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Energy and Water Utilities Regulatory Authority

DOWNSTREAM PETROLEUM SUB SECTOR PERFORMANCE REVIEW REPORT FOR YEAR 2015

THE UNITED REPUBLIC OF TANZANIA

ewura

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Energy and Water Utilities Regulatory Authority,

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FOREWORD

In its 9th year of operation, EWURA remained committed to good governance and dedication to oversee continuously improved services to all stakeholders in all sectors under its purview, including the Downstream Petroleum Operations. 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. Under these Acts, EWURA is mandated to undertake technical, economic and safety regulatory functions in the downstream petroleum supply chain. Regulatory functions that are implemented by EWURA in this sub sector are geared to:

(a) Improve efficient provision of petroleum products and related services to the country;
(b) Optimize costs in respect of procurement, storage, transportation and distribution of petroleum products by eliminating inefficiencies in the petroleum products supply chain;
(c) Attract 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.

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. It is however required on these operators that they should at all times comply to the provision of the Legislation.

This is the second report on the performance of downstream sub sector in Tanzania. The report presents highlights of regulatory activities related to the downstream petroleum operations carried out by EWURA. Despite the many challenges faced, EWURA has successfully continued to meet the intended goals in the downstream petroleum sub sector in the country. These improvements can be seen in:

(a) quality of petroleum products for the local market continued being in compliance to the required standards;
(b) the level of petroleum products adulteration has continued to decrease;
(c) petroleum products supply and pricing continued being successful and stable; and
(d) the standards of retail outlets in the country have continued to improve because of compliance monitoring, and enforcement measures taken.

Felix Ngamlagosi

DIRECTOR GENERAL

April, 2016

ABBREVIATIONS AND ACRONYMS

AGO	Automotive Gasoil
BPS	Bulk Procurement System
BoT	Bank of Tanzania
bbl	Barrel
CIF	Cost Insurance and Freight
DWT	Dead Weight Tonnage
EA	Environmental Audit
EIA	Environmental Impact Assessment
EWURA	Energy and Water Utilities Regulatory Authority
FOB	Free On Board
GFI	Global Fluid International
GN	Government Notice
HFO	Heavy Furnace Oil
HSE	Health, Safety and Environment
IDO	Industrial Diesel Oil
IK	Illuminating Kerosene
KOJ_1	Kurasini Oil Jetty 1
KOJ_2	Kurasini Oil Jetty 2
LPG	Liquefied Petroleum Gas
Lt	Litres
m^3	Cubic metre
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
SGS	Societe Generale de Surveillance
SUMATRA	Surface and Marine Transport Regulatory Authority
TAA	Tanzania Airport Authority
TAZAMA	Tanzania Zambia Mafuta
TBS	Tanzania Bureau of Standards
TCCIA	Tanzania Chamber of Commerce, Industry and Agriculture
TIPER	Tanzania International Petroleum Reserve
TPA	Tanzania Ports Authority
TPDC	Tanzania Petroleum Development Corporation
TRA	Tanzania Revenue Authority
Tsh	Tanzania Shillings
TZS	Tanzania Standard
USD	United States Dollar
%	Per cent

EXECUTIVE SUMMARY

Section 30(1) of the Petroleum Act, 2015 gives mandate to Energy and Water Utilities Regulatory Authority (EWURA) to perform technical, economical and safety regulatory functions in respect to the downstream petroleum activities. The Authority has therefore continued to execute several activities in order to fulfil these roles and has prepared the second Downstream Petroleum Sub-sector Performance Review Report which covers the period from January to December 2015. This second report, presents regulatory activities that were accomplished by the Authority, the challenges faced and achievements attained .during the period under review.

The report is supported with data and information obtained from various stakeholders including Oil Marketing Companies (OMCs), Tanzania Petroleum Development Corporation (TPDC), M/S Global Fluid International (GFI), Societe Generale de Surveillance (SGS), Tanzania Ports Authority (TPA), Tanzania Revenue Authority (TRA), Platts Oilgram and the Authority's in house reports that were prepared while conducting its regulatory activities. These data were verified and thoroughly analyzed to give a true picture of the Authority's regulatory position.

The country continued to import its petroleum products requirements through the Bulk Procurement System (BPS) coordinated by the Petroleum Importation Coordinator Limited (PICL). The Authority monitored the entire Bulk Procurement System process to ensure that its regulations and procedures were adhered to and that the contracted supplier for each tender was indeed the most competitive. Imports of petroleum products continued to be through the Dar es Salaam port. However, in July 2015 Tanga port commenced receiving products to serve the Northern regions of Tanzania mainland. During the year under review, twelve (12) contracts were awarded to the following suppliers: Addax Energy SA five (5) tenders, Augusta Energy SA and Sahara Energy, each three (3) tenders and Gapco Kenya Ltd which won one (1) tender.

The Authority continued to compile petroleum products stocks data from Oil Marketing Companies (OMCS) on weekly basis in order to ensure that there are at all times adequate supplies of petroleum products in the country. To this effect, the Authority prepared weekly stock reports which were shared with the Ministry of Energy and Minerals (MEM), Petroleum Importation Coordinator Limited (PICL) and other stakeholders. Neither major stock nor delay of the supply vessels beyond the scheduled time (*laycan*) was pronounced in the year under review.

The Authority has been able to ensure that petroleum products supply in the country is stable and that only the right quality petroleum products are offered for sale to customers, and at right prices. On the other hand, the standards of retail outlets and other downstream petroleum facilities in the country have significantly improved due to compliance and enforcement measures taken by the Authority to non-complying operators.

In accordance with Section 126 (1) of the Petroleum Act, 2015 requirements, the Authority also undertook regular inspections to petroleum facilities to ensure that all new petroleum installations have relevant construction approvals from EWURA, before being constructed. During the period under review, the Authority issued ten (10) construction approvals for petrol stations.

A total of eighty three (83) petrol stations and one (1) Liquefied Petroleum Gas (LPG) Filling and Storage Plant were found constructed without approvals; these were fined in accordance with the applicable Law.

Likewise, Section 131(1) of the same Act stipulates that any person who intends to undertake a regulated activity should apply to EWURA for a licence in a prescribed manner and form, upon payment of the prescribed fee. In order to monitor compliance to these requirements, the Authority continued to conduct ad-hoc and regular inspections to the facilities across the country. The Authority conducted pre-licensing inspections to new and existing petroleum facilities with the purpose of ensuring that petroleum facilities meet the licensing requirements before being licenced. From January to December 2015, the Authority issued a total of one hundred twenty four (124) operating licences to operators of facilities that met the licensing requirements. As of 31st December 2015, the country had a total of 755 licensed petrol stations, and 61 licensed wholesalers of petroleum products. Also, the country had 22 operational petroleum storage facilities, with total storage capacity of 867,639 CM, which can meet demand of the local market for 96 days.

The Authority continued to undertake monitoring programs to ensure compliance to the applicable laws, rules and standards along the petroleum supply chain. Monitoring programs under the period under review included: licence condition compliance monitoring, compliance monitoring of the facilities/ installations that were being constructed without having approvals from EWURA, compliance monitoring of LPG and lubricants operations, petroleum products quality monitoring, monitoring compliance to the price setting rules, monitoring concentration of fuel marker levels and monitoring adherence of the downstream operations to health, safety and environmental requirements.

In the year 2015, prices of crude oil in the world market were mostly stable and relatively low compared to prices of the same period in year 2014. The highest crude oil price was observed in May 2015 whereby it reached 64 USD/bbl (United States Dollars per barrel) and the lowest was 38 USD/ bbl in December 2015. Average (annual) crude oil world market price for the period under review stood at 53 USD/bbl. a drop of 47% compared to an average of 100 USD/bbl attained during similar period in 2014 . The average Free On Board (FOB) prices for refined petroleum products in the world market in the period under review stood at 556 USD/MT(United States Dollars per metric ton), 469 USD/MT and 495 USD/MT for petrol, diesel and kerosene respectively as compared to 907 USD/MT, 813 USD/MT and 875 USD/MT attained in year 2014. This is equivalent to a drop of 39% for petrol, 42% for diesel and 43% for kerosene.

The average pump prices in Dar es Salaam for the period under review were: Tshs 1,973 Tanzania shilling. Per liter(Tsh/l), 1,898 Tsh/l and1,739 Tsh/l for petrol, diesel and kerosene indicating a drop of 11%, 15% and 17% respectively when compared to average pump prices in year 2014. The decrease is attributed to a drop in world market CIF (mainly FOB) prices of refined petroleum products. However, this decrease was not proportional to the world market refined petroleum products' prices which dropped by 39%, 42% and 45% for petrol, diesel and kerosene respectively during the same period. This is due to the fact that the CIF contributed between 45% - 60% only of the total cost of local price build up. Depreciation of the Tanzanian shilling during the period under review also contributed to un-proportionality in prices trend between the World Market and local prices.

During the year 2015 the Authority observed a 14 % growth of petroleum products consumption compared to year 2014. Total consumption in the period under review was 3,304,653,807 litres compared to 2,907,823,216 litres consumed in year 2014, most probably due to the growth of the economy in the country in the main sectors of transportation, construction and agriculture. Diesel, Petrol and HFO consumptions increased by 10%, 18% and 38% respectively while kerosene consumption decreased by 4%. On the other hand, in year 2015, a total of 5,163,565,034 litres of petroleum products were imported into the country and out of this, 3,380,097,164 litres equivalent to 65% of the total imports were for the local market. That is equivalent to an increase of 27% when compared to 2014. On the other hand, a total of 1,825,467,870 litres equivalent to 35% of all petroleum products imports (5,163,565,034 litres) were transited to neighboring countries which represents an increase of 2% compared to 2014. As for the Liquefied Petroleum Gas (LPG), in year 2015, a total of 70,061 MT were imported for the local market, compared to 65,522 MT that were imported in the previous year, which is equivalent to 7% increase.

At the end, the report presents the Authority's achievements and challenges faced in its operations related to the downstream petroleum business in Tanzania.

1.0 INTRODUCTION

This is the Second Downstream Petroleum Sub-sector Performance Review Report which has been prepared by the Authority and covers the period from January- December 2015. Section 30(1) of the Petroleum Act, 2015 mandates EWURA to perform technical, economical and safety regulatory functions in respect to the downstream petroleum activities in Mainland Tanzania. 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 issue, renew and cancel licenses and monitor performance in relation to levels of investment in the downstream petroleum sub sector. Additionally, EWURA is required to undertake economic regulation of the petroleum sector, including setting of cap prices for petroleum products in the country.

EWURA has prepared this report, which cover in detail operations within the downstream petroleum subsector in Tanzania Mainland that were carried out in year 2015. The report is, among other things, intended to disseminate to the Government and stakeholders, correct data and information relevant to the downstream petroleum operations in the country. The report is arranged in ten sections which cover the following aspects:

- Introduction
- Regulatory Instruments and Standards Petroleum Products Infrastructure;
- Petroleum Products Prices Regulation;
- Petroleum Products Supply and Stock Monitoring;
- Competition Monitoring; Licensing Activities; Compliance Monitoring and Enforcement;
- Achievements and Challenges;
- Conclusion

2.0 REGULATORY INSTRUMENTS AND STANDARDS

In order to execute its regulatory roles effectively and efficiently, the Authority uses various regulatory tools. These tools include: the main Legislations, Petroleum Rules and Petroleum Standards. Section 2.1 of this report contain regulatory tools that are used by EWURA to regulate the downstream petroleum operations in Mainland Tanzania.

2.1 Regulatory Instruments/Tools

2.1.1 Main Legislations

These tools include:

(i) EWURA Act, Cap 414;
(ii) The Petroleum Act, 2015 (former Petroleum Act, 2008);
(iii) The Petroleum Regulations, 2010.

2.1.2 Petroleum Rules

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. The following regulatory instruments/tools were prepared during the period under review:

(i) The Petroleum (Bitumen and Petcoke Operations) Rules, 2015;
(ii) The Petroleum Petcoke Wholesale Licence Template; and
(iii) The Petroleum Bitumen Wholesale Licence Template;

Other rules that are used by the Authority in the petroleum downstream sub sector include:
(i) The Petroleum (Bulk Procurement) Regulations, 2015;
(ii) The Petroleum (Pipeline Operations) Rules, 2015;
(iii) The Petroleum (Consumer Installations and Operations) Rules, 2015;
(iv) The Petroleum (Wholesale Operation) Rules, 2014;
(v) The Petroleum (Retail Operations) Rules, 2014;
(vi) The Petroleum (Lubricant Operations) Rules, 2014;
(vii) The Petroleum (Lubricants and Sampling Testing) Rules, 2014;
(viii) The Petroleum (Village and Township Retail Outlet Operations) Rules, 2014;
(ix) Petroleum (Liquefied Petroleum Gas) Rules, 2012;
(x) The Petroleum (Road Transportation) Rules, 2010;
(xi) The Petroleum (Marking and Quality Control) Rules, 2010;
(xii) The Energy and Water Utilities Regulatory Authority (Fees and Levies Collection Procedure(Commencement of collection of levies)) Rules, 2010;
(xiii) The Petroleum (Marking and Quality Control) Rules, 2010;
(xiv) The Petroleum (Sampling and Testing) Rules, 2010;
(xv) The Energy and Water Utilities Regulatory Authority (Fees and Levies Collection Procedure Rules, 2009; and
(xvi) The Energy and Water Utilities Regulatory Authority (Petroleum Products Price Setting) Rules, 2009;

2.1.3 Petroleum Standards

Petroleum standards are developed by Tanzania Bureau of Standards (TBS) which is a National Standards body, in collaboration with other stakeholders in the downstream petroleum operations in the country including, EWURA, the user. The Authority continued to monitor petroleum products standards in order to ensure that these standards comply with the National standards, at all times. During the year under review the following lubricant standards were revised:

(i) TZS 1691:2014 Automatic Transmission Fluids (ATF) based on road vehicles- specification;
(ii) TZS 647:2014 Engine Oils- Minimum performance –specification;
(iii) TZS 667:2014 Motor vehicles brake fluids- specification; and
(iv) TZS 675:2014 Multipurpose automotive gear lubricant (EP) – specification.

Appendices 1A and 1B show a list of applicable petroleum products and petroleum downstream infrastructure standards in the country. Operators are obliged to adhere to these standards.

3.0 PETROLEUM INFRASTRUCTURE

During the period under review, most imports of petroleum products continued to be through the Dar es Salaam port. In July 2015 Tanga port commenced receiving products with a priority to serve the Northern Regions of Tanzania Mainland. Offloading infrastructure at Dar es Salaam port for liquid petroleum products consist of a Single Buoy Mooring (SBM) which handles vessels of up to 150,000 Dead Weight Tonnage (DWT), Kurasini Oil Jetty 1 (KOJ1) which handles vessels with maximum capacity of 45,000 DWT and Kurasini Oil Jetty 2 (KOJ2) which handles vessels with maximum capacity of 5,000 DWT.

There are three (3) manifolds which are managed by Tanzania Ports Authority (TPA) but owned by either TPA or Tanzania International Petroleum Reserve (TIPER), namely:

(i) TPA and TIPER manifolds which are located within KOJ area, Kurasini;
(ii) TIPER manifold which is located in TIPER premises, Kigamboni; and
(iii) TPA manifold located within Tanzania Zambia Mafuta (TAZAMA) Pipelines Limited compound at Kigamboni.

Oil Marketing Companies that are connected to the SBM manifold include TIPER, GAPCO, Puma Energy, Oilcom, Camel Oil, Gulf Bulk Petroleum (GBP), Oryx Energies, Engen, Lake Oil, MOGAS, Total, Kobil, Mansoor Oil Limited (MOIL), Star Oil and World Oil Tanzania Limited.

3.1 Petroleum Storage Terminals

Storage terminals play a big role in the petroleum products supply chain as they are used for receiving, storage and distribution of petroleum products in bulk. In Tanzania mainland, to a large extent, storage terminals are located in Dar es Salaam and lesser in upcountry regions. There are twenty two (22) storage depots at receiving ports which are located in Dar es Salaam, Mtwara and Tanga with a total storage capacity of 867,639 cubic metre (m^3).

There are other storage terminals in upcountry Regions with a total storage capacity of 84,204 m^3 excluding storage capacities for TSN Tanzania Limited and GBP (T) Ltd depots located in Tanga and Puma Energy (T) Ltd depot located in Mtwara. Therefore, total storage capacity of all oil terminals in Tanzania mainland equals to 951,843 m^3, a capacity which can suffice the country demand for 80 days.

However, five (5) storage terminals upcountry have not been operating for some time. These include: East Africa Fossils Company (EAFCO) depot located in Mara, Gapco (T) Ltd located in Mara, Malawi Cargo depot located at Iyunga, Mbeya Region and Total (T) Ltd also located at Iyunga in Mbeya region. These have a total storage capacity of 10,221 m^3. The main reason for inactivity at these depots was because most operators were sourcing their requirements directly from Dar es Salaam.

Also, during the period under review, four (4) oil terminals located in Mwanza region were not in Operation. These are: Engen Petroleum Tanzania Limited, Gapco Tanzania Limited, Puma Energy Tanzania Limited and Oryx Energies. It is only the GBP depot which is currently operating and supplying petroleum products in the Lake Zone. The main reason is also that most upcountry located petrol stations are directly supplied from Dar es Salaam, this has also been so caused by frequent malfunctioning of the rail system in the transportation of petroleum products, a system that was used to bridge petroleum products to upcountry storage points.

Table 1 and **Appendix 2** present storage capacities of oil terminals at receiving ports and depot storage capacities in upcountry regions, respectively.

Table 1: Oil terminals storage capacities at receiving ports in Tanzania

	Name of the Company	Location	MSP	JET A1	IK	AGO	CONDENSATE	IDO	FO 125	FO 180	TOTAL
1	Camel Oil (T) Ltd	Kurasini	13,567		-	33,416				11,187	58,170
2	Engen Petroleum (T) Ltd	Kurasini	7,125	-	-	18,732		-			25,857
3	GAPCO (T) Ltd	Kurasini	34,601	10,138	6,979	49,670					101,388
4	GBP (T) Ltd	Kurasini	9,128	9,000	-	18,270					36,398
5	Hass Petroleum Ltd	Kigamboni	9,993		-	13,783					23,776
6	Kobil (T) Ltd	Kigamboni	16,231		-	16,246					32,477
7	Lake Oil Ltd	Kigamboni	8,004		-	29,620					37,624
8	MOGAS (T) Ltd	Kurasini	17,072		8,474	16,811					42,357
9	National Oil (T) Ltd	Kurasini	7,331	-	1,113	17,685		-			26,128
10	NSK (T) Ltd	Chang'ombe			-	1,768					1,768
11	Oilcom (T) Ltd	Kurasini	11,895	11,919	5,732	37,487	1,752	-	-	5,851	74,636
12	ORYX Oil Ltd	Kurasini	5,843	-	993	12,078		118	4,800	5,328	29,160
13	PUMA Energy (T) Ltd	Kurasini	10,292	26,331	-	42,316		-	1,663	2,409	83,011
14	TOTAL (T) Ltd	Kurasini	2,808	5,582	-	8,801		-	1,147	8,821	27,157
15	MOIL	Kigamboni	9,463		-	10,591					20,054
16	Star Oil (T) Ltd	Kurasini	12,546			25,247					37,792
17	World Oil Ltd	Kigamboni	26,455			26,432					52,886
18	MCCL	Kurasini	8,000			12,000					20,000
19	TIPER	Kigamboni	21,000	10,000		87,000		-	19,000		137,000
20	GBP (T) Ltd	Raskazone, Tanga	6,182			19,922	172				26,276
21	TSN (Former Tanga Petroleum)	Kisosora, Tanga	2,200	5,000							7,200
22	PUMA Energy (T) Ltd	Mtwara	506		1,615	1,615	953				4,689
	Grand Total		**240,241**	**72,970.1**	**23,291**	**497,872.9**	**1,751.6**	**117.8**	**26,609.2**	**33,595.4**	**867,639**

3.2 Transportation Infrastructure

Road transport using road tankers continued to be the most reliable mode of transporting refined petroleum products to upcountry regions and landlocked countries of Rwanda, Burundi, Malawi, Zambia, Democratic Republic of Congo and Uganda. It is worth noting that, currently the country do not have a pipeline dedicated for transportation of refined petroleum products. The available TAZAMA pipeline which is jointly owned by Tanzanian (33.3%) and Zambian (66.7%) Governments is used for transporting crude oil to Indeni Refinery in Zambia. Transportation of petroleum products, though to a lesser extent using rail tank wagons has started whereby GBP hauls fuel from Tanga to Mwanza and Kigoma. To aid carry out its regulatory roles effectively and efficiently, the Authority has developed The Petroleum (Road Transportation) Rules, 2010 and The Petroleum (Pipeline Operations) Rules, 2015.

3.3 Petrol Stations

Petrol stations continued being the main supply points to petroleum products customers in the country, these facilities are mainly located in major towns and metropolitan areas. Some rural, remote or off-major roads areas still do not have petrol stations in place. Lack of petrol stations in these areas is attributed to the high investment cost of these infrastructures as compared to the expected low volumes/sales revenue owing to the limited market in these areas. To address this problem, the Authority has already developed the Petroleum (Village and Township Retail Outlet Operations) Rules, 2014 which intend to attract investors to set up these infrastructures in rural areas at slightly lower costs without compromising to health, safety and the environment requirements. Stakeholders have started constructing petrol stations in adherence to these Rules, an example is shown in the picture below, it is expected that more operators will continue taking advantage of the rules.

A Petrol Station Constructed at Reduced Cost but Compliant to EWURA Rules

As of 31st December 2015, there were 1,324 petrol stations in Tanzania mainland, out of which 755 are licensed by EWURA. It should be noted that, initially the Authority issued conditional licences to operators; operators were required to comply within different specified time frames depending on the location and the condition of a particular facility. It may be noted that, most of the conditional licences were issued in years 2009/2010, a for a 5 years term. Some operators had not fulfilled the required licensing requirements at the expiry of the five years; as such their licences were not renewed.

It is the Authority's requirement that all petrol stations should be licensed and in order to fulfil this, the Authority is continuously carrying out inspections to facilities so as to ensure that compliance to licensing requirements is attained before issuance of licences. In addition, the Authority is continually conducting seminars to sensitize the operators on various issues related to petroleum downstream activities including importance of being licenced by EWURA. During year 2015 EWURA conducted seminars to petrol stations operators at Mbeya, Sumbawanga, Njombe, Iringa and Songea. **Table 2** summarizes distribution of petrol stations in mainland Tanzania by region.

Table 2: Distribution of Petrol Stations in Tanzania Mainland

S/N	REGION	Total No. Of Petrol Stations	No. Of Petrol Stations with Expired Licence	Total No. Of Petrol Stations - Licensed	Total No. Of Petrol Stations - Not Licensed	% Expired per Region	% Licensed per Region	% Not Licensed per Region
1	ARUSHA	93	26	57	10	27.96	61.29	10.75
2	COAST	92	18	57	17	19.57	61.96	18.48
3	DAR ES SALAAM	182	36	133	13	19.78	73.08	7.14
4	DODOMA	55	12	23	20	21.82	41.82	36.36
5	GEITA	39	5	22	12	12.82	56.41	30.77
6	IRINGA	38	9	17	12	23.68	44.74	31.58
7	KAGERA	59	18	29	12	30.51	49.15	20.34
8	KATAVI	5	0	3	2	-	60.00	40.00
9	KIGOMA	38	7	16	15	18.42	42.11	39.47
10	KILIMANJARO	87	31	36	20	35.63	41.38	22.99
11	LINDI	32	10	10	12	31.25	31.25	37.50
12	MANYARA	40	8	16	16	20.00	40.00	40.00
13	MARA	49	12	28	9	24.49	57.14	18.37
14	MBEYA	74	13	41	20	17.57	55.41	27.03
15	MOROGORO	72	13	47	12	18.06	65.28	16.67
16	MTWARA	32	9	17	6	28.13	53.13	18.75
17	MWANZA	82	14	53	15	17.07	64.63	18.29
18	NJOMBE	18	4	11	3	22.22	61.11	16.67
19	RUKWA	14	4	5	5	28.57	35.71	35.71

S/N	REGION	Total No. Of Petrol Stations	No. Of Petrol Stations with Expired Licence	Total No. Of Petrol Stations - Licensed	Total No. Of Petrol Stations - Not Licensed	% Expired per Region	% Licensed per Region	% Not Licensed per Region
20	RUVUMA	36	9	15	12	25.00	41.67	33.33
21	SHINYANGA	53	9	34	10	16.98	64.15	18.87
22	SIMIYU	11	3	4	4	27.27	36.36	36.36
23	SINGIDA	19	2	16	1	10.53	84.21	5.26
24	SONGWE	11	0	7	4	-	63.64	36.36
25	TABORA	29	4	21	4	13.79	72.41	13.79
26	TANGA	64	12	37	15	18.75	57.81	23.44
	Total	**1324**	**288**	**755**	**281**	**21.75**	**57.02**	**21.22**

3.3.1 LPG Facilities

Currently, in Tanzania mainland there are seven (7) LPG operating facilities that have been licensed by the Authority; these are located in Dar es Salaam, Arusha and Moshi. These facilities have a total storage capacity of 4,160 MT. Others are under construction and on completion; EWURA will inspect them prior to issuing licences to those facilities that meet the requisite licensing requirements. During the year under review, the Authority continued with efforts to ensure that increased investors opt in investing in the LPG segment of the sub sector. One (1) LPG Company namely Orange Gas Limited was licensed in year 2015. Also, the Authority issued construction approvals to Oryx Gas Tanzania Ltd and Manjis Gas Supply Limited to construct new LPG storage and Filling Plants in Kigamboni area, Dar es Salaam. Furthermore, the Authority approved the expansion of Mihan LPG storage facility. The expected additional storage capacity for the approved projects is about 13,000MT. In addition, Oryx Gas Tanzania Ltd expects to construct small LPG storage and filling plants in various regions. **Table 3** below presents a list of existing main LPG facilities, their locations and their respective storage capacities.

Table 3: List of LPG facilities in the country

S/No.	Facility Name	Location	Storage Capacity (MT)
1	Oryx Gas LPG Facility	Dar es Salaam	1,050
2	Mihan Gas 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 Gas LPG Facility	Moshi	60
6	Manjis Gas LPG Filling Plant	Arusha	180
7	Orange Gas LPG Facility	Arusha	120
Total (in MT)			**4,160**

4.0 PETROLEUM PRODUCTS PRICES REGULATION

During the period under review, the Authority continued to monitor movement of petroleum products prices both in the global and local market. The Petroleum *Pricing Setting Rules and Formula* were used to generate monthly cap wholesale and pump prices for all regions in the country. The main inputs in the buildup of the local market pump prices continued to include: Weighted Average Platt's FOB, Freight and Premium, Local charges, Taxes and Distribution costs.

4.1 Trend of World Prices of Petroleum Products

Monitoring petroleum products prices is one of the regulatory roles of the Authority. During the period under review, EWURA continued to closely monitor world market prices for both crude oil and refined petroleum products as published on the Platts' website. Comparison of prices at Cost, Insurance and Freight(CIF) level was made between those published by Platts' Freight Onboard(FOB), and those agreed in the supply contract between PICL and the supplier of petroleum products in the country for each month to establish if the prices of petroleum products offered by BPS contracts reflect the prices of refined petroleum products in the World market. The Authority continued to analyze and rigorously scrutinize other local costs in the petroleum products supply chain to ensure that they reflect the actual and justifiable costs.

The world oil market prices were categorized into two groups which were world crude oil prices and refined petroleum products prices. For the Tanzania market, Mediterranean (MED) market was used as a source for petrol world oil prices and Arabian Gulf (AG) market was used as source of diesel and Jet A1 world oil prices.

4.1.1 World Market Crude Oil Prices

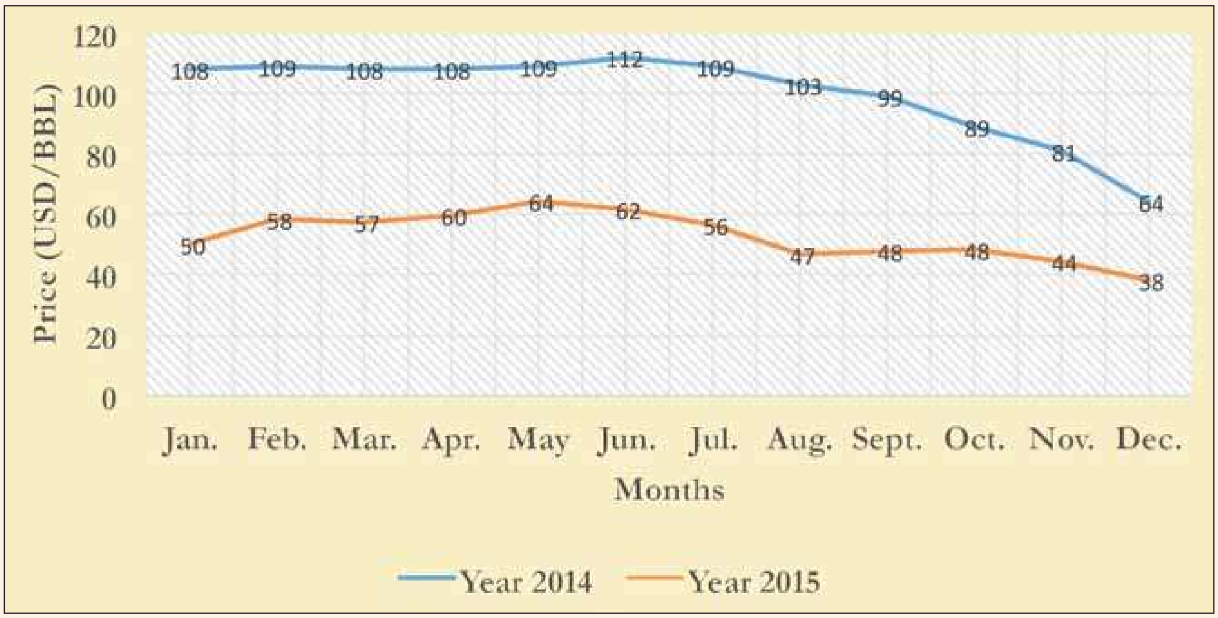
In the year 2015, prices of crude oil in the world market were almost stable but relatively low compared to prices during the same period in year 2014. The highest crude oil price was observed in May 2015 whereby it reached 64 USD/bbl and the lowest was 38 USD/bbl in December 2015. Average (annual) crude oil world market price for the period under review stood at **53** USD/bbl. a drop of 47% compared to an average of 100 USD/bbl attained in the same period last year. **Table 4 and Figure 1** below show movement of crude oil prices in the world market for the two periods.

Table 4: Comparison of World Crude Oil Market Prices for the Year 2015 and 2014

Month	USD/BBL	Month	USD/BBL
Jan-15	108	Jan-14	50
Feb-15	109	Feb-14	58
Mar-15	108	Mar-14	57
Apr-15	108	Apr-14	60
May-15	109	May-14	64
Jun-15	112	Jun-14	62
Jul-15	109	Jul-14	56

Month	USD/BBL	Month	USD/BBL
Aug-15	103	Aug-14	47
Sep-15	99	Sep-14	48
Oct-15	89	Oct-14	48
Nov-15	81	Nov-14	44
Dec-15	64	Dec-14	38
Average	**100**		**53**

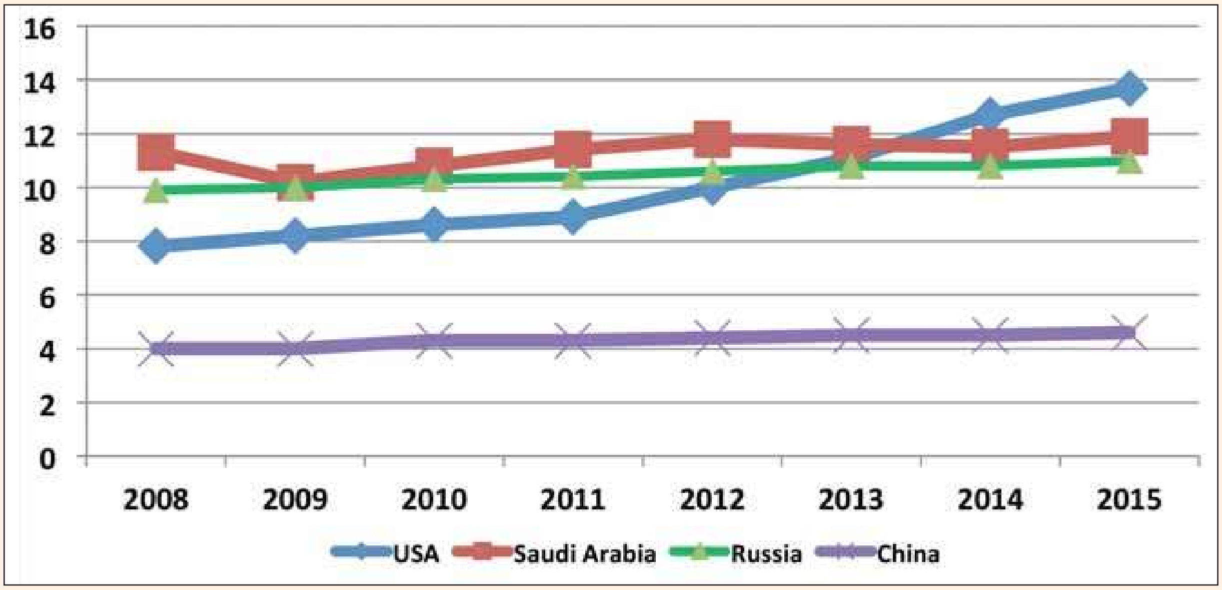
Figure 1: Trend of World Market Crude Oil Prices for Year 2014 and 2015



The drop of world oil prices that was noted in late 2014 and also during the year under review was due to several reasons including; huge surplus of oil in the world as a result of both buoyant supply and weaker demand (*according to Goldman Sachs*), geopolitical and tension between USA and Russia when USA became number one in crude oil production in the world overtaking Saudi Arabia. Around this time USA increased production of its own oil from shale and cut almost half of its imports as well as economic slowdown that was noted in China and Europe. Between 2013 and 2014 alone, USA increased its local production by about 14%, the highest increase since 2008. However, in 2015, USA started to cut its production and the increase was only about 8% when compared to 2014.

The remaining three world leading oil producing countries namely Saudi Arabia, Russia and China kept their productions constant between 2013 and 2014 while their production levels in 2014 relative to 2008 were higher by 5%, 11% and 15% respectively. The increase in production between 2014 and 2015 for Russia, Saudi Arabia and China were only 3% for Russia and 2% for each Saudi Arabia and China. The explanation above indicates how USA's accelerated growth in oil production compounded to lower oil prices challenge on top of global weak oil demand. **Figure 2** below indicates the level of oil supply from the leading four world oil producers namely USA, Saudi Arabia, Russia and China.

Figure 2: Trend of crude oil (Million barrels) production for the four major oil producing countries



Source: CNN Money and International Energy Agency (IEA)

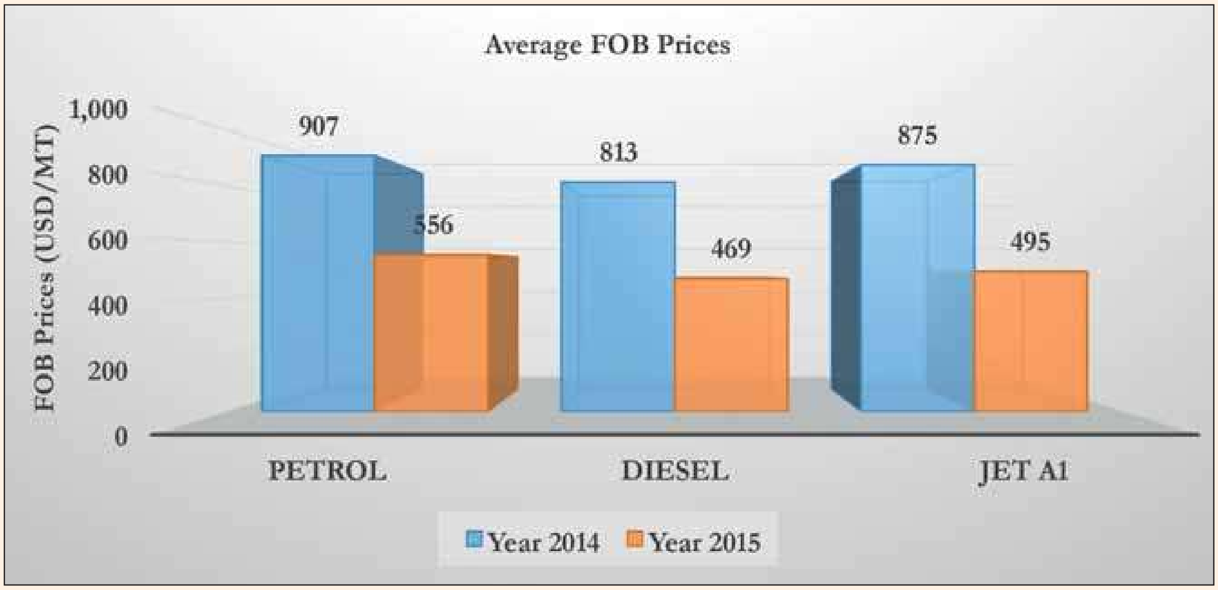
4.1.2 World Market Refined Petroleum Products Prices

The average (annual) FOB prices for refined petroleum products in the world market in the period under review stood at 556 USD/MT, 469 USD/MT and 495 USD/MT for petrol, diesel and kerosene, respectively as compared to 907 USD/MT, 813 USD/MT and 875 USD/MT attained in year 2014. This is equivalent to a drop of 39% for petrol, 42% for diesel and **43%** for kerosene/Jet A1. **Table 5** and **Figure 3** below present world market FOB prices for petrol, diesel and kerosene/Jet A1.

Table 5: Trend of FOB World Market Prices of Refined Petroleum products

Month	Petrol	Diesel	Jet - A1	Month	Petrol	Diesel	Jet - A1
Jan-15	468	465	483	Jan-14	939	883	953
Feb-15	556	517	567	Feb-14	970	897	963
Mar-15	592	511	537	Mar-14	976	882	940
Apr-15	622	522	556	Apr-14	1,008	898	935
May-15	669	570	590	May-14	995	886	939
Jun-15	683	544	571	Jun-14	1,045	885	953
Jul-15	643	461	498	Jul-14	1,004	825	890
Aug-15	539	430	422	Aug-14	938	843	910
Sep-15	503	432	453	Sep-14	906	808	877
Oct-15	485	431	459	Oct-14	809	721	790
Nov-15	469	416	444	Nov-14	732	673	748
Dec-15	437	335	363	Dec-14	564	561	600
Average	**556**	**469**	**495**	**Average**	**907**	**813**	**875**

Figure 3: World Market Refined Oil prices comparison between year 2015 and 2014



4.1.3 Future Outlook of World Oil Prices

The outlook of oil prices at world level is of mixed feelings according to various analysts. According to *Goldman Sachs*, Saudi Arabia and the world's other major oil nations are willing to keep the supply up and with Iran's lift of sanctions, there will be another major source of oil producing more in the future especially in 2016. The analysts also show that a long period of lower prices is possible with a factor of how much it costs different producers to make a barrel of oil.

On the other hand, according to some analysts, the prospect of oil markets re-balancing before end of 2016 is gaining traction, with *Credit Suisse Group AG* predicting that oil stockpiles will contract in the third quarter of 2016. Supplies outside OPEC will decline by about 700,000 barrels of oil per day (bopd) in 2016 to an average of 57 Million barrels of oil per day (MMbopd), according to the International Energy Agency (IEA). while U.S. *shale* oil output has been more resilient to lower prices and there is drop in *drilling* activity than expected, there is growing evidence that oil output declines are accelerating according to IEA.

According to *Goldman Sachs*, in recent years, the pace of oil production growth has raced ahead of the growth rate in demand and will continue to do so until at least 2016 as new fields are still coming on stream and as fields mature, increasing output and efficiencies. The international oil companies yet again have had a sudden reaction to falling prices, drastically cutting investment in new production. The writing has been on the wall since 2005 and 2006, when petroleum demand first fell in the USA and Europe and has continued to do so every year since.

The 2008 recession and the subsequent rejection of policies by Europe in favor of austerity measures that have slowed down both European and world economic recovery and possibly condemned some European economies to permanent austerity has had an impact upon oil demand growth. The recent slowdown in China's growth rate and elsewhere in Asia has only added to this scenario. If it were not for trouble in Libya, Northern Iraq and Syria, prices would have been even lower, and high prices are only likely to return if those funding the widening of the Middle East wars get their way and create yet another bottleneck in Middle Eastern production. World oil production needs to lose around 4 percent of current levels of production (91million barrels/day) before reaching $80 price a barrel again. Otherwise, oil prices are likely to remain low until at least the end of 2016 and probably for the foreseeable future, hopefully fueling economic growth in the world's largest economies and stabilizing prices at around $60, where most producers gain reasonable profit margins. A price where the U.S., the new market leader, will benefit from a booming economy, an improved balance of payments, and greater market share in both oil and gas.

Generally, predictable oil prices trend in 2016 onwards, will mainly depend on a number of factors such as; the growth of world economy especialy Euro zone, India, China and USA, the trend of USA oil production, the Agreement of OPEC countries and Russia to a freeze deal to cut oil production.

4.2 Domestic Prices for Petroleum Products

During the period under review, the Authority continued to publish monthly wholesale and retail cap prices as per the petroleum pricing setting rules that cover all regional centres, districts and small townships in mainland Tanzania. Petroleum products which were covered are Petrol, Diesel and Kerosene. In the same period, the Authority revised the Petroleum Pricing Setting Rule to take into consideration products that are being offloaded at Tanga Port after the port commenced to receive petroleum products in July 2015. This led into publications of two cap prices templates for petroleum products that are discharged at the two ports.

Diesel and petrol were the only products that were discharged through both Dar es Salaam and Tanga ports. Their prices were therefore based on their cost of discharge at either port. Unlike diesel and petrol, kerosene continued to be priced based on its cost ex-Dar es Salaam because it was offloaded at Dar es Salaam port only. It is anticipated that once storage capacity in Tanga is increased to receive more products, then all Northern zone regions will be required to source their products from Tanga and this will generate benefits to consumers in the Northern regions in terms of having more competitive prices and reducing time spent to transport the products from Dar es Salaam. **Table 6** indicates cost items that are included in the petroleum products pricing template used to derive the monthly Cap Prices.

Table 6: Petroleum Products Price Formula Sample Template as of December 2015

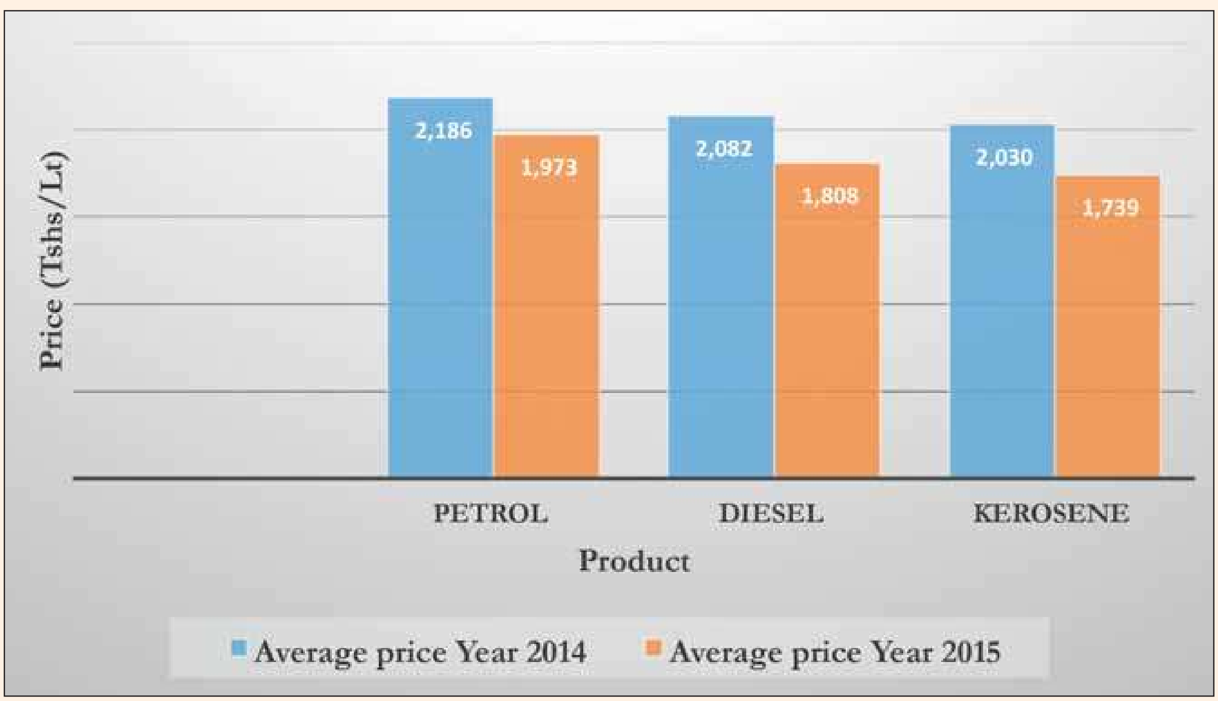
	Weighted Average of Actual Exchange Rates of the Previous Month (M-1) plus the Difference between the Weighted Average of Actual Exchange Rates of the Previuos Month (M-1) and that of the three months ago (M-3)			Exchange Rate	
WT Average Actual Conversion Factors of the Previous Month (M-1):					
			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			
	Railway Development Levy (1.5% CIF)	Tzs/Ltr			
	Customs Processing Fee (TZS 4.80/Lt)	Tzs/Ltr			
	Weights & Measures Fee (Tshs. 1.00/Lt)	Tzs/Ltr			
	TBS Charge	Tzs/Ltr			
	TIPER Fee + 18% VAT	Tzs/Ltr			
	Actual Demurrage Cost	Tzs/Ltr			
	Actual Ocean Losses (DAP Terms)	Tzs/Ltr			
	Surveyors Cost	Tzs/Ltr			
	Financing Cost (1.00% CIF)	Tzs/Ltr			
	Regulatory Levy	Tzs/Ltr			
	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			
	Excise Duty	Tzs/Ltr			
	Petroleum Fee	Tzs/Ltr			
Sub Total	**TOTAL GOVERNMENT TAXES**	**Tzs/Ltr**			
Plus	Charges payable to other Local Authorities and Executive Agencies	Tzs/Ltr			
Plus	OMC's Overheads & Margins	Tzs/Ltr			
	WHOLESALE PRICE CAP (DSM)	Tzs/Ltr			
Plus	Retailers Margin	Tzs/Ltr			
Plus	Transport Charges (Local)	Tzs/Ltr			
Price	**PUMP PRICE CAP (DSM)**	**Tzs/Ltr**			

The average pump prices per litre in Dar es Salaam for the period under review were Tshs 1,973, Tshs 1,898 and Tshs 1,739 for petrol, diesel and kerosene respectively, indicating a drop of 11%, 15% and 17% respectively when compared to average pump prices in year 2014. **Table 7 and Figure 4** shows retail cap prices for the two periods. The decrease is attributed to a drop in world market CIF (mainly FOB) prices of refined petroleum products. However, the decrease is not proportional with the world market refined petroleum products prices which dropped by 39%, 42% and 45% for petrol, diesel and kerosene respectively in the same period. This is due to the fact that the CIF contributed between 45% - 60% only of the total cost of local price build up. Depreciation of the Tanzanian shilling during the period under review has also contributed to un-proportionality in prices trend between the World Market and local prices.

Table 7. Retail Cap Prices for petroleum products in Dar es Salaam

Month	Petrol	Diesel	Kerosene	Month	Petrol	Diesel	Kerosene
Jan-15	1,955	1,846	1,833	Jan-14	2,126	2,089	2,049
Feb-15	1,768	1,708	1,657	Feb-14	2,145	2,114	2,069
Mar-15	1,652	1,563	1,523	Mar-14	2,187	2,040	2,051
Apr-15	1,755	1,672	1,655	Apr-14	2,198	2,149	2,062
May-15	1,866	1,695	1,624	May-14	2,201	2,140	2,027
Jun-15	1,966	1,782	1,624	Jun-14	2,210	2,125	2,046
Jul-15	2,198	2,043	1,993	Jul-14	2,228	2,124	2,060
Aug-15	2,290	2,026	1,964	Aug-14	2,266	2,106	2,057
Sep-15	2,153	1,832	1,770	Sep-14	2,267	2,091	2,040
Oct-15	2,086	1,828	1,733	Oct-14	2,192	2,065	2,016
Nov-15	2,004	1,879	1,733	Nov-14	2,178	2,027	1,993
Dec-15	1,977	1,823	1,765	Dec-14	2,029	1,909	1,888
Average	**1,973**	**1,808**	**1,739**	**Average**	**2,186**	**2,082**	**2,030**

Figure 4: Comparison of Average Pump Prices of Petroleum products for year 2015 and 2014



4.2.1 Revised Government Taxes

In July 2015, the Government through its 2015/16 budget, revised taxes' structure of petroleum products that came into effect from 1st July 2015. The aim of the adjustment of these taxes was to increase the Government revenue especially for accelerating the rural electrification project as well as the development of road, water and railway infrastructure. The revised taxes structure is as indicated in **Table 8** below.

Table 8: Government Taxes Structure

OLD GOVERNMENT TAXES STRUCTURE 2014/15				
		Petrol	**Diesel**	**Kerosene**
Fuel Levy	Tshs/Lt	263.00	263.00	-
Excise Duty	Tshs/Lt	339.00	215.00	425.00
Petroleum Fee	Tshs/Lt	50.00	50.00	50.00
Total Taxes		**652.00**	**528.00**	**475.00**
REVISED GOVERNMENT TAXES STRUCTURE 2015/16				
Fuel Levy	Tshs/Lt	313.00	313.00	-
Excise Duty		339.00	215.00	425.00
Petroleum Fee		100.00	100.00	150.00
Total Taxes		**752.00**	**628.00**	**575.00**
CHANGES				
Fuel Levy	Tshs/Lt	50.00	50.00	-
Excise Duty	Tshs/Lt	-	-	-
Petroleum Fee	Tshs/Lt	50.00	50.00	100.00
Railway Development Levy 1.5% of CIF				

4.2.2 Exchange Rate Monitoring

It is evident that the US Dollar has a direct influence on the petroleum products' local market prices because this is the currency that is used to procure petroleum products. Exchange rate movements can positively or negatively impact the local fuel prices to a large extent especially when it comes to CIF cost which contributes between 45% and 60% of the total cost of pump prices for petroleum products imported into the country. It is for this reason that, this variable is closely monitored to ensure that the quoted exchange rates by OMCs during petroleum products importation, indeed reflect the prevailing market.

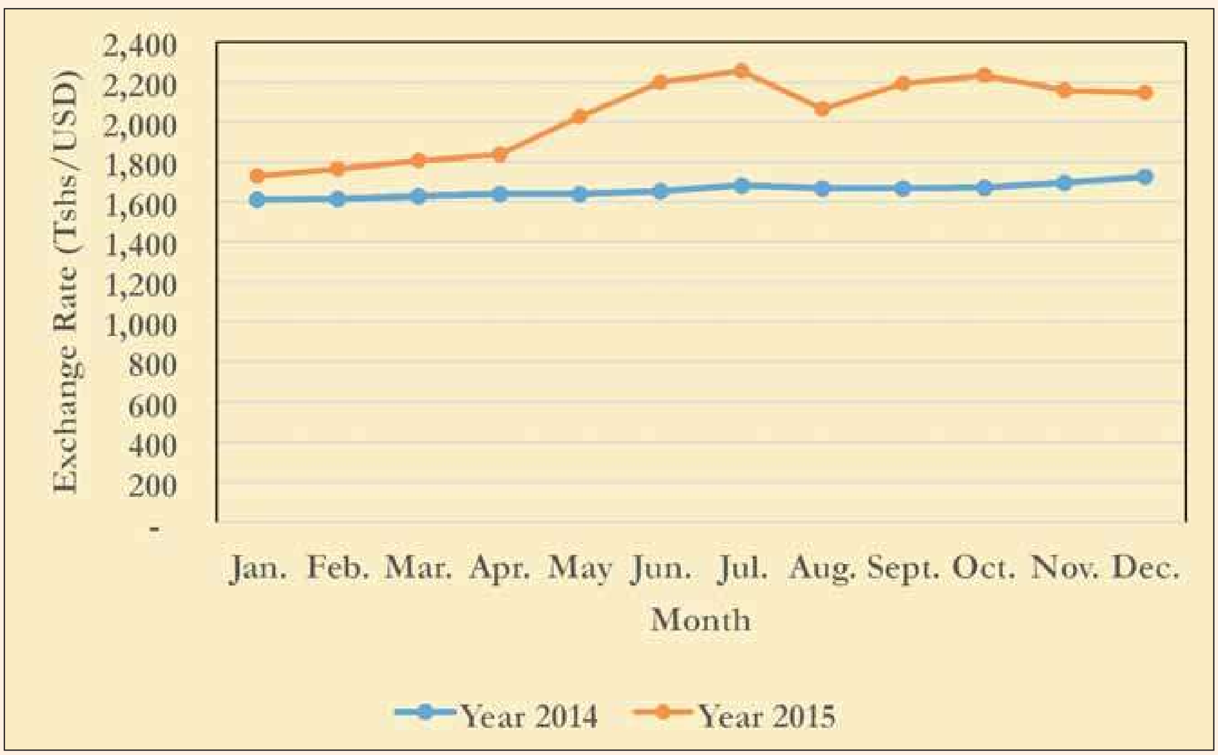
The Authority continued to monitor the actual USD exchange rates that were applicable specifically for purchase of imported petroleum products. The exchange rate is used for computation of local petroleum products prices. The Bank of Tanzania (BoT) assisted by availing to EWURA the information of all the OMCs that purchased US dollars through commercial banks.

During the period under review, the average exchange rate stood at USD/Tshs 2,034 which is an increase of 23% compared to Tshs 1,657 which was an average exchange rate for year 2014. **Table 9** and **Figure 5** below compare the Exchange rates for the two periods.

Table 9: Trend of exchange rates for the year 2015 and 2014

Month	Exchange Rate (Tshs/USD)	
	Year 2015	Year 2014
January	1,729	1,609
February	1,763	1,613
March	1,804	1,628
April	1,837	1,637
May	2,025	1,640
June	2,200	1,654
July	2,254	1,681
August	2,065	1,667
September	2,191	1,668
October	2,234	1,670
November	2,158	1,695
December	2,144	1,724
Average	**2,034**	**1,657**

Figure 5: Trend of Exchange rates for year 2015 and 2014



4.2.3 Demurrage Costs Monitoring and Control

Demurrage cost is payable to petroleum products suppliers in the event where there is delay to berth a supply vessel at the port while the ship is declared ready in every aspect for products discharge operations. Several factors may contribute to the delay, in case the reasons behind this delay, in accordance with the supply content, are caused by the buyer, the latter is required to pay demurrage to the ship owner, through a supplier.

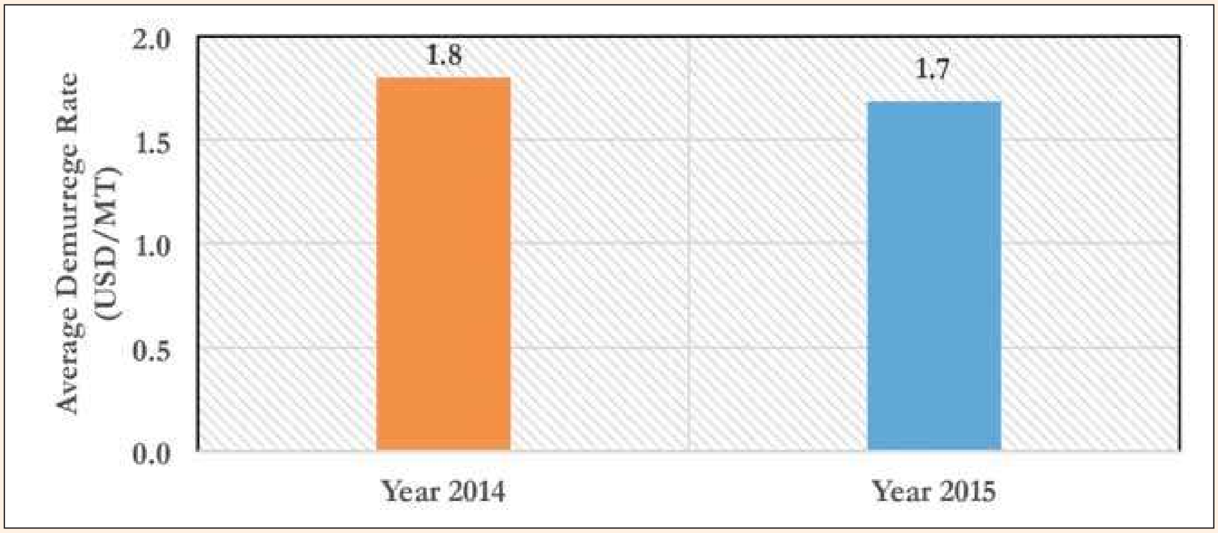
During the period under review, average demurrage cost was 1.7 USD/MT compared to an average cost of 1.8 USD/MT in year 2014. Similarly, the average demurrage days in the period under review were 3.8 days compared to 3.7 days recorded in year 2014. **Table 10** shows a trend of demurrage costs and demurrage days for the two periods whereas **Figure 6** compares the average demurrage costs for the two periods.

Whenever there was an increase in demurrage costs or days, the Authority involved all key stakeholders such as PICL, Tanzania Ports Authority (TPA) and OMCs to establish the cause and find solutions to avoid recurrence.

Table 10: Trend of demurrage cost and number of days for the year 2015 and 2014

Month	Year 2015		Year 2014	
	Demurrage Rate (USD/MT)	Demurrage Days	Demurrage Rate (USD/MT)	Demurrage Days
January	1.6	3.7	4.0	1.7
February	1.5	4.2	1.5	3.8
March	1.6	4.2	1.7	3.9
April	1.6	3.9	1.6	4.2
May	1.7	4.0	2.7	7.1
June	1.4	4.2	1.8	3.9
July	1.2	2.9	1.3	3.0
August	1.5	3.8	1.8	3.9
September	4.3	3.0	1.5	3.1
October	0.9	2.5	1.4	3.2
November	1.4	4.1	1.3	3.4
December	1.7	4.8	1.2	2.7
Average	**1.7**	**3.8**	**1.8**	**3.7**

Figure 6: Comparison of Average Demurrage Costs for year 2015 and 2014



The increase in demurrage days in the period under review was mainly caused by increased congestion of ships at Dar es Salaam port, mainly KOJ1, due to increased imports of petroleum products by about 17% compared to the imports done in year 2014.

4.2.4 World Oil Refined Petroleum Products Prices versus Local Pump Prices

Tanzania does not produce crude oil at the moment and has no facility for refining crude oil. It is for this reason that, prices of crude oil that are daily quoted in the world market have no direct correlation to petroleum products prices applicable in the Tanzania market. Crude oil procured in the world market is usually transported to refineries for processing to get clean products. The process of transportation and refining this crude may take up to one month, or more, depending on the location of the refinery.

After undergoing the refining process, refined petroleum products are traded in the world market at which, traders purchase the same for delivery to markets, including Tanzania. It may be noted that, East Africa depends on refineries located in the Middle East and India for its supplies. Transportation of refined products from those areas to Tanzania may also take around three to four weeks. In consideration of the time taken to transport and refine crude oil, and also the time taken to load and transport refined products, from source to Tanzania, crude oil prices quoted in the world market have relevance to the local market prices at a lag of an average of two months on the average. This time period may however vary depending on the actual prevailing factors. It is therefore incorrect to expect instantaneous fall/rise in the local market petroleum products prices when such a trend is seen in the world market crude oil or refined products prices.

Relationship between prices of refined petroleum products at world market and that of local pump prices for year 2015 is shown below in **Table 11**, the table indicates the relationship between the world's refined oil prices versus local pump prices of related petroleum products based on a two (2) months' time lag.

Table 11: Relationship between FOB Prices and Local Pump Prices of Petroleum Products

MONTH OF THE WORLD PRICES PUBLICATIONS	Nov14	Dec14	Jan15	Feb15	Mar15	Apr15	May15	Jun15	Jul15	Aug15	Sep15	Oct15
MONTH OF LOCAL OIL PUMP PRICES	Jan15	Feb15	Mar15	Apr15	May15	Jun15	Jul15	Aug15	Sep15	Oct15	Nov15	Dec15

Figure 7: World Prices Trend Vs Local Pump Prices Trend of Petrol Product Dec.2015

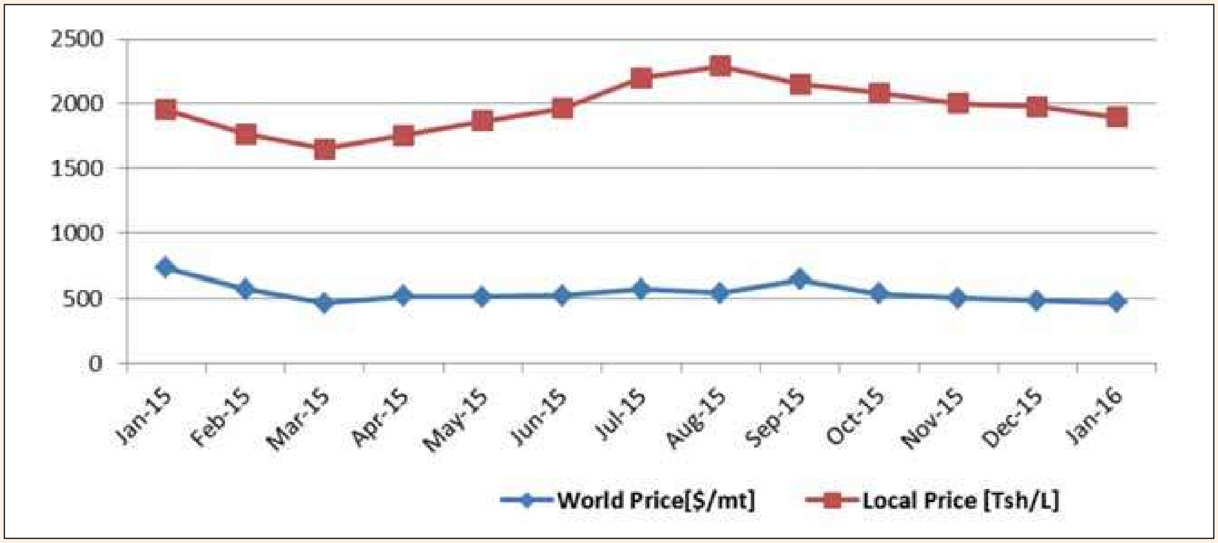


Figure 8: World Prices Trend Vs Local Pump Prices Trend of Diesel Product Dec.2015

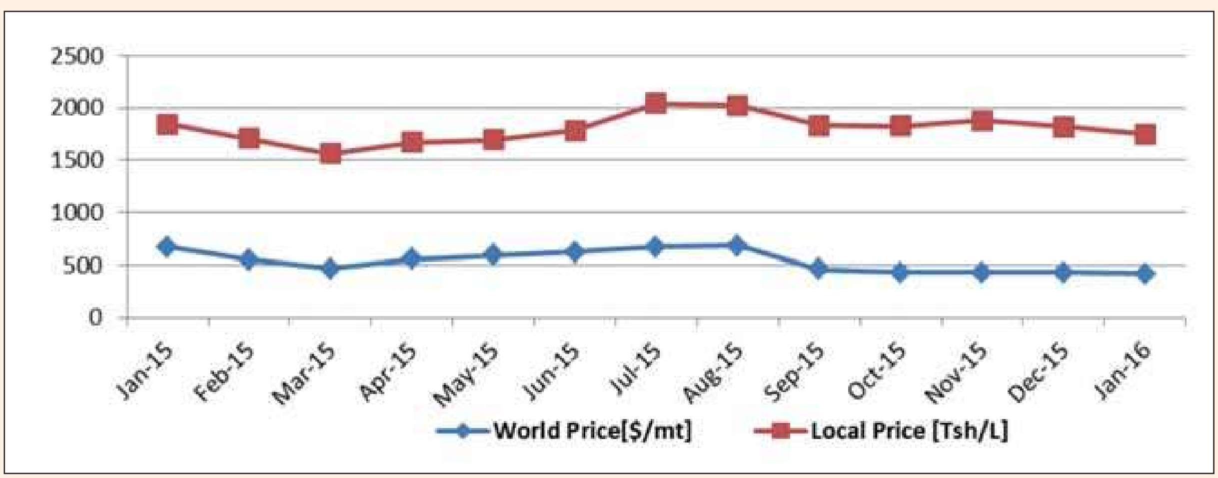


Figure 9: World Prices Trend Vs Local Pump Prices Trend of Kerosene Product Dec.2015

As it can be seen from the three figures above, clearly changes in world refined oil prices have a significant effect on local petroleum products' prices and change in expectations about future crude oil prices can lead to changes in both current and future prices of petroleum products. However, prices for petroleum products are also affected by the local costs during importation as well as the exchange rate movements.

4.2.5 Future Outlook of Local Petroleum Products' Prices

As pointed out earlier, the world oil prices cost contributes between 45 and 60% of the total cost which generates the local prices of petroleum products. The remaining 55% to 40% , apart from the exchange rate, is contributed by the local costs which constitute port charges, levies, sales margins, government taxes and other miscellaneous costs. It is expected that the trend of local prices will highly depend on the world oil prices trend, local cost changes (such as change in taxes, levies etc) as well as exchange rate trend. It is therefore difficult to predict exactly the trend of local prices for the year 2016 and should that be done, will be mainly based on the speculation pegged at world oil prices.

5.0 PETROLEUM PRODUCTS SUPPLY AND STOCK MONITORING

One of the main obligations of the Authority in the petroleum downstream sub sector is to monitor petroleum products imports for both local market and transit to neighbouring countries. To accomplish this, the Authority continued to monitor and maintain petroleum products imports and stock levels countrywide during the year under review. Also, the Authority continued to compile petroleum products stocks data from Oil Marketing Companies (OMCS) on weekly basis in order to ensure that they are at all times adequate supplies of petroleum products in the country. To this effect, the Authority prepared weekly stock reports which were shared with the Ministry of Energy and Minerals (MEM), PICL and other stakeholders. Neither major stock out nor alarming delay of the supply vessels beyond the scheduled time (*laycan*) was pronounced in the year under review.

5.1 Bulk Procurement System (BPS)

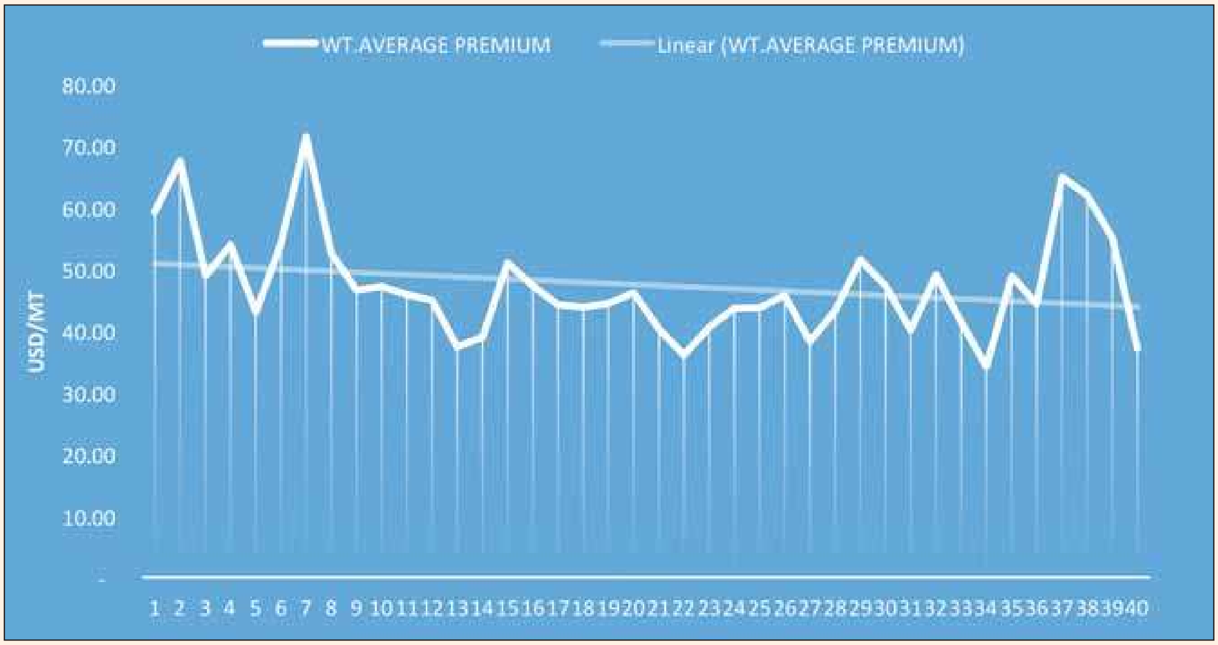
In year 2015, the country continued to import its petroleum products requirements through the Bulk Procurement System (BPS) which was coordinated by the Petroleum Importation Coordinator Limited. The Authority monitored the entire BPS process to ensure that its regulations and procedures were adhered to and that the contracted supplier for each tender was indeed the most competitive. One of the key criteria to assess the competitiveness of suppliers' bids was the quoted premium expressed in USD/MT which is the cost of transporting petroleum products from the sourcing point (Middle East) to destination ports (Dar es Salaam or Tanga for this case).

During the year under review, twelve (12) contracts were awarded to suppliers as indicated in **Table 12** and **Figure 10** below. Addax Energy SA five (5) tenders, Augusta Energy SA and Sahara Energy each, three (3) tenders and Gapco Kenya Ltd won one (1) tender. The weighted average premium for the year under review stood at 47.98 USD/MT, an increase of 13% compared to the weighted average premium of 42.52 USD/MT recorded in year 2014. It can be noted that, during the year under review, higher premiums were recorded in September (64.91 USD/MT) and October (61.96 USD/MT) through supply contracts by Augusta Energy SA and Sahara Energy DMCC, respectively. The lowest premium in the year under review was 37.18 USD/MT which was quoted by Sahara Energy DMCC in December 2015.

Table 12: Suppliers and Average Weighted Premiums

Month	YEAR 2015			YEAR 2014		
	Tender No.	Supplier	Weighted Average Premium (USD/MT)	Tender No.	Supplier	Weighted Average Premium (USD/MT)
January	BPS29	Addax Energy SA	51.51	BPS17	GAPCO Kenya Ltd	44.20
February	BPS30	Augusta Energy SA	47.20	BPS18	Enoc Africa	43.78
March	BPS 31	Addax Energy SA	40.03	BPS19	Augusta Energy SA	44.44
April	BPS32	Sahara Energy DMCC	49.08	BPS20	GAPCO Kenya Ltd	46.18
May	BPS 33	Addax Energy SA	41.53	BPS21	GAPCO Kenya Ltd	40.27
June	BPS 34	GAPCO Kenya Ltd	34.16	BPS22	GAPCO Kenya Ltd	36.05
July	BPS 35	Addax Energy SA	48.88	BPS23	Enoc Africa	40.57
August	BPS 36	Augusta Energy SA	44.31	BPS24	Augusta Energy SA	43.66
September	BPS 37	Augusta Energy SA	64.91	BPS25	Addax Energy SA	43.76
October	BPS 38	Sahara Energy DMCC	61.96	BPS26	Enoc Africa	45.77
November	BPS 39	Addax Energy SA	54.97	BPS27	Augusta Energy SA	38.29
December	BPS 40	Sahara Energy DMCC	37.18	BPS28	Addax Energy SA	43.26
Average (USD/MT)			**47.98**			**42.52**

Figure10: Weighted Average Premiums Quoted Tender No. 1 to Tender No. 41



5.2 Petroleum Products Imports

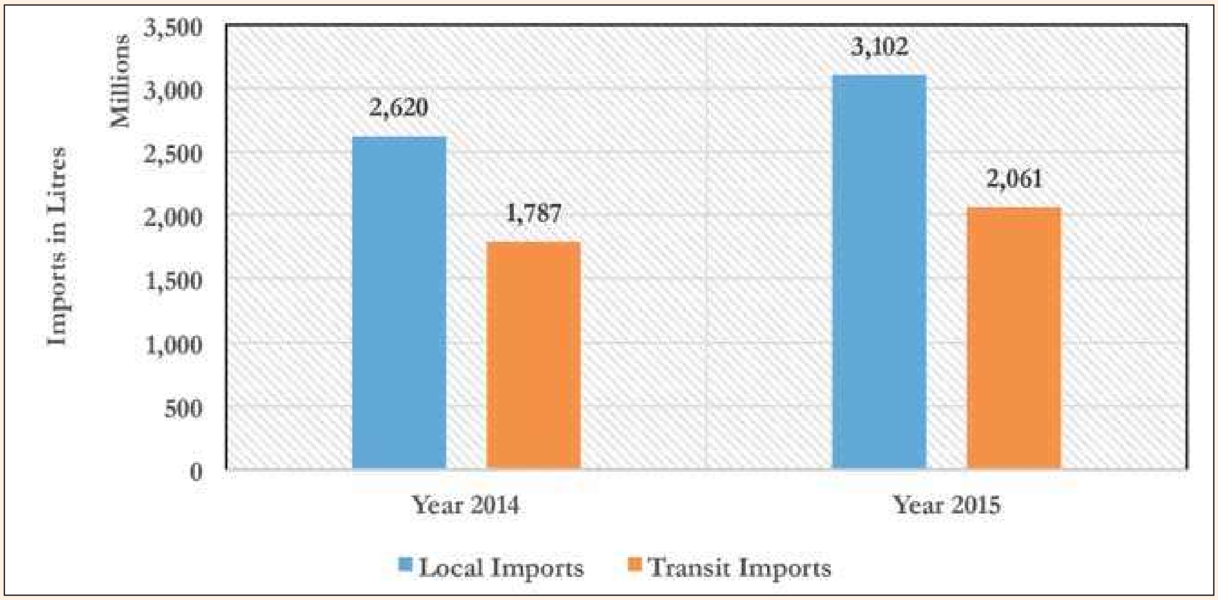
5.2.1 Local Imports

In year 2015 a total of 5,163,565,034 litres of petroleum products were imported into the country through Dar es Salaam port, Tanga port and Sirari border. Out of this, 3,380,097,164 litres equivalent to 65% of the total imports were for the local market. In year 2014, 2,620,351,151 litres were imported for the local market. During this year, local market imports increased by **27%** compared to imports in year 2014. This substantial increase in imports was mainly contributed by significant increase of HFO by 50%, and petrol increase of 31%. High increase in HFO import was mainly caused by high consumption in power plants such as IPTL and high increase of petrol was likely caused by growth in light motor vehicles importation and use. Dar es Salaam port remained being the main entry point of petroleum products imports supported by Tanga port. It is anticipated that increased imports through Tanga port will also enhance security of supplies of petroleum products into and through the country.

5.2.2 Transit Imports

In between January and December 2015, a total of 1,825,467,870 litres equivalent to 35% of all petroleum products imports (5,163,565,034 litres) were transited to neighboring countries. Transit petroleum products imported in year 2014 were 1,786,525,395 litres. Therefore, there are an increase of transit petroleum products by 2% when comparing the two periods. This relative small increase in transit products was most likely caused by shrinkage of mining activities in Zambia and DRC due to drop of metals(especially copper) prices in the world market. **Appendix 3** and **Appendix 4** compares quantities of petroleum products imported for the local market and transit to neighboring countries respectively in year 2014 and 2015. **Figure 11** presents a summary of petroleum products imported (local and transit) for the two periods i.e. year 2015 and 2014.

Figure 11: Comparison of local market and transit imports for the year 2014 and 2015



5.2.3 LPG Imports

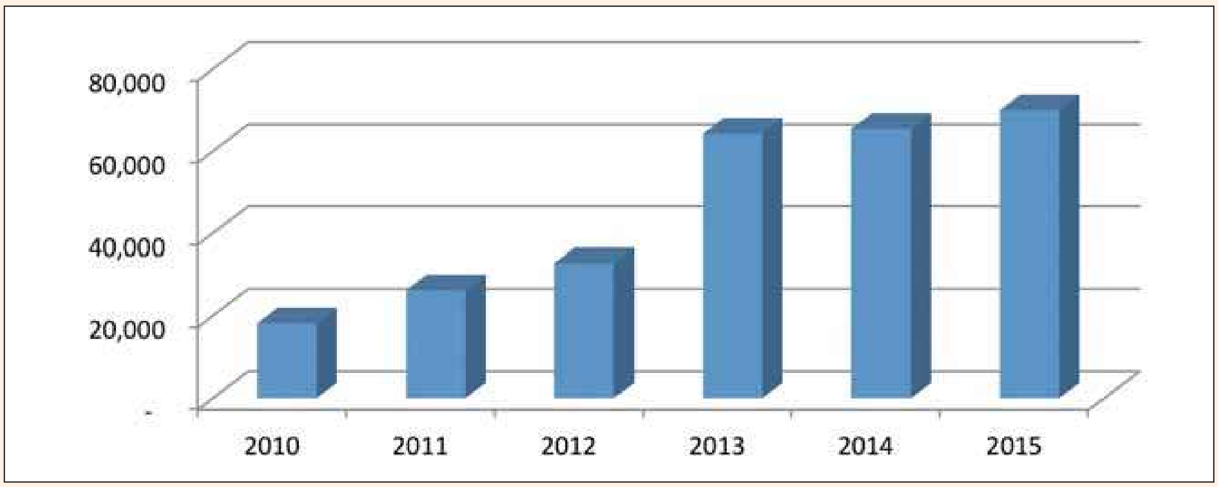
Tanzania does not produce any LPG locally, thus 100% of the product's requirement is imported. In the year 2015, a total of 70,061 MT were imported for the local market, compared to 65,522 MT that were imported in the previous year, which is equivalent to **7%** increase. **Table 13** shows the amount of LPG that was imported in the two periods.

Table 13: LPG imports in year 2015 and 2014

	Year 2015	Year 2014
Month	**LPG in MT**	**LPG in MT**
January	3,920	3,562
February	6,039	7,637
March	4,212	5,266
April	6,007	7,008
May	5,996	5,086
June	8,317	2,306
July	6,055	3,034
August	6,045	5,349
September	6,175	7,894
October	7,161	6,268
November	6,438	6,066
December	3,696	6,046
Total	**70,061**	**65,522**

It may be noted that consumption of LPG in the country is still very low compared to other African countries like Kenya, Sudan and Ghana. The main reasons for low LPG consumption growth in the country is due to lack of public awareness on the advantages of use of the product among the public, non-availability of LPG in areas that are far from distribution networks, fear for safety among the public with little knowledge on the properties of LPG and safe handling procedures and the high cost due to charges and taxes charged on appliances. In order to increase use of LPG, the Authority continued with conducting awareness and education campaigns to operators of LPG in various regions in the country. During year 2015 sessions were conducted at Mbeya, Sumbawanga, Njombe, Iringa and Songea. The Authority also continued to conduct regular inspections to monitor LPG facilities and their integrity to ensure compliance with HSE requirements. Figure 12 below shows LPG imports/ consumption from year 2010 to 2015.

Figure 12: LPG Imports/Consumption from Year 2010 to 2015



In terms of future plan, a process is currently being analyzed to include LPG in the BPS arrangement most likely in 2016 or early 2017 so that full regulation of this product is implemented. It is expected that once this has been done there will be regulation in LPG pricing which may help to optimize retail prices and therefore encourage more people to use this clean fuel and reduce the carbon footprint from charcoal consumption.

6.0 COMPETITION MONITORING

The Authority is mandated to monitor the level of competition among players in the downstream petroleum industry sub-sector. It is the role of the Authority to ensure that fair competition prevails and that no few players are advantaged by anti-trust factors. One of the acceptable variable or parameter used to measure the level of competition in the market is the number of players and their respective market shares in the sector. In addition, the number of new entrants and existing players in the market help to provide information on how the competition behaves. During the period under review, the Authority continued to monitor the market share of the OMCs in the industry.

6.1 Oil Marketing Companies (OMCs) Market Shares

EWURA continued with the monitoring of petroleum products sales in the country, whose operators, mostly are Oil Marketing Companies. These companies are obliged to report the petroleum products sales data to the Authority on regular basis, from which data, EWURA, prepares market shares attained by individual OMCS. **Table 14** and **Figure 13** below present the OMCs market shares for the year 2014 and 2015.

PUMA Energy and Oryx Energies attained the highest market shares (11.6% and 11.0% respectively) because of their relative big consumer customers base, sizeable retail networks and supply contracts with the mining companies and power plants. On the other hand, GBP attained a market share of (9.7%) presumably due to the fact that it also owns a wide range of retail networks, offered competitive or lower pump prices and also by having HFO supply contract(s) for power plants.

Also significant growth of GBP's market share is due to the fact that it is the only OMC which owns and operates a depot in Tanga and Lake Zone (Mwanza) thus a major supplier of petroleum products in the Northern and Lake Zone regions. TOTAL market share grew to about 9.7% most probably due to continued revamp or expansion of its retail network and increased sales to commercial consumers, especially sales of HFO through its supply contract(s) with some power plants. CAMEL Oil gained a relatively higher market shares(9.4%) presumably due to continued strategy of opening more retail networks and HFO supply contracts with some power plants.

In terms of accelerated growth in market share, STAR OIL (7.7%) had a higher gain compared to other OMCs presumably due to significant sales to Dealer Owned Dealer Operated (DODO) station and commercial consumers (transporters and manufacturing industries). Oil Marketing Companies which indicated higher drop in market share despite having wide range of retail network were GAPCO, LAKE OIL, OILCOM, MOIL. ENGEN and MOGAS.

In general, during the year under review, a competitive environment continued to prevail whereby all players (OMCs) continued to offer relatively competitive services to consumers in order to grow or survive in the market. EWURA however, recognizes that more effort is needed in establishing causal factors and facts to the positive or negative growth of market share for each player in the market. Such information will help the Authority to understand clearly the dynamics of the market and be able to strategically address any unfavorable issues and promote healthy competition in the market.

Table 14: OMCs Market Share for year 2015

OMC's NAME	AGO	MSP	IK	HFO	JET A1	IDO	TOTAL	MKT SHARE
PUMA	159,584,273	74,032,060	382,983	1,966,000	147,535,524	-	383,500,840	11.6%
ORYX	188,576,865	72,783,177	8,889,661	92,512,219	-	305,000	363,066,922	11.0%
GBP	193,987,958	71,065,974	1,213,524	53,695,984	-	-	319,963,440	9.7%
TOTAL	172,768,964	77,711,453	4,181,070	27,262,691	35,063,027	2,232,500	319,219,705	9.7%
CAMEL OIL	184,494,259	79,467,475	-	48,213,187	-	-	312,174,921	9.4%
STAR OIL	138,529,941	116,911,763	-	-	-	-	255,441,703	7.7%
LAKE OIL	109,036,350	83,979,406	145,562	-	-	-	193,161,317	5.8%
GAPCO	83,752,500	82,646,765	5,479,460	-	2,395,735	-	174,274,460	5.3%
OILCOM	79,346,474	62,522,809	7,387,121	240,000	20,740,038	-	170,236,442	5.2%
MOIL	80,418,860	59,558,894	7,981,170	-	-	-	147,958,924	4.5%
MOGAS	55,243,368	46,630,798	4,613,303	-	-	-	106,487,470	3.2%
MT.MERU	48,941,187	24,669,765	569,858	-	-	-	74,180,810	2.2%
ACER	36,803,172	28,041,309	64,748	-	-	-	64,909,229	2.0%
ENGEN	35,517,002	16,680,173	263,500	-	-	-	52,460,675	1.6%
PETROFU-EL	49,863,948	-	-	-	-	-	49,863,948	1.5%
PETROAF-RICA	23,225,295	9,462,500	-	-	-	-	32,687,795	1.0%
OLYMPIC	3,850,034	5,020,281	-	-	-	-	8,870,315	0.3%
OTHERS	143,317,546	128,330,850	4,546,494	-	-	-	276,194,891	8.4%
TOTAL	**1,787,257,996**	**1,039,515,452**	**45,718,454**	**223,890,081**	**205,734,324**	**2,537,500**	**3,304,653,807**	**100.0%**

Figure 13: OMCs Shares for year 2015

6.2 Petroleum Product Consumption

During the year 2015 the Authority observed a 14% growth of petroleum products consumption compared to the previous year (refer to **Table 15**). Total consumption in the period under review was 3,304,653,807 litres compared to 2,907,823,216 **litres** consumed in year 2014, the main contributing factor for this increase is the growth of the economy in the country in the main sectors of transportation, construction and agriculture. Diesel, Petrol and HFO consumption have also increased by 10%, 18% and 38% respectively while kerosene consumption has decreased by 4%. A decrease in kerosene consumption is, to a certain extent due to the continuous efforts being exerted by the Authority to curb fuel adulteration by use of fuel marking program, quality check and consequently taking legal actions against the defaulters. Also, increased number of households that are connected to the electricity supply through the Rural Energy Agency (REA) program, particularly in rural areas is another factor that has possibly led to a decrease of kerosene consumption in the country.

Table 15: Comparison of sales Volume/Consumption of Petroleum Products in year 2014 and 2015

Product	AGO	MSP	IK	HFO	JET A1	IDO	TOTAL
Total 2014	1,618,443,755	878,539,285	47,643,125	162,459,821	200,043,850	693,380	2,907,823,216
Total 2015	1,787,257,996	1,039,515,452	45,718,454	223,890,081	205,734,324	2,537,500	3,304,653,807
% Change	**10%**	**18%**	**-4%**	**38%**	**3%**	**266%**	**14%**

7.0 LICENSING ACTIVITIES

Section 126 (1) of the Petroleum Act, 2015 requires that any person intending to construct a petroleum installation or petroleum carriage facility should apply in writing to EWURA for an approval. Likewise, Section 131(1) of the same Act stipulates that any person who intends to undertake a regulated activity shall apply to EWURA for a licence in a prescribed manner and form, upon payment of the prescribed fee. In order to monitor compliance to these requirements, the Authority continued to conduct ad-hoc and regular inspections to the facilities across the country. Pre-licensing inspections to new and existing petroleum facilities were conducted with the purpose of ensuring that petroleum facilities that meet the requirements are timely licenced.

From January through December 2015, the Authority issued a total of 124 operating licences to new operators after meeting the licensing requirements. Also, the Authority issued construction approvals to twenty (20) proponents intending to construct petroleum installations including petrol stations and LPG Storage and Filling facilities. **Table 16** presents a summary of licences and construction approvals issued by the Authority during the period under review. Petroleum products facilities/installations which were found to be constructed without the Authority's approval were fined in accordance with the Rules and thereafter on completion of construction, they applied for operating licences. A list of operators and proponents that were issued with licences and construction approvals respectively is appended as **Appendix 5**.

Table 16: Petroleum Products Licences and Construction Approvals issued by the Authority from January to December 2015

Type of Licence	No. of Licences
Petroleum Product Wholesale	6
Petroleum Product Retail	108
Lubricant Wholesale	4
LPG Wholesale	1
Consumer Installation	5
Construction approval	20
Total	**144**

8.0 COMPLIANCE MONITORING AND ENFORCEMENT

During the period under review, the Authority continued to undertake monitoring programs to ensure compliance to the applicable laws, rules and standards along the petroleum supply chain. The following sections cover highlights of the compliance monitoring and enforcement activities which were carried out in the period under review. These include, infrastructure compliance monitoring, petroleum products quality monitoring (that include quality check and fuel marker detections), Health, Safety and Environmental (HSE) compliance monitoring and compliance monitoring to the price setting rules.

8.1 Infrastructure Compliance Monitoring

8.1.1 Petroleum Standards Compliance Monitoring

The Authority conducts inspections to monitor compliance of infrastructures as in accordance to the National Standards and Good Petroleum Industry Practices, from which the licensing requirements were developed.

In between January and December 2015, the Authority conducted inspections to monitor compliance to the licensing conditions for 915 retail outlets, 21 storage depots and one (1) LPG Filling and Storage Plants. Out of retail outlet inspected, 535 retail outlets equivalent to 58.5% were found complying to the licensing requirements. Different punitive measures were taken against those who failed to meet the licencing requirements.

Petrol stations operators that failed to fully meet the licence conditions and are located in villages, small towns and districts were fined and given three (3) months to rectify the noted deficiencies while those in municipals, cities and regional centers were closed until the respective operators rectified the observed deficiencies. The ongoing trend show that, level of compliance to licence conditions is increasing. Most of the operators are upgrading their petrol stations to meet the licensing requirements. It is worth noting that, new facilities are not licensed until they fully meet the licensing requirements. **Table 17** presents a summary of the licence conditions monitoring activities conducted to the retail outlets in the period under review.

The Authority also inspected storage depots that are located in Dar es Salaam and Tanga regions in order to check compliance with the Storage Business licensing requirements. Most of the storage depots were found meeting at least the minimum operational Health, Safety and Environmental (HSE) requirements. All the depots operators were informed to rectify the observed anomalies.

Table 17: Summary of the Status of Compliance to Licence Conditions

Region	Number of Retail Outlets Inspected	100% Compliant Retail Outlets	Number of Non-compliant Retail Outlets	% Compliance
Arusha	75	37	38	49.33
Mwanza	56	49	7	87.50
Mara	24	17	7	70.83
Geita	26	17	9	65.38
Kagera	33	27	6	81.82
Morogoro	68	37	31	54.41
Manyara	18	1	17	5.56
Kigoma	20	9	11	45.00
Tabora	17	13	4	76.47
Shinyanga	28	14	14	50.00
Simiyu	9	3	6	33.33
Tanga	32	19	33	59.38
Kilimanjaro	65	22	43	33.85
Lindi	17	5	12	29.41
Mtwara & Tunduru	27	16	11	59.26
Singida	35	14	21	40.00
Dodoma	68	24	44	35.29
Iringa	54	21	33	38.89
DSM & Coast	243	190	53	78.19
Total	**915**	**535**	**400**	**58.47**

8.1.2 Monitoring of facilities constructed without construction approvals

In accordance with Section 126 (1) of the Petroleum Act, 2015 any person intending to construct a petroleum installation or petroleum carriage facility is required to apply and obtain a construction approval from the Authority. The Authority continued with regular inspections to ensure that all new petroleum installations have relevant construction approvals prior to being constructed. During the year 2015, eighty four (84) facilities were found being constructed without a construction approval from the Authority. These included petrol stations, LPG Storage and Filling Plants, Depots et cetra. Punitive measures were taken against the developers of these facilities.

8.1.3 Monitoring of LPG and Lubricants Business Segments

During the period under review, the Authority continued to follow up with operators to ensure that all LPG and Lubricants operators comply to the Legislation. All LPG operators. especially Wholesalers and Super Dealers were required to apply for respective licences. A total of seventy six (76) applications were received by the Authority under the period under review. These included nine applications for LPG Wholesale licence, thirty five (35) applications for LPG Distribution licence, twenty nine (29) for Lubricant Wholesale licence and three (3) applications for Lubricant Distribution licences. Seven (7) LPG Wholesalers, one (1) LPG Distributor, and eleven (11) Lubricants wholesalers were licenced.

All Lubricants operators were required to ensure that they apply for licences and register their lubricant brands before the end of October 2015. In an effort to enhance improved performance in the LPG and Lubricants business segments, the Authority intends in year 2016/17 to exert more efforts to monitor and enforce compliance in the aforementioned business segments. The Authority has already started to prepare instruments for effective compliance monitoring and enforcement in LPG and Lubricants business segments.

8.1.4 Evaluation of Feasibility Study of Aspam Energy (T) Ltd

During the period under review, the Authority evaluated a Feasibility Study Report submitted by Aspam Energy (T) Ltd. The study was submitted by Aspam Energy (T) Ltd, which is requesting for licence to operate its mixed hydrocarbons refinery plant located on Plot No. 97 Mbagala Charambe area to refine both mixed hydrocarbons and waste oil. The developer is yet to fullfill the licensing requirements. EWURA will licence the facility after fulfilment of the conditions, thus being compliant to the relevant Legislation.

8.1.5 Environmental Impact Assessment and Audit Studies Review

The Authority in collaboration with the National Environment Management Council (NEMC) and other stakeholders, continued to participate in site verifications and review of the Environmental Impact Assessment (EIA) and Environment Audit (EA) studies related to petroleum downstream sub sector as required by the National Environment Management Act, 2004. During the period under review, the Authority actively participated in one hundred and eleven (111) Technical Advisory Committee (TAC) meetings organized by NEMC to review the EIA and EA studies prepared by various environmental experts on behalf of the project proponents.

8.1.6 Monitoring Compliance to the Price Setting Rules

In year 2015, the Authority continued to monitor compliance of operators to the Energy and Water Utilities Regulatory Authority (Petroleum Products Price Setting) Rules, 2010. Several ad-hoc inspections were performed across the country to establish the level of compliance and the number of violation incidents. Out of 1,137 petrol stations that were inspected for compliance, six (6) equivalent to 0.5% were found selling petroleum products above applicable cap prices, hence being non-compliant. Punitive measures were taken against the defaulters in accordance with Rules.

8.2 Petroleum Products Quality Monitoring

8.2.1 Petroleum Products Quality Check

The Authority continued with its role of monitoring quality of petroleum products in order to ensure that only quality petroleum products were offered for sale to consumers. A total of 414 samples of petroleum products were collected by the Authority for laboratory quality analysis. Out of these samples, 81 were for lubricants and **333** were for white petroleum products. Eight (8) lubricants samples, equivalent to 9.88% of the total lubricants collected were found to be out of TBS specifications. Out of the 333 of white petroleum products collected, thirty four (34) samples equivalent to 10.21% were found to be non-conforming to TBS specifications. Legal actions were taken against the defaulters.

8.2.2 Fuel Marking Program and Monitoring Marker Concentration Levels

The petroleum marking program was introduced in the country in September 2010 with the main objective of eliminating the following malpractices:

a) petroleum products adulteration;
b) dumping of transit petroleum products into the local market;
c) selling of smuggled petroleum products and other tax exempted products into the local market.

All these malpractices have negative effects. While adulteration alters the petroleum products specifications resulting into malfunctioning of engines and environmental issues; selling of smuggled, dumped and tax-exempted into the local market results into loss of government revenues as well as alteration of the products quality due to unregulated handling processes.

The Authority continued to oversee the fuel marking program. Marked volumes for both petrol and diesel has increased by 18% and 11% respectively compared to the volumes marked in year 2014 implying higher consumption of these products in the local market, most probably due to economic growth of the country.

However, the quantity of kerosene marked in the period under review has decreased by 8%. This can be explained by the concerted efforts done by EWURA in curbing adulteration of petroleum products whereby kerosene was used as the main adulterant coupled with the fact that a number of villages in the rural areas have been connected with electricity by REA hence the demand for this product in these areas has dropped.

Total volume of marked petroleum products in the period under review was 2,681,204,986 litres equivalent to 13% increase compared to 2,363,812,274 litres marked in the previous year indicating that government revenue collection has increased too. **Table 18** presents a trend of marked petroleum products in year 2014 and 2015 while **Table 19** and **Figure 14** compares the amount marked in the two periods.

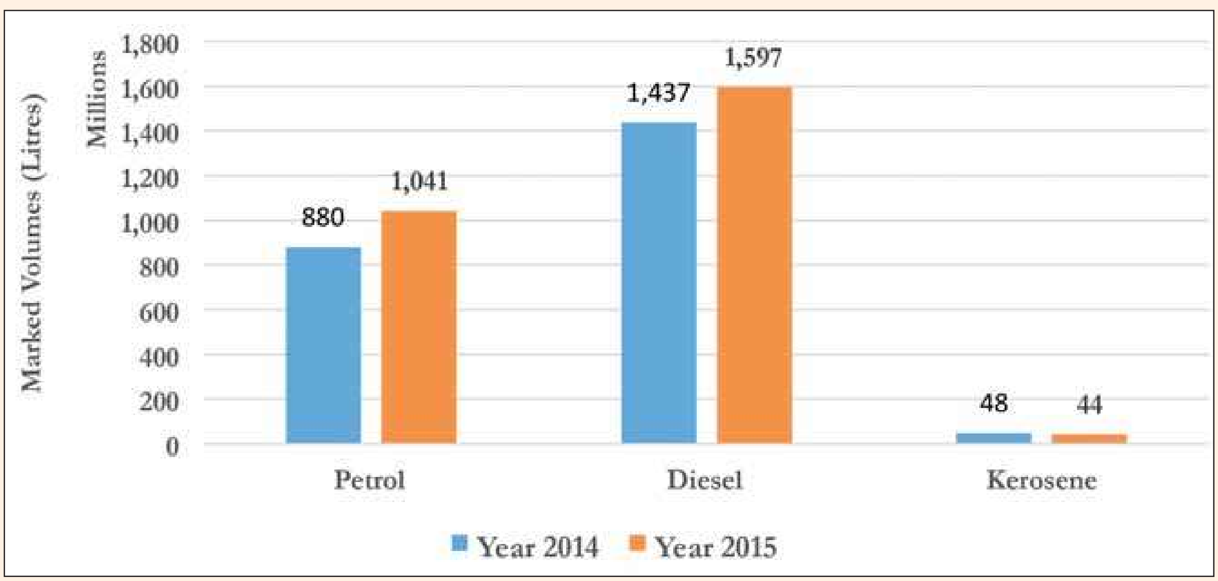
Table 18: Summary of Marked Volumes for the year 2015 and 2014

Month	Marked Volume in Year 2015 (Units in Litres)			Month	Marked Volume in Year 2014 (Units in Liters)		
	Petrol (Lt)	Diesel (Lt)	Kerosene (Lt)		Petrol (Lt)	Diesel (Lt)	Keroosene (Lt)
January	79,607,459	118,939,187	2,092,500	January	70,127,720	134,853,607	5,008,744
February	74,295,807	111,389,638	3,348,500	February	61,713,764	117,108,742	4,592,921
March	81,713,863	120,107,553	2,069,600	March	66,621,150	112,222,495	4,900,473
April	84,363,507	122,944,835	3,455,500	April	67,568,408	103,296,734	5,704,242
May	82,624,376	115,863,218	5,133,286	May	68,395,942	111,776,251	6,274,877
June	85,644,745	135,317,538	3,703,750	June	69,658,030	115,883,369	4,060,700
July	94,611,999	143,925,428	4,368,526	July	77,694,640	122,720,228	3,073,868
August	89,975,139	145,276,611	3,804,750	August	77,263,318	124,855,398	3,082,200
September	92,061,677	145,430,468	3,548,325	September	76,177,324	125,083,757	2,412,300
October	90,967,629	149,093,982	4,092,000	October	80,975,550	126,144,487	3,765,250
November	86,024,441	140,492,864	3,990,970	November	74,621,110	115,641,949	3,121,100
December	98,918,395	147,818,620	4,188,300	December	88,717,016	126,926,009	1,768,601
Total	**1,040,809,037**	**1,596,599,942**	**43,796,007**	**Total**	**879,533,972**	**1,436,513,026**	**47,765,276**

Table 19: Comparison of Marked Volumes for year 2015 and 2014 in Litres

	Petrol	Diesel	Kerosene	Total
Year 2015	1,040,809,037	1,596,599,942	43,796,007	2,681,204,986
Year 2014	879,533,972	1,436,513,026	47,765,276	2,363,812,274
% Change	**18%**	**11%**	**-8%**	**13%**

Figure 14: Marked Volumes for year 2015 and 2014



In order to combat dumping, selling of adulterated petroleum products, selling of smuggled petroleum products and tax exempted petroleum products in the local market, the Authority continued to carry out marker detection exercises to petroleum samples collected from various facilities. These exercises aimed at monitoring the marker concentration levels doped in the petroleum products that is, Petrol, Diesel and Kerosene. During the period under review, the Authority carried out fuel marker detection exercises to 493 oil facilities, out of which **43** petrol stations equivalent to 8.72% of all sampled facilities failed the marker test. Operators who were found selling or in possession of non-conforming products, were penalized as per Petroleum Product (Marking and Quality Control) Rules 2010, whereas those who were found to have dumped transit and evading the corresponding Government taxes were referred to TRA so as to pay statutory Government taxes.

8.3 HSE Compliance Monitoring

All operators of petroleum products installations are required to operate in a manner that their operations do not pose threat to the public health, safety and the environment (HSE). During the period under review, five (5) operators were found to be handling and storing petroleum products in a manner that had high risk, in consideration of HSE factors. These included Mr. Ushindani Salum (at Kisaki Station area), Mr. Salum Abdallah Kulinyangwa (Kisaki Gomero area), Mr. Sadiki Mohamed Mkassi (Kisaki Gomero area). Mr. Abdallah Mgohamweru (Kisaki Station area) all located in Morogoro region and Makhas Company Limited located in Dar es Salaam region. The later was found storing Mihan, Oryx and Lake Gas branded filled LPG cylinders in a residential compound at Tabata Sanene, an act which is contrary to Good Petroleum Industrial Practices. Punitive measures were taken against these defaulters including ordering them to stop operating. **Figure 15** and **Figure 16** show plastic containers used by one of the operators at Kisaki area in Morogoro region and LPG cylinders found in a residential house at Sanene area in Dar es Salaam respectively.

Figure 15: Plastic containers used to illegally store petroleum products (i.e. Petrol and Diesel) by one operator at Kisaki area, Morogoro region.

Figure 16: Mihan, Oryx and Lake Gas branded LPG cylinders found illegally stored at the residential compound located at Tabata Sanene area operated by Makhas Company Limited

The Authority also continued with its obligation of investigating incidents that occurred in the petroleum downstream sub sector with the objective of determining their causes, identifying unsafe conditions or acts and recommending corrective actions so that similar incidents do not occur in the future. During the year under review, one incident occurred at Kibada area, Kigamboni in Dar es Salaam region whereby an 8 inch spiked crude oil pipeline owned by TAZAMA Pipelines Limited was vandalized by unknown vandals who drilled the pipeline resulting in loss of product of about 31,000 litres and environmental pollution to the surrounding area. The Authority recommended corrective actions including cleaning up and restoring the affected area to its origin and strengthening surveillance of the pipeline.

8.4 Joint Cross Border Testing of Petroleum Products

During the period under review, the EWURA in collaboration with the Energy Regulatory Commission (ERC) of Kenya planned for joint cross border testing of the Petroleum Products in the areas around Kenya/Tanzania border. The exercise was a result of the resolution attained at a meeting of Energy Regulators of East Africa (EREA) convened in Naivasha Kenya in May 2015. The exercise started on 28th September, 2015. The main objective of the exercise was to find a common method for tracking kerosene to prevent adulteration of motor fuels in East Africa. Because of a big difference in taxes imposed on kerosene in Tanzania and Kenya, smuggling of kerosene from Kenya is rampant in the areas near Holili border, Sirari and around Lake Victoria.

The joint team tested samples from thirty nine (39) facilities and eight (8) facilities in Tanzania and Kenyan territories, respectively. Six (6) facilities in Tanzania failed GFI marker detection test. While in Kenya territory only one (1) petrol station was found with adulteration case whereby the local kerosene marker was found in the gasoline sold or offered for sale at this petrol station.

Figure 17: One of the smuggler carrying about 300 litres of Kerosene from Kenya Madrasani area near Holili border.

Source: *Team of EWURA and ERC Inspectors that carried out joint cross border inspection and testing of Petroleum Products Quality.*

9.0 ACHIEVEMENTS AND CHALLENGES

9.1 Achievements

The Authority continued to meet intended goals in the downstream petroleum sub sector in the country. The following are some of the achievements that were recorded:

(a) Quality of petroleum products for the local market continued to improve and also the level of adulteration continued to decrease;

(b) The malpractice of dumping transit and tax exempted petroleum products in the local market significantly decreased, consequently consumers continued buying good quality petroleum products, and also, the Government continued collecting rightful taxes on petroleum products;

(c) Petroleum products supply in the country continued to be stable without shortages or stock out;

(d) New Regulatory Tools were introduced as a way of increasing regulatory control and enforcement; and

(e) Standards of retail outlets in the country continued to improve significantly because of compliance monitoring, enforcement and the measures taken by the Authority.

9.2 Challenges

Despite of the achievements attained by the Authority, there are some challenges that are encountered by the Authority in its operations related to the downstream petroleum business in Tanzania. These challenges are shown below;

(a) **Lack of Petrol Stations in remote areas:** In most remote areas, there are no petrol stations. In some cases, there are substandard outlets. As a result petroleum products are sold by vendors using plastic bottles. These vendors store petroleum products in a manner that is detrimental to Health, Safety and Environment (HSE). The Authority has prepared the Petroleum (Village and Township Retail Outlet Operations) Rules, 2014 as a measure to reviewing the licensing conditions to take account of the investment cost and sales revenue expected in rural areas so as to encourage construction of least cost petrol stations in remote areas that will be HSE compliant. The Authority is continuously conducting awareness campaigns to sensitize the public on HSE matters related to operation, handling and storage of petroleum products;

(b) **Petrol stations that do not meet licensing requirements**: There are still petrol stations that do not fully meet licensing requirements. The Authority will continue to carry out compliance monitoring and enforcement exercises to ensure these type of facilities are brought up to the required standards;

(c) **Sale of sub-standard lubricants**: Sale of sub-standard lubricants in the country is still rampant. EWURA has intensified inspection to deal with these anomalies.

10.0 CONCLUSION

Generally, supported by the presented report herein, the Authority is satisfied that in the year 2015, it has managed to protect the overall interests of key stakeholders namely; consumers, government and efficient service providers or suppliers (investors) through executing the plan put in place in the Downstream petroleum sub-sector. It is well understood that there are still several other focus areas which need special attention as the Authority continues with already implemented initiatives and routine tasks, especially in the coming year 2016 and such prioritized areas are;

(a) LPG inclusion into BPS arrangements so as to make LPG costs and final price to a consumer much more affordable;

(b) put more effort in Lubricants regulation;

(c) increase frequency of petroleum products quality monitoring in the regions that have proved to be more prone to quality challenges in 2015;

(d) establish the prevailing quality and HSE soundness of petroleum products infrastructure especially receiving pipelines and terminals; and

(e) sharpen the technical knowledge and skills of EWURA personnel so as to equip them with necessary dynamic expertise required in the Downstream petroleum sub-sector.

All these tasks ahead will definitely require readily available adequate resources in terms of finances and manpower and the Authority is geared to support that. The Authority will also continue to keep its communication channels open for suggestions and constructive ideas on how to improve both its regulatory efficiency and in particular, this second version of the Annual Downstream petroleum sub-sector report as well as future similar reports..

APPENDICES

APPENDIX 1A: 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) TZS 580:2006 (E) Illuminating Kerosene (IK) – specification;

(d) TZS 798: 2004 Automotive Service Greases – specification;

(e) TZS 818:2004 Liquefied Petroleum Gas – specification;

(f) TZS 647:2014 Engine Oils – Minimum Performance – specification;

(g) TZS 675:2014 Multipurpose Automotive Gear Lubricant (EP) – specification;

(h) TZS 667:2014 Motor Vehicles Brake Fluids – specification;

(i) TZS 1691: 2014 Automatic Transmission Fluids (ATF) based on road vehicles – specification;

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

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

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

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

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

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

(p) 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.

APPENDIX 1B: 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.

APPENDIX 2: Upcountry Depot Storage Capacities (Units in Cubic Metres, m^3)

S/No.	Name of the Company	Location	MSP	JET A1	IK	AGO	IDO	FO	TOTAL
1	ENGEN PETROLEUM LTD	KIBIRIZI	1,392	-	399	550	-	150	2,491
2	GAPCO TANZANIA LTD	KIBIRIZI	2,010	-	2,014	2,013	162	372	6,571
3	GBP TANZANIA LTAD	KIBIRIZI	1,000	-	500	1,500	-	-	3,000
4	OILCOM TANZANIA LTD	KIBIRIZI	770	490	320	715	150	-	2,445
5	TOTAL TANZANIA LTD	KIBIRIZI	1,600	810	-	765	-	-	3,175
6	WORLD OIL LTD	KIBIRIZI	410	-	410	410	-	-	1,230
7	EAST AFRICA FOSSILS COMPANY	MUSOMA	544	-	153	816	-	-	1,512
8	GAPCO TANZANIA LTD	MUSOMA	68	-	254	408			730
9	MALAWI GOVT	IYUNGA	1,820	-	392	2,027	-	-	4,238
10	ORYX OIL COMPANY LTD/ TOTAL TANZANIA LTD	IYUNGA	930	-	550	2,260	-	-	3,740
11	ENGEN PETROLEUM LTD	PASUA, MOSHI	100		100	200			400
12	ORYX OIL COMPANY LTD	PASUA, MOSHI	206	-	102	303	46	72	728
13	PUMA ENERGY (T) LTD	PASUA, MOSHI	1,000	-	90	1,000	-	180	2,270
15	PUMA ENERGY (T) LTD	MTWARA	506	-	1,615	1,615	953		4,690
16	ENGEN PETROLEUM LTD	MWANZA SOUTH	275		100	996			1,371
17	GAPCO TANZANIA LTD	MWANZA SOUTH	155	-	207	408	59		829
18	GAPCO TANZANIA LTD	MWANZA SOUTH	544	-	1,997	4,008	1,998		8,546
19	GBP TANZANIA LTAD	MWANZA SOUTH	576		606	2,607			3,790
20	ORYX OIL COMPANY LTD	MWANZA SOUTH	160	-	100	400	58		718
21	PUMA ENERGY (T) LTD	MWANZA SOUTH	228	500	466	1,646	118	220	3,178
22	PUMA ENERGY (T) LTD	GEITA GOLD MINE				4,380		4,200	8,580
23	ENGEN PETROLEUM LTD	ISAKA	516	-	163	1,399			2,078

S/No.	Name of the Company	Location	MSP	JET A1	IK	AGO	IDO	FO	TOTAL
24	OILCOM TANZANIA LTD	ISAKA	1,000		1,000	4,000			6,000
25	ORYX OIL COMPANY LTD	ISAKA				1,549			1,549
26	TOTAL TANZANIA LTD	SHINYANGA	216	-	147	1,273			1,636
27	AMAZON PETROLEUM (T) LTD	KILOLENI	120	-	188	358	-		665
28	GBP TANZANIA LTAD	KILOLENI	158	-	217	412			787
31	GAPCO TANZANIA LTD	UNGA LTD	544	-	767	1,301	-	-	2,611
32	MOUNT MERU PETROLEUM	MBAUDA	483		875	1,443		43	2,844
33	NSK OIL	NJIRO	300		300	1,200			1,800
	Grand Total (Less Puma Mtwara & NSK)								**84,204**

APPENDIX 3: Comparison of petroleum products imports for local market in year 2015 and 2014

LOCAL IMPORTS FOR YEAR 2015 (Units in Litres)					LOCAL IMPORTS FOR YEAR 2014 (Units in Litres)				
Month	AGO	PMS	Jet A1	HFO	Month	AGO	PMS	Jet A1	HFO
Jan-15	92,315,101	48,446,376	28,817,137	26,739,386	Jan-14	131,320,864	69,837,718	21,453,993	-
Feb-15	97,150,812	25,705,755	18,752,954	16,498,531	Feb-14	110,099,071	33,593,238	21,299,887	32,538,831
Mar-15	107,133,807	68,338,677	15,794,901	14,173,368	Mar-14	126,897,095	13,250,796	16,956,091	11,025,292
Apr-15	97,061,973	48,640,231	13,455,104	12,117,285	Apr-14	126,638,327	35,483,747	7,947,202	-
May-15	127,004,653	73,273,833	13,184,198	12,572,769	May-14	117,375,529	47,928,280	24,996,537	17,491,335
Jun-15	124,252,829	62,443,068	14,962,504	12,879,658	Jun-14	115,786,418	59,922,337	6,914,434	
Jul-15	133,562,750	87,079,652	15,399,221	33,943,684	Jul-14	104,786,808	74,541,954	17,378,902	12,501,797
Aug-15	175,851,190	85,488,471	24,413,160		Aug-14	117,068,219	73,401,147	19,292,927	12,893,044
Sep-15	93,831,315	74,739,733	28,208,987	8,613,766	Sep-14	112,070,244	70,882,584	15,465,567	21,370,493
Oct-15	170,240,029	46,058,716	24,692,310	30,159,945	Oct-14	103,309,470	85,479,929	29,778,470	-
Nov-15	61,264,680	48,815,748	21,228,648	-	Nov-14	101,995,448	46,174,386	30,147,280	30,160,444
Dec-15	119,302,711	50,240,591	20,515,732	42,161,885	Dec-14	80,762,196	56,668,921	18,835,321	30,827,758
Add localized (Jan-Dec 2015)	368,984,938	347,420,483	10,388,735	43,775,167	Add localized-Jan-Jun 2014	133,429,903	69,871,299	2,447,416	52,204
Total Year 2015	1,767,956,788	1,066,691,336	249,813,594	253,635,446	Total	1,481,539,592	737,036,337	232,914,024	168,861,198
Grand Total	**3,338,097,164**				**Grand Total**	**2,620,351,151**			
					% Change	**27%**			

APPENDIX 4: Comparison of transit imports for the year 2015 and 2014

TRANSIT IMPORTS FOR YEAR 2015 (Units in Litres)					TRANSIT IMPORTS FOR YEAR 2014 (Units in Litres)				
Month	AGO	PMS	Jet A1	HFO	Month	AGO	MSP	Jet A1	HFO
Jan-15	92,574,434	45,229,139	5,870,114	-	Jan-14	123,606,095	46,666,801	14,213,382	-
Feb-15	123,886,590	42,117,569	5,127,659	-	Feb-14	113,793,671	27,966,516	5,958,420	-
Mar-15	98,120,090	88,111,352	6,342,209	-	Mar-14	117,977,186	12,442,607	6,288,596	
Apr-15	98,257,512	73,959,658	4,913,481	11,381,774	Apr-14	84,251,033	52,561,438	5,387,009	-
May-15	93,445,929	89,942,056	4,137,172	-	May-14	93,783,775	52,013,658	4,031,236	-
Jun-15	120,179,563	71,974,861	4,671,014	3,115,716	Jun-14	76,378,017	64,527,953	6,275,418	
Jul-15	139,753,416	105,924,462	3,660,642		Jul-14	78,418,458	68,931,510	4,206,193	-
Aug-15	222,219,969	98,619,911	4,869,189		Aug-14	132,484,057	80,929,699	7,375,995	508,258
Sep-15	118,212,622	129,300,001	8,296,454	7,139,326	Sep-14	92,509,330	75,462,606	4,902,782	-
Oct-15	229,010,888	113,317,158	4,388,861	2,543,076	Oct-14	85,108,875	69,966,370	5,935,722	-
Nov-15	47,405,867	74,725,382	5,594,501	-	Nov-14	123,007,591	56,017,114	4,759,925	1,039,327
Dec-15	139,271,504	52,666,240	5,759,835	-	Dec-14	123,871,331	54,313,496	6,319,670	8,135,096
Less localized (Jan-Dec 2015)	368,984,938	347,420,483	10,388,735	43,775,167	Less localized (Jan-Jun 2014)	133,429,903	69,871,299	2,447,416	52,204
Total Year 2015	1,153,353,446	638,467,305	53,242,394	-19,595,274	Total	1,111,759,516	591,928,468	73,206,934	9,630,477
Grand Total	**1,825,467,870**				**Grand Total**	**1,786,525,395**			
					% Change	**2%**			

APPENDIX 5: Oil Marketing Companies (OMCs) Market Share in the year 2015

OMC's NAME	AGO	MSP	IK	HFO	JET A1	IDO	TOTAL	MKT SHARE
PUMA	159,584,273	74,032,060	382,983	1,966,000	147,535,524	-	383,500,840	11.6%
ORYX	188,576,865	72,783,177	8,889,661	92,512,219	-	305,000	363,066,922	11.0%
GBP	193,987,958	71,065,974	1,213,524	53,695,984	-	-	319,963,440	9.7%
TOTAL	172,768,964	77,711,453	4,181,070	27,262,691	35,063,027	2,232,500	319,219,705	9.7%
CAMEL OIL	184,494,259	79,467,475	-	48,213,187	-	-	312,174,921	9.4%
STAR OIL	138,529,941	116,911,763	-	-	-	-	255,441,703	7.7%
LAKE OIL	109,036,350	83,979,406	145,562	-	-	-	193,161,317	5.8%
GAPCO	83,752,500	82,646,765	5,479,460	-	2,395,735	-	174,274,460	5.3%
OILCOM	79,346,474	62,522,809	7,387,121	240,000	20,740,038	-	170,236,442	5.2%
MOIL	80,418,860	59,558,894	7,981,170	-	-	-	147,958,924	4.5%
MOGAS	55,243,368	46,630,798	4,613,303	-	-	-	106,487,470	3.2%
MT.MERU	48,941,187	24,669,765	569,858	-	-	-	74,180,810	2.2%
ACER	36,803,172	28,041,309	64,748	-	-	-	64,909,229	2.0%
ENGEN	35,517,002	16,680,173	263,500	-	-	-	52,460,675	1.6%
PETROFUEL	49,863,948	-	-	-	-	-	49,863,948	1.5%
PETROAFRICA	23,225,295	9,462,500	-	-	-	-	32,687,795	1.0%
OLYMPIC	3,850,034	5,020,281	-	-	-	-	8,870,315	0.3%
OTHERS	143,317,546	128,330,850	4,546,494	-	-	-	276,194,891	8.4%
TOTAL	**1,787,257,996**	**1,039,515,452**	**45,718,454**	**223,890,081**	**205,734,324**	**2,537,500**	**3,304,653,807**	**100.0%**

APPENDIX 6: A list of operators and proponents that were issued with licences and construction approvals - Year 2015

NO.	Name of the Operator/ Proponent	Location	Type of Licence/ Approval
1	Acer Petroleum (T) Ltd – Mpemba Area.	Plot no. 2, Block D, Mpemba Area, Mbeya Region	Construction Approval
2	Afroil Investment Limited	Plot No. 1575, Block ‘Y’, Mwakibete area, Mbeya City	Construction Approval
3	Afroil Investment Limited	Plot No. 18, Ipogoro, Iringa Municipality	Construction Approval
4	Afroil Investment Limited – Matanda Petrol Station	Plot No. 678, Block “CC” situated at Matanda area in Shinyanga Municipality	Construction Approval
5	Afroil Investment Limited – Mbwanga Petrol Station	Plot No. 9 Block “E” Mbwanga Area, Dodoma Municipality	Construction Approval
6	Afroil Investment Limited – Nyasaka Petrol Station	Plot No. 156 Block “E” Nyasaka Area, Mwanza City	Construction Approval
7	Afroil Investment Limited – Sagara Petrol Station	Plot No. 165, Block “U” Sagara- Nzega urban, Tabora region	Construction Approval
8	ATN Petroleum Co. Ltd - Kinyerezi	Plot No. 1449, Block “A”, Kinyerezi area, Ilala, Dar Es Salaam	Construction Approval
9	C.F. NG’UMBI INVESTMENT CO. LTD.	Plot No. 7, Block ‘Q’, Kinyanambo area , Mafinga Urban, Mufindi District, Iringa region.	Construction Approval
10	Efficient Freighters (T) Ltd – Mpemba, Tunduma Petrol Station	Plot No. 15, Block “F” Mpemba Area, Tunduma Urban Area, Mbeya Region	Construction Approval
11	John Wilbard Shirima	Plot No. 267, Block “HH” Mwenge area in Singida Municipality	Construction Approval
12	Karim Aziz Bhanji –Hazina Petrol Station	Plot No.260, Block “27”, Hazina area in Dodoma Municipality	Construction Approval

NO.	Name of the Operator/ Proponent	Location	Type of Licence/ Approval
13	Manjis Gas Supply Limited, P. O. Box 3110	Plot No. 81/82, Vijibweni Industrial Area, Temeke Municipal Council, Dar es salaam Region	Construction Approval
14	Oryx Gas Tanzania Limited, P. O. Box 9540	Plot No. 1/2, Kigamboni Industrial Area, Tungi Ward Temeke Municipality.	Construction Approval
15	Puma Energy (T) Ltd – Ndiuka, Iringa	Plot no. 30/1, Block 'A', Ndiuka, Iringa Municipality	Construction approval
16	Saleh Habib Saleh T/A Kigogo Filling Station	Plot No. 2084, Block 'A', Kigogo Area, Kinondoni Municipality.	Construction Approval
17	Star Oil Tanzania Limited - Kabanga Service Station	Plot No. 101, Block 'A' Kabanga Urban area, Ngara District, Kagera Region	Construction Approval
18	State Oil (T) Ltd- Mwangaza Dodoma Petrol Station,	Plot No. 1, Block "B", Mwangaza area in Dodoma Municipality	Construction Approval
19	Tawaqal & Co. Ltd - Kibwabwa Petrol Station	Plot No.62/1, Block "A", Kibwabwa area in Iringa Municipality	Construction Approval
20	Trans Highway Trucking Co. Ltd – Iyunga Petrol Station	Plot No. 238/239, Block "LL" Iyunga, Mbeya region	Construction Approval
21	Bulyanhulu Gold Mine Limited	Kakola area, Kahama District in Shinyanga	Consumer Installation
22	Dangote Industries Limited	Plot No. 1, Block No. 'A', Pemba Mvita Mbuo Village, Mtwara Region of P.O. Box 1241 Mtwara	Consumer Installation
23	Geita Gold Mine Limited	Plot No. 1249/11 Geita Township, Geita District, Geita Region	Consumer Installation
24	North Mara Gold Mine Limited	North Mara, Nyamongo District, Mara Region	Consumer Installation
25	Shelys Pharmaceuticals Limited	Plot No. 696 Block "32" Mwenge area, Kinondoni Municipality	Consumer Installation

NO.	Name of the Operator/ Proponent	Location	Type of Licence/ Approval
26	Orange Gas Limited	Plot No. 22, Mateves Area. Arumeru District, Arusha Region	LPG Wholesale Business
27	Abdallah .R. Mziray - Maguzoni Filling Station	Maguzoni village, Muheza District	Retail Licence
28	Adosta Investments Company Limited - Mkata	Plot No. 10 Block 'B', Mkata Village Handeni District in Tanga region	Retail Licence
29	Afroil Investment Ltd – Kibaoni Petrol Station	Plot No. 480, Block 'Y', Kibaoni Area, Singida Municipality	Retail Licence
30	Amin Habib Punja- Stendi Petrol Station	Plot No. 91 & 93, Block 'E' Kibaya Urban, Kiteto Manyara	Retail Licence
31	Amri Said Khalifa - Zizini Petrol Station	Plot No. 110 Block "F" Handeni Township, Tanga region	Retail Licence
32	Bageni Company Limited- Kakola Petrol Station	Kakola Area, Kahama, Shinyanga region	Retail Licence
33	Bago filling Station	Bago Village, Kiwangwa Ward, Bagamoyo District, Coast Region	Retail Licence
34	Bahati Moshi Masabile Petrol Station Uyovu	Plot No. 6&8, Block "A", Uyovu-Runzewe Area, Bukombe District, Geita Region	Retail Licence
35	Buyungu Filling Station	Plot No. 84LD Block "H" Kanyomvi Street, Kakonko district, Kigoma region.	Retail Licence
36	Camel Oil (T) Limited - Mabibo Mandela Road	Plot no. 4, Block '2' Mabibo area, Ilala Municipality	Retail Licence
37	Camel Oil (T) Ltd - Kibada Petrol Station,	Plot No. 9, Block '14', Kibada, Temeke Municipality	Retail Licence
38	Camel Oil (T) Ltd - Tabata Segerea,	Plot No. 991, Block 'H', Tabata Segerea, Ilala Municipality, Dar Es Salaam	Retail Licence

NO.	Name of the Operator/ Proponent	Location	Type of Licence/ Approval
39	Camel Oil (T) Ltd- Tunduma Petrol Station	Plot No. 6, Mpemba Area, Momba District in Mbeya region	Retail Licence
40	Camel Oil Limited - Kiduni Petrol Station	Plot No. 1, Block 'A' Kiduni area, Newala District in Mtwara region	Retail Licence
41	Camel Oil Tanzania Limited - Buzuruga Nyakato Petrol Station, P.O Box 22786, Dar-Es-Salaam	Plot No. 699, Block 'FF', Nyakato area, Mwanza City	Retail Licence
42	Chakito Petrol Station – Mjohoroni, Moshi	Plot No. 10, Shia Village, Moshi District, Kilimanjaro Region	Retail Licence
43	Chobo Petrol Station	Plot No.9, Block No.A, Masanga Area, Kigoma Municipality	Retail Licence
44	Crescent Oil Company	Plot No. 76, Block "G", Chanika Area, Ilala Municipality	Retail Licence
45	East African Fossils Company –Karatu Filling Station,	Plot no.190, Block "G", Karatu Urban area, Karatu district in Arusha region	Retail Licence
46	Eastern energy ltd - Mbagala Charambe	Plot No 131, Charambe Street, Mbagala Area, Temeke District In Dar Es Salaam Region.	Retail Licence
47	Ebanow - Magugu Petrol Station	Magugu Village, Babati District in Manyara region	Retail Licence
48	EGGORE Oil Company - Mkata Filling Station	Chalinze - Segera Highway, Mkata Town, Handeni District, Tanga Region.	Retail Licence
49	Elias Shamte Shemweta T/A TM Filling Station	Lukozi Area in Lushoto District, Tanga Region	Retail Licence
50	Ester Filling Station - Mngeta, P.O. Box 67315,	Mngeta Village ,Kilombero District, Morogoro Region.	Retail Licence
51	Ester Filling Station – Mtimbira	Plot No. 151, Block 'B', Mtimbira Area, Ulanga District in Morogoro Region.	Retail Licence

NO.	Name of the Operator/ Proponent	Location	Type of Licence/ Approval
52	Ester Steven Liyumba Ifakara Filling Station,	Plot No. 143, Block 'F', Mwembetogwa, Ifakara Township, Morogoro	Retail Licence
53	Euro Gas Tanzania Ltd - Raifu Service Station P.O. Box 106228	Plot No. 25, Block 'B' Gezaulole area Kigamboni, Dar es salaam Region.	Retail Licence
54	Faustine Lugilo Mwakalinga Petrol Station	Plot No. 26, Block "N", Kikuyu Street, Dodoma Municipality	Retail Licence
55	Fidelis Alphonce Ntanyinya Petrol Station	Plot No. 14, Block "A", Makongolosi Township, Chunya District, Mbeya Region	Retail Licence
56	Fuel Master (T) Ltd - Muyobozi Petrol Station	Ilagala Village, Muyobozi Area Kigoma District, Kigoma Region	Retail Licence
57	Inyonga Service Station, P. O. Box 119	Along Tabora Road, Inyonga Township, Mlele District in Katavi Region.	Retail Licence
58	Jonas C. Mlipu T/A Mwibaya Petrol Station - Kibaigwa, P.O. Box 107, Kibaigwa, Kongwa, Dodoma	Mapocho Street, Pandambili area, Kibaigwa, Dodoma region	Retail Licence
59	Joseph Augustino Mdaka T/A Mdaka Five Petrol Station, P. O. Box 273, Mbinga, Ruvuma.	Plot no. 30, Block 'A', Tanki la Maji, Mbinga Urban Area, Ruvuma	Retail Licence
60	K.B. Petrol Station – Korogwe	Plot No. 97, Block 'D' Mtonga Area, Korogwe Township, Tanga Region	Retail Licence
61	Karagwe Filling Station - Bugene Nyakasana	Bugene, Karagwe District, Kagera Region	Retail Licence
62	Karagwe Oils Company Limited - Kyaka Filling Station	Bulifani Street, Kyaka Area Along Mutukula-Bukoba Road Misenyi District Council.	Retail Licence
63	Karatu Service Station Co. Ltd	Plot no. 326, Block 'A', Njia Panda, Karatu District, Arusha City.	Retail Licence
64	Kobil (T) Ltd - Mwanza Petrol Station, P.O. Box 2238,	Plot No. 61 & 62, Nyakato Industrial Area, Mwanza region.	Retail Licence

NO.	Name of the Operator/ Proponent	Location	Type of Licence/ Approval
65	Lake Corridor Petroleum Company Limited - Musoma Road Filling Station	Plot No. 22, Block 'N', Bunda Township, in Mara	Retail Licence
66	Lake Oil Ltd- Kibwabwa Petrol Station	Plot No. 217/1, Kibwabwa Industrial Area, Iringa Municipality	Retail Licence
67	Lake oil (T) Limited - Kibaoni Singida Service Station,	Plot No. 16, Block 'Y', Kibaoni Area, Singida Township, Singida region.	Retail Licence
68	Lake oil (T) Limited - mateves olasiti Service Station,	Plot No. 1923, Mateves Area, Arusha Municipality, Arusha Region.	Retail Licence
69	Lake Oil Limited - Kyela Service Station	Plot No. 6 Block 'B', Nkuyu - Kyela Urban area in Mbeya region	Retail Licence
70	Lake Oil Limited - Manguanjuki Petrol Station	Plot No. 1 Block 'B', Manguanjuki area in Singida Municipality	Retail Licence
71	Lake Oil Limited - Mutukula Petrol Station, P. O. Box 5055, Dar-Es-Salaam	Plot no. 10, Block 'E', Industrial area Mutukula, Misenyi District, Kagera	Retail Licence
72	Lake Oil Limited - Picha ya Ndege Service Station	Plot No. 39,40 and 43, Picha ya Ndege Area, Kibaha District in Coast Region	Retail Licence
73	Lake Oil Limited - Sumbawanga Service Station	Plot No. 1, Block 'UU', Old Sumbawanga area, Sumbawanga Municipality	Retail Licence
74	Lake Oil Limited- Manyoni Petrol Station	Plot No. 2 Block "LL" Manyoni urban Area in Singida region	Retail Licence
75	Lake Oil Limited- Msamvu Service Station	Plot No. 1 Block "E" Msamvu Area, Morogoro Municipality	Retail Licence
76	Lake Oil Ltd – Lushoto Petrol Station	Plot No. 3/1, Soni Kisiwani Area, Bumbuli ward, Lushoto District, Tanga region.	Retail Licence
77	Lake Oil Ltd – Makambako Petrol Station, P.O 5055, Dar es salaam	Plot Number 2, Block 'G' , Kipagamo Area, Makambako Town Council, Njombe Municipality	Retail Licence

NO.	Name of the Operator/ Proponent	Location	Type of Licence/ Approval
78	Lake Oil Ltd - Nyankumbu Geita Service Station, P.O. Box 5055	Plot No. 4791, Block 'S' Nyankumbu Area, Geita District, in Geita Region	Retail Licence
79	Lake Oil Ltd – Ruhuwiko Petrol Station	Plot No. 408, Block 'A', Ruhuwiko, Songea District, Ruvuma Region	Retail Licence
80	Lake Oil Ltd- Kibiti Petrol Station	Kibiti Township, Rufiji District. Coast region	Retail Licence
81	Lake Oil Ltd- Same Petrol Station	Plot No. 9, Block "G" Same Urban Area, Kilimanjaro region	Retail Licence
82	Liputa Service Station - Liwale	Plot No. 546, Block 'B' Likongowe, Liwale Urban area, Lindi Region	Retail Licence
83	Machame Petrol Station,	Machame Mfoni area, Hai district in Kilimanjaro region	Retail Licence
84	Mairo Filling Station	Plot No. 96,97 & 98, Block 'J', Kenyatta Road, Tarime District, Mara Region	Retail Licence
85	Manal Petroleum Limted, P. O. Box 7318, Moshi	Majengo Area, Moshi Municipality, Kilimanjaro region	Retail Licence
86	Mashaka Maulid Filling Station - Stand Mpya, P.O. Box 191, Kibondo	Plot No. 1, Block 'A' Nane Nane Area, Kibondo District in Kigoma region	Retail Licence
87	Mashati Petrol Station, P.O. Box 103, Mkuu - Rombo	Farm No. 1539, Keni Village Mashati - Rombo in Kilimanjaro	Retail Licence
88	Mek One Industries - Misugusugu Petrol Station	Misugusugu Area, Kibaha District In Coast Region	Retail Licence
89	Milo Group Ltd. Petrol Station	Plot No. 1421, Block "M", Mbeya Municipality	Retail Licence
90	Mount Meru Petroleum-Boma/Lumumba Rd, Tabora	Plot No. 99, Block FF,Boma/Lumumba Rd, Tabora Municipality	Retail Licence

NO.	Name of the Operator/ Proponent	Location	Type of Licence/ Approval
91	Munio Petrol Station – Uchira	Plot No. 8, Uchira Area, Moshi District, Kilimanjaro	Retail Licence
92	Muro Investment Ltd- Misigiri Petrol Station	Plot No. 168 Block "A" Misigiri Area, Iramba District, Singida region	Retail Licence
93	National Oil Tanzania Limited – Bagamoyo	Plot no. 362, Block 'R' Ukuni Area, Bagamoyo District, Coast Region	Retail Licence
94	New Singida Road Filling Station	Plot No. 462, Block 'F' Igunga Urban area, Tabora Region	Retail Licence
95	Ngabanya Company Ltd – Ngabanya Filling Station, Masumbwe, Geita	Plot No. 81 & 83, Block 'A', Masumbwe Area, Bukombe District, Geita Region	Retail Licence
96	Nyanguleta Mmangi Petrol Station, P.O.Box 420, BUNDA	Plot No. 462 & 464, Block 'A', Bunda, Mara region.	Retail Licence
97	Nyarugusu Filling Station - Lwamgasa, P.O. Box 71,	Lwamgasa area, Geita	Retail Licence
98	Ochele Service Station	Plot No. 22 & 24, Block 'A' Utegi Centre, Rorya District, Mara Region	Retail Licence
99	Oil Link (T) Ltd - Goba Petrol Station	Plot No. 166, Block 'F' Goba Tegeta area, Kinondoni Municipality, Dar-Es-Salaam Region	Retail Licence
100	Oilcom (T) Ltd - Mabibo Filling Station	Plot No. 221 & 35, Mabibo Area, Kinondoni District, Dar Es Salaam Region.	Retail Licence
101	Oilcom Tanzania Limited - Igumbilo Service Station	Plot No. 303 Block 'BB' Igumbilo, Iringa Municipality	Retail Licence
102	Olympic Petroleum (T) Ltd- Igoma Petrol Station	Plot No. 1 Block "J" Igoma Area, Mwanza City, Mwanza Region	Retail Licence
103	Ongujo Investment Co. Ltd Petrol Station,	Plot No.84, 86 & 88, Block "D", Obwere area - Shirati Township, Rorya district in Mara region	Retail Licence

NO.	Name of the Operator/ Proponent	Location	Type of Licence/ Approval
104	Oryx Energies Limited - Makurunge	Plot No. 1, Block ‘H’ Makurunge, Bagamoyo Urban area, Bagamoyo District, Coast Region	Retail Licence
105	Oryx Energies Limited - New Oryx Service Station, Dodoma	Along Old Dar Es Salaam Road, Morogoro Municipality	Retail Licence
106	Oryx Energies Limited - Wananchi Service Station	Along Old Dar Es Salaam Road, Morogoro Municipality	Retail Licence
107	Oryx Oil Company Limited - Kia Service Station	Plot No. Petrol Station, Block ‘Kilimanjaro International Airport’, Hai District, Kilimanjaro Region	Retail Licence
108	Paniel Kaaya Petrol Station - Visiga	Plot No. 4, Madafu, Visiga Area, Kibaha Township, Coast Region	Retail Licence
109	Panone & Co. Ltd – Minjingu Petrol Station	Plot No. 3, Olasit Area, Babati District, Manyara Region	Retail Licence
110	Panone & Company Ltd – Karanga Petrol Station	Plot No. 435, Block “LLL” Karanga Area Moshi Municipality, Kilimanjaro region	Retail Licence
111	Panone & Company Ltd – Shangarai Filling Station	Plot No. 102, Moivaro Area Arumeru District, Arusha region	Retail Licence
112	Petroafrica Tanzania Limited - Iwambi Service Station	Plot No. 1, Block ‘E’, Iwambi Area, in Mbeya	Retail Licence
113	Petrolux Service Station - Bunda, P.O. Box 519	Plot No. 479, Block ‘S’ Nyasura D area, Bunda Urban, Musoma Municipality	Retail Licence
114	Petrolux Service Station - Nyegezi, P.O. Box 519	Plots No. 721-724, Block ‘C’ Nyegezi area Mwanza City	Retail Licence
115	Petronas Energy (T) Limted - Itigi Petrol Station, P.O Box 61444 Dar es salaam,	Plot No. 151, Block ‘V’ Itigi Urban Area, Manyoni District, Singida region	Retail Licence
116	Phantom Oil Limited - Kahama Branch	Nyasubi area in Kahama District	Retail Licence

NO.	Name of the Operator/ Proponent	Location	Type of Licence/ Approval
117	Puma Energy Tanzania Limited – Puma Service Station	Plot no. 1A, Block '3', Karume Road, Mbeya City	Retail Licence
118	Robert Meshaki Rwekombe Petrol Station	Plot No. 2, Block "A", Nyakaiga area Karagwe district, Kagera region	Retail Licence
119	Rombo Petrol Station	Kelamfua Village, Rombo Mkuu District, Kilimanjaro Region	Retail Licence
120	Said Khalifa Mohammed Petrol Station	Kivesa Area , Handeni District Tanga Region	Retail Licence
121	Saiteru Petroleum Co. Ltd - Saiteru Filling Station, Namanga	Plot nos. 17, 19, 21 and 23, Block 'E', Eworendeke Street, Namanga, Arusha	Retail Licence
122	Samwel Kastuli Filling Station – Babati,	Plot No.27,28,29 & 30, Block "EE", Maisaka B area in Babati Township, Manyara region	Retail Licence
123	South Mark Oil - Bungu B Petrol Station	Plot No. 01, Block 'B', Bungu Village, Rufiji District, Coast Region	Retail Licence
124	Star Oil (T) Ltd - Muleba Fuel Station	Plot No. 44, Block 'F' Muleba, Kagera region	Retail Licence
125	State Oil (T) Ltd- Mwangaza Dodoma Petrol Station	Plot No. 1 Block "B" Dodoma Municipality, Dodoma region	Retail Licence
126	Stop Over Petrol Station - Mkuranga,	Plot No. 2, Block "D", Mkuranga Urban Area, in Coast region	Retail Licence
127	Swafia Mbaraka Ahmed Petrol Station	Plot No. 51, Block 'D' Area, in Tanga	Retail Licence
128	Tawaqal & Co. Ltd – Sabasaba (Smart) Service Station	Plot No. 110, Block 'E' Sabasaba, Mazwi Area, Sumbawanga Municipality	Retail Licence
129	Temba Filling Station - Kipunguni B, P.O. Box 95779, Dar-Es-Salaam	Kipunguni B, Moshi Bar Street, Ukonga, Temeke Municipality, Dar-Es-Salaamn	Retail Licence

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130	Total (T) Ltd - Msamvu Service Station	Plot No. 125, Block 'B', Msamvu Area, Morogoro Region	Retail Licence
131	Total Tanzania Limited - Ukuni Service Station, P.O. Box 1503,	Plot No. 13, Block '4', Ukuni area, Bagamoyo Township Coast region.	Retail Licence
132	TSN Oil (T) Ltd – Shinyanga Petrol Station – Ibadakuli	Plot No. 239, Block 'KK', Ibadakuli Area, Shinyanga Municipality	Retail Licence
133	Yona Kulwa Joseph –Nyarugusu Filling Station,	Along Kahama- Geita Road, Nyarugusu village in Geita region	Retail Licence
134	Lake Oil Ltd – Kahama Bus Stand Petrol Station	Plot No. 42, 43, 44, & 45, Block "D" Kahama Bus Stand Area Kahama District in Shinyanga Region P.O. Box 5055 Dar Es Salaam	Retail Licence
135	Kenafrica Oil Limited	Plots No. 517/1 and 518/1, Block 'A', House No.104, Kinondoni Municipality.	Wholesale
136	Kivu Petroleum Limited	Plots No. 764/33, Samora/Milambo Street Building No 33, NIC Investment House.	Wholesale
137	Prism International (TZ Ltd	Plot No. 54 Block "16" Dunga Street, Building No. 468 Dar es Salaam City, Dar es Salaam region	Wholesale
138	Sahara Tanzania Limited	Apartment No. 3, National Insurance Corporation (NIC) Life House, 7th Floor, Ohio Street Sokoine Drive, Ilala Municipality Dar es Salaam City of P.O.BOX 76173 Dar es Salaam	Wholesale
139	Victoria Service Station Limited	Plot No. 35, Block No. 6, Ali Hassan Mwinyi Road, Kinondoni Municipality	Wholesale
140	Yash International (T) Ltd P.O. Box 21410	Plot No. 109C, Mwakalinga Road, Chang'ombe area, Temeke Municipality	Wholesale
141	Engen Tanzania Ltd	Plot No 263, Kurasini, Mandela Road Temeke Municipality, Dar Es Salaam Region	Wholesale Licence – Lubricants

NO.	Name of the Operator/ Proponent	Location	Type of Licence/ Approval
142	Hass Petroleum (T) Ltd	Plots No. 29 & 31 , Vijibweni Industrial area, Temeke Municipality.	Wholesale Licence – Lubricants
143	Prime Regional Supplies Ltd	Plot no. 139, Industrial Area, Nyerere road, Kipawa, Dar es salaam	Wholesale Licence – Lubricants
144	PUMA Energy Tanzania Limited	Plot No. 1, 1A, 3, 2 & 2A Block, Bandari Kurasini Road, Dar es Salaam Region	Wholesale Licence – Lubricants

Energy and Water Utilities Regulatory Authority,

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