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**Ministry of Industry, Commerce & Employment**  
 Royal Government of Bhutan



# ANNUAL REPORT

2024-2025

Prepared by:

**POLICY AND PLANNING DIVISION**



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## Foreword

It is a great privilege to present the Annual Report for the fiscal year 2024–2025, which reflects the key achievements, challenges, and lessons learned by the Ministry of Industry, Commerce, and Employment. Guided by the 13th Five Year Plan, the Ministry recorded an overall achievement of Key Performance Indicator [KPI] at 89.83% [Departments and Agencies] and 95.96% [RoICE]. The budget utilization stood at 88.93% at the departmental level and 98.33% across Regional Offices. The internal performance evaluation results were equally encouraging, with several agencies attaining “Excellent” or “Very Good” ratings. Additionally, progress was made across priority areas such as expansion of cottage and small industries, the promotion of Brand Bhutan, direct tourism revenue, facilitation of major trade agreements, and advancement of labour market intelligence systems.

While these results are commendable, the year also brought challenges such as some targets were partially achieved due to constraints posed by resource limitations and factors beyond the direct control of the Ministry. These experiences helped in formulating a realistic annual plan for FY 2025/26 that balances ambition with feasibility. Finally, I extend my sincere appreciation to our dedicated officials, partners, and stakeholders whose efforts have driven these achievements. Moving forward, MoICE remains committed to innovation, inclusiveness, and resilience as we work towards strengthening Bhutan’s economic base and ensuring sustainable growth.



Tashi Wangmo

Secretary

Ministry of Industry, Commerce, and Employment

# Introduction

The Ministry of Industry, Commerce and Employment (MoICE) was established on 30th December 2022 under the Royal Civil Service Commission's structural reform. The Ministry consists of six Departments and four Regulatory Bodies, namely:

1. Department of Employment & Entrepreneurship (DoEE);
2. Department of Media, Creative Industry and Intellectual Property [DoMCIIP];
3. Department of Industry [DoI];
4. Department of Labour [DoL];
5. Department of Tourism [DoTr];
6. Department of Trade [DoT];
7. Bhutan Standards Bureau [BSB];
8. Bhutan InfoComm and Media Authority [BICMA];
9. Competition & Consumer Affairs Authority [CCAA];
10. Corporate Regulatory Authority [CRA].

This report presents the achievements of the annual work plan of the ministry that were implemented by the departments/agencies and six regional offices during the FY 2024-2025.

# Vision



To promote quality and sustained economic growth with decent and productive employment through creative and innovative interventions to promote the private sectors.

# Mission



Improving the ease of doing business by establishing a responsive and coordinated regulatory framework, and integrating all business licensing systems and sectoral clearances.



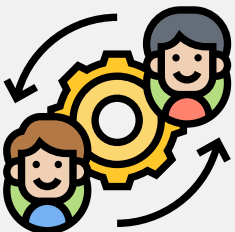
Promotion of Foreign Direct Investment [FDI] and integration of local industries with global value chain.



Diversification of exports in the regional and international markets through promotion of Brand Bhutan, Intellectual Property, Trade Agreements, and Mutual Recognition Instruments.



Diversification of economy through promotion of digital jobs, creativity and innovation.



Create backward and forward linkages between CSIs and medium/large industries.

# Update on Ministry's Key Deliverables

To achieve the targets outlined in the 13th Five Year Plan, the Ministry has identified the following 13 key deliverables as critical milestones for effective implementation and impact.



**Diversification and enhancement of export**



**Market Access & PRomotion of CSI**



**Promote market competition, fair trade practices and consumer welfare**



**Enhancement of Industrial Linkages and Productivity**



**Facilitate growth of digital industry**



**Facilitation of Establishing and Upscaling of Startups, Cottage, Small, Medium, and Large Industries**



**Development and Promotion of Tourism**



**Facilitation of Employment Generation**



**Alternative Capital Market for Corporate Entities**



**Promotion of Conducive Working Conditions and Environment**



**Effective and Efficient Public Service Delivery**



**Promotion and Establishment of FDI**



**Safeguarding intellectual property rights and promoting creative industries, indigenous craftsmanship**

# 1. Diversification of Trade and Enhancement of Exportability of Domestic Products

The Ministry prioritized diversifying Bhutan's trade profile and strengthening the export capacity of domestic producers, recognizing that overreliance on a narrow range of commodities leaves the economy vulnerable to external shocks. The Department of Trade (DoT) led this effort through proactive policy engagement, successfully concluding a Free Trade Agreement with Thailand and renewing the bilateral trade agreement with Bangladesh for another five years. These agreements not only preserve market access for key exports but also create new opportunities for value-added products. Participation in regional and international trade fairs, alongside preparations for Expo 2025 Osaka, Japan, positioned Bhutan to promote its goods in emerging markets and highlight its unique competitive advantages.

To ensure Bhutanese products could meet the expectations of more demanding export markets, the Bhutan Standards Bureau (BSB) intensified its work on quality assurance, developing 15 new standards and certifying 156 products, exceeding annual targets. This certification process was particularly beneficial for cottage and small industries (CSIs) seeking to enter export markets, as it assured buyers of consistent quality. The Competition and Consumer Affairs Authority (CCAA) supported these market expansion efforts by monitoring business practices, addressing 162 complaints of unfair practices, and ensuring that trade remained transparent and competitive. Regional Offices (RoICEs) acted as the operational arm, facilitating 281 import licenses, issuing Certificates of Origin for diverse commodities, and providing export advisory support to producers at the local level.

# 1. Diversification of Trade and Enhancement of Exportability of Domestic Products

However, even with the progress, structural challenges persist. Bhutan's export portfolio remains concentrated in a small number of products such as minerals, agricultural goods, and handicrafts, limiting resilience against price volatility and demand fluctuations. Small-scale producers face persistent barriers, including high logistics costs, limited access to bulk transport.

Looking ahead, the Ministry intends to advance trade diversification and the export of domestic products through a series of strategic activities. These include applying the Brand Bhutan Mark and Bhutan SEAL on products with export potential, initiating the renewal of the 2016 Agreement on Trade, Commerce, and Transit with India, and engaging in trade fairs through conducting, participating, attending, and facilitating such events. Collectively, these measures aim to strengthen market access, enhance the visibility of Bhutanese products abroad, and support the growth of export-oriented sectors.

## 2. Enhancement of Market Access and Promotion of CSIs products outside Bhutan

The Ministry intensified efforts to integrate CSIs into regional and global value chains, recognising their role as a driver of employment, rural development, and export diversification. The Department of Industry (DoI) worked to enhance the competitiveness of CSIs, supporting both their domestic consolidation and their readiness for foreign markets. Through targeted interventions, the Ministry facilitated the establishment of 5,912 CSIs and 107 medium & large industries while also providing opportunities for private sector growth and economic diversification. In addition to establishing CSIs the Ministry also expanded market reach with BSB having certified some products ensuring they met quality and safety benchmarks critical for export acceptance.

The DoT complemented these efforts by promoting domestic products at regional and international trade fairs, while also completing preparatory works such as completing the curation of the Bhutan Pavilion at the Expo 2025 Osaka, and integrating Brand Bhutan certification into export promotion campaigns. Regional Offices supported these initiatives on the ground by facilitating export licensing, issuing Certificates of Origin, and connecting rural producers to marketing events and buyers' networks.

Despite measurable progress, significant challenges hinder broader market access for CSIs. Many producers face high transportation costs, limited economies of scale, and struggle to maintain consistent product quality in larger volumes. Limited awareness of international market regulations and inadequate branding also reduce competitiveness. Furthermore, digital marketing adoption among CSIs remains low, limiting their ability to tap into the growing global e-commerce sector. These constraints, if not addressed, could restrict the ability of CSIs to sustain and expand their export footprint.

## 2. Enhancement of Market Access and Promotion of CSIs products outside Bhutan

In order to address the above challenges, moving forward, the Ministry will facilitate establishment of CSI Market Outlets outside Bhutan while also supporting CSIs' participation in international product exhibitions/fairs. Establishing a dedicated CSI Market Outlet outside Bhutan will provide a permanent platform to showcase Bhutanese products, enabling consistent visibility, improved branding, and direct access to international consumers and buyers. Complementing this, facilitating CSI participation in international exhibitions and trade fairs will expose producers to new markets, global trends, and potential business partnerships. Together, these initiatives will enhance market access, build international recognition of Bhutanese products, and expand export opportunities, thereby strengthening the global footprint of CSIs.

### 3. Market competition, fair trade practices and consumer welfare promoted

The Ministry's progress towards the key deliverable "Market competition, fair trade practices and consumer welfare promoted" was largely shaped by the proactive role of the CCAA, supported by BSB, DoT, and the RoICE. The CCAA emerged as the central driver, exceeding or meeting most of its annual targets. It completed 10 market research studies to identify inefficiencies, anti-competitive behaviour, and consumer risks, thereby informing corrective measures while also comparing our consumer protection framework to international standards.

Further, the CCAA resolved 162 cases of unfair business practices and 149 consumer grievances, demonstrating a functional and responsive grievance redressal mechanism. Its nationwide market surveillance covered 3,288 businesses across all 20 dzongkhags ensuring compliance with competition and consumer protection laws. The publication of quarterly Market Price Index (MPI) reports also contributed to transparency in essential commodity pricing, while advocacy initiatives reached nearly 6,000 consumers and businesses, enhancing awareness of rights, obligations, and competition principles.

Complementing these efforts, the BSB played a critical role in protecting consumer welfare and promoting fair trade by ensuring product quality and compliance with technical standards. A total of 4,297 weights and measures were verified in the market while also testing samples of some products and materials. Such activities are essential in preventing unfair measurement practices, eliminating substandard products, and fostering a level playing field for market participants.

### 3. Market competition, fair trade practices and consumer welfare promoted

The Corporate Regulatory Authority (CRA) also contributed by strengthening corporate governance through compliance monitoring, regulatory revisions, and oversight of corporate transactions. A transparent corporate environment underpins fair market competition by ensuring that companies operate within defined legal and ethical frameworks. Furthermore, the DoT enhanced trade practices through regulatory reforms, digital service improvements, and policy harmonization. Regional Offices implemented these frameworks locally by verifying weights and measures with BSB, inspecting enterprises, resolving consumer complaints, collecting MPI data for CCAA, and overseeing licensing and industry monitoring to ensure fair competition and consumer protection.

Overall, the Ministry made tangible progress in advancing market competition, promoting fair trade practices, and safeguarding consumer welfare during FY 2024–2025. The CCAA’s leadership in enforcement and advocacy, BSB’s role in ensuring product and measurement quality, CRA’s contributions to corporate transparency, DoT’s regulatory streamlining, and the RoICE network’s on-ground enforcement collectively strengthened Bhutan’s marketplace fairness. Moving forward, integrating these roles into a coordinated, technology-enabled enforcement and advocacy framework would enhance efficiency, close compliance gaps, and further protect both consumers and legitimate market participants.

## 4. Enhancement of Industrial Linkages and Productivity

The Ministry's advancement of the key deliverable "Enhancement of Industrial Linkages and Productivity" was primarily led by the DoI, supported by trade facilitation, and enterprise development functions across other agencies and the Regional Offices. The DoI's contributions were substantial, with the development of Industrial Transformation Maps (ITMs) for three priority sectors including an additional map for the wood-based industry providing a structured framework for sectoral growth. The Department facilitated the upscaling of 50 industries (46 to medium scale and 4 to large scale), demonstrating a strong push toward capacity enhancement. A significant milestone was also the establishment of CSI's, thereby expanding the industrial base and enabling broader value-chain participation.

Furthermore, the approval of 17 Foreign Direct Investment (FDI) projects with Investment size standing at Nu. 65.895 billion, along with other facilitation services, ensured that both domestic and foreign industries could integrate efficiently into the production network. However, delays in certain projects, notably the water supply system in Pasakha Industrial Estate, underscored the challenges posed by inter-agency dependencies in infrastructure readiness, which can hinder timely operationalization of industrial linkages.

Moreover, the recently launched Industrial Development Roadmap (IDR) aims to boost productivity and industrial linkages across priority sectors by promoting cluster development, technology adoption, skills upgrading, and collaboration among industries, SMEs, and service providers, while addressing supply chain gaps and fostering innovation for sustainable growth. In addition, the DoT enhanced industrial linkages and productivity by identifying supply chain gaps, promoting export opportunities, and connecting Bhutanese products with global buyers, thereby strengthening value chains, diversifying markets, and improving operational efficiency.

## 4. Enhancement of Industrial Linkages and Productivity

Overall, the Ministry achieved substantial progress in enhancing industrial linkages and productivity, driven by the DoI's leadership in industry expansion, supported by DoT's trade facilitation, and RoICE's on-ground execution. By linking industrial growth with improved standards, timely input access, and capacity building at the regional level, the Ministry laid the groundwork for stronger, more integrated value chains. Going forward, the Ministry will focus on undertaking more study on non-performing industries and convening networking events for CSIs, medium, and large industries, as these interventions are expected to generate insights for targeted policy measures, foster stronger industrial linkages, and contribute to enhanced productivity across the sector.

## 5. Facilitation of Establishing and Upscaling of Startups, Cottage, Small, Medium, and Large Industries

The DoI played a central role in scaling up existing enterprises, achieving the upgradation of 50 industries (46 to medium scale and 4 to large scale) against a target of 15. Its efforts in facilitating the establishment of 5,912 new CSIs and 107 medium and large industries, far exceeding the target of 1,140, demonstrated strong institutional capacity in expanding the industrial base. Additionally, DoI ensured that input supply chains were supported by approving import of raw materials, packaging, and capital goods within short processing times, and by providing targeted support to two local industries to enhance production capacity. One key achievement included the development of IDR, a national initiative to transform Bhutan's industrial sector into a dynamic, inclusive, resilient, and globally competitive engine of economic prosperity. However, challenges were encountered; the Pasakha Industrial Estate water supply system achieved only 10% completion against the 60% target.

The DoEE complemented these efforts by strengthening the entrepreneurial ecosystem. It certified 50 trainers in new business creation against a target of 25, organized 27 startup and promotional events, and onboarded 35 startups into its acceleration program. Furthermore, 1,219 individuals were trained through entrepreneurship development training. Additionally, the BSB played an essential role in enabling industry growth by ensuring product certification, standard compliance, and quality assurance. Its certification of 156 products, including those from CSIs, against a target of 100, improved market access and competitiveness, both domestically and internationally.

## 5. Facilitation of Establishing and Upscaling of Startups, Cottage, Small, Medium, and Large Industries

Also, the DoT and the Regional Offices played a pivotal role in driving industrial growth by streamlining trade services, supporting business expansion, and effectively implementing policies at the local level. The DoT contributed by facilitating trade-related services crucial for new and expanding industries, including the issuance of import licenses for production inputs within one working day, and promoting “Brand Bhutan” to enhance market opportunities for locally produced goods. Regional Offices also advanced industrial growth by exceeding targets in upgrading CSIs to medium scale, supporting new establishments, monitoring imports, and ensuring compliance. Their close engagement with business communities enabled swift responses and effective translation of central policies into local action, strengthening the overall facilitation of industry development.

Despite strong overall performance, the facilitation process faced challenges. While establishment and upscaling targets were significantly exceeded, certain systemic bottlenecks such as infrastructure delays in industrial parks and incomplete linkages between startups and larger industry value chains limited the full potential of growth.

## 6. Alternative Capital Market Developed for Corporate Entities (Small and Medium Companies)

The advancement of the key deliverable “Alternative Capital Market Developed for Corporate Entities (Small and Medium Companies)” was led by the CRA that contributed to creating a conducive business and regulatory environment for small and medium enterprises (SMEs) to access alternative financing. The CRA’s performance in this area was noteworthy, achieving a 22.5% increase in the market value of alternative financial instruments such as commercial papers and corporate bonds, more than doubling its target of 10%. This growth signalled tangible progress in diversifying financing avenues beyond traditional banking, offering SMEs and other corporate entities greater flexibility in raising capital.

The Authority also undertook extensive compliance monitoring; reviewing annual returns of 380 companies against a target of 300; and developed a certification program for Corporate Filing Agents. Others included strengthening governance and corporate transparency, a critical prerequisite for investor confidence in alternative capital market instruments. Regulatory infrastructure was expanded through the revision of four existing regulations and the adoption of five new ones, far exceeding the target of one each, thereby laying a stronger legal foundation for capital market development.

Moreover, a total of 14 companies have issued capital market instruments comprising 7 commercial papers and 7 corporate bonds raising Nu. 13,508.15 million. This has resulted in an estimated financing cost savings of Nu. 675.41 million for the issuing companies. The initiative has been attributable to the continuous awareness and outreach efforts by the CRA on the availability of capital market instruments as cost-effective financing options for companies.

## 7. Facilitate growth of digital industry

The Ministry's concerted efforts towards facilitating the growth of Digital Industry were advanced through coordinated contributions from multiple departments, agencies, and regional offices, each addressing distinct aspects of Bhutan's digital ecosystem. Significant progress was recorded in expanding digital infrastructure, enhancing service quality, and nurturing the creative economy. The Bhutan InfoComm and Media Authority (BICMA) extended mobile broadband connectivity to 225 households under RCP VII across 27 remote villages across 12 dzongkhags for the duration of 18 months, maintained service quality benchmarks, and initiated the construction of two cinema halls to expand digital media spaces. BICMA also expanded the digital media landscape by licensing six Over-The-Top (OTT) service providers. Although two licenses were later cancelled, four providers; Samuh, Shangreela, Songyala, and Education Skilled Private Limited continue to operate, thereby strengthening Bhutan's domestic digital content ecosystem and providing new avenues for local creative industries to grow.

Similarly, the Department of Media, Creative Industry and Intellectual Property (DoMCIIP) strengthened the creative and digital sectors by supporting over 90 content creators, facilitating eight upskilling and training programs for the film and music industries, and in collaboration with BICMA, selecting two films from 18 proposals for further development. Initiatives such as the Media Perception Index, National Creative Awards, and multiple capacity-building programs further nurtured innovation and digital content production. Complementing these sectoral efforts, the Regional Offices supported the development of the digital industry by conducting speed performance tests across their respective regions, providing critical data to enhance connectivity, identify infrastructure gaps, and facilitate the adoption of digital services. However, the implementation of this deliverable was not without challenges. Certain projects, such as the operationalisation of the national film studio, which aimed to integrate creative and digital industry growth were delayed due to inter-agency dependencies.

## 8. Safeguarding intellectual property rights, ensuring media sustainability and promoting creative industries and indigenous craftsmanship

The Ministry made notable progress towards safeguarding intellectual property rights, ensuring media sustainability, and promoting creative industries and indigenous craftsmanship, with concerted contributions from the DoMCIIP, relevant agencies, and Regional Offices. The DoMCIIP successfully processed 100 percent of industrial property applications comprising 16 patents, 831 trademarks, and 2 industrial designs alongside 28 copyright registrations, and advanced the protection of traditional products by identifying five geographical indication items, namely Yathra, Kushuthara, Zoedey, Buckwheat, and Honey.

Moreover, Intellectual Property (IP) awareness was strengthened through sensitization programs in colleges, dzongkhags, and industries supported by regional advocacy on trademark and copyright infringement as well as the monitoring of misappropriation of traditional designs and textiles. In promoting media sustainability, the Ministry developed the Media Perception Index; introduced merit-based Media Endowment and Development Board criteria; conducted capacity-building programs; equipped colleges with media infrastructure; organised the Media Award 2025; Media Conference; and content creation initiatives, including support to 90 content creators and co-production of two films of global potential. Efforts to enhance creative industries and indigenous craftsmanship included the provision of equipment and skills training to 14 craft clusters and vendors, support for theatre productions based on local folktales, and regional promotion of cultural products such as pottery and herbal teas.

## 8. Safeguarding intellectual property rights, ensuring media sustainability and promoting creative industries and indigenous craftsmanship

Despite these achievements, several challenges persisted, including delay in infrastructure projects such as craft markets and villages due to budget constraints or procedural directives; pending amendments to IP legislation and accession to key treaties; and inconsistent regional coverage in IP advocacy and cultural monitoring.

Moving forward, DoMCIIP will prioritize strengthening Bhutan's intellectual property regime through amendments to existing Acts, accession to international treaties, and the finalization of a National IP Strategy, while also working towards Bhutan's inclusion in the Global Innovation Index 2026. Efforts will also focus on strengthening financing mechanisms such as the Media Endowment Fund, revising sectoral policies and legislation, and operationalising the Media Perception Index to enhance transparency and professionalism. In the crafts sector, the Department will operationalise new craft markets and outlets, strengthen artisan clusters, and implement certification systems to boost exports.

## 9. Development & Promotion of Tourism

Bhutan's tourism development since its inception in the early 1970s has been guided by High Value, Low Volume (HVLV) policy and upholds the values and aspirations of the national development philosophy of Gross National Happiness. In line with the principle, the development of Bhutan's tourism sector in FY 2024–2025 focused on strategic marketing, infrastructure development, and policy reforms to position Bhutan as a high-value, sustainable tourism destination. Further, focus was also placed on diversifying tourism products, increasing service quality, and ensuring authenticity that aligns with cultural and environmental preservation principles.

The Ministry, through the Department of Tourism (DoTr), undertook diverse promotional and infrastructural initiatives. A total of 14 marketing activities including Meetings, Incentives, Conferences, and Exhibitions (MICE) initiatives, familiarization trips, and public relations campaigns were implemented increasing Bhutan's visibility in priority markets. The sector saw the introduction of 19 new tourism products such as campsites, ecolodges, and new trail routes, nearly doubling the target of 10. In addition, five roadside amenities were developed to enhance travel comfort and accessibility. Overall, tourism generated direct revenue amounting to Nu. 3.12 billion, far surpassing the target of Nu. 1.79 billion, although total tourist arrivals reached 175,451, falling short of the 200,000 target.

Moreover, cross-agency collaboration played a key role in advancing tourism development during the year. The DoTr spearheaded product and marketing initiatives, while the DoMCIIP enhanced tourism promotion through creative content development, cultural branding, and showcasing Bhutan's creative industries. The Regional Offices complemented these efforts by facilitating on-the-ground product development, guide training, and regulatory monitoring. To strengthen governance, the Ministry completed five regulatory frameworks.

## 9. Development & Promotion of Tourism

While revenue exceeded expectations, the shortfall in tourist arrivals indicates the need for market diversification and balanced demand across seasons. The Ministry has identified the importance of engaging with emerging travel segments to address this gap. Accordingly, targeted promotional campaigns will be rolled out in under represented markets. The expansion of community-based tourism models will further promote inclusivity and local participation. In parallel, digital platforms will be utilized to improve visitor management and enhance marketing effectiveness.

## 10. Promotion and Establishment of Foreign Direct Investment (FDI)

The Ministry's progress towards the key deliverable of "Promotion and Establishment of FDI" reflected both notable achievements and identifiable operational gaps. The DoI served as the primary driver of FDI facilitation and approvals, surpassing its annual target by securing 17 approved projects against the planned 15. This success was coupled with an impressive increase in FDI investment size, reaching Nu. 65.895 billion compared to the target of Nu. 60 billion. These operational efficiencies not only enhance investor confidence but also project Bhutan as a responsive and facilitation-oriented investment destination. Additionally, the Department coordinated 12 meetings of the Economic Development Board (EDB), contributing to policy dialogue and FDI advocacy, as well as undertaking sensitization on FDI regulations.

In addition, complementary roles were played by other agencies in strengthening the investment climate. The CRA supported FDI promotion by streamlining company registration processes, incorporating a total of 62 companies including FDI entities well above the target of 50. Similarly, the CCAA maintained fair market practices and resolved consumer complaints efficiently, thus reinforcing the stable and transparent business environment necessary for attracting quality FDI. Moreover, Regional Offices also contributed to the FDI ecosystem by facilitating the upscaling of CSIs and medium industries, many of which can become potential investment partners or suppliers for FDI projects. These efforts strengthen domestic industrial capacity and supply chains, making Bhutan more attractive to foreign investors seeking local linkages.

## 10. Promotion and Establishment of Foreign Direct Investment (FDI)

Despite these positive contributions, certain systemic challenges limited the Ministry's full potential in this deliverable. Some industrial infrastructure projects essential for accommodating FDI such as the water supply system in Pasakha Industrial Estate were delayed due to coordination and design issues with external agencies. Regional offices' roles in FDI promotion remained largely peripheral, as they were more focused on routine regulatory and trade facilitation tasks rather than targeted investor outreach.

# 11. Facilitation of Employment Generation

The Department of Employment and Entrepreneurship (DoEE) demonstrated notable progress in strengthening Bhutan's employment and entrepreneurship ecosystem, though with mixed results. On the achievement side, the Department made significant progress in Bhutan's employment and entrepreneurship ecosystem, exceeding targets across multiple areas. It trained 1,219 participants in entrepreneurship programs (target: 1,000), certified 50 trainers (target: 25), supported 197 new businesses (target: 155), and conducted 27 major startup events, significantly enriching the entrepreneurial landscape. Other planned activities were implemented such as producing labour market publications, conducting employer forums, and rolling out innovative career guidance initiatives across schools and Gyalsung academies. These accomplishments highlight DoEE's capacity to enhance employability and foster an entrepreneurial culture at a national scale.

The Department also engaged 2,537 individuals through the Youth Engagement and Livelihood Program (YELP), another 1,334 individuals were placed in overseas employment, and domestic Employment Service Centres facilitated 2,712 referrals and placements. The Regional Offices implemented local programs, but performance varied across regions due to limited economic opportunities or overambitious targets, highlighting the need for more adaptive, region-specific strategies to convert entrepreneurship support into sustainable employment. Building on this foundation, the DoL addressed the other side of the employment equation, ensuring that the labour market could absorb and retain workers effectively. The Department placed 293 Technical Training Institute (TTI) graduates in the construction sector, in an effort to reduce dependence on foreign workers, thereby generating skilled employment for Bhutanese nationals. It also developed a Critical Skills List based on labour market surveys to align workforce supply with demand.

## 11. Facilitation of Employment Generation

Similarly, other departments contributed to the employment generation goal by expanding industrial and sectoral opportunities to absorb workers. The DoI's establishment of 5,912 new CSIs and 107 medium and large industries created a broader industrial base capable of generating jobs over time. Similarly, the DoTr's development of tourism products and infrastructure provided new avenues for employment in the hospitality and services sectors. Besides, quality assurance from the BSB and the market stability maintained by the CCAA created an enabling environment for enterprises to grow and sustain employment. While the Ministry's combined efforts demonstrated a clear commitment to employment generation, many opportunities created were not taken up by job seekers, showing a mismatch between available jobs and the labour force. Going forward, proactive outreach and closer coordination between enterprise development initiatives with employment services such as job-matching and placement will be essential to bridge this gap.

## 12. Promotion of Conducive Working Conditions and Environment

The Ministry's commitment to fostering a conducive working environment was driven primarily by the DoL, supported by other departments, agencies, and regional offices in a coordinated effort. At the core, DoL spearheaded initiatives aimed at strengthening labour market governance and workplace harmony. This included reducing dependence on foreign workers with trained TTI graduates in the construction sector, developing mechanisms to identify critical and non-critical skills through labour market analysis, and piloting foreign worker accommodations. Equally important were actions to modernise internal service rules through the digitisation of 748 ISRs. Non-discriminatory workplaces were promoted where no cases of gender or disability discrimination were reported during the fiscal year. Furthermore, labour inspections covered 2,325 establishments nationwide, achieving high compliance rates across construction (88%), manufacturing (87%), and mining/quarrying (100%), reinforcing safe and fair working conditions.

Besides, the Regional Offices acted as the Ministry's operational arms in enforcing labour compliance and resolving disputes at the local level. For instance, RoICE Mongar engaged 252 enterprises in advocacy on the Labour and Employment Act (LEA) and assessed Occupational Health and Safety (OHS) committees, while RoICE Samdrup Jongkhar achieved a 93% compliance rate across sectors and assessed 11 OHS committees. Similarly, RoICE Gelephu and RoICE Trongsa handled dispute resolution cases to ensure timely redressal. These regional offices also implemented the GOWA forums and employer awareness sessions, directly linking local enterprises with the Ministry's employment and compliance initiatives.

## 12. Promotion of Conducive Working Conditions and Environment

Other departments also strengthened this deliverable by creating enabling economic conditions that support worker welfare. The DoEE worked on facilitating job creation, ensuring that the workforce had access to decent and productive employment opportunities. The DoMCIIP supported creative professionals with skills training and equipment, enhancing job quality in the creative sector. Overall, the “Promotion of Conducive Working Conditions and Environment” was not an isolated mandate of the DoL but a cross-cutting effort involving regulatory agencies, departments, and regional offices. While DoL provided the legislative, inspection, and dispute resolution backbone, other actors addressed economic, safety, and professional development dimensions, creating a more holistic and enabling work environment.

## 13. Effective and Efficient Public Service Delivery

The Ministry through its departments, agencies, and six Regional Offices, made significant progress in delivering efficient public services. Most entities adhered to prescribed Turnaround Times (TAT) while expanding digital systems and integrating service delivery platforms. The BICMA maintained an average monthly TAT of 0.385 for licensing services, ensuring quicker responses to public requests. Similarly, the BSB delivered 100% of testing and calibration services within prescribed timelines and exceeded product certification targets, strengthening regulatory compliance and consumer trust.

In parallel, the CCAA enhanced service quality by resolving 149 consumer grievances, completing twice the targeted market research, determining areas of market inefficiencies, and inspecting over 3,200 businesses nationwide, thereby improving market surveillance and consumer protection. The CRA processed 645 statutory company changes within three working days, incorporated 62 new companies, surpassing targets and conducted extensive compliance reviews, directly contributing to efficient corporate service delivery. The DoT strengthened public service through digitalization initiatives, including online business guest visa approvals, trade information portals, and processing thousands of import/export licenses within one working day.

Likewise, the DoI maintained a two-day TAT for project approvals and supported rapid industrial upscaling through over 5,000 new CSIs, enhancing service delivery for businesses. The DoL improved workplace compliance through digitization and AI integration and dispute resolution process as per the TAT of 21 days. In addition, the DoTr implemented digital tools such as the Tourism Bhutan App and the Tourist Registration System to improve service delivery. Regional Offices acted as the operational front line for the Ministry, delivering high-volume services while adhering to TAT requirements. In conclusion, MoICE achieved substantial progress in public service delivery through strong TAT adherence, digitalization, and regulatory compliance.



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