



GREEN
CLIMATE
FUND

| GCF.10 |

| 10 YEARS OF CLIMATE IMPACT |

GCF REGIONAL DIALOGUE

with EAST AND SOUTH ASIA

Colombo, Sri Lanka
14–17 September 2026

Bhutan's Ambition for Financing a High-Income, Climate Resilient GNH Economy

Tshering Choden

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A Pivotal Milestone: From Aid to Self-Sustained Green Growth



Dec 2023

Graduated from Least Developed Country (LDC) status.



69.7%

Current forest cover, exceeding the >60% constitutional mandate.



-9.7M tCO₂

Carbon-Negative: Annually sequesters 11.45M tCO₂ while emitting only 1.7M tCO₂.

10x Growth and Carbon Negativity

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Achieve High-Income GNH status by 2034, delivering tenfold GDP growth by 2025 while permanently preserving carbon-negative status



Aim 1: Energy Leadership

Maximize hydropower and establish regional energy dominance.



Aim 2: Resilient Agriculture

Climate-proof food security and rural livelihoods.



Aim 3: Green Economy

Solve youth unemployment via green tourism and tech hubs.



Aim 4: Resilient Infrastructure

Climate-proof roads, smart grids, and water systems.



Aim 5: Natural Assets

Monetize carbon sinks and biodiversity through global markets.

Partnership with GCF

3

Number of total projects

61.9 million

Total GCF financing

8

Number of readiness activities

7.3 million

Readiness support approved

218,326

Target beneficiaries

10.6 million

Target tonnes of emissions avoided
(Lifetime)

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National Designated Authority



**Department of Macro-fiscal and
Development Finance (DMDF),
Ministry of Finance**

Direct Access Entities



International Access Entities



Empowered lives.
Resilient nations.



Kingdom of Bhutan – Climate Priorities

- **Carbon neutrality with economic development** – Maintain economy-wide carbon neutrality while advancing climate-resilient growth, ecotourism and green jobs
- **Clean & secure energy transition** – Sustain hydropower; diversify into solar and other renewable; improve energy efficiency; scale e-mobility
- **Forests & nature-based solutions** – Protect and enhance forest carbon sinks through REDD+, restoration and sustainable land management
- **Climate resilience & adaptation** – Strengthen water security, climate smart agriculture, disaster risk reduction (GLOFs, floods, fires),
- **Climate-resilient infrastructure** – Climate-proof hydropower, transport, and urban systems; strengthen early warning and climate services
- **Carbon Markets** – Accessing Carbon Markets through high-integrity climate projects



Investment / Financing Gap

- **USD 13B – NAP Financing Need:** The **NAP 2023** remains significantly underfunded, particularly in water, agriculture & livestock, forests & biodiversity, health, energy, climate services and DRR.
- **Low-Carbon Transition: Transport is the highest-emitting sector**, requiring greater investment in **e-mobility and low-carbon transport**. Waste management and the **circular economy** also present significant untapped opportunities for private-sector investment.
- **USD 134M – Annual Financing Gap:** Significant financing gaps persist across Bhutan's priority **climate adaptation and mitigation investments**.
- **USD 20.8B – Investment Requirement:** Bhutan requires an estimated **USD 20.8 billion in additional cumulative investment by 2030** to advance its climate and development priorities.

Potential Opportunities

- **Resource Mobilization:** Support resource mobilization efforts under the **Bhutan Resource Mobilization Plan (BRMP) 2026** and the **G-ZERO Forum**
- **Establishment of a Country Platform:** Support the establishment of a Country Platform to coordinate and mobilize financing for cross-cutting national priorities
- **Innovative Climate Finance:** Support the piloting and scaling of innovative financing solutions, including green and climate bonds, de-risking instruments, debt-for-climate swaps, carbon credits, and other blended finance mechanisms
- **Strengthening Climate Finance Tracking:** Strengthen climate finance tracking, tagging, and reporting systems to improve transparency, coordination, monitoring, and evidence-based reporting of climate finance flows



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Thank you

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