

CHECK AGAINST DELIVERY

Response on questions and comments related to the socio-economic development by the Director of the Gross National Happiness Commission Mr. Thinley Namgyel, at the Human Rights Council on 30 April 2014 under the UPR mechanism

1. Since the early 1970s, Bhutan's socio-economic development efforts have been guided by the philosophy of Gross National Happiness. It is an approach that attempts to maintain "a harmonious balance between material well-being and the spiritual, emotional and cultural needs of our society." Accordingly, the emphasis is on strengthening the four pillars of Gross National Happiness, that is, i) sustainable and equitable socio-economic development, ii) preservation and promotion of culture, iii) environment conservation, and iv) good governance.
2. The strong emphasis on poverty alleviation and the generous support and cooperation of our development partners has helped Bhutan make significant socio-economic development progress – including fulfillment of our commitment towards the internationally agreed development goals such as the Millennium Development Goals.
3. To briefly highlight some of the key achievements, poverty has been reduced from 23 percent in 2007 to 12 percent in 2012, life expectancy at birth has reached 68.1 years in 2012 and the general literacy rate has reached 63 percent. On the economic front, the economy has grown at a sustainable rate of about 7-8 percent per annum and unemployment reduced from 4 percent in 2009 to 2.1 percent in 2012.

4. While much has been achieved, challenges remain. Some of which include:
 - a. Quarter of our population remain poor when measured on a multidimensional basis (25.8 % 2010);
 - b. Youth unemployment remains high at 7.3 % in 2012 compared to the overall unemployment rate of 2.1 % during the same period;
 - c. Third of our children below the age of 5 suffer from chronic malnutrition (33.5 % 2010); and
 - d. Under-5 mortality rate, infant mortality rate, maternal mortality rate and gender disparity at tertiary level education rate still remains high.
5. In addition, Bhutan is vulnerable to emerging challenges of climate change related disaster such as floods, landslide, glacial lake outburst flood; and lifestyle related non-communicable diseases such as diabetes, hypertension, cancers etc. Besides, the issue of safety and increasing number of vulnerable people (old aged, orphans, single parents, differently abled persons etc. is a growing concern.
6. To address these challenges and to sustain the achievements made thus far, the main objective of the 11th Five Year Plan, which started from 1st July 2013 and end on 30th June 2018, is to achieve "Self-reliance and Inclusive Green Socio-Economic Development".
 - a. Self-reliance refers to "ability to meet all our national development needs as articulated through 5 Year Plans by 2020".

- b. Inclusive Development refers to “reducing poverty and inequality by enhancing the standard of living and the quality of life of the most vulnerable sections of our society”.
 - c. Green refers to “carbon neutral development”.
7. To achieve the goal of self-reliance and inclusive development, some of the key initiatives include:
- a. Accelerated economic development by enhancing hydroelectric generation capacity to 10,000 MW by 2020;
 - b. Economic diversification with focus on non-hydro sectors such as agro-processing, tourism, cultural industries etc.; and
 - c. private sector development.
8. To address youth unemployment, some of the strategies include the drafting of National Employment Policy; closer coordination between private sector and government agencies to better align skills with job availability; establishment of Business Opportunity and Information Centre (BOIC) to provide credit particularly to Small and Medium Enterprises and entrepreneurship skills; training programmes such as Career Counseling Programs, Entrepreneurship Development Programs, Internship Programs; and possible overseas employment for youth have been initiated.
9. To ensure Inclusive Socio-Economic Development, targeted poverty reduction programmes such as the Rural Economy Advancement Programme (improving livelihood of the poorest household based on specific intervention) and the National Rehabilitation Programme (provision of land to landless and functionally landless) will be implemented.

10. Health and education will continue to remain high priority with focus on improving the quality of services and reaching the unreached.
11. A detailed study on the current situation of vulnerable groups (old aged, orphans, single parents, differently abled persons etc.) will be carried out and appropriate interventions to address the needs of this group will be developed, including possible national social security schemes.

Thank you.