

OPM 539/65/ii

MEMORANDUM TO CABINET
BY THE PRIME MINISTER

Honourable Ministers will recall that they had decided in Cabinet that the Draft Petroleum (Production) Regulations be revised as recommended by the Oil Committee in the light of the comments made by oil companies.

2. This has been done and it is now necessary to amend subsection (1) of Section 5 of the Petroleum (Production) Act, 1958, to give the Minister powers to make these Regulations which in particular provide for model clauses to be incorporated in licences issued under the Act.

3. Occasion is also being taken to amend subsection (2) of the same section to reduce from forty to twenty-eight days the period commencing from the date when the Regulations are laid before the House of Representatives, during which the House may resolve that the Regulations shall be annulled.

4. Honourable Ministers are invited to consider whether the Petroleum (Production) Act, 1958 should be amended as shown in the attached Bill.

4th December, 1968.

A B I L L
entitled

AN ACT further to amend the Petroleum (Production)
Act, 1958

BE IT ENACTED by the Queen's most
Excellent Majesty, by and with the advice and
consent of the House of Representatives of Malta,
in this present Parliament assembled, and by the
authority of the same, as follows:-

Short title.

1. This Act may be cited as the Petroleum
(Production)(Amendment) Act, 1968, and shall be
read and construed as one with the Petroleum
(Production) Act, 1958, hereinafter referred to
as "the principal Act".

Amendment of
section 5 of
the principal
Act.

2. Section 5 of the principal Act shall be
amended -

(a) by the substitution for subsection (1)
thereof of the following subsection:-

"(1) The Minister may make regulations
generally for regulating the exploration,
prospecting and mining for petroleum in Malta,
including the drilling for and production of
petroleum and the conservation of the
petroleum resources of Malta, and for carrying
out any of the provisions of this Act, and in
particular, but without prejudice to the
generality of the foregoing, such regulations
may prescribe -

- (a) the manner in which and the persons
by whom applications for licences
under this Act may be made;
- (b) the fees to be paid on any such
application;
- (c) the conditions as to the size and
shape of areas in respect of which
licences may be granted;
- (d) model clauses which shall, unless the
Minister thinks fit to modify or

exclude/....

Amendments
applied for the
purposes of the
Continental Shelf
Act, 1966.
Act XXXV of 1966.

exclude in any particular case, be incorporated in any such licence; and may provide for establishing the penalties for the breach of any of their provisions, which penalties may include a fine (multa or ammenda) not exceeding one thousand pounds or in the case of a continuing offence not exceeding one hundred pounds for each day during which the offence continues which may be applied also for the purposes of subsection (3) of section 389 of the Criminal Code, Chapter 12; and different regulations may be made for different kinds of licence.";

(b) by the substitution for the word "forty" whenever it occurs in subsection (2) thereof of the word "twenty-eight".

3. The reference in subsection (2) of section 3 of the Continental Shelf Act, 1966, to section 5 of the principal Act shall be deemed to be a reference to the said section 5 as amended by this Act.

Objects and Reasons

The object of this Bill is to amend the Petroleum (Production) Act, 1958, in order to give the Minister power to provide for certain matters by regulations made under the Act and in particular to provide for model clauses to be incorporated in licences issued under the Act.