



Petroleum and Petroleum Products Law
(2017, Pyidaungsu Hluttaw Law Number 20)
1379, 9th Waxing Day of Wa Hkaung
(1st August 2017)

The Pyidaungsu Hluttaw hereby enacts this law.

Chapter (1)

1. This law shall be called the Petroleum and Petroleum Products Law.
2. The following expressions contained in this law shall have the meaning given hereunder:
 - (a) **Union** means the Republic of the Union of Myanmar.
 - (b) **Petroleum** means a mixture of hydrocarbon fossil fuel. This term includes crude oil, condensate and natural gas.
 - (c) **Petroleum products** means any types of goods which are extracted through the distillation of raw petroleum. This term includes petrol, butane, diesel, jet fuel, kerosene, fuel oil, engine oil, lubricant, compressed natural gas (CNG), liquefied natural gas (LNG), liquefied petroleum gas (LPG), bio fuels mixed with any types of petroleum products, paraffin, tar and any types of goods specified as such in a notification issued by the Ministry.
 - (d) **Flash point** means the lowest temperature which causes the instant ignition of a gas released from petroleum or a petroleum product which came in contact with an outside agent.
 - (e) **Dangerous petroleum** means petroleum or petroleum products with a flash point of up to 76 degrees Fahrenheit or 24.44 degrees centigrade.
 - (f) **Petroleum and petroleum products business** means the import, export, transportation, transit, storage, possession, refinery, distribution, inspection and testing of petroleum and petroleum products.
 - (g) **Import** means the import of petroleum or petroleum products into Myanmar by either road, waterway, air or pipeline.
 - (h) **Export** means the export of petroleum or petroleum products to a destination abroad by either road, waterway, air or pipeline.



- (i) **Transportation** means the transport of petroleum or petroleum products from one place to another destination in Myanmar.
- (j) **Transit** means the transportation of petroleum or petroleum products across the territory of Myanmar by any methods of transport.
- (k) **Storage** means the storage of petroleum or petroleum products in a place as prescribed. Excluded from this term is the temporary storage during the transportation of petroleum or petroleum products through a route specified by the Ministry of Electricity and Energy.
- (l) **Refinery** means the distillation of petroleum in a certain process or the mixing or modification of petroleum in order to obtain a petroleum product from petroleum.
- (m) **Possession** means the keeping of petroleum or petroleum products under the management of a person or organisation.
- (n) **Distribution** means the transfer of petroleum or petroleum products for a certain price.
- (o) **Inspection** means the examination of the quality and measurement of petroleum or petroleum products and the examination of skills and technology for operating such businesses [*i.e., petroleum or petroleum products businesses*].
- (p) **Testing** means the testing of petroleum or petroleum products under this law.
- (q) **Inspection officer** means an officer with good knowledge of the petroleum business who leads a team appointed by the Ministry in a notification; this team is responsible for the inspection of a place at which a petroleum or petroleum products business is being operated and for delivering a sample collected from this place to the testing officer.
- (r) **Testing officer** means a specialist, organisation or person with good knowledge of testing the quality of petroleum and petroleum products appointed by the Ministry in a notification in order to test the quality of petroleum and petroleum products.
- (s) **Vehicle with an engine; engine** means any vehicle or engine using any type of petroleum product in order to obtain power.
- (t) **License** means a license issued for the operation of a petroleum and petroleum products business according to sections 7, 8, 9 and 10 of this law.



- (u) **Gallon** means a measurement unit under the British system which is equivalent to 4.546 liters.
- (v) **Ministry of Transport and Communication** means the Union Ministry of Transport and Communication.
- (w) **Relevant Ministry** means any Union Ministry referred to in this law apart from the Ministry of Electricity or Energy.
- (x) **Ministry of Natural Resources and Environmental Conservation** means the Union Ministry of Natural Resources and Environmental Conservation.
- (y) **Ministry of Planning and Finance** means the Union Ministry of Planning and Finance.
- (z) **Ministry of Commerce** means the Union Ministry of Commerce.
- (z1) **Ministry** means the Union Ministry of Electricity and Energy.
- (z2) **Minister** means the Union Minister of Electricity and Energy.
- (z3) **Committee** means the committee regulating petroleum and petroleum products businesses.

Chapter (2)

Objectives

3. The objectives of this law are as follows:
 - (a) To operate systematic petroleum and petroleum products businesses in accordance with the law, specified standards, procedures and regulations;
 - (b) to safely operate petroleum and petroleum products businesses without affecting the environment;
 - (c) to create an independent and fair market competition with regard to the operation of petroleum and petroleum products businesses;
 - (d) to guarantee the Union's energy requirements and security;
 - (e) to obtain taxes payable to the Union.



Chapter (3)

Formation of the Committee

4. The Ministry shall, with the consent of the Union Government, form a committee regulating petroleum and petroleum products businesses comprising up to 15 members with representatives from the relevant Ministries in order to systematically regulate the petroleum and petroleum products businesses.
5. The Committee shall perform the following tasks:
 - (a) Specifying the duties to be allotted to, and performed by, the relevant Ministries;
 - (b) formation, in cooperation with the Region and State Governments, of the sub-committees regulating the petroleum and petroleum products businesses in the Regions and States; specifying their duties and, if required, issuing additional directives;
 - (c) coordination with the relevant department and organisations for the smooth operation of the petroleum and petroleum products businesses;
 - (d) supervising the petroleum and petroleum products businesses as to whether they operate in accordance with the law;
 - (e) supervising whether the petroleum and petroleum products comply with a specified quality, standard and measurement;
 - (f) taking action against the operators of petroleum and petroleum products businesses who are found to have violated any law in force, relevant order or directives or any of the terms specified in the license;
 - (g) supervising whether the operation of the businesses is safe and has no impact on the natural environment.
6. The Ministry shall, with the consent of the Union Government, reconstitute the Committee and change, increase or revoke its duties.

Chapter (4)

License Application, Issuance of a Permit, Setting the Terms

7. The Ministry of Commerce shall perform the following tasks with regard to petroleum and any types of petroleum products:



- (a) Issuance of licenses related to import and export;
 - (b) prohibiting the import and export through any places other than the specified places;
 - (c) specifying the procedures and terms with regard to import and export;
 - (d) specifying the application period for import and export licenses, forms and terms, application procedures, fees to be collected, and required terms for other matters.
8. The Ministry shall perform the following tasks with regard to petroleum and any types of petroleum products:
- (a) Issuance of licenses for the refinery, transportation, transportation with pipelines, distribution, testing, and analysing; issuance of separate or combined licenses for the operation of more than one business;
 - (b) with regard to the licenses referred to in sub-section (a), specifying the application period, forms and terms, application procedures, issuing body and fees to be collected;
 - (c) specifying the procedures and terms for refinery, transportation, transportation with pipelines, distribution, testing, and analysing;
 - (d) specifying the procedures and terms for the safe operation of petroleum and petroleum products businesses by exporters, recipients, transporters, and keepers;
 - (e) specifying the standard quality of containers used for transportation and the procedures and terms for pipelines;
 - (f) specifying and prohibiting the ratios and quantity of harmful chemicals in petroleum and petroleum products which are not included in the restrictions under a law in force, and minerals in petroleum and petroleum products which can cause harm to engines;
 - (g) specifying the procedures and terms for complying with a standard, quality and measurement;
 - (h) storing and managing petroleum and petroleum products which do not comply with the specified quality according to tests and analysis;
 - (i) specifying the procedures and terms relating to the place for refinery, place for storage, and storage;



- (j) specifying the terms relating to possession and distribution;
 - (k) specifying the procedures and terms for the relevant supervision of petroleum and petroleum products businesses;
 - (l) making plans for the development of the Union's energy sector, energy requirement and guarantee of energy security;
 - (m) inspection, according to the procedures, of the transportation, transit, testing, distribution and refinery;
9. The Ministry of Transport and Communications shall perform the following tasks with regard to petroleum and any types of petroleum products:
- (a) Issuing licenses for motor vehicles, watercraft and barges for the carriage of petroleum and any types of petroleum products;
 - (b) with regard to the licenses referred to in sub-section (a), specifying the application period, forms and terms, application procedures, issuing body and the fees to be collected;
 - (c) designation of ports for watercraft and barges for the import and export by waterway and supervision in accordance with the procedures;
 - (d) taking action in accordance with the law in force in case of leaks and accidents during the import, export, transportation or distribution of petroleum and petroleum products by waterway;
 - (e) specifying the procedures and terms for transportation, except for transportation by pipelines.
10. The Ministry of Natural Resources and Environmental Conservation shall perform the following tasks with regard to petroleum and any types of petroleum products:
- (a) Issuing storage licenses for warehouses and storage tanks;
 - (b) issuing a transportation permit for motor vehicles, watercraft and barges for the transportation of petroleum and any types of petroleum products;
 - (c) with regard to license applications under sub-section (a) and a permit under sub-section (b), specifying the application period, forms and terms, application procedures, issuing body and fees to be collected;



- (d) on-the-spot investigation and taking action in accordance with the laws in force in case of environmental damages caused during the operation of petroleum and petroleum products businesses;
 - (e) specifying, in cooperation with the relevant Ministries, the procedures and terms for the standard quality of storage tanks and warehouses and of the storage tanks in motor vehicles and watercraft for the transportation of petroleum and petroleum products;
11. Every container which contains dangerous petroleum or any types of dangerous petroleum products shall display a warning through the placement of a mark, embossing, painting, printing or in other appropriate ways. If it is not possible to do so, a warning which is similar to a mark that warns of the dangerous nature of petroleum, spirit and petrol shall be displayed in easily visible words or signs.
12. The provision of section 11 shall exclude the following containers:
- (a) Any types of glassware, stoneware or metal container which contains less than two gallons of dangerous petroleum if it is securely closed;
 - (b) a tank which is attached in or to a vehicle or engine which uses petroleum or any types of petroleum products;
 - (c) a storage tank which is completely built underground;
 - (d) any types of container which is exempted from section 11 by a notification of the Ministry.
13. A danger warning sign shall be displayed in the shape of easily visible words or signs on a pipeline which is used for the transportation of petroleum or petroleum products.
14. The Ministry may, with the consent of the Union Government, exempt any particular type of petroleum and petroleum products from the provisions of this chapter.
15. If a person wishes to transport or store more than 500 gallons of harmless petroleum and petroleum products, this person shall obtain a license. Containers with a storage capacity of maximum 200 gallons shall be used for the storage of up to 500 gallons.
16. Anyone may store, import or export less than 6 gallons of dangerous petroleum or petroleum products not intended for sale.
17. In order to store dangerous petroleum and petroleum products as prescribed in section 16, *[the items]* shall be placed in a glassware, stoneware or metal container which is securely



closed. The amount contained shall not exceed 0.25 gallons if contained in a glassware or stoneware container. The amount contained shall not exceed 5 gallons if contained in a metal container.

18. The driver, captain or owner of machines with engines using petroleum or any types of petroleum products is not required to obtain a license or permit for the import, transportation and storage of less than 20 gallons of dangerous petroleum and any types of dangerous petroleum products in addition to the amount contained in the tank of the engine.

Chapter (5)

Testing of Petroleum and a Petroleum Product

19. The Ministry shall, by notification, obtain, in accordance with the procedures, a sample of petroleum and petroleum products which are to be imported or exported and deliver it to the testing officer who is an officer with good knowledge of the petroleum business in the Ministry or an organisation with a license issued by the Ministry for the testing of the quality of petroleum and petroleum products.
20. The Ministry shall, by notification, order a team led by an officer of the Ministry with good knowledge of the petroleum and petroleum products business as inspection officer to enter a place where a petroleum and petroleum products business is being operated, obtain a sample from this place and deliver it to the testing officer for testing.
21. The Ministry shall perform the following tasks:
 - (a) Specifying the terms for obtaining a petroleum and petroleum products sample for testing;
 - (b) specifying the costs and payment system for obtaining a petroleum and petroleum products sample for testing;
 - (c) specifying the procedures for persons who will exercise the authority given under this section.
22. The testing officer or the organisation with a testing license shall perform the following tasks with regard to the testing of petroleum and petroleum products:
 - (a) Testing and confirming the flash point and other quality standards of petroleum and petroleum products using a test apparatus in accordance with the Law on Standardisation;



- (b) Checking and analysing, gauging and, if required, replacing a test apparatus;
 - (c) Testing with a test apparatus after having received the fees for testing;
23. If someone requests the Ministry to re-check the items tested with the test apparatus of an organisation with a testing license, the results shall be stated in comparison to the standard quality after receiving the fees for re-checking.
24. The Ministry, by notification, shall give authority to test petroleum and petroleum products and issue a certificate stating the result to an officer from the Ministry with good knowledge of the petroleum and petroleum products business or to an organisation with a testing license.
25. The testing officer -
- (a) shall issue a certificate proving compliance with the standard quality in the specified form after testing the petroleum and petroleum products samples;
 - (b) shall issue a true copy of the certificate if so requested by a concerned person after receiving the specified fees. Such true copy may be submitted as evidence in court.
26. If an owner or his representative is not satisfied with the result given by the testing officer, he may apply for re-checking to the Ministry within seven days after having obtained the result.
27. The testing officer of the Ministry shall re-check upon a request under section 26 after having received the specified fees.
28. The testing officer of the Ministry shall issue a new certificate which cancels the old certificate if, upon re-checking according to section 26, the previous test is found to have been wrong.
29. The Ministry may issue a notification stating the required terms with regard to the following specifications of petroleum and petroleum products testing:
- (a) Specifying the procedures, terms and conditions with regard to the testing of petroleum and petroleum products;
 - (b) specifying the format of a petroleum and petroleum products testing certificate and the fees to be collected for it;
 - (c) specifying the terms and conditions with regard to the re-checking of results given by a licensed organisation;



- (d) specifying the fees for re-checking and ordering a refund of the fees if the original test is found to have been wrong.

Chapter (6)

Prohibitions

- 30. No one shall, without having obtained the relevant license, perform any types of business or act which require a license according to this law.
- 31. No license holder shall -
 - (a) violate or fail to comply with any prohibition in the rules, regulations, notification, order, directive and procedures made according to this law;
 - (b) use a container, transportation vehicle and pipeline which contains dangerous petroleum and any types of dangerous petroleum products without displaying easily visible danger warning signs;
 - (c) import, transport, store and distribute petroleum and petroleum products in other ways than specified in this law, irrespective of whether the petroleum and petroleum products are dangerous or harmless;
 - (d) operate without taking responsibility for damaging the environment during the operation of a petroleum and petroleum products business;
 - (e) distribute petroleum and petroleum products which are not in compliance with the standards, quality and measurement.
- 32. Nobody operating a petroleum and petroleum products business shall refuse an authorized officer's or organisation's request to check the petroleum and petroleum products business or container or transportation vehicle, machine, watercraft and pipeline, and to obtain a sample of petroleum and petroleum products from a place for the import, export, storage, refinery and distribution of petroleum and petroleum products or during the transportation of petroleum and petroleum products.
- 33. Nobody managing the business shall fail to immediately notify and give the necessary information of the accident if there is an explosion or fire caused by any types of petroleum and petroleum products business or there is a potential cause for a fire near the storage place of petroleum and petroleum products.



Chapter (7)

Taking Administrative Action

34. If any license holder is found to have violated any prohibition under section 31, sub-sections (a) and (b), the relevant license issuing body may take any of the following administrative actions:
- (a) Warning;
 - (b) levying specified fines;
 - (c) temporary suspension of the license;
 - (d) revocation or permanent cancellation of the license.
35. Anyone not satisfied with the administrative action under section 34 may appeal to the Union Ministry related to the issuance of the license within 30 days of the decision. The related Ministry may confirm, alter or revoke the administrative action taken by the license issuing body. The order of the related Union Ministry is final.
36. The Union Ministry related to the issuance of the license may suspend, cancel, revoke or delete any license according to the provisions of the rules issued according this law. Furthermore, it may amend the terms of license which were specified previously.

Chapter (8)

Offences and Penalties

37. Anyone convicted for the violation of section 30 shall be sentenced to a prison term of up to one year or a fine from Ks. 300,000 to Ks. 5,000,000 or both, and the related goods shall be confiscated as public property.
38. Anyone who, after having been convicted according to section 37, commits the same offence shall be sentenced to a prison term of up to two years or a fine from Ks. 1,000,000 to 10,000,000 or both, and the related goods shall be confiscated as public property.
39. Any license holder -
- (a) convicted for the violation of any provision under section 31, sub-sections (c) and (d) shall be sentenced to a fine from Ks. 500,000 to Ks. 5,000,000;



- (b) convicted for the violation of the prohibition under section 31 sub-section (e) shall be sentenced to a prison term up to six months or a fine from Ks. 500,000 to Ks. 5,000,000 or both.
40. Anyone convicted for the violation of the prohibition under section 32 shall be sentenced to a fine from Ks. 500,000 to Ks. 5,000,000.
41. Any manager convicted for the violation of section 33 shall be sentenced to a prison term of up to 6 months or a fine from Ks. 500,000 to Ks. 5,000,000 or both.

Chapter (9)

Miscellaneous

42. The Ministry shall specify the minimum area and distance for the operation of a petroleum and petroleum products business. Nobody is allowed to perform any act which can cause a fire within the specified area.
43. The court shall transfer evidence confiscated as public property to the Ministry and the relevant Ministries.
44. Any operator of a petroleum and petroleum products business established before the enactment of this law shall make a management plan in accordance with this law and the rule, regulation, notification, order, directives and procedures according to this law and submit it to the Ministry which issues the license or permit under this law. This Ministry shall, after reviewing the management plan, approve it if it is satisfactory. The petroleum and petroleum business operator shall implement his business within the time specified by the Ministry.
45. The Ministry may establish and operate, at the appropriate time, any state-owned enterprise under its management as a public corporation with the consent of the Union Government.
46. The offences under this law shall be considered to be cognizable offences.
47. The rule, regulation, notification, order, directives and procedures issued under the Petroleum Act (India Act XXX, 1934) are still applicable if they are not in contravention to this law.
48. Licenses or permits issued under the Petroleum Act (India Act XXX, 1934) are considered to be licenses issued under this law and their term [*i.e., period*] and terms and conditions shall apply.



49. An organisation or person operating a petroleum and petroleum products business shall operate their business without harm to the environment in accordance with the laws, rules, regulations and procedures in force.
50. The Ministry is responsible for the expenses and office work of the Committee. It may specify an appropriate honorarium and appropriate expenses for Committee members who are not state employees.
51. The Ministry may offer required training, workshops, demonstrations and meetings with regard to safety in a petroleum and petroleum products business.
52. The Ministry issuing licenses and the Ministry collecting fees shall, by notification with the consent of the Union Government, specify the allotment of the fees collected according to this law among the Ministry issuing licenses, the Ministry collecting fees and the Regional or State Government.
53. The Ministry of Planning and Finance may confiscate, dispose of, or in other ways manage petroleum and petroleum products if no license was applied for within the specified period or the license application was rejected or *[the goods]* were not exported within the specified period.
54. For the implementation of the provisions of this law -
 - (a) the Ministry may issue, with the consent of the Union Government, rules and regulations;
 - (b) the Ministry, the relevant Ministry and the Committee may issue a notification, order, directives and procedures.
55. The Petroleum Act (India Act XXX, 1934) is repealed by this law.

I hereby sign in accordance with the constitution of the Republic of the Union of Myanmar

(Signed) Htin Kyaw

President

The Republic of the Union of Myanmar