



## **Autoridade Nacional do Petróleo e Minerais**

### **Directive No. 1/2016 on the Storage and Retail of Kerosene in Timor-Leste**

Several accidents have occurred recently involving kerosene products which were caused by the improper storage and handling of such products. It is therefore imperative that regulations be enacted dealing with the full cycle of the kerosene activity from importation to transport, processing, storage and retailing. While such full regulations are being prepared, it is urgent that a set of basic rules be enacted immediately to cover the storage and retailing of kerosene specifically.

This Directive builds on the basic rules and general provisions of Decree-Law no.1/2012, of 1 February 2012, on Downstream Activities in Timor-Leste and sets forth some principles and conditions to be met in the storage and retailing of kerosene for cooking and other domestic uses.

Now therefore, under the terms of Articles 3.4, of Decree-Law no. 1/2016, of 9 February (First Amendment of Decree Law no. 20/2008, of 19 June), and of Articles 7.1 (c) and 7.2 (b) and (c) of Decree-Law no. 1/2012, of 1 February, the Board of Directors of the ANPM approves the following rules:

#### **Article 1**

##### **(Definitions)**

1. The expressions, terms and concepts defined in Article 2 of Decree-Law no. 1/2012, of 1 February 2012, shall have herein the same meaning as conferred upon them in the above-mentioned Decree-law.
2. Notwithstanding Article 1.1 above, for the purposes of this Directive:
  - (a) “Applicant”: means a legal or physical person that applies for a provisional authorization to be granted by ANPM to store and retail Kerosene;

- (b) “Incombustible Material” means any material that, in the form in which it is used, and under the conditions anticipated, will not ignite, burn, support combustion, or release flammable vapours when subjected to fire or heat;
- (c) “Dangerous Substances”: means any of the goods and substances classified as dangerous goods under the UN Recommendations on the Transport of Dangerous Goods - Model Regulations (as revised from time to time);
- (d) “First Aid Kit”: means a set of, at least, adhesive bandages, regular strength pain medication, gauze and low grade disinfectant. The set may also include any other supplies and medication deemed necessary or recommendable by the Operator, including emergency supplies and medication for unexpected illnesses or accidents;
- (e) “Hazard Warning Sign”: means any signs consisting of pictograms and/or text, to be posted at the relevant Kerosene Facility in such way as to be easily seen by staff and users, with the following Instructions:
  - i. Prohibition of smoking and using any Ignition Sources;
  - ii. Prohibition of storing Dangerous Substances;
  - iii. Information on Kerosene being inflammable;
  - iv. Information on risk of explosion and fire;
- (f) “Ignition Source”: means a source of energy sufficient to ignite a flammable atmosphere consisting of vapours or mixtures of hydrocarbon gases with air, due to naked flames, exposed incandescent material, electric welding arcs, mechanical or static sparks and electrical or mechanical equipment not approved for use in hazardous locations;
- (g) “Kerosene”: means the medium petroleum distillate obtained from petroleum refining operation, which has a final boiling of 300°C and is used as combusting fuel;
- (h) “Kerosene Container”: means a metal or plastic container which has a capacity of no more than 235 Litres, to be used at Kerosene Retail Facility and Atypical Kerosene Storage Facility, including 2 Litre plastic containers, 5 Litre plastic containers, 10 Litre plastic containers, 215 Litre metal containers and 235 Litre plastic containers;
- (i) “Kerosene Storage Facility”: means, for the purposes of this Directive, a facility to store Kerosene for the purposes of supporting an Atypical Kerosene Storage Facility or a Kerosene Retail Facility;
- (j) “Kerosene Retail Facility”: means a vending location where Kerosene is sold to final consumers which shall not surpass the maximum capacity of 705 Litres;

- (k) “Atypical Kerosene Storage Facility”: means a Kerosene storage that may be authorized by the ANPM in special locations as a result of specific market requirements or conditions. This facility is authorized for the purposes of supporting Kerosene Retail Facilities;
- (l) “Operator”: means the natural or legal entity which is the holder of a provisional authorization for the operation of a Kerosene Facility;
- (m) “Public Building”: means a building located outside the property limits of the Atypical Kerosene Storage Facility or the Kerosene Retail Facility used for any activity aimed at the general public or certain groups of people, including hospitals, schools, museums, theatres, cinemas, hotels, shopping malls, supermarkets, public transportation passenger terminals and, in general, places where large crowds usually occur;
- (n) “Residential Building”: means a building dedicated for family dwellings;

## **Article 2**

### **(Scope)**

The present Directive applies to the activities of storage and retailing of Kerosene in the territory of Timor-Leste, irrespective of the nationality and nature of the entities that perform such activities.

## **Article 3**

### **(Kerosene Storage Facility)**

1. The construction, installation and operation of Kerosene Storage Facilities shall be subject to the requirements set out in the Installation and Operation of Storage Facilities Regulation issued, or to be issued, by ANPM.
2. The Kerosene Storage Facilities must be exclusively dedicated to the storage of Kerosene and cannot be used for any other activities or purposes except if expressly authorised by ANPM.

## **Article 4**

### **(Atypical Kerosene Storage Facility)**

1. The Atypical Kerosene Storage Facility must be exclusively dedicated to the storage of Kerosene and cannot be used for any other activities or purposes except if expressly authorised by ANPM.
2. Atypical Kerosene Storage Facility may be installed on owned or leased land, or on any other land over which land rights have been validly granted.
3. Kerosene at the Atypical Kerosene Storage Facility must be dispensed through Kerosene Containers that are suitable and safe for the purpose.

4. Kerosene Containers used must be (i) sufficiently robust and not liable to break under the normal conditions of use, (ii) well capped to prevent the escape of liquid or vapor (iii) in good condition so that Kerosene can be dispensed safely and must be steady when placed on a flat surface.
5. The total quantity of Kerosene at Atypical Kerosene Storage Facility shall not be more than 20 000 Litre.
6. Kerosene Containers shall be based over an impermeable retention basin with a capacity of at least 10% of the total Kerosene Containers' capacity.
7. The floor of areas where there is possibility of spill including the area dedicated to unloading of Kerosene shall be impermeable.
8. Kerosene Containers shall in no case be arranged in stack/pile
9. The area where Kerosene Containers are stored including unloading area shall be equipped with sand deposits, comprised of buckets and spades, in the quantity of one ( 1) cubic meter of sand and after it is being used, it shall be properly disposed in accordance with the applicable law.
10. Kerosene Containers at Atypical Kerosene Storage Facility may be installed in open air with simple canopy having a minimum height of five (5) meters or in a building made of Incombustible Material and sufficient ventilation shall be required to avoid the concentration of flammable vapour to reach its flammable limit.
11. The location of Kerosene Containers in the open spaces shall be:
  - a) At a minimum safety distance of 30 meter from the Kerosene Container retention basin to the property limits, public pathways, nearest Public Building or Residential Building, other than Kerosene Retail Facilities and/or any other installations duly authorized by ANPM for the carry out of any storage and retailing activities in the downstream sector (e.g., fuel stations);
  - b) At a minimum safety distance of 30 meter from the Kerosene Container retention basin to other building within the same property limits.
12. The storage of Kerosene Containers in any building shall be:
  - a) At a minimum safety distance of 20 meter from the Kerosene Container area to the property limits, nearest Public Building or Residential Building, other than Kerosene Retail Facilities and/or any other installations duly authorized by ANPM for the carry out of any storage and retailing activities in the downstream sector (e.g., fuel stations);
  - b) At a minimum safety distance of 20 meter from the Kerosene Container area to the other building within the same property limits.
13. Dangerous Substances shall not be packed or put in the same storage with Kerosene if such substances react dangerously with each other and may cause combustion and/or evolution of

considerable heat, evolution of flammable, toxic or asphyxiate gases, the formation of corrosive substances or the formation of unstable substances.

14. Ignition Sources are not permitted within the space where Kerosene Containers are stored nor within a distance which would be considered as possible to the Ignition Source causing a fire or explosion, which distance shall not be less than 10 meter.
15. The Kerosene Container area must be equipped with, a First Aid Kit and Hazard Warning Signs.
16. Atypical Kerosene Storage Facilities must be installed in properties surrounded by concrete walls or fences with a minimum height of two (2) meter.
17. Kerosene Containers must be marked or labeled in a legible and indelible form with: the words 'KEROSENE' and 'HIGHLY FLAMMABLE' in both Portuguese and Tetum languages; an appropriate Hazard Warning Sign; and the nominal capacity in liters and shall be easily visible.
18. The Atypical Kerosene Storage Facility shall be equipped with safe handling equipment to support the transfer and movement of Kerosene Container.
19. All staff working in the operation of an Atypical Kerosene Storage Facility must be provided with personal protection equipment which is adequate and appropriate to the function they carry out.
20. The operator of the Atypical Kerosene Storage Facility shall put in place fire extinguishers type ABC type based on the appropriate assessment provided by accredited third party.

## **Article 5**

### **(Retail of Kerosene)**

1. Kerosene Retail Facilities must have a specific area exclusively reserved to the Kerosene retailing activity which shall be separated from any other activity, including residential areas within the facilities.
2. The rules to be applicable in the storage of packed Kerosene Containers imported and sold in Timor-Leste shall be referred to the attached packing instruction.
3. A Kerosene Retail Facility of a temporary nature (including facilities located in traditional market stalls) shall not exceed 705 Litres of Kerosene during the course of its daily activities.
4. The location of Kerosene Containers at Kerosene Retail Facility shall be:
  - a. At a minimum safety distance of 10 meters from the Kerosene Container retention basin to any Residential Building or to any Public Building;

- b. At a minimum safety distance of 10 meters from the Kerosene Container retention basin to the Kerosene Container retention basin in any adjacent Kerosene Retail Facility;
  - c. At a minimum safety distance of 10 meter from the Kerosene Container retention basin to the public road.
5. Kerosene Containers shall be based over a retention basin with a capacity of at least 10% of total Kerosene Containers' capacity.
6. The area where Kerosene Containers are stored shall be equipped with at least 30 Kg of sand deposits.
7. Kerosene Containers must be marked or labeled in a legible and indelible form with the words 'KEROSENE' and 'HIGHLY FLAMMABLE' in both Portuguese and Tetum languages; an appropriate Hazard Warning Sign; and the nominal capacity in liters and shall be easily visible.
8. Kerosene Containers may be installed in open air with simple canopy or in a building.
9. Dangerous Substances shall not be packed or exposed together with Kerosene if such substances react dangerously with each other and may cause combustion and/or evolution of considerable heat, evolution of flammable, toxic or asphyxiate gases, the formation of corrosive substances or the formation of unstable substances.
10. The unloading of Kerosene from bigger Kerosene Container such as metal drum or plastic container shall use the removable manual pump.
11. Ignition Sources are not permitted in the space where Kerosene Container is stored or exposed or within a distance which would be considered as possible to the Ignition Source causing a fire or explosion, which distance shall not be less than five (5) meter.
12. Kerosene Retail Facilities must be equipped with a nine (9) kg dry chemical type ABC fire extinguisher, a First Aid Kit and Hazard Warnings Signs.

## **Article 6**

### **(Personnel)**

1. No person under the age of 16 years is to operate a Kerosene Container or dispenser or any Kerosene Retail Facilities and Atypical Kerosene Storage facilities.
2. Any person responsible for storing or dispensing Kerosene Container at any Kerosene Retail Facilities and Atypical Kerosene Storage Facilities must be trained in the operation of fire extinguishers, First Aid Kits and the adequate handling of Kerosene.

## **Article 7**

### **(Provisional Authorization)**

1. Pending the enactment of regulations dealing with the full cycle of Kerosene activities, any Applicant shall request ANPM to be granted with a provisional authorisation to store and retail Kerosene.
3. Applications for requesting or renewing a provisional authorization shall be submitted to ANPM accompanied by the following information:
  - a) Companies' Registry Certificate or document evidencing registration with the National Directorate of Registries and Notary of the Ministry of Justice or another government body responsible for company registration;
  - b) Tax registration;
  - c) Economic Activity License with the National Directorate for Commerce Intern of the Ministry of Commerce, Industry and Environment or another government body responsible for licensing of economic activities when applicable;
  - d) Environmental License or Recommendation is required in accordance with the applicable law;
  - e) If the Applicant is a company, copy of the company's by-laws and other documents evidencing that a participating interest of at least 5% is held by a public entity or Timorese State-owned company, by Timorese citizens, or by a legal person ultimately controlled by Timorese citizens;
  - f) Certificate confirming that the Applicant has no outstanding tax or social security debts;
  - g) Identification card of the Applicant or the Applicant's representative;
  - h) Document evidencing title over the land.
4. Before the granting of any provisional authorisation for the purposes hereon, ANPM will inspect the relevant Kerosene Retail Facilities and Atypical Kerosene Storage Facilities so to confirm whether the requirements foresee under this Directive are met and whether such facilities are safe for the performance of storing and retailing Kerosene.
5. Provisional authorisations granted in accordance with this Directive shall remain in force until a definitive authorization is obtained by the Operator under the future regulations referred to in paragraph 1 above.

**Article 8**  
**(Inspections and Sanctions)**

1. ANPM shall be responsible for carrying out the inspection and supervision of the activities referred to hereunder.
2. The breach of rules foreseen herein shall be sanctioned in accordance with the following sanctions:
  - (a) Seizure, forfeiture and sealing of goods and equipment, used to commit the offense or produced as a result thereof;
  - (b) Closure or suspension of the business authorized by ANPM
  - (c) Termination of authorizations.

**Article 9**  
**(Effective date)**

This Directive is effective on the day of approval by the ANPM Board of Directors

Approved by the ANPM Board of Directors, on 19 February 2016

Members:

- 1) Gualdino do Carmo da Silva – President.....
- 2) Jose Manuel Goncalves – Vice President .....
- 3) Jorge Martins – Member .....
- 4) Verawati Corte Real Oliveira – Member .....
- 5) Nelson de Jesus – Member .....