

Cabinet Resolution No. (35) of 2019
Concerning the Executive Regulations of Federal Law No. (14) of 2017
Concerning Petroleum Products Trading

The Cabinet:

- Upon perusal of the Constitution;
- Federal Law No. (1) of 1972, on the Competencies of Ministries and Powers of the Ministers, as amended;
- Federal Law No. (14) of 2017 On Petroleum Products Trading;
- Cabinet Resolution No. (11) of 2011 on the adoption of the UAE scheme regarding the application of the UAE standards and the mandatory requirements of LPG cylinders, as amended;
- Cabinet Resolution No. (21) of 2015 on the UAE scheme regarding the control of petroleum products; and
- Based on the proposal of the Minister of Energy and Industry, and the approval of the Cabinet;

Resolves:

Article (1)

The definitions contained in Article (1) of Federal Law No. (14) of 2014 referred to herein shall apply.

Article (2)

Register Establishment

1. The Ministry shall establish a Register, called the "Register of Petroleum Products Trading", listing the information of the licensed persons, facilities and means of transportation through which or by which trading will take place.
2. The Register shall be paper or electronic, and the regulating conditions and procedures thereof shall be determined by a decision of the Minister.

Article (3)

Entry in the Register

1. The application for entry in the Register shall be submitted to the Ministry on its approved form for this purpose within ten (10) working days as of the date on which the licensed person obtains the trading permit.
2. The following documents shall be attached to the Register:
 - a. A copy of the trading permit.
 - b. Initial approval of the permit issued by the authority that has the competency to issue a permit to practice economic activities in the Emirate.
 - c. Environmental permit issued by the competent environmental authority in the Emirate.
3. The following data shall be recorded in the Register:
 - a. Name and address of the licensed person.
 - b. The legal form of the licensed person, through which trading activity is exercised.
 - c. Permit number and date of issue.
 - d. The geographical range that trading is permitted within its limits.
 - e. Petroleum products that trading therein is permitted, and any other technical data covered by the permit.
 - f. Permitted facilities and technical requirements.
 - g. The means of transport permitted, and the technical specifications available therein.
 - h. Data relating to the drivers of the means of transport and the driving license issued thereto.
 - i. Any other data issued by a decision of the Minister.
4. The Ministry shall notify the licensed person of the entry in the Register within (2) working days as of the date of submission of all required data and documents.

Article (4)

Obligations of the Licensed Person

The Competent Authority shall verify the obligation of the licensed person to:

1. Entry in the Register.
2. Renewal of the entry in the Register upon renewal of the trading permit.
3. Updating the data entered in the Register for the duration of the permit, within a period not exceeding (5) five working days as of the date of the amendment.

Article (5)

Trading Regulatory Committee

1. A Committee called the "Petroleum Products Trading Regulatory Committee" shall be established in every Emirate, of which there shall be no less than (7) members with expertise and competence, provided that the members include representatives of the Ministry, Ministry of Interior, Federal Authority for Land and Maritime Transport and the entities concerned with the trading of petroleum products in the Emirate.
2. The members of the Committee shall be appointed and their Chairman and Vice-Chairman shall be specified by a decision of the competent authority, provided that such decision specifies the membership term.
3. The Chairman shall invite the Committee to convene, whenever the need arises, at such time and place as may be specified in the call to the meeting.
4. The Committee's meetings shall be valid by the presence of the majority of its members, provided that the Chairman or his deputy is among them.
5. The Committee's decisions and recommendations shall be issued by a majority votes of the attending members. The Chairman of the meeting shall have a casting vote in the case of equality of votes.
6. The Committee shall have a Rapporteur, designated from among the staff of the competent authority, who shall make the necessary invitations to the members of the Committee, prepare their agendas, edit the minutes of their meetings, follow

up on the implementation of their recommendations and the tasks assigned to them by the President.

7. The Committee's recommendations and deliberations shall be recorded in minutes that will be signed by the Chairman of the meeting and the attending members.
8. The Committee may seek the assistance of the experts and specialists it deems appropriate, without having a counted vote in its deliberations.
9. The Vice-Chairman shall replace the Chairman throughout his absence and shall assume all the powers vested in them herein.

Article (6)

Offences in which Reconciliation Takes Place

1. The competent authority shall have the right to reconcile with the licensed person in the event of committing any of the following offences before referring the case to the competent court.
 - a. Failure to be listed in the Register, and the conciliatory amount shall not be less than (20.000) twenty thousand dirhams, and not more than (50.000) fifty thousand dirhams.
 - b. Violation of the terms of the trading permit, and the conciliatory amount shall not be less than (250.000) two hundred and fifty thousand dirhams, and not more than (400.000) four hundred thousand dirhams.
 - c. Violation of the safety and security standards approved by the competent authority and the specifications of the petroleum products approved by the Emirates Authority for Standardization and Metrology, and the conciliatory amount shall not be less than (350.000) three hundred and fifty thousand dirhams, and not more than (450.000) four hundred and fifty thousand dirhams.
 - d. Failure to provide equipment and machines conforming to the specifications approved in the State upon trading petroleum products, and the conciliatory amount shall not be less than (300.000) three hundred

thousand dirhams, and not more than (400.000) four hundred thousand dirhams.

- e. Failure to practice the licensed activity at the location specified in the trading permit, and the conciliatory amount shall not be less than (200.000) two hundred thousand dirhams, and not more than (300.000) three hundred thousand dirhams.
- f. Failure to keep records of the petroleum products that the licensed person is trading, and the conciliatory amount shall not be less than (50.000) fifty thousand dirhams, and not more than (150.000) one hundred and fifty thousand dirhams.
- g. Failure to maintain documents and papers proving the ownership and the source of the petroleum products, and the conciliatory amount shall not be less than (200.000) two hundred thousand dirhams, and not more than (300.000) three hundred thousand dirhams.
- h. Failure to provide equipment, machines and safety requirements in the locations and means of transport used for the trading of petroleum products, and the conciliatory amount shall not be less than (350.000) three hundred and fifty thousand dirhams, and not more than (450.000) four hundred and fifty thousand dirhams.
- i. Failure to notify the concerned authorities in the State of the occurrence of any accidents that constitute a hazard to lives, properties, public health or the environment, and the conciliatory amount shall not be less than (250.000) two hundred and fifty thousand dirhams, and not more than (350.000) three hundred and fifty thousand dirhams.
- j. Failure to notify the competent authority before making any change to the location where the licensed person carries out the licensed activity, and the conciliatory amount shall not be less than (150.000) one hundred and fifty thousand dirhams, and not more than (250.000) two hundred and fifty thousand dirhams.

- k. Failure to enable the employees of the competent authority to access the records and documents related to the activity of the licensed person, inspect the petroleum products and take samples, or inspect the equipment, machines, facilities and means of transport used in trading, and the conciliatory amount shall and not be less than (150.000) one hundred and fifty thousand dirhams, and not more than (300.000) three hundred thousand dirhams.
 - l. Failure to comply with the safety, security and environmental requirements according to the legislations in force upon practising the trading activity, and the conciliatory amount shall not be less than (300.000) three hundred thousand dirhams and not more than (400.000) four hundred thousand dirhams.
 - m. Violation of the means of transportation licensing conditions, and the conciliatory amount shall not be less than (250.000) two hundred and fifty thousand dirhams, and not more than (350.000) three hundred and fifty thousand dirhams.
2. The competent authority shall have the right to reconcile with the perpetrator of any of the following offences before referring the case to the competent court:
- a. Transferring petroleum products in unlicensed means for the transportation of petroleum products or missing one of the licensing conditions approved by the concerned authorities. The conciliatory amount shall not be less than (350.000) three hundred and fifty thousand dirhams and not more than (450.000) four hundred and fifty thousand dirhams.
 - b. Knowingly acquiring petroleum products from unlicensed persons or facilities. The conciliatory amount shall not be less than (250.000) two hundred and fifty thousand dirhams, and not more than (350.000) three hundred and fifty thousand dirhams.
3. Reconciliation in case the licensed person violates the other obligations specified by the competent authority shall be made as per clause (14) of Article (13) of the

Law, in accordance with the regulations issued by the authority in this regard, taking into account the controls and procedures stipulated in this Resolution.

Article (7)

Reconciliation Procedures

1. Subject to the provisions of Article (6) of this Resolution, reconciliation shall be made in accordance with the following procedures:
 - a. The infringing licensed person or their legal agent shall submit a request for reconciliation to the competent authority on the form prepared for this purpose within (10) working days as of the date of the reporting the offence. The application shall be accompanied by the documents and data issued by a decision of the competent authority.
 - b. The application shall contain a written acknowledgement from the licensed person or their legal agent of the offence and the date and place of its commission.
 - c. The competent authority shall examine the application and verify that it meets the required conditions, documents and data.
 - d. The competent authority shall issue its decision on the application for reconciliation within thirty (30) days as of the date of submission of the application, and shall determine in its decision the amount of the penalty to be paid by the violator, the time period required for its payment and the party authorized to receive it, provided that the same is written in a formal report, prepared for that purpose.
 - e. The competent authority may extend the period referred to in the preceding clause, if the infringing licensed person submits an application to extend it, and has serious reasons that prevented them from paying the conciliatory amount within such period.
 - f. If reconciliation proceedings are completed, the reconciliation record and its annexes shall be presented to the head of the competent authority or

their authorized representative to approve the closure of the violation after the violator has paid the conciliatory amount.

- g. If the violator or the competent authority rejects the reconciliation, or if the violator fails to pay the conciliatory amount, the competent authority shall refer the violation to the competent public prosecution under a written letter prepared for this purpose.
- h. The reconciliation procedures provided for in this Article shall not prejudice the licensed person's obligation to remove the causes of the violation in accordance with the provisions of Article (18) of Federal Law No. (14) of 2017 referred to, and in all cases the criminal case ends with the payment of the conciliatory amount.

Article (8)

Grievance

1. Any interested party shall have the right to appeal against the decisions, actions and measures taken against them under this Resolution and the decisions issued thereunder within thirty (30) days as of the date of notification of the decision, action, or measure.
2. The grievance shall be in writing and accompanied by the supporting documents and papers. It shall be submitted to the issuing authority, whether the ministry or the competent authority, as the case may be, and shall be decided on within thirty (30) days as of the date of its submission, by a committee formed by the minister or the head of the competent authority, and the decision issued thereon shall be final.
3. Notwithstanding the provisions of paragraph (1) of this Article, no appeal may be made against any of the decisions issued by the competent authority regarding the reconciliation procedures provided for in this Resolution.

Article (9)

Issuance of Executive Resolutions

The Minister shall issue the decisions necessary for the enforcement of the provisions of this Resolution.

Article (10)

Publication and Enforcement

This Resolution shall be published in the Official Gazette and shall come into effect as of the day following the date of publication thereof.

Mohammed bin Rashid Al Maktoum

Prime Minister

Issued by us:

On: 16 Ramadan 1440 AH

Corresponding to: 21 May 2019 AD