

GOVERNMENT NOTICE NO. 761C published on 30/10/2023

THE PETROLEUM ACT,
(CAP. 392)

RULES

(Made under section 259 (1))

THE PETROLEUM (RETAIL OPERATIONS IN TOWNSHIPS AND VILLAGES)
(AMENDMENT) RULES, 2023

Citation
GN. No.
818/2020

1. These Rules may be cited as the Petroleum (Retail Operations in Townships and Villages) (Amendment) Rules, 2023 and shall be read as one with the Petroleum (Retail Operations in Townships and Villages) Rules, 2020 hereinafter referred to as the “principal Rules”.

Amendment of
rule 3

2. The principal Rules are amended in rule 3 by inserting in their appropriate alphabetical order the following new definitions:

““Automatic Tank Gauging System” means a system installed in storage tanks to monitor petroleum products levels in storage tanks, provide real-time data on volume, temperature and detect leaks;

“Sales system” means a system installed to manage sales process for petroleum products, including order management, inventory tracking and pricing;”.

Amendment of
rule 7

3. The principal Rules are amended by deleting rule 7 and substituting for it the following:

“Expiry of construction approval 7.-(1) The construction approval issued by the Authority under rule 6 shall cease to have effect in the event the holder of the said approval fails to commence construction within twenty-four months from the date of issue.

(2) The Authority may, on its own motion or upon receipt of an

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application by a holder of a construction approval extend the validity of the construction approval for such period as it may deem fit.

(3) The Authority shall, while making a decision under sub-rule 2, consider all factors affecting the project including:

- (a) the economic viability of the project and the Applicant's commitment toward commencing the construction;
- (b) change of the Government policy and law that affects the project;
- (c) any other factor that may have an impact on the implementation of the project."

Amendment of
rule 12

4. The principal Rules are amended in rule 12(1) by deleting paragraph (c) and substituting for it the following new paragraphs:

- "(c) submission of fire certificate or approval from the Fire department that the facility has been inspected and meets the fire fighting requirements;
- (d) submission of EIA certificate or an environment clearance letter signed by the District Executive Director;
- (e) possession of a fuel supply agreement of a term of two years with two wholesalers;
- (f) possession of a retail outlet that meets technical standards and specifications; and
- (g) the storage tank is installed with an Automatic Tank Gauging System connected to the Sales system which is integrated with NPGIS."

Amendment of
rule 16

5. The principal Rules are amended in rule 16 by deleting sub-rule (6).

Amendment of
rule 22

6. The principal Rules are amended in rule 22(2) by deleting the words "twenty-one days' notice" and substituting for it the words "seven working days' notice".

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Amendment of
rule 24

7. The principal Rules are amended in rule 24 by adding immediately after paragraph (z) the following new paragraphs:

- “(aa) have and maintain a valid fuel supply agreement(s) of a term of two years with one or two wholesalers”;
- (bb) ensure that it maintains stock of petroleum products for supply to its customers of at least three days”;
- (cc) procure a petroleum product only from a wholesaler and establish and maintain records of such procurements pursuant to applicable law and orders and directions of the Authority”;
- (dd) within six months after coming into force of these Rules, install the Automatic Tank Gauging System and Sales system which is integrated with the NPGIS”.

Amendment of
rule 28

8. The principal Rules are amended in rule 28 by-

(a) deleting sub-rule (1) and substituting for it the following:

“(1) A retailer shall lodge to the NPGIS on a daily basis information on petroleum purchases, stock and sales.”; and

(b) deleting sub-rule (3).

Addition of rule
40A

9. The principal Rules are amended by adding immediately after rule 40 the following new rule:

“Earthing **40A.** A retailer shall ensure it and installs and maintains the offloading area bonding with earth bonding wire.”

Deletion and
substitution of
rule 46

10. The principal Rule are amended by deleting rule 46 and substituting it with the following:

“Notification of **46.-(1)** At the conclusion of an offence inspection and where it is found that there was a violation of the provisions of the Act, the Energy and Water Utilities Regulatory Authority Act and these Rules, a person responsible for such violation shall be required to fill in Form No. 6 set out in the First Schedule to these Rules in the following manner:

- (a) where such person disputes the offence, fill in Part A of

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the Notification of the Offence; or

- (b) where such a person admits the offence, fill in Part B of the Notification of the Offences.

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(2) In the event the person who has been found in violation of the law and who has admitted to the offence under the provision of sub-rule (1)(b), such person shall, pursuant to the provisions of the Energy and Water Utilities Regulatory Authority (Compounding of Offence) Regulations, 2020 be required to pay the prescribed fine.

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(3) Where a person has been found in violation of the law and who disputed the offence under the provision of sub-rule (1) (a), such person shall, be charged with a criminal offence and the provisions of the Energy and Water Utilities Regulatory Authority (Compounding of Offence) Regulations, 2020 shall apply.

(4) Upon the conclusion of the inspection and where the inspector is satisfied that the continued operation of the transport unit or a facility poses an imminent danger to the lives of people and animals or destruction of property, he may proceed to order the closure or impoundment, as the case may be, of the said facility or transport unit regardless of whether the said person has admitted to the offence or not.

(5) Notwithstanding the provisions of sub-rule (4), an inspector who has decided to close a facility or to impound a transport unit shall note down the reasons which have compelled him to take such decision including all the available evidence.

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Addition of rule
48A

11. The principal Rule is amended by adding a new rule immediately after rule 48 with the following:

“Offence relating
to tampering,
cutting seals, tapes
or removing
signage to
regulated facility

48A. A person who-

- (a) tampers with or cuts a seal or a yellow tape affixed by the Authority at a regulated facility; or
- (b) removes any signage affixed by the Authority at a regulated facility,

commits an offence and shall, on conviction, be liable to a fine of not less than ten million shillings or imprisonment for a term not exceeding two years, or to both.”

Amendment of
Schedule

12. The principal Rules are amended in the Schedule by adding immediately after paragraph (n) appearing in item 8 of Form No. 3 the following:

“(o) submission of a supply fuel agreement of a term of two years with one or two wholesalers”.

Dodoma,
30th October, 2023

JAMES A. MWAINYEKULE
Director General