

Tobacco Monopoly Licensing Management Regulations

(Released as No. 37 order of the Ministry of Industry and Information Technology on May 26, 2016, effective from July 20, 2016)

Chapter 1 General provisions

Article 1 To standardize management of tobacco monopoly licensing, and protect the lawful rights and interests of citizens, legal persons and other organizations, the Regulations are drawn up, under the provisions of the Tobacco Monopoly Law of the People's Republic of China, Administrative Licensing Law of the People's Republic of China, Regulations for the Implementation of the Tobacco Monopoly Law of the People's Republic of China, and other laws and regulations.

Article 2 The Regulations apply to management of tobacco monopoly licensing in the territory of the People's Republic of China.

Article 3 The tobacco monopoly administration should review, approve and issue tobacco monopoly licenses according to authority, scope, conditions and procedures described by law, and apply effective supervision and management.

Article 4 Citizens, legal persons and other organizations are entitled to rights to standing and defense, and to rights to apply for administrative review or initiate administrative proceeding, regarding the tobacco monopoly license issued by the tobacco monopoly administration. When their lawful rights and interests are harmed due to the tobacco monopoly administration illegally issuing tobacco monopoly licenses, they are entitled to seeking compensation according to law.

Article 5 The tobacco monopoly licenses obtained by citizens, legal persons or other organizations are protected by law.

When the laws, regulations and rules that govern tobacco monopoly licensing are amended or abolished, or the objective conditions that qualified for obtaining tobacco monopoly licenses change materially, to protect public interests, the tobacco monopoly administration may alter or withdraw already effective tobacco monopoly licenses according to law.

Article 6 Tobacco monopoly licenses referred to in the Regulations include licenses of tobacco monopoly manufacturers, tobacco monopoly wholesalers and retailers.

Article 7 The tobacco monopoly administration reviews, approves, issues and manages tobacco monopoly licenses according to law.

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Chapter 3 Approval and issuance

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Article 25 Tobacco monopoly retail license is not to be issued in any of the following cases:

1. The business place is not suitable for selling cigarettes due to safety concerns;
2. Around primary and secondary schools;
3. Less than three years since eligibility to engage in tobacco monopoly operations was removed;
4. The applicant re-submits application within one year since the applicant obscured information or provided false materials and the tobacco monopoly administration decided not to review or issue license;
5. The applicant re-submits application within three years since the applicant's tobacco monopoly license was withdrawn due to using improper means to obtain it, such as fraud or bribe;
6. The applicant applies to obtain tobacco monopoly retail license within three years of engaging in tobacco monopoly products without obtaining tobacco monopoly retail license and was penalized twice by enforcement agency in a year;
7. Other situations of not issuing license as stipulated by the National Tobacco Monopoly Administration.

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Chapter 5 Supervision and administration

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Article 40 No citizen, legal person or other organization may use vending machine to sell tobacco products.

Unofficial Translation (excerpts)

Except companies that have obtained licenses for tobacco monopoly manufacturer or tobacco monopoly wholesaler, no other citizen, legal person or organization shall engage in selling tobacco monopoly products through information network.

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Chapter 6 Legal liabilities

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Article 57 If a citizen, legal person or organization violates provision of the Regulations and does not promptly handle alteration or cancellation of tobacco monopoly license, the tobacco monopoly administration shall demand rectification; if it refuses to rectify, the tobacco monopoly administration shall charge a fine of no more than RMB1,000.

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Chapter 7 Supplementary provisions

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Article 65 The Regulations shall be interpreted by the National Tobacco Monopoly Administration.

Article 66 The Regulations shall take effect from July 20, 2016. If relevant provisions promulgated before effective date of the Regulations contradict with the Regulations, the Regulations shall prevail.