



energy

Department:
Energy
REPUBLIC OF SOUTH AFRICA

Media Statement

Shortage of LPG and Bitumen in the Country

19 October 2011 – The Department of Energy would like to express its concerns over the growing shortage of Liquefied Petroleum Gas (LPG), which is impacting economic activities and provisions of energy to households. The growing unplanned shutdowns is becoming a threat to security of supply of some of the petroleum products particularly LPG and bitumen.

In a meeting convened on logistics planning by the Department, the industry confirmed that four of the refineries are not in a position to produce LPG during this week. The Department has been convening regular logistics planning meetings since the exemption was granted by the Competition Commission to SAPIA, and it is clear from these meetings that some refineries are having challenges. The Department believes that there is a need to accelerate decisions on LPG import infrastructure and to this end the Director General of Department of Energy, Ms. Nelisiwe Magubane, had already expressed this need in a letter to the Chief Executive of Transnet.

“There is clearly a need for a long term solution to deal with ageing manufacturing infrastructure”, said the Acting DG, Mr. George Mnguni. Temporary imports facilities will have to be put in place, particularly in areas where there is no existing import infrastructure. The other vulnerable product when refineries have challenges is Bitumen and this also has an impact on the construction of road infrastructure.

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Media Enquiry

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