



## Kingdom of Bhutan

**STATEMENT BY  
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PERMANENT REPRESENTATIVE OF THE KINGDOM OF BHUTAN  
TO THE UNITED NATIONS AND LEADER OF DELEGATION  
AT THE SECOND UN CONFERENCE ON LANDLOCKED DEVELOPING  
COUNTRIES  
4<sup>RD</sup> NOVEMBER 2014, VIENNA, AUSTRIA**

*Check against delivery*

**Mr. President,  
Excellencies,  
Distinguished Delegates,  
Ladies and Gentlemen**

1. Allow me to, first, congratulate you, Mr. President, on your election to preside over the Second UN Conference on landlocked developing countries.
2. Let me also convey our sincere appreciation to the Government and People of Austria for hosting this conference in this historical and beautiful city of Vienna.
3. I would also like to pay special tribute to the Under Secretary-General and High Representative of OHRLLS, Mr. Acharya for his untiring efforts in championing the cause of landlocked developing countries. He and his dedicated team deserve our special commendations for their exceptional work in ensuring thorough preparations for a successful conference.

**Mr. President**

4. We are gathered here today at the cusp of a new beginning for international development cooperation.
5. The decade of the MDGs will draw to a close at the end of the year and the intergovernmental negotiations to craft a transformative post-2015 development agenda will begin shortly thereafter.
6. For landlocked developing countries, the Almaty Programme of Action comes to an end and a new successor programme of action awaits us.

7. As with every new beginning, this is an opportunity for the international community to reinvigorate its efforts to address the special needs and challenges faced by landlocked developing countries in the next decade.

**Mr. President**

8. During the last decade, LLDCs have made good progress through the implementation of the Almaty Programme of Action with the support of transit and development partners.

9. Despite the progress achieved, the daunting challenges of LLDCs remain. They have yet to tap the full potential of trade as an engine of growth, which is critical to realizing their development objectives in an increasingly globalized economy. The export structure of most landlocked developing countries remains heavily reliant on few primary commodities, reflecting their low productive capacity and inability to structurally transform their economies.

10. At the broader macro-economic level, although LLDCs have registered good economic growth, they remain highly vulnerable to external shocks and global crises, including the impacts of climate change. LLDCs continue to grapple with other pressing challenges of eradicating poverty, unemployment and continued dependence on ODA.

**Mr. President**

11. Bhutan best exemplifies the challenges faced by landlocked countries. Bhutan is not only a landlocked country located in the Himalayas, but also a least developed country.

12. The Almaty decade saw us transition to a democracy in 2008. The second round of democratic elections was successfully held in 2013. We are now moving ahead with the firm conviction that democracy provides the best means to serve the will and the interests of the people of Bhutan.

13. Within this overall political transition, we have made good economic progress. Our GDP per-capita has increased from US\$ 1,387 in 2006 to US\$ 2,440 in 2013.

14. However, despite these achievements, many challenges remain to be addressed. Our economy is faced with a narrow industrial base and is highly dependent on a single sector and huge imports. We have been experiencing unprecedented macroeconomic instability despite a prolonged period of robust economic growth. Finding new drivers of economic growth to diversify our economy and providing gainful employment to our youth is vital if Bhutan is to sustain the progress achieved thus far.

15. Infrastructure remains weak, leading to high trade and transportation costs.

16. High cost of internet connectivity has made it difficult for people to optimize its usage despite availability of nationwide fiber optic network. FDI in the Information Technology has not yet picked up for the same reason despite Bhutan offering numerous advantages.

17. Eradication of poverty remains a major challenge with 12% of our population living below the national poverty line.

18. Impacts of climate change pose a serious threat with glaciers that are the primary sources of our river system melting at an alarming rate. High vulnerability to glacial lake outburst floods continues to remain a serious concern.

**Mr. President**

19. From our experiences, we remain convinced that LLDCs need a forward looking programme of action that builds on the Almaty Programme to include actions that would enable LLDCs to pursue robust economic growth through structural transformation of their economies, enhancing their productive capacity and building their resilience to meet ongoing and emerging challenges.

20. Such a programme of action would be in line with our national development goals and objectives. Bhutan is already in its second year of the 11<sup>th</sup> Five-Year Development Plan. Guided by the development philosophy of Gross National Happiness, the 11<sup>th</sup> Five Year Plan has achieving self-reliance and inclusive economic development as twin objectives. The main thrust will be on promoting inclusive social development, accelerated economic development and development of strategic infrastructure. Within this framework, eradicating of poverty will remain an overarching goal and priority.

**Mr. President,**

21. It is propitious that the Second UN Conference on landlocked developing countries precedes the start of the intergovernmental negotiations on the post-2015 development agenda.

22. Our hope is that the priority areas of the new programme of action will be taken into consideration in the elaboration of the post-2015 development agenda, just as the Open Working Group on SDGs has incorporated in its report some important goals and targets that are relevant for LLDCs.

**Mr. President,**

23. To conclude, we have a historic opportunity to adopt an ambitious, forward-looking and a holistic framework of action that would effectively address the special development challenges of landlocked developing countries in the next decade.

24. The coming decade will be extremely important as we work towards implementing the new programme of action and the post-2015 development agenda, including the sustainable development goals.

25. These are important endeavors, which cannot be achieved without renewed and strengthened partnerships.

26. If there is one group of countries that need to forge strong partnerships, it is the group of landlocked developing countries. We need to build partnership with a whole range of actors: with transit countries, development partners, international organizations and the private sector.

27. However, Bhutan takes great satisfaction that in our development efforts, we have been able to forge successful partnerships. Our development partners, both bilateral and multilateral, have provided generous support to our development efforts as well as in implementing the Almaty Programme of Action.

28. In India, we have not only an excellent transit and trading partner, but a close friend and a long standing development partner. Similarly, other donors, which includes among others, Austria have supported Bhutan's' development's efforts well. Our achievements in the political, social and economic fields would not have been possible without their support and cooperation.

29. We continue to believe that renewed and strengthened partnership at all levels must be the lynchpin for addressing the special needs and challenges of LLDCs in the next decade.

30. Thank you and Tashi Delek!