

OMCs assure Tanzanians of stable fuel supply on General Elections

TANZANIA's Oil Marketing companies (OMCs) have assured the Energy and Water Utilities Regulatory Authority (EWURA) of stable security of petroleum products supply during the 2020 General Election activities.

Speaking on different occasions during visits made to OMCs, the EWURA Acting Director General, Engineer Godfrey Chibulunje was assured by the Chief Executives of Total Tanzania, GBP Tanzania and Oryx Energies of their commitment to supply sufficient petroleum products during and after the General Election period.

During the visits, which the Director of Petroleum, Mr. Gerald Maganga; and Petroleum Commercial Manager, Ms. Kemi Kafanabo accompanied Eng. Chibulunje, OMCs said were ready to work long hours to make sure supply of petroleum products was stable all over the country.

As the country is heading towards the General Elections, actual daily fuel consumption of diesel in the third quarter of 2020 reached 5.83 million litres increasing from 5.14 million litres attained in 2019; and that of petrol has reached 4.61 million litres increasing from 3.654 million litres attained in 2019.

During the visits, Eng. Chibulunje received various suggestions meant for improving security of supply of petroleum products.

The OMCs raised concerns of some unscrupulous operators selling products at high discounts that are below the cost of products causing loss of business to efficient operators. As a solution, a suggestion was tabled for EWURA to introduce floor price to ensure the Authority protects efficient suppliers just as the cap prices issued every month protects consumers.

Eng. Chibulunje said EWURA and other relevant Authorities including the Fair Competition Commission took the matter for review and consideration.

Other issues that were discussed included fuel supply contracts that retailers need to have entered with OMCs by 30th September 2020 and the recent public notices issued by EWURA requiring that retailers operating in the Northern and Southern regions source products from Tanga and Mtwara ports, respectively. Eng. Chibulunje emphasized on the Government objective, amongst others, of ensuring security of supply in the country by use of Dar es Salaam, Tanga and Mtwara ports. The companies were thus informed that they should import petroleum products through Tanga port to serve their customers who operate in the Northern regions and through Mtwara port to serve those operating in the Southern regions.