

S T A T U T O R Y I N S T R U M E N T S

2009 No. 56.

**THE PETROLEUM (MARKING AND QUALITY CONTROL)
REGULATIONS, 2009**

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STATUTORY INSTRUMENTS

2009 No. 56.

The Petroleum (Marking and Quality Control) Regulations, 2009.

*(Under section 6 (2) (a) and section 44 of the Petroleum Supply Act, 2003,
Act No. 13 of 2003)*

IN EXERCISE of the powers conferred upon the Minister by sections 6 and 44 of the Petroleum Supply Act, 2003, and after consultation with the Committee these Regulations are made this 12th day of October, 2009.

1. Citation

These Regulations may be cited as the Petroleum (Marking and Quality Control) Regulations, 2009.

2. Application

These Regulations apply to petroleum marking related activities and petroleum quality monitoring.

3. Interpretation

In these Regulations, unless the context otherwise requires—

“adulteration” means the addition of inferior, unsuitable or unauthorised elements or compounds of a product into a petroleum product which has been marked;

“Commissioner” means the Commissioner heading the Department of Petroleum Supply within the Ministry;

“dilution” means the addition of a petroleum product for which the importer has not paid duty into a marked petroleum product reducing the concentration of the marker;

“mark” means the introduction of a bio-chemical substance into a petroleum product;

“marker” means a bio-chemical substance introduced into a petroleum product;

“Minister” means the Minister responsible for petroleum supply;

“Ministry” means the Ministry responsible for petroleum supply;

“officer” means a person appointed under Regulation 8;

“petroleum products” has the same meaning assigned to it by section 5 of the Petroleum Supply Act, 2003;

“standard” means a standard issued or adopted by the Uganda National Bureau of Standards for use in Uganda.

4. Marking of petroleum products

(1) A petroleum product to be sold in Uganda shall be marked with a marker approved by the Minister by notice in the *Gazette*.

(2) The importer or marketer shall present the petroleum product for marking to the marking agent appointed by the Commissioner.

(3) Marking of a petroleum product shall be done at a custom bonded facility.

(4) A petroleum product shall not be released from a custom bonded facility unless it has been marked.

(5) A dispensing inventory form of marking shall be issued to the oil product importer or marketer once marking has been carried out on his or her product.

5. Standard

A petroleum product for sale in Uganda shall meet the required standard.

6. Tests and analysis

(1) An officer may take a sample of a reasonable quantity, not exceeding 500 ml of a petroleum product, from a petroleum depot, retail outlet, non-retail consumers outlet, oil tanker, and any other point throughout Uganda for the purposes of carrying out test and examination to determine the level of the marker in the sample and the respective quality of the petroleum product.

(2) The results of a test or analysis done under subregulation (1) shall be made available to the Ministry, Uganda Revenue Authority, Uganda National Bureau of Standards, brand owner, importer and owner of the petroleum product.

7. Diluted or adulterated product

Where the result of a test or analysis done under regulation 6 indicates a dilution or adulteration, the stock of the petroleum product from which the sample was drawn shall be dealt with in the following manner—

- (a) where the product added to the petroleum product is one for which duty is payable, the owner of the diluted product shall pay duty on the entire stock of diluted product and a penalty of twenty five currency points;
- (b) where a product of a different type or grade specification has been added to the petroleum product, the product shall be brought to the right specification at the cost of the owner or importer and shall in addition pay a fine of ten percent of the sales price of the petroleum product, less taxes to the fuel marking agent as attendant costs; and
- (c) where an owner or importer fails to bring the product to the right specification, the product shall be destroyed at the cost of the owner and the owner shall pay a fine of fifty currency points.

8. Appointment of officers

The Commissioner shall appoint in writing, officers for purposes of carrying out duties under these Regulations.

9. Powers of officers

- (1) An inspector appointed under regulation 8 shall have power to—
 - (a) mark a petroleum product;
 - (b) stop a fuel tanker for inspection, upon identifying himself or herself;
 - (c) inspect a petroleum product outlet and take a reasonable sample of the product for verification and analysis;

- (d) seal off a petroleum product facility including a tank, pump, meter, truck or wagon, where it is found that the product has not been marked or is adulterated or diluted;
- (e) seal off a petroleum product facility including a product tank, pump, meter, truck or wagon, where it is found that the products does not meet the required standard or where the product is marked with an unauthorised marker; and
- (f) request for and inspect relevant documents and books of accounts connected with the operations of the holder of a permit or licence in the petroleum supply chain.

(2) The Officer shall prepare a report with respect to the status of the site, outlet or depot found with a petroleum product that is unmarked, marked with an unauthorised marker, adulterated or diluted.

10. Other offences and penalties.

(1) The holder of a petroleum operating licence, whether an importer, marketer of a petroleum product, dealer or retailer, or any other person commits an offence where he or she—

- (a) is found in possession of an unauthorised marker or a petroleum product with an unauthorised marker;
- (b) tampers with or breaks a seal applied to a petroleum facility including a pump of a depot, retail outlet, consumer site, truck or wagon.
- (c) exceeds forty five days before effecting payment for marking carried out under these regulations.

(2) An importer, marketer or dealer of a petroleum product, or any other person who commits an offence under subregulation (1) is liable on conviction to—

- (a) pay a fine of twenty five currency points, in the case of an offender committing the offence for the first time;

- (b) pay a fine of forty eight currency points, in the case of an offender committing the offence for the second time;
- (c) suspension of his or her operating licence for a period of not more than six months in the case of a third offence;
- (d) revocation of his or her operating licence and forfeiture to the state of the petroleum product in the case of a fourth offence.

11. Fees.

The fees to be paid by importers for the testing and examination of petroleum products under these Regulations shall be five Uganda shillings for every litre.

12. Revocation.

The Petroleum (Marking and Quality Control) Regulations, 2008 are hereby revoked.

ENG. HILARY O. ONEK (MP),
Minister of Energy and Mineral Development.