

**Guidelines for the Issuance of Business Licence for Commercial
Production of Alcoholic Beverages 2025**



**Department of Industry
Ministry of Industry, Commerce and Employment
Thimphu**

February 2025

Foreword

In pursuant to the decision of the 21st session of the 4th Lhengye Zhungtshog (LZ) held on 25th July 2024 permitting the manufacture of alcoholic beverages above 8% alcohol content, the Department of Industry, Ministry of Industry Commerce and Employment hereby adopts the ***Guidelines for the Issuance of Business Licences for the Commercial Production of Alcoholic Beverages.***

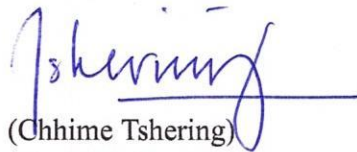
The Ministry officially endorsed the guidelines during the 20th Policy and Planning Committee Meeting held on 27th January 2025.

The guidelines apply to:

- I. Department of Industry (DoI), and Regional Offices of Industry, Commerce and Employment (RoICEs), MoICE, as the primary contact for applicants, processing applications, and issuance of licenses after reviewing required documentation;
- II. Applicants (Domestic and FDIs), responsible for submitting project proposals, obtaining necessary clearances, and adhering to all legal and procedural requirements; and
- III. All commercial production of alcoholic beverages irrespective of alcohol content.

The guidelines were developed to guide and facilitate licensing for the commercial production of alcoholic beverages as directed by the Lhengye Zhungtshog.

These guidelines are effective from today, 4th February 2025.



(Chhime Tshering)

Director General

Department of Industry, MoICE

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Background

In pursuant to the decision of the 21st and the 31st session of the Fourth Lhengye Zhungtshog (LZ) permitting the manufacture of alcoholic beverages with an alcohol content above 8% considering economic benefits and employment opportunities, the Department of Industry, Ministry of Industry Commerce and Employment hereby adopts the guidelines for the issuance of business licences for the commercial production of alcoholic beverages.

Applications

1. The guidelines apply to:
 - (1) Department of Industry, and Regional Offices of Industry, Commerce and Employment (RoICES), MoICE, as the primary contact for applicants, processing applications, and issuance of licenses after reviewing required documentation;
 - (2) Applicants (Domestic and FDIs), responsible for submitting project proposals, obtaining necessary clearances, and adhering to all legal and procedural requirements; and
 - (3) All commercial production of alcoholic beverages irrespective of alcohol content.
2. The guidelines shall come into effect from 4th February 2025.

Objective

3. The objective is to guide and facilitate licensing for the commercial production of alcoholic beverages.

Scope

4. The guidelines shall apply to the commercial production of alcoholic beverages.

Type of License

5. All proposals for the commercial production of alcoholic beverages shall be classified as small-scale industry and above.
6. An application proposing more than one type of alcoholic beverage production shall obtain licenses as per the activity classification under the Bhutan Standard Industrial Classification (BSIC) 2020.

Application Procedures

7. The application procedures for producing alcoholic beverages are as follows:
 - (1) For small-scale industries, an applicant shall submit the project proposal to the Regional Offices of Industry, Commerce and Employment, MoICE.

- (2) For medium and large industries, an applicant shall submit the project proposal to the Department of Industry, MoICE.
- (3) An applicant shall submit the following documents along with the project proposal:
 - a. Location Clearance from the respective Dzongkhag or Thromde;
 - b. Conditional Food Safety Clearance from Bhutan Food and Drug Authority (BFDA), Ministry of Health;
 - c. Environmental Clearance from the Department of Environment and Climate Change (DECC), Ministry of Energy and Natural Resources; and
 - d. Other documents, if any.
- (4) An applicant shall specify the type of alcoholic beverage and the proposed percentage of alcohol content in the proposal.
- (5) The Department of Industry/RoICE shall review the project proposal and documents submitted and issue the license according to the following, but not limited to, assessment criteria:
 - i. The use of locally available raw materials;
 - ii. Potential for foreign exchange earnings;
 - iii. Potential for quality employment generation;
 - iv. Shall fulfil a minimum value addition of 40%; and
 - v. Shall be premium quality alcoholic beverages.
- (6) In the case that the Department of Industry/RoICE is unable to decide on the proposals;
 - a. The Department of Industry shall review the proposal and submit it to LZ for approval with an assessment report.
 - b. Upon receipt of approval from the LZ, the applicant shall obtain and submit the required documents listed under Application Procedures to the Department of Industry.
 - c. The Department of Industry shall review the documents and issue the license.

Responsibilities of the Licensee

8. The licensee, in addition to the general responsibilities outlined in the Trade and Industry Rules 2023, shall be responsible as follows:
 - (1) Produce only the alcoholic beverage(s) within the specified alcohol content as specified in the license.

- (2) Strictly adhere to food safety standards prescribed by the Bhutan Food and Drug Authority (BFDA).
- (3) Ensure accurate labelling of products, including alcohol content, ingredients, and health warnings, as required.
- (4) Adhere to the responsibilities outlined above and existing regulations. Any case of non-compliance shall be dealt as per the rules and regulations of relevant agencies.

Amendment and Interpretation

9. The Department of Industry, Ministry of Industry, Commerce and Employment reserves the right to amend the guidelines if required.