

The Loden Report

Losar 2020



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The gift of knowledge is the best gift.

-The Buddha in Dharmapada, XXIV.21



“As a small country, we should be more efficient and effective than others. We must be able to address challenges and seize opportunities promptly.

It is time to acknowledge our shortcomings, and act swiftly to correct them. The government, lawmakers, civil service, and institutions must undertake the responsibility of restructuring and improving our laws, policies and procedures.”

- His Majesty The Druk Gyalpo Jigme Khesar Namgyel Wangchuck

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Designed at iBEST STUDIOS

Table of *Content*

Message from the President	4
Message from afar	5
Loden Education Initiative	7
Loden Early Learning Centre	8
Loden Child Sponsorship Programme	10
Loden Youth Scholarship	12
Bhutan Dialogues	14
Loden Entrepreneurship Programme (LEP)	17
Loden SEED (Student Empowerment through Entrepreneurship Development)	18
Bhutan Student Entrepreneur Award 2019	20
2019 Loan Recipients	22
Loden Mentorship Programme	28
Best Loden Entrepreneur Award 2019	29
Druk Tshongrig Gatoen 2019	30
Loden Culture Programme	32
Digital Documentation of Bhutan's Written Heritage	34
Digitization of Kanjur in Tashi Yangtse	35
Bhutan Read to Light	35
Towards Cultural and Scientific Partnership	36
Made in Bhutan -Entrepreneur Stories	37
Partners and Donors	38
Financial Report	40
Our Team	42
Stalwarts Supporters and Contacts Abroad	43
Loden's New Offering to Bhutan	44

Message from the President



Kuzuzangpo La!

As we embark on a new twelve-year cycle, it gives me pleasure to convey my heartfelt greetings to our supporters, beneficiaries, friends and well wishers around the world. The past cycle in general and the last year of Earth Pig, 2019, has been momentous and exciting for the Loden Foundation, Bhutan and the world as a whole. Living on a hilltop in the centre of Thimphu, I could closely observe Bhutan go through both triumphs and tribulations, and the fresh Loden management team flourish and sometimes fumble.

As the figures in the report show, Loden has achieved many milestones. Our five early learning centres continue to get better with experience, some 182 students received support to go to school and 50 to pursue University degrees in fields Bhutan needs. Having missed the opportunity to become a medical doctor, which I strongly desired in my youth, I made a pledge to raise funds for at least 10 MBBS students to minimize the shortage of physicians in Bhutan. In 2019, through your generous support, we achieved our goal, and now have 22 scholars in the field of medicine and health.

In the previous Rat year, we launched our entrepreneurship programme to help create a culture of enterprise. Today, we are witnessing a wave of social entrepreneurs, who contribute significantly to the creation of jobs and a sustainable economy. In the meantime, our cultural projects continue to effectively bridge Bhutan's past with the future.

As the New Year of Iron Rat, 2020, unfolds, we are acting on another one of our pledges for Bhutan. Thimphu has 636 bars but only one shabby public library. Having obtained a wonderful spot in low income area of Thimphu, we are bent on creating a learning hub to enhance our programmes and activities. We deeply hope that you will join us, as always, on this exciting journey of creating a vibrant centre to promote education, entrepreneurship and enlightenment.

Lopen Karma Phuntsho
Founder and President

Note from Afar

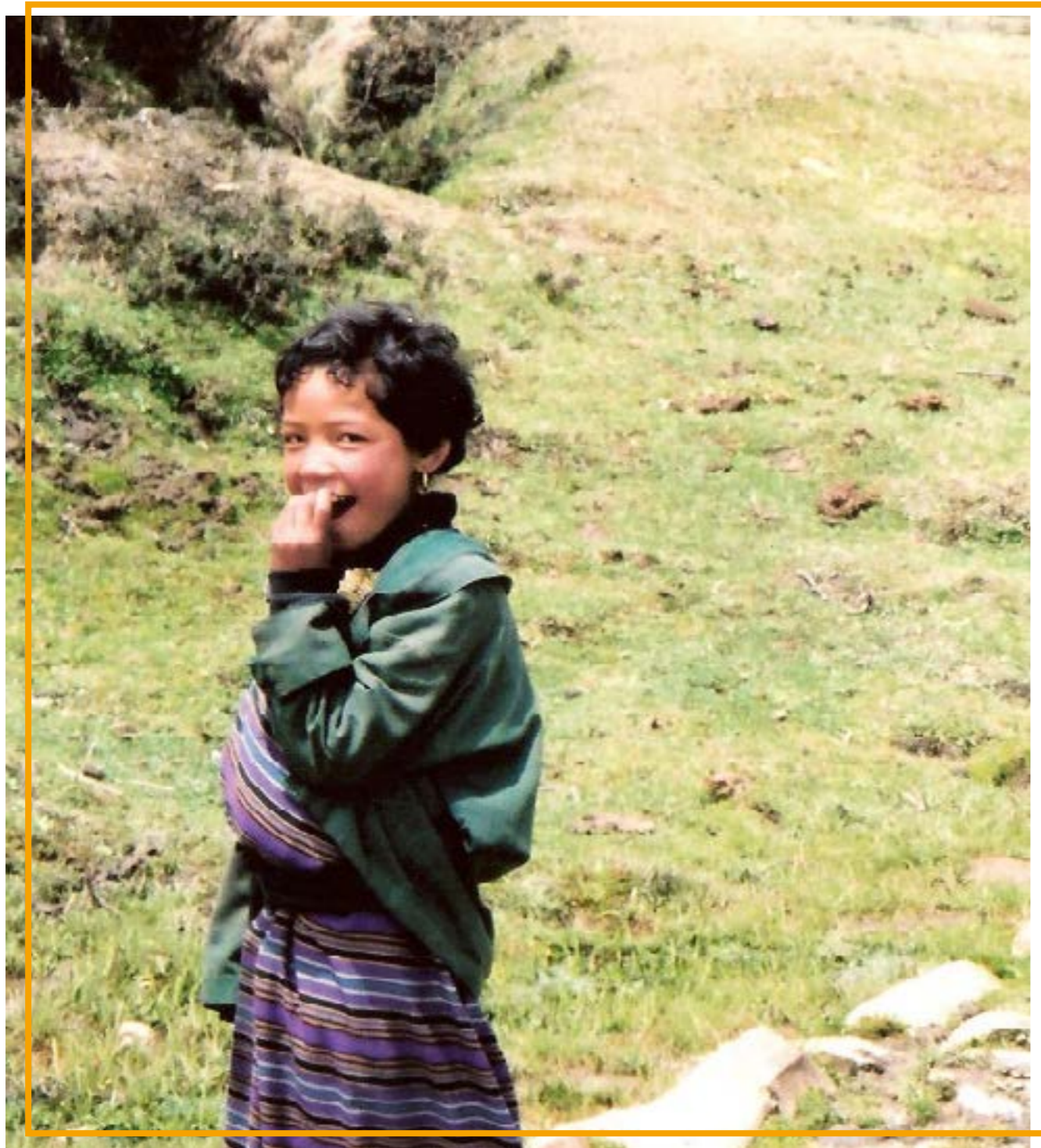
2019 has witnessed new progress, both in Loden and in Bhutan. The Loden entrepreneurs are now taking lead beyond Loden on larger scale. During the Druk Tshongrig Gatoen in October, the entrepreneurs have been the real "stars" of the event, not only on stage but also backstage.

With the help of dedicated and efficient team of Loden, this movement started earlier in the year with entrepreneurs helping each other in an informal way until this association became formal in June, under the name BAEyul (Bhutan Association of Entrepreneurs). It is now functioning as a resource for anyone who wants to share experiences, seek advice or launch events.

On the other hand, the Loden SEED programme is gaining popularity among educational institutions across Bhutan. The students are taking the notch higher, testing their ability and drive as potential entrepreneur.

We hear that on 112th National Day, the royal address by His Majesty, the Fifth Druk Gyalpo Jigme Khesar Namgyal Wangchuck highlighted the role of youth and Bhutan's economy. Loden is inspired by this focus on the empowerment of youth and the need for a robust and inclusive economy.

Anne and Gérard Tardy



Loden beneficiary Dechen Choden in 2000. Dechen has finished University and works in Bumthang today.

LODEN EDUCATION INITIATIVE



50

youth scholarship provided since 2012 including 8 in 2019



182

child sponsorship provided since 1999 including 24 in 2019



500+

children between the age of 3-4 graduated from the centres including 117 enrolled in 2019



5

early childhood care and development centres established since 2008

LODEN EARLY LEARNING CENTRES



Early childhood is known to be the most formative period of a child's cognitive, emotional, and social development. It is known to have a lasting impact on how they are as grown-ups. Investing in the early years of childhood can ensure generations of children who will grow up to be successful and responsible adults. The Loden Early Learning Centres provide opportunity to rural children to have timely start in their education. Since 2008, we established five centres in Bumthang (Ura), Zhemgang (Goshing), Paro (Dawakha), Mongar (Limethang) and Samtse (Norbugang).

Our facilitators - most of whom are from the same community - work closely with the community members and their respective sister schools to cater to the needs of the children. The children - mostly between the age of 3-5 years old - are engaged with activities such as developing good manners

and hygiene, learning both Dzongkha and English nursery rhymes, understanding the importance of the value of home, sense of community, parents, learning the importance of environment that includes introductions to animals, plants, insects and basic responsibilities such as waste management and keeping their centre tidy. The centres are equipped with necessary educational materials updated each year, a playground so that they learn to enjoy playing and stay healthy. We continue to build the capacity of our facilitators so that they are able to provide a wholesome and inclusive education for the children.

Since its launch, more than 500 children graduated including 57 boys and 60 girls enrolled in 2019.

We thank UNICEF Bhutan and Ministry of Education who are our close partners.

A note from our most senior facilitator

When Loden established the first-ever early learning centre in Bhutan in 2008, many parents at our village didn't know what it was all about because they had never heard of a "school" for children below six years of age. I shared the same opinion and wondered why send children to school at such young age. Usually, children who are six years of age would get enrolled in Class PP and children before that age would just remain at home with their parents. That was just the way things were.

Then, the school principal explained to the community the importance of such a centre and how it would prepare the children as they wait to join the mainstream education system and other benefits. I remember very clearly when the centre opened, which was of course free of cost, the children were happy they could come and play together in a safe place, and parents were overjoyed that they had found a place to keep their children while they went away to work, mostly in the field. So, the centre opened with a lot of hope and excitement with about 40 children.

At the time, I had just graduated from class 10 and did not meet the minimum required cut-off marks to get into a government high school. And, being a daughter of simple farming parents, it was already established that I will not continue my studies mainly due to financial constraints. I would remain at home to help my family. It seemed like my life had come to a stand still and I saw my dream of becoming a teacher slowly vanishing. However, as luck would have it, Loden was looking for a member of the community to serve as a facilitator and I was recruited. Not only I was employed but my dream to be a teacher had come true and I am so very grateful for that.

Today, it has been over 12 years serving at the centre and as the senior most facilitator, I take great joy in taking care of the ever-increasing number of children. This year our center is renovated and now things are more comfortable and safer for the children. The best part of being a facilitator is that we get the chance to be with children with their sweet innocence. Our day starts at eight in the morning by welcoming the kids. The kids brighten the mood throughout the day with various activities from learning to singing goodbye songs. What keeps me going is when our sister school teachers tell us that our children who graduate and enrol in class PP perform so much better than the others. This makes me feel like I am making a difference in my community.

Pema Lhaden
Senior Facilitator
Bumthang



LODEN CHILD SPONSORSHIP PROGRAMME



Although school education in Bhutan is state financed, extra expenditures such as expenses for uniform, stationery, sports gear and so on can often be too heavy a burden for low-income families. Loden Foundation started as a child sponsorship programme and was one of the first organizations to support children at school in Bhutan with the first child sponsorship beneficiary in 1999 - Tenzin Pelmo, one of the seven daughters in a family in rural Bhutan. With our support and guidance, she is now a history teacher, an independent woman and even looks after her younger siblings.

All year round we receive applications from children, their parents or guardians requesting the financial support to pay for school expenses. In addition, we work closely with focal teachers and individuals across the country who relay the request on behalf of the children to us and also ensure that the most deserving children get supported. Once we get

the information our dedicated team reviews the application looking at the living conditions and income level of the family. The information is then further validated by the head of the school and the local leader in the Dzongkhag. Once the child is enrolled in the programme we commit to continue the support till the child completes class 12 where the support mainly goes into paying school related expenses for the year such as uniforms, shoes, sports gear, umbrella and rain jackets and stationaries.

In 2019, we supported additional 24 children and we are so happy to report that all these children received support from local Bhutanese donors.

We thank all our friends who are living both within and outside Bhutan who have supported our child sponsorship programme since 1999.

What does the programme cover?



School Books



School Stationeries



Shoes and Socks



School Bags



School Uniforms

A letter from one of our child sponsorship beneficiary

My name is Phub Dorji and people call me Dawa because I have a twin sister Phub Zam who is called Nima. Nima and I go to school in Punakha and live with our mother. We have an elder sister who works in an office. As far as I can remember, it has always been just me and Nima with our mother and sister. When our mother could work we did not face many difficulties but she got very sick one day and had to go through an operation. She never recovered fully from that day. Nima and I used to seek help from neighbours and friends because our mother could not provide for us fully and it was very difficult.

Fortunately, our sister found work and she started helping us. But now she has her own family to look after with two children and we cannot ask any more of her because she has also done a lot for

us. So, we continue trying to live with the little we have and seek help from friends. Sometimes, I feel happy that we are born as twins because I think that we are unique but sometimes I am also very scared what will happen. We heard about Loden Foundation in 2018 and immediately Nima and I wrote our application. We went to their office in Thimphu in December 2018 and heard from Loden in one month. They said they will provide financial assistance to one of us and they said they will sponsor me because Nima is one class above me. They said that they will continue the support until I finish class 12 so they would like to support the one in lower standard. So, I got the support and Nima did not.

I heard my sponsor is someone living and working in Thimphu. Thank you my angel for supporting my education.

LODEN YOUTH SCHOLARSHIP



In 2018, a total of 10,145 young people graduated from 64 high schools and the number increased to 11,061 in 2019. While it is encouraging to see many young people finishing high school, it is also concerning to think of what they do afterwards. These young people are at a critical stage in their lives.

The government does its best to accommodate all the high school graduates into government funded colleges and technical training institutes, due to sheer number of applicants more than half of the youths are not fortunate to get this opportunity and very few come from families who can afford to send them to private colleges within and outside Bhutan.

The Loden Youth Scholarship was started in 2012 to provide financial support and educational guidance to deserving youth who come from low-income families with academic merit and exceptional determination to pursue an undergraduate course that has higher chances of filling employment gap after completion.

In 2019, we selected eight more students to pursue various undergraduate course including medicine, nursing, pharmacy and geology both within and outside Bhutan.

We thank all our supporters, especially our stalwarts, for the financial support ensuring that we are able to provide youth scholarships every year.

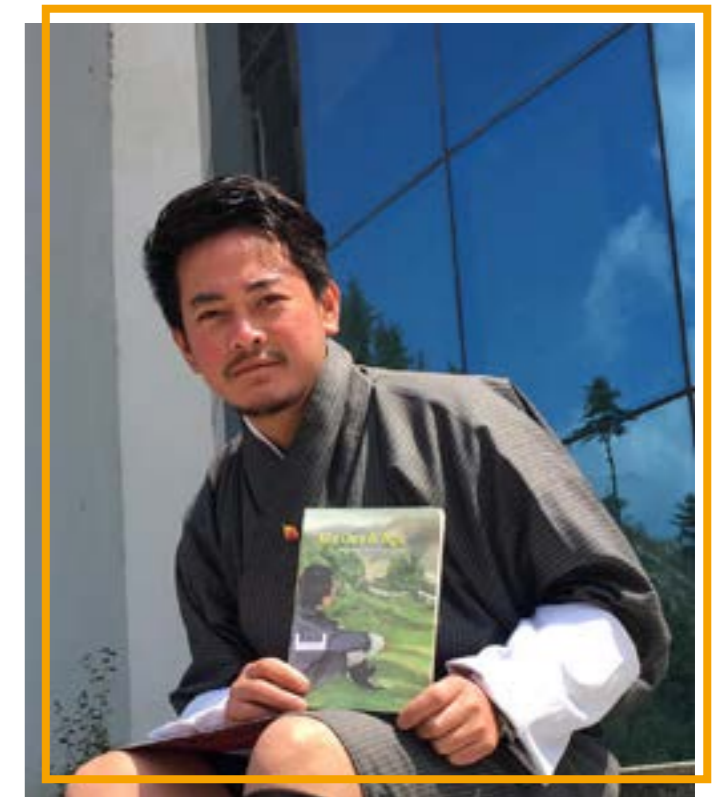
Journey of a Loden Scholar

My parents are both farmers and I have two brothers and a sister. We grew up in a hard working farming family and while life was simple we did go through hardships most of which were due to financial constraints, especially to continue education. So, this helped me to realize the value of education and that I can have a comfortable life and also give the same to my family if I study hard. My journey began when my parents enrolled me in school and I am very thankful to them for carving a path towards a better future and I must also thank my teachers for leading me through the journey. I studied mostly in Paro but came to Thimphu in 2013 to continue high school. In 2015, I graduated high school and I know I studied hard and gave it my best but unfortunately, I did not get the overall percentage required to get into a government college.

I think it was because of the blessings from Ken-Cho-Sum (triple gem), guidance from my parents and trust from Loden that I managed to get a scholarship to study business in my dream college - Gedu College of Business Studies. I studied hard at college, took part in other educational activities and read as much as I could. So, I graduated in 2018 and everyone encouraged me to sit for the Royal Civil Service Examination including my parents. I am really happy that I attained 11th position nation-wide and secured a year-long Post Graduate in Financial Management (PGDFM) course at the Royal Institute of Management.

Today, I have completed my course and my journey as an Assistant Customs Officer in Paro under the Finance Ministry has begun. I thank Loden and its supporters for believing in me and all I can do is to promise that I will pay back by with dedication and integrity for TSA-WA-SUM our King, Country and People.

Chencho Dorji
Assistance Customs Officer
Ministry of Finance



BHUTAN DIALOGUES



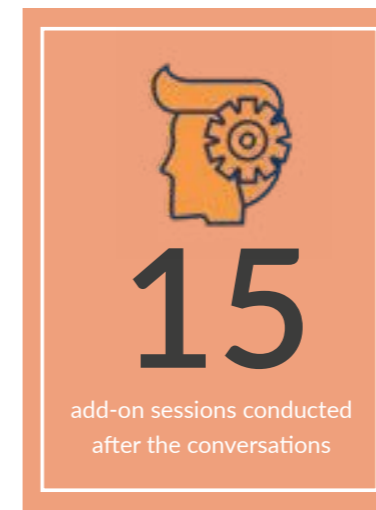
Bhutan Dialogues was conceived and launched in collaboration with the United Nations in Bhutan with the objective of creating a forum for civil conversations, mindful listening, right speech, in depth discussions, and cordial debates. It is an attempt to put into practice the priceless ancient Bhutanese advice that the deliberation of three average brains is better than the idea of a lone best brain.

What we need urgently today is not a way to provide more knowledge and information but the wisdom to analyse and understand knowledge, to sort and digest knowledge and information in a useful manner, and to restrain from producing useless and harmful information. Through this forum we have as of December 2019, invited 23 thought leaders and development experts, people who hold insight in our pressing issues, have endeavoured to find solutions, and made a difference to shape their world, and by sharing their stories, their ideas and habits, we hoped to inspire and inform the youth, which constitutes the major bulk of our population.

In 2019, we have seen both young and old, local and international guests come to discuss a wide range of topics. The conversations saw a live audience of between 60-100 people with diverse background, and the youtube and podcast versions of the conversations are also well received.

Areas covered :

- Media & Social Media
- Good Governance
- Economy
- Poverty
- Climate Change
- Education
- Culture
- Youth
- Mental Health
- Civil Society
- Civil Service
- Wellbeing
- Values and Equality
- Law
- Finance



► Every second Thursday
of the month

To learn more visit :

www.bhutandialogues.bt

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Bhutan Dialogues

LODEN ENTREPRENEURSHIP PROGRAMME (LEP)



175
entrepreneurs awarded funds since 2008 including 16 entrepreneurs supported in 2019



18
districts covered out of 20 except for Gasa and Pema Gatsel



60
businesses are led by women entrepreneurs



5,000+
aspiring entrepreneurs trained since 2008



715+
jobs created through the 175 businesses

Loden entrepreneur Wangchuk Kuenga runs a herbal tea farm in Bumthang.

LODEN SEED (Student Empowerment through Entrepreneurship Development)

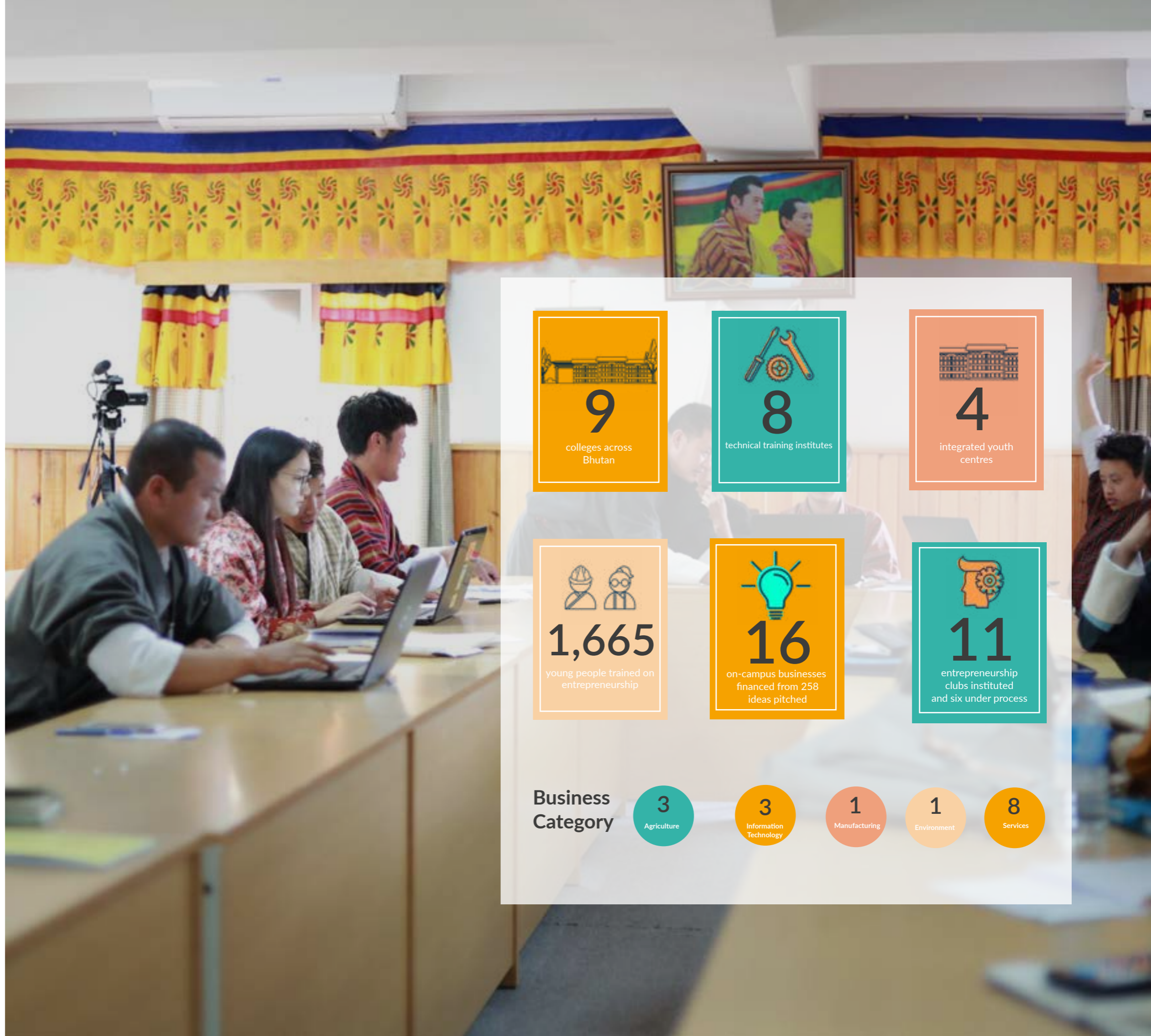
Although Bhutan has made impressive progress in developing entrepreneurship, the prospect of taking entrepreneurship significantly beyond its current level remain constrained by the lack of human capacity, which in turn is dependent on our educational and cultural systems. In spite of many opportunities, which are now available for pursuing an entrepreneurial career, we still do not have enough young people with strong interest in and aptitude for entrepreneurship.

Therefore, with support from UNICEF Bhutan and Swiss Agency for Development and Cooperation, we piloted the Loden SEED in colleges and technical training institutes across Bhutan in 2014. The Loden SEED is an educational project to take fundamental concepts and skills of social entrepreneurship to educational institutions to give young people an early exposure to innovative thinking and entrepreneurship.

In 2019, we carried out motivational talks, trainings and crash courses in 17 educational institutions and 4 integrated youth centres for over 1,665 youth. The participants learned to write business proposals, basic book keeping, pitch their business ideas and got the chance to interact with existing entrepreneurs.

At the end of business idea competition, we funded 16 on-campus businesses out of 258 business idea pitched.

The Loden SEED programme in 2019 was supported by the Embassy of Switzerland to India and Bhutan, European Union (EU) through the HELVETAS Swiss Intercooperation Bhutan, Society Switzerland Bhutan (SSB), UNICEF Bhutan, AON Groups- Singapore and Department of Youth and Sports under the Ministry of Education.





As a part of the Loden SEED project, we work closely with Entrepreneurs Organisation's Global Student Entrepreneurs Award (GSEA) to acknowledge the exemplary student entrepreneurs who has done well in managing their time to run an on-campus business as well as their academic life in their respective institutes. Since 2015 we have led the national level competition and awarded four young student entrepreneurs with the award. All of the awardees represented Bhutan at various international events in Thailand, Canada, Germany and in Macau. Out of the four student entrepreneurs who won the award, two of them have started their own business after finishing college.

In 2019, we hosted the 5th edition of Bhutan Student Entrepreneur Award during the Druk Tshongrig Gatoen in October in Thimphu where a total of two Loden supported student entrepreneurs and six other student entrepreneurs took part in an open invitation competition that comprised of student entrepreneurs supported by Loden as

well as the ones who started on their own. During the final day pitching that happened live at the Thimphu Clock Tower, top 4 student entrepreneur from Sherubtse College, Gedu College Business Studies, Royal Thimphu College and Gyelpozhing College of Technology competed for the award. The award was won by Phuntshok Dechen Yangchen studying Bachelors in Commerce in third year at Royal Thimphu College and she received the award from His Excellency Lyonpo Jai Bir Rai, Ministry of Education, during the final day of Druk Tshongrig Gatoen.

“ I never really thought about becoming an entrepreneur but now that I have been part of Loden SEED project and competed at the BSEA 2019, I see great deal of opportunities in pursuing entrepreneurship.”

Yoezer Lhamo Dorje
Co-founder, Shercol Laundry Services
Sherubtse College

The first-ever female student entrepreneur wins the BSEA Award

In 2017, I was in my second year at the Royal Thimphu College and along with two other friends Tashi Darjay and Deepsika Chhetri we started 'Guram,' a small scale candy manufacturing business. At first, it was just an idea but we really got the encouragement to make it a reality after we had submitted the business idea at the Mekong Business Challenge and won second runners up. That really motivated us and things started taking shape after that.

We did a small launch of the first batch of candies we made using local herbs, spices, caramel and honey from Bumthang to add sweetness. One thing led to another and by end of 2018, we had a Bhutanese actor as our brand ambassador, a good number of regular customers including a 4-star hotel, several media coverage and several themed candies.

Then, in 2019, we heard that Loden Foundation was inviting any Bhutanese student entrepreneurs who had started student-led business to compete for the Bhutan Student Entrepreneur Award with cash prize and a chance to represent Bhutan at Global Student Entrepreneurs Award in Cape Town in South Africa in 2020.

It was actually very nerve wrecking to pitch at the Thimphu Clock Tower in front of the distinguished panel of judges and the huge public gathering. I felt like the hard work I and my team had put in since 2017 having to manage our time between the business and academic had been rewarded when we won the challenge. It was an honour for Guram team to win this award. We are now preparing to compete at the GSEA 2020 and we hope that we can represent Bhutan well. Irrespective of the outcome from GSEA 2020,

we are very committed to see this business through because a lot of people had come to us and said that we are not serious about the business and that we were only doing this because we won at the Mekong Business Challenge. In the next three year, we want to have Guram products on the shelves of every convenient store in Bhutan. We hope we will contribute in reducing import of candies and support locally made products.

Phuntshok Dechen Yangchen
Co-founder, Guram
Royal Thimphu College



LODEN LOAN RECIPIENTS IN SPRING 2019



Sangay Penjor
Traditional Bhutanese dry cheese production
Loden-SSB Fund



Tashi Wangdi
iHub Bhutan
Incubation space to support startups in Bhutan



Nima Moktan
Freelancer Bhutan
IT firm to provide web development, graphic design and mobile app development



Ugyen Wangchuk
Mani Lakhor
Production of portable hand-held prayer wheel



Pema Dorji
Bhutan Khabzey
Production of home-made biscuits



Jigme Thinley Yezer Rinzin
Druk Ride
Online application to facilitate local and international travel



Dorji Dema
Freed Meat
A substitute for meat by providing vegan food items



Kinley Tenzin
Gembo Artifact Furniture
Manufacturing antique furnitures

LODEN LOAN RECIPIENTS IN FALL 2019



Sonam Rinchen
Jomolhari Café.
Café at the base camp of Mt. Jomolhari at 4,000 masl
Loden-Bhutan Foundation Fund



Tshering Yangden Lepcha
Druk Instant Noodles
Production of instant noodle



Druk Tshering
Geo-info Associate and Surveying Consultancy
GIS Mapping and Data Base of Urban Areas



Dorji Choden,
Home-made pickles



Yangchen Wangmo
Norwang Chips
Potato chips production



Tabita Timsina
Timsina's Toddler Toes
Early learning centre



Sharan Kumari Gurung
Dhoriri Cloth Diapers
Production of re-usable children's diaper
Loden-UNDP Fund



Narath Koirala
DAMU (Druk Adding Masala Unit)
Production of turmeric powder and other spices from locally grown herbs and plants
Loden-UNICEF Fund

Sampa Lhendup bakery

Loden- DHI funding window

I run a small bakery at Dechencholing in Thimphu near the army oil tank and it is the only bakery in the area so it's doing well so far. In 2015, I got the most important support I needed to buy large oven and invest in raw materials through Loden-DHI fund. I think I was lucky to be part of this scheme because as soon as I got the support my business moved up. Besides the funding support, lots of ideas on implementation of business, marketing strategies, branding of products are some of knowledge I gained from the two organizations. I also received several monitoring and mentoring visits from Loden officials and international business expertise on a regular basis. These expertise gave me valuable advice in important aspects of my business.

I took this opportunity to become an entrepreneur because we can make big difference in the country by substituting import, creating employment for others and become self-sufficient among other things. So, I feel proud for doing my own business. I am also able to spend enough time with my family and support them whenever needed. Moreover, I can contribute good share of my income to the government in the form of tax. As a result of all the support I have received, I earned well from my business and I was able to repay my loan on time without fail. Henceforth, I am planning to expand my business and generate good income, so that I can make difference in the society.

Sherab Tenzin
Sampa Lhendup Bakery
Thimphu

This startup is funded through Loden-DHI funding window along with 29 other startups since 2015.



DAMU (Druk Adding Masala Unit)

Loden-UNICEF Bhutan funding window



Dagana is considered one of the poorest districts despite its richness in natural resources. I wondered how that was possible and always tried to see how I can play my part to uplift the community of Dagana. So, I have been actively trying to come up with business ideas where I can first of all get employed myself and then be able to create employment for others and at the same time bring some economic benefit to the community. So, I got a break when I heard that Loden Foundation and UNICEF Bhutan is leading entrepreneurship training for unemployed youth in Gelephu and that one winner can stand a chance to win Nu. 1 million interest and collateral free loan. I knew this was my chance so I travelled to Gelephu to take part in the training and pitch my business idea to set up a local spice manufacturing plant in Dagana.

I was a bit nervous because I saw on Loden's Facebook page that many others with business ideas were applying to compete for the final award. Fortunately, I was selected in the end and secured the loan amount. Today, my company - DAMU (Druk Adding Masala Unit) - is set up and I am able to contribute to the economy of the community and also I created 2 employment at the unit. I purchased eight metric tons of raw turmeric from the local farmers which made an income of Nu. 160, 000 to the farmers in 2019. Our objective is to substitute the imported spices from India and other parts of the world.

Narath Koirala
DAMU
Dagana

This startup is funded through Loden-UNICEF Bhutan funding window.

DHORIRI CLOTH DIAPER

Loden-UNDP Bhutan funding window

Being a mother of three boys, I am always worried about their health and growth. One day while I was changing a cloth diaper of my son, the idea for reusable cloth diapers came to me and I thought why not? It also occurred to me that every day many babies are born and all of these babies need diapers that are dumped after using it once. I was wondering how many of those diapers get to the landfill and even more worried how long do they take to decompose. So, when I saw the Loden-UNDP Bhutan call for business proposal announcement in August inviting business ideas that address climate change issues, I thought maybe this is the opportunity to do something about it. I took the opportunity right away. Well, research claims that the disposable diapers are the third most common consumer product in landfills today in the world and may take up to 500, or more years to decompose.

With the funding support through Loden-UNDP Bhutan, I was able to start my business 'Dhoriri Diaper' in Gelephu. We want to see every baby healthy and happy in cloth diapers in a safe environment. With Dhoriri, we also want to create an awareness of eco-friendly product as an alternative to the disposable diapers simultaneously generating jobs in our own locality. I am also aware that purchasing single use diapers can be quite expensive for some parents. After some research I created Dhoriri diapers with modern usable cloth and when I tried my diapers for my kids as the alternative to the disposable diapers, it worked wonderfully. The Dhoriri diapers uses bio-degradable cloth so it imposes no health risk. The babies can now experience chemical free and hygienic diapers.

Sharan Kumari Gurung

Dhoriri Cloth Diaper
Gelephu

This startup is funded through Loden-UNDP Bhutan funding window.



JOMOLHARI CAFE

Loden-Bhutan Foundation
funding window



I have never liked the idea of being in an average job but wanted to do something different. Going back to where I grew up to start a business was something I never thought about but a while after completing graduation from college I started thinking about it. I thought that I am one of the few young people who actually make it through college from my village and I must do something to set an example. That's when I thought of going back to my village in Soe Jomolhari to start a high-end cafe.

I thought of a cafe business but I was stuck in a rut since I lacked capital but then I heard about the Loden Foundation's loan scheme. This is where my journey starts and that of the first-ever high end café on the highlands among the nomads. Once, I have complete setting up the cafe I can offer hospitality service to the international trekkers and local travellers. The café will be located at 4,000 meters above sea level and near majestic Mt. Jomolhari and Jichu Drakey. It is not just about the best coffee we serve but also its unique location and fantastic view. I am also thinking of serving local snacks made from organic local ingredients to promote local culture and tradition and many other things - the possibilities are endless!

Sonam Rinchen

Jomolhari Cafe
Thimphu

This startup is funded through Loden-Bhutan Foundation funding window.

TRADITIONAL DRY CHEESE

Loden-SSB funding window



After high school I could not pursue further studies because of financial constraints. My father is my mentor and he guided me in every possible journey of my life. He is a beneficiary of Loden and got interest and collateral free loan in 2015. Since then I worked with him to grow asparagus seedlings in Tang, Bumthang and gained many experiences. Following on my father's foot steps, I decided to do something on my own rather than looking for a job. Therefore, in 2017 I started to learn how to make dry cheese and in 2019, I was provided loan from Loden to start my own business. I am very excited to take this path because I am the second generation of Loden entrepreneur and I know Loden provides support other than just financial access.

Traditional dry cheese making is commonly practiced throughout Bhutan and is not an innovative business idea but I am focusing on high quality *chogos*. I do custom sizes depending on the demand. Besides the dry hard cheese, I also produce paneer cheese mainly for porridge. I don't raise cattle in my business because there is a farmer's cooperative in my villages that collects milk from all farmers and I buy milk from group.

Sangay Penjor

Traditional Dry Cheese
Bumthang

This startup is funded through Loden-SSB funding window.

LODEN MENTORSHIP PROGRAMME

Mentorship is a measure to connect business experts with the startups to help them develop skills to grow their business. The partners freely share and discuss business challenges and gaps to bring solutions. Therefore, to meet the objectives of the mentorship program in Loden Foundation, the pool of both International and local business experts volunteer their time as mentors for young startups. Mentorship, is a crucial activity and given high priority at Loden to look into the challenges and progress of the entrepreneurs.

An aspiring entrepreneur and an upcoming mentor

Little did I knew that, in holding my children's hands to explore their interest and passion, it would set me on this delightful journey. It all started with a six minute cake recipe that I whipped for my little girls in 2014. The recipe was so easy that my 11-year-old daughter mastered it. I had a great time coming up with new recipes with daughters and it was truly bonding. I thought it would turn out to be a fine business idea but I was hesitant to start. Rather, I encouraged my friends to do it but they were not interested. Two years later in 2017, I test-drove my idea at Loden Foundation. The team showed interest in my proposal and I received the Loden loan. The Loden team granted me full support, mentors and network, almost all conditions necessary for a fledgling start-up.

Under the comprehensive entrepreneurship ecosystem provided by Loden, I was able to tune the brand and clearly define the market segment. We produce premium artisanal chocolate infused with superfood grown in Bhutan. Yiga carries forth the spirit of health and happiness. I am also privileged to serve as a mentor to three entrepreneurs in agriculture and product development ventures. As I mentor, I listen to my



mentees, share information and network necessary for the standards and certification of products. As a startup myself, I love sharing my story and women entrepreneurship with hopes to inspires them. I have also mentored and supported about 5 entrepreneurs personally. Mentorship played a part in my growth as well, teaching and learning at the same time.

Kinley Pelden
Yiga Chocolate
Thimphu

We would like to thank all our mentors, national and international, who volunteer their time and cover their own cost to help our entrepreneurs.

BEST LODEN ENTREPRENEUR AWARD 2019

The Best Loden Entrepreneur Award inspires and celebrates the spirit of entrepreneurship in the country every year by providing platform to the most deserving entrepreneur to win the award. The objective of the award is to acknowledge hard working entrepreneurs who do well in their business as well as carry out social responsibilities where they are able to. The award also hopes to create role models of these entrepreneurs so that their stories could be told to inspire young people.

In 2019, the award accomplished its eighth year since its start in 2012. The top five shortlisted entrepreneurs competed for the award on 19 October at live presentation competition at Clock Tower Square during Druk Tshongrig Gatoen celebrations. The selection this time was a unique experience where the shortlisted entrepreneurs were asked to do a presentation of their businesses and its achievements in front of a panel of judges and also to the public at Clock Tower in Thimphu.

Mr. Leki Dawa who is the founder and CEO of Bhutan Alternatives - a company that refurbishes and recycles printer toner cartridges - won the Best Loden Entrepreneur Award 2019. He started his business in 2016 with support from Ministry of Labour and Human Resources and later received financial support through Loden-DHI funding window. Besides the firm's several environmental benefits and social responsibilities, Bhutan Alternatives also created employment for 17 youths.

We would like to thank Society Switzerland Bhutan (SSB) for supporting a cash prize of Nu. 250,000 for the award till 2022.



Deki Wangmo
Buddha Tyre 2012



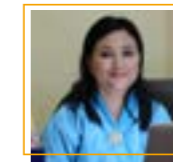
Jigme Drukpa
Ayang Music School, 2013



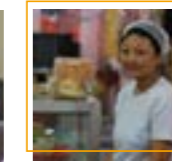
Lama Sonam Gyatsho
Incense Factory 2014



Tshewang Dem
Tshejor's Azyey, 2015



Pushpa Chhetri
Bhutan Media and Communications Institute (BMCI), 2016



Kinley Dema
Bubu Bakery, 2017



Nima Lotey
Fibre Services, 2018



LEKI DAWA
Bhutan Alternatives, 2019



Bhutan Alternatives collected 5,480 number of cartridges in 2019 alone, 28,000 in last 4 years and recycled those used cartridges going to the landfills. Imagine how long these e-waste will take to degrade in the landfills and the damage it will do to the environment. We are committed to reduce e-waste in Bhutan and also be a responsible company. That's why in 2019 alone, we distributed 1,500 printer toner cartridges to various civil society organisations free of cost."

DRUK TSHONGRIG GATOEN 2019

In 2012, Loden Foundation with its partners and supporters from the government ministries, development partners and independent agencies celebrated the first-ever Global Entrepreneurship Week (GEW) in Bhutan. First of its kind at the time, the week-long GEW event helped introduce and promote a vibrant culture of entrepreneurship, trained hundreds of aspiring & existing entrepreneurs, launched a platform for deliberation on entrepreneurship in Bhutan, acknowledged exceptional & role model entrepreneurs and, most of all gave birth to Druk Tshongrig Gatoen - DTG or the Bhutan Entrepreneurship Festival in 2018.

In 2019, we celebrated the second edition of DTG with five main events in Thimphu and in three selected colleges including Gedu College of Business Studies, Norbuling Rigter College and College of Natural Resources. The event from 17-20 October with the theme 'Inspire, Connect and Collaborate' was unlike in the past led by entrepreneurs themselves represented by BAEyul (Bhutan Association of Entrepreneurs).

The ownership and commitment exhibited by BAEyul in leading the festival is a milestone since the first GEW event held in 2012.

We would like to thank all the partners and donors of DTG 2019, especially BAEyul for taking the lead role in celebrating the festival and the 17 educational institutions across the nation.



“As an entrepreneur for the last 6 years, I have realized that it is very important to instill the right mindset in our youth if we want to see them become entrepreneurs. That is why we have initiatives like Druk Tshongrig Gatoen to promote the spirit of entrepreneurship.”

Rikesh Gurung
President, BAEyul

5

main events in Thimphu and in 3 colleges

8

partner events in Thimphu

14

simultaneous events in colleges and technical training institutes

5,000+

youth engaged through various events in 11 districts

41

entrepreneurs displayed Made in Bhutan products and services at the Entrepreneurs' Fair

11

core team from the government, CSOs and private agencies

17

educational institutional partners



www.entrepreneurship.bt

[@druktsongriggatoen](https://www.facebook.com/druktsongriggatoen)

Young girls in traditional Laya attire. Loden plans to bring back the traditional male dress of Laya.



LODEN CULTURE PROGRAMME

Written Heritage

**Over
4 Million**

pages of text digitized

**About
2 Million**

digital text created

44

temple and family
archives digitized

6

institutions
received copies

4

books published

Oral Traditions

**Over
3,260 hours**

audio-visual recording

3,320

edited audio-visual
title

36,323

photos catalogued with
metadata

240

cultural essays
created

1,500

cultural subjects
described

Arts and Artefacts

4

museums
documented

150,000

artefacts documented

4

Sites
protected



The cultures of Bhutan are today changing fast, and many of them vanishing. Loden has been at the forefront of documenting and studying Bhutan's cultural heritage. With the dual aim of preserving Bhutan's cultural knowledge in digital recordings and leveraging ancient cultures for the development of Bhutan, Loden's culture programme currently has three components: written heritage, oral traditions and arts and architecture.

In an effort to preserve and promote Bhutan's written heritage, Loden has been digitising manuscripts in temple and family archives. This helps both preserve the rare manuscripts and also make copies available to scholars and religious persons.

Similarly, the rich and vibrant oral traditions are disappearing as globalisation reaches even remote corners of the country. Therefore, Loden has carried out extensive programme of audio-visual recording of Bhutan's oral traditions.

With changes in lifestyle and language, many traditional artefacts and practices are also becoming obsolete or forgotten. We have photographed these old objects and cultures to preserve the memory of Bhutan's past.

Digitisation of Kanjur in Tashi Yangtse

In collaboration with the University of Vienna, the Loden team began the digitization of the *kanjur* manuscripts at Tashi Yangtse dzong in 2019. The *kanjur* is the Himalayan Buddhist canon containing the words of the Buddha. Such books were produced in Bhutan using local paper and scribes. The books, which are of immense spiritual value to the local communities and of academic value for researchers, remain in temples prone to fire and theft.

The team digitized 110 volumes of Kanjur in Trashi Yangtse Dzong and also photographed other manuscript collections at the Dzong. This project was also supported by the Dratshang Lhentshog Secretariat, Ministry of Home and Cultural Affairs, Royal Government of Bhutan and Trashiyangtse Rabdye.

In order to make digital copies of the precious and beautiful manuscripts, and thereby save the original copy, and also make the information accessible to international scholars, Loden has so far digitized some 44 collections across Bhutan. Our textual

projects have benefitted the scholars working on Buddhism and the Himalayas to better understand the Buddhist heritage. In a few cases, the photos we created are all that is left as the original books have been destroyed by fire.

Bhutan Read to Light

As Bhutan and Thailand marked the 30th anniversary of diplomatic relations, the Loden Foundation and Thai Blind Foundation worked together on Bhutan Read to Light project. The project aimed at improving access to knowledge and books for the people living with visual impairment and reading difficulty in Bhutan by creating an audio book platform for reading and listening.

The mobile application will record audio books and create easy access to various books for the people living with visual impairment and reading difficulty. The application's main objective is to improve and provide equal access to knowledge resources for these section of our community with technical support from Thai Association of Blinds and financial support from Bhutan Foundation. It is also expected to create audio books library and promote reading among the users.



Towards cultural and scientific partnership: leveraging cultural and scientific knowledge and practices for environmental conservation

Bhutan is well known today for its rich nature and culture. However, only few people realize the significance of spiritual and cultural heritage for environment conservation. In an effort to leverage cultural knowledge and practices for environmental conservation, we started a lake conservation project in Tali in Kheng (Zhemgang) through support from UNDP's GEF-SGP programme. We brought the local community together to promote awareness about the importance of the water body, and put in place social procedures and facilities to protect the lake.

The project, which seeks to conserve the lake and its surrounding using both cultural and scientific knowledge, is a rare case of active collaboration between modern environmentalists and cultural researchers. It underscores the importance of local belief in the conservation of nature.

“

The project has already helped to enhance better understanding of the spiritual forces of nature among the community members and I can see the value of sacred sites improving because there have been many visitors since the project started. This project is truly a blessing for the community. Even the water volume at the lake has increased due to their visits and after hosting several rituals in support of their spiritual belief.

We are happy because through such project the history of our village will be also researched and documented which will help our younger generation.”

Ap Sherab

Care taker of the community temple
Tali



MADE IN BHUTAN-ENTREPRENEUR STORIES

In 2014, Hironelle Chatelard produced for Loden a short documentary film 'Made in Bhutan,' that introduced Bhutanese entrepreneurs for the first time to a wide international audience. Building on the success of the film, the book 'Made in Bhutan - Entrepreneurs Stories' was published and launched on 25 October 2018 at the opening ceremony of Bhutan's first Druk Tshongrig Gatoen.

Made in Bhutan - Entrepreneur Stories captures the values of team spirit, volunteerism and celebration of the 10th anniversary of the Loden Entrepreneurship Programme. The publication was produced free of cost through the support friends in Europe and widely distributed in educational institutions around the country to both aspiring and existing entrepreneurs as a source of inspiration.

The publication is available at the following outlets:

- Loden Foundation Office in Thimphu, Bhutan
- Open House Bookshop by Hardcover, Central Embassy, Level 6 1031 Ploen Chit Road Bangkok, Thailand
- Paro International Airport Bookstore, Paro, Bhutan
- Junction Bookstore, Thimphu, Bhutan
- DSB Bookstore, Thimphu, Bhutan
- dusicD2 Yarkey, Thimphu, Bhutan
- Gangtey Lodge Bhutan

Local Partners



Educational Institute Partners



International Partners



Institutional Donors in 2019

- | | | |
|-------------------------------------|--------------------------------------|-------------------------|
| 1. Friends of Loden in Japan | 6. Helvetas Swiss Intercooperation | 11. Fondation de France |
| 2. Bhutanese Friends of Loden in NY | 7. Society Switzerland Bhutan | 12. Tam O Shanter Trust |
| 3. UNICEF Bhutan | 8. Embassy of Switzerland, New Delhi | 13. Montier Trust |
| 4. UNDP Bhutan | 9. AON Group, Singapore | 14. AKO Foundation |
| 5. United Nations in Bhutan | 10. University of Vienna | 15. Association SER |

Individual Donors in 2019

- | | | |
|-------------------------|----------------------------------|--------------------------------|
| 1. Aris, Marie Laure | 9. Nishihira, Noriko and Tadashi | 17. Sutherland, Bruce and Kate |
| 2. Fleming, Zara | 10. Papworth, Hilary | 18. Sutton, Andrew |
| 3. Grandelet, Francois | 11. Pek, Hui Zhi | 19. Tacon, William |
| 4. Hall, Colin | 12. Raba, Joan | 20. Tardy, Anne and Gerard |
| 5. Hassenforder, Jeremy | 13. Riefenberg, Hans and Annie | 21. Van Husen, Miriam |
| 6. Liebherr, Sabine | 14. Rinner, Erick | 22. Woodhams, Colin and Jane |
| 7. Loredan, Dominique | 15. Schepers, Gerd | |
| 8. Motte, Eric | 16. Schlee, Clive | |

Bhutanese Donors in 2019

- | | | |
|-----------------------------|----------------------|----------------------------|
| 1. Ambrosia Bhutan Travel | 12. Gagan Mongar | 23. Pelden Lhamo |
| 2. Bhutan Peak Adventure | 13. Jigme Dorji | 24. Pema Yangzom |
| 3. Bhutan Wilderness Travel | 14. Jigme Zangmo | 25. Phuntsho Namgyal |
| 4. Birkha Subba | 15. Kabta Chhetari | 26. Sangay Tshering |
| 5. Chardor Wangmo | 16. Kinley Nidup | 27. Sangay Wangmo |
| 6. Chimi Wangmo | 17. Kinley Pem | 28. Sonam Dorji |
| 7. D.B Tamang | 18. Kinzang Choden | 29. Sonam Om |
| 8. Dawa | 19. Man Badhur Rai | 30. Tirtha Raj Puri |
| 9. Dechen Tshomo | 20. Mika Tshongkhang | 31. Yamuna Karki |
| 10. Dema Yangzom | 21. Nim Dem | 32. Yangchen Choden Rinzin |
| 11. Druksell | 22. Nima Dem | 33. Yeshey Choden |

Druk Tshongrig Gatoen Donors in 2019

- | | |
|---|--|
| 1. Amis du Bhutan | 8. JICA Bhutan |
| 2. Bank of Bhutan | 9. Ministry of Education |
| 3. Bhutan Foundation | 10. Ministry of Labour and Human Resources |
| 4. Bhutan National Bank | 11. Royal Monetary Authority |
| 5. Changye Wang Family | 12. Royal Securities Exchange of Bhutan Limited |
| 6. Druk Green Power Corporation Limited | 13. Rural Enterprise Development Corporation Limited |
| 7. Helvetas Swiss Intercooperation | 14. Thimphu Tech park |
| | 15. UNDP Bhutan |
| | 16. UNICEF Bhutan |

AUDITED FINANCIAL REPORT 2018

LODEN FOUNDATION AND LODEN ZHITSHOG RECEIPTS AND PAYMENTS STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2018

RECEIPTS	SCHEDULE	Amount (Nu.)	PAYMENTS	SCHEDULE	Amount (Nu.)
Opening Balance:			Expenses:		
Cash in Hand		4,240.71	a. Administrative Expenses	2	7,484,098.44
Cash at Bank		12,688,011.47	b. Program Expenses	3	7,269,426.00
Dollar Account		6,371,770.42	c. Other Expenses:	4	7,167,512.99
			1. Loan Disbursed		400,000.00
Fund Received during the Year:			2. Other Advance		659,809.00
a. Individual Contribution	I	1,529,678.81	3. Loden Advance		15,600.00
b. Contribution from Organizations		10,468,926.58	4. Outstanding Advances		
c. Scholarship & Sponsorship		406,481.60			
d. Loan Disbursement		505,050.00			
e. Loan Repayment Penalty		697,353.99			
f. Interest Earned		5,593,823.44			
g. Endowment Fund		20,000,000.00			
h. Employee Advance Repayment		2,042,040.66			
i. Other Advance - Security Deposit		90,000.00			
Total		60,397,377.68	Closing Balance:		335.36
			Cash in Hand		35,710,425.47
			Cash at Bank		1,690,170.42
			Dollar Account		
			Total		60,397,377.68

Wangchuk
Finance Officer
 (Namgay Lhendup Wangchuk)
 The Loden Foundation
 Thimphu, Bhutan

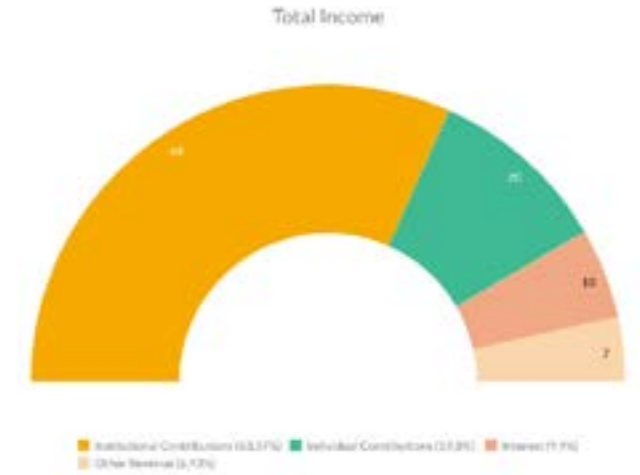
Phuntscho Namgay
Officiating Executive Director
 (Phuntscho Namgay)

Kesang Wangdi
Auditor
 (Kesang Wangdi)



FINANCIAL SUMMARY 2019

Income	NU	USD
Institutional Contributions	14,955,676	210,052
Individual Contributions	4,632,628	65,065
Interest	2,383,538	33,477
Other Revenue	1,558,514	21,889
Total Income	23,530,356	330,483



Expenses	NU	USD
Office Expenses	1,810,035	25,422
Loden Entrepreneurship Programme	4,769,857	66,992
Loden Cultural Programme	2,195,750	30,839
Loden Education Programme	6,149,193	86,365
Druk Tshongrig Gatoen Expenses	1,604,245	22,532
Total Expenses	16,529,079	232,150



During the year 2019, Loden supported 16 entrepreneurs. The total loan disbursed is Nu.7,603,000/US\$ 106,784 with total repayment amount of Nu.11,649,280/US\$ 163,613 for current and previous entrepreneurs.

Our Team



BOARD OF TRUSTEES

Lopen Karma Phuntsho
Founder and President

Kipchu Tshering
Trustee

Ugen Choden
Trustee

Cheda
Trustee

Pushpa Chhetri
Trustee

Gérard Tardy
Trustee

Lyonpo Om Pradhan
Trustee

Dr. Françoise Pommaret
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Sangay Tshering
Trustee

MANAGEMENT TEAM

Phuntsho Namgay
Executive Director (Acting)

Khandu
Administrative Officer

Yeshi Wangchuk
Programme Officer
(Culture)

Samten Yeshi
Programme Manager (Culture)

Penchela
Programme Officer
(Education)

Rinchen Dorji
IT/ Communication Officer

Tshering Edey
Finance Manager

Lhakpa
Programme Officer
(Entrepreneurship)

Tendel Zangpo
Publication Officer

Namgay Lhendup Wangchuk
Finance Officer

LODEN EARLY LEARNING CENTRE FACILITATORS

Pema Lhadon
Ura, Bumthang

Hema Limbu
Norbugang, Samtse

Karma Deki
Lingmethang, Mongar

Rinzin Tshomo
Ura, Bumthang

Manju Subba
Norbugang, Samtse

Tendrel Zangmo
Lingmethang, Mongar

Stalwart supporters and contacts abroad

In Singapore

Alison Tay
Tel: (+) 65 9791 7728
Email: alisontayly@gmail.com

In Japan

Tadashi and Noriko Nishihira
1-3 Takano Tadehara
Kyoto 606-8101
Japan
Tel: (+) 81-75-723-8788
Email: lodenfoundation.japan@gmail.com

In Hong Kong

Yeone Moser Fok
SparkRaise
Unit 617-620, Level 6, Core E
Cyberpoint 3, Cyberport Road
Hongkong
Tel: (+) 8529337 6429
Email: yeone.fok@sparkraise.com

In the United Kingdom

1. Loden Education Trust
C/O Riam and Eric Drury
50 Riverside, Cambridge
CB5 8HN, United Kingdom
Email: riamsaragmail.com
2. William Tacon
Tel: (+) 44 1588 650513
Email: wtacon@hotmail.com
3. Robin Baker
16 Iverna Gardens. London, W8 6TN
United Kingdom
Tel: (+) 44 7974733589
Email: robinbakeruk@gmail.com

In France

Thierry Cantereau
16, rue de Livet
F-49300 CHOLET
Tel: (+) 33607247498
Email: thierry.cantereau@icloud.com

In Portugal

Anne and Gerard Tardy
45-3 Esq rua do Conde
1200-636, Lisboa, Portugal
Tel: (+) 44-7968 17 35 59
Email: gerard@loden.org
Email: tardyanne@gmail.com

In Switzerland

Erick Rinner
Chalet Les Aiguilles
Route des Ecovets 74
1885 Chesieres, Switzerland
Tel: +41 79 128 20 44
Email: erickrr67@mac.com
Email: erick.rinner@lilo.org

In Hungary

Zoltan Valcsicsak
1029 Budapest, Dukta Akos ucla 5b
Hungary
Email: valcsicsak.zoltan@gmail.com

In Greece

Keleman Kalman
64010, Thassos Island
Skala Rachoni
Tel: (+) 36204508211
Email: kelemen.kalman@gmail.com

In Australia

Margaret Gee
PO Box 221 Double Bay (Sydney)
NSW 1360
Australia
Tel: (+) 61-410571497
Email: margaretgee2@gmail.com

In the USA

Bhutan Foundation
21 Dupont Circle, NW
Suite 755
Washington, DC 20036
Tel: (+) 1 202 609 7363
Email: info@bhutanfound.org

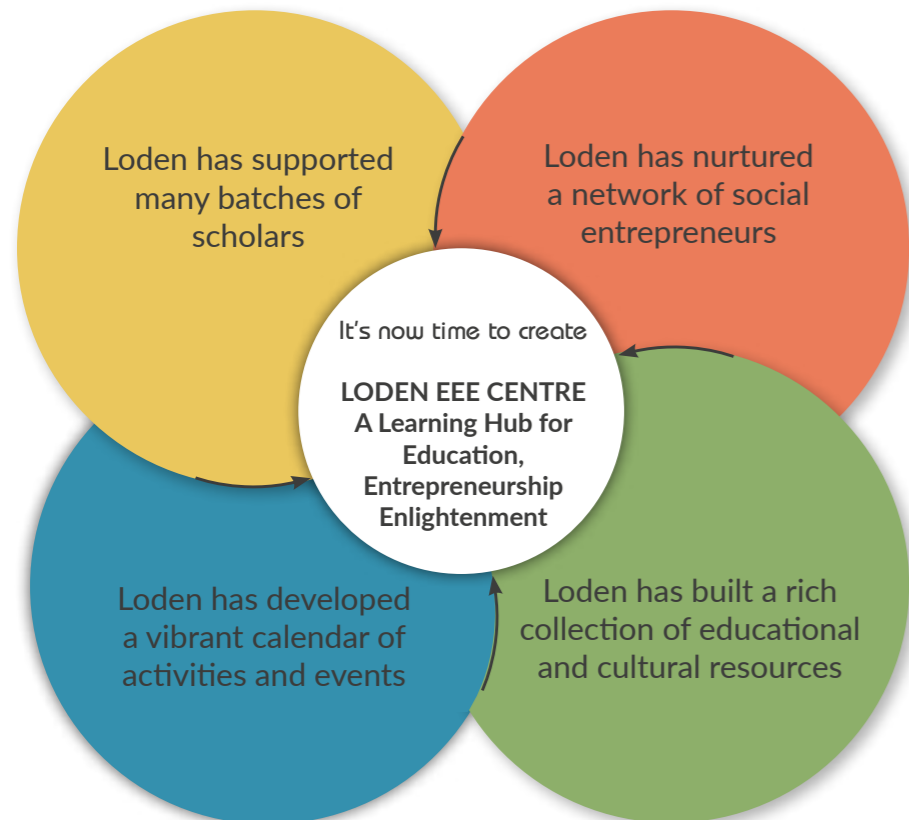
Loden's new offering to Bhutan



▶ Did you know there was not a single town in Bhutan 60 years ago, and Thimphu was a valley of rice fields?



▶ Today, close to 50% of the people live in new urban settlements and Thimphu has a population of over 125,000. It has 636 bars but only one shabby public library. In its transition from an entirely rural community to a new urban society, Bhutan is facing many challenges, one of which is lack of public space for learning and development.



Join us in creating this learning hub for **education**, **entrepreneurship** and **enlightenment** in Thimphu in 2020, and help us with contributions of funds, books, av tools, ideas, and time.
 Contact karma@loden.org

ཐོས་པས་ཚོས་རྣམས་ཤེས་པར་འགྱུར། ཐོས་པས་སྤྲིག་པ་ལྷོག་པར་འགྱུར། །

ཐོས་པས་དོན་མེད་སྤོང་བར་འགྱུར། ཐོས་པས་སྤྱད་པ་འདས་པ་ཐོབ། །

Learning makes one know the facts
 Learning keeps one away from evil
 Learning helps one eschew the worthless
 Learning helps one transcend suffering.

-The Bodhisattva Basket



In Bhutan

Mailing Address
The Loden Foundation
P.O. Box 131
Thimphu, Bhutan 11001

Executive Director
Tel: +975-7719-3322

Administration Section
Tel: +975-77194455

Entrepreneurship Section
Tel: +975-77195599

Education Section
Tel: +975-7719-5588

Culture Section
Tel: +975-7719-8182

Accounts and Finance Section
Tel: +975-7719-8181

 www.loden.org

    @lodenfoundation

 lodenfoundation@loden.org

