

B2. 308/480/42/Vol IV/78



UNITED REPUBLIC OF TANZANIA
MINISTRY OF ENERGY
ENERGY AND WATER UTILITIES
REGULATORY AUTHORITY
(EWURA)



IN THE MATTER OF ROUTINE INSPECTION AT PETROLEUM WHOLESALE
OPERATIONS

AND

IN THE MATTER OF CHECKING ON COMPLIANCE WITH THE LAW WITH REGARD
TO PETROLEUM SALES AND STOCK MOVEMENT BY HASS PETROLUEM LTD,
VIJIBWENI AREA, KIGAMBONI - DAR ES SALAAM

COMPLIANCE ORDER NO: 04-10-2024
REFERENCE NO: BA.308/480/42/ Vol.IV /78
(Made under section 39 of the EWURA Act, Cap. 414)

PRELIMINARIES

Hass Petroleum Limited (Hass) is a licensed wholesaler mandated to conduct petroleum wholesale business in Tanzania. EWURA conducted an audit exercise on your operations by assessing your petroleum products stock movement from 1st November 2022 to 31st October 2023 to establish compliance with the applicable laws and regulations.

FINDINGS

During the audit, EWURA noted with concern that Hass Petroleum Limited:

- (a) sold petroleum products to unlicensed customers contrary to Rule 25(2)(a)(i) of the Petroleum (Wholesale, Storage, Retail and Consumer Installation Operations) Rules, 2022 as indicated in **Annex 1**;
- (b) sold petroleum products below the wholesale floor price or above the cap price contrary to Rule 6(a)(iii) of the EWURA Petroleum Products Price Setting Rules, 2022 as indicated in **Annex 2**; and
- (c) submitted inaccurate data contrary to Section 240(1)(b) of the Petroleum Act, Cap 392 where there was significant variation of the reported closing stock as per **Annex 3**. Our emails requiring clarification on the discrepancy received no response.

ORDER

Therefore, and based on the foregoing, EWURA has considered the matter in accordance with the applicable law and decided that Hass Petroleum Limited be and is **HEREBY ORDERED** to:

- a) stop selling petroleum products to unlicensed customers;
- b) sale of petroleum products using approved prices; and
- c) explain in writing within seven (7) days from the date of receipt of this Order why legal action should not be taken against Hass Petroleum Limited for contravening the above-cited law provisions.

GIVEN under the seal of the Energy and Water Utilities Regulatory Authority this 11th October 2024.



Eng. Poline H. Msuya

ACTING DIRECTOR GENERAL

Order served upon, and received by:

..... HASS PETROLEUM this 1 day of NOV 2024.
Name..... ABDULKADIR HUSSEIN
Signature..... [Signature] (Official Stamp)
Designation..... HEAD OF TRADING

This Order is issued in duplicate. Sign both copies and retain your copy while the other copy is to be returned to the Authority to authenticate due service of the Order.



UNITED REPUBLIC OF TANZANIA
MINISTRY OF ENERGY
ENERGY AND WATER UTILITIES
REGULATORY AUTHORITY
(EWURA)



Annex 1: List of Unlicensed Customers

Date	Customer Name	Invoice Number	Loading Depot	Product Type	Quantity (L20)
16/02/2023	BEIJING CONSTRUCTION ENGINEERING GROUP CO LTD	100047059	TERMINAL	AGO	29,799
13/10/2023	CASH SALE (ENCLO LIMITED)	100049504	TERMINAL	PMS	38,559
18/10/2023	CASH SALE (LYAMKENA FILLING STATION)	100049534	TERMINAL	PMS	34731
26/10/2023	CASH SALE (ABOOD AND CO LTD)	100049592	TERMINAL	PMS	10903
13/10/2023	ROCKET TANZANIA LIMITED	100049464	TERMINAL	AGO	31786
25/11/2022	STECOL CORPORATION USINGE ROAD PROJECT	100046286	TERMINAL	AGO	35737
19/10/2023	TANCHOICE LTD	100049532	TERMINAL	AGO	29741

Annex 2:

A: List of Sales made above the cap price

Date	Customer Name	Invoice No.	Loading Depot	Product Type	Quantity (litres at 20°C)	Selling Price (TZS/L)	EWURA Wholesale Cap Price (TZS/L)
15/12/2022	STECOL CORPORATION USINGE ROAD PROJECT	100046455	TERMINAL	Diesel	33,765.00	3,167.00	3,114.60
21/01/2023	STECOL CORPORATION - USINGE ROAD PROJECT	100046850	TERMINAL	Diesel	35,752.00	3,215.00	3,162.49
20/07/2023	BEIJING CONSTRUCTION ENGINEERING GROUP	100048916	TERMINAL	Diesel	32,759.00	2,470.00	2,413.53
26/08/2023	SINOHYDRO CORPORATION LTD-DSM BRT PROJECT	100049169	TERMINAL	Diesel	31,786.00	2,823.00	2,803.56
26/08/2023	SINOHYDRO CORPORATION LTD-KIBONDO TOWN	100049171	TERMINAL	Diesel	33,774.00	2,829.00	2,803.56
18/09/2023	SINOHYDRO CORPORATION LTD-DSM BRT project	100049248	HASS TERMINAL	Diesel	31,795.00	3,187.00	3,126.64
17/10/2023	NJOZI (TZ) LIMITED	100049526	TERMINAL	Diesel	31,786.00	3,445.00	3,314.95

B: List of Sales made below the floor price

Date	Customer Name	Invoice No.	Loading Depot	Product Type	Quantity (Litres at 20°C)	Selling Price (TZS/L)	EWURA Wholesale Cap Price (TZS/L)	EWURA Wholesale Floor Price (TZS/L)
20-Jan-23	SALALAH PETROLEUM	100046847	TERMINAL	Diesel	4,966.00	2,900	3,162.49	3,039.49
21-Jan-23	SALALAH PETROLEUM	100046851	TERMINAL	Diesel	30,290.00	2,900	3,162.49	3,039.49
24-Jan-23	ASAMOIL COMPANY LTD	100046867	GBP TANGA	Petrol	10,877.00	2,660	2,848.16	2,725.16
28-Jan-23	ASAMOIL COMPANY LTD	100046905	GBP TANGA	Petrol	10,889.00	2,650	2,848.16	2,725.16

Date	Customer Name	Invoice No.	Loading Depot	Product Type	Quantity (Litres at 20°C)	Selling Price (TZS/L)	EWURA Wholesale Cap Price (TZS/L)	EWURA Wholesale Floor Price (TZS/L)
21-Feb-23	IJENGA AUTO PARTS AND GENERAL SUPPLIES	100047096	TERMINAL	Diesel	10,920.00	2,900	3,162.49	3,039.49
22-Feb-23	IJENGA AUTO PARTS AND GENERAL SUPPLIES	100047100	TERMINAL	Diesel	3,969.00	2,900	3,162.49	3,039.49
04-Apr-23	TSN OIL T LTD	100047474	TERMINAL	Diesel	10,416.00	2,770	2,997.75	2,874.75
06-Sep-23	NASSOR ALLY AHMED- NALI OIL	100049213	HASS TERMINAL	Diesel	17,887.00	2,804	3,126.64	3,003.64
11-Oct-23	HAMOKI COMPANY LIMITED	100049384	TERMINAL	Petrol	36,697.00	3,115	3,314.95	3,191.95
11-Oct-23	IJENGA AUTO PARTS AND GENERAL SUPPLIES	100049385	TERMINAL	Petrol	13,885.00	3,118	3,314.95	3,191.95
25-Oct-23	BRAVA ENERGY LIMITED	100049576	TERMINAL	Petrol	36,660.00	3,000	3,314.95	3,191.95
25-Oct-23	BRAVA ENERGY LIMITED	100049590	SAHARA	Petrol	37,522.00	3,000	3,314.95	3,191.95
26-Oct-23	CASH SALE (REFUELLING SOLUTION)	100049573	TERMINAL	Petrol	34,678.00	3,000	3,314.95	3,191.95

Annex 3: Stock Movement (in Litre)

ITEM	PMS	AGO
reported Opening Stocks on 01.11.2022	640,521	1,160,673
add: reported Imports	16,905,876	21,255,802
Add: reported Localized	2,672,580	6,372,010
Products available for sale	20,218,977	28,788,485
less: reported Sales and bridging/transfers	20,218,977	28,788,485
Calculated Closing Stocks on 31.10.2023	0	0

ITEM	PMS	AGO
Reported Closing Stock as of 31.10.2023	1,411,297	704,436
Variance	(1,411,297.00)	(704,436.00)
Variance (% of Stock available for sale)	-6.98%	-2.45%