly	CDB
12	Awareness on online registration system conducted (in batches)				
13	Certification Training conducted.	To ensure effective legal framework.	NA	Yearly	CDB
14	Cases of arbitration facilitated.	To provide fast and reliable alternative dispute settlement.	NA	Yearly	CDB
15	Refresher Course conducted	To provide fast and reliable alternative dispute settlement.	NA	Yearly	CDB
16	Collaboration enhanced.	To benchmark good practices and new	NA	Yearly	CDB

SI. No.	Success Indicator	Description (Purpose of the Indicator)	Data Collection Methodology (Mention the procedure of data collection and also the method behind calculations used)	Frequency of Data Collection (Annual, Half Yearly, Quarterly, Monthly)	Data Source(Name of Publication, Survey, Office Name, Year of Publication)
		developments in the construction industry for application in the local contracts.			CDB
17	No. of Construction mechanization promoted.	To promote potential equipment for mechanization in construction.	NA	Yearly	CDB
18	No. of information published	Publish information on contractor's information.	NA	Yearly	CDB
19	Awareness on the new construction practices conducted (batches)	To promote mechanized equipment & create awareness towards contributing quality CI.	NA	Yearly	CDB
20	TV spot produced		NA	Yearly	CDB
21	Reduction in number of defaulting contractors facilitated	To facilitate in reduction of defaulting contractors through stringent monitoring.	NA	Yearly	CDB
22	No. of construction firms in construction industry specialized	To identify efficient and reliable construction firms	NA	Yearly	CDB
23	Number of Bhutanese Contractors qualified for HPP				
24	Number of construction firms with APS > 50%	To facilitate in promotion of quality construction through various trainings and awareness programs.	NA	Yearly	CDB
25	Number of activities carried out to reduce projects				

SI. No.	Success Indicator	Description (Purpose of the Indicator)	Data Collection Methodology (Mention the procedure of data collection and also the method behind calculations used)	Frequency of Data Collection (Annual, Half Yearly, Quarterly, Monthly)	Data Source(Name of Publication, Survey, Office Name, Year of Publication)
	running into time overrun. reduced				
26	Number of research carried out	To facilitate in promotion of quality construction through various research.	NA	Yearly	CDB
27	Timeline by which monthly salary of employees are credited into individual accounts	To ensure that monthly salary of employees are timely deposited.	NA	Yearly	CDB
28	% of working days for which pool vehicles are kept under running condition	The maintenance of pool vehicle are timely carried out and maintained under running condition.	NA	Yearly	CDB
29	% reduction of office and vehicle maintenance cost compared to previous fiscal year	To ensure the budget is judiciously used for maintenance of office and pool vehicle.	NA	Yearly	CDB
30	Turn Around Time for cheque clearance by Accounts	To expedite the clearance of cheque if the bills or any claims are substantiated with required documents.	NA	Yearly	CDB
31	Human Resource Services delivered.	To deliver all HR related services on time.	NA	Yearly	CDB

Section 5: Specific performance requirements from other ministries/agencies

Organization Type	Organization Name	Relevant Success Indicator	What is your requirement from this organization	Justification for this requirement	Please quantify your requirement from this Organization	What happens if your requirement is not met
Procuring Agencies	Procuring Agencies	Reduction in number of defaulting contractors facilitated.	Stringent compliance to SBD, PRR and online evaluation tool by project engineers of procuring agencies.	To promote quality based construction through strict compliance and adherence to SBD,PRR & online evaluation tool.		The issues like project running into time overrun, APS<50% and defaulting contractors will be rampant posing threat to sustainability of quality construction.
		Number of construction firms with APS>50%				
		Number of activities carried out to reduce project running into time overrun.				
Ministry	PPPD	No of construction firms in construction	Policy Intervention	In order to gear towards specialization and encourage Bhutanese contractor to		CDB is handicapped unless there is policy intervention to accelerate specialization and participation of Bhutanese

		n industry specialized		venture into HPP, there is great need of policy intervention.		contractor into HPP.
		No of Bhutanese Contractor s qualifies for HPP	Policy Intervention			

Whereas,

I, the Director, Construction Development Board commit to the Hon'ble Minister, the Government and the people of Bhutan to deliver the results described in this performance agreement.

I, Zhabtog Lyonpo as Chairperson of the Construction Development Board, commit to Construction Development Board, Ministry of Works and Human Settlement, on behalf of the government, to provide the necessary fund and resources for delivery of the results described in this annual performance target.

SIGNED:

Dorji Choden
Chairman ,Construction Development Board

Date

Director
Construction Development Board

Date