

PETROLEUM CONTROL ACT 1967

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An Act to empower the Minister charged with responsibility for petroleum to control and regulate activities of petroleum companies on petroleum and petroleum products.

Commencement. [13th July, 1967]

<p>1. (1) There shall be for the purpose of this Act, competent authorities to control the storage, transport and distribution of petroleum.(2) The person responsible for co-ordination and control of storage, transport and distribution of petroleum shall be the Minister of Petroleum Resources (hereafter in the Act referred to as "the controller"), and the Governor shall, in the State under his control, appoint a fit person to be a deputy controller in that state.(3) To the extent to which no appointment of fit person for the purposes of this section is made by the controller, any deputy controller may, in his own State, appoint fit persons for the purpose, or may himself delegate the power to appoint according to circumstances existing at any particular time.(4) Appointments of fit persons under this section may be made either by name or by designing the holder for the time being of any particular office.(5) In the application of this section, the following shall be "competent authorities", that is to say-(a) the controller,(b) any deputy controller,(c) other fit persons appointed under this section.</p>	<p><i>Competent authorities to control, etc, petroleum.</i></p>
<p>2. (1) The controller may in writing direct oil companies transacting business in Nigeria to register with the Ministry of Petroleum Resources, and such oil companies shall register accordingly.(2) A director under this section may prescribe the information to be furnished to the controller at the time of registration and the direction may specify the form in and on which such information is to be supplied.(3) Failure to comply with a direction to register or to supply the information, as the case may be, shall be an offence under this Act.</p>	<p><i>Power to require oil companies to register.</i></p>
<p>3. (1) Where the controller is satisfied that during any period of public emergency, a person having facilities for storage of petroleum is requested by a competent authority to accept petroleum for storage on terms appearing to the controller to be fair and reasonable and that person-(a) has refused or</p>	<p><i>Special powers as to storage of petroleum.</i></p>

<p>failed to enter into a contract, or(b) has entered into a contract but fails to perform his part. the controller may serve on the person concerned, notice of his intention to take over the storage facilities including all equipment and material normally used in conjunction with the storage facilities and, in addition, to make use of the services of operatives incidental to transport, storage and disposal of petroleum in the appropriate distribution network.(2) The notice shall prescribe the time at which the facilities are to be taken over and the period not exceeding twelve months after the state of public emergency ceases to exist) during which they are to operated on behalf of the Federal Government.(3) The failure to comply with the requirement of this section shall be an offence under this Act.(4) For the purposes of this section, the controller shall be the sole judge of the duration of any state of public emergency.</p>	
<p>4. (1) If the controller is satisfied that it is in the public interest, he may by notice in writing require any oil company licensed to prospect for and exploit oil found in Nigeria, to supply to the Federal Government at a time and place designated by the controller, crude oil in the form and in the quantities specified in the notice; and on the failure of the oil company to supply the crude oil the controller may enter and seize any crude oil found on the premises of the oil company up to the quantities specified in the notice, without being liable in damages for any such action; but any crude oil to seized shall be paid for by the Federal Government at the rate applicable to the quality of the crude oil at the date of the seizure.(2) Notwithstanding the power of seizure conferred by this section, the failure to comply with requirement of any notice shall, in addition, be an offence under this Act.</p>	<p><i>Power to require delivery of crude oil.</i></p>
<p>5. (1) Where any importer, that is to say, the Federal Government or any Minister or department of such Government imports into any part of Nigerian petroleum within the meaning of this Act, or intends so to import such petroleum, and there are no government facilities for storage, any competent authority may on behalf of the importer, at any time by notice in writing require any person (in this section referred to as "the bailee") to provide the relevant storage for the use of the importer, and the failure without reasonable excuse (the proof of which shall lie upon the bailee) to comply with any requirement of this section shall be offence under this Act.(2) The provisions of this section shall extend and apply so as to enable acquisition of storage facilities for petroleum on behalf of the Federal Government during any period of public emergency, whether or not any question of importation arises.</p>	<p><i>Power of controller to require storage facilities on import of petroleum.</i></p>
<p>6. (1) Subject to the provisions of this section and notwithstanding any other</p>	<p><i>Power to give</i></p>

<p>provision of this Act or other enactment, the controller may during any period of public emergency give directions to an oil company requiring any such company requiring any such company-(a) to distribute through its supply system, petroleum or any product of petroleum imported by or on behalf of the Federal Government; or(b) to deliver by any convenient means, petroleum or any product of petroleum to any service declared in the direction to be an essential service to the community, and any oil company to which any such directions is given shall give effect thereto.(2) The failure to comply with a direction under subsection (1) of this section shall be an offence under this Act.(3) Where by reason on stocks held at the time an oil company is unable to make delivery under contract, of petroleum or any product of petroleum to an essential service and the amount required for the purpose is provided by or on behalf of the Federal Government, the subsequent tender of delivery by any other person of the quantity provided by or on behalf of the Federal Government, may be rejected by the service declared in the direction to be an essential service, without the essential service being cast in damages for breach of contract, or otherwise howsoever.</p>	<p><i>directions to oil companies in special cases.</i></p>
<p>7. The controller may make regulations generally for the purpose of this Act and, without prejudice to the generality of this section, regulations may provide-(a) for the control of supply of petrol by the issue of coupon to be known as petrol coupons;(b) for any forms to be used for any of the purposes this Act;(c) for the issue of licences for the control of supply;(d) for the imposition of penalties not exceeding a fine of N200 or imprisonment for a term of six months or both, for a first offence, and by double the fine with or without imprisonment, for a second or any subsequent offence.</p>	<p><i>Regulations.</i></p>
<p>8. (1) A license under this Act may be revoked at any time and without reason assigned, or forthwith upon conviction of the holder or any person acting on his behalf of an offence under this Act.(2) Where a licence is revoked, any petroleum then in the possession of the former holder of the license or under his apparent control shall be disposed of as directed by a competent authority, and the person whose licence is revoked shall comply with the direction, notwithstanding the revocation.(3) Licences granted under regulations made pursuant to the Petroleum Act shall, to the extent to which they are or may be affected by this Act, be deemed to have been made thereunder, and the power to revoke any such license may accordingly be exercised under this Act.</p>	<p><i>Power to revoke licenses.</i></p>
<p>9. (1) Where an offence is prescribed under this Act, it shall be punishable on conviction by a fine of not less than N4,000 for a first offence, and by double the fine for a second or any subsequent offence.(2) In any prosecution under</p>	<p><i>Offences.</i></p>

this Act, proof of reasonableness of an excuse shall lie upon the person asserting it.

10. (1) This Act may be cited as The Petroleum Control Act.(2) In this Act, unless the context otherwise requires- "controller" has the meaning assigned thereto by section 1 of this Act; "lubricant" includes petrol, gas oil, diesel oil, automotive gas oil, fuel oil, aviation fuel, kerosene, and other petroleum products of any description.

*Short title,
and
interpretation.*