

Thank you Mr. Moderator,

Mr. Chair,

Excellencies,

Ladies and Gentlemen

I join the previous speakers in conveying appreciation to the UNESCAP, UNOHRRLLS, and UNECE for convening this Euro-Asian Regional Midterm Review of the Vienna Programme of Action and facilitating our participation at this meeting.

I wish to congratulate the Chair and Vice chairs for their election to the bureau today morning.

My presentation for this session will be focused on the energy sector in Bhutan, highlighting the achievements, frameworks and challenges.

Mr. Chair,

Over the years, Bhutan has witnessed steadfast growth in the economy and has been able to make impressive progress in achieving the Sustainable Development Goals, which are prudently embedded in our national five-year plans. This socio-economic development has been spurred by the growth in the hydro power sector.

Towards this end, the Royal Government of Bhutan accords the highest priority to enhance the energy security of the country. This effort can be seen manifested in our policies and strategies which is geared towards diversifying the energy-mix through the promotion of renewable energy technology .

Power generation in Bhutan relies exclusively on hydropower. Bhutan has one of the largest repositories of hydropower in Asia with a theoretical potential of 30,000 MW, out of which 23,760 MW is techno-economically feasible for development. Currently, Bhutan has total installed generating capacity of over 1,600 MW.

70 percent of the total power generated is exported to India,. However, during the dry season when the river flow reduces; Bhutan cannot meet its own peak system demand

and is required to import energy back from India. This is expected to ease with the commissioning of three hydro projects by 2025 which will bring the total installed capacity to over 5000 MW.

Like other developing countries, Bhutan has recognized the importance of energy for socio-economic development and poverty reduction. A high growth rate in rural electricity access in the last decade is a major indicator of the effort put in by the Government. As of 2017, 96.6 percent of the households in Bhutan use electricity as the main source of energy for lighting.

The Royal Government is also carrying out detailed studies of other projects for implementation in the future. Exploration of hydropower potential is important to secure and meet domestic demand which has been steadily growing owing to increased developmental activities, rural electrification coverage ratio and for meeting the demand of the existing industries.

Bhutan's electricity demand is met from hydropower resources and the Royal Government intends to promote other sources of renewable energy keeping in mind our energy security. In order to diversify sources of energy, the Alternative Renewable Energy Policy 2013 provides the necessary direction for the promotion and development of renewable energy that not only contribute to meeting the current energy requirements but also shaping future energy options for the country.

The Bhutan Sustainable Hydropower Development Policy adopted in 2008 provides the guideline for sustainable harnessing of hydropower energy. However, sustainability in the sector could be hampered by adverse impacts of climate change. While the country is endowed with abundant water resources, any likely change in the flow due to climate change will have direct impact on Bhutan's energy security. Furthermore, rapidly melting mountain glaciers are posing increasingly greater threats as having potential to become glacial lake outburst floods.

Mr. Chair,

To reduce dependency on energy for household needs and improve energy security, the country has promoted the use of energy efficient cooking stoves and installed over 5000

biogas plants. Other initiative includes promotion and distribution of Light Emitting Diode (LED) bulbs nationwide at subsidized rate.

At the regional level, being cognizant of the benefits of optimal sharing of the limited energy resources, especially in the field of hydropower energy that will further contribute towards combating global warming and climate change, a trilateral cooperation among Bhutan, Bangladesh, and India for investment in hydropower project is being initiated.

Despite the progress made in the energy sector, challenges remain. Successfully ensuring access to affordable, reliable, sustainable and modern energy through scaling the government initiatives in the energy sector will require significant investment in terms of human resources, technology transfer, and transmission lines amongst others.

While the Royal Government will continue efforts to improve investment climate and review policy and regulatory framework to attract financing, we look forward to the continued support and cooperation from development partners.

Thank you.