



PUBLIC NOTICE – NPA. N. 009
BULK IMPORT, DISTRIBUTING AND EXPORT COMPANY LICENCE

A. The **NATIONAL PETROLEUM AUTHORITY** wishes to inform the general public, and in particular those who intend to obtain a Bulk Import, Distributing and Export Company Licence of the following requirements for obtaining the licence.

Section 11(1) of the NPA Act, 2005 (Act 691) states that:

“A person shall not engage in a business or commercial activity in the petroleum downstream industry unless that person has been granted a licence for that purpose by the Authority.”

Additionally, Section 12 of the NPA Act, 2005 (Act 691) states that:

“A license under this Act may only be granted to

- a. a citizen of Ghana; or
- b. a body corporate registered under the Companies Code, 1963 (Act 179); or
- c. a partnership registered under the Incorporated Private Partnerships Act, 1962 (Act 152); or
- d. a foreign individual or foreign company in a registered joint venture relationship with a citizen of Ghana or a Ghanaian company. ”

B. REQUIREMENTS TO OBTAIN A BULK IMPORT, DISTRIBUTING & EXPORT COMPANY LICENCE

a. Business entity registration documents:

- Certificate of Incorporation;
- Certificate to Commence Business;
- Company Regulations;
- Forms 3& 4 from the Registrar General’s Department;
- Tax Clearance Certificate; and
- Annual Returns as filed at the Registrar General’s Department (where applicable).

b. A comprehensive Business Plan for a minimum of five (5) years detailing the following: where applicable

- i. business description including the company’s trading activities, history and capabilities where applicable;
- ii. organization, corporate structure and management;
- iii. risk analysis;
- iv. market analysis;

Bulk Distributing Company Licence (Category 1) Licence:

(a) Authorizes a company to import crude oil as well as procure, store, distribute and sell petroleum products wholesale to Oil/LPG Marketing Companies; and

(b) Export petroleum products to neighbouring countries under customs seal.

- v. regulatory regime;
 - vi. project strategy;
 - vii. financial and economic analysis;
 - viii. environmental and social analysis; and
 - ix. corporate social responsibility plan.
- c. A corporate environmental policy culminating in the grant and issue of an environmental permit by the EPA.
- d. Minimum working capital requirement of GH¢ 30 million. An applicant's claim of GH¢ 30 million must be specified as its working capital and proven by any or a combination of the following:
- Cash or cash equivalents (e.g. government bonds, treasury bills etc.) lodged at the Bank of Ghana serving as equity capital.
 - Equity stake in an industry relevant fixed asset (e.g. storage depot, port infrastructure etc.) must be proved by an independent accounting firm to be appointed by the NPA.
- d. A minimum trade facility equivalent of US\$ 60 million. Please note that new applicants will be required to submit evidence in writing from a reputable bank or banks licensed by the Bank of Ghana and in good standing in support of their application stating their willingness to provide funding not less than US\$ 60 million or its Ghana Cedi equivalent to the applicant.
- e. Infrastructure Requirement: (Minimum of 40,000 m³ of storage facilities).
- i. This should be the company's owned-storage facility or a lease of a dedicated storage facility from an entity other than Tema Oil Refinery (TOR). Such leased storage facility must not be shared with third parties.
 - ii. In the case of a lease, the Company (Lessee) would be required to procure storage capacity of 40,000m³ on a long-term basis (minimum 5 years, renewable for another 5 years) before a Bulk Import, Distributing and Export Company Licence would be granted and issued. The licence will be renewed on condition that the lessee has a valid lease agreement, among others, in line with the lease period stated above at all times.
 - iii. In the case of a company intending to have its own storage facility, the company must apply for and obtain a permit to construct a depot for the storage of petroleum products, where applicable.
- f. Evidence of local partnership i.e. at least 51% shares to be held by Ghanaian citizens.

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C. REQUIREMENTS FROM OTHER STAKEHOLDERS AFTER OBTAINING A BULK IMPORT, DISTRIBUTING AND EXPORT COMPANY LICENCE.

Installation of the front-end of the GCNet in the offices of the respective applicant and subsequent declaration of all petroleum imports and exports to customs through the Ghana Customs Management System/Ghana Customs Network (GCMS/GCNet) prior to the delivery of the cargoes.

D. APPLICATION FOR A CONSTRUCTION PERMIT FOR A PETROLEUM PRODUCT STORAGE, BULK SALE AND DISTRIBUTION DEPOT

1. Any application for a permit to construct a petroleum product storage, bulk sale and distribution depot (Depot) shall be submitted to the National Petroleum Authority giving details of the proposals and any information that may be relevant to the project.
2. If, after the permit to construct the Depot has been granted and the execution of the works has not commenced at the expiry of twenty four (24) months from the date on which permit was granted, or at the expiration of any extension of that period which the Authority may allow, the permit shall cease to have effect.
3. The following documents shall be submitted with the application.
 - i. Evidence that the applicant is a Licensed Bulk Distribution Company (BDC) or a corporate entity legally affiliated to a BDC in good standing with the Authority or a Company with established competence in the petroleum downstream industry.
 - ii. Evidence of local participation i.e. at least 51% shares to be held by Ghanaian citizens.
 - iii. Evidence of Land Title Registration/Lease Agreement with the land Owner.
 - iv. An Environmental Permit from the Environmental Protection Agency (EPA).
 - v. A Development and Building Permit from the Land Use and Spatial Planning Authority approving the construction of the Depot for petroleum storage, bulk sale and distribution on the proposed site.
 - vi. A Fire Permit signed by the Chief Fire Officer or a Regional Fire Officer evidencing that arrangements proposed for the prevention and fighting of fire coupled with good housekeeping at the site are satisfactory.
 - vii. A report from the Geological Survey Department of Ghana attesting to either the absence of or acceptable levels of seismic activity on and around the proposed site.
 - viii. A Geotechnical Report.

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