



Sectoral Integration of Biodiversity in Bhutan

Contents

1. Introduction	3
2. The 10 th Five Year Plan (2008-2013) Planning Guidelines	3
3. Strategic Framework for the 10 FYP	4
4. Resource allocation Framework	5
5. Cross-cutting Issues & other Strategic Frameworks	5
The Constitution of the Kingdom of Bhutan and legislation related to bio-diversity.....	5
Policies and legislations enabling integrations	6
National Environmental Strategy (NES)	6
Agricultural Policy	7
Energy Policy	7
Industrial Policy	7
Surface Transport Policy	8
Forest Act of Bhutan 1969	8
Forest and Nature Conservation Act 1995.....	8
Environmental Assessment Act 2000	8
Livestock Act of Bhutan 2000.....	9
Biodiversity Act 2003	9
Mines & Minerals Act 1995.....	9

6. Cross-sector Integration of Biodiversity Considerations:	9
National Environment Commission	9
The Department of Forest	10
Department of Agriculture.....	10
The Department of Livestock.....	11
Other Line Agencies and organizations	11
The National Biodiversity Center	11
Natural Resources Development Corporation Limited.....	12
Druk Seed Corporation	13
Royal Society for the Protection of Nature.....	13
Bhutan Trust Fund for Environmental Conservation.....	13
Sustainable Development Secretariat	13
7. Poverty-Environment Mainstreaming in Bhutan	13

1. Introduction

Bhutan reported¹ that environmental conservation has always occupied a pivotal place in the country's development policies and strategies. Concern for natural environment is embedded in Bhutanese traditional beliefs, socio-cultural outlook and development philosophy. The overarching Bhutanese development philosophy of "Gross National Happiness" (GNH), first propounded by the Fourth King Jigme Singye Wangchuck in the 1970s, underscores that development cannot be pursued on the premise of economic growth alone but has to take place in combination with the emotional and spiritual well-being of the people. It basically stems from the Buddhist notion that the ultimate purpose of life is inner happiness.

The Bhutanese decision-makers have characterized environmental sustainability as one of the four pillars of the GNH development philosophy. *Bhutan 2020*, the country's vision document to maximize GNH emphasizes that "development must be pursued within the limits of environmental sustainability and carried out without impairing the biological productivity and diversity of the natural environment."

Bhutan's GNH development philosophy has inspired the conception of the Gross International Happiness Project, a global initiative coordinated from the Netherlands, focusing on dialogue and research to develop indicators and programmes for true value, sustainable development and well being for nations and organizations. The project has held three international conferences and produced numerous publications on GNH, involving institutions and individual development thinkers from around the world, to operationalize GNH in globally-adaptable measurable terms.

The mainstreaming of biodiversity in Bhutan can be assessed based on the national development planning guidelines and the major development plans, programs and policies at various levels. The assessment begins with the planning guidelines to provide a clear sense of the national efforts to mainstream biodiversity conservation and sustainable use into relevant sectoral and cross-sectoral plans, programmes and policies followed by an assessment of the integration of bio-diversity considerations in the actual plans.

2. The 10th Five Year Plan (2008-2013) Planning Guidelines

Bhutan follows a Five Year Planning cycle and the period of reporting falls within the beginning of the 10th Five Year Plan (2008-2013). The Strategic Framework (Part I, National Planning Guideline the preparation of the 10th Five Year Plan for Bhutan) maintains that the guiding principle of the plan shall be to achieve Gross National Happiness (GNH) through the overall priority for of poverty reduction. The pillars of GNH include Equitable & Sustainable Socio-Economic Development, Environment Conservation, Preservation and Promotion of Culture and Good Governance.

¹ Bhutan (2009). IV National Report to the Convention on Biological Diversity, National Environment Commission, 30 March 2009, 66 pp.

It also stresses that “Environment is a cross-cutting issue that is intimately intertwined with poverty reduction. Therefore, all sectors, agencies, districts (dzongkhags) and geogs (sub-districts) should mainstream environmental issues in all their policies, plans, programmes and projects and build adequate mitigation measures to minimize any adverse impact on the environment.” Therefore, the national planning guideline provides for a broad based framework for mainstreaming biodiversity considerations in all sector and sub-sector plans in the national and sub-national development plans, programs and policies.

Sector Policy Framework and Targets (part II, Planning Guideline), requires that all policy objective and potential targets for each sector should be reviewed and refined so as to strengthen linkages to the pillars of GNH and the poverty reduction goal of the Tenth Plan. It recognizes that environment has direct linkage to poverty reduction and emphasizes its importance for economic development. Hence, it calls for the overall objective of the environment sector to ensure an enabling framework for conservation of the natural environment.

Sector Plan Preparation Process And Format (Part II, Planning Guideline), call for all sectors to “... ensure that their programmes, particularly infrastructure development programmes, do not have adverse effects on the environment.” It is also re-iterated in part IV which states that the Dzongkhag (districts) sectors should ensure that their programmes, particularly infrastructure development programmes do not have adverse effects on the environment, and are in line with the master plans, wherever available.

The planning guideline, therefore, provides for a clear direction in enabling an adequate consideration of the environmental (biodiversity) issues in all development plans, programs and policies at both national and sub national levels covering all sectors.

One of the five specific policy objectives of the 10th Plan is to: “Conserve and promote sustainable commercial utilization of forest and water resources”. Among the strategic measures included is one related to the: “Establishment of Community Forests and expansion of commercial harvesting of Non Wood Forest Products (NWFPs).” This measure is clearly aimed at making progress in both devolution and poverty reduction within a broader sustainable development framework.

3. Strategic Framework for the 10 FYP

The strategic framework for the 10 FYP outlays poverty reduction (through promoting economic opportunities through broad-based growth and boosting critical sectors such as agriculture and rural industries/enterprises as well as targeted poverty reduction programs), Vitalizing industries (through market orientation and enhanced export competitiveness of manufacturing, hydropower, cultural industries, tourism and ICT sectors), National Spatial Planning (for sustainable and equitable regional development) and Integrated Rural Urban Development for Poverty Alleviation (strengthening of the agriculture, livestock and forestry sector as well as the off-farm sectors), expansion of strategic infrastructure (efficient road and transportation network), investment in human capital (excellence in education and enhanced human resource in public and private sector) and enhancing enabling environment (good governance, vibrant democracy, active media, judiciary and other institutional developments).

Among these main strategies, the strategic framework related to spatial planning encompasses the conservation of the environment. This is based on the rationale that conservation policy has spatial components relating to the protection of biodiversity habitats, forest conservation, watershed management, soil conservation and various other land use aspects. It is also for the reason that effective spatial planning concerns itself with creating conditions for an enhanced quality of life which is directly dependent on the state of the natural environment and eco-systems (including the availability of clean air and water, abundant and diverse forest resources, etc.) As such, the 10 FYP strategic frameworks considers conservation of the environment including the sustainable use and management of natural resources as being an integral and critical aspect of national spatial planning. Hence, the Royal Government will promote mainstreaming environmental issues into the development planning process through the national spatial planning framework, awareness and capacity building of relevant sectors, strengthening the environmental information management system, decentralized environmental impact assessment process, drafting of relevant environmental legislation, strengthening of the management of protected areas and botanical gardens; developing the database of biodiversity in the protected areas, introducing eco-tourism, enhanced livelihoods of people living in the protected, and biodiversity conservation through the strengthening of a field gene bank, botanical garden and a herbarium to facilitate the conservation and sustainable utilization of plant and animal genetic resources; strengthening the national biodiversity management and information system; and the implementation of bio-prospecting for the commercialization and sustainable utilization of biological resources.

4. Resource allocation Framework

The resource allocation mechanism often demonstrates the commitment for mainstreaming environmental and biodiversity considerations and hence it is essential to assess the mechanism for resource allocation at the national level.

The tenth five-year planning framework maintains that the allocation of resources for development programs shall be based on the projected resource availability and the need to enhance local budgets. The Dzongkhags and Geogs (sub-district level) will receive annual grants directly from the Government which will be determined based on a formula that takes into consideration factors such as Geographic area, food security as proxy for poverty incidence, population and forest cover as proxy for environmental conservation.

Therefore, the intention of mainstreaming biodiversity consideration is reflected in two criterion of resource allocation, namely, Geographic area (geographic coverage of a Geog) and forest cover.

5. Cross-cutting Issues & other Strategic Frameworks

The Constitution of the Kingdom of Bhutan and legislation related to bio-diversity

Article 5 of the Constitution of the Kingdom of Bhutan makes it clear that: “Every Bhutanese is a trustee of the Kingdom’s natural resources and environment”. The Royal Government is enjoined in the Constitution to conserve and improve the environment and safeguard the country’s biodiversity. It is further directed to secure sustainable development while promoting economic and social development. The Constitution further charges the Government to ensure that a minimum of 60 % of Bhutan’s total land area is maintained under forest cover for all time.

Therefore, there is a very strong constitutional requirement for Bhutan to mainstream biodiversity concerns not only in the national, sectoral and sub-national plans and programs but also in terms of individual actions and responsibility of every Bhutanese.

Policies and legislations enabling integrations

The national policy objectives in biodiversity are:

- Biodiversity issues will be integrated into the economic development plans and programs;
- Special attention will be given to support parks and Protected Areas and effective buffer zones management; and
- Information on biological diversity will be developed for conservation and sustainable use of biological resources.

Bhutan's policies on biodiversity parallel to those of the CBD, particularly those which specify:

- Conservation of biological diversity is a priority national objective;
- Any use of biodiversity component must be sustainable; and
- There should be fair and equitable sharing of the benefits arising from biological resources.

National Environmental Strategy (NES)

The NES is called the "Middle Path" and it seeks to balance environmental conservation with economic development. Three avenues of sustainable economic development are outlined:

- expanding hydropower,
- increasing agriculture self sufficiency, and
- expanding the industrial base.

The NES examines each avenue in detail, taking into the current status of the sectors and enabling conditions for development and the implications of such development. Each sector is discussed below:

Hydropower represents a sustainable and relatively clean source of revenue. Expanding this sector is expected to improve the living standards for the population and reduce the currently high levels of fuel-wood consumption. To expand this sector it is required to maintain the integrity of the country's watersheds.

The second avenue of economic development is to increase food self sufficiency. As expansion of arable land is not possible given the limited flat land area, the ways to improve food production are through intensive farming, diversification of commodities, promotion of agro-based industries, sustainable soil management, pest management practices, improved extension services and better rangeland management.

The third avenue is industrial development. It is currently based on four main resources: hydropower, wood, agriculture and minerals. Competition for different land use, topographical factors, transport and communication, and limited access of raw materials are constraints to industrial development. Some of

the implications to industrial development include pollution and a variety of environmental problems. Environmental criteria need to be involved with industrial development planning. This involves setting of environmental standards, establishment of legal basis, and enforcement.

Agricultural Policy

Large herd size of Livestock and *Tseri* (slash and burn cultivation) cultivation are the challenges faced by the agriculture sector. *Tseri* cultivation was banned through the directives of 72nd session of the National Assembly and people were encouraged to convert *tseri* to other forms of land use.

Energy Policy

There is no comprehensive policy encompassing biomass, fossil fuel and renewable energy. However, hydropower energy is the most important among all energies in terms of energy use within the Kingdom especially with regard to employment generation and revenue earning capacity. The Bhutan Power System Master Plan (PSMP, 2003 – 2022) lists seven conclusive mega hydropower projects for formulation and development. By 2015 Bhutan will have over 10,000 MW of installed hydropower generation capacity.

The government also accords high priority on rural electrification to improve the quality of life and stimulate socio-economic development in rural areas. The Bhutan 2020 document envisages 50% of rural electrification by 2012. This program will involve extension of power lines from either the transmission grid or from isolated mini/micro hydroelectric power plants. A comprehensive Rural Electrification Master Plan and investment study is also being formulated for all 20 Dzongkhags (districts).

The hydropower projects in Bhutan are considered less damaging to the environment for the simple reason that they are located in the deep gorges by tapping the run-of the river potential without having to build huge dams. The turbines are made inside the tunnel with little destruction of the environment. Ultimately, electrification of the rural communities will save great amounts of fuel wood.

Industrial Policy

The industrial landscape of Bhutan is dominated by a few large-scale industries and a large number of cottage and service enterprises.

The existing industrial policy of the Royal Government is designed to deal with large rather than small enterprises. However, manufacturing sector needs to expand more rapidly to make greater contribution to the national income, export earnings, and to provide employment to the youth. Towards strengthening manufacturing sector more rapidly, more transparent industrial and investment policies will be formulated. The principal focus will be on the enactment of relevant legislation to establish a legal framework for industrial development. Creation of enabling environment for manufacturing sector envisages two key activities, formulation and enactment of legislations concerning industrial policy, capital markets, transfer of technology, and foreign direct investment.

Integration of environmental issues in industries will be emphasized in accordance with the Environmental Assessment Act, 2000. Institutional arrangements and administrative procedures for controlling pollution have been laid down. The Act requires line agencies to screen, monitor and enforce most of its provisions. Implementation of environmental assessment and monitoring has to be done without adding to costs and delays that will discourage investment.

Surface Transport Policy

Surface transport is the main mode of passenger travel and freight transport in the country. Over the years the vehicles imported into the country increased by manifold and air quality in the urban centers have deteriorated. Emission test carried out on 9,000 vehicles in 1999 (using the Indian Emission Standard in the absence of a national standard), 60 percent of petrol and 96 percent of diesel engine vehicles did not meet the minimum requirement. The fuel quality imported into the country and maintenance of the vehicles were the two main sources of problem.

Based on the fuel quality that is imported into country and combustion rate of fuel at high altitudes, NEC in consultation with the Road Surface Transport Authority (RSTA) formulated vehicular emission standard for diesel vehicles as 80% (Hertz smoke Unit) and for gasoline vehicles at 5% of Volume Carbon Monoxide.

There is a government commitment to gradually raise the emission standards as better fuel quality and better vehicle fitness maintenance services become available.

Forest Act of Bhutan 1969

The Forest Act of Bhutan 1969 nationalized all forests in Bhutan. Forests had earlier been managed as village forest by local communities. However, emerging thrust from development activities and opening of timber markets required regulation which the Act provided.

Forest and Nature Conservation Act 1995

Bhutan Forest Act, 1969, was repealed in 1995 with the enactment of the Forest and Nature Conservation Act, 1995 (FNCA) in keeping with evolving conservation needs and to allow for community stewardship of forest resources. This Act is geared towards achieving government's policy of maintaining 60% forest cover.

Environmental Assessment Act 2000

The Environmental Assessment Act 2000 (EAA) establishes procedures for the assessment of potential effects of strategic plans, policies, programs, and projects on the environment, and for the determination of policies and measures to reduce potential adverse effects and to promote environmental benefits. The Act requires the Royal Government of Bhutan to ensure that environmental concerns are fully taken into account when formulating, renewing, modifying and implementing any policy, plan or program as per regulations that may be adopted within the appropriate provision of the

Act. It makes environment clearance (EC) mandatory for any project/activity that may have adverse impact(s) on the environment.

Livestock Act of Bhutan 2000

The Act highlights quality and appropriate breeds of livestock through intensification programs. This is a positive measure to curb methane production and also reduce pressure on grazing lands and forest areas.

Biodiversity Act 2003

The Act asserts sovereignty of the country over its genetic resources, the need to promote conservation and sustainable use of biodiversity resources as well as equitable sharing of benefits arising from biodiversity. It lays down the conditions for the grant of access, benefit sharing, and protection, and describes various rights, offences and penalties.

Mines & Minerals Act 1995

The act recognizes the preservation, protection and setting of environmental standards and conservation of natural resources consistent with the provision of the Act and other environmental legislation as a critical feature of mining practices. It requires that restoration of areas that are mined is carried out in a proper manner with the objective of creating a suitable and acceptable environment as approved by the National Environment Commission. Prior to granting a mining lease, a final mine feasibility study based on an assessment of technical, financial, environmental and social parameters, is required. Among other things, the feasibility study needs to contain a Mine Plan, Environment Management Plan and Restoration Plan.

6. Cross-sector Integration of Biodiversity Considerations:

National Environment Commission

The National Environment Commission (NEC) is a high-level autonomous agency of the Royal Government of Bhutan and is mandated to look after all issues related to environment in Bhutan. The Commission also monitors the impact of development on the environment and aims to put in place the necessary controls, regulations and incentives to the private/public sectors to achieve sustainable development through the judicious use of natural resources. The coordination of inter-sectoral programmes, the implementation of policies and legislation with regard to the environment is also another important mandate of the Commission.

The Commission's Secretariat is responsible for ensuring that Bhutan follows a sustainable development path and that all projects be it public or private, take into consideration environmental aspects. To this effect, the commission has developed National Environment Protection Act 2007, Environmental Assessment Act, 2000 and Regulations of the Environment Clearance for Projects, 2001. This defines responsibilities and procedures for the implementation of the Environmental Assessment Act, 2000

concerning the issuance and enforcement of environmental clearances for individual projects.

The commission also coordinates and facilitates the implementation of bilateral and multilateral environmental agreements, conventions, treaties or declarations. To this effect the commission has published Bhutan National Adaptation Programme of Action, 2006, First Greenhouse Gas Inventory, 2000, Initial National Communication, under UNFCCC, 2000 and is working on their updates.

While continuing with the development of appropriate environmental policy and legal frameworks, the NEC will, in the 10 FYP focus on decentralizing environmental governance, developing a National Sustainable Development Strategy (NSDS), strengthening environmental information management system to support and improve decision making, utilizing environmental assessments as a tool for sustainable development, building and strengthening institutional capacity and in mainstreaming environmental issues in sectoral plans, projects and programmes of all government agencies.

The Department of Forest

The Department of Forest has the mandate for forest management planning; forest inventory, mapping and data analysis; non wood forest management and development; establishment of nature and recreational parks; watershed management; degraded land management; private and community forest management; nursery and plantation; conservation management plans; establishment of protected areas; reduced crop damage and livestock depredation by wildlife; establishment of biological corridors and botanical parks and education and creation of awareness on biodiversity conservation.

- The department's plan for the 10 FYP include the following programs with strong elements of biodiversity conservation and management:
- Participatory Forestry Programme for community based forest management and capacity development
- Non-Wood Forest Resource Development Programme to enhance access to NWFP resources and to strengthen its management capacity at local levels,
- Forest Resources Development Programme for forest inventory and to enable practical timber resources use and management,
- Watershed Management and Plantation Programme for macro and micro watershed management activities and institutional coordination
- Forest Protection Programme to strengthen land use monitoring, regulation and protection forests from poaching and disease.
- Forestry & Environmental Education Programme
- Nature Conservation Programme

Among these programs, the nature conservation programs warrants elaboration as it has direct bearing to biodiversity conservation. This program includes Management and Planning of Protected Areas; Management of Biological Corridors; Management of Botanical Parks; Species Conservation, Research & Monitoring and data management and Eco-tourism and ICDP. This program alone is allocated a budget of Nu. 190 million for the 10 FYP, which is 22% of the total budget for the Department of Forest.

Department of Agriculture

Besides development of rice, maize, oilseeds and grain legumes as major commodity programs, equal focus is given to development of other cereals in order enhance food security and conservation of crop

varieties in the country. Organic crop production is allocated a program status in order to minimize environmental impact through agriculture development and to promote low volume and high value products from Bhutan.

Medicinal and aromatic development program designed to enhance production through sustainable resource management and germplasm resource development.

All agriculture programs are supported by an integrated soil fertility & sustainable land Management Program as well as Integrated Pest Management, Awareness Campaign and Farmers Training. A national action plan for sustainable land management is being developed in order to mitigate land degradation and loss of biodiversity.

The Department of Livestock

The livestock breed improvement and conservation program of the department is accorded top priority in the 10th FYP with about 18% of total resources allocated for the program. Besides, the Targeted Highland Livelihood Support Program and the feed and fodder development programs of the department integrate participatory actions related to local biodiversity conservation and management, particularly in relation to the feed and fodder species as well as grazing and non grazing natural resources management in the highlands.

Other Line Agencies and organizations

All projects and programs with potential impact on the environment have to pass through EIA exercise before being considered for approval. The environmental clearance process requires a separate forestry clearance before issuance of environmental clearance. Therefore, biodiversity considerations are adequately integrated into project clearance protocol.

The Ministry of Economic Affairs sets environmental code of best practices for all industries to follow to mitigate negative environmental impacts. The road construction approaches are more inclined towards Environmental Friendly Road Construction (EFRC) methods.

The National Biodiversity Center

National Biodiversity Center was established in 1998 as a non-departmental agency under the Ministry of Agriculture dedicated purely for coordination of biodiversity conservation and management actions within the country. The main objective of the center is to ensure effective conservation and sustainable utilization of genetic resources for sustainable livelihood and food security, and to ensure adequate national capacity to participate in global efforts to conserve and use biodiversity resources for food, agriculture development, industrial development and environmental conservation. Prior to and during the 9th Plan, the center focused mainly on establishing infrastructure, building human resource capacity, and strengthening national and international cooperation.

Some of the programmes initiated during the 9th FYP (2002-2007) were:

- Development of national herbarium and flora of Bhutan;
- Agro-biodiversity conservation;
- Biodiversity use and conservation in Asia;
- Animal genetic resources conservation;
- Development of botanical garden; and
- Development of an integrated biodiversity information system.

The Biodiversity Action Plan, which was published in 1998, has been revised in 2002 and the Biodiversity Act of Bhutan was enacted in 2003. The key strategies that will be adopted for biodiversity conservation during the Tenth Plan are as follows:

- Strengthening gene bank, botanical garden and herbarium for ex situ and in situ;
- collection to facilitate conservation and sustainable utilization;
- Strengthening inventory, survey, documentation and information management system;
- Enhancing capacity of the technical staff and farmers through on-farm management training;
- Integration of conservation, research and development with effective utilization of genetic resources;
- Strengthening collaboration with relevant international institutions; and
- Commercialization/sustainable utilization of biological resources through bio-prospecting.

Major activities of the National Biodiversity Center in the 10 FYP include:

- Ex situ conservation and sustainable utilization of plant genetic resources for food and agriculture
- In situ conservation, development and sustainable utilization of plant genetic resources
- Animal genetic resources conservation and sustainable utilization
- National Herbarium and Floristic program
- Serbithang Botanical Garden Management
- National Biodiversity Information Development and Management
- Pilot activities on Bio-prospecting

Within the GNH pillar, Environmental Conservation, the RNR sector plan maintains a dedicated theme for Biodiversity Conservation. Targets under this include:

- Three additional National Parks operationalized (Centennial Park, Phibsoo, Khaling-Kharungla).
- One Nature Reserve operationalized (Toorsa Strict Nature Reserve)
- 75% of crop and 50% of animal genetic resources characterized and documented
- Representative of 5000 species of vascular plants collected and conserved
- Biodiversity Action Plan III developed and implemented
- National Environment Strategy revised
- 1000 acres of barren land brought under afforestation and reforestation scheme
- One Botanical and Recreational Parks established

Natural Resources Development Corporation Limited

NRDCL is a quasi-autonomous corporate entity. Its main responsibility is to carry out sustainable harvesting operations in the FMUs according to approved forest management plans and to cater to the market demands for timber and timber products. It also has other mandates to meet demands for other natural resources such as sand and stone in a sustainable manner.

Druk Seed Corporation

The Druk Seed Corporation is a quasi-autonomous corporation affiliated to the MoA. It is mandated to produce and supply seeds and seedlings for food production and horticultural purposes. It also procures and distributes fertilizers and butachlor, a herbicide widely used in paddy cultivation in Bhutan.

Royal Society for the Protection of Nature

Non-governmental organizations are few in Bhutan and RSPN is dedicated to environmental conservation. RSPN was founded in 1987 and legally incorporated as a non-profit NGO in 1997. The mission of the organization is to “inspire personal responsibility and actively involve the people of Bhutan in the conservation of the Kingdom’s environment through education, applied research and information dissemination, and collaboration with concerned agencies and indigenous institutions”. The forte of the RSPN is environmental education and this is very well reflected in the vast network of school nature clubs that they have created and sustained across the country. The RSPN is also actively involved in activities to protect the black-necked crane *Grus nigricollis* and, of late, white-bellied heron *Ardea insignis*. It is currently entrusted by the MoA with the responsibility to plan and implement conservation management activities in Phobjikha conservation area.

Bhutan Trust Fund for Environmental Conservation

The BTF was created in 1992 and legally incorporated under the Royal Charter in 1996 as an independent grant management organization to promote social welfare through environmental conservation of the forests, flora, fauna, wildlife, diverse ecosystems and biodiversity in Bhutan. Under the guidance of a fully nationalized high-level management board since 2001, the BTF operates with annual incomes generated by endowment now totaling more than US\$ 40 million. BTF fund projects within the following framework, *in situ* & *ex situ* conservation initiatives, integrating conservation & development through biodiversity research & monitoring, and conservation education to strengthen conservation ethics among Bhutanese.

Sustainable Development Secretariat

The SDS is an autonomous national agency established to coordinate, disburse and monitor external assistance to Bhutanese organizations under the Sustainable Development Agreement (SDA), a cooperation framework between Benin, Bhutan, Costa Rica and the Netherlands. Under the SDA, the Dutch Government funded the Biodiversity Conservation Programme-Phase I for development of JSWNP and institutional strengthening of NCD and is presently funding Biodiversity Conservation Programme-Phase II.

7. Poverty-Environment Mainstreaming in Bhutan

Recognising the strong links between poverty and environment, RGoB has committed to addressing concerns related to poverty and environment in an integrated manner in its programmes, projects and policies. Through the internal partnership between UNDP/UNEP, Poverty-Environment Initiative (PEI) is piloted in Bhutan to support RGoB’s efforts to mainstream environmental management into the national development planning processes. The Initiative aims to support environmental mainstreaming

focusing on expanding knowledge and understanding of how sound and equitable environmental management contributes to poverty reduction and pro-poor growth, and strengthening capacity and institutional processes within government and the wider stakeholder community to integrate the environmental priorities of poor and vulnerable groups into national development planning and budget processes, sector strategies and policies, and local-level implementation. Some of the proposed activities under this initiative include:

1. Review surveys and other data sources and analyze how poverty and environment indicators are used in reporting conditions and trends related to pro poor environmental outcomes. Identify gaps and constraints in collection, reporting and use of data. Based on the analysis, develop set of socio-economic and environmental indicators that can be used to establish baseline for assessing the impacts of pro-poor environmental mainstreaming measures (i.e., environmental outcomes that matter to the poor);
2. Review existing planning processes of 10th FYP from environment sustainability and pro poor perspective (i.e., efficacy of delivering pro poor environmental outcomes);
3. Initiate public expenditure review (PER) to provide a baseline for future trend analysis in budget allocation and execution, and effectively monitor progress on the contribution of environment towards sustainable development;
4. Review policies governing rural production and livelihoods and recommend improvements to facilitate improved sustainable NRM based livelihood development;
5. Review existing sectoral environment mainstreaming guideline to also include pro-poor aspects of sector policies/strategies;
6. Review local planning manual from poverty environment mainstreaming perspective and integrate poverty environment considerations.