

Marketing and distribution issues in Lead Phase Out

North Africa Lead phase out workshop

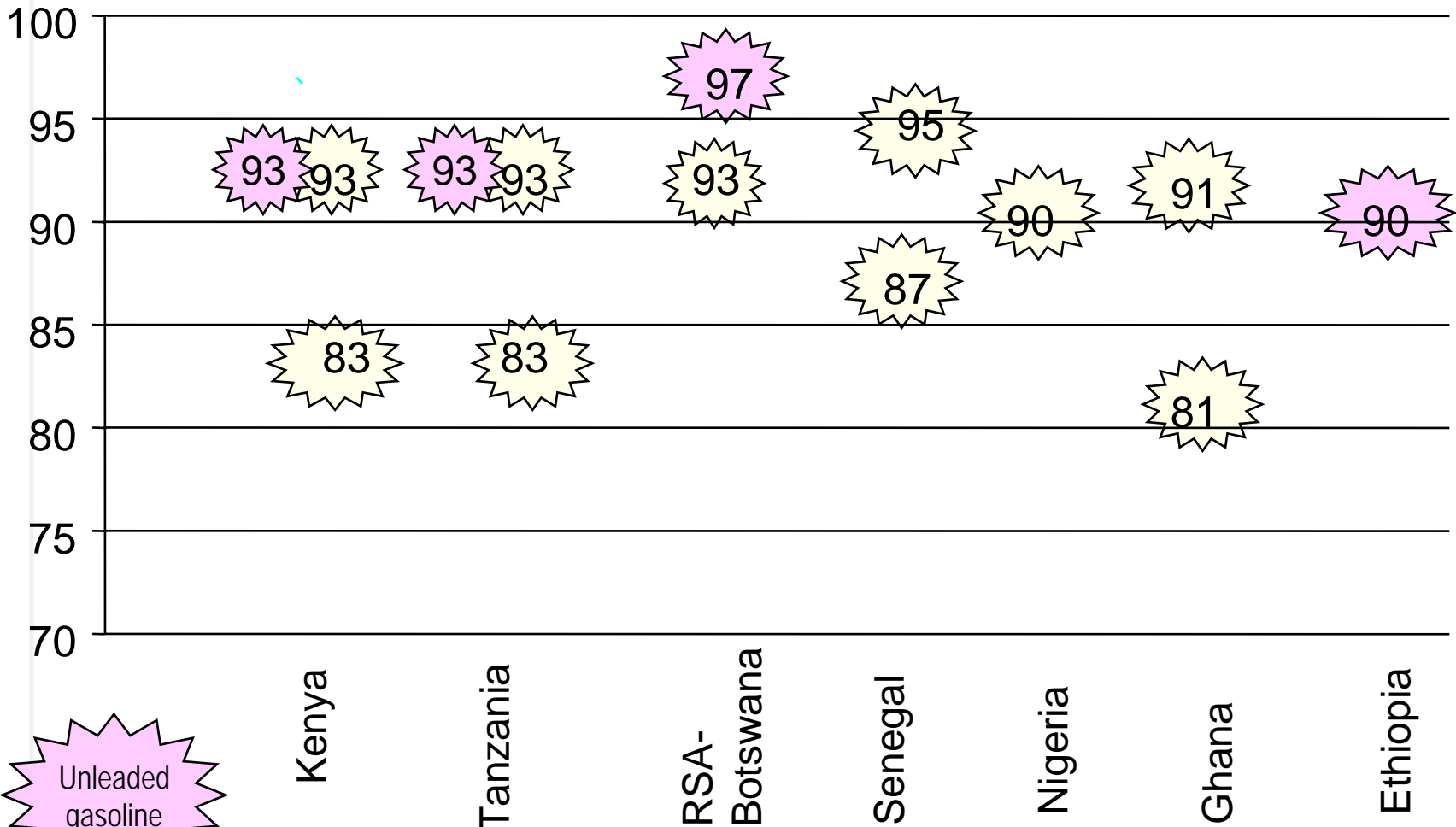
Technical session

August 14th, 2008

What is the current grade?



RON (Research Octane Number)



Doing a car “parc” survey



- A fleet survey tells you what the current and predicted vehicles actually need as opposed to what is currently provided. You may be surprised.....
- SSA had mainly Japanese cars (most 91RON). Commonly 95 – 97 was provided.... North Africa will probably align more closely with Europe
- A fleet survey also tells you the average age and turnover rate of the fleet
- This is useful if you have concerns about VSR
- VSR is a real effect and is readily demonstrated in the laboratory but is seldom encountered in practise
 - → Read the UNEP document on VSR

Transitioning to Unleaded



- Immediate
 - Most cost effective: duplicate retail system not needed
 - Extensive public education not required – it just happens
 - Total Lead emissions minimized

 - Aromatics and Benzene may rise slightly
 - Older vehicles MAY require aftermarket additives IF VSR is identified as an issue
 - Refineries will not have time to engineer & build process units (5 years for an extensive process upgrade) although imports can help

Transitioning to Unleaded



- Medium – Term (up to 5 years)
 - Time break for operators of older vehicles
 - Time break for refiners to develop a comprehensive upgrade solution
 - High costs due to segregated fuelling systems
 - Misfuelling and damage to catalysts will likely occur

Transitioning to Unleaded



- Long – Term
 - As for Medium – Term
 - As for Medium – Term plus:
 - Extended cost of subsidy if differential tax scheme is supported by government (cost-neutral schemes do not always work: South African example)
 - Owners do not receive benefits of lower costs of maintenance with ULG
 - Total Lead emissions are highest under this option

Good practice



- If possible, avoid having to invest in setting up a dual distribution infrastructure
 - minimize investment cost
 - minimize chances of mis-fuelling
- Define the new ULG specs to facilitate transition, especially in refining countries
- Price unleaded at or below leaded gasoline at the same octane if you have dual leaded/unleaded system
- Investigate regional harmonization to avoid smuggling, misfuelling and adulteration

Conclusions



- Develop a National Plan with a broad consensus among all key stakeholders, involving:
 - sound technical options,
 - a reasonable timetable,
 - and the least cost solution.
- Ensure cooperation, coordination and communication between all interested groups - government agencies, autos, refiners/marketers, public

Conclusions



- Suggest that unleaded be mandated by a specific date with as short a transition time as possible
- Communicate benefits to gain understanding and support of the public, and to dispel myths about unleaded gasoline
- Secure Technical Assistance. There is a lot of international experience to help you make better decisions and speed-up implementation. The Partnership (PCFV), IPIECA, and the African Refiners Association (ARA) can help!