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THE PETROLEUM ACT
(CAP 392)

THE PETROLEUM (RETAIL OPERATIONS IN TOWNSHIPS AND VILLAGES) RULES, 2016

(Made under section 5 (3))

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THE PETROLEUM ACT
(CAP 392)

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(Made under section 5(3))

PART I
PRELIMINARY PROVISIONS

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| Citation | 1. These rules may be cited as the Petroleum (Retail Operations in Townships and Villages) Rules, 2014. |
| Application | 2. These rules shall regulate the activities related to petroleum retail business in townships and villages in Mainland Tanzania. |
| Interpretation | 3. In these rules, unless the context otherwise requires: |
| Cap. 392 | “Act” means the Petroleum Act; |

- “annual fee” means a fee payable annually by a licensee as shall be prescribed by the Authority from time to time;
- “applicable law” means any principal law, treaty, convention, proclamation, regulation, rule, order or by-law that is customarily treated in Tanzania as having legally binding force and which is relevant to matters pertaining to the regulation of petroleum retail business;
- Cap. 130 “approved specification” means any specification or standard in relation to a petroleum product applied by the Authority and as approved by the Tanzania Bureau of Standards 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;
- “bulk quantity” means a single lot of not less than five hundred metric tons of a petroleum product;
- Cap. 54 “Class A residence permit” means a permit issued by the Immigration Department pursuant to the provisions of the Immigration Act;
- Cap. 191 “Council” means the National Environment Management Council established under the provisions of the Environment Management Act;
- “Compliance Order” means an order issued by the Authority pursuant to section 39 of the EWURA Act;
- “dangerous situation” means a situation involving a petroleum product that:
- (a) endangers the safety or health of a person, or the safety of a person’s property; or
 - (b) creates an immediate risk of significant environmental harm;
- Cap. 414 “EWURA Act” means the Energy and Water Utilities Regulatory Authority Act;

“facility” means a retail outlet that meets specifications prescribed under these rules and in TBS Standard TZS 1079: 2009 and TZS 1115: 2009 and includes buildings, storage tanks and dispensing pumps in respect of which a regulated activity is carried out;

Act No. 14/2007 “fire safety certificate” means a certificate issued by the Fire and Rescue Authority pursuant to the provisions of the Fire and Rescue Forces Act;

“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;

“incident” means:

- (a) an event that involves a leakage of a petroleum product from a storage facility;
- (b) a spill of a petroleum product as a result of dispensing or offloading activities;
- (c) death or personal injury occurring as a consequence of an action that is related to a regulated activity;
- (d) a fire or an event incidental thereto that results from an action that is related to a regulated activity;
- (e) an event that results in an emergency shutdown of a facility; and
- (f) any other significant event that may adversely affect the conduct of a regulated activity.

“inspector” means an officer of the Authority or an agent of the Authority appointed by the Authority to perform the functions of inspection as required under the Act and applicable law;

“licence” means an authorization issued by the Authority to operate a facility;

“licence fee” means a fee payable by a licensee as shall be prescribed by the Authority from time to time;

“petroleum” means petroleum crude and any liquid or gas made from petroleum crude, coal, schist, shale, tree, peat or any produce of petroleum crude and includes condensate;

“petroleum product” means an organic compound, pure or blended, which is derived from the refining or processing of petroleum crude oil, bio-fuel, or synthetic fuels and include:

- (a) asphalts, bitumen, petroleum coke and other residual products;
- (b) bunkers or heavy residual fuel oils for combustion engines or industrial heat processes, such as burners for boilers or heating furnaces;
- (c) commercial gases which include methane, ethane, propane, butane and other similar petroleum gases, biogas or mixtures of these gases, whether in gaseous or liquefied state;
- (d) gasoil or automotive diesel, biodiesel, industrial marine diesels or synthetic diesel;
- (e) gasoline, a bio-naphtha or bio-ethanol product;
- (f) kerosene or other similar oils for illumination or combustion applications;
- (g) lubricating oil, base oil or refined and blended finished oil;
- (h) turbo fuels for jet propulsion engines; and
- (i) other products or by-products of petroleum crude processing having a Flash Point lower than 120 degrees Celsius, and determined in a Pensky-Martens Closed Cup (PMCC) test apparatus;

“petroleum product spill” means a discharge of a petroleum product of not less than two hundred litres onto or into any land, water or any structure or thing;

“pump island” means an elevated part of a retail outlet where dispensing pumps are installed;

“regulated activity” means an activity necessary to operate a facility and includes all activities in respect of such facility and any activity reasonably required in connection with obtaining, handling, possession, storage and dispensing of a petroleum product to a consumer on retail basis;

“retail outlet” means any place where a petroleum product is sold or offered for sale to a customer on a retail basis and include

the buildings, storage tanks and dispensing pumps in respect of which a retailer is conducting retail sale;

“retail sale” means the sale or offer for sale of a petroleum product at a retail outlet;

“retailer” means the operator of a retail outlet;

“serious violation” means a breach of the requirements of occupational health, safety and environmental matters or a breach of the terms and conditions of a licence, the Act or applicable law which are of such magnitude that poses an imminent danger to lives and property;

“supervisor” means an operator or other person responsible for the management and monitoring of a facility and is deemed to be authorized to:

- (a) grant an inspector access to a facility, answer their questions and witness the taking of samples and the carrying out of inspections; and
- (b) identify physical defects and operational deficiencies within the facility and, as required, take decisions related to the suitability of such facility for further use;

“townships” means the area of jurisdiction of a township authority;

Act No. 7/1982 “township authority” means a township authority established under section 13 of the Local Government (District Authorities) Act;

Cap. 285 “Tribunal” means the Fair Competition Tribunal established under the provisions of the Fair Competition Act;

“village” means a village registered under the provisions of the Local Government (District Authorities) Act;

“vehicle” means any car, machinery, ship, truck, railway wagon, barge or other means of transporting a petroleum product;

“wholesaler” means any person who engages in the importation,

storing or selling of a petroleum product in bulk quantity for the purpose of wholesale business; and

“wholesale business” means the importation, storing or selling of a petroleum product in bulk quantity and include transit trade in petroleum products.

PART II
APPLICATION FOR A CONSTRUCTION APPROVAL

Application for
Construction
Approval

4. – (1) No person shall construct a retail outlet without seeking and obtaining a construction approval from the Authority in a manner provided herein.

(2) Any person who wishes to construct a retail outlet shall lodge an application with the Authority by filling in the application form to be prescribed by the Authority which shall provide such information as:

- (a) the applicant’s name and telephone number;
- (b) the proposed location and complete address of the proposed retail outlet;
- (c) proof of land ownership and right of use;
- (d) a list of facilities to be constructed;
- (e) a letter from District Environment Committee showing that the intended project will not pose any danger to the environment;
- (f) a list of dispensers and storage tanks;
- (g) a layout plan duly signed by a registered engineer or any authorized officer from the District Land Office which shall specify:
 - (i) the number of tanks and dispensing pumps;
 - (ii) the location and distances between building structures and facilities and equipment;
 - (iii) entry and exit;
 - (iv) perimeter wall, if any;
 - (v) property boundaries;
 - (vi) location and identification of dispensing units including hose reach zone; and

(h) any other information as shall be required by the Authority.

Application to be Accompanied by a Fee

5. An application for a construction approval under rule 4 shall be accompanied by a non-refundable application fee as shall be prescribed by the Authority from time to time.

Grant of a Construction Approval

6.-(1) The Authority shall, upon receipt of an application described in sub-rule (2), proceed to evaluate such application and decide whether to grant or deny the application.

(2) The Authority shall, while making a decision whether to grant or deny a construction approval, consider applicant's compliance with:

- (a) the provisions of rule 4 (2);
- (b) land use laws; and
- (c) health, safety and environmental requirements.

(3) The Authority shall, before issuing a construction approval under sub-rule (1) of this rule, cause it to be published in the *Gazette* as required by the provisions of the Act.

(4) The applicant shall, after issuance of an approval by the Authority, be notified to come and collect the approval.

(5) The Authority shall, in the event that it denies an application for a construction approval, inform the applicant of such decision in writing, including the reasons thereof.

Validity and Duration of a Construction Approval

7. A construction approval issued by the Authority in rule 6 shall remain in force for such period the Authority may allow provided that in the event the holder of the said approval fails to commence construction within twelve months from the date it was issued such construction approval shall cease to have effect.

Notice of Commencement

8. A retailer shall issue a notice to the Authority of the commencement of construction work not less than thirty days prior to the start of construction.

Suspension and Revocation of a Construction Approval

9. – (1) The Authority may, by notice in the *Gazette*, withdraw or suspend a construction approval if any of the terms and conditions thereof has not been complied with.

(2) Where the Authority intends to withdraw, suspend or amend a construction approval it shall, at least twenty-one days before the date of intended revocation, suspension or amendment notify the holder of such approval about the intention and the reasons thereof.

(3) The Authority may, by notice in the *Gazette*, reinstate a construction approval revoked or suspended under sub-rule (1) if satisfied that the reasons for the revocation or suspension no longer exist.

Appeal 10. Any person who is aggrieved by the decision of the Authority under this Part may lodge an appeal to the Tribunal pursuant to the provisions of the Fair Competition Act.

PART III
LICENSING PROCEDURES

Regulated activity 11. - (1) No person shall conduct a regulated activity without a licence.

(2) Any existing retailer conducting a regulated activity without a licence shall, not later than three months after coming into force of these rules, apply to the Authority for a licence in respect of the regulated activity.

(3) Any person who contravenes the provisions of sub-rule (1) or (2) commits an offence and shall be liable on conviction, to a fine of five million shillings or imprisonment for a term not exceeding two years or to both.

Power to enter and Close a Facility, Premises or Building 12. Notwithstanding the penalty prescribed under rule 11 (3), the Authority shall, in the event it determines that any person has contravened the provisions of rule 11 (1) or 11 (2) and with a Compliance Order enter upon any facility, building or premises and close it down.

Minimum Licensing Requirements 13. – (1) No person shall be issued with a licence unless his application meets the necessary minimum licensing requirements which include:

(a) possession of relevant authorization to the

- ownership and use of the land for a retail business;
- (b) building permit, where applicable;
- (c) fire safety certificate; and
- (d) proof of possession of adequate and serviced fire extinguishing equipment including:
 - (i) sand bucket for each pump island;
 - (ii) at least two fire extinguishers of 9 kg ABE Powder Type located near the dispensers or at least one extinguisher per pump island; and
 - (iii) emergency shutoff switch.

(2) Notwithstanding the generality of sub-rule (1) of this rule the Authority may issue a licence with specific conditions to be fulfilled within a prescribed time to an applicant who fails to meet some of the requirements in sub-rule (1).

Licence
Application

14. - (1) An applicant for a licence shall apply to the Authority for a licence by filling in the appropriate form prescribed by the Authority, and shall lodge such application with the Authority, together with such other documents or records as may be required by the Authority or applicable law.

(2) Notwithstanding the provision of sub-rule (1) of this rule, an application for a licence shall be accompanied by:

- (a) in the case of a non-Tanzanian applicant, a class A residence permit;
- (b) if the applicant is a corporate or unincorporated body, certified copies of its registration documents;
- (c) tax identification number certificate;
- (d) list of facilities; and
- (e) copy of a business licence.

Licence
Application to
be Accompanied
by a Fee

15. - An application for a licence shall be accompanied by a non-refundable application fee prescribed by the Authority from time to time.

Publication of a
Licence
Application

16. - (1) A licence application received by the Authority shall be evaluated to verify its completeness and legality of information contained therein and thereafter a notice of the application shall be published in at least two newspapers of wide circulation in Tanzania one in English and another in Kiswahili with a view to

soliciting comments and representations on the application.

(2) The costs for publication of the notice under sub-rule (1) shall be borne by the Authority.

(3) The public shall be invited to submit comments and representations within twenty one days from the date of publication of the notice and the comments and representations shall be considered by the Authority in arriving at the decision on the application.

Grant of a
Licence

17. - (1) The Authority may, upon consideration of an application for a licence:

- (a) deny the application;
- (b) grant the application and issue a licence; or
- (c) refer back the application.

(2) The Authority shall, while making a decision to grant or deny a licence, take into consideration:

- (a) the application compliance to minimum licensing requirements set out in rule 13;
- (b) objections or representations from the public sought pursuant to rule 16;
- (c) compliance to land use laws;
- (d) the applicant's record of compliance with the Act, these rules and other applicable laws;
- (e) the compliance of a retail outlet on matters related to;
 - (i) safety;
 - (ii) health;
 - (iii) security;
 - (iv) handling of hazardous substances; and
 - (v) environment;
- (f) any other matter relevant to the orderly conduct of retail business in Tanzania.

(3) The Authority may deny issuing a licence where it determines that:

- (a) the applicant does not meet the requirements of sub-rule (2) of this rule;

- (b) the applicant's activities may not be conducted in accordance with safety, health and environment requirements; or
- (c) the application has violated the mandatory requirements provided under applicable law and the Act.

(4) After issuance of a licence, the applicant shall be notified to come and collect it upon payment of a licence fee and an annual fee.

(5) The Authority shall, in the event that it denies an application for a licence, inform the applicant of such decision in writing, including the reasons thereof.

Validity and
Duration of a
Licence

18. - (1) The term of a licence shall be for a period of five years.

(2) A licence shall remain valid for the term stated in sub-rule (1) of this rule, provided, however, that the Authority may, on the written application of a licensee, extend the period for such further period as the Authority may determine.

(3) Notwithstanding the provisions of sub-rule (1) and (2) of this rule, a licence shall cease to have effect if the respective licensee fails to conduct a regulated activity within six months after issuance of the licence.

Application for
Transfer of a
Licence

19. - (1) No licence shall be assigned or transferred to another person without a written approval of the Authority.

(2) Any transferee or assignee of a licence shall apply to the Authority by filling in the appropriate form prescribed by the Authority, and lodge it with the Authority, together with other documents or records as may be required by the Authority or applicable law.

(3) Notwithstanding the provisions of sub-rule (1) of this rule no application for a transfer or assignment of a licence shall be entertained by the Authority unless it is endorsed by the transferor or assignor.

(4) An application received by the Authority under sub-rule (2)

of this rule, shall be evaluated to verify its completeness and legality of information contained therein and thereafter a notice of the application shall be published in at least two newspapers of wide circulation in Tanzania, one in English and another in Kiswahili with a view to soliciting comments and representations on the application.

(5) The costs for publication of the notice under sub-rule (4) shall be borne by the Authority.

(6) The public shall be invited to submit comments and representations within fourteen days from the date of publication of the notice and the comments and representations shall be considered by the Authority in arriving at the decision on the application.

(7) The Authority shall after the expiration of the notice in sub-rule (6) of this rule evaluate the application together with comments received (if any) and make a decision whether to grant or deny the application for transfer or assignment as the case may be.

Change of Name 20. – (1) A licensee may change its name pursuant to the provisions of these rules and applicable law.

(2) A licensee who has changed its name shall within thirty days after such change notify the Authority in writing, which shall be accompanied by a certificate for change in name issued by relevant authorities.

Change of Shareholding Structure 21. - (1) Any change in shareholding structure of a licensee shall require a written approval of the Authority.

(2) A licensee intending to change its shareholding structure shall before applying for the change in shareholding structure to the relevant authority apply for the approval to the Authority by submitting a letter to the Authority requesting for the approval.

(3) A licensee shall, after getting the approval for change of shareholding structure from the relevant authority as required by the relevant applicable law, notify the Authority about such change.

Application for
Renewal of a
Licence

22. – (1) A licensee may, not less than six months before expiration of a licence term, apply to the Authority for a renewal of a licence.

(2) Application for a renewal of a licence under sub-rule (1) shall be in writing by filling in an application form to be prescribed by the Authority.

(3) The Authority shall, while making a decision whether to grant or deny an application for renewal of a licence, consider the applicant's compliance to the conditions of the licence which is due to expire.

(4) The Authority shall, in the event that it denies an application for a renewal of a licence, inform the applicant of such decision in writing, including the reasons thereof.

(5) Notwithstanding the provisions of sub-rule (3) the Authority shall not renew the licence of a licensee who has, during the term of the licence which has expired or is due to expire, ignored, resisted or failed to comply with any Compliance Order given by the Authority to the said licensee.

Suspension or
Revocation of a
Licence

23. A licence may be:

- (a) suspended by the Authority for a period of twelve months in case of a serious violation of the licence terms, provisions of the Act, these rules or applicable law; or
- (b) revoked by the Authority if a licensee fails to remedy or desist from an act or omission constituting a serious violation within the prescribed time.

Appeal

24. Any person who is aggrieved by the decision of the Authority made under this Part may lodge an appeal to the Tribunal pursuant to the provisions of the Fair Competition Act.

PART IV
GENERAL OBLIGATIONS OF A RETAILER

General
Obligations of a
Retailer

25. – A retailer shall at all times:

- (a) comply with:
 - (i) any applicable law;
 - (ii) these rules;
 - (iii) Orders and directions of the Authority;
 - (iv) applicable codes and standards on safety, hazardous substances, security, health and environment; and
 - (v) good petroleum industry practices;
- (b) ensure that it inspect and clean its storage facilities at least once in the licence term in accordance with good petroleum industry practices;
- (c) procure a petroleum product only from a wholesaler and establish and maintain records of such procurements pursuant to the applicable law and Orders and directions of the Authority;
- (d) establish and maintain records pursuant to the applicable law and orders and directions of the Authority;
- (e) as soon as practicable, but in any event not later than twenty-four hours after the fact, notify the Authority of the occurrence of a dangerous situation or incident within the facility; such notification shall comprise the steps taken or proposed to be taken by such retailer to remedy such dangerous situation or Incident or to eliminate or minimize any danger arising therefrom;
- (f) not offload a petroleum product from any vehicle to a retail outlet from 18:00 hours to 06:00 hours unless there is adequate lighting or light at the retail outlet;
- (g) provide the Authority with full access to its records, documents, sites and assets pursuant to these rules and applicable law;
- (h) prepare a weekly stock position of a petroleum product in a facility as shall be specified in writing by the Authority;

- (i) ensure the safe disposal of any petroleum product and waste oil;
- (j) procure and maintain in force a valid insurance cover in respect of all liabilities that may arise from the conduct of its regulated activity;
- (k) not keep fireworks or any other instruments or products in or near a facility that might pose a risk of fire or otherwise;
- (l) ensure that its petroleum products comply with the approved specifications;
- (m) not decommission its facility otherwise than pursuant to these rules and applicable law;
- (n) ensure that a supervisor is present at a facility at all times, and in his absence any person employed or acting as an agent of the retailer at a facility shall perform the duties of a supervisor;
- (o) prior to effecting any major replacement or maintenance to a facility or a part thereof, notify the Authority not less than fourteen days prior to commencing such replacement or installation;
- (p) ensure that a facility and related equipment are calibrated for correct measurements and are in good working condition in accordance with approved specifications and good petroleum industry practices;
- (q) pursuant to the written directions of the Authority, monitor, record and reconcile all stocks of a petroleum product delivered to, stored in and dispensed from a facility;
- (r) retain for not less than twelve months and make available to the Authority on demand, records of the activities described under paragraph (q);
- (s) promptly notify the Authority of any apparent loss or gain of a petroleum product that is outside normal operating patterns;
- (t) maintain and make available to the Authority on demand documentary evidence demonstrating that all electrical equipment and installations in a facility relevant to the delivery, storage and dispensing of a petroleum product, and to areas where inflammable gases or vapours capable of producing explosive or ignitable mixtures may occur; comply with approved specification and installation procedures in

- accordance with existing codes or applicable law;
- (u) not abandon a facility other than in accordance with applicable law or directions of the Authority;
- (v) display in a conspicuous place at a facility a licence or a certified copy thereof;
- (w) print a licence number on all accounting documents employed in its regulated activity, including invoices, delivery notes and receipts;
- (x) not engage in any activities that disrupt or interfere with competition; and
- (y) as soon as practicable, but in any event not later than thirty days after it becomes aware of the fact, notify the Authority:
 - (i) if it is unable to conduct the regulated activity; or
 - (ii) if the conduct of the regulated activity may lead to the breach of any of these rules or materially affect its operations.

Protection of
Lives and
Property

26. - (1) A retailer shall, while storing, keeping, handling, conveying, using or disposing of any petroleum product, take such precautions and exercise such care as may be reasonable under the circumstances in order to:

- (a) avoid endangering the safety or health of any person, or the safety of any person's property; and
- (b) prevent risk of significant environmental harm.

(2) A retailer shall dispose of a waste petroleum product in a manner and at a place intended for the safekeeping and dumping of such products pursuant to applicable law and good petroleum industry practices.

(3) A retailer shall appoint not less than one health, safety and environment officer to address and be responsible on health, safety and environment matters and obligations related to a regulated activity.

Compensation
for Loss
Suffered

27. - (1) A retailer shall be obliged to compensate any person who has suffered any loss of life or property as a result of a regulated activity.

(2) Any person who has suffered loss of life or property as a result of a regulated activity shall first lodge a complaint with a retailer whose licence has caused such loss with a view to reaching an amicable settlement.

(3) In the event no settlement is reached under sub-rule (2), the person who has suffered loss may refer the matter to the Authority for decision.

(4) For the purpose of this rule, a person includes an administrator, executor or executrix of the estate of a deceased person.

Insurance 28. A retailer shall ensure that it procures adequate insurance cover for environment, personnel, customers and visitors of a facility.

Maintenance of Records, Provision and Disclosure of Information 29. - (1) A retailer shall at all times:
(a) keep complete and accurate records and data related to its regulated activity; and
(b) in accordance with the Authority's requirements and pursuant to its directions, promptly provide to the Authority documents, records or information related to its regulated activity.

(2) Any person who refuses to furnish information or statement as required under sub-rule (1) (b) of this rule or furnishes false information or statement to the Authority shall be liable to a fine of five million shillings.

(3) Any person who refuses to furnish information or statement as required under sub-rule (1) (b) of this rule or furnishes false information or statement to the Authority for the second time shall be liable to pay a fine of ten million shillings and shall have its licence suspended for a period of twelve months.

Obligation to Provide Information to NPIS 30. - (1) A retailer shall lodge to the NPIS the following information:
(a) petroleum products stock levels on daily basis;
(b) petroleum product purchase by type and quantity on

- monthly basis; and
(c) petroleum product sales by type and quantity on monthly basis.

(2) A retailer shall lodge the information under sub-rule (1), either through internet or short message services (sms).

(3) A retailer who fails or refuses to provide information to the NPIS as required by sub-rule (1) commits an offence and shall, on conviction, be liable to a fine of three million shillings or imprisonment for a term not exceeding two years or to both.

(4) A retailer who fails or refuses to provide information to the NPIS as required under sub-rule (1) and (2) for the second time during the licence term, shall, apart from the penalties prescribed under sub-rule (3), have its licence be suspended for a period of six months.

(4) A retailer who fails or refuses to provide information to the NPIS as required under sub-rule (1) and (2) for the third time during the licence term, shall, apart from the penalties prescribed under sub-rule (4), have its licence revoked.

Confidential
Information

31. - (1) Any information received by the Authority from a retailer pursuant to these rules and applicable law shall be presumed not to be confidential.

(2) A retailer shall not be entitled to withhold information from the Authority on the ground that it is confidential.

(3) A retailer may request the Authority not to circulate specific data or information that it has provided to the Authority, provided, that only the Authority shall determine that such information is confidential.

(4) The Authority shall limit or prohibit the publication of any information to the public in the event it makes a determination that such information is confidential.

PART V
ENVIRONMENTAL PROTECTION

Compliance with
Environmental

32. - (1) A retailer shall comply with the requirements of all applicable environmental laws and standards related to the

Laws and Standards

facility.

(2) Subject to applicable law a retailer shall:

- (a) carry out an environmental impact assessment before establishing a facility, or making a major improvement to an existing facility;
- (b) take all necessary preventive measures to avoid pollution resulting from operating its pumping stations, treatment plants, or networks; and
- (c) observe strict environmental, health, and industrial safety standards as required by applicable law.

(3) For the purpose of sub-rule (2) (a) the term “major improvement” means an improvement that aims at expanding the size of the facility and increasing the number of storage tanks.

Sanctions for Violation of Environmental Laws
Cap. 191

33. In the event the Authority determines that a retailer has violated these rules or any applicable law on matters related to protection of the environment it shall take appropriate actions pursuant to the provisions of the Environment Management Act and other applicable laws.

**PART VI
TECHNICAL PROVISIONS**

Storage Tanks to be Colour Coded

34. A retailer shall in order to facilitate identification, especially during product deliveries into underground storage tanks ensure that tanks manhole covers and slabs have the following colour coding:

- (a) Gasoline - Red
- (b) Kerosene - Blue
- (c) AGO - Yellow

Forecourt Design

35. A retailer shall ensure that the forecourt of a retail outlet is carefully designed to enable a customer to get on and off the refueling area safely and rapidly, and to take maximum opportunity to use add-on facilities such as convenience shops, lube or wash bay, vulcanizing center, tyre alignment, air, water and balancing facilities.

Location of Dispensing Pumps

36. – (1) A retailer shall ensure that all dispensing pumps at a retail outlet are properly located to allow:

- (a) full visibility of dispensing pumps to approaching customer;
- (b) full visibility of dispensing pumps from the manager's office for security as well as overall control; where this cannot be achieved due to design constraints Closed Circuit Television (CCTV) may be used; and
- (c) easy access to pumps and avoid tight turning circles or the need for maneuvering to approach refueling positions.

(2) A retailer shall ensure that the forecourt or drive ways of a retail outlet are paved using concrete, at least four meters around the pump island and offloading area with drainage provisions connected to the oil water separator.

Maintenance of Oil Interceptors

37. – (1) A retailer shall always ensure that a retail outlet has oil interceptors.

(2) Fueling area and discharge for the drainage system shall be connected to the retail outlet oil interceptor.

(3) A retailer shall ensure that the hydrocarbon content in effluent from the oil interceptor does not exceed 100 parts per million (ppm).

Building Designs and Canopies

38. – (1) A retailer shall ensure that all buildings are designed and constructed to allow safe cash handling system.

(2) A retailer shall ensure that canopies are constructed using non combustible materials of at least corrugated iron sheets and other materials like steel poles with height of at least five meters.

(3) A retailer shall ensure that illumination provided at a retail outlet is good enough to allow clear visibility for operation and security purposes at night.

(4) A retailer shall ensure that every luminary installed at a retail outlet is suitably explosion protected.

Electrical Standby Generator

39. – (1) A stand-by electrical power generator with capacity matching the outlet's electrical power requirements shall be

installed to provide power to cover operations, security and lighting in cases of power outages or black-outs.

(2) A retailer shall ensure that an emergency switch is installed on all sites to cut-off power supply to all dispensing pumps in case of emergency situation like oil spill and fire.

Petroleum Price
Billboards

40. – (1) A petroleum price billboard shall be erected conspicuously at a retail outlet as a free standing structure or as part of the prime sign.

(2) The base of the billboard shall not be less than three meters high from ground level.

(3) The prices of all petroleum products on offer for sale at a retail outlet shall be displayed on the billboard and the unit price of each petroleum product shall appear in Tanzania shillings per litre.

(4) The nature of the billboard may include neon or electronic messaging, provided the prices are clearly legible to all motorists approaching a retail outlet from a minimum distance of fifty meters.

Warning Signs

41. – (1) Warning notices and pictograms shall be boldly displayed at a retail outlet for customers, visitors and attendants to communicate the following:

- (a) Petroleum Motor Spirit, Highly Inflammable;
- (b) No Smoking;
- (c) No Naked Fire;
- (d) Switch Off Engine; and
- (e) Switch Off Mobile Phones.

(2) The notices and pictograms described in sub-rule (1) of this rule shall be installed in the vicinity of a dispensing pump, underground tanks, filling points and vent pipes and shall be conspicuous from a distance of three to five meters.

(3) A retailer shall ensure that an underground tank's identification includes the following:

- (a) tank number;
- (b) maximum working capacity;

- (c) product grade; and
- (d) colour code.

Compliance with Specifications and Standards

42. - (1) A retailer shall comply with the approved specification pertaining to the handling, storage and composition of a petroleum product which is consistent with these rules and applicable law.

(2) A retailer shall not deviate from any approved specification without prior approval of the Authority, and the Authority shall not grant such an approval unless it is satisfied that such deviation is for public interest and will not negatively affect public safety and the environment.

(3) A retailer shall not mix or blend any petroleum product unless allowed to do so in writing by the Authority.

(4) A retailer shall not use any container to store or convey a petroleum product unless such container is leak and spill proof and suitable and safe for the storage and conveyance of a petroleum product.

(5) A retailer shall not use or allow to be used a container for storing a petroleum product which poses or may pose a risk of significant:

- (a) environmental harm; or
- (b) harm with regard to the safety or health of any person or animal.

Fire Precaution

43. - (1) A retailer shall:

- (a) ensure that all buildings, roads, structures and plants used in connection with a facility are designed, constructed, equipped and maintained:
 - (i) in such a way as to prevent fires and explosions;
 - (ii) so as to minimize the harmful effects of fires or explosions if they occur;
- (b) ensure that personnel involved in the handling and dispensing of a petroleum product exercise caution in respect of anything that may cause fire or an explosion, and that such personnel follow the

Applicable law on matters related to fire and explosions; and

- (c) clearly indicate by a sign a place at a facility where a petroleum product is handled or stored.

(2) A retailer shall make reasonable efforts to ensure that no person throws, leaves or creates any open or naked light, spark or flame or any burning or smouldering material on a facility.

(3) A retailer shall ensure that no person:

- (a) keeps an engine running while a petroleum product is being dispensed into the tank of a vehicle; and
- (b) receives or makes calls from a cellular telephone or any other electronic communication apparatus within a facility except in places specifically designated for such activity.

(4) A retailer shall take adequate precautions to prevent the outbreak of fire when storing, keeping, handling, conveying, using or disposing of a petroleum product.

(5) A retailer shall provide adequate fire extinguishing equipment and maintain such equipment in good working condition in accordance with these rules, applicable law and pursuant to directions issued by the Authority.

(6) A retailer shall:

- (a) position the equipment described under sub-rule (5) in accessible places at the facility; and
- (b) in any event, not less than once a year, test the equipment described under sub-rule (5) pursuant to applicable law.

(7) A retailer shall conduct regular training to all its employees which shall include:

- (a) the locations and types of all fire-fighting equipment; and
- (b) identifying assembly points and the tasks of all employees.

Control of a 44. - (1) A retailer shall, in the event of a petroleum product

Petroleum
Product Spill

spill:

- (a) as soon as practicable and in any event not more than twenty four (24) hours after the occurrence of such spill, inform the Authority about such spill; and
- (b) take all necessary steps pursuant to good petroleum industry practices or otherwise as may be necessary to clean up such spill.

(2) The notification by the retailer to the Authority under sub-rule (1) shall be in a form of an e-mail, phone call or ordinary mail.

(3) The Authority may in the event a retailer fails to comply with sub-rule (1) (b) within the period of time established by the Authority, order such retailer to take such steps as the Authority may require in order to clean up a petroleum product spill at its own cost.

(4) Any retailer who fails to comply with an Order of the Authority issued pursuant to sub-rule (3) commits an offence and shall be liable, on conviction, to a fine of three million shillings or to imprisonment for a term not exceeding two years or to both.

(5) Without prejudice to the provisions of sub-rules (1), (2), (3) and (4), any person who is affected by any spill of a petroleum product and seeks redress, shall first lodge a complaint with a retailer whose licence has caused such spill with a view to reaching an amicable settlement.

(6) In the event no settlement is reached under sub-rule (5), the person who is affected by the spill may lodge a complaint to the Authority for compensation from a retailer who is responsible for the spill, and the Authority shall deal with such complaint and give a decision.

Decommissioning
Procedure

45. – (1) A facility may, subject to the provisions of this rule, be decommissioned:

- (a) after receipt of a written application for a decommissioning from a retailer;
- (b) by an Order of the Authority where it is satisfied

that such facility has been abandoned by its licensee for a period not less than three months; or

- (c) by an Order of the Authority that the same be decommissioned after the Authority is satisfied that the continued operation of such facility poses a danger to lives and property.

(2) A retailer seeking to decommission a facility shall notify the Authority not less than thirty days prior to such decommissioning in order to enable the Authority to make necessary inspections and to issue the necessary approvals.

(3) Notwithstanding any provision of these rules, a licensee shall pay all costs associated with the decommissioning of a facility, whether such decommissioning has been done following the request by the licensee or by Order of the Authority.

Site Restoration

46. – (1) The Authority shall, after confirming that the area where a facility has been constructed has been restored to its original state, issue a certificate of compliance to an retailer.

(2) For the purposes of sub-rule (1) of this rule “restore” means to:

- (a) return the area in which a facility is located to its original and natural state as it was prior to the installation of such facility; or
- (b) render the area in which a facility is located, or part thereof, compatible with its intended after-use, including:

- (i) removing buildings, structures, plant and debris;
- (ii) establishing compatible contours and drainage;
- (iii) replacing top soil, re-vegetation, slope stabilization; and
- (iv) infilling excavations.

(3) The Authority shall, before issuing a certificate of compliance under sub-rule (1), consult the Council.

PART VII
COMPLIANCE AND ENFORCEMENT

- Inspection of a Facility
47. - (1) The Authority may inspect a facility pursuant to these rules and applicable law.
- (2) The Authority may access and inspect a facility, equipment and documents, and a retailer shall render such assistance to inspectors as may be required in the course of such inspection.
- (3) Notwithstanding the generality of sub-rule (2) of this rule an inspector shall have the right and obligation to enter upon any facility for the purpose of conducting an inspection.
- (4) During inspection an inspector may:
- (a) take samples of any substance or article stored in a facility;
 - (b) make copies or take extracts from any book, accounts or records kept on a facility;
 - (c) inspect machinery, equipment, appliances, meters, fittings and apparatus; and
 - (d) inspect any vehicle that is found at a facility.
- Notification of Offences
48. - (1) At the conclusion of an inspection and where it is found that there was violation of the provisions of the Act, EWURA Act and these rules, the person responsible for such violation, shall:
- (a) where he disputes the offence, fill in Part A of the Notification of the Offence; or
 - (b) where he admits the offence, fill in Part B of the Notification of the Offences;
- (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 (a), such person shall, within fourteen days, from the day of the said admission, be required to pay the fine as he shall be advised by an inspector.
- (3) In the event the person who has been found in violation of the law and who disputed the offence under the provision of sub-rule 1 (b), such person shall, within seven days from the date of

commission of the offence, be required to answer charges in writing, as they shall be explained under Part A of the Notification of Offence.

(4) Upon the conclusion of the inspection and where the inspector is satisfied that the continued operation of the premises, vessel, vehicle or facility poses an imminent danger to the lives of people and animals or destruction of property or the environment, he may proceed ordering for the closure or impoundment, as the case may be, of the said facility, premises or vehicle 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 the facility or a premise or to impound a vehicle, shall note down the reasons which has compelled him to take such decision including all the available evidences.

Offence 49. Any person who refuses to sign in the Notification of Offence upon being required by an inspector under rule 48 commits an offence and shall, on conviction, be liable to a fine not less than three million shillings or imprisonment for a term not less than two years or to both.

Issuance of Compliance Orders 50. The Authority may, while discharging its regulatory functions and where it finds that there is a continued violation of the provisions of the Act, the EWURA Act and the provisions of these rules, issue a Compliance Order to the person responsible for such violation.

Power to Enter and Close a Facility, Premises or Building 51. – (1) Notwithstanding any provision in these rules an inspector shall, with an Order in writing, have the right and obligation to enter upon any premises, building or facility and close it down where he determines that a regulated activity or regulated activity is being conducted therein in contravention of these rules.

(2) An inspector may, while discharging his obligation under sub-rule (1) of this rule, seek the assistance of law enforcement institutions including the police and such institution shall provide the requested assistance to the inspector.

Prohibited Acts
Against
Inspectors

52. - (1) A retailer shall not:

- (a) hinder or obstruct an inspector in the exercise of any of the powers conferred upon it under these rules;
- (b) use abusive, threatening or insulting language to an inspector;
- (c) deny or fail to comply with a requirement, direction or notice of an inspector; and
- (d) when required by an inspector to answer a question, deny or fail to answer such question to the best of his knowledge, information and belief.

(2) Any person who contravenes the provision of sub-rule (1) of this rule commits an offence and shall be liable, on conviction, to a fine of three million shillings or to imprisonment for a term not exceeding two years or both.

PART VIII
PENALTIES AND REMEDIAL MEASURES

Penalties and
Remedial
Measures

53. – The Authority may, without prejudice to the penalties prescribed in these rules and applicable law where it determines that a retailer is in violation of licence conditions, the Act, these rules or applicable law:

- (a) issue a warning;
- (b) issue a Compliance Order;
- (c) restrict the conduct of a regulated activity;
- (d) order a retailer to remedy any situation as a result of such violation;
- (e) issue a partial suspension of a licence for such period the Authority may determine;
- (f) suspend a licence for such period the Authority may determine; or
- (g) revoke a licence.

(2) Notwithstanding the generality of sub-rule (1) a retailer shall be liable to pay the fines for specific violations of licence conditions as prescribed under the Second Schedule.

Appeal 54. Any person who is aggrieved by the decision made by the Authority under rule 53 may lodge an appeal to the Tribunal pursuant to the provisions of the Fair Competition Act.

PART IX
GENERAL PROVISIONS

General Penalty 55. Any person who commits an offence for which no specific penalty is prescribed in these rules shall be liable on conviction to a fine of two million shillings or to imprisonment for a term not exceeding two years or both.

Penalty for a Second or Subsequent Conviction 56. Any person who is convicted of a second or subsequent conviction of any offence under these rules and the Act shall without prejudice to the penalties prescribed out in rule 23 be liable to a fine of not less than three million shillings or to imprisonment for a term of not less than three years or to both.

Authority to Supplement Procedures as Needed 57. Where procedures are not provided for in these rules, the Authority may do whatever is necessary and permitted by law to enable it to effectively and completely adjudicate on any matter before it.

**THE UNITED REPUBLIC OF TANZANIA
THE PETROLEUM ACT (CAP. 392)**

NOTIFICATION OF OFFENCE

(PETROLEUM RETAIL BUSINESS)

(Issued under Rule 48 of GN No.... of 2014)

To..... Address.....

1. You are charged with the following offence (s):
 - (a)
 - (b)
 - (c)
 - (d)
 - (e)
 - (f)
2. If you WISH to admit commission of the offence (s) you should complete “PART B” below and send this notification, together with the statutory penalty for each offence to which you admit, to the Authority within fourteen days from the date of service of this notification.
3. If you DO NOT WISH to admit to have committed the offence (s) you are required to complete “PART A” below and send this notification to the Director General of the Authority together with answers, in writing, to the charges mentioned above, within seven days from the date of service of this notification.
4. Penalty for each offence mentioned above shall be as provided for under the Petroleum Act, Cap. 392, the EWURA Act, Cap. 414 or any other laws relevant to the conduct of the Petroleum Wholesale Business.

PART "A"- NOTIFICATION OF INTENTION TO ANSWER CHARGES

I of residential or
business address) being the (owner/director/manager/representative) of.....
..... intend to respond to the Authority on the charge (s)
Nos.....set out in Paragraph 1 of this Notification.
Signature:

Date:

PART "B"- ADMISSION OF OFFENCE

I of residential or
business address) being the (owner/director/manager/representative) of.....
..... plead guilty to the charge (s)
Nos.....set out in Paragraph 1 of this Notification and

I undertake to pay the requisite fine of TZS..... within a period of
fourteen days from the date hereof.

Signature:

Date:

FACILITY/VEHICLE/VESSEL DETAILS

ISSUED BY

Motor Vehicle Reg. No.....

Name:

PRL No.

Designation:

Vessel Registration No.

Date:

Signature of the person issued with the notification

Signature of the Inspector

.....

.....

SECOND SCHEDULE
FINES FOR VIOLATIONS OF LICENCE CONDITIONS
(Issued under Rule 53 (2))

S/N	Particular	Amount		
		1 st Offence	2 nd Offence	3 rd and Subsequent Offence
1.	Failure to ensure that the Retail Station is equipped with adequate and serviced fire extinguishing equipment including: a) sand bucket for each Pump Island; and b) at least 2x 9 kg ABE (Powder Type) extinguishers located near the dispensers or at least 1 extinguisher per Pump Island	TZS 500,000	TZS 1,000,000	TZS 2,000,000
2.	Failure to install an Emergency shutoff switch	TZS 500,000	TZS 1,000,000	TZS 2,000,000
3.	Failure to ensure that the retail outlet has calibrated underground storage tanks with calibrated dip rod dispensing pumps in good working conditions and calibrated by the Weights and Measures Agency	TZS 500,000	TZS 1,000,000	TZS 2,000,000
4.	Procuring petroleum products from a source other than a licensed wholesaler	TZS 500,000	TZS 1,000,000	TZS 3,000,000
5.	Failure to submit layout plans for the retail outlet	TZS 250,000	TZS 500,000	TZS 1,000,000
6.	Lack of clean and enough toilet facilities for men and women	TZS 250,000	TZS 600,000	TZS 1,000,000
7.	Failure to ensure that the retail outlet has clear and visible entrance exit signs	TZS 250,000	TZS 500,000	TZS 1,000,000

The Petroleum (Retail Operations in Townships and Villages)

G.N. No. 174 (contd)

S/N	Particular	Amount		
		1 st Offence	2 nd Offence	3 rd and Subsequent Offence
8.	Failure to ensure that the retail outlet has clear and visible safety warning signs at dispensing pumps including; (i) No smoking; (ii) No mobile phones; and (iii) Switch off engine.	TZS 500,000	TZS 1,000,000	TZS 2,000,000
9.	Failure to ensure that the product tanks and dispensing pumps are labeled according to the type of products contained.	TZS 500,000	TZS 1,000,000	TZS 2,000,000
10.	Failure to ensure that the storage tank is fitted with vent pipe with minimum height of 3.5m	TZS 500,000	TZS 1,000,000	TZS 2,000,000
11.	Failure to ensure that each pump island is protected with crush barriers with the height of one meter above the ground	TZS 500,000	TZS 1,000,000	TZS 2,000,000
12.	Failure to ensure that the retail outlet is covered with a canopy which is constructed using non combustible materials of at least corrugated iron sheets and other materials like steel poles with height of at least 5 meters.	TZS 500,000	TZS 1,000,000	TZS 2,000,000
13.	Failure to display the original licence or a certified true copy thereof in or on a conspicuous place at a retail outlet	TZS 500,000	TZS 1,000,000	TZS 2,000,000
14.	Failure to print the licence number on every accounting document being used for the licensee's operations with customers and third parties	TZS 500,000	TZS 1,000,000	TZS 2,000,000

The Petroleum (Retail Operations in Townships and Villages)

G.N. No. 174 (contd)

Dar es Salaam
4th May, 2016

FELIX NGAMLGOSI
Director General