

Cabinet Resolution No. (98) of 2023
Regulating the Licensing of Tobacco Cultivation and Manufacturing Tobacco
Products and Derivatives

The Cabinet,

- Upon reviewing the Constitution; and
- Federal Law No. (1) of 1972, Concerning the Competences of Ministries and Capacities of Ministers, and its amendments thereof; and
- Federal Law No. (15) of 2009, On Combating Tobacco, and its amendments thereof; and
- Based upon the proposals submitted by the Ministry of Health and Prevention, and the Cabinet's approval,

Has resolved:

Article (1)

Definitions

In the application of the provisions of this Resolution, the following words and expressions shall have the meanings indicated opposite each of them unless the context requires otherwise:

- State** : United Arab Emirates.
- Competent Authorities** : The federal and local government authorities that fall within its jurisdiction to implement any of the provisions of this Resolution.
- Licensing Authority** : The local authority or the free zone authority that is competent to issue agricultural or industrial licences for tobacco and its products.
- Approved Standard Specifications** : The standards approved by the Ministry of industry and Advanced Technology, which are referred to as UAE Standard Specifications and shall be abbreviated as (UAE.S).

- Conformity Certificate** : A Certificate issued by the Ministry of industry and Advanced Technology, which confirms that the conformity of the Product or any payment thereof with the requirements of the Approved Standard Specifications or the obligatory standard specifications.
- Tobacco** : Tobacco plant of all types, varieties, and its parts including roots, stems, leaves, fruits, and green or dried seeds.
- Tobacco Products/Derivatives** : Products that consist totally or partially of tobacco leaves as raw material, whether whole, cut, or chopped, and whether in its natural condition, mixed with other substances, or processed in any form, and tobacco powder in any of its forms or any other composite material containing tobacco.
- Product** : The product that is fully or partially made from tobacco leaves as raw material, manufactured for the purpose of smoking tobacco or making liquids and products used in electronic alternatives to traditional tobacco products.
- Supplier** : Every person whose activity has an impact on tobacco, its products and derivatives, including the manufacturer, importer, carrier, assembler, filler, agent, warehouse, or any major or subsidiary distributor or any legal representative who is responsible for the import, installation, and operation of the product subject to the provisions of this Resolution, and who carries out his activity through a licensed company or individual establishment in the State in accordance with the relevant legislation.
- Farmer** : Every natural or legal person who holds a licence to exercise tobacco cultivation from the licensing authority in the State.
- Manufacturer** : Every natural or legal person who holds a licence to exercise manufacturing activities from the licensing authority in the State.

Article (2)

Scope of Application

Provisions of this Resolution shall apply to anyone who obtains or desires to obtain agricultural and industrial licences for tobacco and its products and derivatives in the State, including the free zones.

Article (3)

Requirements to Grant Tobacco Agricultural Licence

Whoever desires to carry on tobacco agriculture activity shall abide by the following:

1. He shall apply to the licensing authority in the relevant Emirate in accordance with the requirements, conditions and procedures applicable in this respect.
2. Fees decided for licensing shall be paid according to resolutions applicable in the licensing authority.
3. The agricultural land designated for tobacco cultivation shall be away from agricultural areas designated for growing crops at distances specified by the competent authorities.

Article (4)

Obligations of Licensees to Cultivate Tobacco

All persons who obtained licences to cultivate tobacco shall abide by the following:

1. Keeping accounting records that show the area cultivated in square meters, quantities of production, sales, purchases, and waste quantities.
2. Fulfilling requirements of Ministry of Climate Change and Environment with respect to importing tobacco seeds and seedlings.
3. Keeping records and tracking data for soled products, including the supply date, production date, and the names of sales outlets.
4. Keeping records of suppliers for all agricultural materials and inputs that show the sources of materials and its expiration dates.

5. Not to transport unprocessed tobacco from its location before submitting a request to the licensing authority and acquiring a consent that includes the location to which the tobacco will be transported and the time of such transport, in accordance with the procedures applicable in each Emirate, keeping the following into account:
 - a. The records shall contain the exact quantity of tobacco desired to be transported and restricted.
 - b. The entity to which unprocessed tobacco is transported, and the purchaser shall be determined.
6. The scales and calibres used for weighing tobacco shall be accurate and conform with the approved standard specifications.
7. A farmer may not sell tobacco except through a licensed supplier who is authorized to sell and trade in tobacco and/or its products and derivatives.
8. No other agricultural products may be grown in the lands where tobacco is cultivated.
9. All necessary measures shall be taken upon cultivating tobacco. These shall include treating the soil designated for tobacco cultivation to ensure that there is no leakage of harmful substances into adjacent land or groundwater.
10. Health requirements outlined in the legislations applicable in the State and relate to occupational health and safety for workers in tobacco cultivation shall be fulfilled, including the use of personal protective equipment as determined by the competent authority.
11. Medical Fitness Certificate for workers involved in tobacco cultivation shall be acquired annually throughout the period of working in the cultivation and transport of tobacco, provided that the employer shall bear the costs of medical examinations and issuing Medical Fitness Certificates by health authorities.
12. Providing the competent authorities with reports on the whole information relevant to tobacco cultivation upon request.

Article (5)

Requirements to Grant Industrial Licence for Tobacco, its Products and Derivatives

Whoever desires to exercise industrial production of tobacco, its products or derivatives shall abide by the following:

1. He shall apply to the licensing authority in the relevant Emirate in accordance with the requirements, conditions and procedures applicable in this respect.
2. Fees decided for licensing shall be paid according to resolutions applicable in the licensing authority.
3. Places of factories shall be far from residential areas with the distances determined by the competent authorities.

Article (6)

Obligations of Licensees for Manufacturing Tobacco, its Products or Derivatives

All persons who obtained licences to cultivate tobacco, tobacco products or derivatives shall abide by the following:

1. No consignment of tobacco shall be allowed to enter the industrial facility unless it is accompanied by the relevant documentation issued by the competent authorities.
2. A statement containing the weight of tobacco stored in the facility or warehouse, whether processed or unprocessed, and its origin shall be kept and disclosed. Number of tobacco products manufactured for each production line shall be calculated according to the mechanism and methods determined by the competent authorities.
3. A monthly statement of the quantities produced for each type of tobacco product and the production dates shall be prepared.
4. A Conformity Certificate for the product in accordance with the standard specifications and technical regulations approved in the State shall be obtained.

5. Safe disposal of waste and by-products of tobacco manufacturing shall be made in accordance with the legislations applicable in the State with respect to waste. Waste resulting from the production and use of tobacco may not be recycled.
6. Health requirements outlined in the legislations applicable in the State and relate to occupational health and safety for workers in manufacturing facilities shall be fulfilled, including the use of personal protective equipment as determined by the competent authority.
7. Environmental requirements stipulated in legislations applicable in the State in addition to periodical monitoring for health environment at the factories shall be complied in order to ensure continuity of work safety and security in such factories.

Article (7)

Responsibilities

1. The licensing authority shall perform the following:
 - a. Supervise and inspect farms and industrial facilities that obtained the licence to ensure that provisions of this Resolution are enforced.
 - b. Ensure allocation of specific lands designated for tobacco cultivation which are far from any agricultural lands designated for cultivating food products. Such distance shall be determined by the competent authorities based on environmental impact studies and land allocation and urban planning requirements issued in this respect.
 - c. Ensure that places of factories are far from residential areas with the distances determined by the competent authorities.
 - d. Oversee the markets to ensure that tobacco, its products or derivatives acquired conformity certificate according to approved standard specifications.
 - e. Impose administrative penalties stipulated in Article (8) of this Resolution on whoever violates its provisions.

- f. Determine the fees and organize the procedure to collect the fees of practising tobacco cultivation or manufacturing.
 - g. Notify the competent authorities with the results of the supervision on farms and industrial facilities and the procedures taken in this respect.
2. The competent authorities shall, each within its jurisdiction, be responsible to enforce the provisions of this Resolution. To this end, the competent authorities may take the procedures they deem appropriate and in accordance with legislations applicable at such authorities.
3. Ministry of industry and Advanced Technology shall receive and study the applications to register the product and granting conformity certificates in accordance with applicable legislations in the Ministry. The Ministry also shall share the details of suppliers who obtained conformity certificates with the competent authorities pursuant to provisions of this Resolution.

Article (8)

Administrative Penalties

Without prejudice to any severer penalty stipulated in any other legislation, the chairman of the licensing authority may impose any of the penalties stipulated in the table attached to this Resolution, according to the nature of the violation, on whoever violates the provisions of this Resolution.

Article (9)

Appeal

Any stakeholder may bring a written appeal to the Chairman of the Licensing Authority against any decision issued subject on provisions of this Resolution, within a period not exceeding fifteen (15) days as of the date of being notified of the decision being appealed. The appeal shall be substantiated and accompanied with supporting documents. The appeal shall be decided within

a period not exceeding thirty (30) days as of the date of submission in accordance with the procedures applicable at the Licensing Authority.

Article (10)

Judicial Enforcement

Employees of the Licensing Authorities designated according to applicable regulations in each Emirate shall have the capacity of judicial officers in documenting and proving violations of the provisions of this Resolution and the resolutions issued for its implementation.

Article (11)

Confidentiality

Employees of the competent authority, who have access to any information or data of a confidential nature with respect to application of provisions of this Resolution and the resolutions issued for its implementation shall keep such information confidential and shall not disclose it to third parties unless there is a prior consent from the party that reported such information and data, based on a court judgment or in accordance with legislations applicable in the State.

Article (12)

Cooperation with Competent Authorities

Tobacco farmer, supplier, or manufacturer shall fully cooperate with the competent authorities and shall provide the necessary information required to calculate the quantities entering and leaving the farm or factory, in accordance with the provisions of this Resolution.

Article (13)

Status Adjustment

Tobacco farmer, supplier, and manufacturer shall be granted a period of one hundred and eighty (180) days as of the date this Resolution comes into force to adjust their status in a way that complies with the provisions of this Resolution.

Article (14)

Repeals

Any provision that violates or contradicts the provisions of this Resolution shall be repealed.

Article (15)

Publication and Entry into Force

This Resolution shall be published in the Official Gazette and shall enter into force as of the day following the date of its publication.

Mohammed Bin Rashid Al Maktoum

Prime Minister

Issued by Us:

On: 10/10/2023 AD

Corresponding to: 25/ Rabi` al-Awwal/1445 A.H.

Table of Violations and Administrative Penalties Annexed to Cabinet Resolution No. (98) of 2023 Regulating the of Licensing Tobacco Cultivation and Manufacturing Tobacco Products and Derivatives

No.	Violation	Administrative Penalty		The Authority imposing the penalty and collecting the fine
		When violation is committed for the first time	When the violation is repeated	
1	Practising tobacco cultivation activity without obtaining a licence from the local licensing authority.	Imposing a fine of (10,000) ten thousand Dirhams	Imposing a fine of (50,000) Fifty thousand Dirhams	Licensing Authority
2	Practising tobacco manufacturing activity, its products and derivatives, without obtaining a licence from the local licensing authority.	Imposing a fine of (50,000) Fifty thousand Dirhams	Imposing a fine of (100,000) one hundred thousand Dirhams	
3	Submitting incorrect data or documents, or misleading information, in order to obtain an agricultural or industrial licence.	Temporary suspension of the license, provided that such suspension shall not exceed six (6) months.	Cancellation of the Licence	

4	Violation of the obligations stipulated in provisions of Article (4) of this Resolution.	Temporary suspension of the license, provided that such suspension shall not exceed six (6) months.	Cancellation of the Licence	
5	Violation of the obligations stipulated in provisions of Article (6) of this Resolution.	Temporary suspension of the license, provided that such suspension shall not exceed six (6) months.	Cancellation of the Licence	
6	No cooperation with the competent authorities in providing necessary information required to calculate the quantities entering and exiting from the farm or the factory.	Written Warning	Temporary suspension of the license, provided that such suspension shall not exceed six (6) months.	