ARA WEEK in Cape Town moves to a new venue in 2018 – the Century City Conference Centre. Still close to Cape Town’s Waterfront, this new purpose built facility offers more space for the 600+ delegates attending the conference and significantly adds more exhibition space for the Association’s sponsors.

Joël Dervain, the ARA’s Executive Secretary, is looking forward to the new venue: “Century City will allow increased networking around the conference centre helped by greater space for the exhibition stands. For the last few years we have become a bit cramped as the number of delegates and sponsors continue to increase.” Mr Dervain then sets the scene for ARA WEEK 2018 by adding “With so many projects across the downstream petroleum sector the time is right for the ARA now to lay down our plans for the future across all aspects of our industry. We must also make sure that governments and regional communities, as well as the African Union and the multi-lateral financing agencies, realise the importance of the African downstream petroleum industry and the role the ARA plays in promoting a sustainable road map for the sector.”

ARA WEEK 2018 is set for 12–16 March 2018, and the theme of the conference this year is Moving Forwards as the ARA strives to recognise the challenges facing the downstream petroleum industry and to prove that the African stakeholders can find the solutions through sharing best practice and a policy of continuous improvement.

During the conference, the ARA intends to lay down the road map for the downstream sector and invites sponsors and guests to present on how the industry can move forwards in the following areas:

- Port and vessel discharging efficiency
- Investing in refining for clean fuels
- Storage safety and development
- Innovative financing solutions & use of new technology
- Regulation to promote investment in efficiency and sustainability
- Safe, economic and efficient distribution of petroleum products
- Service stations adapting to the future
- Promoting Youth Employment

All interested speakers should send their presentation outline to info@afrra.org by Monday January 15th.
The Ivorian Minister for Energy and Renewables, Mr Thierry Tanoh, opened the ARA Storage and Distribution Forum held in Abidjan 9–10 November 2017. At the Forum, speakers and delegates laid out the ARA road map for petroleum storage and delivery systems and concluded that, despite many forecasters seeing global petroleum demand falling, African demand will continue to grow for the foreseeable future, and will lag refinery output. This consequent increase in product imports will put pressure on petroleum supply chains and require both huge investment and culture change to meet the continent’s needs for an economic, efficient, safe, and secure means of supplying its petroleum demand.

The conference welcomed delegates from 16 countries to Abidjan and presentations by oil marketing companies Total, Vivo, Puma, Engen as well as National companies such as Sonabby from Burkina Faso and industry partners including HMT Rubbaglas, DNV GL, Authentix and the Côte d’Ivoire downstream trade organisation (GPP-CI). All of these clearly demonstrated the work done across Africa to improve standards as well as the challenges ahead. The conference concluded by focussing on each part of the supply chain where improvement is vital to economic growth and competitive goods and focussing on an ARA Road Map to:

- Improve port infrastructure through offshore mooring and discharge systems
- Replace and improve petroleum storage with a focus on safety and security
- Improve road safety through stronger regulation, use of modern technology (drivers’ aids) and driver training
- Reduce road use by increased rail freight, oil pipelines and, where applicable, sea or inland waterways transport
- Strengthen regulation of service station design particularly in respect of underground storage and forecourts
- Develop feasibility study expertise so that banks can respond quickly to fund a properly presented project

On the last, the World Bank subsidiary, IFC, showed how, by focussing on the United Nations Development Goals, they can support the financing of projects that commercial banks may have difficulty justifying.

Mr Joël Dervain, the Executive-Secretary of the ARA, closed the conference by thanking all delegates for the open, inter-active discussions and, in particular, the sharing of best practice by African companies with their peers from other countries. “This shows the increasing maturity of our continent”, he said. “We, the African downstream petroleum industry, must continue to accept our responsibility to change and this conference has focussed our attention on those areas where we can all help each other to improve the efficiency and safety of our operations.”

The future of African petroleum product supply chains will be discussed again during ARA WEEK in Cape Town, and planning has already started for the 5th ARA Storage & Distribution Forum to be held later next year.
A joint meeting of the specifications and refining workgroups was held in Lomé on 12th September 2017, on the eve of the refining workshop.

The objective was for each workgroup to give an update on current activities and discuss topics of mutual interest between the two groups.

Discussion was mainly focused on a review of ARA gasoline specifications and on the state of the vehicle pool.

For the ARA specifications, the following subjects were discussed:

- The realism of the proposed specifications: it was suggested that the official AFRI specifications should be updated to bring them in line with international specifications and practices i.e. use of the conventional name for unleaded gasoline, change of units (sulphur in mg/kg instead of weight %, lead in mg/l...), include the correct methods for cetane number, remove CEC lubricity test and include observations to ensure that the appropriate method is selected;
- The ability to meet these specifications given the current state of the units;
- Deadlines for implementation: the ARA specifications were drawn up several years ago. Should the deadlines be changed and new dates proposed? There was no consensus on this topic however it was agreed to maintain the schedule and make every effort to catch up and meet the deadlines. It will undoubtedly be necessary to have a gradual implementation of specifications;
- Upgrading investments: These are difficult to justify, as they have no impact on capacity. However improving the quality will help to make a significant reduction to the population’s health bills. Governments and policymakers must be persuaded to provide the funding. The World Bank has already carried out a study, and the costs are known.

For the study into the state of the vehicle fleet, the approach will be to consider the vehicle and its fuel as a single unit: the AFRI specifications will be implemented according to the age of the fleet and the evolution of the technology. The adequacy and accuracy of the vehicle fleet data is difficult to verify.

It is necessary to implement systems for measuring and controlling air quality in parallel with all these actions.
The joint meeting of the Regulation and Storage and Distribution workgroups took place on 8th November 2017 in Abidjan on the eve of the Abidjan Storage and Distribution forum.

The objective of the meeting was to give an update on current activities and discuss the conclusions of the Ad-hoc Jet committee and the themes and presentations for the Storage and Distribution Forum.

The main Regulations Workgroup presentations and discussions were as follows:

- Strategies to eliminate or minimise looting of fuel, illegal dumping and other related practices; the structure of official petroleum product prices, their regulatory systems and impact in Ghana, presented by NPA Ghana
- Official prices and their impact in Nigeria, presented by PPRA Nigeria
- The Storage and Distribution Workgroup presented a summary table of all current actions and the following comments were noted:
  - Following recommendations made at the group meeting dated 10th and 11th May 2017, some actions can be implemented as they fall under ARA’s remit. Others will be difficult to implement without the active involvement and support of decision makers in this area.
  - Some recommendations can be regrouped into one or two themes
  - Training, cross-audits and sharing of best practices all fall under ARA’s remit
  - Sites do not all use the same standards, it will be difficult to obtain uniform results.

The next meetings of the two groups are programmed for Saturday 10th and Sunday 11th March 2018 in Cape Town, South Africa.
THE IMPORTANCE OF AVIATION FUEL SUPPLY CHAIN

The ARA organised on November 7th, 2017 in Abidjan, a workshop on “Jet fuel and its supply chain from the producer to the final consumer.” The participants in this workshop were, for the most part, representatives of all operators involved in this supply chain. The subjects covered were:

- A reminder of the African context related to jet fuel;
- The current situation of the supply chain of jet fuel and its increasing complexity and inter-dependence of all players in the quality control of the product;
- The required standards and quality relating to jet fuel as well as the inspection processes of the supply chain;
- The necessary qualifications of the personnel involved and the impact of any lack of skills;
- The impact of non-compliance with the required standards across the entire supply chain of jet fuel, based on experience and feedback on recent real cases in Africa.

At the end of the proceedings and debate, the following was resolved:

OBSERVATIONS:

- The commitment is confirmed for the development of an appropriate policy within the ARA to support all stakeholders in order to make safe the entire supply chain of jet fuel, a highly strategic and sensitive product;
- The standard and quality of the jet fuel supplied to all aircraft remains a priority for all ARA members and for all stakeholders operating in the aviation fuel supply sector;
- There are not enough laboratories in Africa capable and approved to carry out the necessary testing of jet fuel quality (with approved and safe equipment, proper procedures, qualification and training and participation in circular test campaigns on the test methods applied to jet fuel);
- The legal and administrative framework and regulatory structure for the jet fuel supply chain is often inadequate or inappropriate;
- There is a need for financial resources to be made available to upgrade the procedures and processes and their regulation;
- No derogation may be issued or granted to consume a jet fuel that is not in line with the appropriate specification and regulatory process: the safety of people and property depend on it.

RECOMMENDATIONS:

- The ARA remains committed to contribute to the upgrading of the JET fuel supply chain. In particular, it may be noted that the circular tests organised by the ARA are already an important element in ensuring the good practice of test methods by laboratories engaged in the certification of this product
- Elaboration of a roadmap and an action plan for its implementation aimed, inter alia:
  - More priority for JET fuel as part of the inter-laboratory circular tests conducted by ARA
  - Continue the actions of upgrading the laboratories
  - Contribute to strengthening the links between operators for optimum use of existing laboratories
  - Consider a training program adapted to the supply chain for the JET fuel for the benefit of the members concerned and to hold symposia on this subject as well as on the potential funding to encourage capacity-building and networking;
- Promote to members, their participation in the upgrading of existing procedures and standards required within the international organizations involved (EI, ASTM, JIG, ...)
- Assist members with their administration of the upgrading of regulatory texts and implementation of appropriate measurement and control systems
- Consider an audit plan and cross-checks to ensure the upgrade of the supply chain
- Assist, with their respective decision-makers (governments, regional agencies and other stakeholders), ARA members considering an investment and maintenance plan for the upgrading of all equipment involved in the JET fuel Supply Chain
- Technical Partnerships among ARA members should be facilitated to enable the sharing of best practices.

These recommendations will be subject to the assessment and approval of the ARA Executive Committee.
A refining workshop was held on 13th and 14th September 2017 in Lomé, Togo, on the subject of “Upgrading Clean fuel production facilities: Challenges and Solutions”, bringing together 51 participants from South Africa, Burkina Faso, Cameroun, Côte d’Ivoire, Ethiopia, France, Gabon, Ghana, Nigeria, Senegal, Sudan, Switzerland, Togo, the UK and Zimbabwe.

Throughout the workshop there were various round-table discussions on low-cost solutions to meet the AFRI-IV fuel specifications, resulting in the following resolutions and recommendations:

**RESOLUTION (1):**
- There is confirmed support for ARA’s clean fuels policy:
  - A road-map will be drawn up to achieve clean fuels and a plan put in place for vehicle emissions standards and controls in order to improve air quality, with related health benefits;
  - Existing refineries will not be able to comply with Afri-4 standards by 2020;
  - Clean fuels remain a priority for all ARA members, however refining members noted that there might be delays in implementation due to problems of funding.

**RECOMMENDATION (1):**
- ARA remains committed to the refining sector and upgrading refineries to meet cleaner fuel standards;
- The timeframe for meeting AFRI-4 by 2020 was confirmed and it was agreed as follows:
  - Start the process of increasing the quality of imports to AFRI-4 specifications by 2020, or earlier;
  - Improve national specifications as soon as possible to bring them in line with current refinery production quality levels;
- If necessary, when clear funding and action plans have been provided, countries should consider establishing a time-limited waiver allowing refineries to meet the requirements for clean fuel specifications at a later date.

**RESOLUTION (2):**
- The difficulty and need to raise funds to meet high investment costs such as Hydrodesulphurisation or benzene extraction, taking into account:
  - The return on investment;
  - The benefits of clean fuels in terms of clean air and public health;
  - The socio-economic benefits of refining.

**RECOMMENDATION (2):**
- ARA members should draw-up plans for investment and share them with governments, regional organisations and other stakeholders;
- In view of the fact that most of these investments benefit the population as a whole rather than the refinery, ARA recommends that its members seek aid for these investments from all stakeholders, including public, private, regional and governmental agencies etc.
- Consider a mix of private and public funding and/or equity to finance the investments needed;
- Where possible, pre-financing agreements should be negotiated.

**RESOLUTION (3):**
- Some ARA members have successfully undertaken refinery upgrades;
- Many members do not have this experience of this and need technical and financial advice.

**RECOMMENDATION (3):**
- Technical partnerships between ARA members should be facilitated, to allow for sharing of best practices;
- ARA should setup training and seminars on technical and funding topics to encourage capacity building and networking;
- Contacts for technical service providers should be shared amongst members;
- Refining members must share non-confidential technical and financial information.
RESOLUTION (4):
- Recent reports from community organisations have increased the pressure for clean fuels in Africa.

RECOMMENDATION (4):
- ARA should work with community organisations to bring them to accept ARA’s clean fuels policy;
- ARA should run a communication campaign aimed at promoting a better understanding of the challenges facing African refiners and their commitment to providing their customers with cleaner fuel.

RESOLUTION (5):
- ARA stresses the need for African governments and regional economic communities to work with the refineries to set up implementation plans for the production of clean fuels meeting AFRI-4 specifications;

RECOMMENDATION (5):
- Each individual member should first of all communicate their plans to all the stakeholders in their country;
- ARA encourages all its members to support these regional initiatives;
- ARA undertakes to work with regional organisations to promote:
  - The ARA Roadmap for clean fuels;
  - The introduction of emissions standards for vehicles;
  - A mandatory Vehicle Inspection and Maintenance programme to meet emissions standards;
  - Refinery upgrades and the investment required.

TRAINING IN ABIDJAN: MONITORING, CONTROL AND SAFETY OF PRODUCT FLOW IN TANK FARM

ARA organised a members-only training session on the monitoring, control and safety for product flow in tank farms, which took place on 5th and 6th December 2017.

The training session, run in conjunction with the company SOUDOTEC, took place at the ARA operational headquarters in Abidjan and brought together more than fifty participants.

During this two-day course, run by four instructors with proven expertise in the field, participants learnt the basics of the subject including how to:
- Analyse the product flow process
- Determine critical points where instrumentation is needed
- Understand measurement technologies and application constraints
- Ensure the safety and security of people and assets
- Appreciate the benefits of instrumentation links to PLC and monitoring systems; and
- Conceptualise cause-and-effect scenarios

The instructors and ARA members taking part were fortunate to have input from a specialist in remote-reading gauges and automated valves as well as a specialist in the management of fluids in depots.
The 6th EU-Africa Business Forum took place in Abidjan on 27th November 2017 and drew a large number of participants including senior politicians, and prominent economic and social representatives from both continents. ARA was represented by Mrs Zoubida Benmouffok, the ARA Operational Director.

This important event, whose opening ceremony was chaired by the Vice-President of the Côte d’Ivoire, Mr Daniel Kablan Duncan, had as its theme “Investing in job creation for Youth.” Female and youth entrepreneurship was central to discussions, and was also the subject of a specific thematic session.

The forum was a platform for discussion on the challenges and opportunities for enhancing sustainable investment in job creation in Africa together with strategic priorities such as renewable energy, agribusiness, and the digital economy. The forum was organised ahead of the 5th AU-EU summit meeting, which also took place in Abidjan, on 29th and 30th November.

NEW MEMBERS

The ARA is delighted to announce that Société Camerounaise des Dépôts Pétroliers (Cameroon), Société Togolaise de Stockage de Lomé (Togo), Somir (Mauritania) and Transport Routier des Hydrocarbures (Sénégal) have become Members of the ARA.

UPCOMING EVENTS

# WORK GROUP MEETINGS
10–11 March 2018
Work Group Debriefing Meetings
Cape Town, South Africa

# MEETINGS
25 January 2018
Executive Committee
Geneva, Switzerland

12 March 2018
Executive Committee
Cape Town, South Africa

# ARA WEEK 2018
12–16 March 2018
Cape Town, South Africa

VISIT WWW.AFRRA.ORG/UK/EVENTS FOR MORE DETAILS

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