



སོ་ནམ་དང་ནགས་ཚལ་ལྷན་ཁག།

ROYAL GOVERNMENT OF BHUTAN
Ministry of Agriculture & Forests
Tashichhodzong, Thimphu: Bhutan



MINISTER

MoAF/DoFPS/2022-2023/ 539

July 12, 2022

NOTIFICATION

This is to notify all the standalone stationary sawmill owners in the country that the *Lhengye Zhungtshog* has approved to defer the given deadline of 31st December 2022 for upgradation of standalone stationary sawmills into Integrated Wood-based Industries (IWBI) indefinitely considering the inconveniences caused by the COVID pandemic and the economic conditions of the sawmillers till further notice. This notification supersedes the earlier Executive Order no. MoAF/DoFPS/2020-2021/395 dated 3rd February 2021 issued by the Ministry of Agriculture and Forests, which required all the standalone stationary sawmills in the country to upgrade by 31st December 2022.

However, the Ministry would strongly encourage the establishment of IWBI and the forestry clearance for its establishment will be issued subject to fulfillment of criteria and other requirements. The establishment of IWBI is strongly encouraged considering its benefits through reduction of timber wastage and optimization of timber utilization, potential to generate employment, scope for production of quality wood products and substitution of wooden product imports. At the same time, exception for forestry clearance for standalone stationary sawmills shall be granted based on the fulfillment of criteria for conditions and suitability of operations sites developed by the Ministry.

This is also to notify all the sawmill owners that the fronting of sawmill operations is an illegal offence and the rightful owners of the sawmills are requested to operate the sawmills themselves to avoid penalties and inconveniences later on during monitoring (both regular and *ad hoc*) by the concerned agencies.

The existing IWBI and those upgraded voluntarily; and meeting the IWBI criteria will be incentivized through preferential timber allotment measures without financial support from the government.

Yeshey Penjor

Copy to:

1. PS to Hon'ble Prime Minister, *Gyaljong Tshogkhang*, Thimphu.
2. Hon'ble Minister, All Ministries, Thimphu.
3. Hon'ble Secretary, All Ministries, Thimphu.
4. Directors, Department of Industry & Department of Cottage and Small Industries, MoEA, Thimphu.
5. Director, DoFPS, MoAF, Thimphu.
6. Chief Executive Officer, NRDCL, Thimphu
7. President, Association of Wood-based Industries, Thimphu.