



# Sustainable Development and Happiness: Bhutan's VNR Report



# BACKGROUND



- Area – 38,394 square kilometer
- Population – 727,145
- GDP – USD 2.2 billion
- GDP per capita – USD 2,879
- Life Expectancy – 70.2 years
- Literacy rate – 71.4 %
- Income Poverty – 8.2 %
- Multidimensional Poverty – 5.8 %



# Bhutan's LDC Graduation

- CDP's 2015 triennial review  
*found eligible fulfilling GNI and HAI*
- CDP's 2018 triennial review  
*continue to fulfil GNI and HAI*

*..... Yet to meet Economic Vulnerability Index (EVI)  
threshold.*

*..... Likely Graduation 2023*



# Challenges

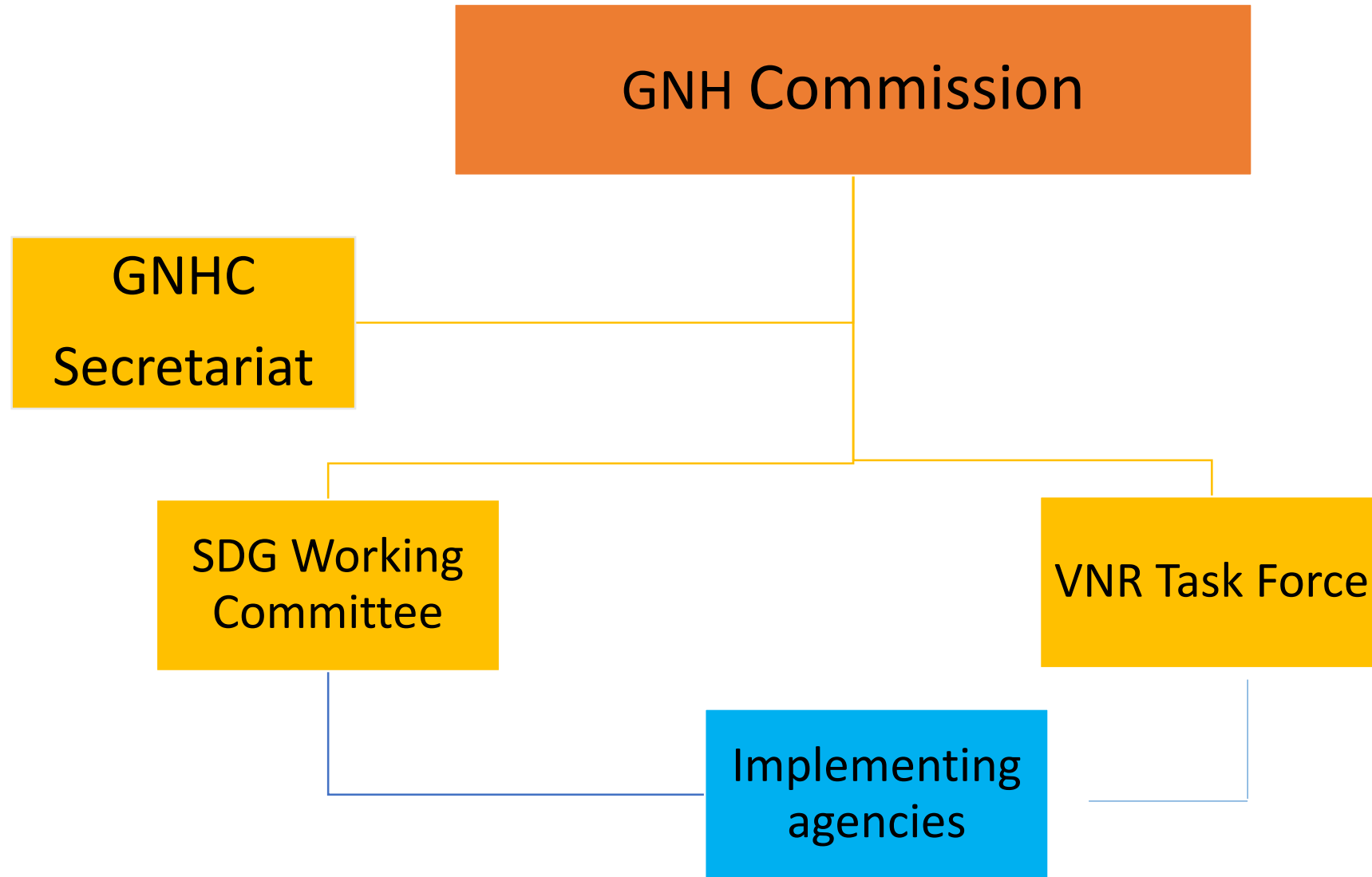
- Low levels of poverty at the national level but regional disparities
- Low levels of unemployment at national level with 2.1 per cent but youth unemployment a rising concern at 13 per cent
- Low diversification with high dependence on single sector – hydropower
- Highly vulnerable to impacts of climate change
- Last mile challenges in health and education sectors



# Integration of SDGs into National Planning Framework



# Institutional set-up for SDG implementation





# Current Status



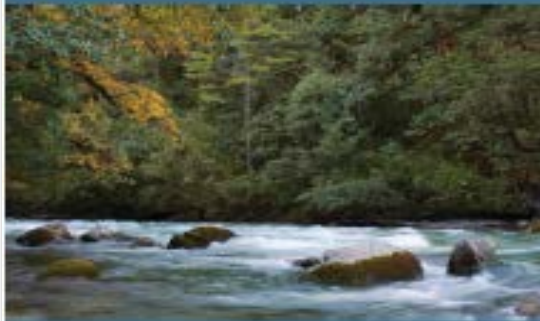
- Access to improved water sources – 99.5 %
- Access to improved sanitation – 92 %
- Integrated water resource management (IWRM) plan
- Developed Rural Sanitation and Hygiene Strategy- 2015
- Integrated Water Security: NKRA and Flagship Program in the 12<sup>th</sup> FYP

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The Water Act of Bhutan 2011

Bhutan Water Policy



Royal Government of Bhutan



National Environment Commission  
Royal Government of Bhutan



NATIONAL INTEGRATED WATER  
RESOURCES MANAGEMENT PLAN 2016



[Editorial](#) / Water shortage in water abundant Bhutan?

## Water shortage in water abundant Bhutan?

June 18, 2018 [Editorial](#) [Leave a comment](#) 693 Views

The problem of water shortage has been increasing in Bhutan over the years. This problem in a country that is rich in water is ironic.

Climate change could be contributing to the drying up of water sources. That is why growing cities like Thimphu and Phuentsholing are running short of water. In the rural areas, people have no water to drink and to irrigate their fields. And we are just looking at and talking about the drying water sources.







- Rural electrification coverage of 99.6 %
- 100 units of free electricity to rural communities
- Emphasis on renewable energy
- Per unit cost: US – 13.6 cents per kWh whereas Bhutan – 0.05 cents per kWh (approx.)

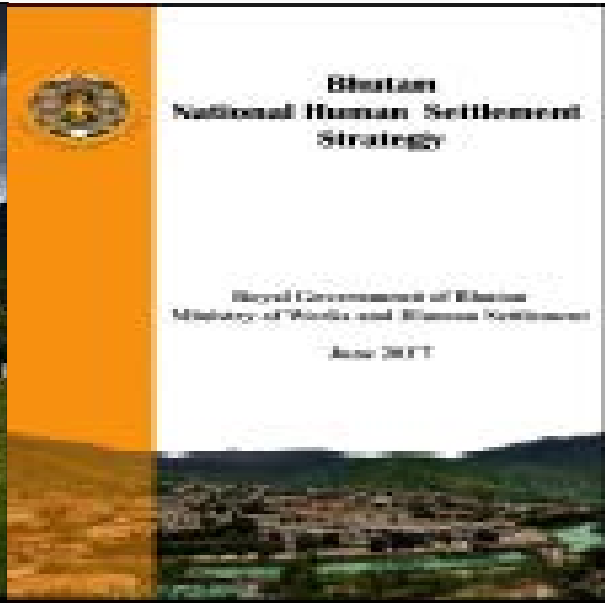




# Challenges

- Cost for developing alternative energy
- High dependence on Hydropower and its vulnerability to climate change

# Current Status



- 60% home ownership
- Housing policy under formulation
- Cultural heritage
- Good connectivity
- Disabled friendly construction guidelines
- Spatial planning bill under formulation



# Challenges



- Inadequate housing in urban areas
- Limited public transport facilities
- Water scarcity, waste management and increasing vehicular congestion
- Inadequate disabled friendly infrastructure and public spaces





# Current Status



2015 - Launch of Sustainable Consumption and Production Programme

- Draft National Energy Efficiency and Conservation Policy - ***Bhutan can earn Nu 621 million from saving electricity consumption in industry, buildings, and appliances*** sectors annually, according to the Department of Renewable Energy.
- Energy efficiency measures – energy efficiency policy



# Current Status



## BHUTAN IS A CARBON NEGATIVE COUNTRY

- Constitutional mandate – 60% forest coverage for all times
- Over 50% of country under protected areas and biological corridors
- Biodiversity hot spot

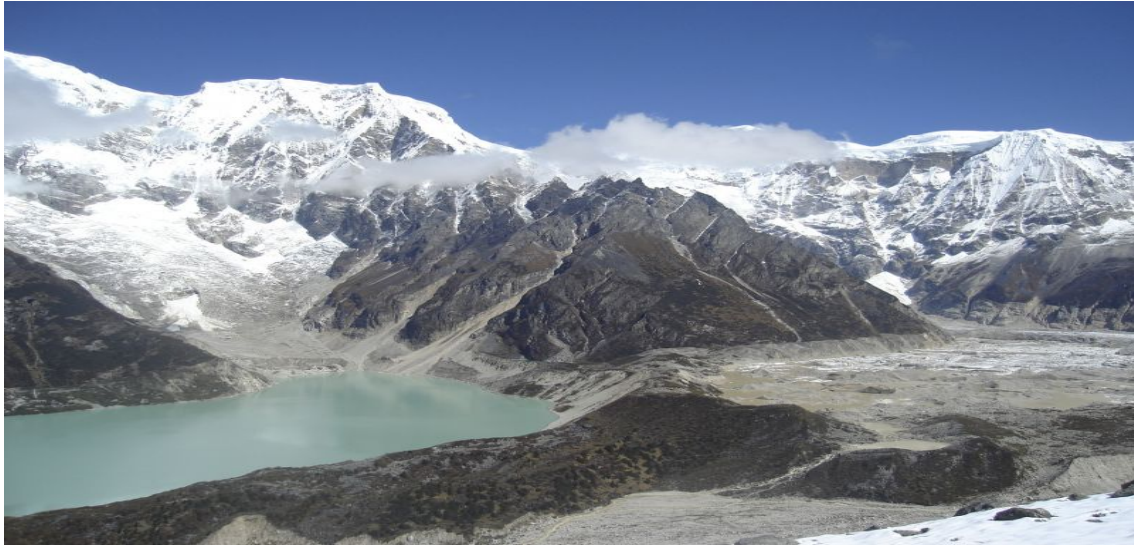
# While Bhutan is on track on all SDGs, Bhutan faces...



- Low levels of poverty at the national level but regional disparities
- Low levels of unemployment at national level with 2.1 per cent but youth unemployment a rising concern at 13 per cent
- Low diversification with high dependence on single sector – hydropower
- Last mile challenges in health and education sectors



# While Bhutan is on track on all SDGs, Bhutan faces threats from climate change and disaster risks....





# While Bhutan is on track on all SDGs, Bhutan faces economic vulnerabilities....

- Economy driven by hydropower – lacks economic diversification;
- Growing youth unemployment



[Home](#) / [News](#) / **Youth unemployment rate reaches 13.2 percent**

November 24, 2017 [News](#) [Leave a comment](#) 5,196 Views

**Overall unemployment rate decreases to 2.1 percent according to the draft LFSR 2016**

Although the overall unemployment rate has decreased from 2.5 percent in 2015 to 2.1 percent in 2016 as per the draft Labour Force Survey Report (LFSR) 2016, youth unemployment rate has increased by 2.6 percent.





**Bhutan, therefore, needs the support and cooperation of International Community and Development Partners to ensure...**

**... we leave no one behind.**

