## STATUTORY INSTRUMENTS

## 1995 No. 1434

## The Hydrocarbons Licensing Directive Regulations 1995

## **Determination of applications**

- **3.**—(1) Subject to paragraphs (2) to (4) below, every application for a licence shall be determined on the basis of criteria concerning—
  - (a) the technical and financial capability of the applicant;
  - (b) the way in which the applicant proposes to carry out the activities that would be permitted by the licence;
  - (c) in a case where tenders are invited, the price the applicant is prepared to pay in order to obtain the licence; and
  - (d) where the applicant holds, or has held a licence of any description under the Petroleum (Production) Act 1934, any lack of efficiency and responsibility displayed by the applicant in operations under that licence,

and the Secretary of State may refuse an application for a licence.

- (2) In a case where two or more applications for a licence have equal merit when assessed according to the criteria provided for in paragraph (1) above, other relevant criteria may be applied in order to determine which application should be granted.
- (3) Subject to paragraph (4) below, the Secretary of State shall not apply any of the criteria in paragraphs (1) and (2) above in a discriminatory manner.
- (4) An application for a licence may be refused on grounds of national security where the applicant is effectively controlled by, or by nationals of, a State other than a member State.
- (5) Where an application for a licence is refused, the reasons for the decision shall be notified to the applicant on request.