

Executive Summary

As required under the Constitution of the Kingdom of Bhutan and the RAA's Strategic Plan 2015-2020, the RAA had conducted '*Performance Audit on Preparedness for implementation of Sustainable Development Goals (SDGs)*'.

The RAA covered the preparedness activities undertaken by the Government for the implementation of SDGs upon adoption of 2030 Agenda by the UN on 25 September 2015 till 31 March, 2018.

The audit was conducted with the following objectives:

- ✚ To ascertain the adaption of 2030 Agenda by the Government into its national context;
- ✚ To determine whether the Government has identified and secured the resources and capacities needed to implement the 2030 Agenda; and
- ✚ To evaluate whether the Government has established a mechanism to monitor, follow-up, review and report on the progress towards the implementation of the 2030 Agenda.

The RAA observed positive accomplishments and initiatives as well as shortcomings and deficiencies. Some of the significant initiatives of the Royal Government of Bhutan in the implementation of SDG include:

- ✚ 2030 Agenda were accorded high priority for deliberation in the Parliament of Bhutan;
- ✚ Bhutan was identified as an early mover country (SDG priority country) in the Asia Pacific region;
- ✚ Bhutan has volunteered for the Voluntary National Review (VNR). The report was tabled during the High Level Political Forum (HLPF) in July 2018; and
- ✚ Bhutan has secured USD 40 million sinking fund to permanently protect Bhutan's 5-million-acre network of protected areas.

Notwithstanding these initiatives, the audit also revealed certain shortcomings and deficiencies in the preparedness for the implementation of SDGs.

Some of the deficiencies are highlighted below:

- ⊕ Since SDGs is an international commitment founded on the principles of national ownerships, inclusive and participatory, universal and leaving no one behind, it requires Gross National Happiness Commission (GNHC) to extend and integrate SDGs activities into the country's development plan. Thus, clear policy direction from the government was felt necessary in order to realize the intents of SDGs;
- ⊕ GNHC considers 12th Five Year Plan (FYP) as the first national strategy or action plan towards SDG implementation. However, it was observed that there is no separate action plan or roadmap to pursue SDGs. There is no definite timeframe identified to achieve each goal, no lead agency has been identified to anchor the responsibilities of implementing each goal as well as unclear

contributors and collaborators in the implementations of SDGs. However, lead implementing agencies have been identified for NKRAAs and SKRAAs;

- ⊕ Though various committees and task forces under GNHC were constituted, such as, High Level SDG Committee, Lead Coordination Agency and SDG Working Committee, it does not have a separate dedicated division or unit staffed with adequate human resources to spearhead the SDGs initiatives. Further, there were no clear directives from the Government or the relevant authority on the need to have a separate and dedicated unit. It was also observed that the coordination mechanism to harmonize the activities initiated by various agencies were generally lacking. In addition, there was no formal Terms of References (ToR) for various committees and task forces constituted by the GNHC;
- ⊕ While the Five-Year Plan of the country, which is guided by the development philosophy of Gross National Happiness (GNH), finds a close resonance to the principles of SDGs, with overlapping ideals and intertwined activities, there may be a need for a separate mapping exercise to identify the gaps and complementing strengths. Therefore, the extent of integration of SDGs targets and indicators into national programs at outcome, output and activity levels were not clear;
- ⊕ The resources determined for the respective plans during the SDG period is deemed to form a significant portion for implementation of SDG activities. However, adequate assessment were not carried out to determine the financial and human resource requirement for the full implementation of SDGs. Financing is a critical component in ensuring the success of the 2030 Agenda.
- ⊕ The GNHC monitors the implementation of plans and programmes at the national level through annual status monitoring of the National Key Result Areas as well as through Mid-Term Review of the FYP. In addition, it also has Government Performance Management System (GPMS) and Annual Performance Agreement (APA) to monitor and review the progresses of annual plans and programs. However, there is no separate or integrated review and monitoring mechanism to track the progress of implementation of SDGs.

Therefore, the RAA is of the opinion that while Bhutan has accorded commitment from highest oversight institution in the country in taking forward 2030 Agenda and many visible progresses have been made towards its preparation for realization of Agenda, there are still some shortcomings that may impede effective implementation of SDGs as discussed above.

Thus, in order to prepare and implement the SDGs effectively, the RAA has provided five recommendations.
