



Department of Petroleum Resources

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## GUIDELINES

### FOR GRANT OF PERMIT FOR

### BULK LIQUEFIED PETROLEUM GAS (LPG) OFF-TAKE

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**GUIDELINES FOR THE GRANT OF PERMIT FOR BULK LIQUEFIED PETROLEUM GAS (LPG)  
OFF-TAKE**

These guidelines are made pursuant to the provisions of the Petroleum (Amendment) Decree No. 37 of 1977.

1, ELIGIBILITY

The following categories of companies may apply for PERMIT for off-take of bulk Liquefied Petroleum Gas from Process Plants, Refineries, LNG plant, etc for the Nigerian market.

- (i) Petroleum Products Marketing Companies with current licensed LPG receptacles/storage facilities
- (ii) DPR licenced LPG Depot operators (owners)
- (iii) DPR licenced LPG plant operator
- (iv) Petroleum Products Marketing Companies that may not own receptacles, but have contractual agreement with current LPG licenced operator

2, CONDITIONS FOR BULK LPG OFF-TAKE PERMIT

- (i) Application for bulk LPG off-take Permit which must be made on DPR's prescribed application form and accompanied by a covering letter on company's letter head, shall be forwarded to the Director, Department of Petroleum Resources (DPR), 7, Kofo Abayomi Street, Victoria Island, Lagos
- (ii) All applications must be accompanied with;
  - (a) A copy of the Certificate of Incorporation of the company making the application.
  - (b) A copy of the company Article and Memorandum of Association (original to be sighted by DPR)
  - (c) A Copy of the current LPG depot/plant licence issued by the DPR.
  - (d) A Bank reference with committed and explicit statements
  - (e) 3-Years Current Tax Clearance Certificate
  - (f) An application fee of **One Hundred Thousand Naira (N100, 000.00) only** shall be charged for every 5,000 MT of product. All fees shall be in Bank Drafts and made payable to the **Federal Government of Nigeria (DPR FEES Account)** unless otherwise indicated in the form. Bank Drafts written "FGN" shall not be honoured. A DPR service charge of **One Hundred Thousand Naira (N100, 000.00) only** per application shall also be charged and made payable to the **Department of Petroleum Resources.**
  - (g) Evidence of the company's storage facility or a **copy of the storage facility Management Agreement (where applicable) which shall be a legal document and subject to certification by DPR.**

- (iii) Every LPG off-take Permit shall have duration of Twelve Calendar months from the date of issue.
- (iv) Each permit holder of Bulk Liquefied Petroleum Gas (LPG) off-take shall be required to submit returns on previous off-take for which permit was granted, along with copies of all relevant invoices and/or shipping documents, before any subsequent application for renewal of Permit can be approved.

Such returns shall include but not limited to the following documents:-

- a) Relevant Invoices
  - b) Bill of Lading
  - c) Clearance or product duty payment from Nigeria Customs & Excise
  - d) LPG product Clearance Form duly certified by DPR representative at the point of loading/jetty.
  - e) Detail cargo information, such as direct shipment, ship to ship, name of mother vessel, certificate of quality, last port of call etc
  - f) A copy of the “Certificate of Quantity” and “Certificate of Quality” of previous product and delivered products duly authenticated by DPR (to be made available (for renewal of off-take permit).
  - g) Evidence of utilization of the quantity of products for which permit was previously granted.
- (v) For every renewal application for LPG off-take permit, the original copy of permit granted to a company for the previous period must be surrendered to the Department of Petroleum Resources.
  - (vi) All LPG products must meet National Standard quality specifications as approved by the Department of Petroleum Resources.
  - (vii) For coastal off-take, at least 7 days prior notice must be given for LPG lifting clearance, the permit holder shall ensure that the **Certificate of Quality** of the consignment issued by the source (Plant, Refinery, LNG, etc) or a competent authority of product origin is submitted to the DPR.

### 3, FACILITIES INSPECTION AND CERTIFICATION

- (i) All facilities for the storage of LPG products must be inspected by the DPR prior to licensing. The facilities must meet the specification for the storage of Liquefied Petroleum Gas (LPG).
- (ii) In addition, all bulk storage facilities/receptacles (LPG depots) must be equipped with a well furnished quality control laboratory.
- (iii) Facilities must also conform to all safety and environmental standards for receiving and storage of LPG products.

4, CONDITIONS FOR CARGO DISCHARGE AT THE JETTIES

Any vessel laden with LPG products shall only be allowed to discharge where:

- i. There is an evidence of off-take permit used for the product.
- ii. A re-certification test of the product quality has been conducted in the presence of a DPR official and the result certified on- spec. A vessel shall therefore not discharge until a DPR accredited laboratory recertification of a product is conducted.
- iii. The OFF-TAKER complies with the one week mandatory submission of the “Certificate of Quality”, bill of lading and other relevant documents in respect of the products.
- iv. Documents received from the vessel are not in conflict with those submitted by the permit holder.

**August, 2014**

**DEPARTMENT OF PETROLEUM RESOURCES**