



**PETROFED**

## **Petroleum Federation of India**

Analysis of Specified Oil & Gas Sector  
Legislations/Notifications in Light of Article VI: 4  
of GATS

December, 2009

*PRICEWATERHOUSECOOPERS* 

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# 1. Background

Ministry of Commerce has requested MoPNG to assess the status of preparedness in terms of conformity of our domestic governance framework for services sector vis-à-vis discipline parameters laid down in the second revised draft of WPDR in pursuant to Article VI:4 of WTO General Agreement on Trade and Service (WTO GATS VI:4) with an intent to develop horizontal disciplines in domestic regulation.

The Ministry of Commerce has also requested to identify the changes which can be made in the existing domestic laws/regulations/procedures to bring them in conformity.

MoPNG have now requested Petroleum Federation of India (PetroFed) to provide inputs in this respect to provide response to Ministry of Commerce.

PetroFed has in turn approached PricewaterhouseCoopers Pvt. Ltd. to assist in preparing this response on behalf of the federation, its member companies and oil industry in general. PetroFed has requested for a review of MoPNG and PNGRB notifications from the perspective of WTO GATS VI:4 and also indicate reasons why the industry considers any continuation to these notifications despite any non-conformities in national or industry's interest.

## 2. Scope of Work

1. Review MoPNG notifications listed in Annexure I with respect to;
  - a. Conformity with terms of Article WTO GATS VI :4 tests;
  - b. CPC applicable to each of the service elements in which non-conformities are identifies; and
  - c. Indicate affected Mode of Services in those identified non-conformities.
2. Hold consultations with industry to confirm non-compliances and if non-compliant, get views on whether the policies are suitable in the interest of nation or investors;
3. Develop following two separate reports on-
  - a. Non-compliances;
  - b. Industry views on why, if any, WTO GATS VI:4 non-compliant provisions in notifications need to continue.

### **3. Approach and Methodology**

1. PetroFed shall provide the important Notifications (Annexure I) in the English language to PwC. PwC shall review the notifications. In case some of these Notifications stand superceded, only the latest amendments will be perused.
2. PetroFed shall arrange to provide to PwC any past correspondence with the industry or with MoPNG/MoC, pertaining to reviews or comments on the Notifications, so as to bring to PwC's notice the industry / Government views on the matter.
3. Upon completion of the review of the Notifications by PwC, PetroFed shall organise an Industry consultation meeting to enable PwC to share its findings and seek their comments, in order to execute the scope of work.
4. PetroFed, duly accompanied by PwC and Industry experts, shall then interact with MoPNG and share the findings and receive comments, so that the report is finalised.

### **4. Review of Domestic Regulations in Petroleum Sector**

Domestic regulations are formulated to meet the domestic policy demands, such as protection of consumers, protection of integrity of professions, national policy objective derived from macro economic drivers etc. The regulations are meant to develop a national regulatory or policy framework with a balanced jurisprudence.

The primary objective of this review initiated by MoPNG of it's notifications for compliance with GATS, is to identify service elements in the regulations and check conformity to GATS article VI-4.

The regulations have been reviewed taking into consideration following aspects-

- Regulations may relate to service elements either specifically or implicitly. Thus, all possible incidences of services have carefully been identified taking all aspects of operations into consideration while analyzing clauses or sections of regulations.
- Clauses in regulations may address to one or more Modes of trades in services, and Mode depend upon the nature and part of activity a service provider undertakes within the scope of a regulation. For example a Mode 3 activity may eventually mean presence of natural person and thus it falls under Mode 4 but as a part of review, mode services are made specific for direct incidences.

- Mention of CPCs against various regulations is restricted to uniquely identifiable types of services. Incidence of service against many regulations may refer to more than one CPC but all are not identified.
- Some regulations reviewed herein are technical regulations. Any barrier, if built in such regulations, are not analysed from the aspect of trade barrier as they are better assessed from the perspective of TBT agreement.
- Revised draft of WPDR also suggests some qualitative aspects of domestic regulations. Some of them are reasonableness of fees, reasonable timeframe, simplicity etc. As the review is not comparative and does not follow any other reference regulatory framework, such issues are not specifically mentioned.
- This report reviews non-compliance to the extent of the existing regulations. Some aspects desired to be covered in regulations from the perspective of ensuring free trade, may not currently be getting covered. For example, the revised draft of WPDR suggests that regulation may also include procedure relating to appeal, reviews of application etc. The aspects not covered in regulations, therefore, do not get reported as non-compliance to GATS Article VI-4.
- This analysis reflects the preparedness in terms of conformity to GATS of the domestic regulations in the petroleum sector. The report, therefore, can not and does not comment on the level and area of commitment that India should undertake in petroleum segment under GATS of WTO.
- Non-compliances in the identified regulations are listed the table below.

Relevant Clause/Section	Incidence of service	Affected Mode of Services:	Relevant CPCS	Comments on non conformity/deficiency	Nonconformity in the light of revised WPDR Draft pursuant to article VI 4	Remarks
		Mode 1: Cross border Supply. Mode 2: Consumption Abroad. Mode 3: Commercial Presence. Mode 4: Presence of Natural Person.			(Transparency, Licensing requirement, Licensing Procedures, Qualification requirements, Qualification Procedures, Technical Standard)	(Possible corrective measures/Industry Comments)
<b>1.Regulation: Guidelines for Laying Petroleum Product Pipeline” read with “Supplementary Guidelines for Laying Petroleum Product Pipeline, dated November 20, 2002 read with December 26, 2004</b>						
Section 5: ROU acquisition.	Foreign entity interested in providing the service (business) business of laying of pipeline	Mode 3	-	ROU acquisition condition is left open for government to stipulate and thus incomplete. Timeline not mentioned.	Licensing requirement and procedure. Transparency.	Either to justify under the national policy objective or stipulate the criteria and timeline
Sec 2: Pipeline Capacity ...at-least 25% more than capacity requirement.	As above	Mode 3		Extra capacity has a cost burden. For the proposer company this may be a trade restriction without justification from revenue generation perspective	Licensing requirement	Clearly justify under the national policy objective or may ensure other measures to make it less restrictive in case it is found restrictive in reality.
Sec 4: Supplementary guidelines; Bank Guarantee.	As above	Mode 3	-	This may be unreasonable and burdensome for some foreign entity	Licensing requirement and procedure	Clearly justify under the national policy objective or may ensure other measures to make it less restrictive in

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		Mode 1: Cross border Supply. Mode 2: Consumption Abroad. Mode 3: Commercial Presence. Mode 4: Presence of Natural Person.			(Transparency, Licensing requirement, Licensing Procedures, Qualification requirements, Qualification Procedures, Technical Standard)	
						case it is found restrictive in reality
Sec4: tariffs for Pipeline commissioned	As above	Mode 3	-	The bank guarantee clause and amount proposed may be treated as unreasonable	Licensing procedures	Clearly justify under the national policy objective or may ensure other measures to make it less restrictive in case it is found restrictive in reality
<b>2.Regulation: Notification on authorization to market transportation fuels MS, HSD and ATF to new entrants including private sectors, dated March 8, 2002</b>						
Section 3: Authorization for marketing right of transportation fuel. ( Rs.2000 Cr investment)	Foreign entity interested in providing the service (business) business of marketing or retailing or transportation of such fuels	Mode 3	63297 62271	The qualification criteria may be unreasonable and burdensome for a sole fuel marketing company of foreign origin who may not be interested or qualified to setup or invest in the types of assets identified.	Qualification requirement  Qualification Procedure.	Clearly justify under the national policy objective

Relevant Clause/Section	Incidence of service	Affected Mode of Services:	Relevant CPCS	Comments on non conformity/deficiency	Nonconformity in the light of revised WPDR Draft pursuant to article VI 4	Remarks  (Possible corrective measures/Industry Comments)
		Mode 1: Cross border Supply. Mode 2: Consumption Abroad. Mode 3: Commercial Presence. Mode 4: Presence of Natural Person.			(Transparency, Licensing requirement, Licensing Procedures, Qualification requirements, Qualification Procedures, Technical Standard)	
Section XII : The company seeking authorization to market transportation fuel.	As above	Mode 3	-	The regulation does not provide application format or amount of fees	Transparency	Application format, fees and the complete procedure may be published promptly as an amendment to the regulation
Section XII: After scrutinizing the government...in public interest ...servicing remote area...	As above	Mode 3	-	Unless justified the clause may lack reasonableness. Also the declaration of remote area is left open and indefinite.	Qualification Requirement  Qualification Procedure.  Regulatory transparency	Clearly justify under the national policy objective
<b>3.Regulation: Liquefied Petroleum Gas (Regulation of use in Motor Vehicles) Order, 2001, dated August 1, 2001</b>						
Section 3: Restriction on unauthorized acquisition...	Transport, trade and retailing service of auto LPG	Mode 3	63297	The regulation does not specify the application format, fees, timeframe etc to set up auto LPG dispensing units	Licensing requirement and procedure. Qualification Requirement and Procedure. Transparency.	Application format, fees and the complete procedure may be published promptly as an amendment to the regulation.



Relevant Clause/Section	Incidence of service	Affected Mode of Services:	Relevant CPCS	Comments on non conformity/deficiency	Nonconformity in the light of revised WPDR Draft pursuant to article VI 4	Remarks  (Possible corrective measures/Industry Comments)
		Mode 1: Cross border Supply. Mode 2: Consumption Abroad. Mode 3: Commercial Presence. Mode 4: Presence of Natural Person.			(Transparency, Licensing requirement, Licensing Procedures, Qualification requirements, Qualification Procedures, Technical Standard)	
Section 3 ( 6): ...conforming to LPG specification i.e. IS 14861..	As above	Mode 3	63297	Though the technical standard mentioned is not related to service but product, service pertaining to handling of a product with national/local specification can be treated as a barrier by a market entrant.	Technical Standard	Clearly justify under the national policy objective or mention the specification corresponding to international standard
Section 6 Assessment and certification rating for parallel marketer	As above	Mode 3	63297	This clause differentiates between NOCS and parallel marketer thus non complaint to Article XVII of GATS referring national treatment. This clause also does not mention procedure of authorization and feedback mechanism.	Transparency  Qualification requirement	The non compliance of national treatment clause may be clearly justified in policy objective. Application fees, format, procedures, review etc may be clearly mentioned.

Relevant Clause/Section	Incidence of service	Affected Mode of Services:	Relevant CPCS	Comments on non conformity/deficiency	Nonconformity in the light of revised WPDR Draft pursuant to article VI 4	Remarks  (Possible corrective measures/Industry Comments)
		Mode 1: Cross border Supply. Mode 2: Consumption Abroad. Mode 3: Commercial Presence. Mode 4: Presence of Natural Person.			(Transparency, Licensing requirement, Licensing Procedures, Qualification requirements, Qualification Procedures, Technical Standard)	
Section 5( 5) Auto LPG stock ...every auto LPG dispensing station dealer shall take steps to ensure adequate availability of stocks of auto LPG .....	As above	Mode 3.	63297	The quantity measure of stock adequacy is not mentioned. Also the steps to ensure adequate availability are not listed.	Transparency	Adequate quantity may be subjective and specific to a particular dispensing station. A procedure may be built up to identify adequacy quantum and related steps during award of license/dealership.
<b>4.Regulation: Liquefied Petroleum Gas (Regulation of supply and distribution) Order, 2000 dated April 26, 2000</b>						
Section 4 : restriction on storage...unless authorized by the chief controller of explosives	Services pertaining to storing and filling LPG cylinder	Mode 3	-	Regulation does not specify the application formats, fees, approval procedure for filling cylinders.	Licensing requirement and procedure.  Qualification requirement	Though this regulation is more intent to ascertain safe handling practices of LPG but for WTO GATS compliance authorization procedure, requirement etc

Relevant Clause/Section	Incidence of service	Affected Mode of Services:	Relevant CPCS	Comments on non conformity/deficiency	Nonconformity in the light of revised WPDR Draft pursuant to article VI 4	Remarks  (Possible corrective measures/Industry Comments)
		Mode 1: Cross border Supply. Mode 2: Consumption Abroad. Mode 3: Commercial Presence. Mode 4: Presence of Natural Person.			(Transparency, Licensing requirement, Licensing Procedures, Qualification requirements, Qualification Procedures, Technical Standard)	
						need to be clearly spelt.
Section 11: Assessment and certification rating of parallel ..	As above	Mode 3		This clause differentiates between NOCS and parallel marketer thus non complaint to Article XVII of GATS referring national treatment. This clause also does not mention procedure of authorization and feedback mechanism.	Transparency  Qualification requirement	The non compliance of national treatment clause may be clearly justified in policy objective. Application fees, format, procedures, review etc may be clearly mentioned.
<b>5.The Gazette Notification-Petroleum Prod (Maintenance of Production, Storage and Supply) Order, 1999, dated April 16, 1999</b>						
Section 7: Takeover of retail out let...	As above	. Mode 3	63297	No indicative list of circumstances are provided; Timelines and procedures are not mentioned	Transparency	To ensure the desired transparency regulation may include sample circumstances, tentative timelines

Relevant Clause/Section	Incidence of service	Affected Mode of Services:	Relevant CPCS	Comments on non conformity/deficiency	Nonconformity in the light of revised WPDR Draft pursuant to article VI 4	Remarks  (Possible corrective measures/Industry Comments)
		Mode 1: Cross border Supply. Mode 2: Consumption Abroad. Mode 3: Commercial Presence. Mode 4: Presence of Natural Person.			(Transparency, Licensing requirement, Licensing Procedures, Qualification requirements, Qualification Procedures, Technical Standard)	
						and the procedure of take over.
<b>6. Petroleum Act 1934</b>						
This being an Act, it does not immediately implicate incidence of service as it is enacted primarily with the objective to consolidate and amend the law relating to the import, transport, storage, production, refining and blending of petroleum.						
<b>7. Regulation: “The Petroleum Rules, 2002”</b>						
Chapter I Part II Section 8: repairs to receptacles	Service of repairing receptacles	Mode 4 Mode 1	633 or 886	The regulation does not specify the eligibility or definition of competent person who will certify such repair. The technical standard(s) for repairing is not mentioned.	Qualification requirement  Technical Standard	Regulation may clearly specify the qualification of the competent person. Also the mention of technical standard for repair work would make the regulation compliant
Chapter III part II section 34...construction of vessels carrying petroleum product in bulk...	Bulk petroleum transportation (using vessel)	Mode 1 Mode 4	.-	Technical standards are not mentioned. Special circumstances are not clearly mentioned.	Technical standard.  Regulatory transparency	The nature and reason of deviation from international standard should be clearly mentioned and justified.

Relevant Clause/Section	Incidence of service	Affected Mode of Services:	Relevant CPCS	Comments on non conformity/deficiency	Nonconformity in the light of revised WPDR Draft pursuant to article VI 4	Remarks  (Possible corrective measures/Industry Comments)
		Mode 1: Cross border Supply. Mode 2: Consumption Abroad. Mode 3: Commercial Presence. Mode 4: Presence of Natural Person.			(Transparency, Licensing requirement, Licensing Procedures, Qualification requirements, Qualification Procedures, Technical Standard)	
Chapter III part II section 62 manufacturing Tank vehicles..	Transport of petroleum, Testing and other technical services related to manufacturing	Mode 1	8676 ( Testing)	No international standard is referred for manufacturing	Transparency Technical Standard	The nature and reason of deviation from international standard can be clearly mentioned and justified.
Chapter III part V section 90 The pipeline shall be constructed..	Designing/engineering of pipeline abroad, installation and hydrotest etc.	Mode 1, Mode 3 and Mode 4	633 and 886 and 8676 (testing)	The section does not refer to any international standard to follow. The application format etc.for seeking approvalfor such pipelines are not mentioned.	Technical standard Regulatory transparency	The nature and reason of deviation from international standard can be clearly mentioned and justified.
Chapter V Storage of petroleum.. supervision..	Supervision service by a foreign national	Mode 4	8672 or 8673	This section does not specify qualification requirement of supervisor	Technical Standard Transparency Qualification requirement	Technical standard for supervision and qualification criteria can be mentioned in the regulation as annexure,
Chapter V Part III section 126 : storage tanks or....be tested	Testing service by a foreign national	Mode 4	28676	This section does not elaborate the qualification of competent person. Also the testing standard	Technical Standard Transparency Qualification requirement	Qualification criteria of a competent tester may be mentioned and

Relevant Clause/Section	Incidence of service	Affected Mode of Services:	Relevant CPCS	Comments on non conformity/deficiency	Nonconformity in the light of revised WPDR Draft pursuant to article VI 4	Remarks  (Possible corrective measures/Industry Comments)
		Mode 1: Cross border Supply. Mode 2: Consumption Abroad. Mode 3: Commercial Presence. Mode 4: Presence of Natural Person.			(Transparency, Licensing requirement, Licensing Procedures, Qualification requirements, Qualification Procedures, Technical Standard)	
				is not mentioned.		technical standard of testing may be mentioned in the regulation
Chapter VII section 151: a licensing authority refusing to grant..		Mode 3		Provision of identification of deficiency and scope of resubmission in a application is not mentioned	Transparency	Provision of identification of deficiency and scope of resubmission in a application may be included to ensure compliance.
Chapter X section 190: Standard test apparatus..	Testing service	Mode 1 Mode 4	8676	International standards are not mentioned for testing	Technical Standard	The nature and reason of deviation from international standard can be clearly mentioned and justified.
Chapter X section 193..Testing of petroleum..	Testing Service	Mode 1 Mode 4	8676	International standards are not mentioned for testing	Technical Standard	The nature and reason of deviation from international standard can be clearly mentioned and justified.

Relevant Clause/Section	Incidence of service	Affected Mode of Services:	Relevant CPCS	Comments on non conformity/deficiency	Nonconformity in the light of revised WPDR Draft pursuant to article VI 4	Remarks  (Possible corrective measures/Industry Comments)
		Mode 1: Cross border Supply. Mode 2: Consumption Abroad. Mode 3: Commercial Presence. Mode 4: Presence of Natural Person.			(Transparency, Licensing requirement, Licensing Procedures, Qualification requirements, Qualification Procedures, Technical Standard)	
Chapter III Part II Rule 43 : responsibility of Master of Vessel	Petroleum transportation	Mode 4	-	Administration related to certification of the vessel to ascertain that is free from petroleum vapor	Transparency	Necessary clarification to ascertain regulatory transparency may be inserted in the regulation
<b>8. Oil Fields Act, 1948</b>						
The Oilfields (Regulation and Development) Act, 1948 (the Act) is an act for the regulation of oilfields and for the development of mineral oil resources. This being an Act, immediate incidence of service is not apparent.						
<b>9. Regulation: P&amp;NG Rules, 1959</b>						
Rule 4 , Rule 5 ( 2), 5(3)	Mining/exploration service	Mode 3	883	Compliance parameters are not specified for granting license or lease. No authority is designated and overall procedure of issuance of license is not mentioned.	Licensing requirement and procedure Transparency.	All aspects like filing application to resubmission of application and redressal of grievances either should be included in the policy document or may be referred to some other regulations.

Relevant Clause/Section	Incidence of service	Affected Mode of Services:	Relevant CPCS	Comments on non conformity/deficiency	Nonconformity in the light of revised WPDR Draft pursuant to article VI 4	Remarks  (Possible corrective measures/Industry Comments)
		Mode 1: Cross border Supply. Mode 2: Consumption Abroad. Mode 3: Commercial Presence. Mode 4: Presence of Natural Person.			(Transparency, Licensing requirement, Licensing Procedures, Qualification requirements, Qualification Procedures, Technical Standard)	
Section 21 cancellation of licenses..	As above	Mode 3		As above	Licensing requirement and procedure.	As above
<b>10. PNGRB Act 2006</b>						
The Petroleum and Natural Gas Regulatory Board Act 2006 (The Act) has been recently enacted primarily with the objective of establishing a Petroleum and Natural Gas Regulatory Board which would be required to regulate the activities of refining, processing, transportation, distribution, and sale etc. of petroleum, Petroleum products and natural gas with the primary purpose of protecting the interests of the consumers as well as to promote competitive markets. The incidence of services is not quite apparent in various clauses.						
<b>11. NELP ( MPSC )</b>						
It is observed that NELP MPSC is under constant improvement to make it more trade and investment friendly. The formats of licensing application and procedure, qualification criteria and procedure are by now specifically addressed and improvised using industry feedback. Thus the noncompliances found in this document are lesser in number.						
Section 22.1 ...contractor shall... employ	Exploration service	Mode 1	-	Contract shall not specify	Transparency	Contract may be more specific to ensure compliance.
Section 22.2 Operator shall offer ...training	.. As above	Mode 1 Mode 3	8672		Qualification requirement and Procedure	As above
Section 22.2 Foreign companies shall offer ...technical assistance..	As above	Mode 1 Mode 3 Mode 4	8672 and 8673		Transparency	As above



Relevant Clause/Section	Incidence of service	Affected Mode of Services:	Relevant CPCS	Comments on non conformity/deficiency	Nonconformity in the light of revised WPDR Draft pursuant to article VI 4	Remarks  (Possible corrective measures/Industry Comments)
		Mode 1: Cross border Supply. Mode 2: Consumption Abroad. Mode 3: Commercial Presence. Mode 4: Presence of Natural Person.			(Transparency, Licensing requirement, Licensing Procedures, Qualification requirements, Qualification Procedures, Technical Standard)	
<b>12. OALP</b>						
Though the subject of introducing Open Acreage Licensing Policy (OALP) is under active consideration by the Govt. of India, one such policy or notification is yet to be introduced by the DGH or MoPNG. Therefore, analysis of any such OALP is not feasible at this stage						
<b>14. CBM ( MPSC )</b>						
Section 20.1c; Contractor should co-operate ....with domestic companies to develop skill		Mode 1, Mode 3 Mode 4	8672 or 8673		Regulatory transparency	Development program may be detailed as a part of contract document.
<b>15. Regulation: Authorizing entities to lay, build, operate or expand natural gas pipeline regulation, 2008 GSR 304(E); Amendment GSR 802(E), GSR769 (E)</b>						
The entity shall .....credible plan along with bid to develop an in house	Laying building and operating of natural gas pipeline	Mode 3		As this forms a part of EOI selection criteria the credible plan is important	Transparency Licensing Procedure	The guideline or template may be provided in the regulation
Regulation 5 (6) Explanation 2 (g) entity shall have a credible plan for utilization of capacity...		Mode 3		The credible plan shall form a part of criteria for selection of entity for EOI	Transparency Licensing Procedure Qualification Procedure	Guideline may be provided as a part of regulation.

Relevant Clause/Section	Incidence of service	Affected Mode of Services:	Relevant CPCS	Comments on non conformity/deficiency	Nonconformity in the light of revised WPDR Draft pursuant to article VI 4	Remarks  (Possible corrective measures/Industry Comments)
		Mode 1: Cross border Supply. Mode 2: Consumption Abroad. Mode 3: Commercial Presence. Mode 4: Presence of Natural Person.			(Transparency, Licensing requirement, Licensing Procedures, Qualification requirements, Qualification Procedures, Technical Standard)	
Regulation 9 (4) Grant of authorization...entity intended to renunciate ....in favour of other entity	Laying, build a operate natural gas pipeline	Mode 3		The clause does not mention or indicate the information it may ask about the entity to whom authorization is proposed to be transferred.	Transparency Licensing procedure	The regulation may include what board may ask about the party to whom the entity wants to transfer the authorization.
Regulation 9 (5) ...such entity shall abide by modified terms of condition of authorization.....	As above	Mode 3		The clause does not mention or indicate the nature of modification that regulatory board may ask the new entity to abide by.	Transparency Licensing procedure	Apparently this is not a situation which may occur frequently but a service provider would like to know the exit option clearly. Thus information may be included in the regulation.
Regulation 10 (2) ...the agreement .shall be entered in a transparent manner..	As above	Mode 3		The level and nature of transparency expected by the board is not defined	Transparency Licensing Procedure	The level and nature of transparency expected can be included in as a part of regulation in the form of a format

Relevant Clause/Section	Incidence of service	Affected Mode of Services:	Relevant CPCS	Comments on non conformity/deficiency	Nonconformity in the light of revised WPDR Draft pursuant to article VI 4	Remarks  (Possible corrective measures/Industry Comments)
		Mode 1: Cross border Supply. Mode 2: Consumption Abroad. Mode 3: Commercial Presence. Mode 4: Presence of Natural Person.			(Transparency, Licensing requirement, Licensing Procedures, Qualification requirements, Qualification Procedures, Technical Standard)	
Regulation 12 (2)...to expand the capacity .... the entity shall submit a proposal for consideration....	As above	Mode 3		The proposal format or the information etc needed for such proposal is not provided	Transparency Licensing procedure	A format containing detail or guideline on information that may be sought by the board on the same may be included in the regulation.
Regulation 13 (2)...compliance to relevant technical standards and specifications ....	As above	Mode 3		The regulation does not refer to the technical standard or any other regulation containing relevant technical standard	Transparency Technical standard	Reference of such standards is important and thus it should be mentioned in the regulation.
Regulation 13 (4) ..board shall monitor the progress ...in achieving various targets ....	As above	Mode 1 Mode 3		The target or the milestones in relation with monitoring are not mentioned in the regulation	Transparency	Milestones or guidance on targets may be included in the regulation
Regulation 14 (5)...entity shall adhere to relevant regulations for affiliate code of conduct...	As above	Mode 3		To enter and to conduct a business an entity should ideally be appraised of the code of conduct in advance.	Transparency	Regulation may include clear reference of regulations on affiliate code of conduct

Relevant Clause/Section	Incidence of service	Affected Mode of Services:	Relevant CPCS	Comments on non conformity/deficiency	Nonconformity in the light of revised WPDR Draft pursuant to article VI 4	Remarks  (Possible corrective measures/Industry Comments)
		Mode 1: Cross border Supply. Mode 2: Consumption Abroad. Mode 3: Commercial Presence. Mode 4: Presence of Natural Person.			(Transparency, Licensing requirement, Licensing Procedures, Qualification requirements, Qualification Procedures, Technical Standard)	
Regulation 14 (6) ...entity shall ...adhere to requirements of unbundling of the activity of transportation ...distribution or marketing....	As above	Mode 3		No mention of timeframe or guideline on unbundling	Transparency	It is appreciated that regulation is new and supplementary regulation may come up soon and there is no national treatment implicated in it. However, as unbundling has important aspect on entry strategy the regulation may provide the guideline and tentative timeline.
Regulation 14 (7) responsible for safety audit carried out by independent technical experts... (8)...third party technical and safety audits .....agencies out of panel approved by	Technical and safety audit by independent experts	Mode 4	-	The qualification criteria of an audit expert is not mentioned The agencies, selection procedure timeframe	Transparency Qualification Criteria Qualification Procedure	The qualification of expert may be referred or mentioned the regulation

Relevant Clause/Section	Incidence of service	Affected Mode of Services:	Relevant CPCS	Comments on non conformity/deficiency	Nonconformity in the light of revised WPDR Draft pursuant to article VI 4	Remarks  (Possible corrective measures/Industry Comments)
		Mode 1: Cross border Supply. Mode 2: Consumption Abroad. Mode 3: Commercial Presence. Mode 4: Presence of Natural Person.			(Transparency, Licensing requirement, Licensing Procedures, Qualification requirements, Qualification Procedures, Technical Standard)	
board						
Regulation 15 (2) ...quality of service standards...compared against minimum prescribed benchmark ...consequences	Lay build and operate pipeline	Mode 3		The benchmarking criteria method of scoring etc are not mentioned or referred in the regulation.	Transparency	As the failing to meet the benchmark has reasonable impact on entities business the regulation may include the benchmarking parameters and scoring methodology.
Note on regulation 17 and 18 – There are some transparency issues with these two clauses. As both of them deals with entity existing prior to formation of board it is impractical or needless to identify trade restrictions.						
<b>16. Regulation: GSR 196(E) – PNGRB (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Regulations, 2008, dated March 19, 2008; GSR 800(E) – Amendment, GSR 295(E) – Amendment</b>						
Section 5(1)(c): ... any other relevant issues ...	Laying, building CGD network	Mode 3		The clause “any other relevant issues” is not clarified	Qualification requirements and procedures	Guideline on relevant issues will ensure further transparency

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		Mode 1: Cross border Supply. Mode 2: Consumption Abroad. Mode 3: Commercial Presence. Mode 4: Presence of Natural Person.			(Transparency, Licensing requirement, Licensing Procedures, Qualification requirements, Qualification Procedures, Technical Standard)	
Section 5(6)(c)(iii): ... appropriate technical assistance ...	Laying, building CGD network	Mode 3		There is no reference to any Standard on Technical specification	Transparency and Technical standards	The appropriateness of technical assistance may be made more clear
Section 5(6)(c)(iv)(1)(b): ... submit a credible plan ...	Laying, building CGD network	Mode 3		The term “credible plan” is not clear	Transparency	The credibility of plan may be clarified more
Section 5(6)(g): ... have a credible plan ...	Laying, building CGD network	Mode 3		The term “credible plan” is not explained	Transparency	The credibility of plan may be clarified more
Section 10(4): ... shall provide all information ...	Laying, building CGD network	Mode 3		“All information” is not clearly specified	Transparency	The Board may develop specific format for providing information
Section 13(2): ... seek compliance ... relevant regulations for ...	Laying, building CGD network	Mode 3		There is no reference to any Standard on Technical specification	Transparency, Technical standards	The Board may provide the exact reference to relevant regulation
Section 13(2): ... in achieving various targets	Laying, building CGD network	Mode 3		Targets need to be specified more clearly	Transparency, Technical standards	The Board may lay down specific targets w.r.t. CGD network

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		Mode 1: Cross border Supply. Mode 2: Consumption Abroad. Mode 3: Commercial Presence. Mode 4: Presence of Natural Person.			(Transparency, Licensing requirement, Licensing Procedures, Qualification requirements, Qualification Procedures, Technical Standard)	
Section 14(8): ... independent technical experts or accredited agencies	Laying, building CGD network	Mode 1 Mode 3 Mode 4		Selection of auditors need to be more specific	Transparency, Qualification requirements and procedures	The Board may lay down criteria for selection of auditors
Section 15(2): ... minimum prescribed benchmarks ...	Laying, building CGD network	Mode 3		The performance measurement benchmarks need to be more clear	Transparency	The Board may lay down clear benchmarks for performance assessment
Schedule D(4): ... design and install ...optimal size of infrastructure ...	Engineering services	Mode 1 Mode 3		Less clarity on “optimal size” of infrastructure	Technical standards	The optimality of the size of infrastructure may be clarified more
Schedule F(2)(1)(b): ... provide connectivity promptly ...necessary safety ...	Engineering services	Mode 3		Less clarity on “to provide connectivity promptly ... necessary safety”	Technical standards	The Board may clearly specify the promptness of connectivity and necessary safety and statutory clearances
Schedule F(2)(1)(d): ... select safe and best possible route...	Engineering services	Mode 3		Less clarity on “to select safe and best possible route”	Transparency	The Board may provide specifications to identify safe and

Relevant Clause/Section	Incidence of service	Affected Mode of Services:	Relevant CPCS	Comments on non conformity/deficiency	Nonconformity in the light of revised WPDR Draft pursuant to article VI 4	Remarks  (Possible corrective measures/Industry Comments)
		Mode 1: Cross border Supply. Mode 2: Consumption Abroad. Mode 3: Commercial Presence. Mode 4: Presence of Natural Person.			(Transparency, Licensing requirement, Licensing Procedures, Qualification requirements, Qualification Procedures, Technical Standard)	
						best possible route
Schedule F(3)(1)(g): ...authorized representatives... proper identification... on pre-specified days	Post-sales service	Mode 3 Mode 4		Less clarity on “authorized representatives ... pre-specified days”	Transparency, Qualification requirements and procedures	The Board may provide qualification criteria for authorized representatives, their identification and determination of number of visits
Schedule F(8)(1)(b): ... establish a comprehensive customer care system ...	Post-sales service	Mode 3		Less clarity on “comprehensive customer care system and software”	Transparency	The Board may provide clarity on the comprehensiveness of the customer care system
Schedule F(9): ... maintain a credible database management system...	IT service	Mode 3		Less clarity on “credible database management system”	Transparency	The Board may provide criteria to define credibility of the database management system



Relevant Clause/Section	Incidence of service	Affected Mode of Services:	Relevant CPCS	Comments on non conformity/deficiency	Nonconformity in the light of revised WPDR Draft pursuant to article VI 4	Remarks  (Possible corrective measures/Industry Comments)
		Mode 1: Cross border Supply. Mode 2: Consumption Abroad. Mode 3: Commercial Presence. Mode 4: Presence of Natural Person.			(Transparency, Licensing requirement, Licensing Procedures, Qualification requirements, Qualification Procedures, Technical Standard)	
Schedule J(1)(d): ...entity shall put in place appropriate systems and procedures ...	O&M	Mode 1 Mode 3 Mode 4		Less clarity on “appropriate systems and procedures”	Transparency	The Board may provide criteria to assess the appropriateness of systems and procedures
Schedule J(2)(k): ...entity shall have proper systems and procedures ...	O&M	Mode 1 Mode 3 Mode 4		Less clarity on “proper systems and procedures”	Transparency	The Board may provide criteria to assess the appropriateness of systems and procedures
<b>17. Exclusivity for city or local natural gas network, 2008 GSR 198</b>						
This regulation deals with exclusivity of pipeline infrastructure for both CGD and natural gas pipeline infrastructure. The reasonableness of the regulation is explained in schedule A of the regulation. This regulation does not reflect any direct nonconformity to WPDR elements. The incidence of services is limited to the assumption of considering pipeline transportation of operator ship as service offering which includes various service obligations.						
Clause 8 (1) (a) (ii) service obligations...lay and build steel pipeline...	Laying and building CGD network	Mode 3		The specification of steel(s) is not provided	Technical standard	The regulation may include reference of relevant technical standard
Clause 9 (2) (a) (b) relevant regulation son	As above	Mode 3		The relevant regulations are not referred	Transparency	The reference of regulations may be

Relevant Clause/Section	Incidence of service	Affected Mode of Services:	Relevant CPCS	Comments on non conformity/deficiency	Nonconformity in the light of revised WPDR Draft pursuant to article VI 4	Remarks  (Possible corrective measures/Industry Comments)
		Mode 1: Cross border Supply. Mode 2: Consumption Abroad. Mode 3: Commercial Presence. Mode 4: Presence of Natural Person.			(Transparency, Licensing requirement, Licensing Procedures, Qualification requirements, Qualification Procedures, Technical Standard)	
access code ...for declaring CGD networks as common carrier or contract carriers						included in the regulation
<b>18. Regulation: GSR 197(E) – PNGRB (Determination of Network Tariff for City or Local Natural Gas Distribution Networks and Compression Charge for CNG) Regulations, 2008, dated March 19, 2008; GSR 801(E) – Amendment dated November 19, 2008</b>						
The regulation is applicable to entities authorized by central government before appointment of board and entities existing before appointed day and approved by board. Thus prima facie it does not impact trade in services of foreign service providers. In India none of the already existing entities are of foreign origin. Due to this reason trade restrictive clauses are not identified from the perspective of GATS Article VI 4 non compliance.						
<b>19. Regulation: Determination of Natural Gas Pipeline Tariff GSR 807 (E) 2008</b>						
Application of this regulation is limited to entities authorized by central government before appointed day, entity existing before appointed day but not approved, dedicated pipeline existing before appointed day and dedicated pipeline proposed after appointed day. Thus it is unlikely to have much impact of foreign entities interested in trade in services of laying building and operating natural gas pipeline as no foreign entity is currently providing this service in India.						
<b>20. Regulation: Access code for common carrier and contract carrier Natural Gas Pipelines</b>						
Clause 3 (2) Application...entity can add new or abandon any entry or exit point .....existing customers	Lay build operate or expand natural gas pipeline	Mode 3		Adverse effect on customer being a qualitative statement lacks desired transparency	Transparency	Reference/guideline on what could be an possible adverse effect on customers may be included in

Relevant Clause/Section	Incidence of service	Affected Mode of Services:	Relevant CPCS	Comments on non conformity/deficiency	Nonconformity in the light of revised WPDR Draft pursuant to article VI 4	Remarks  (Possible corrective measures/Industry Comments)
		Mode 1: Cross border Supply. Mode 2: Consumption Abroad. Mode 3: Commercial Presence. Mode 4: Presence of Natural Person.			(Transparency, Licensing requirement, Licensing Procedures, Qualification requirements, Qualification Procedures, Technical Standard)	
are not adversely affected ...						the regulation
Clause 5 (4) Gas parameters...transporter may review the CV band ..CV band so updated shall not adversely affect...existing shippers	As above	Mode 3		Adverse effect on existing shippers lacks desired transparency as it is not explained		Guideline on adverse affect can be explained in the regulation
Clause 7 (5) Transporter shall carry out verification, calibration ..as per relevant code and standards...	Operating natural gas pipeline, Verification, calibration of measuring equipment	Mode 3 Mode 4		Technical standards not referred in the regulation	Transparency Technical Standard	Technical standards or codes may be referred
Clause 9 (7)..shipper shall provide checkmeter ...conforming to applicable standard..	Operating natural gas pipeline	Mode 3		Technical standards not referred in the regulation	Transparency Technical Standard	Technical standards or codes may be referred
Clause 9 (8)..in case of dispute in metering certification shall be carried by ..third party approved by board ....	As above	Mode 3		Information related to accredited third parties are not referred in the regulation	Transparency	List of accredited third parties may be notified

Relevant Clause/Section	Incidence of service	Affected Mode of Services:	Relevant CPCS	Comments on non conformity/deficiency	Nonconformity in the light of revised WPDR Draft pursuant to article VI 4	Remarks  (Possible corrective measures/Industry Comments)
		Mode 1: Cross border Supply. Mode 2: Consumption Abroad. Mode 3: Commercial Presence. Mode 4: Presence of Natural Person.			(Transparency, Licensing requirement, Licensing Procedures, Qualification requirements, Qualification Procedures, Technical Standard)	
Clause 11: (6) Interconnection of pipeline network is like adding an exit point to the existing ....and all such provisions	Lay build operate natural gas pipeline	Mode 3		Clear reference of provisions is not mentioned in the regulation and this may create ambiguity	Transparency	Such provisions may be referred for better clarity
Clause 13 (1) System indiscipline and charges ...if pipeline capacity utilized by the shipper ..over 110%...shall be charged in transparent manner...	As above	Mode 3		Method of charging in case of unauthorized overrun is not mentioned	Transparency	Though it is about unauthorized overrun and thus entities should not practice it in an ideal scenario, the mention of method or charging will make the regulation more transparent
Clause 12 (2) in case any capacity out of 33% excess capacity ..is available...may be utilized by the entity itself or could be contracted for a period for a period of more	Operating natural gas pipeline	Mode 3		This does not ostensibly compare international practice therefore may be an exception from equivalence perspective which was there in earlier WPDR draft. Also this may lead to a situation an	This falls under none of the elements of WPDR revised draft. But it may create a trade restriction on excess capacity.	This may be explained as a part of national objective

Relevant Clause/Section	Incidence of service	Affected Mode of Services:	Relevant CPCS	Comments on non conformity/deficiency	Nonconformity in the light of revised WPDR Draft pursuant to article VI 4	Remarks  (Possible corrective measures/Industry Comments)
		Mode 1: Cross border Supply. Mode 2: Consumption Abroad. Mode 3: Commercial Presence. Mode 4: Presence of Natural Person.			(Transparency, Licensing requirement, Licensing Procedures, Qualification requirements, Qualification Procedures, Technical Standard)	
than one year				entity forced to breach a transmission contract or sacrifice a part of his transmission trade revenue.		
<b>21. Regulation: Affiliate code of conduct for entities engaged in Marketing of natural gas and Laying, Building Operating or expanding Natural Gas Pipeline 2008 GSR 540</b>						
Clause 5 (2) Degree of accounting separation ...the entity shall ensure...costs are fully allocated to the regulated activity in transparent manner	Laying building and operating Natural gas pipeline	Mode 3		The nature of transparency or any accounting standard related to cost allocation is not mentioned in the regulation	Transparency	Such accounting standard or guiding principles may be mentioned in the regulation
Clause 6 (2) Confidentiality in consumer data ....entities information services shall include appropriate computer data management....	Data Management Services	Mode 1		The appropriateness of data management system, access protocol and contractual provisions are not mentioned	Transparency	Mention of data management provisions or related guiding principles may make the regulation more transparent

Relevant Clause/Section	Incidence of service	Affected Mode of Services:	Relevant CPCS	Comments on non conformity/deficiency	Nonconformity in the light of revised WPDR Draft pursuant to article VI 4	Remarks  (Possible corrective measures/Industry Comments)
		Mode 1: Cross border Supply. Mode 2: Consumption Abroad. Mode 3: Commercial Presence. Mode 4: Presence of Natural Person.			(Transparency, Licensing requirement, Licensing Procedures, Qualification requirements, Qualification Procedures, Technical Standard)	
Clause 7 Shared corporate services ..entity may share employees with affiliates ...such employees neither ...involved ...or having information ...related to regulated activities	Shared services in the business of laying building and operating natural gas pipeline	Mode 4		Clause does not refer to any regulation or set of regulations which explains regulated activities	Transparency	Regulation may include a guideline or reference of relevant regulations
Clause 9 The entity shall ensure compliance.....maintain verifiable record...such compliance	Laying building and operating natural gas pipeline	Mode 3		Clause does not refer the nature and process of verification of compliance records	Transparency	Regulation may include a guideline or reference of relevant regulations
Clause 10 The entity shall maintain updated records ....in a form and manner...to substantiate with code	As above	Mode 3		Clause does not refer to any format or method for maintaining compliance record	Transparency	Regulation may include a guideline or reference of relevant regulations
<b>22. Regulation: GSR 612(E) – PNGRB (Technical Standards and Specifications including Safety Standards for City or Local Natural Gas Distribution Networks) Regulations, 2008, dated August 27, 2008; GSR 750(E) – Amendment dated October 14, 2009</b>						

Relevant Clause/Section	Incidence of service	Affected Mode of Services:	Relevant CPCS	Comments on non conformity/deficiency	Nonconformity in the light of revised WPDR Draft pursuant to article VI 4	Remarks  (Possible corrective measures/Industry Comments)
		Mode 1: Cross border Supply. Mode 2: Consumption Abroad. Mode 3: Commercial Presence. Mode 4: Presence of Natural Person.			(Transparency, Licensing requirement, Licensing Procedures, Qualification requirements, Qualification Procedures, Technical Standard)	
This regulation underlines various standards applicable for design, material and equipment, welding, fabrication, installation, testing, operation and maintenance and corrosion control of CGD network. Though a service provider has to comply with technical regulation to enter and continue in business but the barrier, if any, are inbuilt in such regulations can be better reviewed under the purview of TBT agreement of WTO. Thus all the schedules carrying detailed technicalities in this regulation are not analyzed from the perspective of GATS Article VI 4 and revised draft of WPDR.						
Section 7(1): ...system for ensuring compliance ...	Commissioning, O&M	Mode 3		Less clarity on "system for ensuring compliance" during construction and commissioning phase	Transparency	The Board may provide guidelines on desirable systems for ensuring compliance
Section 7 (2) Board shall monitor the compliance ...directly or by accredited third party through separate regulations.....	As above	Mode 3		Respective regulation is not referred in the section. Method of monitoring is not elaborated.	Transparency	The board may mention the method of monitoring and include the reference of relevant regulation in due course
Section 8 requirement under other statutes ...requisite approvals shall be obtained from the relevant competent authorities for the CGD network	Testing, design, O&M, installation and commissioning	Mode 1 Mode 3		The reference of other clearances needed may be mentioned by the board as otherwise the foreign entity intent to lay, build and operate pipeline may not understand or know the	Transparency	Board may issue a comprehensive guideline listing all other approvals to be obtained by an entity to enter and run the business of laying building and

Relevant Clause/Section	Incidence of service	Affected Mode of Services:	Relevant CPCS	Comments on non conformity/deficiency	Nonconformity in the light of revised WPDR Draft pursuant to article VI 4	Remarks  (Possible corrective measures/Industry Comments)
		Mode 1: Cross border Supply. Mode 2: Consumption Abroad. Mode 3: Commercial Presence. Mode 4: Presence of Natural Person.			(Transparency, Licensing requirement, Licensing Procedures, Qualification requirements, Qualification Procedures, Technical Standard)	
				approvals are needed beyond the purview of PNGRB.		operating a CGD network
Schedule 1(C) Fittings ...must be type tested by an internationally recognized agency ...	Testing services	Mode 3		The clause does not specify either the criteria of ascertaining international standard or the name of such agencies	Transparency	Regulation may clearly specify the list of acceptable agencies in due course
<b>23. Regulation: GSR 323(E) – PNGRB (Procedure for development of Technical Standards and Specifications including Safety Standards) Regulations, 2009, dated May 14, 2009</b>						
Section 6(1): ...submit a proposal...updating or amending or cancelling...	Any service which involves development of Standards	Mode 3		Refers to the Regulation but no application fee is mentioned there	Transparency	Need for clarification on the fees to be paid while submitting the proposal for standard formulation or modification
Section 11: SDO shall be compensated by the Board ...	Any service which involves development of Standards	Mode 1		The terms and conditions for compensation need to be more clear	Transparency	Clear compensation norms may be laid out by the Board



Relevant Clause/Section	Incidence of service	Affected Mode of Services:	Relevant CPCS	Comments on non conformity/deficiency	Nonconformity in the light of revised WPDR Draft pursuant to article VI 4	Remarks  (Possible corrective measures/Industry Comments)
		Mode 1: Cross border Supply. Mode 2: Consumption Abroad. Mode 3: Commercial Presence. Mode 4: Presence of Natural Person.			(Transparency, Licensing requirement, Licensing Procedures, Qualification requirements, Qualification Procedures, Technical Standard)	
<b>24. Regulation: Guiding Principles for declaring or authorizing natural gas pipeline as common carrier and contract carrier GSR 273 (E)</b>						
Clause 6 (e) Common carrier system ...when the common carrier capacity is less than 10%...board may suo moto basis after following due process of public consultation.....	Lay build operate natural gas pipeline	Mode 3		The due process of public consultation or the relevant guideline board may follow, is not mentioned in the document	Transparency	Regulation may include guiding principle for such consultation
Clause 10 (2) & (3) Declaring existing pipeline...as common or contract carrier....subject such terms and conditions as it may fix...on such terms and conditions as it may deems fit	As above	Mode 3		The method of declaration or a tentative guideline to declare is not referred in the regulation	Transparency	Though the regulation ahs come up recently a guiding principle on this will make the regulation more transparent
<b>25. Regulation: GSR 808(E) – PNGRB (Technical Standards and Specifications including Safety Standards for Natural Gas Pipelines) Regulations, 2009, dated November 11, 2009</b>						

Relevant Clause/Section	Incidence of service	Affected Mode of Services:	Relevant CPCS	Comments on non conformity/deficiency	Nonconformity in the light of revised WPDR Draft pursuant to article VI 4	Remarks  (Possible corrective measures/Industry Comments)
		Mode 1: Cross border Supply. Mode 2: Consumption Abroad. Mode 3: Commercial Presence. Mode 4: Presence of Natural Person.			(Transparency, Licensing requirement, Licensing Procedures, Qualification requirements, Qualification Procedures, Technical Standard)	
This regulation underlines various standards applicable for design, material and equipment, welding, fabrication, installation, testing, operation and maintenance and corrosion control of natural gas pipeline network. Though a service provider has to comply with technical regulation to enter and continue in business but the barrier, if any, are inbuilt in such regulations can be better reviewed under the purview of TBT agreement of WTO. Thus all the schedules carrying detailed technicalities and technical standards in this regulation are not analyzed from the perspective of GATS Article VI 4 and revised draft of WPDR.						
Section 7 (1) Board shall monitor the compliance ...directly or by accredited third party through separate regulations.....	As above	Mode 3		Respective regulation is not referred in the section. Method of monitoring is not elaborated.	Transparency	The Board may mention the method of monitoring and include the reference of relevant regulation in due course
Section 8(1): ...system for ensuring compliance ...	Commissioning, O&M	Mode 3		Less clarity on "system for ensuring compliance" during construction and commissioning phase	Transparency	The Board may provide guidelines on desirable systems for ensuring compliance
Section 8 requirement under other statutes ...requisite approvals shall be obtained from the relevant competent authorities for the CGD network	Testing, design, O&M, installation and commissioning	Mode 1 Mode 3		The reference of other clearances needed may be mentioned by the Board as otherwise the foreign entity intent to lay, build and operate pipeline may not understand or know the	Transparency	Board may issue a comprehensive guideline listing all other approvals to be obtained by an entity to enter and run the business of laying building and

Relevant Clause/Section	Incidence of service	Affected Mode of Services:	Relevant CPCS	Comments on non conformity/deficiency	Nonconformity in the light of revised WPDR Draft pursuant to article VI 4	Remarks  (Possible corrective measures/Industry Comments)
		Mode 1: Cross border Supply. Mode 2: Consumption Abroad. Mode 3: Commercial Presence. Mode 4: Presence of Natural Person.			(Transparency, Licensing requirement, Licensing Procedures, Qualification requirements, Qualification Procedures, Technical Standard)	
				approvals are needed beyond the purview of PNGRB.		operating a CGD network
<b>26. Regulation: GSR 36(E) – PNGRB (Appointment of Consultants) Regulations, 2007, dated November 30, 2007</b>						
Section 7(4): ...In case International Consultants ... approval of Board ...	Consultancy services	Mode 1 Mode 3		The process of approval is not clear	Transparency, Qualification requirements and procedures	The Board may provide qualification criteria for International Consultants to be eligible to receive EOI
Section 14(2): Individual Consultants will be selected ....	Consultancy services	Mode 3		The criteria for qualification is not clear	Transparency, Qualification requirements and procedures	The Board may provide qualification criteria for Individual Consultants in a format similar to that of Institutional Consultants

## 5. Conclusion:

- Paragraph 7 of Doha Ministerial conference document acknowledges the right of members under the General Agreement on Trade in Services to regulate to introduce new regulations on the supply of services.
- Any specific policy measure introduced through a regulation should be well explained as regards objective to be serviced. Some of the regulations reviewed for the purpose of this report have specific policies which are construed as barrier. Although those barriers may be with intent to have specific positive implication on domestic market and its consumers, the objective is not well explained in the regulation.
- It is found that most of current regulations introduced in Indian petroleum sector are compliant to GATS Article IV-4. However, some aspects still need further transparency.
- There is no method to quantify the qualitative aspects of perception of trade barrier. For instance; simplicity, defined time frame, lower fee etc. are some compliance criteria which are subjective and relative. Possibly a nodal agency assigned to collate any such complain/feedback, will be able to ascertain and assure that such disciplining requirements are fulfilled by the MoPNG regulations.
- Non-compliance of regulations to WPDR pursuant to Article VI-4 includes incompleteness of regulations attributable to absence of detailed procedure of appeal, reviews of application, public involvement, process of derogation, process of enforcement, procedure to verify qualification etc. Many MoPNG regulations do not carry detail on some of these aspects. Factors behind absence of such detail, in existing regulations, could be manifold, like – maturity of market experience, absence of complementary legal framework etc. As the regulatory framework and market mature, such incompleteness will be addressed by the concerned authority through supplementary regulations or amendments.
- It is found that the MoPNG website does not list all the regulations of upstream, midstream and downstream and thus the primary objective of transparency as per the revised draft of WPDR is not complied with. MoPNG may undertake suitable initiative to implement the same.

## **6. List of Abbreviations**

ATF : Aviation Turbine Fuel.

CBM : Coal Bed Methane

CPC : Central Product Classification.

E&P : Exploration and Production.

GATS : General Agreements on Trade in Services.

HSD : High Speed Diesel.

LPG : Liquefied Petroleum Gas

MoPNG : Ministry of Petroleum and Natural Gas.

MOC : Ministry of Commerce.

MS : Motor Spirit.

NELP : National Exploration and Production Policy

ROU : Right of User.

UN : United Nations.

WTO : World Trade Organisation.

WPDR : Working Party on Domestic Regulation

## 7. Annexure I – List of Regulations Reviewed

Sr.No.	Subject	File Reference	Date
1	<u>Guidelines for laying Petroleum Products Pipelines</u>	P-20012/5/99-PP	20/11/2002
2	<u>Authorisation to market transportation fuels MS, HSD and ATF to new entrants including private sector</u>	P-23015/1/2001-MKT	08/03/2002
3	<u>Liquefied Petroleum Gas (Regulation of Use in Motor Vehicles) Order 2001</u>	GSR-569(E)	01/08/2001
4	Liquified Petroleum Gas (Regulation of Supply and Distribution) Order 2000	GSR-487(E)	26/04/2000
5	<u>The Gazette Notification-Petroleum Prod.(Maintenance of Production, Storage and Supply) Order 1999</u>	P-11013/2/97-Dist.	16/04/1999
6	Petroleum Act, 1934		
7	Petroleum rules, 2000		
8	Oil Fields Act, 1948		
9	P&NG Rules, 1959		
10	PNGRB Act 2006		
11	NELP		
12	OALP		
13	CBM policy		
14	Essential Commodities Supply Act 1955		
15	Authorizing Entities to lay, build, operate or expand natural gas pipeline regulation, 2008 (Along with two amendments)	GSR 340(E) Amendments:- GSR 802(E) GSR 769 (E)	06/05/2008 19/11/2008 20/10/2009
16	Authorizing Entities to lay, build, operate or expand natural gas city or local natural gas network, 2008 (Along with two amendments)	GSR 196 (E) Amendments:- GSR 800 (E) GSR 295 (E)	19/03/2008 19/11/2008 30/04/2009
17	Exclusivity for city or local natural gas network, 2008 (Along with two amendments)	GSR 198(E)	19/03/2008
18	Determination of network tariff for city or local natural gas distribution network and compression charge for CNG (Along with one amendment)	GSR 197 (E) Amendments:- GSR 801 (E)	19/03/2008 19/11/2008
19	Determination of natural gas pipeline tariff regulation	GSR 807 (E)	20/11/2008
20	Access code for common carrier or contract	GSR 541 (E)	17/07/2008

	carrier natural gas pipeline	Amendment:- GSR 274 (E)	21/04/2009
21	Affiliate code of conduct for entities engaged in marketing of natural gas and laying, building, operating or expanding natural gas pipeline ;	GSR 540 (E)	17/07/2008
22	Technical standards and specifications including safety standard for city or local natural gas distribution network (Along with one amendment)	GSR 612 (E) Amendment:- GSR 750 (E)	27/08/2008 14/10/2009
23	Procedure for development of technical standards and specification including safety standards regulation 2009	GSR 323 (E)	14/05/2009
24	Guiding principles for declaring or authorizing natural gas pipeline as common carrier and contract carrier	GSR 273 (E)	21/04/2009
25	Procedure for technical standard and specifications including safety standard including safety standards for natural gas pipeline	GSR 808 (E)	11/11/2009
26	Appointment of consultants	GSR 36 (E)	17/01/2008