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PRIME MINISTER

Press Release

Thimphu, Bhutan | 1 April 2026

The Royal Government informs the general public that there has been a substantial increase in global fuel prices in recent weeks. This development, driven by external conditions beyond our control, has resulted in a corresponding rise in domestic fuel prices.

Recognising the impact of these increases on the daily lives of our people and the economy, immediate steps were taken to mitigate the burden. A fuel subsidy through the National Fuel Price Smoothing Framework (NFPSF) was introduced on 21 March 2026 to cushion the effect on households and the economy. The subsidy is reviewed fortnightly to align to changes in global prices.

With effect from midnight of 1 April 2026, retail prices of fuel in Thimphu will increase to Nu. 114.31 per litre of petrol and Nu. 174.13 per litre of diesel. However, with the fuel subsidy, prices have been set at Nu. 98.00 per litre of petrol and Nu. 98.31 per litre of diesel.

Given the significant burden on the national exchequer, all public service agencies are directed to put in place measures to reduce fuel consumption, such as walking to work, avoiding non-essential travel and working remotely.

The Royal Government appeals to the private sector and the general public for your support and cooperation in implementing similar measures. Our solidarity and collective effort will greatly help alleviate the burden on public resources. The Royal Government is confident that all citizens will exercise prudence and responsibility in the consumption of fuel.

The Royal Government of Bhutan would like to acknowledge and thank the Government of India for ensuring uninterrupted supply of POL and LPG despite global supply chain disruptions.