3.1 Somalia Fuel

- Fuel Pricing
- Seasonal Variations
- Fuel Transportation
- Standards, Quality and Testing

For information on Somalia Fuel contact details, please see the following link: 4.7 Somalia Fuel Provider Contact List

Currently, most oil is imported from the Arabian Gulf by a group of Somali oil dealers who normally share the cost incurred. In fact the oil importers use foreign tankers with different capacities to import the product. Sometimes there are small dealers who do not afford to use tankers; they import oil in drums as retailers, and distribute in drums for the market retailers.

The following are major Fuel Import Locations in the country

1. Mogadishu Port

In Mogadishu, the main and only port storage facilities available are Costalina and Somalia Fuels Company (SFC). Costalina has a sea port terminal with capacity of 41.5 million liters operating in Diesel, Petrol and Jet A-1. Somalia Fuel Company (SFC) has a capacity of 47 million Liters similarly operating in Diesel, Petrol and Jet A-1. These two terminals are the main intermediate supply storage depots for Mogadishu and Northern Somalia.

Foreign jet oil companies had recently entered the market particularly at the airports like Sky who now operate inside Mogadishu International Airport. In addition to Foreign based companies, Costalina and HASS Petroleum are local companies that are currently handling commercial Aviation Operations inside Mogadishu International Airport. These local companies also operate in Ground Fuels (Diesel, Petrol) with HASS also supplying LPG in Mogadishu. HASS Petroleum has international connection in African operating in Tanzania, Kenya, Uganda, D.R Congo, Rwanda and South Sudan.
2. Barbara and Boosaaso Ports

The most and important location in Somaliland is Berbera Fuel Terminal, which is next to the Berbera Port, but the Fuel facility at Barbara is not currently under use. The fuel terminal is controlled by the government, which also manages distribution. However there are many private businesses that also distribute fuel from the government. There is no oil depot for the government; the oil flow is controlled by the Somali private companies.

In Somaliland, the current operational Fuel facility is in Boosaaso Port. Even though, Boosaaso port does not have proper Jetty and only equipped with smaller capacity facilities both in Fuel and Dry cargo handling, it is the current supply point for Fuel for surrounding area (including Barbara) and also locations as far as Beledweyne in Puntland area.

In October 2015, Berbera Oil terminal was privatized by the Somaliland authority and handed over to the following private companies who will control Berbera Oil Terminal:
1. Red Sea
2. HASS Petroleum
3. Reem Petroleum
4. SOMOIL Petroleum
5. SOM Petroleum
6. Waraabe Petroleum
7. Indha Birta

The entry points for the imported fuel into the country are mainly the port towns like Mogadishu, Kismayo, Bossaso and Berbera. Mogadishu, Barbara and Bossaso have suitable fuel operating means due to the availability of Storage tanks at port points, Kismaayo is not developed for bulk supply options due to unavailability sea port storage tanks and supply is usually made in smaller packages (drums usually). It is further supplied and transported all over the country by private fuel dealers.

Somali towns such as Dolow are supplied from Mogadishu via Baidoa - Luuq and it’s one of the most expensive fuel prices in Somalia because of the transport costs. Supply in Southern Somalia is subject to security situation on the routes and availability and price at remote locations similarly vary. In additional to inland supplies, some of the Southern and Middle Somalia places depend on cross border supplies from Kenya and Ethiopia. These cross borders are also very rare and tough due to security and associated neighboring countries customs’ regulations.

<table>
<thead>
<tr>
<th>Company</th>
<th>Fuel Capacity</th>
<th>Contact</th>
<th>Telephone</th>
</tr>
</thead>
<tbody>
<tr>
<td>Costalina</td>
<td>Diesel/Petrol/</td>
<td>Jeylani Ali</td>
<td>+252 61 657 2828</td>
</tr>
<tr>
<td>Mogadishu Star</td>
<td>Jet A1</td>
<td>Mohamed Ali</td>
<td>+252 61 554 7113</td>
</tr>
<tr>
<td>UNIT</td>
<td>Diesel/Petrol</td>
<td>Arabey</td>
<td>+252 61 554 454</td>
</tr>
<tr>
<td>Supreme</td>
<td>Jet A1</td>
<td>Samuel</td>
<td>+252 69 977 5944</td>
</tr>
<tr>
<td>Hillaac</td>
<td>Fuel</td>
<td>Ismail Gooni</td>
<td>+252 61 554 0100</td>
</tr>
</tbody>
</table>

Information may also be found at: My Travel Cost Website

Fuel Pricing

- Cost of fuel varies from place to place inside Somalia mainly due to the supply logistics constraints; with Mogadishu being the lowest @ $96 to 159 per US barrel in retail markets (depending of locations). Other parts of the country can have as high as $214 per US barrel even some specific areas going up to $255 per US bbl.
- Although prices have started to reduce, the current high fuel prices are expected to remain as long as the Middle East crisis continues.

<table>
<thead>
<tr>
<th>Location</th>
<th>Date</th>
<th>Diesel</th>
<th>Petrol</th>
<th>Jet-A1</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hargeisa</td>
<td>Nov 2017</td>
<td>$1.00</td>
<td>$1.05</td>
<td>$1.50</td>
</tr>
<tr>
<td>Galkayo</td>
<td>Nov 2017</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Kismayo</td>
<td>Nov 2017</td>
<td>$1.40</td>
<td>$1.51</td>
<td>$1.4</td>
</tr>
<tr>
<td>Elwak</td>
<td>Nov 2017</td>
<td>$1.40</td>
<td>$1.51</td>
<td>N/A</td>
</tr>
<tr>
<td>Mogadishu</td>
<td>Nov 2017</td>
<td>$0.65/$0.9</td>
<td>$0.65/$0.9</td>
<td>$0.76</td>
</tr>
<tr>
<td>Bossaso</td>
<td>Nov 2017</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Berbera</td>
<td>Nov 2017</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
</tbody>
</table>

Low price in security sensitive town
Higher price inside UN base camp area

Seasonal Variations

- Due to Somalia’s proximity to the equator, there is not much seasonal variation in its climate although sometimes there are unpredictable rainfalls.
- Hot conditions prevail year-long sometimes together with monsoon winds and irregular rainfall. Seasonal variations can be observed in the months of May, June, July, August and mid-September, as the monsoon directions change.
- During this time oil traders sell what they have in stores with a slight price increase.
• The fuel prices depend on Dubai oil merchants who control the fuel market.

<table>
<thead>
<tr>
<th>Seasonal Variations</th>
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</tr>
</thead>
<tbody>
<tr>
<td>Are there national priorities in the availability of fuel, e.g. are there restrictions or priorities for the provision of fuel such as to the military? (Yes / No)</td>
<td>Yes</td>
</tr>
<tr>
<td>Is there a rationing system? (Yes / No)</td>
<td>Not currently</td>
</tr>
<tr>
<td>Is fuel to lower income/vulnerable groups subsidized? (Yes / No)</td>
<td>No</td>
</tr>
<tr>
<td>Can the local industry expand fuel supply to meet humanitarian needs? (Yes / No)</td>
<td>Yes</td>
</tr>
<tr>
<td>Is it possible for a humanitarian organization to contract directly a reputable supplier/distributor to provide its fuel needs? (Yes / No)</td>
<td>Yes</td>
</tr>
</tbody>
</table>

Fuel Transportation

In Southern Somalia fuel transport is carried out by truck tankers. From the other ports (Boosaaso, Barbara), fuel also is transported to other inland areas by trucks. Somali transporters have vehicles which serves double purpose; when they want to transport fuel they will load the tanker to the truck trailer and when they are transporting cargo they will use the plat form of the trailer. It's estimated that around 1,000 tankers are available in Mogadishu. In addition to the above, companies like Costalina Oil Terminal, with joint venture of Fine Jet, have recently installed a pipe line from the vessel directly to their depots in the seaport. Fuel from Sea port storage to Airport area depot is transported with fuel truck tankers.

The trucks used for transportation are very old and mostly do not meet the standard requirements for safety and quality. With complete absence of regulatory body for enforcing safety and Quality requirements, these critical requirements are left to the fuel companies and client requirements. a significant

Standards, Quality and Testing

• There is no authority that controls the quality and the standard of imported oil.
• There is no accredited laboratories for product quality specification tests. Costalina has currently in-house lab testing facility but not accredited and not covering all the test requirements.
• Importers honor the international standard as it’s a competitive market and this will compel all the transporters to abide.

<table>
<thead>
<tr>
<th>Industry Control Measures</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Tanks with adequate protection against water mixing with the fuel (Yes / No)</td>
<td>Yes</td>
</tr>
<tr>
<td>Filters in the system, monitors/FWS where fuel is loaded into aircraft (Yes / No)</td>
<td>Yes</td>
</tr>
<tr>
<td>Adequate epoxy coating of tanks on trucks (Yes / No)</td>
<td>Yes</td>
</tr>
<tr>
<td>Presence of suitable fire fighting equipment (Yes / No)</td>
<td>Yes</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Standards Authority</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Is there a national or regional standards authority? (Yes / No)</td>
<td>No</td>
</tr>
<tr>
<td>If yes, are the standards adequate/properly enforced? (Yes / No)</td>
<td>No</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Testing Laboratories</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Are there national testing laboratories? (Yes / No)</td>
<td>No</td>
</tr>
</tbody>
</table>