



REPUBLIC OF ZAMBIA

MINISTRY OF MINES, ENERGY AND WATER DEVELOPMENT

**MINISTERIAL STATEMENT ON THE FUEL SUPPLY
SITUATION IN THE COUNTRY BY THE HONOURABLE
MINISTER OF MINES, ENERGY AND WATER
DEVELOPMENT, HONOURABLE CHRISTOPHER B. YALUMA,
M.P. ON 11TH MARCH, 2015**

11TH MARCH, 2015

Mr. Speaker,

The country has been experiencing disruptions in the supply of fuel particularly, petrol in the last few days. I am however, glad to inform this August House that in terms of diesel, we have adequate stocks amounting to 57.3 million liters which translates to 26 stock days.

The House may wish to note that the disruptions in the supply of petrol are mainly concentrated in Lusaka and Kafue Districts. From our assessment, these areas are not supposed to be experiencing shortages as there is enough stock at our Lusaka depot which feeds the southern circuit comprising of Eastern, Lusaka, Southern and Western Provinces churning out on average 300,000 liters of petrol per day. The House may wish to note that as of 9th March, 2015, 590,000 liters of petrol was uplifted by Oil Marketing Companies (OMCs) from the Lusaka depot to feed the southern circuit. This you will note is about double the daily requirement and we see no reason for the continued shortages that are being experienced, especially here in Lusaka

Mr. Speaker,

This August House may wish to note that as of 17:00 hours yesterday, the Lusaka depot had received 15 trucks which is 525,000 liters of petrol. This fuel is available for sale to the Oil Marketing Companies as I address this House now. In addition, 70 trucks carrying an estimated 2,450,000 liters of

petrol are enroute from Dar-es-Salaam to Zambia and are expected in the country during the course of the week. Furthermore, a vessel carrying 90,000 MT of petroleum feedstock is in Dar-es-Salaam awaiting to offload once all the formalities at the port are completed. The processing of this vessel is expected to contribute to the boost of production of petrol and other products from the Indeni Oil Refinery.

Mr. Speaker,

The investigations by my Ministry have revealed that some of the filling stations that do not have petrol are in this situation due to panic buying which has been going on since Saturday, 7th March, 2015. The panic buying has resulted in an increase in the daily uplifts of fuel from Lusaka Fuel Depot from 300,000 liters to 600,000 liters per day. For example, vehicles which were moving with a quarter tank now want to move on a full tank. In addition, indications are that some Oil Marketing Companies (OMCs) are actually picking product from the Lusaka Fuel Depot but are not delivering the full uplifts to their respective filling stations.

Mr. Speaker,

In order to address this situation, Government has taken the following measures:

- The Energy Regulation Board has been directed to carry out snap surveys at OMC Depots as well as filling stations and bring to book those who may be unnecessarily hoarding the product, petrol:
- Government has requested our suppliers of finished products to increase the number of trucks being delivered to the Lusaka Depot:
and,
- The Lusaka Fuel Depot management has been directed to allow flexibility in the operating hours to enable satisfy the required uplifts by the OMCs as well as allow extended offloading of the trucks carrying imported.

Mr. Speaker,

As I conclude my statement, allow me to apologize to all consumers for the inconvenience caused during the period when we temporarily experienced disruptions in fuel supply. I wish to assure the nation through this August House that Government will ensure that there is stability in fuel supply at all times as coherent contingences have been put in place.

I Thank You Mr. Speaker.
