



**Rules and Regulations for Operation  
of  
Restaurant and Retail Wine and Liquor Business 2022**



**MINISTRY OF ECONOMIC AFFAIRS  
ROYAL GOVERNMENT OF BHUTAN**

**JUNE 2022**

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## Preamble

*WHEREAS, the National Assembly of Bhutan during 6<sup>th</sup> session of the third parliament passed a resolution on 9<sup>th</sup> December, 2021 to lift the moratorium on bar and retail wine and liquor licensing. The Royal Government of Bhutan recognizing the need to regulate and monitor, and also provide decent business opportunity discussed the Rules and Regulation for operation of Bar, and Retail wine and liquor business in 67<sup>th</sup>, 90<sup>th</sup> and 93<sup>rd</sup> cabinet session.*

*While compiling this rule and trying to regroup bar into restaurant, utmost considerations are made for people's choice, taste and experience. MoEA acknowledges that "Drinking alcohol is injurious to Health" and appeals to everyone to fully realise the implications. MoEA requests Parents/custodians or adults to refrain from engaging children below 18 years in alcohol related activities, like purchase or handling of alcohol. The ministry strongly discourages "Driving under influence of alcohol", which is dangerous as well as an offense. MoEA also strongly advocates and encourages every alcohol user to uphold Tuesday as dry day and observe closure of alcohol services.*

*We are committed to provide our services in a minimum time and in a most effective manner. Any redundancy in the structure or system will be addressed immediately.*

### **I. Title and Commencement**

This Rules and Regulations shall be called the Rules and Regulations for Operation of Restaurant, Retail Wine and Liquor Business 2022 and shall come into effect from 1<sup>st</sup> June 2022.

### **II. Application**

This Rules and Regulations shall apply:

- i. for operation of licensed restaurant, retail wine and liquor business, unless it is exempted under any other law in force in Bhutan.
- ii. in supplement and without prejudice to any other laws, by-laws, and regulations regulating business licences within Bhutan.



### III. Eligibility

Any Bhutanese who have attained 18 years of age and above are eligible for restaurant licence or retail wine and liquor licence.

### IV. Procedures

- 1.1 One can apply for a licence through the online G2C system ([www.citizenservices.gov.bt](http://www.citizenservices.gov.bt)) directly from your devices, Community Centres or from the nearest Regional Office of Economic Affairs.
- 1.2 Once the application is approved, the applicant shall pay the licence fee (*Annexure I*) through the same online G2C system and print the licence.
- 1.3 Applicants opting to operate restaurants to serve only food and non-alcohol beverages shall obtain Cottage Scale Registration Certificate through [www.g2b.gov.bt](http://www.g2b.gov.bt).
- 1.4 The applicant shall sign an Undertaking (*Annexure II*) as provided in this Rules and Regulations while submitting application for the licence.

### V. Prohibition and condition of business operation

- 1.5 Any restaurant or retails within the campus of schools, colleges, universities, TVET institutes, public offices and institutes, hospitals, dzongs, and Dratshangs shall not sell wine and liquor products at all times.
- 1.6 The licensee shall not establish and operate restaurant, wine and liquor business at places prohibited by zoning, Local Area Plan (LAP), prohibited by local governments and any government notification and exclusions.
- 1.7 The retail wine and liquor outlet shall not serve wine and liquor in its premises and shall only sell as takeaways.
- 1.8 Micro Trade Registration Certificate (MTRC) outlets shall not retail wine and liquor
- 1.9 All hotels can avail themselves of the Restaurant license to serve wine and liquor.
- 1.10 The restaurants shall not serve wine and liquor before 1PM.
- 1.11 Every Tuesday shall remain as a dry day. No restaurant or wine and liquor outlets shall serve or sell alcohol on the dry day.

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- 1.12 All restaurant services shall be equipped with basic sitting arrangements ensuring hygiene, safety and comfort of customers.
- 1.13 The restaurant shall not be attached to (combined with) a grocery, general shop or other trading activity.
- 1.14 The places of entertainment shall provide restaurant services as per the Rules and Regulations for the Places of Entertainment 2022.
- 1.15 All existing restaurants with Cottage Scale Registration Certificate wishing to serve wine and liquor should transfer or obtain restaurant license from G2C system ([www.citizenservices.gov.bt](http://www.citizenservices.gov.bt)) within 30<sup>th</sup> December, 2022.

## **VI. Duties and obligations of the Licensee**

A licensee shall:

- 1.16 comply with all applicable laws, rules and regulations of the government in conduct of business.
- 1.17 prevent crime, disorder and public nuisance in the premises.
- 1.18 not serve or sell wine and liquor to a person below the age of 18 years.
- 1.19 not engage in fronting and other unlawful activities.
- 1.20 operate from the location declared in the Undertaking form and inform the licensing agency in case of change in location.
- 1.21 attend all awareness programs related to wine and liquor control and operation that may be required by relevant agencies.
- 1.22 maintain a separate corner for wine and liquor products and shall not be mixed with other general grocery items.
- 1.23 not operate restaurant and grocery/general retail shop from the same establishment (combine with).
- 1.24 read and fully understand the Rules and Regulations for Operation of Restaurant and Retail Wine and Liquor Business 2022 before submitting the application.

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## VII. Monitoring

- 1.25 The monitoring shall be carried out by the Royal Bhutan Police, respective local governments, and Regional Offices of Economic Affairs.

## VIII. Amendment

- 1.26 The Ministry may amend this Rules and Regulations from time to time.

## IX. Interpretation

- 1.27 The Ministry shall be the competent authority responsible for interpretation of this Rules and Regulations and its decision shall be final and binding

## X. Penalty

- 1.28 Any person who commits an offence under this Rules and Regulation shall be liable to pay a fine equivalent to daily minimum wage of six (06) months or previous year Business Income Tax, whichever is higher.
- 1.29 If any person who was imposed fine for any offence committed under this Rules and Regulation commits the same offence again, the restaurant, wine and liquor licence shall be cancelled for three (03) years.

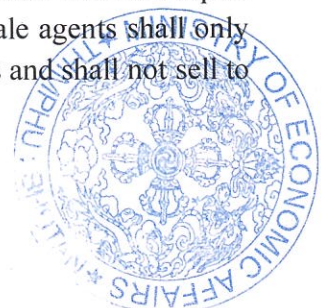
## XI. Definition

Unless the context otherwise requires, the following words and terms used in this Rules and Regulations shall have the following meanings assigned to them:

- i. **Restaurant** means a licensed business that serves meals, snacks, wine, liquor and non-alcohol beverages.
- ii. **Retail wine and liquor shop** means a licensed outlet where wine and liquor are sold as takeaways. It can be either a standalone outlet or combine with retails like grocery, mart or convenience stores, but with a separate liquor corner.
- iii. **Wholesale** means appointed distributor for a particular brand of wine and liquor by a company and their appointed distributor. The wholesale agents shall only sell wine and liquor products to restaurants and retail shops and shall not sell to the customers directly.

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*Annexure I: Licensing fees*

#	Location	Licence and renewal fee (Nu.)
1	Within the demarcated class A Thromde (Thimphu, Phuentsholing, Gelephu, and Samdrupjongkhar)	15,000
2	Within the demarcated urban core of other Dzongkhags or Yenlag Throms	7,000
3	All others areas	3,000
4	Retail wine and liquor outlet/shop	7000

*Annexure II: Undertaking*

I, \_\_\_\_\_ (insert name) \_\_\_\_\_ (CID no)  
and \_\_\_\_\_ (name of the business) and \_\_\_\_\_  
(location applied for) \_\_\_\_\_ (Dzongkhag/Thromde), under full mind  
and understanding shall ensure that:

- I. I have read and understood the Rules and Regulations for Operation of Restaurant and Retail Wine and Liquor Business - 2022 in full. I hereby confirm that my proposed business location does not contravene to this Rules and Regulations and is not in the prohibited area or location as defined under this Rules and Regulations.
- II. I also undertake full responsibility and obligation to relocate or close this business at my own cost in case the location I have applied for falls in a prohibited zone or a new developmental plan that prohibits my business in the area.

I agree and shall:

- not serve or sell wine and liquor to those under the age of 18 years;
- not serve or sell wine and liquor on Tuesday (dry day), and not serve wine and liquor in restaurants before 1:00 PM.

Signed this undertaking under full knowledge, understanding and acknowledging obligations therein.

Signature in full

Name:

CID:

Contact #:

— Submit —

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