

LAW OF THE REPUBLIC OF MOLDOVA

**ON PETROLEUM PRODUCTS MARKET**

no. 461-XV from 30 July 2001

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The Parliament approves this organic law.

The purpose of this law is to create an organizational, legal and economic framework to assure the economic security of the country and regulation of import, transportation, storage and trade of petroleum products on domestic market, as strategic products, with a special regime to conduct the activity.

**CHAPTER I**  
**General Provisions**

**Article 1. The scope of application of this law**

(1) Under the incidence of this law is the import, transportation, storage and trade of petroleum products, the purpose of which is to create favorable conditions for local petroleum products market relationships, reliable supply to consumer of high quality petroleum products, local competition development and protection of rights and legal interests of consumer.

(2) The relationship established in supply of petroleum products to special consumer is regulated by this law and special normative acts.

**Article 2. Main definitions**

Within this law the following main definitions will be used:

**participant in petroleum products market** – importer, carrier, enterprise owning storage facilities, retail seller and consumer of petroleum products;

**supplier** – foreign economic entity from which the importer purchases petroleum products;

**importer** – participant in petroleum products market, licensee, that imports petroleum products, the fact registered while crossing the customs border of the Republic of Moldova, stores them and trade them by wholesale;

**import** – customs regime where the goods introduced on the customs territory of the Republic of Moldova obtain the status of goods introduced in economic cycle only after customs clearance;

**carrier** – economic entity having special transportation facilities and performs transportation of petroleum products on the customs territory of the Republic of Moldova;

**retail seller** – economic agent that sells by retail petroleum products;

**wholesale buyer** – economic entity, including special consumer, that is the final consumer of petroleum products;

**special consumer** – consumer the way of petroleum products supply to whom is established by special normative acts;

**petroleum products** – petroleum and its derivatives: gasoline, diesel oil, kerosene, jet fuel, furnace oil, liquified gas, heavy fuel oil, oils and lubricants;

**main petroleum products** – gasoline and diesel oil;

**petrol storage facilities** – storage facilities authorized by the Department of Standardization and Metrology, aimed for storage of petroleum products;

**types of activity of participants in petroleum products market** – import, transportation, storage, wholesale and retail trade of petroleum products;

**additional clause to the license** – special condition provided by the law, included in license that stipulates the obligations of licensee;

**emergency situation** – situation that results in unexpected hike of main petroleum products consumption produced by natural calamities, epidemic, epizootic, technical accidents, military actions and/or sharp decrease of import of such products as a result of adverse situation on their foreign market or other externalities;

**daily average intensity of petroleum products trade** – average quantity of daily sales of petroleum products in a given period;

**electronic system of petroleum product registration** – system ensuring the electronic control of import, export (re-export), transit, transportation, storage and trade of petroleum products, as well as the analysis of the data related to petroleum products;

**identification of main petroleum products** – determination of origin of main petroleum products, their assortment. It is performed by authorized to control public administration authorities in this field;

**regulatory fee** – annual tax levied from importers of petroleum products, the amount of which is approved annually.

### **Article 3. Participants in petroleum products market**

(1) Participants in petroleum products market can be legal persons, licensees or technical authorization holders, except for consumer, that are residents of the Republic of Moldova.

(2) Participants in petroleum products market benefit from equal rights, notwithstanding the type of ownership and legal organizational form. It is inadmissible the provision of preferences not foreseen by law to some participants, as well as direct or indirect limitation of rights and legal interests.

(3) Participants in petroleum products market may establish associations, unions and

other forms of association that do not contravene legislation, including conditions of free competition.

## **Article 4. Calculation of prices for petroleum products**

Methodology for calculation of prices for petroleum products is developed and approved by the National Energy Regulatory Agency, in coordination with the Government, in conformity with legislation and in correspondence with the reference prices established at regional petroleum products exchanges.

## **Article 5. Protection of legal rights and interests of consumers of petroleum products**

(1) The legal rights and interests of consumers of petroleum product are protected in compliance with this law, Law on consumer protection and other normative acts.

(2) The inoffensive nature of petroleum products for the health of population, for consumer goods and for environment is ensured by the quality of these products, regulated by national and international legislative acts.

(3) Imported and traded petroleum products shall meet the technical requirements and normative acts in force. The quality control and compliance with standard of these products is performed by Department of Standardization and Metrology. Imported petroleum products are subject to inspection before forwarding pursuant to legislation and normative acts in force.

(4) The consumer of petroleum products has the right:

- a) to be protected by the state (protection of its legal rights and interests);
- b) to be protected against the risk of purchase low quality petroleum products that would affect his/her security, health and life or would deteriorate the transportation means and mechanisms;
- c) to receive complete, reliable and accurate information on main qualitative and quantitative features of petroleum products he/she buys;
- d) to get repaired the damages by the seller that were caused through commercialization of low quality petroleum products.

(5) The rights of consumer of petroleum products are protected by the National Energy Regulatory Agency, curt, Department of Standardization and Metrology, other public administration authorities, as well as public consumers associations.

## **CHAPTER II**

### **Responsibilities of public administration authorities on petroleum products market**

## **Article 6. National Energy Regulatory Agency**

(1) State regulation of petroleum products market is the prerogative of the National Energy Regulatory Agency (hereinafter referred as Agency) and public administration authorities authorized pursuant to this law and other normative acts.

(2) Agency promotes the unitary state policy on the petroleum products market through licensing, regulation and control of market participants' activity in compliance with this

law and other normative acts.

(3) Agency is acting pursuant to legislation in force.

## **Article 7. Responsibilities of public administration authorities authorized to issue licenses and technical authorizations**

(1) Agency is entitled to issue licenses for types of activity stipulated in art. 11 par. (1).

(2) Department of Standardization and Metrology is entitled to issue, with approval of Department of Emergency Situations, technical authorizations for the types of activity stipulated in art. 11 par. (2) letter a) and b), and Ministry of Transport and Communications, with approval of Department of Standardization and Metrology, - for types of activity stipulated in par. (2) letter c).

(3) The licensees and technical authorizations are issued pursuant to this law and other normative acts. The license is issued for a period of 5 years. The fee for license issuance is established annually in the law on budget. The received amounts are transferred to state budget.

(4) Technical authorizations are issued pursuant to the regulations approved by the Government.

(5) The tax level levied for the purpose of license issuance is established by state budget on annual basis. The tax level levied for the purpose of technical authorization issuance is established by the corresponding legislative acts. The amounts levied for license and technical authorization issuance are integrally transferred to the budget.

(6) The main responsibilities of public administrations authorities authorized to issue licenses and technical authorities are:

- a) to issue licenses and technical authorizations;
- b) to keep the record of persons who received the licenses and technical authorizations;
- c) to monitor the way the holder of licensee and technical authorization complies with license and/or technical authorization conditions, including the special conditions for importers of main petroleum products;
- d) to participate, within its authority, in the control of activity of participants in petroleum products market;
- e) to review and settle, within its authority, the disputes among participants in petroleum products market;
- f) Agency shall develop the balances of petroleum products.

## **Article 8. The rights of public administration authorities authorized to issue licenses and technical authorizations**

(1) To perform its functions effectively the public administration authorities authorized to issue licenses and technical authorizations are entitled:

- a) to have open access to offices, building, assets of licensees or holders of technical authorizations, to the documents related to the activities subject to license, to make copies of these;
- b) to require reports and written explanations;
- c) to draft and issue regulations and other normative acts related to types of activity subject to licensing and authorization;

- d) to amend, suspend, withdraw licenses pursuant to legislation;
- e) to impose penalties in conformity with legislation.

(2) The internal affairs authorities are obliged to provide, upon request, any assistance to representatives of authorities authorized to issue licenses and technical authorizations, and to accompany them during the performance of the control over the activity of the participants in the petroleum products market.

## **Article 9. Transparency of information**

(1) Agency will submit annually, by March 15, to the Parliament and Government a report that will comprise a financial section on expenses incurred during the previous year, other information on situation on the petroleum products market.

(2) State Fiscal Inspectorate shall publish, on quarterly basis, information on import and retail trade of petroleum products.

(3) Department of Standardization and Metrology and Agency shall publish on quarterly basis the list of participants in petroleum products market that received licenses and/or technical authorizations.

(4) Agency shall publish on quarterly basis a report on situation on domestic and foreign market of main petroleum products and liquefied gas.

## **Article 10. Agency's budget**

(1) Expenses incurred during the activity of the Agency on the petroleum products market are covered by regulatory fees established at the sufficient level, on the basis of estimations of volume of imported main petroleum products and liquefied gas submitted by licensees.

(2) Agency's budget is approved by the Government at the level of 0.06-0.09% of the annual cost of electricity, natural gas supplied to consumers, imported main petroleum products and liquefied gas and is published in Monitorul Oficial of the Republic of Moldova.

# **CHAPTER III**

## **Issuance of licenses and technical authorizations**

### **Article 11. Types of activity subject to licensing and technical authorization**

(1) The following types of activity on petroleum market are subject to licensing:

- a) import and wholesale trade of petroleum products;
- b) retail trade of petroleum products;
- c) import and wholesale trade of liquified gas;
- d) retail trade of liquified gas.

(2) The following types of activity on petroleum market are subject to technical authorization:

- a) operation of storage facilities of petroleum products;
- b) operation of petrol and gas stations;
- c) operation of special transpiration facilities;

## **Article 12. General terms of activity on petroleum products market**

(1) Importer of petroleum products is entitled:

a) to import, store current stocks of petroleum products and their wholesale trade;  
b) to transport, retail trade of petroleum products, if each of these types of activity is conducted by a subdivision with separated primary accounting.

(2) The carrier of petroleum products can be only the economic entity that has special transportation facilities.

(3) Petroleum products shall be stored only in petrol storage facilities and certified filling stations, and shall be sold only through certified filling stations or specialized shops.

(4) The buyer is not entitled to store in the same tank gasoline or diesel oil of different brands.

## **Article 13. Special conditions to issue licenses**

(1) For the purpose of assurance of energy security of the country, the Government shall establish special conditions for importers to perform their activity on petroleum products market (availability of own petroleum storage facilities with necessary minimal capacity, the level of equity capital, etc.)

(2) The license for retail trade of main petroleum products and liquefied gas is issued on basis of documents asserting that the applicant has a certified petroleum station (stations).

(3) In the additional license conditions the following are mentioned:

a) separate tanks for storage of main petroleum products and location thereof;  
b) affiliates and subdivisions territorially separated, their location – for every participant in petroleum products market.

(4) The additional conditions of the technical authorization shall specify the equipment installed and the location of the petrol storage facilities and certified filling stations.

## **Article 14. Reasons for suspension and withdrawal of license**

(1) In addition to reasons provided by legislation, the validity of license is suspended for a period of 3 months if the licensee:

a) does not meet the norms and standards of transportation, storage and trade of petroleum products;  
b) does not submit information and financial reports to appropriate authorities or submit them inaccurate data;  
c) failures to pay taxes to the budget.

(2) The license is withdrawn if the licensee:

a) does not fulfill the license conditions related to mandatory availability of separate tanks with minimal capacity of storage of main petroleum products;  
b) cannot confirm the legal origin of petroleum products;  
c) does not meet technical norms of transportation, storage and trade of petroleum products.

## **CHAPTER IV**

### **Import and export (re-export) of petroleum products**

#### **Article 15. Import of petroleum products**

- (1) Petroleum products are imported via authorized customs offices, directly at importer's storage tanks or customs' storage tanks. Entries at customs border and the mode of transportation of imported petroleum products are established by the Government.
- (2) Customs clearance of imported petroleum products is performed at customs offices, with payment of taxes, fees and other payment obligations, not admitting payment deferrals, compensations, unless the legislation provides otherwise. The customs clearance without certificate, issued by fiscal inspectorate, asserting that the importer submitted the declaration on planned quantity for import is not allowed.
- (3) Imported petroleum products are delivered only to the importer that trades them to wholesale and retail sellers.
- (4) Government will implement, as necessary, an identification system with markers, registered in an automatic state register.

#### **Article 16. Export (re-export) of petroleum products**

- (1) Export (re-export) of petroleum products is performed only by importer, in the mode established by legislation.
- (2) Export (re-export) of petroleum products is performed with authorization of Agency and customs authority, pursuant to law provisions.

## **CHAPTER V**

### **Transportation and storage of petroleum products**

#### **Article 17. Transportation of petroleum products**

- (1) Petroleum products are transported by special transportation facilities, authorized by Ministry of Transport and Communications on the basis of approval of Department of Standardization and Metrology, that shall meet ecological and antifire requirements.
- (2) Importer must seal, in manner established by normative acts, the tanks of the special transportation facilities, in which the petroleum products are transported. Unsealing and sealing at the customs offices are performed according to Regulation on identification of petroleum products approved by the Government, issuing a certification of identification of petroleum products through electronic system of petroleum product registration.
- (3) Importer is the owner of petroleum products till they are passed to the buyer in the established manner.
- (4) Carrier must have associated documentation, certificate of origin and of identification of petroleum products, the document asserting their receipt from the importer.



(5) Transit of petroleum products through the customs territory of the country is performed under customs control, with their mandatory declaration at the customs offices.

## **Article 18. Storage of petroleum products**

(1) Construction and preparing of storage facilities for petroleum products is performed under control of specialized central body, in conformity with scheme of location of filling stations and petrol storage facilities within the territory of the Republic of Moldova, and their exploitation – according to ecological, construction, technical, sanitary, antfire norms and other norms approved in established manner.

(2) Storage building of main petroleum products must have a laboratory or center of quality control of petroleum products, certificate for this type of activity.

(3) The storage of gasoline and diesel oil of different brands in the same tanks is not admitted.

(4) The storage tank of main petroleum products has to be equipped with measuring and control devices. The name of the owner shall be displayed in a conspicuous place.

(5) Petroleum products identified with markers, registered in established manner, are stored in separate tanks and are subject to automatic control according to regulation approved by the Government.

(6) Security of stored petroleum products is assured by participants in petroleum products market that must have technical devices in order to prevent accidents and to liquidate their consequences.

(7) Information on petrol storage facilities is included in electronic system of petroleum product registration.

## **CHAPTER VI**

### **Trade of petroleum products**

## **Article 19. Peculiarities of trade of petroleum products**

Participant in petroleum products market, except for retail seller, authorized in the established manner, are not entitled to purchase petroleum products on the territory of country in order to sell them.

## **Article 20. Wholesale trade of petroleum products**

(1) Only importers are entitled to trade by wholesale of petroleum products.

(2) Wholesale trade of petroleum products is performed on contract basis, concluded in written form, according to Regulation on storage and wholesale trade, through electronic system of registration of identified petroleum products, approved by Government. All operations of petroleum products supply to consumer on the territory of country are performed according to bill of delivery registered by territorial fiscal inspectorates.



(3) Peculiarities of wholesale purchase of petroleum products for state necessities are set in special legislative acts.

## **Article 21. Retail trade of petroleum products and liquefied gas**

(1) Retail sellers shall sell main petroleum products and liquefied gas only at authorized filling stations, registered as legal persons, or at affiliates of such stations, on the basis of retail sale-purchase contracts, in conformity with legislation in force and Regulation on sale-purchase of petroleum products through electronic system of petroleum product registration, approved by the Government.

(2) The filling station must have the logotype and to display it in a conspicuous place, to have the information on importer of petroleum products it trades with, their quality.

(3) At the filling stations shall be displayed in a conspicuous place the first name and last name of seller, copy of license for retail trade, schedule, main types of traded petroleum products, their retail price.

(4) The filling station shall keep primary accounting and accounting, as appropriate, of receipt and trade of petroleum products, accounting of financial resources received as a result of trade, shall submit financial statements and statistic reports, information in conformity with legislation in force.

(5) Main petroleum products and liquefied gas are traded by retail only at the filling stations (built pursuant to design documentation under ecological state expertise) via a petrol/gas pump equipped with cash and control register with fiscal memory.

## **CHAPTER VII**

### **Accounting and reporting. Disputes and responsibility**

#### **Article 22. Registration of petroleum products**

(1) The quantity of imported, exported (re-exported), transported, stored and traded petroleum products is controlled through measuring and control equipment and through electronic system of petroleum products registration.

(2) Electronic registration of import, export (re-export), transit, transportation, storage and trade of petroleum products, analysis of data registered, submission of information to local public authorities and publication thereof, pursuant to legislation, are carried out through electronic system of petroleum products registration.

(3) Authority responsible for creation, implementation and maintenance of electronic system of petroleum products registration is designated by the Government.

(4) Participants in petroleum products market shall keep primary accounting and accounting of purchase and sale of petroleum products through electronic system of petroleum products registration and shall make financial statements and statistic reports according to legislation.

(5) Participants in petroleum products market shall keep separate expenses and income accounting for each type of activity on the petroleum products market.

(6) Information on import of petroleum products is collected by State Fiscal Inspectorate through electronic system of petroleum products registration, for the purpose of which:

- a) Agency, Ministry of Transport and Communications, Department of Standardization and Metrology shall submit, within established terms, to State Fiscal Inspectorate the list of participants in petroleum market that perform import, transportation, storage and trade of these products.
- b) Department of Customs shall submit on daily basis to State Fiscal Inspectorate and on monthly basis, within established terms, to Agency, Ministry of Economy, Ministry of Energy and Department of Statistics and Sociology information on imported and traded quantities of petroleum products, prices thereof etc.
- c) Railway company of Moldova, International Traffic Agency shall submit on daily basis to State Fiscal Inspectorate and on monthly basis, within established terms, to Agency, Ministry of Economy, Ministry of Energy and Department of Statistics and Sociology information on economic agents to whom petroleum products were delivered, their quantity as well.
- d) Economic entities developing their activity in import and trade of petroleum products, shall submit on monthly basis to State Fiscal Inspectorate and on quarterly basis to Agency, Minister of Economy, Minister of Energy, Department of Statistics and Sociology, in the form and within established terms, data on imported, exported (re-exported), transited, transported, stored and traded volumes of petroleum products, prices thereof.
- e) Economic entities, consumers of petroleum products, shall submit on quarterly basis, within established terms, information on purchased volumes of petroleum products and on suppliers thereof to the State Fiscal Inspectorate that, in its turn, submits it to the Agency and Department of Statistics and Sociology.
- f) Department of Customs shall ensure the monthly exchange of information on import of petroleum products with customs authorities of exporting countries and shall submit this information to State Fiscal Inspectorate, Agency, Ministry of Economy, Ministry of Energy and Department of Statistics and Sociology.

(7) At the customs and importer's storage facilities fiscal centers shall be created for efficient registration of petroleum products.

(8) When purchasing, commissioning the petrol storage facilities and filling stations, the owners thereof, for the purpose of registration in electronic system of petroleum products registration, shall inform on this, within 10 days, the local public administration authorities vested with the right to issue licensees and technical authorizations.

## **Article 23. Dispute resolution and liability of participants in petroleum products market**

(1) Surplus of petroleum products detected during the control carried out by authorized bodies and not reflected by the report submitted to the State Fiscal Inspectorate, as well as the surplus of the surplus of petroleum products detected in the tanks during the inventory process in petrol storage facilities and filling stations, the origin legality of which was not confirmed, shall be sequestered in the manner established by legislation.

(2) Petroleum products introduced on illegal basis on the territory of the Republic of Moldova and the transportation means by which petroleum products were introduced shall be confiscated in the manner established by legislation.

(3) Disputes between participants in petroleum products market are examined by courts.

(4) Seller of petroleum products incurs the liability, including liability for breakage, for safety of consumer and his/her possession on the territory of storage facilities or filling station, for complying with ecological norms.

(5) Participants in petroleum products market shall assume liabilities pursuant to legislation in force.

## **CHAPTER VIII**

### **Transition and final provisions**

#### **Article 24.**

(1) Licenses for activities in petroleum products market issued before this law entered into force are valid till the date indicated therein.

(2) Participants in petroleum products market that did not have logotype, before this law entered into force, shall fulfill the provisions of art. 23 within 6 months.

#### **Article 25.**

(1) The Government:  
within 3 months:

- shall approve the scheme of location of filling stations and petrol storage facilities within the territory of the Republic of Moldova;
  - shall submit to the Parliament proposals on implementation of normative acts in conformity with this law;
  - shall assure that ministers and departments repeal or amend normative acts that contravene this law;
  - shall draft and approve normative acts specified in this law.
- by 1 January 2002 shall take measures for installation of electronic system of customs control at all customs offices.

(2) Before reconciliation with this law, legislative acts and other normative acts shall be applied within its non-contradiction with its provisions.

Chairperson of Parliament  
Eugenia Ostapciuc