

Petroleum **INSIGHT**

2nd Quarter, April - June, 2026



Energy Security

THE MAGAZINE OF THE PETROLEUM INSTITUTE OF EAST AFRICA



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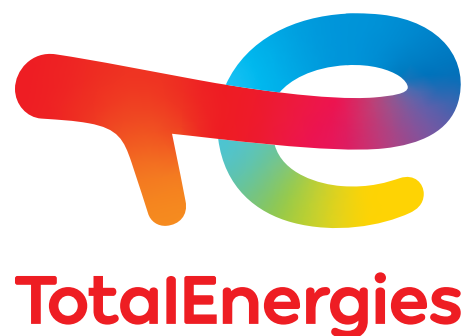
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On Your Side

Strengthening Energy Security and Supply Resilience in A Dynamic Global Environment

Solomon Osundwa
Chairman
Petroleum Institute of East Africa



PIEA New Chairman maiden speech during the PIEA Quarter 2 State of the Oil Industry Briefing held at Sarova Stanley Hotel, June 29.

It is indeed a great honour and pleasure to have you all for this State of the Oil Industry briefing whose Theme is Strengthening Energy Security and Supply Resilience in a Dynamic Global Environment. At this juncture I would like to applaud our immediate former Chair, Mr Peter Murungi who helped navigate the Industry through challenging periods. The Board was reluctant to allow him to step down and only agreed after he assured us that he will continue working closely with the incoming team. This team has new members who include our Vice Chair and OLA Energy Kenya General Manager - Mr Mohamed Elhoderi and the new RUBIS Energy Managing Director - Mr Fredric Maupetit.

Honourable Cabinet Secretary, we would like to thank you for the consistent support of the Oil Industry with your first engagement in October 2024, State of the Oil Industry briefing a few days after your appointment.

This zeal and collaboration has been demonstrated by the;

1. Sustained dialogue and structured engagements with the Petroleum Industry.
2. Significant progress in finalization of the National Petroleum Policy.
3. Advancement of the Petroleum Regulations under the Petroleum Act.
4. Implementation of the National LPG Growth Strategy.
5. Progress to commercial crude oil production through the South Lokichar Field Development Project.
6. Strengthening of the upstream and midstream regulatory framework.

Outsiders may not be aware that the Petroleum Industry is facing challenging times, but they need to ask themselves a few questions.

1. What happened to the Stations that were in CBD, Nairobi? Majority closed down as they could not compete with commercial real estate. We used to have three Stations on Koinange Street, a number on River Road, Machakos bus park, Accra Road and one around City Hall.
2. Why are Oil Companies involving themselves in side hustles like restaurants, supermarkets, pharmacies, barber shops. This is a sign of these challenges.

Ladies and Gentlemen, I will be shortly asking you to applaud the Cabinet Secretary for Energy and Petroleum Hon. James Opiyo Wandayi, E.G.H for navigating the Industry through a challenging season that none of his predecessors experienced in the last 30 years.

We are all aware that before Fuel reaches Mombasa there are three Cost Elements. That is the Cost of product, Insurance and Freight. In March, Freight went up because vessels were limited as a number were stuck in the Strait of Hormuz and also they had to use longer routes due to the war.

Insurance increased because of the risk which included piracy.

The delta in International prices was the highest that we have seen in the last three decades. Therefore, none of predecessors have faced similar challenges.

To put it in perspective the Price of Diesel in the Arab Gulf went up by kshs 88 per litre and Kerosene by kshs 83 per litre between February 2026 and April 2026.

I would like us to applaud the CS for navigating the Industry through these challenges.

Now that we have applauded the CS we can make some additional requests. Bwana CS, we will be asking for your support;

1. In getting the Treasury and Kenya Revenue Authority to refund monies owed in the form of duties and VAT for supplies to privileged bodies like the United Nations and Armed forces.
2. A big chunk of subsidies and advance sales is still outstanding.
3. Illegal filling of LPG continues to be a menace.

Solomon Osundwa
Chairman
Petroleum Institute of East Africa



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PIEA Appoints New Chairman and Vice-Chairman

The Petroleum Institute of East Africa (PIEA) Board has appointed Hass Petroleum Group its new Chairman taking over from Vivo Energy Kenya while OLA Energy takes on as the new Vice-Chairman.

Hass Petroleum representative will be Solomon Osundwa, the Regional Managing Director, who brings extensive energy sector expertise to his leadership role at the helm of PIEA.

Throughout his distinguished career, Solomon has driven growth for major multinational and local brands across the fast moving consumer goods automotive, and energy sectors, including Unilever, VTTI Kenya, KenolKobil, Caltex Oil, Nissan Kenya, and Hashi Energy. In addition to his corporate roles, Solomon serves on the boards of the Business Registration Service (BRS), Bible Translation & Literacy (BTL) and Shalom Hospital amongst others.

Solomon holds an MBA in International Business and a Bachelor of Commerce from the University of Nairobi and is a Harvard Business School alumnus.



OLA Energy Kenya Limited representative Mohamed Elhoderi, is the General Manager of OLA Energy Kenya Limited, part of the pan-African OLA Energy group. He leads an integrated downstream business that includes a national network of over 100 retail service stations, commercial and industrial fuels, liquefied petroleum gas, lubricants manufacturing and distribution, aviation fueling, and terminal operations.

Mohamed began his career with Schlumberger, working in sales and business development across the United States and Canada, before joining OLA Energy in Sudan where he held senior commercial and leadership roles prior to being appointed to his current portfolio. Beyond his executive responsibilities at OLA Energy Kenya, he serves as Chairman of the Board of OLA Energy Uganda Limited.

Mohamed holds a Bachelor of Business Administration in Marketing from the C. T. Bauer College of Business at the University of Houston



KPC Foundation, Vivo Energy Launch Clean Cooking Initiative

The KPC Foundation and Vivo Energy Kenya launched a clean cooking initiative aimed at supporting vulnerable households in Jomvu Kuu, Mombasa County, as part of its broader environmental conservation efforts.

The programme seeks to reduce dependence on traditional cooking fuels such as firewood and charcoal, which are major contributors to indoor air pollution, deforestation, and environmental degradation.

The initiative, launched on 19 May 2026, forms part of the Foundation's Environmental Conservation Programmes that focus on promoting clean energy adoption, biodiversity conservation and climate change response. Under the first phase, 90 households in Jomvu Kuu will receive a 6kg liquefied petroleum gas (LPG) kit comprising a gas cylinder, burner, grill and an initial gas refill. The support is intended to ease the transition to cleaner and safer cooking solutions while improving household health outcomes and reducing environmental pressures.

Speaking during the launch, KPC Foundation Chairman Jeremiah Mwangangi highlighted the

importance of expanding access to sustainable energy solutions among vulnerable communities.

"At KPC Foundation, we are committed to driving sustainable community impact through initiatives that improve livelihoods while advancing environmental conservation. This clean cooking initiative reflects our dedication to supporting vulnerable households in accessing safer and healthier energy solutions, while contributing to the national Climate Action Agenda," he said.

The programme also underscores the growing role of public-private partnerships in advancing Kenya's clean energy transition. Vivo Energy Kenya, through its Afrigas brand, partnered with the Foundation to support the rollout and promote the adoption of LPG as an alternative to traditional fuels.

Afrigas has been involved in promoting LPG usage in Kenya for more than six decades, helping households shift away from coal and firewood towards cleaner cooking energy. The company says it remains committed to making clean energy more accessible and affordable for families across the country.

"Vivo Energy Kenya, through our Afrigas brand, we believe the kitchen is the heart of every home – a place where families connect, share meals, and have peace of mind. That is why safety, reliability, and confidence in cooking are not optional; they are essential. We remain committed to delivering clean, safe, cost-effective, accessible and dependable LPG energy solutions that empower families across Kenya to cook with confidence and thrive every day," said Angela Munyua, Vivo Energy Kenya Communications Manager.

The clean cooking initiative builds on the KPC Foundation's wider environmental work along the Kenyan coast. To date, the Foundation has planted more than one million mangrove seedlings and supported youth and women through income-generating activities such as beekeeping and crab farming, reinforcing its long-term commitment to environmental conservation and sustainable community development.

Vivo Energy Kenya's Tara Muchina, Internal Communications and CSR Coordinator (left), and Angela Munyua, Communications Manager (second left), pose with beneficiaries alongside KPC Foundation Manager Rachael Gathoni (second right) and KPC Foundation Officer Job Apuko (right) during the launch of the Clean Cooking Initiative in Jomvu Kuu, Mombasa County. The programme, implemented through a partnership between KPC Foundation and Vivo Energy Kenya, will provide 90 vulnerable households with LPG cooking kits to support the transition to cleaner, safer, and more sustainable cooking solutions.



Government and Industry Unite to Strengthen Energy Security

James Opiyo Wandayi EGH
Cabinet Secretary
Ministry of Energy and Petroleum



Kenya's petroleum industry is positioning itself for a new phase of growth, driven by policy reforms, regional infrastructure expansion and closer collaboration between government and the private sector. Against a backdrop of volatile global oil markets, geopolitical tensions and shifting energy priorities, industry leaders say Kenya has demonstrated resilience while laying the foundation for long-term energy security.

Speaking during the PIEA Quarter 2 The State of the Oil Industry Briefing, the Cabinet Secretary for Energy and Petroleum James Opiyo Wandayi said the country had weathered one of the most challenging periods in recent history due to the strong partnership between government and petroleum marketers.

"Looking back at what we have achieved together, we can see both our successes and the challenges that remain. The global petroleum market has experienced extraordinary volatility over the last few months, yet Kenya managed to navigate those difficulties due to the cooperation demonstrated by industry players. Without that partnership, the country would have struggled to overcome the challenges we faced. We must continue working together as we build a stronger and more resilient petroleum sector," said the C.S

Wandayi said the government remains committed to implementing reforms that will modernise the industry and create a more predictable investment environment. He noted that the national petroleum policy has already been adopted by stakeholders and is now before Parliament as part of the legislative process to provide the sector with a stronger legal framework.

Infrastructure development also remains a priority. The Cabinet Secretary described Kenya Pipeline Company as a strategic regional asset and said the government intends to strengthen its role in supporting fuel distribution across East Africa.

Plans are underway to extend the petroleum pipeline from Eldoret to Kampala before expanding further into the regional hinterland. According to Wandayi, the project will improve supply chain efficiency, reduce transport costs and reinforce Kenya's position as the preferred petroleum logistics hub for neighbouring countries.

The Cabinet Secretary also revealed that Rwanda is preparing to begin importing petroleum products through the Port of Mombasa in the coming months, creating new commercial opportunities for Kenyan petroleum companies. He encouraged industry players to develop innovative business models that will support the growing regional market while improving operational efficiency.

On Liquefied Petroleum Gas (LPG), Wandayi said implementation of the country's LPG master plan is progressing steadily under a government-to-government framework designed to increase access to cleaner cooking fuel.

Addressing concerns over fuel subsidies, the Cabinet Secretary acknowledged that delayed reimbursements continue to affect industry cash flow but assured stakeholders that the government is working to clear outstanding obligations.

"Both government and industry would prefer to operate without fuel subsidies under normal market conditions. However, prevailing circumstances have made temporary interventions necessary through the Petroleum Development Levy. We ask for your patience as relevant agencies reconcile the outstanding figures before the National Treasury releases the funds. Our objective is to shorten reimbursement timelines and ultimately eliminate the need for subsidies once market conditions improve," he added

At the same time, the Principal Secretary for the State Department of Petroleum Kello Harsama added that the government is intensifying efforts to expand LPG access while improving safety across the country's distribution network.

"In partnership with the private sector, we are committed to ensuring Kenya has sufficient LPG supplies to meet growing demand. We are implementing a sustainable LPG subsidy programme that will benefit schools and approximately 4.8 million households while promoting the transition to cleaner energy. At the same time, we are determined to eliminate illegal LPG refilling by strengthening enforcement through EPRA and local administrators. Proper compliance with safety guidelines is essential if we are to protect consumers and maintain confidence in the sector," said the P.S

Energy and Petroleum Regulatory Authority Director of Petroleum Edward Kinyua announced that new regulatory guidelines are being developed to strengthen oversight of petroleum facilities and LPG retail operations.

"We are introducing new guidelines covering the commissioning and decommissioning of petroleum facilities because this area has lacked clear regulatory processes. Additional regulations will also provide more detailed standards for LPG cylinder retailing to minimise safety risks in residential areas. We have also revised the Strategic Stocks Regulations to encourage public-private partnerships in petroleum storage infrastructure. Strategic fuel reserves are no longer optional but a critical component of national energy security."

Kinyua explained that expanding strategic petroleum storage will improve Kenya's ability to respond to supply disruptions while creating additional opportunities for regional petroleum trading.

Petroleum Institute of East Africa Chairman Solomon Osundwa highlighted the unprecedented global pressures that have affected fuel pricing over recent months.

"We all understand that fuel prices are determined by three primary cost elements: the product itself, insurance and freight. Freight costs increased sharply as vessels were delayed in

the Strait of Hormuz and many shipping companies were forced to take longer routes due to regional conflict. Insurance premiums also rose significantly due to increased security risks, including piracy. The international price movements we witnessed during this period were among the most severe the petroleum industry has experienced in more than three decades."

Osundwa noted that diesel and kerosene prices in the Arab Gulf rose dramatically within a matter of weeks, placing enormous pressure on import-dependent markets such as Kenya.

While commending the government for steering the industry through the difficult period, he urged faster reimbursement of outstanding tax refunds, subsidy payments and value-added tax claims owed to petroleum companies. He also called for decisive action against illegal LPG refilling, describing it as a persistent threat to public safety and fair competition.

The financial sector also reaffirmed its commitment to supporting the petroleum industry. KCB Bank Kenya Director of Corporate Banking Peter Ngeno said global economic uncertainty has reinforced the importance of stronger partnerships among financiers, the government, and energy companies.

"The global landscape continues to demonstrate just how interconnected our economies have become. Geopolitical tensions, supply chain disruptions, exchange rate volatility, inflation and the transition towards cleaner energy have fundamentally changed how businesses manage risk and resilience. Today's challenge extends beyond securing adequate fuel supplies to creating systems capable of anticipating disruption and maintaining reliable energy delivery. At KCB, we see ourselves as long-term partners committed to mobilising investment that strengthens strategic sectors such as oil and gas," noted Ngeno.

As Kenya pursues ambitious infrastructure projects, policy reforms and regional integration, collaboration between government, regulators, financiers and petroleum marketers is expected to remain central to the industry's success. The country's growing role as a regional petroleum logistics hub, coupled with investments in strategic storage, pipeline expansion and cleaner cooking fuel, reflects a broader vision of building a more secure, efficient and competitive energy sector.

Although international oil markets remain vulnerable to geopolitical tensions and supply chain disruptions, industry leaders believe Kenya is better positioned than ever to respond to future shocks. Continued policy consistency, timely financial support, and sustained public-private cooperation will be essential to ensuring the petroleum sector remains a key driver of economic growth, regional trade and long-term energy security across East Africa.



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

MEMBERSHIP FORUMS WEBINARS

Course name	Date
Carbon capture and storage (ccs) and its role for climate change mitigation	21/Aug/2026 9.30 a.m-12.30 p.m.
Conventional energies and energy transition	3/AUG/ /2026 9.30 a.m-12.30 p.m.
Power point the basics to master your communication	18/JULY/2026 9.30 a.m-12.30 p.m.
Crisis management and crisis communication	10/SEP/2026 9.30 a.m-12.30 p.m.

Course name	Date
Low carbon hydrogen: techno-economics overview	16/JAN/2027 9.30 a.m-12.30 p.m.
Energy, climate, geopolitics, where are we?	21/MARCH/2027 9.30 a.m-12.30 p.m.
Human resource and international: strategies and practices for engaging cultural diversity	28/OCT/2026 9.30 a.m-12.30 p.m.
The EU emission trading system: Reduce CO2 emissions	4/MAY/2026 9.30 a.m-12.30 p.m.



CODE	COURSE TITLE	DURATION	DATE
(A) LEGAL & REGULATORY COURSES			
SPS 001A	Petroleum sector legal and regulatory framework	1 day	2/JULY/2026
SPS 002A	Managing Construction Occupational Health and Safety (OHS)	1 day	6/JULY/2026
SPS 003 A	Petroleum sector regulatory training on LPG Bulk storage facilities	1 day	14/OCT/2026
SPS 005A	Legal and Regulatory Framework: Highlights of the impact of the 13 new petroleum regulations	Half day	8/OCTOBER/2026
(B) OIL AND GAS RETAIL AND MARKETING COURSES			
SPS 001B	Petroleum product storage and retail facilities maintenance and management for technicians	5 days	7-11/SEP/2026
SPS 002B	Service Station Accounting Course for Dealers	5 days	17-21/AUGUST/2026
SPS 003B	Service station management course	5 days	13-17/JULY/2026
SPS007B	Strategic customer service course	5 days	26-30/OCT/2026
SPS 008B	Stocks management Level 1	5 days	19-23/OCT/2026
SPS 009B	Stocks management Level 2	5 days	5-9/OCTOBER/2026
SPS 011B	Lubricants Territory managers competency course	3 days	3 AUG-4 SEP/2026
SPS 012B	LPG Territory managers competency course	3 days	24-26 AUG/2026
SPS 013B	Distribution/Commercial Territory managers competency course	3 days	27-29/ JULY/2026
SPS 014B	Autogas Service Station management course level1	3 days	3-6/AUG/2026
SPS 015B	Autogas Service Station management course level2	3 days	15-17/SEP/2026
(C) HEALTH SAFETY SECURITY AND ENVIRONMENTAL COURSES			
SPS001C	Petroleum sector occupational health, safety & security (HSSE) management course	5 days	20-24 /JULY/2026
SPS 002C	Petroleum sector Contractor & Service providers health, safety, security, and environment (HSSE) course	5 days	10-14/AUG/2026
SPS 005C	Contractor safety management course Level 1	5 days	5-9/OCT/2026
(F) RISK MANAGEMENT COURSES			
SPS 001F	Risk management in the oil and gas sector course	5 days	12-16/OCT/2026
SPS 004F	Occupational Health and risk assessment	3 days	21-23/SEP/2026
SPS 005F	Joint Incident Command System training course Level 1	5 days	21-25/SEP/2026
(G) PETROLEUM PRODUCTS LOGISTICS & HANDLING COURSES			
SPS003G	Petroleum depots operations & distribution management	5 days	14-19/SEP/2026
SPS004G	Introduction to the Oil & Gas Sector	5 days	7-11/ SEP/ 2026
SPS003M	EA oil and gas transportation and management	4 days	16-19/SEP/2026
SPS 005M	Petroleum road and transportation management	5 days	17-21/AUGUST/2026
SPS 008M	First Aid competency and highway emergency response plan course (Drivers/Emergency responders)	3 days	26-28/AUG/2026
SPS 009 M	Oil and Gas Fire Marshalls course	5 days	17-21/AUG/2026
(K) HUMAN RESOURCE MANAGEMENT COURSES			
SPS 002K	Supervision leadership and management	2 days	26-27/AUG/2026
SPS 003K	Executive People centered leadership course	Half day	3/SEP/2026
(L) PERSONAL DEVELOPMENT COURSES			
SPS001L	Reinventing yourself at the workplace	1 day	30/JULY/2026
SPS002L	Mental health Champions at the Work place	Half day	15/SEP/2026
SPS 003L	Work life Balance in the context of Time management	1 day	27/OCT/2026
SPS 004L	Work life Balance in the context of Technology devices usage	1 day	27/OCT/2026

TRAINING CALENDAR FOR YEAR 2026 (JULY - DECEMBER)

(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 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
(B) OIL AND GAS RETAIL AND MARKETING COURSES				
SPS 003B1	Service Station Management course (Part 1)	3 hours	Module 1: Product knowledge	17-18/AUG/2026 10.00 a.m-12.30 p.m.
			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	
SPS 003B2	Service Station Management course (Part 2)	3 hours	Module 1: Staff management	10-11/ AUG/2026 10.00 a.m-12.30 p.m.
			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	
SPS007B1	Strategic customer service course	3 hours	Module 1: Strategic customer service models	21-22/SEP/2026 10.00 a.m-12.30 p.m.
			Module 2: Customer service vs Quality Customer Service	
			Module 3: Citizens Service Charter	
			Module 4: Customer service process	
			Module 5: Handling customer complaints	
SPS 008 B1	Stocks Management Level 1	3 hours	Module 1: Overview of the Oil & Gas sector	28-29/SEP/2026 9 a.m. - 12.30 p.m.
			Module 2: Refining operations	
			Module 3: Legal & regulatory framework	
			Module 4: Imports custody transfer	
			Module 5: Terminal designs & Importing Infrastructure	
			Module 6: Product measurement & measurement equipment	
SPS 009B2	Stocks Management Level 2		Module 1: Product receipts, costing and pricing	13-14/OCT/2026 9.30 a.m-12.30 p.m.
			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)	
(E) LPG OPERATIONS SALES & MARKETING COURSES				
SPS003E2	LPG Sales, Operations and Marketing Management (Part 2)	3 hours	Module 1: LPG cylinder safe handling and transportation	2-3/SEP/2026 10.30 a.m-12.30 p.m.
			Module 2: LPG market supply chain	
			Module 3: LPG Safety and Emergency preparedness	
			Module 4: LPG accident and incident investigation	
			Module 2: Emergency response and preparedness plan	12.30 pm-1.30 pm
			Module 3: Accident and incident response and reporting	
			Module 4: LPG installation work documents control & procedures	
(H) LUBRICANTS COURSES				
SPS001H1	Lubricants Competency Course (Part 1)	2 hours	Module 1: Fundamentals of lubricants and lubrication	6-8/JULY/2026 12.30 pm-1.30 pm
			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)	
SPS001H1	Lubricants Competency Course (Part 2)	2 hours	Module 1: Lubricant’s standards legal and regulatory framework	4-6/AUG/2026 12.30 pm-1.30 pm
			Module 2: Automotive, Synthetic and industry specific lubricants	
			Module 3: Lubricant’s market, supply chain and distribution	

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:

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Rethinking

Fuel Security for East Africa

The conflict in the Middle East laid bare the fragility of Africa's fuel supply chain, exposing vulnerabilities that have accumulated over decades of dependence on imported petroleum products. What began as a geopolitical confrontation rapidly evolved into a defining energy security challenge for countries across East Africa, forcing governments, fuel marketers and policymakers to reconsider how the region procures, stores and transports petroleum products.

For economies that rely heavily on imported diesel, gasoline, jet fuel and Liquefied Petroleum Gas (LPG), the disruption served as a reminder that energy security extends far beyond crude oil prices. Shipping routes, strategic reserves, storage infrastructure and regional logistics all emerged as equally critical components of a resilient energy system.

These issues dominated discussions during the S&P Global Energy-PIEA East Africa Market Briefing, held in May in Nairobi, where analysts painted a sobering picture of an increasingly volatile global energy landscape. The briefing suggested that the current crisis has moved beyond an initial logistical bottleneck and is entering a more prolonged phase that could reshape global petroleum trade and significantly influence East Africa's energy future.

At the heart of the disruption lies the Strait of Hormuz, arguably the world's most important energy chokepoint. Before the conflict intensified, approximately 21 million barrels per day of crude oil and refined petroleum products passed through the narrow waterway linking the Arabian Gulf to international markets. Around 15 to 16 million barrels per day comprised crude oil, while the remainder consisted of refined fuels destined for consumers across Asia, Europe and Africa.

According to S&P Global data, movements through the Strait collapsed by more than 90 per cent at the height of the crisis, reducing crude flows to roughly 1.3 million barrels per day, while refined product flows fell to just 470,000 barrels per day. Such a dramatic reduction created immediate uncertainty throughout global supply chains, leaving refiners, traders and importing nations scrambling to secure alternative cargoes.

Shipping activity reflected the scale of the disruption. Average daily tanker crossings through Hormuz fell from around 135 vessels in February 2026 to only seven in March before recovering slightly to 14 per day in April. Security concerns, military activity and widespread electronic signal interference complicated navigation and vessel tracking, increasing freight costs and extending delivery schedules.

For East Africa, these developments represented much more than another period of volatile oil prices. Kenya, Tanzania, Uganda, Rwanda, Ethiopia, and South Sudan remain heavily dependent on imported petroleum products sourced, either directly or indirectly, from Middle Eastern refineries. Diesel, gasoline, aviation fuel and LPG arriving through Mombasa and Dar es Salaam are closely linked to producers in Saudi Arabia, Kuwait, Bahrain, Oman, Qatar and the United Arab Emirates.

Any interruption affecting Gulf exports, therefore, reverberated throughout East Africa's supply chain. Delays in cargo arrivals translated into tighter inventories, higher procurement costs and increased pressure on retail fuel prices, with consequences extending well beyond the energy sector.

Rising Economic Cost

Agriculture, mining, manufacturing, aviation and public transport all depend on affordable and reliable fuel supplies. Rising energy costs increase food prices, elevate freight charges, strain foreign exchange reserves and complicate monetary policy. For governments already facing fiscal constraints, subsidising fuel becomes increasingly expensive while allowing prices to rise risks triggering inflation and public discontent.

Data shared by S&P Global Energy Head of Africa Fuels & Refining Stanislas Drochon showed that Eastern and Southern Africa remain among the world's most exposed regions because of their heavy dependence on imported refined products, relatively modest strategic reserves and limited bargaining power when competing for available cargoes.

"The region is likely to face intense competition for available fuel molecules as wealthier importing nations move aggressively to secure supplies during periods of disruption," said Drochon.

Perhaps the most striking assessment presented during the briefing concerned the evolution of the crisis itself.

He noted that the situation is in the process of transitioning from phase two to phase three, describing the movement from a supply crisis towards a demand crisis where prolonged shortages will begin suppressing consumption as products become either prohibitively expensive or physically unavailable.

The analytical framework divided the disruption into three distinct stages. The first is a flow crisis, characterised by temporary vessel backlogs and logistical bottlenecks while global supply and demand remain broadly balanced. The second phase is a supply crisis marked by reduced upstream production, refinery disruptions and declining availability of crude and refined petroleum products.

The final stage, according to S&P Global Energy, is the most severe. A demand crisis that will emerge when shortages persist long enough to overwhelm available inventories and strategic reserves. Consumers begin reducing fuel consumption not by choice but because affordability deteriorates and physical shortages become widespread.

By early June, evidence suggested that international markets had already moved deeper into this second phase. Global diesel exports fell sharply from pre-crisis levels, while jet fuel exports almost halved. Gasoline exports also declined substantially, tightening supplies available to import-dependent markets. These developments inevitably affect Africa, where importers compete with buyers from Europe, Asia and Latin America for limited cargoes.

Consumers have already begun experiencing the consequences. Across several African markets, retail fuel prices increased significantly despite government efforts to cushion consumers through subsidies, tax adjustments and stabilisation funds. Kenya, Tanzania, Rwanda and Ethiopia all experienced upward pressure on pump prices, although the magnitude differed according to national pricing mechanisms.

Subsidy Sustainability vs Social Stability

Governments initially responded by reducing fuel levies, delaying tax increases, or drawing on price stabilisation funds. However, these measures provide only temporary relief.

These options, however, prove to be bad given the magnitude of the price spikes. Policymakers are now forced to confront the difficult choice of attempting to balance fiscal sustainability with social stability.

One of the briefing's strongest messages concerned the importance of strategic petroleum reserves. Unlike International Energy Agency member countries, which generally maintain emergency stocks equivalent to around 90 days of net imports, most East African nations possess relatively limited storage capacity and depend heavily on uninterrupted commercial imports.

That dependence significantly reduces flexibility during major geopolitical disruptions.

"Strategic stocks are made for such situations, and governments need to revisit long-term stockpiling policies and invest in emergency reserve infrastructure capable of cushioning future shocks", urged the S&P Global Energy report.

"The challenge is particularly acute for landlocked countries, including Uganda, Rwanda and South Sudan, which rely on coastal import terminals and cross-border transport corridors. Any disruption at ports or along regional transport networks rapidly affects inland fuel availability".

Regional Investments

Recognising these vulnerabilities, governments and industry players have increasingly explored collaborative solutions. Uganda has pursued access to pipeline infrastructure and storage facilities linked to Kenya's petroleum distribution network, while several other African countries have developed similar cross-border arrangements designed to strengthen supply resilience.

Regional investment priorities are therefore shifting. Expanding storage capacity at Mombasa, increasing inland depots, constructing additional product pipelines and improving logistical connections between ports and hinterland markets are becoming central elements of long-term energy security planning.

Diversification has also emerged as a recurring theme.

East African buyers are actively exploring alternative supply sources, including India, Singapore and Nigeria's Dangote Refinery, while Russian exports remain commercially attractive under certain pricing conditions. Nevertheless, analysts caution that many alternative suppliers continue to rely on crude originating in the Gulf, limiting the extent to which diversification alone can eliminate geopolitical exposure.

Import patterns illustrate this complexity. East Africa receives refined petroleum products from the Indian subcontinent, the Mediterranean, Northwest Europe, Southeast Asia and the Middle East Gulf. Diesel arrives from countries including Saudi Arabia, Kuwait, Qatar, Oman, the United Arab Emirates and India, while gasoline is sourced from Bahrain, Saudi Arabia, Oman, Qatar and European refiners. Jet fuel imports remain dominated by Gulf producers alongside India.

Beyond immediate supply concerns, the conflict may reshape investment decisions across Africa's energy sector.

The heightened awareness of geopolitical risk is likely to encourage greater investment in domestic refining, natural gas infrastructure, storage facilities and indigenous energy resources as governments seek to reduce exposure to imported fuels.

One thing was clear: energy security equals national security. Speakers emphasised that geothermal energy, natural gas, biofuels and electric mobility should increasingly be viewed as strategic national assets rather than purely commercial ventures.

This perspective aligns closely with East Africa's resource base. Kenya continues expanding geothermal generation and producing its first commercial oil by December 2026; Tanzania is accelerating natural gas development, while Uganda prepares to become an oil-producing nation through the East African Crude Oil Pipeline and associated upstream projects. Collectively, these investments have the potential to strengthen regional energy resilience while supporting industrial development.

The Strait of Hormuz crisis has reinforced the importance of deeper regional integration. Shared storage infrastructure, interconnected pipeline networks, harmonised fuel specifications, and coordinated emergency response mechanisms could significantly improve the region's ability to withstand future supply disruptions.

At the same time, policymakers must contend with broader economic consequences. Higher fuel costs raise transport expenses, increase fertiliser prices, weaken tourism competitiveness and place additional pressure on already constrained public finances. Prolonged shortages could encourage smuggling, black-market trading and fuel rationing, particularly in landlocked economies that depend entirely on regional transport corridors.

The current disruption may ultimately become a defining moment for East Africa's energy transition. It has exposed structural weaknesses that were long recognised but often overlooked during periods of relatively stable prices and abundant global supply. Whether governments use this opportunity to expand strategic reserves, diversify supply chains and accelerate investment in domestic energy resources could determine the region's resilience for decades.

Breather for Action

The end of June has seen crude oil markets somewhat balanced following easing geopolitical tensions and increased production from major producers. Brent crude has generally traded in the mid-to-upper US\$60s per barrel, supported by seasonal demand but moderated by additional supply from OPEC+ members and resilient production outside the alliance. Nevertheless, traders remain highly sensitive to any renewed instability around the Middle East, particularly shipping routes through the Strait of Hormuz, meaning price volatility is likely to remain a defining feature of the market rather than an exception.

For East Africa, this evolving market presents both risks and opportunities. Lower crude prices could ease pressure on fuel import bills and inflation, benefiting consumers and supporting economic growth. However, persistent volatility reinforces the urgency of reducing reliance on external suppliers through greater storage capacity, regional refining, indigenous oil and gas development, and stronger cross-border energy cooperation.

The region has an opportunity to transform the lessons of the Strait of Hormuz crisis into a more secure and resilient energy future. The events have demonstrated that fuel security is no longer simply a commercial issue; it has become a strategic pillar of economic stability and national development.

Kenya Advances

Biofuel Blending for Energy Security

Kenya is moving to accelerate the use of locally produced biofuels as part of a broader strategy to strengthen energy security, reduce exposure to volatile international oil markets and stimulate investment across agriculture and manufacturing.

The implementation of the Energy (Biofuels) Regulations, 2025, marks a significant step in the country's efforts to diversify its energy mix and lessen dependence on imported petroleum products. The regulations provide the legal and operational framework for the phased introduction of biofuel blends into Kenya's fuel supply chain, setting the stage for the commercial rollout of ethanol-blended fuels.

The initiative comes at a time when many countries are reassessing fuel security strategies amid geopolitical tensions, supply disruptions and fluctuating crude oil prices. For Kenya, which remains heavily reliant on imported refined fuels, expanding domestic biofuel production is increasingly viewed as an opportunity to improve resilience and create new economic activity.

As part of preparations for implementation, the Ministry of Energy and Petroleum and the Energy and Petroleum Regulatory Authority (EPRA) convened a high-level stakeholder consultation in May, bringing together oil marketing companies, ethanol producers, manufacturers, logistics firms and other industry participants. Discussions focused on sector readiness, infrastructure requirements, implementation priorities and measures needed to operationalise the blending programme.

Under the regulations gazetted in December 2025, Kenya plans to introduce biofuel blends in phases, starting with E5 and E10 grades. E5 contains five per cent bioethanol, while E10 contains ten per cent bioethanol. The regulations also cover production, licensing, blending, transportation, storage, distribution and sales, providing a comprehensive framework for market development.

Bioethanol is produced from agricultural feedstocks such as sugarcane molasses, cassava, maize and sorghum through fermentation and distillation processes. Biodiesel, meanwhile, can be manufactured from vegetable oils, waste cooking oil and

other organic materials using chemical processing techniques.

Industry observers note that the use of biofuels has expanded significantly in recent years as governments pursue policies to reduce greenhouse gas emissions, support rural economies, and improve energy self-sufficiency. Countries including Brazil, India, Thailand, the United States and South Africa have developed sizeable blending programmes that have helped create domestic markets for agricultural commodities while reducing reliance on imported fossil fuels.

Kenya is seeking to replicate elements of these models by leveraging locally available feedstocks and encouraging investment along the value chain. In addition to supporting cleaner transport fuels, the policymakers see opportunities to strengthen local manufacturing, agro-processing and logistics industries.

Speaking during the stakeholder consultation, EPRA Acting Director General Dr Joseph Okech said the regulations provide an avenue for expanding economic opportunities while enhancing the country's energy resilience.

"The Biofuels Regulations provide Kenya with an important opportunity to strengthen energy security while building new local industries around agriculture, manufacturing and renewable energy," he said.

He added that scaling domestic bioethanol production and structured blending could gradually reduce exposure to external fuel supply shocks while creating new markets for farmers, manufacturers, investors and other participants in the value chain.

Government officials believe the programme could significantly increase ethanol production over time. According to the Secretary for Renewable Energy in the State Department for Energy, Ministry of Energy and Petroleum Eng Isaac Kiva, Kenya's ethanol facilities currently produce about 26.5 million litres annually despite having a combined installed capacity of approximately 83 million litres.

"Kenya's ethanol plants can process 83 million litres a year, yet we currently produce only 26.5 million litres," Kiva noted, adding that increased production would not only support cleaner transport fuels but also contribute to clean cooking initiatives, strengthen local industry and reduce expenditure on imported fuels.

Stakeholders also emphasised the importance of continued coordination among government agencies, oil marketers, ethanol producers, investors and standards organisations to ensure an orderly and sustainable rollout. Infrastructure upgrades, blending facilities, storage capacity and efficient supply chains will be critical to supporting commercial deployment.

Beyond fuel security, the regulations are expected to unlock broader economic benefits. New demand for agricultural feedstocks could stimulate rural incomes, encourage investment in local processing capacity and deepen domestic industrial value chains. The blending programme is also anticipated to generate employment opportunities in farming, transportation, manufacturing and renewable energy-related services.

For Kenya's downstream petroleum sector, the biofuel initiative signals a gradual but important shift toward a more diversified energy landscape. If successfully implemented, the programme could position the country as an emerging regional example of how biofuel policies can simultaneously advance energy security, support industrial development and reduce dependence on imported petroleum products.



Biofuels

Investments in Kenya: Market Trends, Challenges and Opportunities



Vikram Gill
Managing Director
Giloil Co Ltd



As the global energy transition accelerates and nations race to decarbonise their transport sectors, Kenya finds itself at a pivotal juncture. The country possesses extraordinary untapped potential for biofuel production, rich agricultural land, abundant biomass feedstocks, and a growing urban economy with ballooning fuel demand. Yet despite these natural advantages, Kenya's biofuel industry remains nascent, fragile, and largely unrecognised by the very policy frameworks that should be driving its growth. Understanding this paradox is essential for investors, policymakers, and industry players seeking to navigate one of East Africa's most promising and most under-leveraged clean energy frontiers.

What is FAME and Why Does it Matter?

Fatty Acid Methyl Ester, commonly abbreviated as FAME, is the technical designation for biodiesel, a renewable fuel derived from organic feedstocks including vegetable oils, animal fats, and used cooking oil (UCO). Produced through a chemical process called transesterification, FAME can be blended directly with conventional petroleum diesel, known as automotive gas oil (AGO), without requiring modifications to existing engines or infrastructure. This compatibility makes it one of the most practical and immediately deployable tools for reducing transport-sector carbon emissions.

Globally, FAME biodiesel has become a cornerstone of national decarbonisation strategies. The European Union mandates blending targets under its Renewable Energy Directive, with member states required to incorporate increasing proportions of advanced biofuels into road transport fuels. Indonesia, the world's largest palm oil producer, enforces a mandatory B35 blend (35 per cent biodiesel in all diesel), creating a vast domestic market that has catalysed refinery investment and supply chain development. The United States, Brazil, and India have similarly enacted blending mandates that have unlocked billions of dollars in biofuel investment. The common thread across all these jurisdictions is clear government policy that creates demand certainty, de-risks private investment, and drives scale.

Kenya, despite its ambitions under the Big Four Agenda and commitments to climate action under the Paris Agreement, has yet to enact such a mandate. This absence is the single greatest obstacle facing Kenya's emerging biofuel sector, and it is the lens through which all investment discussions must be understood.

The Strait of Hormuz, Energy Security, and the Case for Local Production

Recent geopolitical events have sharpened the argument for domestic energy production with unmistakable clarity. The threatened and actual disruptions to shipping through the Strait of Hormuz, the narrow waterway through which an estimated 20 percent of the world's traded oil passes, have sent shockwaves through global fuel markets and exposed the profound vulnerability of petroleum-dependent economies. For Kenya, which imports virtually all of its petroleum requirements through Mombasa, the spectre of supply chain disruption is not an abstract geopolitical concern. It is an existential commercial and economic risk.

Every litre of FAME biodiesel produced from locally sourced feedstocks is a litre that does not need to pass through contested maritime corridors, be priced in foreign currency, or be subject to the whims of OPEC production decisions. Domestic biodiesel production is, at its core, an act of energy sovereignty. It reduces Kenya's exposure to price spikes triggered by events thousands of kilometres away, smooths the current account deficit by substituting imports with locally produced value, and builds resilience into the nation's fuel supply in ways that no amount of petroleum storage capacity alone can replicate.

The Hormuz disruption lesson resonates across the African continent. Nations that have invested in domestic biofuel capacity have discovered that energy security and economic development are not competing priorities. They are the same priority. Kenya has the feedstocks, the geography, the agricultural base, and the technical capability to build that security. What remains is the government's will to mandate it.

Jobs, Carbon Credits, and the Green Economy Dividend

Beyond energy security, a mandated domestic biodiesel industry would generate cascading economic benefits that extend far beyond the refinery gate. Feedstock collection alone, whether UCO aggregation from urban restaurants, Jatropha harvesting from smallholder plots, or tallow recovery from abattoirs, is labour-intensive and geographically distributed. Industry analyses from comparable markets suggest that every 10,000 tonnes of annual biodiesel production capacity supports between 150 and 300 direct and indirect jobs across the value chain. Scaled to a B10 mandate scenario for Kenya, this translates into tens of thousands of new livelihoods in collection, logistics, processing, quality assurance, and distribution.

Crucially, these are not theoretical green economy jobs; they are grounded in existing agricultural and waste management activities that simply require a market signal to formalise and scale. UCO collectors already operate in Nairobi's hospitality sector. Smallholder farmers in arid and semi-arid regions already cultivate drought-resistant crops. The infrastructure of employment exists; it is waiting for the value chain to connect it to a national fuel standard.

The carbon dimension adds another layer of financial opportunity that Kenya has barely begun to explore. FAME biodiesel produced from waste feedstocks such as UCO delivers lifecycle carbon savings of 80 to 90 percent compared to fossil diesel, according to EU Renewable Energy Directive calculations. These savings can be quantified, independently verified, and monetised as carbon credits on voluntary or compliance

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Domestic biodiesel means local jobs, lower import bills, reduced carbon emissions, and monetisable carbon credits. It means a transport sector less exposed to the volatility of distant conflicts

markets. With carbon prices on international markets ranging from USD 30 to over USD 100 per tonne of CO2 equivalent, a scaled Kenyan biodiesel industry could generate significant additional revenue streams through carbon credit issuance revenue that accrues to producers, feedstock suppliers, and potentially to the government through a national carbon trading framework.

Kenya already has experience with carbon markets through its forestry and land-use programmes. Extending this expertise to transport biofuels is a natural and financially logical next step, but it requires the foundational infrastructure of a blending mandate and certified domestic production to generate the verified emissions reductions on which credits are based. All of this is achievable. All of it depends on government policy.

The Policy Gap: A Market Without a Mandate

The most urgent structural challenge facing Kenya's biofuel sector is the absence of a binding blending mandate. In comparable markets, a government directive requiring fuel distributors to incorporate a defined percentage of FAME into all diesel sold creates an automatic, guaranteed offtake for domestic producers. It eliminates the need for biodiesel to compete on price alone against heavily subsidised petroleum fuels, sends a long-term demand signal to investors and feedstock suppliers, and creates the fiscal and regulatory architecture through which the entire sector can develop.

Kenya's Energy Act of 2019 and its associated Bioenergy Policy of 2019 acknowledged the importance of biofuels and set aspirational targets for their integration into the national energy mix. Yet these frameworks have not translated into enforceable blending requirements for AGO. The Energy and Petroleum Regulatory Authority (EPRA), which regulates downstream petroleum, has not issued standards or specifications that formally incorporate FAME biodiesel into the national fuel supply chain. This regulatory limbo means that producers must sell their product on the open market without the

structural demand that peer countries have created through mandate.

The UCO Crisis: Kenya's Liquid Gold is Leaving the Country

Perhaps the most egregious missed opportunity in Kenya's biofuel story is the export of used cooking oil. UCO collected from restaurants, hotels, food processors, and households is among the highest-quality feedstocks for FAME production. It qualifies as a waste-derived advanced biofuel under international certification standards such as ISCC (International Sustainability and Carbon Certification), commanding a premium on global markets. In the European Union, UCO-derived biodiesel counts double against blending mandates due to its waste origin and significant lifecycle carbon savings.

Nairobi and other Kenyan urban centres generate thousands of tonnes of UCO annually. Rather than being processed into domestic biodiesel, a significant proportion of this feedstock is aggregated by collection networks and exported, primarily to European biodiesel producers eager to fulfil their advanced biofuel obligations. The value chain that should be anchoring Kenya's biodiesel industry is instead enriching European refiners.

This feedstock haemorrhage reflects a market failure of considerable magnitude. Correcting it requires policy intervention: either a feedstock retention mechanism, export levies on raw UCO, or, most effectively, a blending mandate that creates sufficient domestic demand to compete with export prices. Every tonne of UCO processed locally rather than exported represents jobs retained in Kenya, carbon savings credited to Kenya, and foreign exchange conserved within Kenya's economy.

Investment Landscape: Risk, Return, and the Policy Premium

For investors considering Kenya's biodiesel sector, the risk-return calculus is heavily shaped by the policy environment. In mandate-backed markets, biodiesel plants typically achieve attractive returns on investment within five to eight years, supported by predictable demand, certified offtake agreements,

and potential carbon credit revenue. The introduction of a B5 blending mandate would, by conservative estimates, create an immediate annual demand for approximately 50,000 to 70,000 tonnes of FAME biodiesel based on Kenya's current diesel consumption. A B10 mandate would double this figure.

Development finance institutions, including the African Development Bank, the International Finance Corporation, and bilateral development banks, have increasingly prioritised sustainable energy transition investments across sub-Saharan Africa. Kenya's biodiesel sector, with its waste-feedstock credentials, energy security rationale sharpened by Hormuz-related supply risks, rural employment potential, and monetisable carbon savings, aligns squarely with these mandates. A credible policy framework would unlock this financing almost immediately.

The Investment Awaits the Will

Kenya's biofuel sector is not waiting for technology, capital, or feedstocks. It is waiting for policy. Giloil Co Ltd's continued operation as the country's sole FAME producer is both an inspiration and an indictment, a demonstration that the sector can work, and a daily reminder that without a supportive regulatory framework, it cannot scale.

The geopolitical case has never been stronger. The blocking of the Strait of Hormuz and recurring disruptions to global oil supply chains have made energy security a front-page economic issue. Kenya does not need to import its fuel insecurity; it can produce its way out of it. Domestic biodiesel means local jobs, lower import bills, reduced carbon emissions, and monetisable carbon credits. It means a transport sector less exposed to the volatility of distant conflicts and the pricing power of foreign cartels.

All of this is possible. The feedstocks exist. The investment appetite is there. The carbon markets are open. What Kenya needs now is a government that recognises that a blending mandate is not a cost, it is an investment in sovereignty, employment, and climate leadership. The choice to act, or to continue watching UCO flow out of Mombasa port and petroleum flow in, rests entirely with policymakers. The market is ready. The moment is now.

Balancing Energy Security and Clean Energy Transition in E.A



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East Africa stands at a critical point in its energy journey. On one hand, the region continues to experience rising energy demand driven by population growth, industrialisation, urbanisation, and expanding transportation needs. On the other hand, there is increasing pressure to transition toward cleaner, affordable, and sustainable energy systems that can support economic growth while addressing environmental concerns.

Recent global geopolitical disruptions have further demonstrated the importance of energy security. Supply chain interruptions, fluctuating fuel prices, foreign exchange pressures, and dependence on imported energy products have exposed vulnerabilities within many African economies. These developments present an important lesson for Africa: energy security can only be achieved through diversification, local resource utilisation, strategic infrastructure investment, and balanced energy transition policies.

In East Africa, petroleum products continue to play a vital role in supporting transport, manufacturing, aviation, agriculture, and power generation. Oil and gas infrastructure, therefore, remains essential to economic stability and regional development. Through direct engagement in petroleum consultancy and representation of multiple Oil Marketing Companies (OMCs), it is evident that the industry continues to face several challenges, including infrastructure financing gaps, storage limitations, taxation pressures, regulatory inconsistencies, foreign exchange volatility, and supply chain inefficiencies.

However, while petroleum remains critical, the future of Africa's energy landscape cannot rely on conventional fuels alone. The region must simultaneously accelerate investment in cleaner and locally available energy alternatives such as LPG, biogas, solar, wind, and geothermal energy. Rather than viewing conventional and renewable energy sectors as competitors, East Africa should pursue an integrated energy approach where each energy source complements the other based on affordability, accessibility, reliability, and environmental impact.

One of the most practical transition fuels currently available is Liquefied Petroleum Gas (LPG). Across many African countries, LPG adoption has significantly improved clean cooking access while reducing dependence on charcoal and firewood. Nevertheless, affordability and distribution challenges still limit widespread adoption, particularly in rural and low-income communities. Expanding LPG storage infrastructure, improving cylinder circulation systems, and encouraging private sector participation can accelerate access and strengthen regional energy resilience.

At the same time, biogas presents an underutilised opportunity for Africa's clean energy transition. With East Africa's strong agricultural base, livestock farming activities, and growing organic waste streams, biogas offers a sustainable solution capable of supporting household cooking, commercial heating, agricultural processing, and institutional energy needs. In many communities, biogas is increasingly being viewed not only as a clean energy solution but also as an economic empowerment tool reflected in the growing popularity of the slogan, "Biogas - Okoa pesa, Boresha maisha." Biogas technology also contributes to waste management, environmental conservation, and the reduction of greenhouse gas emissions.

The growth of biogas solutions across Africa demonstrates that decentralised energy systems can effectively complement national energy strategies. Through companies such as Biogas Appliances Africa Limited and other clean energy enterprises, innovative biogas appliances, storage systems, industrial burners, heating solutions, and smart energy technologies are increasingly becoming accessible to homes, institutions, and businesses. Such developments highlight the importance of supporting local manufacturing, local assembly, technical training, and regional clean energy entrepreneurship.

Despite these opportunities, several barriers continue to slow clean energy adoption. These include limited financing access, low public awareness, inadequate policy incentives, high upfront installation costs, and inconsistent regulatory frameworks. Addressing these challenges will require stronger collaboration between governments, regulators, financial institutions, petroleum industry stakeholders, renewable energy developers, and development partners.

Public-private partnerships will therefore play a critical role in scaling Africa's energy independence. Governments must create enabling policies that encourage investment across both the petroleum and renewable energy sectors while ensuring affordability and sustainability. Financial institutions should develop flexible financing models that support energy infrastructure projects, clean cooking technologies, and decentralised energy systems. Regional cooperation within East Africa can also help improve energy trade, shared infrastructure development, and harmonised regulations.

The future of energy security in East Africa lies not in choosing between petroleum and renewable energy, but in creating a balanced and inclusive energy ecosystem that supports economic growth while advancing sustainability goals. Petroleum products will continue to support industrial growth and mobility, LPG will strengthen clean cooking access, while biogas and other renewable technologies will expand decentralised and environmentally sustainable energy solutions.

Africa possesses abundant energy resources. The challenge is no longer resource availability, but rather investment, policy alignment, infrastructure development, and strategic implementation. By embracing a diversified energy strategy that combines conventional fuels with innovative clean energy solutions, East Africa can build a more resilient, affordable, and sustainable energy future for generations to come.

The Role of LPG and Autogas in Powering Energy Transition

How practical transition fuels are improving lives, strengthening energy security and supporting a lower-carbon future.

By Galana Energies Limited - Team

Kenya has long been recognised as a leader in Africa's energy transition. From its world-leading geothermal resources to significant investment in renewable electricity, the country has demonstrated that economic growth and sustainability can go hand in hand. Today, the next phase of that transition lies in expanding access to cleaner fuels that can deliver immediate environmental, social and economic benefits.

The global conversation around energy transition is often dominated by electric vehicles, renewable energy and hydrogen. While these technologies will undoubtedly shape the future, the reality for emerging economies is different. The transition must first be practical, affordable and inclusive.

For Kenya, some of the most impactful solutions are already within our reach. Liquefied Petroleum Gas (LPG) for clean cooking and Autogas for transport are not simply alternative fuels; they are practical transition fuels that can reduce emissions, improve public health, strengthen energy security and support economic growth today.

The question is no longer whether Kenya should embrace these solutions. The question is how quickly we can scale them.

For millions of Kenyan households, cooking continues to depend on firewood and charcoal. While these fuels have served communities for generations, they also contribute to deforestation, household air pollution and preventable health challenges.

According to the International Energy Agency (IEA), approximately half of Kenya's population still relies primarily on firewood for cooking. Recognising this challenge, the Government of Kenya has adopted the Kenya National Cooking Transition Strategy, which aims to achieve universal access to clean cooking by 2028 while accelerating the adoption of modern cooking fuels, including LPG, across the country.

The transition to cleaner cooking is about much more than energy. Household air pollution remains one of the leading environmental health risks across Africa. The IEA estimates that achieving universal access to clean cooking could prevent more than 500,000 premature deaths annually across the continent by 2030, demonstrating that cleaner cooking is equally a public health intervention.

For families, the benefits of LPG are immediate. It burns cleanly, cooks faster, reduces indoor smoke and provides greater convenience. Over time, its efficiency also makes it a cost-effective cooking solution, allowing households to prepare meals using less fuel while creating healthier homes and reducing pressure on forests.

Beyond households, LPG creates economic value by stimulating investment across the supply chain, from import terminals and storage facilities to cylinder manufacturing, transportation, retail distribution and after-sales support. It is an energy solution that supports livelihoods while contributing to Kenya's long-term development.

The International Energy Agency projects that more than 60% of new clean cooking access across Africa by 2040 will be delivered through LPG, underlining its central role in the continent's energy transition. For Kenya, continued investment in LPG infrastructure, safety education and nationwide accessibility will be critical in ensuring more households can make the transition to cleaner cooking.

Autogas: Unlocking Cleaner Mobility

Transport presents another significant opportunity in Kenya's journey towards a lower-carbon economy.

As urbanisation accelerates and vehicle ownership continues to increase, there is growing pressure to reduce transport emissions while maintaining affordable mobility for businesses and consumers.

Autogas, the use of LPG as a transport fuel, offers an opportunity to decarbonise transport without requiring a complete transformation of existing vehicle fleets.

Already widely used in countries such as Turkey, South Korea, Italy and Poland, Autogas has established itself as one of the world's most successful alternative transport fuels. According to the World LPG Association, more than 27 million vehicles worldwide currently operate on Autogas.

Compared to conventional petrol, Autogas produces lower carbon dioxide emissions while significantly reducing harmful pollutants such as nitrogen oxides and particulate matter, contributing to cleaner air in our cities. It also provides motorists and commercial fleet operators with a cost-effective alternative, helping reduce operating expenses while supporting environmental sustainability. Importantly, Autogas is not an emerging technology waiting to mature. It is a proven solution that enables existing petrol-powered vehicles to transition to a cleaner fuel through certified conversion systems, making it one of the most practical pathways towards cleaner mobility available today.

Meaningful progress requires more than ambition; it requires investment.

At Galana Energies, we believe the energy transition should be demonstrated through action. This commitment is reflected in the commissioning of our first Autogas dispensing facility at Galana Energies Rongai, marking an important milestone in expanding access to cleaner transport fuels in Kenya.

While one station alone will not transform the market, it represents an important first step towards building the infrastructure needed

to support wider Autogas adoption. As demand grows, continued investment in refuelling infrastructure, public awareness and industry collaboration will be essential in making cleaner mobility more accessible to motorists and commercial fleets.

"Our responsibility as an industry is not simply to talk about the energy transition, but to invest in the infrastructure that makes it possible. Every step we take today brings Kenya closer to a cleaner, more resilient energy future," said Anthony Munyasya, Chief Executive Officer, Galana Energies Limited

Kenya's energy transition cannot be achieved by the government or industry acting alone.

It requires collaboration between policymakers, regulators, energy marketers, investors, manufacturers and consumers. Together, we must continue investing in the infrastructure, safety standards and public awareness needed to accelerate the adoption of cleaner energy solutions.

Kenya has already established itself as a regional leader in renewable energy. By accelerating the adoption of practical transition fuels such as LPG and Autogas, the country has an opportunity to build on

that leadership while delivering immediate environmental, social and economic benefits.

The transition to cleaner energy will not happen overnight, nor will it be driven by one technology alone. It will be achieved through a balanced energy mix that combines innovation with practical, scalable solutions.

LPG is transforming the way families cook by providing a cleaner, healthier alternative to traditional fuels. Autogas is opening new opportunities for cleaner mobility while helping businesses and motorists reduce both emissions and operating costs.

Kenya has an opportunity to demonstrate that the energy transition does not have to wait for tomorrow's technologies. By embracing practical solutions such as LPG and Autogas today, we can improve public health, strengthen energy security, create jobs and reduce emissions, all while keeping homes, businesses and the economy moving.

At Galana Energies, we believe meaningful progress is achieved through practical investments, strong partnerships and a shared commitment to building a cleaner, more resilient energy future. As we continue investing in solutions that meet today's needs while preparing for tomorrow's opportunities, we remain committed to playing our part in powering Kenya's energy transition.

EV Transition

Contributing to Africa's Energy Security



Christopher Maara
Founder and Managing Director
Kiri Energy



Africa's pursuit of energy security is increasingly intertwined with the growth of electric mobility. As geopolitical tensions continue to disrupt global fuel markets and expose vulnerabilities in energy supply chains, African nations are being urged to diversify their energy sources and strengthen domestic resilience.

Electric vehicles, supported by reliable power generation, renewable energy development and local manufacturing, offer an opportunity to reduce dependence on imported petroleum products while enhancing economic competitiveness.

In an interview, KIRI Energy Founder and Managing Director Christopher Maara expounds how electric mobility contributes to energy security, industrial development and long-term sustainability across the continent amid an evolving global energy landscape.

Excerpts

Q How have recent geopolitical disruptions reshaped global thinking on energy security, and what lessons should African countries draw from these developments?

The ongoing global geopolitical disruptions and conflicts have had a significant impact on energy supply, specifically fossil fuels, which in turn has impacted supply chains and created commodity price volatility. This has highlighted the risks of overreliance on imported energy from the Middle East. Energy security is no longer being viewed simply from an affordability

point of view, but also access and security of supply encompassing supply resilience, diversification, and local control of energy resources.

For African countries, many of which are net energy importers, this has exposed these economies to external shocks that have resulted in a rapid increase in transport and logistics costs, which have had an inflationary effect across the economy. This has led many governments to scramble to look for alternative sources of fuel to meet the growing supply gap.

From this geopolitical shock, African governments should start prioritising a diversified energy mix, investing in regional domestic refining, expanding storage capacity and diversifying energy production by accelerating technologies that reduce exposure to global fuel supply and price fluctuations. In the short term, the region will have to look beyond the Middle East as building resilience requires a long-term approach that will leverage Africa's abundant renewable energy resources while maintaining balanced energy portfolios.

Q What role can electric mobility play in strengthening national energy security across African markets?

Electric mobility offers African countries an opportunity to shift transport energy consumption from imported petroleum to domestically generated electricity. This will go a long way in saving foreign exchange, which is used to buy petroleum, and this transition reduces exposure to international oil market volatility. However, to achieve this, there needs to be a concerted, rigorous long-term approach

across a number of sectors; more energy needs to be produced from renewable sources, industrial and manufacturing policies have to favour a shift towards local manufacturing of electric vehicles, as we still do not want to be net importers of the vehicles. In the short term, policies can favour the importation of EVs over internal combustion engine (ICE) vehicles.

Ethiopia is leading the way as the African country to institute a nationwide ban on the importation of ICE vehicles, Rwanda has banned registration of new ICE motorcycles, shifting to EVs, Kenya has recently launched a National E-mobility policy, and the President announced that the next 100,000 EVs will be duty-free. If this shift and policies are implemented and maintained, we should begin to see a reduction in fuel demand. This can be seen in Norway, where between 2021 and 2024, Norwegian road fuel consumption fell by about 12% as EVs continued to displace petrol and diesel. EV sales hit 95.9% of all new passenger cars sold in 2025 in Norway. To achieve similar levels, we would need a strong government support for EVs, which are competing with second-hand imported cars.

For many African nations, transportation is one of the largest consumers of imported energy. Electrifying motorcycles, buses, and commercial fleets allows countries to utilise locally available energy resources, including hydro, geothermal, wind power and particularly solar, which is abundant across Africa.

Q How can Africa reduce its dependence on imported petroleum products while expanding electrified transport systems?

There is no short-term magic bullet to solve this dependence. Africa needs a regulatory and policy shift with Governments proactively driving acceleration away from imports. This will need a multi-sectoral approach and a lot of infrastructure investment.

To start with, each region in Africa has a significant crude oil exporter. Southern Africa has Angola, North Africa has Libya, West Africa has Nigeria and multiple others, and in East Africa, we have Uganda, which has discovered large reserves. Let us start by building refining capacity on the continent. Dangote Industries has led the way and shown that refining can work on the continent. This will reduce imports.

Second, we need to drastically improve our mass transit systems, high capacity BRTs will reduce vehicle dependence and make sure these are electrified. Côte d'Ivoire has implemented decrees to prioritise large-scale electric bus transit (BRT) for intra-urban transport, and trains should be prioritised for inter-city travel.

Another significant step is by reducing age limits on imported cars so that more fuel efficient cars are imported, or even banning ICE altogether, like Ethiopia. Reducing petroleum dependence requires a coordinated approach that combines transport electrification, domestic energy generation, local manufacturing, and supportive policy frameworks.

Governments can accelerate electric mobility adoption through incentives, financing programs, infrastructure investments, and fleet electrification initiatives, starting with government fleets. Simultaneously, countries should expand renewable energy generation, modernise electricity grids as they will need to be more resilient and reduce wastage, and encourage local assembly of electric vehicles and components. The goal should not be an abrupt replacement of petroleum-based transport, but a gradual diversification that strengthens long-term energy resilience.

Q How important is domestic electricity generation capacity to the success of electric mobility programmes?

Domestic electricity generation is fundamental to the success of electric mobility, and this goes beyond generation but also grid resilience. To start with, there needs to be an adequate and diversified energy production with a low Levelized Cost of Energy across the entire generation

mix. The lower the cost, the lower the electricity cost when it gets to the consumer and transporter using it in their EV. Sub-Saharan Africa's energy generation is less than that of Spain, which has a smaller population than Kenya! On top of that, up to 25% of Sub-Saharan Africa's installed capacity is often unavailable due to ageing plants and a lack of maintenance.

Furthermore, access to energy is still very limited in many parts of Africa, due to poor transmission and distribution infrastructure. Huge investment is needed for both transmission and distribution infrastructure, but also for fortifying the grid, as many regions suffer from frequent power disruptions and lack robust distribution networks. Utilities will struggle to support the added energy demand of widespread EV charging. Fortifying national grids in Africa, transitioning from isolated, vulnerable networks to resilient, smart, and interconnected systems, is the continent's top energy priority. The benefits of electrified transport are maximised when the electricity powering vehicles is reliable, affordable, and locally produced.

African countries with strong generation capacity able to support large-scale EV adoption without creating grid constraints or increasing energy insecurity are in a position to benefit if they transition to EVs. To realise the benefits of EVs, investments in generation, transmission, distribution, and grid modernisation must therefore accompany transport electrification initiatives. Electric mobility should be viewed as part of a broader energy ecosystem rather than a standalone transport solution.

Q What role do renewable energy resources play in enhancing the energy security benefits of electric transportation?

Renewable energy resources are key to greening the entire transport chain and will play a key role in securing the benefits of electric transportation. This is key when it comes to reducing reliance on imported fuels while simultaneously improving environmental sustainability.

However, it also depends on the type of renewable energy; hydro and geothermal are great as they can provide continuous baseload power, but the intermittent nature of wind and solar means that there will have to be a different source of base load energy. This is especially since most energy consumption for EVs is usually at night when cars, buses, etc. are parked and charging, but the sun/solar is not generating. Therefore, the continent will still need a diversified energy mix to ensure the transition to electric mobility is not inhibited by the source of power. Having said that, Africa possesses some of the world's richest solar, wind, hydro, and geothermal resources, many of which remain underutilised. Renewable-powered transport systems can stabilise long-term energy costs because solar, wind, and geothermal resources are not subject to the same geopolitical risks and international market fluctuations as oil and refined petroleum products.

Q How can governments build more resilient transport energy systems in the face of geopolitical uncertainty?

Experience is the best teacher! I doubt most geopolitical analysts would have predicted what happened in the Middle East or that it would have lasted as long as it has. In this case, the lesson is we need to first diversify our energy sources, both where we import from in the short term, and long term internally, where and how we generate energy. Resilience will come from diversification. This then trickles down to the rest of the economy and, more importantly, transport, which touches every sector. A resilient transport energy system should combine a mix of petroleum products, electricity, biofuels, renewable energy, and any other emerging technologies where appropriate.

Strategic fuel reserves, diversified electricity generation sources, domestic manufacturing capabilities, and regional energy integration all contribute to greater resilience. Policymakers should focus on creating flexible systems capable of adapting to the changing geopolitical and market conditions.

Q What infrastructure investments are most urgently needed to support both energy security and electric mobility growth?

The initial key investments would be bringing existing infrastructure back up to par, reduce losses in generation, upgrade transmission grids to reduce losses and fortify them to be able to support EVs. This will be the first step towards preparing for a future of electric mobility. But this is a stopgap. Investment in grid modernisation is required with new power generation, new transmission and distribution grids, and then extend this to charging infrastructure and energy storage.

For two- and three-wheelers, battery-swapping and distributed charging networks can accelerate adoption while minimising grid pressure; this is already evident in Kenya, where there are over 43,324 registered electric motorcycles in 2025 compared to less than 100 in 2020. Investments in smart grids to facilitate renewable energy integration, and digital energy management systems are equally important. All of these investments will need to go hand-in-hand to ensure long-term system efficiency and reliability for the continent's energy security and electric mobility infrastructure.

Q How can African nations strengthen regional cooperation to improve energy security and support transport electrification?

Regional cooperation can significantly improve energy security by enabling countries to share resources, infrastructure, and expertise, and there is already a continental effort at regional cooperation, you have Southern African Power Pool (SAPP), which is well established and pretty mature and then similar across East (EAPP), West (WAPP) and Northern Africa (COMLEC). These pools aim to enhance grid reliability and attract infrastructural investment, but they still face challenges such as incomplete transmission links, regulatory fragmentation, and varying levels of state trust. For these cross-border power pools to effectively work, there needs to be harmonised EV standards, coordinated industrial policies, and regional supply chains to lower costs and improve market scale.

The same approach should also be taken to other energy value chains, such as petroleum, and we can see this taking shape in East Africa. Uganda is set to become an oil exporter, pipelines are already being built in Tanzania, proposed refinery in Kenya to serve the region. All these can improve the region's energy security.

African countries should also collaborate on battery value chains, mineral processing, and vehicle manufacturing to build globally competitive industries. Stronger regional integration reduces duplication of investments and enhances collective resilience against external shocks.

Q What role can local manufacturing of electric motorcycles and vehicles, batteries and components play in reducing geopolitical risks?

Local manufacturing must be a central pillar of electric mobility strategies and development policies for Africa's industrialisation and long-term economic development. This goes beyond simply assembling vehicles; it includes refining critical raw materials, manufacturing components, producing batteries, and ultimately building electric vehicles locally, a journey that we at Kiri EV are actively pursuing.

Africa's post-colonial economies have been structured around the extraction and export of raw materials, with limited value addition taking place on the continent. As we embrace the energy transition, we have a unique opportunity to reshape this model by investing in local manufacturing and industrial value chains.

Local manufacturing will create jobs, control over critical technologies, develop technical skills, and strengthen industrial capacity while spurring innovation. It also shortens supply chains, reduces foreign exchange exposure, and improves the availability of vehicles and spare parts.

While complete localisation may not be immediately feasible, gradually increasing local content can significantly enhance economic and energy security over time. By moving up the value chain, Africa can strengthen energy security and capture a greater share of the economic benefits generated by the global shift to electric mobility.

Q What financing challenges must African countries overcome to scale electric mobility while maintaining energy affordability?

All the components needed to make this work are large scale investments, from the power generation, transmission and distribution, all the way to the charging infrastructure. Even the vehicles right now are a significant investment for the end user, though a lot of this comes down to taxes. But there are already mechanisms and financial instruments, private-public partnership structures in place that can be utilised to overcome these challenges. The issue is not if the finances can be sourced; it is where that money will be used effectively.

Governments must create a conducive environment for business to thrive, and ultimately, financial institutions and private investors can come together to offer innovative financing solutions such as lease-to-own models, pay-as-you-go financing, blended finance structures, and credit guarantees. Affordable financing is essential to ensuring that electric mobility remains accessible while delivering economic benefits to users.

Q How can policymakers ensure that electric mobility contributes to economic resilience rather than creating new supply-chain vulnerabilities?

Around the world, policy makers are reviewing their exposure after the geopolitical events in the Middle East. For Africa, we need to ensure that we take a holistic approach because the sector cannot be built in isolation. Policies have to create the industry. This means, for manufacturers to produce affordable EVs from parts sourced locally, the mining, processing and parts supply need to be incentivised. It is an entire chain that must be looked at, and not just the sharp end of it. Policymakers should pursue a balanced strategy that prioritises diversification, local value creation, and the circular economy. Reliance on a single technology supplier, battery chemistry, or foreign manufacturing source will create new vulnerabilities. The approach must also be a long term view. It took China decades to build its EV sector and manufacturing base, through government support, appropriate policy and incentives that gave private investors the confidence to put their money and innovate there.

The objective should be to build an electric mobility ecosystem that enhances national competitiveness, creates employment, and reduces external dependencies rather than simply replacing one form of import dependence with another.

Closing Perspective

Africa's energy security challenge is not simply about replacing petroleum with electricity. It is about building a more diversified, resilient, and locally anchored energy system. Electric mobility, when supported by domestic power generation, renewable energy, local manufacturing, and regional cooperation, offers a powerful pathway toward greater energy independence, economic competitiveness, and long-term resilience. The countries that successfully integrate these elements will be best positioned to navigate future geopolitical uncertainties while delivering affordable and sustainable mobility for their citizens.

Plugging the Drain:

How Technology is Solving Africa's Fuel Loss Crisis

By Seb Kachoei and Jesse Muniu



Seb Kachoei
Titan Cloud



not a theoretical hazard in Kenya or the wider East Africa region; it is a present reality at ageing fuel retail sites that have never been subjected to rigorous inventory monitoring.

The regulatory framework to govern this is still nascent in much of Africa, though global precedents

hour with greater than 99.6% accuracy and a false alarm rate of less than 0.4%. These are not marketing figures; they are independently verified performance standards that translate directly into cost savings and regulatory compliance for operators.

What makes Titan Cloud particularly relevant to the African context is its scalability. The platform supports both daily and monthly SIR service models, providing daily screening through what the platform calls a "screamer trap" – an automated flag for any tank showing abnormal loss in real time alongside monthly compliance reporting at site, regional, and network levels. For a fuel retail group managing sites across multiple counties or countries, this kind of centralised visibility is transformative. The system also addresses one of the most common root causes of inventory variance in African markets: ATG calibration errors and delivery discrepancies. Titan Cloud's reporting suite includes dedicated tank calibration error reports and data quality alerts, meaning that sites with faulty equipment or inaccurate strapping charts are identified automatically rather than discovered during a manual audit, months later.

Energy Security Starts at the Pump

Africa's energy security conversation must extend beyond reserves and refineries. Every litre lost to an undetected leak, every delivery short-changed, every meter running out of calibration is a small but cumulative erosion of the energy supply chain that African businesses and households depend on.

The adoption of SIR technology and platforms like Titan Cloud represents a policy and operational intervention that sits squarely within the region's broader energy security agenda. It strengthens the downstream infrastructure that connects strategic petroleum reserves to end consumers. It protects the environment from contamination that would otherwise fall to governments and communities to remediate. And it creates the data foundation needed for smarter regulatory oversight, more accurate pricing, and ultimately a more accountable, transparent fuel retail sector.

For East Africa's petroleum operators, the message is straightforward: the tools exist, the technology is proven, and the cost of inaction is already being paid quietly, daily, and at scale.

Africa's push for energy security is most often framed in terms of the big picture, like strategic reserves, refinery capacity, pipeline infrastructure, and the geopolitics of crude supply. These conversations are necessary. But there is a quieter, equally costly crisis unfolding every single day within the fuel retail networks that serve Africa's economies: the unchecked loss of petroleum products from the very stations and depots entrusted with distributing them.

Fuel losses, whether from leaking underground storage tanks, meter calibration errors, delivery discrepancies, or outright theft, represent one of the most underappreciated threats to energy security at the operational level. In a continent working hard to harness its own energy resources, losing product before it even reaches the end consumer is a contradiction that technology can and must resolve.

The Scale of the Problem

Across East Africa's downstream petroleum networks, fuel losses are routinely absorbed as a cost of doing business. Operators accept variance reports, write off monthly discrepancies, and move on. What rarely gets calculated is the cumulative financial haemorrhage: a single site losing even 50 litres per day across a 30-site network amounts to over half a million litres of lost product annually; product that was paid for, transported, and stored, but never sold.

Beyond the financial cost, undetected leaks from underground storage tanks (USTs) pose serious environmental risks. Petroleum contamination of soil and groundwater is

are clear. The United States EPA mandates leak detection capable of identifying releases as small as 0.7 litres per hour. Australia, the United Kingdom, Spain, and the EU all treat Statistical Inventory Reconciliation (SIR) as either a regulatory requirement or a fundamental operational expectation. Africa's petroleum regulators are watching, and the direction of travel is unambiguous.

What Statistical Inventory Reconciliation Actually Does

SIR is not a new concept, but its adoption across African retail petroleum networks remains limited. At its core, SIR is a method of applying statistical analysis to the three data streams every fuel site already generates: daily tank inventory measurements, delivery records, and dispensing sales data. By comparing what should be in a tank against what is actually recorded, SIR algorithms can detect whether a site is experiencing genuine product loss and, more importantly, distinguish a real loss from a measurement error, a delivery discrepancy, or a meter fault.

The result is typically classified monthly as Pass, Fail, or Inconclusive, giving operators and their management teams a clear, auditable picture of which sites require investigation and which are operating within acceptable tolerance.

Titan Cloud: Precision at Scale

Among the global leaders in SIR technology, Titan Cloud has demonstrated what is possible when statistical rigour is applied to fuel management at network scale. Certified as the most accurate provider of wetstock analytics in its class, Titan Cloud's platform is certified to detect fuel losses as small as 0.45 litres per



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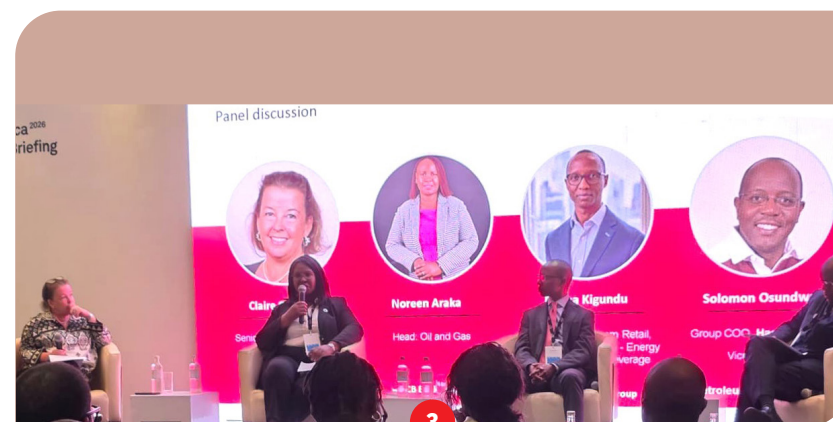
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1. Cabinet Secretary for Energy and Petroleum James Opiyo Wandayi EGH (center) and Principal Secretary for State Department of Petroleum Kello Harsama (4th from left) together with PIEA Chairman Solomon Osundwa, Vice-Chairman Mohamed Elhoderi and other directors during the Quarter 2 2026 State of the Oil Industry Briefing at Sarova Stanley Hotel where KCB Bank Kenya was the Platinum Sponsor, June 29.
2. PIEA in collaboration with KCB Bank Kenya (Platinum sponsor) & Proto Energy (Gold sponsor) undertook the 2026 PIEA LPG Summit 1st Build-up workshop at Proto Energy plant in Kabati, Thika on April 23, 2026.
3. Claire Godard, Senior Director, Specialist Sales at S&P Global Energy leads a panel discussion consisting of Noreen Araka, Head: Oil & Gas at KCB Bank Kenya, Maina Kigundu, Head: Downstream Retail, Traders & Refineries - Energy & Infrastructure Coverage at Standard Bank Group and Solomon Osundwa, PIEA Vice-Chairman during the S&P Global Energy East Africa Market Briefing, held in collaboration with the Petroleum Institute of East Africa (PIEA), on May 12, 2026, Nairobi.
4. Promoting local manufacturing for a safer energy future. On 14 April, 2026 PIEA paid a courtesy call to one of its member, the East Africa Spectre LPG Cylinder Manufacturing Centre to strengthen industry collaboration and highlight the critical role of quality cylinder manufacturing in advancing clean cooking, consumer safety and energy security.
5. Strong women. Clean energy. Brighter futures. The PIEA Secretariat, through the Women in LPG East Africa Chapter, conducted a community education and awareness programme on the safe use and handling of LPG for women and youth groups in Kawangware on Wednesday, 29 April 2026. The engagement, hosted by the Deputy County Commissioner (DCC) and Chief Catherine Tendet, brought together EPRA, the PIEA Secretariat, and members from OLA Energy and Galana Energies to promote safe, affordable and sustainable cooking solutions.
6. Jackson Ongubo, Corporate Affairs Manager, TotalEnergies Marketing Kenya follows his tee during the TotalEnergies' sponsored World Environment Day Golf at Muthaiga Golf Club. Looking on is the company's Head of Human Resources, Martin Mutuma.



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1. PIEA Vice chairman and OLA Energy General Manager, Mohamed Elhoderi issued opening remarks during the opening session of the Two Day LPG Operations, Sales & Marketing inhouse course conducted by the School of Petroleum Studies at OLA Energy Plaza on 18th -19th June, 2026.
2. A team from the Nigeria Midstream and Downstream Petroleum Regulatory Authority (NMDPRA) undertaking the Future of Energy Training conducted by PIEA School of Petroleum Studies training Coordinator Alfred Mungai and Resource Person Elizabeth Muchiri on 17 June, 2026, at Radisson Park Inn, Nairobi.
3. Participants pose for a group photo after successfully completing a Five-Day Lubricants and coolants competency course conducted by the School of Petroleum Studies on the 15th - 19th June, 2026 at Heron Hotel, Nairobi.

East Africa's Energy Industry Can No Longer Afford to Be Invisible



Jesse Muniu
Co-Founder and Chief Executive Officer
PetroPal



There is a quiet irony at the heart of Eastern Africa's energy sector. The region sits on some of the continent's most significant petroleum, gas, and renewable energy resources. Its downstream networks move billions of litres of fuel annually. Its logistics operators, Liquefied Petroleum Gas(LPG) distributors, lubricant suppliers, and engineering service companies collectively constitute a multi-billion-shilling commercial ecosystem. And yet, more than 90% of the trade that happens within this ecosystem happens in the dark, offline, undocumented, and invisible to the wider market.

The Shift That Already Happened

To understand why this matters, you first have to accept a reality that the energy sector has been slow to confront: the world moved online, and procurement moved with it.

When a supply chain manager in Nairobi needs a new fuel supplier, the first place they search is no longer a phone directory or a trade association contact list. They search LinkedIn. They scan WhatsApp groups for recommendations. They look for videos, posts, and social proof that tell them whether a company is credible, active, and worth a conversation. If they find nothing, no profile, no content, no digital footprint, they move on. In the digital economy, invisibility is indistinguishable from non-existence.

The data behind this shift is striking. Social commerce globally grew from \$82 billion in 2018 to \$699 billion in 2024, a 750% increase in just six years and is projected to reach \$6.2 trillion by 2030. Africa's social commerce market is growing as fast, at a compound annual rate of 38.4%,

between 2021 and 2024. Over 40% of internet users in Kenya, Nigeria, and South Africa have already made purchases via social platforms. Kenya itself now ranks first globally in average daily social media usage, at over five hours per day.

These are not consumer statistics. They describe the behaviour of decision-makers, procurement officers, fleet managers, logistics directors, and business owners who are using social and digital platforms to discover, evaluate, and engage commercial partners. The energy sector's B2B buyers are part of this shift, whether or not its suppliers have kept pace.

The consequence of that gap, where more than 90% of East African energy trade remains offline while less than 5% of downstream commerce exists on any digital platform, is not just a missed commercial opportunity. It is an information asymmetry that undermines the efficiency, transparency, and resilience of the region's entire energy supply chain. In the context of Africa's energy security agenda, that matters enormously.

What Invisibility Actually Costs

The commercial cost of digital absence is difficult to quantify precisely because it accumulates quietly. A tender not seen. A procurement shortlist, a supplier was never considered for. A buyer who searched, found nothing, and called a competitor instead. These are not events that appear in any operational report, but they represent real and recurring revenue loss for businesses that have not established a digital presence.

The structural cost is equally significant. Energy supply chains that operate through personal relationships and informal networks are inherently fragile. They are vulnerable to disruption when key individuals leave an organisation, when new market entrants cannot be discovered, when prices are opaque, and when buyers cannot rapidly assess the credibility of potential partners. The opacity that characterises most of East Africa's downstream energy trade is not merely an inconvenience; it is a systematic inefficiency that inflates transaction costs, concentrates market power among established incumbents, and slows the sector's overall development.

There is also a data dimension. Investors, regulators, and policymakers making decisions about East Africa's energy economy are working with an incomplete picture. When trade happens offline, no records, no patterns, no aggregated intelligence, the informational foundation for sound policy and commercial decision-making is weakened. For a region navigating the complex interplay of energy security, climate transition, and economic development, this matters more than is often acknowledged.

The Businesses That Moved Early

The most instructive evidence for what digital visibility unlocks in the energy sector comes from the companies that have already made the move, many of them small and medium enterprises for whom the barriers seemed highest.

One petroleum distribution company with no prior digital presence had a short video of its fuel delivery operations produced and posted to social media at zero advertising spend. The response was immediate and commercial: fleet managers, procurement teams, and logistics directors who had never heard of the business began making contact. The company had not changed its operations. It had simply become visible to buyers who were already looking.

A fuel logistics business took a different path. Its social media content did not go viral. Instead, it went durable: two years after its initial posts, its

content continues to generate thousands of views every month without any ongoing promotion. Procurement managers searching for reliable fuel transport partners find it, watch it, and make contact. The business invested in content once. The commercial returns continue to compound.

Neither story is exceptional. Both reflect a simple and repeatable dynamic: buyers in the energy sector are using digital platforms to find suppliers, and the suppliers they find are the ones that have made themselves findable. First-mover advantage in a market that is still largely offline is, for the moment, significant.

Digital Visibility as an Energy Security Issue

The connection between a sector's digital infrastructure and its energy security function is not immediately obvious, but it is real.

Energy security in its fullest sense is not only a function of how much petroleum a country stores in reserve, how many megawatts of renewable capacity it has commissioned, or how many wells it has drilled. It is also a function of how efficiently and resiliently the commercial infrastructure of the sector operates. A supply chain that is opaque, relationship-dependent, and resistant to new entrants is a supply chain that is brittle. It concentrates risk. It slows the response to disruption. It inhibits the kind of market development that deepens and diversifies the energy economy over time.

Digitising the commercial layer of the energy sector, making businesses visible, trade data structured, and procurement accessible to a wider field of participants directly addresses these vulnerabilities. It does not require new regulation or significant public expenditure. It requires the sector's businesses to make a decision that every other major commercial sector has already made: to establish a credible, active digital presence, and to use the platforms designed for their industry to engage the market they operate in.

One platform purpose-built for exactly this function in the East African context is PetroPal, a B2B marketplace and professional network designed specifically for the petroleum, LPG, logistics, and wider energy services sector. That such a platform now exists for this industry, and that it is already actively used by buyers and suppliers across the region, removes one of the most common barriers to entry: the absence of a sector-appropriate digital environment to move into.

The Barrier is Lower Than it Looks

The most common objection raised by energy businesses when confronted with the digital transition is not cost. It is capacity. We know we need to be online, but we don't have the time or the people to manage it.

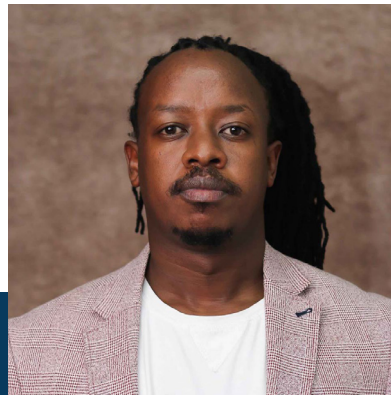
This concern is legitimate, and the better digital platforms in this space have learned to address it directly. Models that pair businesses with dedicated content and account management professionals, trained specifically in the energy sector, mean that the business owner sets the direction while execution is handled externally. Getting started requires only a business profile, a description of operations, a service area, and contact details. From that foundation, a business becomes searchable, discoverable, and credible to buyers already using the platform.

The energy sector's digital transition is not a future event. It has already begun. The businesses establishing their presence now will define the competitive landscape that others will enter later. In every sector that has gone through this shift, the lesson has been consistent: the first movers did not just gain an advantage. They set the terms for everyone who followed.

Africa's B2B Payments Infrastructure is Evolving



Mark Warunge
East Africa Sales Executive
VertoFX Limited



For a petroleum importer, payment speed is not an accounting convenience. It can determine whether a multi-million-dollar cargo is released on time, whether a vessel accrues costly port demurrage, and whether a downstream distributor maintains enough working capital for the next order. In an industry built on precise logistics and high capital velocity, the financial infrastructure supporting cross-border trade has historically lagged behind operational realities. Today, an infrastructure-first revolution is reshaping this landscape, transitioning international B2B payments from a slow back-office function into a strategic pillar of supply-chain resilience.

The Demurrage Dilemma and Legacy Framework Friction

Five years ago, paying an overseas fuel supplier from many African markets meant navigating an opaque maze of correspondent banking networks and legacy SWIFT messaging protocols. While effective at establishing global connectivity, this framework was never designed for the speed, data intensity, and volume of modern commodities trading. Every additional intermediary bank introduced operational friction, compounding delays, triggering redundant compliance checks, and racking up hidden transaction fees. A buyer could approve payment for a fuel cargo and still spend days asking the same question: Has the supplier actually received value?

In petroleum trading, this delay introduces severe financial risk. Timing directly impacts letters of credit, port documentation, customs clearance, storage access, vessel scheduling, and customer supply commitments. If payment confirmation or documentation is late, cargo release is withheld. When a vessel or terminal space is held beyond the agreed free time, demurrage follows. In bulk shipping, demurrage exposure can run from thousands of dollars per day on smaller regional vessels to far higher, volatile amounts on large maritime tankers. For businesses operating across fragmented African markets, these structural deficiencies directly degrade working capital efficiency, inflate operational overhead, and obscure real-time cash flow visibility.

Macro Trends: Liquidity Constraints and Global Realities

The pressure facing the sector is not theoretical. In 2023, East African nations like Kenya sought deferred payment terms for petroleum imports to ease severe foreign-exchange pressure. Kenya explored seeking up to a year to pay for imported oil at a time when usable foreign-exchange reserves had fallen below statutory import-cover thresholds. When products arrived in Mombasa, the country was required to pay roughly USD 500 million within a three-day window. Government-to-government petroleum arrangements were subsequently established to specifically address USD liquidity challenges and exchange-rate volatility, utilising early letters of credit worth hundreds of millions of dollars to keep fuel moving.

Globally, the weakness of legacy rails remains an institutional concern. The Bank for International Settlements (BIS) noted in a 2026 paper that cross-border payments remain "more costly, less accessible, slower, and less transparent" than domestic payments. Similarly, the Financial Stability Board's (FSB) 2025 progress report on the G20 Roadmap concluded that while incremental progress has been made, improvements have not yet translated into clear, systemic benefits for end users.

For African petroleum players, this shows up in acute, practical ways. A marketer may earn revenue in local currencies but must settle bulk cargoes in USD. A logistics provider may need to pay regional transit partners in several different currencies simultaneously. Because a small, adverse foreign-exchange movement on a high-value cargo can instantly wipe out a trader's margin, treasury teams are aggressively shifting away from manual payment processing toward active, digital liquidity management.

Current Market Offerings: The Infrastructure-First Paradigm

To address these limitations, fintech infrastructure innovators have shifted away from building simple front-end applications to engineering entirely new financial operating layers. Modern platforms consolidate cross-border payments, liquidity management, FX execution, and working capital optimisation within a single digital ecosystem. Corporate treasurers can

now monitor global cash positions in real time, hold multi-currency balances to naturally hedge against currency devaluation, and automate FX execution via pre-set algorithmic triggers.

Instead of treating international payments as a detached operational challenge, petroleum companies can integrate treasury management directly into day-to-day business workflows. Within this evolving space, Verto plays an essential role as an ideal cross-border payments partner for petroleum players. Verto describes its infrastructure as a comprehensive layer providing multi-currency accounts, embedded FX liquidity, local payment rails in emerging markets, and specialised tools for businesses paying international suppliers.

For a fuel importer, utilising this specific architecture changes daily operations. Funds can be collected locally, converted when rates meet acceptable corporate targets, held securely in the supplier's preferred currency, and routed through the most efficient regional rail. Treasury teams can view balances across multiple currencies inside a unified dashboard instead of manually reconciling disconnected bank statements, allowing compliance checks to be embedded early in the workflow to eliminate last-minute friction.

The Convergence of Traditional Banking and Advanced Technology

Despite the rise of agile fintech infrastructure, traditional banks remain central to the commodities ecosystem. Petroleum trade depends heavily on regulated institutions to manage large balance sheets, structure letters of credit, oversee escrow arrangements, provide bank guarantees, and maintain strict regulatory compliance. Consequently, the market is moving toward strategic collaboration rather than confrontation. Traditional banks are embedding fintech capabilities into their proprietary architectures, adopting automated reconciliation, digital onboarding protocols, and real-time treasury management APIs. The institutions succeeding in this landscape are those capable of combining regulatory depth and balance sheet strength with agile technological innovation.

Concurrently, technology is fundamentally transforming compliance and risk mitigation. Artificial Intelligence (AI), automated rules-based screening, cloud computing, and real-time data processing engines are optimising payment operations from end to end. Compliance protocols, which traditionally required intensive manual intervention, are now streamlined through intelligent transaction monitoring systems.

These AI-driven tools help financial institutions rapidly flag suspicious activities, bolster Anti-Money Laundering (AML) controls, and adhere to Counter Financing of Terrorism (CFT) mandates without introducing operational drag for legitimate corporate entities. This is particularly vital in the petroleum and logistics sectors, where counterparties, vessel registries, maritime jurisdictions, and sanctions lists require continuous, rigorous review.

Digital Assets and New Settlement Rails

Among the most closely watched trends in global B2B finance is the emergence of fiat-referenced stablecoins as alternative settlement mechanisms. Backed by safe, highly liquid assets like short-term US Treasuries or central bank balances, stablecoins offer distinct operational utility for international trade: 24/7 transaction availability, programmable capital flows, and complete independence from traditional banking hours. McKinsey estimated in 2026 that B2B stablecoin payments accounted for roughly USD 226 billion a year,

representing nearly 60 per cent of global stablecoin payment volume, signalling a clear shift toward institutional utility.

For African trade corridors where banking links may be weak, settlement windows short, or suppliers highly sensitive to currency volatility, stablecoin-based payment rails can drastically reduce settlement times and improve immediate access to dollar-linked value. However, this infrastructure requires strict risk management.

Regulators and international institutions like the BIS urge caution, noting that cross-border stablecoin arrangements create unique risks around regulatory compliance, data privacy, legal uncertainty, and fragile monetary systems if issuers operate from unvetted foreign jurisdictions. For petroleum companies, navigating these rails requires working with sophisticated, compliant partners, ensuring that emerging financial technologies are deployed safely, legally, and transparently alongside traditional banking rails.

Supply-Chain Resilience as a Competitive Asset

The future architecture of African B2B payments will not be defined by a single, isolated technology or financial institution. Instead, progress is being shaped by the systemic integration of multiple innovations across the financial ecosystem: automated treasury systems, embedded finance, real-time gross settlement frameworks, AI-powered compliance tools, and blockchain-enabled payment networks. Simultaneously, alternative regional infrastructure projects are gaining momentum, such as the European Central Bank's SEPA expansions, Ant Group's cross-border QR networks, and China's digital currency-focused mBridge project.

For Africa's petroleum sector, these developments arrive at a critical economic juncture. As regional trade expands under intra-African commerce agreements, the efficiency of financial infrastructure directly dictates the global competitiveness of local players. The test for modern petroleum enterprises is intensely practical: can the business pay international suppliers faster, eliminate demurrage exposure, protect operating margins from foreign-exchange shocks, and maintain uncompromised regulatory compliance?

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Your CEO Won't Be Here to See The Verdict

In 2022, National Bank paid out KES 2.8 billion to settle a long-running dispute, then reported a loss of KES 3.54 billion the following year. Standard Chartered Bank reclassified Kshs. 8 billion from profit to legal risk after an adverse judgment. Last month, a verdict was entered against Safaricom of up to KES 1.4 billion in a copyright claim. None of these figures accounts for legal fees, management hours, or the quieter cost that never appears on any financial statement: time.

Yet of the listed companies that released their end-year 2025 financial results, not one categorised litigation risk as "probable" (defined as a greater-than-50% chance of an adverse outcome). Not one treated it as a material disclosure. That is not prudence. It is a systemic mis-disclosure that retail investors, boards, and regulators should find deeply troubling.

Litigation is, above all, a time risk. It takes an average of eight years for a commercial dispute to reach final determination in Kenya, excluding enforcement. The average C-suite tenure is roughly five years. Do the arithmetic: the person who initiates litigation today is statistically unlikely to be in their seat when it concludes. When the baton is passed, accountability diffuses. What remains is an inherited dispute, accruing legal fees, and a contingent liability growing quietly in the footnotes while nobody in the boardroom may fully explain how it started.

Time, perversely, becomes an ally to decision-makers but an enemy to shareholders – the only constant stakeholders in the corporate lifecycle. Retail investors have no seat at the table when settlement discussions happen and no voice when a board holds firm on a dispute the CFO inherited and barely understands. Every hour spent strategising with counsel, swearing affidavits, or recalibrating business decisions around pending outcomes is time diverted from enterprise growth. This opportunity cost is conspicuously absent from most risk disclosure frameworks currently in use.

The incentive problem compounds the time problem. In A Market in Litigation Risk, Jonathan T. Molot advances a twin thesis that lawyers are "risk carriers" rather than "risk bearers", insulated from the commercial consequences of the positions they advance, particularly the entrenched posture of "deny, defend and delay." But the 2009 Chicago Law Review paper by Molot stops short of the fuller truth: both sides of the table are misaligned with the company's interest. Litigators by temperament and training overestimate their probability of success. Commercial lawyers are predisposed toward settlement and deal-making, even where litigation yields superior strategic value. Neither is acting in bad faith. Both are optimising for the wrong outcome. Add the "ego-to-ability ratio": corporate brass who initiated a dispute rarely want to be the ones to settle it. Sunk cost reasoning takes hold. What began as a rational business decision calcifies into an expensive matter of principle. An expensive principle.



Nicholas Ombure
Lawyer
Okoth & Kiplagat Advocates



It would be intellectually dishonest to suggest that litigation should always be avoided. Where corporate assets face genuine threat, where frivolous claims left unanswered invite a floodgate of future disputes, or where reputational harm risks cascading into market loss, the company cannot afford to signal it is an easy target. Litigation, in such cases, is both a shield and an offensive tool. The question is how to assess the risk honestly before committing.

One of the useful reframes is treating litigation as a distinct asset class: capable of valuation, modelling, and strategic management. Decision-tree analysis assigns probabilities to each stage: pleadings, interlocutory applications, trial, appeal, weighted against potential recovery, adverse awards, legal costs, and enforcement risk. The result moves litigation to arithmetic. Discounted cash flow modelling then adds the time dimension: a judgment obtained eight years from now is not equivalent to its nominal value today. When adjusted for time, cost of capital, and uncertainty, many "strong cases" reveal themselves as commercially weak and vice versa. The Stanbic reclassification was not a surprise to anyone who had modelled the dispute honestly; only to those who had not. Second-order thinking closes the loop: Will the counterparty be solvent enough to satisfy the judgment? Will victory damage long-term commercial relationships? What precedent does settling set? The strategy for a banking charges dispute should look nothing like the one for a major employment claim with reputational stakes attached.

The companies that disclosed zero probable litigation risks in their 2025 financial results are not telling the truth. Some of them are holding disputes that will, in time, produce headlines like the ones that followed National Bank and Stanbic. The question is whether anyone in the boardroom today will still be there to account for that decision.

Litigation is not an unpredictable storm to be weathered. It is a managed exposure if approached through the right analytical lens. To litigate blindly is reckless. To avoid it reflexively is naïve. The discipline lies in separating legal optimism from commercial reality, checking the ego-to-ability ratio of everyone in the room, and asking the question that time always forces to the surface: Is this a case to hold or fold?



South Africa to Advance LNG Import Project

The development of South Africa's first liquefied natural gas (LNG) import terminal has taken a significant step forward following the signing of a Heads of Agreement (HoA) between the Zululand Energy Terminal (ZET) and ExxonMobil South Africa LNG Ltd, an affiliate of global energy major ExxonMobil.

The agreement marks another milestone in efforts to establish a new gas import platform at the Port of Richards Bay, positioning the facility as a strategic gateway for imported LNG and helping South Africa diversify its energy mix amid growing concerns over future gas supplies.

Industry stakeholders say the agreement demonstrates increasing international interest in supplying LNG to South Africa and reinforces confidence in the country's plans to develop critical energy infrastructure.

"This agreement represents more than a commercial milestone; it is a strong vote of confidence in the Zululand Energy Terminal and the future of LNG in South Africa. The participation of a global energy leader such as ExxonMobil reinforces the strategic importance

of Richards Bay as an entry point for LNG and supports our vision of developing the infrastructure needed to unlock a competitive and sustainable gas market," said Oliver Naidu, Director of ZET.

South Africa is facing mounting pressure to secure alternative sources of natural gas as supplies from Mozambique's Pande-Temane gas fields are expected to decline over the coming years. Analysts have warned that the country could experience a major gas supply deficit by 2030, a challenge commonly referred to as the "gas cliff".

The anticipated shortfall threatens to affect electricity generation, industrial production, employment and broader economic growth, underlining the urgency of developing new gas supply routes and associated infrastructure.

The Zululand Energy Terminal is being developed through a joint venture between Vopak Terminal Durban and Transnet Pipelines. Once operational, it is expected to become South Africa's first LNG import facility, capable of receiving, storing, regasifying and distributing LNG to power producers and industrial customers.

Project developers believe the terminal will strengthen national energy security, support the emergence of a domestic gas market, enhance industrial competitiveness and facilitate a balanced energy transition alongside the expansion of renewable energy sources.

"Transnet remains committed to supporting strategic infrastructure that strengthens South Africa's long-term energy security and industrial competitiveness. Through Transnet Pipelines' partnership in the Zululand Energy Terminal, we continue to support the development of critical LNG import infrastructure at Richards Bay," said Michelle Phillips, Group Chief Executive of Transnet.

ExxonMobil views the agreement as an opportunity to leverage its extensive global LNG expertise while contributing to South Africa's efforts to secure reliable energy supplies.

"This agreement reflects ExxonMobil's global LNG experience and our commitment to support South Africa's energy security with reliable supply. With LNG markets continuing to expand globally, we see a strong opportunity to help meet growing demand for secure energy and look forward to working with ZET to progress this opportunity," noted Andrew Barry, Chairman of ExxonMobil LNG Market Development Inc.

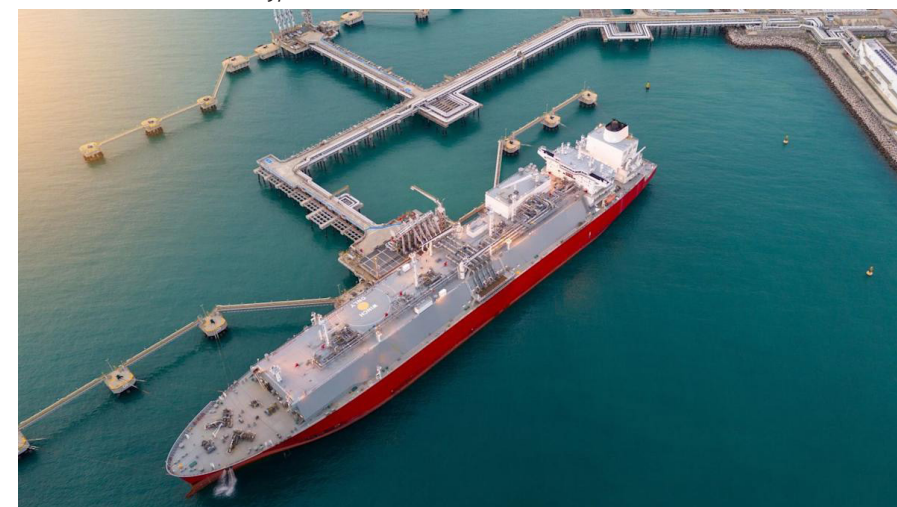
The partnership is also expected to provide South Africa with direct access to international LNG markets, broadening supply options at a time when countries worldwide are increasingly turning to LNG as a transitional fuel to support economic growth while reducing dependence on more carbon-intensive energy sources.

"Signing this HoA with ExxonMobil strengthens the base for the development of a terminal with one of the world's largest energy companies. Via the terminal, South Africa ensures access to the global LNG market to further strengthen its energy mix by gaining access to affordable and reliable supply," added Maarten Smeets, Chairman of ZET.

As South Africa navigates a changing energy landscape, the Richards Bay LNG project is emerging as a cornerstone initiative aimed at bridging the country's future gas gap, sustaining industrial activity and supporting a more resilient and diversified energy system.

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With LNG markets continuing to expand globally, we see a strong opportunity to help meet growing demand for secure energy and look forward to working with ZET to progress this opportunity

Photo Credit: Zululand Energy Terminal



NOGC 2026 to Expand Focus on Local Growth

Photo Credit: Namibia Oil and Gas



The Namibia Oil and Gas Conference and Exhibition (NOGC) will return to Windhoek from 18 to 20 August 2026 with an expanded programme aimed at strengthening local participation, industry collaboration and long-term economic benefits from the country's emerging petroleum sector.

Organised by the Economic Association of Namibia in partnership with the Namibia Investment Promotion and Development Board and the Hanns Seidel Foundation, the conference will be held under the theme, From Decision to Dividend: Making Namibia's Oil Work for Namibians.

New additions to the 2026 programme include a pre-event golf tournament, supplier workshops, speed networking sessions and local content pitching events designed to connect Namibian entrepreneurs with opportunities across the oil and gas value chain. A dedicated Future Generations session will also focus on youth skills development and workforce readiness.

Conference organisers say the event reflects a shift from exploration towards ensuring that petroleum development delivers tangible benefits for citizens, communities and local businesses. Discussions will examine project financing, infrastructure requirements, local procurement and strategies for building a sustainable energy mix.

NOGC 2026 is expected to attract nearly 2,000 delegates from government, industry, academia and civil society. Organisers believe the conference will play a pivotal role in shaping an inclusive energy sector that supports skills development, job creation and lasting economic transformation in Namibia.



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31st Africa Oil Week

Ghana will host the highly anticipated Africa Oil Week 31st edition for the second year in a row will from 1st to 3rd September 2025, in Accra.

The flagship event for Africa's oil, gas, and energy sector, AOW seeks to bring together upstream E&P, energy finance, ministerial and regulatory networking, and major capital-raising platforms for African natural resources under the theme: theme Harnessing Africa's resources and driving sustainable exploration and products.

After successful run in Cape Town, AOW is evolving to recreate its original vision of bringing together an exclusive senior network to foster meaningful business opportunities and relationships in the global energy landscape.

With the partnership of the Government of Ghana, AOW Energy will be hosting a Pan - Africa network of National Oil Companies, Regulators, and energy agencies that will give attendees direct access to new opportunities across the continent.

Côte d'Ivoire to Host the 7th West Africa LPG Expo

Photo Credit: Nigel Bruce

Côte d'Ivoire will host the 7th West Africa LPG Expo on the 2nd - 3rd September 2026 bringing together regional leaders, industry stakeholders, and partners committed to expanding modern household energy across West Africa.

As Côte d'Ivoire strengthens its LPG import and storage capacity, improves safety standards, and expands retail networks, the country is emerging as a rising hub for clean-cooking initiatives and private-sector investment. This Expo serves as a key platform to support the region's shift toward safer, affordable LPG access and to accelerate the transition away from traditional solid fuels.

Under the theme "Bridging Access to Clean Cooking in West Africa" the expo will highlight practical, region-first approach to expanding modern energy

access while focusing on the core challenges and opportunities shaping West Africa's clean cooking transition:

- Ensuring safety and cylinder integrity
- Strengthening reliable LPG supply chains
- Expanding last-mile distribution to underserved communities
- Improving affordability with PAYG, microfinance, and targeted support
- Encouraging clear, pro-market policy environments
- Supporting women's empowerment, education, and local livelihoods

By aligning government, industry, financiers, and civil society, West Africa can convert proven LPG models into national programs that deliver cleaner kitchens, healthier households, and resilient economic growth.



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	8%	25.00	5.40	2.50%	1.50%	0.45	-
Motor Spirit (Gasoline) Premium	-	20.9196	21.9530	8%	25.00	5.40	2.50%	1.50%	0.45	-
Aviation Spirit	-	20.9196	21.9530	8%	-	0.40	2.50%	1.50%	0.45	-
Spirit Type Jet Fuel	-	20.9196	21.9530	8%	-	0.40	2.50%	1.50%	0.45	-
Special Boiling Point & White Spirit	-	8.9378	9.3793	8%	-	-	2.50%	1.50%	0.30	-
Other Light Oils and Preparations	-	8.9378	9.3793	8%	-	-	2.50%	1.50%	0.30	-
Partly refined (including topped crudes)	-	1.5247	1.6000	8%	-	-	2.50%	1.50%	0.30	-
Kerosene type Jet Fuel	-	6.0514	6.3503	8%	-	0.40	2.50%	1.50%	0.45	-
Illuminating Kerosene (IK)	-	10.8357	11.3710	8%	-	0.40	2.50%	1.50%	0.45	18.00
Other Medium oils and preparations	-	5.5730	5.8483	8%	-	0.40	2.50%	1.50%	0.30	-
Gas Oil (automotive, light, amber for high speed engines)	-	10.8357	11.3710	8%	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	8%	-	0.40	2.50%	1.50%	0.30	-
Other Gas Oils	-	6.6245	6.9517	8%	-	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	8%	-	0.40	2.50%	1.50%	0.30	-
Residual Fuel oils 180 cst.	-	0.6309	0.6621	8%	-	0.40	2.50%	1.50%	0.30	-
Residual Fuel oils 280 cst.	-	0.6309	0.6621	8%	-	0.40	2.50%	1.50%	0.30	-
Other residual fuels	-	0.6309	0.6621	8%	-	0.40	2.50%	1.50%	0.30	-
Lubricating oils	25%			8%	-	-		1.50%		-
Lubricating greases	25%			8%	-	-		1.50%		-
Batching oils	25%			8%	-	-		1.50%		-
Butanes (Petroleum gases)	-			8%	-	0.40		1.50%		-
Petroleum Bitumen	10%			8%	-	0.40		1.50%		-
Bituminous or oil shale and tar sands	10%			8%	-	0.40		1.50%		-
Bituminous mixtures	10%			8%	-	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 Sh0.25**

On July 14, 2024, EPRA announced an increase in the RML from Sh18 to Sh25 per litre.

Pursuant to Legal Notice No. 70 dated 15th April 2026, the Cabinet Secretary for National Treasury has revised the Value Added Tax rate from 13% to 8%.

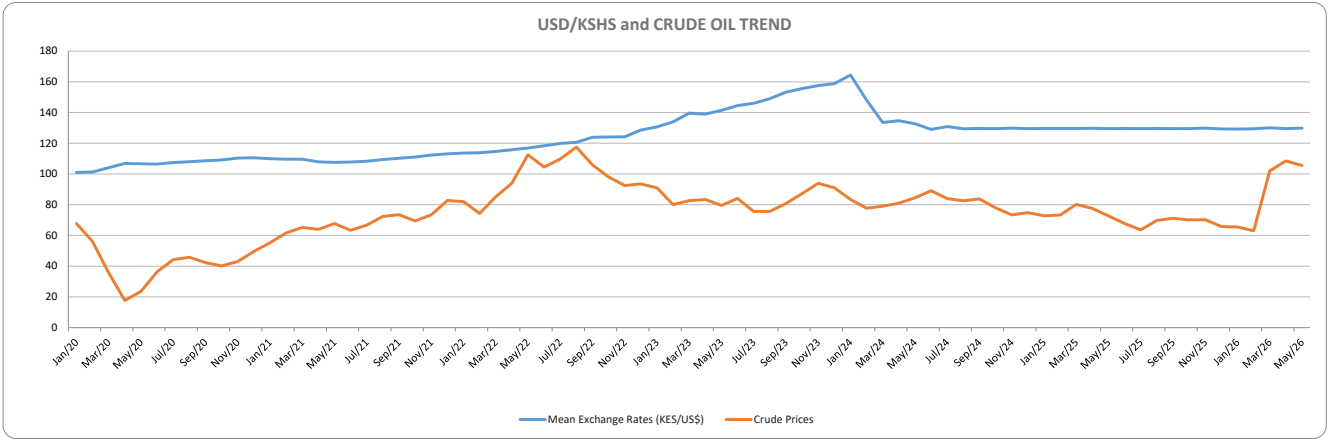
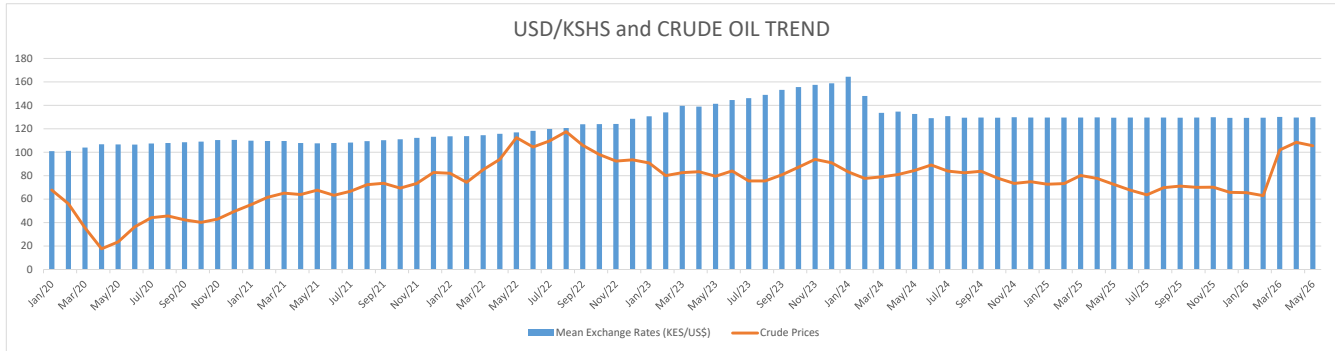
Following a sharp spike in global oil prices driven by geopolitical tensions, the Cabinet Secretary for the National Treasury, through Legal Notices No. 69 of 14 April 2026 and No. 70 of 15 April 2026, revised the Value Added Tax (VAT) on selected petroleum products from 16% to 13%, and subsequently to 8%

Crude Oil Price Trend

Month / Year	Oct/23	Nov/23	Dec/23	Jan/24	Feb/24	Mar/24	Apr/24	May/24	Jun/24	Jul/24	Aug/24	Sep/24
Mean Exchange Rates (KES/US\$)	155.64	157.52	158.81	164.42	148.02	133.54	134.63	132.72	129.06	130.83	129.42	129.61
Crude Prices	87.28	93.92	91.00	83.32	77.68	79.06	80.99	84.52	89.14	83.93	82.52	83.8

Month / Year	Oct/24	Nov/24	Dec/24	Jan/25	Feb/25	Mar/25	Apr/25	May/25	Jun/25	Jul/25	Aug/25	Sep/25
Mean Exchange Rates (KES/US\$)	129.49	129.88	129.58	129.61	129.64	129.66	129.78	129.52	129.62	129.58	129.62	129.52
Crude Prices	77.94	73.41	74.87	72.81	73.28	80.22	77.62	72.63	67.73	63.62	69.81	71.12

Month / Year	Oct/25	Nov/25	Dec/25	Jan/26	Feb/26	Mar/26	Apr/26	May/26
Mean Exchange Rates (KES/US\$)	129.54	129.81	129.28	129.27	129.44	130.08	129.56	129.82
Crude Prices	70.10	70.22	65.79	65.53	63.06	102	108.5	105.5

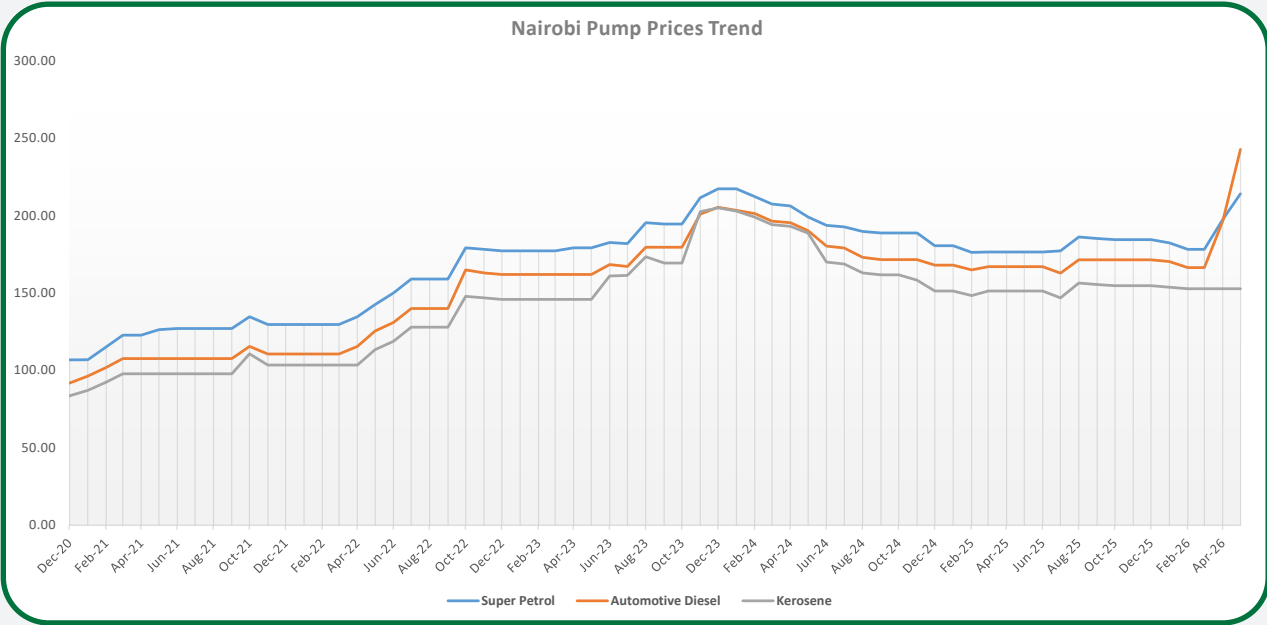


NOTE:
Murban crude oil prices for March-May 2026 are estimated based on prevailing international crude oil market trends and available market data, pending publication of official monthly averages by EPRA.

Pump Prices

PRODUCT	MOMBASA	NAIROBI	NAKURU	ELDORET	KISUMU
Maximum pump prices (15th June 2026 to 14th July 2026)					
Super Petrol	210.87	214.03	212.92	213.69	213.69
Automotive Diesel	219.58	222.86	222.27	223.09	223.08
Kerosene	188.09	191.38	190.81	191.63	191.63
Maximum pump prices (15th May 2026 to 14th June 2026)					
Super Petrol	211.09	214.25	213.15	213.92	213.91
Automotive Diesel	239.64	242.92	242.33	243.15	243.14
Kerosene	149.49	152.78	152.21	153.03	153.03
Maximum pump prices (16th April 2026 to 14th May 2026)					
Super Petrol	194.32	197.60	196.66	197.48	197.48
Automotive Diesel	193.35	196.63	196.04	196.86	196.85
Kerosene	149.49	152.78	152.21	153.03	153.03
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

PRODUCT	MOMBASA	NAIROBI	NAKURU	ELDORET	KISUMU
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
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



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 June to 14th July 2026), the maximum allowed petroleum pump prices for Super Petrol and Diesel decreased by Kshs. 0.22/litre and Kshs. 10.00/litre respectively while the price of Kerosene remained unchanged from the previous 15th May to 14th June 2026 period. The prices are inclusive of the Value Added Tax (VAT), in line with the VAT Act, 2013, 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. The Authority calculated the prices basis 8% VAT on petroleum products pursuant to Legal Notice No.70 dated 15th April 2026. Further, the Government in this cycle, cushioned the consumers through the Petroleum Development Levy (PDL) Fund by utilizing approximately KShs.10 Billion to subsidize the prices of Diesel and Kerosene.

For the period 15th May to 14th June 2026, the maximum allowed petroleum pump prices for Super Petrol and Diesel increased by KShs.16.65/litre and KShs.46.29/litre respectively while the price of Kerosene remain unchanged from the previous 15th April to 14th May 2026 period. The Authority calculated the prices basis 8% VAT on petroleum products pursuant to Legal Notice No.70 dated 15th April 2026. Further, the Government in this cycle, cushioned

the consumers through the Petroleum Development Levy (PDL) Fund by utilizing approximately KShs.5 Billion to subsidize the prices of Diesel and Kerosene.

In the period under review (15th April to 14th May 2026), the maximum allowed petroleum pump prices for Super Petrol and Diesel increases by KShs.28.69/litre and KShs.40.30/litre respectively while the price of Kerosene remain unchanged from the previous 15th March to 14th April 2026 period. The prices were inclusive of the Value Added Tax (VAT), in line with the VAT Act, 2013 as read with Legal Notice No.69 dated 14th April 2026, 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. Effectively, the Value Added Tax rate on Super Petrol, Diesel and Kerosene was reduced from 16% to 13% in order to cushion consumers from the high landed cost of petroleum products as a result of the escalated prices in the international market. The Government further cushioned the consumers through the Petroleum Development Levy (PDL) Fund by utilizing approximately KShs.6.2 Billion to stabilize the pump prices.

Pursuant to Legal Notice No. 70 dated 15th April 2026, the Cabinet Secretary for National Treasury revised the Value Added Tax rate from 13% to 8%. Accordingly, the Energy and Petroleum Regulatory Authority (EPRA) recalculated the maximum retail pump prices that were in force from 16th April 2026 to 14th May 2026 taking into account this revised Value Added Tax rate. As a result, the pump price per litre in Nairobi of Super Petrol and Diesel decreased by KShs. 9.37/litre and KShs. 10.21/litre respectively while that of Kerosene remained unchanged. Consequently, the level of subsidy on Kerosene reduces from the current KShs. 108.10/litre to KShs. 96.56/litre.

EPRA Petroleum Prices

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

Cost Item	Cost Description	Super Petrol	Diesel	Kerosene
		Kshs/Litre	Kshs/Litre	Kshs/Litre
Landed Cost (a)	Weighted average cost for all imports	117.64	168.47	172.79
Pipeline Transport (Msa - Nrb)	Pipeline (100% PMS, AGO & IK)	2.85	2.85	2.85
Road Transport (Msa-Nrb) - Bridging	Road (0% PMS, AGO & IK)	0.00	0.00	0.00
Pipeline Losses	Pipeline (0.25%)	0.08	0.09	0.09
Depot Losses	0.5% PMS, 0.3% For DPK & AGO)	0.88	0.66	0.63
Delivery within 40kms of Nairobi	Delivery to petrol stations	1.18	1.18	1.18
Storage and distribution (b)		4.99	4.78	4.76
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)		0.00	-34.07	-55.68
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	2.24	3.25	3.36
Anti-adulteration Levy	Levy	0.00	0.00	18.00
Merchant Shipping Levy	Levy	0.03	0.03	0.03
Import Declaration Fee	Levy	2.80	4.06	4.19
Value Added Tax (VAT)	Tax	15.85	16.50	14.18
Taxes and Levies (d)		74.01	66.36	52.28
Retail Prices in Nairobi (a) + (b) + (c) + (d)		214.03	222.86	191.39

Summary	Super Petrol	Diesel	Kerosene
	KShs/Litre	KShs/Litre	KShs/Litre
Product Costs (a)	117.64	168.47	172.79
Distribution and Storage Costs (b)	4.99	4.78	4.76
Margins (c)	17.39	17.31	17.24
Price Stabilization Surplus/(Deficit) (d)	0.00	-34.07	-55.68
Taxes and Levies (e)	74.01	66.36	52.28
Retail Prices in Nairobi	214.03	222.86	191.38

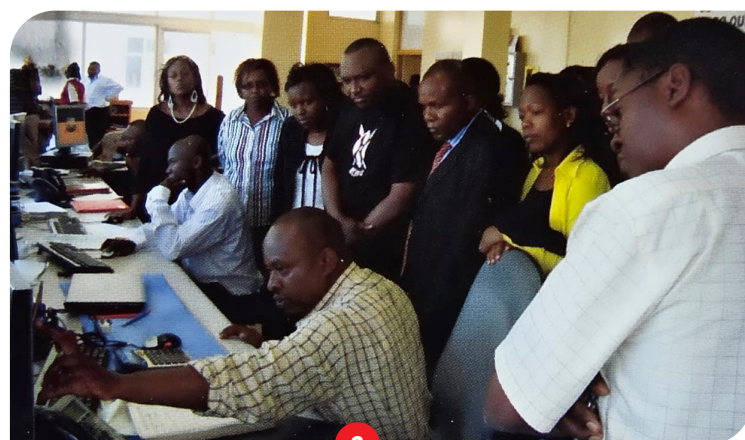
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1. 2009: The National Oil's overfill protection system installation project team led by Zohar Pirbhai of Burhani Engineers (Left), NOCK Terminal Manager Stephen Tonui, Kurrent Technologies Director James Mwangi, Petrotrack Director James Mwaniki, and project team leader Hellen Kiaria of Nock showcasing a TankerRadar Rex gauge at NOCK terminal along Nanyuki Roads Industrial Area.
2. 2010: Alexender Lmawawira, Controller WKPE, takes the introduction to Oil Industry Class through pipeline operations at Kenya Pipeline Company, Nairobi during a field trip at their terminal.
3. 2010: Geothermal Development Corporation (GDC) makes a presentation on the potential and benefits of the resource in Kenya to journalist at Merica Hotel, Nakuru. GDC organised a two-day field trip for journalist to different sites in the Rift Valley.



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