

# **Report on Area-Based Potential Programmes**

**Pilot Projects implemented by:**

**Department of Local Governance and Disaster Management in collaboration with  
European Union and Helvetas Bhutan Office**



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**Department of Local Governance and Disaster Management  
Ministry of Home Affairs**

## **1. Introduction**

Bhutan's 13<sup>th</sup> Five Year Plan focuses on economic development while the country continues to pursue the principles of Gross National Happiness. And the current Government gives lots of emphasis on tourism industry and promoting tourism products, directing every Dzongkhag to promote their own unique local-area potential-based tourism products.

Along this line, the Department of Local Governance and Disaster Management, with financial and technical support from the Helvetas and the European Union, promoted a community-based ecotourism as a sustainable approach to tourism development. It was initially started in 2022 with the Helvetas' support to promote women and youth engagement in local decision-making process and socio-economic development. Later, additional financial support was arranged from the EU to promote the concept of local area potential based economic development with emphasis on strengthening people's participation in local governance element for sustainable socio-economic development. For the same purpose, more emphasis was given on the mainstreaming of cross-sectoral challenges, such as environmental conservation, climate change adaptation, gender inclusiveness, cultural preservation, and local economic growth.

This report briefly highlights five pilot community tourism initiatives, namely Pachu Community Tourism Campsite and Jigmechu Ecotourism Campsite, which were started in the fiscal year 2022-2023, and the Tree House Campsite, Gongribali Eco-camp, and Lotus Eco-Tourism Group, which were initiated in the fiscal year 2023-2024. These projects, being promoted in Chukha and Pemagatshel Dzongkhags, contribute significantly to local livelihoods while promoting eco-friendly tourism.

## **2. Objectives of community-based ecotourism**

- Create sustainable tourism opportunities that benefit local communities;
- Promote local area potential based economic development;
- Promote women and youth's participation in local decision-making;
- Diversify community's livelihoods as part of adaptation to climate change impacts;
- Preserve the community's natural and cultural resources;
- Engage youth in economic activities through ecotourism; and
- Diversify tourism products beyond mainstream destinations.

### 3. Community Tourism Initiatives

#### 3.1 Pachu community tourism group (Chhukha)

Located just 6 km from Phuentsholing Thromde, the Pachu Community Tourism Group is managed by seven youth members (four females and three males). This initiative aims to promote tourism products and services that ensure the sustainability of Pachu's tourism sector under Phuentsholing Gewog, Chhukha.



Services offered	Tourism infrastructure
<ul style="list-style-type: none"><li>• Fishing (catch and release)</li><li>• Hot stone bath</li><li>• Pachu Waterfall visits</li><li>• Cultural and religious programs</li></ul>	<ul style="list-style-type: none"><li>• 25 tents</li><li>• 1 eco-lodge</li><li>• 1 restaurant</li><li>• 2 toilets</li><li>• Swimming pool</li><li>• Bar and other temporary structures</li></ul>

### 3.2 Jigmechu ecotourism campsite (Chhukha)

Originally established as a community initiative in 2021, the Jigmechu Ecotourism Campsite faced governance challenges, leading to its temporary failure. However, in 2022, decentralization and local governance interventions facilitated the formation of a new group comprising five youth members (one female and four males), enabling the revival of the campsite.



Located 49 km from Gedu town under Darla Gewog, Chukha, the campsite offers the following services:

Services offered	Tourism infrastructure
<ul style="list-style-type: none"><li>• River rafting</li><li>• Cultural programs</li><li>• Sightseeing</li></ul>	<ul style="list-style-type: none"><li>• 15 tents</li><li>• 1 kitchen</li><li>• 2 eco-lodges</li><li>• 4 toilets</li><li>• Temporary structures</li></ul>



### **3.3 The tree house campsite (Chukha)**

Situated 47 km from Gedu town under Darla Gewog, the Tree House Campsite is managed by four youth members. The business began operating in early 2023 and offers unique treehouse-based accommodations.



Services offered	Tourism infrastructure
<ul style="list-style-type: none"><li>• River rafting</li><li>• Sightseeing</li><li>• Visits to religious sites</li><li>• Social engagement activities</li></ul>	<ul style="list-style-type: none"><li>• 3 treehouses</li><li>• 4 toilets</li><li>• Temporary structures</li></ul>

### **3.4 Gongribali eco-camp (Pemagatshel)**

Located six km from the Norbugang Gewog Center, the Gongribali Eco-camp is just a ten-minute walk from the road point. Established in 2023, it is managed by six members (two females and four males) and focuses on providing authentic cultural and ecological experiences.



Services offered:	Tourism infrastructure:
<ul style="list-style-type: none"><li>• Sightseeing</li><li>• Cultural programs</li></ul>	<ul style="list-style-type: none"><li>• 10 tents</li><li>• 1 eco-lodge</li><li>• 1 kitchen</li><li>• 1 meeting hall</li><li>• 2 hot stone bath rooms</li><li>• 4 toilets</li><li>• Temporary structures</li></ul>

### **3.5 Lotus eco-tourism group (Pemagatshel)**

The Lotus Eco-Tourism Group, located 3 km from Pemagatshel Dzong, was established in 2023. It is managed by five members (two females and three males), and it offers trekking routes and hot spring experiences.



Services offered	Tourism infrastructure
<ul style="list-style-type: none"><li>• Yurungzampa Menchu (hot spring experience)</li><li>• Lotus Valley Track Route</li><li>• Yurungzampa Khangma Choeten Trek Route</li><li>• Camping site facilities</li></ul>	<ul style="list-style-type: none"><li>• 9 tents</li><li>• 1 meeting hall</li><li>• 1 menchu house</li><li>• 1 eco-lodge</li><li>• 3 toilets</li><li>• Temporary structures</li></ul>

## **4. Impact of community tourism initiatives**

### ***4.1 Economic impact***

- Provides employment opportunities for local youth;
- Enhances local income through tourism activities; and
- Encourages entrepreneurship within the community.

### ***4.2 Environmental impact***

- Improves community's adaptation to climate change impacts with new sources of livelihood and income generation;
- Promotes conservation of natural resources; and
- Encourages sustainable tourism practices such as eco-lodges and treehouses.

### ***4.3 Socio-cultural impact***

- Strengthens community involvement in tourism governance;
- Preserves and promotes local culture through traditional programs; and
- Enhances community cooperation through collective management of tourism sites.

## **5. Challenges faced by community tourism groups**

- Governance issues: As seen in the case of Jigmechu, ineffective governance can lead to failure;
- Infrastructure development: Limited funds for permanent infrastructure hinder long-term sustainability;
- Marketing and promotion: Lack of exposure to international markets; and
- Seasonal tourism fluctuations: Business activities fluctuate based on visitor demand.

## **6. Recommendations for sustainability**

1. Strengthen governance structures: Capacity building programs for new group members and skill enhancement programs;
2. Enhance infrastructure: Collaborate government, development partners and private sector for long-term infrastructure investment;
3. Improve marketing strategies: Utilize digital platforms and forge partnerships with tour operators;
4. Diversify offerings: Introduce adventure tourism, eco-friendly workshops, and traditional skill-sharing programs; and



## **7. Conclusion**

Community-based ecotourism in Bhutan plays a crucial role in sustainable development by engaging women and youth in economic activities while preserving cultural and natural resources. These initiatives have the potential to grow further with better governance, infrastructure investment, and strategic marketing. Continued support from local government, stakeholders, and international tourism networks will ensure their long-term sustainability.

As part of the DLDGM's long term strategy, these initiatives have already shown concrete examples of success to showcase local area potential based economic development (LAPBED) possibilities, inspiring hope and motivation to hundreds of remaining communities across the country. In fact, several other agencies had tried many similar initiatives in various places with less or no success in the past because of lack of good local governance element.

In a nutshell, the DLGDM's success hinges on two organizational comparative advantages: firstly, communities are engaged in appropriate ways in such initiatives, and secondly, local government functionaries are engaged in proper ways. These advantages come from being the central coordinating agency for the local governments and thus for the local communities. With this unique advantage, the DLGDM could upscale such initiatives in the coming years.