

Democratic People's Republic of Korea

Fuel Law

Adopted by Decree No. 2112 of the Standing Committee of the Supreme People's Assembly on January 10, Juche 96 (2007)

Amended by Decree No. 351 of the Standing Committee of the Supreme People's Assembly on July 7, Juche 109 (2020)

Amended and supplemented by Decree No. 1529 of the Standing Committee of the Supreme People's Assembly on January 17, Juche 113 (2024)

Chapter 1: Basics of the Fuel Law

Article 1 (Mission of the Fuel Law)

The Fuel Law of the Democratic People's Republic of Korea aims to establish strict systems and order in the production, import, transportation, storage, supply, sale, and consumption of fuel to eliminate waste and fully meet the economic needs of the people.

Article 2 (Definition of Fuel)

Fuel is one of the power sources of modern industry and an important strategic material of the state. Fuel includes gasoline, diesel, heavy oil, petroleum, and lubricants used as fuel for vehicles and heating equipment or as solvents in manufacturing industries.

Article 3 (Principle of Unified State Management of Fuel)

Unified state management of fuel is an important requirement to fully meet the increasing fuel demand of the people's economy. The state shall strengthen control and guidance over the production, import, transportation, storage, supply, sale, and consumption of fuel.

Article 4 (Guidance on Fuel Management Work)

Guidance on fuel management work shall be carried out under the unified leadership of the Cabinet by the central planning guidance agency and the relevant central guidance agency. The central planning guidance agency and the relevant central guidance agency shall regularly grasp and guide the fuel management work of their subordinate units.

Article 5 (Supervision and Control of Fuel Management Work)

Supervision and control of fuel management work shall be carried out by the prosecution agency, social safety agency, and relevant supervision and control agencies. The

prosecution agency, social safety agency, and relevant supervision and control agencies shall strengthen legal supervision and control over fuel management work.

Article 6 (Conditions for Fuel Management)

The central planning guidance agency, central chemical industry guidance agency, labor administration agency, and relevant agencies, enterprises, and organizations shall systematically ensure the labor, equipment, materials, and funds necessary for fuel management work.

Article 7 (Strengthening Scientific Research Work)

Agencies, enterprises, and organizations shall strengthen scientific research and introduction work to solve scientific and technical problems arising in the production, storage, management, and utilization of fuel, and shall prospectively train the necessary technicians and experts in this field.

Article 8 (Application of the Law)

This law applies to agencies, enterprises, organizations, and citizens involved in the production, import, transportation, storage, supply, sale, and consumption of fuel. The management order of fuel used in residents' lives shall follow the Resident Fuel Law of the Democratic People's Republic of Korea.

Chapter 2: Production and Import of Fuel

Article 9 (Basic Requirements for Fuel Production)

Fuel production is an important task to secure supply sources by processing secured crude oil. Crude oil processing enterprises shall firmly establish fuel production bases and produce high-quality fuel.

Article 10 (Drafting and Submission of Fuel Production Plan)

Fuel production shall be carried out according to the fuel production plan. Crude oil processing enterprises intending to produce fuel shall draft a fuel production plan based on the secured amount of crude oil, processing capacity, and processing efficiency, and submit it to the central planning guidance agency.

Article 11 (Approval and Implementation of Fuel Production Plan)

The central planning guidance agency shall review the submitted plan draft based on the secured amount of crude oil, the economic demand for fuel, and production feasibility, and approve the fuel production plan. The approved fuel production plan shall be promptly

implemented by the central chemical industry guidance agency and crude oil processing enterprises.

Article 12 (Normalization of Fuel Production)

Crude oil processing enterprises shall modernize the crude oil processing process, properly organize and command production, manage technology, equipment, and labor, and normalize fuel production. Crude oil processing enterprises shall ensure the production of planned fuel by period and physical indicators without fail.

Article 13 (Prevention of Equipment Accidents and Production of Standardized Fuel)

Crude oil processing enterprises shall adhere to technical regulations and standard operating procedures in fuel production, regularly maintain and repair production processes to prevent equipment accidents, and produce fuel according to established standards. The work of setting fuel standards shall be carried out by the central standards guidance agency.

Article 14 (Quality Inspection and Shipment of Fuel)

The quality supervision agency and crude oil processing enterprises shall conduct process inspections and product inspections of produced fuel according to established standards. Fuel that has not undergone product inspection or has not passed product inspection shall not be evaluated as production performance and cannot be shipped. Only fuel that has had gas components sufficiently removed from the tank and is free of water can be shipped.

Article 15 (Import of Fuel)

The import of fuel shall be carried out only by agencies, enterprises, and organizations that have received an import plan from the central planning guidance agency. Relevant agencies, enterprises, and organizations shall prioritize the payment of the state's share of the imported fuel amount. The procedures and methods for importing fuel shall follow trade-related laws and regulations. It is prohibited to import fuel without a plan or of unguaranteed quality, or to transfer imported fuel to individual citizens.

Article 16 (Understanding and Grasping the Status of Fuel Imports)

The central planning guidance agency and relevant agencies shall regularly understand and grasp the status of fuel imports by agencies, enterprises, and organizations importing fuel and take necessary measures. Agencies, enterprises, and organizations importing fuel shall regularly submit the status of fuel imports to the central planning guidance agency, central trade guidance agency, statistics agency, and relevant agencies. The central trade guidance agency, central statistics agency, and central customs guidance agency shall

submit data on fuel import plan performance, customs statistics, and other relevant information to the central planning guidance agency within the specified period.

Chapter 3: Transportation and Storage of Fuel

Article 17 (Basic Requirements for Fuel Transportation and Storage)

Accurate transportation and storage of fuel are important measures to preserve the quality and quantity of fuel. Relevant agencies, enterprises, and organizations shall properly organize and command transportation, transport fuel in a timely manner, adhere to technical regulations in storage and handling, and prevent loss, spoilage, or illegal disposal of fuel during transportation or storage.

Article 18 (Means of Fuel Transportation)

Fuel transportation shall be carried out by pipelines or specialized transportation equipment such as tank trucks or tankers. In this case, specialized transportation equipment shall undergo regular technical inspections by the relevant social safety agency or relevant agency. Fuel transportation shall only be carried out with a supply directive or sales invoice.

Article 19 (Transportation by Pipelines)

The transportation of fuel exceeding 500 tons shall, in principle, be carried out by pipelines. Pipeline management and operation agencies and enterprises shall properly manage and secure pipelines, accurately measure transported fuel, and minimize losses during transportation. The central planning guidance agency shall accurately calculate the natural loss rate occurring during pipeline transportation and periodically determine the proportion for handling.

Article 20 (Transportation by Tankers)

The import of fuel and the transportation of fuel to regions where maritime transportation is advantageous shall be carried out by tankers. Relevant agencies, enterprises, and organizations shall properly organize tanker voyages and accurately confirm the amount of fuel reflected in the bill of lading based on the inspection results of the trade cargo inspection agency.

Article 21 (Transportation by Tank Trucks)

The transportation of fuel from production sites or arrival points to supply points shall be carried out by tank trucks. In this case, a responsible receiver must be present for tank truck fuel transportation. The transportation agency, enterprise, or organization shall be

responsible for losses due to poor sections or accidents occurring during fuel transportation without a responsible receiver.

Article 22 (Receipt of Fuel)

Fuel receivers shall accurately receive fuel. The receipt of fuel shall be carried out by confirming the sealing condition of the tank truck and measuring whether the actual quantity matches the invoice. The cause of any shortage shall be clarified.

Article 23 (Loading and Unloading of Fuel)

Loading and unloading of fuel shall be carried out only at stations, docks, supply points, and fuel depots equipped with specialized facilities. If it is necessary to carry out loading and unloading of fuel at places without specialized facilities, approval from the relevant social safety agency must be obtained.

Article 24 (Management of Fuel Storage)

Fuel storage shall be carried out in fuel depots. Agencies, enterprises, and organizations intending to store fuel shall reasonably arrange and establish fuel depots according to regulations, equip them with fuel tanks, supply facilities, and measuring instruments, and manage fuel storage according to technical characteristics. Fuel depots include fuel supply stations, fuel sales stations, and fuel storage warehouses of agencies, enterprises, and organizations.

Article 25 (Approval and Safety Distance of Fuel Depots)

Fuel depots shall be established or operated only with the approval of the social safety agency and relevant agencies. The central social safety guidance agency shall reasonably determine the safety distance between fuel depots and residential areas, buildings, and facilities, considering the characteristics of the area and fuel storage capacity. It is prohibited to construct, operate, or lease fuel depots without approval or to store fuel in places other than fuel depots.

Article 26 (Inspection, Inbound and Outbound, and Inventory of Fuel)

Agencies, enterprises, and organizations managing fuel shall conduct inspections and inbound and outbound processes as prescribed and regularly inventory the fuel. The inspection, inbound and outbound processes, and inventory of fuel shall be conducted using state-certified measuring instruments to verify the quantity and quality of the fuel.

Article 27 (Storage by Type and Specification of Fuel)

Agencies, enterprises, and organizations managing fuel shall store fuel by type and specification to prevent mixing with fuels of different qualities. If different types of fuel are to be stored in a previously used fuel tank, it must be thoroughly cleaned.

Article 28 (Fire Prevention Measures)

Agencies, enterprises, and organizations transporting or storing fuel shall equip fire-fighting equipment in fuel transport vehicles and fuel depots as prescribed and take measures to prevent fires during fuel handling. In this case, fire-fighting equipment shall undergo regular inspections by the relevant social safety agency. If fuel must be transported using non-specialized transport vehicles or stored in places other than fuel depots, fire safety measures must be established, and approval from the relevant social safety agency must be obtained.

Article 29 (Establishment of Restricted Areas)

To ensure the safety of fuel storage, the state shall designate certain areas of fuel depots as restricted areas, with appropriate security personnel assigned. Restricted areas shall be determined based on safety distances.

Article 30 (Prohibited Activities in Restricted Areas)

Restricted areas shall be fenced, and only authorized personnel may enter. Agencies, enterprises, organizations, and citizens shall not engage in activities that could cause fires near restricted areas of fuel depots.

Article 31 (Standards for Natural Loss of Crude Oil Products)

Agencies, enterprises, and organizations shall calculate the natural loss of fuel during transportation and storage according to the standards for natural loss of crude oil products approved by the Cabinet.

Article 32 (Entrusted Storage of Fuel)

Agencies, enterprises, and organizations may entrust the storage of fuel to the relevant regional fuel supply stations or fuel sales stations. In this case, the stored fuel must be accurately registered, and the contracted storage fee must be paid.

Chapter 4: Supply and Sale of Fuel

Article 33 (Basic Requirements for Fuel Supply and Sale)

The supply and sale of fuel are important tasks to ensure that produced or imported fuel is provided to consumers. Agencies, enterprises, and organizations supplying and selling fuel

shall establish a systematic supply and sales system and accurately and promptly supply and sell quality-assured fuel to consumer agencies, enterprises, and organizations.

Article 34 (Drafting and Implementation of Fuel Supply Plans)

Agencies, enterprises, and organizations receiving fuel shall draft fuel demand documents as prescribed and submit them to the central planning guidance agency through their superior agencies. The central planning guidance agency shall review the submitted documents, calculate the national fuel production and demand, and realistically establish a fuel supply plan, which shall be implemented by fuel supply agencies and consumer agencies, enterprises, and organizations.

Article 35 (Fuel Supply Directives and Understanding of Fuel Supply Status)

Fuel supplied to agencies, enterprises, and organizations receiving the fuel supply plan shall be supplied according to the supply directives of the fuel supply agency. In this case, supply directives for important targets shall be prioritized. The central planning guidance agency shall regularly understand and grasp the status of fuel supply according to the fuel supply plan and take necessary measures. Fuel supply agencies shall regularly submit the status of fuel supply at relevant fuel supply stations or fuel depots to the central planning guidance agency.

Article 36 (Settlement of Fuel)

Agencies, enterprises, and organizations receiving fuel shall settle the fuel payment with the fuel supply agency and relevant agencies, enterprises, and organizations through bank accounts.

Article 37 (Monthly Fuel Supply)

Fuel supply according to the national fuel supply plan shall be carried out monthly. Fuel supply agencies and enterprises shall supply fuel to agencies, enterprises, and organizations receiving the fuel supply plan and supply directives after deducting the state's share of the specified proportion. In this case, the fuel formed as the state's share shall be accurately transferred to the relevant agencies and enterprises. Fuel cannot be supplied without a supply plan and supply directives.

Article 38 (Units of Fuel Sale)

The sale of fuel is a service business that sells produced or imported fuel according to the buyer's demand. The sale of fuel shall be carried out only by agencies, enterprises, and organizations that have received state approval and a fuel sales plan. Fuel sales agencies, enterprises, and organizations may establish fuel sales stations to sell fuel. In this case,

approval and permission must be obtained from the organizational agency, business licensing agency, state planning agency, and relevant agencies.

Article 39 (Placement of Fuel Supply and Sales Stations)

Agencies, enterprises, and organizations supplying and selling fuel shall reasonably place fuel supply stations or fuel sales stations considering the characteristics of the relevant area, fuel demand, fuel supply and sales capacity, transportation conditions, safety distance guarantee conditions, and ecological environment protection conditions, and modernize them to ensure consumer convenience. The specific order related to the construction and operation of fuel supply and sales stations shall follow the Construction Law, Fire Law, this law's implementation regulations, and detailed rules.

Article 40 (Fuel Supply and Sales Prices and State Payments)

The supply and sale of fuel shall be carried out at prices set by the central price guidance agency. The central price guidance agency shall reasonably set the fuel supply and sales prices considering the import price of fuel, production, transportation costs, and storage costs. Agencies, enterprises, and organizations supplying and selling fuel shall prioritize the payment of the state's share at the specified proportion.

Article 41 (Methods of Fuel Sale)

Fuel sales agencies, enterprises, and organizations shall contract with agencies, enterprises, and organizations purchasing fuel necessary for production, service, and business activities and sell fuel through the relevant fuel sales stations. In this case, after settling the payment according to the requested amount, a voucher or fuel ticket and receipt shall be issued. Fuel tickets can be used at any time within the specified period at the relevant fuel sales station.

Article 42 (Measurement and Sale of Fuel)

Fuel sales stations receiving vouchers or fuel tickets shall accurately measure and sell the corresponding fuel according to the standards for natural loss of crude oil products. In this case, for agencies, enterprises, and organizations intending to transport fuel using tank trucks or fuel tanks, the transport approval documents from the relevant social safety agency must be verified before issuing the sales invoice.

Article 43 (Delivery of Fuel)

Fuel supply stations and fuel sales stations may deliver fuel according to the orders of agencies, enterprises, and organizations. In this case, agencies, enterprises, and organizations receiving the delivery order shall pay the fuel delivery fee.

Article 44 (Recording and Storage of Fuel Supply and Sales Data)

Agencies, enterprises, and organizations supplying and selling fuel shall accurately record fuel supply and sales data in the relevant ledger and store it for the specified period. The status of fuel supply and sales shall be inventoried at least once a month, and any surplus or shortage shall be clarified and reflected in the financial accounting system.

Article 45 (Prohibited Acts in Fuel Sales)

The following acts are prohibited in fuel sales:

1. Selling fuel without state approval and a fuel sales plan.
2. Failing to accurately post the fuel density or arbitrarily adjusting it to sell fuel.
3. Mixing low-quality fuel or using uncertified measuring instruments and fuel dispensers to sell fuel.
4. Arbitrarily changing the established and registered fuel sales price to sell fuel.
5. Falsely recording or omitting fuel purchase and sales data to sell the generated fuel.
6. Selling unregistered or hidden fuel.
7. Transferring fuel to units or individual citizens without fuel sales rights to engage in commercial activities.
8. Individual citizens using the guise of agencies, enterprises, and organizations to sell fuel.
9. Individual citizens selling fuel.

Article 46 (Understanding and Grasping the Status of Fuel Sales)

The central planning guidance agency and relevant agencies shall regularly understand and grasp the status of fuel sales by fuel sales agencies, enterprises, and organizations. In this case, necessary data may be requested. Fuel sales agencies, enterprises, and organizations shall regularly submit data on the implementation of the fuel sales plan to the central planning guidance agency and statistics agency, and relevant agencies. In this case, necessary data such as the purchase and sales prices and quantities of fuel and the status of buyer verification shall be attached.

Chapter 5: Consumption of Fuel

Article 47 (Requirements to be Observed in Fuel Consumption)

Proper consumption of fuel is a basic guarantee to save fuel and increase utilization efficiency. Agencies, enterprises, and organizations shall consume fuel according to the designated targets and purposes, eliminate fuel waste, and save fuel as much as possible.

Article 48 (Purchase and Planned Consumption of Fuel)

Agencies, enterprises, and organizations shall purchase necessary fuel through approved fuel supply stations and fuel sales stations. Agencies, enterprises, and organizations purchasing fuel shall establish a fuel consumption plan and consume fuel systematically.

Article 49 (Compliance with Fuel Consumption Standards)

Agencies, enterprises, and organizations shall register fuel consumption equipment and adhere to fuel consumption standards, systematically lowering them. The work of setting fuel consumption standards shall be carried out by the central planning guidance agency.

Article 50 (Use of Fuel)

Agencies, enterprises, and organizations shall use purchased fuel only for production, service, and business activities. Agencies, enterprises, organizations, and citizens shall not engage in the illegal trade of fuel or fuel tickets or counterfeit fuel tickets.

Article 51 (Exchange of Fuel)

Fuel supply stations and fuel sales stations may exchange different types of fuel according to the requirements of agencies, enterprises, and organizations. In this case, the fuel exchange ratio shall be determined by mutual agreement based on the established prices.

Article 52 (Elimination of Fuel Waste)

Agencies, enterprises, organizations, and citizens shall eliminate idling of fuel consumption equipment and avoid unnecessary activation of vehicles or empty vehicle operations that waste fuel.

Article 53 (Replacement of Fuel Consumption Equipment)

Agencies, enterprises, and organizations shall promote technological innovation and introduce advanced scientific technology to replace equipment that consumes a lot of fuel with equipment that consumes less or none. Equipment that consumes a lot of fuel shall not be manufactured, imported, or sold.

Article 54 (Prevention of Fuel Loss)

Agencies, enterprises, and organizations shall regularly inspect and maintain fuel storage facilities and fuel consumption equipment to minimize fuel loss.

Article 55 (Methods to Increase Combustion Efficiency and Development of Alternative Fuels)

Relevant scientific research institutions shall strengthen scientific research to increase fuel combustion efficiency and develop alternative fuels by recovering and utilizing waste oil and waste materials. Agencies, enterprises, organizations, and citizens shall actively introduce achievements from scientific research aimed at increasing combustion efficiency of fuel consumption equipment and developing alternative fuels. Alternative fuels can only be produced, utilized, and sold with the approval and permission of the relevant agency.

Article 56 (Preparation of Technical Guidance Documents)

The central planning guidance agency shall prepare technical guidance documents for fuel management and distribute them to agencies, enterprises, and organizations. Agencies, enterprises, and organizations shall strictly adhere to the requirements of the technical guidance documents for fuel management.

Article 57 (Understanding and Summarizing Fuel Consumption Status)

The central planning guidance agency and relevant agencies shall regularly understand and grasp the fuel consumption status of agencies, enterprises, and organizations. Agencies, enterprises, and organizations shall regularly submit fuel consumption status to the central planning guidance agency, statistics agency, and relevant agencies.

Chapter 6: Legal Responsibility

Article 58 (Civil Liability)

If this law is violated, causing property damage, the responsible party shall be liable for restoration, compensation for damages, and payment of overdue fees.

Article 59 (Fines)

The following cases shall be subject to fines:

1. Conducting loading and unloading of fuel without approval or at places without specialized facilities, creating accident risks: 200,000 to 500,000 won for agencies, enterprises, and organizations.
2. Causing fire accidents during fuel transportation or storage: 1,000,000 to 1,500,000 won for agencies, enterprises, and organizations, 100,000 won for citizens.
3. Engaging in activities prohibited by Article 45: 800,000 to 1,500,000 won for agencies, enterprises, and organizations, 80,000 to 100,000 won for citizens.

4. Engaging in illegal trade or counterfeiting of fuel tickets: 1,000,000 to 1,500,000 won for agencies, enterprises, and organizations, 100,000 won for citizens.
5. Other illegal production, import, supply, sale, purchase, or consumption of fuel: 2 to 5 times the relevant amount.

Article 60 (Compensation Penalty)

If this law is violated, causing damage to agencies, enterprises, organizations, or citizens, the responsible party shall compensate for the damage.

Article 61 (Confiscation Penalty)

The following cases shall be subject to confiscation of funds, equipment, and goods used in or obtained through illegal activities:

1. Importing fuel without a plan or of unguaranteed quality.
2. Transporting fuel without supply directives or sales invoices.
3. Storing fuel in places other than fuel depots without approval or exceeding the prescribed amount.
4. Failing to register or hiding fuel.
5. Falsely recording or omitting fuel supply, sales, and consumption data to illegally generate and use fuel and its proceeds.
6. Illegally producing or storing fuel.
7. Engaging in illegal trade or counterfeiting of fuel tickets.
8. Individual citizens storing fuel for commercial purposes.
9. Engaging in illegal transactions or condoning and encouraging commercial activities with units or individual citizens without fuel sales rights.
10. Individual citizens using the guise of agencies, enterprises, and organizations to sell or buy fuel.

Article 62 (Suspension Penalty)

The following cases shall be subject to suspension of production, transportation, and business activities, and in severe cases, closure:

1. Failing to adhere to technical regulations in fuel storage.

2. Transporting fuel using unapproved or uninspected transport means without fire safety measures.
3. Constructing or operating fuel depots without approval.
4. Failing to implement prescribed fire prevention measures.
5. Constructing or operating fuel supply or sales stations without approval or safety distance guarantees.
6. Supplying or selling fuel using uncertified measuring instruments or fuel dispensers, or fuel of unguaranteed quality.
7. Violating established and registered fuel supply and sales prices.
8. Consuming purchased fuel not according to designated targets and purposes.
9. Manufacturing, importing, or selling equipment that exceeds fuel consumption standards.
10. Causing environmental pollution by producing fuel without proper ecological protection measures.

Article 63 (Warning and Severe Warning Penalty)

The following cases shall be subject to warning penalties for responsible parties:

1. Failing to properly draft or meet fuel production and supply plans.
2. Producing substandard products, hindering plan execution.
3. Failing to properly manage fuel storage, causing loss, spoilage, or fire accidents.
4. Constructing, operating, or leasing fuel depots without approval, or storing fuel in places other than fuel depots exceeding the prescribed amount.
5. Consuming fuel obtained through false demand or wasting supplied fuel.
6. Failing to timely supply fuel, hindering plan execution of relevant units.
7. Failing to pay prescribed state contributions or fees.
8. Supplying fuel without supply plans and directives.
9. Supplying or selling fuel using uncertified measuring instruments or fuel dispensers.
10. Violating established and registered fuel supply and sales prices.

11. Failing to store fuel supply, sales, and consumption data for the prescribed period, making it impossible to understand consumption status.
12. Engaging in illegal trade or counterfeiting of fuel tickets.
13. Manufacturing, importing, or selling equipment that exceeds fuel consumption standards.
14. Failing to properly supervise and control fuel management work, condoning and encouraging illegal activities.
15. Failing to timely and accurately submit fuel import, supply, sales, and consumption status.

Severe warning penalties shall be given if the above actions are severe.

Article 64 (Unpaid Labor and Labor Education Penalty)

The following cases shall be subject to unpaid labor and labor education penalties of up to three months for responsible parties:

1. Causing property damage by losing or spoiling fuel or causing fire accidents.
2. Constructing or operating fuel supply or sales stations without approval or safety distance guarantees.
3. Falsely recording or omitting fuel supply, sales, and consumption data to illegally generate and consume fuel.
4. Transferring fuel to units or individual citizens without fuel sales rights for commercial activities.
5. Individual citizens using the guise of agencies, enterprises, and organizations to sell or buy fuel or condoning and encouraging illegal trade.
6. Illegally disposing of fuel and its proceeds.
7. Other illegal production, import, storage, supply, sale, purchase, or consumption of fuel.

Severe penalties of unpaid labor and labor education of more than three months shall be given if the above actions are severe.

Article 65 (Dismissal, Removal, and Expulsion Penalty)

Severe consequences resulting from violations of this law shall subject responsible parties to dismissal, removal, and expulsion penalties according to the severity.

Article 66 (Criminal Liability)

If violations of this law constitute a crime, responsible parties shall be subject to criminal liability according to relevant provisions of the Criminal Law.

Chapter 7: Supplementary Provisions**Article 67 (Effective Date)**

The Fuel Law amended and supplemented by Decree No. 1529 of the Standing Committee of the Supreme People's Assembly of the Democratic People's Republic of Korea on January 17, Juche 113 (2024) shall be effective from February 1, Juche 113 (2024).