



# Information Item 4 - Eswatini Case Study: Oil And Gas Storage Reserve Facility

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# CALIFORNIA'S PETROLEUM TRANSITION

- Decline in California refining capacity
- Increasing reliance on marine imports for petroleum products
- No available pipelines for refined fuel going into the State
- CEC currently developing framework for addressing sudden and acute fuel supply disruptions
- Need to address the clean energy transition plan as defined by the State



# ESWATINI: A LANDLOCKED COUNTRY

- Landlocked country with 1.2 million people
- Transportation industry dependent on gasoline and diesel for fuel
- 100% petroleum products imported from South Africa and Mozambique by road
- 1 million litres of fuel per day demand (50:50 gasoline & diesel)
- Currently no refining in country



# ESWATINI'S PETROLEUM INDUSTRY GOVERNANCE



MINISTRY OF NATURAL  
RESOURCES & ENERGY

GOVERNANCE TOOL:  
PETROLEUM ACT OF 2020



ESWATINI ENERGY  
REGULATORY AUTHORITY

ESWATINI PETROLEUM  
ASSOCIATION



ESWATINI NATIONAL PETROLEUM COMPANY





Because we care.

## ESWATINI ENERGY REGULATORY AUTHORITY

- Petroleum Standards development & enforcement
- Inspection and compliance
- Policies and regulations implementation
- Licensing



**ENPC**  
ESWATINI NATIONAL  
PETROLEUM COMPANY

## ESWATINI NATIONAL PETROLEUM COMPANY

- Manage storage reserve facility
- Trade in crude oil and petroleum products
- Responsible for blending of fuel (diesel & ethanol)
- Importing & exporting of petroleum products



KINGDOM OF ESWATINI

MINISTRY  
OF NATURAL  
RESOURCES  
& ENERGY

## MINISTRY OF NATURAL RESOURCES & ENERGY

- Pricing of fuel
- Tax and levy collection
- Governance of the petroleum industry



# ESWATINI NATIONAL PETROLEUM COMPANY

## ROAD MAP

**2018**

Fuel levy collection and petroleum fund

**2020**

Establishment of the National Petroleum Company

**2025**

Construction of the storage reserve facility

**2028**

Blending of petrol with 10% ethanol

**2030**

Construction of Liquefied Petroleum Gas plant

**2032**

Construction of fuel retail stations in remote areas

**2035**

Construction of a refinery





# ESWATINI'S STORAGE RESERVE FACILITY

## BUSINESS MODEL

Trading Stock:  
60 million litres

Oil companies mandated to buy at least 14 million litres from trading stock and arrange own delivery to retail

Sell at same wholesale price to oil companies, ensuring affordability and control of fuel price

Emergency Stock:  
20 million litres

Government responsible for releasing emergency stocks during emergencies

**Total capacity:**  
80 million liters

Uses government relationships with other countries to source fuel at volumetric & favorable prices

Oil companies required to store & blend fuel in the facility



# BENEFITS OF THE STORAGE RESERVE FACILITY

## Eswatini Government

- Fuel price regulation
- Bulk storage of fuel
- Source fuel for oil companies at affordable prices
- Regulate quality of fuel
- Security of supply

## Oil Companies

- Oil companies sell at same price
- Fuel sourced at central location
- Reduced transportation costs
- Better profit margins
- Reliability of fuel supply

## Consumers

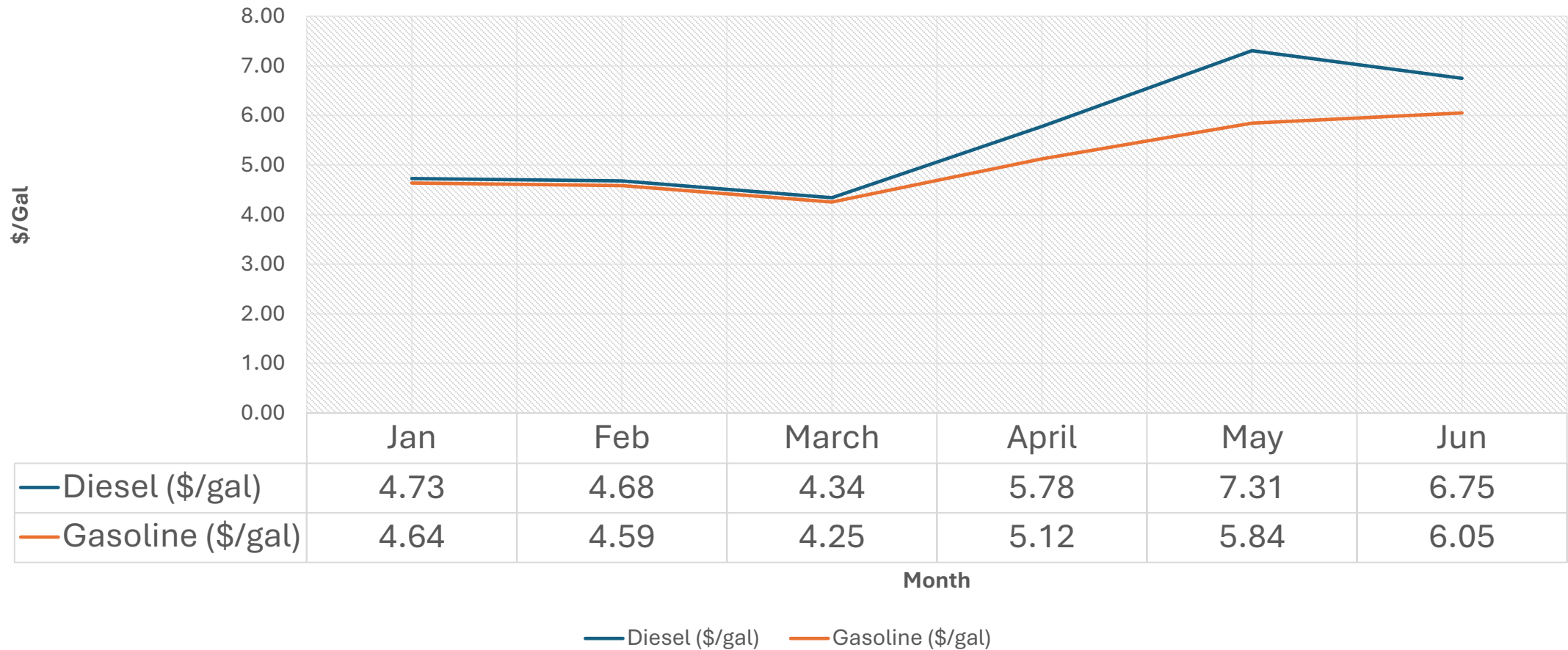
- Affordability of fuel
- Reliability of supply



# BENEFITS OF THE STORAGE RESERVE FACILITY

## IMPACT OF GLOBAL PRICE CHANGES

### Fuel Price (\$/Gal) Jan - Jun 2026





# ESWATINI'S CASE STUDY: OIL & GAS STORAGE RESERVE FACILITY

***THANK YOU!***