

**Embassy of India  
(Thimphu)  
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**Commercial Report for the month of March, 2023**

**1. Bhutan's Trade Volume with India during the period April – June 2022 (Source: Bhutan Trade Statistics, RGoB)**

	Total Trade (in cr)			Exports (in cr)			Imports (in cr)		
	April-June 2022	April-June 2021	% Growth Y-O-Y	April-June 2022	April-June 2021	% Growth Y-O-Y	April-June 2022	April-June 2021	% Growth Y-O-Y
Bhutan's Trade with India (including electricity)	3643.93	2775.16	31.31	1220.42	1257.51	-2.95	2423.5	1517.64	59.69
Bhutan's Trade with India (excluding electricity)	3040.24	2177.01	39.65	616.74	662.59	-6.92	2423.5	1514.42	60.03
Trade in Electricity	603.69	598.14	0.93	603.69	594.92	1.47	0.00	3.22	-99.97
Trade Balance including electricity	1203.08 (In India's favour)								
Trade Balance excluding electricity	1806.77 (In India's favour)								

**2. Bhutan's Trade Volume with countries other than India during the period (Source: Bhutan Trade Statistics, RGoB)**

	Total Trade (in cr)			Exports (in cr)			Imports (in cr)		
	April-June 2022	April-June 2021	% Growth Y-O-Y	April-June 2022	April-June 2021	% Growth Y-O-Y	April-June 2022	April-June 2021	% Growth Y-O-Y
Bhutan's Trade with rest of the world	1410.6	545.1	158.8	245.41	128.61	90.8	1165.17	416.49	179.8
Trade Balance	(919.76)								

**3. Bhutan's Overall Trade Volume during the period April – June 2022 (Source: Bhutan Trade Statistics, RGoB)**

	Total Trade (in cr)			Exports (in cr)			Imports (in cr)		
	April-June 2022	April-June 2021	% Growth Y-O-Y	April-June 2022	April-June 2021	% Growth Y-O-Y	April-June 2022	April-June 2021	% Growth Y-O-Y
Bhutan's Overall Trade (including electricity)	5054.5	3320.2	52.2	1465.84	1386.12	5.8	3588.68	1934.13	85.5
Bhutan's Overall Trade (excluding electricity)	4450.8	2722.1	63.5	862.15	791.2	9.0	3588.68	1930.9	85.9
Trade Balance including									

electricity	(2122.84)
Trade Balance excluding electricity	(2726.53)

**4. Top Ten commodities of Imports from India during the period April-June 2022 (in cr) (Source: Bhutan Trade Statistics, RGoB)**

S.No	BTC Code	Particulars	April-June 2022	April-June 2021	% Growth	% of share of Total Global Import
1	2710.19.15	Other light oils and preparations (HSD)	255.02	140.31	81.76	10.52
2	2704.00.10	Coke and semi-coke	106.82	51.35	108.01	4.41
3	2710.12.10	Motor spirit (gasolene) including aviation spirit (petrol)	75.31	41.33	82.24	3.11
4	4402.90.00	Other (Wood Charcoal)	65.09	42.97	51.45	2.69
5	1006.30.00	Semi-milled or wholly milled rice, whether or not polished or glazed	57.14	72.62	-21.31	2.36
6	7203.10.00	Ferrous products obtained by direct reduction of iron ore	44.54	6.84	551.27	1.84
7	1507.90.00	Other (Soya-bean oil and its fractions, whether or not refined, but not chemically modified.)	42.68	51.84	-17.67	1.76
8	8704.21.00	Motor vehicles for the transport of goods: g.v.w. not exceeding 5 tonnes	38.57	16.74	130.36	1.59
9	8410.13.00	Hydraulic turbines, water wheels, and regulators therefor Of a power exceeding 10,000 kW	37.42	1.68	2123.51	1.54
10	2713.20.00	Petroleum bitumen	35.42	9.91	257.29	1.46

**5. Top Ten commodities of Exports to India during the period April-June 2022 (in cr) (Source: Bhutan Trade Statistics, RGoB)**

S.No	BTC Code	Particulars	April-June 2022	April-June 2021	% Growth	% of share of Total Export to India
1	7202.21.00	Containing by weight more than 55% of silicon	355.02	382.01	-7.07	57.56
2	7202.30.00	Ferro-silico-manganese	54.62	56.58	-3.46	8.86
3	2518.10.20	Dolomite, not calcined or sintered, chips	39.68	27.35	45.1	6.43

4	2202.99.90	Nonalcoholic Beverages, Others (including Milk-based Drinks)	20.55	6.63	209.72	3.33
5	2518.10.30	Dolomite, not calcined or sintered, lumps and slabs	20.01	20.96	-4.54	3.24
6	2523.29.10	Ordinary portland cement	15.38	16.62	-7.45	2.49
7	0908.31.00	Cardamoms- Neither crushed nor ground	13.8	20.87	-33.87	2.24
8	2849.20.00	Carbides, whether or not chemically defined of silicon	13.59	7.98	70.26	2.2
9	2520.10.00	Gypsum; anhydrite	10.54	9.14	15.41	1.71
10	2523.29.30	Portland pozzolana cement	9.05	36.84	-75.43	1.47

6. **Top Ten commodities of Imports from countries other than India during the period April – June 2022 (in r)**  
(Source: Bhutan Trade Statistics, RGoB)

S.No	BTC Code	Particulars	April-June 2022	April-June 2021	% Growth	% of share of Total Import from Countries other than India
1	8471.50.00	Processing units other than those of subheading 8471.41 or 8471.49, whether or not containing in the same housing one or two of the following types of unit : storage units, input units, output units	529.85	173.88	204.72	45.47
2	3002.41.00	Vaccines for human medicine	54.35	N.A	N.A	4.66
3	2602.00.00	Manganese ores and concentrates, including ferruginous manganese ores and concentrates with a manganese content of 20% or more, calculated on the dry weight	51.14	N.A	N.A	4.39
4	8523.80.90	Media, recorded, incl. matrices and masters for the production of discs (excl. magnetic, optical and semiconductor media, and products of chapter 37	33.15	0.05	N.A	2.84
5	8471.30.00	Portable automatic data processing machines, weighing not more than 10 kg, consisting of at least a central processing unit, a keyboard and a display	29.74	20.86	42.58	2.55
6	8517.13.00	Smartphones	19.83	N.A	N.A	1.70
7	2619.00.00	Slag, dross (other than granulated slag), scalings and other waste from the manufacture of iron or steel	18.87	2.23	744.59	1.62

8	8517.62.00	Machines for the reception, conversion and transmission or regeneration of voice, images or other data, including switching and routing apparatus	15.50	7.83	97.99	1.33
9	8517.61.00	Base stations of apparatus for the transmission or reception of voice, images or other data	15.18	4.93	207.86	1.30
10	8430.31.00	Self-propelled coal or rock cutters and tunnelling machinery (excluding hydraulically operated self-advancing supports for mines)	11.89	N.A	N.A	1.02

7. **Top Ten commodities of Exports to countries other than India during the period April-June 2022 (in cr)/(Source: Bhutan Trade Statistics, RGoB)**

S.No	BTC Code	Particulars	April-June 2022	April-June 2021	% Growth	% of share of Total Export to Countries other than India
1	7202.21.00	Containing by weight more than 55% of silicon	84.3	12.03	600.58	34.35
2	2516.90.10	Boulders	37.41	48.81	-23.35	15.25
3	2517.10.00	Pebbles, gravel, broken or crushed stone, of a kind commonly used for concrete aggregates, for road metalling or for railway or other ballast, shingle and flint, whether or not heat-treated	32.67	19.08	71.27	13.31
4	0908.31.00	Cardamoms- Neither crushed nor ground	26.94	19.85	35.66	10.98
5	2521.00.90	Limestone and other calcareous stone	16.34	6.74	142.29	6.66
6	7202.30.00	Ferro-silico-manganese	13.83	0.55	2431.2	5.64
7	1211.90.50	Cordyceps sinensis (yertsha gein bhup)	6.82	1.81	277.33	2.78
8	0908.11.00	Nutmeg- Neither crushed nor ground	2.68	N.A	N.A	1.09
9	0910.11.00	Ginger- Neither crushed nor ground	2.27	0.31	627.48	0.92
10	2518.10.10	Dolomite, not calcined or sintered, Powdered	2.19	2.03	8.34	0.89

9. **Border - trade point wise trade with India during the period April-June 2022 (in cr) (Source: Bhutan Trade Statistics, RGoB)**

Region/Checkpost	Export to India	Import from India	Total trade	Percentage share of total trade with India
Gelephu	27.84	234.14	261.98	8.62
Paro	0	3.16	3.16	0.1
Phuentsholing	369.66	1836.67	2206.33	72.57
Samdrupjongkhar	132.76	251.14	383.91	12.63
Samtse	86.48	97.13	183.61	6.04
Thimphu	0	1.25	1.25	0.04

**10. Border-trade point wise trade with rest of world during the period April – June 2022 (in cr) (Source: Bhutan Trade Statistics, RGoB)**

Region/Checkpost	Export to other countries	Import from other countries	Total trade	Percentage share of total trade with rest of world
Gelephu	20.09	0	20.09	1.42
Paro	1.68	175.26	176.94	12.54
Phuentsholing	144.41	898.07	1042.48	73.9
Samdrupjongkhar	30.35	3.42	33.77	2.39
Samtse	42.94	8.77	51.71	3.67
Thimphu	5.95	79.65	85.6	6.07

**11. Trade Policy development (TBT/SPS/Anti dumping etc.):**

(1) In the wake of depleting forex reserves in the country and widening trade deficit, the Royal Government of Bhutan on 18 August 2022 decided to impose a moratorium, suspending the import of “non-essential” vehicles, which is currently in force till 18 August 2023.

(2) The Royal Government of Bhutan has banned the conduct of consumer trade fairs and general fairs that involve external parties and imported goods with effect from 23.12.2022. Only thematic fairs meant for promoting local goods and services and for export purposes will be allowed with prior approval from the Royal Government of Bhutan.

(3) Import of live pigs and pork products into Bhutan has been banned w.e.f. 27 July 2022 to prevent introduction of African Swine Fever (ASF). Based on request from APEDA, Mission has been following up with Bhutan government authorities to permit import of pork products from M/s Mayur Piggery Farm located in Pune, along with documentary evidence to prove that there are no reports of ASF in pigs from M/s Mayur Piggery Farm.

**12. Tender information :**

Information on tender Notice for projects and procurement of interest to Indian project exporters/suppliers (USD 15 million & above)

Sl. No.	Tender/procurement notice no. and date	Sector	Value of tender/procurement
	NIL during the period		

**13. Development -**

**INTERNAL**

1. 30.03.2023: Royal Government of Bhutan waives Sustainable Development Fund for tourists of all nationalities to border towns (Phuentsholing, Samdrupjongkhar, Samtse, and Gelephu) for up to 24 hours. The sustainable fee shall remain in force a period of 12 months with effects from 14<sup>th</sup> April 2023. The SDF will be applicable as usual for visitors who travel beyond the designated zones of the border towns. Similarly, the notification also states that the Nu 10 user fee at the Phuentshogling Pedestrian Terminal will only be levied upon entry from April 14. The user fee will not be levied on exit.
2. 30.03.2023: Bhutan is exploring possibilities of exporting electricity to Bangladesh. The two countries are also exploring trading opportunities in agricultural products, tourism, education, and the internet. The two nations will be signing a bilateral memorandum of understanding in a month or two to finalize the agreement on electricity import from Bhutan.
3. 22<sup>nd</sup> March 2023: Bhutan and Bangladesh on Wednesday signed the "Agreement on movement of traffic-in-transit and protocol" in Thimphu to simplify further bilateral trade between the two countries. Bhutan will now be able to export and import goods with third countries through major Bangladeshi seaports.
4. 21<sup>st</sup> March 2023: Bhutan's first mega solar plant, which is planned for Sephu in Wangdue from March this year, awaits final approval from the Asian Development Bank (ADB). The project will take 18 months to complete at a cost of Nu 1.4 billion and generate 26.15 million (M) units of electricity, earning an annual revenue of Nu 132.29M.
5. 16<sup>th</sup> March 2023: The number of youth unemployed in the country rose in 2022 with an estimated 28.6% of youth unemployed. This is an increase by 7.7% as compared to 20.9% in 2021 according to a recent report released by the National Statistics Bureau (NSB).
6. 15<sup>th</sup> March 2023: The export of electricity from the five hydropower plants decreases by about Nu 486.3million (mn) as of December last year as compared to 2021, according to the monthly statistical bulletin of the Royal Monetary Authority (RMA). The export decreased due to Tala hydropower plant's (THP) inability to generate power for the months of January and February
7. The ground station of the jointly developed India-Bhutan satellite has been inaugurated in Thimphu on 14<sup>th</sup> March 2023. It is a ground-based facility that helps communicate with and receive information sent by the satellite. Ground stations, the major component of which is the parabolic antenna, communicate with satellites by transmitting and receiving radio waves.

8. 09 March 2023: At Nu 8.35 per unit, Bhutan is paying the highest ever price for electricity imported from India. The new price is double the price of last winter's import. The average daily market clearing price (MCP) at the Indian Energy Exchange (IEX) reached as high as INR 8.99 per unit. Bhutan has received approval to import electricity from India from January 1 to April 30.

9. 07 March 2023: The UNDP office in Thimphu handed over 16 of the 19 electric vehicles funded by a USD 1.1 million project supported by the Government of Japan and UNDP to the Royal Government of Bhutan. It aims to assist countries in achieving their NDC (Nationally Determined Contributions) carbon reduction targets.

10. 08 March 2023: The Consumer Price Index (CPI) for the month of January 2023 had increased by 4.33% compared to the same month last year. According to the report, transport was the main driver with a 12.36% increase, contributing to 43% of the overall inflation followed by clothing and footwear recording 7.39%, contributing 16% to the overall inflation.

11. 02<sup>nd</sup> March 2023: The total net domestic revenue realized during the fiscal year 2021-2022 was Nu. 39 billion, representing 13.7 percent of GDP. The net domestic revenue increased by 8.9 percent as compared to the previous fiscal year 2020-2021 of Nu. 35 billion.

12. 01<sup>st</sup> March 2023: DGPC is updating the Detailed Project Report (DPR) for its 1,125 MW Dorjilung hydroelectric project in Lhuentse. The World Bank is providing US\$4 million in financial support and the project is to be implemented under a trilateral agreement with Bhutan, Bangladesh, and India. However, it could not be confirmed. It will take about 15 more months to complete.

13. 01<sup>st</sup> March 2023: The country's gross domestic revenue grew by almost 9% in the last financial year compared to the previous year. This is according to the recently published National Revenue Report. Over Nu 39bn was added to the government's coffers. The increase is attributed to the resumption of economic activities after the COVID pandemic.

**Trade Fair/Seminar :**

S. No.	Nature of activity (trade research, information dissemination, seminars etc.)	Details (date, venue and number participants; copy of research t sent to DOC)
1	International Exporter's Conclave cum Buyer Seller Meet at Srinagar, Kashmir during 2 <sup>nd</sup> Week of May 2023	Information on these events was disseminated to Business Chambers of Commerce ( <i>BCCI is an apex body of private business communities in Bhutan</i> )
2	7 <sup>th</sup> FarmTech Asia from 22 – 24 September 2023 in Bhopal, Madhya Pradesh	

**16. Trade query :**

S. No.	Enquiry originator	Product (with HS Codes)	Nature(Import/export) and values (\$ mln)	Action taken
	89 nos of enquiries from Indian manufactures/ exporters were handled during the month of March 2023.	Pharmaceutical, Hardware, tiles, agro products, readymade garment, etc	Export from India	Contact details of Bhutanese importers /dealers were provided by the Mission and in some cases the Embassy forwarded the query to Bhutan Chamber of Commerce and

				Industry (BCCI).
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