

RULES FOR LICENSING OF 24 HOURS CONVENIENCE STORES

The need for 24 hours convenience stores is felt necessary with changing times, so as to provide public with a convenient location to purchase consumable products. In Bhutan, the reference here is to convenience stores that include a broad merchandise mix and extended operation hours.

The provisions hereunder are specific to 24 hours convenience stores. In general, all other provisions and clauses in Retail Trade Regulations - 2006 shall apply unless otherwise specified in this rules.

1. DEFINITION

1.1 24 hours convenience store shall mean a retail outlet with extended hours catering to basic essential low value items such as snack foods, confectionery, toiletries, non-alcoholic beverages, express coffee, phone cards, hygiene products, over the counter non prescription drugs, stationery, essential electrical appliances, basic household items, lottery, magazines and newspapers including ticket service for concerts, theme parks and movie theatres.

2. SCOPE

2.1 This rule shall apply to the whole of the kingdom of Bhutan

3. ELIGIBILITY

3.1 All Bhutanese citizens having attained the age of 18 years shall be eligible to engage in 24 hours convenience store business.

4. LICENSING PROCEDURE

4.1 An individual can apply for license in the prescribed form (retail trade application form) through online G2C services at www.citizenservices.gov.bt.

4.2 The applicant shall submit a brief 'development plan' with the application form as per the format provided by the Department. Please see Annexure 1.

(The development plan should have specific mention of the (i) size of the convenience store, (ii) availability of stock room, (iii) number of regular employees, (iv) capital investment) – could be included in the format

4.3 Location clearance to be obtained from respective Thromdes/Dzongkhags/Local government authorities.

4.4 The license fees for the 24 hours convenience stores will be Nu. 10,000/- (ten thousand) only.

4.5 The 24 hours convenience stores license shall be renewed every year. Renewal shall be subject to clean record. The renewal fee is Nu. 10,000/- (ten thousand) only.

4.6 The licensing and operation of 24 hours convenience stores shall be reviewed periodically for impact assessment.

5. RIGHTS

5.1 The retail license for 24 hours convenience stores shall confer the licensee with the right to commence 24 hours convenience stores business from a given location approved by the concerned Thromde/Dzongkhags/Local government authorities

5.2 The 24 hours convenience store shall trade in those goods defined in clause 1.1.

6. SPECIAL EXCLUSIONS

6.1 The licensee shall not engage in any activities listed in the negative list as per Annexure 2.

7. SPECIFIC OBLIGATIONS

7.1 In terms of physical space, on average convenience stores should range at the minimum between 5.4 by 9.0 metres in size.

7.2 CCTV cameras and monitors need to be installed for security purpose.

7.3 Should also provide Point of Sale (POS) machine services.

7.4 Should have minimum of cold storage facilities as required for some type of products.

7.5 Should have proper waste bins and waste disposal plan and routine. Good degree of cleanliness has to be maintained at all hours of operation. Should be responsible for their waste in the immediate vicinity of their store.

7.6 The licensee shall cooperate and provide any information as required by the competent authority.

7.7 The licensee shall allow unfettered access to the competent authority to inspect its premises at any time of day and night.

7.8 The 24 hours convenience stores shall use similar unique signboards as per the specified design.

7.9 The 24 hours convenience stores shall operate 24 hours throughout the week.

7.10 The 24 hours convenience stores shall comply with the specific provisions of the National Labour and Employment Act of Bhutan 2007.

8. PENALTIES

8.1 The licensee shall be levied a penalty of Nu. 10,000/- for violation of any provisions of this rules.

8.2 A repeat violation of the provisions in this rules or any other relevant rules shall result in the cancellation of the license.

9. POWER TO AMEND

9.1 The Ministry shall have the power to amend any provisions of this rules from time to time through notifications and other mechanisms.

10. SUPERSESSION AND INTERPRETATION

10.1 In the event of conflict of any provisions of this rule with any existing rules, the provisions of this rules shall prevail.

10.2 The Ministry shall be the sole authority responsible for interpretation of this rules and its decision shall be final and binding.

Annexure: 1

DEVELOPMENT PLAN INFORMATION INPUT FORMAT

(i) size of the convenience store, (ii) availability of stock room, (iii) number of regular employees, (iv) capital investment

1. Size of the main display room:

Minimum prescribed in metres

Yes No

--	--

Bigger than prescribed (in metres)

--

2. Stock/Changing Room

Yes No

--	--

3. Shift System

Yes No

--	--

4. Number of Regular Employees

--

5. Minimum Capital Investment in Ngultrums (in Million)

--

Annexure: 2

Negative List

1. Products like crackers used for fireworks and other similar products are not allowed.
2. Tobacco products are not allowed.
3. Alcohol and alcoholic beverages and any other intoxicating substances and goods are not allowed.
4. Preparation of food in the fashion of restaurants/hotels are not allowed.
5. Any other products listed in the Negative list in the Bhutan Wholesale Trade, Retail Trade and Micro Trade Registration 2006 are not allowed.