

GOVERNMENT NOTICE NO. 508 published on 06/11/2015

THE PETROLEUM ACT
(No. 21 OF 2015)

THE PETROLEUM (BULK PROCUREMENT) REGULATIONS, 2015

(Made under Sections 168 and 258)

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PART I
PRELIMINARY PROVISIONS

Citation	1. These Regulations may be cited as the Petroleum (Bulk Procurement) Regulations, 2015.
Application	2. These Regulations shall govern the implementation of Bulk Procurement System of Petroleum Products.
Interpretation	3. In these Regulations, unless the context otherwise requires:
Act No. 21 of 2015	“Act” means the Petroleum Act;
GN No.423 of 2015	“Agency” means the Agency established under the Executive Agencies (The Petroleum Bulk Procurement Agency) Order, 2015;
	“applicable law” means any principal law, convention, treaty, proclamation, regulation, order or by-law that is customarily treated in Tanzania as having legally binding force relevant to matters pertaining to the procurement and supply of a bulk petroleum product in Tanzania;
Cap. 130	“approved specification” means any specification or standard pursuant to the Standards Act, or any other standards that are widely used for good petroleum industry practices;
Cap. 414	“Authority” means the Energy and Water Utilities Regulatory Authority established under the provisions of the EWURA Act;
GN No.423 of 2015	“Board” means the Ministerial Advisory Board established under the Executive Agencies (The Petroleum Bulk Procurement Agency) Order, 2015 and the term “MAB” shall be construed accordingly;
	“bulk quantity” means a single lot of not less than five hundred

- metric tonnes of a petroleum product;
- “buyer” means an OMC that buys a petroleum product from a supplier under Bulk Procurement System;
- “Chairman” means the chairman of the Board;
- “Code of Conduct” means a set of principles, values, standards, or rules of behavior that guide decisions and procedures for the employees of the Agency as approved by the Minister;
- “correspondence bank” means a locally registered bank engaged by a buyer which has a corresponding relationship with a supplier banker;
- Cap. 414 “EWURA Act” means the Energy and Water Utilities Regulatory Authority Act;
- “Executive Director” means the chief executive officer of the Agency;
- “Good Petroleum Industry Practices” means any action related to a petroleum product intended to preserve product quality and meeting generally accepted health, safety and environmental requirements;
- “Independent inspector” means an inspector appointed to verify quality and quantity of petroleum product imported under BPS;
- “inspector” means an inspector of the Tanzania Bureau of Standards;
- “KOJ” means Kurasini Oil Jetty;
- “LIBOR” means the London Inter-bank Overnight Rate;
- “licence” means an authorization granted by the Authority to an OMC to conduct wholesale business;
- “Minister” means the Minister responsible for petroleum affairs;
- “offloading point” means KOJ, SPM or any other authorized area where a petroleum product shall be offloaded;
- “OMC” means an Oil Marketing Company licenced by the Authority to undertake a petroleum product wholesale business;
- GN No 423 of 2015 “Order” means the Executive Agencies (The Petroleum Bulk Procurement Agency) Order, 2015;
- “Permanent Secretary” means the Permanent Secretary of the Ministry responsible for petroleum affairs;
- “Petroleum Bulk Procurement System” means a system established pursuant to these Regulations to govern the importation of a bulk petroleum product into Tanzania and “BPS” shall be construed accordingly;

	“petroleum products” means petroleum products prescribed under regulation 14 (4);
	“SPM” means single point mooring which is an offshore facility owned and operated by TPA to offload a petroleum product from tankers;
	“supplier” means a company selected by the Agency to supply a petroleum product in bulk quantity under BPS;
	“Tender Committee” means a committee established under the provision of regulation 19;
Cap. 130	“TBS” means the Tanzania Bureau of Standards established under the Standards Act;
Cap. 166	“TPA” means the Tanzania Ports Authority established under the Ports Act;
Cap 399	“TRA” means the Tanzania Revenue Authority established under the Tanzania Revenue Authority Act;
	“wholesale business” means the sale or storage of a petroleum product in bulk quantity within the country;
	“wholesaler” means the company engaged in the supply of a petroleum product in bulk quantity for the purpose of wholesale business in Tanzania after it has taken its share from the supplier; and
Cap. 245 GN No. 94 of 2002	“WMA” means the Weights and Measures Agency established under the Executive Agencies (Weights and Measures) Establishment Order.

PART II

THE PETROLEUM BULK PROCUREMENT AGENCY

(a) The Agency

Licencing of the Agency	4. The Agency shall be licensed by the Authority in accordance with procedures stipulated in the Petroleum Act, 2015.
Functions of the Agency	5. In addition to functions stipulated under the Order, the Agency shall perform the following functions:
GN No. 423 of 2015	(a) collect the procurement requirements of petroleum products from OMCs;
	(b) conclude and administer contracts with suppliers and between the Agency and OMCs;
	(c) conduct an International Competitive Bidding for the