ARA STORAGE AND DISTRIBUTION FORUM

Refiners AND Distributors: the change of the name for the ARA highlights the importance of November's Storage and Distribution Forum in Abidjan.

The decision at the 2017 ARA AGM to change the name of the ARA to the African Refiners & Distributors Association reflects the increasing importance of the distribution and marketing members to the Association.

At the AGM, Mr Hippolyte Bassolé, the leader of the ARA Storage & Distribution Work Group, stated that: “I am looking forward to developing a Road Map for the Supply Chain similar to that of the AFRI Road Map for fuel quality. We need to lay down the route for the safe, secure, sustainable, economic and efficient distribution of petroleum products down the African supply chain.”

To this end, the 2017 Forum will concentrate on the following key objectives:

- Reducing road deaths through improving the management of sub-contractors, drivers and increasing use of new technology
- Improving the safety and security of petroleum product storage
- Promoting greater use of rail and pipelines for oil distribution
- Improving efficiency through port infrastructure investment
- Setting standards for service station safety and engineering requirements

Mr Joël Dervain, the ARA’s Executive Secretary, added that “the ARA sees the development of a Storage and Distribution Road Map as a critical step in the evolution of the ARA in its aim to represent the complete African downstream sector. The ARA ethos of sharing best practice across the continent and the implication of energy regulators, alongside distributors and marketers, offers a unique way to develop policy for ARA Members to discuss with their governments, shareholders, other stakeholders and, especially, their own management and staff.”

The Forum is planned to be an inter-active process offering all downstream stakeholders unique networking opportunities to help share experience and develop synergies. To join the Forum and the unique ARA network, contact info@afrra.org, for further information on registration, sponsorship and call for papers.
The ARA held its Annual General Meeting and conference in Cape Town in March and there reaffirmed its objective to produce and supply the continent with clean gasoline and diesel in line with the AFRI-4 specifications by 2020, while importing countries were encouraged to set earlier dates. Both Ghana and Nigeria representatives, in particular, said that they are discussing improving their import specifications during this year.

Details of the AFRI specifications and the ARA Policy on Gasoline and Diesel Specifications, approved by the Executive Committee of the Association, are available on the ARA’s website (www.afrra.org).
The recommendation by the ARA Executive Committee to change the name of the Association to the African Refiners and Distributors Association, while keeping the acronym ARA, was unanimously accepted by its Members. This change was proposed by Mr Joël Dervain, the Executive Secretary of the ARA, who said that “With this change of name, our organisation can now clearly represent the complete downstream sector of the African oil industry. The challenges for our downstream industry, whether in shipping, refining, storage, distribution or marketing are immense. The ARA has an important role to play in bringing together all downstream players to assure that our needs are fully understood by both African governments and energy regulators.”

The role of strong independent regulation to create investor confidence was emphasised by several speakers; this call was welcomed by the many investors and financial institutions that attended among the more than 600 delegates to the conference. Oil refiners, suppliers, transporters, marketers, regulators and technology companies attending the three-day meeting, themed Achieving Clean Fuels in Africa, heard a variety of high level speakers, from amongst others SONANGOL, NNPC, Vitol, Total, the Government of Uganda and Puma Energy, addressing the conference theme from engineering, environmental, financial, commercial and regulatory points of view.
Many participants mentioned the recent media criticism of poor fuel quality in African countries, acknowledging that it had added momentum to the AFRI campaign started by the ARA in conjunction with the United Nations Development Programme (UNEP), in 2007. Mr Hyacinthe Naré from the Californian NGO, International Council on Clean Transportation (ICCT), presented conclusions from the 2016 Climate and Clean Air Coalition (CCAC) global study addressing the need for lower sulphur fuels, alongside vehicle controls, to tackle African air pollution. The importance, and challenges, of enforcing exhaust emission standards on the African vehicle fleet were clearly presented by a paper from Mr George Ackom of Ghana DVLA.

This approach of improving fuels quality alongside improving environmental controls on vehicles is at the heart of ARA policy: the final objective is clean air, not just clean fuels. To achieve clean air, enforced vehicle controls are essential, alongside cleaner fuels.

The ARA President, Mr Ibrahim Talba Malla, Chief Executive of Sonara, the Cameroon refinery, closing the conference, applauded the quality of the debate and the commitment from all sectors to supply clean fuels and help improve African air quality. He commented:

“I was delighted to see that this meeting was all about action and results. We have pressed hard on the accelerator and we expect ARA members to come back to Cape Town next year with reports of real change in their home countries and regions”.

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GET KAL HOBBY
Having been appointed the new leader of the Storage & Distribution Work Group (SDWG) during ARA WEEK 2017, Mr Hippolyte Bassolé, Technical Expert of Sonabhy, the Burkina Faso state oil distribution company presided over the SDWG meeting held in Ouagadougou on May 10th–11th. The purpose of the meeting was to determine a Work Plan for the SDWG and plan for the Storage & Distribution Forum to be held in Abidjan, November 9th–10th 2017.

Present at the meeting were 59 delegates from Côte d’Ivoire, Togo, Sierra Leone, Benin, Ghana, France and the UK, representing Total, Management Hydrocarbures (Togo), CSFPPP, Petroleum Regulatory Unit (Sierra Leone), CITAC Africa, Groupe Octogone, HMT tank services, LibyaOil, Togo et Shell, SitaRail, Sodigaz, Tema Tank Farm, Vivo Energy, STSL, Access Oil, Petrofa, Oryx, and, of course, Sonabhy and the ARA.

After the formal opening ceremony and procedures, several presentations were made:

**HMT** highlighted how to increase storage capacity through heel reduction and increasing capacity through modifying travel constraints on floating roofs and other roof modifications, including the use of composite materials to increase tank lifetime while reducing emissions and corrosion.

**Total** presented their Transport Management System (TMS) through which they are targeting a significant improvement in safety as well as in economic and efficiency factors. The TMS contains seven chapters:

- Management commitment
- Transport management
- HSEQ management
- Vehicle management
- Driver management
- Trip management
- Contract management

Through the TMS, Total have seen a dramatic improvement in their safety performance and through a common safety management framework, plus Returns of Experience and sharing of Best Practice, they are confident that further advances will be made.

Total have adopted a policy of dashcams in all of their trucks to monitor driver behaviour, and the SDWG was shown dramatic real-time videos of several accidents caused through driver tiredness and use of a mobile phone.

Total presented two examples in France where pipelines had been tapped professionally for theft and presented the control procedures put in place. They also presented a case study of a pipeline in Africa where a two-step operation has been instigated: to first identify theft points through security staff reinforcement, cleaning up work around the pipeline, and engagement with the local community; secondly, to invest in intelligent pigs for the line so that the thickness of the pipe can be continually monitored.
Discussions then turned to the challenges of rail distribution and, in particular, product losses in transit. A presentation by Sonabhy highlighted the costly high transit losses on gasoline and gasoil when using rail transport, and discussed organised theft from rail cars. On this topic, Sitarail, the rail operator, showed a video taken from a surveillance camera at a loading terminal in Burkina Faso which showed clearly the large number of people, including security staff, involved in organised theft of product from the valves and top of the rail cars. The operation was well-planned but was at immense risk of personal injury to those involved, who were stealing flammable fuel in sacks and plastic bags. The SDWG felt that there was much potential through corporate social responsibility schemes to engage, educate and train the local community as well as to invest in further security devices on the rail cars in order to avoid such instances, and potential deadly explosions, in the future.

Finally, the SDWG looked at the challenges facing the ARA Members in respect of Storage and Distribution and Mr David Bleasdale of CITAC Africa, consultant to the ARA, suggested that the SDWG concentrate on certain key topics, proposing the following:

- Terminal housekeeping best practice
- Reduction of traffic accidents and management of drivers
- Improvement in the use of rail for oil distribution
- Integrity of underground storage
- Terminal and service station vapour emissions

This will be discussed further at the next meeting.

Finally, the SDWG considered the initial planning for the annual ARA Storage & Distribution Forum which this year will be held in Abidjan on November 9th–10th (see page 1), immediately after a joint Refining & HSEQ, Specifications, and Storage & Distribution Work Groups meeting on November 6th–7th. The ARA Executive Committee will meet on November 8th.

O n April 7th, Mr Joël Dervain, the Executive Secretary of the ARA, accompanied by Mr Mark Elliott, the chairman of CITAC Africa Ltd, met Ms Marjeter Jager, the European Union’s Deputy Director Environment along with other senior representatives of the EU’s Energy and Environment directorates.

The ARA explained their role to promote and support the application of the AFRI specifications across Africa. The EU delegates offered to contact the key people at the African Union and explain to them the importance of the goal that all governments will take the necessary steps to ensure that fuel quality meets AFRI 4 by 2020 and AFRI 5 by 2030. They also suggested that this could be a subject addressed at the Africa-EU Summit in Abidjan in November this year and followed up with the African Union.

The ARA explained the need for African Governments to take into account all socio-economic benefits of maintaining a refining structure when evaluating the raising of the finance needed to upgrade refineries to meet the AFRI roadmap. The need for harmonisation of regional fuel specifications along natural supply chains to reduce bulk transportation costs and to optimise regional logistic infrastructure was also discussed, explaining that regional harmonisation of specifications, taxes, excise duties and subsidies will help reduce smuggling and adulteration of fuels, as well as significantly lowering costs of supply.

Furthermore, the ARA stated their belief that improving fuel quality needs to be accompanied by tighter Government policies restricting the age and quality of vehicle imports and the introduction of a comprehensive vehicle maintenance, inspection and testing programmes on the existing vehicle fleet. To this aim, the EU representatives suggested that the ARA should approach the Directorate General (DG GROW) to present the ARA’s initiatives and explore possible ways of collaboration.

The ARA is now exploring ways it can build on this initial contact.

THE ARA MEETS THE EUROPEAN UNION
NEW MEMBERS

The ARA is delighted to announce that Gabon Oil Marketing (Gabon), Sitarail (Côte d'Ivoire), Strategic Fuel Fund Association (South Africa) and Wasaa Gasses (South Africa) have become Members of the ARA.

UPCOMING EVENTS

# TECHNICAL SEMINARS

13–14 September 2017
Upgrading Clean Fuel Production Facilities: Issues and Means
Lomé, Togo

18 October 2017
Ad-Hoc Committee – IT
Abidjan, Côte d’Ivoire

8 November 2017
Ad-Hoc Committee – JET
Abidjan, Côte d’Ivoire

# WORK GROUP MEETINGS

12 September 2017
Joint RHSEQ & Specifications
Lomé, Togo

6 November 2017
Joint Regulations & Storage and Distribution
Abidjan, Côte d’Ivoire

10–11 March 2018
Work Group Debriefing Meetings
Cape Town, South Africa

EXECUTIVE COMMITTEE MEETINGS

15 September 2017
Lomé, Togo

7 November 2017
Abidjan, Côte d’Ivoire

25 January 2018
Geneva, Switzerland

12 March 2018
Cape Town, South Africa

ARA STORAGE AND DISTRIBUTION FORUM

9–10 November 2017
Abidjan, Côte d’Ivoire

ARA WEEK 2018

12–14 March 2018
Cape Town, South Africa

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