

Statement by Lyonpo Khandu Wangchuk, Prime Minister of the Kingdom of Bhutan, at the High-Level Meeting of the General Assembly on the Midterm Comprehensive Global Review of the Implementation of the Brussels Programme of Action for Least Developed Countries for the Decade 2001-2010, New York, 18 September 2006

Madam President,
Excellencies,
Distinguished Delegates;

My delegation welcomes the mid-term review of the Brussels Programme of Action for Least Developed Countries. There is no denying that progress in the implementation of the BPoA has been unsatisfactory so far, and unless greater efforts are exerted, the prospect of realizing the goals and objectives set out in the BPoA by the target year of 2013 will be beyond reach. It is, therefore, our sincere hope that the review will engender renewed commitment and decisive actions by **all** stakeholders for the remaining five years of the programme period.

My delegation welcomes the increase in ODA over the last few years. However, significant portions of it are concentrated in a few countries, and ODA in real terms in almost half the LDCs has declined. ODA is a lifeline for LDCs and for countries like mine, constitutes the primary resource for development. We **appeal to all** countries to deliver on their aid commitment of 0.7% of gross national product and allocate 0.15 to 0.20 percent of that to the LDGs. This is

a just appeal as LDCs make up more than a third of the member states of the United Nations. We commend countries that have fulfilled their ODA commitments under the Monterrey Consensus which was reaffirmed by the 2005 World Summit, and urge others to do so.

My delegation commends the 2005 Paris Declaration that places recipient countries at the centre of development assistance. It is imperative that interventions are country-driven and ODA untied for effective utilization. We similarly welcome the Secretary General's report on resource mobilization in the context of the Brussels Programme of Action which highlights the need to strengthen country ownership and genuine partnership between donor and recipient countries. The Cotonou Strategy represents effort towards ownership and partnership and it is our hope that the strategy will be supported.

Among the concerns highlighted by the LDCs during the course of the preparations for the mid-term review, is the emphasis by development partners on MDGs. The MDGs, notwithstanding their importance, have overshadowed the commitments to BPoA in so far as resource commitments at the programme level are concerned. My delegation believes that the BPoA and MDGs are compatible and complementary, and requests development partners to take a similar view and accord equal treatment.

We join others in welcoming the agreement reached at the Hong Kong WTO Ministerial Conference for duty-free and quota-free market access for all products originating from LDCs by 2008. It is a significant measure that should have far-reaching benefits for LDCs.

Madam President,

Bhutan is fully committed to the Brussels Programme of Action and is making concerted efforts towards its implementation. The Royal Government has integrated the goals and objectives of the BPoA into its development plans and long-term strategies. The seven broad commitments highlighted in the Programme are in consonance with our development philosophy of Gross National Happiness. This philosophy places people at the center of development and strives to promote good governance, equitable socio-economic growth, environmental conservation, and spiritual & cultural growth.

Concrete steps have been taken to enhance good governance in the country. Recently, an extensive review titled "Good Governance Plus" was carried out resulting in over two hundred recommendations that are currently being implemented. As a result, future five-year development plans will see significant planning and fiscal management reforms. Our plans will also be MDG-based, and, therefore, result oriented. It was indeed a proud moment for us when our efforts towards good governance were recognized with the award

of *Asia-Pacific Best Country Practice in Aid Management* during a recently held "Paris to Practice Workshop" at Bangkok. More significantly, Bhutan is poised for a historic political change in 2008 when parliamentary democracy will be introduced.

Our country's economy continues to grow at an average of 6 to 7 percent. We are judiciously harnessing the one renewable energy resource that the country has in abundance. Hydropower is today our major source of revenue. The private sector is being vigorously promoted as the engine of growth. Many enabling policy instruments have been adopted, and we have made significant progress in our negotiations for accession to the WTO.

We have ensured that our economic growth is not at the cost of the natural environment to whose protection we accord high priority. Our "ecological footprint" is small, and policies and laws are in place to ensure it remains that way. At the same time, growth has not come at the expense of the social sector which continues to receive the largest share of our annual budgets. Last year our achievement in environmental conservation was recognized by the UNEP Champions of the Earth Award for 2005 which was conferred on His Majesty the King and the people of Bhutan. Next month, the J. Paul Getty Award for Conservation Leadership is being awarded to His Majesty the King and the people of Bhutan. We appreciate the international community's recognition of our conservation efforts.

Madam President,

Our efforts are persistently challenged by many constraints we face as an LDC. Lack of adequate and predictable funding to finance our development goals is the most serious one. We have been fortunate to receive the support and assistance of many bilateral and multilateral partners and it is our hope that this will continue and be further enhanced in the future. As I mentioned earlier, Bhutan is in a critical political transition, and our success in the process will, to a large extent, depend on our ability to maintain and enhance the current levels of socio-economic development.

Madam President,

My delegation would like to express our deep appreciation to all development partners, both bilateral and multilateral, for the generous support provided to us. We take note of the valuable work that the Office of the High Representative for LDCs, LLDCs, and SIDS is doing to support the efforts of these disadvantaged groups of countries. We hope that this will continue through provision of better resources to the Office.

Madam President,

In conclusion, I wish to emphasize that the need of the hour is not to search for bold new solutions. The need is to undertake the straight forward task of working together to fulfill existing commitments and taking action on the ground. Over the course of our meeting in this affluent setting, we must not lose sight of the human tragedies unfolding every minute in the LDCs. Let us ensure that our deliberations today have a real and enduring impact on precious lives besieged by poverty and deprivation.

Thank you for your kind attention.
