

**Lyonchhen Tshering Tobgay's Statement at the Launch of Bhutan Poverty  
Assessment Report (2014) at Hotel Tashi Taj  
September 11, 2014**

Excellencies, Members of the Cabinet,  
Hon'ble Members of the Parliament,  
Senior Civil Servants,  
Representative of the World Bank and  
Members of the private sectors, corporations and CSOs.

A very good morning to all of you. We are gathered here to launch a very important report. We are gathered here to follow-up on that very important report with a collective hard work.

Our national objectives is what guides our work, the work of the government, the work of the civil service, the work of the civil society organizations, the corporate sector and the private sector. Our national objectives to strengthen our sovereignty, to achieve economic self-reliance, to ensure that we maintain our identity and our unique culture, to continue maintaining our pristine environment; these are some of our national objectives. None of them can be considered to be fulfilled, not a single one of them can be considered to be fulfilled, if we continue to be plagued with poverty.

We have had a lot of studies done on poverty and this goes to show the emphasis that all of us have placed in fighting poverty. In 2011 alone, there were two studies that were published. Today, we are launching the poverty assessment report.

We know a considerable deal now about poverty in Bhutan - poverty in rural Bhutan, poverty in urban Bhutan, poverty between the genders and consumption poverty versus multi-dimensional poverty. We know a great deal about who are the ones that are poor, how they suffer and we also know how these problems should be tackled.

We have in our hands enough material to start working or, rather to work even more harder, because a lot of good work has been done - to work even more harder to try to eliminate poverty in Bhutan. Therefore, we must acknowledge that work and enjoy the success.

Reducing poverty rates from a high of 25% just six years ago to 12% now is a success by any measure. We need to acknowledge that, we need to appreciate that and celebrate it. That success is because of our social development policy. Education is free and widespread, healthcare is free and access in the form of farm roads and communications have been established. Our CSOs have been doing a wonderful job at the grass-root levels. We have enjoyed the support of many international organizations and the friendship of many countries to address many of the issues that contribute towards poverty.

But most importantly, the people of Bhutan and especially the poor have enjoyed social security in the form of Royal Kidu. The Director-General announced the significant contributions in poverty reduction that increased land holdings have

provided. That is so, throughout the length and breadth of our country, our King has travelled on foot to interact with the poor and to ensure that they have enough land, so that they can make a living and earn a living for themselves. They also have the deeds to the land; they can buy and sell the land or put it up as collateral for loans from development banks.

It is not just land that His Majesty and the Royal Kidu have provided. Our children from the poorest families are able to attend schools because His Majesty provides them support. Today, there are thousands of Gyalpoi Tozeds who are able to attend school only because of His Majesty's Kidu. Similarly, there are many in our villages, the poor and the destitute who have absolutely no where to turn to, are otherwise very close-knit communities and are otherwise traditional social security systems that have failed and it is to them, our Majesty provides a monthly stipend. The Royal Kidu has made significant and unprecedented contributions towards fighting the scourge of poverty in our country. We must celebrate our successes.

In a span of five years, we have reduced poverty from 25% to 12% but the reality is, 12% is still poor. One out of every eight Bhutanese is still poor, one out of every eight Bhutanese has access to income which is less than 1704 Ngultrums a month and one out of every eight Bhutanese go to bed hungry.

So, today as we launch this very important poverty assessment report, we must commit to fighting this scourge, reducing the numbers and not just seeing them as numbers, as 12% of people who are poor and 12.7% who are subjected multi-dimensionally. We must not just see the numbers, we must go beyond the numbers and see the faces of our brothers, sisters and of our children who have to live with poverty and who have to fight with poverty every day.

The report outlines our successes but the report also cautions us. Our poor while being extremely vulnerable to shocks and when they are able to escape poverty, are more inclined to become poor again. Out of every two who escape poverty, the reports says, one who was earlier a non-poor become poor. Two steps forward, one step backward is not a solution. We must ensure that those who escape poverty are no longer vulnerable, those who are not poor but are on the fringes of poverty are not vulnerable and their needs are also attended to.

On the part of the government, we must ensure that social services to the poor throughout the country especially in rural Bhutan is increased. We must not only ensure that education, which is accessible to all, is not just made available but must be of the highest quality.

Today, 19.5% of government budget is spent on education. We must spend that well to ensure that all Bhutanese, but especially the poor, when they attend school, that schooling will take them out of poverty, that schooling is of the highest possible standards and will remove them from poverty.

We spend 8.1% of the national budget on healthcare and again we must make sure that that money is well-spent, spent first and foremost to our poor and the need for healthcare does not confine them and does not shackle them to poverty.

Healthcare must go beyond the hospital and medicines, we must ensure that every rural household poor have access to safe and piped drinking water. The numbers say that 95% of our population has access to safe drinking water. We need to count and we need to make sure that each and every one of those are actually functional. Similarly, we need to ensure that our rural farmers and the poor have access to proper and safe sanitation.

Most of our country is connected with electricity and the government now provides 100 units of free electricity to our farmers. The idea is that they will not have to use firewood, the idea is that they will not succumb to illness because of that and the idea is that they can become more productive in the farms as well as by being able to do schoolwork. But we must do more. Our farm roads must be of better quality, agriculture must get more attention, our farmers having produced goods must have access to markets and especially the poor farmers must have access to credit. Only then will we be able to, perhaps when the next poverty assessment report comes out, celebrate more than we are today prepared to do so.

12% is just a figure; Ladies and Gentlemen, we must go beyond that figure, that impersonal number, and we need to go aggressively and actively seek out who comprise those 12%. We have done a quick survey and we have counted about 2300 households mainly in rural Bhutan who can be classified as poor. This is our first attempt to go beyond the 12% in terms of our number. We have, of those 2300 odd households, the names of the people, the heads of the household, the members of the houses and we know exactly where they live.

The government is now going beyond that. We will be soon sending people to each and every one of those houses to establish what level of poverty that they are experiencing. 3%, according to the assessment is extreme poverty and they need immediate attention. We need to know who among our fellow Bhutanese are experiencing extreme poverty and they need urgent attention. But above and beyond that, we need to know what level and type of poverty each and every one of those households that are identified as poor are experiencing. Then, for each and every one of those households, we need to come up with a special package to remove them from poverty.

No one in this room, no one organization can do it alone. The government while continuing to improve the quality of education, healthcare, access to markets, farm roads, agriculture and access to credit cannot do it all on our own. We need the support of the banks and the CSOs, in that context Tarayana is doing a wonderful job. We need to engage with them more directly, we need to work with other CSOs and the private sector. So that, on one hand, the poor have access to goods and on the other hand, they have access to markets. We need the continued support of our friends and in this case, the World Bank.

If together, we go beyond, study this report carefully and then take a moment to celebrate our successes; after that, if together we look beyond the 12%, that is being presented to us as a number, and understand that it means that one in every eight Bhutanese is poor and the definition of poor is earning less than 1704 Ngultrums a month, if we accept that every one of that eight has a name and can be identified. Unlike in many other countries, our small population base

allows us to identify each and every one of them, and then I think that we can all commit to eradicating the scourge of poverty in the near future.

I want to congratulate the National Statistics Bureau and thank the World Bank for a job well done. Congratulations and thank you very much.