



FUELS INDUSTRY
Association of South Africa

ILLEGAL FILLER INVESTIGATION

Dec 2024



Investigations on rogue fillers

- Between 4 December 2024 to 22 December 2024, a contracted private investigator conducted an investigation on illegal filling activity in Gauteng and the Limpopo Region.
- The investigation focused on identifying illegal fillers, who hoard our company-owned LPG cylinders instead of exchanging them and filling these cylinders with their own LPG and then supplying their customers without having any business relationship with the company. The investigation also included identifying the bulk LPG suppliers to these illegal fillers.
- The investigation focused on Limpopo and Gauteng due to high reports of illegal filling in these regions.
- During the investigation, it was suspected that some of the rogue fillers and Distributors receive bulk LPG via road tankers coming from Zimbabwe. The product is then illegally filled into our cylinders and distributed to dealers around Gauteng and Limpopo.



Investigations findings

Gauteng Region

- The investigators identified five (5) rogue fillers who were filling our company-owned and other competitor cylinders. Some of these rogue fillers were found to be using fake and non-branded seals (usually red). Their operations varied in size; other rogue fillers had bulk tanks at their premises, and other rogue fillers only had cylinders.

Limpopo Region

- The investigators identified nine (9) rogue fillers who were filling our company-owned cylinders. Some of the rogues had installed bulk tanks and were receiving bulk LPG from licensed wholesalers. It was noted that illegal filling was more prominent in this region and that some of the illegal fillers were former customers who went rogue.
- From the report, it was further clear that some of these rogue fillers have made significant financial investments in setting up filling areas and installing bulk tanks as their sites were new. This indicates a well organised and deliberate intention by rogue fillers to cripple legitimate wholesalers and use their cylinders illegally for their own gain.



Actions taken

Various legal strategies were discussed and proposed internally to combat rogue fillers, who were classified into two categories, namely:

Operators with no bulk tank, engaging in cylinder-to-cylinder filling activities: It was decided to report these rogue fillers to their respective Local Municipality fire department to be shut down for violating municipal bylaws for operating without the necessary local government permits and licences. This was recommended for being the most cost-effective approach, which also has a short turnaround time since the fire department merely needs to visit the site and shut them down in the event they are found to not have the requisite licences and approval.

Operators with bulk tanks and conducting filling activities: It was decided to institute civil proceedings against these rogue fillers for interdicts and *rei vindicatio* orders to recover our cylinders. It was further decided to institute criminal complaints with SAPS for investigation and possibly prosecution.



Outcome of Actions Taken

Operators with no bulk tank, engaging in cylinder-to-cylinder filling activities

Reporting small-scale rogue fillers to their Local Municipality fire department has shown promising results, as most fire departments have been eager to enforce their bylaws due to the safety risks in the communities. We have had reports where the fire department has visited these areas and shut them down. Four (4) fire departments in various Municipalities around the Western Cape have assisted with issuing notices of non-compliance on illegal fillers. However, we have no control over whether some of these entities will continue with these activities again sometime in the future

Operators with bulk tanks and conducting filling activities

The civil litigation proceedings was instituted against a rogue filler in Eastern Cape, an interdict and *rei vindicatio* Order which was granted and the cylinders were recovered. However, this legal avenue has been costly as it requires a comprehensive investigation and then exorbitant legal costs due to approaching courts on an urgent basis.

The third proposal of using the common law principles of Theft against illegal filling of our cylinders and the Counterfeit Goods Act, where fake seals are used, have not been implemented. It has been apparent from the outset that instituting criminal complaints will require company to compile its own docket of evidence instead of fully relying on the SAPS, who at this stage are not familiar with the investigation of such cases



FUELS INDUSTRY
Association of South Africa

Thank You