
EXPLANATORY NOTE

This Order brings into force on 2nd July 1982 those provisions of the Oil and Gas (Enterprise) Act 1982 which are to be implemented forthwith. It also prescribes 23rd July 1982 as the date of coming into force of certain other provisions.

The provisions which will come into force on 2nd July 1982 are as follows:—

- (a) sections 1–3: these sections enable the British National Oil Corporation to provide for the disposal of shares of an equity oil subsidiary (being a subsidiary of the Oil Corporation which has as its principal object searching and boring for and getting petroleum), and as part of that process to establish subsidiaries and to make schemes for the transfer of property, rights and liabilities between the Oil Corporation and its subsidiaries. They further enable the Secretary of State to direct the Oil Corporation to exercise its powers under sections 1 and 2, and confer further powers on the Secretary of State for use in that connexion;
- (b) sections 9–11: these sections enable the British Gas Corporation to provide for the disposal of shares of its subsidiaries, of the whole or any part of the undertaking of its subsidiaries, or of any part of its undertaking. They further provide for the Gas Corporation, as part of that process, to be able to establish subsidiaries and to make schemes for the transfer of property, rights and liabilities between itself and its subsidiaries. They also enable the Secretary of State to direct the Gas Corporation to exercise its powers under sections 9 and 10, and confer further powers on the Secretary of State for use in that connexion;
- (c) sections 32 and 33: section 32 makes provision for the subordinate legislation which may be made under the Act, and imposes a duty on the Oil and Gas Corporations to comply with directions given under the Act. Section 33 gives exemption from stamp duty for certain instruments and acts in connexion with disposals as mentioned in sections 2 and 10;
- (d) sections 35 and 36: section 35 contains general provisions for expenditure and receipts under the Act. Section 36 contains definitions of words and phrases used in the Act;
- (e) section 38: this section states the short title, provides for the bringing into force of the Act, and defines its extent; and
- (f) Schedule 1: this Schedule contains provisions relating to property, rights and liabilities transferred by schemes made under section 2 or section 10 of the Act.

The provisions which will come into force on 23rd July 1982 are as follows:—

- (a) section 18: this section amends sections 1 and 2 of the Petroleum (Production) Act 1934, and clarifies the categories of petroleum which are subject to the vesting provisions of section 1, and the licensing provisions of section 2, of that Act; and
- (b) section 29: this section provides that, for the purposes of calculating the shares of continental shelf petroleum licence revenue payable to the Northern Ireland and Isle of Man authorities under the Miscellaneous Financial Provisions Act 1968, the licence revenue shall be taken to include the proceeds of sale of petroleum delivered to the Secretary of State in kind, subject to the deduction of certain expenses.