

Statutory Instrument No. 121 of 2022

PUBLIC FINANCE MANAGEMENT ACT
(Cap. 54:01)

**PUBLIC FINANCE MANAGEMENT (NATIONAL PETROLEUM
FUND) ORDER, 2022**

(Published on 29th September, 2022)

ARRANGEMENT OF PARAGRAPHS

PARAGRAPH

1. Citation
2. Interpretation
3. Continuation of Fund established under S.I. No. 44 of 1992
4. Purpose of Fund
5. Administration of Fund
6. Management of Fund
7. Receipts into Fund
8. Disbursements from Fund
9. Surplus in Fund
10. Investment of Fund monies
11. Accounts of Fund
12. Revocation of S.I. No. 44 of 1992

IN EXERCISE of the powers conferred on the Minister of Finance by section 38 (1) of the Public Finance Management Act, as read with paragraph 3 (b) of the Control of Goods (Petroleum Products) (Levy) Regulations, the following Order is hereby made —

- | | |
|--|---|
| Citation | 1. This Order may be cited as the Public Finance Management (National Petroleum Fund) Order, 2022. |
| Interpretation | 2. In this Order, unless the context otherwise requires —
“Accounting Officer” means the Permanent Secretary in the Ministry responsible for minerals appointed as such under paragraph 5 (1);
“Committee” means the Management Committee established under paragraph 6 (1); and
“Fund” means the National Petroleum Fund continued under paragraph 3. |
| Continuation of Fund established under S.I. No. 44 of 1992 | 3. The National Petroleum Fund established by section 38 (1) of the Act, is hereby continued under a Special Fund known as the Public Finance Management (National Petroleum Fund) Order and shall continue to exist as if established by this Order. |
| Purpose of Fund | 4. The purpose of the Fund is to —
(a) meet the engineering, construction and operational costs of the strategic storage facilities for Government fuel;
(b) purchase petroleum products for the Government’s strategic oil stocks;
(c) stabilise prices charged by the oil industry; and
(d) meet insurance premiums in respect of the insurance of Government’s strategic oil installations and oil stocks. |
| Administration of Fund | 5. (1) The Permanent Secretary in the Ministry responsible for minerals shall be the Accounting Officer and he or she shall be responsible for the administration of the Fund in accordance with the provisions of this Order. |

(2) The Accounting Officer may exercise such powers and perform such duties as may be required to be exercised or performed for the proper discharge of his or her functions under this Order.

(3) The Accounting Officer may, in writing, authorise any other public officer to exercise or perform the duties and functions required of the Accounting Officer under this Order.

6. (1) The Minister responsible for minerals shall after consultation with the Accounting Officer establish the Management Committee for the Fund. Management of Fund

(2) The Committee shall be responsible for determining the investment strategies and disbursement procedures of the Fund in accordance with the Act.

(3) Without derogating from the generality of subparagraph (2), the Committee shall —

- (a) review and approve expenditure requirements and audited financial statements of the Fund;
- (b) monitor, on a quarterly basis, the detailed reports on revenue collection and compliance in terms of the collection of levies from all parties obliged to pay;
- (c) assess and approve all projects proposals to be made under the Fund;
- (d) monitor the progress of all projects made under the Fund and the risk associated with such projects;
- (e) provide an overall guidance in the management of the Fund; and
- (f) make recommendations to the Minister responsible for minerals on any amendments to this Order for subsequent approval by the Minister.

(4) The Committee shall consist of —

- (a) the Deputy Permanent Secretary in the Ministry responsible for minerals who shall be the Chairperson of the Committee;
- (b) a representative from the Department responsible for energy at a Director level who shall be a Vice Chairperson;
- (c) a representative from the Ministry responsible for finance;
- (d) the Finance Manager from the Ministry responsible for minerals; and
- (e) a representative from the Ministry responsible for trade.

(5) The Department responsible for energy shall provide secretarial services to the Committee.

(6) The members of the Committee shall be appointed for a period of three years and shall be eligible for re-appointment for a further term not exceeding three years.

(7) The quorum at any meeting of the Committee shall be two-thirds of the Committee members.

7. (1) There shall be paid into the Fund —

- (a) the money received in respect of levies charged under the Control of Goods (Petroleum Products) (Levy) Regulations;
- (b) such money as may from time to time be appropriated by the National Assembly; and
- (c) income from the investment of money of the Fund.

(2) Notwithstanding subparagraph (1), there shall be paid into the Fund for a period not exceeding 12 months, with effect from 31st August, 2022, the following levies collected in terms of the Control of Goods (Petroleum Products) (Levy) Regulations —

- (a) fuel levy;
- (b) road fund levy; and
- (c) security of supply margin.

Receipts into
Fund Cap. 43:08
(Sub. Leg.)

- Disbursements from Fund
- 8.** There shall be paid from the Fund —
- (a) such payment as may be required to carry out the purposes set out in paragraph 4;
 - (b) such sums of monies to the oil industry as compensation for the price differentials incurred when using other alternative routes;
 - (c) management and audit expenses of the Fund; and
 - (d) such other sums as the Minister may, in writing, approve that such disbursements qualify as reasonable expenses incurred in the performance of duties consistent with the objects of the Fund.
- Surplus in Fund
- 9.** If the Fund is in surplus at the end of a financial year, such surplus shall remain as part of the Fund balance and shall be carried forward to the next financial year.
- Investment of Fund monies
- 10.** Any monies accruing to the Fund which is not required for immediate use shall be invested in Botswana in accordance with the objects of the Fund as the Accountant-General may direct and interest from such investment shall accrue to the Fund.
- Accounts of Fund
- 11.** The Accounting Officer shall —
- (a) keep and maintain, or cause to be kept and maintained, proper books of accounts and records of all financial transactions, assets and liabilities of the Fund in respect of each financial year;
 - (b) maintain an account into which all receipts into the Fund and all disbursements from the Fund shall be recorded and the monthly reconciliation for the Fund accounts shall be carried out; and
 - (c) prepare, sign and transmit to the Accountant-General and Auditor-General a statement of income and expenditure and a balance sheet of the Fund in respect of the financial year, containing such information in the manner that the Minister, in consultation with the Accountant-General may direct, within a period of two months after the close of each financial year.
- Revocation of S.I. No. 44 of 1992
- 12.** The National Petroleum Fund Order is hereby revoked.

MADE this 6th day of September, 2022.

PEGGY O. SERAME,
Minister of Finance.