



SUPPORTING
AN ENABLING ENVIRONMENT
FOR CIVIL SOCIETY

Enabling Environment Snapshot

Bhutan

28 January 2025

Context

Bhutan transitioned from an absolute monarchy to a parliamentary democracy in 2008. Since then, there have been four multiparty elections, the most recent one being in 2024 which brought an [experienced political party into power](#). The elections have seen peaceful transitions of power, with no reported electoral violence, although there have been [hints of regionalism in voting trends](#) which has raised concerns among the general population about the social implications in a small society of divisions arising along regional lines. A [written constitution](#) was adopted in 2008 as part of transitioning into a democracy which clearly states the importance of civil society; however, civil society in general and CSOs face challenges of recognition and support. So far, Bhutan has [ratified 3 international human rights treaties](#) and 2 optional protocols, and [there are calls](#) to ratify other core international human rights treaties including the International Covenant on Civil and Political Rights. On gender, the country faces increasing levels of gender-based violence and an overall low representation of women in decision-making (e.g. women's representation in Parliament has hit a record low at 6.9%). Other current challenges include the unprecedented rate of economic migration of Bhutan's skilled workforce, [dubbed an existential threat](#) by the Prime Minister, and the linked inability of the economy to create decent employment opportunities for youth.

1. Respect and protection of fundamental freedoms

In Bhutan, civic freedoms such as freedom of association, expression and assembly are protected by [Article 7 of the constitution](#) and are generally respected. Bhutan has shown stable, mid-range performance across the four categories (Representation, Rights, Rule of Law, Participation) of the [Global State of Democracy framework](#) and has been ranked '[partly free](#)' by Freedom House. Of late, the [dissolution](#) of a network of CSOs (Bhutan Civil Society Network) was a blow to progress made in increasing collaborative voice and action among civil society actors. The non-registered nature of the network and its role in mobilising and representing CSOs were seen as issues by the State; on their part, network members believe that registering the network would compromise its independence and its representational and advocacy objectives. This is a [constraint](#) on association among CSOs. It is an indicator of shrinking space for engaging in policy dialogue and advocacy, which such networks facilitate. There are positive [examples of media-CSOs engagement](#) for advocacy. However, the media in general suffers from sustainability issues, challenges in accessing information, and self-censorship, which have together resulted in the country falling from 90th to 147th place in the [World Press Freedom Index](#).

2. Supportive legal framework for the work of civil society actors

Bhutan transitioned into a democracy in 2008; a precursor was the passing of the [CSO Act](#) in 2007 which enabled CSOs to register and become legal entities. Since then, there have been

robust developments in the number and diversity of engagement areas by CSOs. However, [amendments made in 2022](#) increased the number of government representatives in the Authority that regulates CSOs (from 3 to 5) while the number of seats for CSOs remained unchanged (at 2). The repercussions of rendering CSOs a clear minority in this body remain to be seen. Another regulatory change for all registered CSOs is the requirement for a category of CSOs (public benefit organisations) to secure an amount equivalent to EURO 34,000 and another category (mutual benefit organisations) to secure EURO 17,000 as endowment funds; additionally, amounts equivalent to EURO 11,300 and EURO 5,650 respectively for the two categories of CSOs are to be secured as operational fund reserves. This is as per [section 16 of the CSO Act](#) (Amendment) of Bhutan 2022. This is a significant amount to raise and hold as reserves, especially for smaller CSOs. As of August 2024, the Authority has granted a [time extension](#) to accumulate the endowment fund over four and three years respectively for the two categories of CSOs. While the Authority does not intend to deregister CSOs not meeting this requirement, it is expected to adversely affect their annual grading as per the CSO Accountability Standards.

In addition, the requirement in the CSO Rules and Regulations 2017, clause 101, on the need to renew registration certificates annually is an administrative burden while increasing uncertainty around CSOs, and could affect sourcing long-term donors, although requirements for renewal (annual report, fee) are straightforward. CSOs' efforts to extend the duration of registration certificates to three years have not been successful so far, e.g. during [discussions to amend the CSO Act](#) and at the [2023 Authority-CSO meeting](#).

3. Accessible and sustainable resources

Funding for civil society actors is largely from international donors and foundations and therefore a cause for concern for the overall sustainability of CSOs. Local financial contributions are [mainly for religious causes](#) rather than social and development causes, and Corporate Social Responsibility is a potential source that has not been leveraged enough. In 2024, the CSO Authority Secretariat took the positive initiative of allowing CSOs to run social enterprises, which offers another potential source that could help sustain CSO work. The impact of this on enhancing sustainable resources for CSOs remains to be seen. In a surprising but welcome move, the [government announced](#), in December 2024, an amount equivalent to EURO 3.37 million to support CSOs. Although the support is specifically for CSOs delivering social mandates, it is seen as potentially leading to greater government-CSO support and collaboration. It is not clear yet what conditions will be outlined for CSOs to access this fund. So far, there are no specific laws regarding foreign funding; however, the CSO Act requires CSOs to make full disclosure of financial information, including sources of funding.

4. State openness and responsiveness

Interactions between the State and CSOs tend to be ad-hoc and often in invited spaces with selective CSOs and with no follow-up on feedback provided. Of late, however, there have been demonstrated intentions (e.g. [Parliament-CSO Collaboration strategy](#); guideline for

Government-CSO collaboration under finalisation) to organise and structure such interactions more regularly, and increasing instances are observed of policy makers consulting CSOs on national policies and international commitments related to [women](#), [Persons with Disabilities](#), and the [UPR national Report](#) (22 CSOs consulted). Annual meetings, the most [recent one being in December 2024](#), between the government and CSOs have been taking place on an ad-hoc basis and based on availability of funding since 2016; from 2022 onwards, CSO interactions with the state are observed to have become more regular and have expanded to include Members of Parliament, providing greater opportunities for policy dialogues. To make strategic use of these avenues, greater attention is needed to establish a level playing field in the format of interactions, agenda setting mechanism, and feedback loop. For now, it is a significant milestone to have invited spaces and strategies for collaboration. On their part, CSOs have established thematic groups and hold quarterly meetings among themselves, which help to fill the vacuum left by the dissolution of the CSO Network.

5. Political Culture and Public Discourses on Civil Society

The role of civil society most recognised and publicly appreciated (in public speeches, reports, and in the recently announced allocation of funds for CSOs with social mandates) is that of charitable entities that [complement and supplement government efforts](#) to deliver social services to vulnerable groups. In parallel, there is a growing [self-censorship attitude](#) towards advocacy issues among CSOs coupled by public [perception](#) of CSOs in Bhutan as self-serving, not transparent, donor driven, promoters of disharmony, and there being too many entities. This not only erodes their legitimacy in the constituencies they ought to serve but leads to [political discourses](#) that aim to caution and regulate the functioning of CSOs.

The rights and welfare of vulnerable women (e.g. survivors of domestic violence), the LGBTQI community, Persons with Disabilities, people living with HIV and AIDS, disadvantaged children and youth, and animals have been consistently highlighted by CSOs. These are areas where civil society efforts are commended. Beyond social welfare topics, the exercise of civic rights and duties by civil society in a democracy [sees limited scope](#) and their [participation in policy issues and democratic governance are not really acknowledged](#).

Challenges and Opportunities

Implications of some of the amendments to the CSO Act, such as the increase in the number of government representatives on the CSO Authority, risk constraining civic space.

The recent Universal Periodic Review (UPR) process opens up space for dialogues on civil society as it places certain responsibility on the state to respond to feedback. The Government-CSO guideline is under finalisation and offers opportunities to institutionalise regular interactions. Bhutan ratified the Convention on PWDs in March 2024, which could mean collaboration and resource sharing between the State and civil society (CSOs have nuanced experiences).

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