

PETROLEUM (TRANSPORTATION AND SHIPMENT) REGULATIONS, 2022

Draft Date: 4/07/2022

ARRANGEMENT OF REGULATIONS

1. Ships, etc., not to carry part cargo or dead freight.
2. No topping to be made
3. Verification and certification of petroleum, etc.
4. Prohibition of loading petroleum into ballast tank, etc.
5. False declaration.
6. Ship not to depart without full documentation.
7. No loading, etc., of petroleum in unauthorised location.
8. Duties of the Authority during any breach.
9. Repeal
10. Offences.
11. Interpretation.
12. Citation.

PETROLEUM (TRANSPORTATION AND SHIPMENT) REGULATIONS, 2022
Pursuant to Sections 32(a), (c)(ii) and (iii), 33 and 113(6) of the
Petroleum Industry Act, No. 6, 2021

In exercise of the powers conferred on it by sections 32(a), (c)(ii) and (iii), 33 and 113(6) of the Petroleum Industry Act, No 6, 2021 ("the Act") and all other powers enabling it in that behalf, the Nigerian Midstream and Downstream Petroleum Regulatory Authority ("Authority"), hereby makes the following Regulations-

1. Ship, etc., not to carry part cargo or dead freight

As from the commencement of these Regulations, no ship, tanker or vehicle in which petroleum or its derivatives, petroleum liquids, liquefied natural gas or petroleum products is carried shall take part cargo or carry dead freight except-

- (a) within the limits of operational practice; or
- (b) when loading the full complement from two or more terminals within Nigeria; or
- (c) with the prior written authorisation of the Authority

2. No topping to be made

No topping shall be made, demanded or received for or by any ship, tanker, or vehicle in which petroleum is carried within or outside any loading port or terminal in Nigeria.

3. Verification and certification of petroleum

All declarations regarding the capacity of any ship, tanker or vehicle in which petroleum or its derivatives, petroleum liquids, liquefied natural gas or petroleum products is carried shall be verified and certified by the Authority at the port of loading and no petroleum or its derivatives, petroleum liquids, liquefied natural gas or petroleum products shall be loaded into any ship, tanker or vehicle other than that designated solely for that purpose.

4. Prohibition of loading petroleum into ballast tank, etc.

No loading shall be made into a ballast tank or any other tank, container or receptacle of a ship or tanker other than those designated, dedicated and designed for the storage and transportation of petroleum or its derivatives, petroleum liquids, liquefied natural gas or petroleum products.

5. False declaration

Any false declaration regarding the capacity of any ship, tanker or vehicle in which petroleum or its derivatives, petroleum liquids, liquefied natural gas or petroleum products are carried or in respect of the quality or quantity of oil loaded or the alteration of any document relating to quality, quantity or capacity of any ship, tanker, vehicle or cargo of petroleum or its derivatives, petroleum liquids, liquefied natural gas or petroleum products shall be regarded as non-compliance with the provisions of these Regulations.

6. Ship not to depart without full documentation

No ship, tanker or vehicle in which petroleum or its derivatives, petroleum liquids, liquefied natural gas or petroleum products is carried shall depart from Nigeria without full documentation in the prescribed manner having been concluded by the appropriate authorities and without a valid wholesale petroleum liquids supply licence and authorisation by the Authority and any other Government agency having authority in that regard.

7. No loading, etc., of petroleum in unauthorised location

No loading, unloading or trans-shipment of petroleum or its derivatives, petroleum liquids, liquefied natural gas or petroleum products shall be carried out at any location within Nigeria other than those authorised by the Authority for that purpose.

8. Duties of the Authority during any breach

Where there is a breach of any of the provisions of these Regulations, the Authority may:

- (a) withdraw or cancel any licence, permit or authorisations granted by the Authority to any such person or body or direct such action to be taken by an appropriate Government agency;
- (b) enter or direct the entry into any premises where the breach occurred and take possession of any document, instrument or material used in connection therewith;
- (c) cause an inquiry to be conducted into the affairs of any person connected with the breach of any of these Regulations;

- (d) order the closure of any premises where such breach occurs;
- (e) generally take such other action as the Authority may consider necessary for the purpose of preventing any further breach of these Regulations.

9. Offences

Any person:

- 1) who engages in topping without due authorisation from the Authority shall forfeit the cargo and pay a penalty of 10% of the value of the entire cargo;
- 2) who loads petroleum or its derivatives, petroleum liquids, liquefied natural gas or petroleum products into a ballast tank or loads a tank, ship or vessel with false documentation shall be liable to pay a penalty equal to the cost of the petroleum or its derivatives, petroleum liquids, liquefied natural gas or petroleum products and shall also forfeit the petroleum or its derivatives, petroleum liquids, liquefied natural gas or petroleum products;
- 3) Who makes a false declaration regarding the quantity, quality and capacity of any ship, tanker, vehicle or cargo of petroleum or its derivatives, petroleum liquids, liquefied natural gas or petroleum products shall be liable to pay a penalty of 10% of the undeclared quantity of the cargo;
- 4) who engages in unauthorised loading, unloading and trans-shipment of petroleum or its derivatives, petroleum liquids, liquefied natural gas or petroleum products in an unauthorised location shall forfeit the cargo and be liable to pay a penalty of 10% of the value of the cargo; and
- 5) who fails to comply with any of the provisions, directives given or condition of any licence, permit or authorisation issued under these Regulations shall, in addition to the sanctions, fines and penalties contained in the Act be liable to a penalty as prescribed in these Regulations or a penalty not exceeding One Million United States Dollars (US\$1,000,000), whichever is higher, and in addition, any licence, permit or authorisation issued to that person may be cancelled by the Authority.

10. Repeal

The Crude Oil (Transportation and Shipment) Regulations, 1984 is hereby repealed.

11. Interpretation

In these Regulations, unless the context otherwise requires-

“**Act**” means the Petroleum Industry Act, 2021

“**appropriate government authority**” means any other government agency having authority for clearance of ships before departure from the Nigerian waters;

“**Authority**” means the Nigerian Midstream and Downstream Petroleum Regulatory Authority

“**Petroleum**” has the meaning ascribed to it in the Act

“**Petroleum liquids**” has the meaning ascribed to it in the Act

“**Petroleum Products**” has the meaning ascribed to it in the Act

“**Regulations**” means these Petroleum (Transportation and Shipment) Regulations

“**topping**” means any further loading of petroleum in any available space on the ship, tanker or vessel after loading the nominated quantity of petroleum at any designated terminal.

12. Citation

These Regulations may be cited as the Petroleum (Transportation and Shipment) Regulations, 2022.

.....
Engr. Farouk A. Ahmad
Authority Chief Executive
Nigerian Midstream and Downstream Petroleum Regulatory Authority

Explanatory Note