



Executive Regulations of Petroleum Products Trading Law



Table of Contents

CHAPTER ONE.....	5
DEFINITIONS AND GENERAL PROVISIONS	5
ARTICLE 1:.....	5
ARTICLE 2:	6
CHAPTER TWO.....	8
GENERAL RULES GOVERNING COMMERCIAL ACTIVITIES	6
ARTICLE (3).....	6
USE.....	7
ARTICLE (4).....	7
BUYING AND SELLING.....	9
ARTICLE (5):	9
TRANSPORTATION	10
ARTICLE (6):	10
STORAGE.....	11
ARTICLE (7):	11
DISTRIBUTION	12
ARTICLE (8):	12
IMPORTATION	12
ARTICLE (9):	12
EXPORTATION	13



ARTICLE (10):	13
CHAPTER THREE	14
VIOLATIONS	14
ARTICLE (11):	14
PROCEDURES FOR VIOLATION CONTROL.....	15
ARTICLE (12):	15
TAKING AND HANDLING SAMPLES	16
ARTICLE (13):	16
SEIZING AND DISPOSING OF THE PETROLEUM PRODUCT	17
ARTICLE (14):	17
RESPONSIBILITIES OF THE MINISTRY TOWARDS.....	18
LAW-ENFORCEMENT OFFICIALS.....	18
ARTICLE (15):	18
EXAMINING VIOLATIONS	19
ARTICLE (16):	19
ARTICLE (17):	19
ARTICLE (18):	19
REWARD OF REPORTING	20
ARTICLE (19):	20
CLOSING PROVISIONS.....	20



Ministry of Energy

ARTICLE (20):	20
TABLES	22
TABLE (A): PETROLEUM PRODUCTS OR	22
SUBSTANCES CONTAINING PETROLEUM PRODUCTS	22
WITH RESTRICTED IMPORTATION	22
TABLE (B): PETROLEUM PRODUCTS OR	23
SUBSTANCES CONTAINING PETROLEUM PRODUCTS	23
WITH RESTRICTED EXPORTATION	23
TABLE (C): VIOLATIONS AND PENALTIES	25
PENALTIES:	25

Chapter One Definitions and General Provisions

Article 1:

Definitions:

For the purposes of this Executive Regulations, the following terms and expressions shall have the following respective meanings, unless the context specifies otherwise:

- 1-1 **“The Law”**: is the Law of Trading in Petroleum Products.
- 1-2 **“The Regulations”**: is the Executive Regulations of Petroleum products Trading Law.
- 1-3 **“The Ministry”**: is the Ministry of Energy.
- 1-4 **“The Minister”**: is the Minister of Energy
- 1-5 **“A Person”**: is the natural or legal person.
- 1-6 **“Business”**: is all forms of commercial practices related to petroleum products or substances including petroleum products, such as use, sales, purchase, storage, distribution, importation, and exportation.
- 1-7 **“Petroleum Products”**: crude oil and its derivatives, including *for example* the following products:
 - a. Crude oil, bitumen, bituminous oils and treated or untreated condensates;
 - b. Naphtha;
 - c. Aviation fuel;
 - d. Kerosene;
 - e. Benzene;
 - f. Diesel;
 - g. Fuel oil;

- h. Asphalt;
 - i. Primary or secondary petroleum products resulting from refining, treatment, or manufacturing;
 - j. Heavy petroleum fractions residue after distillation processes and any other processes during crude-oil-refining processes;
 - k. Condensates;
 - l. Petroleum products wastes resulting from manufacturing, maintenance, operations, and cleaning, including used or unused petroleum products.
- 1-8 **“The State”**: is the Kingdom of Saudi Arabia (KSA).
- 1-9 **“The Government”**: is the government of KSA.
- 1-10 **“Government-regulated prices of petroleum products”**: are petroleum products whose prices in KSA are set by the government.
- 1-11 **“Feedstock”**: is the petroleum product used as an input for industrial processes, becoming a constituent of the finished product, which does not include gas supplies and pricing.
- 1-12 **“Distributor”**: is the person working in the business of buying and selling petroleum products in addition to any other commercial business, such as transportation and storage, by oneself or through third parties, if such activity is required.
- 1-13 **“Substances containing petroleum products”**: are products or substances containing petroleum products that represent more than five per cent (5%) – or any other percentage as determined by the government – of the constituents.
- 1-14 **“Law enforcement officials”**: are officials mandated with controlling violations of the Law as provided for in Article (9) therein.

- 1-15 “**The Committee**”: is the committee mandated with examining the violations of the provisions of the Law, established according to Article (12) therein.
- 1-16 “**The Company**”: is the company granted a concession by the state in the field of petroleum products.
- 1-17 “**Regulatory procedures**”: are the provisions, regulations, controls, instructions, standards, and detailed and technical requirements identified by the Ministry to govern the business according to provisions of the Law and the Executive Regulations.
- 1-18 “**Permit**”: is granting a person the right to export or import petroleum products or substances containing petroleum products, regardless of whether prices thereof are regulated or not by the government.
- 1-19 “**License**”: is granting a person the right of undertaking commercial activities in accordance with specific terms and procedures set by the government in compliance with the Executive Regulations and regulatory procedures.
- 1-20 “**International price**”: is the price of selling petroleum products announced by the Ministry from time to time.

Article 2:

- 2-1 The provisions of the Executive Regulations shall apply to all forms of business related to trading in petroleum products in KSA.
- 2-2 The Ministry shall establish and issue the regulatory procedures in accordance with the Law and Regulations, and shall update such as the need arises based on a decision by the Minister.

Chapter Two

General Rules Governing Commercial Activities

Article 3:

- 3-1 Any person undertaking a business in petroleum products must:
- a. Register business relevant information with the Ministry and update such information, as need be, following regulatory procedures;
 - b. Obtain from the Ministry the permit or license necessary for undertaking commercial activities as indicated by the Executive Regulations and regulatory procedures;
 - c. File periodic reports with the Ministry and keep all business-related documents for the period established in the Executive Regulations and regulatory procedures; and in the case of any dispute or disagreement related to petroleum products in a specific business, the period of keeping such relevant documents shall be renewed for another term upon settlement of the dispute or disagreement, as established by the Executive Regulations and regulatory procedures.
- 3-2 The person undertaking a business in petroleum products shall be held liable for all types of damage and losses incurred by engagement in this business in breach of the Law and Regulations or any other regulatory regime.

Use

Article 4:

- 4-1 Without prejudice to the provisions of paragraph 4-2 herein, it is prohibited to use petroleum products sold at government-regulated prices except as fuel in combustion processes within KSA, whether in means of



transportation and manufacturing, in other businesses such as bakeries and laundry facilities, or as otherwise indicated in the regulatory procedures.

- 4-2 It is prohibited to use petroleum products sold at government-regulated prices as combustion fuel for commercial purposes – such as commercial production of electricity, cement, and otherwise – without prior licensing by the Ministry.
- 4-3 Petroleum products may not be used as feedstock in any industrial process except at the international price, and upon receipt of prior licensing from the Ministry as indicated thereby and in compliance with regulatory procedures.

Buying and Selling

Article (5):

- 5-1 Authorized petroleum products shall be sold by the Company and authorized gas stations.
- 5-2 Subject to the provisions of paragraph (5-1) hereinabove, every person must obtain an authorization from the Ministry prior to engaging in the business of selling petroleum products, in accordance with regulatory procedures.
- 5-3 Without prejudice to the provisions of Article (4) herein, any contract concerning the sale of a petroleum product must include an explicit provision indicating the purpose of the purchase of this product and the applicable price.
- 5-4 The buyer and the seller shall file monthly reports indicating all the operations of the sale and purchase of petroleum products. Such reports shall be kept in his records for not less than ten (10) years, to be presented to the Ministry upon request.

Transportation

Article (6):

- 6-1 A license must be obtained from the Ministry prior to the transportation of petroleum projects by any person, including shipping and handling, in compliance with the provisions of the Regulations and regulatory procedures.
- 6-2 The carrier must transport and deliver petroleum products handed thereto to the receiver indicated in the transportation contract in the same quantity and quality as received. The carrier shall be held liable for any discrepancy in the quality and quantity of the petroleum products delivered thereby should the decrease exceed the permissible amount of operations losses for the particular type of product during transportation, as established by regulatory procedures.
- 6-3 Petroleum products may be carried only via land, sea, or air transportation authorized by the Ministry only.
- 6-4 The carrier must carry transportation authorization(s), notices of receipt and notices of delivery of petroleum products, and any other relevant documents in the vehicle used for transportation.
- 6-5 The carrier must take necessary measure to ensure the compliance of the drivers/ operators of vehicles with the provisions of the Regulations and regulatory procedures, and other regimes. The carrier shall be held liable for any violation of the Law, Regulations, or regulatory procedures by the driver/ operator of the vehicle.
- 6-6 The carrier must prepare monthly reports indicating all transportation, receipt, delivery, shipping, and handling of petroleum products; and shall keep the reports in registers thereof for not less than ten (10) years, to be presented to the Ministry upon request.

Storage

Article (7):

- 7-1 Any person must obtain a license from the Ministry prior to engaging in storing petroleum products for commercial use, as indicated in the Regulations and regulatory procedures.
- 7-2 The holder of a storage license must ensure the integrity of tanks and containers dedicated to storing petroleum products and compliance thereof with requirements of regulatory procedures.
- 7-3 The holder of a storage license must ensure the soundness of measuring and calibration procedures in the storage area as indicated by regulatory procedures.
- 7-4 The holder of the storage license shall prepare monthly reports indicating all petroleum products storage processes and movements; and shall keep such reports in the registers for not less than ten (10) years, to be presented to the Ministry upon request.
- 7-5 The holder of the license shall deliver petroleum products maintaining the quality and quantity thereof as received; and shall be held liable for any discrepancy in the quality and quantity of delivered petroleum products should the decrease exceed the amount of operations losses for the particular type of product permissible during storage, as established by regulatory procedures.
- 7-6 It is impermissible, under any circumstances, to combine any petroleum product with another during storage except after obtaining a license to do so by the Ministry as established by the Regulations and regulatory procedures.
- 7-7 It is impermissible to store petroleum products or substances subject to the Law and Regulations in the customs bonded warehouses except after obtaining the approval of the Ministry as established by the Regulations and regulatory procedures.

Distribution

Article (8):

- 8-1 Every person must obtain a license from the Ministry prior to engaging in distributing petroleum products as established by the Regulations and regulatory procedures.
- 8-2 The distributor shall, according to the license obtained thereby from the Ministry, distribute and sell to the user indicated in the purchase, sale, and distribution contracts, the full amount of petroleum products sold thereto.
- 8-3 The distributor shall be held liable for any discrepancy in the quality and quantity of the petroleum products delivered thereby should the decrease exceed the amount of operations losses for the particular type of product during distribution, as established by regulatory procedures

Importation

Article (9):

- 9-1 Petroleum products or products containing petroleum substances may be imported from outside of KSA, except such petroleum products or products containing petroleum substances listed in Table (A) herein, requiring a prior permit from the Ministry in compliance with the Regulations and regulatory procedures. Table (A) shall be updated as needed as per a decision issued by the Minister.
- 9-2 Subject to the regimes and customs procedures applicable in KSA, the Ministry may coordinate with the Customs Administration and other competent agencies to screen an imported consignment prior to admitting the consignment to the country.
- 9-3 The importer shall ensure the soundness of measurement and calibration procedures implemented in the receiving area for the imports, as established by regulatory procedures.

9-4 Upon entry into KSA, any petroleum product shall be governed by the provisions of the Law and Regulations.

Exportation

Article (10):

- 10-1 It is impermissible to export petroleum products or products containing petroleum substances established in Table (B) except after obtaining a permit from the Ministry as established by the Regulations and regulatory procedures.
- 10-2 It is impermissible to grant a permit to export petroleum products to a person previously convicted with the offense of customs duty evasion, unless a period of five years has lapsed after the issuance of the conviction decision. In the case of recidivism, no permit shall be granted except after the lapse of ten years as of date of conviction decision. The Customs Administration shall continue to provide the Ministry with names of persons convicted in customs duty evasion offenses.
- 10-3 In the case of exporting any of the petroleum products sold at regulated prices, and upon obtaining a permit from the Ministry as established by the Regulations and regulatory procedures, the Customs Administration shall collect the amounts equivalent to the difference in the price set by the government for the product to be exported and the price in the international markets, and shall transfer such amounts to the State Treasury.
- 10-4 The exporter shall ensure the soundness of measurement and calibration procedures implemented in the area dedicated for shipping for exportation purposes, as established by regulatory procedures.

Chapter Three

Violations

Article (11):

All the following acts shall constitute a violation of the provisions of the Law and Regulations:

- 11-1 Disposing of petroleum products in violation of the license or permit, unless prior approval by the Ministry is obtained;
- 11-2 Using petroleum products in violation of the provisions of Article (4) in the Regulations;
- 11-3 Purchasing petroleum products for commercial purposes without prior licensing from the Ministry;
- 11-4 Selling or buying petroleum products in violation of the provisions of Article (5) in the Regulations;
- 11-5 Treating or mixing the petroleum product with another petroleum product or other substances with the purpose of making profit, without prior approval of the Ministry;
- 11-6 Transporting petroleum products in violation of the provisions of Article (6) in the Regulations;
- 11-7 Transporting or distributing petroleum products to agencies other than those contracted according to the license agreement, without prior approval of the Ministry;
- 11-8 Using any of the transit vehicles in smuggling or abusing petroleum products or products containing petroleum substances, in breach of the provisions of the Law and the Regulations;
- 11-9 Modifying or changing any part of the transportation vehicle with the purpose of smuggling, concealing, or abusing petroleum products;



Ministry of Energy

- 11-10 Disposing of the petroleum product prior to obtaining the results of sample tests, in violation of Article (11) of the Law;
- 11-11 Storing petroleum products in a manner noncompliant with the provisions of Article (7) of the Regulations;
- 11-12 Defaulting on preparing periodic reports provided for herein or failing to keep such reports for the determined statutory periods;
- 11-13 Concealing or destroying any of the documents, reports, certificates, or forms, provided for in the Regulations or regulatory procedures, whether directly or indirectly, with the purpose of concealing information from relevant agencies;
- 11-14 Effecting functional modifications on a petroleum product with a regulated price to appear as if the price thereof is not regulated;
- 11-15 Damaging or changing the tools and means used in seizure of products or parts thereof; and
- 11-16 Obstructing or delaying enforcement officers in the discharge of their duties in any manner, including delaying the access thereby to sites, access to reviewing documents and papers, or access to taking samples; the penalty shall be doubled, should such action lead to inability to act against the violation(s).

Procedures for Violation Control

Article (12):

- 12-1 The Ministry shall, independently, in view of implementing the provisions of the Law and Regulations, control the violations provided for in the Law through law-enforcement officers, or in collaboration with relevant agencies – when needed;
- 12-2 Law-enforcement officials shall control violations established in the Law and Regulations and shall have mandates and powers of criminal control according to the criminal procedures code; and regulatory procedures

shall determine the mechanisms required for the implementation of such duties;

- 12-3 Law-enforcement officials may, in undertaking their duties, enter plants, warehouses and other facilities, ports, and industrial cities, and may coordinate with competent agencies – when needed – to facilitate the duties thereof;
- 12-4 Law-enforcement officials may, in implementing duties thereof search, investigate, and receive reports and complaints about violations of the Law and Regulations;
- 12-5 Law-enforcement officials shall control and document violations and shall seize documents and papers related thereto, in compliance with the mechanism established by regulatory procedures;
- 12-6 Law-enforcement officials shall have the power and authority to stop persons committing violations, document the statements thereof, and keep such persons in custody, where necessary, according to criminal procedures code; and to hand over violators to competent security agencies; and
- 12-7 Law-enforcement officials shall, in compliance with the mechanism identified by the regulatory procedures, coordinate and exchange information with the Public Customs Administration and other relevant agencies concerning violations of the Law and Regulations and concerning persons convicted in customs duty evasion offenses.

Taking and Handling Samples

Article (13):

- 13-1 Should any law-enforcement official reasonably believe that there is a violation of the provisions of the Law or Regulations, samples may be taken from suspect petroleum products or any other related products for analysis and verification.

- 13-2 Law-enforcement officials shall file a seizure report indicating suspect petroleum products or any other related products; where such report includes all necessary data identifying the samples themselves and the product from which samples are withdrawn, and whereto all relevant documents and papers shall be appended, according to regulatory procedures.
- 13-3 Law-enforcement officials shall take all necessary measures to place seized goods safely in custody; ensure the integrity thereof and that such are nor hazardous; keep seized goods in the containers thereof or transfer such goods to other containers, when need be; prohibit disposal of seized goods prior to the issuance of test results; all such actions shall be in accordance with the mechanism established by regulatory procedures.
- 13-4 Law-enforcement officials must preserve the integrity of samples and transport and handle samples in a safe manner, in compliance with the regulatory procedures.
- 13-5 The competent agency appointed by the Ministry shall examine and analyze the product following examination methods determined therefor and shall issue the results of the required examination within less than fifteen days as of receipt of the sample.
- 13-6 The owner of the petroleum product may not request compensation for the amounts taken for examination and analysis.

Seizing and Disposing of the Petroleum Product

Article (14):

- 14-1 Subject to the provisions of paragraph 13-4, the owner of the suspect petroleum product may not dispose of the product except after investigation procedures are concluded.
- 14-2 Should the invalidity of the seized petroleum product be confirmed or should the seized product prove to be hazardous, the Minister may issue

an order to transfer the product, at the expense of the person in violation, to one of the dedicated locations, as determined by the Ministry according to the type and nature of the product.

- 14-3 Whenever an order is issued by the competent court confiscating the petroleum product subject of the violation, the seized product shall be transported, at the expense of the person in violation, to one of the dedicated locations, as determined by the Ministry according to the type and nature of the product.

Responsibilities of the Ministry Towards Law-Enforcement Officials

Article (15):

The Ministry shall:

- 15-1 Issue identification cards for law-enforcement officials to be shown at times of inspection and seizure;
- 15-2 Issue decisions and circulars and offer required training to law-enforcement officials with regards to the implementation of the provisions of the Law and Regulations;
- 15-3 Verify the compliance of law-enforcement officials with the implementation of the provisions of the Law and Regulations and that officials refrain from abuse of powers; and
- 15-4 Issue incentive bonuses to officials when violations are discovered and seized, in accordance with the applicable rules and regulations and in compliance with the mechanism established by regulatory procedures.

Examining Violations

Article (16):

The Committee shall examine the violations provided for in Article (7) of the Law or any other violation of the provisions thereof or of the Regulations and shall impose sanctions as indicated in Article (8) of the Law as provided for in Article (17) hereof.

16-1 If the violation includes an act involving functional modifications of the petroleum product, regardless of the method used for pricing this product, so that the product would appear as if the price thereof was not regulated, in the manner described in Article (13), paragraph (1), hereinabove, the Committee shall refer the violation report to the Public Prosecutor, without prejudice to the sanctions provided for in Article (8), paragraphs (1), (2), and (3), of the Law.

Penalties

Article (17):

Any person violating the provisions of the Law shall be penalized by one or more of the following sanctions established in Articles (8) and (13) of the Law. Table (C) herein indicates the details of violations and penalties thereof.

Exemptions from Penalties

Article (18):

18-1 Any person reporting to the Ministry the partners to any violation of the provisions of the Law and Regulations, prior to the realization of this violation by the Ministry and prior to any damage incurred, shall be exempted from the penalties established in the Law.

18-2 If the violation report is filed at the Ministry after such violation becomes known thereby, the person filing this report may only be exempted from penalties when the report made leads to seizing the remaining violators.

Reward of Reporting

Article (19):

Any person, other than partners, offering information that leads to disclosing any violation of the provisions of the Law and Regulations, shall be entitled to a monetary reward, upon issuance of a final decision on the violation. The reward shall be calculated as follows:

- 19-1 If the report is made prior to the knowledge of the Ministry about the violation and prior to any damage or loss incurred due to the violation, the monetary reward shall be calculated at 20% of the total amounts collected on account of the violation.
- 19-2 If the report is made prior to the knowledge of the Ministry about the violation and after damage or loss is incurred due to the violation, the monetary reward shall be calculated at 15% of the total amounts collected on account of the violation.
- 19-3 If the report is made after the knowledge of the Ministry about the violation, prior to any damage or loss incurred due to the violation, and the report leads to identifying the remaining violators, the monetary reward shall be calculated at 10% of the total amounts collected on account of the violation.
- 19-4 If the report is made after the knowledge of the Ministry about the violation, after damage or loss is incurred due to the violation, and the report leads to identifying the remaining violators, the monetary reward shall be calculated at 5% of the total amounts collected on account of the violation.

Closing Provisions

Article (20):

- 20-1 The Regulations shall apply as of date of enforcement of the Law, starting sixty (60) days from the date of publication of the Law in the



Official Gazette, according to the provisions of Articles (15) and (16) therein.

20-2 The provisions of the Regulations shall apply to any person undertaking one or more of the commercial business in petroleum products, whether individually or collectively.

The End

Tables

Table (A): Petroleum products or substances containing petroleum products with restricted importation

Classification	Product
<p><u>Crude petroleum products:</u> (These are petroleum products found in nature and are extracted and processed to purify them from residues).</p>	<ol style="list-style-type: none"> 1. Crude oil of all grades including natural and accompanying condensates; and partially fractionally distilled crude oil. 2. Coal: anthracite, bituminous, and lignite 3. Sand or rock-based tar 4. Oil sands and Shale oil rocks
<p><u>Primary petroleum products:</u> These are products resulting from processing and refining crude petroleum products</p>	<ol style="list-style-type: none"> 1. Crude oil Products: <ol style="list-style-type: none"> a. Naphtha (light, heavy, and unreformed) b. Gasoline (octanes 91 and 95; aviation gasoline; raw gasoline without octane rating (MoGas) c. Aviation fuel (JP-5; JP-8; and Jet A-1) d. Kerosene e. All grades of diesel f. All grades of engine fuel Oil g. All grades of asphalt (including oxidized asphalt and cutback asphalt) h. Aromatic fluids and blends i. Residual oil from atmospheric distillation columns (atmospheric residue) j. Residual oil from vacuum distillation columns (vacuum residue) k. Heavy demetalized oil (DMO) 2. Coal products: <ol style="list-style-type: none"> a. Coke coal b. Coal tar 3. Tar products: <ol style="list-style-type: none"> a. Coke coal b. Synthetic crude oil 4. Oil sand and oil rock products: <ol style="list-style-type: none"> a. Coke coal b. Synthetic crude oil



Table (B): Petroleum products or substances containing petroleum products with restricted exportation

Classification	Product
<p><u>Crude petroleum products:</u> (These are petroleum products found in nature and are extracted and processed to purify them from residues)</p>	<ol style="list-style-type: none"> 1. Crude oil of all grades including natural and accompanying condensates; and partially fractionally distilled crude oil. 2. Coal: anthracite, bituminous, and lignite 3. Sand or rock-based tar 4. Oil sands and Shale oil rocks
<p><u>Primary petroleum products:</u> These are products resulting from processing and refining crude petroleum products</p>	<ol style="list-style-type: none"> a. Crude oil Products: b. Naphtha (light, heavy, and unreformed) c. Gasoline (octanes 91 and 95; aviation gasoline; raw gasoline without octane rating (MoGas) d. Aviation fuel (JP-5; JP-8; and Jet A-1) e. Kerosene f. All grades of diesel g. All grades of engine fuel Oil h. All grades of asphalt (including oxidized asphalt and cutback asphalt) i. Aromatic fluids and blends j. Residual oil from atmospheric distillation columns (atmospheric residue) k. Residual oil from vacuum distillation columns (vacuum residue) l. Heavy demetalized oil (DMO) m. Coal products: n. Coke coal o. Coal tar p. Tar products: q. Coke coal r. Synthetic crude oil s. Oil sand and oil rock products: t. Coke coal u. Synthetic crude oil
<p><u>Finished Final or semi-finished Final petroleum products:</u> (Products resulting from manufacturing, processing, refining crude or primary petroleum products</p>	<ol style="list-style-type: none"> 1. Solvents with different grades and applications 2. Aromatic solvents including benzene compounds, toluene, xylene, and their mixtures (BTX) 3. Mixtures containing aromatic compounds resulting from processing units in petrochemical industries (processed fuel oil PFO, Pgas) 4. Detergent and dry-cleaning fluids and formulations 5. Fluids and preparations used as dye-diluents 6. Varnish fluids and formulations 7. Different resins. 8. Epoxy paints 9. Thinners of different degrees 10. Fluids and formulations of insecticides 11. Fluids and formulations of fixing dyes and laminating surfaces 12. Fluids and formulations of ignition control 13. Fluids and formulations of viscosity control 14. Solvents used in rubber manufacturing

Classification	Product
	<ul style="list-style-type: none"> 15. Fluids and formulations of lighters and kitchen stoves 16. White spirit of different degrees 17. Odorless white oils 18. Light and heavy white oils 19. Paraffin oils 20. White gas 21. White kerosene 22. Odorless kerosene 23. Base oils of all grades (SN 70, SN 100, SN 150, SN 300, BSS,SN 500, SN700) including recycled base oils 24. Lubricating oil for gasoline engines of all al grades 25. Lubricating oil for diesel engines of all grades 26. Heavy-duty engine oil of all grades 27. Turbine engine lubricating oil of all grades 28. Lubricating oil for gears and gearbox of all grades 29. Automatic Transition Fluid (ATF) and manual transmission fluid of all grades 30. Brake oils of all grades 31. Hydraulic fluids of all grades 32. Air and gas compressor oils of all grades 33. Bearing oils of all grades 34. Electrical transformers oil of all grades 35. Cooling Oil air coolers and oil heat exchangers oil 36. Oils of electricity cables of all grades 37. Cutting oils 38. Casting and molding oils 39. Oils for slings, lifts, and cranes 40. Oils used in drilling 41. Anti-rust and anti-corrosion oils 42. Oils for fine machines and equipment 43. Soil stabilization oils 44. Paraffine candles and other multi-purpose candles 45. Petroleum based grease of all types and grades 46. Waterproofing oil chips and coils containing mixtures of bitumen or asphalt 47. Mixtures and pastes intended for waterproofing and other purposes containing mixtures of bitumen or asphalt 48. Asphalt of all grades 49. Asphalt and tar emulsions 50. Wastes of petroleum products resulting from leakages, spills; manufacturing, maintenance, operating, and cleaning processes; including used petroleum products or products consumed as oils of used vehicle engines.

Table (C): Violations and penalties

Penalties:

No.	Penalties according to Article 8 of the Law
.١	Revoke the permit or license.
.٢	Deprive offender from obtaining a permit or license for up to three years .
.٣	Cancel supply contracts for up to three years .
.٤	Pay a fine up to double the worth of the petroleum product subject of the violation at the international price.
No.	Penalties according to Article 13 of the Law
.٥	Imprisonment for up to five years .
.٦	Pay a fine up to three-fold the worth of the petroleum product subject of the violation at the international price.
.٧	Confiscate the petroleum product.

Violations:

Type of violation	Penalty
a. Disposing of petroleum products in violation of the permit or the license obtained from the Ministry, unless otherwise approved by the Ministry	One or more of the following penalties: (.٤) ، (.٣) ، (.٢) ، (.١)
b. The use of petroleum products in violation of the provisions of Article 4 of the Regulations.	One or more of the following penalties: (.٤) ، (.٣) ، (.٢) ، (.١)
c. Purchase of petroleum products for commercial purposes without obtaining a license from the Ministry	One or more of the following penalties: (.٤) ، (.٣) ، (.٢) ، (.١)
d. Selling or buying petroleum products in violation of the provisions of Article 5 of the Regulations.	One or more of the following penalties: (.٤) ، (.٣) ، (.٢) ، (.١)
e. Processing or mixing a petroleum product with other	One or more of the following penalties:



Ministry of Energy

Type of violation	Penalty
substances, without prior approval of the Ministry	(٠٤) ، (٠٣) ، (٠٢) ، (٠١)
f. Transporting petroleum products in violation of the provisions of Article 6 of the Regulations	One or more of the following penalties: (٠٤) ، (٠٣) ، (٠٢) ، (٠١)
g. Transporting or distributing petroleum products to agencies other than those contracted according to the license, without prior approval of the Ministry.	One or more of the following penalties: (٠٤) ، (٠٣) ، (٠٢) ، (٠١)
h. Use of any of the means of transit transportation in smuggling or abusing petroleum products containing petroleum substances in violation of the provisions of the Law and Regulations	One or more of the following penalties: (٠٤) ، (٠٣) ، (٠٢) ، (٠١)
i. Changing or amending any part of the means of transportation with the purpose of smuggling, concealing, or abusing petroleum products.	One or more of the following penalties: (٠٤) ، (٠٣) ، (٠٢) ، (٠١)
j. Disposing of the petroleum product prior to the issuance of the sample analysis results, in violation of the provisions of Article 11 of the Law.	One or more of the following penalties: (٠٤) ، (٠٣) ، (٠٢) ، (٠١)
k. Storing petroleum products in violation of the provisions of Article 7 of the Regulations.	One or more of the following penalties: (٠٤) ، (٠٣) ، (٠٢) ، (٠١)
l. Defaulting on preparing periodic reports indicated in the Regulations or failing to keep such reports for the specified statutory periods.	One or more of the following penalties: (٠٣) ، (٠٢) ، (٠١)
m. Directly or indirectly, concealing or destroying any of the documents, reports, certificates, or forms provided for in the Regulations and regulatory procedures, with the purpose of concealing information required by relevant agencies.	One or more of the following penalties: (٠٣) ، (٠٢) ، (٠١)

Type of violation	Penalty
n. Effecting functional modifications on a regulated petroleum product to appear as a petroleum product with no set price.	One or more of the following penalties: (٠٧) ، (٠٦) ، (٠٥) ، (٠٣) ، (٠٢) ، (٠١)
o. Destroying or changing the tools and means used in seizing and keeping seized goods or part thereof in custody.	One or more of the following penalties: (٠٤) ، (٠٣) ، (٠٢) ، (٠١)
p. Obstructing or delaying law-enforcement officials in the discharge of their duties in any manner, including delaying the access thereby to sites, access to reviewing documents and papers, or access to taking samples; the penalty shall be doubled, should such actions lead to inability to act against the violation(s)	One or more of the following penalties: (٠٣) ، (٠٢) ، (٠١)

*** The penalty shall be doubled for all violations in the case of recidivism.**
