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EREA TECHNICAL REPORT

**REVIEW OF PETROLEUM RETAIL STATION
REGULATIONS/RULES OF NRIs IN EAC**

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REVIEW OF PETROLEUM RETAIL STATION REGULATIONS/RULES OF NRIs

1. Abstract

The use of petroleum in motorized transportation has, in recent years, increased across East Africa. As a result, more petroleum retail stations have been built as demand for motor fuels increase. However, the increase in the number of retail petroleum stations has posed severe safety concerns, especially where land use and zoning is not followed.

2. Introduction

Development and enforcement of Regulations/Rules governing retail petroleum stations construction and operation are essential for East Africa to ensure sustainable development of this part of the petroleum supply chain. It is for this reason that in the 2019/20 action plan, the TPC committed to reviewing the Petroleum Retail Regulations/Rules of the member NRIs to compare the provisions therein for purposes of improvements.

3. Analysis of the Petroleum Retail Station Regulations/Rules

The TPC undertook a detailed review of the following Regulations/Rules:

- a. The Energy (Retail Facility Construction and Licensing) Regulations, 2013 as enforced in Kenya;
- b. The Regulation N°003/R/GPEWATSAN/RURA/2017 OF 04/09/2017 Governing the Installation, Upgrade and Operation of Petrol Service Stations in Rwanda;

c. The Petroleum (Retail Operations in Townships and Villages) Rules, 2017 as enforced in Tanzania; and

d. The Petroleum Filling Stations' Regulations, 2019 as enforced in Zanzibar.

The main areas of comparison in the Regulations/Rules were:

- i. Construction approval;
- ii. Design;
- iii. Licensing; and
- iv. Transition period allowed after the implementation of the Regulations/Rules.

The comparison is as illustrated in the table below.

4. Recommendations

It is recommended that NRIs should enhance the Petroleum Retail Stations Regulation/Rules in the respective countries in the following areas;

- i. Stakeholder review process before construction approval;
- ii. Distance between retail petroleum stations;
- iii. Colour Coding of Tanks, Pipes and Pumps at the petroleum retail station;
- iv. Decommissioning procedures;
- v. The transition period for compliance of already existing stations.

5. Conclusions

The improvement of petroleum retail Regulations/Rules by the member NRI's will help strengthen geospatial planning of cities in East Africa and hence improve safety. At the same time, minimize pollution.

Comparison of the Petroleum Retail Stations Regulations between each country of the NRIs

Aspect	Burundi	Kenya	Uganda	Rwanda	Tanzania	Zanzibar
Construction Approval	N/A	<ul style="list-style-type: none"> - Mandatory requirement - No fees charged - Public comments at the Environmental Impact Assessment stage - Valid for 12 months 	N/A	<ul style="list-style-type: none"> - Mandatory requirement - Fees charged (Processing fee of US\$215 plus license fee of US\$537) - Valid for 36 months 	<ul style="list-style-type: none"> - Mandatory requirement - Fees charged - Validity 12 months 	<ul style="list-style-type: none"> - Mandatory requirement - Fees charged (US\$45) - Public comments after receipt of an application for a permit - Valid for 6 months
Design	N/A	<ul style="list-style-type: none"> - Minimum plot size for a filling station is 500m². - Minimum size for a station with a service bay and shop but without a cafeteria is 1,500m². - Minimum size for a station with a service bay, shop and cafeteria is 		<ul style="list-style-type: none"> - Minimum plot size for a filling station is 1,200m² - Minimum plot size for a service station is 1,500m² - Distance between adjacent stations limited to 1km in urban areas and 2km in rural areas 	<ul style="list-style-type: none"> - The minimum land size specified 	<ul style="list-style-type: none"> - Minimum plot size for a filling is 900m² - Minimum plot size for a service station is 1,200m² - Distance between adjacent stations limited to 1km.

Aspect	Burundi	Kenya	Uganda	Rwanda	Tanzania	Zanzibar
		2,200m ² - Minimum size for a station with service bay, shop, cafeteria and autogas is 1,920m ² - Distance between adjacent stations not specified				

Aspect	Burundi	Kenya	Uganda	Rwanda	Tanzania	Zanzibar
Licensing		<ul style="list-style-type: none"> - No fees charged - The license period is 1 year and not tied to calendar year - Colour coding for storage tanks and pumps not specified. - Price display not provided as a mandatory requirement - Decommissioning procedures not specified. - Petroleum offloading hours not specified. 		<ul style="list-style-type: none"> - Fees charged (US\$2,688) - The license period is 5 years - Colour coding for storage tanks and pumps specified - Price display is mandatory. - Decommissioning procedures specified. - Petroleum offloading hours not specified 	<ul style="list-style-type: none"> - Fees charged - Public comments sought during licensing - The license period is 5 years - Colour coding for storage tanks and pumps specified - Price display is mandatory. - Decommissioning procedures specified. - Petroleum offloading hours limited from 0600hrs to 1800hrs. 	<ul style="list-style-type: none"> - Fees charged (US\$1,000 – station without a service bay; US\$1,500 for the station with service bay) - The license period is 1 year tied to the calendar year - Colour coding for storage tanks and pumps specified - Price display is mandatory. - Decommissioning procedures specified. - Petroleum offloading hours limited from 0600hrs to 1800hrs.

Aspect	Burundi	Kenya	Uganda	Rwanda	Tanzania	Zanzibar
The transition period for compliance	N/A	- Not expressly provided	N/A	<ul style="list-style-type: none"> - 2 years given for upgrade - Those that cannot be upgraded are given 5 years to phase out/decommission 	-	- It is not expressly provided.