

# Tourism Policy - the Way Forward

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Under the blessed stewardship of our visionary Kings, from the very start of tourism in the early 1970s, we have always been on the right road: a road that is less travelled; a road that is globally envied; a road to a very special destination -- a destination that is exclusive and happy, popularly known as “the last Shangrila”, the kingdom of Bhutan.

The policy of “high-value low-volume” has been steering this exclusive journey of Bhutan tourism for nearly five decades. Today, with a new goal to further enrich the direction, the journey and the destination, the Tourism Council of Bhutan (TCB) embraced “Taking Tourism to the Top” as an organisational motto. Taking tourism to the top has two dimensions. Firstly, it is about making Bhutan the world’s topmost tourist destination and, secondly, it is about making tourism our country’s key economic sector.

The time-tested policy of high-value low-volume has been a golden gift from His Majesty King Jigme Singye Wangchuck to his people and country since the early 1970s. This is being continuously nurtured by His Majesty King Jigme Khesar Namgyel Wangchuck. Therefore, the road for Bhutan tourism has been clearly laid out by the Monarchs and it is our sacred responsibility to pass on this legacy to the future generations, in policy and practice.

However, in recent times, Bhutan tourism is being hit by rough waves. These emerging rough waves, if not manoeuvred well and in time, could be a potential threat to the exclusive journey of Bhutan tourism.

Wrong business practices of undercutting, fronting, and bad debts are on the rise, poor services, an unbalanced spread of tourism benefits, an oversupply of hotels, low yield mass tourism, overcrowding at tourist sites, and uncontrolled littering are some disturbing trends that are emerging. All these need to be prevented, minimised, and stopped at any cost. We just do not have the luxury of any other option.

Talking about the direction Bhutan tourism needs to take, we really do not have an option but to continue with Brand Bhutan, which is associated with our Monarchs, with GNH, and the high-value low-volume policy. Our vision is to take Brand Bhutan to the top of the world, make Bhutan the world's most exclusive travel destination, and play a more meaningful role in promoting happiness for our citizens and our guests, therefore enhancing Gross Global Happiness. Therefore, our goal is to further strengthen the Bhutan brand. This means we want to make Bhutan even more exclusive and of high value.

### **How Do We Do This?**

First and foremost, we need to put in place a comprehensive national tourism policy to provide the overall framework and direction for the development of the tourism industry. I believe the time-tested vision of high-value low-volume will be the cornerstone of the national tourism policy. The sustainable approach of high-value low-volume should consistently seek to ensure a cautious tourism industry growth within the carrying capacity of our natural environment, socio-cultural environment, service and infrastructure which meets the needs of present visitors, while enhancing and ensuring opportunities for the future. This will be best ensured through the pricing policy of a minimum daily package rate guided by the overall development philosophy of Gross National Happiness (GNH).

The policy is also expected to continue to offer Bhutan as a unique and distinctive experience to the world -- a spiritual, cultural and natural heritage -- a way of life which is a living tradition for the people of Bhutan and a brand that is a significant tourist attraction.

The policy should focus on creating high value for all stakeholders involved -- delivering experiential and immersive tourism experiences through better quality products and services, while earning higher revenue returns for all the local stakeholders. The high value is in terms of value for money, high revenue/yield, high-quality tourism products and services, experiential travel, good infrastructure, and the Bhutan brand.

The low-volume aspect of the policy, on the other hand, should ensure that the number of tourist arrivals is decided by the absorptive carrying capacity of our resources and services. It does not necessarily mean that there will be a reduction or restriction on the number of visitor arrivals. Put together, by high-value low-volume, we are talking about promoting and practicing targeted guests and regulated arrivals so that visitors get the best services for an exclusive experience.

Secondly, the institution and the organisation of tourism in the country need to be strengthened in terms of human resources and budget. The present organisation -- the Tourism Council of Bhutan -- is severely constrained in terms of human resources, both in number and quality. A sector that is today second only to hydropower, and has the real potential to lead in terms of revenue earnings and employment opportunity, deserves much more priority. As of now, TCB has just a handful of staff at the officer level, who are also bogged down with routine work, without any time for strategic planning and direction. This is a serious shortcoming that has to be addressed if tourism is to live up to the high expectations of the nation and to take advantage of the real potential it can offer.

Thirdly, the spirit of ownership and responsibility of all citizens in tourism development should be strengthened. We Bhutanese need to understand and accept that the onus and the responsibility lie on ourselves to take and keep tourism at the top. Today, it appears that we conveniently want to believe that the emerging challenges are not our creation but something being imposed upon us by some external forces and, therefore, happily wait for others to do what is necessary. I believe this gross error is the core issue that we are faced with today in the tourism sector. I would like to elaborate this point with two emerging issues -- the growing litter problem and Bhutan being sold cheaper.

While tourists are contributing to the increasing litter, I believe if all Bhutanese people take care of our own litter, the litter problem at the national level would be manageable. We could lead by example. For instance, it is a common experience that when one travels to a destination like Singapore, one automatically minds one's litter. One suddenly becomes conscious and responsible and the situation should not be any different here.

We also tend to blame overseas tour operators and agents for selling Bhutan cheaper. I believe this is wrong. We know that, under the present tourism system, no tourist can visit Bhutan without a Bhutanese ground handler. This means the Bhutanese ground handler has to agree to the price tourists pay. But, because of the cut-throat competition among the Bhutanese ground handlers, the price offered to the overseas tourist, tour operator, or an agent may be far below the set minimum rate. This is also known as undercutting, which happens to be the biggest threat to the hard-earned Brand Bhutan, a brand associated with exclusivity and high value. This situation is contributing to the emerging problem of mass tourism with a lower yield.

Fourthly, we need to all come together as one team through strong partnerships and solidarity. As tourism is multi-sectoral in nature, there is also a need to strengthen partnerships and coordination among the stakeholders in the tourism industry. The primary stakeholders -- the tour operators, the hoteliers, the guides, the handicraft dealers, the transporters, including the airlines -- need to develop and promote win-win business models instead of cut-throat and win-lose models, which appears to be the trend.

Let me humbly conclude with a Royal quote that inspiringly summarises the way forward for tourism in the Kingdom of Bhutan:

*“...when Bhutan opened to foreign tourists in the 1970s, our leadership resisted the temptations to harness a quick fortune from mass tourism and instead, was prescient to formulate a visionary policy of high-value low-volume tourism. The wisdom of our tourism policy has led to the emergence of a strong Brand Bhutan -- an exclusive destination.”*

His Majesty The King, 24 May 2019.