



ANNUAL REPORT 2019-2020

Department of Cottage and Small Industry
Ministry of Economic Affairs
Royal Government of Bhutan



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ABSTRACT

The Department of Cottage and Small Industry, Ministry of Economic Affairs is pleased to present the Annual Report 2019-2020. The report highlights major activities that the Department has undertaken during Fiscal Year 2019-2020 towards facilitating the growth and development of CSIs in the country. The activities are reported under six domains of the entrepreneurship ecosystem.

INTRODUCTION

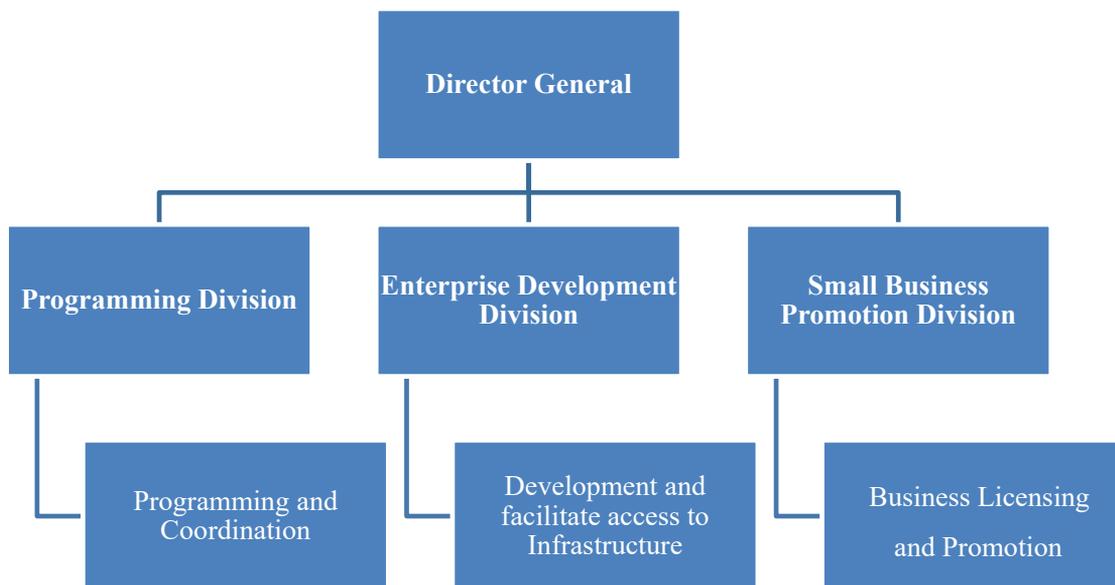
Guided by the philosophy of Gross National Happiness, the Department of Cottage & Small Industry under the Ministry of Economic Affairs is the premier agency promoting growth of a vibrant and sustainable CSIs contributing to the overall socio-economic development in the country.

The Department was created in 2010 to give focused attention to CSI development. It is mandated to create an enabling environment to facilitate and support sustainable growth and development of CSIs for equitable income distribution, employment generation and balanced regional development.

The Development has gained momentum since its establishment. However, the sector has been challenged by myriad of factors such as poor culture of entrepreneurship and limited human capacity, limited access to finance, infrastructure, inadequate business development supports, poor innovation and technology, and access to market that impeded it from realizing its full potential. Recognizing these challenges, the government has accorded high priority for its development.

The CSI sector is designated as one of the five economic jewels and occupies central position in the 12 Five Year Plan. The Start-up and CSI Development is one of the flagship programs of the government with focused investment. Thus, various interventions are designed to promote growth of the sector.

ORGANOGRAM



OVERVIEW OF COTTAGE AND SMALL INDUSTRY

CSIs constitute overwhelming majority of industry in Bhutan. It accounts to about 95% of the total industries. As of June, 2020, there were 21,813 active¹ licensed CSIs in the country.

CSIs are categorized into three sectors, viz. Production and Manufacturing (P&M), Service, and Contract. The service sector dominates with 79.70% of the total CSIs.

Sector	2019-2020	Sector Constitution (%)
Service	17,387	79.70
P&M	2,557	11.72
Contract	1,869	8.56
Total	21,813	100

Table 1: Number of CSIs by Sector as of June, 2020

DOMAIN 1: STRENGTHENING POLICY AND LEGAL FRAMEWORK

Creation of an enabling business environment is prerequisite for promoting robust growth of CSIs in the country. Towards this end, the following activities were carried out with the focus on strengthening the policy and regulatory environment.

1. Revision of Policy

The Cottage Small and Medium Industry (CSMI) Policy adopted in 2012 was revised and launched the new Cottage and Small Industry Policy - 2019. The new policy provides exclusive focus on promotion of cottage and small industries and excludes medium industries.

Further, the new policy brings in a whole-of-government approach in promotion of CSIs. The provisions of the new policy are aligned to enhance six domains of entrepreneurship ecosystem viz:

¹ CSIs holding valid license as of June,2020

- i) Policy and Legislative Framework
- ii) Culture of Entrepreneurship and Human Capital Development
- iii) Business Development Support and Infrastructure
- iv) Access to Finance and Incentives
- v) Innovation and facilitating Technology Adoption
- vi) Access to Market



Picture 1. The launch of new Policy in July, 2019

2. Recommendation for extension of Fiscal Incentives for CSIs and Cooperatives

Under the Fiscal Incentives Act 2017, CSIs and Cooperatives are granted a tax holiday of 10 years and Sales Tax (ST) and Customs Duty (CD) exemptions on import of industrial equipment/machinery, raw materials and primary packaging materials. This provision will however, expire by 31st December, 2020 after which they will need to pay the applicable taxes.

As the CSI sector is still at a nascent stage of development, continued support from the government through both monetary and fiscal interventions is seen necessary for the long term good. Taking this into account, the Department submitted a proposal to the government recommending fiscal incentives to CSIs and Cooperatives until 2024.

DOMAIN 2: DEVELOPMENT OF CULTURE OF ENTREPRENEURSHIP AND HUMAN CAPITAL

The development of entrepreneurial culture, capacity and skills are important for fostering growth and development of CSIs. The activities undertaken to enhance this domain include:

1. Development of Culture of Entrepreneurship

1.1 Recognition of Best Entrepreneurs

The Department recognizes best entrepreneurs every year with certificate and cash prizes through a program known as “Bhutan Enterprise Award” (BEA). The BEA was instituted in the year 2013 to recognize the role of entrepreneurship in the society and to promote people’s interest in self-employment over safe employment. Till date, 27 entrepreneurs were recognized through the program.

For the fiscal year 2019-2020, one entrepreneur from each of the following categories was recognized for their best performance and awarded with cash prize of Nu.200, 000:

- Small scale industries - “Small-scale Entrepreneur of the Year”
- Cottage scale industries - “Cottage-scaled Entrepreneur of the Year”
- Industries located in rural areas - “Rural Entrepreneur of the Year”
- Industries operated by women - “Women Entrepreneur of the Year”
- Those operating IT/IT enabled servicing businesses - “Service Entrepreneur of the Year”

Following were the BEA winners for 2019-2020:

- Incense Manufacturing (M/s Himalayan Incense, Thimphu): The Small-scaled Entrepreneur of the Year,
- Food Processing (M/s Crystal Moon, Gelephu): The Cottage-scaled Entrepreneur of the Year;
- Herbal tea manufacturing (M/s Bhutan Herbal Tea, Bumthang): The Rural Entrepreneur of the Year;
- Traditional hand-made paper manufacturing (M/s Dema Tshering Hand

- Made Paper, T/Yangtse) The Women Entrepreneur of the Year; and
 Courier service (M/s Tamu Worldwide Shipping Private Ltd, Thimphu):
 The Service Entrepreneur of the Year.



Picture 2. Recipients of BEA with Hon'ble Sanam Lyonpo

(From left: Service (IT enabled) Entrepreneur of the Year, Rural Entrepreneur of the Year, Woman Entrepreneur of the Year, Hon'ble Lyonpo, MoAF, Small Scale Entrepreneur of the Year, Cottage Scale Entrepreneur of the Year.

1.2 Bhutan-India Startup Summit

The Department co-facilitated the organization of Bhutan-India Startup Summit with the Embassy of India, Royal Monetary Authority (RMA) and Bhutan Chamber of Commerce and Industry (BCCI) from 28th-29th February, 2020 in Thimphu. The summit was organized to promote startups and establish networks among the existing businesses from India and Bhutan.

The Department of Promotion of Industry and Internal Trade under the Ministry of Commerce & Industry, the Confederation of Indian Industry (CII), Start-up India, Invest India and other exhibitors from India attended the summit. 50 participants from the CSI sector along with other entrepreneurs from Bhutan attended the summit.

20 local startups exhibited their products and five CSI entrepreneurs participated in the business idea pitching competition. The participants of the pitching competition were given an opportunity for an exposure trip to India sponsored by CII, India.

During the Summit, the Embassy of India agreed to support 130 entrepreneurs in different capacity building programs like Entrepreneurship Development and Product Packaging Training. The entrepreneurs will be sent for the programs in India once the Covid-19 pandemic is contained.

1.3 Workshops and Seminars

1.3.1 Business Advocacy Workshop (BAW)

Dissemination of information is vital for promoting the culture of entrepreneurship. Information relating to business opportunities, government support and facilitations for entrepreneurs, regulatory process and procedure for taking up business, etc affects people’s entrepreneurial enthusiasm. To provide up to date information to the potential entrepreneurs, one day workshop was organized in five Dzongkhags and two Technical Training Institutes sensitizing participants on various support programs and business development services.

A total of 444 entrepreneurs (including both potential and existing) were sensitized during the fiscal year.

Sl. No	Location	Total participants
1	TTI, Chumey,	149
2	Mongar	47
3	Lhuntse	09
4	Trashigang	38
5	TTI, Ranjung	117
6	Trashiyangtse	49
7	Pemagatshel	35
	Total	444

Table 2. Business Advocacy Workshop



Picture 3. Participants of BAW

1.3.2 Sensitization Workshop on Startup & CSI Development Flagship Program

Promotion of CSIs in the country demands active support and collaboration from Local Government. Considering this important role, a sensitization workshop was organized to bring Dzongkhag administrations on board for implementation of the Startup & CSI Development Flagship Program. The workshop sensitized participants on the plans, programs, and activities of the Flagship Program.

The workshop was organized in three locations viz. Phuentsholing, Mongar, and Gelephu. 49 officials including Dzongkhag Planning Officers, Economic Development Officers, and officials from Regional Trade & Industry Offices attended the program.

1.3.3 Startup Sessions

A series of sessions were organized at regular intervals to provide potential entrepreneurs with the required entrepreneurial knowledge, skills, inspiration and motivation. The sessions were resourced by experts from both within and outside the country on relevant topics (details in Annexure 2).

A total of 230 entrepreneurs - majority consisting of startups and potential entrepreneurs attended the session during the fiscal year.



Picture 4. Entrepreneurs attending seminars at the Startup Center

2. Development of Human Capital

2.1 Capacity Building Program

The growth and productivity of the CSI sector is affected by limited capacity of CSI entrepreneurs. This pertains to their poor knowledge and skills in product development, packaging, and other softer aspects like product costing and pricing, promotion and marketing, basic accounting etc. Taking these constraints into account, the Department organized various capacity development activities which include:

i) Product Packaging

30 participants from different CSI units were sent to South Indian Education Society (SIES) School of Packaging at Navi, Mumbai, in India for a duration of 21 days to learn the art of product packaging. The program was organized with the objective to enhance their knowledge on product packaging and to improve competitiveness in the market.



Picture 5. Participants attending Product Packaging Training

ii. Bakery Products

A group of 20 new entrepreneurs from different Dzongkhags were trained in making bakery products for a duration of 21 days in Thimphu. The training was organized in line with the broad national objective of promoting food security in the country through development of food processing industry.



Picture 6. Participants of Bakery Training



Picture 7. Products made by Participants

iii. Business Management

Application of basic accounting, product costing, pricing, marketing, customer relationship, HR management etc. are strategic for the long term survival of any business unit. Cognizant of the impact of lack of these knowledge and skills in CSI entrepreneurs, a 21-days training program was organized in Phuentsholing from 19th January to 8th February, 2020. A total of 30 participants from different CSI units attended the program. They were taught basic elements of business management skills necessary for growth and survival in the competitive environment.

Type of training	Number of CSI trained	Month/Year	Male	Female	Training Provider
Business Management	30	January,2020	16	14	Rigsum Institute of IT and Management
Packaging and Leveling	30	January 2020	16	14	SIES School of Packaging in Navi Mumbai, India.
Baking Skills in flour-based food	20	January,2020	13	7	Bhutan International School of Hospitality and Tourism, Thimphu

Table 3: Summary of Capacity Building Programs

DOMAIN 3: BUSINESS DEVELOPMENT SUPPORT (BDS) AND INFRASTRUCTURE

The availability of adequate BDS and infrastructure are important for improving the performance of CSIs. BDS facilitate CSIs' access to finance, market, technology and innovation, and infrastructure, while infrastructure enhances the enterprise environment, thus leading to increased competitiveness. The followings were some of the activities undertaken to enhance this domain of the ecosystem:

1. Business Development Services (BDS)

1.1. Business Licensing

Licensing CSI businesses is one of the primary activities of the Department. The Department seeks required clearance from relevant agencies and accords approval for licensing, based on which the concerned Regional Trade & Industry Office (RTIO) issues license.

To ease the process of obtaining business license, the Department has delegated licensing authority to RTIOs for activities that are of common nature and that do not require sector clearances. RTIOs thus, directly issue license for those delegated activities without approval from the Department.

The Department accords approval for only those activities which are relatively of new and complex nature requiring multiple sector clearances. During 2019-

2020, the Department approved 88 proposals for licensing.

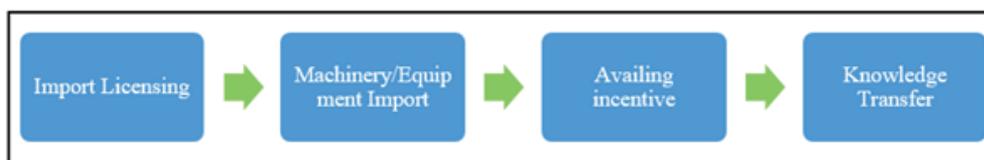
1.2 Facilitation for Lease of State Reserve Forest Land

By the provisions of Land Lease Rules and Regulations 2018, an applicant seeking State Reserve Forest Land (SRFL) for CSI business establishments shall first apply to DCSI for a Letter of Interest (LoI), along with the summary of business proposal and land use plan. The applicants are required to first seek this recommendation as a prerequisite document to be applied to concerned Dzongkhag Administration and then National Land Commission Secretariat (NLCS) for final approval. However, the issuance of LoI from DCSI is only to facilitate the process of lease of SRFL and does not construe approval of SRFL.

For fiscal year 2019-2020, the Department recommended 29 business proposals in leasing SRFL for establishment of new as well as expansion and up gradation of existing units.

1.3 Facilitation for Technology Transfer

Purchase of equipment/machinery is the most common mode of technology transfer in CSI sector. This mode of technology transfer involves a process as depicted in the diagram below:



1.3.1 Facilitation for Import of Industrial Equipment and Machinery

The import of machinery/equipment by business units from third countries must be approved by the government. They must obtain import license from the Department of Trade (DoT). However, issuance of import license by DoT is subject to the recommendation from DCSI.

In the 2019-2020 fiscal year, the Department facilitated processing import license for 27 CSIs.

1.3.2 Facilitation for Fiscal Incentives

CSIs importing machinery/equipment, raw materials or primary packaging materials from third countries are liable to pay sales tax and customs duty as per government rules. However, these levies are exempted subject to the recommendation from the Department as per the Fiscal Incentives Act of Bhutan 2017.

The Department recommended a total of 18 CSIs in the 2019-2020 fiscal year. 14 were for machinery/equipment import, 2 for raw materials and 2 for primary packaging materials.

1.3.3 Facilitation for Knowledge Transfer

With the import of equipment/machinery, CSIs often need to bring in technical experts from the foreign companies to install those equipment/machinery at the factory site and train local staff on operational procedure since they do not have the required skill and knowledge. The service of foreign experts is also required for repair and maintenance during breakdowns or for scheduled servicing.

The concerned CSI inviting the foreign national ought to bear all cost associated with the foreign national including the daily minimum tariff, and logistic expenses. This burdens CSIs heavily and at times hinders technology transfer.

To help waive at least the daily tariff, the Department recommends for processing of 'Business Guest Visa.' CSIs after getting the recommendation from DCSI, process for Business Guest Visa with the Department of Immigration under the Ministry of Home & Cultural Affairs.

The Department recommended Business visa for 25 CSIs in 2019 -2020.

1.4 Facilitation for Import of Industrial Packaging and Raw Materials

The Department recommends import license for import packaging and raw materials from third countries. A total of 10 CSIs were recommended for packaging and raw materials.

1.5 Facilitation for Access to Finance

Limited access to finance is a severe issue faced by small businesses globally. There are myriad of reasons of which the prominent ones include lack of collateral and poor credit rating. Taking those reasons into account, the government has designed various financing schemes to ease the challenge.

The Department facilitates in linking CSIs to those financial schemes. For instance, 32 activities were enlisted as priority under Priority Sector Lending making them eligible for funding under the Scheme (refer Annexure 4)

15 proposals were recommended for funding from National CSI Development Bank Ltd

9 CSIs were recommended for working capital support under Term-Based Soft Working Capital Loan introduced as an interim measure to counteract the impact of COVID-19.

1.6 Provision of One-Stop Information Service

As the spearheading agency for CSI promotion, the Department provides information relating to CSIs such as licensing procedure, clearance requirements, advisory on business planning and management, and other facilitative services and procedures sought by walk-in clients, over phone/email on daily basis.

2. Infrastructure

2.1 Strengthening of the Startup Center

The Startup Center at Changzamtog, Thimphu established in 2018 accommodates 30 startup entrepreneurs for 2 years to nurture and bring their business ideas into fruition.

The startup entrepreneurs are provided working space and other facilities at the Center. However, as it is a newly built structure, various strengthening works were carried out to make it more vibrant and attractive. The Center is now decorated with false ceiling, equipped with resource room, co-working space, close circuit television (CCTV), and elevator.

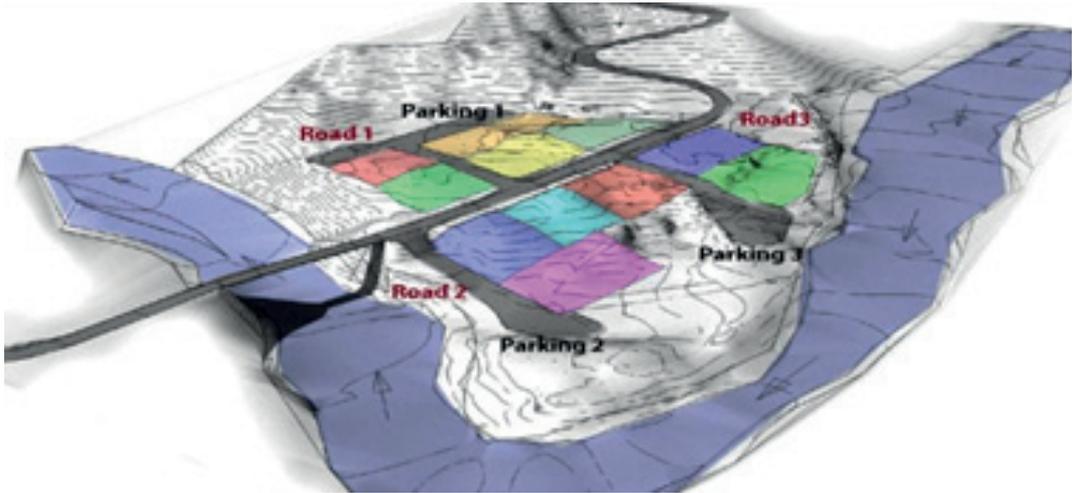
Startup Centers are an effective tool for development of small businesses. They increase the survival rate of startups when programs are run well. Considering this importance, the Department plans to establish 2 more Startup Centers - one in Samtse and other in Mongar to cater to more number of Startups. The architectural and structural designs are completed and tender floated for the construction. The new Centers are expected to be operational by 2022.



Picture 8. Startup Center at Changzamtog, Thimphu

2.2 Establishment of CSI Estate

To bring in planned industrial development in the country, the government endeavors to build industrial parks, special economic zones and estates. Currently, there are six Industrial Parks catering mostly to Large and Medium Industries, thereby creating little space for small and cottage industries. Therefore, DCSI felt the need to establish CSI estate to motivate and accommodate cottage and small industries.



Picture 9. Design of CSI Estate

The first CSI Estate is planned to be constructed at Changchey, under Tsirang Dzongkhag. The Estate is expected to accommodate about 12 CSIs. The land acquisition and ground breaking ceremony has been completed. The work is expected to complete by 2021.

The establishment of this Estate is aimed at clustering the industries, optimizing land utilization, enhancing productivity and promoting industrial linkages.



Picture 10. Ground Breaking Ceremony for CSI Estate at Changchey, Tsirang

2.3 Establishment of CSI Market

Limited infrastructure and logistics have been the major challenges faced by CSIs in marketing their products. Taking this into consideration, the Department has initiated the establishment of market outlet which will be dedicated exclusively for sale of domestic CSI products. The outlet located at Changzamtog, Thimphu will be operational in FY 2020-2021.



Picture 11.3D Architectural Design of the CSI Market Place

2.4 Re-modeling of Service Center at Changzamtog, Thimphu

The existing structures of the Service Center at Changzamtog, Thimphu are being renovated to be converted into Startup Center. About 35% of the renovation work has been carried out during 2019-2020. The entire renovation is expected to be complete by 2021. Around 25 Startups will be accommodated in the new center.



Picture 12: Ongoing Remodeling of the Service Center at Changzamtog, Thimphu

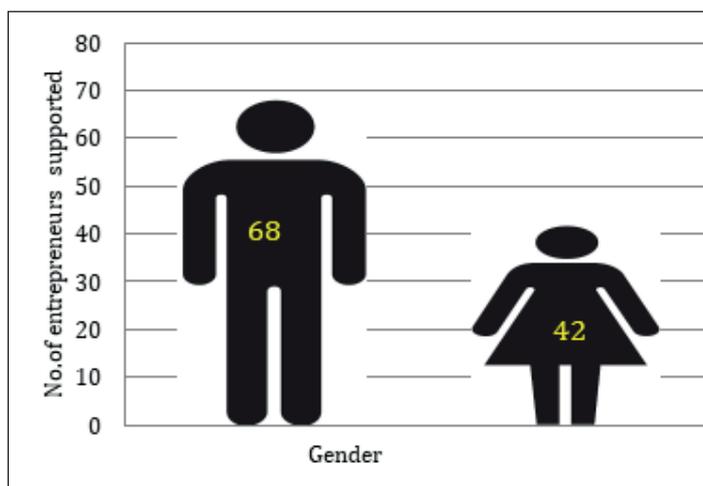
DOMAIN 4: INNOVATION AND TECHNOLOGY ADOPTION

In a fast-changing global business environment brought about by Industry 4.0, the success of CSIs in Bhutan will depend largely on the level of innovation, creativity and adoption of new technology. Taking this into account, the Department supports CSIs in adoption of emerging technologies to improve efficiency and productivity through provision of:

1. Industrial Development Grant Scheme (IDGS)

The Department provides grant to entrepreneurs with innovative and viable business ideas to invest in modern technology. The grant called “Industrial Development Grant Scheme” provides financial support on a cost-sharing basis: for the new establishment, the grant covers 90% of the total equipment/machinery cost while for the expansionary purpose, it covers 80% of the total cost. However, the maximum limit is Nu. 200,000².

During the fiscal year 2019-2020, the Department has supported a total of 110 beneficiaries.



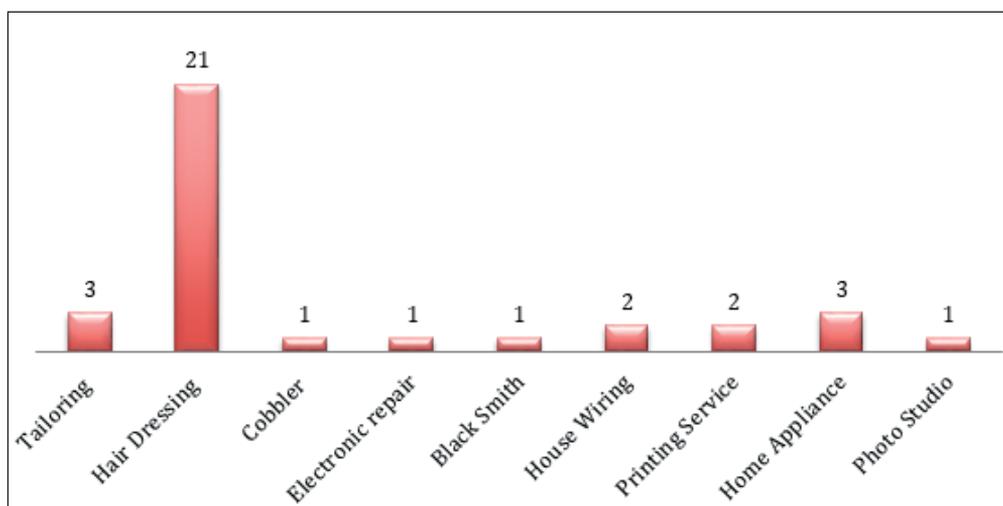
Graph 1. No. of entrepreneurs supported through IDGS

² From FY 2020-2021, the ceiling amount will be increased to Nu.300,000

2. Essential Service Scheme (ESS)

The scheme was designed to support development of industries rendering essential services in the community. A grant to a maximum of Nu.200, 000 is provided for the procurement of equipment/machinery required for the establishment of business unit upon recommendation from the concerned Dzongkhag Administration. The essential services typically include like hair dressing, foot wear repairing, tailoring and other services that are genuinely required in a particular community.

During the fiscal year 2019-2020, the Department has supported 35 CSIs.



Graph 2. Number of units supported through ESS

3. Innovation Voucher Scheme (IVS)

Innovation Voucher Scheme (IVS) is a scheme specifically designed and developed to encourage existing cottage and small industries to take up Research and Development (R&D) to ascertain and develop innovative products, processes and services that will bring about overall improvement in its performance or to help address a specific technical issues encountered by CSIs.

IVS also supports individuals with innovative business ideas to start new industries by seeking expert knowledge and services through research institutes or consultancy

firms. The maximum value of the Voucher is Nu. 200,000.

During the fiscal year 2019-2020, the Department has supported 3 IT enabled business services from the Startup Center with a grant amount worth of Nu. 450,000.00

SI No	Activity	Name
1.	Peer to Peer Lending (P2P Lending)	Kinley Wangchuk
2.	Development of Music Apps (BMusic)	Rinchen Dorji
3.	Bhutan Pay Online Payment Gateway Service Provider	Basant Gurung

Table 4. Recipient of IVS

4. CSI Technology Database

Recognizing technological competence as one of the primary determinants for CSIs to survive in the face of increasing market competition, the Department has developed a technology database to facilitate entrepreneurs to search and procure the right machine/equipment for their business. The database was developed taking into account the limited knowledge CSI entrepreneurs have of the source and type of the machinery. The database is linked to 22 International databases. The technical support for the database was provided by the Asian and Pacific Center for Transfer of Technology (APCTT) of the United Nations Economic and Social Commission for Asia and the Pacific (UN ESCAP) while the financial support was provided by International Center for Integrated Mountain Development (ICIMOD) based in Nepal.

DOMAIN 5: ACCESS TO MARKET

CSIs in general face difficulties in accessing markets particularly international markets owing to geographical location and limited range of products that meet international standards. Therefore, the Department has provided requisite support in product development as well as accessing the market through the following activities.

1. Product Standardization and Certification

Lack of product certification is one of the major factors hindering access to market for CSI Entrepreneurs. To address this challenge, the Department has forwarded the following 6 CSI Products to Bhutan Standards Bureau (BSB) for the standardization and certification. The products will be certified by the Bureau in 2020-2021.

1. Herbal Tea
2. Incense
3. Hand-Made Paper
4. Concrete Blocks
5. Pencil
6. Sanitary Pad

2. CSI EXPO 2019

The National CSI EXPO was organized on the sideline of the 2nd Bhutan Economic Forum for Innovative Transformation (BEFIT) from 16 to 18 July 2019 at Royal Thimphu College. The first of its kind CSI Expo provided a platform to enable Bhutanese CSIs and young aspiring entrepreneurs to showcase their products and services to potential domestic and foreign investors. 75 local entrepreneurs participated during the EXPO.



Picture 12. Launch of CSI EXPO

3. Annual CSI Fair

The 3rd Annual CSI fair was organized from 22nd to 24th November 2019 at Changlimithang parking ground, Thimphu. 56 Entrepreneurs from across the country including from Startup Center participated in the Fair and displayed various unique and local products. As an effort towards helping our Bhutanese entrepreneurs, stalls were provided for free.

The CSI Fair was instituted as an annual program since 2017 to create a marketing platform for CSIs. During the program, CSIs exhibit their products and establish business networks. This contributes to further diversify and intensify their business ideas, products and services, thus contributing towards the economic growth and more so towards economic diversification of the country.



Picture 13. Launch of Annual CSI Fair



Picture 14. Hon'ble Tengye Lyonpo Interacting with the CSI Fair Participants

4. New CSI Product Launch

The Department supported 15 CSI entrepreneurs to launch their products in the market. Of the 15, 9 were from the Start-up Center. The launching event was organized to help the entrepreneurs introduce their products in the market. (Refer Annexure 3 for the detail of CSI products launched).

5. CSI Product Promotion Campaign

The Startup & CSI Development Flagship Program identified CSI products that have viability and potential for substituting 10 imported commodities. The products are: Noodles, Sanitary Towels, Pasteurized Butter, Cheese and Yogurt, Pencil, Potato Products, Bricks and Hollow Blocks, Vegetable and Fruit Juice, Cooking Oil, Herbal Tea Products, Honey and By-products.

Towards promoting domestic CSIs producing these commodities, the Department has strategized and phased the products and their interventions to scale up production and capture the domestic market.

In 2019-2020, noodles and sanitary pads were promoted. The Department developed and aired promotional ads for these 2 products for 3 weeks on BBS TV. Moreover, promotional campaigns were organized in 2 Dzongkhags viz. Trashiyangtse and Punakha for duration of 3 days each.



Picture 15. CSI Product Promoters

6. Community Enterprise Development Project

The Department implemented a community enterprise development project titled “Decentralized Hands on Program Exhibition” with the technical and financial support from Japan International Cooperation Agency (JICA). The 6 year project which aimed at revitalizing local economy through promotion of community

based entrepreneurship culture with particular focus on rural communities was implemented in 2 phases. The first phase spanned from 2014 – 2016, second phase from 2017– 2019.



Picture 16. Launch of 6th Edition of D-HOPE Catalogue

In each phase the project identified entrepreneurs (champion) undertaking locally available resource-based activity and designed hands on exhibition program to be exhibited to customers who may want to see and experience making champion’s product. To help publicize their business ideas and exhibition programs, a catalogue titled “Gakyed Gatoen – The Festival of Happiness” containing details of the champion and exhibition program was launched and distributed widely in each year of the project period. The project as seen from implementation practice in other countries like Japan, Thailand, Paraguay, Nicaragua, etc has a strong influence in promoting the culture of entrepreneurship in the community. The concept originated from Japan and is today adopted by many other countries in Asia and Africa.

During 2019-2020 which marked the last year of the 2nd phase, the Department launched the 6th edition of Gakyed Gatoen catalogue. The catalogue contained 30 new champions. To reach this promotion program to wide range of international customers, a special session was also organized in Thimphu linking local tour operators and champions. 30 tour operators and 36 champions attended the linking session. A total of around 200 champions – were identified and promoted under the project.

ANNEXURES

Annexure 1: Sector wise Number of CSIs in Dzongkhags as of June, 2020

Dzongkhag	Contract	Production And Manufacturing	Services	Total
Bumthang	49	125	529	703
Chhukha	175	179	2092	2446
Dagana	64	65	339	468
Gasa	16	5	67	88
Haa	46	71	171	288
Lhuentse	36	31	180	247
Mongar	66	90	662	818
Paro	111	287	1292	1690
Pema Gatshel	57	57	469	583
Punakha	68	64	515	647
Samdrup Jongkhar	95	101	687	883
Samtse	93	126	814	1033
Sarpang	126	219	1112	1457
Thimphu	462	646	6201	7309
Trashigang	88	140	506	734
Trashiyangtse	68	126	193	387
Trongsa	75	26	341	442
Tsirang	47	68	275	390
Wangdue Phodrang	74	68	651	793
Zhemgang	53	63	291	407
	1869	2557	17387	21813

Annexure 2. Details of Startup Sessions organized

SL. No	Topic	Resource Person	Agency	No. of Participants
1	How to start a business, support services and program of DCSI, MoEA	Mr. Dechen Dorji	Startup Center Management	7
2	Support services and program of National CSI Development Bank	Ms. Alisha Mukhia	National CSI Development Bank	16
3	Customer Care and Customer Relationship	Mr. Pema Gyalpo	Startup Center	38
4	Business Health Check (financial, marketing)	Mr. Niraj Khanal and Ms. Deepti Khakurel	Antarprerana, Nepal	20
5	Crowdfunding Platform	Ms. Kwek Hong Sin,	Thailand	24
6	Result Based Management for Small Business	Mr. Pema Gyalpo	Startup Center	22
7	Branding and Packaging	Mr. Kamal Raj Gurung	Tamu Worldwide Shipping Pvt Ltd	25
8	Brand Bhutan (Made in Bhutan)	Ms. Rinzin Lhamo	Department of Trade	20
9	Inspirational and motivational session by Mr. Bhubesh Kumar, T-hub, Hyderabad, India	Mr. Bhubesh Kumar, Director	ICIMOD	28
10	E-Commerce Platform	Mr. Sangay Chophel	Department of Trade	30

Annexure 3: List of ESS Beneficiaries

SL No	Activity	Name	Location
1	Tailoring	Dawa Zangpo	Tingtibi ,Zhemgang
2	Tailoring	Women's Group	Mendregang,Tsirang
3	Hair Dressing	Pema Wangchuk	Phaling ,Lhuntse
4	Tailoring	Tangsibji Incubation Unit	Tangsibji, Trongsa
5	Hair dressing	Tangsibji Incubation Unit	Tangsibji,Trongsa
6	Cobbler	Tangsibji Incubation Unit	Tangsibji, Trongsa
7	Electronic Repair	Tangsibji Incubation Unit	Tangsibji,Trongsa
8	Hair Dressing	Harka Bdr Gurung	Mendrelgang, Tsirang
9	Black Smith	Suk Bahadur Biswa	Mendrelgang, Tsirang
10	Hair Dressing	Ngawang Tshering	Mendrelgang, Tsirang
11	House Wiring	Pem Dorji Tamang	Mendrelgang, Tsirang
12	House Wiring	Mon Bahadur Gurung	Mendrelgang, Tsirang
13	Hair Dressing	Buddha Raj Majhi	Trashi Yangtse
14	Hair Dressing	Rinchen Choki	Lhuntse, Phaling
15	Hair Dressing	Jasu Kumari Rai	Samtse, Dorakha
16	Hair Dressing	Tul Bahadur Rai	Samtse, Dorakha
17	Hair Dressing	Budhi Man Rai	Samtse ,Kuchey
18	Hair Dressing	Chandra Man Rai	Samtse ,Dungtoe
19	Hair Dressing	Khamba Singh Rai	Samtse ,ThuloDungtoe
20	Hair Dressing	Dorji Jamtsho	Zhemgang, Throm
21	Hair Dressing	Yeshi Wangchuk	Zhemgang, Sonamthang
22	Hair Dressing	Sangay Youden	Gelephug, Rabdelying
23	Hair Dressing	Narayan Gurung	Gelephug ,PemaThang
24	Hair Dressing.	Bal Bdr Rai	Chukha ,Logchina
25	Home Appliance.	NimDorji	Sarpang ,Tareything
26	Hair Dressing	Ganga Maya Gurung	Tsirang ,Doonglagang
27	Hair Dressing	Tshering Pem	Trirang,Kilkhorthang
28	Home Appliance	Sonam Penjor	Lhuentse ,Autsho
29	Home Appliance	Lham Dorji	Buli, Nangkor
30	Printing Service	Lhakpa Dorji Thingh	Dagana,Daga
31	Photo Studio	Sonam Youten	Dagana ,Tseza
32	Hair Cutting	Dawa	Dagana ,Gesarling
33	Tailoring Service	Pema Norbu	Lhuentse ,Phaling
34	Hair Dressing	SonamDendup	Zhemgang ,Buli
35	Hair Dressing	Bishnu Maya Rai	Dagana ,Tsangkha

Annexure 4. List of Priority Activities under PSL

Sector	Production & Manufacturing
Production & Manufacturing	Mineral water
	Mineral based industries (ceramics and pottery)
	ZorigChusum
	Engraving and polishing of stones
	Construction materials (excluding mining, quarrying and stone crushing)
	Bricks/Hollow blocks/ tiles
	Hume pipes
	Textiles, clothing and apparels including handicrafts
	Footwear
	Socks
	Audio-visual production and creative arts (animations)
	Pharmaceuticals and Nutraceuticals
	Educational materials
	Green industries
	Renewable energy (wind, solar and bio gas)
Service	Schools
	Early Childhood Care and Developments (ECCDs)
	Health clinics and diagnostic centers
	Research and development centers
	Cold storage and warehouse
	Waste management services
	Recreation, health and wellness centers
	Indoor games and sporting centers
	ICT (IT and ITES)
	Traditional performing arts
	Cleaning services
	MFIs and CSI Banks
	Automobile workshops
	Cobbler and hair cutting services
	Labor saving construction services
	Tradesman-ship services such as plumbing and electrician services
Mule transport services for tourism	

Annexure 5.Details of CSI Products Launched

Sl.#	Promoter	Business Name	Product	Location
1	Dawa Tshering	Bhutan Essence	Herbal Tea	Startup Center
2	Dorji Dema	Freed Meat	Freed beef steak, freed beaf eazey	Startup Center
3	Basant Gurung	Online Payment Gateway	Online payment system	Startup Center
4	Tenzin	Bhutan Mountain Herbs	Herbal tea products	Kawangjangsha, Thimphu
5	Chainga	Kuengaa Zomba Socks and Manufacturing Unit	Socks	Olakha, Thimphu
6	Leki Choden	Dragon Coders Private Limited	Online market platform to all business owners	Chubachu, Thimphu
7	Dorji Thinlay	Touch From Heaven	Cleaning detergents	Mewang, Thimphu
8	Sangay Thinley	Vaccum Fried Fruits	Vegetable chips	Startup Center
9	Sangay Thinley	Dr.T.Kombucha	Juice	Startup Center
10	Rinchen Dorji	B Music App	Online music	Startup Center
11	Sushanta Sharma	Sushi's Candles and Craft	Scented aromatic candles	Startup Center
12	Leki Choden	Online Sport Ground Booking	Online platform for sports and ground booking	Thimphu
13	Pema Gyalpo	Bathing Products	Natural luffa(bathing products)	Startup Center
14	Chimi Dema	Cereal cookies	Handcrafted cereal cookies using finest natural ingredients	Startup Center
15	Roshan Rasaily	Pencil	Pencils produced from recycled waste paper	Dekiling, Sarpang

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