

BHUTAN ASSOCIATION OF WOMEN ENTREPRENEURS (BAOWE)

Annual Report 2020







Bhutan Association of Women Entrepreneurs (BAOWE) received the National Order of Merit (Gold Medal) from His Majesty the King during 109th National Day Celebrations in the year 2016

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ABOUT BHUTAN ASSOCIATION OF WOMEN ENTREPRENEURS

WHO WE ARE

BAOWE was founded by Ms. Damchae Dem in the year 2008. Formally BAOWE was register with Civil Society Organization Authority (CSOA) on 15 April 2010 under the CSO Act of 2007 as a Public Benefit Organization (PBO).

Mission

To Promote sustainable and equitable opportunities for women entrepreneurs

Vision

To promote a conducive environment for sustainable and equitable opportunities of women entrepreneurs

Values

Empowering, Sustainable, Equitable

Goals and Objectives

- a. Improve Access to Finance
- b. Develop a comprehensive database with sex disaggregated database
- c. Establish Business Support Centers
- d. Align suppliers to sustainable value chains, using a digital platform for sustainable integration

Message from the Executive Director/Founder

Bhutan, a small landlocked country in the Himalayas bordering China to the North and India to the South is also one of the most isolated countries in the region. In spite of being an economically challenged LDC, the country has through the years nurtured the environment including protecting, resisting exploiting its bountiful natural resources which has contributed to Bhutan being the only Carbon-Negative Country on Earth. While the region attracts tourists in the millions Bhutan with its low volume, high value tourist policies has encouraged the country to grow harmoniously



celebrating erstwhile traditions passed down the generations which has always promoted sustainable development.

The COVID-19 outbreak was declared by the World Health Organization (WHO) on 11 March 2020 and has spread rapidly across the globe, severely impacting on lives and livelihoods.

The impact of the pandemic including global economies has shaken the way the world perceives normal'. It can be argued that but for the colossal loss of precious lives and livelihoods the world has been given a slim second chance to take stock of the negative impact of mankind on nature and the environment.

The impact of Covid has been felt throughout the country and BAOWE would like to present on its findings involving rural communities. While traditional farming activities involved communities sharing and contributing labour the lack of marketing networks and value add facilities resulted in total loss of the hard earned produce of helpless communities mostly women engaged in farming. It was found that this cruel unforeseen loss could have been lessened during the lockdown had there been circular economies within zones, enabling communities to continue with their familiar way of life including livelihood activities.

I would like to thank all our development partners and related government agencies listed at the end of this report, including well wishers and supporters, without which our mission would not have been possible.

BAOWE-PELZHING MICRO FINANCE INSTITUTION: FOR RURAL DEVELOPMENT

BAOWE-Pelzhing Microfinance Institution is one of the few microfinance institutions in the country licensed by the Royal Monetary Authority in 2017. BAOWE feels that poverty is a mismatch between opportunity and potential. Thus, BAOWE-Pelzing aims to bridge the gap between the banked and unbanked citizens of the country.

More importantly, financial literacy was felt necessary for its group members because they were not aware of the importance of financial management, savings, and channels of funding for business expansion and development. It was therefore apt for BAOWE, as one of the microfinance institutions in the country, to introduce its products and services and orient group members on alternative funding channels and the importance of savings through financial literacy programs. Now members have started saving their income in our BAOWE-Pelzhing.



ADDRESSING URBAN POVERTY

- **Development of Women Owned Open Market (WOOM)**

One of the many manifestations of urban poverty is the increasing number of "footpath vendors." In its quest to address urban poverty by empowering women economically, BAOWE, in collaboration with Thimphu and Phuentsholing Thromde, introduced a pilot vendor's outlet for women in the urban nerve centers of Thimphu and Phuentsholing. The 200 plus beneficiaries of this project are mostly illiterate and semi literate single mothers, women, and girls. It is envisioned that through this initiative, they will become empowered, independent, and live a dignified life as contributing members of society. Basically, BAOWE facilitates and provides a secure and conducive environment for erstwhile street hawkers to sell their produce, such as homegrown vegetables, fruits, and home cooked food/snacks, hygienically under the supervision of BAFRA.



COVID-19 ECONOMIC IMPACT SURVEY FUNDED BY ADA MICRO FINANCE, LUXEMBOURG

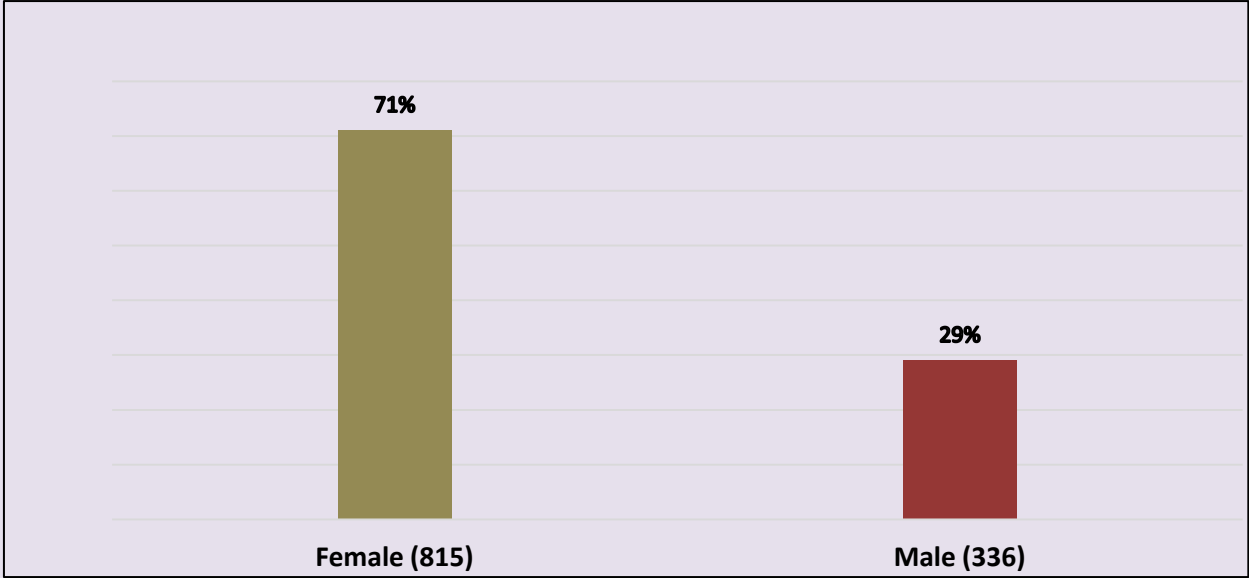
The survey targeted 13 Dzongkhags (districts), namely, Chhukha, Thimphu, Bumthang, Pemagatshel, Dagana, Tashigang, Gelephu, Samdrupjongkhar, Haa, Punakha, Zhemgang, Trongsa and Trashiyangtse. The targeted beneficiaries were selected from vulnerable groups with low income generation and small landholdings, mostly women in the unorganized sector. Due to the fact that the targeted beneficiaries live in remote, isolated, and difficult-to-reach areas, many of the essential services provided by the government have not effectively reached them, especially banking services. The communication connects the entire country, enabling people to witness some disparities, positive or negative, often resulting in frustration, dissatisfaction, and unhappiness, often resulting in growing rural to urban migration.

However, positive changes can be introduced by exposing these communities to the benefits, value and appreciation of what they already have and the small interventions such as the introduction of mini processing centers, adding value and linking them to markets that would render their produce consumer-friendly and therefore bring them higher earnings.

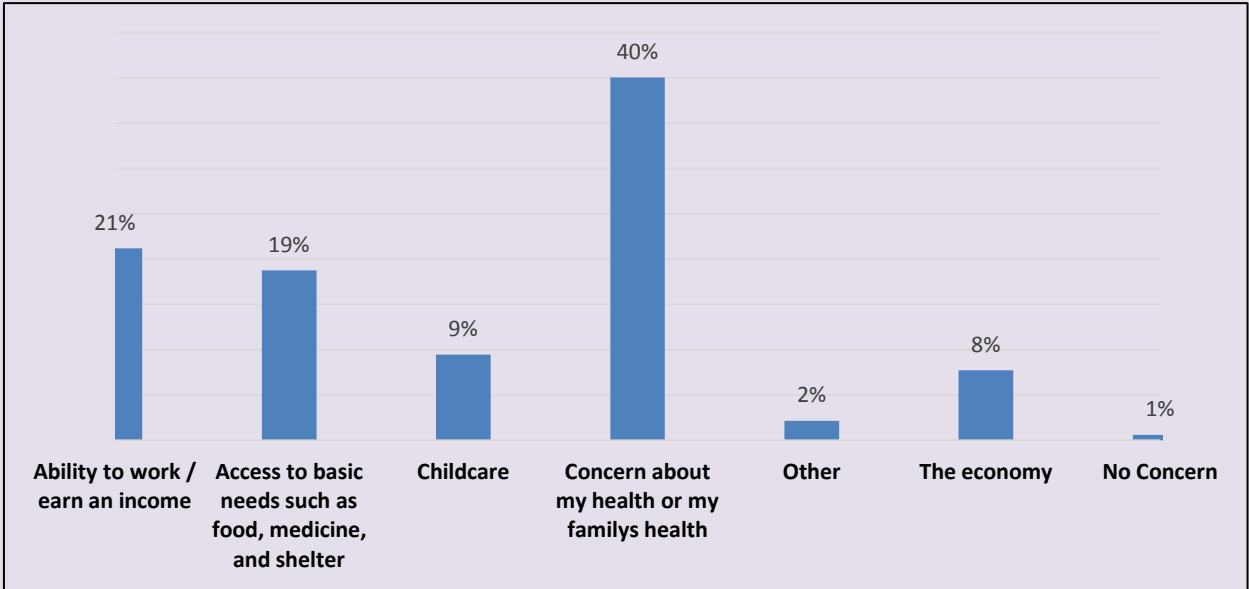


With the intervention of the government headed by PM Dr. Lotay Tshering with the guidance of His Majesty the King, the people did not feel the entire weight resulting from the COVID pandemic. However, people realize the seriousness of the pandemic's impact on their lives and livelihoods and what their future could be without sustainable, inclusive economic plans going forward. It was seen that the female respondents were more concerned and worried for their families and the impact of COVID on their lives than their male counterparts.

RESPONDENT PROFILE



TOP CONCERN DURING COVID-19



ECONOMIC DEVELOPMENT PROGRAMMES

The key objectives of this project is to enhance access to economic livelihood options and employment opportunities through a process of facilitating the identification and diversification of viable livelihood options and building the capacity of women and girls to enable them to benefit optimally, thereby addressing gender inequities that exist in the economy.

The Self Help Groups (SHGs) and Cooperatives have been formed so far, with 4000 plus members engaged in income-generating activities such as Feed Production, Dairy farming, Plantation of Medicinal plants, Food processing, Vegetable production, Cardamom production, turmeric production and different cash crops. The SHGs and Cooperatives are formed to encourage teamwork and cohesiveness among the community members for common income generation.



Cardamom Groups of Soobdrang, Tali and Tama in Zhemgang



Rice Group of Goling, Zhemgang



Dairy Group of Tshanglajong in Zhemgang and Sunkiri in Haa



Processing Mustard Oil by the Zurphel Vegetable Group, Zhemgang



Cultivation of Turmeric by SHG of Tama, Zhemgang

SHINE (Sustainable Hospitality Industry Inclusive of Native Entrepreneurs)

The SHINE project is funded under the SWITCH-Asia Program in the seven target Dzongkhags of Dagana, Lhuntse, Mongar, Pemagatshel, Trashigang, Trashiyantse and Zhemgang. The key objective of this project is to improve the regional distribution of tourism activities and their value in order to support inclusive and sustainable tourism development in Bhutan. It also aims to make it possible for MSMEs and rural producer clusters of agricultural products and handicrafts to participate in the tourism supply chain and generate sustainable income.



MARKET FACILITATION

In order to make our group members familiar with market dynamics, the training on value chain development has been given to the Self Help Groups and Cooperatives. The training was also aimed at informing the group members about market channels and segmentation, deriving market prices, preparing marketing plans and developing strategic market linkages.

BAOWE facilitated the networking and marketing of the products made by various SHGs and Cooperatives through different marketing methods.



BOARD OF DIRECTORS

1. Jamyang Mipham Yuelgyal (Rinpochey) , President
2. Aum Damchae Dem, ED/Founder
3. Dr. Sonam Tashi, Professor, College of Natural Resources
4. Ms. Chukie Om Dorji, Gangtey Palace
5. Ms. Nima Zangmo, Zoomin Enterprise

BAOWE TEAM

1. Aum Damchae Dem, ED/Founder
2. Dr. Sonam Tobgye, Director (Project)
3. Lhap Tshering, Technical Advisor
4. Namgay Wangmo, Finance Officer
5. Tshering Pelden, Project Coordinator
6. Yangchen Lhamo, MFI/Project Coordinator
7. Tashi Lhamo, Legal Officer







BAOWE as an informal platform addressing the economic and social needs of its member is being stretched beyond capacity. The need for a formal platform addressing these issues within BAOWE is an urgent impetus that can no longer be ignored. We need financial and technical support in building this platform and invite interested individuals and institutions to help us in this meaningful endeavor.

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