



REPORT 2021



Service Dedicated in Response to

COVID-19 Pandemic

2021



REPORT 2021

AGENCY FOR PROMOTION OF INDIGENOUS CRAFTS
MINISTRY OF ECONOMIC AFFAIRS
ROYAL GOVERNMENT OF BHUTAN





Executive Summary



With the advancement of technology, manufacturing is driven by the mindset of mass production targeted at a large volume of consumers. This mindset and practice have driven the traditional arts and skills in evermore decline in the modern world. Thus, artisans explore alternate sources of livelihood which greatly reduces the number of artisans practicing traditional arts and crafts. Hence, intervention for preservation, revival and promotion of the skills and knowledge in traditional arts and crafts is more crucial than ever.

In this respect, the Agency for Promotion of Indigenous Crafts has been striving towards promotion, revival and preservation of Bhutanese traditional arts and crafts. In the evermore evolving market and demand for Bhutanese arts and craft products, the agency is working towards supplying traditional art and craft products into the market through well designed products at affordable price, training the artisans in contemporary arts and crafts. And also, the agency has established craft cluster centers across the country in order for the artisans to work together and share knowledge. The agency also addressed the problem of obtaining the raw materials by the artisans through the establishment of numerous raw material

banks, which supplied raw materials at affordable prices in their community. Market access has been the main challenge for the artisans, thus APIC established the Authentic Bhutanese Craft Market in Thimphu, through which linkages between artisans and dealers have been established.

Bhutanese textile products have been gaining popularity in the European market and APIC in collaboration with the European Union has been training and exporting quality grade products to countries in Asia, Europe and America.

In the midst of COVID-19, sale of handi-craft products by local artisans have been greatly affected, thus APIC initiated and established APIC Cluster Outlet in Authentic Bhutanese Craft Market which serves as an outlet for the rural artisans.

Bhutan for its rich tradition in arts and crafts, the products are gaining popularity and demand, however due to its intensive labor, high price and cottage based, it's not able to capture the market share it deserves. It also provide huge employment opportunities, thus, capital investment in the arts and crafts sector is essential for its growth.

Agency for Promotion of Indigenous Crafts

AT GLANCE



PEOPLE TRAINED
1854



EXPOSURE IN TRADE FAIRS
286



CLUSTER GROUP
23



CRAFT STALLS
85



RAW MATERIAL BANKS
9



PUBLICATIONS
6



TEXTILE PRODUCT EXPORTED
1168



STAFFS
13



Innovativation, Product Development & Diversification

For the market demand, the contemporary products with the touch of traditional aesthetic, APIC focuses on product diversification of traditional Bhutanese craft products. This was carried for the products in textiles, metals, cane & bamboo, wood works, paintings, lacquering, ceramic and traditional pottery.

Though, market potential for Bhutanese handicrafts products is sizable, export volume of the products is comparatively low, however, the Bhutanese products are now gaining popularity in recent years mainly due to improvement of product quality and affordable prices.



Innovativation, Product Development & Diversification

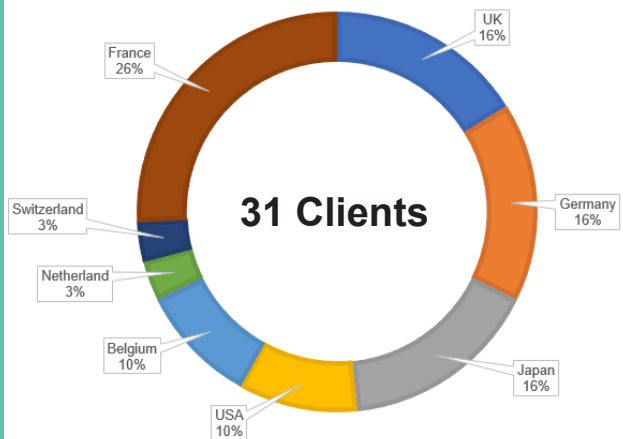


Textile Based Handicrafts

Textile products including Kira, Gho, table runners, table clothes, bed rug, cushion cover, shawl and throws have become popular which are exported to European, Asian and American markets, produced through diversification and improvement. This segment of industry accounts to more than 1000 employment generations which includes producers, designers and packers.

For the development of textile products, APIC in collaboration with EU-Bhutan Trade Support, focuses on “*Output 3: Improved environment for exports of high-value handicraft textile products.*” Under the output 3, APIC was able to export 1,168 Bhutanese textile products to 28 buyers in 8 countries which have benefited 118 textile handicraft producers in Bhutan.

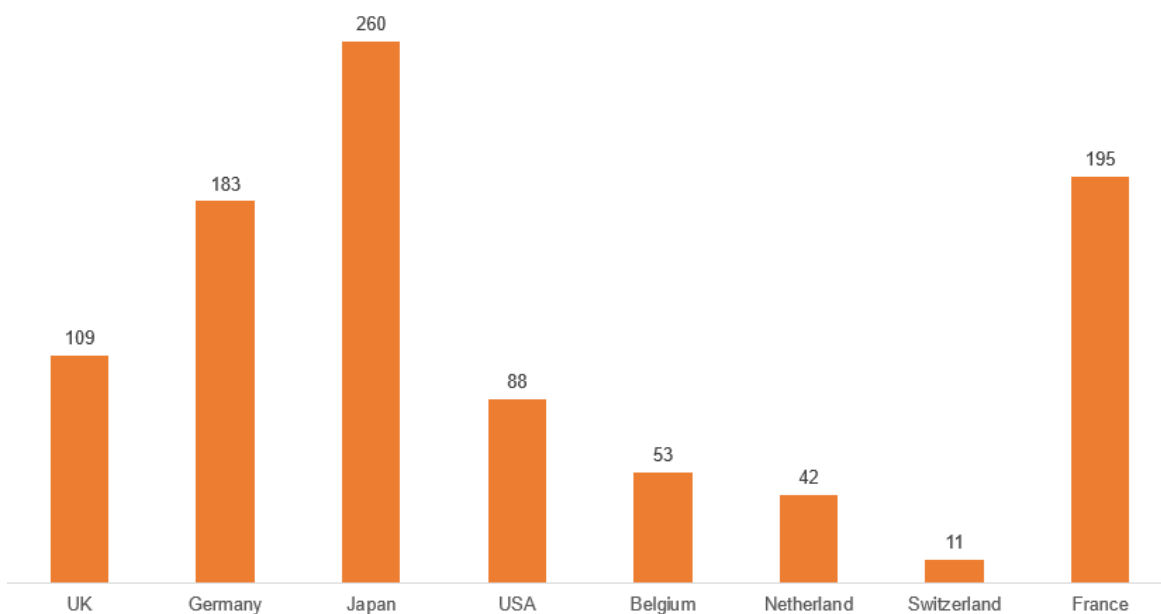
EU-BHUTAN TRADE SUPPORT CLIENTS



1168 textiles exported to 8 countries

Total sale € 67,981.44
Nu. 5,302,552.57

NUMBER OF TEXTILE EXPORTED



Metal handicrafts

Metal products for religious items have been the main focus both on commercial scale and at training institutions, jewellery have been also a main focus in the metal works. This craft is only practiced for domestic consumption.

In order to develop new souvenir products, numerous round of training were held in development of contemporary items including brooches, key chains, wall decorations and other customized product infused with traditional motifs and symbols of Bhutan. This was initiated in order to develop souvenir products which foreign visitors can take as a memorabilia.



Woodwork: Lacquering

Bhutanese wooden products are finished with traditional lacquering, however the art of lacquering has been on the decline due to availability of synthetic polishes, and the lacquering is done only in villages on an order basis. As per the mandate of APIC to revive the dying art, lacquering training was conducted with involvement of instructor from two zorig chusum, “National Institute of Zorig Chusum - Thimphu and College of Zorig Chusum - Trashiyangtse” and other artisans. In order to broaden the scope of the lacquering skills, Japanese lacquering techniques were also taught.





Pottery and Ceramic



Bhutanese household utensils in the past mainly consisted of pottery, such as water cans and cooking wares. However with the development of trading partners, household utensils produced from metal have replaced the pottery products due to its durability. This has rendered the pottery products obsolete and artisans who practiced pottery have stopped all together practicing the skill.

In recent years, pottery has gained momentum and is in demand. For this APIC, have conducted numerous training to the artisans in both pottery and ceramic



Cane & Bamboo work

Cane and bamboo products have been integral part of Bhutanese household items and products are well sought after. However, with the changing market demand, APIC established cane and bamboo clusters and trained the artisans in contemporary products that are appealing to both Bhutanese customers and foreigners alike.

The product development on cane & bamboo have helped in diversifying and development of new products with emphasis on the quality. The cane & bamboo provide a good source of livelihood and business opportunities to the younger generation.



Market Access

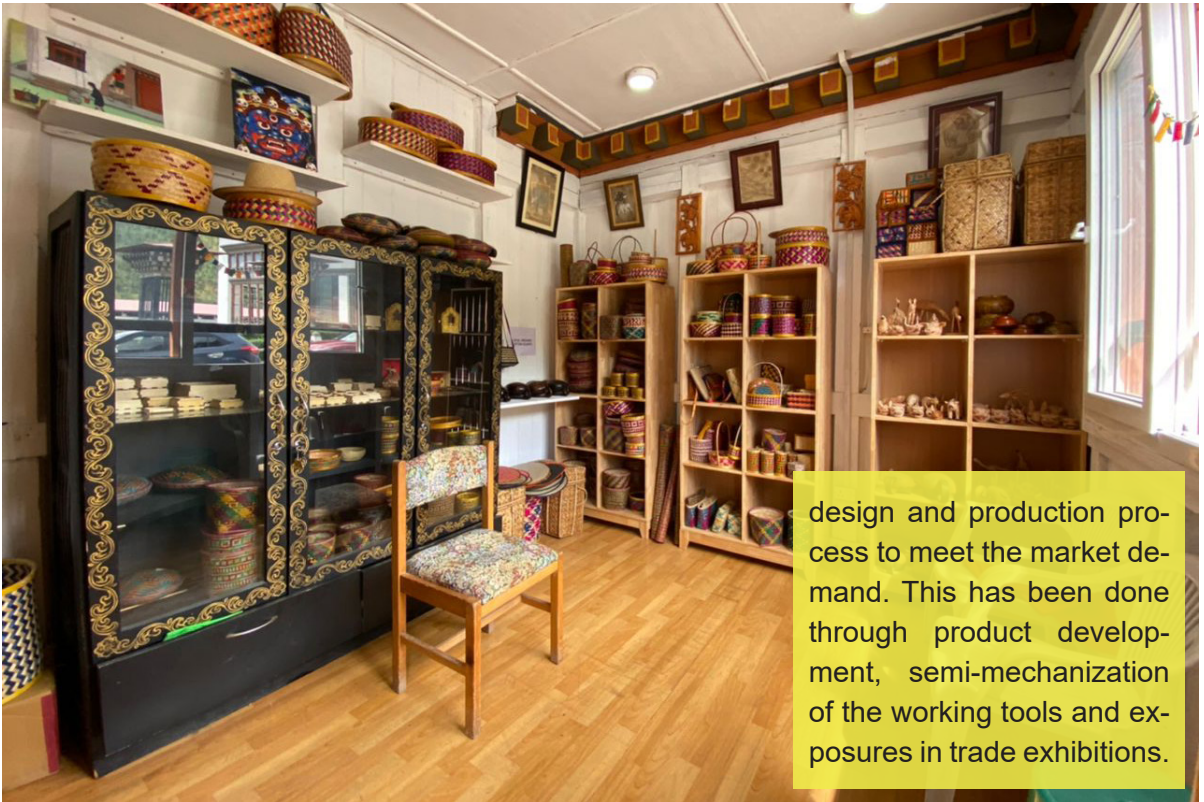
In a mission to expand and capture the market share for Bhutanese handicraft products, APIC established and currently operates APIC Clusters Outlet in Thimphu since June 2021. This outlet intends to serve the clusters in marketing their products by the APIC management. This has been beneficial to the cluster members selling their products in this pandemic. This initiative has removed the middle-man, increasing profit for the producers. The outlet in its aim to promote Bhutanese handicraft products, accepts the product based on its quality to develop a credibility and craftsmanship of Bhutanese artisans

The APIC Cluster Outlet will facilitate the marketing of handicraft products of the CSIs entrepreneurs and APIC cluster

members across the country, thus ensuring sustained and secured livelihoods during the pandemic situations and beyond. This will ensure promotion of arts & crafts products through the enhancement of skills of artisans by providing new and innovative product development programs. The outlet will also explore how to leverage technology to enhance the skills of cluster members and the artisans/entrepreneurs.

In the midst of the pandemic, the craft products which are the livelihood of most rural people have been impacted. And, due to change in demand, Bhutanese handicraft products have to innovate and adapt to the market demands and design accordingly. In this regard, APIC aimed to improve the quality of the products,





design and production process to meet the market demand. This has been done through product development, semi-mechanization of the working tools and exposures in trade exhibitions.



This will in turn ensure that the products will gain its share in the international market. Moreover, for the development of handicraft products into large scale industries, investment in the sector is essential.

APIC also improves the competency of the artisans through networking, value chain analysis and building networks of collaboration between government organizations, private sectors and artisans to enhance their potential, increase product value and create marketing opportunities.



Looking ahead/Issues & Challenges

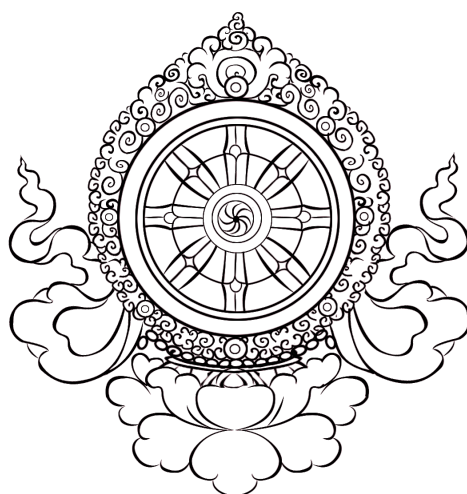
Bhutanese arts and crafts products have been traditionally produced, which involves physical and laborious time. This has made the products expensive and with the imitated products imported from the neighboring countries at cheaper cost greatly hampers the growth of Bhutanese handicraft products. Thus in order to maximize the potential of the Bhutanese products, legislation on the import of imitated Bhutanese handicraft products should be adopted or intellectual property right of the arts and crafts should be protected in order to benefit the artisans of Bhutan.

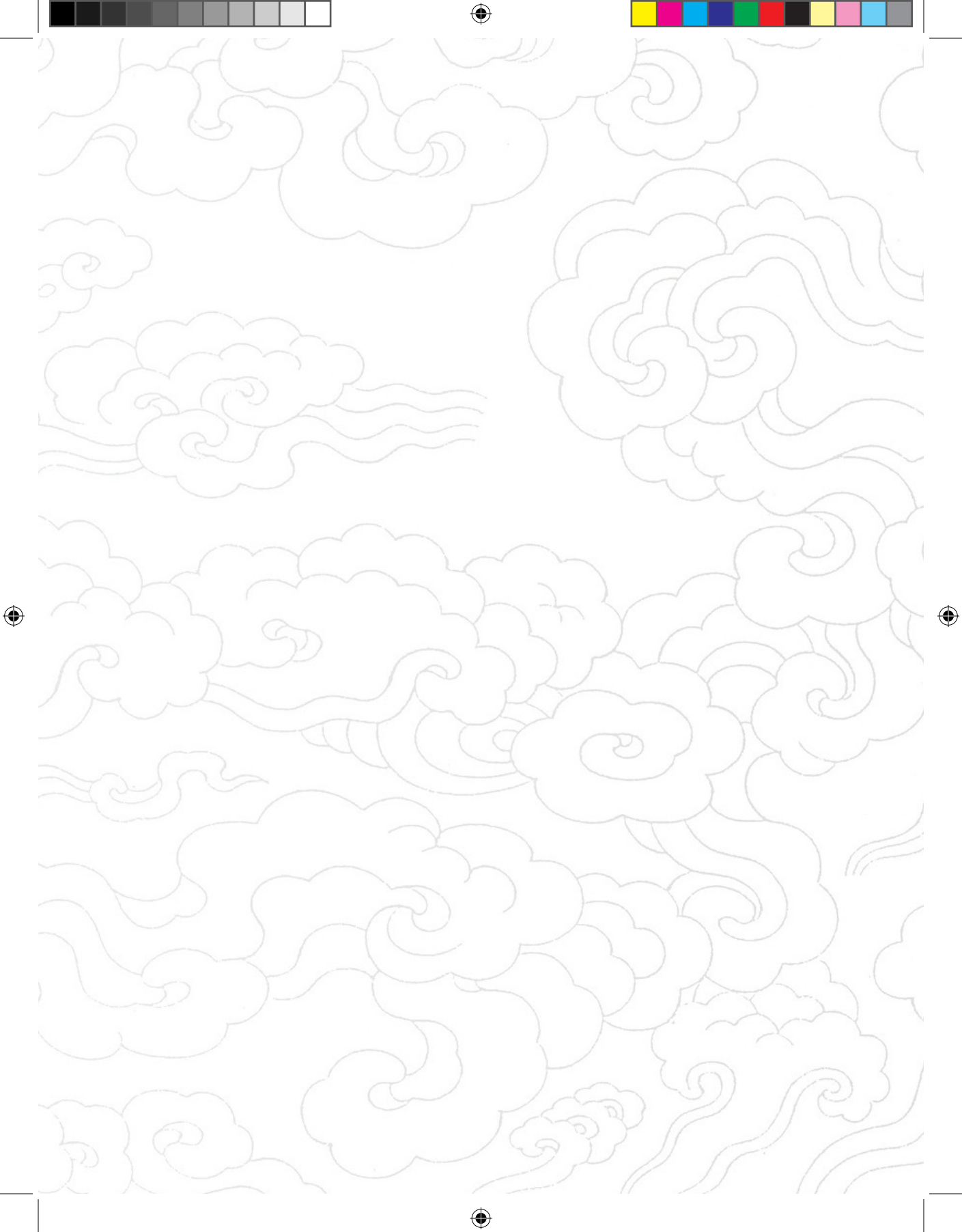
The other challenge for the growth of the handicraft sector in Bhutan is lack of mechanization. For generations, the production of craft products was mainly done manually and has hampered the produc-

tion quality and consistency.

As an agency looking after the arts and crafts of Bhutan, in order to preserve the age-old tradition, the agency does not recommend a fully mechanized tools but artisans need a semi-mechanized tools in order to have consistent quality products.

Bhutanese handicraft products have a certain aesthetic and appeal to it and many visitors to the country are keen in acquiring them for their collection. However, packaging and standardization of the products is one area, Bhutanese have not been able to venture into. In addition the products with varying size and high prices have hampered the industry. Thus, packaging and standardization of the products is essential and needs intervention.







Handicrafts of Bhutan



Get hold of authentic Bhutanese handicrafts produced by local artisans through Agency for Promotion of Indigenous Crafts, a premier agency in Bhutan to promote and preserve Bhutanese arts and crafts.



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