Petroleum
INSIGHT
1st Quarter, January - March, 2026

First Oil Readiness

Kenya's Path to First Oil

THE MAGAZINE OF THE PETROLEUM INSTITUTE OF EAST AFRICA
PIEA

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Quarter One 2026 State of The Oil Industry Briefing on 30th March 2026

Peter Murungi
Chairman
Petroleum Institute of East Africa

Our guest speaker, Chairman of the Nairobi Securities Exchange (NSE), Mr Kiprono Kittony, Director General EPRA, my fellow Directors, PIEA members and stakeholders from policy and regulatory agencies - we, the industry, through its professional Industry association, are delighted to host our first quarter 2026 state of the oil industry briefing today.

The listing of KPC

The recent listing of KPC on the NSE, which is a strategic supply infrastructure asset in Kenya and the region, has positioned the downstream oil sector as a key investor at the NSE! We look forward to hearing from the NSE Chairman on what this means to NSE.

We have a Common Purpose as industry players

As an industry association, our resolve and commitment is to tackle cross-cutting issues professionally, and as such, we have upheld both as individual OMCs and collectively as PIEA members that we have continued to sweat out our assets, including significant capital investments to serve Kenyans, thus delivering on the Country's security of supply. Make no mistake, we still remain fierce competitors when it comes to our business. I must admit that PIEA, as an umbrella body, has played a significant role in forging practical solutions that have made the industry unique and successful, considering it is primarily private sector-driven

Government is a Key Stakeholder

Allow me to reinforce that our cooperation and collaboration with the sector policy maker (Ministry of Energy & Petroleum) and the regulator (EPRA) have significantly contributed to the robustness of the oil and gas industry, further noting that the conducive business environment that we operate in has intentionally been created by this partnership.

As has been common practice between MOEP, EPRA and our sector, we openly discuss industry challenges and draw out proposed solutions jointly, with implementation of a majority of which have efficiently made supplying petroleum energy to all sectors come at least cost.

Theme:

"The Capital Market as a Catalyst for Energy Sector Growth and Resilience."

Investment in the sector continues to Grow

PIEA members have demonstrated time and again the confidence in the future of this country by continually investing in all sectors that support the industry, including but not limited to Retail, Distribution, and LPG. To keep this drive, PIEA continues to work closely with all stakeholders, including regulators, to improve on various policies, regulations and enforcement of the same to ensure a professional and level playing ground for all members, which is a key ingredient for investor confidence. For our members, we subscribe to the principle of self-regulation, and we are also bound by codes of ethics and conduct that are attached to the core values of PIEA.

The last 6 years have not been easy - Global Shocks!

Right from the period of COVID 19 over 5 years ago, the sector has gone through a series of what would be referred to as Global shocks - including the Russia-Ukraine War, the significant Forex and High interest rate Challenges, high levels of subsidies, to the war now in the Middle East. All these geopolitical situations have had significant challenges to the country and region, with potential disruptions on Supply and Logistics of fuel to the country and region in general. These events in nature are not unique to Kenya, but what we have managed to do to navigate each is what makes our sector unique. If there is one word that I can use for this industry is "resilience" - and it does not come by chance, it's intentional. We have remained agile, adaptive and equally innovative to come up with timely solutions that have made the industry see through each, ensuring supply security for the country and the region.

Current Volatility in the Middle East and the Global Energy Sector

It is fair to note that the oil and gas sector is not devoid of volatility, and we are currently witnessing the impacts of the ongoing geopolitical events on global energy security and Kenya, and EA are not exempt. The focus now is to embark on both short-term and long-term solutions to ensure security of supply for our Country, and as we continue to work closely with all stake holders in this front we would wish to have MOEP and EPRA continue to take the lead in appraising the Country as necessary.

However as we deal with this global disruption in supply we need to use past experience to better find workable solutions that make it possible for the industry to withstand the shocks including higher capital requirements and keep the country supplied, hence we call upon MOEP and EPRA and other keys stakeholders to converge with the aim of working out a proactive plan to handle this matter to avoid a similar challenge that impacted members ability, with some going out of business before - key to this is to unblock capital and am sure we can learn from NSE.

A step back to 2025

Kenya's Petroleum demand rebounded strongly in 2025 (+10.7%) from 5,923,810 m^3 in 2024 to 6,554,975 m^3 in 2025, mainly driven by transportation fuels, agriculture, construction, and the restarting of a number of GOK road projects.

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The data indicates a progressive trend in transition to clean energy—particularly LPG and electricity—leading the transition, where the former recorded about 15% growth in 2024 and almost a similar growth in 2025, thus reinforcing its position as the fastest-growing fuel segment. We thank the GOK for taking the lead in the LPG policy drive, accessibility and renewed investor confidence on account of legal and regulatory framework implementation.

Our PIEA Secretariat will shortly present more details on this.

Thank You

Thank you to all PIEA directors and members for remaining resolute and in full support of the vision that we hold together, and for supporting the supply security of our country and region.

Peter Murungi, Chairman
Petroleum Institute of East Africa

Empowering Communities Through Clean Cooking

The WINLPG Kenya Chapter, on the 4th of March 2026 held a Community Education and Awareness on Cleaner Cooking and Safe Use of LPG engagement in Kawangware, Nairobi County.

Set within a vibrant and bustling market environment, the session drew a large and attentive community audience, reflecting both the relevance and urgency of clean cooking conversations at the grassroots level.

Through practical demonstrations and open dialogue, participants were introduced to the benefits of LPG not only as a health product but also as a cleaner, safer, and more efficient cooking solution.

A defining moment of the engagement was the strong level of interaction between community members and industry representatives. Residents openly shared their experiences and concerns, while experts provided clear, practical guidance on safe LPG use, cylinder handling, and cost considerations. This direct engagement not only helped demystify LPG but also built trust, an essential step in encouraging households to transition from traditional fuels such as charcoal and kerosene, which continue to contribute significantly to household air pollution.

The outreach also underscored the importance of inclusive participation and the role of women in driving clean energy adoption at the community level.

By creating space for dialogue, knowledge-sharing, and community participation, the WINLPG Kenya Chapter continues to drive meaningful change at the last mile, advancing cleaner cooking solutions, improving health outcomes, and empowering communities to make informed energy choices.

The event, convened at Kawangware Market, was attended by over 60 women (and a few men too) and key stakeholders from the Energy and Petroleum Regulatory Authority (EPRA), the National Government Administration Officers (NGAO), local security agencies, and LPG brand owners from OLA Energy, Galana Energies, and M-Gas.

Speaking during the engagement, Chief Madam Catherine Tendet emphasized the shared responsibility of LPG safety, noting that, "LPG safety is our communal responsibility and begins with you and me." She highlighted the importance of continued collaboration between the community, LPG Brand Owners, NGAO and EPRA in strengthening licensing and enforcement of LPG regulations, lauded the current cooperation, and urged sustained vigilance.

Tendet further reiterated the commitment of both national and county governments to jointly address LPG safety challenges and underscored the value of such forums in bridging the gap between government and citizens.

The WINLPG Kenya Chapter held a Community Education and Awareness on Cleaner Cooking and Safe Use of LPG engagement in Kawangware Market in Nairobi County on the 4th of March 2026.

Vivo Energy Kenya Strengthens Ties with Chinese Investors

Vivo Energy Kenya has reaffirmed its commitment to supporting Kenya's economic growth by strengthening partnerships with the Chinese business community during an exclusive dinner hosted by Vivo Energy Kenya on January 30th. The event highlighted the growing importance of cross-border collaboration in driving industrial and infrastructure development.

Chinese investment continues to play a significant role in Kenya's economic landscape, particularly in construction, manufacturing, logistics and large-scale infrastructure projects. These investments have enhanced trade linkages, enabled technology transfer and created employment opportunities, contributing to sustained economic expansion. Against this backdrop, Vivo Energy Kenya underscored its role as a reliable energy partner supporting these sectors with high-quality fuel and lubricants.

Speaking at the event, Managing Director Peter Murungi noted that the Chinese business community has become an influential force within Kenya's economy. He emphasised that their contributions are visible across multiple industries and have had a tangible impact on national development. Vivo Energy Kenya, as the distributor and marketer of Shell products, continues to support this progress by ensuring a consistent energy supply and technical expertise.

"The Chinese business community has become a powerful force in Kenya's economic growth landscape, with meaningful contributions across sectors like construction, manufacturing, logistics and infrastructure. This contribution is felt by everyone, and Vivo Energy Kenya is especially proud to be part of this growth journey as a long-term business partner," said Murungi.

He highlighted that the company's offering goes beyond product delivery. By leveraging Shell's global reputation for research, innovation and technical leadership, Vivo Energy provides solutions designed to improve operational efficiency. This includes helping businesses reduce equipment downtime, enhance reliability and maintain flexibility in demanding operational environments.

"Shell is a global brand built on decades of research, innovation, and technical leadership, and this is the expertise that we bring to our partners every day. Beyond product delivery, we focus on operational reliability by helping your equipment run efficiently, reduce downtime and ensure reliability, flexibility, and peace of mind that you need to grow," the M.D added.

The company also used the occasion to reiterate its long-term commitment to partnerships that foster sustainable growth. As industries evolve and the demand for energy solutions becomes more complex, collaboration between energy providers and investors will remain critical. Vivo Energy aims to work closely with its partners to unlock new opportunities while navigating emerging challenges.

The celebration coincided with the Year of the Horse, symbolising strength, speed and progress. These values resonate with Vivo Energy's strategic approach, which prioritises resilience, adaptability and forward-looking collaboration. Looking ahead, the company expressed confidence that continued engagement with international partners, including the Chinese business community, will support Kenya's ambition for industrialisation and economic transformation.

As Kenya positions itself as a regional investment hub, energy companies such as Vivo Energy play a central role in enabling growth. By combining global expertise with local insight, the company is well placed to support the evolving needs of businesses operating in the country.

From L-R: Chandrakant Manji, Fan Quan, Peter Murungi, MD Vivo Energy Kenya, Soumaya Haddad Vivo Energy Kenya Finance manager and Mark Senteu Commercial Manager Vivo Energy Kenya cutting a cake during the Vivo Energy Kenya and Chinese business community dinner to celebrate the Chinese New Year.

KPC is Now Listed at the Nairobi Securities Exchange

Kenya has marked a significant milestone in its financial markets with the listing of Kenya Pipeline Company at the Nairobi Securities Exchange, the first government-backed initial public offering in over a decade. The bell-ringing ceremony, led by William Ruto on March 10, underscored renewed efforts to deepen the country's capital markets and attract investment.

The IPO drew strong interest from both institutional and retail investors, achieving an oversubscription rate of 105.7 per cent. The offer raised KSh 112.37 billion, surpassing the government's target of KSh 106 billion. Oil marketing companies accounted for a notable portion of participation, subscribing to nearly 25.8 million shares, reflecting confidence in the firm's strategic position within the energy sector.

Officials described the listing as a pivotal step in mobilising capital for infrastructure expansion, particularly in regional energy transport and storage. By opening ownership to the public, the government aims to enhance transparency, improve corporate governance, and unlock long-term value within state enterprises.

The successful offer also signals growing investor appetite for large-scale public listings, suggesting a rebound in activity at the exchange. Market analysts view the move as a catalyst for future privatisation initiatives, potentially paving the way for additional state corporations to tap into public capital markets.

Overall, the KPC IPO represents both a financial achievement and a policy statement, reinforcing Kenya's ambition to position itself as a regional investment hub.

President William Ruto together with other government officials and the Nairobi Security Exchange at the bell-ringing ceremony to mark the listing of Kenya Pipeline Company, the first Government IPO at the NSE in over a decade.

Total Professeurs Associés (TPA) has partnered with the School of Petroleum Studies to offer a wide range of courses in the form of webinars and training workshop. TPA is an Association with a talent pool of professors and professionals from TotalEnergies with cross-cutting experience and knowledge in the renewable and oil and gas sectors.

The objective of this collaboration through webinars and training workshops is to promote relations between the world of energy and universities, engineering schools, or Business Schools through technical, economic, scientific, legal or marketing presentations by expert professors in their fields of expertise.

Cost: The fee varies per training since some courses take between 8 hour to 15 hours to be completed. (We can share upon enquiry)
Format of training delivery: Virtual via Microsoft teams | **Time:** 9.30 a.m-12.30 p.m.
Minimum quorum: 8 Students
(In cases where the number of students is below the quorum we charge a special rate as a virtual express training)
For enquiries email: school@petroleum.co.ke

Course name	Date
Conventional energies and energy transition	3/JUNE/2026
Power point the basics to master your communication	18/JUNE/2026
Crisis management and crisis communication	10/JUNE/2026
Low carbon hydrogen: techno-economics overview	6/MAY/2026
Energy, climate, geopolitics, where are we?	21/MAY/2026
Human resource and international: strategies and practices for engaging cultural diversity	28/MAY/2026
HSSE, risk & crisis management	28/MAY/2026
Communications, Management & Human Sciences	16/MAY/2026
Conventional Energies and Energy transition	3.JUNE/2026
Challenges of CO2 and H2 storage in the energetic transition	13/MAY/2026
Credit management in oil Business	7/MAY/2026
Structural geology from geodynamics to basin to prospect scale	16/JULY/2026
International petroleum contracts	23/JULY/2026
Ethics initiatives applied to multinational firms	28/JULY/2026

Course name	Date
Management experience	17/JULY/2026
Natural gas at the heart of the energy transition LNG - Gaz Naturel Liquéfié Natural Gas / LNG	24/JULY/2026
Climate Change and Energy Transition	30/JULY/2026
Key features and recommendation to a government to implement a good governance of its new HC resources	12/JUNE/2026
Intellectual Property	19/JUNE/2026
Which Energy Resources for our future ?	10/JUNE/2026
Renewable Marine Energies Advanced Master (RME)	2/JUNE/2026
Past, present and future of the climate	1/JUNE/2026
Tomorrow Energy Problematic Challenges	4/JUNE/2026
Social inMARCHations and sustainable development: from common goods to social business	9/JUNE/2026
Natural Gas / LNG	17/JUNE/2026
From information to knowledge. Mass balance and data validation	5/JUNE/2026

CODE	COURSE TITLE	DURATION	DATE
(A)LEGAL & REGULATORY COURSES			
SPS 001A	Petroleum sector legal and regulatory framework	1 day	15/APRIL/2026
SPS 002A	Managing Construction Occupational Health and Safety (OHS)	1 day	16/APRIL/2026
SPS 003 A	Petroleum sector regulatory training on LPG Bulk storage facilities	1 day	21/APRIL/2026
SPS 004A	Petroleum sector HSSE regulatory training requirements	1 day	17/APRIL/2026
SPS 005A	Legal and Regulatory Framework: Highlights of the impact of the 13 new petroleum regulations	Half day	23/APRIL/2026
(B) OIL AND GAS RETAIL AND MARKETING COURSES			
SPS 001B	Petroleum product storage and retail facilities maintenance and management for technicians	5 days	4-8/MAY/2026
SPS 002B	Service Station Accounting Course for Dealers	5 days	13-17/MAY/2026
SPS 003B	Service station management course	5 days	11-15/MAY/2026
SPS007B	Strategic customer service course	5 days	18-22/MAY/2026
SPS 008B	Stock management Level 1	5 days	28 APRIL-1/MAY2026
SPS 009B	Stocks management Level 2	5 days	25-29/MAY/2026
SPS 010B	Retail Territory managers' competency course	3 days	22-24/APRIL/2026 | 28-30/MAY/2026
SPS 011B	Lubricants Territory managers competency course	3 days	19-21/MAY/2026
SPS 012B	LPG Territory managers competency course	3 days	26-28/MAY/2026
SPS 013B	Distribution/Commercial Territory managers competency course	3 days	27-29/ APRIL/2026
SPS 014B	Autogas Service Station management course level1	3 days	20-22/ APRIL/2026
SPS 015B	Autogas Service Station management course level2	3 days	27-29/MAY/2026
(C) HEALTH SAFETY SECURITY AND ENVRIONMENT COURSES			
SPS001C	Petroleum sector occupational health, safety & security (HSSE) management course	5 days	13-17 /APRIL/2026 | 15-19 /JUNE/2026
SPS 002C	Petroleum sector Contractor & Service providers health, safety, security, and environment (HSSE) course	5 days	4-6/MAY/2026 | 6-10 /APRIL/2026
SPS 003C	Occupational health and risk assessment	2 days	15-17 /APRIL/2026 | 21-22 /MAY/2026
SPS 004C	Emergency response plan (ERP)	2 days	2-4 JUNE/202
SPS 005C	Contractor safety management course Level 1	5 days	18-19 /MAY/2026
SPS 006 C	Contractor safety management course Level 2	4 days	23-24/JUNE/2026
(D) AVIATION FUEL MANAGEMENT COURSE			
SPS003D	Aviation operations & management course	5 days	22-26/JUNE/2026 | 27-31/MAY/2026
(E) LPG OPERATIONS SALES & MARKETING COURSES			
SPS001E	LPG sales, operations and marketing management	5 days	8-12/JUNE/2026 | 25-29/MAY/2026
SPS 005E	Annual PIEA Africa LPG Training Workshop	3 days	18-20/JUNE/2026
SPS 006 E	LPG Installers course	5 days	20-24 /APRIL/2026 | 25-29/MAY/2026
SPS 007 E	LPG HSSE Course (Practical course for LPG refilling and cylinder operations handling personnel)	3 days	13-17/APRIL/2026 | 20-24/APRIL/2026
(F) RISK MANAGEMENT COURSES			
SPS 001F	Risk management in the oil and gas sector course	5 days	27 APRIL-1/MAY/2026 | 18-22/MAY/2026
SPS002F	High level insurance and risk management training for directors, chief executive officers, managing directors and heads of departments (HOD's)	1 day	23/JUNE/2026
SPS003F	Emergency response planning and preparedness	5 days	18-22/MAY/2026
SPS 004F	Occupational Health and risk assessment	3 days	12-15/MAY/2026
SPS 005F	Joint Incident Command System training course Level 1	5 days	18-22/MAY/2026
SPS 006F	Joint Incident Command System training course Level 2	5 days	22-26/JUNE/2026
(G) PETROLEUM PRODUCTS LOGISTICS & HANDLING COURSES			
SPS003G	Petroleum depots operations & distribution management	5 days	8-12 /JUNE /26
SPS004G	Introduction to the Oil & Gas Sector	5 days	22-26/ JUNE/2026
SPS003M	EA oil and gas transportation and management	4 days	15-18/ JUNE/2026
SPS002M	Petroleum Stocks management level 1	5 days	22-26/APRIL/26
SPS 004M	Petroleum Stocks management level 2	5 days	15-19/JUNE/2026
SPS 005M	Petroleum road and transportation management	5 days	22-26/JUNE/2026
SPS 006M	Petroleum tanker driver certification	5 days	11-15/MAY/2026
SPS 007M	Liquified Petroleum Gas (LPG) tanker driver certification	5 days	8-12/JUNE/2026
SPS 008M	First Aid competency and highway emergency response plan course (Drivers/Emergency responders)	3 days	10-12/JUNE/2026
SPS 009 M	Oil and Gas Fire Marshalls course	5 days	11-15/MAY/2026 | 22-26/JUNE/2026
(H) LUBRICANTS COURSES			
SPS001H	Lubricants Competency Course	5 days	18-22/MAY/2026
(J) EXECUTIVE MANAGERIAL COURSES			
SPS001J	Highlights of The Amendments to The Companies Act, 2015 by the statute Law (Miscellaneous Amendment Act 2019)	1 day	20/MAY/2026
SPS002J	Executive Introduction to the East Africa Oil and Gas sector (for Boards of Directors and Senior management)	1 day	19/MAY/2026
SPS 003J	Corporate governance course for Boards and Management (Board of Directors and Senior Management)	1 day	21/MAY/2026
(K) HUMAN RESOURCE MANAGEMENT COURSES			
SPS 001K	Employee relationship management	2 days	25-26/MAY/2026
SPS 002K	Supervision leadership and management	2 days	27-28/MAY/2026
SPS 003K	Executive People centered leadership course	Half day	20/MAY/2026
(L) PERSONAL DEVELOPMENT COURSES			
SPS001L	Reinventing yourself at the workplace	1 day	30/JULY/2026
SPS002L	Mental health Champions at the Workplace	Half day	8-12/JUNE/2026
SPS 003L	Work life Balance In the context of Time management	1 day	15/JUNE/2026
SPS 004L	Work life Balance In the context of Technology devices usage	1 day	11/ JUNE/2026
(M) FINANCING OIL AND GAS PROJECTS			
SPS001M	Financing Oil and Gas Projects	1 day	24/JUNE/2026

TRAINING CALENDAR FOR YEAR 2026 (JANUARY-JUNE)

(IN-PERSON ATTENDANCE TRAINING SESSIONS)

LOCATION

- Newyork
- Washington
- Dubai
- London
- New Delhi
- Paris
- Kinshasa
- Khartoum
- AddisAbaba
- Nairobi
- Nakuru
- Naivasha
- Eldoret
- Kisumu
- Busia
- Mombasa
- Kampala
- Dare-es- Salaam
- Kigali
- Juba
- Johannesburg
- Cairo
- Accra
- Abidjan
- Lilongwe
- Lusaka
- Ouagadougou
- Mogadishu
- Tunis
- Monrovia
- Harare
- Freetown
- Pretoria
- Windhoek
- Djibouti
- Gaborone
- Laayoune
- Yamoussoukro
- Dodoma
- Malabo
- Port Louis
- Saint-Denis
- Maseru
- Praia
- Mamoudzou
- Sao Tome
- Moroni
- Victoria
- Maputo
- Tripoli
- Asmara
- Bangui
- Libreville
- N'Djamena
- Yaounde
- Kampala
- Antananarivo
- Abuja
- Dakar

ADDITIONAL INFORMATION

Charges for physical training:

Open courses:

5-day course
PIEA member Kshs. 49,000+VAT (USD $ 563)
PIEA non-member Kshs. 62,500 +VAT (USD $ 718)

3-day course
PIEA member Kshs. 35,000 +VAT (USD $ 402)
PIEA non-member Kshs. 40,000 +VAT (USD $ 460)

1-2-day course
PIEA member Kshs. 25,000 +VAT (USD $ 287)
PIEA non-member Kshs. 30,000 +VAT (USD $ 345)

Training charges indicated are per person basis.
The dollar rate used is subject to change depending on current foreign exchange rate fluctuation.

The minimum number required to form quorum for training is at least 10 individuals.

We also have online courses available and are scheduled in a JUNEarate calendar.

For enquiries:
kindly contact school@petroleum.co.ke or
call +254722 221 120 / +254 020 224 9081

ONLINE TRAINING CALENDAR MODULAR SESSIONS
TRAINING CALENDAR FOR YEAR 2026 (VIRTUAL MODULAR SESSIONS)
Online via Microsoft teams/Google Meet

CODE	COURSE TITLE	DURATION		DATE
(A) OIL & GAS LEGAL & REGULATORY FRAMEWORK COURSES				
SPS 001A	Petroleum sector legal and regulatory framework	2 hours	Module 1: Petroleum Act 2019: What you need to know Module 2: Petroleum Act 2019: Unpacking the LPG Segment Module 3: Petroleum Act 2019: Unpacking the Supply Chain	2-4/ JUNE/2026 10.00 a.m-12.30 p.m.
(B) OIL AND GAS RETAIL AND MARKETING COURSES				
SPS 003B1	Service Station Management course (Part 1)	3 hours	Module 1: Product knowledge Module 2: Petroleum product supply chain Module 3: Licensing and legal requirements Module 4: Retail Service station layout and design Module 5: Retail service station operations	9-11/JUNE/2026 10.00 a.m-12.30 p.m.
SPS 003B2	Service Station Management course (Part 2)	3 hours	Module 1: Staff management Module 2: Service station wet stock management and security Module 3: Service station HSSE Module 4: Service station merchandising, advertising and promotion Module 5: Service station practical session	16/ JUNE/2026 10.00 a.m-12.30 p.m.
SPS 009B2	Stocks Management Level 2		Module 1: Product receipts, costing and pricing Module 2: Stocks audit controls and procedures Module 3: Contracts & agreements Module 4: Risk management Module 5: Stocks accounting Systems Module 6: Work control documentation and procedures Module 7: Practical session (Depot/Service station visit)	9-12/JUNE/2026 9.30 a.m-12.30 p.m.
(C) HEALTH SAFETY SECURITY AND ENVRIONMENT COURSES				
SPS001C2	Occupational Health, Safety, Security, and Environment (HSSE) course (Part 2)	2 hours	Module 1: Emergency response and planning Module 2: OSHA health, safety and general welfare provisions Module 3: Compliance audit, offences and penalties Module 4: Fire protection and prevention	8-12/JUNE2026 9.15a.m-1.15 p.m.
(D) AVIATION FUEL MANAGEMENT COURSE				
SPS003D1	Introduction to Aviation operations & management course (Part 1)	2 hours	Module 1: Production knowledge Module 2: Fundamentals of supply and demand Module 3: Distribution and logistics Module 4: Standards and quality control test measures for jet fuel Module 5: Jet fueling equipment and Facilities	18/JUNE/2026 10.30 a.m-12.30 p.m.
(E) LPG OPERATIONS SALES & MARKETING COURSES				
SPS003E1	LPG Sales, Operations and Marketing Management (Part 1)	2 hours	Module 1: LPG product knowledge Module 2: Bulk LPG import and transfers Module 3: LPG bulk storage facilities Module 4: LPG standards, legal and regulatory framework Module 5: LPG cylinders manufacturing design and specification	20/MAY/2026 10.30 a.m-12.30 p.m.
SPS003E2	LPG Sales, Operations and Marketing Management (Part 2)	3 hours	Module 1: LPG cylinder safe handling and transportation Module 2: LPG market supply chain Module 3: LPG Safety and Emergency preparedness Module 4: LPG accident and incident investigation	25-27/MAY/2026 10.30 a.m-12.30 p.m.
SPS 004E	Introduction to the LPG sector	2 hours	Module 1: Product knowledge & legal regulatory framework Module 2: LPG infrastructure and business models Module 3: LPG operations, sales & emerging opportunities Module 2: Legal and regulatory framework Module 3: Petroleum product importation and storage management	13-16/MAY/2026 12.30 pm-1.30 pm
(H) LUBRICANTS COURSES				
SPS001H1	Lubricants Competency Course (Part 1)	2 hours	Module 1: Fundamentals of lubricants and lubrication Module 2: Lubes blending operations and base oil classification Module 3: Coolants, special and general-purpose greases Module 4: Lubricants safe handling, storage and disposal (HSSE)	1-5/JUNE/2026 12.30 pm-1.30 pm
SPS001H1	Lubricants Competency Course (Part 2)	2 hours	Module 1: Lubricant's standards legal and regulatory framework Module 2: Automotive, Synthetic and industry specific lubricants Module 3: Lubricant's market, supply chain and distribution	2-5/JUNE2026 12.30 pm-1.30 pm
	(J) EXECUTIVE MANAGERIAL COURSES			
SPS001J	Highlights of The Amendments to The Companies Act, 2015 by the statute Law (Miscellaneous Amendment Act 2019)	2 hours	Module 1: Role of directors in the new company act Module 2: Implications on organizational role and structures	3/JUNE/2026 9.30 a.m-11.30 a.m.
SPS002J	Executive Introduction to the East Africa Oil and Gas sector	2 hours	Module 1: Product Knowledge Module 2: Legal and regulatory framework Module 3: Market supply chain and fiscal regime	11/JUNE/2026 10.30 a.m-12.30 p.m.
SPS 008M	Oil and Gas corporate governance for Boards and management conference	1 day	Corporate Governance for Boards and Management	4/JUNE/2026

ADDITIONAL INFORMATION BELOW:

Online training charges:

Scheduled calendar training sessions:
Cost per person per module: *US $ 74*/ Kshs. 7,500+VAT only

Alternative for scheduled calendar training sessions:

Executive Private/Group Sessions:
Cost per person per module: *US $ 148* / Kshs. 15,000+VAT only
(*Under the Executive Private/Group Sessions we offer individual or group sessions which are designed to fit your time and date schedule.*)

Training charges indicated are per person basis and have a minimum no. of trainees.
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N/B: *Scheduled calendar training sessions: -The training take place as scheduled in the calendar dates/time as listed above.*

Executive Private/Group sessions: The training is delivered as per trainee's request depending on their availability.

The courses listed which have (Part 1) and (Part 2) annotation means that the training participant has to complete both parts to be awarded the certificate.
The courses listed with the annotation Level 1 and Level 2 means that the trainee will be awarded a certificate upon completion of each level.

**The price indicated in $ USD is subject to currency fluctuations USD/KSHS*currency exchange*

Navigating

Structural Change in the Oil Industry

Collins Omach
Terminal Manager, Mombasa Terminal
OLA Energy Kenya

The oil industry has long been shaped by cycles of boom and disruption. Price swings, geopolitical tensions and shifting demand patterns have historically tested the sector's ability to adapt. Yet, while past disruptions were often temporary, the current environment signals something more fundamental: a structural shift in how the industry operates.

Volatility is no longer an intermittent challenge to manage. It has become a constant feature of the global energy landscape.

Ongoing geopolitical tensions continue to exert pressure on already strained supply chains. The effects are visible across the board, from constrained petroleum supply and rising freight costs to escalating insurance premiums. These factors are not isolated; they are interconnected indicators of systemic stress. For manufacturers and distributors, the consequences are immediate. Production cycles are tightening, operational costs are increasing, and the risk of supplier-related disruptions, including force majeure, is becoming more pronounced.

Despite these pressures, customer expectations remain unchanged. Reliability, quality and timely delivery are still non-negotiable. This disconnect between external instability and internal expectations is forcing companies to reassess how they operate.

In this context, these events in nature are not unique to Kenya. It has become a defining capability, one that separates organisations able to sustain performance from those that struggle under pressure.

Resilience, however, is evolving in meaning. It is no longer simply about responding effectively to crises. Instead, it is about being structurally prepared for ongoing uncertainty. This shift requires a more deliberate and strategic approach to how businesses design their operations.

Three core principles underpin this approach: diversification, speed and discipline.

Diversification has emerged as a critical necessity. The risks associated with over-reliance on single-source supply chains have been exposed in recent years. Companies are increasingly recognising the need to broaden their supplier base and develop more flexible sourcing strategies to mitigate disruption.

Speed, meanwhile, has become a key determinant of competitiveness. In a rapidly changing environment, the ability to make timely, informed decisions can mean the difference between maintaining continuity and losing market share. Delayed responses can compound disruptions, while agility allows organisations to adapt before challenges escalate.

Discipline is equally essential. In periods of heightened pressure, there is often a temptation to prioritise short-term gains over long-term standards. However, such compromises can be costly. Maintaining operational discipline ensures that quality and safety are not sacrificed, even when conditions are challenging.

One of the more subtle risks during prolonged disruption is the gradual erosion of quality. As systems are stretched and costs rise, maintaining consistent standards becomes increasingly difficult. Yet, for the oil industry, where safety, reliability and performance are paramount, any decline in quality can have far-reaching consequences.

Frameworks such as ISO 9001:2015 play a crucial role in addressing this risk. By promoting a risk-based approach to quality management, such standards help organisations maintain consistency even when operating under strain. This is not merely a matter of regulatory compliance; it is about safeguarding trust and ensuring dependable delivery in uncertain conditions.

For companies operating in this space, resilience must be embedded into everyday operations rather than treated as a reactive measure. This involves not only leveraging infrastructure and networks but also fostering a mindset that prioritises adaptability and responsiveness.

Looking ahead, the complexity facing the oil industry is likely to increase. Emerging geopolitical dynamics, including discussions around alternative trading currencies within blocs such as BRICS, have the potential to reshape global oil transactions. While these developments may create opportunities for diversification, they also introduce new layers of uncertainty that will require careful management.

Importantly, the effects of disruption are rarely confined to upstream activities. Downstream segments, including lubricants, are also vulnerable. Supply chain disruptions tend to cascade, creating delayed but inevitable impacts across interconnected industries.

Against this backdrop, the industry faces a clear imperative: resilience must be treated as a design principle rather than a contingency plan. Systems, supply chains and decision-making processes need to be built with volatility in mind from the outset.

Scale and legacy, while still valuable, are no longer sufficient guarantees of success. Increasingly, it is adaptability that will define leadership in the sector.

The companies that are best positioned to succeed will not necessarily be the largest or most established. Instead, they will be those capable of operating consistently within uncertainty, maintaining reliability, upholding standards and responding effectively to change without compromise.

In today's energy landscape, consistency is not accidental. It is the result of deliberate design, disciplined execution and a clear understanding of what resilience truly requires

The Restart

That Triggers an Industrial Chain

Eston Wainaina
Project and Strategy Lead
Petropal

Kenya's oil story will not begin with the first exported barrel. It will begin with the businesses that make that barrel possible.

As operations in the South Lokichar Basin move toward a 2026 restart, the Government of Kenya's approved Field Development Plan outlines an estimated USD 6.1 billion in total investment to fully develop six discoveries, namely Ngamia, Amosing, Twiga, Ekales, Agete, and Etom, over a 25-year period and recover an estimated 326 million barrels of crude. Initial production was projected at approximately 20,000 barrels per day, ramping up to 50,000 barrels per day at plateau, according to government disclosures and development projections published in 2019 during the tenure of Tullow Oil and referenced in prior communications from Kenya's Ministry of Petroleum and Mining as well as investor briefings issued that same year.

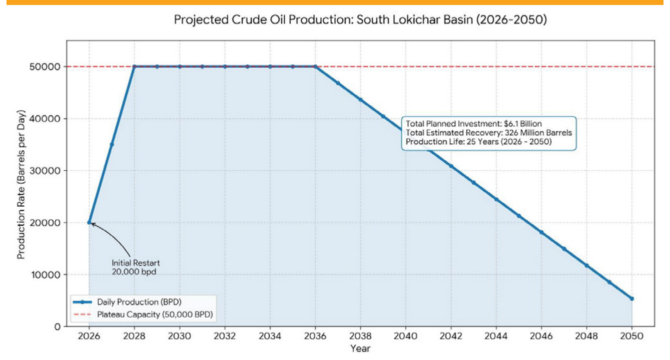


Image 1 – South Lokichar Basin Oil Production Projection

Before crude flows, capital moves into roads, power systems, water infrastructure, housing, logistics corridors and industrial services. That early deployment phase is where the most immediate and diversified commercial opportunity sits.

Fuel, Specialised Products and Industrial Supply

Oilfield operations run continuously and consume significant volumes of diesel, specialised lubricants, greases, and LPG for camp support. Data from the Energy and Petroleum Regulatory Authority confirms that Kenya's downstream petroleum sector includes over 100 licensed oil marketing companies and more than 1,500 retail stations. Increased upstream activity in Turkana will significantly elevate bulk fuel transport along the Lokichar-Eldoret-Nakuru-Mombasa corridor and justify expanded storage capacity in Eldoret, Kitale, and Lodwar.

The opportunity extends beyond retail pump sales. Industrial-grade lubricants for rigs and heavy machinery, hydraulic fluids, LPG for worker camps, bitumen for access roads, and on-site refuelling systems integrated with fleet monitoring solutions will experience sustained demand. Retail operators that upgrade environmental compliance systems, calibrated metering, and bulk storage can reposition themselves as industrial B2B suppliers, shifting from transactional retail margins to recurring contractual revenue streams.

Logistics as the Operational Backbone

The South Lokichar Basin lies more than 800 kilometres from the Port of Mombasa. Every casing string, cement consignment, drilling chemical, water tanker and food shipment must travel inland across demanding terrain. During Kenya's Early Oil Pilot Scheme between 2018 and 2020, crude was transported by road from Turkana to Mombasa to test export readiness and corridor logistics, providing valuable operational insight ahead of full field development.

Scaled production will multiply these logistics requirements. Heavy haulage operators, modular trailer providers, tyre distributors, spare-parts suppliers, mechanical workshops, and fleet-leasing firms will see sustained demand. Corridor upgrades, weighbridge expansion, and improved safety infrastructure will enhance supply chain efficiency and reduce long-term freight costs across northern Kenya. Oil logistics, if executed efficiently, becomes a catalyst for transport modernisation.

Construction and Industrial Capability

Turkana's restart demands well pads, access roads, storage yards, worker accommodation, boreholes, mini-grids, and sanitation systems at scale. Cement, aggregates, structural steel, pipes, generators, and electrical fittings will be required in large quantities.

This phase is not merely about erecting infrastructure. It is about embedding technical standards, quality assurance systems, and industrial discipline within local firms. Workshops that meet oilfield certification requirements can reduce import dependence and retain capital domestically. Every certified welder, electrician, safety supervisor, and heavy-equipment operator strengthens Kenya's long-term industrial competence and expands the country's ability to execute complex infrastructure projects beyond petroleum.

326 million barrels of crude.
20,000 barrels per day,
50,000 barrels per day at plateau

Regulatory

Overhaul for Upstream Sector

As Kenya intensifies efforts to modernise its petroleum sector, the Energy and Petroleum Regulatory Authority (EPRA) is leading a comprehensive regulatory overhaul aimed at strengthening governance, transparency, and operational efficiency. Over the past year, the Authority has introduced a suite of draft upstream regulations that seek to clarify licensing procedures, streamline administrative processes, and establish clearer accountability across the value chain. These reforms come at a pivotal moment as the country positions itself to attract responsible investment while maximising national value from its natural resources.

At the core of the proposed framework is a deliberate shift toward predictability and consistency. By standardising procedures around block allocation, cost management, and operational conduct, EPRA aims to reduce uncertainty that has historically slowed exploration and development timelines. Equally significant is the emphasis on environmental protection, safety standards, and local content participation, key pillars intended to ensure that sector growth is both sustainable and inclusive.

The regulatory authority explains the policy drivers behind the reforms, new compliance expectations for industry players, and how it is engaging stakeholders through a participatory process.

Q. Briefly tell us, key regulatory reforms affecting upstream petroleum activities have been amended and/or introduced.

Over the past year, EPRA published for public comments and exposed to public participation a set of seven draft regulations that modernise Kenya's upstream and parts of the midstream framework under the Petroleum Act Cap. 308. One of the key Regulation among the seven is the Draft Petroleum (Upstream Petroleum Management and Administration) Regulations, which clarifies block constitution, licensing, and governance mechanisms across the exploration to decommissioning lifecycle. This is complemented by draft regulations on Upstream Operations, Cost Management, Local Content, Access to Land, transportation of crude oil/natural gas, and Environment, Health & Safety (EHS), which have provisions that also apply to midstream operations. Collectively, these reforms set clear procedures, responsibilities, and controls for investors, communities, and Government alike.

Notably, the draft regulations are being developed alongside the Petroleum (Amendment) Bill, 2025 which seeks to ammend the Petroleum Act, Cap 308. The review is meant to align Kenya's regulatory framework with best petroleum industry practices, close existing gaps across upstream, midstream, and downstream operations, and strengthen administrative clarity around licensing and approval processes. By harmonising these reforms, we will establish a coherent governance structure that ensures consistency across all segments of the sector, enhances regulatory predictability, and supports effective oversight while enabling responsible investment and sector growth.

Q. What were the key drivers and policy objectives behind the recent upstream regulatory reforms?

Three drivers stand out. First, predictability and transparency, we want investors to have clear, legally anchored processes for licensing of blocks, permitting, data, operations, and cost recovery. Second, value maximisation and accountability, our cost management and reporting requirements are meant to ensure prudent expenditures, maximization of government revenue, and enhanced operational efficiency. Third, safety, environment, and local participation, the draft EHS and the Local Content regulations embed best practices, ensure that local capacity is built, and that communities are protected.

> ” These measures will position Kenya to attract responsible investment while protecting national interests and supporting community welfare.

Q. What compliance obligations do upstream companies now face under the updated EPRA regulatory framework?

Under the draft regulations, contractors and operators will have clear, enforceable compliance obligations across several fronts:

i. **Licensing and administration:** Adherence to standardized procedures for licensing, transfer & assignment of interest, and termination.

ii. **Operational conduct:** Detailed technical and operational requirements from exploration to decommissioning.

iii. **Cost discipline:** Clear and robust cost classification, recording, reporting, and audit of upstream costs to ensure only duly incurred and paid costs are recognized.

iv. **Local content:** Obligations on partnering with Kenyan firms, training, and structured Research and Development collaborations.

v. **EHS:** Comprehensive requirements for hazard identification, design and construction controls, emergency preparedness, and occupational health and environmental protection.

Q. How is EPRA supporting upstream firms to understand and meet new compliance requirements?

We have taken a participatory and educative approach. The Authority issued a formal Gazette notice publishing the draft regulations and the accompanying Regulatory Impact Statement and has conducted nationwide public participation forums to take stakeholder input and clarify expectations. Further, our technical teams continue to brief the Contractors on compliance ahead of the gazetting of the regulations.

Q. What has been the observed operational impact of new EPRA upstream regulations on exploration and production timelines?

While the drafts are presently at the public participation stage, the intended operational impact is to reduce uncertainty and reduce delays in approvals by providing step-by-step procedures, decision points, and documentation requirements. This predictability supports timely exploration and appraisal programs and enables faster maturation of fields.

Q. What has been the impact of regulatory changes on safety and environmental performance in upstream operations?

The draft Upstream & Midstream EHS regulation addresses Kenya's risk profile by standardising EHS procedures across design, construction, operations, emergency response, and decommissioning. Once adopted, the result will be clearer accountability, consistent EHS baselines, and stronger oversight, with positive effects on incident prevention and environmental stewardship.

Q. Has EPRA observed any effects on local content participation in upstream projects following regulatory updates?

The Local Content draft sets out explicit obligations for partnering with Kenyan firms, workforce training, and R&D programs with local institutions. Though the drafts are at the public consultation phase, the policy direction is already shaping contractor local content plans, particularly around employment, skills development, and supplier development roadmaps, which we expect to formalise through measurable plans and reporting once the regulation is gazetted.

Q. How do recent Kenyan upstream regulations compare with regional best practices in East Africa?

The regulatory reforms are designed to align with both regional and global best practices in the petroleum sector. These reforms will enhance transparency in licensing by reducing discretionary decision-making and providing clearer, more predictable procedures, similar to approaches used in peer jurisdictions. They also strengthen cost management and auditing requirements to safeguard government revenue and ensure that only prudent, properly verified expenditures are recovered, an approach characteristic of mature petroleum regimes.

In addition, the reforms embed strict Environment, Health, and Safety (EHS) standards across the entire project lifecycle, mirroring international best practise that emphasises process safety from design through decommissioning. A strong focus on local content further ensures that upstream development contributes meaningfully to building domestic industrial capacity, reflecting aspirations shared across the region.

These measures will position Kenya to attract responsible investment while protecting national interests and supporting community welfare.

Protecting

Workers as Kenya Advances Toward First Oil

As Kenya accelerates preparations for commercial oil production, attention is increasingly turning to the safety and health of the workers who power the country's upstream petroleum sector. Exploration, drilling, logistics, and field operations often take place in remote and demanding environments, where hazards can emerge from heavy machinery, extreme weather, or exposure to harmful substances. Ensuring that the push toward "first oil" does not compromise worker wellbeing is therefore a central priority for regulators.

Kenya's Directorate of Occupational Safety and Health Services (DOSHS) plays a crucial role in this effort. Through regulation, training, inspections, and policy development, the agency is working to ensure that occupational health and safety standards keep pace with the rapid expansion of upstream oil and gas activities.

Understanding the Risks in Upstream Operations

Oil and gas exploration and drilling involve a complex set of hazards that can affect workers at multiple stages of operation. Even at the earliest phases, such as seismic surveys, specialised equipment used to map underground formations can expose personnel to significant risks. Vibratory equipment used during seismic studies generates intense noise and vibration, which can lead to hearing loss or nerve-related injuries among workers who guide or operate the machinery.

Beyond mechanical hazards, the natural environment itself presents challenges. Workers in exploration zones may encounter biological risks such as snake bites or insect stings, particularly in remote field areas. At the same time, the hot and dry climate common in many exploration regions can cause dehydration and heat stress if adequate precautions are not taken.

The exploration phase also brings additional occupational hazards associated with heavy equipment. Large mobile vehicles, drilling rigs, and transport machinery create a constant risk of accidents involving moving equipment. Prolonged exposure to noise and vibration can affect hearing and neurological health, while the lifting and handling of heavy loads can lead to musculoskeletal injuries.

Airborne dust is another concern, particularly when it contains contaminants such as silica, which can cause long-term respiratory problems. Workers may also handle organic solvents used in field operations, substances that can trigger skin disorders and other health complications if exposure is not carefully controlled.

Drilling and rig operations bring their own set of potentially severe hazards. These include exposure to hydrogen sulphide gas, which is highly toxic even at low concentrations. Workers must also manage the risk of uncontrolled well pressure, which in extreme cases can lead to explosions. Other dangers include falls from height, isolation-related mental health challenges for workers stationed in remote locations, and the risk of crushing injuries from drilling pipes and equipment.

Protecting All Workers Equally

One of the defining features of upstream oil and gas operations is the large number of contractors and casual workers involved. These workers often perform specialised tasks or provide support services in remote project locations.

Kenya's regulatory framework recognises that occupational safety and health rights apply to every worker, regardless of their contractual arrangement. According to DOSHS, all workers, permanent employees, contractors, or casual laborers, are entitled to protective equipment, safety training, and statutory medical examinations.

This approach is intended to eliminate gaps in protection that could arise when companies rely heavily on subcontractors. By applying the same standards to everyone on-site, the regulator ensures that safety responsibilities cannot be shifted or diluted through contracting arrangements.

Training and Health Monitoring

Training is one of the most important tools for preventing accidents and protecting worker health. DOSHS emphasises comprehensive occupational safety and health (OSH) training tailored to the oil and gas sector. Workers are equipped with knowledge about hazard recognition, emergency response, fire prevention, and proper hygiene practices.

First-aid training is also a key component, particularly in remote oilfields where immediate medical support may not always be available. By equipping workers with the ability to respond quickly to injuries or emergencies, companies can reduce the severity of incidents and potentially save lives.

In addition to training, periodic medical examinations are used to monitor workers' health over time. These examinations help identify early signs of occupational illness or exposure-related conditions, allowing corrective measures to be implemented before health problems become severe.

Managing Logistics and Transport Risks

Transport logistics are a major part of upstream petroleum operations, particularly when equipment and materials must be moved over long distances to remote drilling sites. Driver fatigue and road safety are therefore critical concerns.

To address this, companies involved in petroleum logistics are encouraged to enforce strict journey planning and driver safety guidelines. Drivers are advised to take adequate rest during transit and to limit working hours to a maximum of eight hours per day. Proper journey plans help ensure that transport operations are conducted safely and efficiently, reducing the likelihood of fatigue-related accidents.

Strengthening Regulatory Oversight

As Kenya prepares for expanded upstream activity, regulatory oversight is also being strengthened. DOSHS has expanded its presence nationwide by establishing offices in counties and select sub-counties. This decentralized structure allows the regulator to respond more quickly to safety concerns and to monitor operations more effectively in areas where oil and gas activities are taking place.

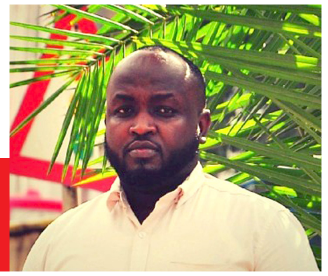
At the policy level, Kenya is also working to update its regulatory framework for the petroleum sector. While existing occupational health regulations provide a foundation for worker protection, new draft oil and gas regulations are being developed to address the specific complexities of the industry. Once approved, these rules are expected to provide a more comprehensive safety framework tailored to upstream oil and gas operations.

Safety as a Shared Responsibility

For regulators, operators, and workers alike, the message is clear: safety cannot be treated as an optional expense. In reality, strong safety standards benefit both industry and the nation as a whole.

When workplaces are safer, the number of injuries and occupational illnesses decreases, reducing the need for compensation and lowering pressure on the national health system. A strong safety culture also improves operational efficiency, strengthens investor confidence, and enhances the long-term sustainability of the petroleum sector.

As Kenya moves closer to realising its oil production ambitions, the protection of workers remains a fundamental pillar of responsible development. By prioritising health and safety alongside economic progress, the country can ensure that the journey toward first oil is not only profitable, but also safe and sustainable for the people who make it possible.



Alfred Mungai
Training Manager
School of Petroleum Studies
Petroleum Institute of East Africa

Preparing

a Future-Ready Workforce Across the Value Chain

Over the years, the demand for specialized oil and gas courses has increased given the rising on-shore and off-shore oil and gas exploration and production activities across Africa. There are different segments of oil and gas courses which cover the upstream, midstream and downstream. The upstream sector courses cover exploration and production whose scope includes the early stages of extraction of hydrocarbons and the key activities/topical areas covered include geological and geophysical surveys, exploration drilling, field development planning, and refining of the crude oil.

The next segment is midstream that covers transportation, storage (tank farms, terminals), bulk handling and logistics. An example of courses offered under this segment include Depot operations and safety courses, Stocks control level 1 and 2, Liquefied Petroleum Gas (LPG) operations, marketing and safety courses among others. Lastly, we have the downstream segment whose scope covers the process of ensuring the product is accessed by the end consumer. In this segment an example of the course includes Service station management, Occupational Health Safety and Security, Customer service course among others.

The current development of upstream petroleum sector activities in Kenya and neighboring countries such as Uganda, South Sudan and Tanzania is timely given that the region has managed to have specialized oil and gas skilled employees through rigorous competency based and project aligned training programs that are relevant to the sector in an effort to continuously promote self-regulation across the sector. The training programs offered are deeply embedded within the upstream value chain to ensure there is ease of technology transfer and localization of skills across the upstream sector.

Over the years, the School of Petroleum studies which offers regional training across Africa and beyond has created courses that meet the emerging skills gaps/deficits across the upstream sector. This includes courses that cover in-depth matters such as Health safety and environment and operations disciplines while aligning them to global and local standards including ready-made operational skills that cover drilling, production and facilities management.

The readiness of human capital in relation to the upstream sector field development plans comes at a time where we Kenya has trainees who are appraised and trained on technical and non-technical matters. Technical skills include reservoir modeling and appraisal techniques, drilling and well engineering, early production facilities design and operations and production optimization and logistics for crude oil transportation. As for non-technical skills they cover, petroleum economics, fiscal analysis, contract negotiations including stakeholder and community engagement.

It is important to continuously ensure that the training courses offered are aligned with industry standards and standards. This can be achieved through collaboration with other stakeholders in the sector to co-develop curriculums, competency-based certification frameworks, and embedding professional sector specific practitioners in curriculum development and undertaking the training programs. We also take note of the STEM based curriculum which will greatly promote creating of sustainable workforce and discovery of early talent in the pipeline. This enables long-term workforce stability and diversity. The development of the upstream sector comes in the wake of energy transition that requires adaptable skills. Lastly the objective of our training programs are to ensure the workforce is locally grounded and globally competitive while remaining resilient across multi-disciplinary energy skills from oil and gas to geothermal, wind, solar and other renewable transition energy.

Bridging
the Skillset Gap in Upstream

Dr Nancy Kosgei
Director
Morendat Institute of Oil and Gas

Kenya's upstream petroleum sector is regaining momentum after a period of slowed activity, bringing renewed focus to the country's preparedness to support exploration and early production. At the centre of this transition is the question of human capital, whether local institutions can supply the technical expertise required to meet industry demands.

As operations resume, industry stakeholders are increasingly highlighting shortages in specialised competencies, from welding and safety certification to drilling engineering and applied research. These gaps underscore the broader challenge of aligning training outcomes with rapidly evolving operational requirements.

The Morendat Institute of Oil and Gas Director, Dr Nancy Kosgei, shares the interventions undertaken to these shifts, the opportunities presented by renewed sector activity, and what it will take to build a sustainable, globally competitive petroleum workforce in Kenya.

Q How does the revival of Kenya's upstream petroleum sector redefine the role of local training and research institutions such as the Morendat Institute of Oil and Gas?

The revival of Kenya's upstream petroleum sector increases demand for skilled professionals, positioning the Morendat Institute of Oil and Gas National Polytechnic as a key provider of specialised training for the oil and gas workforce.

Beyond training, the institute plays an important role in advancing local content objectives by building Kenyan technical capacity and reducing reliance on foreign specialists, particularly in areas such as specialised welding and safety management. The renewed activity also presents opportunities for the institute to expand into consultancy services, applied research, innovation, and strategic industry partnerships that support sustainable petroleum development.

Q As upstream activity resumes, what key gaps in skills and competencies have become most evident within the local workforce?

The resumption of upstream operations has highlighted several critical technical and operational skills gaps within the local workforce. These include specialised welding for petroleum infrastructure, destructive and non-destructive testing of welds, welder certification, scaffolding, quality control, and internationally accredited safety training such as NEBOSH certification.

There is also a growing need for expertise in well control, drilling engineering, and advanced operational safety. In addition, the sector requires stronger capacity in applied research and innovation capacity in the energy sector, oil and gas economics, and industry-standard technical certifications supported by practical field experience.

Q In your assessment, how critical is human capital readiness to sustaining momentum during the exploration, appraisal, and early production phases?

Human capital readiness is fundamental to sustaining momentum throughout the upstream lifecycle.

Skilled geoscientists, drilling engineers, and technicians are essential for conducting exploration activities, interpreting seismic data, drilling wells, and managing reservoirs efficiently.

A competent local workforce helps minimise operational errors, reduce project delays, and limit dependence on expatriate labour during early project phases.

Equally important, well-trained personnel ensure compliance with international safety, environmental, and operational standards while supporting the broader objective of strengthening local participation across the petroleum value chain.

Q Which technical and non-technical skills should be prioritised to support near-term upstream activities such as appraisal, development planning, and early production?

In the near term, several technical competencies should be prioritised, including specialised welding of petroleum structures and storage tanks, destructive and non-destructive weld testing, welder certification, internationally accredited safety training such as NEBOSH, well control training, scaffolding skills, and enhanced capacity for applied research and innovation within the energy sector.

Alongside these technical skills, the sector also requires strong non-technical capabilities such as Project management and planning for coordinating appraisal and development activities, Regulatory and petroleum policy compliance to ensure alignment with national laws and industry standards, Stakeholder engagement and community relations, especially in host communities, Leadership and team coordination in multidisciplinary petroleum projects and Problem-solving and decision-making skills for managing operational uncertainties.

Q How can institutions such as Morendat better align training outcomes with the expectations of operators and regulators across the upstream value chain?

As a national polytechnic and qualifications-awarding institution, Morendat has the flexibility to develop training programs that directly respond to industry needs. Strengthening industry-driven curriculum design, expanding work-integrated learning opportunities, and implementing competency-based certification frameworks will help ensure training outcomes remain aligned with operational realities. Collaboration with international institutions will also enable the delivery of globally recognised certifications such as those offered by the American Welding Society, the International Institute of Welding and NEBOSH. In addition, stronger partnerships with regulators and operators can support research collaboration, regulatory alignment, and continuous professional development programs for industry practitioners.

Q What opportunities does the revival of upstream activity present for the repatriation of Kenyan petroleum professionals currently working abroad?

The revival of upstream activity presents an important opportunity to attract experienced Kenyan petroleum professionals working abroad. As exploration and development activities expand, new roles will emerge that may encourage these professionals to return and contribute their international experience and best practices. Returning experts can play a valuable role in leadership, mentorship, and capacity building by guiding emerging local talent. Their participation will also strengthen local content implementation while gradually reducing reliance on expatriate expertise.

Institutional collaboration: Work with Morendat Institute of Oil and Gas on training and research.

Q How can collaboration between training institutions, operators, service companies, and government be strengthened as upstream operations expand?

Effective collaboration will require structured platforms that promote regular dialogue, joint workforce planning, and coordinated skills development initiatives. Industry participation in curriculum design and training delivery will ensure programs remain aligned with operational realities.

Expanding internships, apprenticeships, and industry attachments will provide trainees with practical exposure, while joint research initiatives and shared training infrastructure can support innovation and efficiency. Government support through enabling policies, funding partnerships, and clear local content frameworks will be vital in sustaining long-term collaboration.

Q How important is early pipeline development, particularly at secondary and tertiary education levels, in achieving a diverse and sustainable future upstream workforce?

Early talent pipeline development is critical for building a sustainable and inclusive upstream workforce. Introducing learners at the secondary level to STEM pathways and energy sector careers helps generate interest and prepares students for technical training opportunities.

At the tertiary level, specialised training, competency-based certification, and industry-linked learning experiences ensure graduates are job-ready. Scholarships, mentorship programs, and targeted outreach can further promote diversity and participation from youth and women, particularly in petroleum host communities.

Q Looking ahead, how can Kenya build a resilient, inclusive, and globally competitive upstream workforce that endures beyond initial project cycles?

Building workforce resilience will require sustained investment in skills development, internationally recognised certifications, and applied research capacity. Strengthening local training institutions will help produce professionals who can meet global industry standards.

At the same time, inclusivity must remain a priority through equitable access to training opportunities and effective implementation of local content policies. Encouraging leadership development, entrepreneurship, and transferable technical skills will also enable professionals to adapt to evolving energy markets beyond individual petroleum project cycles.

Q Any additional comments you may wish to share?

The revival of Kenya's upstream petroleum sector presents a strategic opportunity to strengthen national human capital and industrial capability. Continued investment in technical training, strong safety culture, and industry partnerships will be essential to unlocking long-term sector value.

The Morendat Institute of Oil and Gas National Polytechnic remains committed to supporting both government and industry in developing a competent workforce aligned with international standards and positioning Kenya as a regional centre of excellence in petroleum skills development.

Financing
the Sector Through Capital Markets

The Quarter One 2026 State of the Oil Industry Briefing, convened by the Petroleum Institute of East Africa in Nairobi, brought into sharp focus the evolving intersection between capital markets and energy security. Held against a backdrop of heightened geopolitical tensions and volatile crude oil prices, the forum underscored the urgency for Kenya and the wider East African region to rethink how the petroleum sector is financed, structured, and sustained.

At the centre of the discussions was the recognition that the global energy landscape is undergoing a profound shift. Traditional supply chains are under strain, financing models are evolving, and import dependent economies such as Kenya must rapidly adapt to ensure resilience. Industry leaders, policymakers, and financiers converged to explore how capital markets can act as a stabilising force in an increasingly unpredictable environment.

Guest speaker of the event, Kiprono Kittony, Chairman of the Nairobi Securities Exchange, stated that the petroleum sector is not merely a commercial ecosystem but a pillar of national resilience. His remarks highlighted the need for deeper integration between financial systems and energy infrastructure, particularly as global capital flows into fossil fuel projects face increasing constraints.

"Energy is the heartbeat of our economy and its stability determines the trajectory of every other sector. What we are witnessing today is not just a market fluctuation but a structural shift in how energy systems are financed and sustained. The capital markets must now step forward as a core partner in this transformation, providing the long term instruments required to stabilise and grow the sector. Without this alignment, we risk exposing our economy to prolonged vulnerability," he said.

The industry briefing took place at a time when global oil markets are experiencing renewed turbulence. Disruptions in the Middle East, a key source of Kenya's petroleum imports, have driven prices upwards and exposed structural weaknesses in supply chains. The Strait of Hormuz, which carries a significant portion of global oil trade, has become a focal point of concern, reinforcing the fragile nature of international energy logistics.

Kittony observed that Kenya's limited strategic petroleum reserves remain a critical vulnerability. With reserves covering only a few weeks compared to the international benchmark of several months, the country faces heightened exposure to external shocks. This reality has intensified calls for innovative financing mechanisms to support the expansion of storage infrastructure and buffer capacity.

"Resilience is not achieved by reacting to crises but by preparing for them with deliberate and well financed strategies. Our current reserve capacity is insufficient for the scale of risk we face, and this must be addressed through structured investment. Capital markets offer the opportunity to mobilise domestic resources at scale, reducing reliance on external financing. This is how we build systems that can withstand shocks rather than collapse under them," he added.

Beyond supply concerns, the conversation also addressed the broader transformation of energy financing. Environmental, social and governance considerations, coupled with shifting global investment priorities, are reshaping the availability of capital for petroleum projects. As international investors become more cautious, local financial ecosystems must evolve to fill the gap.

According to Kittony, this transition presents both a challenge and an opportunity. By strengthening domestic capital markets, Kenya can create a more self reliant financing model that aligns with its development priorities while insulating the sector from global capital volatility.

"The future of energy financing will be defined by those who can mobilise capital internally and deploy it efficiently. We must move away from viewing capital markets as peripheral and instead recognise them as central to our energy strategy. This requires collaboration, innovation, and a willingness to embrace new financial instruments. If we succeed, we will not only secure our energy future but also unlock significant economic value," he noted.

Complementing this perspective, KCB Bank Kenya Director of Corporate Banking Peter Ng'eno emphasised the critical role of financial institutions in bridging the gap between capital markets and the petroleum sector. His remarks highlighted the importance of structured financing solutions in navigating the complexities of modern energy systems.

"The volatility we are witnessing in global oil markets is a clear reminder that energy security cannot be taken for granted. For countries like Kenya, the impact is immediate and far reaching, affecting everything from inflation to fiscal stability. This underscores the need for robust financial systems that can absorb shocks and sustain critical supply chains. Capital markets provide the scale and flexibility required to achieve this," he said.

Ng'eno pointed to recent developments within Kenya's capital markets as evidence of progress. The listing of strategic energy assets has demonstrated the potential to unlock value, enhance transparency, and broaden ownership among citizens. Such initiatives not only strengthen the financial base of the sector but also promote inclusive economic participation.

"What we are seeing is a gradual shift towards more diversified financing models that leverage both public and private capital. This is essential for supporting large scale infrastructure projects such as pipelines and storage facilities. By tapping into capital markets, we can align funding structures with the long term nature of energy investments. This creates a more sustainable and resilient financing ecosystem," he explained.

The event's theme 'The Capital Market as a Catalyst for Energy Sector Growth and Resilience' stamped the need for deepened participation in capital markets. Despite their potential, these markets remain underutilised in financing the energy sector, which continues to rely heavily on traditional bank lending and government support. Expanding the range of financial instruments and encouraging broader investor participation will be critical to unlocking their full potential.

Ng'eno also highlighted the role of KCB in supporting the petroleum sector through innovative financing solutions. As a major player in the region's financial landscape, the bank has been instrumental in structuring complex transactions and facilitating energy imports through government backed programmes.

"At KCB, we see ourselves not just as financiers but as partners in the transformation of the energy sector. Our role is to structure solutions that bring together different sources of capital and make projects viable. This includes supporting capital market transactions and connecting investors to opportunities across the value chain. By doing so, we help to de risk investments and attract more participation," he stated.

The Government to Government fuel importation programme was cited as a key example of how financial institutions can support energy security. Through this framework, significant volumes of petroleum products have been financed and delivered, helping to stabilise supply and mitigate the impact of global price shocks.

"Our involvement in the fuel importation programme reflects our commitment to safeguarding Kenya's energy security. By providing the necessary financial backing, we ensure that supply chains remain uninterrupted even during periods of heightened uncertainty. This is a critical function that goes beyond traditional banking and speaks to our broader role in the economy. It is through such interventions that we build resilience and support national development," Ng'eno added.

The Petroleum Institute of East Africa continues to play a central role in shaping the sector's trajectory. As the umbrella body representing downstream petroleum players, it provides a platform for dialogue, policy engagement, and knowledge sharing.

PIEA Chairman Peter Murungi underscored the importance of collaboration in addressing the challenges facing the sector.

"The petroleum industry is at a critical juncture where collaboration is no longer optional but essential. The challenges we face are complex and interconnected, requiring coordinated action across multiple stakeholders. Forums such as this provide an opportunity to align our strategies and build consensus on the way forward. By working together, we can create a more resilient and sustainable energy ecosystem," he said.

The discussions also touched on the broader implications of energy volatility for economic stability. Rising fuel costs have a cascading effect on transport, manufacturing, and agriculture, ultimately impacting the cost of living. This reinforces the need for policies and investments that enhance efficiency and reduce vulnerability to external shocks.

As Kenya continues to pursue its development agenda, the role of the petroleum sector remains significant. While the global transition towards cleaner energy sources is gaining momentum, oil and gas will continue to play a vital role in supporting industrial growth and economic activity in the near to medium term.

However, sustaining this role will require a delicate balance between meeting current energy needs and preparing for a more diversified future. This includes investing in infrastructure, adopting new technologies, and exploring alternative energy sources.

The integration of capital markets into this equation offers a pathway to achieving these objectives. By providing access to long term funding and enabling broader participation, these markets can support the development of a more resilient and adaptable energy system.

Moreover, the emphasis on domestic capital mobilisation aligns with broader economic goals. Reducing reliance on external financing not only enhances financial stability but also ensures that the benefits of investment are retained within the country.

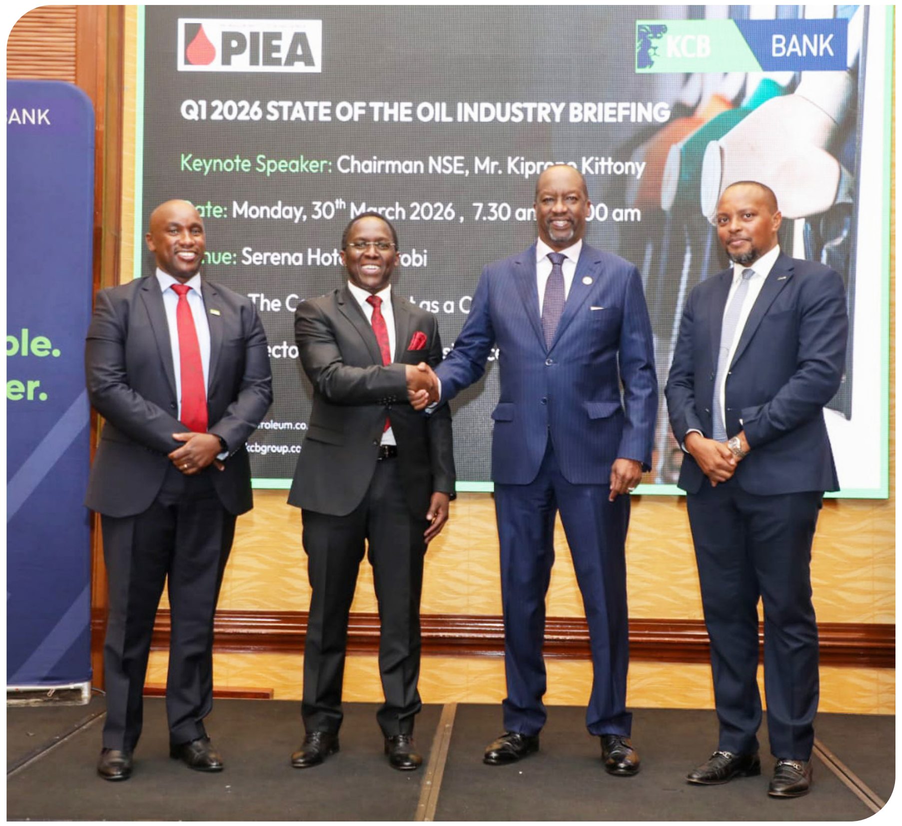
Industry and other stakeholders shared recognition that the challenges facing the petroleum sector are significant but not impossible. With the right mix of policy, investment, and collaboration, Kenya has the potential to build a robust energy system capable of withstanding global uncertainties.

As the briefing came to a close, stakeholders saw the need to move beyond dialogue and take concrete steps to strengthen the link between capital markets and the energy sector which include developing new financial instruments, enhancing regulatory frameworks, and fostering a culture of innovation.

In a world defined by disruption and rapid change, resilience has emerged as a key determinant of success. For Kenya's petroleum sector, this means not only responding to immediate challenges but also building the foundations for long term sustainability.

The Quarter One 2026 State of the Oil Industry Briefing held at the Serena Hotel Nairobi served as a timely reminder that the future of energy lies in the ability to adapt, collaborate, and innovate. By embracing the potential of capital markets and working together across sectors, Kenya can navigate the complexities of the global energy landscape and secure a stable and prosperous future.

From Left to Right: Peter Ngeno KCB Bank Kenya Corporate Director, Peter Murungi PIEA Chairman, Kiprono Kittony Nairobi Security Exchange Chairman and Eng. Edward Kinyua Director of Petroleum EPRA during the Quarter 1 State of the Oil Industry Briefing held on 30th March, Serena Hotel, Nairobi.



Annastacia Kimtai
Managing Director
KCB Bank Kenya

Kenya's Oil

Export Ambitions Require Concerted Efforts

Kenya stands at a critical point in its energy journey. Over the past decade, commercial hydrocarbon discoveries notably in Northern Kenya have shifted national conversations from pure energy-import dependence toward a future in which domestic oil and gas could play a strategic role in powering industry, generating government revenues, and enhancing regional energy security.

At the same time, global energy markets are evolving rapidly. The transition to lower-carbon energy, volatile oil prices, and shifting investor expectations mean Kenya must balance resource development with sustainability, fiscal prudence, and inclusivity. Realising the promise of the sector depends not only on geology and engineering but critically on financing needs, which are large and varied across the value chain.

Oil exploration and production in the upstream segment, storage and transportation in the midstream, and refining and marketing in the downstream are highly capital-intensive activities. These operations require significant development financing for the construction of refineries, drilling of wells, and the execution of both offshore and onshore projects. They are also characterised by long lead times, often requiring many years of planning, forecasting, and investment before commercial returns are realised.

This calls for strategic, well-structured financing to accelerate projects that raise domestic energy availability, reduce import bills for refined products, and provide feedstock for industrialisation. Beyond direct energy outcomes, mobilised capital can generate government revenues for public investment, stimulate local industries through procurement and local content, and create jobs across multiple regions.

Unlocking Financing for Capital-Intensive Projects

The industry's survival depends on unlocking upstream financing in government-backed guarantees through a structured risk-sharing mechanism, such as partial risk, partial credit and political insurance, to ensure it allows investors to be shielded away from volatile economic and political environments.

In addition, the government must implement early planning and advisory through seeking support from technically capable multilateral institutions to provide expertise, strengthen project preparation, and standardise public-private-partnerships (PPP). Early intervention through guaranteed providers during the planning phase can further enhance project bankability.

Through leveraging blended finance practices, such as concessional capital from government and co-guarantee platforms that enable multiple partners to support capital-intensive projects to completion. An enabling policy environment in which investors' confidence is increased, and there are clear payment mechanisms that guide how government loans are paid on time. Also, allowing special-purpose vehicles that undertake high-risk projects and ensure securitisation of assets by isolating project risks, enables capital to be raised and asset segregation to reduce exposure.

Syndication capabilities also play a big part through managing local currency needs, regulatory compliance and local-risk assessment strategies to ensure participation in capital intense projects. Currently, the bank has evolved and now offers innovative funding mechanisms for the upstream, mid-stream and downstream sector ensuring that business can access flexible capital solutions.

Financial institutions can also stimulate the downstream business by providing large scale and long-term financing capabilities for financing the infrastructure projects required to transport oil products. In addition, partnerships that offer revolving export and import financing can support developments of refineries, trading activities and transportation networks.

As a regional financial institution, KCB is supporting this potential through targeted financing partnerships and strategic trade finance solutions that enable businesses to expand across Africa. We are also at the forefront in supporting players within the ecosystem to upgrade existing facilities to accommodate more in storage terminals and the development of blended fuel infrastructure. These investments stimulate growth and provide jobs for the local and regional economies.

Diversification of operations

Integrating clean energy requires financial institutions to invest in companies that are integrating cleaner technologies in carbon capture and storage, and adaptation of Environmental and Social Management Systems (ESMS) to assist in evaluating environmental impact and biodiversity loss. There is also provision of transition finance to reduce the environmental footprint of oil assets, integration of loan pricing mechanism, risk management for clean energy projects and shortening maturity of fossil fuel linked loans.

The long-term efforts include alignment with oil companies to engage in decarbonization efforts, using carbon pricing for loans, evaluation of the viability of loans and the usage of standardised performance assessment metrics to analyse a company's scope 3 emissions. KCB has been at the forefront of championing the transition to clean energy in Africa, playing a crucial role in supporting the LPG and solarisation sector and facilitating the shift to clean energy solutions across the continent.

Kenya's journey towards its first commercial crude oil is defined by the promise of resource wealth and the strategic choice of mobilising capital. To realise full potential, financing gaps can be filled by a blend of local and international mechanisms merged with visionary partnerships. This will enable the country to chart a sustainable path that secures value for future generations and positions itself as a regional leader.

Islamic Finance:

An Alternative Pathway for Strengthening Kenya's Petroleum Sector

Tego Wolasa
Head of Islamic Banking
ABSA Bank

If you look at Kenya's financial landscape today, one thing stands out: a large, diverse, and increasingly banked population, including a sizeable Muslim community whose participation continues to grow. Kenya's Muslim population is estimated at about seven million, with roughly 3.8 million considered bankable.

Islamic banking has been part of Kenya's story for nearly two decades. Barclays (now Absa) pioneered La Riba in 2005, opening the door to Shariah aligned solutions well before the major regulatory updates that followed in the late 2000s and early 2010s.

Since then, the segment has expanded steadily; Kenyan financial and legal sources frequently describe Islamic finance as one of the country's faster growing niches, often citing annual growth rates of around 20%, even though overall market share remains modest.

At its core, Islamic banking differs from conventional banking in how it treats money and value creation. Conventional banking prices money through interest, while Islamic finance avoids interest (riba), insists on asset backed transactions, emphasises risk sharing, and screens out harmful or speculative activities.

In practice, this means financing must be tied to real assets or services, with transparent terms and clear economic purpose, features that align naturally with the petroleum value chain's need for discipline, traceability, and operational safety.

For example, if a petroleum dealer requires working capital to purchase stock, the bank may buy the fuel from the distributor, add an agreed profit, and sell it to the dealer on deferred payment. Profit is earned, interest is removed, and the transaction remains asset linked and transparent.

With that backdrop, here is how Islamic banking solutions address the petroleum sector's key needs end to end.

Importation: Keep cargoes moving and manage counterparty risk

Banking solution: Islamic banking structures for Import Letters of Credit
The petroleum sector relies heavily on Letters of Credit (LCs) to assure overseas suppliers of payment and maintain predictable cargo flows. Under Islamic banking, the LC documentary mechanism remains intact, but the underlying settlement and financing legs are executed using Shariah compliant structures. These may include cost plus sales linked to the underlying commodity, or agency based (Wakala) arrangements for document handling and payment.

The result mirrors the economic outcome of a conventional LC, supplier assurance, cash flow relief, and predictable imports, while keeping the transaction interest free and asset linked.

Working Capital for OMCs and Dealers: Smooth the Cash Cycle

Banking solution: Islamic working capital finance for stock purchases

The petroleum ecosystem depends on tight cash flow management, especially where margins are thin, and settlement cycles can lag. Islamic finance delivers the familiar "bank pays supplier, dealer repays bank" outcome through:

- Murabaha – a cost plus sale tied to identified fuel stock
- Commodity Murabaha – liquidity raised through genuine commodity trades and applied to inventory purchases

These structures support uninterrupted supply, ensure OMCs receive predictable receivables, and give dealers structured repayment paths anchored in real assets.

Infrastructure & Asset Expansion: Build the Network and Modernise Safely

Banking solution: Islamic long term asset and project finance

New stations, depot upgrades, LPG plants, technology enhancements, and transport fleets require stable long term financing. Islamic banking commonly uses:

- Diminishing Musharaka – the bank and client jointly own the asset; the client gradually buys out the bank's share
- Murabaha – for discrete equipment or construction components where a cost plus sale is appropriate

Both structures provide predictable amortization and clear asset linkage, supporting disciplined capex growth across the petroleum value chain.

Sustainability & Transition: Reduce OPEX and Raise Environmental Standards

Banking solution: Islamic finance for green capex and retrofit projects

Sustainability upgrades, such as solar panels, efficient lighting, vapour recovery, water recycling, and EV readiness, fit naturally within Islamic asset backed models.

Equipment specific interventions work well under Murabaha, while broader station upgrade programmes can be structured through Diminishing Musharaka to reflect phased ownership transfer.

The outcome is the same: improved efficiency and compliance, financed transparently and ethically.

Governance & Regulatory Alignment: Make Compliance Easier, Not Harder

Banking solution: Shariah aligned, auditable, asset linked finance

The petroleum sector is tightly regulated, requiring transparency, documentation, and traceability. Islamic finance strengthens these requirements through:

- clear asset naming and linkage
- full disclosure of costs and profit
- structured documentation
- Wakala (agency) models for managing receivables or treasury flows

The built in discipline of Islamic banking aligns well with EPRA and NEMA expectations for transparency and prudent operations.

For petroleum sector players, the priorities remain constant: dependable imports, stable working capital, prudent expansion, and clear compliance. Islamic banking provides these same economic outcomes through ethical, asset backed, and transparent structures such as Murabaha, Commodity Murabaha, Diminishing Musharaka, and Wakala.

It is not about replacing one system with another; it is about giving Kenya's petroleum ecosystem an additional, resilient, and inclusive financing pathway. Islamic banking expands participation, reinforces governance, and ensures every shilling is tied to a real asset or service, strengthening the sector while broadening financial access nationwide.

> For petroleum sector players, the priorities remain constant: dependable imports, stable working capital, prudent expansion, and clear compliance. Islamic banking provides these same economic outcomes through ethical, asset backed, and transparent structures

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1. National Security Exchange Chairman Kiprono Kittony (Middle), EPRA Director of Petroleum Eng. Edward Kinyua together with PIEA Chairman Peter Murungi and other Directors during the Quarter 1 2026 State of Oil Industry Briefing held on 30th March 2026 at the Serena Hotel, Nairobi.

2. PIEA team paid a courtesy call to ABSA Bank on February 4th 2026 to share perspectives & insights on the energy sector.

3. PIEA undertook a successful Quarter 1 Membership Forum on the Impact of Middle East Market Dynamics on East Africa's Fuel Sector in Nairobi by the Guest Speaker Stanislas D., Africa Head of Fuels & Refining, S&P Global Energy.

4. PIEA paid a courtesy call to Proto Energy management led by Joel Kamau, Chief Executive Officer (CEO), to continually strengthen partnerships and advance growth, safety, and collaboration in the LPG sector.

5. I&M Bank hosted PIEA for a courtesy meeting on February 5th 2026 to discuss the landscape of the energy sector and the future ahead.

6. PIEA team paid a courtesy call to Bureau Veritas, one of it's Associate members, to reflect on their continued role in strengthening standards, compliance, and sustainable progress across Africa.

Beryl Miswa
Marketing and Pricing Analyst

Changing the Pricing Conversation

Pricing is supposed to be simple. It's the number that makes trade possible. The thing that lets us compare, choose, and feel like we got a fair deal. But somewhere along the way, we've made it complicated in all the wrong ways. In most boardrooms, pricing gets treated like a math problem to solve or a political headache to manage. Both approaches miss the point: your price isn't just a number. It's your strategy in numerical form.

The real issue is that Pricing has lost its strategic soul.

Here's what typically happens. Leadership obsesses over margins, competitors, and market reactions. They chase the "right" number as if it exists in a vacuum. This tactical mindset creates a trust gap with customers, reactive decision-making and strategic confusion that haunt companies for years.

The truth? Pricing decisions begin long before anyone calculates a markup. They start with fundamental choices about what you are actually selling, how customers experience value, and what behaviours you want to encourage. Netflix didn't just change its price when it moved from DVD rentals to streaming, it changed its entire business model. Apple doesn't charge premium prices because its components are expensive; it charges them because the ecosystem creates value that transcends hardware costs.

The seven "games" of pricing by Izaret & Sinha
Not all pricing works the same way. Think of these as different sports, each with its own rules:

1. The Value Game: Charge based on unique solutions you deliver (think specialised consulting or patented technology)
2. The Cost Game: Win through efficiency in commodity markets
3. The Uniform Game: Same price for everyone, everywhere
4. The Choice Game: Shape behaviour through tiered options (economy vs. business class)
5. The Custom Game: Tailored pricing for tailored solutions
6. The Power Game: Negotiation leverage in concentrated markets
7. The Dynamic Game: Real-time adjustments based on supply and demand

Different industries apply different pricing games. Airlines play multiple games simultaneously. Consulting firms stick to Value and Custom. Commodity traders live in Cost and Power. The fatal error is in assuming what works in one industry is transferable effortlessly to another.

The comparison trap: Why chasing competitors destroys you

"We're more expensive than Country X." "Competitor Y just dropped prices, match them now." These are familiar questions in markets and business circles globally and across industries.

Comparison provides context, but when it becomes your compass, you lose your way. This pattern repeats across industries: banks copying each other's interest rates without understanding their own funding structures; telecoms matching bundle prices while ignoring their network investments; and consumer brands slashing prices reactively, only to wonder why their brand equity has evaporated.

Strong brands lead with identity and let pricing reinforce it. Weak brands chase competitors and confuse everyone, including themselves.

The trust deficit: When your explanation doesn't match reality

In Kenya's fuel sector, regulators announce monthly prices with precise arithmetic. Yet public trust swings wildly. Why? Because the language used, such as "fiscal adjustments"

> ❞
> Changing the pricing conversation isn't about finding cheaper suppliers, sharper algorithms, or fancier dashboards. It's about recognising pricing as a strategic, relational, and institutional act. Because markets don't just respond to prices. They respond to what those prices reveal about who you really are.

instead of tax increases, "margin realignments" instead of cost recovery, make people feel managed, not informed.

This isn't unique to energy. Ride-hailing apps faced backlash during surge pricing, not because their algorithms failed, but because customers felt ambushed. Food manufacturers who quietly shrank package sizes during inflation rather than explaining cost pressures damaged relationships they spent years building.

Transparency isn't a weakness. It's competitive armour.

The Kintsugi principle: Repairing pricing trust

There's a Japanese art called Kintsugi, repairing broken pottery with gold, making the cracks visible rather than hiding them. The piece becomes stronger because its history is acknowledged.

Markets work similarly. Pricing systems will be disrupted by oil crashes, currency swings, pandemics, and geopolitical shocks. The question isn't whether disruption happens, but how you respond. Real repair requires showing your math, clear cost breakdowns, honest distinctions between taxes and margins, clear governance about who decides what, and pricing that reflects how people actually use your product. Pretending disruptions didn't happen erodes credibility.

Acknowledging trade-offs builds resilience.

Segmentation: Fair doesn't mean identical

Uniform pricing feels equitable but often ignores economic reality. A motorcycle taxi driver buying half a litre daily faces different constraints than a logistics fleet negotiating bulk supply.

Small businesses need different banking logic than multinationals, and Startups can't pay what enterprises do for software.

Aligning the prices to the correct target business and offering segmented prices is not discrimination; it's aligning value with ability to pay.

The reactive discount trap: Short-term relief, long-term damage

When public pressure mounts, leaders often "do something", such as temporary discounts, subsidies and price caps. Unless structural issues change, these steps may backfire with customers suspecting they were overcharged all along, suppliers cutting quality, investment signals getting distorted, and future volatility increasing. Tactical moves typically buy short-term volume but sacrifice long-term positioning.

Every legitimate price change needs one of four foundations: cost structure shifts, scope changes, genuine value enhancement, or market structure movements. Without these, reactive discounts can become a double-edged sword. Pricing as architecture: It shapes everything. Pricing determines how money flows through markets, which behaviours get rewarded, and which investments make sense. Fuel prices ripple through transport costs, food inflation, and industrial competitiveness. Digital subscriptions reshape media habits, and Carbon pricing drives climate investment.

This moves price from a transactional element to a foundational and integral element in the architecture of a business.

The five imperatives: How to change the conversation

To move pricing from tactic to strategy, a business needs to embrace these five principles:

1. Clarity over cleverness: Speak so stakeholders understand you
2. Strategy over imitation: Anchor to your positioning by knowing your customer, not competitor anxiety
3. Transparency over tactics: Separate cost, tax, and margin clearly
4. Segmentation over sameness: Price for real behavioural differences and business needs
5. Courage over comfort: Accept that honest pricing conversations feel uncomfortable

In conclusion, whether you're in energy, banking, technology, consumer goods, or healthcare, this check applies:

Q: Does your pricing reflect your identity, value, and integrity? If so, then trust strengthens, even in chaos.

Q: Is your Price opaque or reactive? If so, trust will crumble, regardless of what number appears on the invoice.

Changing the pricing conversation isn't about finding cheaper suppliers, sharper algorithms, or fancier dashboards. It's about recognising pricing as a strategic, relational, and institutional act.

Because markets don't just respond to prices. They respond to what those prices reveal about who you really are.

Mental Health: The Silent Engine of Workplace Success

In the modern professional landscape, we often focus on KPIs, quarterly growth, and technological integration. However, the most critical component of any successful organisation isn't its software or its strategy; it's the emotional, psychological, and social well-being of its people.

Mental health dictates how we think, feel, and act. It is the silent engine that drives how we cope with pressure, relate to our colleagues, and make the split-second decisions that define a business. When this engine is well-maintained, the workplace thrives; when it is ignored, the entire ecosystem begins to stall.

The Hidden Drags on Productivity

Workplace mental health issues rarely emerge in a vacuum. They are often the result of a "perfect storm" of organisational and personal stressors. Factors such as unrealistic workloads, job insecurity, and poor communication create a high-pressure environment where burnout becomes inevitable.

Beyond the office walls, economic pressures and family challenges further weigh on employees. When these are met with a lack of support or a culture of bullying and harassment, the result is a direct hit to the bottom line. Productivity isn't just about hours logged; it is deeply dependent on mental wellness.

Recognising the Red Flags

Poor mental health often manifests in ways that look like "poor performance," but a keen leader knows how to spot the underlying signs. Common symptoms include:

- **Withdrawal:** Frequent absenteeism, lateness, or social isolation.
- **Cognitive Decline:** Reduced concentration, increased errors, and difficulty making decisions.
- **Physical & Emotional Strain:** Visible fatigue, irritability, and a loss of motivation.

Ignoring these signs leads to a domino effect: increased workplace accidents, high employee turnover, and a toxic atmosphere that can damage a company's reputation permanently.

Building a Culture of Care: A Shared Responsibility

Transforming a workplace into a mentally healthy environment requires a dual approach from leadership and staff.

1. **Organisational Leadership:**
   Companies must move beyond "open-door policies" to active engagement. This includes promoting awareness through regular training, ensuring psychological safety, and rewarding effort. Providing access to professional counselling and enforcing a strict work-life balance (such as mandatory leave utilisation) are no longer "perks", they are necessities.

2. **Individual Ownership:**
   Employees play a vital role by practising self-care and seeking professional help when needed. Simple habits like regular physical exercise, meditation, and maintaining social connections outside of work act as a buffer against daily stress. Crucially, employees must feel empowered to speak up when they feel overwhelmed without fear of stigma.

The Path Forward: Psychosocial Risk Management

To stay ahead, organisations should treat mental health with the same rigour as physical safety. This means identifying workplace stressors, assessing risks, and implementing control measures to reduce pressure. When a crisis does occur, having a clear, confidential escalation path ensures that employees receive the support they need before reaching a breaking point.

Proto Energy engaging its staff on mental health well being.

The Bottom Line

A mentally healthy workplace is not just a "nice to have." It is a space where employees feel safe, valued, and empowered to perform at their best, both physically and psychologically. By investing in the mind, we secure the future of the business.

At Proto, we acknowledge that Mental Health is an imperative need. We have institutionalised several programmes to enhance mental health. We cannot underscore the benefits already witnessed off these programmes and the impact on humanity, this inline with our vision of impacting lives.

Nicholas Ombure
Lawyer
Okoth & Kiplagat Advocates

What Can You Count On?

In commerce, contracts have long been treated as sacred. Once written and signed, they bind. Most participants in business subscribe to this belief that parties must honour what they freely agree. Courts have repeatedly reminded commercial actors that they must live with the bargains they make. If the contract proved harsh, that was considered the price of freedom of contract. You made your bed, lie in it!

That certainty is beginning to shift.

Commercial relationships are no longer governed solely by the four corners of the agreement. Under the current constitutional order, every exercise of private power must be measured against the national values and principles contained in Article 10 of the Constitution of Kenya. Simultaneously, the law increasingly recognises commercial goodwill as a form of property deserving protection under Article 40.

Consequently, a contract that reflects a severe imbalance of power is no longer immune from scrutiny simply because it was signed. Also, the presence of an arbitration clause does not serve as an automatic refuge whenever a dispute arises. It is no longer enough to say that the contract allows it, but what can commercial actors truly rely on?

Constitutional Discipline in Commercial Relationships

In practice, most commercial agreements begin with noble language. They speak of partnership, cooperation and mutual benefit. Yet the structure of many contracts tells a different story. While the preamble speaks the language of collaboration, the operative provisions preserve unilateral power to terminate the relationship without regard to the investment made by the other party.

This tension is no longer overlooked. The decision in Heineken v Maxam offers a clear illustration. The Appellate Court did not examine the manufacturer-distributor contract in isolation. Instead, it interpreted the agreement through the lens of the national values contained in Article 10 of the Constitution of Kenya.

The implication is straightforward. Even where a contract grants a party the power to act, the exercise of that power must still conform to constitutional values such as fairness, accountability, transparency and equity. Commercial actors may draft agreements as they wish. But the use of contractual power must now operate within the constitutional principles.

Goodwill is Now Property

Whether the relationship is either Dealer Owned-Dealer Operated (DODO) or Company-owned-Dealer Operated (CODO), it is treated as an ordinary commercial arrangement. The Oil Marketing Companies (OMC) own the brand, and the dealer does the last mile activity, ensuring product market penetration has been achieved. The contract determines when the relationship could begin and when it could end.

Under this understanding, termination was largely a matter of contractual discretion. If the agreement permitted it, the supplier could simply appoint another dealer. This description overlooks an essential commercial reality. While the supplier does the heavy lifting on one hand, the dealers do far more than sell fuel. Over time, they cultivate customer loyalty and invest in ensuring brand reputability are echoed. Through this process, they create something intangible yet valuable. They create goodwill.

The bench increasingly recognises that this goodwill is not a minor byproduct of distribution. It is an asset produced through investment, labour and market development. Where that asset exists, the law has grown reluctant to treat the distributor as a replaceable intermediary.

This shift was affirmed by the Supreme Court in Bia Tosha Distributors Ltd v East African Breweries Ltd and later reiterated in Jovet Ltd v Bavaria NV. The courts recognised that where a distributor has developed significant goodwill under a contractual relationship, the supplier cannot simply appropriate the value created and exclude the distributor without consequence. Beer distribution may present its own characteristics, yet the broader lesson remains relevant. Where a dealer invests substantially in building a brand, the relationship begins to resemble a commercial partnership rather than a purely transactional arrangement. Termination carries legal consequences that extend beyond the contract itself.

Image is AI Generated

Power Imbalance in Commercial Negotiations

At the core, commercial contracting is where parties negotiate freely. In theory, each party accepts the bargain it signs. In practice, the reality is often different. One party may control the brand, the market or the contractual framework. The other may have little choice but to accept the terms offered. For many years, the law tolerated this imbalance so long as the agreement was formally executed.

That tolerance is diminishing. In Dhiman v Shah, the Court of Appeal examined the terms of the agreement and emphasised that courts will intervene where contractual power produces injustice.

The court observed that it will not hesitate to restore balance where contractual terms shake the conscience of mankind.

Terms designed to exploit a weaker party may therefore be treated as unfair. The tenet established is clear. Unequal bargaining power does not place contractual conduct beyond scrutiny.

Arbitration Is Not a Panacea

Arbitration remains a preferred method of dispute resolution in commercial agreements. Yet recent decisions show that it is not the universal solution it was once believed to be.

Arbitration rests on consent. Only parties who agree to submit disputes to arbitration can be bound by the process. More importantly, arbitral tribunals cannot resolve questions that fall within the sphere of constitutional or public law. Where constitutional issues(goodwill) arise, the jurisdiction of the courts remains unavoidable.

It is impermissible for arbitration to operate as a shield against constitutional scrutiny.

So, Who Can You Count On?

Commercial actors often rely on the contract they drafted, the leverage they hold during negotiations or the arbitration clause within the agreement. Recent jurisprudence suggests that these assurances are less absolute than once believed.

Contracts now operate within a constitutional framework. Goodwill created through distribution relationships is increasingly recognised as a proprietary interest. Courts have shown a willingness to intervene where power imbalances produce unjust outcomes. Even arbitration cannot displace judicial scrutiny where broader legal principles are involved.

Where the terms are equitable, the investments acknowledged, and the partnership genuine, the courts will protect the bargain. Where power is exercised without regard to those principles, the law may step in to restore balance.

That, in the end, is what commercial actors can truly count on.

Gas Development Positions Angola as Regional Leader

Angola is positioning natural gas at the centre of its long-term energy and economic strategy, with policymakers and industry leaders presenting the country's expanding gas agenda as a practical model for addressing energy poverty across Africa.

Flagship developments led by the New Gas Consortium underline this shift. The project, operated by Azule Energy alongside Sonangol E&P and TotalEnergies, reached first production in November 2025. Drawing resources from the Quiluma and Maboqueiro fields, it represents Angola's first non-associated gas development and a decisive move away from oil-linked supply.

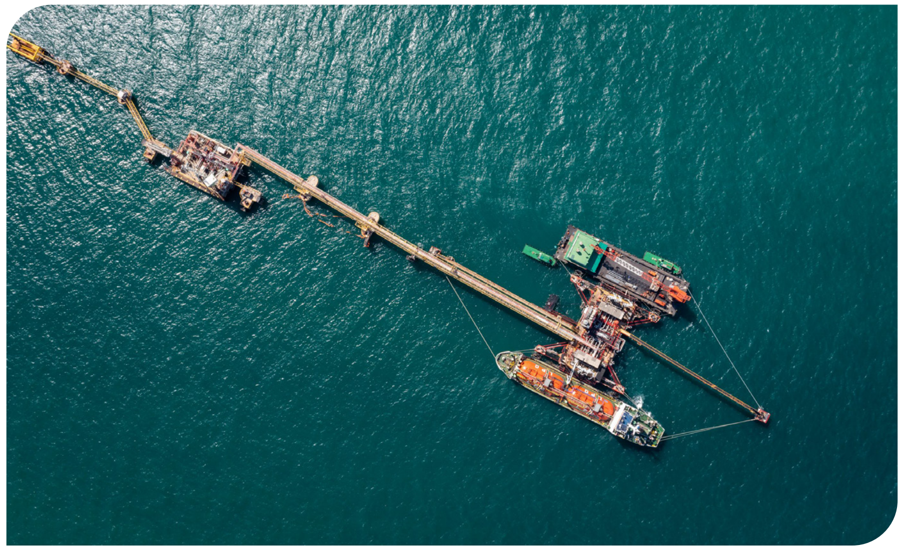
At peak capacity, the project is expected to deliver 400 million standard cubic feet of gas per day and 20,000 barrels of condensate. Delivered ahead of schedule, it strengthens Angola's ability to meet rising domestic demand while reinforcing its role in global gas markets.

Integration with the Angola LNG facility provides immediate export capability, while domestically the gas is set to support power generation, fertiliser production and wider industrial activity. This transition towards dedicated gas production offers greater supply stability and a lower-carbon alternative for energy-intensive sectors.

Regulatory reform has been central to unlocking this potential. Measures such as Presidential Decree 1/18 and the Gas Master Plan have established a framework for gas development, supported by a licensing strategy launched in 2019. Recent discoveries and renewed exploration efforts signal growing momentum in Angola's gas sector.

Industry observers view the consortium model and policy alignment as a replicable pathway for other African nations seeking to harness gas for economic growth and energy security.

aerial-view-oil-pipes-oil-tanker-ships-pier-off-coast-beautiful-peaceful-environment-scaled



Tullow Receives $36M Payment for Kenya's Upstream Exit

Tullow Oil plc has secured a further $36 million as part of its phased exit from Kenya, marking another step in the company's strategic portfolio optimisation and debt reduction efforts.

The payment represents the second instalment under the Sale and Purchase Agreement signed in July 2025 for the divestment of Tullow's entire working interest in the country to Auron Energy E&P Limited. The transaction underscores a broader shift by the independent operator to streamline its asset base and focus on higher return producing regions.

The latest proceeds follow a key regulatory milestone, with Kenya's Parliament ratifying the Field Development Plan for the South Lokichar oil project. This approval had been a critical condition for advancing the deal and unlocking subsequent payments.

A remaining balance of $4 million, representing the final 10 per cent of the Tranche B payment, is expected upon completion of transition support services. This is anticipated before the end of March 2026. Beyond this, Tullow is set to receive a final tranche of $40 million, structured over a five year period beginning in the third quarter of 2028 and concluding no later than mid-2033.

Despite the divestment, Tullow retains strategic exposure to future upside in Kenya. The company has secured rights to potential royalty payments tied to production, alongside a no cost back-in option for up to 30 per cent participation in any future development phases. This arrangement allows Tullow to benefit from long term project value without immediate capital commitments.

The disposal aligns with Tullow's ongoing financial repositioning. The company has been actively pursuing asset sales and cost discipline measures aimed at strengthening its balance sheet and enhancing cash generation capacity.

Separately, Tullow highlighted a more favourable oil price environment, which could significantly improve its financial outlook. The company's 2026 pre-financing cash flow guidance had been set at between $150 million and $180 million, based on an assumed oil price of $65 per barrel. However, stronger realised prices in the early months of the year, combined with a projected average of $100 per barrel for the remainder of 2026, could see this figure double.

This improved pricing backdrop offers additional headroom for the company as it continues to execute its strategic reset. Higher revenues would support further deleveraging while potentially enabling reinvestment into core producing assets.

For Kenya, the transition of operatorship to Auron Energy marks a new phase for the South Lokichar project, which has long been viewed as a cornerstone of the country's ambitions to become a commercial oil exporter. Progress on development timelines and funding structures will now be closely watched by industry stakeholders.

Tullow's exit reflects a pragmatic recalibration, balancing immediate financial needs with retained exposure to future value, while signalling continued confidence in the long term potential of Kenya's oil and gas sector.

2026 Africa Energy Outlook

Africa's energy sector is entering a defining decade, marked by rising demand, shifting investment patterns and a renewed push to balance development with sustainability. The African Energy Chamber, in its 2026 outlook, shows a continent rich in resources yet constrained by infrastructure gaps and policy complexities.

The report notes that Africa's upstream oil and gas production is projected to reach 11.4 million barrels of oil equivalent per day by 2026, driven largely by established producers such as Nigeria. However, this growth is far from guaranteed.

"Africa's oil and gas production is expected to reach 11.4 million barrels of oil equivalent per day by 2026, but growing production will depend on access to opportunities, sub-surface success and the ability of host governments to adjust terms to investor appetites," the Chamber observes,

Investment remains a central concern. While global upstream capital expenditure is forecast to approach 504 billion dollars by 2026, Africa's share stands at around 41 billion dollars. This disparity underscores the need for competitive fiscal regimes and stable regulatory frameworks. Encouragingly, several countries including Angola and Algeria are revising contract terms and launching licensing rounds to attract foreign capital.

The Chamber highlights a notable shift in the global energy landscape, with major oil companies divesting from mature assets.

"This trend reflects the divestment of major oil companies from mature assets into markets with significant upside, allowing independent African producers to acquire these assets and grow their portfolios," the report states.

This transition is opening new pathways for indigenous firms to expand their footprint across the continent.

Beyond upstream activity, Africa's downstream sector presents both a challenge and an opportunity. Demand for refined petroleum products is expected to rise sharply, from around 4 million barrels per day in 2024 to more than 6 million barrels per day by 2050. Yet refining capacity remains limited, forcing many countries to rely heavily on imports.

According to the Chamber, more than 20 billion dollars in investment is required in downstream infrastructure by 2050 to support the increasing need for refined product imports and distribution. Landmark projects such as Nigeria's Dangote refinery are expected to ease supply constraints, but analysts caution that they will not fully bridge the gap.

Natural gas is increasingly seen as a cornerstone of Africa's energy future. The continent holds vast reserves, including significant undeveloped resources in the Rovuma Basin and the Niger Delta. Africa already produces more than 300 billion cubic metres of gas annually and accounts for a growing share of global liquefied natural gas supply.

Yet monetising these resources remains a complex task. Infrastructure deficits, pricing challenges and limited domestic markets continue to hinder progress. The Chamber notes that the key challenges are project economics and the priority given to domestic use, as well as the lack of regional gas transportation infrastructure. Without coordinated investment in pipelines and processing facilities, much of Africa's gas potential may remain untapped.

At the same time, the role of gas in power generation is expected to expand significantly. By 2050, natural gas could account for nearly 45 per cent of Africa's electricity mix. This shift is seen as critical to improving energy access while supporting industrial growth. However, the transition will require careful planning to balance domestic consumption with export ambitions.

Renewable energy is also gaining momentum across the continent. Governments and private investors have committed billions of dollars to solar and wind projects, with around 25 gigawatts of capacity already procured. Africa's abundant natural resources position it as a potential leader in clean energy production, particularly in green hydrogen.

The Chamber underscores the continent's unique position in the global climate debate. "Africa contributes just 5 per cent of global energy-related emissions despite being home to 19 per cent of the world's population," the report notes, highlighting both the challenge and the opportunity for sustainable development.

This relatively low emissions profile provides Africa with a strategic advantage as global demand for low carbon fuels rises. With the right investments, the continent could emerge as a major exporter of green hydrogen and other clean energy products, supporting industrialisation while contributing to global decarbonisation efforts.

Nevertheless, significant barriers remain. Financing constraints, regulatory uncertainty and limited technical capacity continue to slow project development. In many countries, the absence of robust transmission infrastructure hampers the integration of renewable energy into national grids.

Energy access also remains a pressing issue. Despite progress, millions of Africans still lack reliable electricity, underscoring the need for inclusive and scalable solutions. Liquefied petroleum gas offers one such pathway, providing a cleaner alternative to traditional biomass fuels. However, adoption rates remain low, pointing to the need for supportive policies and infrastructure investment.

The report also draws attention to the growing importance of regional cooperation. Power pools and cross border energy projects have the potential to enhance efficiency and reduce costs, but progress has been uneven. Transmission constraints and reliance on bilateral agreements continue to limit their effectiveness.

Looking ahead, Africa's energy future will depend on its ability to navigate a complex and evolving landscape. The interplay between fossil fuels and renewables, domestic needs and export opportunities, and economic growth and environmental sustainability will shape the continent's trajectory.

The African Energy Chamber's outlook presents a cautiously optimistic picture. With abundant resources, a young and growing population, and increasing investor interest, Africa has the foundations for a dynamic energy sector. Yet realising this potential will require decisive action from governments, industry and international partners.

Policy reform, infrastructure development and innovative financing will be essential to unlocking investment and accelerating project delivery. At the same time, a clear and consistent regulatory environment will be critical to building investor confidence.

Ultimately, Africa's energy story is one of both promise and complexity. The coming years will determine whether the continent can harness its vast resources to drive economic growth, improve living standards and contribute meaningfully to the global energy transition.

> With abundant resources, a young and growing population, and increasing investor interest, Africa has the foundations for a dynamic energy sector. Yet realising this potential will require decisive action from governments, industry and international partners.

Invest in African Energy Forum 2026

The 4th annual IAE Forum 2026 will take place on April 22–23, 2026, in Paris, France (Les Salons Hoche), connecting global investors with African energy projects, including renewables, oil, and gas. It focuses on project financing, energy security, and accelerating deals between investors and African stakeholders.

The event brings together energy ministers, private equity investors, project developers, and development finance institutions with the aim of securing financing for Africa's energy development while supporting energy transition goals.

Africa Energy Forum 2026 Takes Place in Cape Town

The continent's most strategic investor gathering returns to Cape Town from 16–19 June 2026, with a theme focused on pragmatic, diversified energy solutions to support industrialisation. The Africa Energy Forum (aef) 2026, under Building Africa's Industrialised Future, reflects the need to power growth for more than 1.5 billion people.

The event connects energy, critical minerals, infrastructure, finance and technology, driving the shift from ambition to execution and from resources to value creation, as Africa takes a central role in global supply chains and long-term investment.

Petroleum Taxes

	Import Duty	Former Rate of Excise Duty Kshs/Litre	Current Rate of Excise Duty Kshs/Litre	VAT	Road Mainten. Levy	Petroleum Devel. Levy Kshs/Litre	Current Rate of Import Decl. Fee	Railway Development Levy	Remission Kshs/Litre	Adulteration Levy Kshs/Litre
Motor Spirit (Gasoline) Regular	-	20.5095	21.5227	16%	25.00	5.40	2.50%	1.50%	0.45	-
Motor Spirit (Gasoline) Premium	-	20.9196	21.9530	16%	25.00	5.40	2.50%	1.50%	0.45	-
Aviation Spirit	-	20.9196	21.9530	16%	-	0.40	2.50%	1.50%	0.45	-
Spirit Type Jet Fuel	-	20.9196	21.9530	16%	-	0.40	2.50%	1.50%	0.45	-
Special Boiling Point & White Spirit	-	8.9378	9.3793	16%	-	-	2.50%	1.50%	0.30	-
Other Light Oils and Preparations	-	8.9378	9.3793	16%	-	-	2.50%	1.50%	0.30	-
Partly refined (including topped crudes)	-	1.5247	1.6000	16%	-	-	2.50%	1.50%	0.30	-
Kerosene type Jet Fuel	-	6.0514	6.3503	16%	-	0.40	2.50%	1.50%	0.45	-
Illuminating Kerosene (IK)	-	10.8357	11.3710	16%	-	0.40	2.50%	1.50%	0.45	18.00
Other Medium oils and preparations	-	5.5730	5.8483	16%	-	0.40	2.50%	1.50%	0.30	-
Gas Oil (automotive, light, amber for high speed engines)	-	10.8357	11.3710	16%	25.00	5.40	2.50%	1.50%	0.30	-
Diesel Oil (ind heavy, black for low speed marine and stationery engines)	-	3.8906	4.0827	16%	-	0.40	2.50%	1.50%	0.30	-
Other Gas Oils	-	6.6245	6.9517	16%	-	0.40	2.50%	1.50%	0.30	-
Liquefied Petroleum Gas(LPG)				0%	-	0.40	Exempt	Exempt	0.30	
Residual Fuel oils 125 cst.	-	0.3155	0.3310	16%	-	0.40	2.50%	1.50%	0.30	-
Residual Fuel oils 180 cst.	-	0.6309	0.6621	16%	-	0.40	2.50%	1.50%	0.30	-
Residual Fuel oils 280 cst.	-	0.6309	0.6621	16%	-	0.40	2.50%	1.50%	0.30	-
Other residual fuels	-	0.6309	0.6621	16%	-	0.40	2.50%	1.50%	0.30	-
Lubricating oils	25%			16%	-	-		1.50%		-
Lubricating greases	25%			16%	-	-		1.50%		-
Batching oils	25%			16%	-	-		1.50%		-
Butanes (Petroleum gases)	-			-	-	0.40		1.50%		-
Petroleum Bitumen	10%			16%	-	0.40		1.50%		-
Bituminous or oil shale and tar sands	10%			16%	-	0.40		1.50%		-
Bituminous mixures	10%			16%	-	0.40		1.50%		-

NOTES

Pursuant to the Finance Act 2023, the value Added Tax (VAT) on Super Petrol (PMS) Diesel (AGO) and Kerosene (IK) have been revised from 8% to 16% effective 1st July 2023

The Finance Act of 2023 amended the Miscellaneous Fees and Levies Act of 2016 to reduce IDF from 3.5 percent to 2.5 percent and RDL from 2.0 percent to 1.5 percent

Reinstatement of Zero VAT rate on Liquefied Petroleum Gas (LPG) as well exemption from charges of IDF and RDL fees took effect following the Finance Act 2023 in on the 1st of July 2023.

Energy and Petroleum Cabinet Secretary Davis Chirchir on February 15, 2024 published the Energy (Energy and Petroleum Regulatory Authority Petroleum Levy) Regulations, 2024 giving effect to an increase of the ***Petroleum Regulatory Levy to Sh0.75 per litre up from Sh 0.25***

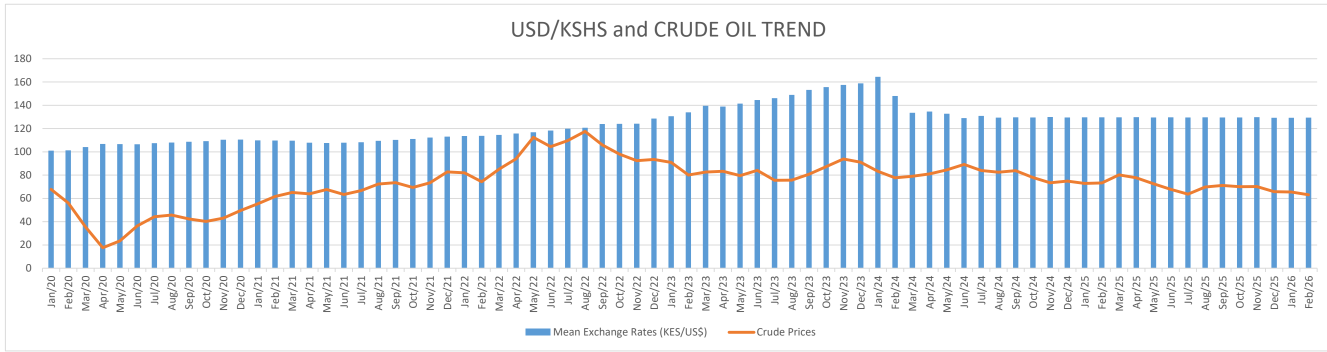
On July 14, 2024, EPRA announced an increase in the RML from Sh 18 to Sh 25 per litre.

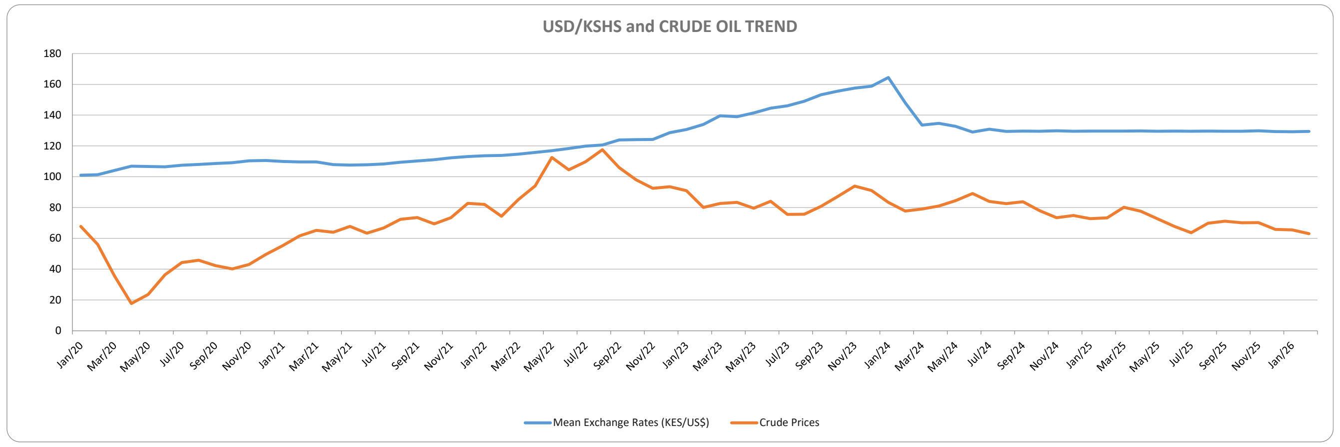
Crude Oil Price Trend

Month / Year	Jul/23	Aug/23	Sep/23	Oct/23	Nov/23	Dec/23	Jan/24	Feb/24	Mar/24	Apr/24	May/24	Jun/24
Mean Exchange Rates (KES/US$)	146.07	148.98	153.25	155.64	157.52	158.81	164.42	148.02	133.54	134.63	132.72	129.06
Crude Prices	75.59	75.61	80.78	87.28	93.92	91.00	83.32	77.68	79.06	80.99	84.52	89.14

Month / Year	Jul/24	Aug/24	Sep/24	Oct/24	Nov/24	Dec/24	Jan/25	Feb/25	Mar/25	Apr/25	May/25	Jun/25
Mean Exchange Rates (KES/US$)	130.83	129.42	129.61	129.49	129.88	129.58	129.61	129.64	129.66	129.78	129.52	129.62
Crude Prices	83.93	82.52	83.8	77.94	73.41	74.87	72.81	73.28	80.22	77.62	72.63	67.73

Month / Year	Jul/25	Aug/25	Sep/25	Oct/25	Nov/25	Dec/25	Jan/26	Feb/26
Mean Exchange Rates (KES/US$)	129.58	129.62	129.52	129.54	129.81	129.28	129.27	129.44
Crude Prices	63.62	69.81	71.12	70.10	70.22	65.79	65.53	63.06



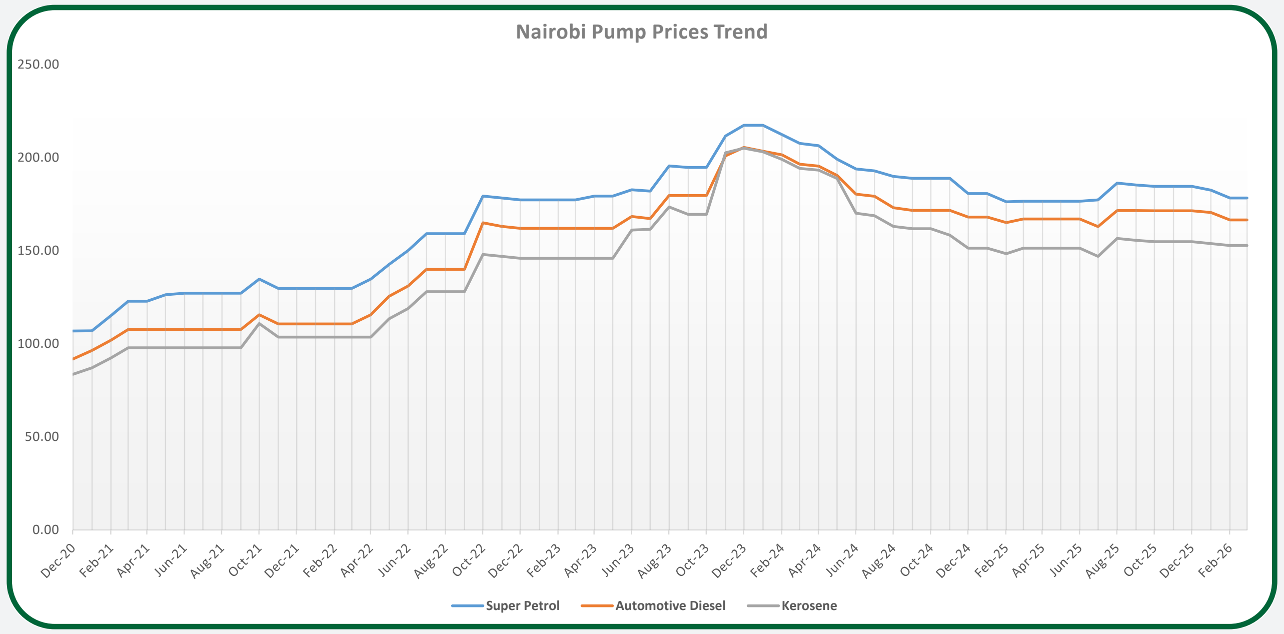


STATISTICS

Pump Prices

PRODUCT	MOMBASA	NAIROBI	NAKURU	ELDORET	KISUMU
Maximum pump prices (15th March 2026 to 14th April 2026)					
Super Petrol	175.00	178.28	177.34	178.16	178.16
Automotive Diesel	163.26	166.54	165.95	166.77	166.76
Kerosene	149.49	152.78	152.21	153.03	153.03
Maximum pump prices (15th February 2026 to 14th March 2026)					
Super Petrol	175.00	178.28	177.34	178.16	178.16
Automotive Diesel	163.26	166.54	165.95	166.77	166.76
Kerosene	149.49	152.78	152.21	153.03	153.03
Maximum pump prices (15th January 2026 to 14th February 2026)					
Super Petrol	179.24	182.52	181.56	182.38	182.37
Automotive Diesel	167.19	170.47	169.87	170.68	170.68
Kerosene	150.49	153.78	153.21	154.03	154.03
Maximum pump prices (15th December 2025 to 14th January 2026)					
Super Petrol	181.24	184.52	183.56	184.38	184.37
Automotive Diesel	168.19	171.47	170.87	171.68	171.68
Kerosene	151.49	154.78	154.21	155.03	155.03
Maximum pump prices (15th October 2025 to 14th November 2025)					
Super Petrol	181.24	184.52	183.56	184.38	184.37
Automotive Diesel	168.19	171.47	170.87	171.68	171.68
Kerosene	151.49	154.78	154.21	155.03	155.03

PRODUCT	MOMBASA	NAIROBI	NAKURU	ELDORET	KISUMU
Maximum pump prices (15th September 2025 to 14th October 2025)					
Super Petrol	181.24	184.52	183.56	184.38	184.37
Automotive Diesel	168.19	171.47	170.87	171.68	171.68
Kerosene	151.49	154.78	154.21	155.03	155.03
Maximum pump prices (15th August 2025 to 14th September 2025)					
Super Petrol	182.03	185.31	184.35	185.17	185.16
Automotive Diesel	168.30	171.58	170.97	171.80	171.78
Kerosene	152.29	155.58	155.01	155.83	155.83
Maximum pump prices (15th July 2025 to 14th August 2025)					
Super Petrol	183.02	186.31	185.33	186.16	186.15
Automotive Diesel	168.30	171.58	170.97	171.80	171.78
Kerosene	153.29	156.58	156.01	156.83	156.83
Maximum pump prices (15th June 2025 to 14th July 2025)					
Super Petrol	174.01	177.32	176.47	177.28	177.28
Automotive Diesel	159.62	162.91	162.41	163.24	163.23
Kerosene	143.64	146.93	146.47	147.30	147.30
Maximum pump prices (15th May 2025 to 14th June 2025)					
Super Petrol	173.34	176.58	175.80	176.62	176.62
Automotive Diesel	163.82	167.06	166.63	167.45	167.44
Kerosene	148.15	151.39	151.01	151.82	151.82



NOTES

a) In accordance with Section 101(y) of the Petroleum Act 2019 and Legal Notice No. 192 of 2022, after taking into account the weighted average cost of imported refined petroleum products, the Energy and Petroleum Regulatory Authority (EPRA) calculated the maximum allowed petroleum products pump prices

In the period under review (15th March to 14th April 2026), the maximum allowed petroleum pump prices for Super Petrol, Diesel and Kerosene remained unchanged from the previous 15th February to 14th March 2026 period. For the period 15th February to 14th March 2026, the maximum allowed petroleum pump prices for Super Petrol, Diesel and Kerosene decreased by KShs. 4.24/litre, KShs. 3.93/litre and KShs. 1.00/litre respectively from the previous 15th January to 14th February 2026 period.

For the period 15th January to 14th February 2026, the maximum allowed petroleum pump prices for Super Petrol, Diesel and Kerosene decreased by KShs. 2.00/litre, KShs. 1.00/litre and KShs. 1.00/litre respectively from the previous 15th December 2025 to 14th January 2026 period. For the period 15th December 2025 to 14th January 2026, the maximum allowed petroleum pump prices for Super Petrol, Diesel and Kerosene remained unchanged from the previous 15th November to 14th December 2025 period.

b) The prices are inclusive of the 16% Value Added Tax (VAT)in line with the provisions of the Finance Act 2023, the Tax Laws (Amendment) Act 2024 and the revised rates for excise duty adjusted for inflation as per Legal Notice No. 194 of 2020.

c) In the period under review (15th March to 14th April 2026), the average landed cost of imported Super Petrol decreased by 2.69% from US$ 592.24 per cubic metre in December 2025 to US$ 576.34 per cubic metre in January 2026; Diesel decreased by 6.37% from US$ 626.75 per cubic metre to US$ 586.80 per cubic metre while Kerosene decreased by 1.44% from US$ 607.55 per cubic metre to US$ 598.82 per cubic metre over the same period.

STATISTICS

EPRA Petroleum Prices

Breakdown of the costs of Super Petrol (PMS), Diesel (AGO) and Kerosene (DPK) in Nairobi: 15th March 2026 to 14th April 2026

Cost Item	Cost Description	Super Petrol	Diesel	Kerosene
		Kshs/Litre	Kshs/Litre	Kshs/Litre
Landed Cost (a)	Weighted average cost for all imports	75.42	82.30	82.63
Pipeline Transport (Msa - Nrb)	Pipeline (100% PMS, AGO & IK)	2.79	2.79	2.79
Road Transport (Msa-Nrb) - Bridging	Road (0% PMS, AGO & IK)	0.00	0.00	0.00
Pipeline Losses	Pipeline (0.25%)	0.04	0.04	0.04
Depot Losses	0.5% PMS, 0.3% For DPK & AGO)	0.66	0.39	0.35
Delivery within 40kms of Nairobi	Delivery to petrol stations	1.18	1.18	1.18
Storage and distribution (b)		4.67	4.40	4.36
Importers Margin	Wholesale	6.14	6.06	5.99
Dealers Margin	Retail Investment & Operating Margin	11.25	11.25	11.25
Supplier Margins (C)		17.39	17.31	17.24
Price Stabilization Surplus/(Deficit) (d)		-0.14	-6.53	-6.66
Excise Duty	Tax	21.95	11.37	11.37
Road Maintenance Levy	Levy	25.00	25.00	0.00
Petroleum Development Levy	Levy	5.40	5.40	0.40
Petroleum Regulatory Levy	Levy	0.75	0.75	0.75
Railway Development Levy	Levy	1.43	1.57	1.59
Anti-adulteration Levy	Levy	0.00	0.00	18.00
Merchant Shipping Levy	Levy	0.03	0.03	0.03
Import Declaration Fee	Levy	1.79	1.97	1.99
Value Added Tax (VAT)	Tax	24.59	22.97	21.08
Taxes and Levies (d)		80.94	69.06	55.21
Retail Prices in Nairobi (a) + (b) + (c) + (d)		178.28	166.54	152.78

Summary	Super Petrol	Diesel	Kerosene
	KShs/Litre	KShs/Litre	KShs/Litre
Product Costs (a)	75.42	82.30	82.63
Distribution and Storage Costs (b)	4.67	4.40	4.36
Margins (c)	17.39	17.31	17.24
Price Stabilization Surplus/(Deficit) (d)	-0.14	-6.53	-6.66
Taxes and Levies (e)	80.94	69.06	55.21
Retail Prices in Nairobi	178.28	166.54	152.78

SOURCE: EPRA

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Petroleum Energy and Market Share Reports are Accessible from the Data and Information Centre at the PIEA Secretariat.

1

1. **2004:** *The Minister for Energy Simeon Nyachae cuts the tape to launch the PIEA Driver's Handbook during the PIEA's Quarterly Luncheon in August at the Grand Regency Hotel, Nairobi. Assisting him is Lamine Kane, the PIEA Chairman.*

2. **2005:** *Peter Mecha, Operations Manager at Kenya Pipeline Company takes Total staff through oil industry logistics during the Introduction to Oil Industry course.*

3. **2010:** *From L-R: KenolKobil's Head of Operations & Projects Development Wilson Wambugu, Supply Manager Paul Muhato and Group Trading & Supply Optimization Manager Steve Muthuma show off the company's trophy and a certificate of recognition by Kenya Ports Authority for being the country's top importer of petroleum, Oil and Lubricants in 2009.*

2

3

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