



FIRST NATIONAL REPORT ON THE IMPLEMENTATION OF THE NAGOYA PROTOCOL

November 2017 – June 2025

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FIRST NATIONAL REPORT ON THE IMPLEMENTATION OF THE NAGOYA PROTOCOL



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We also express our sincere gratitude to the local communities. Local communities and traditional knowledge holders remain at the heart of ABS because their knowledge, participation and care for biodiversity are the foundation of Bhutan's ABS framework.

We also thank sector partners, research institutions and civil society organizations for their continued involvement in implementing ABS mechanisms in Bhutan.

Lastly, we acknowledge the Secretariat of the Convention on Biological Diversity (CBD) for their guidance and support and all individuals who helped directly or indirectly to complete this report.

EXECUTIVE SUMMARY

This First National Report presents Bhutan's comprehensive account of the implementation of the Nagoya Protocol on Access to Genetic Resources and the Fair and Equitable Sharing of Benefits Arising from their Utilization, covering the period from 02 November 2017 to 30 June 2025. The report was prepared by the National Biodiversity Centre (NBC) and submitted to the Convention on Biological Diversity Secretariat through the Access and Benefit-Sharing Clearing-House (ABSCH).

The Kingdom of Bhutan is a biodiversity-rich nation in the Eastern Himalayas and had ratified the Nagoya Protocol in 2014. With 69.71% forest cover and approximately 52% of land area designated as protected areas, Bhutan possesses an extraordinary biological and cultural heritage. The principles of *Gross National Happiness* underpin the nation's approach to conservation-treating biodiversity not as a commodity, but as a shared inheritance for current and future generations.

Bhutan has established a robust, multi-tiered governance system for ABS. The ABS Policy 2015 laid the policy foundation. The Biodiversity Act of Bhutan 2022 (BAB 2022) provides the overarching legal framework, and the Biodiversity Rules and Regulations 2023 (BRR 2023) operationalize detailed PIC and MAT procedures. The National Biodiversity Centre (NBC) serves as the National Focal Point and Secretariat to the seven-member Competent National Authority (CNA), chaired by the Minister of Agriculture and Livestock.

Access to all genetic resources is subject to Prior Informed Consent (PIC) in all cases. During the reporting period, Bhutan issued 286 permits and equivalent authorisations, including 250 MTAs and STCs, 20 LoUs, and 9 ABS permits.

Bhutan mandates fair and equitable sharing of both monetary and non-monetary benefits through legally binding MAT. Local communities are the custodians of biodiversity and traditional knowledge and are recognized as rights-holders whose PIC is mandatory. Benefits include access fees, technology transfer, training, and joint research opportunities.

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Key challenges include limited technical capacity at the NBC, reliance on project-based funding, difficulty tracking downstream resource utilization abroad, and awareness gaps among local communities. Bhutan is working to address these through institutional strengthening, digitization of permit systems, expanded community engagement programs, and deeper international collaboration.

FOREWORD FROM THE PROGRAM DIRECTOR

It is an honor and privilege for me to present Bhutan's First National Report on the Implementation of Nagoya Protocol on Access and Benefit-Sharing (ABS). This important document is a significant step in Bhutan's continuous commitment to the Convention on Biological Diversity and its Nagoya Protocol, which Bhutan ratified in 2014.

The National Biodiversity Centre (NBC), as the designated National Focal Point (NFP) and Secretariat to the Competent National Authority (CNA), has been at the forefront in guiding, coordinating, and implementing Bhutan's ABS regime during the reporting and implementation period from November 2017 to June 2025. During the reporting period, Bhutan has experienced major milestones in the history of its biodiversity governance, notably the Biodiversity Act of Bhutan 2022 and the Biodiversity Rules and Regulations 2023, which provide a comprehensive, and international best practice standard for ABS governance in Bhutan.

We fully recognize that the implementation of the ABS extends beyond the issuance of permits and legislation. It demands a sincere engagement with the local communities, who are the true custodians of Bhutan's genetic resources and Traditional Knowledge (TK). Enabling the communities to fully engage in the ABS process remains our highest priority.

I wish to express my sincere appreciation to all government agencies, institutions, communities, and international partners who have collectively contributed to the creation of this report. I would like to express my gratitude to the Convention on Biological Diversity's Secretariat for their continued technical and institutional support.



"Bhutan's biodiversity is not simply a gift of nature; it is the living basis of our culture, our economy, and our identity as a nation. The Nagoya Protocol equips us with the necessary tools to safeguard this legacy while benefiting from it and sharing the benefits with our people and the world."

Dr. Karma Dema Dorji
Program Director
National Biodiversity
Centre Serbithang

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ABBREVIATIONS AND ACRONYMS

ABS	:	Access and Benefit Sharing
ABSCH	:	Access and Benefit-Sharing Clearing-House
BAB	:	Biodiversity Act of Bhutan
BRR	:	Biodiversity Rules and Regulations
CBD	:	Convention on Biological Diversity
CNA	:	Competent National Authority
DECC	:	Department of Environment and Climate Change
DoA	:	Department of Agriculture
DoFPS	:	Department of Forests and Park Services
DoL	:	Department of Livestock
DRC	:	Department of Revenue and Customs
GNH	:	Gross National Happiness
GR	:	Genetic Resources
ICPMD	:	Integrated Check post Management Division
IRCC	:	Internationally Recognized Certificate of Compliance
LoU	:	Letter of Undertaking
MAT	:	Mutually Agreed Terms
MoAL	:	Ministry of Agriculture and Livestock
MoF	:	Ministry of Finance
MoICE	:	Ministry of Industry, Commerce and Employment
NBC	:	National Biodiversity Centre
NFP	:	National Focal Point
NP	:	Nagoya Protocol
PIC	:	Prior Informed Consent
RBP	:	Royal Bhutan Police
SRF	:	State Reserved Forest
STC	:	Sample Transfer Certificate
TK	:	Traditional Knowledge

GLOSSARY

Access and Benefit Sharing (ABS)

A framework under the Convention on Biological Diversity and the Nagoya Protocol by which access to genetic resources and associated traditional knowledge is granted on the basis of prior informed consent and mutually agreed terms, and the benefits arising from their utilization are shared fairly and equitably with the providers of those resources and knowledge.

Access and Benefit Sharing Agreement

A contract between the user and providers of genetic resources or associated traditional knowledge or both consisting of prior informed consent and Mutually Agreed Terms.

Access to Genetic Resources

Access to and utilization of genetic resources from Bhutan irrespective of whether they are found in-situ or ex-situ for the purpose of conducting research or development on genetic or biochemical composition of genetic resources including through the application of biotechnology.

Access to Traditional Knowledge

Access to and utilization of traditional knowledge associated with biological resources for the purpose of conducting any research and commercial utilization.

Biological Resources

Plant, animal, and micro-organism or parts thereof, their genetic material and by-products with actual or potential use or value but excluding value added products.

Bhutan Access and Benefit Sharing Fund

Fund established to receive monetary benefits derived from the research and commercial utilization of Bhutan's genetic resources or associated traditional knowledge or both to support biodiversity conservation and enhancement of rural livelihood.

Commercial Research

Research aimed towards discovering and developing marketable products.

Commercial Utilization

Includes applying for, obtaining or transferring intellectual property rights by sale or license or in any other manner, or commencement of product development, conducting market research or the sale of any resulting product.

Genetic Resources (GR)

All material of plant, animal, microbial or other origin containing functional units of heredity and includes the biochemical composition of genetic resources, genetic information regardless of the manner in which the genetic information is stored or knowledge of how the hereditary material works in an organism and derivatives.

Genetic Resources from Bhutan

Genetic resources found within the territory of Bhutan, and genetic resources taken outside Bhutan with its origin in Bhutan.

Traditional Knowledge (TK)

The knowledge, innovation and practice of communities or individuals relating to the use, properties, values and processes of any biological and genetic resources or any part thereof.

Prior Informed Consent (PIC)

Permission granted by competent authorities or communities before accessing genetic resources or associated traditional knowledge.

Mutually Agreed Terms (MAT)

Legally binding agreements between users and providers of genetic resources outlining benefit-sharing conditions.

Competent National Authority (CNA)

National Biodiversity Centre• Ministry of Agriculture and Livestock•

The designated body responsible for granting access to genetic resources and overseeing ABS implementation.

National Focal Point (NFP)

The national entity responsible for providing information and facilitating communication related to the Nagoya Protocol.

ABS Clearing-House (ABSCH)

An international platform established under the Nagoya Protocol for sharing information on ABS measures, permits, and compliance.

Material Transfer Agreement (MTA)

A contract governing the transfer of genetic resources, typically for research purposes.

Certificate of Compliance

An internationally recognized certificate confirming that access to genetic resources complies with national ABS requirements.

Benefit Sharing

The distribution of monetary (e.g., royalties, fees) and non-monetary (e.g., training, technology transfer) benefits derived from the use of genetic resources.

Checkpoint

A designated institution responsible for monitoring and verifying compliance with ABS requirements at different stages of resource use.

Bioprospecting

The exploration of biodiversity for commercially valuable genetic and biochemical resources.

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PART I: COUNTRY OVERVIEW

The kingdom of Bhutan is well known worldwide for its rich biodiversity. Covering just over 38,394 sq. kilometers situated within the Eastern Himalayas, with approximately 69.71% of forest cover. Bhutan's rich biodiversity is not just a national asset but also a strategic resource for sustainable socio-economic development. Within this context, the implementation of the Nagoya Protocol on Access and Benefit Sharing (ABS), plays an important role in ensuring that when genetic resources (GR) and their associated traditional knowledge is utilities, and the benefits arising from the utilization must be shared in a fair, equitable and sustainable manner.

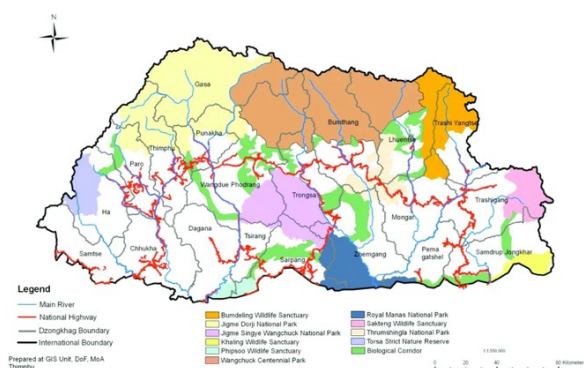


Figure 1: Map of protected areas and biological corridors, illustrating the extensive conservation network

Photo: Thinley, Phuntsho & Lassoie, James. (2013). Promoting Biodiversity Conservation and Rural Livelihoods. 10.13140/RG.2.2.17780.96648.

Bhutan has established a comprehensive national ABS framework that governs the access to its genetic resources while also safeguarding the interests and rights of the local communities, who are recognized as the primary custodians of biodiversity and traditional knowledge. Mechanisms like Prior Informed Consent (PIC) and Mutually Agreed Terms (MAT) are important tools of ABS that ensure that, when biological resources is accessed, it must be done in a transparent manner and that benefits (monetary or non-monetary) arising from the utilization of genetic resources are shared equitably with the resource providers.

The Nagoya Protocol further supports Bhutan's commitment to biodiversity conservation and socio-economic development by supporting responsible research, ethical bioprospecting, and value addition to biological resources. It also enables the country to engage in international collaborations with legal certainty and trust, ensuring compliance with national laws and international obligations. Importantly, it ensures that Bhutan's commitment to empowering local communities by recognizing them as the custodians of the biological resources and by recognizing their traditional knowledge systems into formal frameworks to ensure such knowledge is well documented, protected and maintained. In such a way, implementation of

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ABS in Bhutan acts as a bridge between biodiversity conservation and socio-economic development, utilizing biological resources for

community empowerment and national growth while preserving them for the future generations as well.

Table 1: Reporting and Project timeline for the Nagoya Protocol

Reporting Period	Date
Start Date	02 November 2017
End Date	28 February 2026

PART II: INSTITUTIONAL STRUCTURES

2.1. National Focal Point

Bhutan has formally designated the **National Biodiversity Centre (NBC)** under the Ministry of Agriculture and Livestock (MoAL) as the National Focal Point (NFP) for the Nagoya Protocol (NP). Ms. Jamyang Choden is the current official representative of the NFP. All procedural requirements for designating NFP have been completed, the Secretariat of the Convention on Biological Diversity (CBD) has been duly notified, and the updated NFP contact details are now publicly available on the Access and Benefit Sharing Clearing House (ABSCH).



Figure 2: The National Focal Point for Nagoya Protocol in Bhutan

This ensures that Bhutan's role and responsibilities are clearly recognised and accessible to all stakeholders related to the Protocol. In practice, fulfilling this role has been challenging. Limited staff and financial resources at the NBC, combined with the NFP's multiple responsibilities, make it difficult to maintain regular engagement with the Protocol's ABS Unit of the CBD. Since 2017, there have been three changes in the NFP: first Mr. Chencho Dorji, followed by Mr. Mani Prasad Nirola and currently Ms. Jamyang Choden.

A significant portion of the NFP's work is carried out alongside numerous other responsibilities assigned to the role, which limits the time and attention that can be dedicated specifically to ABS-related functions. In addition, reliance on external project-based funding constrains the continuity of long-term activities and creates uncertainty once projects conclude.

The NFP also faces gaps in technical expertise, particularly in specialised aspects of ABS implementation. Furthermore, Bhutan's rugged terrain and connectivity limitations make it challenging for the NFP to effectively reach and engage remote communities. These challenges highlight the need for stronger institutional support for the NFP, targeted capacity development, and more secure and sustained resources to enable the NFP to fully and effectively carry out its mandate under the Protocol.

2.2. Competent National Authority

Bhutan has designated a Competent National Authority (CNA) to oversee the implementation of the NP. Since 2010, the Secretary of the MoAL has been serving as the de facto authority, ensuring continuity in the implementation and governance of the NP. This arrangement was formally institutionalized in 2022 under Section 13 of the Biodiversity Act of Bhutan (BAB) 2022, which established the CNA as a seven-member multi-sectoral committee chaired by the Minister of MoAL and comprising five key agencies (Department of Forests and Park Services, Department of Environment and Climate Change, Department of Agriculture, Department of Livestock and NBC-Member Secretary). The CNA operates in accordance with the roles and responsibilities outlined in the BAB 2022 and Biodiversity Rules and Regulations (BRR) 2023, thereby ensuring a clear legal mandate and a strong institutional foundation. Importantly, Bhutan did not face difficulties in designating its CNA.

The process benefited from clear institutional mandates, long-standing continuity in biodiversity governance, and strong legal backing, which together ensured effective coordination and legal certainty in the implementation of ABS. This stability has allowed Bhutan to move forward with confidence in operationalizing the NP. As CNA is fully institutionalized in Bhutan and is legally mandated, it is in a position to grant Prior Informed Consent (PIC), establishes Mutually Agreed Terms (MAT), issues access permits, monitors compliance, and maintains national ABS records in accordance with the ABS framework.

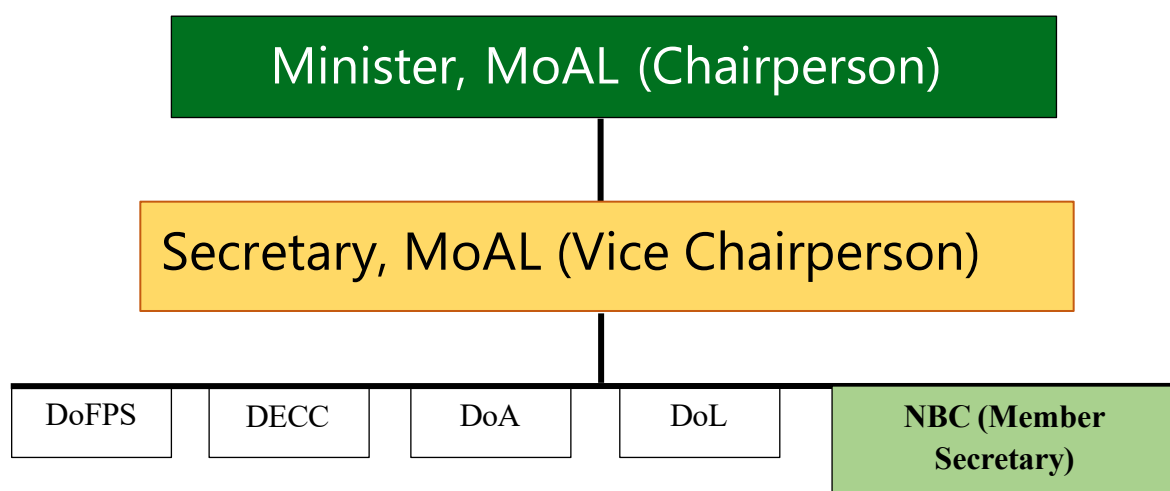


Figure 3: Organogram showing the Competent National Authority

2.3. ABS Checkpoints

Bhutan has formally designated six entities as ABS checkpoints, as mandated by the NP, BAB 2022 and BRR 2023. The designated ABS checkpoints include:

Table 2: ABS Checkpoints in Bhutan

Entity	Role
Royal Bhutan Police (RBP)	Enforcement
Department of Forest and Park Services (DoFPS)	Forest Resources
Bhutan Drug and Food Regulatory (BFDA)	Safety and Regulation
Department of Revenue and Customs (DRC)	Border Control
National Biodiversity Centre (NBC)	Technical Verification
Department of Media, Creative Industry & Intellectual Property Rights (DoMCIIP)	Intellectual Property

These checkpoints are responsible for monitoring the use, movement, and export of genetic resources and associated traditional knowledge, ensuring full compliance with Bhutan's ABS framework and the NP. In addition to designated checkpoints, courier services such as Dalsey, Hillblom and Lynn (DHL), Federal Express Corporation (FedEx) and other local shipping agents

support the compliance requirements by carrying out physical verification of relevant documents at all exit and entry points.

These checkpoints operate at land border gates, Paro International Airport, and postal and courier channels. Together, they ensure that any genetic material leaving Bhutan is properly authorized, well-documented, and fully traceable. However, to ensure that the checkpoint system is fully operational and effective, additional assistance from the CBD is needed.

Some of the challenges faced in the operationalization of the checkpoint system are:

- Limited technical capacity within institutions to handle specialised ABS procedures.
- Awareness gaps among frontline officers and communities about ABS requirements.
- Coordination challenges in harmonizing procedures across multiple agencies.

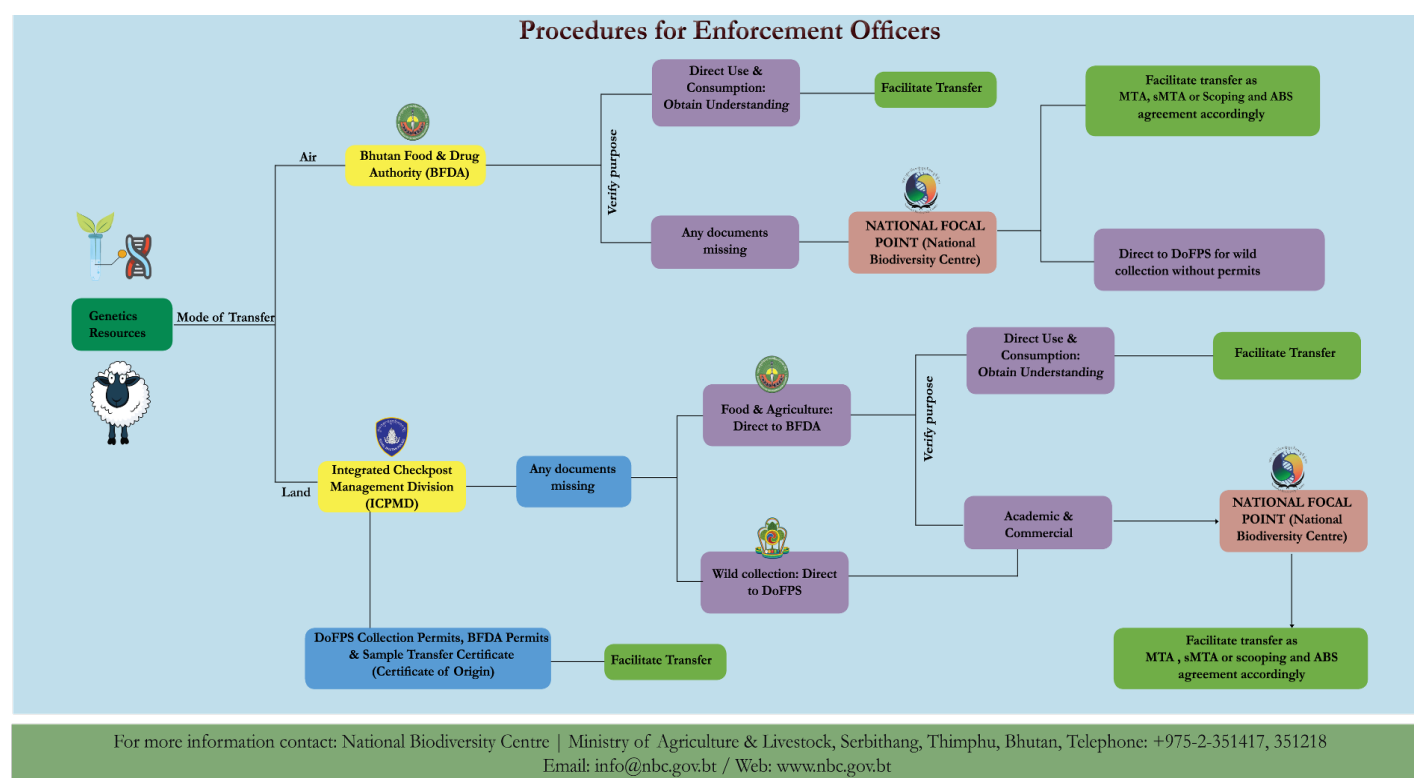
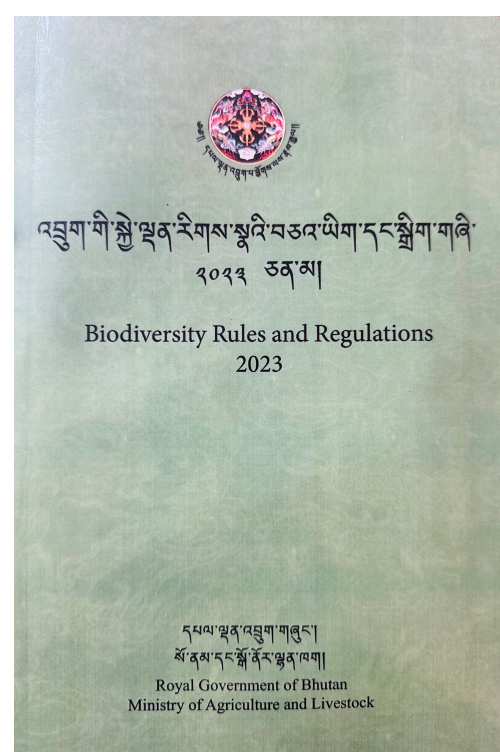
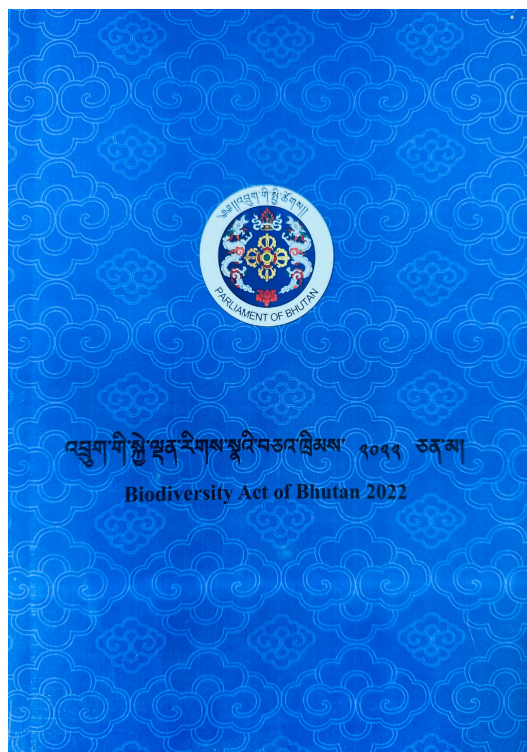
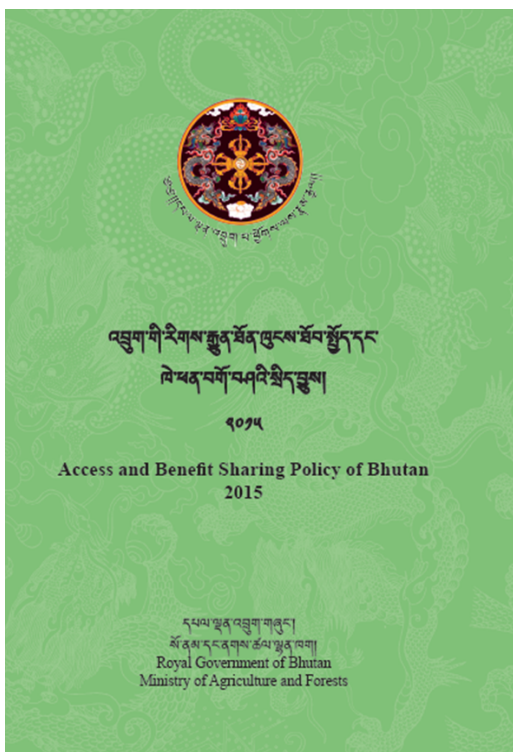


Figure 4: Checkpoints and their regulatory functions for ABS implementation

Various measures were undertaken to overcome these challenges, which included targeted training and awareness programs and institutional coordination. Bhutan's immediate focus is on making its existing checkpoints stronger, improving coordination between agencies, increasing transparency through the ABSCH, and building technical expertise.

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Although there are currently no plans to designate additional checkpoints, Bhutan remains open and prepared to establish new ones in the future, as needed, to ensure that its ABS governance system remains adaptive, transparent, and fully aligned with NP.



ABS Legislations in Bhutan

2.4 Milestone of Implementation of ABS in Bhutan

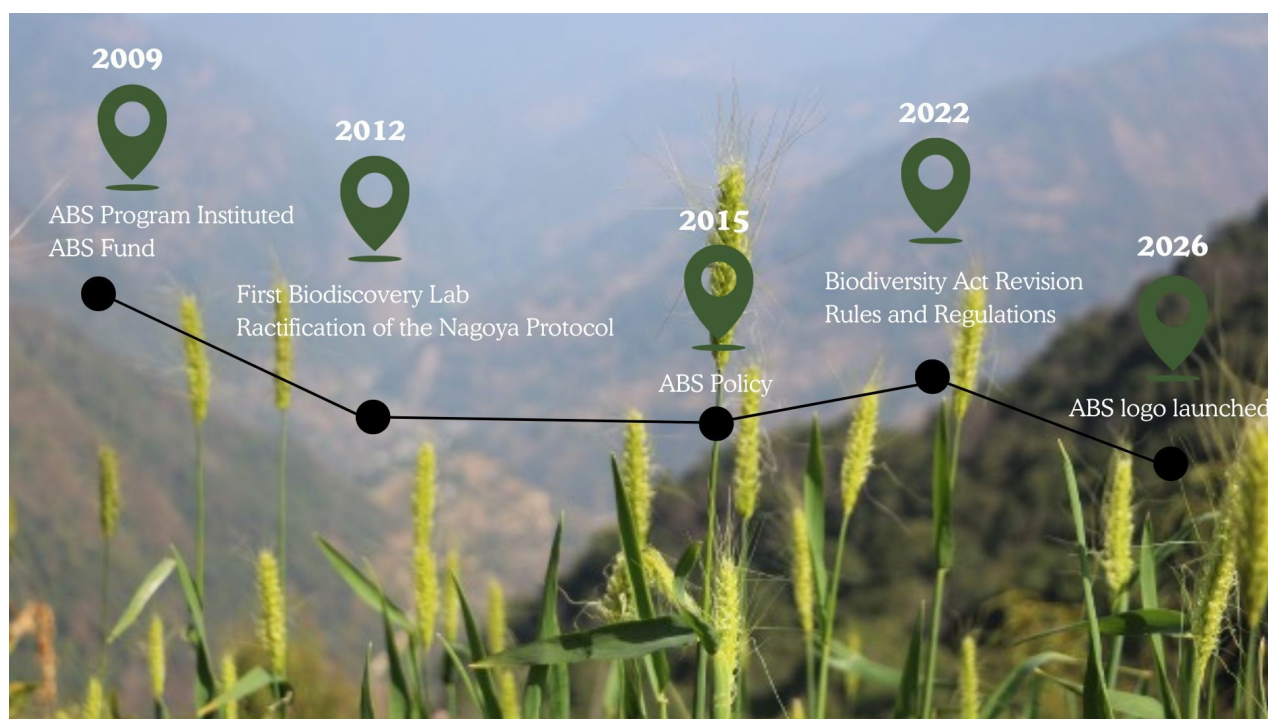


Figure 5: ABS Implementation Roadmap of Bhutan

2.5 Issues, Challenges, Opportunities and Lessons Learned

In Bhutan, the implementation of the NP operates within a well-defined institutional framework, with the NBC serving as the NFP. As the first point of contact and the Secretariat to the CNA, NFP provides a reliable and centralized service that has proven effective in maintaining policy coherence, streamlining access applications, and ensuring strong collaboration among government agencies, research institutions, the private sector, and local communities. Its dedicated mandate and technical expertise have enhanced efficiency and strengthened trust, particularly among international users.

Bhutan made all the key and relevant ABS information available on the ABSCH, and this has helped build transparency and made it easier for international users to understand Bhutan's requirements. Although there has been progress in the implementation of NP, Bhutan continues to face challenges in translating ABS policies and principles into practice.

Limited awareness of ABS principles among local stakeholders and the private sector, as well as the absence of proven models for community-level benefit-sharing both within the country and beyond, remain key barriers. Despite these challenges, Bhutan's experience shows that strong institutional leadership, clear policy and legal frameworks, and stakeholder engagement are crucial to advancing the implementation of ABS.

PART III - MEASURES ON ACCESS TO GENETIC RESOURCES

3.1 Legislative, Administrative and Policy Measures

Bhutan has established comprehensive legislative, administrative, and policy measures to implement the NP, including clear provisions on access to genetic resources in accordance with Article 5 of the Constitution of Bhutan, Sustainable Development Goals and the NP. The process began with the adoption of the ABS Policy of Bhutan 2015, which laid the foundation by setting out national principles and procedures for access to genetic resources and associated traditional knowledge. This policy emphasised equity, sustainability, and community participation. Building on this base, the BAB 2003 was revised into the BAB 2022. The BAB 2022 now provides the overarching legal framework defining access requirements, benefit-sharing obligations, and compliance mechanisms, ensuring that access to genetic resources is subject to Prior Informed Consent (PIC) and governed by Mutually Agreed Terms (MAT). In this way, custodians of genetic resources and traditional knowledge are duly recognised and benefited.

Table 3: Legislative, administrative and Policy measures on ABS in Bhutan

Instrument	Description
ABS Policy of Bhutan, 2015	Laid the foundation by setting up national principles for access and benefit sharing
Bhutan Biodiversity Act of Bhutan, 2023	Overarching legal framework defining access requirements and compliance.
Biodiversity Rules and Regulations of Bhutan, 2023	Detailed procedures for Prior Informed Consent (PIC) and Mutually Agreed Terms (MAT)

The BAB 2022 is further operationalised through the BRR 2023, which sets out detailed procedures for PIC and MAT, including monitoring and tracking access and utilisation of genetic resources and associated traditional knowledge. These frameworks establish clear procedures for applicants, covering the process from submission of applications through review by the NFP and the CNA, to the issuance of permits or certificates of origin. Standardised documentation, such as templates for PIC, MAT, Material Transfer Agreement (MTA), and Letters of Undertaking (LoU), further facilitates consistent and streamlined compliance. From an administrative perspective, the NFP functions as the Secretariat to the CNA, supporting coherent policy implementation and continuity in practice.

The CNA maintains overall regulatory authority, while the NFP manages day-to-day processes such as securing PIC, negotiating MAT, and processing Certificates of Compliance, Sample Transfer Certificate (STC), and other ABS documentation governing access to genetic resources.

3.2 Prior Informed Consent (PIC) and Access to Genetic Resources and Traditional Knowledge

In Bhutan, access to genetic resources is subject to PIC in all cases, as required under the BAB 2022 and the BRR 2023. The whole process of obtaining PIC is facilitated by the NFP, and CNA is responsible for overseeing the implementation of PIC. The PIC process ensures that communities, custodians of traditional knowledge, and relevant authorities are fully informed about the purpose, scope, and intended use of genetic resources and associated traditional knowledge before granting access. The PIC is obtained from:

- DoFPS for the genetic resources originating from the State Reserved Forests (SRF) land.
- Department of Agriculture for plant genetic resources for food and agriculture.
- Department of Livestock for domestic animal genetic resources.
- Community Forest Management Groups for the genetic resources originating from the community forests.
- Traditional knowledge Holders for the traditional knowledge associated with the genetic resources.

- NFP for the genetic resources from ex-situ collections and when no relevant providers are determined.

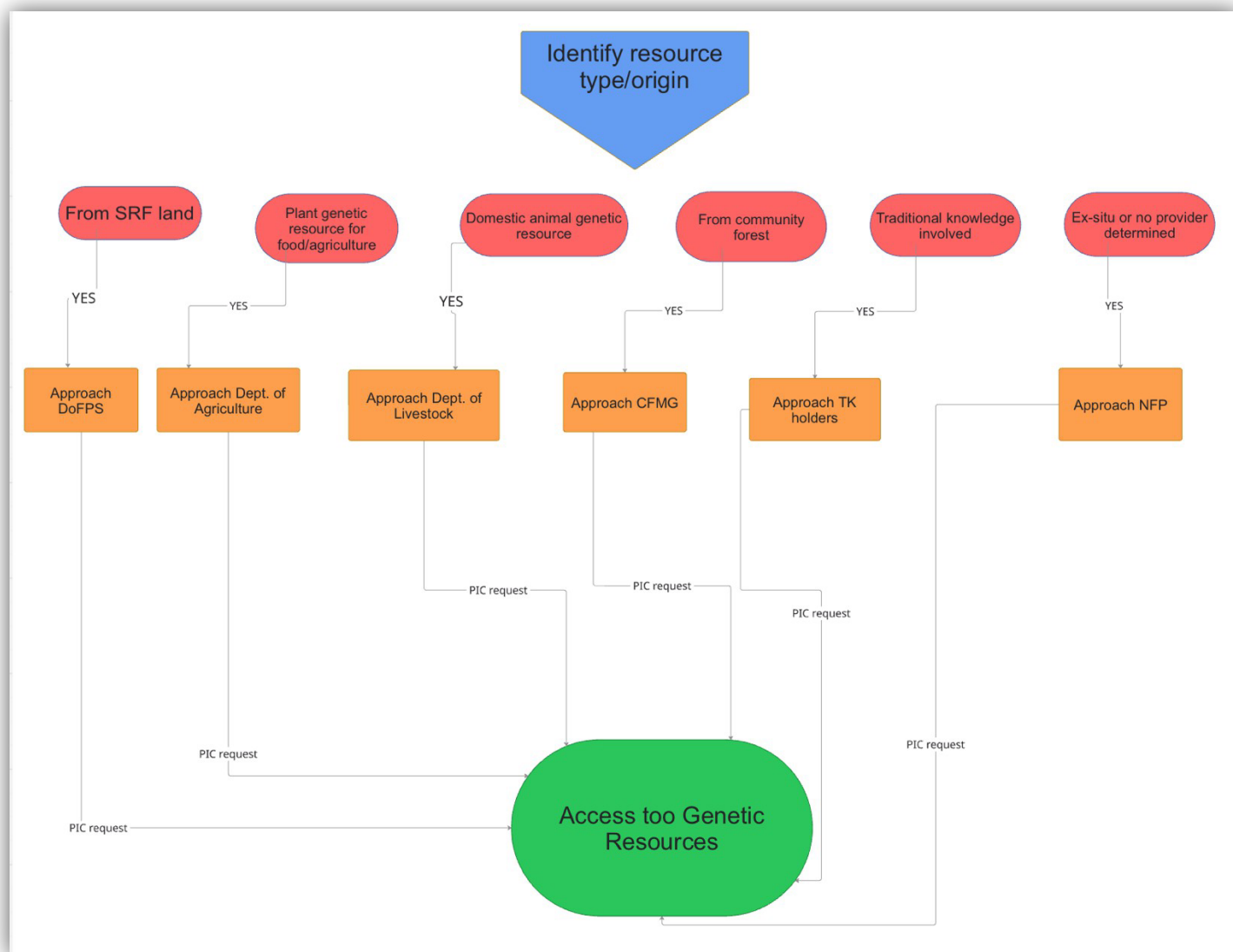


Figure 6: Process for obtaining PIC for access to Genetic Resources

3.3 Fair and Non-arbitrary Rules and Procedures on Accessing Genetic Resources

Bhutan has established fair and non-arbitrary rules and procedures for accessing genetic resources. These rules and procedures are guided by the ABS Policy of 2015, BAB 2022, and BRR 2023, which together ensure that access is subject to PIC and MAT. All the procedures are applied consistently and without arbitrariness and aim to ensure that rules remain fair, practical, and aligned with international cooperation once genetic resources leave Bhutan.

This provides legal clarity and consistency for all applicants, whether national or international. Bhutan continues to refine its ABS framework by strengthening capacity-building for enforcement agencies and community institutions, and improving ABS checkpoint systems.

Access Procedure Flowchart

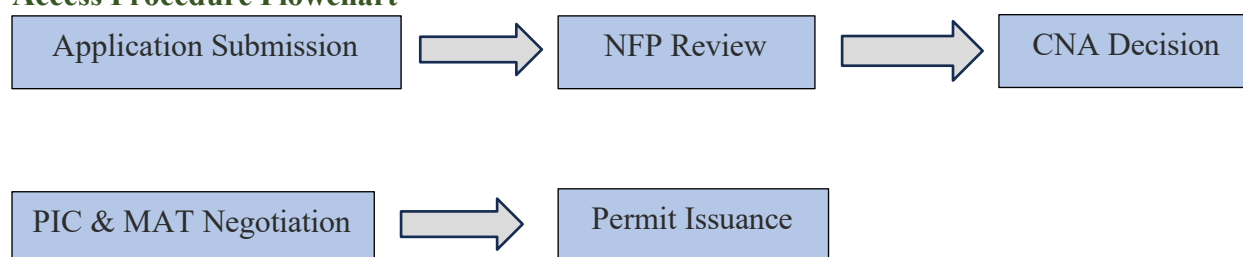


Figure 7: Procedures for PIC and MAT

3.4 PIC Procedure

Bhutan provides information on how to apply for PIC through its national legal and institutional frameworks. The country has established clear procedures under the BAB 2022 and the BRR 2023. CNA is responsible for granting PIC for access to genetic resources, and the NFP guides applicants, including researchers, institutions, and business enterprises, on the procedural requirements and assists communities in understanding their rights. Bhutan has made information on the procedure for applying for PIC publicly available through the ABSCH. This information provides step-by-step guidance in line with the BAB 2022 and BRR 2023, including:

- The requirement that any individual, institution, or company seeking access to genetic resources or associated traditional knowledge must obtain PIC in advance.
- The role of NBC as NFP and Secretariat to the CNA.

- The CNA is the designated authority responsible for overseeing the implementation of ABS.
- The use of a standardised PIC application format. This information is available through Bhutan's official ABSCH country profile, thereby fulfilling the NP's requirement to make PIC application procedures publicly accessible in a standardised manner.

3.5 Decision of CNA

In Bhutan, the CNA provides clear and transparent written decisions in accordance with the BAB 2022 and the BRR 2023. NBC, as the NFP/Secretariat to the CNA, ensures that decisions are communicated to applicants and relevant users. The types of written decisions issued by the CNA include: Approval Decisions: Granting access with conditions based on PIC and MAT. Rejection Decisions: Denying access when applications do not meet legal or procedural requirements, with reasons provided for transparency. Conditional Approvals: authorising access subject to specific conditions, if any. Requests for Clarification/Additional Information: Seeking further details from applicants before a final decision is made.

3.6 Issuance of a permit or its equivalent at the time of access

In Bhutan, the CNA issues a formal permit or its equivalent written authorisation at the time of granting access to genetic resources or associated traditional knowledge in accordance with BAB 2022 and BRR 2023. The types of permits or equivalent authorisations include:

- Access Permit: Scoping Agreement granting access to genetic resources and associated traditional knowledge for commercial research.
- Material Transfer Agreement (MTA): MTA authorising the transfer or use of genetic resources outside Bhutan, mainly for non-commercial research.
- ABS Permit: ABS agreement negotiating fair and equitable sharing of benefits between users and providers.
- Certificate of Compliance: A permit issued as evidence of compliance with the country's ABS law.
- Letter of Undertaking: LoU for transfer or use of biological resources outside Bhutan, mainly direct use and consumption.

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2026*

- **Sample Transfer of Certificate:** STC serves as a certificate of origin for the genetic resources, which can be shown at the checkpoints without having to show the other documents. STC is issued after the execution of MTA, LoU and Scoping Agreement.

During the reporting period, Bhutan issued a total of 286 permits and equivalent authorizations related to access to genetic resources and associated TK. These permits were issued by NFP under the supervision of the CNA. Breakdown of permits and equivalents:



Figure 8: Permits and equivalents issued during the implementation period

All permits and authorizations are standardized (forms III–XI) under the BRR 2023 to ensure consistency, transparency, and accountability. Bhutan is also exploring the issuance of digitized permits, contracts, and undertakings, which will enable real-time monitoring, verification, and streamlined reporting to the ABSCH. Bhutan has published relevant information on permits and their equivalent to the ABSCH. This is also mandated by BAB 2022 and the BRR 2023. These permits are found in Bhutan's ABSCH country profile.

3.7 ABS Promotion Logo

Bhutan launched Bhutan's first ABS logo to support ethical bioprospecting and promote businesses that comply with Bhutan's ABS framework. This logo represents a major step toward the sustainable and responsible use of the country's biological resources. It symbolizes compliance, trust, and ethical sourcing for companies and products that align with Bhutan's ABS framework.

Rooted in the Biodiversity Act of Bhutan and the Nagoya Protocol, the logo reflects Bhutan's commitment to the fair and equitable sharing of benefits from the use of biological resources and traditional knowledge. The details of the logo can be found at [ABS logo](#).

Did You Know?

Bhutan is the first country to pilot the "ABS Logo" certification, which helps consumers identify products that have complied with fair benefit-sharing practices.



Figure 9: ABS Logo of Bhutan

3.8 Establishment of Mutually Agreed Terms (MAT)

Bhutan has clear rules and procedures for requiring and establishing MAT, clearly stipulated in BAB 2022 and the BRR 2023. These provisions mandate that access to genetic resources and associated traditional knowledge must be subject to MAT, ensuring fair and equitable benefit-sharing between providers and users. Measures and processes for establishing MAT include:

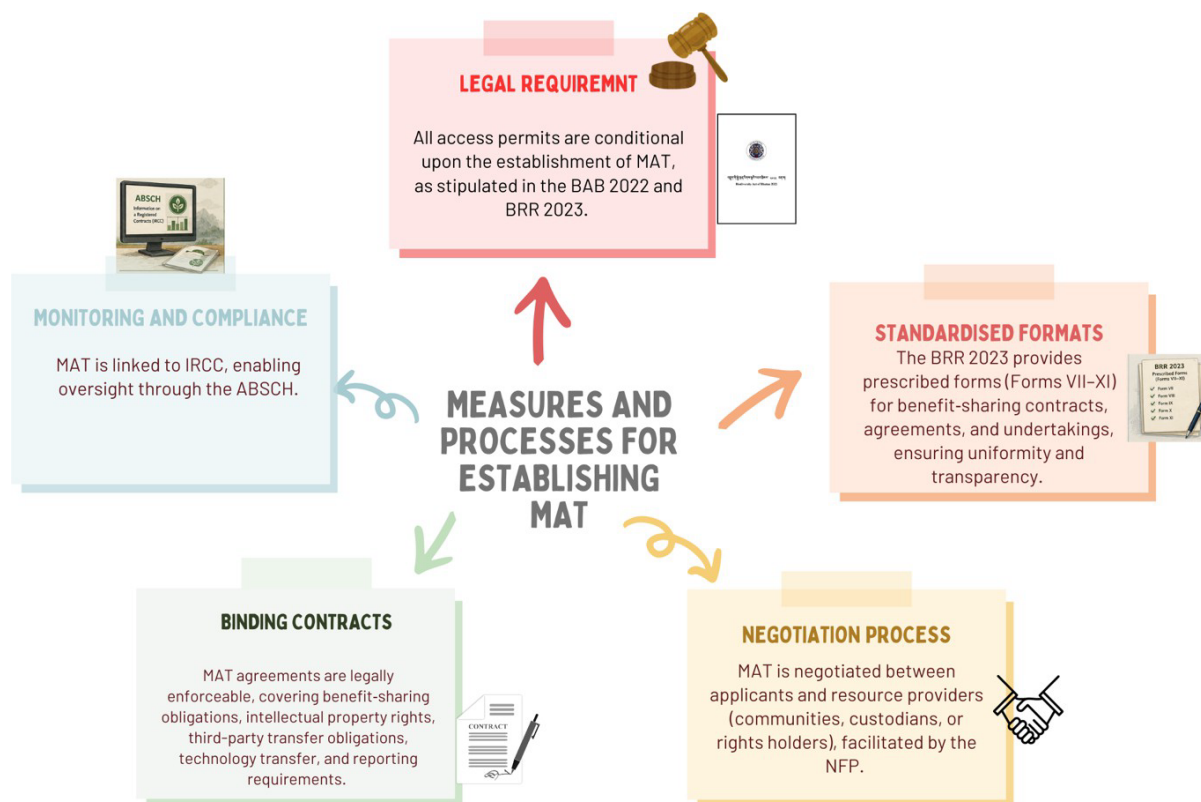


Figure 10: Measures for establishing MAT

3.9 Issues, Challenges, Opportunities and Lessons Learned

The early introduction of the ABS Policy 2015 was a crucial starting point, giving the country a shared understanding of how access to genetic resources and traditional knowledge should be governed. This experience showed that having a clear policy vision before drafting laws helps build a stronger, more coherent legal framework later.

Another important lesson is that central coordination makes a big difference. The decision to designate NBC as the NFP and Secretariat to the CNA has resulted in smoother communication, faster processing,

and fewer ambiguities for applicants. Bhutan has also learned the value of involving communities early and meaningfully.

The traditional knowledge holders, community forest groups, and custodians of genetic resources are essential to the process, not just as resource providers, but as decision-makers whose participation directly fosters trust and compliance. Another major lesson came from implementation at checkpoints. Monitoring access and export of genetic resources can only be effective if frontline agencies understand what ABS is. Strong integration and strengthening of checkpoints are something Bhutan plans to ensure legitimate access and utilisation of Bhutanese genetic resources, as well as ensure transboundary compliance.

Finally, up-to-date information about Bhutan's ABS in the ABSCH builds credibility both nationally and internationally and has enhanced trust and made the system easier for foreign researchers and companies to follow.

Despite substantial progress, Bhutan continues to face several challenges in fully implementing ABS. ABS is a specialised and evolving field and still requires capacity-building and a cross-country learning program. Further, tracking the genetic resources once they leave Bhutan is still a challenge, and it is difficult to track how they are used or whether benefit-sharing obligations are respected.

PART IV: MEASURES ON FAIR AND EQUITABLE BENEFIT SHARING

4.1 Measures on Benefit Sharing Mechanism

Bhutan has measures in place requiring that benefits arising from the utilisation of genetic resources, as well as subsequent applications and commercialisation, are shared with the providers of these resources in a fair, equitable and transparent manner.

It also specifies monetary and non-monetary benefits, timelines, and dispute-resolution mechanisms, ensuring legal certainty and transparency.



*Unlocking potential to preserve and protect nature
through benefit sharing mechanism*

4.2 Measures on Benefit Sharing Mechanism on genetic resources and associated traditional knowledge held by Indigenous Peoples and Local Communities

Bhutan ensures that benefits from the utilization of genetic resources held by local communities are shared with them. The Biodiversity Act 2022 (Sections 35–38) and Biodiversity Rules 2023 (Sections 26–31) embeds benefit-sharing obligations in PIC and MAT, requiring fair and equitable agreements between providers and users. These measures ensure communities receive monetary payments, technology transfer, training, and joint research and other support as per the MAT.

Partnership Benefits

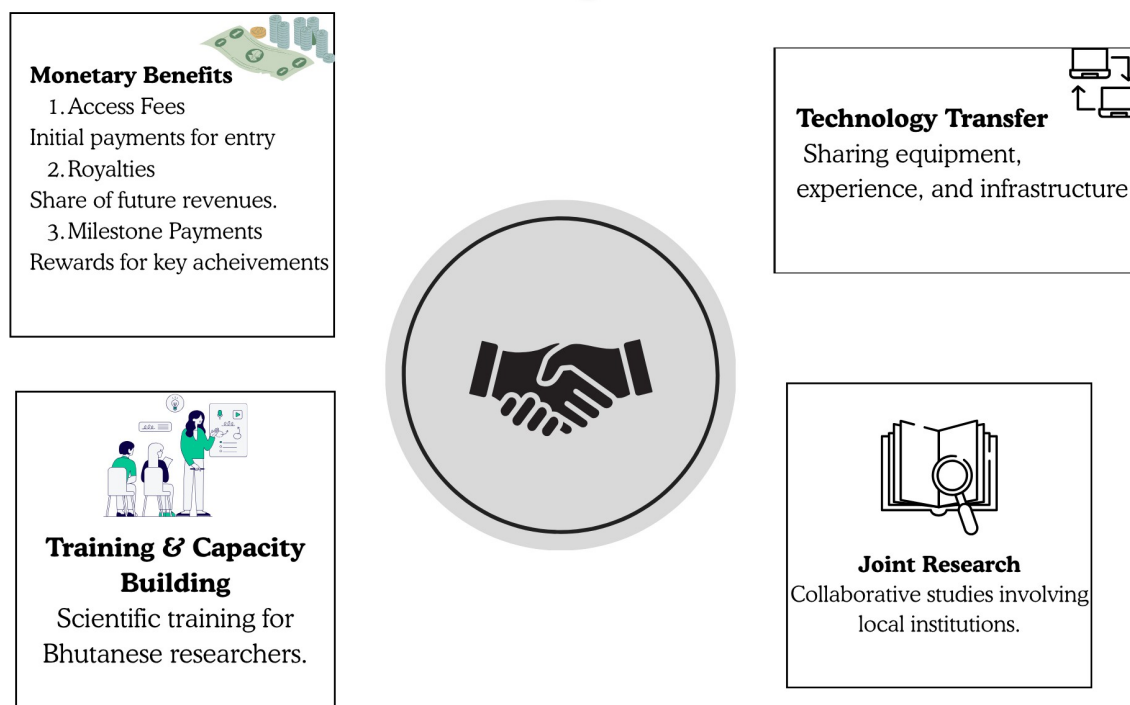


Figure 11: Monetary and non-monetary benefits from ABS implementation

Bhutan ensures that benefits from the utilisation of traditional knowledge associated with genetic resources are shared with the local communities holding such knowledge, as mentioned in question

4.3 Issues, Challenges, Opportunities and Lessons Learned

Bhutan has established a robust system to ensure that benefits arising from the use of genetic resources and associated traditional knowledge, including research, product development, and commercialization, are shared with the rightful providers in a fair, equitable and transparent manner as per the BAB 2022 and BRR 2023 which are aligned with NP, empowering local communities as custodians of genetic resources and traditional knowledge.

Bhutan has learned that a strong legal framework alone is insufficient; practical tools, institutional coordination, and community understanding are essential. Early engagement of local communities in PIC and MAT negotiations, clear communication of rights and responsibilities, and their active involvement build trust and ensure meaningful benefit-sharing mechanisms.

PART V: MEASURE ON COMPLAINE WITH DOMESTIC LEGISLATION OR REGULATORY REQUIREMENTS ON ABS AND UTILIZATION OF GENETIC RESOURCES

5.1 Measures on Genetic Resources utilized within its Jurisdiction

Bhutan has established a legal and institutional framework for access to genetic resources, including application submission, technical review, PIC approval, MAT negotiation, permit issuance and compliance monitoring through designated checkpoint. However, similar to most provider countries, it still needs continued capacity, monitoring and international cooperation to ensure full, long-term effectiveness and to address downstream use in other Parties. As of now, there are no cases of genetic resources accessed from other countries in Bhutan. The BAB 2022 and BRR 2023 explicitly require that access shall be subject to PIC and MAT. It sets out the roles of the NFP and the CNA, procedures for scoping agreements and ABS agreements, and the requirements of PIC before entering into those agreements.

Table 4: Bhutan requires users to provide information to designated checkpoints. This includes PIC evidence, source of resources, and intended use. The system covers three key stages:

Stage	Action Required
1. Before Access	Submission of PIC and MAT documents to CNA. Scoping agreements signed.
2. During Utilization	Periodic reporting on research progress and commercialization activities.
3. At Exit Points	Verification of "Certificate of Compliance" or "Sample Transfer Certificate" by checkpoints (Customs, Airport, Post).

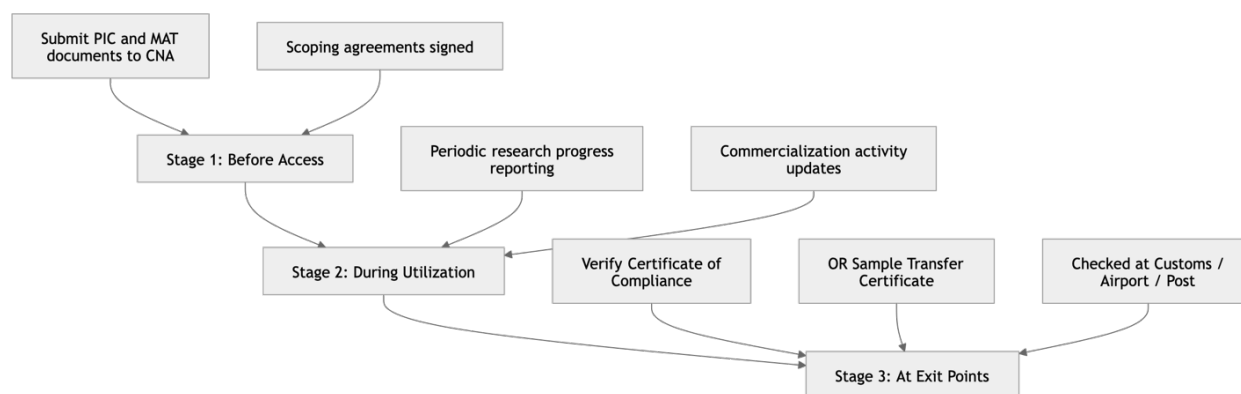


Figure 12: Measures for utilization of genetic resources

Bhutan has not yet received requests for cooperation from other Parties in specific cases of alleged violation of ABS measures relating to genetic resources. It may be due to no cases of foreign genetic resources being accessed by Bhutan. However, the BAB 2022 has a provision for transboundary compliance.

5.2 Measures on Traditional Knowledge associated Genetic Resources utilized within its Jurisdiction

Bhutan has put in place strong and practical safeguards to make sure that traditional knowledge linked to genetic resources are accessed and ensure that the local communities who holds the knowledge are directly involved. While accessing the genetic resources associated with traditional knowledge, the users are required to obtain PIC, the approval and participation from knowledge holders, and a clear MAT for benefit sharing mechanism. In practice, this means benefit-sharing clauses are included in ABS Contracts. The traditional knowledge holders are already benefiting through research collaborations (training, co-authorship, recognition) and in commercial utilization cases the benefits are also received. The aforementioned processes ensure that the local communities are respected as the rightful holders of traditional knowledge and assure fair and equitable sharing of benefits arising from their utilisation.

5.3 Situations of non-compliance with access to Genetic Resources and Traditional Knowledge

Bhutan has not encountered or reported any major cases of non-compliance with the measures that govern access to genetic resources or associated traditional knowledge. However, a few minor challenges have been observed. For example, some academic institutions recorded the traditional knowledge for educational purposes without prior approval from the CNA. In these situations, they were directed to secure PIC from traditional knowledge holders, as required by the law. Researchers were also guided to revisit communities and establish both PIC and MAT, especially where their findings led to further research or commercialization. Through ongoing awareness programs, researchers now seek prior approval from the CNA through NFP in advance for studies involving traditional knowledge and associated traditional knowledge.

5.4. Cooperation with other Parties in specific cases of alleged violation of ABS measures relating to traditional knowledge associated with genetic resources

Bhutan has not yet received any request for cooperation from other Parties in specific cases of alleged violation of ABS measures relating to genetic resources or associated traditional knowledge. However, the BAB 2022 has a provision for transboundary compliance. Bhutan has established a strong domestic legal and institutional framework to ensure readiness should such situations arise. The NFP/Secretariat to the CNA is mandated to liaise with international counterparts in cases of suspected non-compliance. To support traceability, Certificates of Compliance and STC are issued, accompanying genetic resources leaving Bhutan. Although no violations have been reported, Bhutan recognizes the challenges of monitoring. Tracking its use across borders remains difficult unless Intellectual Property offices in user countries actively verify the origin of genetic resources and associated traditional knowledge when granting IP protection. To address this, Bhutan encourages greater collaboration among Parties through the ABSCH to explore mechanisms that can help trace and respond to potential non-compliance across jurisdictions.

5.5 Requirement for users of genetic resources to provide the information to its designated checkpoints

Bhutan requires users of genetic resources to provide the information through its designated national ABS authorities. Bhutan's ABS framework requires users (national or international) to obtain a PIC and enter into MAT before accessing the genetic resources or associated traditional knowledge. As part of this process, users are required to submit documentation demonstrating compliance, including details of the genetic resource accessed, origin, intended end use, and agreed benefit-sharing arrangements. Approved and signed Scoping Agreements and ABS Agreements serve as official records of evidence of PIC and the existence of MAT. This information is routed through CNA and designated checkpoints where applicable. Information required from users includes:

PIC (Prior Informed Consent) Documentation confirming that access was granted with the consent of relevant authorities or local communities.	Source of the genetic resource Clear details of the origin of the material.
Purpose The intended purpose of the resource, whether for research, commercial, or non-commercial use, and any other use resulting in products or outputs.	MAT (Mutually Agreed Terms) Agreements on benefit-sharing, usually through Scoping Agreements, ABS Agreements, MTAs, LoUs and Certificates of Compliance.

Stages of the value chain where information is collected:

- Before access: Applicants/users are required to submit PIC and MAT documentation to the CNA, ensuring community consent and benefit-sharing arrangements are in place before any resource is accessed.

- During utilization: Users provide periodic reports on research, development, and commercialization activities, allowing monitoring of how genetic resources and TK are being used.
- At exit points: Designated checkpoints at airports, land borders, and postal services verify that genetic resources leaving Bhutan are accompanied by the required documentation, including Certificates of Compliance and Certificates of Origin/Sample Transfer Certificate.

5.6 Information Collected or Received by Designated Checkpoints and Publication to the ABS Clearing-House through the Checkpoint Communiqué Common Format

Bhutan's designated checkpoints have collected or received the information's on transfer and use of genetic resources. Bhutan has not yet published the information collected or received by the ABSCH using the Checkpoint Communiqué common format. This is mainly due to limited capacity and understanding of how the integrated checkpoint system works. Bhutan is emphasizing integrating this reporting into a digitalized integrated checkpoint system, which will allow streamlined processes and enable future publication of information directly to the ABSCH.

5.7 Measures to encourage users and providers to include provisions in MAT and its Implementation

Bhutan has taken measures to ensure that users and providers include clear information-sharing provisions in the MAT. The BAB 2022 and the BRR 2023 mandates ABS agreements, scoping agreements, and MTAs specifying how the information on the use, transfer, research progress, and commercialisation of genetic resources should be reported. During PIC/MAT negotiations, NFP guides communities/institutions/users to ensure requirements for reporting are clearly understood and properly reflected in the agreement. Users are further required to provide periodic updates to NFP for onward submission to CNA on the use of genetic resources of the country. Capacity-building programs are also held to help communities, researchers, and private entities understand the purpose and value of information-sharing on the use of genetic resources, reinforcing accountability and trust.

5.8 Information Collected or Received by Designated Checkpoints and Publication to the ABS Clearing-House through the Checkpoint Communiqué Common Format

Stages of the value chain where information is collected: 1. Before access: Applicants/users are required to submit PIC and MAT documentation to the CNA, ensuring community consent and benefit-sharing arrangements are in place before any resource is accessed. 2. During utilization: Users provide periodic reports on research, development, and commercialization activities, allowing monitoring of how genetic resources and TK are being used. 3. At exit points: Designated checkpoints at airports, land borders, and postal services verify that genetic resources leaving Bhutan are accompanied by the required documentation, including Certificates of Compliance and Certificates of Origin/Sample Transfer Certificate.

5.9 Use of cost-effective communication tools and systems to monitor utilization and enhance transparency

Similar to many other countries, Bhutan encourages the use of cost-effective communication tools and systems to monitor resource utilization and enhance transparency. In practice, Bhutan promotes a range of affordable and efficient approaches to achieve these objectives:

- Email-based reporting and online forms: NFP regularly uses email submissions and simple digital reporting templates to receive updates from researchers, companies, and foreign collaborators on the use of Bhutanese genetic resources. This approach is cheap and accessible to both providers and users.
- Zoom/Google Meet for follow-up meetings: Instead of requiring in-person meetings, especially for international collaborations, Bhutan encourages virtual check-ins to review the status of research, utilisation of materials, and benefit-sharing commitments. These tools reduce travel costs and speed up communication.
- WhatsApp and Messaging tools with community groups: For projects involving local communities and traditional knowledge holders, simple mobile messaging groups are often used to share updates, clarify benefit-sharing expectations, and coordinate field activities. This is particularly useful in remote areas.
- NBC maintains digital databases of ABS applications, permits, and traditional knowledge documentation, allowing for transparent record-keeping without high administrative cost.

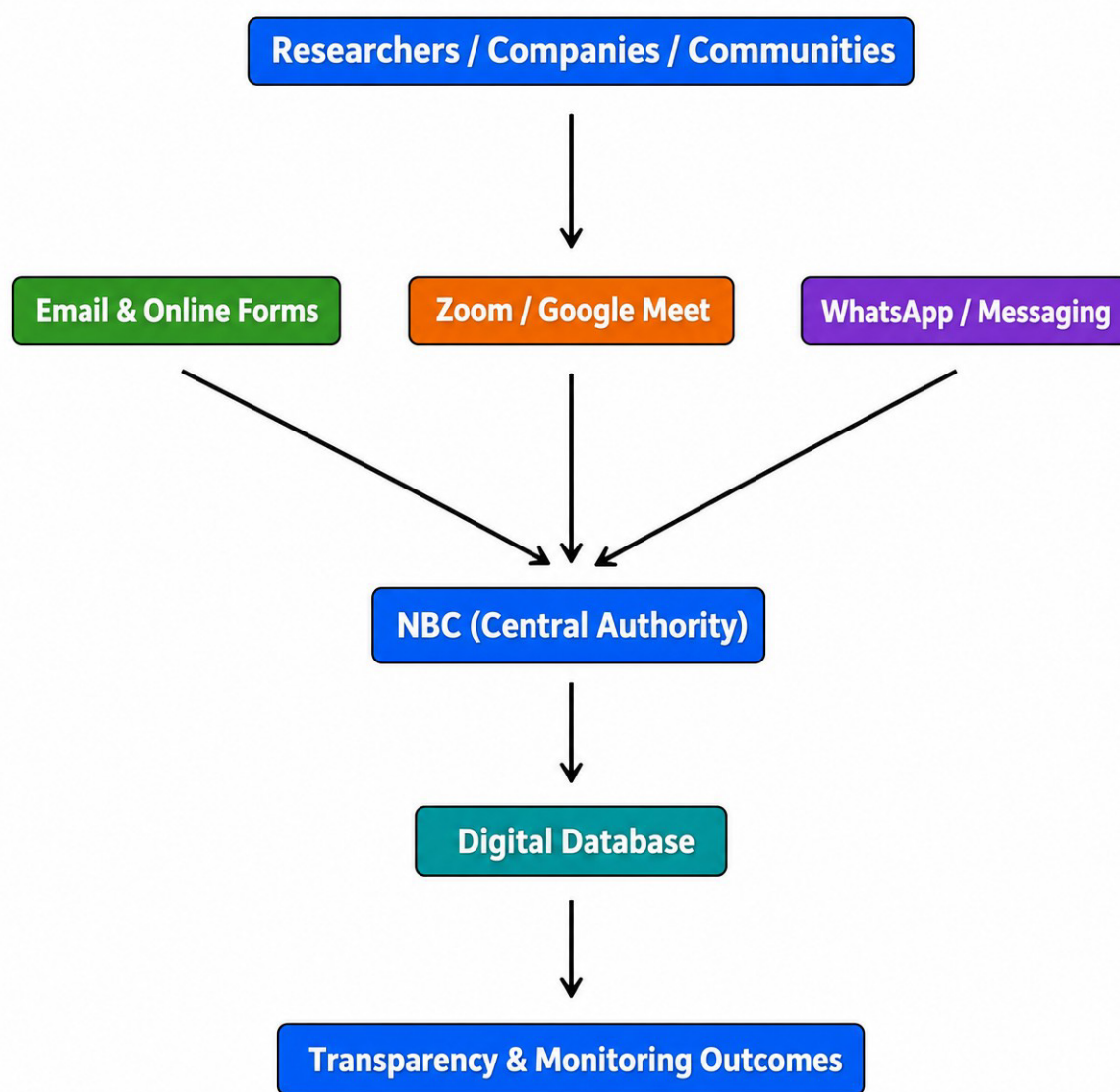


Figure 13: Use of cost-effective communication tools and systems

5.10 Issues, Challenges, Opportunities and Lessons Learned

The clearly defined legal requirements on PIC, MAT and approval procedures under Bhutan's ABS framework have provided legal certainty for users, providers and authorities, which enables the enforcement of compliance measures. Moreover, the designation of only one NFP, that is NBC has helped uniform interpretation of ABS requirements in the country and streamlined compliance.

The MATs have clauses which are related to compliance obligations. It has helped in ensuring the users and providers comply with domestic ABS legislation at the point of access.

However, there are some challenges, such as not being able to monitor downstream utilisation of genetic resources as Bhutan has limited capacity to verify continued compliance with MAT and benefit-sharing obligations, especially those genetic resources which are taken outside of the country. To reduce such problems, effective monitoring by checkpoints should be there. Therefore, Bhutan is trying its best to balance compliance with research facilitation.

PART VI - MEASURES ON COMPLIANCE WITH MUTUALLY AGREED TERMS

6.1 Inclusion of provisions on dispute resolution in MAT

Bhutan's ABS law has dispute-resolution provisions in all the MAT documents, supported by clear pathways for resolving disputes. Over time, Bhutan has learned that including dispute-resolution mechanisms early in the process builds trust, reduces misunderstandings, and strengthens long-term partnerships with users.

6.2 Opportunity to seek recourse in case of disputes arising from MAT

Bhutan's ABS law provides an effective means of redress when MAT obligations are not fulfilled. In Bhutan, parties to MAT have the opportunity to seek recourse under national legal systems in the event of disputes. This ensures that compliance with MATs is legally supported, and parties can pursue remedies when obligations are not met.

6.3 Measures on Access to Justice

Bhutan has taken measures to ensure access to justice in relation to disputes arising from the use of the country's genetic resources. Under the BAB 2022 and BRR 2023, parties are guaranteed the right to seek remedies through national courts, arbitration, or mediation.

6.4 Measures on utilization of mechanisms on mutual recognition and enforcement of foreign judgements and arbitral awards

Bhutan has established measures for the utilisation of mechanisms relating to the recognition and enforcement of foreign arbitral awards in ABS-related matters, while formal mechanisms for mutual recognition of foreign court judgements remain limited. In line with the Nagoya Protocol and the BAB 2022, disputes arising from the utilisation of Bhutanese genetic resources under ABS arrangements may be resolved through arbitration, as provided under the BRR 2023 and the MTA.

The foreign arbitral awards may be recognised and enforced by Bhutanese courts, subject to applicable legal requirements, as Bhutan became a member of the New York Convention. However, neither the BAB 2022 nor related regulations establish a specific mechanism for the automatic mutual recognition and enforcement of foreign civil court judgements. Recognition of

such judgments will be addressed by national courts on a case-by-case basis in accordance with domestic law and policy.

6.5 Issues, Challenges, Opportunities and Lessons Learned

Bhutan's experience with MATs under the ABS framework has shown that embedding dispute-resolution provisions early in the negotiation process is highly effective, which builds trust, reduces misunderstandings, and strengthens long-term partnerships with users of genetic resources.

The availability of clear pathways for redress, through national courts, arbitration, or mediation, has ensured that compliance with MATs is legally supported and that parties can pursue remedies when obligations are not met.

A key success has been Bhutan's proactive adoption of arbitration and mediation mechanisms, which provide flexible and timely resolution of disputes. Moreover, Bhutan, being a member of the New York Convention, further enables recognition and enforcement of foreign arbitral awards, supporting international collaborations and confidence.

However, challenges such as mechanisms for automatic recognition of foreign civil court judgments are limited. This creates uncertainty in cross-border disputes and requires case-by-case adjudication by Bhutanese courts. Therefore, strengthening institutional capacity and developing clearer procedures for the recognition of foreign judgments would enhance legal certainty.

Bhutan has learned that a strong legal foundation, combined with accessible dispute-resolution mechanisms, is essential for effective compliance with MATs. Continued refinement of domestic measures, particularly regarding foreign judgments, will further consolidate Bhutan's role as a reliable partner in ABS arrangements.

PART VII - MEASURES ADDRESSING SPECIAL CONSIDERATIONS

7.1 Conditions to promote and encourage research which contributes to the conservation and sustainable use of biodiversity including through simplified measures on access for non-commercial research purposes

Bhutan has created favorable conditions within its ABS legislation and regulatory framework to encourage research that supports the conservation and sustainable use of biodiversity, while also making access easier for non-commercial and academic purposes too. One of the guiding principles of ABS legislation and regulatory framework is to support research as a means to augment sustainable utilisation and conservation of biodiversity. For commercial research, access is carefully managed. Before sourcing genetic resources of the country, a first environmental assessment is required to ensure that the risk of over-harvesting is minimized.

Furthermore, the cultivation trials of wild species are encouraged to reduce the pressure on wild collection and for sustainability of the resources. Communities/providers play a critical role here, helping to manage biodiversity, maintain supply chains, and adopt cultivation or domestication practices. This approach not only conserves biodiversity but also ensures that communities benefit directly and the users receive reliable, traceable raw materials. For academic and non-commercial research, the process is intentionally simplified. Researchers are typically allowed one-time collection of the materials they need from the wild, without cultivation requirements. This reduces administrative hurdles while still safeguarding biodiversity. All that information is available on ABSCH Clearing-House

7.2 ABS Consideration of Public Health Emergencies

While drafting and implementing ABS legislation, the country has taken careful consideration of situations where present or imminent emergencies could threaten human, animal, or plant health. The BAB 2022 and BRR 2023 provide flexibility in access procedures so that urgent research and use of genetic resources can be facilitated quickly during emergencies. These provisions are designed to ensure that ABS requirements do not become a barrier when rapid responses are needed, for example, in the face of disease outbreaks, pest infestations, or biodiversity threats. For

such cases, expedited access pathways are available, especially for non-commercial and emergency-related research. Administrative requirements are reduced to allow timely action, while still safeguarding transparency and accountability. Public health and biosecurity priorities are explicitly recognised, ensuring that researchers and institutions can act without delay when emergencies arise.

7.3 Expeditious access to genetic resources and expeditious fair and equitable sharing

In line with the BAB 2022 and BRR 2023, the NFP may recommend to the CNA exemptions from procedural requirements or fee waivers for access to genetic resources needed for national priorities, including situations such as countering a pandemic, ensuring timely access in cases affecting human, animal, or plant health. While these provisions allow expedited access, the Act and Rules do not provide detailed mechanisms for all types of imminent emergencies or for expedited benefit sharing and access to affordable treatments under Article 8(b) of the Nagoya Protocol. Such decisions will be handled on a case-by-case basis by the CNA, which has the authority to approve access and ensure alignment with national priorities.

7.4 Importance of genetic resources for food and agriculture and their special role for food security

Bhutan's ABS legislation and regulatory framework are framed within national priorities on food security, sustainable agriculture and livelihoods, ensuring that ABS measures do not undermine access to genetic resources essential for farming systems, and food and nutrient security. Bhutan takes into account relevant international frameworks, particularly the International Treaty on Plant Genetic Resources for Food and Agriculture (ITPGRFA), when addressing access to plant genetic resources that are critical for food security. ABS implementation recognizes the role of farmers and local communities as custodians of agricultural biodiversity and TK, while avoiding restrictions that could negatively affect customary use, seed exchange and on-farm conservation. The ABS legislation of the country especially allows access to food and agricultural genetic resources under Annex 1 of the ITPGRFA to be as per the Multilateral System (MLA) of ABS.

7.5 Issues, Challenges, Opportunities and Lessons Learned

Bhutan has designed its ABS framework to integrate special considerations for biodiversity conservation, sustainable use, emergencies, and food security, ensuring both legal compliance and practicality. Although Bhutan has not yet encountered significant ABS-related emergencies, continued efforts are needed to strengthen institutional preparedness, enhance inter-agency coordination, and build community awareness to ensure an effective and timely response when required.

PART VIII - MEASURES RELATED TO INDIGENOUS PEOPLES AND LOCAL COMMUNITIES

8.1 Indigenous peoples and local communities in Bhutan

Bhutan does not formally recognize a separate category of “indigenous peoples” under its legal framework, whereas groups with distinct cultural identities are referred to as local communities. The Constitution of Bhutan (2008) upholds the principle of equality before the law and guarantees fundamental rights to all citizens, prohibiting discrimination on grounds such as



Consultation with local communities

race, language, religion, or sex. In practice, these local communities are deeply connected to Bhutan's biodiversity and their culture, traditions, livelihoods, and social practices are closely interwoven with the land and natural resources, positioning them as important custodians of biodiversity. Their traditional knowledge and practices regarding the biological resources form the backbone of Bhutan's ABS framework

8.2 Rights of Indigenous Peoples and Local Communities in Access to Genetic Resources

Under Bhutan's ABS framework, local communities have the established right to grant access to genetic resources and associated traditional knowledge. Although Bhutan does not formally recognize a separate category of “Indigenous peoples,” the law clearly empowers local communities as custodians of biodiversity.

8.3 Measures Ensuring Prior Informed Consent and Mutually Agreed Terms for Traditional Knowledge

Bhutan has taken clear measures to ensure that traditional knowledge associated with genetic resources, held by local communities, is accessed only with their PIC, or their approval and involvement, and that MATs are established. In practice, community participation is increasing, although awareness and technical capacity remain low. Ongoing efforts are focused on increasing awareness, building institutional capacities, and ensuring that communities benefit equitably from the implementation of ABS in the country.

8.4 Consideration of Customary Laws and Community Protocols in ABS Implementation

Bhutan has taken into account the customary laws, community protocols, and procedures of local communities while implementing the NP, particularly with respect to traditional knowledge associated with genetic resources. The BAB 2022 and the BRR 2023 explicitly recognize local communities as custodians of traditional knowledge and biodiversity, embedding respect for community-defined processes into the ABS framework. Key measures include:

- Respect for customary practices: Access to traditional knowledge must reflect the customary laws and practices of local communities, ensuring traditional governance systems are upheld.
- Community protocols: Local communities are encouraged to develop and apply their own protocols to guide access, benefit sharing, and decision-making.
- Procedural safeguards: PIC and MAT processes must incorporate community-defined procedures, making access both legally compliant and culturally appropriate.
- Standardised documentation: Annexure Form IV (PIC form) of BRR 2023 provides a formal mechanism for documenting community



Community participation and customary laws

consent, while allowing integration of community-specific protocols and customary decision-making processes.

- Capacity building and awareness: The NFP supports communities in understanding their rights and developing protocols that reflect local traditions.

The national legal framework is in place, and local communities are increasingly recognised as custodians of traditional knowledge with the right to define their own protocols. The key challenges include documenting and harmonizing diverse customary practices with national legal procedures, while safeguarding community ownership of decision-making. Ongoing efforts emphasize strengthening community capacity, raising awareness, and enhancing institutional support to ensure that customary laws and protocols are effectively integrated into ABS implementation.

8.4 Mechanisms to Inform Users of Traditional Knowledge Obligations with IPLC Participation

Bhutan has established clear mechanisms to ensure that potential users of traditional knowledge associated with genetic resources are fully informed of their obligations. These mechanisms were developed with the active participation of local communities, including women and traditional custodians of biodiversity, so that they reflect both legal requirements and community priorities.

Key measures include:

- Information and awareness: The NBC, as the NFP, disseminates information on ABS obligations through the ABSCH, national workshops, and direct community outreach.
- Standardized procedures: Annexure forms under the Rules (e.g., Form IV-PIC Application, Form VII-ABS Agreement, and Form VIII-Certificate of Compliance) ensure that users are formally informed of their obligations to obtain PIC, negotiate MAT, and comply with benefit-sharing requirements.
- Community participation in design: Local communities were consulted during the drafting of the ABS Policy of Bhutan 2015, the BAB 2022 and BRR 2023. Their input shaped procedures for PIC, MAT, and benefit sharing, embedding customary practices and local priorities into the mechanisms.

- Capacity building: Awareness programs and participatory workshops have been conducted to strengthen communities' ability to understand ABS obligations, develop community protocols, and engage effectively in negotiations with users.

8.5 Support for Development of Community Protocols and Model Contractual Clauses by IPLCs

Bhutan has supported the development of community protocols primarily through Community Bylaws. Given that local communities are broadly recognised and often include mixed representation from different regions, it is challenging to define a unique protocol for each community. The Community Bylaws guide the access, collection, conservation, and sustainable use of genetic resources, including benefit-sharing, ethical practices, and governance for both providers and users, and serve as Local Biodiversity Action Plans. They also specify annual requirements and negotiated prices of raw materials, establish ethical sourcing and trade standards, and set quality requirements for processing and shipment. These Bylaws effectively meet the objectives of community protocols and support the development of minimum requirements for MAT and model contractual clauses, including participation of indigenous peoples and women within local communities.

8.6 Customary Use and Exchange of Genetic Resources and Traditional Knowledge

Bhutan has taken measures to ensure that the customary use, sharing, and exchange of genetic resources and traditional knowledge within and among local communities are not restricted in the country. These practices are recognised for sustaining rural livelihoods, preserving cultural continuity, and supporting biodiversity management. The BAB 2022 (Sections 38(3), 46(1)(b), and 59 explicitly acknowledges traditional practices such as local use, exchange, and transmission of knowledge and resources. Complementing this, the BRR 2023 (Sections 2.3, 4.5, and 10.2) provides safeguards to ensure that ABS requirements do not interfere with these customary practices. The above-mentioned measures are consistent with Bhutan's broader legal framework, including recognition of traditional rights under the Forest and Nature Conservation Act, 2023. Customary use and exchange remain protected under national law. ABS obligations apply only to

external users seeking access for commercial or research purposes, not to internal community practices

8.7 Issues, Challenges, Opportunities and Lessons Learned

Bhutan has developed a comprehensive and culturally responsive ABS framework: BAB 2022, BRR 2023 and ABS Policy 2015. This framework aligns with the NP and reflects Bhutan's strong commitment to biodiversity conservation, sustainable use, and fair benefit sharing, placing local communities at the heart of custodianship of genetic resources and traditional knowledge.

Although Bhutan does not formally recognize “indigenous peoples,” local communities are legally empowered as custodians of biodiversity and traditional knowledge. The BAB 2022 and BRR 2023 ensure that communities can grant or withhold access, provide PIC, and negotiate MAT. Access to traditional knowledge is conditional upon community consent and operationalised through standardised forms and procedures that enhance transparency and accountability. The ABS framework protects the customary use, sharing, and exchange of genetic resources and traditional knowledge within and among communities. Practices such as seed exchange, use of medicinal plants, and inter-community knowledge transmission continue freely, while ABS obligations apply only to other users seeking access for commercial or research purposes. This ensures livelihoods, cultural continuity, and biodiversity conservation responsibilities are preserved.

PART IX - CONTRIBUTION TO CONSERVATION AND SUSTAINABLE USE AND BENEFITS RECEIVED

9.1 Benefit-Sharing for Biodiversity Conservation and Sustainable Use

Bhutan actively encourages both users and providers of genetic resources of the country to ensure that benefits arising from their utilisation are directed toward biodiversity conservation and sustainable use. This principle is embedded in Bhutan's national legislation, policy framework, and overarching development philosophy of Gross National Happiness (GNH), which places environmental conservation at the heart of national priorities. The BAB 2022 mandates that monetary and non-monetary benefits derived from genetic resources are shared fairly and equitably, with explicit linkage to conservation and sustainable use. Similarly, BRR 2023 guides allocating benefits to support community-based biodiversity management, conservation programs, and capacity-building initiatives. Bhutan also has a dedicated ABS fund to receive some portion of negotiated benefits, which will be solely used for financing conservation initiatives, sustainable use projects, and biodiversity management activities. Ongoing efforts focus on strengthening the ABS fund, expanding benefit-sharing initiatives, and ensuring conservation outcomes are inclusive, measurable, and sustainable.

9.2 Contribution of Nagoya Protocol to Biodiversity Conservation and Sustainable Use

The implementation of the NP has significantly contributed to the conservation and sustainable use of biodiversity in Bhutan by linking the utilisation of genetic resources with tangible conservation outcomes and community benefits. Operational Mechanisms and some practical examples:

- Bhutan ABS Fund: Managed by NFP and is guided by CNA, channeling monetary benefits into community-based biodiversity management, conservation initiatives and capacity-building programs.
- Community Projects: Examples include *Swertia chirayita* cultivation and the Pangtse Makhu project, supporting nursery development, plantation management, and post-harvest processing while providing livelihood and conservation benefits. *Swertia*, once heavily collected from the wild, is now domesticated, reducing pressure on wild collection of the genetic resources.
- Sustainable Product Development: Partnerships with communities (e.g., Yak herders in Dagala, Bio-Bhutan) utilize species like *Rhododendron anthopogon* to produce essential oils following ethical harvesting practices, enhancing productivity and market access.
- Promotion of Ethical Products: The introduction of an ABS logo ensures products comply with conservation and ethical standards, enhancing market visibility.
- Regional Influence: Bhutan's ABS model has informed practices beyond its borders, such as the International Centre for Integrated Mountain Development (ICIMOD) in Nepal, demonstrating a contribution to regional biodiversity conservation.



Cultivation of *Swertia chirayita* by farmers of Lauri gewog

Status and Impact:

- Benefits from ABS agreements have supported community-based conservation projects, sustainable product development, and livelihood enhancement.
- Challenges include scaling up projects, equitable benefit distribution, and long-term monitoring of conservation outcomes.
- Efforts continue to strengthen the ABS Fund, expand benefit-sharing initiatives, and ensure inclusive and sustainable conservation results.

9.3 Monetary benefits from Access to Genetic Resources

Benefits from access to genetic resources are shared between community groups and the BABS Fund. For Traditional Knowledge (TK) associated genetic resources, community groups received USD 29,096, mainly from raw materials and related benefits, while USD 6,443 was deposited into the BABS Fund through agreement fees and benefit payments. For non-TK genetic resources, communities received USD 1,19,359, largely from raw materials and additional benefits. The BABS Fund received USD 1,66,076, primarily from agreement fees and benefit-sharing payments. In total, USD 1,48,454 went directly to communities and USD 1,72,520 to the BABS Fund.

Table 5: Monetary benefits received from access to genetic resources

Monetary Benefits	Yes/No	Details
Access fees and/or up-front payments	Yes	Received in accordance with BAB 2022 and BRR 2023
Research funding, grants and/or scholarships	Yes	Received for collaborative research on conservation, cultivation and domestication trials of wild genetic resources, and development of drying and processing facilities.
Salaries	Yes	Received for village field coordinators engaged in monitoring wild collection during the initial implementation of Community Bylaws, particularly from Chanel PB.
Joint Ventures	Yes	Established to support collaborative research and activities beneficial to both providers and users of genetic resources.
Others	Yes	Received for community-level initiatives such as renovation of prayer halls through Corporate Social Responsibility (CSR), integrating social, environmental, and ethical considerations beyond legal obligations. Access fees, up-front payments, and research funding are deposited into the BABS Fund and reinvested in national biodiversity conservation initiatives, while monetary benefits such as premium prices and profit-sharing are shared directly with communities, who retain full autonomy over their use.

Table 6: Monetary benefits contributed to BABS Fund

Types of GR Accessed	Benefits Received (USD)	
	Community	BABS Fund
TK Associated GR		
Raw Materials	28002	0
Agreement fee (Scoping, Renewal & ABS)	0	6071
Benefits	1094	372
Subtotal A (USD)	29096	6443
Non-TK GR		
Raw Materials	101978	0
Agreement fee (Scoping, Renewal & ABS)	0	23139
Benefits	17381	142938
Subtotal B (USD)	119359	166076
Total USD (A+B)	148454	172520

These benefits were provided to the community groups, granting access to resources, with women playing an active role in many of the initiatives. The income has supported local livelihoods and strengthened community involvement in biodiversity conservation. The amounts in the BABS Fund are earmarked for community biodiversity and livelihood projects, and the NBC is developing clear standards and procedures to ensure their transparent and effective use.

9.3 Non-Monetary Benefits from Access to Genetic Resources

The non-monetary benefits include capacity-building, technology transfer, training on sustainable harvesting, joint research, and improved knowledge of genetic resource management. The main recipients of non-monetary benefits under ABS agreements are local communities, women-led groups, holders of the traditional knowledge, and entrepreneurs as well as national researchers.

Communities and producers received hands-on training on the cultivation, harvesting, and processing of genetic resources, including instruction on improving yield, maintaining plant health, and applying good agricultural practices to ensure high-quality raw materials. They were

also provided with field tools and infrastructure, such as drying sheds, storage facilities, and other equipment, to enhance the efficiency of harvesting, processing, and storage. The training on sustainable harvesting practices covered both wild and cultivated resources, ensuring that natural populations are not overexploited and biodiversity is conserved.

Table 7: Non-Monetary benefits received from access to GR

Non-Monetary Benefits	Yes/No
Sharing of information, research results	Yes
Access to and transfer of technology	Yes
Capacity-building, capacity development and/or trainings	Yes

Additional guidance was provided on raw material quality and handling, including preventing adulteration, careful transport, and traceability of yearly supplied raw materials. This also included maintaining records of group member identity involved in processing, strengthening accountability and transparency. Through these ABS agreements, communities and traditional knowledge holders gained enhanced technical skills, improved organizational capacity, and greater understanding of ABS rights and procedures, supporting long-term sustainability of biodiversity. Local institutions and research organizations also benefited from technology transfer, collaborative research opportunities, and improved scientific methods.

9.4 Monetary Benefits from Access to Traditional Knowledge associated with Genetic Resources

Bhutan received USD 35,539 in monetary benefits from granting access to traditional knowledge associated with genetic resources under MATs. Out of this amount, USD 29,096 was paid directly to the community groups that provided access to the resources and knowledge. The remaining USD 6,443 was deposited into the BABS Fund.

Table 8: Monetary benefits received from access to Tk associated with GR

Monetary Benefits	Yes/No
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Access fees and/or up-front payments	Yes
Milestone payments, royalties and/or license fees	Yes
Research funding, grants and/or scholarships	Yes

The payments came mainly from the supply of raw materials, agreement fees (including scoping and renewal fees), and benefit-sharing arrangements linked to product development. Although the amount is not large, it reflects steady progress in implementing ABS and ensuring that communities receive tangible benefits from the use of their associated traditional knowledge. The source of benefit includes the execution of below mentioned MATs or Benefit Sharing Agreements:

- *Zingiber cassumunar*: Community-led production of massage balms and liniment oils with technical support from the National Biodiversity Centre (NBC).
- *Curcuma caesia* and soap nut: Development of a sanitary soap and a health supplement capsule in partnership with Menjong Sorig Pharmaceutical Corporation Ltd. under a tripartite ABS agreement between the community, the company and the Government.
- *Artemisia vulgaris*: Development of a wellness foot-soak product for joint relief under a tripartite ABS agreement involving the community, a private company and the Government.
- Shilajit: Development of a health supplement under a bilateral ABS agreement between a private company and the Government, as the specific provider community could not be identified.

These initiatives have helped communities take part in ABS implementation, supported local livelihoods, and encouraged the responsible use of traditional knowledge and genetic resources.

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Figure 14: Products developed from genetic resources and its associated traditional knowledge

Notable non-monetary benefits received are in the form of research collaboration, technical assistance, joint cultivation and production initiatives, training, and validation of traditional knowledge, contributing to strengthened community livelihoods, improved conservation of wild genetic resources, and enhanced national technical capacity.

The principal beneficiaries were local communities engaged in cultivation, collection, and the sharing of traditional knowledge, with participation from both women and men, although systematic gender-disaggregated data were not captured. Collectively, these non-monetary benefits have reinforced community conservation of genetic resources, expanded livelihood opportunities, and improved Bhutan's institutional preparedness for effective ABS implementation.

9.5 Issues, Challenges, Opportunities and Lessons Learned

Bhutan's experience demonstrates that a well-structured ABS framework, anchored in strong legal provisions, community empowerment, gender-sensitive approaches, and transparent operational mechanisms, can successfully link the utilisation of genetic resources and traditional knowledge with conservation, sustainable use, and community development. The primary challenges arise from the country's geographical remoteness, capacity gaps, and complexity in harmonizing customary and formal systems. Addressing these challenges requires continuous outreach, technical support, monitoring, and inclusive engagement of all stakeholders.

Despite legal provisions, knowledge gaps persist, particularly in remote areas. Communities still lack a full understanding of ABS rights, PIC/MAT procedures, and sustainable harvesting practices. MAT negotiation and integrating diverse customary practices with national legal requirements are challenging, especially when multiple communities or stakeholders are involved. Moreover, ensuring fair and inclusive distribution of monetary and non-monetary benefits remains an ongoing challenge. Furthermore, tracking the impact of ABS benefits on biodiversity conservation and livelihoods is difficult due to limited resources, geographical remoteness, and the need for continuous technical support.

PART X - TRANSBOUNDARY COOPERATION

10.1 Cooperation on Shared Genetic Resources Across Parties with IPLC Involvement

Bhutan has not yet actively cooperated in cases where the same genetic resources occur in situ across the territories of more than one Party, and no formal transboundary ABS agreements have been concluded. However, the BAB 2022 authorizes the NFP to cooperate with neighboring countries to ensure that access to shared genetic resources complies with each other's national requirements. Bhutan recognizes that the Himalayan region comprises many shared ecosystems and acknowledges that future collaboration, where applicable, with the involvement of local communities from relevant parties will be essential to ensure fair and equitable benefit-sharing and the long-term sustainable management of transboundary genetic resources.

10.2 Cooperation in instances where the same traditional knowledge associated with genetic resources is shared by one or more indigenous peoples and local communities in several Parties

Bhutan has not yet formally cooperated in cases where the same traditional knowledge associated with genetic resources is shared across borders, and no transboundary ABS agreements on shared traditional knowledge have been concluded. While traditional knowledge is collectively held by local communities, Bhutan's ABS framework ensures its recognition through PIC and MAT requirements. Bhutan recognizes that shared ecosystems and cultural practices in the Himalayan region may require future cooperation, including community involvement, to ensure fair and equitable benefit-sharing and sustainable management of traditional knowledge.

10.3 Issues, Challenges, Opportunities and Lessons Learned

Bhutan has established measures to support transboundary compliance but has not yet encountered such cases and has no experience to date. The country has not engaged in transboundary ABS agreements as of this reporting period. However, future situations may arise, and current legislation provides a framework to ensure compliance and guide appropriate actions.

PART XI - MODEL CONTRACTUAL CLAUSES, CODES OF CONDUCT, GUIDELINES AND BEST PRACTICES AND/OR STANDARDS

11.1 Encouragement of Model Contractual Clauses for MAT

Bhutan has promoted the use of model contractual clauses to ensure that PIC and MAT are handled clearly and fairly under the national ABS. The BAB 2022 and the BRR 2023 provide standard agreement formats and model clauses. These are used in ABS agreements with communities, private companies and research institutions. The clauses outline benefit-sharing arrangements, roles and responsibilities, compliance requirements and reporting provisions straightforwardly. So far, all ABS agreements have followed these model clauses. Their consistent use has helped maintain transparency, legal clarity and fairness, particularly for communities providing genetic resources and traditional knowledge.

11.2 Encouragement of Codes of Conduct, Guidelines, and Best Practices

Bhutan has encouraged the use of codes of conduct, guidelines and best practices primarily through government-led initiatives. The NFP has developed, updated and disseminated national ABS guidelines and an ABS Management Toolkit to support stakeholders in increasing awareness and in implementing ABS requirements. <https://nbc.gov.bt/wp-content/uploads/2025/08/ABS-Toolkit-final-1.pdf>. These tools provide practical guidance on ABS procedures, roles and responsibilities, benefit-sharing arrangements and compliance obligations, and are applied by government agencies, research institutions, local communities and private sector users of genetic resources. While Bhutan has not formally encouraged the development of separate codes of conduct or standards by non-governmental actors, the use of these national guidelines and best practices effectively promotes responsible ABS implementation in line with national legislation and the objectives of the NP.

11.3 Issues, Challenges, Opportunities and Lessons Learned

Bhutan has taken proactive steps to strengthen the legal and operational framework for ABS through the development and promotion of model contractual clauses, codes of conduct, guidelines, and best practices. These initiatives aim to ensure that the negotiation and implementation of MAT are transparent, fair, consistent, and aligned with biodiversity conservation and community benefits. The adoption of Model Contractual Clauses has reduced

ambiguity in ABS agreements by providing clear provisions for PIC, MAT, benefit-sharing obligations, recognition of TK custodians, and allocation of monetary and non-monetary benefits. This standardization has improved confidence among communities, researchers, and enterprises and accelerated negotiations. The establishment of codes of conduct, guidelines, SOPs for PIC and MAT, and the ABS Toolkit has institutionalized ethical practices in research, cultivation, and bioprospecting. Sector-specific initiatives, such as the Union for Ethical BioTrade (UEBT for *Swertia chirayita* exercise and the introduction of the national ABS logo (2025), incentivize compliance with conservation and ethical standards, enhancing transparency and market credibility.

PART XII - AWARENESS-RAISING AND CAPACITY BUILDING

12.1 Measures to raise awareness on the importance of genetic resources, associated traditional knowledge and ABS

Bhutan has taken several measures to raise awareness on the importance of genetic resources, associated TK, and ABS, in line with Article 21 of the NP.

Some examples:

- National outreach: The NFP conducted workshops, seminars and awareness programme nationwide, reaching over 11,000 participants in 205 gewogs (Blocks).
- International engagement: An International Seminar on traditional knowledge was convened to share experiences and strengthen regional collaboration.
- Policy awareness: Campaigns supported the adoption of the National ABS Policy and the BAB 2022, ensuring stakeholders understood their rights and responsibilities.
- Ethical branding: The launch of the national ABS logo (2025) promoted ethical bioprospecting and built consumer trust in ABS-based products.
- Community partnerships: Pilot ABS projects with UNDP/GEF in rural communities demonstrated how benefit-sharing can support both conservation and livelihoods.
- Youth and education: Initiatives targeted students and young people through the Bhutan Biodiversity Portal, encouraging citizen science, biodiversity management, and intergenerational awareness.
- Community protocols and manuals: Local communities developed bylaws and cultivation/harvesting manuals for both wild and cultivated genetic resources, providing practical guidance on sustainable use and reinforcing awareness at the grassroots level.
- ABS Toolkit and guidance materials: Simplified, locally translated resources make ABS concepts accessible to rural communities, supporting meaningful participation.
- Education and academia: NBC engages students in environmental science streams at the Royal University of Bhutan through lectures and awareness sessions, fostering future biodiversity governance expertise.

- Community outreach: Scheduled village visits inform communities about ABS processes, rights, and responsibilities, empowering holders of the traditional knowledge.
- Engagement with interns and visitors: National and international interns and visitors are briefed on Bhutan's ABS strategy, promoting youth engagement, cross-learning, and international visibility.
- Public media outreach: Radio, television, and print media campaigns raise public awareness on the value of genetic resources and fair benefit sharing. Bhutan hopes to institutionalize a permanent ABS help desk to provide ongoing guidance. Bhutan also plans to establish clear indicators to track awareness outcomes and measure impact.

Although Bhutan has been actively conducting awareness and advocacy programs in the country, it still does not have a formal CEPA strategy. We plan to develop a CEPA Strategy as ABS is one of the main components reflected in Bhutan's 5th NBSAP.

12.2 Measures to build and develop its capacity and strengthen its human resources and institutional capacities to effectively implement the Protocol

Bhutan has undertaken comprehensive measures to strengthen its institutional, human, and technical capacities for effective implementation of NP.

Key Measures Include:

1. Institutional Strengthening

- The NBC as NFP has been reinforced to coordinate ABS activities at the national level.
- Inter-agency mechanisms were established with DoFPS, BFDA, DoA, DoL, DECC, DoMCIIP, Department of Revenue and Customs, and the Royal Bhutan Police, ensuring ABS responsibilities are integrated into sectoral mandates.
- Administrative systems were set up to manage access applications, PIC, MAT, and benefit-sharing agreements, providing greater clarity and efficiency.

2. Human Resource Development

- Training workshops were conducted for government officials, researchers, and community leaders on PIC, MAT, contractual clauses, benefit-sharing, and intellectual property rights.

- Specialised training was provided to enforcement agencies to strengthen compliance and monitoring.
 - Community-level capacity building was integrated into biodiversity-based livelihood projects, linking ABS principles with tangible economic benefits.
3. Technical and Practical Tools
- Development of SOPs, model MAT clauses, benefit-sharing templates, and community protocols to standardise ABS processes.
 - Dissemination of the ABS Toolkit and training manuals in local languages, making technical content accessible to rural communities and custodians of traditional knowledge.
4. International Support and Collaboration
- Partnerships with GEF, UNDP, the Small Grants Programme, and regional ABS networks provided financial and technical support.
 - Integration of international standards for ethical sourcing and traceability, including the UEBT initiative on *Swertia chirayita*, strengthened Bhutan's alignment with global best practices.

12.3 Data on Capacity-Building Activities During the Reporting Period

Bhutan has undertaken extensive capacity-building activities to strengthen institutional, human, and technical capacities for the effective implementation of the NP and its national ABS framework. During the reporting period, around 11,000 people participated in 50 workshops and training programme, supported by 10 active capacity-building initiatives. These activities targeted multiple levels, from national authorities to local communities, and focused on key areas of ABS implementation. At the institutional and legal level, Bhutan has:

- Established a seven-member Competent National Authority (CNA) and briefed them on their roles and responsibilities.
- Revised the BAB 2003 to BAB 2022 and developed BRR 2023 to include provisions on ABS and traditional knowledge.
- Aligned the 5th National Biodiversity Strategy and Action Plan (2025) with the Kunming-Montreal Global Biodiversity Framework.
- Formalized multi-sectoral checkpoints and the ICPMS system to regulate and monitor ABS implementation.

On the technical and community side, capacity-building included:

- Trained nine entrepreneurs and nine communities on bioprospecting, product development, and sustainable management of genetic resources.
- Strengthened laboratory skills of NBC Bioprospecting Lab staff in advanced phytochemical analysis to support private sector and academic research.
- Conducted workshops for ABS checkpoint and ICPMS officers on compliance, roles, and transit mechanisms.
- Trained entrepreneurs and communities on Mutually Agreed Terms (MAT) to ensure equitable benefit-sharing.
- Launched ABS logo under the “Scaling Bioprospecting as Nature-based Solution” project to identify and promote compliant products.
- Tested Bhutanese Bioprospecting practices in Nepal through ICIMOD to support mountain community livelihoods and regional ABS implementation. These combined efforts have significantly enhanced Bhutan’s institutional, technical, and community capacity, creating a strong foundation for ethical, transparent, and sustainable ABS implementation across the country

Table 9: Capacity building throughout the implementation period

Number of people trained: (11000)
Number of workshops/trainings: (50)
Number of active capacity-building and development initiatives: (10)

Bhutan has undertaken extensive capacity-building activities to strengthen institutional, human, and technical capacities for the effective implementation of the NP and its national ABS framework. During the reporting period, around 11,000 people participated in 50 workshops and training programme, supported by 10 active capacity-building initiatives.

12.4 Capacity-Building Support to Other Parties for Protocol Implementation

Bhutan has not yet undertaken direct measures to build or develop the capacity of other Parties to the Nagoya Protocol, being a country with an economy in transition. However, Bhutan has shared its experiences and lessons learned in ABS implementation with other Parties through formal and informal channels to test its real-life applicability in the field. Key activities include:

- **Regional collaboration:** Bhutanese ABS practices, tools, and community-based approaches have been shared and tested in Nepal through ICIMOD, supporting mountain community livelihoods and ABS implementation in the region.
- **Asian ABS Academic Forum (AAAF):** Bhutan participated in this forum to present national experiences, discuss challenges, and explore opportunities for the Asian region. The forum brings together governments, academia, and practitioners to exchange knowledge and promote regional collaboration on ABS.
- **Capacity-building and technical guidance:** While no formal mechanisms exist for directly training other Parties, information on Bhutan's ABS legislation, institutional arrangements, and benefit-sharing practices has been informally shared during workshops, study visits, and regional meetings.

Although Bhutan has not yet implemented structured capacity-building initiatives for other Parties, it remains committed to leveraging its growing expertise to expand into future cooperative initiatives, including technical training, peer-to-peer exchanges, and joint capacity-development programme, once resources and opportunities allow. All these activities will be assessed for their competence and accordingly updated in the ABSCH, ensuring transparency and sharing of Bhutan's experience to support other Parties in building institutional, human, and technical capacity for ABS implementation.

12.5 Issues, Challenges, Opportunities and Lessons Learned

Bhutan has made significant progress in raising awareness on genetic resources, traditional knowledge, and ABS, and in strengthening human and institutional capacity to implement the NP. These efforts have been guided by the BAB 2022, the BRR 2023, and the strategic frameworks provided under the Protocol.

Bhutan's multi-level approach covering national, regional, and community levels has successfully reached diverse stakeholders. Workshops, seminars, awareness campaigns, and educational initiatives were conducted and engaged over 11,000 participants across 205 gewogs (blocks), including local leaders, students, women, and youth custodians of TK.

This demonstrates that systematic, inclusive awareness efforts significantly improve understanding of ABS principles. The development of the ABS Toolkit, community protocols, SOPs, and manuals for the cultivation and harvesting of genetic resources has made complex ABS concepts accessible to communities, including those in remote areas. Further, materials in local languages ensured that most of the rural custodians of TK could understand their rights, obligations, and opportunities under the ABS framework.

Pilot ABS projects and ethical branding initiatives, such as the ABS logo (2025), have illustrated how benefit-sharing can simultaneously support biodiversity conservation and livelihoods. The experiences from projects like *Swertia chirata* cultivation and domestication demonstrated that communities are more engaged when awareness campaigns are coupled with practical economic and conservation outcomes. Comprehensive training for government officials, researchers, community leaders, and enforcement agencies has enhanced technical skills, legal literacy, and negotiation capacities. Nonetheless, the use of model MAT clauses, benefit-sharing templates, and ABS-compliant bioprospecting tools has strengthened implementation fidelity and operational transparency.

PART XIII - TECHNOLOGY TRANSFER, COLLABORATION AND COOPERATION

13.1 Collaboration in Technical and Scientific Research on ABS

Bhutan has actively collaborated in technical and scientific research and development programmes related to ABS. These initiatives focus on technology transfer, ethical bioprospecting, institutional strengthening, and community capacity development. Some of the examples are;

- **Scaling Bioprospecting for Green Mountain Livelihoods (2025):** NBC partnered with ICIMOD to promote bioprospecting as a nature-based solution, working with local entrepreneurs to develop wellness and personal care products while ensuring ethical sourcing in line with ABS principles.
- **Launch of Nine ABS-Based Products:** On 10 July 2025, NBC, in collaboration with eight local entrepreneurs, launched nine bioprospecting products following R&D, market testing, and mentoring support.
- **Phytochemical Analysis Collaboration:** NBC, in partnership with the University of Melbourne, Australia, conducted phytochemical analysis on traditional knowledge associated with genetic resources and developed laboratory standards informed by their expertise.
- **ABS partnership:** Currently, there are six active ABS partnerships, of which eight are with international companies.

13.2 Issues, Challenges, Opportunities and Lessons Learned

Collaboration with UNDP, GEF, ICIMOD, Chanel PB, and UEBT strengthened Bhutan's technical expertise in ABS implementation, ethical bioprospecting, and traceability standards. Joint initiatives, such as *Swertia chirayita* cultivation, processing and biodiversity-based livelihood programmes, provided platforms for technology transfer, sustainable harvesting practices, and community-level benefit sharing.

NBC upgraded its bioprospecting laboratory to support biodiscovery research, training, and implementation of ABS agreements, with technical inputs from international partners and users of

genetic resources. This infrastructure, combined with technical guidance from international partners, allowed Bhutan to bridge gaps between research, community application, and policy compliance, reinforcing both capacity and credibility.

Bhutanese officials and local community representatives participated in workshops and forums under the CBD and NP, sharing experiences on PIC/MAT negotiations, compliance monitoring, and institutional development, while adopting best practices from other Parties.

Bhutan's approach linking R&D, community livelihoods, and ABS policies has enabled practical implementation of ABS agreements, resulting in nine ABS-compliant bioprospecting products launched in 2025, demonstrating tangible outcomes of cooperation and technology transfer.

However, advanced R&D and complex negotiations require skills that are still developing within Bhutan, limiting the scope and sophistication of collaborative programmes.

PART XIV - FINANCIAL RESOURCES AND RESOURCE MOBILIZATION

14.1 Provision of Financial and Other Resources to Other Parties for Implementation of the Protocol

Bhutan has received financial and technical support amounting to USD 4,51,718 from international partners and financial institutions to implement the NP during the reporting period. The support came primarily from multilateral agencies and regional collaborations, rather than direct bilateral funding from other Parties.

Table 10: Key financial resources received for the implementation of ABS

Funding	Amount (USD)	Particulars
GEF Small Grants Programme (GEF SGP)	47,500	Community-based biodiversity initiatives aligned with ABS objectives, including strengthening local capacity, promoting sustainable resource management, and improving livelihood opportunities connected to genetic resources.
International Centre for Integrated Mountain Development (ICIMOD)	50,000	Nature-based Solutions (NbS) initiatives to strengthen bioprospecting efforts, promote sustainable use of genetic resources, and enhance community-based ABS implementation in mountain landscapes.
Bhutan for Life (BFL)	35,845	Documentation of traditional knowledge (TK) in protected areas, helping safeguard community knowledge systems and strengthen the ABS framework related to TK-associated with genetic resources.
Chanel (Chanel PB)	3,18,373	Expanding bio-exploration initiatives to strengthen ABS implementation in Bhutan. This included research, sustainable sourcing, community engagement, and value chain development linked to genetic resources.
Total	4,51,718	

14.2 Budgetary Mechanisms for Implementation of the National ABS Framework

Bhutan has made budgetary arrangements to support the implementation of its national ABS framework. Each year, the Ministry of Finance provides funding support through the Ministry of Agriculture and Livestock (MoAL) and the National Biodiversity Centre (NBC). This funding supports coordination, awareness programmes, training workshops, and monitoring related to ABS. The budget, however, is limited, and some planned activities have to be adjusted or scaled down due to financial constraints. At the same time, efforts are ongoing to operationalize the Bhutan ABS Fund as a long-term financing mechanism. The Fund is intended to channel monetary benefits from ABS agreements into biodiversity conservation and community development, helping to strengthen the sustainability of the ABS in the future.

14.3 Mainstreamed Program with the dedicated staff for the implementation of the Protocol

Yes, Bhutan has designated full-time staff within the NBC to carry out functions directly related to the implementation of the NP.

- A dedicated ABS Unit within NBC is responsible for coordinating access applications, PIC, MAT, benefit-sharing agreements, and reporting obligations.
- The unit currently comprises five full-time technical officers working at the ABS unit.
- Additional staff are engaged on a project basis through externally funded initiatives (e.g., UNDP–GEF ABS project, Small Grants Programme), providing technical and community-level support.
- Funding for core staff positions is secured through annual government budget allocations, while project-based staff depend on time-bound external financing.

14.4 Issues, Challenges, Opportunities and Lessons Learned

Bhutan's experience with resource mobilization for the implementation of the NP has combined national budgetary allocations, external project financing, and technical cooperation.

- National allocations: ABS activities are integrated into the national budget under biodiversity conservation programmes, providing recurrent funding for NBC/NFP to coordinate implementation, awareness programmes, and monitoring.
- External financing: Approximately USD 4,51,718 was mobilized during the reporting period through GEF, ICIMOD, Chanel PB and BFL. These resources supported legal framework development, upgradation of the laboratory, awareness campaigns, community livelihood projects, TK documentation and others.
- In-kind contributions: International partners provided technical expertise, training, and standards for ethical bioprospecting and traceability, complementing financial resources.
- Community-level mobilization: Resources supported village-level awareness and capacity building, reaching over 11,000 participants across 205 gewogs, ensuring holders of traditional knowledge and local communities understood their rights and responsibilities.
- Emerging mechanisms: Work is underway to operationalize the Bhutan ABS Fund as a long-term financing mechanism to channel monetary benefits from ABS agreements into conservation and community development.

Currently, Bhutan heavily depends on project-based external funding, with small national budget allocations and gaps in biotechnology, legal drafting, and monitoring expertise.

PART XV - MEASURES RELATED TO OTHER INTERNATIONAL INSTRUMENTS

15.1 Party to a specialized international access and benefit-sharing instrument

Bhutan is currently not a Party to any specialised international ABS instrument beyond the NP. Bhutan has not adopted specific measures to implement any specialised international access and benefit-sharing instrument, as it is not a Party to any such instruments beyond the NP. All ABS-related measures in Bhutan are implemented under the national framework established by the BAB 2022 and the BRR 2023, which align with the provisions of the NP.

Bhutan's Bioprospecting (BP) and ABS framework has been effectively piloted as a model for nature-based solutions both within Bhutan and in Nepal. The model promotes inclusive and sustainable practices by clearly identifying genetic resource users and the local communities involved. It supports the development of business plans centered on product innovation, while ensuring that users work directly with rural communities to mobilize resources and implement sustainable management practices.

Through this framework, communities commit to supplying high-quality raw materials consistently, which strengthens the value chain and improves traceability. In return, they receive not only premium prices for the raw materials provided but also a share of the revenue from final product sales as a benefit. This dual benefit-sharing approach fosters long-term economic incentives and encourages active community involvement in the conservation and responsible use of biodiversity.

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2026*

ANNEX 1: Links to the national and regional consultation meeting conducted for the preparation of the report

Sl.no	Date	Place	Name of the Meeting	Link
1	18th December, 2025	Thimphu	Inception and First TWG Meeting	Inception Meeting
2	12 th January, 2026	Gelephu	Regional Consultation Meeting for South and Central Region	First Regional Consultation Meeting
3	14 th January, 2026	Samdrup Jongkhar	Regional Consultation Meeting for Eastern Region	Second Consultation Meeting
4	16 th January, 2026	Phuentsholing	Regional Consultation Meeting for South Western Region	Third consultation Meeting
5	21th January, 2026	Punakha	Regional Consultation Meeting for Central Region	Fourth Consultation Meeting
6	22th January, 2026	Paro	Regional Consultation Meeting for Western Regions	Final Consultation Meeting
7	2nd February, 2026	Thimphu	Final TWG Meeting	Final TWG Meeting
8	24 th February, 2026	Thimphu	Final National Consultation Meeting	Final National Consultation Meeting for Report Submission

*Protecting Bhutan's genetic resources, respecting traditional knowledge,
and advancing fair and equitable benefit-sharing for present and future
generations.*

Supported by:



**Convention on
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