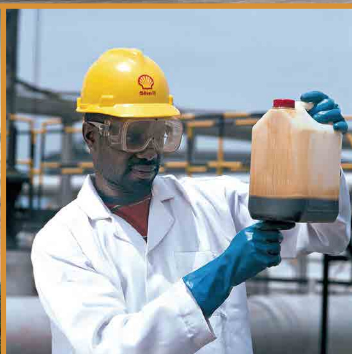
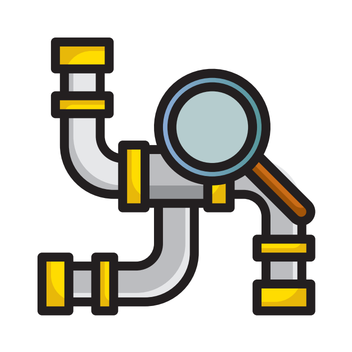
sapia | South African Petroleum Industry Association

2023 ANNUAL REPORT





Contents

Hloniphizwe Mtolo

Report by SAPIA Chairperson

South Africa has a well established petroleum industry involved in importing, producing and distributing petroleum products for its domestic market and abroad.

Petroleum products play a critical role in the South African economy, supporting the efficient functioning of the South African economy and improving people's lives.

Petroleum can be used as a fuel and as a raw material for products across many sectors in the economy, such as petrol for transportation, diesel for transportation and equipment, and electricity generation during peak periods, kerosene jet fuel for powering jet engines of aircraft, illuminating paraffin for lights and cooking, liquid petroleum gas for heating, cooking, industrial processes and agriculture, bitumen for paving and construction, lubricants for vehicle and machinery lubrication, fuel oil for powering merchant ships and for industrial steam and hot water boilers.

South Africa consumes more than 25 million litres of petroleum products each year, facilitated by imports and its three operational refiners. The country boasts 3 800 kilometres of pipeline for transporting crude oil and petroleum products, as well as a network of over 4 000 petrol stations.

Petroleum industry economic contribution

A report published by FTI Consulting, titled "The Economic Contribution of the Downstream Oil Industry to South Africa in 2019", found that the petroleum industry supported R163 billion (3.2%) in GDP, 247,772 jobs, and R94 billion in capital investment.

The study found that:

- The industry directly contributed R139 billion in GDP, with SAPIA members contributing R103 billion.
- For every R1 contributed directly to GDP, a further R1.59 was supported elsewhere in the economy.
- The industry supported 1.5% of total employment.
- For every 1 job in the industry, a further 1.52 jobs were supported elsewhere in the economy.
- For every R1 of capital investment, the industry added another R1.5 to GDP.

From the above, it is clear that the petroleum industry plays a vital role within the South African economy. According to FTI Consulting, the recent poor performance of the South African economy is linked to significant supply chain pressures, such as the Covid pandemic, escalating loadshedding, the 2021 civil unrest, and the Russia-Ukraine and Israel-Palestine conflicts.

One of the primary economic impacts of the Russian-Ukraine conflict has been a significant increase in the global price of crude oil. Since 2020, petrol price inflation has consistently exceeded both headline and food price inflation. This trend is linked to the increase in the global oil price.

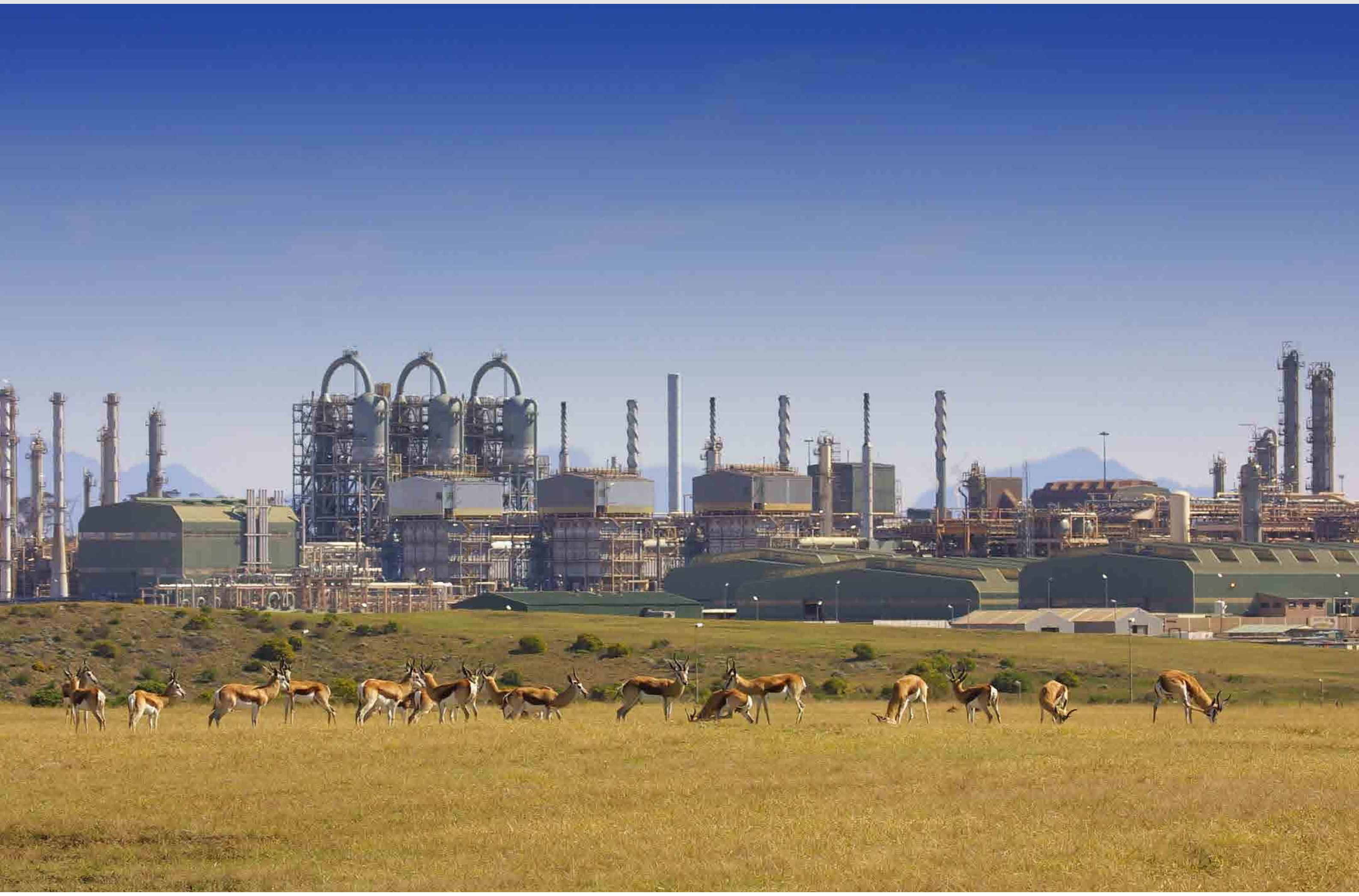
This poses a significant challenge for businesses, particularly given the crucial role of fuel in logistics, and increased loadshedding causing many businesses to rely heavily on diesel generators to maintain productivity.

Supply of petroleum products in South Africa

To meet demand, petroleum products are supplied either locally through refineries, which import crude to manufacture the products, or through imports of refined products themselves.

According to a FTI Consulting report titled, "Petroleum Industry Quarterly Review: 2024 Q1" there has been a decline in crude oil imports over time, as the local refineries have ceased their refinery operations. The main reason for the change in the supply model is that South Africa has lost approximately 50% of its refining capacity and is currently limited to a single coastal refinery and two inland refineries.

Imports of refined product into South Africa have increased over time, notably in respect of petrol and diesel. Imports of refined products into South Africa (petrol, diesel, and kerosene) have increased from 35% in 2020 Q1 to 61% in 2023 Q3. South Africa has therefore shifted from a refiner and exporter of petroleum products to a net importer.



From 2020 Q1 – 2023 Q4, exports of refined product from South Africa declined by over 39%, with the largest declines in diesel and fuel oil.

Taking into account the supply and demand dynamics for the industry, there are also many components influencing petroleum prices. The DMRE regulates the maximum wholesale price of diesel and the retail (pump) price of petrol, by grade and location. The regulated prices are composed of several international and domestic price components:

- Basic fuel price
- Taxes and levies
- Zone differential
- Secondary storage and distribution charges
- Wholesale RAS margin
- Retail RAS margin (Petrol only)
- Slate levy

Diesel and petrol prices have increased significantly in recent times, driven primarily by higher import costs, reflected in the higher BFP prices.

It is clear that the South African petroleum industry is a key contributor to the country's economy and energy security. SAPIA members operate in a highly regulated environment, subject to various legislative and policy frameworks that govern their activities. This 2023 Annual Report shows how the industry has been performing set amidst this backdrop and what has taken place during the year under review.

Thank you to the Board of Governors for their time over the past year. On behalf of the Board, membership and staff, I would like to welcome Mr Seelan Naidoo (Engen) and Aluwani Museisi (Shell) in the positions of Chairperson and Deputy Chairperson respectively.

Hloniphizwe Mtolo
SAPIA Chairperson

Introduction by SAPIA Executive Director

Avhapfani Tshifularo

Welcome to the 2023 SAPIA Annual Report, the publication's 25th edition. This annual report shows the progress that SAPIA has made during the year and explains how we have been executing our strategy. As always, we aim to provide interesting insight into the South African petroleum industry and hope this report will be a useful reference for member companies, consumers, media and members of government who wish to know more about the industry.

These five strategic focus areas and the key developments are outlined in the report:

Transformation
Focus area: Facilitate industry transformation and skills development

Health, safety, security and environment
Focus area: Promote health, safety, security and environmental leadership within the industry

Energy transition
Focus area: Provide input into the development of climate change policy and regulations including the monitoring, measuring and reporting of GHG emissions

Security of supply
Focus area: Promote the security of supply of liquid fuels

Regulated price elements
Focus area: Contribute to policy formulation, implementation and a fair regulatory framework for all

I would like to thank the former Minister of Mineral Resources and Energy, Gwede Mantashe, the Department of Mineral Resources and Energy, our partners in government, our member companies, the SAPIA Board of Governors, SAPIA Committees / Task Teams and the SAPIA staff for collectively achieving what has been set out in this report.

Let us use 2024 to build on our collective achievements and continue working together to strengthen our industry so that we can benefit all South Africans.

SAPIA overview

About SAPIA

SAPIA represents the collective interests of the South African petroleum industry. The association plays a strategic role in addressing a range of common issues relating to the refining, distribution and marketing of petroleum products, as well as promoting the industry's environmental and socio-economic progress. SAPIA fulfils this role by proactively engaging with key stakeholders, providing research information, expert advice and communicating the industry's views to government, members of the public and media.

Vision

SAPIA aspires to be a respected, reputable and value adding industry association.

Mission

Working together within the petroleum industry to promote inclusive social and economic growth.

Strategic agenda

There are three strategic focus areas, depicted in the strategy diagram below, which will enable SAPIA to achieve its vision:

Planning for tomorrow means focusing on industry transformation, working towards a fair regulatory framework for all citizens, facilitating security of supply and promoting environmental leadership within the industry.

Enhancing strategic partnerships involves educating stakeholders about the industry's aims and activities, improving communication, ensuring there is transparency within the industry and that SAPIA is open and honest in all of its dealings.

Providing service excellence entails improving efficiency and effectiveness, implementing the balanced scorecard, proactively identifying opportunities and improving decision-making processes.

There are a number of committees comprising technical and operational experts from the member companies who are responsible for executing the strategy. SAPIA endeavours to appraise the Minister of Energy and the Director General with status updates on the execution of initiatives on a quarterly basis and the closing phase of each initiative includes meeting the milestones and performing post project activities.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SAPIA's strategy

PERSPECTIVES OF SUCCESS

VISION – To be a respected, reputable and value adding industry association

MISSION – Working together within the petroleum industry to promote inclusive social and economic growth

GOALS

GOVERNMENT	PETROLEUM INDUSTRY	CITIZENS
Understand our stakeholders' needs	Provide expert information and assistance to our stakeholders	Contribute to policy formulation and implementation
Promote transformation, climate change response, refining sustainability and a fair regulatory framework	Facilitate security of supply and environmental leadership	Enhance the reputation of the industry by communicating its contribution to economic and social progress

BECOME A TRUSTED PARTNER

Stakeholders

- Understand our stakeholders' needs
- Provide expert information and assistance
- Contribute to policy formulation and implementation
- Promote effective marketing

Internal Process

PLAN FOR TOMORROW	ENHANCE STRATEGIC PARTNERSHIPS	SERVICE EXCELLENCE
Facilitate industry transformation	Promote the security of supply of liquid fuels	Develop focused advocacy programs in line with goals
Promote a fair regulatory framework for all	Health, safety, security and environmental leadership	Improve efficiency and effectiveness
Promote a sustainable climate change response	Educate and communicate to stakeholders about the industry	Collaborative decision making
Promote refining sustainability		Identify opportunities

Learning & Growth

- Live our core values
- Build research capabilities
- Train and develop our stakeholders
- Understand industry activities and drivers

Financial

- Resource SAPIA's operational strategies
- Manage our budget effectively

VALUES – Partnership | Integrity | Transparency | Sustainability | Transformation

Figure 1 *SAPIA's strategy*

Priorities for the year

The Board of Governors identified the following focus areas for 2023:

Transformation	Facilitate industry transformation and skills development
Health, safety, security and environment	Promote health, safety, security and environmental leadership within the industry
Energy transition	Provide input into the development of climate change policy and regulations including the monitoring, measuring and reporting of GHG emissions
Security of supply	Promote the security of supply of liquid fuels
Regulated price elements	Contribute to policy formulation, implementation and a fair regulatory framework for all

Figure 2 *Priorities for the year*

SAPIA membership structure

Category A: Integrated members	**Category B: Non-integrated members**	
	Wholesalers - petrol and diesel	Wholesalers - liquefied petroleum gas
1. Astron Energy (Pty) Limited	1. Dan-Bunkering (South Africa) (Pty) Ltd	1. Easigas (Pty) Ltd
2. BP Southern Africa (Pty) Ltd	2. Elegant Fuel (Pty) Ltd	2. Petregaz (Pty) Ltd
3. Engen Petroleum Ltd	3. Gulfstream Energy (Pty) Ltd	3. Totalgaz Southern Africa (Pty) Ltd
4. PetroSA Ltd	4. FFS Refiners (Pty) Ltd	4. Oryx Gas South Africa (Pty) Ltd
5. Sasol Oil (Pty) Ltd	5. Makwande Energy Trading (Pty) Ltd	5. Wasaa Gasses (Pty) Ltd
6. Shell Downstream South Africa (Pty) Ltd	6. Puma Energy (Pty) Ltd	
7. TotalEnergies Marketing South Africa (Pty) Ltd	7. Royale Energy Ltd	
8. Vopak South Africa Development (Pty) Ltd	8. Petrocam Trading (Pty) Ltd	
	9. Carbonado Energy (Pty) Ltd	
	10. African Forwarding and Shipping (Pty) Ltd	

Table 1 *Total of 23 members on 31 December 2023*

Organisation structure

SAPIA operates under a Board of Governors comprising members from member companies. A new chairperson and vice-chairperson are elected annually. The association has a small and highly skilled staff complement, led by an executive director. SAPIA staff are independent from the member companies.

The 2022/2023 Board of Governors

Hloniphizwe Mtolo, Country Chair of Shell Companies in South Africa and Head of the Downstream Operations is the Chairperson of SAPIA for the period of 2022 and 2023. He is the Executive Director for Shell Downstream SA, the alternate Chairman of SAPREF and is a council member of Business Leadership South Africa. Mtolo is the 25th industry leader to chair the association since its establishment in July 1994.

The Board of Governors consists of eight representatives from member companies. The Chairperson and Vice-Chairperson rotate annually. The Board of Governors convenes at least four times per year and more often should circumstances require it. The primary function of the Board is to identify key issues facing the industry, agree on solutions in respect to each issue and ensure that resources are available to address the matters at hand.

The 2023 Board of Governors

SAPIA Chairperson:
Mr Hloniphizwe Mtolo
Shell Downstream
South Africa

SAPIA Vice-Chairperson:
Mr Seelan Naidoo
Engen Petroleum
South Africa

Mr Thabiet Booley

Astron Energy

Ms Taelo Mojapelo

BP Southern Africa

Mr Oliver Naidu

Vopak South Africa Development

Ms Tshilidzi Ramuedzisi

Totalgaz Southern Africa (NIMs)

Ms Sandisiwe Ncemane

PetroSA

Mr Phinda Vilakazi

Sasol Oil

Tumelo Ramalebana

Puma Energy

Ms Mariam Kane-Garcia

Total Energies

Board of Governors attendance at meetings:

Attendance at meetings:	06/04/2023	06/07/2023	11/10/2023	06/12/2023
Mr H Mtolo	Y	Y	Y	Y
Mr S Naidoo	Y	N	Y	Y
Ms M Kane-Garcia	N	Y	N	Y
Mr T Booley	N	N	Y	N
Ms T Mojapelo	N	Y	N	N
Mr P Vilakazi	Y	N	R	R
Mr T Ramalebana	Y	N	Y	Y
Ms T Ramuedzisi	N	Y	Y	Y
Mr O Naidu	Y	Y	N	Y
Ms S Ncemane	N	N	N	N

Y Attended meeting
N Apology received
- Not yet appointed
R Resigned from the board

***Table 2** Board meeting attendance*

SAPIA staff members

Executive Director
Avhapfani Tshifularo

Office Manager
Nkhensani Machumele

Administrative Assistant
Anelisiwe Ngoma

Head: Strategic Projects and Economic Regulation
Kevin Baart

Head: Security of Supply
Siganeko Magafela

Head: Health, Safety, Security and Environment
Fatima Shaik

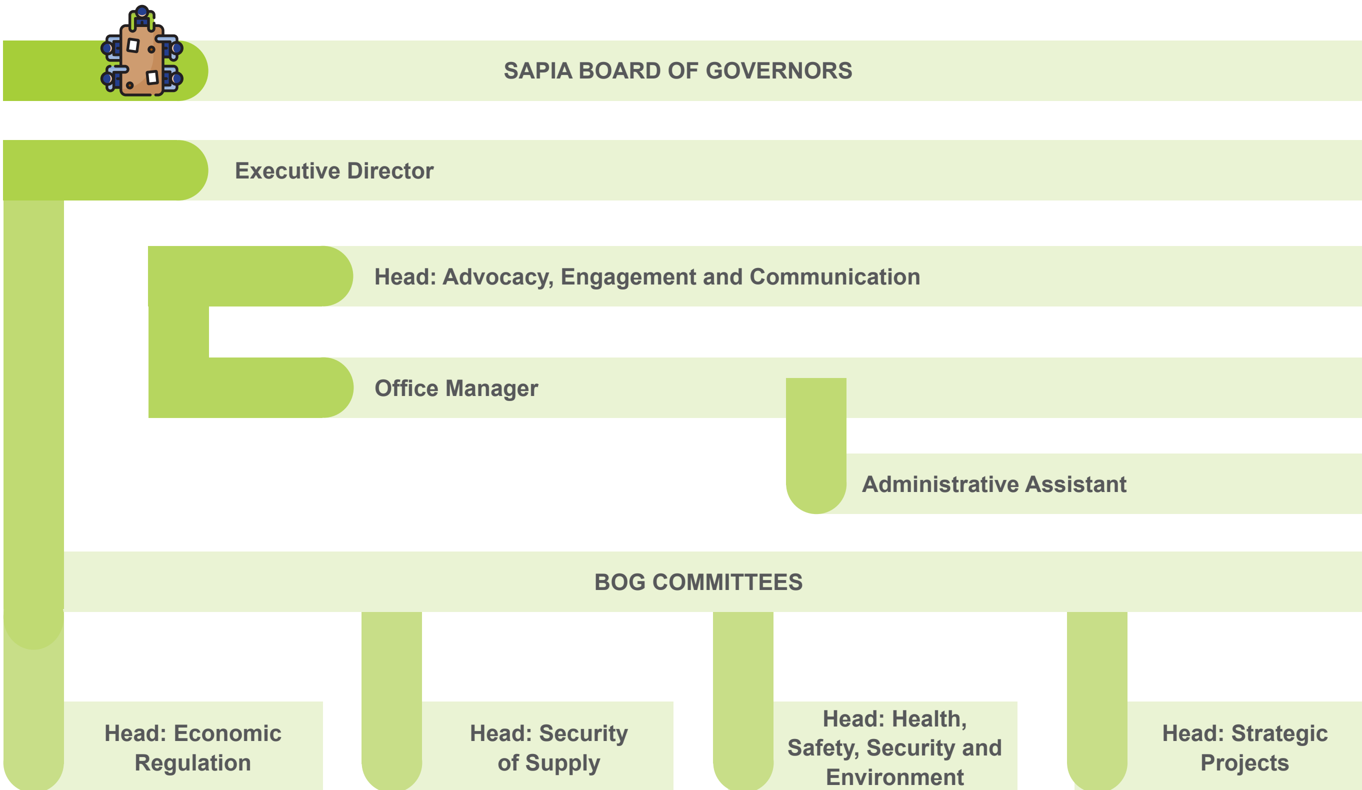


Figure 3 *SAPIA organisational chart*

Board of Governors committees

There are 21 committees which comprise of individuals from member companies and SAPIA staff members. These committees engage on non-competitive issues and are fully aware of competition laws and the risks of anti-competitive behaviour.

The following SAPIA committees exist to address strategic issues facing the industry:

SAPIA Committees	**Champion**	**Company**
Transformation Committee	Mariam Kane-Garcia	TotalEnergies
Human Resource Development Committee	Avhapfani Tshifularo	SAPIA
Economic Regulation Committee	Thabiet Booley	Astron Energy
Legal Committee	Kevin Baart	SAPIA
Security of Supply Committee	Seelan Naidoo	Engen
Fuels Technical Committee	Kevin Baart	SAPIA
Advisory Committee on Climate Change	Thabiet Booley	Astron Energy
Health, Safety, Security and Environment (HSSE) Committee	Taelo Mojapelo	Bp
HSSE sub-committees:		
Health, Safety, Environmental and Engineering Committee	Alison Osborn	FFS
Contaminated Land Committee	Liesl Koch	Sasol
Oil Spill Working Group	Benzo Mathebula	Astron Energy
Road Transport Safety Committee	Bongumusa Ndelu	Engen
Security Committee	Johnny Wijnen	Engen
Refinery Managers Environmental Forum	Nathmi Salie	Astron Energy
Refinery Managers Safety Forum	Ignatius Loff / Fatima Shaik	PetroSA / SAPIA
Refinery Process Safety Meetings	Achim Botha	Sasol
South African Petrochemical Fire Chiefs Committee	Rory Hodgkinson	Natref
Communication Committee	Avhapfani Tshifularo	SAPIA
Liquefied Petroleum Gas Forum	Tshilidzi Ramuedzisi	Totalgaz
Non-Integrated Members Forum	Tumelo Ramalebana	Puma Energy
Energy Transition Forum	Phinda Vilakazi	Sasol
Refinery Managers Forum	Stephen Ncala	PetroSA

***Table 3** SAPIA committees*

Financial statement

SAPIA's expenditures are essentially funded by the annual contributions of its members. Personnel costs represent the biggest share of SAPIA's expenditure. Other expenditures cover office accommodation, representation and travel, consultants, lawyers and auditors.

Income (thousand rands)	**2013**	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**
Membership subscriptions	7 748	9 754	12 136	11 798	13 345	14 445	14 281	16 377	16 576	16 790	16 648
Other income (including interest)	173	508	3 606	424	27	1 038	10 787	666	1 716	508	536
Total income	**7 921**	**10 262**	**15 742**	**12 222**	**13 372**	**15 483**	**25 069**	**17 043**	**18 292**	**17 298**	**17 185**

Expenditure (thousand rands)	**2013**	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**
Personnel/payroll	4 326	5 404	8 262	8 220	8 827	9 193	9 066	11 857	9 148	10 483	11 526
Other expenditure (including interest)	2 919	2 752	5 520	4 064	4 590	4 419	6 123	4 769	4 228	4 649	4 581
Total expenditure	**7 245**	**8 156**	**13 782**	**12 284**	**13 417**	**13 612**	**15 189**	**16 626**	**13 376**	**15 132**	**16 107**

The year at a glance

Pricing and energy consumption in SA

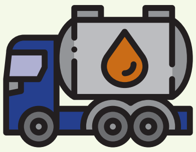
- Fuel prices increased, rising from R/l 21.40 in January to R/l 25.22 in October for RON 95 in Gauteng.
- Similarly, 50 ppm diesel wholesale prices increased from R/l 21.22 in January to R/l 25.01 in October.
- This is a result of dropped global supply as OPEC cut back on production due to slow global demand as economies are slowly recovering from Covid and struggling high prices.
- Overall main fuels demand increased in 2023 over 2022 by 0.8%. Diesel (all grades) demand increased by 2.3% but was offset by a contraction in petrol demand of 1.3%.
- Weaker sales are indicative of two general trends – lower consumer spending and continued improvements in fuel consumption from newer manufactured vehicles.

Transformation

- Aspirant retailer training programme which equip members of the public to gain knowledge of how to run a fuel retail station.
- Alignment with the Department of Employment and Labour and SAPIA on the Employment Equity Targets which were gazetted in 2023.

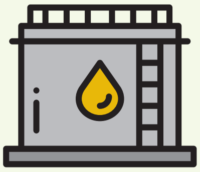
Health, safety, security and environment

- SAPIA continues to use a risk-based approach to focus on the key HSSE risks facing the sector. These include amongst others; process safety, fire safety, marine spill response, contaminated land management, road safety, security, working at heights, contractor management, etc.
- Where applicable, SAPIA members continue to share best practices and develop guidelines to support members and aid in capacity building.
- SAPIA continues to be instrumental in negotiations with key stakeholders on HSSE legislation, guidelines and standards for South Africa. SAPIA represents business on the Advisory Council for Occupational Health and Safety which advises the Minister of Employment and Labour on the occupational health matters for South Africa.



Security of supply

- The security of supply committee finalised a supply chain risk assessment and developed action plans to mage the risks identified. Transnet Ports Authority and SAPIA reengaged to find solutions to the expired leases at Island View and other ports across the country.



Energy transition

- The purpose and objectives of the Committee are to provide a forum that can identify, coordinate, and oversee industry issues related to the energy transition.
- This includes the introduction of 'new' liquid fuels, climate change policy, and regulatory developments in both the local and international arenas, affecting the interests of the liquid fuels industry in South Africa.

Regulated price elements

- The wholesale tariff on petrol was increased from 56.6 c/l to 69.8 c/l.
- The retail tariff on petrol was increased by 285.7 c/l.
- The wholesale tariffs of diesel and illuminating paraffin (IP) were adjusted with CPI in December 2023 from 83.83 c/l to 89.6 c/l with the routers differential for IP remaining constant at 7.4 c/l.

Transformation

Our focus: Promote industry transformation and skills development

Focus areas	Key developments during the year
New liquid fuels empowerment framework	SAPIA and the Department of Minerals and Energy (DMRE) held numerous discussions to finalise the proposed liquid fuel sector codes that inform the transformation direction of the sector. Once these discussions are finalised, it is expected that the department will gazette the sector codes for public comment.

Progress in 2023

New liquid fuels empowerment framework

The process of aligning the Petroleum and Liquid Fuels Charter to the Broad-Based Black Economic Empowerment Act is continuing. The Charter Council comprises the Department of Mineral Resources and Energy, industry associations, trade unions and other interested parties.

The process of gazetting the sector codes has been stalled due to some alignment issues which SAPIA maintains are critical to the success of this empowerment framework when implemented. SAPIA and the DMRE are engaged in getting alignment in the areas of disagreements raised by the industry. Once the alignment is reached between the parties, government will publish a Government Gazette to allow public comment and the DMRE will process the feedback and Department of Trade Industry and Competition (DTIC) will make the final determination on the implementation of the sector codes.

The implementation will be with immediate effect as the DTIC does not allow for a transition period. In the absence of Petroleum and Liquid Fuels Sector Codes, entities are continuing to be measured on the generic scorecard of the Broad-Based Black Economic Empowerment Codes of Good Practice which does not fully address the unique characteristics of the industry.

Industry value-add development programmes (Project Luhavihavi)

The SAPIA Transformation Committee decided to pause the Project Luhavihavi initiatives due to delays in the finalisation of the Petroleum Liquid Fuel Sector Codes as they interlinked to the sector codes.

As an interim it was decided that other initiatives could be pursued and therefore:

- Aspirant retailer training programme which commenced in 2021 continued in 2023 and a total of ten participants are being trained who will complete their training in 2024. This is a CHIETA funded programme and a commitment to fund a further ten participants has been secured. The programme forms part of the SAPIA transformation objectives of opening access for previously disadvantage people into the retailing activities.

Employment equity (EE) targets

SAPIA has been engaging with the Department of Employment and Labour (DoEL) on the setting of sector specific employment equity numerical targets on the manufacturing sector as per the Employment Equity Bill, 2020. A gazette was published in 2023 after consultation with various sectors including SAPIA.

SAPIA made submissions to the gazette on what the targets should be in the petroleum sector. The DoEL published the EE targets which were similar to those submitted by SAPIA.

The DoEL was challenged by some stakeholders indicating there was no meaningful consultation and the department relented and republished the EE target gazette. This process will be completed in 2024.

Future priorities

SAPIA will be focusing on the following areas in 2024

- Resolution on Draft Petroleum and Liquid Fuels Sector Codes (PLFSC).
- Collaborate with CHIETA to develop a petroleum storage facilities learning programme).
- Collaborate with SETAs (CHIETA & TETA) to develop unit standards for the SAPIA masterclasses and partnership with a higher education institution to rollout the training programme.
- Participation in the 2024 Sanlam Transformation Gauge Report.
- Publish the women Empowerment and Gender Equality Report.

Health, safety, security and environment

Our focus: Promote health, safety, security and environmental leadership within the industry

HSSE continues to remain one of key priorities for the oil and gas sector. Integrated health, safety, security and environment (HSSE) management across the value chain is essential to ensure that employees go home safely and that any potential or actual negative impacts to the environment, assets or community are eliminated or mitigated. South Africa continues to face economic, political social, and otherchallenges that have a direct bearing on safe and sustainable operations. In addition, the transition to low carbon fuels, renewables, climate and other challenges are introducing new risks that need to be anticipated and managed. Human factors continue to play a critical role in enhancing safety and reducing and managing errors. The changing landscape will also require organisations to adapt, introduce new technologies and enhance skills to meet the new challenges. SAPIA will also be taking steps align its HSSE structures to meet new developments.

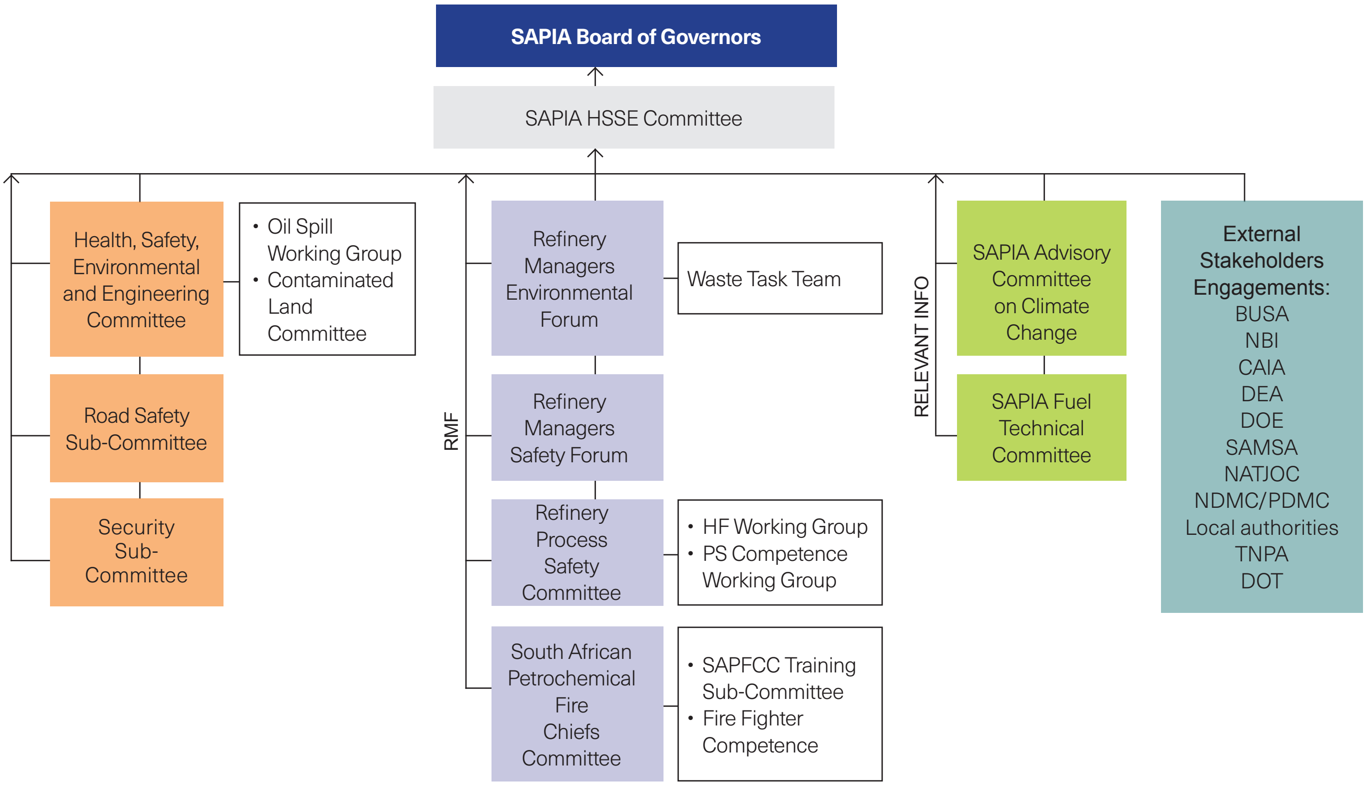


***Figure 4** SAPIA's Risk-based integrated HSSE management across the value chain*

Focus areas	Challenges
HSSE risk management: Regulatory input	• Significant increase in regulatory burden placed on all members. Additional costs associated with compliance including permits, fees, levies, fines and additional resources, amongst others. • External organisations have turned to the legal system for unimplementable legal requirements. • It is imperative for members to stay abreast of all applicable legislation and provide meaningful comment on draft bills and regulations. • SAPIA represents business on the Advisory Council for Occupational Health and Safety which advises the Minister of Employment and Labour on the occupational health and safety strategy, new legislation, among other things, for the country.
HSSE risk management: New and emerging risks	• An evolving landscape requires one to stay abreast of new or potential risks that face the organisation and operations. Flooding, large-scale unrest, load shedding, and droughts have all had a negative impact on the industry. • Cybersecurity risks, attacks on critical infrastructure and misinformation are some of the potential disruptors in the short and long term. • Environmental and chronic disease and health risks linked to environmental risks also dominate the risk profile looking into the future. • New technologies such as artificial intelligence, renewables, alternative fuels, etc will pose new risks that need to be anticipated and managed.
HSSE risk management: Improving oil spill response capability	• The Marine Pollution (preparedness, response and cooperation) Bill has been going through the parliamentary processes and is yet to be promulgated. The bill once enacted will provide a compliance framework for all tiers of government, the port authorities and members. • SAPIA members (non-state) have closed their gaps from the SAPIA National Oil Spill Tier 2 assessment. • The Global Initiative for West, Central and Southern Africa workshop was held late 2023 and the DFFE has finally set up a road map to address the gaps in the Dispersant Policy.
HSSE risk management: Contaminated land management	• The DFFE has commenced with land remediation workshops at least annually, with the first one held in September 2023. • Public disclosure of the contaminated land register remains a potential reputational risk to the sector. • SAPIA continues to use the Hydrocarbon Management Agreement to proactively address contaminated related matters speedily and thereby reducing/ eliminating impacts to the environment. • SAPIA continues to engage with DFFE on contaminated land related matters.
Improving contractor and internal stakeholder capabilities	• International trends indicate that multinationals are moving towards globally accepted guidelines for the sector. This contributes to the simplification of contractor requirements. • Human factors continue to contribute to incidents in operations even with competent contractors. • Organisational changes have further contributed to the exit of experienced professionals.
Knowledge sharing and best practice guidelines	• SAPIA continues to provide a learning and sharing platform for Members. Members can then cascade these learnings and information within their organisations and with contractors. • SAPIA also works with international and locally based organisations to monitor developments and participates as needed to drive the HSSE agenda for the sector in South Africa. New guidelines: • Process safety competence framework development published. • Firefighter career path and competency guideline published.
Security risk management	• Poverty, unemployment, crime and the lack of essential services have contributed to additional risks associated with unplanned protests, truck hijackings, and illegal road blockades. Organised crime still continues to impact logistic infrastructure and operations nationally. Fuel theft via pipelines has decreased while challenges with rail infrastructure have increased. • Increased efforts to mitigate risks across the supply chain are required, however in some cases security of supply is impacted. • SAPIA's security risk assessment for organised crime is reviewed regularly.
Road transport safety risk management	• Third party high-risk behaviour and non-compliance pose a major risk to safe operations on South African roads. • Increased civil unrest impacts on the safety of staff and assets and impedes deliveries to retail sites. • There has been increase in third party related incidents on retail forecourts and on the roads. • Continued effort from the sector internally and with external stakeholders is key in addressing these risks.

Progress in 2023

HSSE risk management:

Regulatory input

SAPIA has been instrumental in negotiations with key internal and external stakeholders on HSSE legislation for South Africa. These include among others: waste management, odour management, climate change, carbon tax, air quality, critical infrastructure, biofuels, marine pollution, occupational health and safety, extended producer responsibility, transportation of dangerous goods, etc. Included in amongst these are good practice guidelines, SANS codes and other guidance.

SAPIA also uses external platforms and collaborates with other associations and agencies on matters of common interest. Notable pieces of legislation for this period include the major hazard installations regulation, climate change bill, amendments to the biodiversity act, national environmental management laws amendment act and extended producer responsibility – lubricants sector.

Improving oil spill response capability

The industry continues to work with the Department of Environment, Forestry and Fisheries (DEFF) and Department of Transport on the development and integration of the recommendations from the Global Initiative for West and Central Africa (GI WACAF) to operationalise the requirements of the International Convention on Oil Pollution Preparedness, Response and Co-operation (OPRC).

The Department of Transport together with SAMSA and the DFFE will carry out roadshows on the National Oil Spill Contingency Plan over 2023/4.The promulgation of the Marine Pollution (preparedness, response and cooperation) Bill is awaited.

Improving contractor and internal stakeholder capabilities

The development of minimum guidelines is key to reducing complexity for contractors or suppliers who service multiple members. Learning from local and international best practice, learning from incidents, focusing on long-term behavioural change and engaging on other high risk discussion topics is key to preventing incidents and accidents. These best practice documents are available on the SAPIA website to registered members exclusively.

In 2023 best practice sharing included:

- Close out of part 8 application case studies
- Food safety
- Retail learnings from Australia
- Organisational MOCs
- Oil spill plans
- Ignition prevention and grounding
- Sump drainage
- Safety of forklift and other mechanical devices
- Net Zero Journeys. Corporate sharing and perspective on COP, PCCC and other interfaces. Potential challenges and focus areas.
- Two speakers on climate change: Sasol and cement sector
- Climate change impacts on firefighting and actions to mitigate
- New firefighting technologies
- Biodiversity impacts and mitigation / Nature-related risks
- Waste challenges in terms of new legal requirements. Met with DFFE DDG waste and chemicals management.
- Process safety audits, insurance audits and other learnings
- Tower crane rescues
- Emergency pre-planning and response plans
- Florine free foam and potential challenges
- International Fire Prevention Week

Contaminated land management

SAPIA members continue to work with DFFE and other authorities on historical contaminated land. Part 8 of the Waste Management Act under NEMA provides the framework for how these sites are managed. Port facilities are managed through the Transnet National Port Authorities and the DFFE.

There are currently seven multi-stakeholder projects being managed by SAPIA. The decommissioning and remediation of the Port Elizabeth Dom Pedro Terminal is a significant project that could potentially set a precedent for other areas. SAPIA is also monitoring the Island View proposed developments and its potential impacts on remediation related matters. The remediation order for tenants in Island View is expected end 2023.

Security risk management

The industry faces increased security threats due to a number of factors such as socio-economic conditions, service delivery protests, civil unrest and land grabs, all of which threatens people, environment, reputation and assets. We have seen a decrease in the number of security incidents affecting the pipeline as reported by Transnet Pipelines. Rail remains a challenge as cable theft affecting product deliveries remains a challenge, a result being that members incur high road bridging costs as they seek alternatives to rail. SAPIA is confident that Transnet and the wider business community will deal with the situation. Business 4 South Africa and the Presidency formed a National Logistics Crisis Committee to tackle security affecting Transnet.

Statistically, there has been a decrease in the number of retail security incidents in 2023 compared to previous years, however the violent nature of these incidents is concerning as some incidents have resulted in fatalities.

Road transport safety risk management

As part of SAPIA's road safety commitment, different initiatives have been deployed to ensure that we live up to this commitment. A road safety media campaign was approved by the board and a request for quotation was issued to service providers, however due to SAPIA rebranding this project was revised and will now be implemented in 2024.

Administrative Adjudication of Road Traffic Offences Act (AARTO) challenge to its legality has been settled after the Constitutional Court ruling. The Minister of Transport confirmed that the law will come into effect by 31 July 2024. The committee resolved that SAPIA must organise a workshop for members as well as a masterclass on road traffic legislation in 2024.

Future priorities

SAPIA continues to review is priorities and for now, SAPIA's primary HSSE focus areas remain unchanged as these are broad and all-encompassing across the supply chain. Risk-based decisions are taken at committee level and are endorsed by the strategic HSSE committee and the Board of Governors to address various existing and potential risks within these focus areas. As a result of local landscape changes and international developments, SAPIA will be streamlining its HSSE committee structure. Member consultation commenced at the end of Nov 2023, with implementation expected in Q2 2024, following the necessary approvals.

The HSSE focus areas are:

- Reducing HSSE risks in industry operations impacting people, environment, assets and reputation.
- Reducing road transport risks and engaging stakeholders on third party risk management.
- Developing security related industry best practice to proactively assess threats and reduce security risks.
- Making recommendations for improvement in the national oil spill response capability.
- Increasing contractor capability through collaborative industry efforts.
- SAPIA proposes changes to the HSSE structure to streamline committees, align to global best practices and accommodate changes in SA's petrochemical landscape.

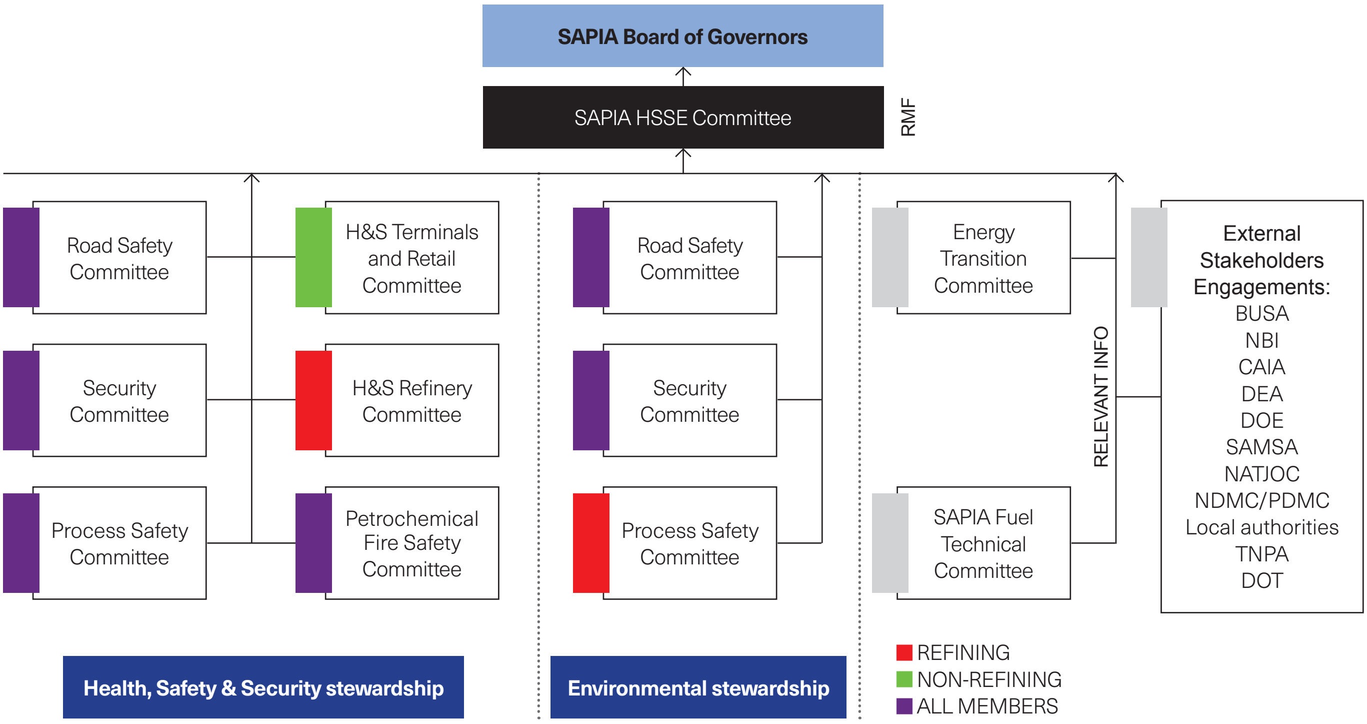


***Figure 5** Proposed integrated HSSE management structure*

Energy transition

Our focus: With increased focus on the anthropogenic induced climate change, significant efforts are being made by energy companies to mitigate these effects focusing primarily on the short to long term reduction in carbon footprint.

Focus areas	Key developments during the year
Debate on the Climate Change Bill in Parliament	Continued debate in Parliament on the Climate Change Bill and familiarisation of this Bill with communities.
Update to Petroleum Product Standards	Major progress in the updating of petroleum products and standards following the gazetting of Clean Fuels II specifications.
Facilitating the introduction of sustainable / low carbon products into the fuels pool	Establishment of a small task team to develop a paper on bio ethanol blending and handling at depots. Proposal to National Treasury on the tax treatment of fuel ethanol.

Progress in 2023

SAPIA formed the Advisory Committee on Climate Change (ACCC) in 2014 in order to provide a forum which can identify, co-ordinate and oversee industry issues relating to climate change policy and regulatory developments in both the local and international arena regarding the interests of the conventional crude oil refining industry.

Similarly, SAPIA recognised the need to transform the Clean Fuels II task team into the Refining Sustainability Forum (RSF) in 2018 to co-ordinate efforts to manage short to medium term impacts and inform opinion makers in order to influence government policy towards ensuring the sustainability of the refining industry while adapting to anticipated longer term structural changes.

Since that time and following the pandemic there has been worldwide concentrated efforts aimed at the mitigation of climate change induced by anthropogenic greenhouse gas emissions. This has resulted in a broader initiative focused on the Energy Transition – a move to provide sustainable energy from a wide variety of clean platforms to satisfy modern energy requirements for mobility and industry. This transition has been endorsed by almost all international oil majors who in turn are rebranding themselves as International Energy Companies (IECs) in recognition of the requirement to provide sustainable clean energy offerings.

Likewise, there was also the recognition that the two aforementioned committees would also need to transform recognising the cross cutting and mutual issues that both committees face. For the ACCC, the local regulatory framework concerning climate change coalesced into a carbon tax regime and the development of climate change legislation under the Department of Forestry, Fisheries and the Environment meaning that a large portion of the ACCC's intended functions had been accomplished. Similarly for the refining sustainability forum, the changing nature of the industry has resulted in the permanent shutdown of one facility and the temporary shutdown of another. Furthermore, some IECs have it as part of their corporate strategy to migrate away from fossil fuels towards other sustainable liquid fuels with the vision of attaining net zero carbon emissions by 2050.

For these reasons the Board of Governors mandated the merging of these two committees into the Energy Transition Committee which would continue with appropriate and other activities that used to be conducted by the two individual committees.

Climate Change Bill

The Climate Change Bill was originally published for comment during May 2018 and then after passing through NEDLAC, but being delayed because of the Covid-19 pandemic, it entered Parliament in February 2022 where it was deliberated upon in the Portfolio Committee on Forestry, Fisheries and the Environment. During the year, there were numerous 'road shows' conducted by Parliament to acquaint the bill with communities. Significant push back occurred from these communities who thought that the implementation of the Bill would result in job losses and not facilitate employment growth. The Bill should be finalised before Parliament rises before the elections in 2024.

Carbon Tax Act

During the February 2022 budget speech, the Minister of Finance indicated the objective to increase the headline rate of carbon tax to $/t 30 by 2030. At the same time, the various allowances under the Act would be phased down and potentially out. Following some push back from industry, the dollarisation of the headline rate was converted to Rands with the caveat that this would be reviewed annually to ensure alignment with the $/t 30 2030 objective. National Treasury has remained silent on the phase down or phase out of allowances.

The carbon tax cost recovery quantum for the liquid fuels refinery sector was increased from 0.63c/l to 0.66c/l (4.8% increase), effective from 1 January 2023. The percentage increase was below that of the headline rate which increased from R/t 144 to R/t 159, an increase of 6.7%. Since the implementation of the carbon tax recovery mechanism for refiners in 2021, this quantum has increased by 17.9% (2021 to 2023) as opposed to the headline rate which has increased by 18.7% over the same period.

Premier Expert Committee on Climate Change

SAPIA was invited to become a member of the Premier Expert Committee on Climate Change during the year which kicked off in July 2022. This committee is in line with that envisaged by the Climate Change Bill, whereby Provincial authorities would establish their own structures to advise and implement adaptation and mitigation measures related to climate change. Only two meetings were held during the year suggesting that this initiative has already lost a lot of momentum.

IPIECA Week

IPIECA (International Petroleum Industry Environmental Conservation Association) held its annual IPIECA week in London during March with representatives from major worldwide energy companies and some trade associations present.

Notable points arising from the various meetings included the following:

- The potential role of 'blue carbon' in sequestration.
- Increasing concern over Scope 3 reporting and in particular Category 11 reporting – carbon emission from sold products.
- Increasingly onerous reporting requirements from different agencies from different jurisdictions. This is further complicated from companies operating across international boundaries with little attempt to obtain some sort of consistency amongst the various regulatory authorities.
- Life cycle analysis in the determination of emissions and their importance in the assessment of different technologies as a means to reduce environmental impact which include carbon footprint.
- Related to the above, the importance of definitions which is complicated when different jurisdictions use different definitions for the same thing.

With respect to reporting requirements, the International Sustainability Standards Board (ISSB), part of the IFRS, is developing reporting standards which were projected to be released by June 2023. The United Kingdom has stated that their legislation and regulations will follow these reporting standards which may be in conflict with that prescribed by EFRAG – the European Sustainability Reporting Standards. If no consistency in reporting is reached, this could provide significant regulatory reporting requirements for companies operating in the UK and Europe having to report on the same activity but according to two different sets of standards.

Further notable points include:

- The importance of sequestration in so-called hard to abate sectors which included steel making and cement production.
- The significance progress being made in sequestration in Europe and the United States and its continued role to decarbonise the sector.
- The increasing importance of 'green hydrogen' in steel making and other associated sectors presently using carbon as a reductant. Alternate processing routes to the production of hydrogen involving the use of blue hydrogen (steam methane reforming with natural gas followed by sequestration). In this respect the lack of experience from these sectors in hydrogen production and CO2 containment and handling provides an opportunity for energy companies to provide such learning to these sectors.
- Increased focus by ICAO (International Civil Aviation Organization) to develop a road map towards emissions reduction with Sustainable Aviation Fuel (SAF) seen as a long-term fuel of choice although there is increasingly realisation that Low Carbon Aviation Fuels (LCAF) has a significant role to play in emissions reduction over time. But with SAF there is also increasing uncertainty of its role considering the number of processing routes to fabricate such fuel and their overall impact (in blend and also as a drop in fuel) on aviation and aircraft systems.
- IMO – the designation of the Mediterranean Sea as a Sulphur Emissions Control Area (SECA) from 1 May 2024 and increasing focus on the reduction of the carbon footprint for shipping. The forthcoming MEPC 80 meeting is set to adopt a revised IMO GHG Strategy with strengthened levels of ambition which will be ratified at the next general meeting of the IMO.

Update to Petroleum Product Standards and Specifications

Following the gazetting of the updated Petroleum Product Standards and Specification regulation in 2021 and its amendment in 2022, significant progress was made during the year relating to the update of associated petrol, diesel, fuel ethanol and biodiesel (Fatty Acid Methyl Ester) standards. It is expected that these standards will be updated and published during 2024.

Alternative fuels

There is continued focus on the International Energy Companies to reduce their carbon footprint in the regions in which they operate. In this respect there is an increased focus on biofuels, both bio-ethanol and biodiesel in line with this objective. Accordingly, there a number of initiatives underway in SAPIA to facilitate these objectives:

- Tackling the issue of fuel ethanol blending at depot level in line with the Customs and Excise Act – the provisions of the present Act requires blending depots to register as manufacturing warehouses. Accordingly, a proposal to manage the taxation of fuel bioethanol at the ethanol manufacturing plant (rather than the depot) was provided to National Treasury.
- Tackling the issue of bioethanol blending costs at depot level. Since petrol is a fully price regulated product, the accommodation of these costs within the petrol pricing framework needs to be considered.
- The potential for the local production of Sustainable Aviation Fuel in which SAPIA has participated in a number of sessions and conferences.
- With respect to green hydrogen production some companies seem to be pursuing these potential opportunities but no concrete action has been taken as yet although National Treasury has published a number of incentives.

Furthermore with fuel ethanol, significant efforts were conducted by SAPIA members towards compiling a Fuel Ethanol Blending Protocols at depots/terminals to enable the blending of bioethanol at downstream fuel distribution terminals/depots. The objective of the document includes:

- Providing guidance to designers and operators of fuel distribution depots/terminals on recommended practices for the receipt, storage and blending of fuel ethanol and distribution of the resultant ethanol containing petrol.
- Assisting interested parties to understand the properties of fuel ethanol and ethanol containing petrol and how to manage the introduction of ethanol blending at fuel distribution terminals and provide quality assurance of ethanol containing petrol.
- Address the associated safety, health and environmental aspects as required by relevant regulations.

Refinery status

The Astron Energy refinery at Milnerton in Cape Town commenced with start up operations at the end of 2022 following the major incident at the refinery at the end of June 2020. Full production was achieved by the end of the first quarter. Natref (Sasolburg) and Sasol's synthetic operations maintained production throughout the year.

As expected, as a consequence of both the Sapref and Enref shutdowns, petroleum product imports through Durban increased with petrol and diesel imports amounting to some 14.6 bl across all white oils (petrol, diesel and kerosene). It is expected that these import levels will be maintained in the years to come.

SAPIA is still pursuing the objective of obtaining financial assistance for the upgrade of refineries in readiness for the implementation of the Clean Fuels II program from 1 July 2027.

Future priorities

SAPIA will be focusing on the following areas during 2024:

- Continued engagement with the DFFE on regulations pursuant to the Climate Change Act when this passes through Parliament and is signed into law.
- Continued engagement with interested parties on the Just Transition.
- Continued engagement towards obtaining financial compensation for cleaner fuels production.
- Continued engagement with National Treasury / South African Revenue Service on the better treatment of fuel ethanol to facilitate blending into the fuels pool.
- Develop an industry response to other DMRE initiatives affecting the liquid fuels pool.
- Developing a high level implementation plan for the introduction of Clean Fuels II.

Security of supply

Our focus: Facilitate the security of supply of petroleum products

Focus areas	Key developments during the year
Identifying emerging risks to security of supply of petroleum products	Jet supply risk to OR Tambo International Airport (ORTIA) remained a risk. This risk is further heightened after the South African Revenue Service (SARS) raised issues about compliance to Custom and Excise Act after the closure of refineries in Durban. As a result of this pipeline injections from imported jet fuel have been suspended. SARS and affected members are working towards a solution.
Tank Farm relocation to the Port of Ngqura (Coega)	Transnet National Ports Authority (TNPA) informed SAPIA and members that the new facility at the Port of Ngqura will be commissioned by 2027. Construction of the new facility will commence in 2024 after all the other governance processes have been finalised.
Competition Commission exemption	The commission has further extended the exemption to 31 March 2024 pending the minister of Trade, Industry and Competition (DTIC) designation final decision.
Engage the Transnet National Ports Authority (TNPA) to ensure that East London leases and Island View strategy are finalised	The engagements with Transnet to resolve the key outstanding issues on their leasing strategy continued, the delay in resolving these has negative impacts to business investment.

Progress in 2023

Tank relocation from Port of PE to Ngqura

Post the Ports Regulator of South Africa's decision, the members remained at Dom Pedro until the new facility at the Port of Ngqura (Coega) is built and commissioned. TNPA has confirmed to SAPIA and members that facility will be commissioned by 2027 after all the related processes have been completed.

The progress thus far by TNPA:

- Application to the Energy Regulator of South Africa (NERSA) for a construction licence.
- Working on a request for proposal for a terminal operator to construct and operate the new facility.
- TNPA will construct the jetty and pipeline to the facility unbundling it from the facility.

Jet supply to OR Tambo Airport

Jet fuel to OR Tambo Airport is supplied from two sources, via the dedicated pipeline (Avture Line) from Natref refinery to the Airport supplying 22 000m^3 per week and via rail from Durban supplying 7 000m^3 a week. The multi-product pipeline can transport jet fuel from Durban to OR Tambo International Airport (ORTIA) but there is not big enough tankage in Durban to facilitate injections.

During 2023, Transnet Pipelines (TPL) commissioned jet tanks at Jameson Park to receive pipelines slugs from Durban via multi-product pipeline (MPP) and this contributed towards a reduced risk to security of supply to ORTIA.

The floods in April 2022 rendered the SAPREF refinery in Durban inoperable and motivated for the closure of Engen's refinery in 2020. The closure of refineries increased the need for importation of jet fuel into Durban.

South African Revenue Services (SARS) informed some SAPIA members of the need to regularise their compliance with the Custom and Excise Act due to the changes of the manufacturing facilities to be used solely for imports in Durban post the closure of refineries. The delay in finalising this process poses a security of supply risk to ORTIA because no injections are allowed until it is finalised.

Transnet National Ports Authority (TNPA) leasing strategy

Since the publication of the TNPA Island View strategy in 2018, SAPIA has been engaging TNPA to raise issues that affect the industry if this strategy is finalised in its current form. The numerous changes in the TNPA leadership and at Transnet group level have contributed to delays in the finalisation of the strategy.

SAPIA commissioned FTI to refresh the report they conducted for SAPIA in 2019 mainly because there have been many changes since the study was done such as Covid-19 and refinery closures in Durban. This study is expected to be completed in 2024.

Future priorities

SAPIA will be focusing on the following areas in 2024:

- Conduct a risk refresh to identify new emerging risks impacting security of supply and work on the new exemption application of the industry by the Competition Commission.
- Engage the Transnet National Ports Authority to ensure smooth relocation of the Oil Industry to the Port of Ngqura (Coega) and the status of PE.
- Engage Transnet Pipelines to ensure the introduction of jet fuel into the MPP including the commissioning of the jet fuel tanks at TM2 &TM1.
- Engage the Transnet National Ports Authority to ensure that East London leases and Island View strategy are finalised.

Regulated price elements

Our focus: Contribute to policy formulation, implementation and a fair regulatory framework for all

Progress in 2023

Petroleum products price developments

Most liquid fuels prices are regulated by the Department of Mineral Resources and Energy (DMRE) according to predetermined formulas and rules, which provide for certain margins across the value chain. Various duties and levies are implemented by National Treasury. Those liquid fuels not price regulated by the DMRE include aviation gasoline, jet fuel, marine bunker fuels and heavy fuel oils. The prices of petrol and diesel comprise the basic fuel price (BFP), government taxes and levies (which include the fuel levy and the Road Accident Fund levy), various other levies for NERSA or tracer (as applicable), magisterial district zone pricing (MDZ) and in the case of petrol only, allowable tariffs on secondary distribution, storage, wholesale and retail determined via the Regulatory Accounting System (RAS). The illuminating paraffin price comprises the BFP for paraffin and various tariffs for distribution, storage and wholesaling. There are no government duties or levies on paraffin (unlike diesel) and VAT is not levied on the sale of paraffin. LPG pricing is based on a specific landed cost for LPG at Richards Bay, which is the deemed refinery gate price for LPG plus allowable tariffs for distribution, filling plants, operating costs, depreciation, working capital and a retail margin. VAT is charged on the sale of LPG to consumers and incorporates all these costs.

Regulatory accounting system (RAS)

The Regulatory Accounting System was fully implemented in 2013 (with a transition period in 2011 from the old MPAR system). The RAS system provides a consistent methodology to determine industry tariffs and guidelines for this, which have been provided by the Department of Mineral Resources and Energy (DMRE). In 2016, the Department undertook to finalise the RAS manual, which serves as the working rules for the computation of the RAS margins calculations. This manual has been approved but is yet to be published as an official document although the guidelines are used in practice. The RAS tariff adjustments are typically made during the December price cycle based on the previous years submitted information to the DMRE. Price changes for 2023 became effective on Wednesday 3 December 2023, based on 2022 information supplied to the DMRE. The DMRE is in the process of securing funds in order to undertake a full RAS review.

Secondary storage element

The Secondary Storage (SS) portion was decreased from 28.8 c/l to 36.6 c/l for petrol. Diesel is not price regulated at the pump so there is no regulated price for this part of the value chain.

Secondary distribution element

The Secondary Distribution (SD) portion was decreased from 16.9 c/l to 17.2 c/l for petrol. Diesel is not price regulated at the pump so there would be no regulated margin for this part of the value chain.

Wholesale tariff of petrol

The wholesale tariff was increased from 56.6 c/l to 69.8 c/l.

Retail tariff on petrol

The retail tariff on petrol was increased by 285.7 c/l.

Wholesale margin of diesel and illuminating paraffin

The wholesale tariffs of diesel and illuminating paraffin (IP) were adjusted with CPI in December 2023 from 83.83 c/l to 89.6 c/l with the routers differential for IP remaining constant at 7.4 c/l. SAPIA did propose to the DMRE that the router differential for IP be dropped.

Government taxes and levies

The Minister of Finance, in his Budget Speech on 22 February 2023, announced that the fuel levy and the Road Accident Fund Levy on both petrol and diesel will remain at 394 c/l and 218 c/cl respectively, with effect from 5 April 2023. This is to cushion motorist from high fuel prices.

Magisterial district pricing zones (MDZ)

The magisterial district price zones, also referred to as primary transport costs, are based on the cost of moving fuels from a supply point to the inland distribution centres by pipeline and road. The tariffs are adjusted annually subject to approval by the Minister of Mineral Resources and Energy. The magisterial district zone system is based on standard costs for road transport as supplied by the Road Freight Association (RFA) and actual pipeline rates as set by the National Energy Regulator (NERSA) for Transnet Pipelines. The MDZ tariffs increased by approximately 22%.

LPG pricing - maximum refinery gate price (MRGP)

The DMRE changed the pricing formula in June 2020 so that LPG would be more reflective of LPG import dynamics, considering most LPG consumed in the country is now imported. That is, the base price was changed to Saudi CP, plus import costs to Richards Bay on LPG tankers, with allowances for wharfage, demurrage, loss, insurances and tankage.

National Ports Authority tariffs

The tariff for liquid fuels remained unchanged for the year at 3.244 c/l.

Levy on the petroleum pipeline industry

In terms of Government Notice No. 1334 of 10 December 2020, the Minister of Mineral Resources and Energy in concurrence with the Minister of Finance approved a levy of 0.39734 c/l applicable from 1 April 2022 to 31 March 2023. The levy was determined based on the estimated volumes of 14.3 billion litres per annum and the 2022/23 annual performance plan and budget requirements for the regulation of the pipeline industry of R56 870 706. This levy has remained unchanged.


Bank lending to households
Decline in the stock prices of CRE investment
trusts during the coronavirus pandemic

Statistics

Aggregate financial results of SAPIA members

Year ended 31 December	2013*	2014*	2015*	2016*	2017*	2018*	2019*	2020*	2021	2022	2023
Operating profit (R/m)	10 191	1 448	18 814	19 017	15 003	7 699	5 864	-22 119	12 850	4 834	12 539
Interest paid (R/m)	(1 386)	(1 393)	(1 336)	(880)	(1 227)	(1 279)	(2 066)	(1 205)	(1 756)	(2 196)	(4 167)
Income tax (R/m)	(2 970)	15	(3 712)	(3 577)	(3 870)	(1 122)	(1 642)	1 913	(2 689)	(480)	(3 260)
Net income (R/m)	**5 834**	**69**	**13 766**	**14 560**	**9 906**	**5 298**	**2 156**	**(21 411)**	**8 405**	**2 158**	**5 112**
Total assets (R/m)	96 695	114 458	115 110	125 088	171 123	143 654	156 007	140 295	173 341	199 731	198 870
Capital expenditure (R/m)	4 950	9 659	6 031	6 502	7 666	4 628	9 623	4 109	2 941	8 368	27 812
Refinery shutdown	638	646	666	342	780	891	1 120	187	288	3 604	688
Other	4 312	9 014	5 365	6 160	6 886	3 737	8 502	3 922	2 653	4 764	27 124
After tax return on assets (%)	6	0	12	12	6	4	1	-15	5	1	3
Sales volumes (bn litres)	29	31	34	33	31	31	31	25	26	30	39
Net income after tax (c/l)	20	0	40	44	32	17	7	(85)	32	7	13

Individual company financial data aggregated by Mr C McClelland CA(SA) (Independent Industry Consultant).

*2013 data reported by 18 SAPIA members.

*2014 data reported by 15 SAPIA members.

*2015 data reported by 12 SAPIA members.

*2016 data reported by 9 SAPIA members. PetroSA data is estimated.

*2017 data reported by 12 SAPIA members.

*2018 data reported by 9 SAPIA members.

*2019 data reported by 10 SAPIA members.

*2020 data reported by 8 SAPIA members.

*2023 data reported by 8 SAPIA members.

Value added statements

	2013*	2014*	2015*	2016*	2017*	2018*	2019*	2020	2021	2022	2023
Turnover (R/bn)	329	365	300	321	310	405	425	348	419	592	598
Net cost of products and services (R/bn)	236	280	202	198	186	254	273	223	265	423	438
Total value added (R/bn)	**92**	**85**	**98**	**123**	**124**	**151**	**152**	**125**	**154**	**169**	**160**
To pay employees gross salaries, wages and benefits (R/bn)	6	6	6	6	7	6	7	7	7	8	7
To pay the State tax in the form of											
Income tax (R/bn)	3	0.02	4.00	4.00	4.00	1.00	2.00	(1.38)	3.00	3.00	3.00
Duties and levies (R/bn)	66	72	83	94	114	145	131	130	135	145	122
To pay providers of capital											
Net finance expense (R/bn)	1	1	1	1	1	1	2	2	3	4	6
Dividends (R/bn)	2	1	3	4	–	–	4	2	–	5	1
Retained for future growth											
Depreciation (R/bn)	3	3	5	6	5	4	5	5	4	12	5
Retained income / other for the year (R/bn)	12	2	(4)	8	(7)	(7)	1	(21)	2	(8)	16
Total value added (R/bn)	**92**	**85**	**98**	**123**	**124**	**150**	**152**	**125**	**154**	**169**	**160**

Individual company financial data aggregated by Mr C McClelland CA(SA) (Independent Industry Consultant)

*2012 data reported by 17 SAPIA members

*2013 data reported by 18 SAPIA members

*2014 data reported by 15 SAPIA members

*2015 data reported by 12 SAPIA members

*2016 data reported by 9 SAPIA members. PetroSA data is estimated.

*2017 data reported by 12 SAPIA members

*2018 data reported by 9 SAPIA members

*2019 data reported by 10 SAPIA members.

Regulatory Accounting System margins (petrol grades)

	2016	2017	2018	2019	2020	2021	2022	2023
Wholesale margin at year end (c/l)	35.60	34.00	34.80	35.70	40.50	45.50	56.60	69.80
Retail margins	176.40	187.20	198.00	206.00	221.60	228.80	241.90	285.70
Secondary distribution margin at year end (c/l)	17.30	15.90	14.60	15.20	15.80	17.94	16.90	17.20
Secondary storage margin at year end (c/l)	17.90	18.60	20.90	23.00	27.20	30.70	28.80	36.60

Change over prior year (%)	2016	2017	2018	2019	2020	2021	2022	2023
Wholesale margin at year end	7.2%	(4.5%)	2.4%	2.6%	13.4%	12.3%	24.4%	23.3%
Retail margins	9.1%	6.1%	5.8%	4.0%	7.6%	3.2%	5.7%	18.1%
Secondary distribution margin at year end	26.2%	(8.1%)	(8.2%)	4.1%	3.9%	13.5%	(5.8%)	1.8%
Secondary storage margin at year end	(3.3%)	3.9%	12.4%	10.0%	18.3%	12.9%	(6.2%)	27.1%

Notes:

* 2011 & 2012 were transition periods for the Regulatory Accounting System.

** Regulatory Accounting System was fully implemented on 4 December 2013.

Sources of crude oil for SAPIA members: 2013 to 2023

Country of origin	2013*	2014*	2015*	2016*	2017*	2018*	2019*	2020	2021	2022	2023
Angola	2444	2614	3348	4 000	3 420	2 352	1 153	–	662	668	514
Cameroon	–	–	–	–	–	–	–	–	–	–	1405
Congo	–	–	–	–	–	–	–	–	–	116	–
Côte d'Ivoire	–	–	–	–	–	90	–	83	–	59	–
Equatorial Guinea	89	378	22	129	144	–	37	–	–	–	–
Ghana	746	756	0	–	125	1149	1 276	1 400	948	120	2 758
Guinea	–	–	138	–	38	–	–	–	–	–	–
India	–	–	–	–	38	–	–	–	48	–	–
Netherlands	–	–	–	–	–	–	–	–	–	–	124
Nigeria	4 336	6 658	7 291	6 131	4 083	6 745	7 174	5 065	3 181	2 917	3 383
North Sea / U.K.	–	–	–	183	–	–	–	–	–	–	–
Norway	–	–	–	270	–	37	145	37	–	–	–
Oman	–	–	133	–	–	–	–	–	–	–	–
Panama	–	145	–	–	–	–	–	–	–	–	–
Qatar	–	202	832	682	–	133	–	–	–	–	–
Russian Federation	140	–	–	–	–	–	–	140	–	–	–
Saudi Arabia	9 723	8 120	4 895	7 939	8 170	8 780	6 122	5 490	4 441	2 238	1 720
South Africa	–	–	–	–	–	–	–	–	42	38	38
Spain	–	–	–	–	–	–	–	129	–	–	–
Togo	–	–	–	–	297	157	137	–	–	–	–
United Arab Emirates	307	924	1 337	673	107	794	2 011	133	130	–	–
United Kingdom	24	273	–	–	–	–	–	–	–	–	–
United States	–	–	–	–	139	–	151	171	103	–	571
Unknown	–	–	–	–	–	–	–	301	–	–	–
Zambia	–	–	–	–	–	–	–	–	4	2	–
Total	**18 658**	**21 279**	**19 233**	**20 666**	**16 770**	**20 238**	**18 207**	**12 949**	**9 558**	**6 157**	**10 514**

*South African Revenue Service
All figures are in kilo tons
2020 Crude import figures do not include those into Saldanha from April onwards - these assumed to enter into SFF storage and not for processing.
2021 Crude import figures do not include those into Saldanha for the entire year. Crude imports into Saldanha amounted to 2046 k tons.
2022 Crude imports include that from SA strategic stock (crude origin unknown) and Zambia (crude origin unknown) following closure of Ndeni refinery
2023 Crude imports include that from SA strategic stock (crude origin unknown).

Crude oil price movements: January 2021 to December 2023

Average monthly prices (US$/bbl)

	2021			2022			2023		
	Brent	Dubai	Forcados	Brent	Dubai	Forcados	Brent	Dubai	Forcados
January	54.8	54.8	54.4	87.2	83.5	86.5	82.8	80.4	84.8
February	62.2	60.9	60.9	98.2	92.3	95.0	82.5	82.1	84.0
March	65.6	64.4	64.5	118.8	110.9	114.6	78.6	78.5	79.2
April	64.7	62.9	63.6	104.4	102.8	105.9	84.9	83.4	83.4
May	68.7	66.3	66.9	113.3	108.1	115.7	75.6	74.9	74.8
June	73.0	71.6	72.6	123.7	113.2	123.5	74.7	75.0	74.7
July	75.0	72.9	73.2	112.7	103.1	112.2	80.1	80.4	81.5
August	70.8	69.5	68.8	100.0	96.6	102.2	86.2	86.5	86.8
September	74.6	72.6	73.2	89.9	90.9	92.5	94.0	93.3	96.0
October	83.7	81.6	82.8	93.3	91.1	94.7	91.0	89.8	93.4
November	81.4	80.3	80.2	91.7	86.2	91.7	83.2	83.6	83.7
December	74.1	73.2	73.8	81.1	77.2	80.8	77.9	77.3	80.5
12-month average	**70.7**	**69.2**	**69.6**	**101.2**	**96.3**	**101.3**	**82.6**	**82.1**	**83.6**

Brent crude prices

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Average US$ price	108.7	99.0	52.0	43.7	54.3	70.9	64.3	41.7	70.7	101.2	82.6
*Average rand price/barrel	6.61	6.75	4.16	4.05	4.55	5.90	5.84	4.32	6.57	10.41	9.57
Average exchange rate	9.67	10.85	12.73	14.71	13.32	13.24	14.46	16.45	14.78	16.36	18.41

* Based on exchange rate as per CEF BFP rates

Consumption of petroleum products in South Africa

	Millions of litres					
Year	**Petrol**	**Diesel**	**Paraffin**	**Jet fuel**	**Fuel oil**	**LPG**
2013	11 153	11 890	530	2 223	523	485
2014	11 344	13 169	558	2 197	487	398
2015	12 072	14 178	573	2 441	591	588
2016	10 160	10 846	558	2 121	562	557
2017	11 174	12 147	648	2 713	523	551
2018	11 142	12 539	702	2 346	552	504
2019	10 773	12 909	620	2 439	410	495
2020	8 761	11 690	702	1 091	486	448
2021	9 302	12 946	1 078	1 048	491	308
2022	9 185	12 717	1 178	1 478	594	323
2023	9 037	12 907	1 298	1 844	658	288

* Source: Department of Energy

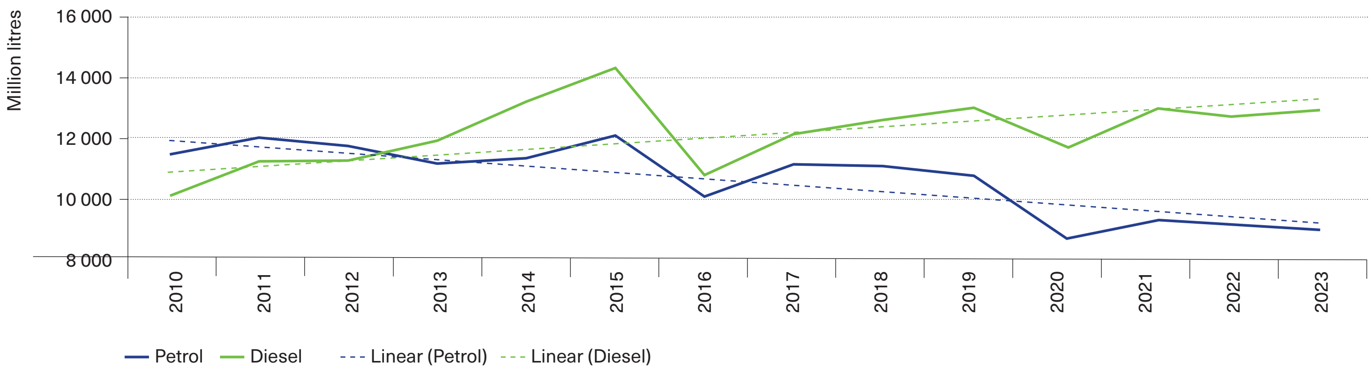


***Figure 6** Petrol and diesel consumption*

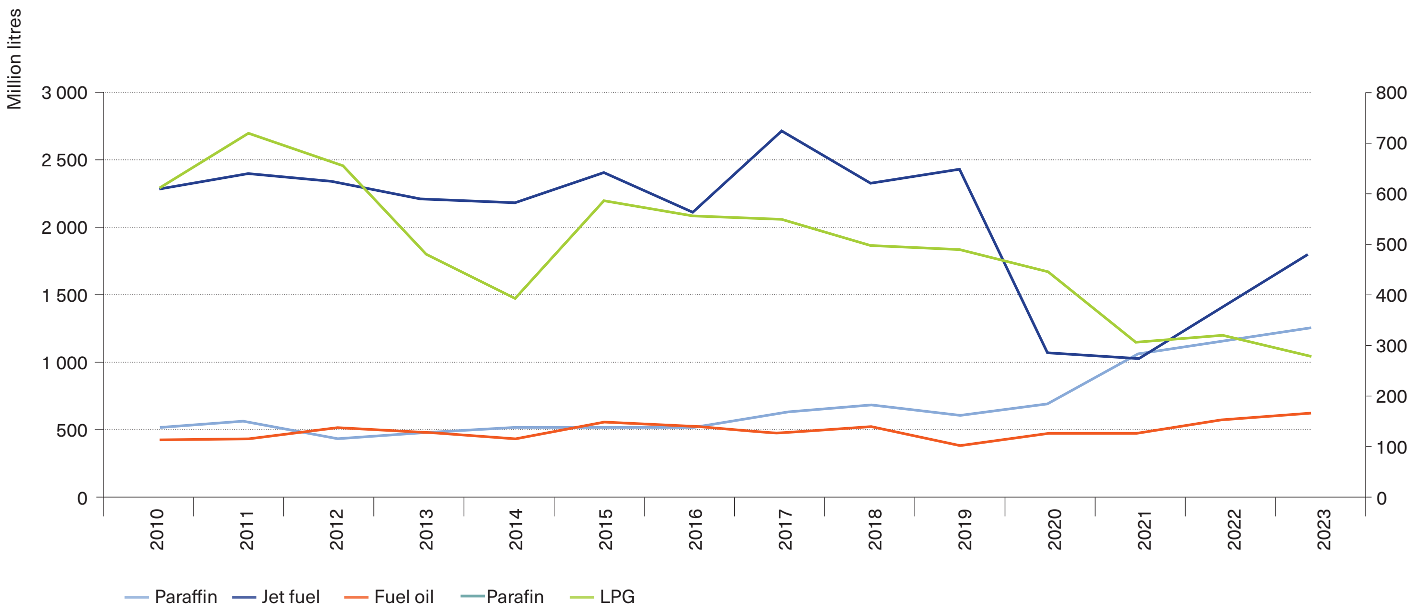


***Figure 7** Petroleum products consumption*

Petroleum products imports and exports

Million litres**

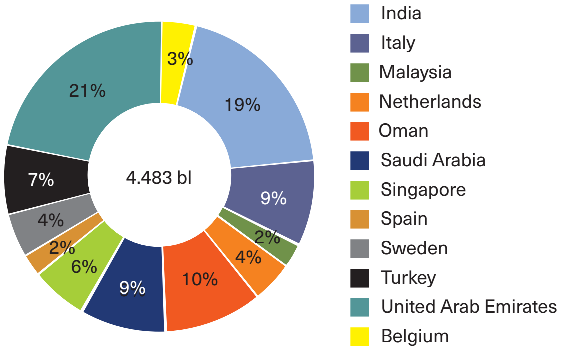
	Imports				Exports			
Year	**Petrol**	**Diesel**	**Kerosene**	**LPG**	**Petrol**	**Diesel**	**Kerosene**	**LPG**
2013	1 509	4 254	183	74	956	1 620	81	55
2014	1 150	4 997	288	47	989	1 493	155	60
2015	1 870	6 451	275	99	1086	1 625	887	69
2016	1 396	4 424	108	183	1159	1 887	381	71
2017	2 114	6 036	421	182	1082	1 784	395	104
2018	2 195	6 105	395	187	1321	1 838	441	130
2019	1 477	5 858	462	160	1179	1 786	331	110
2020	1 720	6 815	680	268	1155	914	671	108
2021	4 009	9 567	1 001	442	1054	895	147	109
2022	5 455	11 914	964	368	793	698	14	104
2023	4 483	12 794	963	871	1018	935	481	252

*Source: South African Revenue Service / DMRE

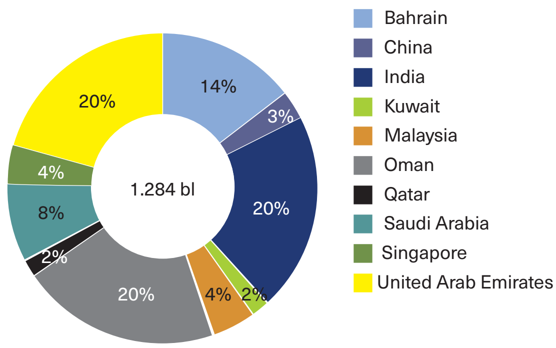
**Figures for LPG are in kilo tonnes.

Kerosene includes illuminating paraffin, jet fuel and dual purpose kerosene.

Petrol imports - 2023



Diesel imports - 2023



*Source: South African Revenue Service

***Figure 8** Petrol and Diesel Imports 2023*

Capacity of South African refineries

Capacity (bbl/day)

Refineries	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Sapref	180 000	180 000	180 000	180 000	180 000	180 000	180 000	180 000	–	–
Enref	120 000	120 000	135 000	135 000	135 000	135 000	135 000	–	–	–
Astron Energy	100 000	100 000	100 000	100 000	100 000	100 000	100 000	100 000	100 000	100 000
Natref	108 000	108 000	108 000	108 000	108 000	108 000	108 000	108 000	108 000	108 000
Sasol*	150 000	150 000	150 000	150 000	150 000	150 000	150 000	150 000	150 000	150 000
PetroSA*	45 000	45 000	45 000	45 000	45 000	45 000	45 000	–	–	–
Total	**703 000**	**703 000**	**718 000**	**718 000**	**718 000**	**718 000**	**718 000**	**538 000**	**358 000**	**358 000**

*Crude equivalent

2021 - 2021 - Engen announced the closure of their refinery in Durban. PetroSA facility at Mossel Bay shut down due to lack of feedstock.

2022 - Sapref announced a pause in operations as from March 2022. Refinery subsequently severely damaged by flooding.

Prices in Gauteng: 30 June each year

Year	95 octane leaded petrol retail price (c/l)	0.005% sulphur diesel wholesale price (c/l)	Illuminating paraffin single maximum national retail price (c/l)*	Liquefied petroleum gas maximum retail price (c/kg)**
2013	1 239	1 141	1 106	2 289
2014	1 402	1 280	1 271	2 501
2015	1 336	1 173	1 006	2 217
2016	1 326	1 111	718	2 185
2017	1 354	1 162	714	2 144
2018	1 579	1 425	927	2 522
2019	1 657	1 528	974	2 657
2020	1 340	1 139	490	2 129
2021	1 713	1 471	1 102	2 721
2022	2 417	2 323	1 820	3 714
2023	2 263	1 969	1 392	3 111

* The single maximum national retail price (SMRP) for IP was introduced in 2003.

**Maximum retail price (MRP) of LPG was introduced in July 2010.

Source: Department of Mineral Resources and Energy June price schedule

Petroleum product prices

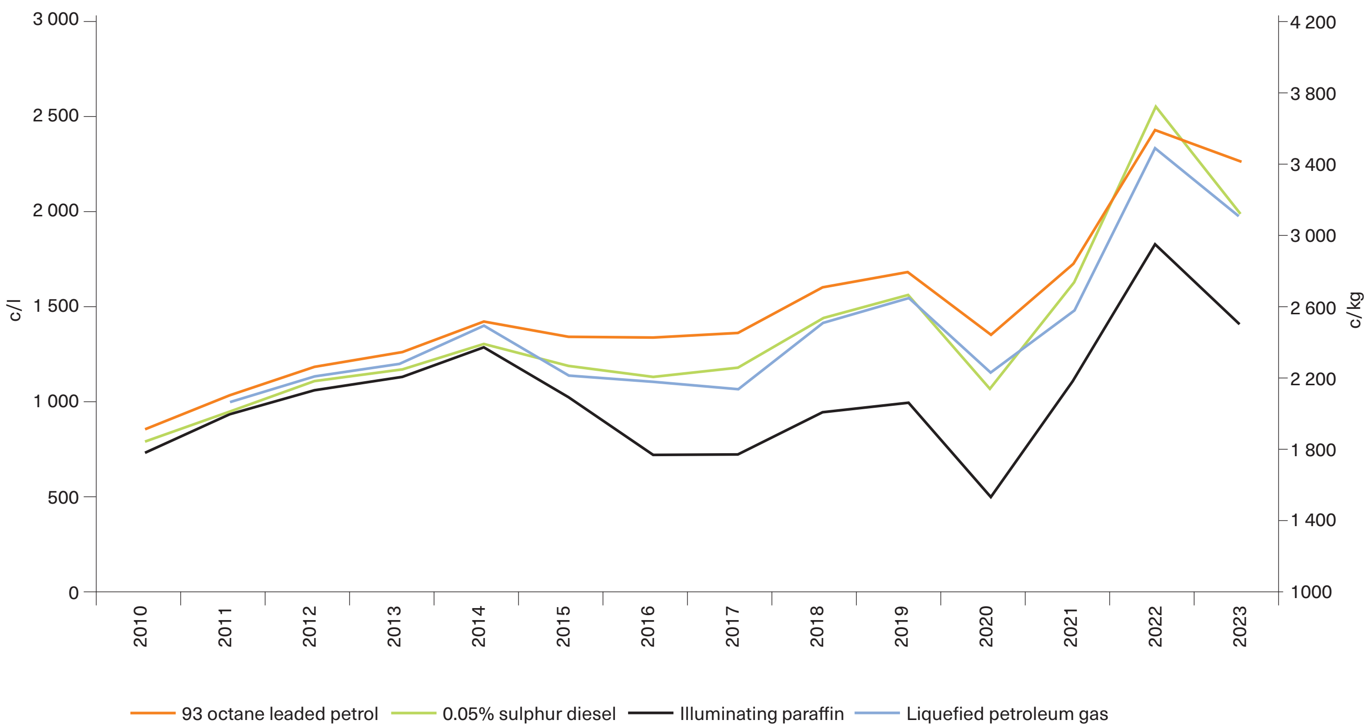


***Figure 9** Prices in Gauteng: 30 June each year*

Petrol, diesel & LPG price breakdown

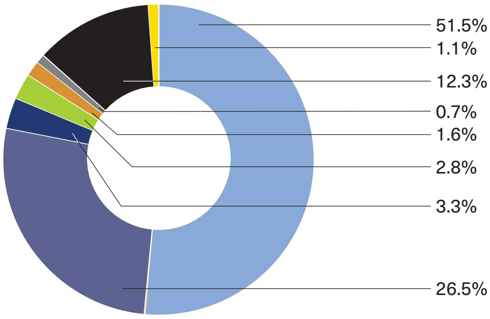
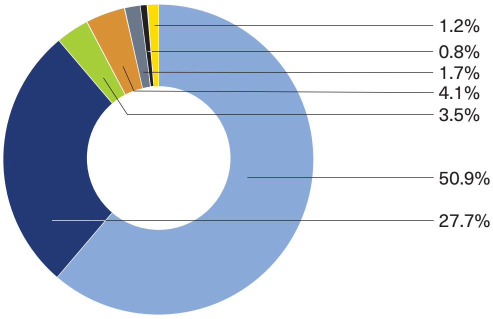


Figure 10 *95 octane petrol: Gauteng retail price 2 325 c/l in December 2023*

Contribution to the basic fuel price	1 196.550 c/l
Government duties and levies	617.330 c/l
Zone differential	75.700 c/l
Wholesale margin	69.800 c/l
Secondary storage	36.600 c/l
Secondary distribution	17.200 c/l
Retail margin*	285.700 c/l
Pump rounding	-0.200 c/l
Slate levy	26.320 c/l

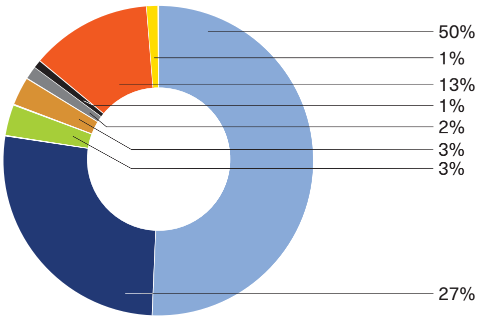
Source: Media release by Department of Minerals and Energy

* Includes MIBCO agreemen for Fourcourts attendants which was only effective 1st Jan 2020.



Contribution to the basic fuel price	1 332.630 c/l
Government duties and levies	603.430 c/l
Zone differential	75.700 c/l
Wholesale margin	89.610 c/l
Secondary storage	36.600 c/l
Secondary distribution	17.200 c/l
Slate levy	26.320 c/l

Figure 11 *Diesel (0.005% S): Gauteng wholesale price 2 181.49 c/l in December 2023*

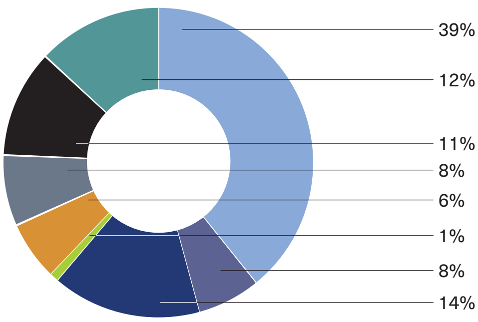


Contribution to the basic fuel price	1 150.550 c/l
Government duties and levies	617.330 c/l
Zone differential	75.700 c/l
Wholesale margin	69.800 c/l
Secondary storage	36.600 c/l
Secondary distribution	17.200 c/l
Retail margin	285.700 c/l
Pump rounding	-0.200 c/l
Slate levy	26.320 c/l

Source: Media release by Department of Minerals and Energy

Figure 12 *93 octane petrol: Gauteng retail price 2 279 c/l in December 2023*

Maximum retail price of Liquefied Petroleum Gas price breakdown



Maximum refinery gate price	1 471.42 c/kg
Primary transport costs	283.575 c/kg
Operating expenses	536.315 c/kg
Working capital	40.653 c/kg
Depreciation	218.29 c/kg
Gross margin: cylinder-filling plant	278.924 c/kg
Retail margin (15%)	424.376 c/kg
Value Added Tax (15%)	488.032 c/kg

Source: Media release by Department of Minerals and Energy

Figure 13 *LPG: Gauteng max retail price 3 742 c/kg in December 2023*

Fuels taxation history - South Africa (rates at 31 December each year)

Petrol

Year	Customs & Excise Duty	Fuel Levy	Road Accident Fund Levy	Petroleum Products Levy	Demand Side Management Levy*	Total Imposts
2013	4.0	212.5	96.0	0.15	10.0	325.65
2014	4.0	224.5	104.0	0.15	10.0	342.65
2015	4.0	255.0	154.0	0.15	10.0	423.15
2016	4.0	285.0	154.0	0.33	10.0	453.33
2017	4.0	315.0	163.0	0.33	10.0	492.33
2018	4.0	337.0	193.0	0.33	10.0	544.33
2019	4.0	361.0	198.0	0.33	10.0	573.33
2020	4.0	363.0	207.0	0.33	10.0	584.3
2021	4.0	393.0	218.0	0.33	10.0	625.3
2022	4.0	394.0	218.0	0.33	–	616.3
2023	4.0	395.0	218.0	0.33	–	617.3

* DSML only on 95 ULP in zones 07A, 07C, 08A, 08C, 09A, 10A, 09C, 10C, 11A, 11C, 12C, 13A, 13C, 14C, 15C, 15A, 16C, 17A, 17C and 19A
Gauteng retail price (95 Octane c/l) - December 2023: 2325
Taxes and levies as a % of this retail price: 25.13%

Diesel

Year	Customs & Excise Duty	Fuel Levy	Road Accident Fund Levy	Petroleum Products Levy	IP Tracer Dye Levy	Total Imposts
2013	4.0	197.5	96.0	0.15	–	300.7
2014	4.0	209.5	104.0	0.15	–	317.7
2015	4.0	240.0	154.0	0.15	–	398.2
2016	4.0	270.0	154.0	0.33	–	428.3
2017	4.0	300.0	163.0	0.33	–	467.3
2018	4.0	322.0	193.0	0.33	–	519.3
2019	4.0	347.0	198.0	0.33	0.01	549.4
2020	4.0	363.0	207.0	0.33	0.01	574.3
2021	4.0	379.0	218.0	0.33	0.01	601.4
2022	4.0	380.0	218.0	0.33	0.01	602.3
2023	4.0	381.0	218.0	0.33	0.1	603.8

Gauteng wholesale price (0.005% S) c/l - December 2023: 2181.49
Taxes and levies as a % of the wholesale price: 26,33%

The total annual amounts of fuel taxes collected on petrol, diesel and paraffin (calculated on 2023 sales volumes at June 2023 rates)

	Petrol	Diesel
Sales volumes (million litres)	9 302	12 946
95 unleaded petrol in the DSML area (million litres)*	–	–
Customs and excise duty (c/l)	4.00	4.00
Fuel levy (c/l)	395.00	381.00
Road accident fund levy (c/l)	218.00	218.00
Equalisation fund levy (c/l)	0.00	0.00
Value Added Tax (VAT)	0.00	0.00
Demand side management levy (DSML) (c/l)	0.00	0.00
IP marker levy (c/l)	0.00	0.10
Petroleum products levy (c/l)	0.33	0.33

	Million rands		Total
Customs/ excise duty	372	518	890
Fuel levy	36 741	49 323	86 065
Road accident fund levy	20 277	28 222	48 499
Equalisation fund levy	–	–	–
Value Added Tax (VAT)	–	–	–
Demand side management levy (DSML) [1]	–	–	–
IP marker levy [2]	–	13	13
Petroleum products levy [3]	31	43	73
Total [4]	**57 421**	**78 119**	**135 540**

Source : DMRE / CEF

[1] Only applicable to 95 octane unleaded petrol sold in the inland zones - at the end of the May 2023 pricing period.

[2] Levy added to diesel to cover costs of marker added to illuminating paraffin recovered by the oil industry.

[3] The levy is used to cover the cost of the National Energy Regulator for regulating the petroleum pipelines industry.

[4] These values do not include allowable rebates for diesel to certain sectors (such as forestry and NSRI) allowed by SARS.

Workforce profile

The table below reflects the combined workforce profile for direct employees of SAPIA member companies and its refineries as reported to the Department of Labour in October 2022. It should be noted that the petroleum industry supports direct and indirect employment for over 100 000 people.

Occupational levels	Male				Female				Foreign nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top Management	12	3	7	12	17	2	1	6	8	5	73
Senior Management	118	42	58	64	97	30	33	31	16	5	494
Professionally qualified and experienced specialists and mid-management	494	212	230	196	418	131	122	112	11	7	1 933
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintedents	672	272	157	142	573	224	75	111	7	6	2 239
Semi-skilled and discretionary decision making	1 144	222	72	59	435	91	30	36	1	1	2 091
Unskilled and defined decision making	157	21	0	0	69	5	0	0	0	0	252
TOTAL PERMANENT	**2 597**	**772**	**524**	**473**	**1 609**	**483**	**261**	**306**	**43**	**24**	**7 086**
Temporary Employees	19	2	2	3	15	1	1	0	1	0	44
GRAND TOTAL	**2 616**	**774**	**526**	**476**	**1 624**	**484**	**262**	**296**	**44**	**24**	**7 493**

Health, safety and environment performance indicators covering distribution activities outside the refinery gate

Performance indicators	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
(Not including refineries)												
Safety: staff and contractors												
Fatalities	10	9	14	10	3	5	0	1	0	2	10	2
Lost time injuries	43	26	25	16	23	27	33	9	14	13	18	43
Hours worked (million)	30.0	28.9	31	34.9	65.4	71.5	70.1	53.2	26.6	25.4	26.1	26.9
Total recordable rate (TRR), fatalities, lost time injuries and medical treatment cases per 200 000 hours worked.	**0.4**	**0.4**	**0.6**	**0.2**	**0.3**	**0.4**	**0.3**	**0.4**	**0.2**	**0.2**	**0.3**	**0.4**
Environment:												
Fires	13	29	21	32	31	31	18	13	9	9	20	10
Health:												
Occupational illnesses	2	1	1	1	1	1	3	0	0	6	6	1
Security:												
Hijackings	6	9	9	9	0	6	2	5	8	10	15	8
Cash-in-transit robberies	27	11	17	24	26	54	26	12	15	12	18	19
Retail robberies	222	214	274	410	381	787	431	363	401	377	413	332

Crude refineries resource consumption and waste/emissions

		2016	2017	2018	2019	2020	2021	2022	2023
Water usage: litres	**Total**	**7 774 810**	**6 490 410**	**7 467 484**	**10 116 875**	**6 645 051**	**3 952 137**	**2 049 557**	**2 302 066**
	Municipal	6 544 507	6 490 410	6 895 681	7 792 703	6 023 085	3 952 137	1 854 513	2 302 066
Electricity consumption: Gwh		950	1 176	967	933	754	605	374	428
SO_2 emissions: tons		20 166	17 308	16 385	19 348	13 936	10 312	4 782	7 110
PM emissions: tons		866	945	1 108	576	425	258	141	214
CO_2 emissions: tons		3 643 580	3 445 407	3 509 640	3 524 088	2 071 895	2 307 580	1 283 247	1 706 099
Waste: tons	**Total:**	**40 345**	**42 785**	**49 017**	**43 227**	**44 655**	**37 892**	**43 100**	**35 833**
	Hazardous:	32 239	36 105	41 492	34 266	40 130	32 500	33 601	33 000
	Non-hazardous:	8 106	6 680	7 525	8 961	4 525	5 392	9 499	2 833

Crude and coal/gas to liquids refineries health & safety indicators

Indicator	2017	2018	2019	2020	2021	2022	2023
Fatalities	2	0	2	3	2	0	1
Lost time injuries (LTI)	44	55	23	33	19	37	30
Exposure hours	49 819 482	52 602 045	53 046 089	54 522 263	37 222 328	39 284 514	38 824 501
Occupational illnesses	6	36	62	53	29	22	19
Total Recordable Rate (TRR) (fatalities, LTI and medical treatment cases per 200k hours worked).	**1.5**	**1.29**	**1.5**	**1.13**	**1.15**	**0.4**	**0.6**

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Abbreviations

ACSA	Airports Company of South Africa
B-BBEE	Broad-based black economic empowerment
Bbl/day	Barrels per day
BEE	Black economic empowerment
BUSA	Business Unity South Africa
CHIETA	Chemical Industry Education and Training Authority
CO_2e	Carbon dioxide equivalent
CSI	Corporate social investment
DOE	Department of Energy
HDSAs	Historically disadvantaged South Africans
HRD	Human resource development
IEA	International Energy Agency
IeC	Integrated Energy Centre
IK	Illuminating kerosene
INDC	Intended nationally determined contribution
IP	Illuminating paraffin
Kb/day	Thousand barrels per day
LFC	Liquid Fuels Charter
LOE	Leadership in Oil and Energy Certificate Programme
LPG	Liquefied petroleum gas
MMT	Methylcyclopentadienyl manganese tricarbonyl
MIBCO	Motor Industry Bargaining Council
MDZ	Magisterial district zones
MPP	Multi-product pipeline
MTT	Ministerial task team
NEMA	National Environmental Management Act
NEMA: AQA	National Environmental Management: Air Quality Act
NERSA	National Energy Regulator of South Africa
NICOLA	Network for Industrially Contaminated Land in Africa
NOSCP	National Oil Spill Contingency Plan
NPA	National Ports Authority
NPR	National Ports Regulator
NPEA	National Petroleum Employers Association
NSDS	National Skills Development Strategy
NSDS III	National Skills Development Strategy III
OPEC	Organisation of the Petroleum Exporting Countries
OPRC	Oil Pollution Preparedness, Response and Co-operation
PPA	Petroleum Products Amendment Act
PPC	Parliamentary Portfolio Committee
PPP	Public-private partnership
RAF	Road Accident Fund
RAS	Regulatory accounting system
RON	Research octane number
SAMSA	South African Maritime Safety Authority
SAPIA	South African Petroleum Industry Association
SBM	Single buoy mooring
SETA	Sector Education and Training Authority
SETs	Sectoral emission targets
SSP	Sector Skills Plan
TFR	Transnet Freight Rail
TOR	Terms of reference
TPL	Transnet Pipelines
WACC	Weighted average cost of capital

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