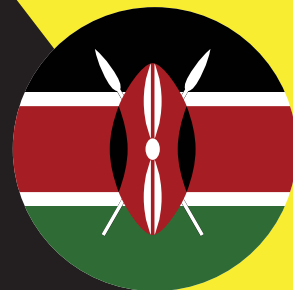


AFRICAN LP GAS SUMMIT 2014



DEFINING LPG GROWTH, USAGE AND SUSTAINABLE DEVELOPMENT IN AFRICA

02 - 04 JULY 2014 | Safari Park Hotel, Nairobi, Kenya



POST SHOW REPORT

ORGANISED BY:



EXHIBITORS:



MEDIA PARTNERS:



AFRICAN LP GAS SUMMIT

DEFINING LPG GROWTH, USAGE AND SUSTAINABLE DEVELOPMENT IN AFRICA



IT'S TIME FOR AFRICA, KARIBU!

Where else in the world can your business grow by another 3500%? With a mere penetration rate of 3%, Africa is the last untapped continental marketplace for LPG and its potential is tremendous!

With this as a backdrop, Kenya plays host to the inaugural **AFRICAN LP GAS SUMMIT 2014!**

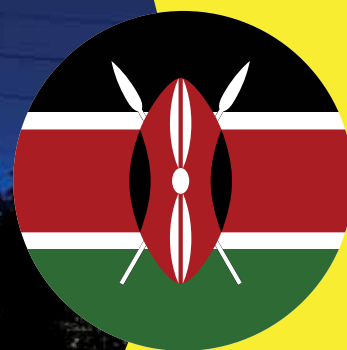
Over the past decade, Africa has been growing rapidly, giving rise to an emerging middle class that is driving demand for a convenient, clean, modern fuel to replace the use of biomass, kerosene and charcoal. LPG's potential in Africa is tremendous, and we are here to harness it.

The inaugural **AFRICAN LP GAS SUMMIT 2014** brought together over 211 industry participants hungry for information and development stories that could inspire greater growth within their countries. From the urgent need to reform policies and enforcement efforts to combat illegal refilling, to the introduction of the first LPG Autogas vehicle in Kenya, the **AFRICAN LP GAS SUMMIT 2014** lived up to its promise of being the platform of choice for the debate, discussion and sharing of LPG bottlenecks and challenges in Africa.

We are also very happy to report that as a result of the summit, the Ministry of Energy in Kenya has agreed to support efforts to remove taxes on LPG and LPG Appliances and impose taxes on Kerosene instead, making LPG more affordable and bringing LPG to a new level of development. The government has also declared action on the illegal storage and filling facilities, which will be raided and closed off permanently. All regulatory and security agencies have been briefed and change is in the air.

There was a lot of emphasis on action needed to promote Africa's LPG consumption following the discussions at the Summit. Using data from the presentations by the speakers from the conference, the government has also agreed to fast track the Global LPG implementation requirements.

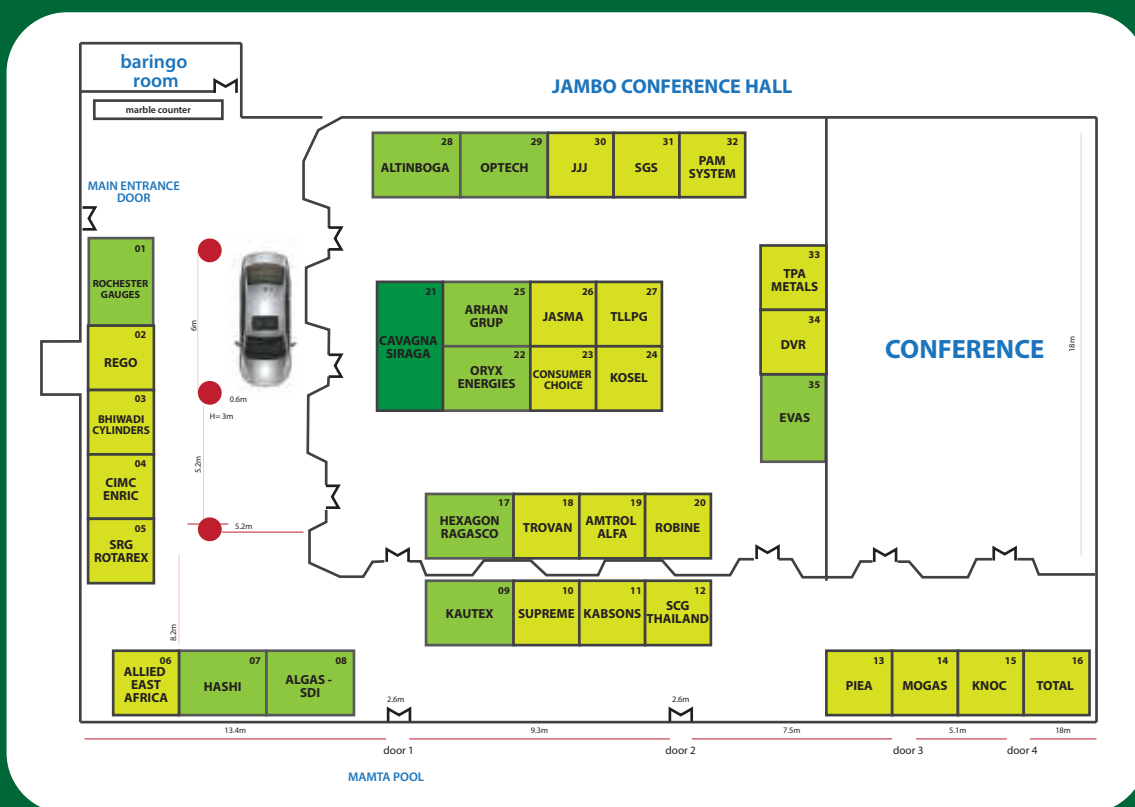
All in all, the conference was very successful and I invite everyone to join us again in 2015!



AFRICAN LP GAS SUMMIT

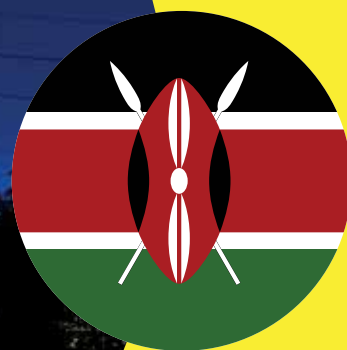
DEFINING LPG GROWTH, USAGE AND SUSTAINABLE DEVELOPMENT IN AFRICA

FLOOR PLAN



EXHIBITORS:





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KEY INFORMATION

Dates	: Main Conference 02 - 03 July 2014
	Site Tour 04 July 2014
Venue	: Safari Park Hotel, Nairobi, Kenya
Number of Delegates	: 224
Organized By	: LP Gas Summit Petroleum Institute of East Africa (PIEA)
Media Partners	: Asia Monitor Gazeo.eu Oxford Business Group Shash Marketing World LP Gas Association
No. of Exhibitors	: 32

SOME OF THE PEOPLE YOU WOULD HAVE MET

Energy Commissioner
MINISTRY OF ENERGY, KENYA

Managing Director
TOTAL KENYA LTD

Managing Director
VIVO ENERGY, KENYA

Managing Director
HASHI ENERGY

Managing Director
ORYX ENERGIES, KENYA

Chairman
THE GLOBAL LPG PARTNERSHIP

Managing Director
PANONE AND COMPANY

AFRICAN LP GAS SUMMIT

DEFINING LPG GROWTH, USAGE AND SUSTAINABLE DEVELOPMENT IN AFRICA



SPEAKERS & TOPICS | Day 01, 02nd July 2014



Opening Remarks

Polycarp Igathe, *Chairman*
PETROLEUM INSTITUTE OF EAST AFRICA (PIEA)



Welcome Remarks

Martin Mwaisakenyi Heya, *Commissioner for Petroleum*
MINISTRY OF ENERGY & PETROLEUM



**OVERVIEW OF LPG MARKETS IN KENYA:
POLICY, DEMAND AND BOTTLENECKS**

Joseph Wafula, *Petroleum Economist,*
on behalf of Eng. Joseph Njoroge, *Principal Secretary*
MINISTRY OF ENERGY AND PETROLEUM



**AFRICA'S DEVELOPING ROLE IN THE WORLD LPG
MARKETS**

Paula Joubert, *General Manager, Regional Business
Development, East & Southern Africa*
ORYX ENERGIES KENYA LTD



**LEGAL AND REGULATORY FRAMEWORK FOR LPG IN
EAST AFRICA**

Erza K. Terer, *Technical Officer, Petroleum*
on behalf of Dr. Fredrick Nyang, *Director General*
ENERGY REGULATORY COMMISSION (ERC)

Panel Discussion:
**WHAT WOULD MAKE LPG CYLINDERS SAFER?
- MANUFACTURING BEST PRACTICES AND LIFE CYCLE
MANAGEMENT**



Panelist:
Emrah T. Sak,
Assistant General Manager
EVAS EV ALETIERI SANAYL LTD



Panelist:
Jean Marie Loison,
Regional Export Manager,
Africa & Middle East
HEXAGON RAGASCO AS



Panelist:
Ada Eze,
Managing Director
TOTAL KENYA



Panelist:
Charles Ongwae,
Managing Director
**KENYA BUREAU OF
STANDARDS**



**INDONESIA'S SUCCESS STORY: PERTAMINA'S SUCCESSFUL
KEROSENE TO LPG CONVERSION PROGRAMME**

Muhammad Yasir Arofah, *SAsst. Manager Gas Product
Application Marketing*
PT PERTAMINA



**ADDRESSING THE ISSUE OF ILLEGAL REFILLING:
BEST PRACTICES AND ENHANCED MONITORING -
CASE STUDY FROM MALAYSIA**

Dr. Mohamad Akbar Noor Bin Mohamad Noor,
Compliance Officer
NGC ENERGY SDN. BHD.



**RFID FOR LPG ASSET MANAGEMENT AND
CYLINDER TRACKING**

Barbara Masin, *EID, Ltd., Vice President,* on behalf of
TROVAN LTD



**CHALLENGES IN ESTABLISHING AUTOGAS IN KENYA
- A CASE STUDY FROM HASHI ENERGY**

Said Adan, *Group Business Development & Strategy
Director*
HASHI ENERGY

AFRICAN LP GAS SUMMIT

DEFINING LPG GROWTH, USAGE AND SUSTAINABLE DEVELOPMENT IN AFRICA



SPEAKERS & TOPICS | Day 02, 03rd July 2014



ENSURING SAFE AND RELIABLE REFILLING - CASE STUDY

Christian Fredberg, *Group Manager*
KOSAN CRISPLANT



VAPORISATION TECHNIQUE USING EMPLOYING GAS, ELECTRICITY, AND HOT WATER

John Hartfield, *International Sales Manager*
ALGAS-SDI INTERNATIONAL LLC



ADDRESSING INFRASTRUCTURE CHALLENGES AND BOTTLENECKS TO LPG GROWTH IN AFRICA

Alex Evans, *Chairman*
OPERATING COMMITTEE, GLOBAL LPG PARTNERSHIP



TECHNOLOGY SPOTLIGHT - CAVAGNA GROUP

Manuel Sguazzi, *Sales Director*
CAVAGNA GROUP



TECHNOLOGY SPOTLIGHT - SIGARA

Richard Daudon, *Area Sales Manager Africa*
SIRAGA



TECHNOLOGY SPOTLIGHT: REGO

Freddy Deyk, *Operations Manager*
REGO GmbH

TESTIMONIALS

Over the last few years, we are pleased to see that the various editions of LP GAS SUMMIT organized by All Events Group Pte Ltd have grown in stature. They now play a significant role in providing various stakeholders in the LP Gas industry a wonderful opportunity to meet and develop their networks in emerging and important markets.

The events are always well-organized and the exhibition package provided by All Events Group Pte Ltd is comprehensive and has lots of value-added features. Supporting service is friendly, efficient and professional.

We are happy to continue our participation in upcoming events in 2015.

Geoffrey K W Lee, *Sales & Marketing Manager*
KOSEL INDUSTRIES SDN BHD (Member of Elpiji Group)

We had a booth at the 2014 African LPG Summit and were very pleased with the event. Having the opportunity to personally meet and speak with so many potential customers from Kenya and surrounding countries made it very worthwhile attending, as there was a good turnout and we made quite a few new connections. The show was well organized, and the venue was attractive. We appreciate all the hard work that went into planning such an impressive event. We will be back!

- TROVAN -

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SITE TOUR

Over 40 participants joined the site tour to TOTAL's LPG Refilling Station in Nairobi.

Total Kenya Ltd is a leading oil company in Kenya, and markets LPG under the brand name TOTALGAZ: trusted, safe and reliable.

TotalGaz is marketed in five different pack sizes. These are 3, 6, 13, 22.5 and 50 kg cylinder sizes.

- The 3-kg range is mostly used for lighting as well as cooking.
- The 6-kg range can be used for cooking and lighting. This range was introduced to make gas affordable to the lower income groups in the market.
- The 13 kg range is best for domestic use, while the 22.5 and 50 kg ranges are suitable for restaurants, hotels and industrial usage.

TotalGaz is filled and distributed from three ISO 9000 certified depots, i.e. Mombasa, Nairobi and Kisumu.

The main outlets for TotalGaz are Total Service Stations, which are a network of over 170 stations strategically located countrywide. Other outlets include authorized reseller outlets like the TotalGaz Container kiosks, chain stores and supermarkets all over the country.

For Total Kenya Ltd, the safety of our stake holders (customers, neighbors, contractors and staff) is paramount. Similar concern is given to health, safety and environmental issues associated with our business and this is reflected in our Health, Safety and Environment Policy

Supply Reliability

To increase Liquefied Petroleum Gas (LPG) capacity, Total Kenya Limited, the leading Oil Company in Kenya, has installed two more bulk LPG storage tanks (referred to as bullets in petroleum industry) at its Nairobi LPG plant in Industrial Area. This cost over one million US dollars and has doubled the storage capacity from 150 tones to 300 tones and will improve availability of bottled (Cylinders) and bulk LPG to consumers. The additional storage capacity was unveiled on Friday 30th November 2012.



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MEDIA REVIEWS

State to up taxes on kerosene to fund gas, cut fuel adulteration

By James Anyanzwa
Updated Wednesday, July 2nd 2014 at 23:14 GMT +3

Share this story:  



Pupils from the Samburu confirm they have completed their home work correctly using a kerosene lamp. Increasing taxes on the fuel will hurt the poor more. [Photo: George Mulata]

Government will impose heavy taxes on kerosene in a move that could hurt low-income urban and rural households. Most of them use the fuel for cooking and lighting. The Energy Ministry expects to raise \$17 billion from the planned taxes and duties on kerosene that will be used to develop the Liquefied Petroleum Gas (LPG) sub-sector.

The Senior Petroleum Economist at the Ministry of Energy and Petroleum, Mr Joseph Wafula, said taxes on kerosene are meant to discourage cartels from using the fuel to adulterate diesel and super petrol. It is also expected to grow the use of LPG, whose uptake in Kenya has for years stagnated at about 80,000 tonnes per year. This has been blamed on the high cost of acquiring equipment such as the gas cylinders and cookers.

"We are thinking of putting taxes on kerosene and removing the same from LPG so that we can minimise the element of people doing adulteration," said Wafula. "We also want to impose taxes on Kerosene to make it more expensive so that we can deviate the use of Kerosene in cooking to LPG."

Wafula was addressing a conference of both local and international LPG players during the First African LPG summit in Nairobi yesterday. The three-day event organised by the Petroleum Institute of East Africa (PIEA) brings together key

players in the sector, who will define LPG growth, use as well as promote sustainable development in African.

Urban areas

Wafula noted that the penetration of LPG in Kenya is still low, at about seven per cent, with most consumption of the product concentrated in the urban areas.

See Also: Why Kenya's growth target is ambitious

"A huge percentage of LPG is used majority for cooking of which 90 per cent is in urban areas," he said, adding that majority of Kenyans still use kerosene and biomass for cooking and lighting.

Statistics from the Ministry of Energy and Petroleum show that on the national level, wood fuel and other biomass account for about 68 per cent of the total primary energy consumption followed by petroleum fuels at 23 per cent, electricity at nine per cent and solar at less than one per cent. Wafula said consumption of LPG in Kenya is constrained by the availability because the demand, which is estimated at 200,000 metric tonnes annually, is greater than available supply.

It is estimated that if the constraints on LPG supply were removed, consumption would peak to 735,217 tonnes in 2035. According to PIEA, imposing taxes on kerosene would deter more Kenyans from using the fuel and take up LPG.

PIEA Chairman Polycarp Igathe noted that the necessity of clear policy shift from unsustainable energy options like biomass to cleaner modern options like LPG cannot be over-emphasised. "About 80 per cent of Sub-Saharan Africa households use wood fuel and charcoal for their primary domestic energy so the greater number of premature deaths especially among women and children happens in SSA," said Igathe.

"We are looking at how to promote greater penetration of LPG in the country. We want more Kenyans to use LPG as opposed to biomass. We are proposing to the Government to remove all taxes from LPG and lump them to kerosene. We should not have Kenyans using kerosene."

D/Minister 3/7/2014

Meeting to boost cooking gas use

BY NATION REPORTER

The cooking gas industry will hold talks with the Ministry of Energy and Petroleum next week to find a way of cutting cost of the product, its appliances and accessories.

Kenya is among the five African countries that have been chosen for the US-led bid to increase the use of cooking gas globally that was launched in June 2012.

Other countries are Ghana, Cameroon, Tanzania and Uganda.

According Kenya uses very little gas due to high cost brought about by hitches in the supply chain.

"My ministry is engaging with the industry and other arms of government to chart a sustainable way forward in reducing the cost. A meeting has been scheduled in the coming week to discuss the issue," said Energy and Petroleum Cabinet Secretary Davis Chirchir.

He spoke in Nairobi yesterday while addressing participants of the Africa cooking gas summit organised by the Petroleum Institute of East Africa.

DN, July 3, 2014



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State energy policy under scrutiny

The proposed energy policy is under scrutiny in the country

By NATHAN YEAM

The proposed energy policy is under scrutiny in the country. The policy is expected to be finalized by the end of the year. The policy is expected to be finalized by the end of the year. The policy is expected to be finalized by the end of the year.

THE EAST AFRICAN April 17, 2014

Dutch envoy opposes warnings

Amsterdam criticizes threat of evacuation

By NATHAN YEAM

The Dutch envoy has criticized the threat of evacuation. The Dutch envoy has criticized the threat of evacuation. The Dutch envoy has criticized the threat of evacuation.

DAILY NATION Thursday, May 22, 2014

Kenya plans to increase tax on kerosene to encourage consumers to use liquefied petroleum gas for cooking and curb adulteration of diesel and petrol.

The move will also see gas exempted from taxes, making it more affordable for poor households that rely on wood, charcoal or kerosene for cooking and lighting.

Energy ministry officials are expected to meet with oil marketers on Monday to discuss distribution of gas in rural areas.

New York-based Global LPG Partnership said the removal of all taxes on gas, cookers and other accessories in Kenya would attract at least 8 million new users in three to four years.

Taxes:

Kenya plans to increase tax on kerosene to encourage consumers to use liquefied petroleum gas for cooking and curb adulteration of diesel and petrol.

The move will also see gas exempted from taxes, making it more affordable for poor households that rely on wood, charcoal or kerosene for cooking and lighting.

The use of wood and charcoal depletes the environment and kerosene use comes with health risks, which the taxation review would also address.

"Imposing heavy taxes on kerosene will discourage the adulteration of petrol and diesel," said Energy Principal Secretary Joseph Njoroge. "By removing taxes on LPG, we can reduce the use of kerosene and wood fuel for cooking."

Kenya has for decades pursued a low kerosene taxation policy to cushion the poor from the high cost of living. The Ministry of Energy estimates that Ksh7 billion (\$80 million) could be raised annually from kerosene taxes.

Energy Cabinet Secretary Davis Chirchir said stakeholders were engaged in discussions on how to reduce the cost of LPG, cooking gas appliances and other accessories.

Ministry officials are expected to meet with oil marketers on Monday to discuss distribution of gas in rural areas.

In Uganda, the government reinstated excise duty on LPG and kerosene, arguing that the rebate was not being passed on to consumers and, in the case of kerosene, the lower duty was encouraging fuel adulteration, which was costing motorists greatly.

READ: Kerosene tax waiver fueling adulteration

Tanzania introduced a tax on kerosene three years ago to curb adulteration of other fuels.

The East African, July 5, 2014

Excise duty charged on kerosene is Tsh425 (\$0.27) per litre.

To promote more use of LPG, the Tanzanian government waived all taxes on gas accessories.

In Kenya, the Petroleum Institute of East Africa (PIEA) said marketers want the 16 per cent value added tax (VAT) on LPG and the 23 per cent import duty on cylinders, gas cookers and other accessories removed.

The price of cylinders manufactured locally is expected to rise following an increase in the import duty on steel, a key raw material, from 10 per cent to 25 per cent in this year's budget.

The introduction of 16 per cent VAT on LPG in the budget in 2013, made acquisition of gas cylinders, cookers and other accessories by first-time users more difficult.

A cylinder filled with 6kg of LPG retails at about Ksh1,400 (\$16.09) while the 13kg one is about Ksh2,500 (\$28.73) in Nairobi.

In Dar es Salaam, 15kg of LPG sells at Tsh4,900 (\$54).

Erratic supply often leads to retailers raising the cost of cooking gas in Kenya.

Mr Njoroge said LPG use in Kenya is low — at about 7 per cent — with most consumption being in urban areas.

Unscrupulous petrol and diesel retailers have extensively taken advantage of low taxes on kerosene to make high mark-ups by mixing it with fuel.

New York-based Global LPG Partnership said the removal of all taxes on gas, cookers and other accessories in Kenya would attract at least 8 million new users in three to four years.

"The time to advocate promotion of cleaner and modern fuels like LPG is now. Kenya's fossil cover has been reduced due to over dependence on wood fuel," said Alex Evans, Global's Operating Committee chairman.

— Additional reporting by Emmanuel Muga