DOWNSTREAM PETROLEUM SUB SECTOR PERFORMANCE REVIEW REPORT

May, 2015

Energy and Water Utilities Regulatory Authority 6th Floor,
Harbour View Towers, Samora Avenue / Mission Street,
P.O. Box 72175, Dar es Salaam, Tanzania
Tel: +255 (0) 22 212 3850/3/4,
Fax: +255 (0)22 212 3180,
E-mail: info@ewura.go.tz
Website: www.ewura.go.tz

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FOREWORD

The Regulatory set up of the downstream petroleum sub-sector in Tanzania mainland, which was liberalized in the year 2000, allows Oil Marketing Companies (OMCs) and retailers to procure and trade petroleum products in accordance with their market requirements. Since the petroleum sector is liberalized, the Authority has a role of creating a level playing field and protecting both investors and consumers.

The Petroleum Act Cap 392 and the Energy and Water Utilities Regulatory Authority (EWURA) Act Cap 414 mandate the Authority to regulate the downstream petroleum sub-sector in Tanzania mainland. This broad role includes regulation of importation, unloading, transportation, storage, transforming, and selling of petroleum products in the country. Under these Acts, EWURA is mandated to undertake technical, economic and safety regulatory functions in the downstream petroleum supply chain.

This report therefore, presents highlights of regulatory activities related to the downstream petroleum operations carried out by the Authority in mainland Tanzania. The report covers summaries of the executed activities, challenges encountered and achievements attained from the year 2012 to 2014. Being the first report published by EWURA on the downstream petroleum regulation in Tanzania, in some parts, the report include data and information related to this subsector, from year 2007 when EWURA become involved in this role.

Further, a report which was prepared by the Univercity of Dar es salaam, Economics Department, confirms that the regulatory role by EWURA in the downstream petroleum sector in Tanzania has made significant economic and social gains to the nation and stakeholders.

Felix Ngamlagosi
DIRECTOR GENERAL
May, 2015

ABBREVIATIONS AND ACRONYMS

AGO	Automotive Gasoil
BPS	Bulk Procurement System
BoT	Bank of Tanzania
BBL	Barrel
COCO	Company Owned Company Operated
CODO	Company Owned Dealer Operated
DODO	Dealer Owned Dealer Operated
DWT	Dead Weight Tonnage
EA	Environmental Audit
EIA	Environmental Impact Assessment
EWURA	Energy and Water Utilities Regulatory Authority
ERB	Energy Regulatory Board
FOB	Free On Board
GN	Government Notice
HFO	Heavy Furnace Oil
HSE	Health, Safety and Environment
ICB	International Competitive Bidding
IDO	Industrial Diesel Oil
IK	Illuminating Kerosene
km	Kilometre

KOJ_1	Kurasini Oil Jetty 1
KOJ_2	Kurasini Oil Jetty 2
LPG	Liquefied Petroleum Gas
LTR	Litres
MSP	Motor Spirit Premium
MT	Metric Ton
NEMC	National Environment Management Council
OMCs	Oil Marketing Companies
OPEC	Organization of Petroleum Exporting Countries
PICL	Petroleum Importation Coordinator Limited
SBM	Single Buoy Mooring
TAZAMA	Tanzania Zambia Mafuta Pipeline
TIPER	Tanzania International Petroleum Reserve
TPA	Tanzania Ports Authority
TZS	Tanzania Shillings
USD	United States Dollar

EXECUTIVE SUMMARY

This is the first Downstream Petroleum Sub-sector Performance Review Report that has been prepared by the Authority. The report presents highlights of regulatory activities related to the downstream petroleum operations carried out by the Authority in mainland Tanzania. The report covers details of the executed activities, challenges encountered and achievements attained from the year 2012 to 2014 and also summarizes the activities executed in between year 2007 and 2011.

Preparation of this report involved collection, compilation, analysis and verification of data and information that was submitted by OMCs, TPDC, M/S Global Fluid International (GFI) and Societe Generale de Surveillance (SGS) as wells as other reports prepared by EWURA while conducting its regulatory activities.

The report shows that, the Authority has been able to ensure that there is continuous stability in the supply of petroleum products of the right quality and which are offered for sale at the right prices. Furthermore, it is observed that there is sustainable and continuous improvement of downstream petroleum sub-sector facilities, which take into consideration health, safety and environment requirements.

Section 40 of the EWURA Act Cap 414 allows the Authority, in consultation with the Minister responsible for petroleum affairs, to make Rules in respect of all matters considered necessary or desirable to give effect to the Act. In this regard, the Authority has put in place Rules for regulating the petroleum downstream sub-sector while adhering to good governance, transparency and fairness. These Rules are intended to facilitate proper discharge of the Authority's regulatory roles.

In accordance with Section 8 of the Petroleum Act Cap 392 all downstream petroleum sector operators are obliged to apply and obtain licences from the Authority. Furthermore, Section 13 of the Petroleum Act, 2008 requires a person intending to construct a petroleum installation or petroleum carriage facility to apply to the Authority for a construction approval. As of December 2014, Tanzania Mainland had 1,181 petrol stations, of which, 990 are licensed by EWURA. The Authority is following up licensing of the remaining petrol stations after they have complied with the license requirements.

Pursuant to Section 33 of the Petroleum Act Cap 392 importation of petroleum products has to be conducted through an efficient procurement mechanism. As such Bulk Procurement regulations were approved by the Minister responsible for Petroleum Affairs in June 2011. These regulations provide for establishment of a Petroleum Importation Coordinator (PIC) to manage and coordinate importation of petroleum products. Currently petroleum products that are imported through the Bulk Procurement System (BPS) are petrol, diesel, Jet- A1 and kerosene. Since commencement of BPS up to 31st December 2014, a total of 30 tenders were opened and awarded to successful bidders to supply petroleum products into the country. Oil traders who have actively participated in BPS tenders and won to supply, at least once, include; Augusta Energy SA, Gapco (T) Ltd, Gapco (Kenya) Ltd, Addax Energy SA and Enoc Africa.

The petroleum market in Tanzania is considered to be very competitive with 88 licensed OMCs, out of which 13 OMCs have been active participants in the market for the past three consecutive years from 2012 to 2014.

The Authority continued to publish petroleum products' prices as per the requirement of the Petroleum Products Pricing Setting Rules that started being applied in the year 2009. The underlying rules have been amended several times in order to accommodate different changes in the industry. The latest amendment was made on 26th September, 2014 and published through GN. 354 of that year. EWURA is also promoting LPG usage in the country and has established Petroleum (LPG Operations) Rules which govern LPG business operations in the country.

Finally, the report presents the achievements recorded and challenges encountered by the Authority in its operations related to the downstream petroleum business in Tanzania. The corresponding measures which are being taken to deal with the relevant challenges and the way forward are also provided. Some of the encountered challenges are:

(a) curbing petroleum products adulteration, compliance of petroleum installations to the required standards;

(b) harmonisation of lincensing conditions;

(c) improvement of Health, Safety and Environment in the petroleum operations;

(d) increasing efficiency in the petroleum procument and supply chain;

(e) collecting and maintaining correct petroleum data and information; and

(f) lack of technical know-how and expertise for some operators in the petroleum downstream.

The improvements can be seen in:

(a) quality of petroleum products for the local market which has substantially improved;

(b) the level of petroleum products adulteration has decreased tremendously;

(c) petroleum products supply and pricing has been successful and stable;

(d) various regulatory tools are in place now and others are in preparation stage; and

(e) the standards of retail outlets in the country have significantly improved because of compliance monitoring enforcement and the measures taken by EWURA.

INTRODUCTION

Chapter 1

1.1 Background

This report presents highlights of regulatory activities related to the downstream petroleum operations carried out by the Authority in mainland Tanzania. The report summarizes the executed activities, challenges encountered and achievements attained from the year 2012 to 2014. Being the first performance report for the downstream petroleum subsector since EWURA became operational, the report, in some areas includes data and information from year 2007.

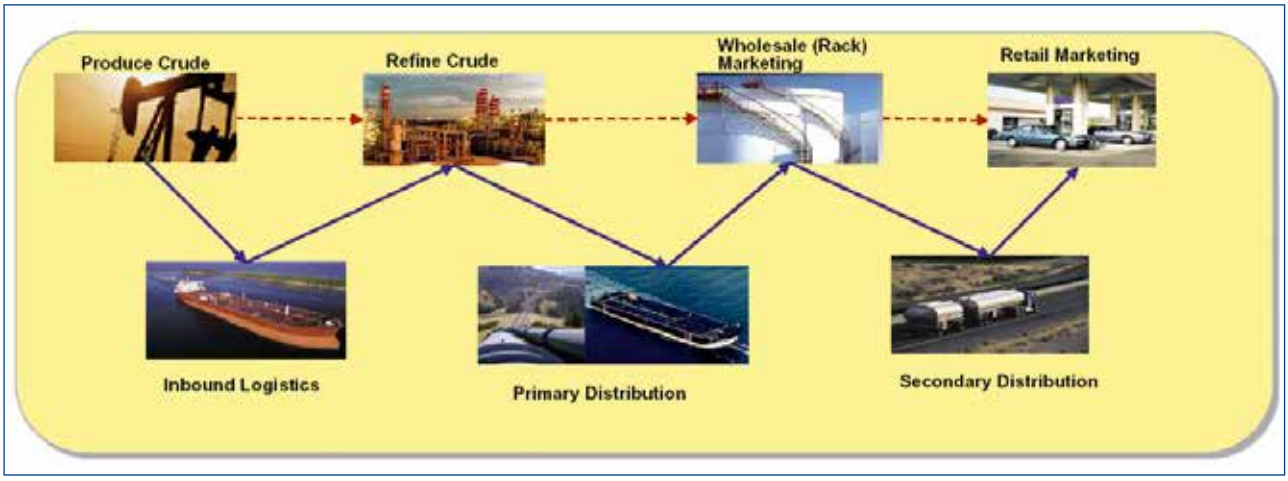
In discharging its regulatory functions, the Authority ensures that there is continuous stability in the supply of petroleum products, of the right quality and which is offered for sale at the right prices. Furthermore, the Authority regulates standards of petroleum downstream infrastructure to ensure that there is sustainable and continuous improvement of these facilities, taking into consideration of health, safety and environmental requirements.

The Authority continued with its role of regulating technical and safety aspect in the downstream petroleum sub sector by conducting random petroleum products sampling and testing in order to ensure that the quality of sold petroleum products is at all times within the TBS specifications. Pre-licensing inspections and licence conditions compliance monitoring was also done in the same period to ensure that no new petroleum facility was constructed without obtaining approval from the Authority, and that no petroleum facility continued to operate without meeting the mandatory requirements set by the Authority, through the relevant rules and regulations.

1.2 Downstream Petroleum Industry

The Petroleum Industry is categorized into two segments, upstream and downstream. The upstream segment deals with exploration and production and initial processing of crude oil whereas, the downstream sub sector comprises all activities related to refining, transportation and marketing of refined petroleum products.

The downstream petroleum industry supply chain starts with transportation of crude oil from the oil field to the oil refinery. An oil refinery or petroleum refinery is an industrial process plant where crude oil is processed and refined into more useful petroleum products, such as gasoline, diesel fuel, asphalt base, heating oil, kerosene, and liquefied petroleum gas. From the refinery, products are transported to terminals of oil marketing companies for storage and sale/distribution to customers. Petroleum products are transported by various means, including ships, barges, pipelines and trucks. This entire process entails the petroleum supply chain as shown in **Figure 1.**



Source: Aspentech, June 2009

Figure 1: The Petroleum Supply chain

In the year 2000 the petroleum downstream sub sector was liberalized allowing OMCs and retailers to procure and trade petroleum products in accordance with their market requirements. Since the petroleum sector is liberalized, the Authority has a role of creating a level playing field and protecting both investors and consumers.

1.3 The Role of EWURA in the Downstream Petroleum Sub-Sector

The Petroleum Act Cap 392 and the EWURA Act Cap 414 mandate the Authority to regulate the downstream petroleum sub-sector in Tanzania mainland. This broad role includes regulation of importation, unloading, transportation, storage, transforming, and selling of petroleum products in the country. Under these two Acts EWURA is mandated to undertake technical, economic and safety regulatory functions in the downstream petroleum supply chain.

1.3.1 Regulatory Instruments and Standards

1.3.1.1 Regulatory Instruments

Section 40 of the EWURA Act Cap 414 allows the Authority, in consultation with the Minister responsible for petroleum affairs, to make Rules in respect of all matters considered necessary or desirable to give effect to the Act. In this regard, the Authority has put in place Rules for regulating the petroleum downstream sub-sector while adhering to good governance, transparency and fairness. These Rules are intended to facilitate proper discharge of the Authority's regulatory roles. Rules that are in place include:

(a) the Energy and Water Utilities Regulatory Authority (Fees and Levies Collection Procedure) Rules, 2009;

(b) the Energy and Water Utilities Regulatory Authority (Petroleum Products Price Setting) Rules, 2009;

(c) the Petroleum (Road Transportation) Rules, 2010;

(d) the Petroleum (Marking and Quality Control) Rules, 2010;

(e) the Energy and Water Utilities Regulatory Authority (Fees and Levies Collection Procedure) Rules, 2010;

(f) the Petroleum (Bulk Procurement) Rules, 2010;

(g) the Petroleum (Liquefied Petroleum Gas) Rules, 2012;

(h) the Petroleum (Wholesale Operation) Rules, 2014;

(i) the Petroleum (Retail Operations) Rules, 2014;

(j) the Petroleum (Lubricant Operations) Rules, 2014;

(k) the Petroleum (Lubricants and Sampling Testing) Rules, 2014;

(l) the Petroleum (Pipeline Operations) Rules, 2014;

(m) the Petroleum (Consumer Installations and Operations) Rules, 2014; and

(n) the Petroleum (Village and Township Retail Outlet Operations) Rules, 2014.

1.3.1.2 Petroleum Products and Petroleum Downstream Infrastructure Standards

Various petroleum products and petroleum downstream infrastructure standards have been prepared by TBS in collaboration with the Authority and other stakeholders. **Appendix 4.0** presents the applicable petroleum products and petroleum downstream infrastructure standards in the country. The Authority ensures that these standards are adhered to by petroleum operators.

Chapter

2

LICENSING ACTIVITIES

2.1 Introduction

In accordance with Section 8 of the Petroleum Act Cap 392 all downstream petroleum sector operators are obliged to apply and obtain licences from the Authority. Furthermore, section 13 of the same Act, requires a person intending to construct a petroleum installation or petroleum carriage facility to apply to the Authority for a construction approval.

The Authority has, between the year 2006 and 2014, put in place the following types of licences for the downstream petroleum operations;

(a) the Petroleum (Wholesale) Licence;

(b) the Petroleum (Storage Business) Licence;

(c) the Petroleum (Retail) Licence;

(d) the Petroleum (Consumer Installation) Licence;

(e) the Petroleum Importation Coordinator Licence;

(f) the Petroleum (LPG Wholesale) Licence;

(g) the Petroleum (LPG Distribution) Licence;

(h) the Petroleum (Bunkering) Licence;

(i) the Petroleum (Lubricant Wholesale) Licence;

(j) the Petroleum (Lubricant Blending) Licence; and

(k) the Petroleum (Lubricant Distribution) Licence.

2.2 Issued Licences and Construction Approvals

In order for the Authority to consider processing petroleum licences or construction approval applications, it is imperative for the applicants to submit complete applications accompanied with appropriate supporting documents.

Appendix 3: Table A3.1 provides the guidance to applicants applying for petroleum product licences and construction approvals. The minimum requirements and the required supporting documents to be accompanied for each type of application are listed in the guidance. Any application submitted without being accompanied by appropriate supporting documents is refered back to the applicant for compliance.

Operators who construct petroleum installations or facilities without the Authority's approval are fined in accordance with the Rules. Following completion of construction of a petroleum facility, a person, who meets the minimum licensing requirements can then apply for an operation licence. As at 31st December 2014, the Authority had issued a total thirty nine (39). construction approvals and 1,098 licences, a summary of issued licences is shown in **Table 1**:

Table 1: Category and number of issued licences

Licence Type	Number of Licences Issued
Petroleum Wholesale Licence	88
Petroleum Retail Licence	990
Consumer Installation Licence	2
Lubricant Licence	8
LPG Licence	6
Bunkering Licence	2
Petroleum Importation Coordinator Licence	1
Storage Licence	1
Grand Total	**1,098**

Chapter

3

PETROLEUM PRODUCTS INFRASTRUCTURE

3.1 Offloading Infrastructure

Most of the petroleum products imports are done through the Dar es Salaam port. The offloading infrastructure at Dar es Salaam port for liquid petroleum products consist of: a Single Buoy Mooring (SBM) which can handle vessels with a capacity of up to 150,000 DWT, Kurasini Oil Jetty1 (KOJ1) which can handle vessels with maximum capacity of 45,000 DWT, and Kurasini Oil Jetty2 (KOJ2) with the ability to handle vessels with a maximum capacity of 5,000 DWT.

Offloading infrastructure also include manifolds managed by Tanzania Ports Authority (TPA) but owned by either TPA or Tanzania International Petroleum Reserve (TIPER). These are:

- TPA and TIPER manifolds situated within KOJ area;
- TIPER manifold situated within TIPER premises at Kigamboni; and
- The newly constructed TPA manifold situated within Tanzania Zambia Mafuta Pipelines (TAZAMA) compound at Kigamboni as seen in **Figure 2.**

The SBM rehabilitation was finalized in November 2011. Oil Marketing Companies whose storage facilities were connected to the SBM at commissioning are TIPER, GAPCO, Puma, Oilcom, Camel Oil and Gulf Bulk Petroleum. As of 31st December 2014 more terminals were connected to the SBM manifold, these are Oryx, Engen, Lake Oil, MOGAS, TOTAL, Kobil, MOIL, Star Oil and World Oil.

Figure 2: New Kigamboni manifold

3.2 Petroleum Storage Depots

Petroleum storage depots are very important infrastructure in the downstream petroleum industry for receiving, storage and distribution of petroleum products in bulk. In Tanzania mainland, there are 52 petroleum storage depots constructed in eleven (11) regions. Total storage capacity for the main petroleum products (i.e. MSP, Jet A1, IK, AGO, IDO, HFO) is 670,872 MT. In Dar es Salaam alone there are 17 petroleum storage depots with total capacity of 588,644 MT which is equivalent to 87.7% of the total country storage capacity. **Figure 4** and **Table 2** show the storage capacity by product and by region, respectively.

All petroleum storage depots in Dar es Salaam are located within Kurasini and Kigamboni areas which are close to the offloading infrastructure. In year 2013, three depots in Arusha, owned by GAPCO (T) Ltd, NSK Oil Tanzania Limited and Mount Meru Petroleum Ltd were ordered to be upgraded so as to meet the applicable technical standards following the recommendations made by the consultant, Ms Live-Tech (Energy and Consultancy Services) who was commissioned by the Authority in year 2012 to establish the integrity of petroleum infrastructure in Tanzania Mainland. All three depots were allowed by the Authority to re-open after being upgraded.

Two depots in Mwanza owned by Mansoor Oil Industries Limited (MOIL) and Hass Petroleum Ltd were ordered to close down and be decommissioned because of their unacceptable status, in consideration of HSE standards.

Table 2: Petroleum Products Storage Depots

Region	Tankage Capacities by Product (MT)						
	Petrol	Jet A1	Kerosene	Diesel	IDO	HFO	Total
Dar es Salaam	112,670	46,805	18,954	370,195		40,020	588,644
Kigoma	5,286	1,022	2,864	4,961	266	491	14,889
Mara	450	-	320	1,020	-	-	1,790
Mbeya	2,023	-	740	3,572	-	-	6,336
Kilimanjaro	961	504	229	1,252	39	236	3,222
Mtwara	372	-	1,270	1,346	811		3,800
Mwanza	1,426	393	1,163	12,037	1,899	4,154	21,074
Shinyanga	1,410	-	1,030	6,851	-	-	9,291
Tabora	204	-	319	641	-	-	1,165
Tanga	2,943	-	3,223	8,667	-	-	14,833
Arusha	976	-	1,527	3,287	-	40	5,830
Grand Total	**128,721**	**48,724**	**31,639**	**413,829**	**3,015**	**44,941**	**670,874**

The total storage capacity in Tanzania Mainland by product is as shown on **Figure 3** indicating that the country has the largest storage capacity for diesel followed by petrol.

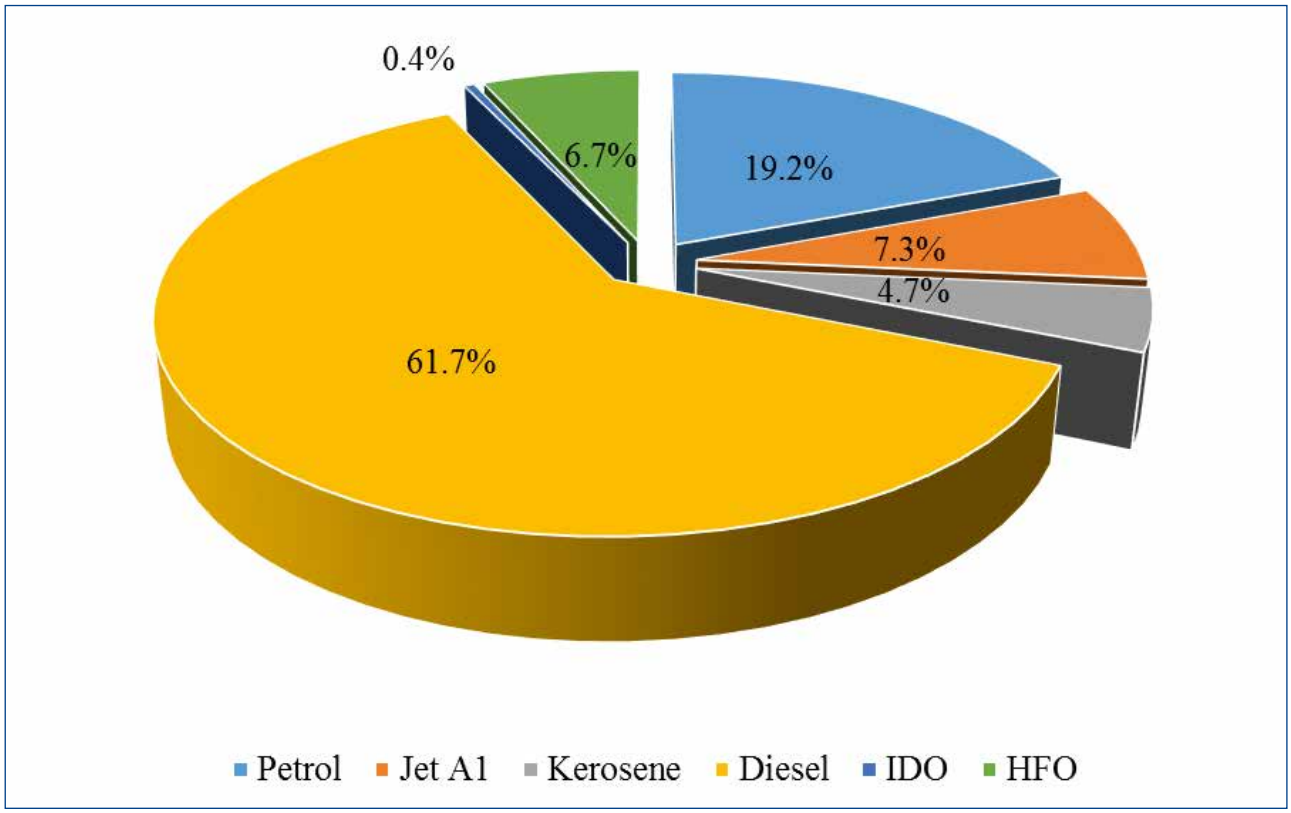


Figure 3: Storage capacity by Product - Countrywide

3.3 Transportation Infrastructure

Most of the petroleum products in the country are transported by use of road tankers to upcountry and landlocked countries including Zambia, Malawi, Democratic Republic of Congo, Burundi, Rwanda and Uganda. Only a small amount of petroleum products are transported by rail tank wagons because of the ineffiencies in the railway network.

Currently, the country has no pipeline for transpotation of refined petroleum products. However, there is a 1,710 km long pipeline owned jointly by the Tanzanian (33 1/2 %) and Zambian (66 2/3%) Governments (TAZAMA Pipeline Ltd). This pipeline is used to transport spiked crude oil to Indeni Refinery in Zambia.

3.4 Petrol Stations

As of December 2014, Tanzania Mainland had 1,181 petrol stations, of which, 990 are licensed by EWURA. The Authority is following up to license the remaining petrol stations after they have complied with the relevant license requirements. These facilities are mostly located in major towns and metropolitan areas especially along the major roads. Ownership of these petrol stations is grouped into three main categories, that is, Dealer Owned, Dealer Operated (DODO), Company Owned, Company Operated (COCO) and Company Owned, Dealer Operated (CODO). As of 31st December 2014, COCO accounted for 14%, CODO 17% and DODO 69% of all the licensed petrol stations.

Some rural, remote or off-the-major roads areas in Tanzania still do not have this essential infrastructure established. Some of the new districts have no filling stations at all; these include Itilima in Simiyu region, Uvinza and Buhigwe in Kigoma region, Ikungi and Mkalama in Singida region, Nyasa in Songea region and Chomba in Dodoma region. Other districts like Kalambo in Rukwa region and Bahi in Dodoma region have only one petrol station each. One of the main reasons for the lack of petrol stations in rural areas is the sizeable cost burden on investors against limited market in those areas. In order to deal with this problem and also help consumers in remote areas, EWURA has developed the Petroleum (Village and Township Retail Outlet Operations) Rules, 2014. Among other things, these rules are intended to attract investors to set up petrol stations in rural areas and areas away from metropolitan regions.

Table 3 shows the distribution of petrol stations and licensed petrol stations in Tanzania Mainland. All petrol stations in Njombe and Simiyu regions have been licenced followed by petrol stations in Mwanza and Coast regions whereby 94% of the available petrol stations in these regions are licenced. Kigoma has the least percentage of licenced petrol stations (i.e. 60%). A list of licensed petrol stations in Tanzania Mainland are periodically published by the Authority and can be found in the Authority's website (www. ewura.go.tz).

It should however, be noted that at the beginning, some petrol stations were given licences with conditions. Operators were required to carry out various works to their stations within specified period. The Authority embarked on this procedure so as to ensure that petroleum products are adequatelly supplied to all parts of the country, while stations are complying with the relevant licence conditions. However, renewal of expired licences, and granting of new licence is subject to fullfillment of all retail petroleum business licence requirements. **Table 3** further shows that, as of 31st December 2014, only 191 (17%) petrol stations had not been licensed because of failure to meet the requirements.

Table 3: Distribution of the licensed petrol stations region wise as at 31st December, 2014

No.	Region	Number of petrol stations	Number of licenced petrol stations	% Licenced petrol stations
1	Njombe	14	14	100%
2	Simiyu	7	7	100%
3	Mwanza	75	72	94%
4	Coast	78	73	94%
5	Arusha	85	76	89%
6	Dar es Salaam	176	156	89%
7	Tabora	25	22	88%
8	Singida	16	14	88%
9	Mara	47	41	87%
10	Mtwara	30	26	87%
11	Tanga	56	47	84%
12	Mbeya	68	57	84%
13	Morogoro	67	56	84%
14	Ruvuma	28	23	82%
15	Iringa	32	26	81%
16	Kilimanjaro	86	69	80%
17	Katavi	5	4	80%
18	Kagera	54	43	80%
19	Shinyanga	47	37	79%
20	Geita	30	22	73%
21	Dodoma	40	29	73%
22	Lindi	25	18	72%
23	Manyara	40	27	68%
24	Rukwa	15	10	67%
25	Kigoma	35	21	60%
Grand Total		**1181**	**990**	**83%**

3.5 Liquefied Petroleum Gas (LPG) Facilities

Currently, Tanzania has an operational storage capacity of 4,160 MT for LPG located in Arusha, Dar es Salaam and Moshi as shown in **Table 4**. Out of this capacity, 3,800 MT storage is in Dar es Salaam, which is equivalent to 91.35% of the total available capacity. It can be noted that, investment of LPG supply infrastructure in Tanzania is still minimal. In consideration of this, the Authoritity commissioned a consultancy to recommend measures that should be taken to promote the use of LPG in the country. The consultancy report was released in September 2011 and its reccomendations are being worked on/ implemented. In the period under review, a newly constructed LPG Storage and Filling Plant with the capacity 500 MT, owned by Oilcom Petroleum Company Limited was commissioned.

Table 4: List of LPG Facilities

No.	Facility Namew	Location	Storage Capacity (MT)
1	Oryx LPG Facility	Dar es Salaam	1,050
2	Mihan LPG Facility	Dar es Salaam	1,500
3	Lake Gas Limited LPG Facility	Dar es Salaam	750
4	Oilcom (T) LPG Storage Facility	Dar es Salaam	500
5	Oryx LPG Facility	Moshi	60
6	Manjis Gas LPG Filling Plant	Arusha	180
7	Orange Gas LPG Facility	Arusha	120
Grand Total			**4,160**

Chapter

4

PETROLEUM PRODUCTS SUPPLY

4.1 Bulk Procurement System

Pursuant to Section 33 of the Petroleum Act Cap 392 importation of petroleum products has to be conducted through an efficient procurement mechanism. In this regard, the Bulk Procurement regulations were published by the Minister responsible for Petroleum Affairs in June 2011. These regulations published for establishment of a Petroleum Importation Coordinator (PIC) to coordinate importation of petroleum products in mainland Tanzania. Currently petroleum products that are imported through the BPS are petrol, diesel, Jet- A1 and kerosene. Operators who import heavy fuel oil and liquefied petroleum gas need to inform PIC so that they are included in the offloading laycan. In accordance to Section 5(1) of BPS Regulations, importers of transit petroleum products have the option of importing through BPS, or on their own arrangements.

Once every year, PIC invites applications for pre-qualification from local and international oil companies that want to be eligible to supply petroleum products under the BPS. In year 2012, twenty eight (28) traders were prequalified by PICL while in 2013 and 2014, PICL prequalified 30 and 35 oil traders, respectively. **Appendix 1.0: Table A1.2** summarizes a list of companies and oil traders that were pre-qualified to participate in supplying petroleum products into the country for the year 2012, 2013 and 2014.

Since commencement of the BPS, up to 31st December 2014, a total of 30 tenders were opened and awarded to successful bidders to supply petroleum products into and through the country. **Figure 4 and Table 5** show oil companies/traders that have actively participated in the BPS tenders and won to supply, at least once. These include Augusta Energy SA, GAPCO (T) Ltd, GAPCO (Kenya) Ltd, Addax Energy SA and Enoc Africa.

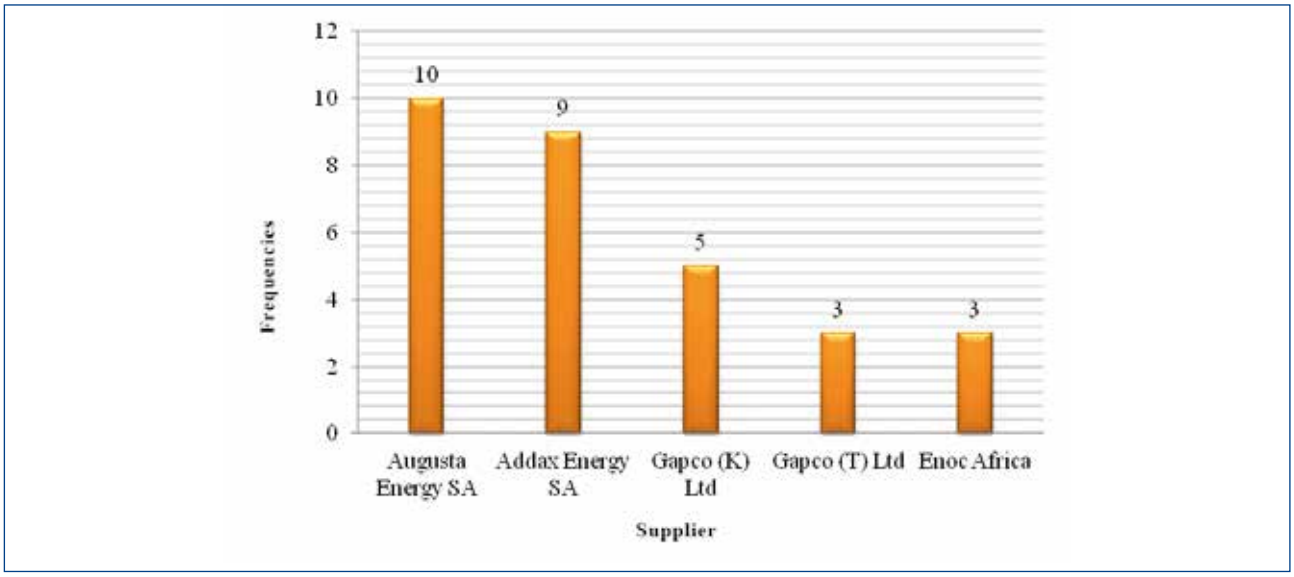


Figure 4: Summary of Number of Tenders Won by Each Supplier

Table 5: Quoted Weighted Average Premium Trends For Three Petroleum Products

Tender Number	Winning Supplier	WT. Average Premium USD/MT	% Change on Premium
BPS1	Augusta Energy SA	59.27	0.00%
BPS2	Augusta Energy SA	67.58	14.02%
BPS3	Augusta Energy SA	48.89	-27.66%
BPS4	Addax Energy SA	53.87	10.19%
BPS5	Addax Energy SA	42.98	-20.22%
BPS6	Addax Energy SA	53.98	25.59%
BPS7	Augusta Energy SA	71.46	32.38%
BPS8	Gapco (T) Ltd	52.55	-26.46%
BPS9	Gapco (T) Ltd	46.51	-11.50%
BPS10	Augusta Energy SA	47.14	1.36%
BPS11	Gapco (T) Ltd	45.85	-2.74%
BPS12	Addax Energy SA	44.87	-2.12%
BPS13	Addax Energy SA	37.33	-16.81%
BPS14	Gapco (K) Ltd	38.95	4.35%
BPS15	Augusta Energy SA	50.98	30.87%
BPS16	Addax Energy SA	47.22	-7.37%
BPS17	Gapco (K) Ltd	44.20	-6.39%
BPS18	Enoc Africa	43.78	-0.96%
BPS19	Augusta Energy SA	44.44	1.52%
BPS20	Gapco (K) Ltd	46.18	3.90%
BPS21	Gapco (K) Ltd	40.27	-12.79%
BPS22	Gapco (K) Ltd	36.05	-10.48%
BPS23	Enoc Africa	40.57	12.54%
BPS24	Augusta Energy SA	43.66	7.62%
BPS25	Addax Energy SA	43.76	0.22%
BPS26	Enoc Africa	45.77	4.60%
BPS27	Augusta Energy SA	38.29	-16.34%
BPS28	Augusta Energy SA	43.26	12.97%
BPS29	Addax Energy SA	51.51	19.06%
BPS30	Augusta Energy SA	47.20	-8.37%

During the period from 2012 to 2014, a total of 30 tenders were opened with the highest weighted average premium recorded in the month of March 2013 (BPS 7) and the lowest weighted average premium recorded in June 2013 (BPS 22). Generally, quoted premia have been in the downward trend, this is attributed to increased competition among the traders. **Figure 5** provides a summary of weighted average premia for the period under review.

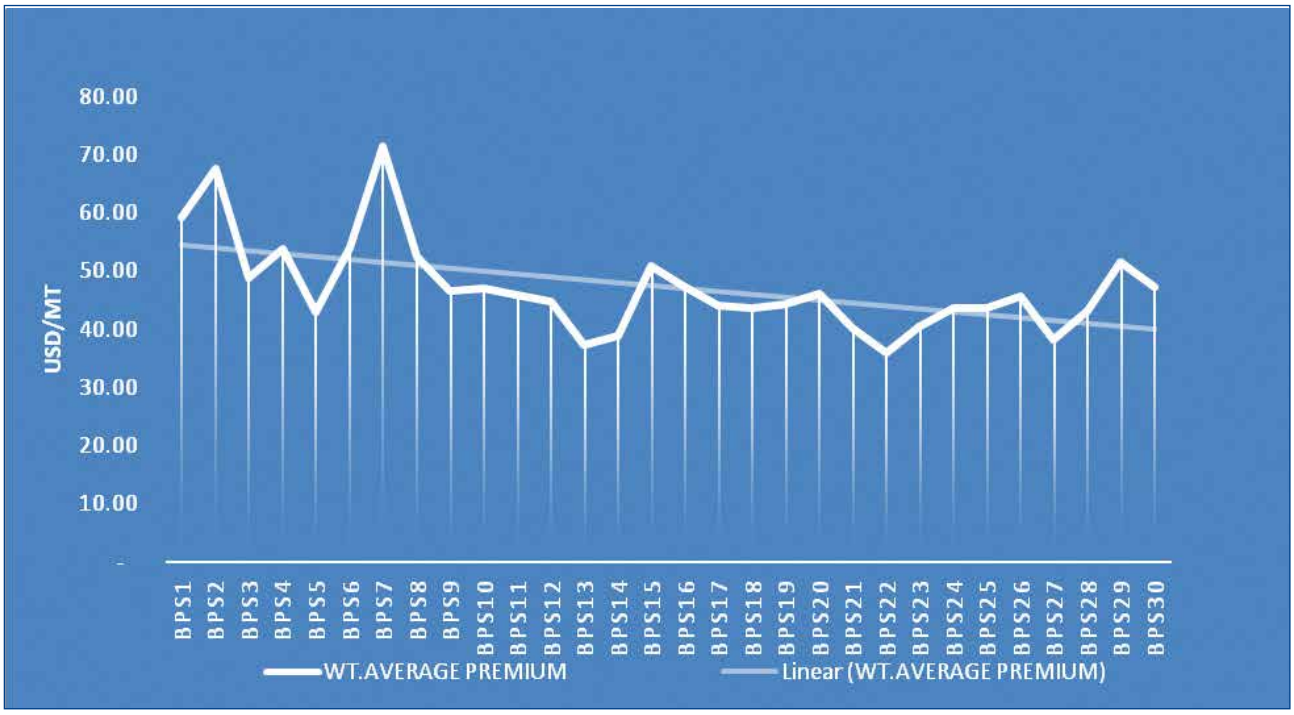


Figure 5: Trend of Weighted Average Premia from 2012 to 2014

4.2 Imported Petroleum Products

A total of 4,678,129,499 litres of various petroleum products were imported in 2013 equivalent to 28% increase from 3,661,684,754 litres in 2012. In 2014, a total of 4,406,876,546 litres were imported equivalent to 5.8% decrease from volumes imported in 2013. It is clear that there is a decrease in petroleum products imports.

Dar es Salaam port remained to be the main entry point for petroleum products accounting for 99% of all the imports, whereas the remaining 1% was imported through Sirari border. **Figures 6 and 7** show volumes of various petroleum products imported for the local market and for transiting to neighboring countries respectively. Countries which continued to import petroleum products through Dar es Salaam port in year 2012 to 2014 were Zambia, Democratic Republic of Congo, Rwanda, Malawi and Burundi.

Petroleum products imported for the local market accounted for 73%, 67% and 65% in the years 2012, 2013 and 2014 respectively. Whereas, transit products accounted for 27%, 33% and 35% during the same years, respectively.

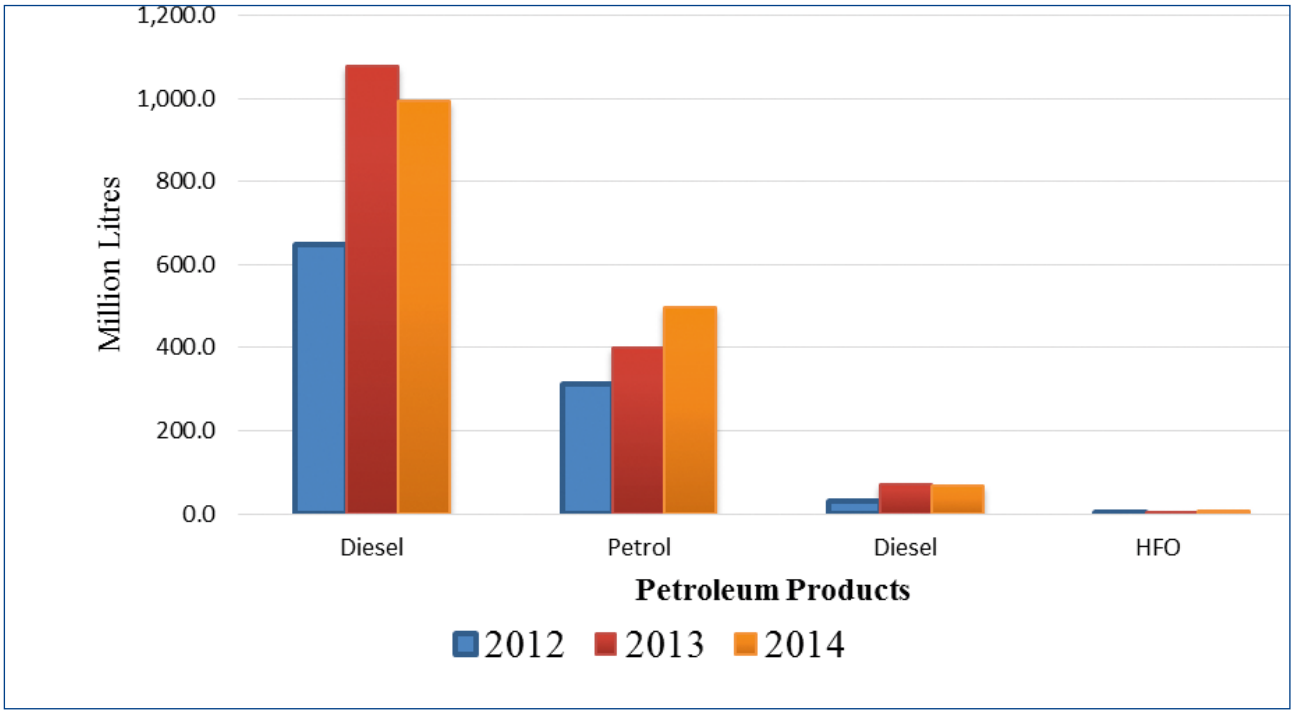


Figure 6: Local Petroleum Products Imports in 2012 - 2014

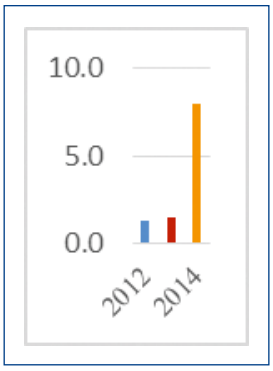


Figure 7: Transit Petroleum Products Imports in 2012 - 2014

4.3 Petroleum Products Stock Monitoring

The Authority monitors petroleum products stock levels and imports in the country as one of its main obligations in the sub sector. All Oil Marketing Companies (OMCs) are required to submit their stocks data to the Authority towards the end of every week for the Authority to ensure that there is an adequate level of supplies of petroleum products in the country at all times. The Authority prepares weekly stock reports which are shared with the Ministry of Energy and Minerals (MEM), PICL and other stakeholders.

4.4 Petroleum Consumption in the Local Market

4.4.1 OMC Sales Performance

Sales of petroleum products including Petrol, Diesel, Kerosene, Jet- A1, IDO and Heavy Furnace Oil (HFO) amounted to 2,870,696,546 litres in 2013 increasing by 13% from 2,538,433,508 litres sold in 2012. Sales for 2014 amounted to 2,909,815,216 litres equivalent to 1.36% increase from volumes sold in 2013. The growth of sales volumes is attributed to an increase in economic activities particularly in the mining, power generation, agriculture, construction and transportation sectors. Amongst the petroleum products consumed, diesel was the most sold, being a driving product for the economy. **Figures 8 (a) - (c)** show percentages of petroleum sales, by product, for years 2012, 2013 and 2014.

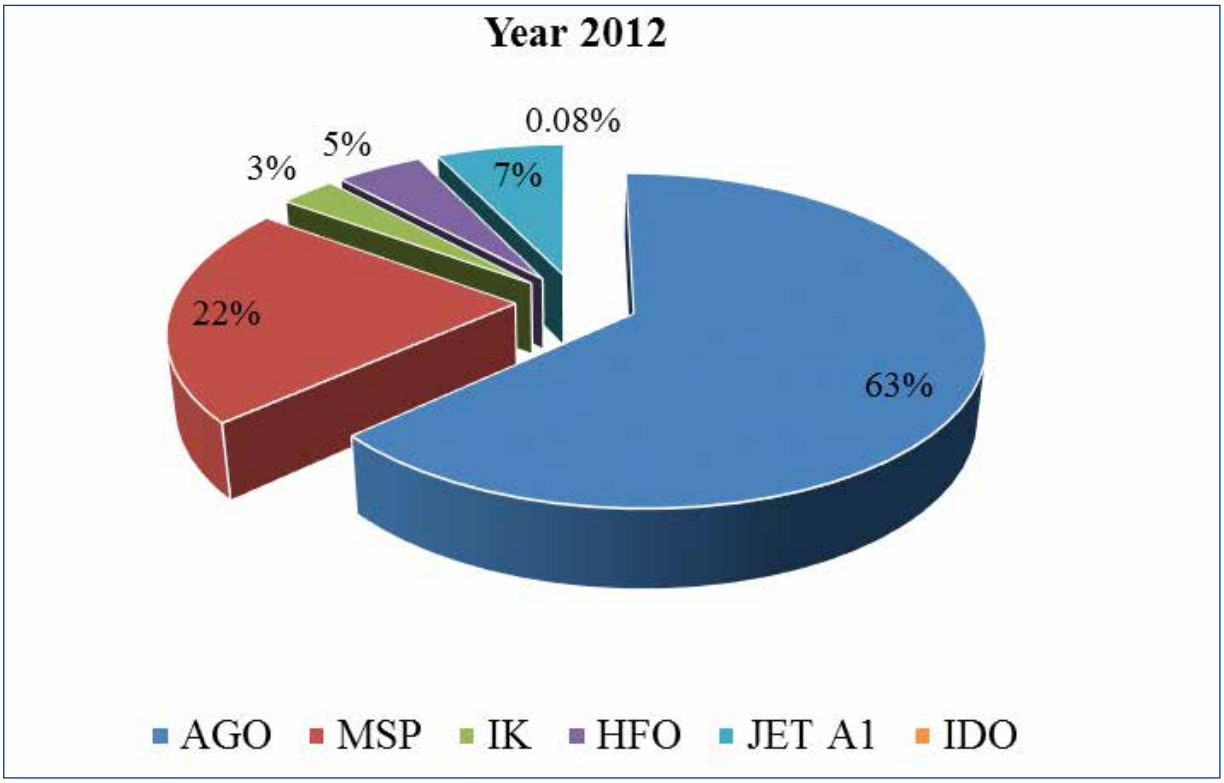


Figure 8 (a): Percentage sales of petroleum products for year 2012

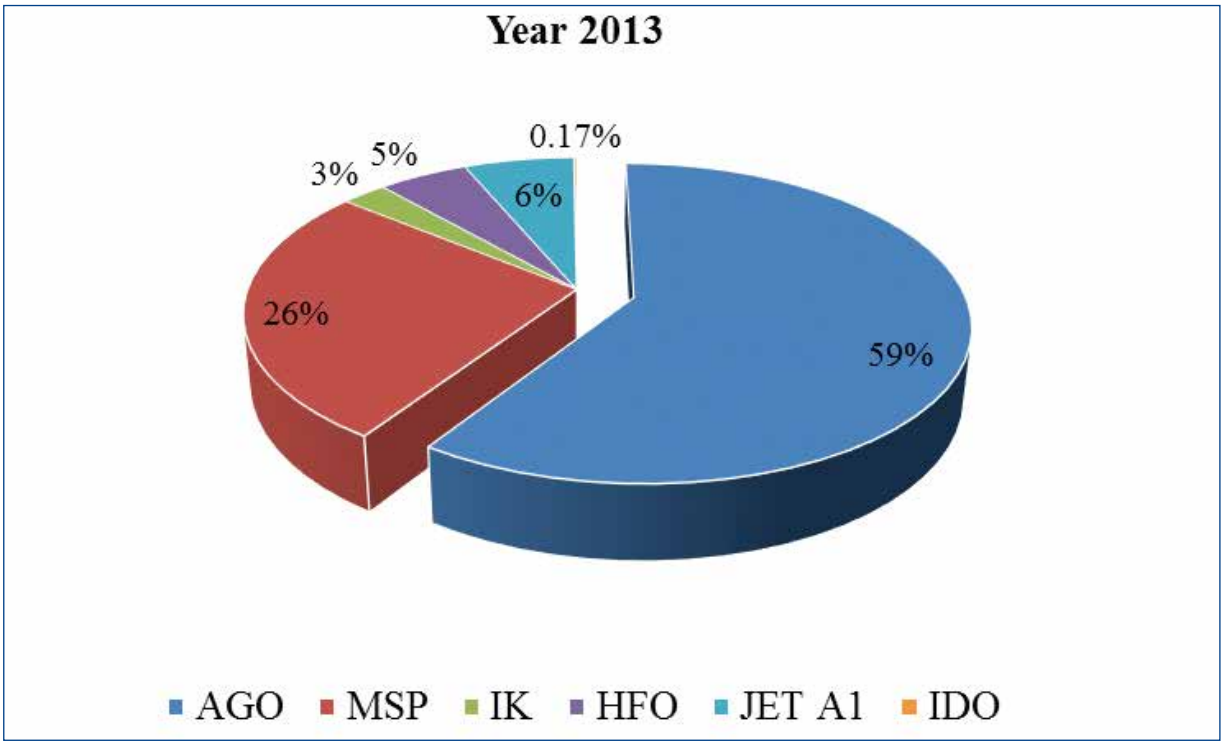


Figure 8 (b): Percentage sales of petroleum products for year 2013

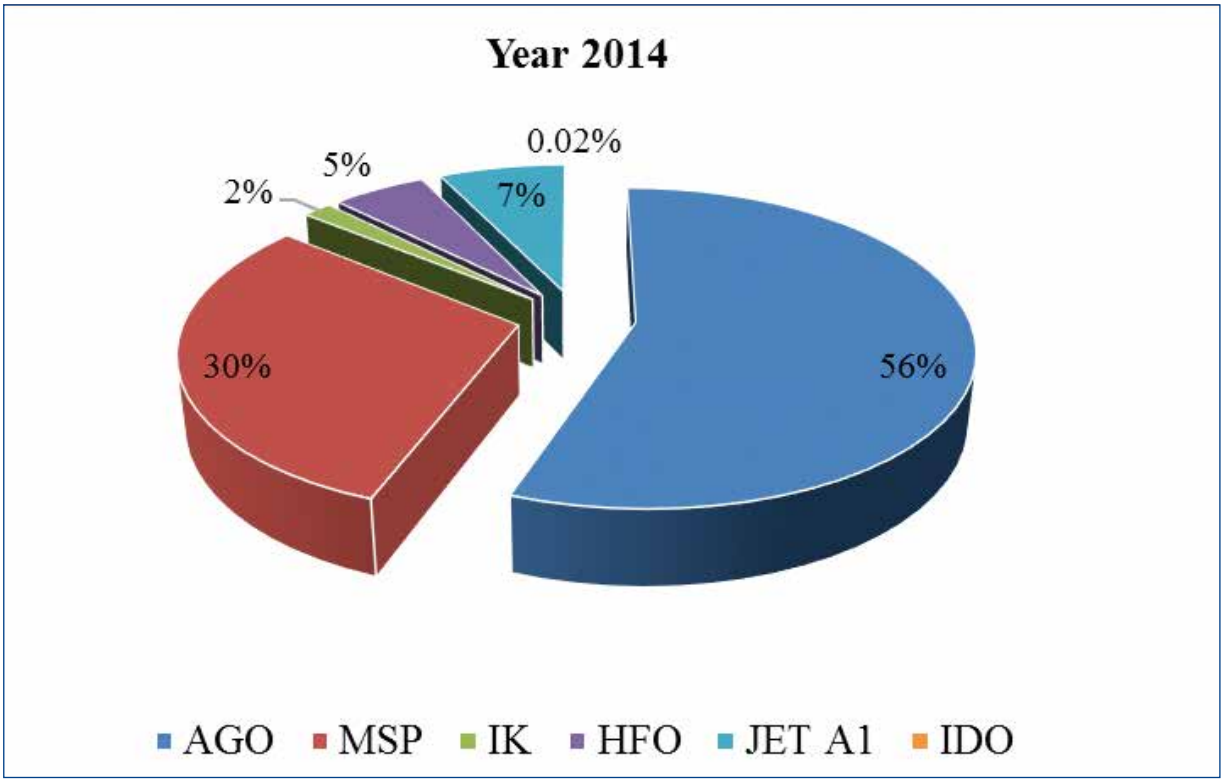


Figure 8 (c): Percentage sales of petroleum products for year 2014

It can be deduced from **Figures 8 (a) –(c)** that, there was a decrease of the quantity of diesel sold in year 2014 as compared to the quantity sold in years 2013 and 2012. This was attributed to a stable supply of electricity in the country that was noted in year 2014. An increase of diesel sales in year 2013 was attributed to power outages that occurred in the country requiring use of diesel generators for electricity production.

Petrol sales in the period under review shows an increasing trend. This was due to an increase of petrol engine powered vehicles and motorcycles (bodabodas) in the country. On the other hand, kerosene sales continued to drop from year 2012 to 2014 due to the efforts done by the Government and the Authority to curb adulteration. It is worth noting that, kerosene was being used by unscrupulous traders to adulterate petroleum products with the objective of maximizing profits.

4.4.2 OMCs Market Shares

The petroleum market in Tanzania is considered to be competitive, with 88 licensed OMCs, out of which 13 have been active participants in the market for the past three consecutive years, 2012 to 2014. It is the obligation of all OMCs to report to the Authority their sales data.

Summaries of reported sales in **Table 6 and Figure 9** show OMCs market shares for the past three years where PUMA Energy (12.36%), Oryx Oil Company (10.98%) and GAPCO (T) Ltd (7.65%) have predominantly attained the highest average market shares. PUMA Energy has been able to attain the highest market share because of the wide retail networks and supply contracts with aviation and mining companies. On the other hand, Oryx Oil Company attained a notable market share because of its retail networks and also supply contracts with mining companies. Others such as Oilcom (7.58%), Camel Oil (7.53%) and Total (7.21%) have got a wide retail network in the country. Despite having few own established retail networks, MOGAS and Engen attained average market shares of above 5% because of supplying products to dealer owned and dealer operated stations. It can be noted that DODO's constituted 69 % of all retail stations as of end 2014.

Table 6: Market Share of Oil Marketing Companies for the period 2012 – 2014

No.	OMC NAME	Annual Sales Volumes in Litres			Total Volume in Litres	MKT Share
		2012	2013	2014		
1	Puma Energy	333,674,858	338,764,532	355,685,632	1,028,125,022	12.36%
2	Oryx Oil Company	258,463,648.5	307,395,171	347,301,192.5	913,160,012	10.98%
3	GAPCO	256,462,429	204,906,167	174,780,596	636,149,192	7.65%
4	Oilcom	210,052,539	176,494,515	243,751,621	630,298,674	7.58%
5	Camel Oil	160494923	211776995	254382782	626654700	7.53%
6	TOTAL	183,982,740	205,865,230	210,125,653	599,973,623	7.21%
7	MOGAS	155,845,167	147,975,380	136,006,546	439,827,093	5.29%
8	Engen Petroleum	118,118,036	154,705,042	116,116,226	388,939,304	4.68%
9	Lake Oil	70,562,485	119,327,825	151,518,104	341,408,414	4.10%
10	Acer Petroleum	123,507,028	108,388,077	68,187,840	300,082,945	3.61%
11	Star Oil	-	-	221,304,240	221,304,240	2.66%
12	National Oil	104,409,697	77,384,007	31,180,609	212,974,313	2.56%
13	Kobil	117,330,800	40,189,000	14,515,920	172,035,720	2.07%
14	Petrofuel	51,471,492	52,162,014	48,043,663	151,677,169	1.82%
15	MOIL	20,871,930	-	105,113,266	125,985,196	1.51%
16	Mount Meru Petroleum	4,280,292	58,549,446	55,111,338	117,941,076	1.42%
17	Hass Petroleum	32,013,227	46,580,373	14,999,763	93,593,363	1.13%
18	Dalbit Petroleum	9,153,021	12,155,882	37,580,531	58,889,434	0.71%
19	Others	327,739,196	608,076,891	324,109,693	1,259,925,780	15.15%
	Total Volume	**2,538,433,508**	**2,870,696,546**	**2,909,815,216**	**8,318,945,271**	**100%**

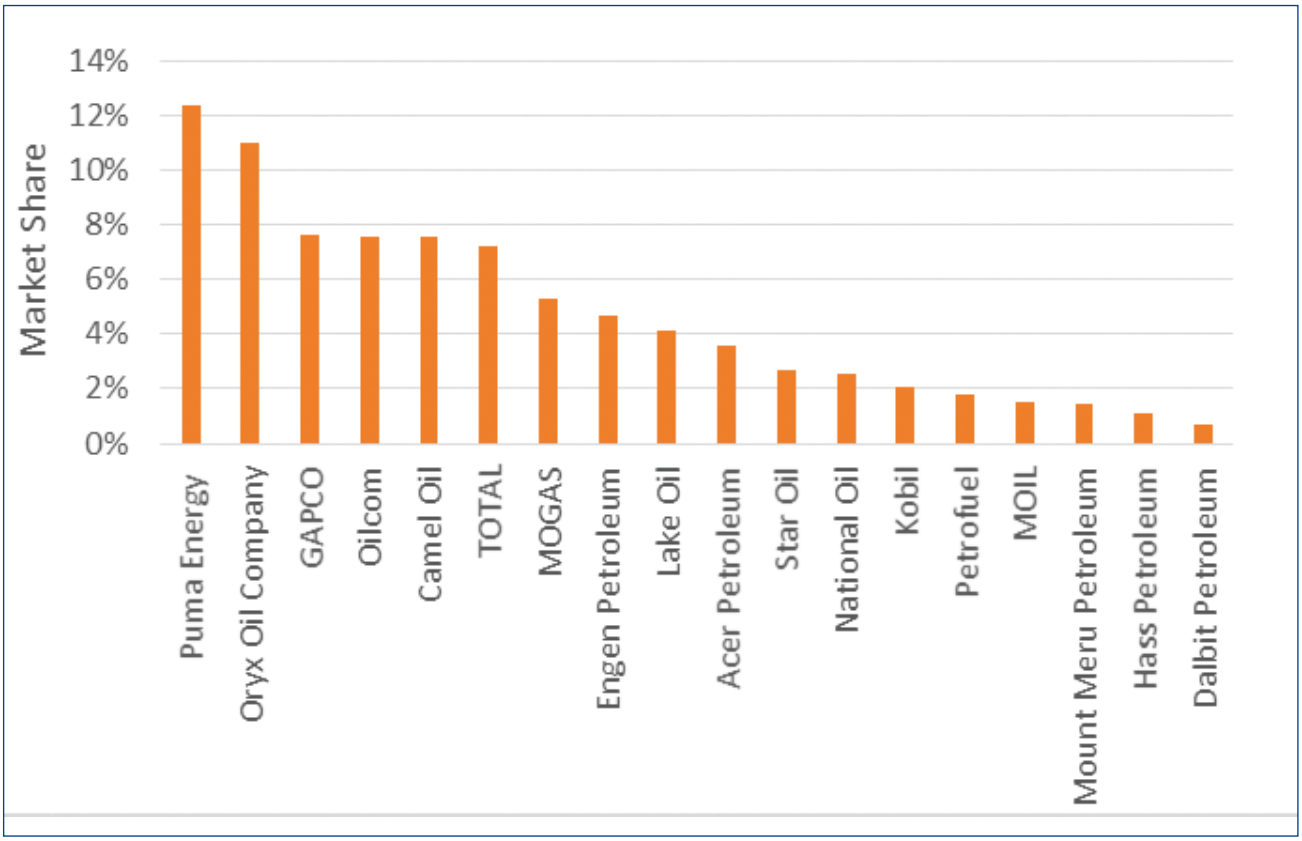


Figure 9: Market Share of Oil Marketing Companies for the period 2012 – 2014

4.4.3 Local Market Consumption

During the period under review the Authority noted a rise in the consumption of various petroleum products in the local market. From 2012 to 2013 diesel and petrol consumption increased and kerosene consumption fell, while from year 2013 to 2014 consumption of diesel and kerosene fell and petrol consumption increased. There are a number of factors that attributed to this trend; one being the growth in economic activities as well as measures being taken by the Authority to curb adulteration and dumping of transit petroleum products in the local market. But the fall of diesel consumption in year 2014 as compared to year 2013 is caused by the more stable power supply situation in the country that was noted in the year 2014. During this period there was less power generation using diesel by industries and individuals and at the same time the main petroleum product used for power generation was heavy furnance oil (HFO). On the other hand, a fall in kerosene consumption is attributed to the stern measures being taken by the Government and the Authority to curb adulteration of petroleum products using kerosene. **Table 7** shows comparison of average daily consumption for the three major petroleum products (Diesel, Petrol and Kerosene) for the years 2012, 2013 and 2014.

Table 7: Daily Petroleum Products Consumption (Litres)

Products	Diesel	Petrol	Kerosene
Average Daily Consumption 2012	4,405,395.48	1,501,103.19	213,851.70
Average Daily Consumption 2013	4,675,029.15	2,082,716.30	202,556.47
Average Daily Consumption 2014	4,495,677.10	2,440,386.90	132,342.01

As it can be noted in **Figure 10**, consumption of petroleum products in Tanzania has been steadly rising between the years 1972 to 2014. There was a high rise of the consumed products between 2003 and 2005 due to an increase in mining activities. From 2009, there was a further high increase due to growth of economic activities including transportation, agriculture, tourism and mining activities.

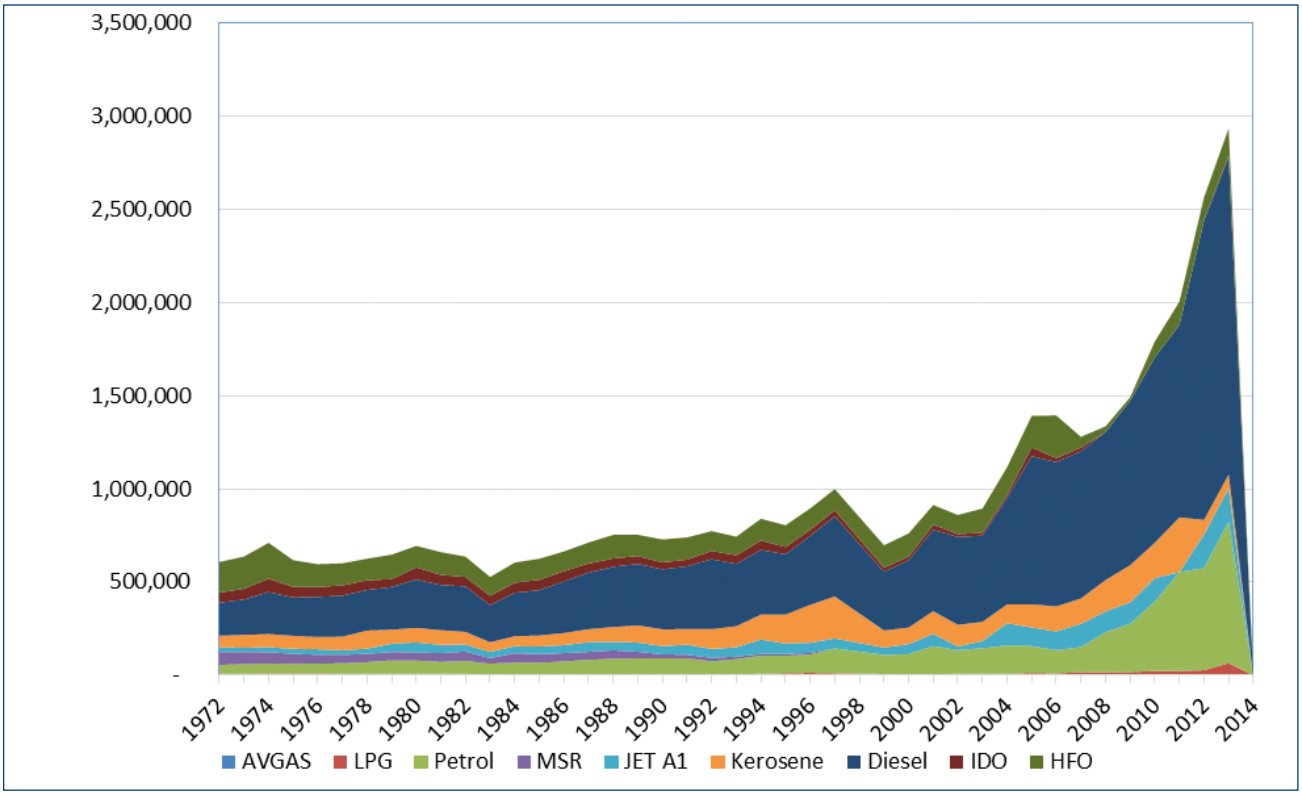


Figure 10: Petroleum Products Consumption from 1972 – 2014

Figure 10: A Trend of Consumption of Petroleum Products in Tanzania Mainland from 1972 – 2014 (Units in cubic metres).

Chapter

5

PETROLEUM PRODUCTS PRICING

5.1 Crude Oil Prices in the World Market

The Authority has an obligation to monitor petroleum prices in the World Market for the purpose of determining applicable prices in the local market. In year 2012, the World market prices were very volatile, prices of crude oil rose to USD 125/bbl in March, fell to USD 96 /bbl in June and rose again to USD 113/bbl in September. In year 2013 World market prices for leading global crudes, including those grouped in the OPEC Reference Basket (ORB), were mostly stable reflecting positively on international oil markets and spelling good news for OPEC's pricing and production policies.

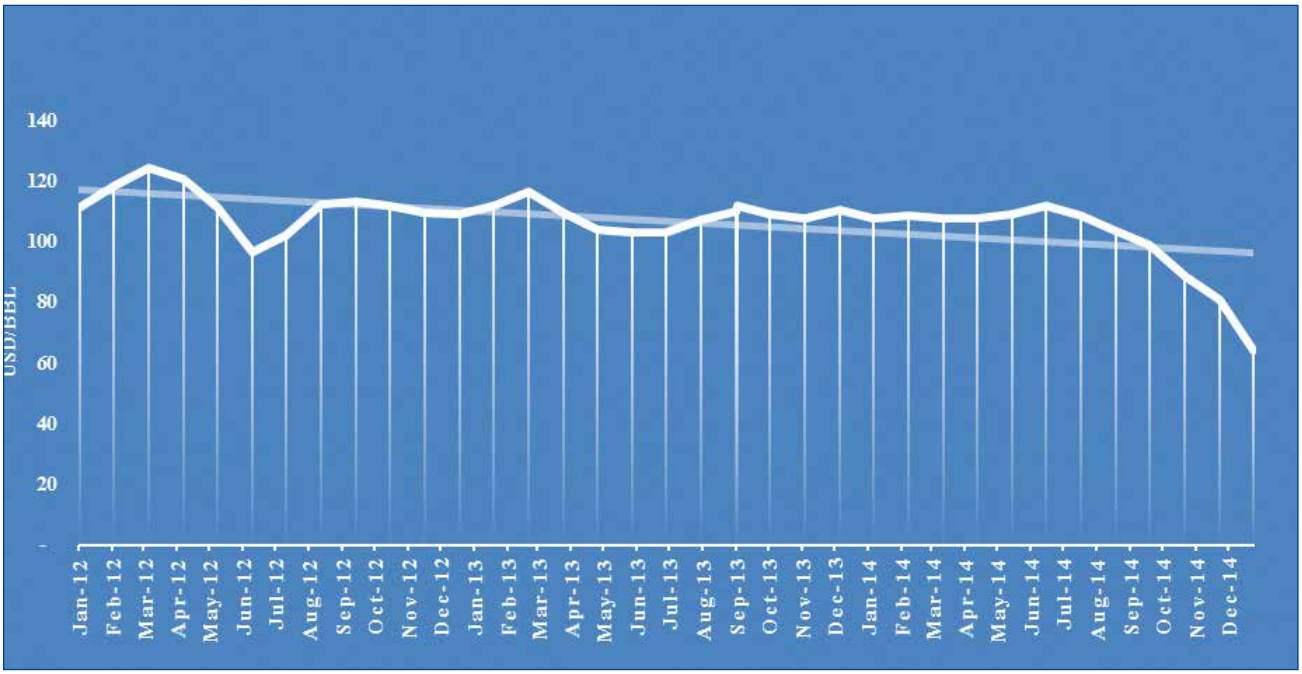
The media reports noted that, during year 2013, traders balanced a spate of supply disruptions in the Middle East and North Africa (MENA) region against surging output in the United States. In recent years, a number of factors, including excessive speculation have combined to cause large swings in international crude oil prices, seen as detrimental to the producers, consumers and the oil industry in general. In London, at the end of 2013, Brent crude stood at $100.80/bbl down by 0.3 % for the year as a whole. Over the Atlantic Ocean, in New York, World Texas Intermediate (WTI) closed 2013, 7.2 percent firmer at $98.42/bbl, compared to USD 91.82/bbl one year earlier. Brent's premium to WTI crude stood at just over USD 12/bbl at the end of 2013, down from more than USD 19/bbl at the end of the previous year.

Oil prices collapsed in year 2014 as the Organization of the Petroleum Exporting Countries (OPEC) opted to maintain the same level of output despite a global glut caused by expanding U.S. shale output, diminished demand growth from China, geopolitical reasons, economic recession in Europe, increased efficiency and growing switch away from oil to other alternative fuels, mainly renewable energy. Crude oil prices fell sharply in the fourth quarter of 2014 as robust global production exceeded demand. After reaching monthly peaks of USD 112/barrel and USD 105/barrel in June, crude oil benchmarks Brent and WTI fell to USD 62/bbl and USD 59/bbl respectively, in December. **Table 8** and **Figure 11** show a trend of Brent crude oil average prices during year 2012 - 2014. The monthly average World Market FOB prices have shown a decreasing trend.

Table 8: World Market Brent Crude Oil Prices in USD/BBL

Month	USD/BBl	Month	USD/BBl	Month	USD/BBl
Jan – 12	111.50	Jan – 13	111.10	Jan – 14	107.54
Feb – 12	118.36	Feb – 13	114.24	Feb – 14	108.66
Mar – 12	124.50	Mar – 13	107.07	Mar – 14	107.87
Apr – 12	120.66	Apr – 13	103.05	Apr – 14	107.98
May – 12	111.34	May – 13	101.58	May – 14	109.22
Jun – 12	96.45	Jun – 13	102.94	Jun – 14	111.92
Jul – 12	102.16	Jul – 13	106.51	Jul – 14	108.64
Aug – 12	112.37	Aug – 13	110.23	Aug – 14	103.50
Sep – 12	113.39	Sep – 13	111.25	Sep – 14	99.09
Oct - 12	111.80	Oct - 13	109.21	Oct - 14	88.65
Nov – 12	109.39	Nov – 13	108.62	Nov – 14	80.77
Dec – 12	109.29	Dec – 13	110.46	Dec – 14	64.19

Figure 11: Brent Crude Oil Prices Trend Year 2012 - 2014



5.2 Refined Petroleum Prices in the World Market

Between 2012 and 2014, the Authority continued to monitor movement of refined petroleum products prices both in the world market and in the local market. Relevant FOB quotation for petroleum products sold in Tanzania continued to be Mediterranean (MED) for petrol and Arabian Gulf (AG) for Diesel and Jet-A1, as published in Platt's Oilgram. The annual average FOB prices for the three major products are shown in **Table 9**

Table 9: FOB Prices in the World Market for Refined Petrolum Products

Month	Petrol (USD/MT)	Diesel (USD/MT)	Jet- A1 (USD/MT)	Month	Petrol (USD/MT)	Diesel (USD/MT)	Jet - A1 (USD/MT)	Month	Petrol (USD/MT)	Diesel (USD/MT)	Jet - A1 (USD/MT)
Jan-12	975	945	995	Jan-13	1,026	920	1,004	Jan-14	939	883	953
Feb-12	1,058	982	1,039	Feb-13	1,099	964	1,050	Feb-14	970	897	963
Mar-12	1,148	1,010	1,071	Mar-13	1,008	892	963	Mar-14	976	882	940
Apr-12	1,150	982	1,045	Apr-13	933	844	908	Apr-14	1,008	898	935
May-12	959	912	974	May-13	944	846	904	May-14	995	886	939
Jun-12	892	811	863	Jun-13	966	865	915	Jun-14	1,045	885	953
Jul-12	968	862	918	Jul-13	1,000	896	953	Jul-14	1,004	825	890
Aug-12	1,087	951	1,014	Aug-13	1,016	900	978	Aug-14	938	843	910
Sep-12	1,077	961	1,040	Sep-13	964	895	970	Sep-14	906	808	877
Oct-12	1,014	940	1,020	Oct-13	949	899	965	Oct-14	809	721	790
Nov-12	932	910	978	Nov-13	928	896	963	Nov-14	732	673	748
Dec-12	955	904	973	Dec-13	954	917	994	Dec-14	573	551	606
Average	**1,018**	**931**	**994**	**Average**	**982**	**895**	**964**	**Average**	**908**	**813**	**875**

5.3 Local Market Petroleum Products Prices

The Authority continued to publish cap petroleum products prices as per the requirement of the Petroleum Products Pricing Setting Rules that was published in year 2009. The underlying rules have been amended several times in order to accommodate different changes in the industry.

In 2013 the Authority engaged a Consultant, M/S Ernst Young to carry out a study for the establishment of wholesalers and retailers margins. The main objective of the study was to address concerns of stakeholders, and hence come up with fair and justifiable margins to cater for interests of both, service providers and consumers, amongst others.

Following completion of the study, new margins were approved by the EWURA Board and published on 29th November 2013 through the Government Gazette as GN. 432. The new margins started to be applicable in December, 2013. The latest amendment was made on 26th September, 2014 and published through GN. 354. The revised petroleum product pricing formula is shown in **Table 10**.

The Authority continued to publish monthly wholesale cap prices applicable in Dar es Salaam and retail cap prices for the three main petroleum products (petrol, diesel, kerosene). Retail prices are published for all districts and major towns in Tanzania mainland.

Table 10: Petroleum Pricing Template

Weighted Average of Actual Exchange Rates of the Previous Month (M-1):					
WT Average Actual Conversion Factors of the Previous Month (M-1):					
			Petrol	**Diesel**	**Kerosene**
	DESCRIPTION	**UNIT**	**PRICE**	**PRICE**	**PRICE**
	Weighted Average Platt's FOB	Tzs/Ltr	-	-	-
Plus	Weighted Average Premium as Per Quotation (Freight+Insurance+Premium)	Tzs/Ltr	-	-	-
Total	**COST CIF DAR**	**Tzs/Ltr**	-	-	-
	LOCAL COSTS PAYABLE TO OTHER AUTHORITIES				
	Wharfage $10/MT + 18% VAT	Tzs/Ltr	-	-	-
	Customs Processing Fee (TZS 4.80/Lt)	Tzs/Ltr	4.80	4.80	4.80
	Weights & Measures Fee (Tshs. 1.00/Lt)	Tzs/Ltr	1.00	1.00	1.00
	TBS Charge	Tzs/Ltr	1.24	1.24	1.24
	TIPER Fee + 18% VAT	Tzs/Ltr	0.20	0.20	0.20
	Actual Demurrage Cost (USD 1.459/MT)	Tzs/Ltr	-	-	-
	Actual Ocean Losses (DAP Terms)	Tzs/Ltr	-	-	-
	Surveyors Cost (Actual TENDERED Rate: MSP=USD 0.098/MT; AGO=USD 0.053/MT; IK=USD 0.092/MT)	Tzs/Ltr	-	-	-
	Financing Cost (1.00% CIF)	Tzs/Ltr	-	-	-
	Regulatory Levy	Tzs/Ltr	6.10	6.80	3.50
	Evaporation Losses (0.5% MSP, 0.30% GO % IK)CIF	Tzs/Ltr	-	-	-
	Petroleum Marking Cost ($5.782/CM VAT inclusive)	Tzs/Ltr	-	-	-
	TOTAL LOCAL COSTS (LC)	Tzs/Ltr			
	GOVERNMENT TAXES				
	Fuel Levy	Tzs/Ltr	263.00	263.00	-
	Excise Duty	Tzs/Ltr	339.00	215.00	425.00
	Petroleum Fee	Tzs/Ltr	50.00	50.00	50.00
Sub Total	**TOTAL GOVERNMENT TAXES**	**Tzs/Ltr**	**652.00**	**528.00**	**475.00**
Plus	Charges payable to other Local Authorities and Executive Agencies	Tzs/Ltr	18.00	18.00	18.00
Plus	OMC's Overheads & Margins	Tzs/Ltr	106.00	106.00	106.00
	WHOLESALE PRICE CAP (DSM)	Tzs/Ltr			
Plus	Retailers Margin (Tzs 92/Ltr)	Tzs/Ltr	92.00	92.00	92.00
Plus	Transport Charges (Local)	Tzs/Ltr	10.00	10.00	10.00
Price	**PUMP PRICE CAP (DSM)**	**Tzs/Ltr**			

5.4 Exchange Rates

Petroleum products for the local market are procured in United States dollars. Thus, fluctuations in exchange rates of the US dollar to the Tanzania Shilling have a direct influence on the price of petroleum products sold in the country. EWURA receives from the Bank of Tanzania (BOT) actual purchases of US dollars by OMCs as submitted by commercial banks operating in the country. With this data, the Authority computes weighted average exchange rate for a particular month which is applied in the computation of petroleum product prices for the following month. Between January 2012 and December 2104, the Tanzanian Shilling depreciated by 4.6% against the US dollar.

Figure 12 shows the movement of the exchange rates of the Tanzanian Shillings against the US dollar for each month as used in pricing of petroleum products in the local market. Between January, 2012 and December, 2014. Monthly published petroleum products cap prices are shown in **Appendix 1.0: Table A1.5.**

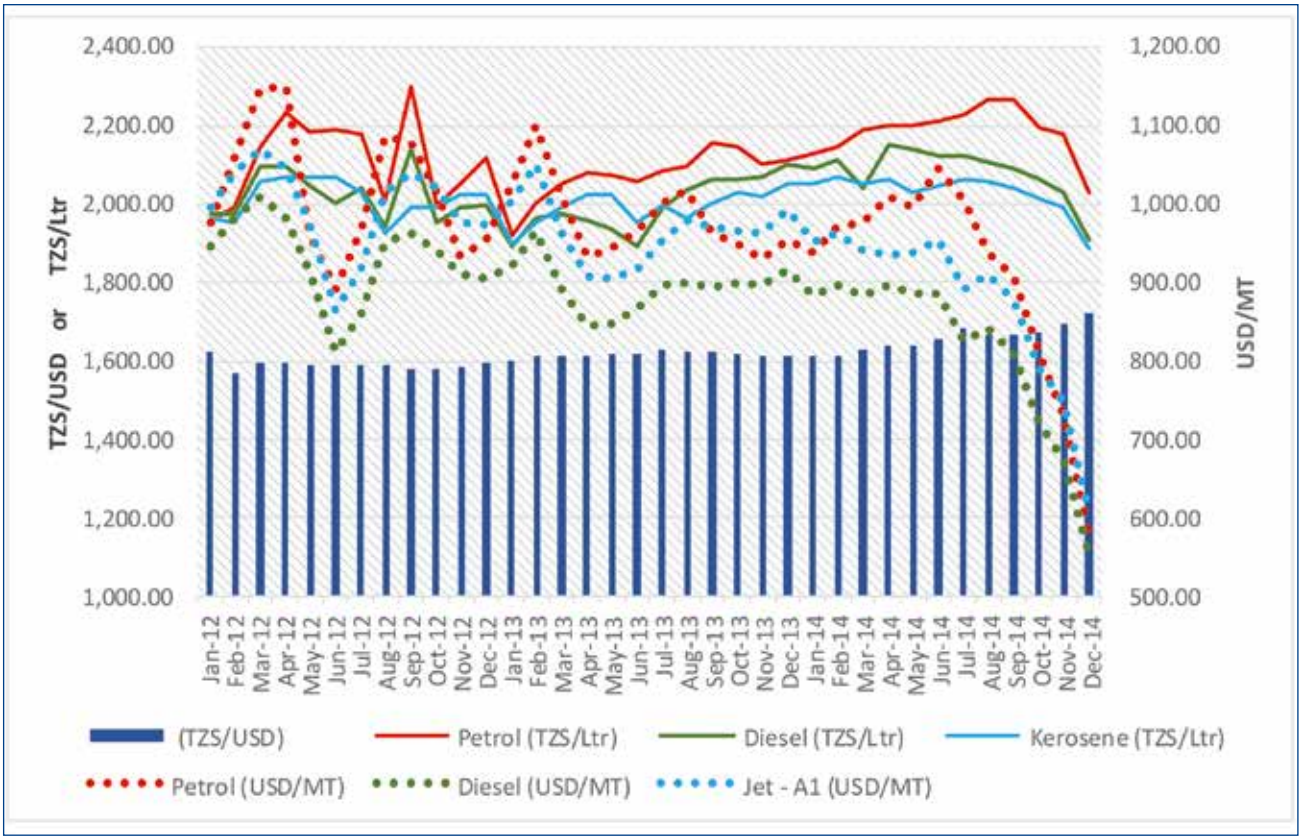


Figure 12: Retail Pump Prices, FOB prices and Exchange Rates Trend From January, 2012 – December, 2014

Chapter

6

PROMOTION OF DOMESTIC USAGE OF LIQUEFIED PETROLEUM GAS (LPG)

6.1 LPG Usage Promotion

LPG is a flammable mixture of hydrocarbon gases primarily composed of butane and propane. It is a fuel used for heating, cooking and as an alternative transportation fuel for vehicles. LPG has added advantages over other fuels in that, it is clean, non-toxic, easy to handle and versatile in its application.

There is no LPG production plant in the country, as such all LPG is imported. In accordance with Tanzania Bureau of Standards (TZS 818: 2004 Liquefied Petroleum Gas Specifications), LPG imported for the Tanzania market constitutes 85% butane and 15% propane. Consumption of LPG in Tanzania has over time been relatively low compared to the consumption of LPG in other African countries such as Kenya, Sudan and Ghana.

Low consumption of LPG is attributed to various reasons including: lack of awareness on the advantages of the product, high cost due to taxes charged on appliances, and a false notion that LPG is unsafe because of being highly flammable. Over a period of time, the Government has been promoting the use of LPG through various means including establishment of policies, regulations and tax exemption on LPG and LPG cylinders. It is also appreciated by most stakeholders that easy accessibility of LPG in terms of availability and price, will give an alternative fuel source to a wide range of consumers.

In view of low consumption of LPG, EWURA engaged a consultant to carry out the following:

(a) Identify and investigate reasons for low LPG consumption growth in Tanzania.

(b) Develop a strategy for promoting consumption of LPG in Tanzania.

(c) Develop a strategy and means through which LPG will be accessible to many Tanzanians irrespective of location and distance from the main supply centers.

Findings of the consultancy were that constraints in LPG market growth in Tanzania arise out of a number of factors including:

(a) **Receipt, storage and distribution capacity**: There is limited infrastructure for receiving, storing and distributing LPG;

(b) **Awareness**: Most Tanzanians are not aware that LPG is a clean energy source and an environmentally friendlier fuel for domestic use;

(c) **Non availability**: LPG is not readily available especially in areas that are far away from distribution networks.

(d) **Starter pack price**: The price of the starter pack (cooker, cylinder hose and regulator) is beyond the reach of most average Tanzanians. This includes middle income wage earners in urban and semi urban areas, as well as the unemployed in urban and rural areas.

(e) **Cost of gas**: Regular refilling is rather expensive for most average Tanzanians as explained in (d) above.

(f) **Fear for safety**: Lack of knowledge about properties of LPG and safe handling procedures discourage some potential users.

In addressing the above challenges and promoting use of LPG the following measures have been taken:

(a) EWURA has established Petroleum (LPG Operations) Rules which govern LPG business operations in the country;

(b) EWURA has been conducting regular inspections to monitor facilities and integrity of LPG facilities to ensure compliance with safety, health and environmental requirements;

(c) EWURA has been conducting awareness campaigns in various regions in the country on health, safety and environmental issues;

(d) OMCs have introduced LPG cylinders of various sizes to cater for customers with different income levels (i.e. 3kg and 6kg cylinders); and

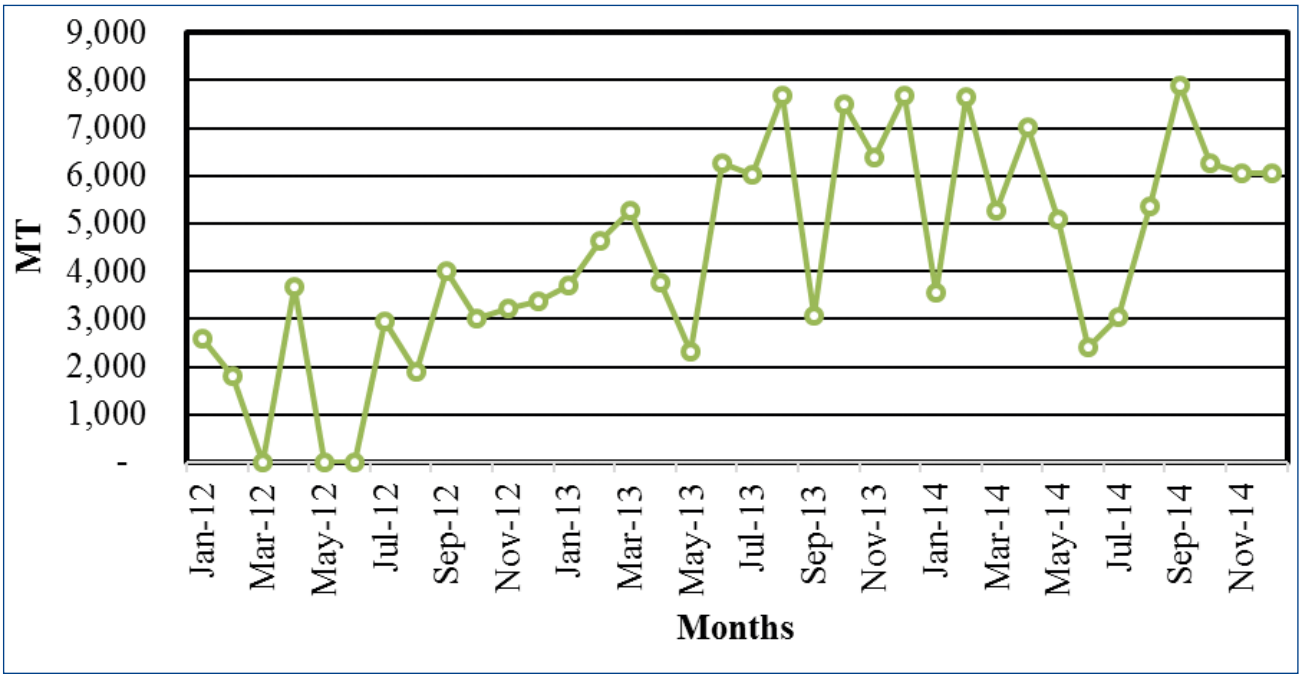
(e) Some of the OMCs have started constructing LPG infrastructure in various regions.

6.2 LPG Imports

Following publication of the report of the LPG promotion study, the Authority noted an increasing trend of LPG imports in Tanzania, as shown in **Figure 13**. The increasing trend is attributed to an increase in LPG

usage due to increase of LPG dealers, construction of additional LPG infrastructure in various regions and increased customer awareness on health, safety and environmental issues.

Figure 13: LPG import trend from 2012 to 2014



Chapter

7

GAS CONDENSANTE FROM SONGO SONGO

Along with production of natural gas at Songo Songo, a liquid hydrocarbon (gas condensate) is also produced. This gas condensate, being a petroleum product is regulated by EWURA as required by the Act. EWURA monitors production and consumption of this product for assurance that it is used in acceptable areas as it can also be used as an adulterant.

Between January and December 2013, Oilcom (T) Limited bought gas condensate from TPDC and sold 3,386,000 litres of the gas condensate to Ms Petroleum Management Solutions (PMS). In the year 2014, total gas condensate sold to Ms Petroleum Management Solutions totalled to 4,008,000 litres.

Chapter

8

PETROLEUM PRODUCTS MARKING PROGRAM

8.1 Reasons for Introduction of Fuel Marking

The fuel marking program was introduced in September 2010 in order to eliminate malpractices which had for a long time persisted in the petroleum supply chain. These malpractices include the following:-

(a) **Products Adulteration:** Mixing of kerosene or any cheaper product (adulterant) with petrol and diesel and selling the mixed product as petrol or diesel for financial gain. The mixing drastically alters the product specifications resulting in loss and damage of engine power, among others.

(b) **Products Smuggling:** Petroleum products may be smuggled from neighbouring countries into the local market through un-official entry points along the borders. Selling of the smuggled products into the local market results into loss of government revenues since tax is not collected and may also affect quality of petroleum products in the local market due to unregulated handling process.

(c) **Transit Products Dumping:** This is where duty free products transiting through Tanzania destined for other countries including Rwanda, Burundi, DRC, Malawi and Zambia are diverted into the local market. While adulteration has a direct impact on product quality, dumping and selling of untaxed products have a negative impact on government revenue.

(d) **Tax Exempted Products:** This is where products imported for special projects, which are tax exempted, are sold in the local market along with products which are tax paid.

8.2 Fuel Marking Technology Used in Tanzania

The fuel marking technology which is in use entails marking petroleum products with a molecular marker which is a tracer (Petrolmark ™ Marker) and testing for its presence down the supply chain by using mobile X-Ray Fluorescence analyzers (XRF machine). These XRF machines can detect on the spot adulterated and dumped petroleum products, even with very low levels of adulterant.

The Petrolmark™ fuel marking and detection system is designed to be friendly for the user. The XRF machine detectors are simple to operate and do not require high technically skilled operators. It involves

sample collection and positioning of the sample into the appropriate analyzing chamber and acquiring the XRF reading by just clicking the test button. In less than five minutes the test is completed and results given. The results can be simultaneously transmitted by any means of communication. These results cannot be erased or tempered with. They are directly recorded in the database which is not accessible by the operator. The engineering of the XRF machine detectors prevents any kind of human intervention in the software and in the detection results. The XRF machine detector is mechanically constructed to endure harsh terrain conditions. **Figures 14 to 16** show the facilities used in the marking program in Tanzania.

Figure 14: XRF Machine mounted inside a vehicle

Figure 15: Samples of petroleum product being collected at the Retail Outle

Figure 16: Test results displayed at the screen of an XRF Machine

8.3 Fuel Marking Program in Tanzania

Fuel marking in Tanzania is done in accordance with the Petroleum Product (Marking and Quality Control) Rules, 2010. Generally there are two main activities in the implementation of the fuel marking program as follows:

(a) introducing a molecular marker into the three petroleum product types i.e. petrol, diesel and kerosene designated for the local market; and

(b) monitoring of marker concentration level at the retail outlets, tanker trucks and inland depots and enforcement to ensure compliance to the Petroleum Product (Marking and Quality Control) Rules, 2010.

8.3.1 Molecular Marking of Petroleum Products

M/S Global Fluid International (GFI) who was contracted by EWURA since 1st September 2010 to provide molecular marking of petroleum products in Tanzania, continues to provide fuel marking services through which petroleum products for the local market are marked except for those products designated for special projects and are tax exempt. Products which are under this program are petrol, diesel and kerosene.

Between years 2011 and 2014, total annual volumes of marked petroleum products increased by 22.7% from 1,908,843,595 litres marked in year 2011 to 2,341,527,980 litres in year 2014. Marked petrol increased by 53.6% from 578,060,294 litres marked in 2011 to 879,533,970 litres marked in 2014. Likewise, marked diesel increased by 23.6% from 1,162,406,458 litres marked in 2011 to 1,436,512,030 litres market in 2014. On the other hand, the volume of marked kerosene during the same period decreased by 71.6% from 168,376,843 litres marked in year 2011 to 47,765,180 litres marked in year 2014 (**Table 12**). It can be deduced that most of the kerosene imported in the past was used for adulteration of diesel and petrol.

Table 11: Annual Marked Petroleum Products in 2011 - 2014 (Units in Litres)

Annual Marked Volumes (Litres)					
Year		**2011**	**2012**	**2013**	**2014**
Product	Petrol	578,060,294	660,524,748	758,031,439	879,533,970
	Diesel	1,162,406,458	1,319,554,175	1,502,059,721	1,436,512,030
	Kerosene	168,376,843	74,652,967	72,884,477	47,765,180
Grand Total		**1,908,843,595**	**2,054,731,890**	**2,332,772,637**	**2,363,811,180**

Figure 17 indicate details of the fuel marked during the period under review. The large increase of volumes of taxed petroleum products translates that the government revenue collection from petroleum products has increased.

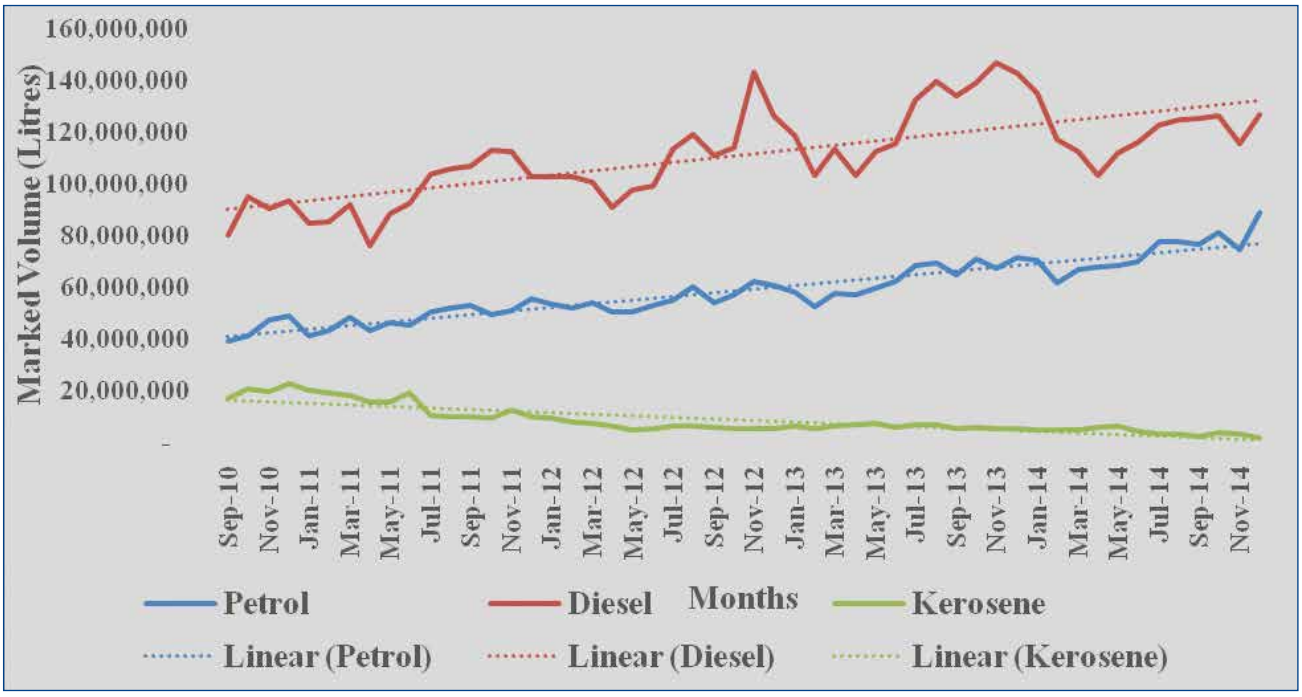


Figure 17: A trend of Marked Fuel from 2010 to December 2014

8.4 Monitoring of Marker Concentration Level

From January 2011 to 31st December 2014 a total of 1,518 retail outlets were sampled. Among these, 243 (equivalent to 16% of all sampled retail outlets) failed the marker test. Similarly, during the same period samples were taken from 106 trucks and tested; out of these 8 trucks were found with untaxed fuel and hence failed the marker tests.

Those who were found selling or in possession of non-conforming products were penalized as per Petroleum Product (Marking and Quality Control) Rules, 2010.

Despite the noted success, more frequent marker detection exercises are being carried out in order to ensure full compliance. Any lapse in monitoring efforts can be taken as a chance by unscrupulous dealers to capitalize on.

Chapter

9

COMPLIANCE MONITORING

The Authority continued to undertake monitoring programs to ensure compliance to applicable laws, rules and standards along the petroleum supply chain. The following section covers highlights of compliance monitoring activities which were carried out during the period of January 2012 to December 2014.

9.1 Licence Conditions Monitoring

Inspections which were carried out in year 2012 through year 2014 showed that most petrol station operators were not complying with licence conditions. Out of 598 licensed petrol stations inspected, only 22 (3.68%) fully complied with licence conditions. Facilities which failed to comply with licence conditions were fined accordingly, and given limited time to rectify noted deficiencies.

9.2 Petrol Stations Operating Without Licences

In accordance to Section 7 of the Petroleum Act, 2008, all petroleum operators in the country should be licensed by EWURA. During the period under review, the Authority identified 204 petrol stations operating without EWURA licences. These petrol stations were ordered to stop operations until they meet licensing requirements and be licensed accordingly. Out of the identified non-licensed petrol stations, 45 met the licensing requirements and were hence licensed.

9.3 Petroleum Products Quality Monitoring

During the period under review, the Authority continued with its role of monitoring quality of petroleum products so as to ensure that the right quality petroleum products were offered for sale to consumers. **Table 12** presents a summary of number of facilities sampled for quality analysis and their test results thereof. The general trend shows that the level of petroleum products quality failure is decreasing.

Table 12: Number of facilities sampled and tested for quality check

Year	No. of the facilities sampled				No. of the facilities that failed quality tests				%Failure
	Petrol Stations	Depots	Trucks	Total	Petrol Stations	Depots	Trucks	Total	
2011	45	12	6	**63**	9	2	0	**11**	**17.46**
2012	31	8	35	**74**	13	0	0	**13**	**17.57**
2013	39	6	0	**45**	13	4	0	**17**	**37.78**
2014	23	0	7	**30**	4	0	0	4	**13.33**
Total	**138**	**26**	**48**	**212**	**39**	**6**	**0**	**45**	**21.23**

9.4 Monitoring Adherence to Other Applicable Laws

In year 2013, the Authority instituted legal actions against four (4) OMCs namely Hass Petroleum (T) Limited, NSK Oil (T) Limited, Puma Energy Tanzania Limited and Oryx Oil Company Limited for contravening the Bulk Procurement Regulations. These companies failed to open Letters of Credit (LCs) and hence, indirectly distorted proper functioning of the BPS.

On the other hand, operators have continued to comply with the The Energy and Water Utilities Reguratory Authority (Petroleum Products Price Setting) Rules, 2009 as there were neither a case of creation of artificial shortage nor a case of an operator selling petroleum products above applicable cap prices.

9.5 Monitoring Adherence to Health, Safety and Environment Requirements

All operators of petroleum products installations in the country are required to operate in a manner that their operations do not pose a threat to public health, safety and the environment. Between 2013 and December 2014, eight (8) petrol stations, two (2) small road tankers operating as mobile re-fuelers in Tunduma area, one (1) LPG Filling Plant, namely Camel Oil (T) Ltd- LPG Filling Plant, and Aspam Energy Refinery (T) Ltd were found operating in a manner that jeopardized health, safety and the environment. Punitive measures were taken against these defaulters including ordering them to stop operating until the Authority was satisfied that all anomalies were rectified and that their operations are carried out in accordance with good petroleum industry practices.

Further, in the year 2013, the Authority signed a Small Scale Funding Agreement (SSFA) with UNEP amounting to USD 20,000 to support implementation of low sulphur awareness project in Tanzania. The project included conducting national workshops and public awareness campaigns with the aim of sensitizing the public on the use of quality and cleaner fuels highlighting benefits of low sulphur petroleum products. The workshops were also aimed at updating stakeholders on the actions taken by the government and available plans to further reduce the level of sulphur in fuels used in Tanzania.

The Authority also continued with its obligation of investigating incidents related to petroleum downstream sector operations to underscore their causes, establish and recommend corrective actions so as to prevent recurrence of similar incidents in the future. During the period under review ten incidents occurred. They included fire incidents that occurred at Filling Stations and from trucks transporting petroleum products and oil spillages from overflow of tanks and pipelines.

9.6 Emergency Response Plan

Fire and oil spills are the common fatal accidents in the petroleum industry. Also, the industry is prone to other types of accidents including, medical emergencies, attacks, natural disasters, bomb threat etc. As a mitigation measure operators of petroleum installations, depots in particular are required to have in place emergency preparedness plans, ready to be used in case of emergencies.

During the year 2013, the Authority finalized preparation of guidelines which required all operators in the petroleum downstream sector to develop own emergency preparedness plan(s) addressing all probable emergency scenarios such as:

- fire and explosion in various locations including tanks, inside bund wall, on trucks during loading, in the office, in the pump house and in the oil water separator;
- products spill from various facilities and on different occasions, including spills from tanks during receipt, spills due to tank failure, spills due to pipeline failure or spills during loading;
- natural disasters;
- injury; and
- bomb threats.

Operators are required to have this plan available and accessible at any time. They are required to include:

- procedure for evacuation of people to predetermined safe area to ensure that all employees understand the general procedure to be followed in case of an emergency alarm, route to be followed and destination point;
- designation of person(s) responsible for shutting down master control, cut off power;
- all clear and re-entry procedures; and
- alert procedure-internal and external communication system. The emergency plan should outline the preferred means of reporting emergencies, for example dial 999, start fire alarm etc. Contact details for internal system and service providers clearly displayed

9.7 TAZAMA Pipeline Inspection

The Energy Regulatory Board in Zambia (ERB) has already licensed the Zambia part of the TAZAMA pipeline. It was therefore thought proper to have technical discussions with ERB on how TAZAMA pipeline is regulated in Zambia and share different tools used to regulate the infrastructure. Prior to preparing operational rules for the pipeline, in year 2013 EWURA conducted physical inspection of TAZAMA pipeline system that transverses in Tanzanian from Dar es Salaam to Tunduma in order to establish the status of its integrity in relation to Health, Safety and Environmental (HSE) requirements.

Main findings of the inspection were as follows:

(a) generally, TAZAMA pipeline system is well maintained and in a good condition in consideration of the technical standards as well as health and safety requirements;

(b) periodic maintenance of the pipeline, together with its associated facilities is being done in accordance with specific technical/ manufacturers manuals. Each pumping station has a set of these manuals;

(c) most of the pumping station facilities including pumps, engines and compressors have been operating for more than 45 years. It was noted that TAZAMA has started replacing pumps and engines at Dar es Salaam pumping station;

(d) a number of incidents of TAZAMA pipeline rupture had been reported, causing spillages to the environment. It was noted that, TAZAMA attended to these incidents in a timely manner and necessary repairs were carried out;

(e) periodically, TAZAMA carries out both normal pigging as well as intelligent pigging operations. Pigging reports are used by TAZAMA to plan for carrying out localized preventive maintenance of the pipeline; and

(f) TAZAMA has started replacing parts of the pipeline; new pipes were seen stocked at its Iringa pump station.

9.8 Consultation with Other Stakeholders

Between 2013 and 2014, the Authority in collaboration with the National Environmental Management Council (NEMC) and other stakeholders, actively participated in forty-nine (49) site verifications and Technical Advisory Committee meetings organized by National Environmental Management Council (NEMC) to review the Environmental Impact Assessment (EIA) and Environmental Audit (EA) reports prepared by various environmental experts on behalf of the project proponents as per requirements of the National Environmental Management Act, 2004.

Chapter

10

FISCAL IMPACT OF REGULATORY INTERVENTIONS

During year 2013/2014 the Authority engaged the University of Dar es salaam, Department of Economics, to carry out an assessment of benefits in the downstreatm petroleum sub-sector which have been realized in the country because of regularoty measures being implemented by EWURA. The main findings of the study were as follows:

a) the Fuel marking program as an anti-adulteration measure had led to an increase in tax revenue of TZS 33.53 billion between 2010 and 2011;

b) the Fuel marking as an anti-dumping measure led to an increase in tax revenue of TZS 146.5 billion, TZS 129.8 billion, and TZS 192.2 billion in 2010/11, 2011/12 and 2012/13, respectively;

c) the BPS had a combined contribution

d) of TZS 121.57 billion on the economy from the impact of the BPS on demurrage cost (reduced days from 45 to 3), minimization and rationalization of price build up that eliminates ocean losses, and decrease in premiums;

e) regulation of petroleum products pricing has let in lower average prices between July 2009 and June 2010 that led to increase tax revenue whereby the lower average prices of petroleum products resulted in an increase of tax revenue of 46 billion via increased consumption tax receipts;

f) the BPS has raised the welfare of Tanzanians by TZS 147.2 billion resulting from lower prices of petroleum products emanating from decline in demurrage costs, enhanced importation efficiency, revision of Petroleum importation terms and conditions, and lower average premiums for imported petroleum products;

g) the pricing system has raised the public welfare by reducing average prices of petroleum products and increasing disposable incomes; and

h) fuel marking has led to increased conformity by retail outlets to petroleum quality standards. The level of conformity is almost five times higher between 2007 and 2013. Furthermore, reduction in fuel adulteration has improved the environment by reducing automotive exhaust and enhanced the efficiency of vehicles and performance of equipment using petroleum products.

It is evident, through the report, that EWURA has made significant achievements in the downstream petroleum sub-sector in Tanzania. The benefits indicated above are results of regulatory interventions in the subsector. The Authority will continue implementing further regulatory measures for continued sustainability of the subsector and for the wider interests of all stakeholders and the country at large.

Chapter 11

CHALLENGES AND MEASURES TAKEN

Some of the challenges encountered by the Authority in its operations related to the downstream petroleum business in Tanzania are as shown in the following matrix. Measures which are being taken to deal with the relevant challenges have also been indicated

No	CHALLENGES	MEASURES TAKEN	CHALLENGES STILL UNRESOLVED / WAY FORWARD
1.	Curbing petroleum products adulteration	▪ Managed to reduce adulteration from 85% in 2007 to less than 7% by December 2014. ▪ Routine and surprise monitoring by collecting and analyzing samples. ▪ Fuel marking program and subsequent on site testing by use of XRF machines.	▪ Complete elimination of the petroleum adulteration problem ▪ Alignment of Legal instruments of other institutions that work with EWURA on matters that fall under their jurisdiction but impact EWURA's decisions.
2.	Ensuring that all petroleum installations in the country comply with the required standards.	▪ EWURAhas inspected all petroleum facilities and infrastructure ▪ Established national standards for construction of storage depots, petrol stations and road tankers ▪ Conducting periodic inspections to ensure compliance to the required standards ▪ Conducting a "Baseline Study on the Integrity of Petroleum Infrastructure and Operations in Tanzania"	Many petroleum facilities constructed after liberalization of the sector in year 1999 were constructed without adherence to the required standards. EWURA is enforcing compliance to the required standards making sure that these facilities are upgraded.
3.	Improvement of quality of petroleum products	▪ Improved the national standard for diesel to 500ppm from 5000ppm sulphur content for environment protection. ▪ Improved on the flash point level of diesel from 65.5 ^{0}C to 66 ^{0}C	▪ Need to attain the current world class sulphur content to a minimum of 10 ppm. ▪ To harmonize petroleum products specifications in the region and the East African Community.

No	CHALLENGES	MEASURES TAKEN	CHALLENGES STILL UNRESOLVED / WAY FORWARD
4.	Improvement of the petroleum products monitoring process	▪ Procured three XRF machines that enable EWURA to make on the spot analysis of the petroleum products samples.	The initiative is ongoing.
5.	Improvement of Health, Safety and Environment in the petroleum operations.	▪ Prepared, in consultation with stakeholders, the "Emergency Preparedness Plan" and the "Dar es Salaam Port Emergency Contingency Plan" to be adopted by all operators. ▪ Conducted awareness campaigns and training to operators in the petroleum downstream industry. ▪ Conducting regular inspections of petroleum facilities and integrity of operations	▪ Limited knowledge and experience of most operators in observing the good petroleum industry practices. ▪ EWURA continuing with awareness and education campaigns to operators
6	The current harmonized system of licensing conditions has resulted in majority failure of the petrol stations in rural areas to fully meet the licensing conditions as compared to their counterpart petrol stations located in urban areas.	▪ Establishment of The Petroleum (Village and Township Retail Outlet Operations) Rules, 2014.	The Authority is enforcing licensing conditions for rural petrol stations in consideration of the published standards. .
7.	Ensuring that petroleum products prices in the country are fair	▪ Conducting regular inspection of petroleum products price levels. ▪ Prepared a petroleum pricing formula and carrying out reviews when so justifiable ▪ Reviewing and publishing local market prices, monthly. ▪ Monitoring world market prices for reviewing the local market prices.	▪ Volatility of world markert petroleum prices and fluctuation of the Tanzania shillings against the United States dollars

No	CHALLENGES	MEASURES TAKEN	CHALLENGES STILL UNRESOLVED / WAY FORWARD
8.	Increasing efficiency in the petroleum procurement and supply chain in Tanzania.	Introduced the petroleum bulk procurement system.	Looking in the possiblility of financing of the BPS imports centrally whereby one LC will be opened with the supplier. Engaging stakeholders to achieve the same.
9	Some operators lack technical know-how and expertise in the petroleum downstream operations.	Conducted awareness campaigns and training to operators in the petroleum downstream industry.	Increasing awareness campaigns to operators continuously.
10.	Collecting and maintaining correct petroleum data and information.	▪ Contracted a surveyor who is monitoring and reporting all petroleum products imports into and through Tanzania. ▪ Establishing a National Petroleum Information System.	▪ Marine surveyor to continue to collect and report all petroleum imports data. ▪ In final stages to operationalize the NPIS.
11.	Promoting the consumption of LPG in Tanzania to, among other things, minimize the use or firewood and charcoal and therefore promote environment protection.	▪ Conducted a study on LPG promotion and improvement in Tanzania ▪ Published the LPG operations Rules, a useful tool to regulate the LPG business hence increase investment in this sub sector and also improve consumption.	Shared findings and recommendations with stakeholders and other institutions who should initiate implementation.
12.	Security of petroleum products supply in the country.	▪ Collecting petroleum products data and preparing weekly reports of petroleum stocks. The data and report are shared with the Government.	TPDC to implement its legal obligation of establishing and maintaining strategic petroleum reserves.

Chapter

12

ACHIEVEMENTS

Despite the foregoing challenges, the Authority has successfully continued to meet intended goals in the downstream petroleum sub sector in the country. The following are some of the achievements that may be recorded:

(a) Various petroleum operators have been licensed;

(b) quality of petroleum products for the local market has improved and the level of petroleum products adulteration has decreased subtantially;

(c) reduction in fuel adulteration has improved the environment by reducing automotive exhaust pollution;

(d) petroleum products pricing has been successful and stable;

(e) petroleum products supply in the country has been stable as there were no shortages recorded in the period under review;

(f) various regulatory tools that were lacking are now in place and others are in various preparation stages;

(g) standards of retail outlets in the country have significantly improved because of compliance monitoring and enforcement measures taken by EWURA. Other retail outlets have already attained full compliance;

(h) the fuel marking program as adulteration and anti-dumping measure has led to an increase in Government tax revenue; and

(i) the Bulk Procurement System (BPS) has reduced demurrage costs, eliminated ocean losses, resulted in decreased premiums, reduced average prices of petroleum products and hence increasing public welfare.

(j) the established process for complaints and disputes resolution has enabled the Authority to handle and resolve reported complaints and disputes in a transparent manner; and

(k) public awareness on the downstream petroleum sub-sector's operations, standards and applicable legislations has increased.

In the years under review, the Authority has successfully continued to operate well in regulating the downstream petroleum sub sector in Tanzania. More improvements are planned for the year 2015 and beyond, to ensure that services to consumers and operations of service providers in the sub sector are steadily improving.

In spite of the fact that the downstream petroleum sub-sector has many actors implying its regulation can be challenging in terms of coverage of actors, EWURA has earned notable achievements since its establishment in 2006. The size of the country which is very large, makes regulation more challenging as it results in large geographical dispersion of actors in the sub-sector. It is thus imperative to undertake regulation in a targeted but effective manner that maximizes compliance.

Chapter

13

CONCLUSION

EWURA has been expanding its regulatory interventions especially in the downstream petroleum sub-sector since it was established in 2006. The main objective of introducing these interventions was to ensure players in the downstream petroleum sub-sector competed in a healthy manner while securing the desires of consumers as well. EWURA has introduced several regulatory interventions such as Petroleum Pricing Mechanism introduced in January 2009, fuel marking in September 2010 to curb fuel adulteration and dumping of transit goods and introduction of a Bulk Procurement System in 2012.

Further, the Authority has managed to achieve intended objectives that include:

(a) Continued improvement of efficient provision of petroleum products and related services to the country by improvising fair competition within the industry;

(b) Reduced costs in respect of procurement, storage, transportation and distribution of petroleum products by eliminating inefficiencies in the entire petroleum products supply chain;

(c) Enabled improved investment in petroleum downstream operations to develop and provide adequate storage and distribution facilities, thus helping to ensure a reliable supply of petroleum products throughout the country.

(d) Improved quality of petroleum products that are sold in the country. Overall there are now fewer cases of adulteration of petroleum products than before.

(e) Improved petroleum infrastructure in most parts of the country and many operators now operate under a license from the Authority.

Improved quality of petroleum products as a result of fuel marking has resulted in increased confidence of the public of the quality of petroleum products in all filling stations hence reducing leather shoe costs (time spent going to filling stations regarded as having good quality petroleum products). The reduced time spent searching for good quality petroleum products means more resources to engage in other social activities as well as more resources for social investments.

Appendix 1: Summary of Performance Data

Table A1.1: List of Depots and Their Capacity – Countrywide

File No.	Name of Operator	Region	Location	Name of the Facility	Tankage Capacities by Product (MT)						
					Petrol	Jet A1	Kerosene	Diesel	IDO	HFO	Total
1	Camel Oil Tanzania Ltd	DSM	Kurasini	Camel Oil (T) Ltd – Kurasini Depot	4,415		9,434	15,000			**28,849**
2	Engen Petroleum Ltd	DSM	Kurasini	Engen Petroleum (T) Ltd- Kurasini Depot	5,058		3,302	7,356			**15,716**
3	GAPCO Tanzania Ltd	DSM	Kurasini	GAPCO (T) Ltd – Kurasini	8,539	2,307	4,429	28,312	275	3,913	**47,775**
4	GBP Tanzania Ltd	DSM	Kurasini	GBP (T) Ltd – Kurasini	6,623		7,075	15,000			**28,698**
5	Hass Petroleum Ltd	DSM	Kigamboni	Hass Petroleum (T) Ltd – Kigamboni Depot	7,358		3,931	8,333			**19,623**
6	Kobil Tanzania Ltd	DSM	Kigamboni	Kobil (T) Ltd – Kigamboni Depot	7,358		3,931	8,333			**19,623**
7	Lake Oil Ltd	DSM	Kigamboni	Lake Oil Ltd – Kigamboni Depot	3,532		3,852	8,167			**15,551**
8	MGS Tanzania Ltd	DSM	Kurasini	MOGAS (T) Ltd – Kurasini Depot	8,830		6,289	13,333			**28,452**
9	National Oil Tanzania Ltd	DSM	Kurasini	National Oil (T) Ltd - Kurasini	2,208		4,717	5,833			**12,758**
10	NSK Tanzania Ltd	DSM	Chang'ombe	NSK Oil Ltd – Dar Es Salaam Depot			786	833			**1,619**
11	Oilcom Tanzania Ltd	DSM	Kurasini	Oilcom (T) Ltd - Kurasini Depot	4,415	4,717	4,717	15,000		5,639	**34,488**
12	Oryx Oil Company Ltd	DSM	Kurasini	Oryx Oil (T) Ltd - Kurasini Depot	5,080		804	9,246	245	4,800	**20,175**
13	Puma Energy (T) Ltd	DSM	Kurasini	Puma Energy (T) Ltd – Kurasini Depot	2,486	9,388	3,183	14,949	1,105	9,449	**40,561**
14	TOTAL Tanzania Ltd	DSM	Kurasini	TOTAL (T) Ltd – Kurasini Depot	6,442	2,296		7,646		6,698	**23,081**

File No.	Name of Operator	Region	Location	Name of the Facility	Tankage Capacities by Product (MT)						
					Petrol	Jet A1	Kerosene	Diesel	IDO	HFO	Total
15	Mansoor Industries Ltd	DSM	Kigamboni	Mansoor Industries Ltd - Kigamboni	4,047		4,324	3,750			**12,121**
16	Star Oil Tanzania Ltd	DSM	Kurasini	Star Oil Tanzania Ltd- Kurasini Depot	9,124			20,667			**29,791**
17	World Oil Ltd	DSM	Kigamboni	World Oil Ltd - Kigamboni	6,595			22,446			**29,041**
18	Engen Petroleum Ltd	Kigoma	Kibirizi	Engen Petroleum (T) Ltd	1,024		314	458		141	**1,937**
19	GAPCO Tanzania Ltd	Kigoma	Kibirizi	GAPCO (T) Ltd – Kigoma Depot	1,480		1,583	1,678	138	350	**5,228**
20	GBP TANZANIA LTAD	Kigoma	Kibirizi	GBP (T) Ltd - Kigoma	736		393	1,250			**2,379**
21	Oilcom Tanzania Ltd	Kigoma	Kibirizi	Oilcom (T) Ltd - Kigoma Depot	567	385	252	596	128		**1,927**
22	TOTAL Tanzania Ltd	Kigoma	Kibirizi	TOTAL (T) Ltd - Kigoma Depot	1,177	637		638			**2,452**
23	World Oil Ltd	Kigoma	Kibirizi	World Oil Ltd – Kigoma Depot	302		322	342			**966**
24	East Africa Fossils Company	Mara	Musoma	EAFCO - Musoma Depot	400		120	680			**1,200**
25	GAPCO Tanzania Ltd	Mara	Musoma	GAPCO (T) Ltd - Mara	50		200	340			**590**
26	Malawi Government	Mbeya	Iyunga	Malawi Cargo – Mbeya Depot	1,339		308	1,689			**3,336**
27	Oryx Oil Company Ltd/ TOTAL Tanzania Ltd	Mbeya	Iyunga	TOTAL (T) Ltd/Oryx – Mbeya Depot	684		432	1,883			**3,000**
28	Engen Petroleum Ltd	Moshi	Pasua	Engen Petroleum (T) Ltd – Moshi Depot	74		79	167			**319**

FILE NO.	NAME OF OPERATOR	REGION	LOCATION	NAME OF THE FACILITY	TANKAGE CAPACITIES BY PRODUCT (MT)						
					MSP	JET A1	IK	AGO	IDO	FO	TOTAL
29	Oryx Oil Company Ltd	Moshi	Pasua	Oryx Oil (T) Ltd – Moshi Depot	151	-	80	252	39	67	**590**
30	Puma Energy (T) Ltd	Moshi	Pasua	Puma Energy (T) Ltd – Moshi Depot	736	-	71	833	-	169	**1,809**
31	Puma Energy (T) Ltd/ Total Tanzania Ltd	Moshi	KIA Airport	BP (T) Ltd/TOTAL (T) Ltd - KIA Depot		504					**504**
32	Puma Energy (T) Ltd	Mtwara	Mtwara	Puma Energy (T) Ltd – Mtwara Depot	372	-	1,270	1,346	811		**3,800**
33	Engen Petroleum Ltd	Mwanza	Mwanza South	Engen Petroleum (T) Ltd – Mwanza Depot	202		79	830			**1,111**
34	GAPCO Tanzania Ltd	Mwanza	Mwanza South	GAPCO (T) Ltd – Mwanza Depot	114	-	163	340	50		**667**
35	GAPCO Tanzania Ltd	Mwanza	Mwanza South	GAPCO (T) Ltd – Mwanza Depot	400	-	1, 570	3,340	1,700		**5,440**
36	GBP Tanzania Ltd	Mwanza	Mwanza South	GBP (T) Ltd - Mwanza	424		476	2,172			**3,073**
37	Oryx Oil Company Ltd	Mwanza	Mwanza South	Oryx Oil (T) Ltd – Mwanza Depot	118	-	79	333	49		**579**
38	Puma Energy (T) Ltd	Mwanza	Mwanza South	Puma Energy (T) Ltd – Mwanza Depot	168	393	366	1,372	100	207	**2,606**
39	Puma Energy (T) Ltd	Mwanza	Geita Gold Mine	Puma Energy (T) Ltd – Geita Gold Mine Depot				3,650		3,947	**7,597**
40	Engen Petroleum Ltd	Shinyanga	Isaka	Engen Petroleum (T) Ltd - Isaka	515	-	128	1,166			**1,809**
41	Oilcom Tanzania Ltd	Shinyanga	Isaka	Oilcom (T) Ltd – Isaka Depot	736		786	3,333			**4,855**
42	Oryx Oil Company Ltd	Shinyanga	Isaka	Oryx Oil (T) Ltd - Isaka Depot				1,291			**1,291**

File No.	Name of Operator	Region	Location	Name of the Facility	Tankage Capacities by Product (MT)						
					Petrol	Jet A1	Kerosene	Diesel	IDO	FO	TOTAL
43	TOTAL Tanzania Ltd	Shinyanga	Shinyanga	TOTAL (T) Ltd – Shinyanga Depot	159	-	116	1,061			**1,335**
44	Amazon Petroleum (T) Ltd	Tabora	Kiloleni	Amazon Petroleum (T) Ltd – Tabora Depot	88	-	148	298	-		**534**
45	GBP Tanzania Ltd	Tabora	Kiloleni	GBP (T) Ltd - Tabora	116	-	171	343			**631**
46	GBP Tanzania Ltd	Tanga	Ras Kazone	GBP (T) Ltd – Tanga Depot	1,472	-	1,572	6,667	-	-	**9,711**
47	Tanga Petroleum	Tanga	Kisosora	TAPCO Tanga Depot	1,472		1,651	2,000			**5,123**
48	GAPCO Tanzania Ltd	Arusha	Unga Limited	GAPCO (T) Ltd – Arusha Depot	400	-	603	1,084	-	-	**2,087**
49	Mount Meru Petroleum	Arusha	Njiro	Mount Meru Petroleum – Arusha Depot	355		688	1,203		40	**2,286**
50	NSK Oil	Arusha	Njiro	NSK Oil Co. Ltd	221		236	1,000			**1,457**
51	Malawi Government	DSM	Kurasini	Malawi Cargo - Kurasini	7,613			10,717			18,330
51	TAZAMA TZ	DSM	Kurasini	TAZAMA Kigamboni							**-**
52	TIPER	DSM	Kigambini	TIPER – Kigamboni Depot	9,766		7,546	85,567	195	11,178	**114,252**
				Country Total	**21,662**	**-**	**12,731**	**109,939**	**195**	**11,218**	**155,745**

Table A1.2: LIST OF PRE-QUALIFIED SUPPLIERS FOR BULK PROCUREMENT OF PETROLEUM PRODUCTS IN TANZANIA 2011 - 2014

Companies Pre-Qualified in 2011/12	
S/N	**NAME OF COMPANY**
1	GBP TANZANIA LTD
2	TRAFIGURA PTE LTD
3	GAPCO (T) LTD
4	ADDAX ENERGY SA
5	ENGEN PETOLEUM LTD
6	VITOL S A SWITZERLAND
7	AUGUSTA ENERGY
8	BP TANZANIA LTD
9	INDEPENDENT PETROLEUM GROUP LIMITED BAHAMAS
10	TOTSA TOTAL OIL TRADING SA
11	LAKE OIL LTD
12	OILCOM (T) LTD
13	NATIONAL OIL CORPORATION OF KENYA
14	LUKOIL INTERNATIONAL TRADING AND SUPPLY COMPANY
15	MOGAS TANZANI LTD
16	ACER PETROLEUM (T) LTD
17	GALANA PETROLEUM
18	CAMEL OIL (T) LTD
19	SWISS SINGAPORE OVERSEAS
20	GAPCO KENYA LTD, NAIROBI
21	RELIANCE INDUSTRIES LTD
22	GALANA OIL KENYA LTD
23	GULF PETROCHEM FZC
24	ORYX OIL COMPANY LTD
25	MOGAS INTERNATIONAL LTD
26	KENOL KOBIL LTD
27	BAKRI INTERNATIONAL ENERGY CO.
28	SAHARA ENERGY DMCC

Companies Pre-qualified in 2013	
S/N	**PRE- QUALIFIED SUPPLIERS**
1	PETROFUEL (T) LTD
2	GBP TANZANIA LIMITED
3	GAPCO TANZANIA LTD
4	ORYX OIL COMPANY LTD
5	AUGUSTA ENERGY TANZANIA LTD
6	VITOL SA
7	AUGUSTA ENERGY SA
8	SAHARA ENERGY RESOURCES DMCC
9	GLENCORE ENERGY UK LTD
10	GALANA PETROLEUM LIMITED
11	GULF ENERGY LTD
12	GALANA OIL KENYA LTD
13	LUKOIL INTERNATIONAL TRADING AND SUPPLY COMPANY
14	SWISS SINGAPORE OVERSEAS ENTERPRISES PTE LTD
15	GUNVOR SA
16	ADDAX ENERGY SA
17	GAPCO KENYA LTD
18	RELIANCE INDUSTRIES LTD
19	PETROCAM TRADING PTY LTD
20	HARSHI ENERGY SA
21	DALBIT PETROLEUM LTD
22	DALBIT INTERNATIONAL LTD
23	MOGAS INTERNATIONAL LTD
24	HEIPCO FZE
25	ENOCK AFRICA LTD
26	KENOKOBIL LTD
27	TOTSA TOTAL OIL TRADING SA
28	MORGAN STANLEY
29	HASS PETROLEUM LTD
30	ENGEN PETROLEUM LTD

LIST OF PREQUALIFIED BIDDERS FOR 2014	
A. NON-PICL SHAREHOLDERS	
S/N	**COMPANY NAME**
1	ENOCK AFRICA LIMITED
2	LUKOIL INTERNATIONAL TRADING AND SUPPLY COMPANY
3	SAHARA ENERGY RESOURCES DMCC
4	GLENCORE ENERGY UK LTD
5	TOTSA TOTAL OIL TRADING SA
6	MOGAS INTERNATIONAL LIMITED
7	GALANA OIL KENYA LIMITED
8	VITOL SA
9	RELIENCE INDUSTRIES LIMITED
10	MARCURIA ENERGY TRADING SA
11	AUGUSTA ENERGY SA
12	SWISS SINGAPORE OVERSEAS ENTERPRISES PTE LTD
13	GAPCO KENYA LTD
14	ENGEN PETOLEUM LTD
15	DALBIT PETROLEUM LTD
16	DALBIT INTERNATIONAL LTD
17	TRAFIGURA PTE LTD
18	GUNVOR SA
19	GALANA PETROLEUM LIMITED
20	SARPDOIL INTERNATIONAL LIMTED
21	ADDAX ENERGY SA
22	PETROCAM TRADING PTY LTD
23	BB ENERGY
24	HORIZON
25	SOCAR TRADING
A. PICL SHAREHOLDERS	
1	PETROFUEL (T) LTD
2	ORYX OIL COMPANY LTD
3	ACER PETROLEUM (T) LTD
4	STAROIL TANZANIA LTD
5	GBP TANZANIA LIMITED
6	TOTAL TANZANIA LTD
7	PUMA ENERGY TANZANIA LTD
8	GAPCO TANZANIA LTD
9	AUGUSTA ENERGY TANZANIA LTD
10	LAKEOIL

Table A1.3: Petroleum Products Imports from year 2012 to 2014

(i) Petroleum Products Imports for 2012

	Local imports in Litres				Total		Transit imports in Litres				Total
Month	**Diesel**	**Petrol**	**Jet-A1**	**HFO**		**Month**	**Diesel**	**Petrol**	**Jet-A1**	**HFO**	
Jan-12	123,566,477	15,801,166	22,397,644	6,424,269	168,189,556	Jan-12	44,066,481	8,001,148	3,127,014	-	55,194,643
Feb-12	135,801,883	74,997,957	9,834,537	23,594,171	**244,228,548**	Feb-12	72,502,865	40,711,561	1,788,432	357,558	**115,360,416**
Mar-12	94,277,393	59,788,042	24,582,077	-	**178,647,512**	Mar-12	58,649,233	28,044,655	10,696,485	-	**97,390,373**
Apr-12	90,659,215	58,998,825	-	12,158,975	**161,817,015**	Apr-12	78,131,369	31,739,935	-	-	**109,871,304**
May-12	83,609,465	31,773,706	-	-	**115,383,171**	May-12	38,308,159	32,438,358	-	-	**70,746,517**
Jun-12	107,771,528	34,768,130	13,240,469	6,295,772	**162,075,899**	Jun-12	94,197,121	41,185,877	11,956,877	-	**147,339,875**
Jul-12	137,490,201	41,865,405	31,153,450	-	**210,509,056**	Jul-12	72,189,679	27,162,550	3,989,435	-	**103,341,664**
Aug-12	116,165,163	60,336,907	23,837,544	8,354,530	**208,694,144**	Aug-12	56,895,401	57,084,882	6,643,407	305,264	**120,928,954**
Sep-12	94,773,364	47,160,804	27,590,450	5,192,356	**174,716,974**	Sep-12	122,352,125	38,577,668	5,848,150	-	**166,777,943**
Oct-12	114,433,251	40,284,073	24,059,265	19,013,459	**197,790,048**	Oct-12	83,897,931	34,221,216	4,126,753	1,246,820	**123,492,720**
Nov-12	193,226,991	16,857,164	19,325,487	20,091,657	**249,501,298**	Nov-12	62,295,705	15,823,564	3,232,798	1,543,129	**82,895,197**
Dec-12	113,936,273	79,736,774	34,687,089	-	**228,360,137**	Dec-12	108,192,794	54,791,076	5,447,921	-	**168,431,790**
Add localized	244,683,531	95,725,268	24,823,140	2,114,259	**367,346,198**	**Less localized**	244,683,531	95,725,268	24,823,140	2,114,259	**367,346,198**
Total	**1,650,394,734**	**658,094,222**	**255,531,152**	**103,239,448**	**2,667,259,556**	**Total**	**646,995,333**	**314,057,222**	**32,034,132**	**1,338,512**	**994,425,198**

(ii) Petroleum Products Imports for 2013

Local imports in Litres					Total	Transit imports in Litres					Total
Month	AGO	MSP	Jet-A1	HFO		Month	AGO	MSP	Jet-A1	HFO	
Jan-13	176,280,588	43,394,785	31,308,255	22,110,318	273,093,946	Jan-13	114,611,793	32,268,308	15,345,798	-	162,225,899
Feb-13	122,730,661	88,258,351	28,665,074	6,562,066	**246,216,152**	Feb-13	89,810,532	53,984,425	7,290,576	1,514,323	**152,599,856**
Mar-13	119,122,326	60,105,446	34,033,541	11,946,141	**225,207,454**	Mar-13	108,450,797	40,884,117	6,088,828	-	**155,423,742**
Apr-13	127,882,458	27,337,642	-	-	**155,220,100**	Apr-13	101,254,447	38,786,120	-	-	**140,040,568**
May-13	70,410,298	44,309,415	28,747,401.46	25,963,687	**169,430,801**	May-13	81,983,875	53,613,936	6,792,085.54	811,076	**143,200,973**
Jun-13	50,836,416	39,245,190	14,613,639	-	**104,695,246**	Jun-13	72,906,346	31,190,900	7,205,025	-	**111,302,270**
Jul-13	157,271,869	67,196,373	10,386,393	-	**234,854,635**	Jul-13	80,363,567	46,878,521	8,659,089	-	**135,901,177**
Aug-13	174,726,429	62,014,213	17,918,874	27,852,391	**282,511,907**	Aug-13	128,935,756	31,083,792	7,075,698	1,031,527	**168,126,773**
Sep-13	172,867,359	76,669,537	22,903,918	-	**272,440,814**	Sep-13	188,320,233	74,870,709	9,398,715	-	**272,589,657**
Oct-13	109,175,704	86,148,717	21,856,468	6,880,852	**224,061,741**	Oct-13	68,528,628	61,771,879	6,265,293	-	**136,565,800**
Nov-13	215,582,940	74,106,961	15,212,517	22,277,463	**327,179,880**	Nov-13	138,674,932	48,678,020	6,308,961	-	**193,661,914**
Dec-13	161,027,700	48,057,085	-	29,296,185	**238,380,969**	Dec-13	110,641,883	42,045,626	-	509,715	**153,197,225**
Add localized	207,004,364	154,711,243	8,345,880	2,332,933	**372,394,420**	**Less localized**	207,004,364	154,711,243	8,345,880	2,332,933	**372,394,420**
Total	**1,864,919,111**	**871,554,958**	**233,991,960**	**155,222,036**	**3,125,688,065**	**Total**	**1,077,478,427**	**401,345,110**	**72,084,189**	**1,533,708**	**1,552,441,434**

(iii) Petroleum Products Imports for 2014

Local imports in Litres					Total	Transit imports in Litres					Total
Month	AGO	MSP	Jet-A1	HFO		Month	AGO	MSP	Jet-A1	HFO	
Jan-14	131,320,864	69,837,718	21,453,993	-	**222,612,575**	Jan-14	123,606,095	46,666,801	14,213,382	-	**184,486,278**
Feb-14	110,099,071	33,593,238	21,299,887	32,538,831	**197,531,026**	Feb-14	113,793,671	27,966,516	5,958,420	-	**147,718,608**
Mar-14	126,897,095	13,250,796	16,956,091	11,025,292	**168,129,274**	Mar-14	117,977,186	12,442,607	6,288,596		**136,708,389**
Apr-14	126,638,327	35,483,747	7,947,202	-	**170,069,275**	Apr-14	84,251,033	52,561,438	5,387,009	-	**142,199,480**
May-14	117,375,529	47,928,280	24,996,537	17,491,335	**207,791,681**	May-14	93,783,775	52,013,658	4,031,236	-	**149,828,669**
Jun-14	115,786,418	59,922,337	6,914,434		**182,623,188**	Jun-14	76,378,017	64,527,953	6,275,418		**147,181,389**
Jul-14	104,786,808	74,541,954	17,378,902	12,501,797	**209,209,461**	Jul-14	78,418,458	68,931,510	4,206,193	-	**151,556,161**
Aug-14	117,068,219	73,401,147	19,292,927	12,893,044	**222,655,337**	Aug-14	132,484,057	80,929,699	7,375,995	508,258	**221,298,009**
Sep-14	112,070,244	70,882,584	15,465,567	21,370,493	**219,788,888**	Sep-14	92,509,330	75,462,606	4,902,782	-	**172,874,718**
Oct-14	103,309,470	85,479,929	29,778,470	-	**218,567,869**	Oct-14	85,108,875	69,966,370	5,935,722	-	**161,010,967**
Nov-14	101,995,448	46,174,386	30,147,280	30,160,444	**208,477,558**	Nov-14	123,007,591	56,017,114	4,759,925	1,039,327	**184,823,957**
Dec-14	80,672,196	56,668,921	18,835,321	30,827,735	**187,004,194**	Dec-14	123,871,331	54,313,496	6,319,670	8,135,096	**192,639,593**
Add localized	**252,479,366**	**166,001,979**	**9,544,699**	**1,707,947**	**429,733,991**	**Less localized**	**252,479,366**	**166,001,979**	**9,544,699**	**1,707,947**	**429,733,991**
Total	**1,600,499,054**	**833,167,017**	**240,011,308**	**170,516,941**	**2,844,194,320**	**Total**	**992,710,053**	**495,797,788**	**66,109,651**	**7,974,734**	**1,562,592,227**
NB: Added localized up to November						*NB: Less localized up to November*					

Table A1.4: LPG Imports from year 2012 to 2014

Year 2012		Year 2013		Year 2014	
Month	**LPG in MT**	**Month**	**LPG in MT**	**Month**	**LPG in MT**
Jan-12	2,593	Jan-13	3,693	Jan-14	3,562
Feb-12	1,817	Feb-13	4,650	Feb-14	7,637
Mar-12	-	Mar-13	5,266	Mar-14	5,266
Apr-12	3,661	Apr-13	3,770	Apr-14	7,008
May-12	-	May-13	2,330	May-14	5,086
Jun-12	-	Jun-13	6,251	Jun-14	2,396
Jul-12	2,940	Jul-13	6,024	Jul-14	3,034
Aug-12	1,889	Aug-13	7,672	Aug-14	5,349
Sep-12	3,993	Sep-13	3,078	Sep-14	7,894
Oct-12	3,000	Oct-13	7,505	Oct-14	6,268
Nov-12	3,215	Nov-13	6,400	Nov-14	6,066
Dec-12	3,367	Dec-13	7,695	Dec-14	6,046
Total	**26,475**	**Total**	**64,333**	**Total**	**65,611**

Table A1.5: Retail Pump Prices, FOB prices and Exchange Rates Trend From January, 2012 – December, 2014

World Market Prices - FOB in USD/MT				DSM Local prices (TZS/Ltr)			Exchange Rates
Month	Petrol (USD/MT)	Diesel (USD/MT)	Jet - A1 (USD/MT)	Petrol (TZS/Ltr)	Diesel (TZS/Ltr)	Kerosene (TZS/Ltr)	(TZS/USD)
Jan-12	975.00	945.00	995.00	1,956.00	1,977.00	1,963.00	1,620.54
Feb-12	1,058.00	982.00	1,039.00	1,991.00	1,977.00	1,951.00	1,566.26
Mar-12	1,148.00	1,010.00	1,071.00	2,144.00	2,095.00	2,056.00	1,597.00
Apr-12	1,150.00	982.00	1,045.00	2,231.00	2,098.00	2,068.00	1,596.46
May-12	959.00	912.00	974.00	2,183.00	2,044.00	2,068.00	1,591.05
Jun-12	892.00	811.00	863.00	2,189.00	2,004.00	2,068.00	1,590.02
Jul-12	967.88	861.87	917.80	2,179.00	2,041.00	2,028.00	1,588.55
Aug-12	1,086.77	950.91	1,014.32	2,009.00	1,943.00	1,926.00	1,588.60
Sep-12	1,076.96	961.18	1,039.67	2,300.00	2,142.00	1,993.00	1,576.20
Oct-12	1,014.36	940.29	1,020.08	1,994.00	1,950.00	1,993.00	1,578.30
Nov-12	932.31	909.60	977.54	2,049.00	1,989.00	2,026.00	1,583.28
Dec-12	955.16	904.21	972.70	2,119.00	1,999.00	2,023.00	1,593.08
Jan-13	1,025.57	920.38	1,003.52	1,918.60	1,892.97	1,898.62	1,598.50
Feb-13	1,098.75	964.31	1,050.41	2,004.00	1,964.00	1,952.00	1,613.58
Mar-13	1,008.36	891.77	963.16	2,052.00	1,974.00	1,991.00	1,611.22
Apr-13	932.62	843.63	907.50	2,078.00	1,959.00	2,023.00	1,612.19
May-13	943.99	845.90	903.60	2,073.00	1,934.00	2,023.00	1,618.96
Jun-13	966.40	865.01	915.20	2,057.00	1,892.00	1,951.00	1,618.96
Jul-13	1,000.26	896.50	953.14	2,083.00	1,993.00	1,994.00	1,626.20
Aug-13	1,016.26	900.24	977.86	2,096.00	2,037.00	1,962.00	1,624.79
Sep-13	963.80	894.82	969.76	2,154.00	2,060.00	2,001.00	1,622.42
Oct-13	949.46	899.26	965.20	2,146.00	2,064.00	2,027.00	1,619.44
Nov-13	928.27	896.03	962.78	2,102.00	2,066.00	2,018.00	1,612.75
Dec-13	953.94	916.61	993.56	2,114.00	2,101.00	2,049.00	1,613.25
Jan-14	938.99	883.07	952.84	2,126.00	2,089.00	2,049.00	1,609.36
Feb-14	970.15	896.67	963.22	2,145.00	2,114.00	2,069.00	1,612.96
Mar-14	976.02	881.82	939.76	2,187.00	2,040.00	2,051.00	1,627.99
Apr-14	1,008.13	897.69	934.54	2,198.00	2,149.00	2,062.00	1,637.42
May-14	995.24	886.45	938.54	2,201.00	2,140.00	2,027.00	1,639.68
Jun-14	1,044.50	885.20	953.36	2,210.00	2,125.00	2,046.00	1,654.25
Jul-14	1,003.97	824.99	890.45	2,227.60	2,124.00	2,060.36	1,680.59
Aug-14	938.29	842.73	910.10	2,266.00	2,106.00	2,057.00	1,666.99
Sep-14	906.31	807.63	877.47	2,267.47	2,091.26	2,040.47	1,668.43
Oct-14	809.25	721.00	790.00	2,192.13	2,064.57	2,015.54	1,670.12
Nov-14	732.33	672.97	748.41	2,177.73	2,027.25	1,993.38	1,695.17
Dec-14	573.33	551.68	605.84	2,029.00	1,909.00	1,888.00	1,724.00

Table A1.7: Marked volumes for the local market from January, 2011 to December, 2014

(i) Marked volumes 2011 to 2012

Period	Petrol (Ltr)	Diesel (Ltr)	Kerosene (Ltr)	Total Volumes Marked (Ltr)	Period	Petrol (Ltr)	Diesel (Ltr)	Kerosene (Ltr)	Total Volumes Marked (Ltr)
Jan-11	41,122,681	84,471,972	20,136,530	**145,731,183**	**Jan-12**	53,324,719	102,649,025	9,135,378	**165,109,122**
Feb-11	43,355,430	85,252,536	18,768,755	**147,376,721**	**Feb-12**	51,701,810	102,457,698	7,687,322	**161,846,830**
Mar-11	48,327,604	91,729,464	18,003,539	**158,060,607**	**Mar-12**	53,948,647	100,537,664	7,518,550	**162,004,861**
Apr-11	43,060,571	75,938,607	15,583,517	**134,582,695**	**Apr-12**	50,310,730	90,745,472	6,278,200	**147,334,402**
May-11	46,257,946	88,178,098	15,464,545	**149,900,589**	**May-12**	50,133,776	97,370,800	4,624,446	**152,129,022**
Jun-11	45,058,146	92,627,499	18,806,263	**156,491,908**	**Jun-12**	52,768,400	98,984,779	5,439,661	**157,192,840**
Jul-11	50,168,051	103,831,920	10,311,196	**164,311,167**	**Jul-12**	54,696,192	113,262,692	6,079,950	**174,038,834**
Aug-11	52,106,868	105,559,835	9,744,850	**167,411,553**	**Aug-12**	59,984,091	119,295,402	6,248,850	**185,528,343**
Sep-11	52,745,347	106,754,090	9,669,930	**169,169,367**	**Sep-12**	53,964,236	110,984,406	5,691,960	**170,640,602**
Oct-11	49,420,359	112,775,628	9,563,300	**171,759,287**	**Oct-12**	57,098,266	114,063,530	5,414,700	**176,576,496**
Nov-11	50,973,556	112,508,089	12,237,075	**175,718,720**	**Nov-12**	61,920,786	143,077,123	5,210,400	**210,208,309**
Dec-11	55,463,735	102,778,720	10,087,343	**168,329,798**	**Dec-12**	60,673,095	126,125,584	5,323,550	**192,122,229**
Total	**578,060,294**	**1,162,406,458**	**168,376,843**	**1,908,843,595**	**Total**	**660,524,748**	**1,319,554,175**	**74,652,967**	**2,054,731,890**

(ii) Marked volumes 2012 to 2014

Period	Petrol (Ltr)	Diesel (Ltr)	Kerosene (Ltr)	Total Volumes Marked Ltr)	Period	Petrol (Ltr)	Diesel (Ltr)	Kerosene (Ltr)	Total Volumes Marked Ltr)
Jan-13	57,882,696	118,450,109	6,149,200	**182,482,005**	**Jan-14**	70,127,720	134,853,607	5,008,744	**209,990,071**
Feb-13	52,415,665	103,201,329	5,347,400	**160,964,394**	**Feb-14**	61,713,764	117,108,742	4,592,921	**183,415,427**
Mar-13	57,741,350	113,499,115	6,342,414	**177,582,879**	**Mar-14**	66,621,150	112,222,495	4,900,473	**183,744,118**
Apr-13	56,895,275	103,417,806	7,051,090	**167,364,171**	**Apr-14**	67,568,408	103,296,734	5,704,242	**176,569,384**
May-13	59,411,607	112,343,478	7,147,733	**178,902,818**	**May-14**	68,395,942	111,776,251	6,274,877	**186,447,070**
Jun-13	61,863,917	115,471,307	5,782,266	**183,117,490**	**Jun-14**	69,658,030	115,883,369	4,060,700	**189,602,099**
Jul-13	68,286,225	132,592,168	6,685,045	**207,563,438**	**Jul-14**	77,694,640	122,720,228	3,073,868	**203,488,736**
Aug-13	69,076,817	139,742,257	6,607,140	**215,426,214**	**Aug-14**	77,263,318	124,855,398	3,082,200	**205,200,916**
Sep-13	64,903,677	134,148,861	5,455,736	**204,508,274**	**Sep-14**	76,177,324	125,083,757	2,412,300	**203,673,381**
Oct-13	71,032,304	139,414,778	5,874,830	**216,321,912**	**Oct-14**	80,975,550	126,144,487	3,765,250	**210,885,287**
Nov-13	67,023,664	146,870,066	5,106,100	**218,999,830**	**Nov-14**	74,621,110	115,641,949	3,121,100	**193,384,159**
Dec-13	71,498,242	142,908,447	5,335,523	**219,742,212**	**Dec-14**	71,892,451	119,053,365	4,181,516	**195,127,332**
Total	**758,031,439**	**1,502,059,721**	**72,884,477**	**2,332,975,637**	**Total**	**862,709,407**	**1,428,640,382**	**50,178,191**	**2,341,527,980**

Table A1.7: Petroleum Products Consumption from 1972 - 2014

Year	AVGAS	LPG	Petrol	MSR	JET A1	Kerosene	Diesel	IDO	HFO
1972	2,941	4,826	47,493	68,937	25,592	62,395	177,730	53,810	164,368
1973	3,242	5,433	51,038	65,321	22,608	68,599	189,652	59,020	172,217
1974	3,926	5,467	53,154	60,753	27,226	70,966	225,363	71,857	191,974
1975	3,609	5,544	52,547	53,368	26,620	69,744	205,934	56,571	143,917
1976	3,242	6,590	53,217	47,199	29,223	65,796	215,188	53,387	122,478
1977	2,559	5,805	55,886	46,062	23,662	73,004	220,455	55,004	118,632
1978	3,284	5,690	61,317	44,440	28,045	96,885	217,968	52,999	115,094
1979	2,352	5,762	71,737	45,146	44,457	75,224	229,555	41,765	131,583
1980	2,078	5,790	70,921	42,748	55,300	77,485	259,322	65,585	115,539
1981	1,565	6,080	64,176	47,037	44,096	79,252	242,567	53,988	122,275
1982	1,565	5,615	69,700	50,703	37,069	68,313	243,641	51,220	109,118
1983	1,189	5,057	55,881	30,041	33,852	51,146	199,215	49,853	101,090
1984	1,296	5,414	61,534	50,266	37,483	53,292	233,655	54,588	107,530
1985	1,370	5,040	61,144	45,769	40,810	59,450	242,909	56,529	112,749
1986	1,100	4,626	68,681	44,381	43,100	64,517	277,376	55,272	105,572
1987	1,190	4,589	77,186	43,209	51,780	69,502	303,133	49,597	112,628
1988	1,315	4,027	83,143	45,250	46,650	79,010	323,353	44,941	126,056
1989	1,508	4,308	85,678	35,066	48,918	91,889	330,536	42,074	114,163
1990	1,777	2,836	87,452	20,234	44,630	89,979	321,574	37,821	122,744
1991	1,700	3,354	85,269	20,059	54,075	83,453	337,345	35,864	119,094
1992	2,213	3,609	69,669	17,798	48,288	105,608	375,776	45,126	106,022

Year	AVGAS	LPG	Petrol	MSR	Jet A1	Kerosene	Diesel	IDO	HFO
1993	2,877	2,493	81,056	13,348	50,987	112,560	334,550	46,562	99,507
1994	3,654	4,503	96,934	9,525	77,064	133,623	347,538	50,389	117,017
1995	4,193	7,004	93,589	10,020	56,156	154,378	324,275	38,634	116,971
1996	3,942	8,940	97,623	9,426	55,060	202,795	370,141	33,254	114,122
1997	4,217	6,500	133,329	-	53,903	225,123	430,134	32,134	114,506
1998	3,509	5,207	118,010	-	46,715	158,327	372,912	27,055	117,164
1999	2,800	3,914	102,690	-	39,527	91,532	315,690	21,975	119,823
2000	1,463	3,911	107,709	-	53,744	89,511	359,099	20,839	124,959
2001	2,285	3,822	150,128	-	66,260	121,377	437,826	27,011	104,964
2002	2,510	5,148	127,393	-	19,672	115,924	471,687	15,563	102,505
2003	2,401	5,212	137,339	-	38,269	103,134	463,330	16,042	129,322
2004	2,584	5,867	152,042	-	118,803	101,221	570,980	17,618	148,534
2005	2,400	9,603	145,000	-	99,549	125,000	794,380	47,477	169,178
2006	2,008	7,959	124,536	-	101,037	134,000	775,000	21,323	228,839
2007	1,767	14,785	135,000	-	125,000	135,660	790,000	20,175	57,454
2008	1,964	13,426	215,188	-	112,151	168,329	795,000	-	30,366
2009	1,845	15,809	258,771	-	114,997	199,607	883,572	-	18,500
2010	2,540	19,629	373,526	-	125,233	189,817	994,786	-	85,600
2011	2,000	20,799	531,210	-	-	293,393	1,033,919		124,793
2012	947	26,475	547,903	-	180,533	78,056	1,607,969	2,015	121,937
2013	839	64,333	760,191	-	178,441	73,933	1,706,386	4,761	146,985
2014		65,611	878,539,285	-	209,348,374	47,643,125	1,618,443,775	693,380	155,147,297

Table A1.8: Market Share of Oil Marketing Companies for the period 2012 – 2014

(i) Market Share of Oil Marketing Companies by Product for the year 2012

No.	OMC NAME	Diesel	Petrol	Kerosene	HFO	JET A1	IDO	TOTAL	Market Share
1	Puma Energy	159,595,255	56,858,074	7,500	28,376,170	88,837,860	-	333,674,858	13.14%
2	Oryx Oil Company	198,200,513	20,868,264	2,934,540	35,014,556	-	1,445,775	258,463,648	10.18%
3	GAPCO	156,636,410	88,837,516	10,988,503	-	-	-	256,462,429	10.10%
4	Oilcom	114,151,932	49,855,735	22,214,924	-	23,829,948	-	210,052,539	8.27%
5	TOTAL	68,116,754	28,813,550	2,177,000	16,879,300	67,885,636	110,500	183,982,740	7.25%
6	Camel Oil	87,142,193	31,111,850	115,000	41,666,880	-	459,000	160,494,923	6.32%
7	MOGAS	103,770,279	40,753,191	11,321,697	-	-	-	155,845,167	6.14%
8	Acer Petroleum	75,867,748	37,754,477	9,884,803	-	-	-	123,507,028	4.87%
9	Engen Petroleum	84,051,092	29,827,487	4,239,457	-	-	-	118,118,036	4.65%
10	Kobil	69,665,300	45,618,500	2,047,000	-	-	-	117,330,800	4.62%
11	National Oil	60,366,171	39,008,715	5,034,811	-	-	-	104,409,697	4.11%
12	Lake Oil	42,458,711	26,732,050	1,371,724	-	-	-	70,562,485	2.78%
13	Petrofuel	50,862,492	24,000	585,000	-	-	-	51,471,492	2.03%
14	Hass Petroleum	21,490,041	10,523,186	-	-	-	-	32,013,227	1.26%
15	Petroafrica	14,972,500	14,485,500	1,563,100	-	-	-	31,021,100	1.22%
16	Hashi Energy	23,279,212	4,748,750					28,027,962	1.10%
17	MOIL	8,123,614	10,564,123	2,184,193	-	-	-	20,871,930	0.82%
18	Apel Petroleum	15,596,632	107,000	-	-	-	-	15,703,632	0.62%
19	NSK	12,460,200	3,168,500	-	-	-	-	15,628,700	0.62%
20	ATN Petroleum	8,687,817	2,840,738	-	-	-	-	11,528,555	0.45%
21	GBP	8,662,513	1,390,692	196,579	-	-	-	10,249,784	0.40%
22	Dalbit Petroleum	5,382,629	2,580,352	1,190,040	-	-	-	9,153,021	0.36%
23	Mount Meru Petroleum	2,959,378	1,320,914	-	-	-	-	4,280,292	0.17%
24	Star Oil	-	-	-	-	-	-	-	0.00%
25	Others	215,469,962	109,500	-	-	-	-	215,579,462	8.49%
	Total Volume	**1,607,969,349**	**547,902,664**	**78,055,871**	**121,936,906**	**180,553,444**	**2,015,275**	**2,538,433,508**	**100.00%**

(ii) Market Share of Oil Marketing Companies by Product for the year 2013

No.	OMC NAME	Diesel	Petrol	Kerosene	HFO	JET A1	IDO	Total	MKT Share
1	Puma Energy	166,062,594	63,792,483	341,030	8,830,291	99,738,134	-	338,764,532	11.80%
2	Oryx Oil Company	211,115,114	28,219,263	3,877,867	61,617,400	-	2,565,527	307,395,171	10.71%
3	GAPCO	115,079,564	80,168,708	9,657,895	-	-	-	204,906,167	7.14%
4	Oilcom	102,635,266	46,617,064	7,353,799	-	19,888,386	-	176,494,515	6.15%
5	TOTAL	87,644,600	33,657,500	1,360,700	24,291,600	58,814,330	96,500	205,865,230	7.17%
6	Camel Oil	122,658,809	47,581,456	417,700	41,119,030	-	-	211,776,995	7.38%
7	MOGAS	85,632,886	49,481,027	12,861,467	-	-	-	147,975,380	5.15%
8	Acer Petroleum	65,519,462	28,554,726	14,313,889	-	-	-	108,388,077	3.78%
9	Engen Petroleum	107,222,413	42,945,247	4,537,382	-	-	-	154,705,042	5.39%
10	Kobil	20,383,000	19,806,000	-	-	-	-	40,189,000	1.40%
11	National Oil	45,047,848	29,141,435	3,194,724	-	-	-	77,384,007	2.70%
12	Lake Oil	67,899,679	45,206,969	6,221,177	-	-	-	119,327,825	4.16%
13	Petrofuel	51,528,514	42,000	591,500	-	-	-	52,162,014	1.82%
14	Hass Petroleum	31,623,815	14,697,164	259,394	-	-	-	46,580,373	1.62%
15	Petroafrica							-	0.00%
16	Hashi Energy	38,733,312	15,107,950	-	-	-	-	53,841,262	1.88%
17	MOIL							-	0.00%
18	Apel Petroleum							-	0.00%
19	NSK							-	0.00%
20	ATN Petroleum	12,794,866	6,774,365	-	-	-	-	19,569,231	0.68%
21	GBP	124,746,262	10,195,461	732,871	11,126,648	-	2,098,500	148,899,742	5.19%
22	Dalbit Petroleum	9,934,727	1,967,829	253,326	-	-	-	12,155,882	0.42%
23	Mount Meru Petroleum	39,881,186	15,513,211	3,155,049	-	-	-	58,549,446	2.04%
24	Star Oil	-	-	-	-	-	-	-	0.00%
25	Others	200,241,722	180,721,592	4,803,342	-	-	-	385,766,656	13.44%
	Total Volume	**1,706,385,638**	**760,191,449**	**73,933,113**	**146,984,969**	**178,440,850**	**4,760,527**	**2,870,696,546**	**100.00%**

(iii) Market Share of Oil Marketing Companies by Product for the year 2014

No	OMC's Name	Diesel	Petrol	Kerosene	HFO	JET A1	IDO	TOTAL	MKT share
1	Puma Energy	72,623,741	33,022,507	2,565,100	537,040	55,557,816	-	164,306,204	12.01%
2	Oryx Oil Company	98,097,157	15,130,230	1,660,143	36,735,132	-	272,880	151,895,542	11.10%
3	GAPCO	44,868,538	42,181,840	3,504,336	-	84,000	-	90,638,714	6.63%
4	Oilcom	59,137,247	19,079,557	9,479,905	657,000	13,046,111	-	101,399,820	7.41%
5	TOTAL	47,138,200	22,072,100	637,500	12,670,500	19,595,306	59,000	102,172,606	7.47%
6	Camel Oil	72,115,245	38,416,037	-	6,682,315	-	-	117,213,597	8.57%
7	MOGAS	32,873,678	34,129,241	2,712,316	-	-	-	69,715,234	5.10%
8	Acer Petroleum	17,175,301	7,453,821	1,017,419	-	-	-	25,646,541	1.87%
9	Engen Petroleum	46,504,000	18,160,000	823,000	-	-	-	65,487,000	4.79%
10	Kobil	3,955,000	3,949,000	-	-	-	-	7,904,000	0.58%
11	National Oil	6,987,772	9,593,968	772,351	-	-	-	17,354,092	1.27%
12	Lake Oil	44,559,428	31,796,589	4,038,718	-	-	-	80,394,736	5.88%
13	Petrofuel	22,279,437	-	24,000	-	-	-	22,303,437	1.63%
14	Hass Petroleum							-	0.00%
15	Petroafrica							-	0.00%
16	Hashi Energy	10,244,551	5,454,788	43,000	-	-	-	15,742,340	1.15%
17	MOIL	24,413,231	13,156,306	470,500	-	-	-	38,040,037	2.78%
18	Apel Petroleum							-	0.00%
19	NSK							-	0.00%
20	ATN Petroleum							-	0.00%
21	GBP							-	0.00%
22	Dalbit Petroleum	12,353,742	4,068,924	837,711	-	-	-	17,260,377	1.26%
23	Mount Meru Petroleum	17,175,301	7,453,821	1,017,419				25,646,541	1.87%
24	Star Oil	100,584,154	49,965,527	938,539				151,488,220	11.07%
25	Others	54,268,665	49,000,758	-	-	-	-	103,269,423	7.55%
	Total Volume	**787,354,389**	**404,085,014**	**30,541,957**	**57,281,987**	**88,283,233**	**331,880**	**1,367,878,460**	**100.00%**

Appendix 2: Licensing Requirements for Petroleum Products Retail Outlets

Table A2.1: Licensing Requirements for Petroleum Product Retail Outlets

No.	Criteria/Requirement
1	Submit a Layout Plan for the Petrol Station duly signed by the registered engineer.
2	Submit the following the following mandatory documents: ▪ Certified copy of Certificate of Occupancy (Title Deed) or any other authorization from relevant Authority approving the use of the area for petrol station purpose; ▪ Certified copy of Building Permit; and ▪ Certified copy of Fire Certificate.
3	The Petrol Station must be equipped with adequate and serviced fire extinguishing equipment including; ▪ sand bucket for each Pump Island; ▪ at least 2x 9 kg ABE (Powder Type) extinguishers located near the dispensers or at least 1 extinguisher per Pump Island; and ▪ Emergency shutoff switch
4	For health, safety and sanitation requirements the Petrol Station must have: ▪ Clean and enough toilet facilities for men and women; and ▪ Clear and visible safety warning signs at the entrance, exit and at dispensing pumps, which includes, switch off engine, switch off mobile phone, no smoking.
5	Ensure that the Petrol Station has calibrated underground storage tanks with calibrated dip rod, dispensing pumps in good working condition and calibrated by Weights and Measures Agency.
6	Ensure the product tanks and dispensing pumps are labelled according to the type of product contained **NB: ensure each tank manhole and offloading manholes (Filler boxes) are constructed in accordance with good petroleum industry practices with couplings fixed at each offloading fill pipes, properly labelled and colour coded (Red for Gasoline, Blue for Kerosene and Yellow for Gas oil).**
7	Ensure the Petrol Station forecourt is well paved with impervious materials such as concrete and has a well-constructed drainage system connected to oil and water separator **NB: ensure all areas potential for spillages occurrence (i.e. pump islands and offloading areas) are paved with concrete at least 4m around the area with drainage provisions connected to oil water separator. The rest forecourt area can be paved with other materials like pavement bricks.**
8	Ensure the storage tank is fitted with vent pipe with minimum height of 3.6m **NB: the vents should be 1.5m literally from any building opening and 4.5m from any power ventilation air intake device.**
9	Each Pump Island is protected with crush barriers with height of one meter above the ground
10	Ensure that the Petrol Station is covered with a canopy covering at least the pump Island. The canopy should be constructed observing good petroleum industry practices[1].

Appendix 3.0: Guidance to Applicants for Petroleum Products Licenses and Construction Approval

Table A3.1: Guidance to Applicants for Petroleum Products Licenses and Construction Approval

A. Petroleum (Wholesale) Licence

An applicant should submit a dully filled-in application form No 200, attested by a Commissioner for Oaths together with the following:

a) certified copies of its registration documents;
b) hospitality agreement or a proof of depot ownership;
c) a business plan describing the scope of a licensed activity;
d) proof of financial capability which can be either:-
   (i) bank guarantee of not less than one billion and five hundred million shillings;
   (ii) a deposit of not less than one billion and five hundred shillings at a bank or financial institution licensed by the Bank of Tanzania to act as such, or
   (iii) an unequivocal letter of comfort from a financial institution or a bank that confirms that the bank or the financial institution shall extend a loan to the applicant for the amount of not less than one billion and five hundred million shillings; Provided that the letter shall be signed by the chief executive officer of the financial institution or bank.
e) tax identification number certificate;
f) a list of facilities and proof of availability of such facilities to support the proposed business (**applicable for depot owners**); and
g) a proof of payment of an appropriate application fee **(Attach a Copy of EWURA Receipt)**

B. Petroleum Storage Business Licence

An applicant should submit a dully filled-in application form, attested by a Commissioner for Oaths together with the following:

a) certified copies of its registration documents;
b) certified copy of Certificate of Occupancy (Title Deed) that approves the plot for development of petroleum bulk storage facility;
c) certified copy of Building Permit from relevant local Authority;
d) Copy of EWURA Construction Approval (**applicable for depot Constructed after April 2009)**
e) an environmental impact assessment certificate issued by the relevant authority (**for new depot constructed after 2004**);
f) tax identification number certificate;
g) certified copy of Fire Certificate;
h) a list of personnel and proof of training and qualification;
i) an engineering layout plan duly signed by a registered engineer which shall specify:
   (i) the number of tanks and loading gantries ;
   (ii) the location and distances between building structures, facilities and equipment;
   (iii) entry and exit;
   (iv) perimeter wall and property boundaries;
   (v) location and identification of loading gantries; and
   (vi) a proof that the engineering design and construction has been carried out in accordance with approved specifications
   j) a proof of payment of the appropriate application fee **(Attach a Copy of EWURA Receipt)**

C. Construction Approval for Petroleum Storage Depot

An applicant should submit a letter of application together with the following:

a) The applicant's name, business address, telephone, fax number, the location and complete address of the proposed depot.
b) certified copies of its registration documents;
c) certified copy of Certificate of Occupancy (Title Deed) that approves the plot for development of petroleum bulk storage facility;
d) certified copy of Building Permit;
e) an environmental impact assessment certificate issued by relevant authority;
f) a project or business plan describing the scope of the proposed depot activity;
g) a list of personnel and proof of training and qualification;
h) a list of facilities to be constructed;
i) an engineering layout plan duly signed by a registered engineer which shall specify:
   (i) the number of tanks and loading gantries;
   (ii) the location and distances between building structures, facilities and equipment;
   (iii) entry and exit;
   (iv) perimeter wall and property boundaries;
   (v) location and identification of loading gantries; and
   (vi) a proof that the engineering design and construction to be carried out in accordance with approved specifications
j) environmental protection measures to be employed to prevent harmful environmental impacts resulting from the proposed depot activity
k) a proof of payment of an appropriate application fee **(Attach a Copy of EWURA Receipt)**

D. Petroleum (Retail) Licence for Petrol Stations

An applicant should submit a dully filled -in application form No 201, attested by a Commissioner for Oaths together with the following:

a) certified copies of its registration documents;
b) certified copy of Certificate of Occupancy (Title Deed) or any other authorization from relevant authority that approves the plot for development of a petrol station;
c) certified copy of Building Permit;
d) Copy of Construction Approval from EWURA (**applicable for Petrol Station Constructed after April 2009**)
e) certified copy of Fire Certificate;
f) an environmental impact assessment certificate issued by the relevant authority;
g) tax identification number certificate;
h) an engineering layout plan duly signed by a registered engineer which shall specify:
   (i) the location and distances between building structures, facilities and equipment;
   (ii) entry and exit;
   (iii) perimeter wall and property boundaries;
   (iv) location and identification of dispensing unit/s including hose reach zone; and
   (v) that the engineering design and construction has been carried out in accordance with approved specifications
i) a proof of payment of an appropriate application fee **(Attach a Copy of EWURA Receipt)**

E. Construction Approval for Petrol Stations

An applicant should submit a letter of application together with the following:

a) The applicant's name, business address, telephone, fax number, the location and complete address of the proposed petrol station.
b) certified copies of its registration documents;
c) certified copy of Certificate of Occupancy (Title Deed) or any other authorization from relevant authority that approves the plot for development of a petrol station;
d) certified copy of Building Permit;
e) an environmental impact assessment certificate issued by relevant authority;
f) a list of facilities to be constructed
j) an engineering layout plan duly signed by a registered engineer which shall specify:
   (i) the location and distances between building structures, facilities and equipment;
   (ii) entry and exit;
   (iii) perimeter wall and property boundaries;
   (iv) location and identification of dispensing unit/s including hose reach zone; and
   (v) a proof that the engineering design and construction to be carried out in accordance with approved specifications
g) a proof of payment of an appropriate application fee **(Attach a Copy of EWURA Receipt)**

F. LPG Distribution Business Licence (LPG Super dealers)

An applicant should submit a dully-in filled application form No 201, attested by a Commissioner for Oaths together with the following:

a) certified copies of its registration documents;
b) dealership agreement with the LPG Wholesaler (s) that contain the following information;
   (i) the name and physical address of the parties;
   (ii) the business licence numbers of the parties;
   (iii) the brand name of the LPG;
   (iv) the prohibition for a super dealer or dealer that require such super dealer or dealer as the as the case may be, to procure LPG from the wholesaler or super dealer who is the party party to such agreement as the case may be;
   (v) limitation on liability of parties; and
   (vi) Obligations to be bound by the legal requirements on health, safety and environmental requirements.

c) certified copy of Certificate of Occupancy (Title Deed) that approves the plot for development of petroleum bulk storage facility (**applicable for bulk storage and filling plant**);
d) a business plan describing the scope of a licensed activity;
e) Fire Safety Certificate;
f) proof of possession of adequate qualified personnel(**applicable for bulk storage and filling plant)**
g) List of LPG dealers which the Super dealer has dealership agreement with for supply of LPG;
h) tax identification number certificate;
i) a list of facilities and proof of availability of such facilities to support the proposed business **(applicable for bulk storage and filling plant owners)**;
j) Environmental Impact/Audit (EA) Certificate **(applicable for bulk storage and filling plant owners;**
k) a proof of payment of an appropriate application fee **(Attach a Copy of EWURA Receipt)**

G. Construction Approval for LPG Storage and Filling Plant

An applicant should submit a letter of application together with the following:

a) The applicant's name, business address, telephone, fax number, the location and complete address of the proposed facility.
b) certified copies of its registration documents;
c) certified copy of Certificate of Occupancy (Title Deed) that approves the plot for development of petroleum bulk storage facility;
d) certified copy of Building Permit;
e) an environmental impact assessment certificate issued by relevant authority;
f) a project or business plan describing the scope of the proposed licensed activity;
g) a list of personnel and proof of training and qualification;
h) a list of facilities to be constructed;
i) an engineering layout plan duly signed by a registered engineer which shall specify:
   (i) the number of storage tanks and dispensing pumps/guns;
   (ii) the location and distances between building structures, facilities and equipment;
   (iii) entry and exit;
   (iv) perimeter wall and property boundaries;
   (v) location and identification of dispensing units including hose reach zone; and
   (vi) a proof that the engineering design and construction to be carried out in accordance with approved specifications
j) a proof of payment of an appropriate application fee **(Attach a Copy of EWURA Receipt)**

H. LPG Wholesale Business Licence

An applicant should submit a dully filled-in application form No 200, attested by a Commissioner for Oaths together with the following:

a) certified copies of its registration documents;
b) hospitality agreement with another LPG Wholesaler who own LPG Storage facility and Filling Plant or a proof of ownership of LPG storage facility and filling plant;
c) a business plan describing the scope of a licensed activity;
d) a proof of possession of adequate qualified personnel
e) a proof of financial capability which can be either:-
   (i) bank guarantee of not less than one billion and five hundred million shillings;
   (ii) a deposit of not less than one billion and five hundred shillings at a bank or financial institution licensed by the Bank of Tanzania to act as such, or
   (iii) an unequivocal letter of comfort from a financial institution or a bank that confirms that the bank or the financial institution shall extend a loan to the applicant for the amount of not less than one billion and five hundred million shillings; Provided that the letter shall be signed by the chief executive officer of the financial institution or bank.
f) tax identification number certificate;
g) a list of facilities and proof of availability of such facilities to support the proposed business **(applicable for bulk storage and filling plant owners)**;
h) Environmental Impact/ Audit (EA) Certificate for **(applicable for bulk storage and filling plant owners);** and
i) a proof of payment of an appropriate application fee **(Attach a Copy of EWURA Receipt).**

I. Consumer Installation Licence

An applicant should submit a dully filled-in application form No 200, attested by the Commissioner for Oaths together with the following:

a) certified copies of its registration documents;
b) a detailed evidence that stipulates the applicant's petroleum requirements which can be either:
   (i) a proof that the applicant's business/special mission undertakings need bulk supply of petroleum products. These undertakings include Mining, Agricultural farming, Transportation, Power Generation, construction and special mission including government institutions, non-governmental institutions, diplomatic mission and humanitarian relief organization/services; or
   (ii) a proof of non-existence of supplies of petroleum products within considerable nearby area.
c) a proof of ownership or lease of the land/property**;**
d) Fire Safety Certificate;
e) tax identification number certificate;
f) an engineering layout plan duly signed by a registered engineer for the petroleum installations;
g) Submit Environmental Impact Assessment (EIA) Certificate (**for the case of a new facility**); and
h) a proof of payment of an appropriate application fee **(Attach a Copy of EWURA Receipt).**

J. Lubricants Wholesale Business Licence

An applicant should submit a dully filled-in application form No 200, attested by the Commissioner for Oaths together with the following:

a) written proof of ownership or lease of a lubricant warehouse that complies with Good Petroleum Industry Practices including:
   (i) an emergency exit
   (ii) sufficient ventilation; and
   (iii) adequate fire fighting equipment.
a) certified copies of its registration documents;
b) possession of oil and lubricants handling permit from a relevant authority;
c) possession of adequate qualified personnel;
d) proof of financial capability which can be either:-
   (i) a bank statement showing a balance of not less than five hundred million shillings;
   (ii) a bank guarantee of not less than five hundred million shillings; or
   (iii) an unequivocal letter of comfort from a financial institution or a bank signed by the Chief Executive Officer of the said Institution or the bank that confirms that the bank or the financial institution shall extend a loan to the applicant for the amount of not less than five hundred million shillings.
e) certified copies of Tax Identification Number Certificate; and
f) a proof of payment of an appropriate application fee **(Attach a Copy of EWURA Receipt).**

K. Construction approval for Lubricants Blending Plant

An applicant should submit a letter of application together with the following:

a) the applicant's name, business address, telephone, fax number, the location and complete address of the proposed facility;
b) certified copies of its registration documents;
c) certified copy of Certificate of Occupancy (Title Deed) that approves the plot for development of petroleum bulky storage facility;
d) certified copy of Building permit;
e) an environmental impact assessment certificate issued by relevant authority;
f) a project business plan describing the scope of the proposed licensed activity;
g) a list of personnel and proof of training and qualification;
h) a list of facilities to be constructed;
i) an engineering layout plan duly signed by a registered engineer which shall specify:
    (i) the number of storage tanks and dispensing pumps/guns;
    (ii) the location and distances between building structures, facilities and equipment;
    (iii) entry and exit;
    (iv) perimeter wall and property boundaries;
    (v) location and identification of dispensing units including hose reach zone;
    (vi) a proof that the engineering design and construction to be carried out in accordance with approved specifications; and
j) a proof of payment of an appropriate application fee **(Attach a Copy of EWURA Receipt).**

L. Lubricants Blending Licence

An applicant should submit a dully filled-in application form No. 200, attested by a Commissioner for Oaths together with the following:

a) the applicant's name, business address, telephone, fax number and the location;
b) certified copies of its business registration documents;
c) certified copy of Certificate of Occupancy (Title Deed) that approves the plot for bulk petroleum operations;
d) possession of lubricant blending plant that complies with Good Petroleum Industry Practices;
e) possession of an environmental impact assessment certificate issued by relevant authority;
f) possession of adequate skilled personnel;
g) a proof of financial capability which is either:
    (i) previous year's audited financial statements which have been audited by an auditor registered by the National Board of Accountants and Auditors conducting public practice, showing an annual gross turnorder of not less than five hundred million shillings and good business track record;
    (ii) a bank statement showing a balance of not less than five hiundred million shillings;
    (iii) a bank gurantee of not less than five hundred million shillings; or
    (iv) an unequivocal letter of comfort from a financial institution or a bank signed by the Chief Executive Officer of the said Institution or the bank that confirms that the bank or the financial institution shall extend a loan to the applicant for the amount of not less than five hundred million shillings;
h) engineering layout plan of the plant duly signed by a registered engineer;
i) possession of oil and lubricant handling permit from a relevant authority;
j) possession of a lubricant analysis laboratory certified by a relevant authority or an accredited international body;
k) possession of a valid certificate of correctness of a measuring instrument from the Certification Authority (currently Weights and Mesures Agency); and
l) a proof of payment of an appropriate application fee (**Attach a Copy of EWURA Receipt**).

M. Lubricants Distribution Business Licence

An applicant should submit a dully filled-in application form No 200, attested by a Commissioner for Oaths together with the following:

a) written proof of ownership or lease of a lubricant warehouse that complies with Good Petroleum Industry Practices including:
   (vii) an emergency exit
   (viii) sufficient ventilation; and
   (ix) adequate fire fighting equipment.
b) certified copies of its registration documents;
c) possession of oil and lubricants handling permit from a relevant authority;
d) possession of adequate qualified personnel;
e) certified copies of Tax Identification Number Certificate;
f) dealership agreement with the Lubricant Wholesaler;
g) list of Lubricant Retailers (i.e. Lubricant shops) which the Lubricant Distributor has dealership agrrement with for supply of lubricants; and
h) a proof of payment of an appropriate application fee **(Attach a Copy of EWURA Receipt).**

Appendix 4.0: List of Applicable Petroleum Products and Petroleum Installations Standards

A List of Applicable Petroleum Products Standards

(a) TZS 672: 2012 - EAS 158:2012 ICS 75.160,20: Automotive gasoline (premium motor spirit) – specification;

(b) TZS 674:2012 - EAS 177:2012 ICS 75.160.20: Automotive gasoil (automotive diesel) – specifications;

(c) CDC 15 (2026) PI – Fuel oil specifications;

(d) CDC 15 (2026) PI – Denatured fuel ethanol for blending with gasoline for use as automotive spark;

(e) CDC 15 (2026) PI – Automotive Biodiesel fuel specifications;

(f) CDC 17 (2026) PI/ISO 4925-2005 Road vehicles- Specifications of non-petroleum based brake fluids for hydraulic systems;

(g) CDC 17 (2062) PI/ISO 6743- 99 – Lubricants, Industrial oils and related products (Class L) – Classification; General;

(h) CDC 17 (2026) PI/ISO 6743- 9 – Lubricants, Industrial oils and related products (Class L) – Classification; Family X;

(i) CDC 17 (2026) PI/ISO 15380.2002 – Lubricants, Industrial oils and related products (Class L) – Classification; Classification; Family H (Hydraulic System)- specifications HGET, HEPG, HEES and HEPR;

(j) TZS 647:2001 Engine Oils – Minimum Performance – specification;

(k) TZS 675:2001 Multipurpose Automotive Gear Lubricant (EP) – specification;

(l) TZS 667:2001 Motor Vehicles Brake Fluids – specification; and

(m) TZS 580:2006 (E) Illuminating Kerosene (IK) – specification.

A List of Applicable Petroleum Installations Standards

(a) TZS 818: 2004 Liquefied Petroleum Gas specifications;

(b) TZS 1076:2008 Selection, specifications, installations, operations and measuring instruments on petroleum storage tanks;

(c) TZS 1113:2009 Depot for storage of petroleum products;

(d) TZS 1114:2009 Road transport vehicles, containers, and equipment used for transportation of dangerous petroleum products;

(e) TZS 1115:2009 Petroleum Products Retail Outlets;

(f) TZS 1079:2009 Installation of underground storage tanks, pumps/dispensers and pipe work at service stations and consumer installations; and

(g) Code of practice for cleaning of the petroleum storage tanks and disposal of sludge.

(Footnotes)

1 **Canopies for petrol stations in small towns and villages should be constructed using at least corrugated iron sheets and other materials which are non-combustible like steel poles with.**