REPORT OF THE REGIONAL WORKSHOP ON THE EAST AFRICA COMMUNITY HARMONIZED FUEL STANDARDS

29TH JANUARY 2019, NAIROBI
INTRODUCTION

The Partnership for Clean Fuels and Vehicles (PCFV), one of the leading global public-private partnership promoting cleaner fuels and vehicles, has been working with developing and transitional countries to reduce vehicular air pollution through the promotion of cleaner fuels and vehicles. The PCFV focuses to promote the introduction of low sulphur fuels of 50 ppm & below for both diesel and petrol. The desirable outcome is the adoption of ultra-low (10ppm and below) sulphur fuels which allow the use of advance vehicle technology.

To promote these campaigns, the PCFV is supporting the development of the reviewed draft East Africa Community fuel standards, EAS 158 & 177 with inputs based on data submitted by the different presenters during the workshop as outlined in the report.

A systems approach to fuels and vehicles regulations will ensure that countries apply a long term strategy and outlook to their roadmap towards cleaner fuels and vehicles regulation and link the phased introduction of cleaner fuels with those of cleaner vehicles.

The Petroleum Institute of East Africa (PIEA) is a not for profit association and the professional body for the oil and gas industry in the East African region. UNEP and the PIEA have been cooperating to support the East Africa region to adopt low sulphur harmonized standards. As a product of this collaboration, the East Africa Community implemented low sulphur fuels (50ppm) in January 2015.

As a follow-up to the cleaner fuels campaign, PIEA and UNEP co-organized a sub-regional workshop on 29th January 2019, that brought together participants from East African countries. Participants were drawn from diverse stakeholder organizations including government, industry, civil society and academia.
Ms. Wanjiku Manyara, the General Manager of the PIEA outlined the following objectives of the workshop:

- Promote the systematic review of the January 2015 low sulphur fuel standards based on the 2018 fuel imports quality data.
- Promote implementation of the progressive adoption of cleaner fuels which will result in sustainably addressing one of the significant contributors to urban pollution; transportation which has a significant impact on health, safety and the environment.
- Present the draft EAS 158 & 177 standards to stakeholders and collect their views for submission of comments.

In his speech, Mr. Olagoke Aluko, PIEA chairman, stated that the heart of PIEAs Mission is the promotion and adherence to high operation and business standards by Industry players given the importance of standards in creating a sustainable competitive business setting that protects the consumer’s health, safety and environment.

The PIEA, which is the Oil & Gas Industry professional association, has been instrumental in promoting cleaner fuels and indeed PIEA Members have been involved in the development of standards and programs that facilitate improved fuel quality.
It was noted that the journey towards reducing Sulphur and other contaminants in fuels has been long and gradually progressive with successful milestones. The EAC signed up to the 2008 EA Regional Framework Agreement on Air Pollution where governments committed to enact regulations to reduce Sulphur in imported AGO to 500ppm by 2010. Kenya reduced Sulphur content as per this EAC commitment via standards that were gazetted and implemented in 2010. In 2015 the EAC enforced the harmonized EA Fuel Standards which had been developed following a 2013 EAC legal notice to amend the maximum Sulphur content in AGO from 500ppm to 50ppm.

He further commended the EAC Oil Marketing Companies who had complied with these fuel specifications since and noted that PIEA in collaboration with the UNEPs Partnership for Cleaner Fuels and Vehicles (PCVF), had been consistent in providing forums for stakeholder’s engagements on the cleaner fuels agenda.

The success of good quality fuels adoption in the EAC would not have been achieved were it not for the collaborative approach between Industry, policy makers, regulatory agencies as well as the assistance of non-governmental agencies. He therefore applauded the Government through the Ministry of Petroleum and Mining for supporting and implementing the prominent policy intervention measures that had been taken to gradually avail cleaner fuels in the EAC.

The Principal Secretary, State Department of Petroleum, CBS- Mr. Andrew Kamau, in his speech emphasized the importance of the systematic review of the January 2015 low sulphur fuel standards based on the 2018 fuel imports quality data across East Africa. He highlighted the support of government through policies such as harmonization of IK and AGO duties and the focus on access to cleaner fuels like LPG to tackle indoor pollution which is a major cause of
respiratory diseases. As he officially opened the workshop he concluded by stating that the deliberations at the workshop would empower stakeholders to objectively review the final draft EAC fuel standards and thereafter submit comments that are in the best interest to advance the petroleum energy space.

Other presentations and speakers included:

- **Stella Apolot** - East Africa Community Secretariat (Principal Standards Officer);
- **Timothy Mugambi** - Overview of typical fuel import quality - Kenya Pipeline Company (KPC)
- **Jane Akumu** - Global advancements to cleaner vehicles - UN Environment
- **Albert Nyagechi** - Revised EAC fuel standards - Kenya Bureau of Standards (KEBS)
- **Fabien Nshizirungu** - Need to link with vehicle emissions - Rwanda Standards Board (RSB)
- **Michael Mugerwa** - Plans for new refining Investment - Uganda Refinery Holding Company

**RECOMMENDATIONS /COMMENTS ON THE EAC HARMONIZED DRAFT FUEL STANDARDS AS DRAWN UP FROM EAST AFRICA COMMUNITY(EAC) WORKSHOP ON REVISED HARMONIZED FUEL STANDARDS**

1. According to the data that was submitted by Kenya Pipeline Company (KPC) at the EAC Workshop on the revised harmonized fuel standards clearly indicated that fuel imports into
the E.A region had on average AGO with sulphur content at 8ppm. This is an indicator that the industry has advanced since 2012 when in fact there was consideration of capping the sulphur content to 30ppm though the EAC settled on 50ppm. Further fuel import data demonstrates that globally refineries have adopted to producing ultra-low sulphur fuels hence making it more available at no additional cost. Kenya, Burundi and Uganda were okay with the 10ppm proposal but Tanzania requested more time to review the proposal.

2. The workshop deliberations indicated that the future in as far as capping sulphur in AGO is now, bearing in mind that the systematic review of these harmonized fuel standards will take place after another five years and hence the need to improve on fuel quality now.

3. The EAC workshop demonstrated that fuel has a significant impact on health, safety and the environment and specifically pollution from fuels has a direct impact on life expectancy. There is therefore a need to pay close attention to reducing the level of pollution that is caused by fuels that have high levels of contaminants. Additionally, cleaner fuels provide an opportunity for EAC to have cleaner cars which improve the ambient air quality.

4. The EAC workshop submitted that EAC had a responsibility of meeting the COP21 and SDG commitments and one of the ways to meet these commitments was by improving fuel specifications through the provisions in the revised harmonized fuel standards.

5. The workshop was assured that the Uganda refinery which intends to supply fuel regionally has already positioned itself to meet fuel quality that is in line with the deliberations/expectations of cleaner fuels in EAC and the planned quality will meet international standards too. The Ugandan refinery has positioned itself to produce AGO with maximum sulphur content at 10ppm and PMS with maximum sulphur content at 50ppm.
6. The EAC workshop was informed flashpoint test is mainly for safety purposes and given that the ambient average temperature the region average at 26 °C then product with a flash point that is higher than 60 °C is not necessary.

7. It was further noted that KPC operates a multi-product pipeline and in order to comply with the flashpoint at 66 °C the KPC would require importers to deliver the product at a higher flash point of 72°C which could pose sourcing and delivery challenge of product with this flash point parameters.

8. To allay the fears and concerns of adulteration as a result of a proposal to lower the flash point, the workshop was informed that to eliminate fuel adulteration, Kenya and Uganda have used fiscal interventions by specifically equalizing the taxes on motor fuels with those of Kerosene. It was demonstrated that the demand for kerosene had reduced significantly as it was now being used for cooking and lighting only.

9. The EAC workshop was categorical that there should be no rush in introducing additives, oxygenates MMT, MTBE and other questionable elements in the fuel specification as this kind of action has a high potential in reversing the gains made by the EAC in procuring and supplying clean fuels.

10. The workshop supported the need for more evidence based research on additives which will in future guide as to what are safe and value adding additives and which are not.
Annex 1: Agenda

8.00 - 9.00: Registration

9.00 – 9.30: Opening

- Objectives of the Workshop – Wanjiku Manyara- GM PIEA
- Opening Remarks –
  Stella Apolot- East Africa Community Secretariat (Principal Standards Officer EAC)
  Olagoke Aluko- PIEA Chairman
  Andrew Kamau, CBS –Principal Secretary State Department of Petroleum, Ministry of Mining and Petroleum

9.30 – 10.30: Current Trends

- Overview of typical fuel import quality – Timothy Mugambi –Kenya Pipeline Company
- Global advancements to cleaner vehicles – Jane Akumu- UN Environment

Discussion

10.30 – 11.00: Coffee-break

11.00-13.00: Proposed Fuel Standards

- Revised EAC fuel standards – Albert Nyagechi- Kenya Bureau of Standards (KEBS)
- Need to link with vehicle emissions – Fabien Nshizirungu- Rwanda Standards Board (RSB)
- Plans for new refining investment - Michael Mugerwa- Uganda Refinery Holding Company

Discussions

13.00-14.00: Lunch

14.00-15.00: Discussions & Way Forward

- Recommendations – Moderator
- Wrap up – PIEA

Annex 2: List of Participants