



Guidelines for Handicraft and Non-Food Agricultural Products.

Department of Trade
Ministry of Industry, Commerce and Employment
www.moice.gov.bt

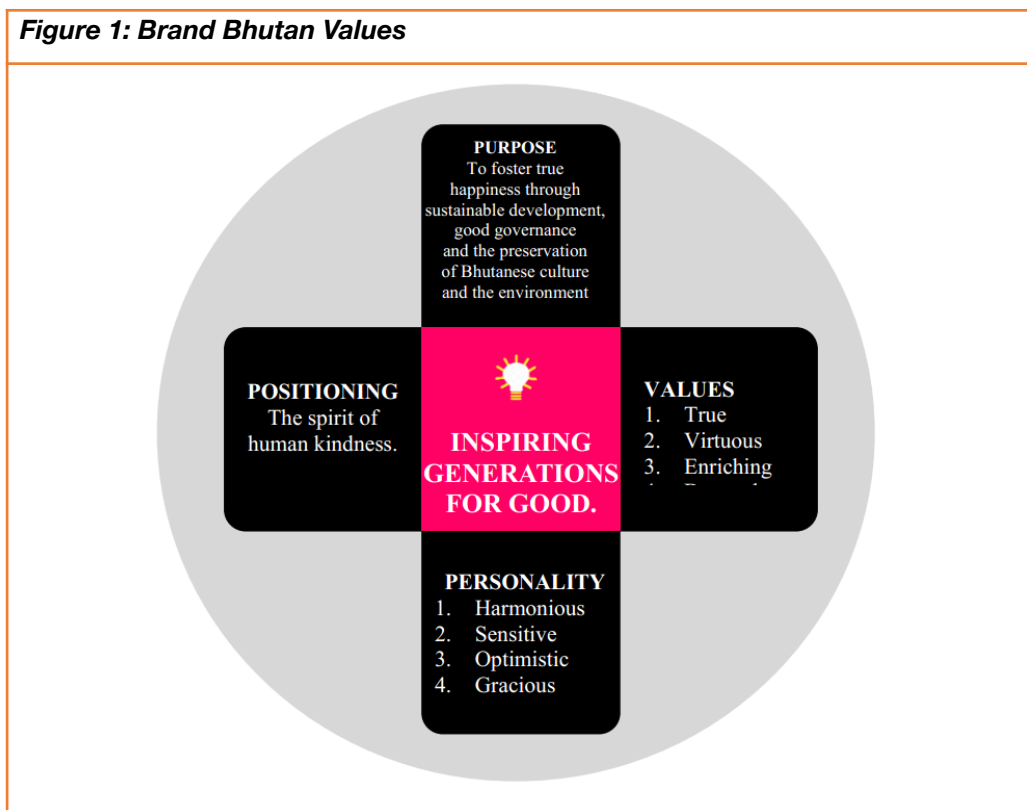
MADE IN BHUTAN Guidelines

1. Introduction

The sectoral brand MADE IN BHUTAN is part of the country BRAND BHUTAN, which is owned by the Department of Trade (DoT) of the Ministry of Industry, Commerce and Employment of the Royal Government of Bhutan. This brand shall allow buyers to identify premium products truly originating from Bhutan.

BRAND BHUTAN'S purpose is to foster true happiness through sustainable development, good governance, and the preservation of Bhutanese culture and the environment. Everything crafted in Bhutan comes from its pristine nature, timeless traditions and enduring values. The “Brand Plus” model shown in *Figure 1* is the essence of the BRAND BHUTAN development process.¹

Figure 1: Brand Bhutan Values



BRAND BHUTAN values are:²

¹ PW Consultancy, Brand Bhutan Implementation Plan and Guideline 2017

² FutureBrand, Brand Bhutan Guidelines 2015

- **TRUE:** Bhutan originates from the pure, pristine, and natural mountains of the Himalayas, which has influenced the traditions, and continues to resonate down through to everything said and done today.
- **VIRTUOUS:** Cultivating truly meaningful and personal experiences, by genuinely connecting with the people at every opportunity.
- **ENRICHING:** Changing lives for better, by inspiring a sense of belonging and well-being, and making a positive impression that lasts a lifetime.
- **BENEVOLENT:** Borne from the innate concern for others; warm –hearted kindness, friendliness and compassion are synonymous with the culture and way of life.

BRAND BHUTAN's personality should reflect:

- **HARMONIOUS:** By being balanced and totally in tune with the rhythms of nature-aware of how the elements work together to create peace and accord.
- **SENSITIVE:** By being perceptive and attuned to what is going on around and responding to the needs and feelings of others.
- **OPTIMISTIC:** By being positive in our outlook and sharing this perspective with the world around us.
- **GRACIOUS:** By being kind, generous and considerate to the people regardless of who they are and where they come from.

Any product to be marked MADE IN BHUTAN under the BRAND BHUTAN umbrella should be in line with BRAND BHUTAN's value and personality.

Made-in-Bhutan Guidelines are for handicraft products and non-food processed agricultural products, including water and other products which fulfil the criteria but key ingredients are not available domestically and have to be imported. Made in Bhutan Products are defined as *“Products that are produced or manufactured either completely by hand or with the help of tools within Bhutan. Mechanical tools may be used as long as the direct manual contribution of the artisans remains the most substantial component of the finished handicraft products.”*

This MIB mark signifies that the item is crafted/manufactured within Bhutan. Additionally, this label serves as a mark of quality and authenticity for consumers both within Bhutan and in international markets.

Any antique Bhutanese crafts are not eligible to apply for the Made in Bhutan mark.

2. Application procedure

Any individual, company, or organisation having a licence or registration in Bhutan to produce or manufacture products can apply for MADE IN BHUTAN under the umbrella brand BHUTAN. The brand is open to individual craft producers, community groups, cooperatives, private businesses, and agencies that produce and trade commercial products.

Individuals, companies, and organisations who want to use the mark have to complete the mark application form along with the sample products in Annex 1. Applicants are requested to provide information according to their best knowledge and information. The provision of misleading or incorrect information will lead to losing the right to apply for the mark for one year. If an applicant wants to apply for different products, a separate questionnaire has to be filled out for each product.

The mark application form has to be submitted to the Brand Bhutan Secretariat, which is managed by the Department of Trade. The mark application form has to be accompanied by a product sample. The applicant should upload clear photos of the product samples for record and later reference. The product samples will be returned to the applicant after the assessment is done.

The Brand Bhutan Committee, consisting of members from the Department of Trade and relevant agencies, will assess the completed questionnaires and product samples.

In cases of incomplete, unclear, or missing information, the Brand Bhutan Secretariat may ask the applicant to provide further details and may inspect the business premises where goods are produced or packaged by providing prior notice to the applicant.

The Brand Bhutan Secretariat will notify the applicant about the outcome of the application. The decision can be made as follows:

- **Non-approval:** The applicant does not meet the criteria of MADE IN BHUTAN.
- **Approval with condition:** The goods are approved, but with certain conditions with a period to rectify them, after which products are allowed to use the mark.
- **Approval:** The products are approved without any condition, provided that an undertaking of compliance is signed. The certificate of approval will bear the signature of the authorised representative from the Ministry.

The right to use the mark will be granted for three years, as long as the rules and regulations of using the mark are respected. Applicants who are granted the right to use the mark have to sign and submit a declaration of Undertaking of Compliance according to annex 2. After three years, new applications have to be submitted, if the business intends to continue using the mark.

The Brand Bhutan Secretariat shall monitor the product for which approval is granted and may withdraw the approval in case of non-continued compliance with the rules and regulations.

Applicants have the right to appeal against decisions of the Brand Bhutan Committee. The appeal must be in writing and shall be filed with the Department of Trade within 10 days from the date of issue of notice. The appeal shall specifically disclose the reason for the appeal. The appeal shall be placed before the Brand Bhutan Appeal Committee, who shall fix a date for hearing the appeal. The applicant will present their appeal in person to the Brand Bhutan Appeal Committee.

3. Criteria

The detailed criteria to be applied for MADE IN BHUTAN reflect the lead criterion of the MADE IN BHUTAN brand, which is **“Premium goods, happily and sustainably made in Bhutan with uncompromised quality by reliable business partners”**.

The lead criterion is a combination of the assessment of the origin of the product going along with further detailed criteria reflecting the specific values, culture, traditions, and spirit of Bhutan. The lead criterion builds on five different elements:

- Premium quality
- Happily made
- Sustainably made
- Made in Bhutan
- Made by reliable business partners.

For a measurable assessment, these five elements of the lead criterion have been broken down to ten criteria, which the applicant is expected to meet all.

Table 1: MADE IN BHUTAN criteria

Lead criterion: “Premium goods, happily and sustainably made in Bhutan with uncompromised quality by reliable business partners”	
Made in Bhutan	1. The final product underwent its last substantial, economically justified production or processing in a production facility in Bhutan.
	2. At least 40% of the value addition can be attributed to production or processing in Bhutan.
Premium quality	3. The final product is handmade or with the assistance of tools using authentic cultural heritage techniques/patterns/ is an innovative product having market potential.
	4. The design, artisanship, materials used, and finishing are of superior quality as deemed by the committee or relevant authority.
Happily made	5. Fair payment of workers and suppliers going beyond the Bhutanese Minimum Wage. (payslip/other relevant document)
	6. Decent work: Work conditions and work safety comply with national laws and provide a favourable, child labour-free and gender-sensitive context.

Sustainably made	7. Sustainable raw materials or imported materials are sourced responsibly and production capacity
	8. Cleaner production techniques/practices (Environmental Clearance where required) are applied, such as eco-optimized production processes, waste management and use of recyclable material.
By reliable business partners	9. The applicant is a licensed or registered entity.
	10. No adverse record and major complaints in business have been reported in the last 3 years.

4. Instructions for filling out and assessing the questionnaire

The questionnaire in Annex 1 has to be completed for one specific product only. If an applicant wants to apply for more than one product, a separate questionnaire shall be filled out for each product.

As a company may apply for several products, it is suggested to fill out the form on the computer for easier adaptation from one product to the next.

1. Criterion: The final product underwent its last substantial, economically justified production or processing in a production facility in Bhutan.

- The applicant should indicate the main processing steps done.
- At least one major transformation of the product is required
- For textile products, it is required that at least weaving or dyeing is done in Bhutan.

Example: A Gho, Kira or bag made of imported ready-made and dyed fabric will not be accepted under Made in Bhutan, even if one or more processing steps are done in Bhutan, whereas a scarf made from imported fabric but dyed and sewn in Bhutan would be accepted.

2. Criterion: At least 40% of the value addition can be attributed to production or processing in Bhutan.

- In line with the guidelines for issuance of Certificate of Origin by the Department of Trade,³ the formula to be applied is:

$$\frac{(Ex\text{-factory price} - \text{value of the imported raw material})}{Ex\text{-factory price}} \times 100$$

³ Department of Trade, Guideline for issuance of Certificate of Origin, June 2018

- Ex-Factory price means the price at the gate of the production workshop.
- In case there are doubts about the correctness of price and cost indications made, the Brand Bhutan Secretariat may ask for further proof or verify the prices on-site.

Example: If an ex-factory price indicated seems to be unreasonable, the Brand Bhutan Secretariat may ask for a copy of an invoice.

3. Criterion: The final product is handmade or with the assistance of tools using authentic cultural heritage techniques/patterns or is an innovative product having market potential.

Example: The applicant should indicate what kind of traditional patterns/techniques, tools/handlooms/backstrap looms or natural dyeing, and any other traditional knowledge and methods are used that are considered authentic cultural techniques.

In case of non-handicraft products, the applicants should indicate what is new or original about the submitted production terms of material/process/design/source of inspiration/function.

4. Criterion: The design, artisanship, materials used, and finishing are of superior quality as deemed by the committee or relevant authority.

- Example- The applicant shall refer to particularities of design, skills of workers, quality of the raw material used, finishing methods, colour fastness, etc., and particular product advantages to describe the quality himself.
- If the product has already received an award or certificate of recognition from a relevant authority, the applicant shall add this wherever available and applicable.
- A product sample is required for proof of quality, or the Secretariat will lead the field inspection with relevant experts. The product sample will be returned to the applicant after assessment of the application. The applicant shall upload the products online for documentation purposes.
- The Brand Approval Committee assesses the quality of the product sample and decides whether it agrees to the applicant's own assessment.

5. Criterion: Fair payment of workers and suppliers going beyond the Bhutanese National Wage.

- Indicate the average monthly salary paid to the employee/ homeworkers/contract workers.

- If the production is mainly based on homeworkers, the applicant should indicate how much a homeworker can earn per month if working full-time and being paid piece by piece.

6. Criterion: Decent work: Work conditions and work safety comply with national laws and provide a favourable, child labour-free and gender-sensitive context.

- Applicants should indicate to what extent they provide favourable work conditions, such as spacious rooms with adequate lighting, heating or cooling installations and proper facilities, workplaces at village level, facilities to take care of small children, average working hours etc.
- In case of work safety issues (e.g. when working with chemical dyes or machines), the applicant should inform about protective measures.
- Child labour is restricted. The minimum age for employing youth is 18 years.
- The employment of youth must be in-line with the Regulation on Working Conditions 2022 of the Ministry of Industry, Commerce and Employment (MoICE).
- Applicants should indicate what support they offer to women/community/disadvantaged groups.
- If there is no employment of women, please indicate under additional comments.

7. Criterion: Sustainable supply of raw materials and production capacity or imported materials are sourced responsibly (Details of the suppliers/any other relevant documents/ justifications)

- For raw material collected from farming, forests, or other environmental sources in Bhutan, the applicant should indicate to what extent the material is available in abundance or declare how sustainable harvesting is ensured. Additionally, the applicant should indicate their production capacity.

Examples: Leaves used for natural dyes may be available in abundance. For nettle, promotion of sustainable harvesting techniques may be referred to. For wooden products, special information may be required about the tree species.

- For imported raw material, the applicant should indicate to the details of the supplier including to what extent the continuous supply of the materials are ensured.

8. Criterion: Cleaner production techniques/practices are applied, such as eco-optimized production processes, waste management, and use of recyclable materials.

- Cleaner production refers to reduced use of resources, production without environment pollution, environmentally friendly production processes.

Examples: Left-overs from natural dyeing processes may be used as manure for farming, use of waste material from metal casting, use of leftovers in textile production, degradable waste or use of natural packaging material.

9. Criterion: The applicant should be a licensed or registered entity.

- The applicant should provide information about his/her licence number or details of the registration as an individual entrepreneur, company, cooperatives, Non-Governmental Organisation, Civil Society Organisation or similar.

10. Criterion: No adverse record and major complaints in business were reported in the last 3 years.

- Simple declaration.

5. Rights of using the MADE IN BHUTAN promotion material

The applicant has two options for using the MADE IN BHUTAN mark:

- **Option 1:** Branding of the products under his own name, trade mark and label, and additionally using the MADE IN BHUTAN logo/mark
- **Option 2:** Branding the product only as MADE IN BHUTAN without using its own brand name.

Option 1 is the preferred way of applying MADE IN BHUTAN. In general, the use of MADE IN BHUTAN should go along with an own company branding.



The mark owner will make a set of promotion material, like hang tags or stickers available to the applicant that can be used on the approved products. For mass production, the applicant may be allowed to print and apply the mark on the approved product.

Considering that Bhutan lives in harmony with the environment, wherever possible the use of natural and locally sourced materials like wood, organic cotton and handcrafted materials is suggested for producing promotion material to add value and give a more

human touch and natural feeling to our brand. The mark user should avoid using anything that associates an industrialized synthetic or unnatural feeling with the brand.

Appropriate examples of use of the mark are presented in table 2.

Table 2: Examples of use of the mark

Use	Example
Made in Bhutan logo on hang tags	
Panels, banners, and posters for shop decoration	

6. Visual identity system

The Made in Bhutan logo consists of digital redrawing of a snow-lion, partially framed by a square brush stroke. The snow lion is one of the suite of 4 auspicious animal designs (Tak Seng Chung Druk) created for the Brand Bhutan collection of design elements. Snow lion represents vitality, purity and dignity-qualities highly suitable to represent Bhutanese -made products.

The following specifications have to be respected when using the logo. It is vital that all mark users consistently apply the visual identity system set out in the Brand Bhutan Guidelines in order to build strong visual recognition.⁴

⁴ FutureBrand, Brand Bhutan Guidelines 2015

Picture 2: MADE IN BHUTAN logo



The logo lockup is designed with a white rectangle background to maximum visibility and clarity, and can be placed on any background without the need for alterations to the colours and typography. As such, the logo may not be edited or changed in any manner. The original colours as provided may not be changed, lightened, or altered in any way, to preserve the integrity of the logo.

No additional text of any type may be added on the logo and provided clear space. The design of the logo as a lockup is designed to be used independent of the surrounding design, and may be incorporated alongside any style of design/font/text belonging to the brand. This is to allow brands to maintain their overall brand look while using the Made in Bhutan lock-up without any changes.

The ratio of dimensions of the logo/lock-up may not be changed by stretching. Products should ensure that the log provided is used in one place, and not cropped, partially removed, or printed on separate panels or materials.

7. Annex

Annex 1: Questionnaire for the assessment of MIB products

Annex 2: Declaration of Undertaking of Compliance

Annex 1: Questionnaire for the assessment of Made in Bhutan products

Application
<i>Name of the entity:</i>
<i>Contact person:</i>
<i>Address:</i>
<i>Telephone, e-mail, website:</i>
<i>Date of application:</i>

We hereby apply for the following product:

1. Is the last substantial production or processing of the final product done in a production facility in Bhutan?

Yes

No

If yes, please indicate the last substantial production and processing steps that take place in Bhutan:

2. Is the product made 100% from the locally sourced raw materials?

What is the percentage of value addition for your product (As per calculation below)?

Calculate the value addition using the formula below.

Yes

No

Imported raw material	(1) Cost per unit of raw material	(2) Quantity of raw material needed per piece of final product	Cost of imported raw material per piece of final product (1 x 2)
Raw material 1:			
Raw material 2:			
Raw material 3:			
A) Total cost of imported raw material			
B) Sales price of the final product (Ex-factory price)			
C) Value addition in Bhutan: (B minus A) divided by B multiplied by 100			

**3. Do you use authentic cultural heritage production techniques or patterns?
Or do you produce an innovative product?**

Yes

No

If yes, please briefly describe, which authentic cultural production techniques you use or what is new or original about the submitted production terms of material/process/design/source of inspiration/function.

4. Are the design, artisanship, materials used, and finishing of your product of superior quality?

Yes

No

Please briefly describe the particular quality features of your product and/or indicate any awards, prizes, quality certificates, or recognitions obtained from relevant authorities:

5. Do you provide a minimum National wage to the workers and suppliers?

Yes

No

If yes, please indicate the typical average monthly income of your workers and/or indicate how much a homemaker can earn per month if working full time and being paid by piece:

6. Do you provide decent work conditions, work safety, good premises or homework? Do you ensure a child labor-free and gender-sensitive context?

Yes

No

6.1 Do you provide spacious room with proper facilities, appropriate lighting, heating or cooling installations (if necessary) or do you offer homework options?

Yes

No

6.2 Do you use protective equipment where necessary?

Yes

No

6.3 Do you employ youth under 18 years?

Yes

No

6.4 Do you provide favorable work conditions for women? If yes, how?

Yes

No

Explain the facilities/equipment provided and the working conditions. If there is no employment of women, please indicate below:

7. Do the raw materials used in the production come from sustainable sources/suppliers?

YES

No

Please briefly describe the sources/supplier of raw material you use (local/imported) and whether it comes from farming or sustainable harvesting in case it is sourced locally.

8. Mention the annual production capacity of the product submitted.

9. Do you apply cleaner production techniques, such as eco-optimized production processes, waste management, and use of recyclable materials?

YES

No

Please briefly describe any cleaner production techniques:

10. Where do you sell the submitted products?

Domestic market (Please specify)

International markets (please specify the countries).

1. Asia - Countries:
2. Australia, New Zealand, Pacific - Countries:
3. Europe: - Countries:
4. North America - Countries:
5. Latin America & Caribbean - Countries:

- 6. Africa - Countries:
- 7. Other countries - Countries:

11. What are your usual sales channels? (You can tick more than one.)

Direct sales:

- In your own shop / workshop / factory
- Trade fairs and exhibitions
- Your own website or other internet sources
- Others(specify).....

Wholesalers:

- Importers' and Exporters' Associations
- Entrepreneurs and middleperson
- Mail-order companies
- Internet marketing and e-commerce
- Others (specify).....

Retailers:

- Museums and art gallery shops
- Department stores, shopping malls
- Gift, discount, and specialty shops
- Designers' shops
- Internet marketing and e-commerce
- Others (specify).....

Others:

- International fair trade organizations
- Cooperatives and NGOs

12. Are your business activities registered or do you have a license?

- Yes No

In case yes, please indicate and attach a copy:

13. Do you have any adverse record or any major complaints reported against your business in the last three years?

- Yes No

In case yes, please indicate:

Declaration

I hereby declare that the information furnished above is true and complete. I understand that any false or inaccurate information shall render my application invalid, or shall result in cancellation of approval if it is already granted.
--

Place, date

Name and signature

Annex 2: Undertaking of Compliance

I,..... holding a trade license/CID operating business in , approved as the MADE IN BHUTAN brand user holding approval no.....hereby sign the ‘Undertaking of Compliance’ that I will follow the MADE IN BHUTAN guidelines in usage of the brand logo/marks on my product to assure its usage is not misused.

1. I acknowledge and agree that the MADE IN BHUTAN logo will be used in compliance with the guidelines;
2. I will respect all the requirements set out in the guidelines;
3. I will ensure that all the conformity assessment shall be fulfilled as desired by the concerned authority;
4. I will ensure that the MADE IN BHUTAN logo or mark is used for appropriate product without compromising the product quality and shall prohibit misleading or deceptive conduct or conduct that is likely to deceive or mislead;
5. I will cooperate with the BRAND BHUTAN Secretariat for the examination and inspection of the product;
6. I shall accept the decision of the Brand Bhutan Secretariat in regards to my accreditation and work thereon;

I hereby declare that all the information that I have provided in the application and during my successive appraisal is correct and accurate in the best of my knowledge, and I will keep my information up to date with any changes.

Place and Date

Name and title
(Affix legal stamp)

Signature