



Bhutan and Sustainable Development Goals

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November 2018

Outline

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Introduction

- Bhutan's socio-economic development framework is guided by Gross National Happiness (GNH)
- Bhutan 2020 sets the long-term national vision
- Five Year Plans (FYP) sets the priorities for national development plans and programs
- FYP identifies outcomes as National Key Result Areas (NKRAs)
- Completed the implementation of the 11th FYP
- Bhutan plans to graduate from the list of LDCs by 2023
- The 12th Plan to commence from January 2019 and will serve as transition period for LDC graduation.



Policy Alignment

- Philosophy behind GNH and Bhutan's long term vision 2020 in tune with the principles of SDGs
- The implementation of the subsequent Five Year Plans(FYP) will be the major implementation plan for the SDGs

11th FYP and the SDGs

- One of the early mover countries in the Asia Pacific region for SDG localization
- Prioritized three SDG Goals for implementation:
 - Goal 1: No Poverty (Urgency)
 - Goal 13: Climate Action (Commitment to remain carbon neutral)
 - Goal 15: Life on Land (Showcase leadership on Biodiversity)



Policy Alignment

Rapid Integrated Assessment conducted by UNDP:

- High level of integration at both goal and target level
- 143 of 169 targets found relevant for Bhutan
- 134 of 143 targets integrated in the 11th Plan
- Gaps at target level with financial inclusion, migration, gender and social protection



Policy Alignment

12th Plan and the SDGs

- Formulation of 12th FYP objective and National Key Results Areas guided by the SDGs
- 16 SDG goals integrated into 17 NKRA
- Integration of SDGs in sub-national and local government through agency key result areas and local government key result areas
- Analysis of draft 12th Plan vis-a-vis SDGs indicators reveal:
 - 25 % of the SDG indicators have been fully adopted
 - 23% partially adopted and
 - 44 % of indicators that are relevant but has not been adopted



Policy Alignment

- Assess the progress of goals in the 12th plan coinciding the Mid Term Review of the plan
- Reprioritize SDG goals and targets where Bhutan is lagging behind and those common to the region
- Ensure integration of SDGs into the new long-term national development vision document



Institutional Structure

- SDG High Level Committee
 - GNH Commission serves as the high level committee
 - Oversees the implementation of SDGs at the highest level
- GNH Commission Secretariat
 - Coordinates the implementation of SDGs
- Voluntary National Review Taskforce
 - Multi-sectoral task force to prepare the Voluntary National Review Report
- Parliamentary Oversight
 - SDG oversight into Parliamentary practice



Financing

- Financing the respective five year plans during the SDG time frame will form significant portion of SDG financing

Domestic Revenue

- 62.1 % of development expenditure financed through domestic revenue
- Tax to GDP ratio stands at around 14 percent
- Estimates a fiscal deficit of 2.35 % of GDP (2019-2023)
- Initiatives to enhance tax revenue include online tax payment system, green tax and sales tax on vehicles and fuels
- Scope to further strengthen the taxation base and systems: implementation of GST



Financing

Official Development Assistance

- Voluntary phasing out of traditional development partners
- Role of climate financing
- Support in smooth LDC graduation transition period
- Explore innovative financing mechanism (Bhutan for Life)

Public Private Partnership

- Increasing urbanization-37.8% of the population
- PPP Policy approved in 2016 and PPP rules and regulations launched in 2017
- Enhanced efforts to finance infrastructure projects through PPP model required in the 12th Plan period



Financing

FDI

- FDI Policy 2015 in place
- FDI net inflow highest in 2010 and has seen a decline since then
- FDI inflow of 0.2 % of GDP between 2013 and 2018 and concentrated in hospitality sector.
- Efforts in creating favorable investment climate must be complemented with regional cooperation.



Partnership and stakeholder participation

- SDG sensitization along with stakeholder consultations conducted during 12th Plan formulation
- Stakeholders include government agencies, CSOs, private sector, parliamentarians, political parties, local governments and youth groups
- 11th Plan- collaboration with a CSO, Tarayana Foundation, in implementing targeted poverty reduction program
- Bhutan's economy is mostly public sector driven and engaging private sector is a key challenge and will be crucial



Partnership and stakeholder participation

- Continuous efforts required in raising awareness about SDGs to various stakeholders
- Collaborate with CSOs to implement programs where relevant
- Partnerships experiences and knowledge sharing and harnessing the benefits of science and technology



Data Deficit

- Bhutan's statistical capacity score of 65.6 well below the South Asian average of 74
- Data Ecosystem Mapping to identify gaps in 12th FYP and SDGs carried out
 - Coordination is a key issue
 - Need for capacity development especially at local level
- Data available for 84 indicators (34 %) , partially available for 66 indicators (26 %) and no data for 94 (39%)
- Reliability of data is a key issue
- Strengthen the role of national statistical agency
- Need for collaboration between data producers and consumers to produce relevant and reliable data



Conclusion

- Policy alignment of SDGs through integration into national planning process and institutional mechanism is quite adequate with opportunities for further enhancement
- Partnerships among various stakeholders should be continuous effort with particular focus on engaging the private sector
- Key challenges for Bhutan lies in financing and ensuring adequate reliable data.
- Strengthening its resource base statistical system will be critical in achieving the SDGs and tracking the progress.



THANK YOU !

