

HISTORIC CAPE TOWN MEETING UNITES AFRICAN OIL REFINERIES

Joint strategies to be devised for issues facing the industry

African oil industry history was made in Cape Town this week with the official formation of an association that, for the first time, unites all 39 oil refineries on the continent into one NGO that will investigate the threats and opportunities facing this downstream sector of the industry in Africa.

The move, initiated by Joël Dervain, MD of the Abidjan Refinery in the Ivory Coast, represents a combined daily refined output from three million barrels of oil, supplying fuel to the entire population of Africa.

Once having conceived the plan and subsequently making contact with his counterparts in several African countries where refineries operate, Dervain and his core group approached UK consultants, CITAC to undertake the official constitution of the NGO.

At the inaugural Conference and General Meeting, held with the assistance of CITAC in Cape Town this week, representatives from 36 of the 39 oil refineries operating in Africa met at the Cullinan Hotel where Dervain and the interim General Secretary, Godfrey Yenwo Molo, were confirmed as President and General Secretary respectively.

A draft constitution was reviewed and modified by a working group and approved by members at the meeting. The constitution created an NGO with its legal headquarters in Geneva, Switzerland. The site of its operating headquarters is still to be decided. An executive committee of nine members was elected with representation from all regions.

The constitution makes provision for full membership for refiners, and associate membership for major importing entities where petroleum products are not supplied by the refineries.

Among the issues to be investigated by four working groups which have been created to investigate and make recommendations to the ARA at the 2007 AGM include a strategy to deal with among others, the potential impact of new global refining capacity on African refineries, and relations with international entities such as the World Bank, IMF and other financing organizations.

Health, safety and the environment will be the preoccupation of a second group, which will focus on mutual co-operation to improve operating procedures in all African refineries to minimize accidents, pollution and health hazards.

A third group will study product specifications, progressively taking 'ownership' of extensive work that has been undertaken under the guidance of the World Bank, UNEP (United National Environmental Programme) and IPIECA (International Petroleum Industry Environmental Conservation Association) which led the effort to agree the 'Dakar Declaration' in 2001, that has since brought about the elimination of lead in petrol throughout most of the African continent.

This group will also undertake the development of standardised specifications for African countries similar to those that have been in operation in Europe and the USA for many years.

A further group will guide the development of an ARA database containing information about African countries on such matters as supply and demand, government-established price structures, facilities, product specifications and a skills inventory.

The next meeting of the ARA will be in Cape Town in March next year.
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