

## Unofficial Translation

### Law of the Azerbaijan Republic On tobacco and tobacco products

This law regulates the relations connected with the production, purchase and sale, import, export, tobacco and tobacco products in the Republic of Azerbaijan, and establishes the legal framework for the management of their quality.

#### Chapter 1. General Provisions

##### Article 1. Basic concepts

1.0. Used in this Act shall have following meanings:

1.0.1. Tobacco - an annual maintenance plant that is used as the primary feedstock in the manufacture of tobacco products, after processing the leaves;

1.0.2. pipe tobacco - an annual maintenance plant, whose leaves are used for smoking through the tube;

1.0.3. fermentation tobacco - tobacco leaf, the last natural and technological processes for the production of tobacco products;

1.0.4. tobacco products - made from tobacco leaves for smoking products having in their composition nicotine, tobacco tar and other substances and causes addiction to nicotine (cigarettes, cigarettes, cigars, cigarillos and pipe tobacco);

1.0.5. nicotine - is present in the leaf and smoke tobacco and pipe tobacco substance belonging to a group of alkaloids;

1.0.6. tobacco tar - the semi-liquid, gaseous condensate of smoke;

1.0.7. ingredient - add to the tobacco flavorings, additives to tobacco and non-tobacco content as well as non-tobacco ingredients used in the manufacture of tobacco products;

1.0.8. flavor - non-tobacco substances added to tobacco, tobacco product to give a special flavor and aroma;

1.0.9. non-tobacco components - used in the manufacture of tobacco products, cigarette paper, inks, adhesives, filters, and any other parts other than tobacco;

1.0.10. turnover - the purchase (including imports), sending (including export), storage, wholesale and retail sales of the past industrial processing of tobacco and tobacco products.

##### Article 2. The legislation of the Azerbaijan Republic on tobacco and tobacco products

2.1. The legislation of the Azerbaijan Republic on tobacco and tobacco products consists of this Law and in connection with this Act regulations, as well as other legislation of the Azerbaijan Republic.

2.2. If the rules regulating the relations of tobacco and tobacco products, and management of quality set

## Unofficial Translation

by international treaties to which the Azerbaijan Republic, differ from those envisaged by this Law, the provisions of international treaties.

### Article 3. Public policies on tobacco and tobacco products

The main directions of state policy on tobacco and tobacco products are in the orientation activities in the area of tobacco production in the cultivation of valuable and high quality tobacco products to increase exports of tobacco and tobacco products, protection of the domestic tobacco market, the replacement of imported raw materials in the local raw materials and the strengthening of measures to protect the public from the harmful effects of tobacco products.

### Article 4. State regulation of production and turnover of tobacco and tobacco products

4.0. State regulation of production and turnover of tobacco and tobacco products includes:

4.0.1. adoption of regulations to regulate the quality, production and turnover of tobacco and tobacco products;

4.0.2. market study of tobacco and tobacco products, providing forecasts, the definition based on the state program of guidelines and mechanisms to regulate the development of tobacco cultivation;

4.0.3. establishment of agricultural and technical standards for growing and processing of valuable and high quality tobacco products;

4.0.4. stimulation of tobacco manufacturers and ensure their social protection systems;

4.0.5. establishment of regulations on issuing permits for business activities in the production and circulation of tobacco products;

4.0.6. quotas on imported tobacco products subject to domestic production;

4.0.7. establishment of excise tax rates and rules for their application in respect of tobacco products;

4.0.8. state control over the quality of and trafficking in tobacco and tobacco products;

4.0.9. preparation and enforcement of health programs aimed at reducing tobacco consumption;

4.0.10. implementation of other tasks specified in the legislation.

## Chapter II. The economic fundamentals of tobacco farming

### Article 5. Tobacco production

5.1. In Azerbaijan, for commercial production of tobacco should be used seeds released varieties of tobacco that meet state standards.

5.2. Production superelitnyh tobacco seeds is carried out on experimental bases of the research institutions, and the production of elite and vysokoreproduktivnyh seeds - in specialized farms on a

## Unofficial Translation

contract basis.

5.3. Manufacturers of tobacco seeds in the procedure established by law are responsible for the purity of their varietal composition, varietal and seed quality, adaptation to climatic conditions and phytosanitary state.

5.4. Growing, harvesting, layout, drying, and primary processing of tobacco made in accordance with regulations and technological standards.

### Article 6. Tobacco processing

6.1. Natural and industrial processing of tobacco is carried out by enterprises on processing of tobacco in accordance with technical standards.

6.2. Tobacco, past natural and industrial processing, packaged, marked and certified in accordance with the regulations.

### Article 7. State program for the production of value and quality of tobacco

7.1. State program to produce valuable and quality tobacco aims at the development of tobacco growing in the Azerbaijan Republic, the change in the optimal ratio of traditionally cultivated botanical varieties of flavored tobacco varieties, quality products and provides:

7.1.1. organization of seed varieties of tobacco, brought into the country and production, based on identified needs;

7.1.2. studies of tobacco producers and specialists tobacco processing technologies of cultivation and processing of new varieties;

7.1.3. measures on tobacco farming equipment with modern technology and manufacturing equipment;

7.1.4. establishment of financial resources provided by the program issues, as well as measures to attract investment in this sector.

7.2. Preparation and implementation of state programs to produce valuable and quality tobacco provided the relevant executive authority.

### Article 8. Measures of economic regulation for the development of tobacco cultivation

8.1. Carrying out research and variety testing in the field of tobacco growing is funded by the state budget and other borrowed funds.

8.2. Reduced amount of preferential loans provided by manufacturers of tobacco and tobacco processing companies no less than one year in order to stimulate the production of value and quality of tobacco, shall be paid from the fund to support business and other similar programs. Insurance tobacco crop (production), grown under the projects through these loans, the disaster is being funded from the budget.

## Unofficial Translation

8.3. The rules provide, the return of directed credit and insurance tobacco crop (production), established by relevant executive authority in accordance with the legislation of the Azerbaijan Republic.

### Article 9. State support of tobacco

9.1. Manufacture of tobacco products manufactured in the Republic of Azerbaijan of tobacco products is stimulated by the state.

9.2. Tobacco processing companies, has established a tobacco producers cooperative ties on a long term contract basis, helping them to resources and buy their products until the end of the year of production, given a preferential right to receive trust loans.

9.3. To ensure the application in tobacco advanced engineering and technology driven entrepreneurship in the organization based on leasing maintenance, supplies crop protection products and agrochemicals.

9.4. Other forms and conditions of state support for tobacco manufacturers, as well as stimulating the production of value and quality of tobacco are regulated by regulations, prinyatymisootvetstvuyuschim executive authority

### Chapter III. Manufacture of tobacco products

#### Article 10. Requirements for the production of tobacco products

10.1. Tobacco manufacturers should prepare a tobacco mixture directly in the enterprise and use local raw materials to the extent regulated in accordance with existing regulations.

10.2. Manufacture of tobacco products on the basis of a special permit in the manner prescribed by the relevant executive authority.

#### Article 11. Characteristics of the ingredients in the composition of tobacco products

11.1. A complete list of ingredients used in the compositions of the Azerbaijan Republic of tobacco products is reflected in the report submitted to the manufacturers relevant executive authority. In the list in descending order, specify the name of tobacco products (brand product) for each type and quantity of ingredients in their composition.

11.2. The full list of ingredients must be indicated function of each ingredient and its amount of unsaturated level.

11.3. Flavors, which give each type of product brands rare qualities, can not be characterized in the list individually, but grouped as "natural" and (or) "artificial" flavorings.

11.4. The relevant executive authority may require manufacturers to provide consumers with information about the ingredients that make up the product, or do it myself.

11.5. Report form on the ingredients that make up the tobacco, and rules for submission established by relevant executive authority.

## Unofficial Translation

### Article 12. Verhny limit nicotine, tobacco tar and carbon monoxide in tobacco products

12.1. The relevant executive authority in accordance with international treaties to which Azerbaijan has acceded, sets an upper limit on the number of nicotine, tobacco tar and carbon monoxide in the composition produced in the country and produced a turnover of tobacco products for each unit of product and regulates the reduction of these standards.

12.2. Tobacco manufacturers should report annually to the relevant executive authority information on the quantity of nicotine, tobacco tar and carbon monoxide content of tobacco products manufactured and released into circulation on the territory of the Azerbaijan Republic.

12.3. The amount of nicotine, tobacco tar and carbon monoxide in the tobacco products are analyzed and tested by the manufacturer or at his expense, based on international methodology in the laboratory, established by relevant executive authority.

12.4. Rules for preparation and submission of information on the amount of nicotine, the tobacco tar and carbon monoxide in tobacco products shall be established by relevant executive authority.

### Article 13. Making boxes for tobacco

13.1. Making boxes for tobacco products manufactured and released into circulation in the territory of the Azerbaijan Republic shall meet the requirements of international standards. Labels must be printed in the Azeri language.

13.2. Text labels, warning about the dangers of tobacco use on human health is determined by the relevant executive authority must be printed on one of the sides of packs of cigarettes a distinct, eye-catching (contrast), a thick font, in a manner that eliminates its deletion shall not be permitted the imposition on him of a other printed material or images, the concealment of this inscription, damage, or break when opening packs.

13.3. On each box for manufactured or produced in the circulation of tobacco products shall be indicated the amount of nicotine and tobacco tar, and the date of production and a ban on their sale to persons under the age of 18.

13.4. Making boxes for the export of tobacco products may also be conducted in another language, in accordance with the terms of the contract.

## Chapter IV. The turnover of tobacco and tobacco products

### Article 14. Import and export of tobacco and tobacco products

14.1. From foreign countries to the Azerbaijan Republic may be imported tobacco and tobacco products, registered in the state register, having issued in due course a certificate of compliance or a certificate of recognition and meet the quality requirements established by this Act.

14.2. Number of tobacco products allowed for import to the Azerbaijan Republic by individuals for

## Unofficial Translation

personal consumption, determined by the relevant legislation.

14.3. Imports of tobacco and tobacco corporations and individuals are not allowed in the following cases:

14.3.1. without special permission;

14.3.2. in the absence of the legislation certificates for each lot of tobacco and tobacco products;

14.3.3. in the absence of marking with excise stamps on tobacco products;

14.3.4. in the absence of the box for tobacco prevention of the harmful effects of smoking on health, the inscriptions on the number of nicotine and tobacco tar in the Azeri language;

14.3.5. In other cases, no relevant legislation.

14.4. Exports of tobacco and tobacco products shall be in accordance with the legislation of the Azerbaijan Republic and international law.

## Article 15. Trade in tobacco and tobacco products

15.1. In the turnover in the Republic of Azerbaijan can do tobacco and tobacco products, quality indicators that meet the regulatory requirements and hygienic standards, with appropriate certificates.

15.2. Trade in tobacco and tobacco products shall be in accordance with the legislation of the Azerbaijan Republic in the form of wholesale and retail sales.

15.3. Sale of tobacco and tobacco products is prohibited in the following cases:

15.3.1. in the absence of relevant certificates for each shipment of products;

15.3.2. in the absence of marking with excise stamps on tobacco products;

15.3.3. when the amount of nicotine, tobacco tar and carbon monoxide in their composition exceeds the upper limit;

15.3.4. in the absence of the box for tobacco label with a warning about the harmful effects of smoking on health;

15.3.5. for non-compliance labeling of tobacco products and design boxes with the relevant regulations;

15.3.6. for sale to persons under the age of 18;

15.3.7. the sale by means of automata;

15.3.8. with unit sales of cigarettes, cigarettes and cigarillos.

15.4. If necessary, the sellers of tobacco products have the right to demand from buyers of the

## Unofficial Translation

document proving their age.

15.5. Not allowed sale of tobacco products in the training, educational, recreational facility, health and culture, as well as in places of sale of goods for children and adolescents.

15.6. In the field of trade in tobacco products must bear the inscriptions on the harmful effects of smoking on health, the prohibition of tobacco sales to persons under the age of 18, as well as other inscriptions that serve as restriction of the use of tobacco products.

### Article 16. Withdrawal of tobacco and tobacco products out of circulation

16.1. Withdrawal of tobacco and tobacco products from illegal trafficking in accordance with the legislation of the Azerbaijan Republic.

16.2. Tobacco and tobacco products are withdrawn from circulation in the following cases:

16.2.1. in the absence of documents on the laws of production and release into circulation;

16.2.2. in the absence of relevant certificates for each shipment of products;

16.2.3. in the absence of marking with excise stamps on tobacco products, or marking them with fictitious brands;

16.2.4. when the amount of nicotine, tobacco tar and carbon monoxide content of tobacco products exceeds the upper limit;

16.2.5. in violation of requirements related to the characteristic ingredients in the composition of tobacco products;

16.2.6. when the case covers for tobacco products is not conducted in accordance with legislation;

16.2.7. with the loss of their consumer product quality;

16.2.8. if you have installed abandonment of production;

16.2.9. in other cases stipulated by law.

16.3. Tobacco and tobacco products seized from illegal trafficking, in the cases specified in Articles 16.2.4, 16.2.5 and 16.2.7 of this Act shall be confiscated and destroyed in the manner provided by law, but in other cases used in the prescribed manner.

### Chapter V. Quality management of tobacco and tobacco products

#### Article 17. Normative documents on tobacco and tobacco products

17.1. Normative documents on tobacco and tobacco products set the standards and requirements, regulations, conditions and standards of production, harvesting, processing, storage, transportation, packaging, labeling and sales.

## Unofficial Translation

17.2. Indicators of quality produced in the Republic of Azerbaijan, as well as imported into the Republic of tobacco and tobacco products must meet the requirements of existing regulations.

17.3. Compliance with regulations on tobacco and tobacco products, is mandatory for all businesses and individuals doing business in this area.

### Article 18. Assessment of quality of tobacco and tobacco products

18.1. The composition produced in Azerbaijan Republic and imported into the Republic of tobacco and tobacco products reviewed and evaluated for their commodity value, the class (degree), the quality of smoking, indicators of nicotine, the tobacco tar and carbon monoxide.

18.2. Number of harmful substances in tobacco and tobacco products must comply with the approved as appropriate hygienic standards.

18.3. Tobacco products are placed by the relevant executive vlastina hygienic registration in the state register.

18.4. Tobacco, quality indicators are evaluated, as well as tobacco, put on hygienic registration certified in the proper order.

### Article 19. State control over the quality of and trafficking in tobacco and tobacco products

19.1. The purpose of state control over the quality of and trafficking in tobacco and tobacco products is to ensure the production, harvesting, processing, packaging, storage, transportation, labeling, sale, import and export of natural and legal persons of the products as well as compliance with regulatory requirements governing the quality indicators and hygienic standards.

19.2. The rules of the state control over the quality of and trafficking in tobacco and tobacco products shall be established by regulations adopted by the relevant executive authority.

19.3. Municipalities, consumers and NGOs can carry out the functions of quality control and trafficking of tobacco and tobacco products within the powers granted to them by legislation, establishing their status.

## Chapter VI. Regulatory measures aimed at reducing tobacco consumption

### Article 20. Restricting methods of promoting the sale of tobacco products

20.1. Businesses and individuals with permission to trade in tobacco products, the sale of products is forbidden to use the following methods to encourage customers:

20.1.1. application of benefits in respect of holders of coupons, which are published in the media or announced;

20.1.2. free distribution or giving as a reward of tobacco products and their new designs;



## Unofficial Translation

20.1.3. supply of tobacco products as a reward for winning the lottery, contests, sports competitions, games;

20.1.4. holding the winning of games related to the sale and consumption of tobacco products (including through the collection boxes out of cigarettes and their parts).

20.2. Tobacco manufacturers are free to use their brand names in sponsorship and advertising of social, cultural and educational activities that do not reflect the advertising of tobacco and tobacco products.

## Article 21. Limitations to the use of tobacco products

21.1. In Azerbaijan, smoking is prohibited:

21.1.1. in training, educational, recreational facility, health and culture, as well as in the halls where held sports competitions and other events;

21.1.2. workplaces in public buildings, except for personal offices and special places for smoking;

21.1.3. in trade, catering and life, and residential buildings and other enclosed public places, except in the highest category of restaurants, cafes and bars;

21.1.4. all kinds of public transport, except for specially designated areas on public transport distance.

21.2. In the hotels for smokers should be special places.

21.3. Managers of enterprises, institutions, organizations and other employers should provide diversion in the workplace special places for smoking, and post in conspicuous places warning notice or a pointer to "No Smoking".

21.4. Educational institutions with the consent of the relevant executive authority must include in the curriculum topics on the harmful effects of tobacco consumption on health.

## Article 22. Measures to control tobacco use

22.1. Measures to control tobacco use are prepared and implemented by relevant executive authorities. As an integral part of government programs and environmental health measures to control tobacco use funded by the state budget and other sources.

22.2. Municipalities, consumers and nongovernmental organizations can prepare, implement programs to control tobacco use and to make this connection, the relevant proposals.

## Chapter VII. Responsibility for violation of legislation on tobacco and tobacco products and Dispute Resolution

### Article 23. Responsibility for violation of legislation on tobacco and tobacco products

## Unofficial Translation

Persons guilty of violating the legislation on tobacco and tobacco products are liable under the legislation of the Azerbaijan Republic.

Article 24. Compensation for damage caused due to violations of legislation on tobacco and tobacco products

24.1. The scope and rules of compensation for damages caused by violations of legislation on tobacco and tobacco products are installed in accordance with the legislation of the Azerbaijan Republic.

24.2. Compensation for damages shall not relieve perpetrators from liability under the laws.

Article 25. Dispute Resolution

Disputes related to the production and trafficking of tobacco and tobacco products shall be settled in court in accordance with the legislation of the Azerbaijan Republic.

Article 26. Entry into force

This Law shall come into force on 1 January 2002.

President of Azerbaijan Republic

Heydar Aliyev

Baku, June 8, 2001

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