**Syllabus subtopic:** India and its Neighborhood- Relations.

**Prelims and Mains focus:** about the move of Bhutan’s govt and its implications on Bhutan-India relations;

**News:** The National Assembly of Bhutan has passed a legislation named ‘Tourism Levy and Exemption Bill of Bhutan’, 2020.

**What is it about?**

- **Ending decades of free entry to Indian tourists** visiting Bhutan, the government in Thimphu has decided to levy a daily Rs.1,200 ($17) fee for “regional tourists” from India, the Maldives and Bangladesh, beginning July 2020.

- **Children** from India, Maldives and Bangladesh under the age of 5 will not have to pay the levy and those between 6 and 12 years will be required to pay only Rs.600.

**Reason**

- The fee, called a Sustainable Development Fee (SDF), is meant to help the government deal with burgeoning numbers in tourist traffic, which it is seeking to regulate through a new tourism policy.

- According to the govt., the levy of SDF to regional tourists will help in ensuring an exclusive experience to all tourists which is the intent of Bhutan’s tourism policy of high value, low volume,

- The SDF is considerably lower than the $65 charged to other foreign tourists, who are also charged a compulsory flat “cover charge” of $250 per day.

- Indians mainly travel to the more developed western region of Bhutan. In
a move to promote tourism in Bhutan’s eastern region as well, the government has decided to drop SDF charges for tourists visiting 11 of 20 total districts that fall in the east from Trongsa to Trashigang.

Concerns raised against the move

• The regional tour operators, especially from West Bengal have expressed concerns that the SDF will have dampening effect on numbers, and impact the heavy rush during the October “Puja season”.

• The Ministry of External Affairs (MEA) said the fee was “nominal” and had been discussed with the Bhutanese government in the last few months. However, the government has asked the Bhutanese government to make an effort to publicise the new rules in India before they come into effect in July 2020, as is anticipated. If there is confusion about the provisions, it will cause problems to both sides.

• New Delhi’s hesitation comes as the new SDF, while a seemingly small amount compared to the fees charged to other nationalities, could be seen as a way of making Indian tourists feel unwelcome.

‘Regional Tourists’ in Bhutan

• In 2018, of the 2,74,000 tourists visiting Bhutan, it is estimated that about 2,00,000 were from the region, of which about 1,80,000 were from India.

• In contrast to other international tourists, who pay $250 (Approx. Rs.18,000) as a minimum charge per day per person, which includes a $65 a day “Sustainable Development Fee”, as well as a $40 visa charge, tourists from India, Bangladesh and the Maldives had so far paid no fees, and were able to cross over without visas, something that is now set to change.

• In the past year, Bhutanese newspapers have often complained about Indian tourists who don’t pay heed to local customs and picnickers who litter the country’s pristine environment.
Note: to read about India-Bhutan relations in detail, click on the link below.