



FDI ANNUAL REPORT 2025

DEPARTMENT OF INDUSTRY
MINISTRY OF INDUSTRY,
COMMERCE & EMPLOYMENT
ROYAL GOVERNMENT OF BHUTAN

FDI Annual Report 2025



Department of Industry
Ministry of Industry, Commerce and Employment
Royal Government of Bhutan

@ Copyright DoI 2026

This publication is free for distribution, however, manipulation of information and data contained in this document is not allowed.

The publication is available at www.moice.gov.bt/ <https://www.industry.gov.bt/> https://www.investbhutan.gov.bt

Any enquiries regarding this publication should be sent to us at:

investbhutan@moice.gov.bt

Department of Industry
Ministry of Industry, Commerce and Employment

2025-FDI TREND & OUTLOOK

FDI PROJECTS APPROVED

During the year 2025, the Department of Industry approved 14 FDI projects with a total investment value of Nu. 73.76 billion. Of these, 4 projects were in the manufacturing sector and 10 were in the services sector. Although the number of approved projects declined marginally in 2025 as compared to 2024, the total project size increased significantly compared to previous years. The increase in project cost is driven by Tata Power Company Limited’s investment of Nu. 68.9 billion in Khorlochhu Hydropower Limited.

Chart I: No. of Projects Approved

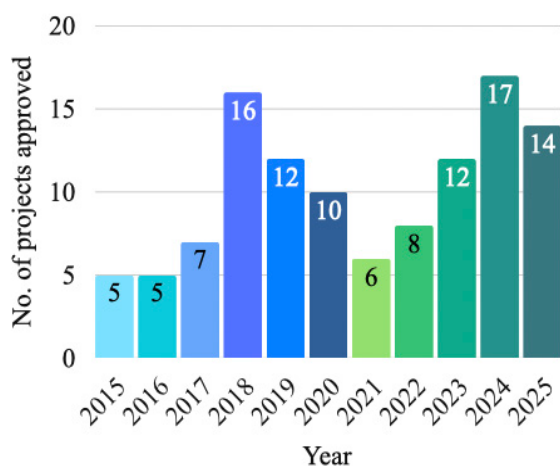
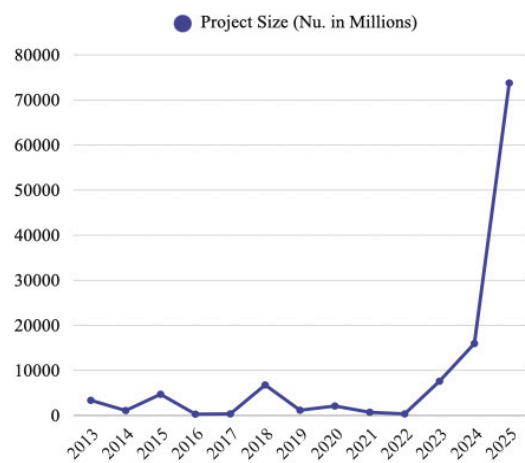


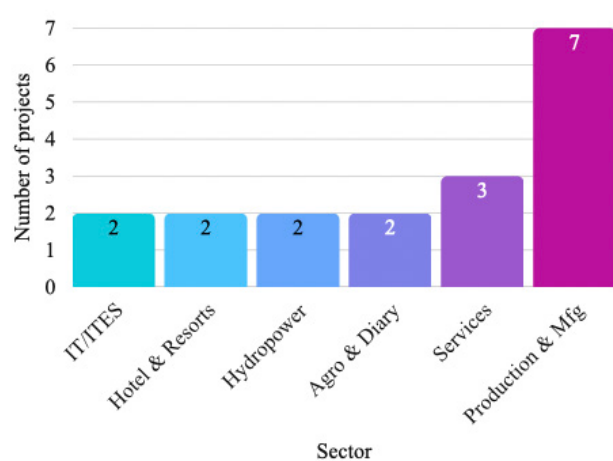
Chart II: Projects Size



PROJECTS APPROVED IN PRINCIPLE

A total of 18 FDI projects worth Nu. 201.91 billion were issued FDI Registration Certificates in 2025. This includes FDI in two hydropower projects namely; Dorjilung Hydropower and Wangchhu Hydroelectric Power Limited.

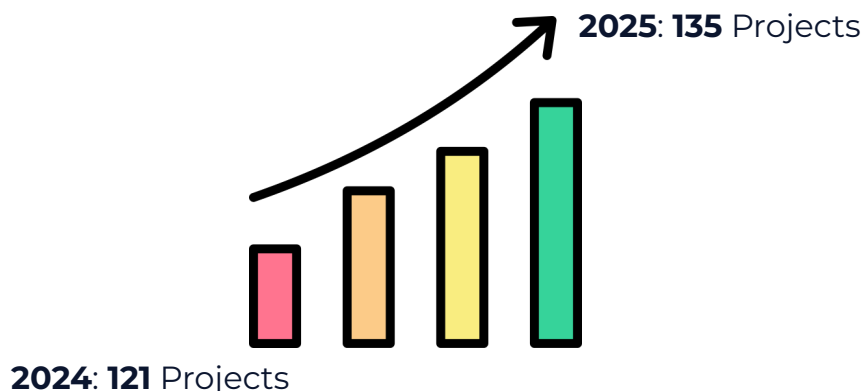
Chart III: Sectoral share of Projects issued with FDIRC



2025-FDI TREND & OUTLOOK

TOTAL FDI PROJECTS AS OF 2025

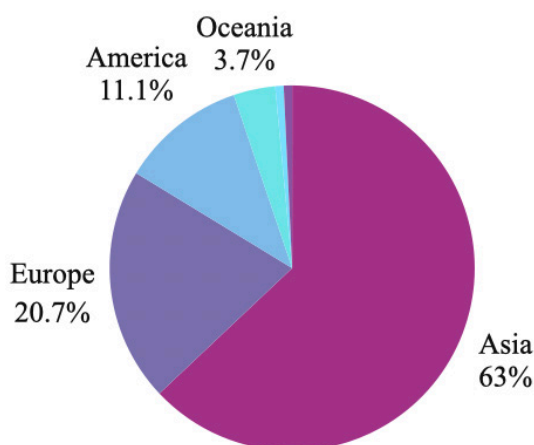
The total number of FDI projects as of 31st December 2025 stands at 135 projects with the inclusion of the 14 newly approved projects during the year. Of this, 64 projects are under operation and 71 projects are under various stages of construction.



ORIGIN OF FOREIGN INVESTOR

Of the total 135 approved FDI projects, Asia constitutes the largest share with 63 percent (85 projects), representing the primary source of foreign investment in the country. Europe accounts for 20.7 percent (28 projects), followed by America with 11.1 percent (15 projects). Investments from Oceania represent 3.7 percent (5 projects), while Africa and multinational corporations (MNCs) each contribute 0.7 percent (1 project) of the total FDI projects.

Chart IV: Origin of Foreign Investor

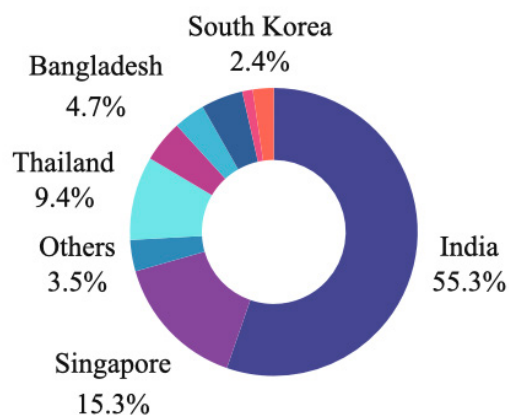


2025-FDI TREND & OUTLOOK

TOP SOURCES IN ASIA

From a total of 85 projects received from Asia, India remains the dominant source of investment with 47 projects, accounting for 55.3 percent of the total. Singapore follows with 13 projects, representing 15.3 percent. Thailand constitutes 9.4 percent with 8 projects followed by Vietnam and Bangladesh each contributing 4 projects, equivalent to 4.7 percent each. Nepal and Others account for 3 projects each, representing 3.5 percent. South Korea and Japan has 2 and 1 project respectively.

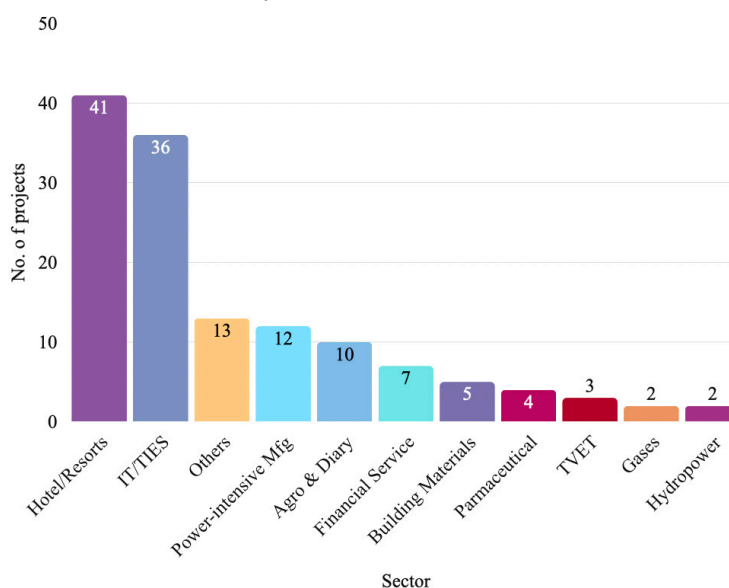
Chart V: Foreign Investors within Asia



SECTORAL SHARE OF FDI

The hotel and resort sector accounted for the largest share of FDI with 41 projects (30.4%), followed by the IT/ITES sector with 36 projects (26.7%). The others category contributed 13 projects (10%), while the dairy and agro sector accounted for 10 projects (8%). The power-intensive manufacturing sector recorded 12 projects (9%), and financial services accounted for 7 projects (5%). The building materials manufacturing sector had 5 projects (4%), while pharmaceutical industries contributed 4 projects (3%). The TVET sector recorded 3 projects (2%), and both the hydropower and gases sectors accounted for 2 projects each (2%).

Chart VI: Sectoral share of FDI



FDI KEY TRENDS

- Global FDI flows weakened further in 2024, with an 11 % decline indicating a sustained slowdown in productive investment, as highlighted in the World Investment Report 2025.
- Digital Economy Emerging as a Key Driver of FDI- Despite its relatively small share, the digital economy is among the fastest-growing FDI segments, with rising project values signaling a structural shift in global investment patterns.
- FDI trends in Bhutan were highly volatile, with FDI Project approvals surging to 17 projects (up by 41.7 %) in 2024 before falling to 14 projects (down by 17.6 %) in 2025.
- Service sector dominates overall FDI with 69 %.
- Reflecting global patterns, the digital economy is playing an increasingly significant role in driving FDI approvals in the country.
- 47 % of the total 135 approved projects have started commercial operation.
- FDI projects are mostly located in Thimphu, Paro and Chukha Dzongkhags.

FDI SCENARIO

An assessment of the FDI projects was carried out through annual survey. Data collected were verified with the relevant agencies such as the Royal Monetary Authority, the Department of Revenue & Customs and agencies within the Ministry such as the Corporate Regulatory Authority. About 94 % of operating FDI companies have responded to the survey, while the respondent rate for those under construction were 64.5 %.

CAPITAL INFLOW IN 2024

Capital inflow received in the year 2024 was compiled from the companies and verified with the RMA. In 2024, FDI projects successfully attracted capital inflows amounting to US\$ 5.99 million in convertible currency, along with INR 223.33 million.

EMPLOYMENT AS OF 2025

As of December 2025, FDI projects in the country employed a total of 6,167 employees, comprising both Bhutanese and expatriate workers under regular and casual categories.

Of this total workforce, 5,213 are Bhutanese, including 2,875 regular male and 2,338 regular female. The FDI projects employed an additional 284 Bhutanese (178 male and 106 female) on casual basis.

EMPLOYMENT BY GENDER

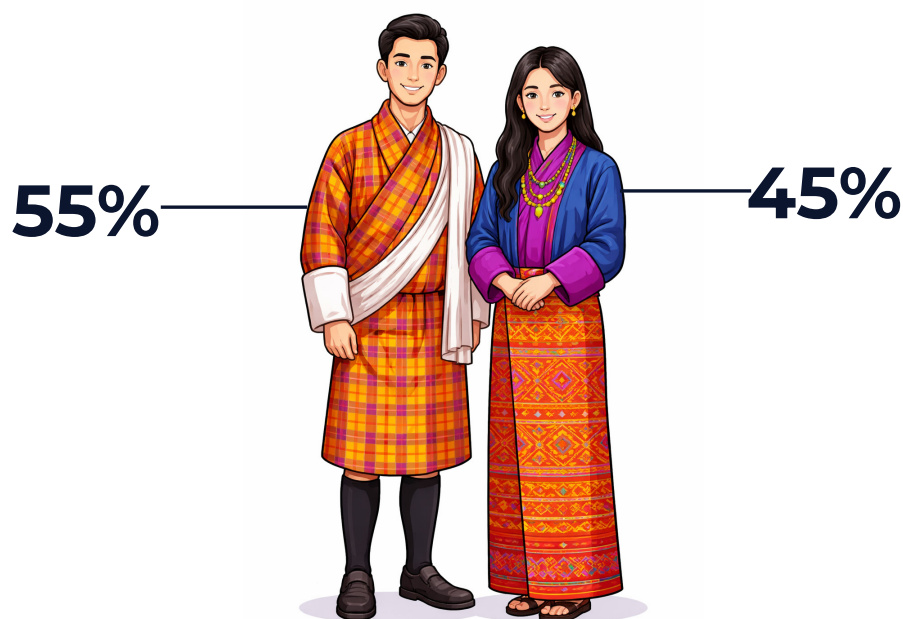
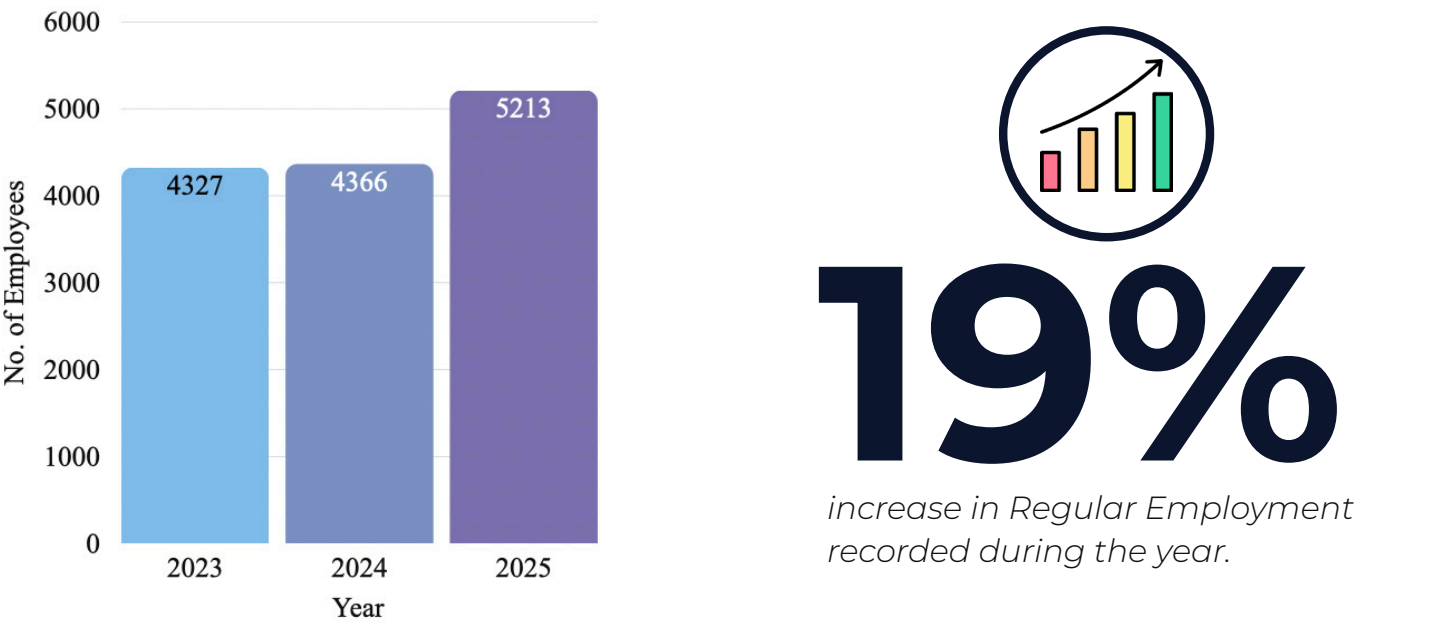


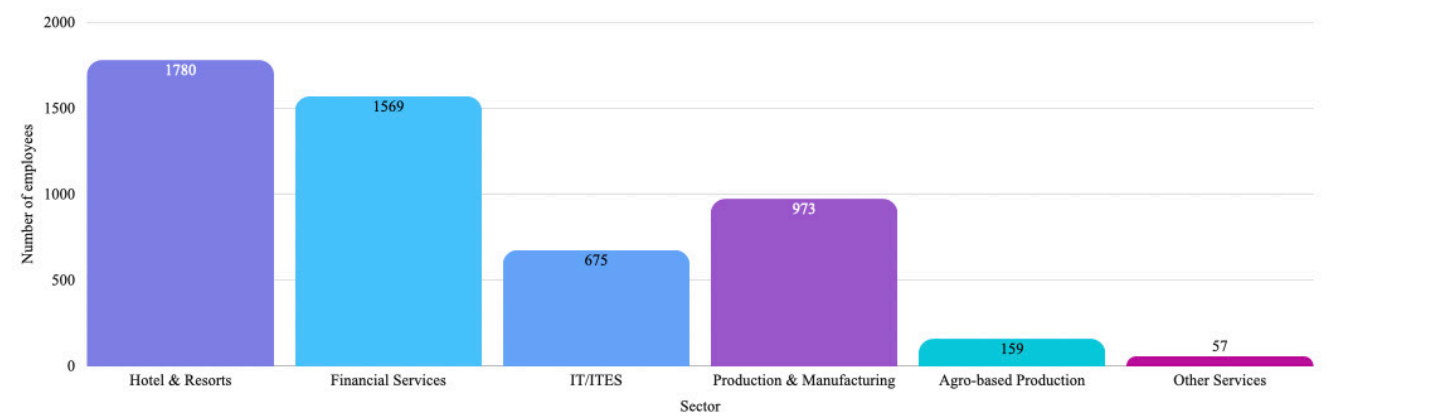
Chart VII: Employment Trend (Regular Bhutanese)



EMPLOYMENT BY SECTOR

FDI companies employed a total of 5,213 regular Bhutanese across all sectors. The Hotel & Resorts sector accounted for the largest share of employment with 1,780 employees (34 percent), followed closely by Financial Services with 1,569 employees (30 percent). The IT/ITES sector employed 675 Bhutanese, representing 13 percent of total FDI employment. Production and Manufacturing contributed 973 jobs (18.7 percent), while Agro-Based Production and Other Services accounted for 159 (3 percent) and 57 employees (1 percent), respectively.

Chart VIII: Distribution of FDI Employment Across Sectors

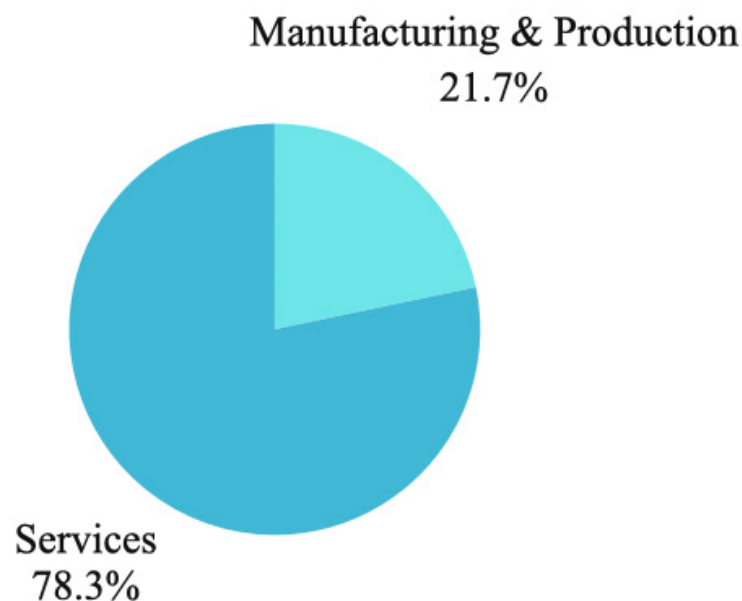


FDI SCENARIO

EMPLOYMENT BY INDUSTRY CATEGORY

The service sector accounted for the majority of regular Bhutanese employment, engaging 4,081 employees, representing 78 percent of the total workforce. The manufacturing and production sector employed 1,132 individuals, corresponding to 22 percent of total regular employment.

Chart IX: Employment Distribution by Industry Category



EXPAT: BHUTANESE EMPLOYEE RATIO

Expatriates account for approximately 7.6% of the total workforce (regular workforce) in the FDI companies, with a ratio of expatriate to national employees of about 1:12, indicating that for every expatriate, there are 12 Bhutanese nationals employed.

EXPAT:LOCAL RATIO

1:12

OF TOTAL REGULAR EMPLOYEE

TAX CONTRIBUTION

Tax contributions by the reported FDI companies are recorded at Nu. 2373.852 million for the income year 2024. This represents an increase of 14.2% compared to the contribution recorded for the income year 2023, which was Nu. 2078.47 million. The figure is compiled from the annual survey and includes corporate tax, customs duties, and other applicable taxes and contribution to the Government.

Chart X. Tax Composition

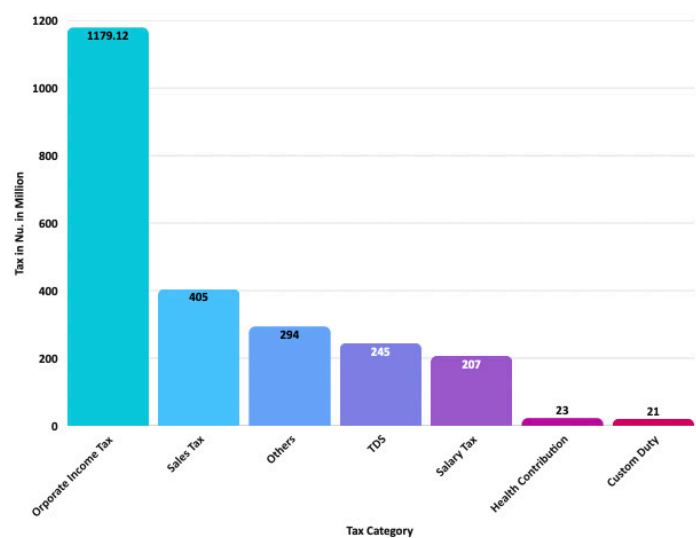
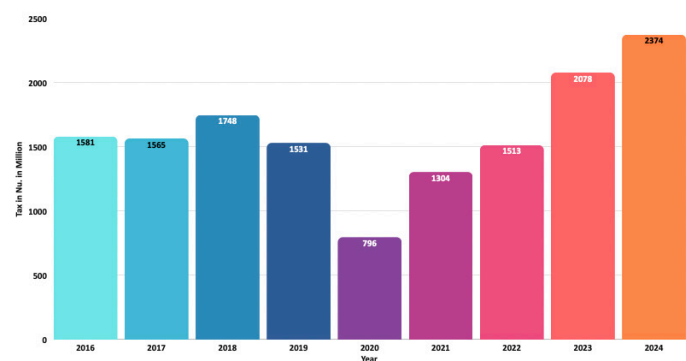


Chart XI. Tax Contribution



The Chart XI represents the increasing trend of tax contribution by FDI companies since 2016.

INVESTMENT PROMOTION AND ADVOCACY HIGHLIGHTS- 2025

FDI RULES & REGULATIONS 2025

The FDI Rules & Regulations 2025 was launched on 8th August, 2025.



FDI ADVOCACY WORKSHOPS



Five Advocacy workshops were conducted between August 22 - September 19, 2025.



150+ participants across five workshops of which one was conducted virtually to allow broader access.



Advocacy targeted potential investors (both foreign and local), service providers, and established FDIs, and government agencies relevant to priority sectors.

NETWORKING EVENT FOR FDI HOTELS & WOMEN ENTREPRENEURS

NETWORKING EVENT, 2024

The first networking event was held in 2024, connecting local women entrepreneurs with FDI hotels. The event resulted in 8 of 13 participating hotel chains sourcing products from women-led businesses, including tofu, noodles, essential oils, and eco-friendly detergents.

INVESTMENT PROMOTION AND ADVOCACY HIGHLIGHTS- 2025

NETWORKING EVENT, 2025

The second networking event broadened its scope to include non-FDI hotels. This event created a win-win opportunity, bringing together High-end Hotels seeking distinctive guest experiences and local Women Entrepreneurs eager to access new markets. A total of 21 hotels (including six FDI hotels), alongside 20 women entrepreneurs participated.



Networking Event, 2025

COMMUNICATION & OUTREACH

FDI ROADSHOW: 7-13TH JANUARY, 2025

The FDI Roadshow was conducted in three cities of India; New Delhi, Mumbai and Bangalore from 7-14th January, 2025. The Roadshow was led by His Excellency Lyonpo Namgyal Dorji, Minister of Industry, Commerce and Employment and included members of the Economic Development Board (EDB), relevant government agencies, State-Owned Enterprises (SoEs) and the private sector. This landmark event provided a robust platform for Bhutanese delegates and Indian investors to connect, share ideas, and explore potential collaborations.

INVESTMENT PROMOTION AND ADVOCACY HIGHLIGHTS- 2025

FDI STRATEGY IN DIGITAL ECONOMY

Published a case study on iMerit Bhutan Private Limited as success story of FDI in emerging sectors of digital economy. It was aimed to attract investment in digital economy.

PRESENTATIONS ON FDI REGIME & INVESTMENT OPPORTUNITIES

The presentations on FDI Regime and Investment Opportunities were made to the following:

- Family Business Exponential (FBX) delegation from Thailand
- Participants for Jabchor 2.0
- Korean Delegation with representatives from KOTRA, Embassy of Korea and globally global brands such as Hyundai, GS E&C, Samsung, KIND, LS and POSCO.
- French Business Delegation led by Ambassador Thierry Mathou.
- Delegation from Nagaland Investment Promotion Agency.
- Indian Business Delegation led by MoFAET
- Potential investor such as Bakshi Group and investors from India and United States.
- A group of 94 potential investors from multiple countries including Singapore, Malaysia, Canada etc.
- International Forum on Mindfulness, Sustainability & Peace (Harvard/MIT-Bhutan Trek)
- Two webinars were conducted on the Investment Opportunities in the country for attracting participants to the EU-Bhutan Global Gateway Business Forum.

UPCOMING INVESTMENT PROMOTIONS

EU-BHUTAN BUSINESS FORUM

The Royal Government of Bhutan and the Directorate General for International Partnership (INTPA) under the European Commission will be organising the EU-Bhutan Global Gateway Business Forum from 26-29th January, 2026 in Brussels, Frankfurt and Prague. The Department of Industry has been working closely with Ministry of Foreign Affairs and External Trade in facilitating participation of the private sector participants.

INVEST BHUTAN SUMMIT 2026

The Invest Bhutan Summit 2026 is scheduled on February 12-13, 2026. It will serve as platform to connect local partners and their projects with foreign investors. Participants can get access to:

- Direct access to 20 + Investment Ready Projects
- One-to-one B2B meetings for investor & locals
- B2G meetings
- International Networking within foreign delegates

VISUAL HIGHLIGHTS



*Investment Roadshow in India
- Jan 7-14, 2025*



*Family Business Exponential (FBX) Delegation
from Thailand*



*FDI in Hydropower- DGPC and Adani
Power sign MoU for 1st Project
under 5000 MW Pact*



*FDI in Hydropower- DGPC and Tata Power sign
agreement for Dorjilung Hydroelectric Power
Project*



*Promoting FDI at the Tourism Bhutan Roadshow
in India*



*Promoting FDI & Opportunities to a group led by
OOSS Global, Singapore*



**INVEST
BHUTAN**

Department of Industry

BHUTAN

**YOUR SUSTAINABLE
INVESTMENT DESTINATION**

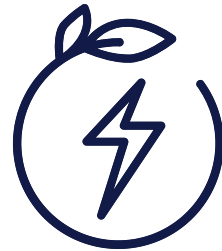
WHY BHUTAN?



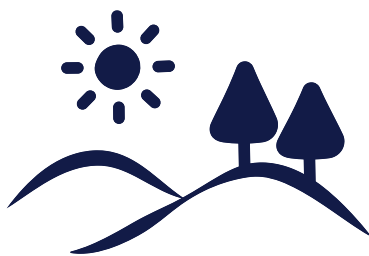
Strategically located in the region home to over 2 billion people.



One of the fastest growing economies with an average **GDP growth of 7.5%**.



Availability of reliable clean and green energy at a competitive price (USD 0.03 per kwh)



Pristine environment and vibrant culture



The presence of an educated English speaking workforce.



Strong political will to pursue inclusive economic transformation through innovation and technology.



Embarked on the path of becoming a **High Income GNH Economy by 2034**



Goal of increasing **GDP to USD 5 billion by 2029**



Enjoys political stability and is one of the most **peaceful** countries in the world.



Corruption Perceptions Index 2024 by the Transparency International ranked Bhutan as the least corrupt in South Asia (ranked 1st) & 3rd least corrupt in Asia.



FOR FURTHER INFO:

Invest Bhutan Division

Department of Industry

Ministry of Industry, Commerce & Employment

investbhutan@moice.gov.bt

www.investbhutan.gov.bt