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13TH PARLIAMENT | 4TH SENATE | FIFTH SESSION

STANDING COMMITTEE ON ENERGY

REPORT OF THE STANDING COMMITTEE ON ENERGY ON ALLEGED IRREGULARITIES IN THE PETROLEUM PRODUCTS SUPPLY CHAIN

PAPERS LAID	
DATE	14/7/2026
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19/06/26

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The Senate
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JUNE, 2026

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LIST OF ABBREVIATIONS AND ACRONYMS

AGO	Automotive Gas Oil
BP	British Petroleum
E3	E3 Energies
EPRA	Energy and Petroleum Regulatory Authority
FOB	Free on Board
G-to-G	Government-to-Government
iCMS	Integrated Customs Management System
KEBS	Kenya Bureau of Standards
KOSF	Kipevu Oil Storage Facility
KOT II	Kipevu Oil Terminal II
KPA	Kenya Ports Authority
KPC	Kenya Pipeline Company
KRA	Kenya Revenue Authority
KS EAS	Kenya Standard East African Standard
MITI	Ministry of Investments, Trade and Industry
MOEP	Ministry of Energy and Petroleum
MSP	Motor Spirit Premium

MT	Motor Tanker
MTBE	Methyl Tertiary Butyl Ether
OMCs	Oil Marketing Companies
OTS	Open Tender System
PMS	Premium Motor Spirit
PPM	Parts per Million
VAC	Vessel Alignment Committee
VAT	Value Added Tax

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CHAIRPERSON'S FOREWORD

The petroleum sector remains a strategic pillar of Kenya's economy, underpinning transportation, manufacturing, agriculture, electricity generation, and the daily livelihoods of millions of citizens. Consequently, any disruption to the supply, quality, affordability, or governance of petroleum products has far-reaching implications for national economic stability, public welfare, and energy security.

In a press statement dated Saturday, 4th April 2026, the Chief of Staff and Head of Public Service announced the commencement of an inquiry into alleged irregularities in the petroleum products supply chain. The statement was accompanied by the resignation of the Principal Secretary for Petroleum, the Managing Director of the Kenya Pipeline Company (KPC), and the Director-General of the Energy and Petroleum Regulatory Authority (EPRA), as well as the initiation of disciplinary processes against other senior officers. These actions followed allegations relating to the procurement of an emergency fuel cargo reportedly outside the established Government-to-Government (G2G) framework, concerns regarding fuel quality, questions surrounding compliance with emergency procurement procedures, and claims of elevated procurement costs.

A. Committee Proceedings

Arising from these developments, the Standing Committee on Energy, at its sitting held on 8th April 2026, resolved to undertake an inquiry into the matter. The Committee sought to establish the circumstances surrounding the emergency fuel procurement, examine concerns relating to petroleum stock data, importation arrangements, fuel quality and conformity, regulatory waivers, pricing, national fuel stocks, and the Fuel Stabilization Fund, and assess the adequacy of the governance, oversight, and coordination mechanisms underpinning Kenya's petroleum products supply chain.

Further, cognizant of the ongoing investigations being undertaken by the Directorate of Criminal Investigations (DCI) and the Ethics and Anti-Corruption Commission (EACC), and in order to preserve the integrity of those processes and avoid duplication, the Committee resolved to defer consideration of matters relating to individual culpability, disciplinary action, or possible criminal conduct. This included issues arising from the resignations and disciplinary processes involving key officials, including the Principal Secretary for Energy and Petroleum, the Managing Director of the Kenya Pipeline Company (KPC), and the Director-General of the Energy and Petroleum Regulatory Authority (EPRA), pending the conclusion of the investigations and the submission of findings by the relevant agencies.

Accordingly, at sittings held on diverse dates, the Committee received oral and written submissions from key institutions involved in the petroleum supply chain, including the Ministry of Energy and Petroleum (MOEP), the Ministry of Investments, Trade and Industry (MITI), the Kenya Revenue Authority (KRA) , the Kenya Ports Authority (KPA), the Kenya Pipeline Company (KPC), Oryx Energies Limited, SUPPLYCOR, and One Petroleum Limited. The Committee also undertook a comprehensive review of applicable laws, regulations, policies, operational procedures, and market conditions affecting the sector.

The aforementioned Committee proceedings were aimed at establishing the integrity of Kenya's petroleum products supply chain, and assessing the nation's supply resilience, products supply, reserves and storage capacity.

B. Committee Observations

The Committee's inquiry was undertaken against the backdrop of an unprecedented petroleum supply disruption arising from geopolitical developments in the Middle East, including disruptions affecting maritime traffic through the Strait of Hormuz. While the Committee found that Government agencies acted in response to a perceived imminent fuel supply risk and succeeded in maintaining adequate national fuel stocks, the inquiry exposed significant structural, regulatory and governance weaknesses within Kenya's petroleum supply chain.

The Committee observed that the emergency procurement process was conducted outside the established Government-to-Government (G-to-G) framework and in the absence of a clearly defined statutory framework governing emergency petroleum procurement. Although undertaken in response to exceptional circumstances, the process raised concerns regarding procedure, due process, competition, transparency, documentation, accountability and institutional coordination. The inquiry further revealed fragmented mandates among key agencies, weaknesses in data integration and information sharing, and inadequate mechanisms for real-time monitoring of petroleum stocks and supply chain risks.

With regard to fuel quality, the Committee observed that the waiver granted under Section 9(3) of the Standards Act was issued within the context of a documented national supply emergency and was accompanied by specific conditions intended to safeguard fuel quality and public interest. The Committee nevertheless noted the need for clearer protocols governing the invocation, implementation and oversight of regulatory waivers during emergencies, together with enhanced inter-agency accountability in the management of fuel quality incidents.

The inquiry also underscored the country's vulnerability to external supply shocks and highlighted the inadequacy of existing strategic petroleum reserve capacity. While the Government successfully maintained short-term supply stability, the Committee found that current storage infrastructure and prevailing stockholding requirements are insufficient to provide long-term resilience against prolonged geopolitical disruptions or global market volatility.

The Committee further observed that ongoing plans for the establishment of the Dangote Refinery in Mombasa present a strategic opportunity for Kenya to expand its petroleum storage capacity, strengthen strategic petroleum reserves and enhance regional supply security. The Committee noted that, if appropriately integrated into national energy planning frameworks, such investments could significantly contribute to the attainment of strategic reserve targets, improve supply chain resilience and strengthen Kenya's position as a regional petroleum and energy hub.

Additionally, the Committee observed that the Ministry of Energy and Petroleum did not have in place a clear and coordinated public communication strategy during the crisis. This communication gap contributed to uncertainty, speculation and misinformation regarding national fuel stocks, fuel quality and Government interventions, thereby undermining public confidence and trust in the management of the crisis. The Committee noted that timely, transparent and consistent communication is a critical component of energy security and crisis management.

C. Committee Recommendations

In light of the above, the Committee recommends a comprehensive reform agenda centred on the establishment of a statutory emergency petroleum procurement framework; deployment of an integrated real-time petroleum stock monitoring system; strengthened inter-agency coordination and reporting mechanisms; enhanced transparency and accountability within the petroleum supply chain; development of clear regulatory guidelines for emergency waivers; expansion of strategic petroleum reserve infrastructure anchored on the National Oil Corporation of Kenya (NOCK); institutionalisation of a clear energy security communication strategy; and, review of minimum stockholding obligations for Oil Marketing Companies. The Committee has further emphasised the importance of preserving due process, safeguarding market confidence and ensuring that future emergency interventions are supported by clear contractual, legal and institutional safeguards.

The Committee further recommends that, where feasible, the Ministry of Energy and Petroleum assess and leverage the planned Dangote Refinery in Mombasa as part of the country's broader energy security strategy, with a view to expanding national petroleum storage capacity, strengthening strategic petroleum reserves, enhancing regional supply security and improving Kenya's resilience to future supply disruptions arising from geopolitical shocks, global market volatility and other external risks.

The findings and recommendations contained in this Report are intended to strengthen public confidence in the sector, enhance accountability among sector institutions, safeguard national energy security, and support the development of a more resilient, transparent, and responsive petroleum supply system capable of meeting the country's present and future energy needs.

Acknowledgment

On behalf of the Committee, I wish to thank the Ministry of Energy and Petroleum, the Ministry of Trade, Investment and Industry, the Kenya Pipeline Company, the Kenya Ports Authority, SUPPLYCOR, Oryx Energies and One Petroleum Ltd for their submissions and contributions to the resolution of this matter.

I also want to thank all the Members of the Committee for their immense contribution during the Inquiry and production of this report. The Committee also appreciates the Offices of the Speaker and the Clerk of the Senate for the support to the Committee.

It is now my pleasant duty and privilege, on behalf of the Standing Committee on Energy Committee, pursuant to Standing Order 56(2)(b), to present a report on the inquiry on the alleged irregularities in the petroleum products supply chain.

Signed……..... ……Date:……9/06/26……

SEN. (DR.) OBURU OGINGA, MGH, MP,

CHAIRPERSON, STANDING COMMITTEE ON ENERGY

ADOPTION OF THE REPORT OF THE STANDING COMMITTEE ON ENERGY ON ALLEGED IRREGULARITIES IN THE PETROLEUM PRODUCTS SUPPLY CHAIN

We, the undersigned Members of the Senate Standing Committee on Energy, do hereby append our signatures to adopt this Report –

No.	Name	Designation	Signature
1.	Sen. (Dr.) Oburu Oginga, MGH, MP	Chairperson	
2.	Sen. William Kisang' Kipkemoi,CBS, MP	Vice-Chairperson	
3.	Sen. (Dr.) Boni Khalwale, CBS, MP	Member	
4.	Sen. Ledama Olekina, CBS, MP	Member	
5.	Sen. James Lomenen Ekomwa,CBS, MP	Member	
6.	Sen. (Dr.) Danson Buya Mungatana, MGH, MP	Member	
7.	Sen. Edwine Watenya Sifuna, CBS,MP	Member	
8.	Sen. Veronica Maina,CBS, MP	Member	
9.	Sen. Beatrice Ogolla,MP	Member	

CHAPTER ONE

INTRODUCTION

1.0 Introduction

1. The Standing Committee on Energy is established under standing order 228 (3) of the Senate Standing Orders and is mandated to consider all matters related to fossil fuels exploration, development, production, maintenance and regulation of energy.

a) Functions of the Committee

2. Pursuant to Standing Order 228(4), the Committee is mandated to –

    1) Investigate, inquire into, and report on all matters relating to the mandate, management, activities, administration and operations of its assigned ministries and departments;

    2) Study the program and policy objectives of its assigned ministries and departments, and the effectiveness of the implementation thereof;

    3) Study and review all legislation referred to it;

    4) Study, assess and analyze the success of the ministries and departments assigned to it as measured by the results obtained as compared with their stated objectives;

    5) Consider the Budget Policy Statement in line with Committee's mandate;

    6) Report on all appointments where the Constitution or any law requires the Senate to approve;

    7) Make reports and recommendations to the Senate as often as possible, including recommendations of proposed legislation;

    8) Consider reports of Commissions and Independent Offices submitted to the Senate pursuant to the provisions of Article 254 of the Constitution;

    9) Examine any statements raised by Senators on a matter within its mandate;

    10) Follow up and report on the status of implementation of resolution within their mandate; and

    11) Follow up and report on the status of commitments made by Cabinet Secretaries in their responses to questions understanding order 51(c).

b) Government Agencies and Departments

3. In exercising its mandate, the Committee oversees the County Governments, the Ministry of Energy and the following Semi-Autonomous Government Agencies (SAGAs)-

    1) Energy and Petroleum Regulatory Authority (EPRA)

2) Kenya Power & Lighting Company Limited (KPLC)
3) Kenya Electricity Generating Company Limited (KENGEN)
4) Kenya Electricity Transmission Company Limited (KETRACO)
5) Rural Electrification and Renewable Energy Company (REREC)
6) Nuclear Power and Energy Agency (NUPEA)
7) Geothermal Development Company (GDC)
8) Kenya Pipeline Company (KPC)
9) Kenya Pipeline Refineries Limited (KPRL)

c) Membership of the Committee

4. The Committee is comprised of the following Members -

1) Sen. (Dr.) Oburu Oginga, MGH, MP - **Chairperson**
2) Sen. William Kisang' Kipkemoi,CBS, MP - **Vice-Chairperson**
3) Sen. (Dr.) Boni Khalwale, CBS, MP
4) Sen. Ledama Olekina, CBS, MP
5) Sen. James Lomenen Ekomwa, CBS, MP
6) Sen. Danson Buya Mungatana, MGH, MP
7) Sen. Edwine Watenya Sifuna, CBS, MP
8) Sen. Veronica Maina, CBS, MP
9) Sen. Beatrice Ogolla, MP

5. The Committee secretariat is composed of the following -

1) Ms. Mary Chesire, OGW, - Director, DSEC
2) Mr. Boniface Lenairoshi - Deputy Director, DSEC
3) Dr. Christine Sagini - Senior Clerk Assistant
4) Ms. Mary Waqo - Clerk Assistant III
5) Mr. Jeremy Chabari - Senior Legal Counsel
6) Dr. Evans Kiganda – Principal Fiscal Analyst
7) Ms. Nancy Mulei - Research Officer III
8) Mr. Washington Otiato - Media Relations Officer II
9) Ms. Judith Aoka - Audio Officer

1.1. Background

6. In a press statement dated Saturday, 4th April 2026, the Chief of Staff and Head of Public Service announced the commencement of an inquiry into alleged irregularities in the petroleum products supply chain. The statement further communicated the following actions -

    1) The resignation of Mr. Mohamed Liban, Principal Secretary, State Department of Petroleum;

    2) The resignation of Mr. Joe Sang, then Managing Director of KPC;

    3) The resignation of Mr. Daniel Kiptoo Bargoria, then DG, EPRA; and

    4) Initiation of administrative action and disciplinary processes against Mr. Joseph Wafula, Deputy Director of Petroleum and Mr. Joel Mburu, Supply and Logistics Manager, KPC

7. The actions followed allegations concerning the purported irregular procurement of an emergency fuel cargo by the Ministry of Energy and Petroleum, which was reportedly of substandard quality, procured outside the established Government-to-Government (G2G) framework, acquired at inflated costs, and undertaken in alleged contravention of prescribed emergency procurement procedures.

8. Following these developments, at its sitting held on Wednesday, 8th April 2026, the Standing Committee on Energy deliberated on the alleged irregularities in the petroleum products supply chain and resolved to institute an inquiry into the matter. The key issues of concern raised during the meeting included—

    1) Allegations of manipulation of petroleum stock data by officials within the Ministry of Energy and Petroleum, the Kenya Pipeline Company, and the Energy and Petroleum Regulatory Authority, including the alleged bypassing of the Government-to-Government (G2G) fuel importation framework;

    2) The need for clarity on the procurement and approval processes that led to the alleged emergency fuel request and the award of cargoes associated with One Petroleum Limited, including the consignment aboard MT *Paloma*;

    3) The need for clarification on reports that Verification of Conformity (VoC) and related quality assurance requirements were waived for the said cargo, including the legal basis, public interest justification, and the role of the Kenya Bureau of Standards (KEBS);

    4) Clarification on the quality status of the MT *Paloma* cargo, and any other petroleum consignments alleged to be substandard, including the tests undertaken, results obtained, and enforcement actions taken;

    5) Clarification on the pricing of the MT *Paloma* cargo, including any

premiums above prevailing G2G benchmark prices, and the implications for pump prices and consumer protection;

6) Clarification on the current national petroleum stock position, including the number of days of cover, and the factors contributing to reported shortages in parts of the country, including vulnerabilities in distribution and transit supply;

7) Clarification on the status, utilisation, and sustainability of the Fuel Stabilization Fund, including allocations, disbursements, and its capacity to cushion consumers in the current and subsequent financial years; and

8) Clarification on the adequacy of existing governance, oversight, and coordination mechanisms among the Ministry, EPRA, the Kenya Pipeline Company, and other sector agencies, including whether gaps in law and practice may have contributed to the crisis.

9. To note, acknowledging the ongoing investigations by the Directorate of Criminal Investigations (DCI) and the Ethics and Anti-Corruption Commission (EACC), the Committee resolved to defer consideration of matters relating to individual culpability, disciplinary action, or possible criminal conduct, including issues arising from the resignations and disciplinary processes involving key officials such as the Principal Secretary for Energy and Petroleum, the Managing Director of the Kenya Pipeline Company (KPC), and the Director-General of the Energy and Petroleum Regulatory Authority (EPRA), pending the conclusion of the investigations and the submission of findings by the relevant agencies.

10. Accordingly, on 9th April, 2026, draft correspondence was made inviting the following witnesses to provide information and/or appear before the Committee -

1) The Cabinet Secretary, Ministry of Energy and Petroleum;

2) The Cabinet Secretary, Ministry of Investments, Trade and Industry and the Managing Director, KEBS;

3) The Acting Chief Executive Officer, Kenya Pipeline Company;

4) The Director-General, Kenya Ports Authority; and

5) Private sector players relevant to the disputed cargoes.

Further, the Committee undertook an inspection visit to Mombasa on Wednesday, 15th April, 2026. during which the Ministry of Energy and Petroleum, the Kenya Pipeline Company, and the Kenya Ports Authority were tasked with verifying petroleum stock levels, incoming cargoes, and the status of the MT *Paloma* vessel, including any related consignments.

1.1.2 Chronology of Events

11. According to media reports, the National Security Council Committee (NSCC) convened on 9th March 2026, under the chairmanship of Head of Public Service Mr. Felix Koskei, EGH. During the meeting, the Committee directed the Principal Secretary for Petroleum, Mr. Mohamed Liban, to explore and implement strategies for diversifying petroleum import sources beyond the Government-to-Government (G-to-G) framework. The directive was in response to concerns over potential fuel supply disruptions linked to escalating conflict involving the United States of America, Israel, and Iran and which were perceived to be a threat to global oil supply chains and Kenya's energy security.

12. This directive followed concerns over potential fuel supply disruptions arising from the escalating Middle East conflict involving the United States of America, Israel, and Iran, which was perceived to pose a risk to global oil supply chains and, by extension, Kenya's energy security.

13. According to the Ministry of Energy and Petroleum (MOEP), at a Vessel Alignment Committee (VAC) meeting held on 18th March 2026, it was noted that a vessel designated for the delivery of Premium Motor Spirit, KG05/2026, MT Elka Apollon, which had loaded cargo in Jebel Ali, was unable to transit the Strait of Hormuz. The Committee observed that PMS stocks levels were low, with the next vessel scheduled to deliver between 3rd and 5th April 2026; consequently, immediate attention to stock replenishment was necessary *(Annex 3)*.

14. As per submissions made by One Petroleum Limited, on 18th March 2026, the Ministry of Energy and Petroleum convened an industry meeting to review petroleum stock positions, during which the need to shore up operational stock reserves was deliberated.

15. On 19 March 2026, the Ministry invited four bidders, including Hass Petroleum, E3 Energies, One Petroleum and Oryx Energies to submit proposals for additional deliveries of Premium Motor Spirit to bolster stock reserves for Kenya and the region amid the ongoing Middle East conflict. In the request, the Ministry cited various Vessel Alignment Committee (VAC) meetings that were held between 9th and 18th March, 2026 at the State Department for Petroleum.

16. The stipulated terms for the additional deliveries of the PMS were as follows -

    1) Applicable terms - Open Tender System (OTS) Terms and Conditions (2023) save for payment currency being USD for the entire cargo;

    2) Quantity - 35kt - 85kt, with bidders being requested to indicate the delivery vessel size in the bid and the split where applicable;

    3) Delivery date range - 28.03 - 02.04. 2026 with a preference for delivery on 28.03.2026;

    4) Receiving terminal - KOT II

5) Pricing month - as per the OTS

The shipper's participation, local/transit was to be shared separately. As per the email, the selected bidders were requested to submit a proposal in both electronic and hard copy on the day, that is, 19 March 2026, on or before 1230 hrs.

17. According to submissions by the MOEP, following the evaluation of the received bids by a multiagency technical team, a brief on the Supply Position [*Brief on Stock Position and Proposals for Delivery of Premium Motor Spirit (PMS)*] was prepared recommending that an offer by One Petroleum Limited [60,000MT with delivery date range of 23rd to 26th March 2026] be considered as contingency PMS cargo to shore up stocks. This brief was subsequently presented to the Principal Secretary, State Department for Petroleum for consideration and approval.

18. On Thursday, 26th March, 2026, Petroleum Principal Secretary Mr. Mohamed Liban formally wrote to the Kenya Bureau of Standards (KEBS), citing ongoing challenges affecting fuel supply. The communication requested regulatory waivers for a consignment of Premium Motor Spirit (PMS) that had failed to meet KS EAS 158:2025 requirements. Specifically, exemptions were sought on limits on oxygenates, manganese, sulphur, and benzene.

19. On Friday, 27th March, 2026, the motor tanker MT Paloma arrived at the Port of Mombasa carrying approximately 68,000 metric tonnes of PMS loaded from Fujairah, United Arab Emirates. As reported, the shipment was off-specification and lacked the mandatory Pre-export Verification of Conformity (PVoC) certification required under Kenyan import standards.

20. According to submissions made by the Ministry of Trade and Industry, following the vessel's arrival, a series of inter-agency actions were undertaken to facilitate clearance of the cargo. As the consignment failed to meet Kenyan fuel standards on oxygenates, manganese, sulphur, and benzene, its entry into the domestic market required deviations from standard customs and quality assurance procedures *(Annex 4)*.

21. Consequently, KEBS issued regulatory waivers at the request of the Ministry of Energy and Petroleum. These waivers effectively suspended mandatory inspection and compliance requirements, allowing the PMS to proceed into the national supply chain.

22. However, according to the MOEP, upon delivery and discharge of the contingency cargo into the Kipevu Oil Storage Facility, it was noted that the consignment was imported into the country outside the procedures set out under the G-to-G contractual framework thus leading to its rejection and subsequent recall.

23. On Thursday, April 2, 2026, following whistle-blower allegations regarding a KSh 4.8 billion scheme, the Directorate of Criminal Investigations (DCI) launched coordinated operations targeting senior energy sector officials. Those

arrested included Petroleum Principal Secretary Mr. Mohamed Liban, EPRA Director General Daniel Kiptoo, KPC Managing Director Mr. Joe Sang, and Mr. Joseph Wafula.

24. On Friday, April 3, 2026, media reports confirmed the arrests and linked them to investigations into fuel supply data manipulation.

25. On Saturday, April 4, 2026, a statement by Head of Public Service Mr. Felix Koskei,EGH confirmed the arrests and alleged that the officials had falsified data for personal gain.

26. On Monday, 6th April, 2026, further investigative reporting detailed the structure and execution of the alleged scheme, including claims that the Government-to-Government procurement framework had been bypassed in favour of private arrangements. The DCI are then reported to have begun preparing charges under the Anti-Corruption and Economic Crimes Act.

27. On Tuesday, 7th April, 2026, during interrogations, the suspects reportedly claimed their actions were guided by recommendations from the National Security Council Committee, citing efforts to avert a potential fuel supply crisis. In response, Cabinet Secretary for Energy and Petroleum Hon. Opiyo Wandayi, directed corrective measures, including requiring One Petroleum Ltd to withdraw approximately 60,000 metric tonnes of PMS from the market to prevent an anticipated pump price increase of up to KSh 14 per litre.

28. Subsequently, on April 14, 2026, the Ministry of Energy and Petroleum, *vide* a letter, Ref: MOEP/SDP/CONF/4/12, guided the re-consignment of the PMS consignment delivered by MT PALOMA to the transit market.

1.2 Methodology

29. Sittings held on diverse dates, the Committee received oral and written submissions from key institutions involved in the petroleum supply chain, including the Ministry of Energy and Petroleum (MOEP), the Ministry of Investments, Trade and Industry (MITI), the Kenya Revenue Authority (KRA) the Kenya Ports Authority (KPA), the Kenya Pipeline Company (KPC), Oryx Energies Limited, SUPPLYCOR, and One Petroleum Limited. The Committee also undertook a comprehensive review of applicable laws, regulations, policies, operational procedures, and market conditions affecting the sector.

    The aforementioned Committee proceedings were aimed at establishing the integrity of Kenya's petroleum products supply chain, and assessing the nation's supply resilience, products supply, reserves and storage capacity.

CHAPTER TWO

CONSTITUTIONAL, LEGAL AND REGULATORY CONSIDERATIONS

2.1 Energy Act, Cap 314

30. Under section 10, the Energy and Petroleum Regulatory Authority (hereinafter referred to as the Authority), regulates the importation, refining, exportation, transportation, storage and sale of petroleum and petroleum products with the exception of crude oil.

Standardisation

31. Under section 212 on standardisation, a person shall not use or employ for or in connection with any of the purposes of producing, generating, transforming, transmitting, distributing, supplying, or importing, exporting, transporting, refining, storing, selling or using, any form of energy, any mode, material or apparatus other than that which complies with the specification or standard of the Kenya Bureau of Standards or where no such standard exists, any international standard approved by the Kenya Bureau of Standards.

2.2 The Standards Act, Cap.496

32. Section 9 of the Act provides

(1) The Council may by notice in the Gazette—

(a) declare any specification or code of practice framed or prepared by the Bureau to be a Kenya Standard;

(b) notify from time to time any amendment to, replacement of, or abolition of, a Kenya Standard declared under paragraph

Exemption from the Kenya Standard

33. The relevant Cabinet Secretary, on the advice of the Kenya Bureau of Standards after a resolution thereof to the effect that—(a) it is satisfied that it is temporarily impossible or impractical for a person, industry or trade to comply with the order; and (b) it is nevertheless desirable in the public interest that that person, industry or trade should be permitted to manufacture or sell any commodity, method or procedure referred to in the order, may, by notice in the Gazette, exempt that person, industry or trade, either generally or for the purposes of a particular transaction or particular transactions, from compliance with the order for such period and subject to such conditions, to be specified in the notice as the Council shall advise.

2.3 The Petroleum Act, Cap. 308

16. Under section 2, "open tendering system" means the mode of procurement of petroleum products in Kenya whereby the lowest bidder on any given product is allowed to import on behalf of all the other oil marketing companies.

17. Under section 101, the Cabinet Secretary may, on the recommendation of the Energy and Petroleum Regulatory Authority, make regulations providing for importation of petroleum through open tendering system and the manner in which such system shall operate.

Standards for petroleum

18. Section 92 provides that person who offers for sale in Kenya or transports or stores petroleum meant for use in Kenya shall ensure that the specifications of such petroleum conforms to the relevant Kenya Standard, but where no such standard exists, the relevant international standards approved by the Kenya Bureau of Standards: Provided that no person shall divert to sell in Kenya, goods destined for other markets.

Strategic stocks

19. Under section 2, "strategic stocks" means petroleum kept for purposes of ensuring security of supply.

20. Section 96 provides that the Cabinet Secretary responsible for petroleum may undertake in whole or in part, the provision of financing, procurement, storage, maintenance and management of petroleum strategic stocks.

2.4 The Petroleum (Importation) Regulations, 2023

21. These Regulations do not apply to the procurement of petroleum products for strategic stocks.

22. Part II of the Regulation provide for the Open Tendering System.

23. Under regulation 4—

(1) The importation of petroleum products under these Regulations shall be through the open tendering system.

(2) The importation of petroleum products under these Regulations through a Government to Government arrangement shall be deemed to have occurred through the open tendering system.

(3) The importation of petroleum through the open tendering system or a Government to Government arrangement shall be centrally coordinated by the ministry responsible for petroleum.

Open tendering system agreement

24. Under Regulation 5, an oil marketing company shall sign and comply with the terms and conditions of the open tendering system agreement.

25. The parties to an open tendering agreement may amend the terms and conditions of the open tendering agreement provided the Authority approves the amendments.

Supply Coordination Committee

26. Under regulation 9, the parties to the open tendering system agreement shall, at their own cost, establish a supply coordination committee.

27. The supply coordination committee shall liaise with the ministry responsible for petroleum, the pipeline operator, operators of common user petroleum facilities and other relevant government agencies for the efficient implementation of the open tendering system agreement.

28. The parties to the open tendering system agreement shall develop operational procedures to guide the day to day operations of the supply coordination committee.

29. Under regulation 10, the functions of the supply coordination committee are to—

(a) consolidate the volume requirements for petroleum products to be imported through the open tendering system;

(b) communicate import tender calls and final results to the participants in the open tendering system;

(c) witness the opening of bids at the opening sessions attended by participants in the open tendering system and in the presence of a representative of the Principal Secretary in charge of petroleum;

(d) consolidate and verify the accuracy of petroleum products import cost build-ups for the purposes of pricing;

(e) submit after verification of accuracy, the petroleum products import cost build-ups to the Authority for the purpose of pricing; and

(f) assist the pipeline operator in batching petroleum products being transported through the pipeline system.

CHAPTER THREE

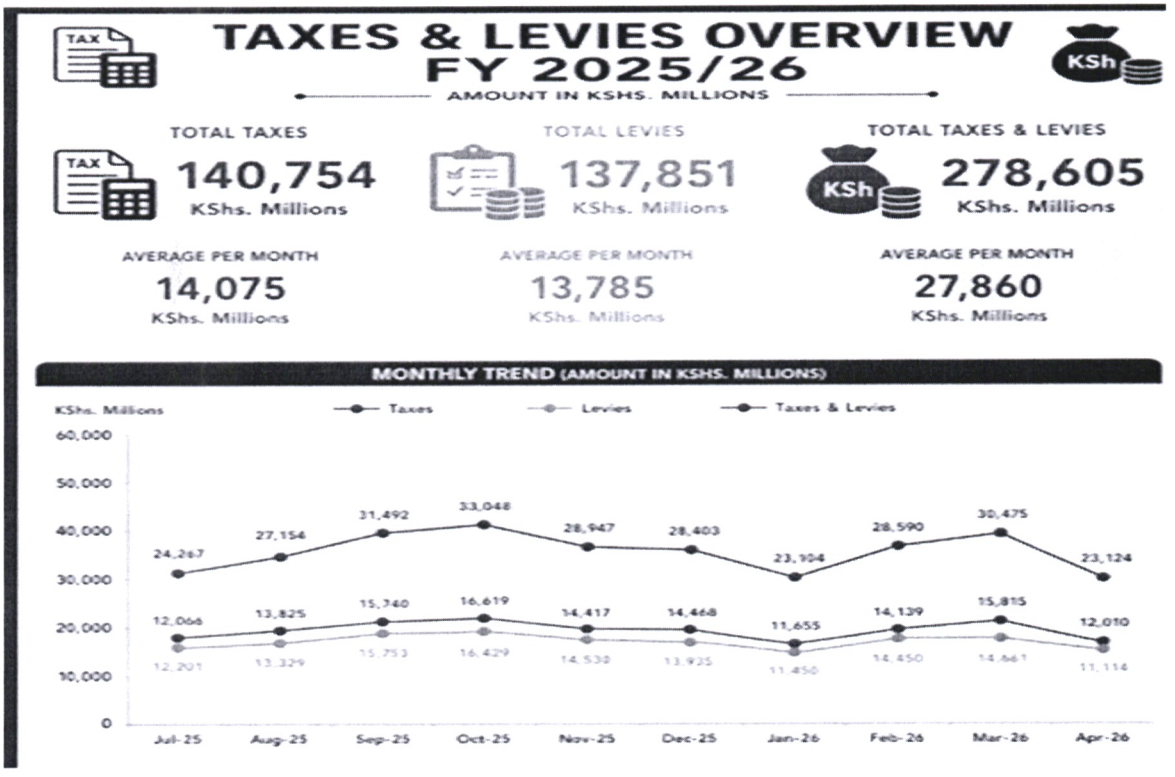
FISCAL ANALYSIS

3.1 Overview of Fuel Taxes and Levies in Kenya FY 2025/26

34. Fuel taxes and levies remained a major source of government revenue during the first 10 months of the FY 2025/26 (July 2025 to April 2026), generating a combined Kshs.278.6 billion, equivalent to an average of Kshs.27.9 billion per month (Figure 1). Of this amount, fuel taxes (Value Added Tax (VAT) and excise duty) contributed Kshs.140.8 billion, averaging Kshs.14.1 billion per month, while fuel levies generated Kshs.137.9 billion, averaging Kshs.13.8 billion per month.

35. The near-equal contribution of taxes and levies highlights the significant role fuel-related charges play in supporting government revenue, infrastructure financing, and road maintenance programmes.

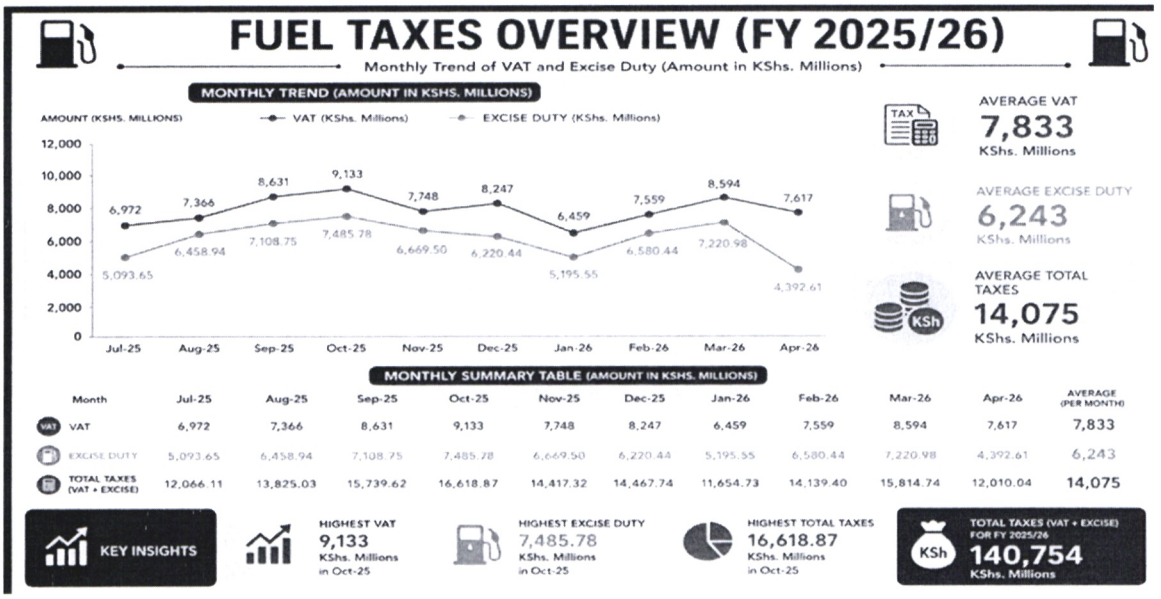
Figure 1: Total Fuel Taxes and Levies Collected- July 2025 to April 2026



Source: KRA Data

36. Fuel taxes (VAT and Excise duty) of approximately Kshs.14.1 billion per month as in Figure 2, on average comprises VAT of Kshs.7.8 billion and excise duty of Kshs.6.2 billion monthly.

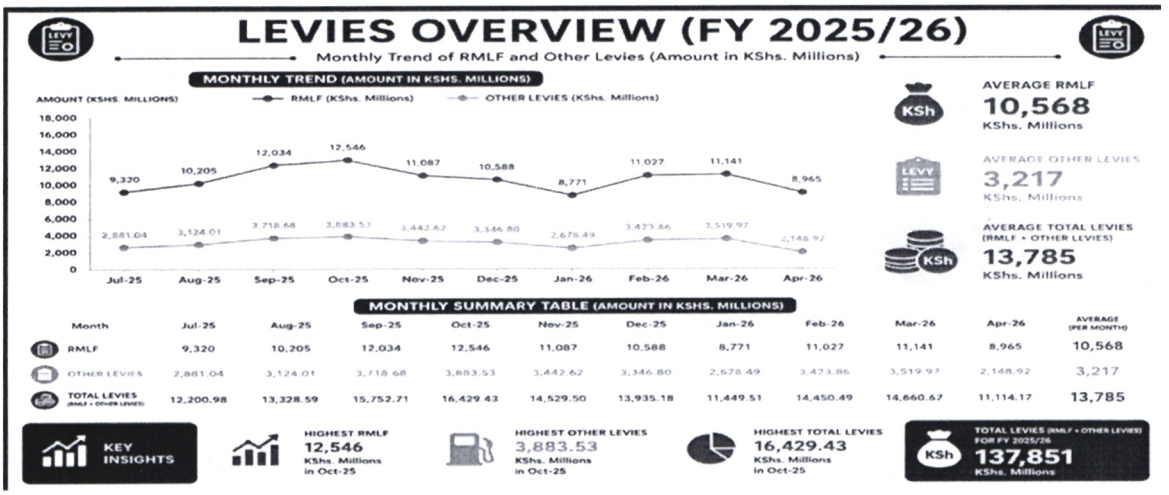
Figure 2: Total Fuel Taxes Collected (VAT and Excise Duty)- July 2025 to April 2026



Source: KRA Data

37. Fuel levies generated Kshs.137.9 billion (Figure 3), averaging Kshs.13.8 billion per month, of which the Road Maintenance Levy Fund (RMLF) accounted for approximately Kshs.10.6 billion per month, while other levies contributed approximately Kshs.3.2 billion per month.

Figure 3: Total Fuel Levies Collected (VAT and Excise Duty)- July 2025 to April 2026

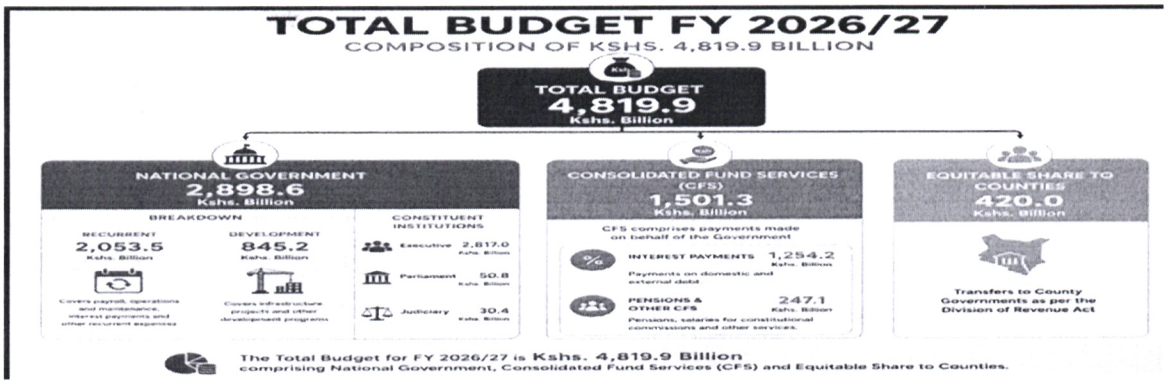


Source: KRA Data

3.2 Fiscal Operations for FY 2026/27

38. The FY 2026/27 expenditure framework of Kshs.4.82 trillion as in Figure 4 reflects the government's commitment to financing public services, development priorities, and debt obligations. A significant share of the budget is allocated to the National government (Kshs.2.90 trillion) of which, Executive share is Kshs.2.8 trillion, Parliament, Kshs.50.8 billion, and Judiciary, Kshs.30.4 billion while county equitable share is proposed at Kshs.420 billion.

Figure 4: FY 2026/27 Proposed Expenditure Summary

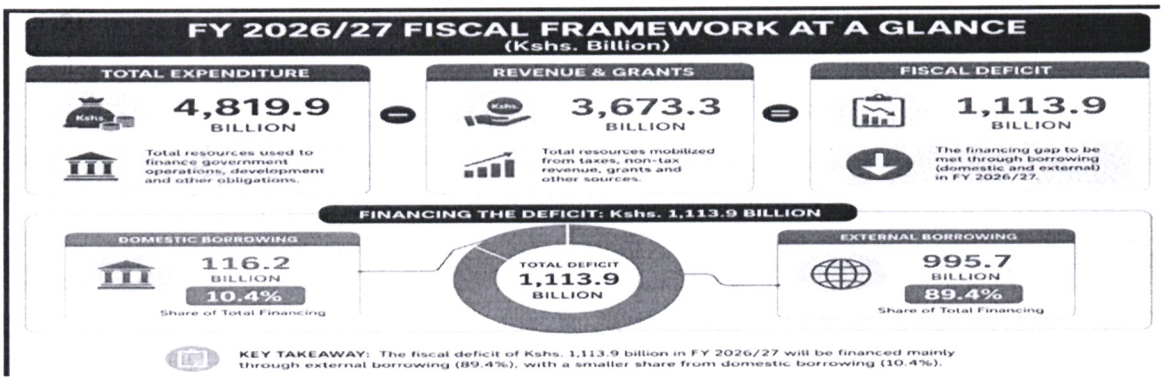


Source: National Treasury Data

39. On the expenditure side, recurrent spending of Kshs.2.05 trillion accounts for about 71% of National Government expenditure, while development expenditure amounts to Kshs.845.2 billion, highlighting limited fiscal space for growth-enhancing investments. Further, debt servicing continues to constrain the budget, with Consolidated Fund Services absorbing Kshs.1.50 trillion, of which interest payments account for Kshs.1.25 trillion (83.5%).

40. The FY 2026/27 fiscal framework reflects continued pressure on public finances, with total expenditure of Kshs.4.82 trillion significantly exceeding total revenue and grants of Kshs.3.67 trillion, resulting in a fiscal deficit of Kshs.1.11 trillion (Figure 5).

Figure 5: FY 2026/27 Deficit Financing



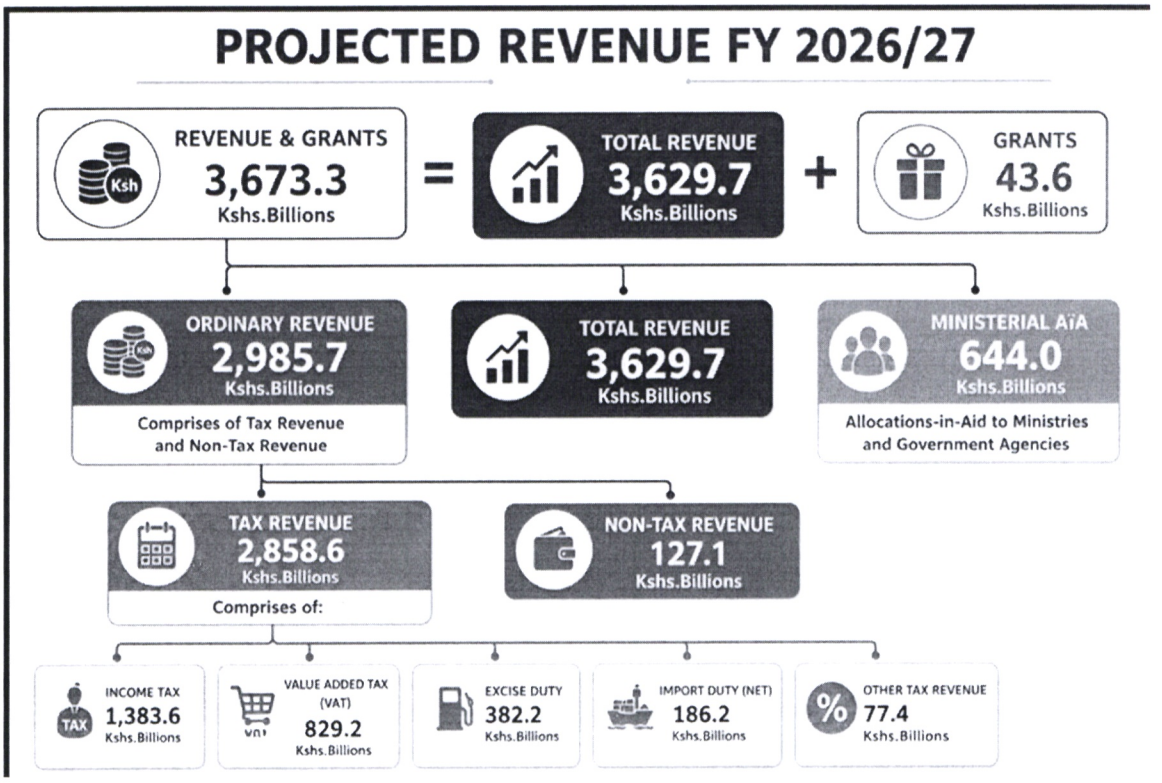
Source: National Treasury Data

41. The deficit of Kshs.1.11 trillion is expected to be financed mainly through domestic borrowing of Kshs.995.7 billion and external borrowing of Kshs.116.2 billion. This financing strategy is likely to increase pressure on domestic credit markets and underscores the need to strengthen revenue mobilization while containing expenditure growth to support fiscal sustainability.

3.4 Contribution of Fuel Taxes to the Resource Envelope in FY 2026/27

42. Tax revenue as in Figure 6 remains the main source of government financing at Kshs.2.86 trillion (95.7% of ordinary revenue), with Income Tax contributing Kshs.1.38 trillion, VAT Kshs.829.2 billion, and Excise Duty Kshs.382.2 billion.

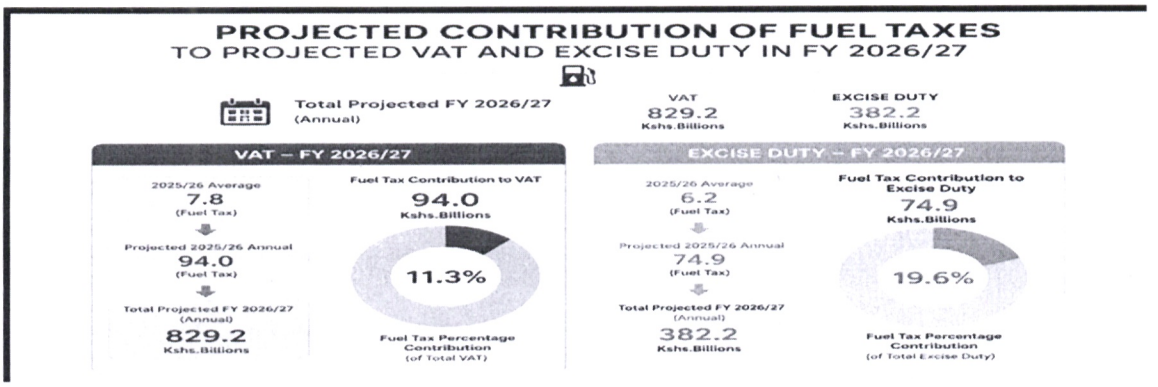
Figure 6: FY 2026/27 Resource Envelope



Source: National Treasury Data

43. As depicted in Figure 7, fuel taxes are projected to make a significant contribution to tax revenues in the FY 2026/27. Based on projected collections, fuel-related VAT is estimated at Kshs.94.0 billion, accounting for 11.3% of the total VAT target of Kshs.829.2 billion, while fuel-related Excise Duty is projected at Kshs.74.9 billion, representing 19.6% of the total Excise Duty target of Kshs.382.2 billion. This underscores the importance of petroleum products as a key source of government revenue and highlights the fiscal implications of any changes to fuel taxation policy.

Figure 7: Projected Fuel Taxes Contribution to VAT and Excise Duty for FY 2026/27



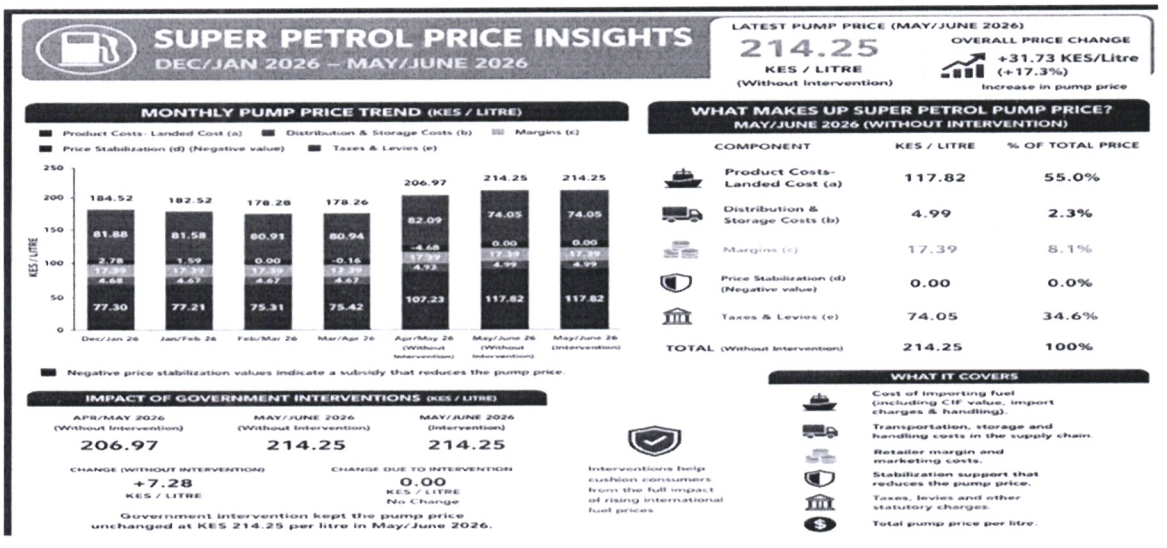
Source: National Treasury Data and PBO projections

3.5 Analysis of Fuel Pricing and Impact of Taxes and Levies Review

44. Fuel pricing in Kenya is determined by Energy Petroleum and Regulatory Authority (EPRA) using a cost build-up comprising: Landed cost (import price), taxes and levies (excise duty, Road Maintenance Levy, Petroleum Development Levy, Petroleum Regulatory Levy, Railway Development Levy, Merchant Shipping Levy, Import Declaration Fee, VAT), distribution and storage costs, margins (importer and dealer margins), and price stabilization.

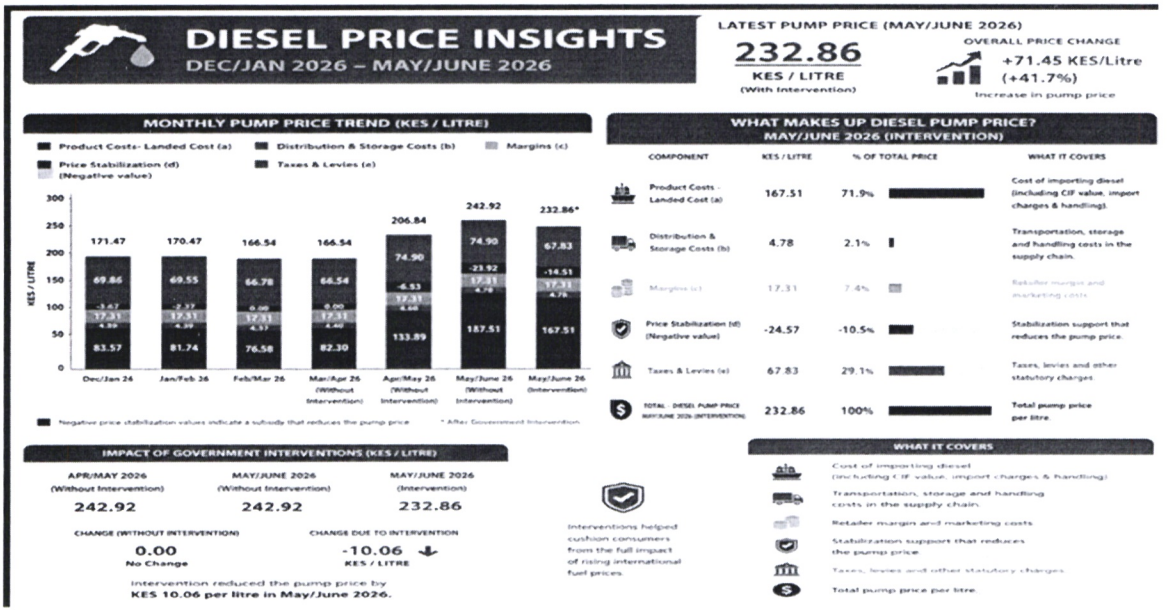
45. The structure of petroleum pricing (Figures 8-10) in Kenya is primarily driven by two dominant components: landing costs and taxes & levies, which together account for the bulk of the pump price, averaging approximately 102.2 percent across super petrol, diesel, and kerosene in May/June 2026 prices. Landed costs constitute the largest and most volatile component of the pricing structure, constituting about 55.0 percent for super petrol, 71.9 percent for diesel, and 90.2 percent for kerosene.

Figure 8: Super Petrol Prices Dec 25/Jan 2026-May/June 2026



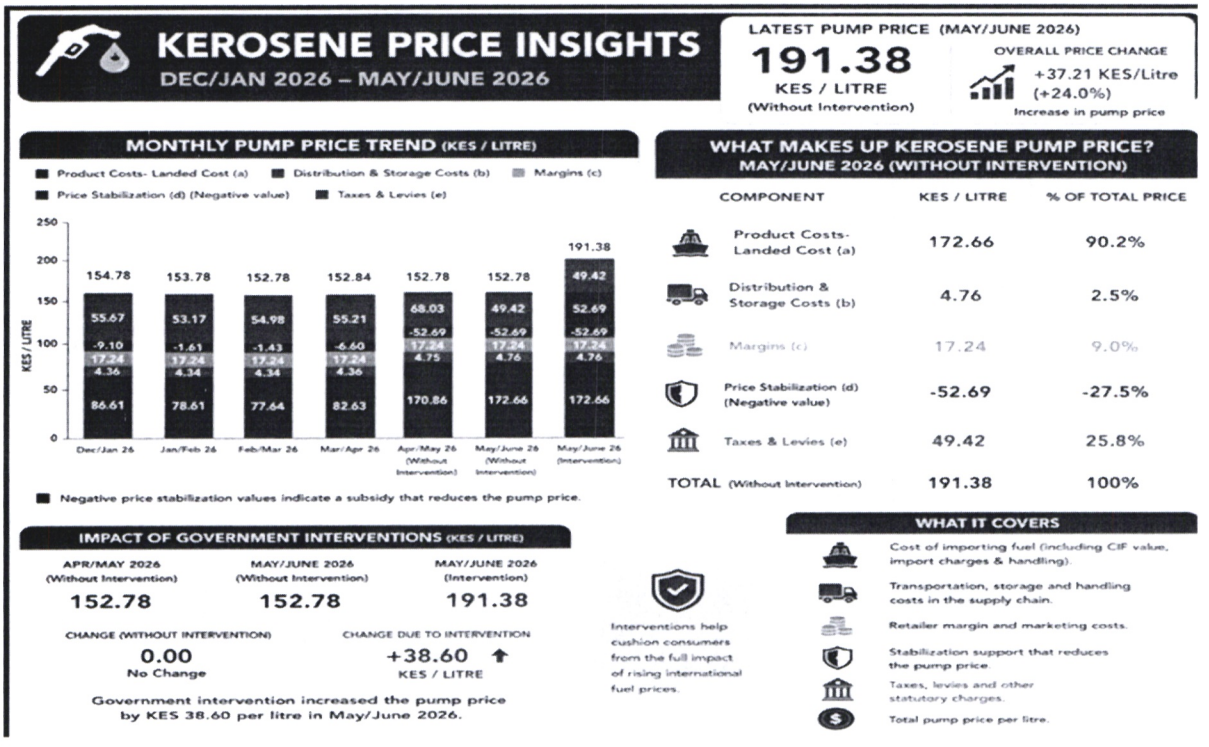
Source: EPRA Data

Figure 9: Diesel Prices Dec 25/Jan 2026-May/June 2026



Source: EPRA Data

Figure 10: Kerosene Prices Dec 25/Jan 2026-May/June 2026



Source: EPRA Data

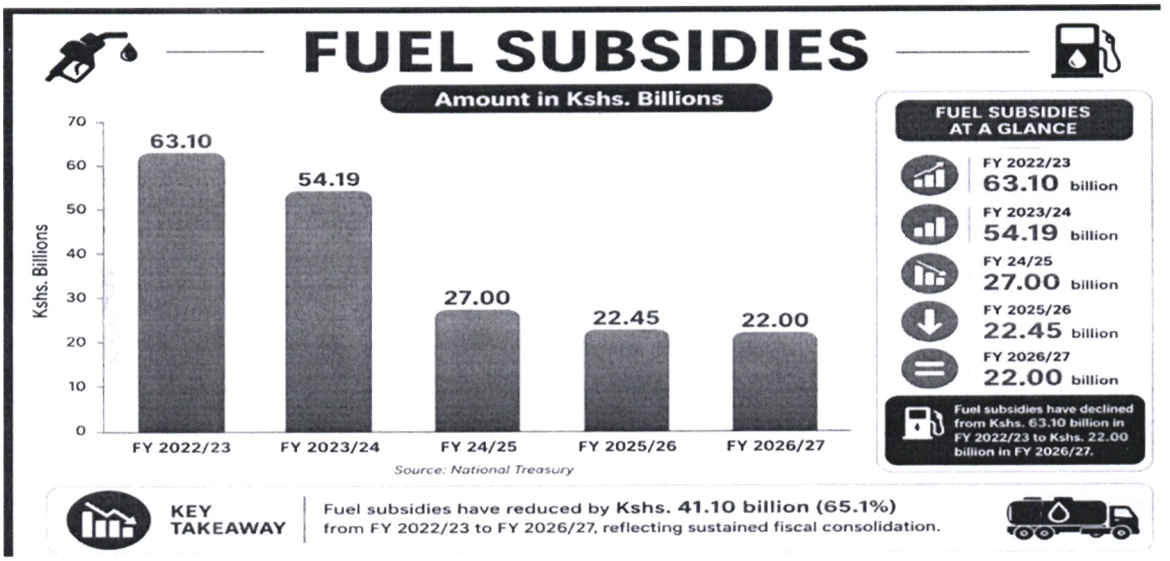
46. The analysis shows that changes in landed costs had a direct and significant impact on retail fuel prices. For instance, the reduction in diesel landed costs from Kshs.83.57 of the pump price in Dec/Jan 2026 to Kshs.76.58 in Feb/Mar 2026 contributed to a decline in the diesel pump price from Kshs.171.47 per litre

to Kshs.166.54 per litre, a decrease of Kshs.4.93 per litre. Similarly, the sharp increase in landed costs during Apr/May and May/June 2026 drove substantial upward pressure on all fuel products, with diesel, super petrol, and kerosene landed costs rising to Kshs.167.51, Kshs.117.82, and Kshs.172.66 per litre, respectively.

3.6 Fuel Subsidies Analysis

47. The Fuel Price Stabilization Mechanism played a critical cushioning role during periods of elevated international prices. As in Figures 8-10, stabilization support reached Kshs.52.69 per litre for kerosene, and Kshs.24.57 per litre for diesel during the May/June 2026 period, mitigating the full pass-through of higher import costs to consumers. Without these interventions, pump prices would have been significantly higher, particularly for kerosene and diesel, underscoring the importance of stabilization measures in protecting consumers from abrupt fuel price shocks.

Figure 11: Fuel Subsidies in Kenya



Source: National Treasury Data

48. As in Figure 11, budgetary allocations for fuel subsidies have declined from Kshs.63.1 billion in FY 2022/23 to Kshs.22.0 billion in FY 2026/27, the government continues to face substantial stabilization costs. In the April-May 2026 pricing cycle, the government spent Kshs.6.2 billion (28.2% of the annual allocation) to cushion consumers from higher fuel prices. At the rate, sustaining similar interventions over a full year require substantially more resources than currently budgeted.

49. Assuming stabilization costs average Kshs.6.2 billion per month pricing cycle, annual expenditure could reach approximately Kshs.74.4 billion, exceeding the FY 2026/27 allocation by about Kshs.52.4 billion. This suggests that the current allocation is only sustainable if international oil prices remain stable, or the government reduces the level of price support provided through the fuel stabilization mechanism. Accordingly, the continued reliance on fuel subsidies

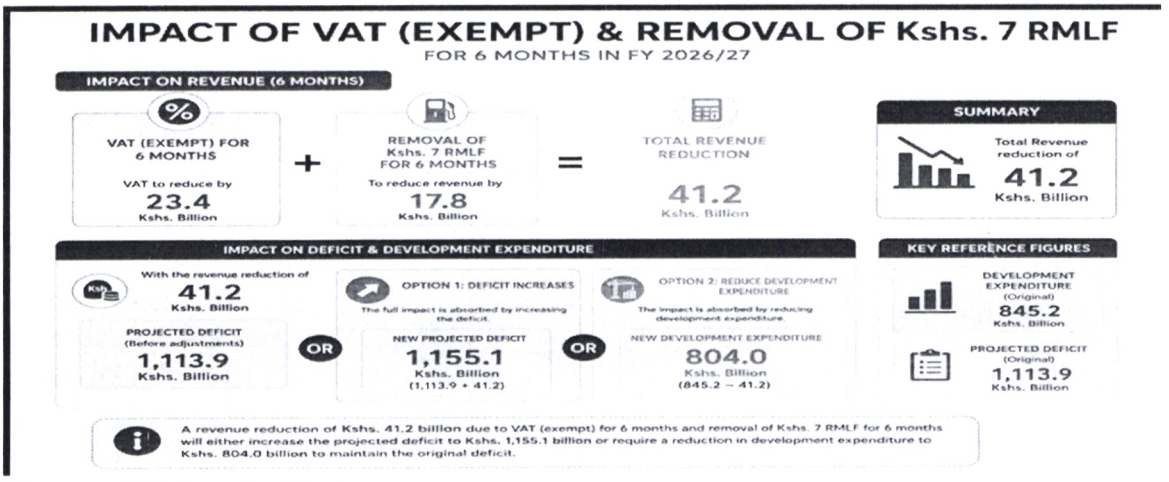
poses fiscal risks and highlights the need for a well-defined, adequately funded stabilization framework to ensure that consumer protection objectives are achieved without creating unbudgeted fiscal pressures.

3.6 Fiscal Impact of Fuel Taxes and Levies Review

50. Taxes and levies remained the second-largest component of the pump price structure, accounting for an average of between 25.8 and 34.6 percent of the retail price depending on the product (Figures 8-10). In May/June 2026, taxes and levies contributed Kshs.74.05 per litre for super petrol, Kshs.67.83 per litre for diesel, and Kshs.49.42 per litre for kerosene.

51. This highlights that any meaningful intervention to manage fuel price volatility or affordability must focus on one dominant component, i.e., taxation and levies which the government has control over. However, the benefits of lower fuel prices would need to be weighed against the significant fiscal implications. For instance, as in Figure 12, assuming a six-month VAT exemption and removal of the Kshs.7 RMLF levy would reduce government revenue by approximately Kshs.41.2 billion in FY 2026/27. This revenue loss would either increase the fiscal deficit from Kshs.1,113.9 billion to Kshs.1,155.1 billion or require a reduction in development expenditure from Kshs.845.2 billion to Kshs.804.0 billion to maintain the current deficit level.

Figure 12: Fiscal Implication of VAT Exempt and Kshs.7 RMLF Reduction on



Source: PBO projections

3.7 Comparative Analysis of Fuel Pricing: Kenya, Uganda, and Tanzania

52. The following analysis provides a detailed comparison of petroleum pricing structures in three East African Community (EAC) countries: Kenya, Tanzania, and Uganda. Using May 2026 data and converting all pricing components into Kenyan Shillings (KSh), the analysis examines how different tax policies particularly the use of Value Added Tax (VAT) and excise duty affect fuel prices.

53. The findings indicate that although the three countries are exposed to the same global fuel market conditions, the impact on domestic fuel prices differs

significantly due to variations in their fiscal and taxation frameworks. Based on these findings, a number of policy recommendations are proposed to support long-term reforms in the petroleum pricing structure.

3.7.1 Kenya

54. Kenya's pricing framework, regulated by the Energy and Petroleum Regulatory Authority (EPRA), utilizes a highly layered taxation model. Currently, taxes and levies constitute approximately 46% of the final pump prices. The distinguishing feature of the Kenyan system is its application of an 8% Value Added Tax (VAT).

55. This VAT is calculated not just on the landed cost of the fuel, but on the total sum of the base cost, distribution margins, and all fixed specific levies (such as the Road Maintenance Levy and Excise Duty). Consequently, when global base costs rise, the absolute tax burden expands proportionally, creating a compounding multiplier effect on retail prices.[1]

3.7.2 Tanzania

56. Tanzania utilizes a hybrid fiscal model regulated by the Energy and Water Utilities Regulatory Authority (EWURA). It applies a higher standard VAT rate of 18% but offsets this with lower base excise duties compared to Kenya.

57. However, due to the proportionality nature of its VAT, Tanzania's consumer prices are highly sensitive to global fluctuations. To counteract this, EWURA and the Ministry of Finance frequently bypass tax restructuring in favor of direct, massive per-litre subsidies particularly on diesel, which is currently receiving an intervention of over TZS 534 per litre (Ksh 26.35) to shield the manufacturing and agricultural sectors.[2]

3.7.3 Uganda

58. Uganda operates a tranquil fuel market in which retail pump prices are determined by Oil Marketing Companies (OMCs), while the wholesale supply of petroleum products is largely coordinated by the Uganda National Oil Company (UNOC). The country has adopted a distinct taxation approach by exempting petroleum products from Value Added Tax (VAT) and instead relying on fixed excise duties to generate government revenue.

59. Since the excise duty is charged as a fixed amount per litre rather than as a percentage of the fuel cost, the tax burden remains stable even when global oil prices increase. This limits the impact of international price fluctuations on domestic fuel prices and prevents government tax collections from rising

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[1] Energy and Petroleum Regulatory Authority (EPRA). (2026). Monthly petroleum prices schedule - May/June 2026 cycle. Republic of Kenya. Retrieved from https://www.epra.go.ke/services/petroleum/petroleum-prices/

[2] Energy and Water Utilities Regulatory Authority (EWURA). (2026). Monthly Cap Prices for Petroleum Products (Notice 05/01). Retrieved from https://www.ewura.go.tz

automatically during periods of high oil prices. As a result, Uganda has been able to maintain relatively lower pump prices compared to some countries in the region, despite the additional transportation costs associated with being a landlocked importer.[3]

3.7.4 Standardized Price Comparison

60. The table below shows that fuel prices in Kenya, Tanzania, and Uganda are influenced by differences in landed fuel costs, taxes, and market margins. Kenya has the highest pump price at KSh 214.25 per litre due to its higher landed cost and substantial taxes and levies. Tanzania's pump price is lower at KSh 193.98 despite having the highest tax burden, largely because of its lower landed cost. Uganda records the lowest pump price at KSh 188.86, supported by its exemption of petroleum products from VAT, although it has the highest logistics and OMC margins. Overall, the comparison demonstrates that taxation policies and supply chain costs play a significant role in determining fuel prices across the three countries.

Figure 11: Super Petrol Breakdown (Per Litre)

Cost Component	Kenya (EPRA)	Tanzania (EWURA)	Uganda (URA)
Landed / Border Cost	KSh 122.80	KSh 105.91	KSh 89.28
Total Taxes & Levies	KSh 59.06	KSh 72.10	KSh 56.66
VAT	KSh 10.61 (8%)	KSh29.55(18%)	Exempt (0%)
OMC/Logistics Margins	KSh 12.39	KSh 15.97	KSh 42.92
Final Pump Price	KSh 214.25	KSh 193.98	KSh 188.86

[3] Uganda Revenue Authority (URA). (2026). Excise duty (Amendment) Act 2026 and petroleum exemptions. Ministry of Finance, Planning and Economic Development, Republic of Uganda. Retrieved from https://ura.go.ug/en/domestic-taxes/excise-duty/5

The comparison of fuel pricing in Kenya, Tanzania, and Uganda shows broadly similar landed costs in Kenya and Tanzania at KSh 172.29 and KSh 176.80 per litre respectively, while Uganda records a much lower landed cost of KSh 133.14. However, Kenya stands out with the highest taxes and levies at KSh 67.83 per litre compared to Tanzania's KSh 46.50 and Uganda's KSh 41.21. These differences reflect contrasting policy approaches, where Kenya and Tanzania rely partly on emergency subsidies (KSh 25.43 and KSh 26.35 per litre respectively), while Uganda does not subsidize fuel but instead absorbs volatility through a higher OMC and logistics margin structure.

At the corrected Kenyan diesel pump price of KSh 232, the fiscal burden on the government becomes more pronounced due to the compounding effect of ad valorem VAT, which amplifies the tax base as global crude prices rise. To maintain the pump price at this level, the government deployed a subsidy of about KSh 25.43 per litre from the Petroleum Development Levy, placing Kenya's intervention nearly at par with Tanzania's subsidy level.

Figure 12: Diesel Breakdown & Subsidies (Per Litre)

Cost Component	Kenya (EPRA)	Tanzania (EWURA)	Uganda (URA)
Landed/Border Cost	KSh 172.29	KSh 176.80	KSh 133.14
Total Taxes& Levies	KSh 67.83	KSh 46.50	KSh 41.21
OMC/Logistics Margins	KSh 17.31	KSh 16.50	KSh 35.30
Emergency Gov.Subsidy	Ksh 25.43	KSh 26.35	KSh 0.00
Final Pump Price	Ksh 232	KSh 213.45	KSh 209.65

3.7.5 Strategic Recommendations for Kenya

63. Currently, the 8% VAT in Kenya is applied on the combined total of the landed cost and all specific levies, such as the Road Maintenance Levy Fund (RMLF) and Excise Duty, effectively creating a "tax on a tax" situation.

64. Amending the VAT Act so that the 8% is charged only on the landed and distribution costs, excluding state levies from the taxable base, would help lower pump prices immediately while still protecting revenue flows to key infrastructure funds.

65. Drawing from Uganda's approach, Kenya should consider reducing its reliance on percentage-based taxes such as VAT within the energy sector and instead place greater emphasis on specific excise duties. Unlike percentage-based taxes, specific taxes remain fixed in monetary terms, meaning they do not rise automatically when global crude prices increase. This helps to cushion consumers by preventing the tax burden from escalating during periods of high international fuel prices, thereby offering a more stable and predictable pricing structure.

66. While the Petroleum Development Levy (PDL) is currently being effectively used to subsidize diesel and reduce prices, its application is still subject to case-by-case decision-making. To improve predictability in the market, its use should be guided by clear, rules-based mechanisms. Introducing defined causes such as automatically releasing subsidies when the global Murban crude index rises above a set moving average would give manufacturers and oil marketing companies greater certainty, support better planning and help stabilize inflation.

CHAPTER FOUR

COMMITTEE PROCEEDINGS

67. On diverse dates between April and May 2026, the Committee received oral and written submissions from key institutions involved in the petroleum supply chain, including the Ministry of Energy and Petroleum (MOEP), the Ministry of Investments, Trade and Industry (MITI), the Kenya Revenue Authority (KRA) the Kenya Ports Authority (KPA), the Kenya Pipeline Company (KPC), Oryx Energies Limited, SUPPLYCOR, and One Petroleum Limited. The Committee also undertook a comprehensive review of applicable laws, regulations, policies, operational procedures, and market conditions affecting the sector.

68. A schedule of the Committee's meetings in relation to the same has been annexed to this report as ***Annex 3.***

69. The following section provides a summary of the submissions presented before the Committee by the various stakeholders.

1.1 The Ministry of Energy and Petroleum

70. In their submission the Ministry of Energy and Petroleum (MOEP) stated that the cargoes associated with One Petroleum Limited and Oryx Energies were not imported under the Government-to-Government (G-to-G) fuel importation framework. He stated that fuel importation is governed by the Petroleum Act, 2019 and the Petroleum (Importation) Regulations, 2023, which provide for importation either through the G-to-G arrangement or the Open Tendering System (OTS).

71. On reports that the 60,000 metric tonne PMS cargo aboard MT *Paloma* followed a successful bid by One Petroleum pursuant to an emergency fuel request, the Cabinet Secretary informed the Committee that, the Cabinet Secretary informed the Committee that, following an assessment undertaken by a technical team, a supply position brief was prepared recommending that the offer by One Petroleum Limited for the supply of 60,000 metric tonnes of PMS be considered as a contingency cargo to shore up national fuel stocks. He stated that the recommendation was subsequently submitted to the Principal Secretary for Petroleum for consideration and approval.

72. The Cabinet Secretary further informed the Committee that, during a Vessel Alignment Committee meeting held on 18th March 2026, it was noted that MT *Elka Apollon*, which had loaded PMS cargo at Jebel Ali, was unable to transit the Strait of Hormuz. He stated that PMS stock levels were low and that the next scheduled cargo was expected between 3rd and 5th April 2026, necessitating immediate replenishment of stocks. Consequently, proposals were invited from Oil Marketing Companies for the supply of an emergency PMS cargo to bridge the anticipated supply gap. Subsequently, proposals were received from Hass Petroleum, Oryx Energies, E3 Energies and One Petroleum Limited.

73. He further stated that the proposals were evaluated based on the following criteria: Open Tender System (OTS) Terms and Conditions (2023) save for payment currency being USD for the entire Cargo; quantity - 35kt -85kt, bidders to indicate the delivery vessel size in the bid and the split where applicable; delivery date range - 28/03 - 02/04/2026, with a preference for delivery 28-30/03/2026; Receiving Terminal - KOT II; and, pricing month - as per the OTS.

74. He noted that petroleum imports are governed by the Petroleum (Importation) Regulations, 2023, which provide for importation either through the G-to-G arrangement or the Open Tendering System. In this case, the procurement was undertaken outside the G-to-G framework.

75. On the rejection and subsequent recall of the MT *Paloma* cargo, the Cabinet Secretary informed the Committee that, upon delivery of the contingency cargo, it was noted that the consignment had been imported into the country outside the procedures set out under the Government-to-Government (G-to-G) contractual framework, thereby necessitating its rejection and subsequent recall. He nevertheless noted that the cargo had been discharged into the Kipevu Oil Storage Facility (KOSF) following completion of the requisite discharge procedures. He further stated that, following the recall of the cargo, Oil Marketing Companies were directed neither to pay for nor uplift any product from the consignment, while One Petroleum Limited was directed to remove the product from the country. The Cabinet Secretary added that the Energy and Petroleum Regulatory Authority (EPRA) had been directed to exclude the product from the April–May 2026 pricing cycle and any subsequent pricing cycles.

76. Subsequently, the Ministry had engaged G-to-G suppliers to provide medium-range cargoes to bridge the shortfall occasioned by the withdrawal of the One Petroleum cargo. He further stated that there was no financial exposure to the Government as the product had not been factored into the April–May 2026 pricing cycle or any subsequent pricing cycle. The Cabinet Secretary informed the Committee that the country remained adequately stocked and reported stock cover of 25 days for PMS, 22 days for AGO and 20 days for Jet A-1 fuel as of 5th May 2026.

77. He noted that the Ministry had maintained engagement with G-to-G suppliers and had firmed up imports between May and July 2026. He further stated that the Petroleum Development Levy had been deployed to stabilize pump prices and cushion consumers from price volatility. Additionally, he informed the Committee that EPRA was undertaking surveillance and enforcement activities across the country and had issued show-cause letters to Oil Marketing Companies suspected of engaging in malpractices.

78. On the measures being undertaken under the Government-to-Government (G-to-G) procurement framework to mitigate price shocks and rising supply chain costs, the

Cabinet Secretary informed the Committee that the Master Framework Agreements governing G-to-G imports provide for agreed fixed freight and premium charges, which have helped mitigate increases in the cost of delivering petroleum products into the country. He further stated that the G-to-G arrangement does not restrict suppliers to a single sourcing region and allows them to source products from alternative markets where necessary. The Cabinet Secretary added that the framework enhances operational flexibility by allowing cargoes to be called in based on prevailing demand and ullage availability, thereby minimizing demurrage charges.

1.2 The Ministry of Investments, Trade and Industry (MITI)

79. The Ministry of Investments, Trade and Industry (MITI) informed the Committee that its submission addressed the Ministry's role in the petroleum sector incident, specifically clarifying the circumstances under which it granted a regulatory waiver for off specification fuel imported by One Petroleum Limited aboard MT Paloma.

80. The Cabinet Secretary told the Committee that on 28th March 2026 the Ministry issued a letter granting a conditional waiver for 68,000 metric tonnes of Premium Motor Spirit (PMS) which deviated from national standards with respect to oxygenates, manganese, sulphur and benzene. He stated that the action was taken pursuant to Section 9(3) of the Standards Act, Cap. 496, which empowers the Cabinet Secretary to exempt products from standard compliance where it is temporarily impossible to comply and where making the product available is in the public interest.

81. The Cabinet Secretary further informed the Committee that the justification for invoking this emergency provision was based entirely on official communications received from the Principal Secretary, State Department for Petroleum, dated 26th and 27th March 2026. He noted that these communications warned of an imminent national fuel stock out exacerbated by global marine disruptions in the Middle East. The Cabinet Secretary stated that the Ministry did not independently verify the national stock data but relied on the State Department for Petroleum as the authoritative source for national fuel inventory.

82. He emphasised that the waiver constituted a controlled regulatory response rather than a blanket relaxation of safety standards. Consequently, the Ministry imposed six strict conditions before any release of the fuel into the market. These conditions were:

    i. the PMS aboard MT Paloma to be subjected to full destination inspection by the Kenya Bureau of Standards (KEBS) to ensure compliance with all other requirements of KS EAS 158:2025 beyond the parameters waived;
    ii. the PMS to be commingled with existing compliant stock to mitigate elevated manganese concentrations through dilution;
    iii. Kenya Pipeline Company Limited, in conjunction with the Energy and

Petroleum Regulatory Authority (EPRA), to control distribution of the commingled PMS pending arrival of the next compliant consignments, which were to be used to further dilute and mitigate excess manganese;

iv. the Ministry of Energy and the State Department for Petroleum to ensure that the next two scheduled PMS consignments were fully compliant with KS EAS 158:2025;

v. the importer to provide written confirmation that Methyl Tertiary Butyl Ether (MTBE) oxygenates were absent from the consignment; and,

vi. the importer to indemnify KEBS against any unforeseen consequences arising from the waiver, thereby providing financial and legal safeguards for the institution and the public.

83. The Cabinet Secretary informed the Committee that the MT Paloma consignment remained under the controlled handling framework and that the statutory destination inspection by KEBS was still ongoing. He added that, because the Ministry of Energy and Petroleum had not formally confirmed that all attached conditions (including successful commingling and final KEBS testing) had been fully met, the Ministry of Investments, Trade and Industry regarded the waiver as conditional and not fully operationalised. Finally, the Cabinet Secretary stated that, because the waiver was issued lawfully under the Standards Act, the Ministry had not opened internal investigations nor taken disciplinary measures against its officers.

4.3 The Kenya Pipeline Company

84. The Kenya Pipeline Company PLC (KPC) informed the Committee that its submission addressed queries on KPC's operational status, fuel supply data, downstream market shortages, and the handling of sub-standard petroleum products during the recent supply disruptions.

85. The Managing Director told the Committee that KPC's core mandate is the safe and efficient transportation of refined petroleum across a 1,342-kilometre pipeline network with an annual throughput capacity of 14 billion litres. He stated that, following the resignation of the Chief Executive Officer, the KPC Board convened a special sitting on 8th April 2026 and appointed an Acting Managing Director to ensure operational continuity and maintain stakeholder confidence.

86. The Managing Director further informed the Committee that KPC had provided a detailed overview of petroleum demand between May 2025 and April 2026, noting that Automotive Gas Oil (AGO/Diesel) consistently recorded the highest consumption, followed by stable demand for Motor Spirit Premium (MSP/Petrol). He stated that KPC maintained adequate stock cover across its facilities throughout the crisis. Specifically, as of 8th April 2026, the KPC system held 14 days of stock cover for PMS and 13 days for AGO. Relying on these figures, he asserted that KPC had not experienced any internal product shortages.

87. He emphasised that the fuel scarcity reported by Oil Marketing Companies (OMCs)

and members of the public related to downstream market dynamics and stock holdings outside KPC infrastructure, which fall outside KPC's operational mandate and regulatory oversight.

88. A significant portion of the submission addressed the reception of off specification petroleum. The Managing Director informed the Committee that while KPC maintains a strict policy of rejecting substandard fuel, the company recorded a major deviation on 7th March 2026 involving the vessel MT Paloma. He stated that the vessel had imported 60,200.813 metric tonnes of PMS with a sulphur content of 43 parts per million (ppm), exceeding the international requirement of 10 ppm. He noted that the non-compliant cargo was permitted into the system because it was covered by a regulatory waiver issued by the Ministry of Investments, Trade and Industry on 28th March 2026. He further stated that the cargo owner had subsequently been instructed to remove the off-spec product from the KPC system.

89. The Managing Director informed the Committee that KPC handles significant transit volumes for neighbouring countries and that, while the system experienced occasional stock imbalances and variable aviation fuel supply, these were mitigated through strategic stock positioning. He clarified that the management and operationalization of Kenya's strategic petroleum reserves are the exclusive responsibility of the State Department for Petroleum, not KPC.

90. In its submission KPC sought to limit its exposure to liabilities arising from the crisis by attributing downstream shortages to sector regulators and OMCs. The submission placed primary responsibility for the admission of the MT Paloma cargo on the regulatory waiver issued by the Ministry of Investments, Trade and Industry. The company also reported that the importer had been instructed to remove the product from the KPC system.

91. The Committee noted, however, that once large volumes of petroleum are discharged into and commingled within the national pipeline and storage network, isolating and physically extracting a specific non-compliant batch presents significant technical and logistical challenges. This raised concerns about a potential disconnect between governmental directives and the operational realities of pipeline management.

1.3 The Kenya Ports Authority

92. The Kenya Ports Authority (KPA) informed the Committee that its submission provided an official account of the Authority's role during the petroleum supply operations at the Port of Mombasa, detailing the port timeline for the vessel MT Paloma and addressing queries on port capacity, congestion and cargo handling mandates.

93. The Director General told the Committee that KPA's primary responsibility is to provide port infrastructure support and safe maritime passage, and that downstream product management is the responsibility of other state corporations. He stated that, according to official port records and the inward cargo manifest submitted by

Sturrock Shipping (Kenya) Limited, MT Paloma arrived at the outer port limit on 27th March 2026 at 0230 hours. The vessel was declared to be carrying 60,200.813 metric tonnes of Premium Motor Spirit (PMS), split between 48,715 metric tonnes for local consumption and 11,485.813 metric tonnes in transit to regional markets, including South Sudan and the Democratic Republic of Congo.

94. He further informed the Committee that KPA pilots boarded the vessel at 1750 hours on the day of arrival and that the tanker was brought alongside Berth No. 1 at the Second Kipevu Oil Terminal (KOT II) at 2042 hours. KPA logs confirmed that discharge of the cargo was completed on 30th March 2026 at 1212 hours, after which the vessel settled final port charges and sailed later that evening.

95. The Managing Director stated that once a tanker berths at KOT II, all subsequent cargo discharge operations and technical workflows are managed by the Kenya Pipeline Company (KPC). Consequently, KPA indicated that it had no visibility of the quality checks, licensing or commercial arrangements undertaken by KPC or the State Department for Petroleum.

96. He also informed the Committee that KPA does not hold mid to long term import schedules under the Government to Government (G2G) framework, noting that the Authority maintains only a rolling 14 day expected vessel list for logistical planning purposes. To demonstrate port efficiency, he stated that between 1st March and 12th April 2026 the Port of Mombasa handled 19 tanker vessels carrying refined petroleum products, including petrol, diesel, kerosene and aviation fuel.

97. The Managing Director highlighted that the commissioning of the ultra-modern Kipevu Oil Terminal II in August 2022, which features three berths capable of handling three tankers simultaneously, had eliminated port side vessel congestion. He noted that tankers are now able to berth immediately upon arrival, thereby minimizing demurrage costs attributable to port delays, provided vessels meet prerequisites set by other regulatory bodies.

98. KPA's submission provided a neutral operational timeline which confirmed that MT Paloma fully discharged its 60,200.813 metric tonnes of PMS between 28th and 30th March 2026, thereby corroborating KPC's account that the cargo was offloaded and countering any suggestion that the vessel was recalled or turned away at the port before discharge.

99. Finally, the Managing Director observed that the port authority's limited mandate and the absence of a consolidated data flow across state corporations created a siloed operational environment. While this position insulated KPA from liability for the controversy over off specification fuel and emergency procurements, it exposed a systemic governance gap where no single entity retains comprehensive oversight of emergency oil shipments as they move from sea to land.

1.4 The Kenya Revenue Authority

100. The Kenya Revenue Authority (KRA) informed the Committee on 4th June 2026 that its submission set out the Authority's role in the petroleum supply chain and the recent fuel supply disruptions.

101. The Ag. Commissioner General told the Committee that KRA's statutory mandate is confined to trade facilitation, customs clearance, transit control, and the assessment and collection of taxes and levies. She stated that KRA is not involved in the procurement of petroleum nor the management of the Government to Government (G to G) importation framework, which remains the responsibility of the Ministry of Energy and Petroleum.

102. She further informed the Committee that KRA only processes and releases imported petroleum products for the local market after they have been cleared for quality by Partner Government Agencies, principally the Kenya Bureau of Standards (KEBS).

103. The Commissioner General explained the standard operating procedure for petroleum imports, noting that KRA's Integrated Customs Management System (iCMS) is interfaced with the systems of the Kenya Ports Authority (KPA) and the Kenya Pipeline Company (KPC). He stated that once fuel is discharged and an outturn report issued, Oil Marketing Companies (OMCs) self-assess and pay the applicable taxes, which must be cleared within five days of entry. He added that the recent fiscal change reducing the Value Added Tax (VAT) rate from 16% to 8% resulted in a revenue shortfall of Kshs 1.82 billion for April 2026 alone.

104. On operational details of the MT Paloma consignment, the Ag. The Commissioner General informed the Committee that, according to KRA records, the vessel berthed on 28th March 2026 and completed discharge on 30th March 2026. She stated that the total quantity discharged comprised 66.2 million litres of Premium Motor Spirit (PMS) for the local market and 15.5 million litres designated for transit. She noted that the cargo had been approved by KEBS and that taxes amounting to Kshs 5.09 billion had been paid in respect of the consignment.

105. Regarding the recall of the cargo, the Commissioner General told the Committee that KRA became aware of the matter on 7th April 2026 following a press release by the Ministry of Energy and Petroleum restricting the MT Paloma cargo from the local market on the grounds that it had been procured outside the G to G framework. She stated that, on 14th April 2026, the Ministry formally directed that the product be re consigned to the transit market. Consequently, KRA cancelled the local customs entries and arranged for the Kshs 5.09 billion in taxes paid by OMCs to be applied against future vessel declarations.

106. The Committee observed that KRA's submission exposed apparent inconsistencies in the government's account of the emergency procurement. KRA's

records that KEBS had approved the cargo and that taxes had been collected conflict with the Ministry of Investments, Trade and Industry's assertion that the consignment was chemically off specification (notably high in sulphur and manganese), that a conditional waiver had been issued, and that destination testing by KEBS was still ongoing. The Committee noted that if KEBS testing were still incomplete or if release depended on conditional measures, KRA would not have been able to process, tax and clear the cargo for local distribution without system authorization.

107. The Committee further noted that, contrary to earlier statements by the Ministry of Energy and Petroleum that there was no financial exposure to the Government, KRA's account confirmed that OMCs had remitted Kshs 5.09 billion in taxes in respect of the consignment. The subsequent reversal and reallocation of these tax entries therefore represent significant administrative and financial implications.

4.6 Oryx Energies

108. The Committee received a submission from Oryx Energies Kenya Limited dated 13th April 2026, which set out the company's involvement in an emergency procurement process initiated by the Ministry of Energy and Petroleum (MOEP) for Premium Motor Spirit (PMS).

109. The Managing Director told the Committee that the procurement request originated on 19t March 2026 when the MOEP directly emailed Oryx Energies requesting an urgent proposal for the supply of PMS. She stated that the company was placed on a compressed timetable and given two hours and nineteen minutes to submit a formal bid, which it met. The bid was submitted under the Open Tender System (OTS) terms with a modification requiring the entire cargo to be paid in United States Dollars.

110. He further informed the Committee that on 25th March 2026 MOEP accepted Oryx Energies' proposal for 60,000 metric tonnes of PMS and that, on 27th March 2026, a further offer for 36,000 metric tonnes was similarly accepted under the same terms.

111. The Managing Director explained the rationale for the company's pricing, noting that Oryx Energies tendered a premium of USD 253.94 per metric tonne compared with the standard Government to Government (G to G) premium of USD 84.00 per metric tonne. She attributed the higher premium to severe global supply chain disruptions caused by the Middle East conflict, including obstruction risks in the Strait of Hormuz, vessel rerouting around the Cape of Good Hope, acute tanker scarcity, and sharply increased marine and war risk insurance costs. To corroborate the pricing environment, he stated that comparative data showed neighbouring Tanzania procured emergency supplies at premiums between USD 271 and USD 284 per metric tonne during the same period.

112. The Managing Director informed the Committee that operational execution was disrupted when MOEP emailed a cancellation of the offer on 31st March 2026. She

noted that this cancellation occurred only hours before the first scheduled vessel, MT Seaways Milos, arrived in Mombasa and tendered its Notice of Readiness to discharge on 1st April 2026.

113. The Committee was further informed that Oryx Energies formally rejected the cancellation by letters dated 3rd April and 9th April, 2026 on the grounds that binding contractual obligations had been created and that the termination conflicted with the exclusive termination provisions contained in the OTS terms. She added that the late cancellation left the company in a materially difficult commercial position with its suppliers, and that Oryx Energies reserved its legal rights while urging the Ministry to accept delivery of the contracted product.

114. The Committee's analysis of the submission noted that the procurement process exhibited extreme urgency followed by an abrupt and contestable termination. Oryx Energies provided a documented chain of correspondence demonstrating that each stage of its involvement, including the sourcing of an additional cargo and vessel, was solicited and accepted by the competent authorities within MOEP. By cancelling delivery while the first vessel was already en route and had tendered readiness to discharge, the Ministry appeared to have terminated an agreement without articulated operational or legal justification. This sequence of events exposed the Ministry to potential financial and legal liability and risked undermining private sector confidence to participate in future emergency procurements.

4.7 One Petroleum Limited

115. On the 14th of April 2026 the Committee received submissions from One Petroleum Limited on the company's involvement in an emergency procurement of Premium Motor Spirit (PMS) and with regards to the national fuel supply disruptions.

116. Regarding how the Company became aware of the emergency fuel request, including the mode of communication used and whether the request was publicly issued or selectively transmitted, One Petroleum informed the Committee that several industry and sector coordination meetings, including Vessel Alignment Committee (VAC) engagements, were held between 8th and 18th March 2026 during which concerns regarding petroleum stock positions, supply security and anticipated shortages were discussed.

117. The Company stated that on 19th March 2026 it received formal correspondence from the Ministry of Energy and Petroleum inviting it to submit a proposal for the supply of between 35,000 and 85,000 metric tonnes of Premium Motor Spirit (PMS) under an accelerated supply arrangement. It further stated that the communication was transmitted electronically through the official email of the State Department for Petroleum. The Company informed the Committee that it understood the request to have arisen from urgent concerns relating to petroleum supply continuity amid prevailing geopolitical disruptions affecting global and regional supply chains. The Company further noted that subsequent disclosures by Oryx Energies Kenya Limited indicated that the Ministry had similarly initiated direct requests for

proposals to other suppliers during the same period. However, it stated that it was not in a position to confirm whether the request had been publicly issued to all market participants or selectively transmitted to specific firms.

118. On the tendering and procurement process, One Petroleum informed the Committee that the Ministry convened an industry meeting on 18th March 2026 to review petroleum stock positions and deliberate on the need to shore up operational stock reserves in light of ongoing geopolitical tensions in the Middle East and the reported closure of the Strait of Hormuz. Subsequently, on 19th March 2026, the Ministry invited four bidders, including One Petroleum Limited, to submit proposals on the same day for the supply of additional petroleum products intended to bolster stock reserves for Kenya and the region. The Company stated that it understood the proposal process to have arisen from concerns regarding anticipated supply shortfalls and the ability of scheduled supply arrangements to meet national demand within the required timelines.

119. The Company further informed the Committee that the invitation specified that the applicable procurement framework would be the Open Tender System (OTS) Terms and Conditions (2023), save for the requirement that payment be made in United States Dollars. It stated that bidders were required to deliver between 35,000 and 85,000 metric tonnes of product to KOT II between 28th March and 2nd April 2026, with preference given to deliveries on 28th March 2026. One Petroleum informed the Committee that it received the invitation on 19th March 2026 and was required to submit its proposal the same day. The Company stated that it subsequently engaged its international trading counterparts and secured a vessel within approximately three days, after which a laycan date was identified and communicated.

120. Following receipt of the invitation, One Petroleum identified and secured a vessel owned by BP that was en route to Angola and was able to secure the shipment within approximately three days owing to the vessel's proximity to the Kenyan coast and the Company's existing commercial relationships in the international petroleum market.

121. The Company further informed the Committee that certain specification parameters of the consignment relating to oxygenates, manganese, sulphur and benzene did not align with the Kenyan standards then in force. However, it stated that the product conformed to standards applicable in several Southern African markets and substantially aligned with standards previously applicable in Kenya between 2019 and 2025. The Company further indicated that it disclosed the specifications and composition of the cargo to the Ministry of Energy and Petroleum and that the Ministry subsequently sought a temporary regulatory waiver through the Ministry of Investments, Trade and Industry and that temporary regulatory waivers had subsequently been sought through the Ministry of Investments, Trade and Industry pursuant to Section 9(3) of the Standards Act.

122. One Petroleum confirmed that its vessel arrived on 27th March 2026 and was subsequently discharged through the Kenya Pipeline Company system. The Company further stated that the product was commingled with existing stocks as part of the operational and technical handling process and described such commingling and blending processes as recognised industry practices.

123. On the exact nature of the alleged breach communicated to the Company, One Petroleum informed the Committee that no formal determination of breach, illegality or regulatory non-compliance had been communicated to it through official Government channels. The Company stated that it became aware of the alleged breaches principally through media reports, public statements and subsequent public discourse. It further maintained that it had acted transparently, disclosed all relevant cargo specifications and participated in the process in reliance upon formal Government communications and approvals. On the decision to recall the cargo and its final disposition, One Petroleum informed the Committee that, following consultations and engagements with relevant Government authorities, it took steps to suspend market entry and pursue alternative commercial arrangements for the cargo.

124. On the pricing of the cargo and any differential between the Company's offer and prevailing G-to-G rates, One Petroleum informed the Committee that the pricing reflected prevailing international market conditions during a period of exceptional geopolitical disruption affecting petroleum supply chains. The Company stated that the pricing incorporated benchmark market pricing, FOB premiums, freight and logistics costs, marine and war-risk insurance, financing and liquidity costs, emergency sourcing premiums and operational risk allocations associated with accelerated cargo mobilization.

125. The Company further informed the Committee that tanker availability had tightened, freight costs had escalated, insurance premiums had increased and petroleum premiums across regional spot markets had risen substantially above ordinary G-to-G pricing benchmarks during the material period. It therefore submitted that comparisons between emergency procurement pricing and ordinary G-to-G pricing should be considered within the context of the prevailing market conditions.

126. On financial losses arising from the transaction, One Petroleum informed the Committee that it had incurred substantial commercial losses arising from vessel and storage charges, financing costs, demurrage exposure, insurance and logistics expenses, as well as disrupted downstream supply arrangements. The Company further stated that it continued to incur storage charges within the Kenya Pipeline Company system and losses associated with disrupted transit market sales arrangements.

127. The Company further informed the Committee that it was not responsible for determining the applicability, suspension or modification of the Government-to-Government procurement framework and that it participated in the process in

reliance upon formal Government communications and engagements. One Petroleum maintained that any determination as to whether deviations existed from the ordinary G-to-G framework fell within the mandate of the relevant Government authorities responsible for the procurement structure and policy framework.

128. On whether any penalties, claims or liabilities had arisen from the transaction, One Petroleum informed the Committee that no penalties or formal liabilities had been imposed on the Company by the Government. It further stated that it had not initiated formal claims against the Government but reserved all contractual and legal rights arising from the matter.

4.8 SUPPLY COR

129. The Committee met with the Oil Industry Supply Coordination Committee (SUPPLYCOR) on Thursday, 23rd April 2026, to receive its submission on industry coordination and petroleum supply during the period under review. SUPPLYCOR informed the Committee that it is an industry coordination body established under the Petroleum Act and the Petroleum (Importation) Regulations, 2023, mandated to liaise with the Ministry responsible for petroleum, KPC, operators of common user facilities and other agencies, to consolidate G to G volume requirements, compile stock levels for EPRA, and aggregate marketers' import nominations for use by the Ministry of Energy and Petroleum.

130. On stock levels, SUPPLYCOR reported that it had compiled total in tank balances for February and March 2026 from KPC and private depots, covering PMS, AGO and Jet A 1/Illuminating Kerosene. It stated that these stocks are commingled for all Oil Marketing Companies and serve both local and transit markets, and that daily balance data were attached to its memorandum.

131. On vessel movements, SUPPLYCOR submitted a schedule of vessels calling in February and March 2026, indicating for each the nominated OMC, vessel name, product grade, arrival date and Bill of Lading quantity. It highlighted PMS cargoes such as MT STI Elysees, MT Tortuga, MT Valery Roma and MT Fos Mercury, together with several AGO and Jet A 1 vessels, as the main contributors to supply over the period.

132. On pricing, SUPPLYCOR informed the Committee that it does not handle invoices from G-to-G supplier nominated OMCs, as these are issued directly to marketers. However, it provided EPRA standard price build ups for PMS consignments for February and March 2026, explaining that landed cost variations arose primarily from differences in monthly S&P Global Platts benchmarks. It also furnished detailed landed cost build ups showing FOB (Platts based) prices, freight and premium, financing and conformity costs, together with local charges such as wharfage, stevedoring, insurance, storage and regulatory fees, converted into landed cost per litre for key consignments.

133. SUPPLYCOR stated that it had no further information beyond the stock summaries, vessel schedules and PMS landed cost build ups already provided but remained available to clarify any issues the Committee might raise.

4.8 Site Visit to the Kipevu Oil Storage Facility in Mombasa

134. As part of its inquiry into the stability of the national petroleum supply chain, the Senate Standing Committee on Energy conducted an official fact-finding visit to the Kipevu Oil Storage Facility in Mombasa. The visit aimed to assess the country's strategic storage capabilities, review quality assurance protocols, and verify the physical readiness of the infrastructure to handle both domestic and regional fuel demands.

135. During the inspection, facility management and relevant sector officials provided the Committee with firm assurances regarding the current and projected stability of the country's petroleum reserves. To proactively mitigate any risk of future fuel shortages, the Committee was informed that the Port of Mombasa was scheduled to receive five dedicated petroleum cargoes across the months of April and May.

136. It was emphasized that these upcoming consignments were reserved exclusively for the domestic Kenyan market, which was expected to sufficiently buffer local supply. Furthermore, officials outlined the strict regulatory protocols governing these imports. The Committee was assured that upon the arrival and berthing of these vessels, the Energy and Petroleum Regulatory Authority (EPRA) in conjunction with other statutory bodies like the Kenya Bureau of Standards (KEBS) would execute mandatory quality conformity checks before any fuel is authorized for discharge into the national pipeline system.

137. The Committee also evaluated the physical and technical capacity of the Kipevu installation. Members were briefed that the Kipevu Fuel Storage Facility operated with a total holding capacity of 328 million litres. Officials highlighted the strategic importance of this capacity, noting that it serves a dual mandate that is safeguarding the domestic fuel requirements for Kenya while simultaneously facilitating transit volumes critical for neighbouring regional markets.

138. To further understand the technical safeguards protecting the supply chain, the Committee conducted a guided tour of the facility's onsite laboratory. During this session, technical staff practically demonstrated the standard operating procedures for petroleum quality control. Members were taken step-by-step through the mandatory physicochemical testing protocols that all received fuel must undergo to ensure absolute compliance with Kenyan national standards prior to being cleared for public distribution.

CHAPTER FIVE

COMMITTEE OBSERVATIONS AND RECOMMENDATIONS

A. Committee Observations

Based on the foregoing, the Committee observed that -

a) On allegations of irregularities in the petroleum products supply chain

1. The emergency procurement of petroleum products, including the MT *Paloma* consignment, was undertaken against the backdrop of a perceived imminent national fuel supply risk arising from geopolitical developments in the Middle East, including disruptions affecting marine traffic through the Strait of Hormuz.

2. A Vessel Alignment Committee (VAC) meeting held on 18th March, 2026 noted that the vessel designated for the delivery of PMS KG05/2026, MT *Elka Apollon*, which had loaded cargo at Jebel Ali, was unable to transit the Strait of Hormuz, And the prevailing PMS stock levels at the time were low and the next scheduled cargo was not expected to arrive until between 3rd and 5th April 2026. Consequently, the Ministry anticipated a potential fuel supply shortfall and observed that immediate measures to replenish national fuel stocks were necessary.

3. On 19th March 2026, the Ministry invited four bidders, namely One Petroleum Limited, Hass Petroleum, E3 Energies and Oryx Energies, to submit proposals on the same day for additional deliveries of petroleum products intended to bolster stock reserves for Kenya and the region. The Ministry indicated that the request was informed by deliberations of various Vessel Alignment Committee (VAC) meetings held between 9th and 18th March 2026 at the State Department for Petroleum.

4. An assessment undertaken by a technical team recommended that the offer by One Petroleum Limited for the supply of 60,000 metric tonnes of Premium Motor Spirit (PMS) be considered as a contingency cargo to shore up national fuel stocks.

5. Petroleum imports are governed by the Petroleum (Importation) Regulations, 2023, which provide for importation either through the Government-to-Government (G-to-G) arrangement or the Open Tendering System (OTS). However, notwithstanding the imminent fuel supply risks arising from disruptions to marine traffic through the Strait of Hormuz, the emergency procurement was undertaken outside the established G-to-G framework and without a documented derogation mechanism or pre-approved emergency procurement procedure.

6. Although the procurement process adopted evaluation criteria derived from the Open Tender System (OTS), participation was restricted to four selected suppliers and conducted under significantly compressed timelines, with bidders invited on 19th March 2026 to submit proposals on the same day. The Committee

additionally noted that the intervention was facilitated through inter-agency coordination and regulatory flexibility, including the invocation of Section 9(3) of the Standards Act, which permits temporary deviations from prescribed standards where compliance is impracticable and such deviation is deemed to be in the public interest.

7. The circumstances under which the procurement was undertaken raised concerns regarding the adequacy of competition, transparency, documentation and accountability in emergency petroleum procurement processes and the events surrounding the procurement exposed the absence of a clearly defined legal, regulatory and operational framework to govern emergency petroleum procurement during periods of supply disruption and national energy security risk.

8. The MT *Paloma* consignment was rejected and subsequently recalled on the basis that it had been imported outside the procedures prescribed under the Government-to-Government (G-to-G) contractual framework. However, the cargo had already been discharged into the Kipevu Oil Storage Facility (KOSF) following completion of the requisite discharge procedures and oil Marketing Companies were directed not to pay for or uplift the product. Further, the consignment was excluded from the April–May 2026 pricing cycle and the cargo was ultimately re-consigned to the transit market on 14th April 2026.

9. Significant fragmentation in institutional roles between the Ministry of Energy and Petroleum, EPRA, KPC, KPA, and SUPPLYCOR. Which was apparent in information gaps and overlapping accountability structures among KPA and KPC officials in relation to the fuel crisis, including unclear lines of responsibility for ensuring security of supply and managing quality-related incidents. This had contributed to unclear accountability for petroleum stock data integrity, overlapping mandates in supply monitoring and enforcement, and weak real-time coordination during periods of supply disruption, thereby undermining the effectiveness, responsiveness and coherence of the national petroleum supply chain governance framework.

10. The lack of disaggregated, company-specific stock, importation and allocation data significantly constrained effective oversight. In particular, reliance on aggregated stock data by SUPPLYCOR, coupled with confidentiality provisions contained in Transport and Storage Agreements, limited Parliament's ability to independently verify petroleum stock positions, supply allocations, pricing structures and the movement of petroleum products through the supply chain

11. Oryx Energies and One Petroleum Limited participated in the importation of petroleum products within the context of a Government-sanctioned emergency response framework, and in reliance on lawful directives and waivers issued by relevant government authorities, and that both companies expressed willingness to cooperate with ongoing investigations and oversight processes.

12. The absence of clearly defined emergency procurement protocols, risk allocation mechanisms and contractual safeguards exposed both Government and private sector participants to significant regulatory, commercial and reputational uncertainty. That undermining private sector confidence and willingness to participate in future emergency supply interventions, thereby potentially weakening the country's ability to respond effectively to supply disruptions and national emergencies.

b) On Product Quality

13. The Ministry of Investments, Trade and Industry, through a letter addressed to the Cabinet Secretary, Ministry of Energy and Petroleum, Ref. MITI/CS/VOL.1/WAIVER/03, dated 28th March 2026, granted a conditional waiver on oxygenates, manganese, sulphur and benzene requirements under KS EAS 158:2025 Automotive Gasoline Specifications for 68,000 metric tonnes of Premium Motor Spirit (PMS) RON 93 aboard the vessel MT *Paloma*, imported by One Petroleum Limited.

14. The waiver was issued in direct response to requests by the Principal Secretary, State Department for Petroleum, dated 26th and 27th March 2026, which cited a critical national PMS supply shortfall exacerbated by disruptions to global marine traffic arising from the ongoing conflict in the Middle East, particularly along the Strait of Hormuz. The waiver was subject to specific conditions precedent to its operationalisation, including full destination inspection by the Kenya Bureau of Standards (KEBS); commingling of the consignment with existing compliant stocks to dilute excess manganese concentrations; and, controlled distribution of the commingled product by Kenya Pipeline Company Limited (KPC) in conjunction with the Energy and Petroleum Regulatory Authority (EPRA). Based on the foregoing, the Committee observed that the waiver did not constitute a blanket exemption from compliance with fuel quality standards but was accompanied by a structured alternative quality assurance and risk mitigation framework specifically designed for the consignment.

15. Section 9(3) of the Standards Act, Cap. 496, permits the Cabinet Secretary, on the advice of the National Standards Council, to exempt a person, industry or trade from compliance with a Kenya Standard where compliance is temporarily impossible or impractical and where such exemption is deemed to be in the public interest.

16. The waiver was granted against the backdrop of an anticipated national PMS supply shortfall, with the next Government-to-Government (G-to-G) PMS cargo not expected until between 3rd and 5th April 2026. The Committee noted that evidence presented by the Cabinet Secretary, Ministry of Investments, Trade and Industry and the State Department for Petroleum indicated that disruptions to marine traffic through the Strait of Hormuz arising from the conflict in the Middle East had adversely affected the timely delivery of scheduled petroleum cargoes, thereby increasing the risk of a national fuel stock-out. Based on the

foregoing, the Committee observed that the relevant Government agencies considered the prevailing circumstances, including the anticipated supply shortfall, the risk of fuel shortages and disruptions to global supply chains, to have satisfied the statutory threshold for invoking Section 9(3) of the Standards Act.

17. Regarding the status of the condemned vessel MT *Paloma* (KG05/2026), particularly the circumstances surrounding the landing and handling of the substandard fuel, the Committee observed that, One Petroleum confirmed that commingling of its product with existing stocks as contemplated by the waiver, noting that this constituted a standard global industry practice and a recognised blending process within the petroleum supply chain. Notably, during a site visit to KPA and KPC facilities in Mombasa, a spot check of existing fuel stocks conducted by the Committee at the main laboratory at KPC indicated acceptable laboratory results within prevailing quality thresholds.

18. While the consignment in question deviated from prevailing Kenyan specifications with respect to oxygenates, manganese, sulphur, and benzene, these parameters remained within ranges previously applicable in Kenya between 2019 and 2025, thereby raising questions as to the materiality, regulatory interpretation, and risk significance of the deviations within the context of prevailing emergency supply considerations at the time.

19. Notably, in a press statement dated April 30, 2026, the CS MITI announced a temporary adjustment of sulphur parameter in fuel to 50mg/kg for KS EAS 177:2025 - Automotive Gasoil and KS EAS:2025 - PMS for a period of six months owing to constraints occasioned by the conflict in Middle East, including disruptions to supply routes via the trait of Hormuz and the need to safeguard the continuous supply of fuel critical to the economy

c) On Fuel Pricing

20. The Government had undertaken a number of measures aimed at cushioning consumers from rising fuel costs and enhancing price stability in the domestic market. These measures included the reduction of Value Added Tax (VAT) on petroleum products from 16 per cent to 8 per cent and the deployment of the Petroleum Development Levy to stabilize pump prices and mitigate the effects of international price volatility on consumers.

21. While petrol prices in Kenya stood at approximately KSh 214 per litre during the May 2026 pricing cycle, comparable prices in neighbouring jurisdictions averaged approximately KSh 180 per litre in Uganda and KSh 205 per litre in Tanzania. However, evidence presented to the Committee indicated that, during the period under review, several countries within the region experienced fuel shortages, stock-outs, supply rationing, and other market disruptions arising from foreign exchange constraints, procurement challenges, and disruptions to global supply chains, whereas Kenya largely maintained a steady supply and

adequate national stock levels.

22. Within the East African region, the Committee further noted that Rwanda's regulated petrol prices had risen to approximately RWF 2,938 per litre, equivalent to about KSh 260–270 per litre, making it one of the highest-priced petroleum markets in the region. In addition, notwithstanding concerns regarding domestic fuel prices, Kenya's petroleum prices remained competitively lower than those prevailing in many developed economies exposed to the same global market conditions. During the same period, retail petrol prices averaged approximately KSh 295–315 per litre in France, KSh 270–290 per litre in Germany, and KSh 240–260 per litre in the United Kingdom. In this regard, the Committee observed that fuel price comparisons should be examined within the broader context of supply security, market stability, and the country's ability to maintain uninterrupted access to petroleum products during periods of global market volatility and geopolitical uncertainty.

23. The Energy and Petroleum Regulatory Authority (EPRA) had intensified surveillance and enforcement activities across the country and had issued show-cause letters to Oil Marketing Companies suspected of engaging in market malpractices.

24. Additionally, the Government-to-Government (G-to-G) procurement framework had contributed to mitigating the impact of global price shocks and rising supply chain costs. In particular, the Committee noted that the Master Framework Agreements governing G-to-G imports provided for agreed fixed freight and premium charges, which had helped moderate increases in the cost of importing petroleum products into the country and enhanced greater predictability in fuel supply arrangements.

d) On National Fuel Reserves

25. The events giving rise to the emergency procurement demonstrated the vulnerability of the country's petroleum supply chain to geopolitical disruptions affecting major global shipping routes, thereby underscoring the need to strengthen strategic petroleum reserve arrangements. Notwithstanding these challenges, the Committee observed that the Ministry of Energy and Petroleum had maintained adequate national fuel stocks during the period under review and had secured replacement cargoes through the Government-to-Government (G-to-G) framework. The Committee further noted that, as at 5th May 2026, the country had stock cover of 25 days for Premium Motor Spirit (PMS), 22 days for Automotive Gas Oil (AGO) and 20 days for Jet A-1 fuel.

26. Kenya's current petroleum storage infrastructure remains inadequate to support strategic reserves equivalent to six months' national consumption, which would be necessary to enhance resilience against prolonged supply disruptions arising from geopolitical instability, global market volatility or other external shocks. The Committee noted that this underscores the need for additional investments,

policy interventions and infrastructure development to strengthen the country's strategic petroleum reserve capacity.

27. The OMCs currently maintain stock levels significantly below the desired threshold, thereby exposing the country to heightened vulnerability to supply shocks and market disruptions.

28. The ongoing plans for the establishment of a refinery, storage and distribution infrastructure in Mombasa, present a strategic opportunity for Kenya to expand its petroleum storage capacity and strengthen regional supply security. The Committee observed that if appropriately integrated into national energy planning frameworks, the planned refinery has the potential to contribute significantly towards the attainment of strategic petroleum reserve targets, improve supply chain resilience and reduce the country's vulnerability to future supply disruptions arising from geopolitical shocks and global market volatility.

e) Miscellaneous

29. The absence of a clear and coordinated communication strategy by the Ministry during the fuel supply crisis contributed to uncertainty, speculation and misinformation regarding the status of national fuel stocks, the quality of petroleum products in the country and the actions being undertaken by Government agencies.
30. Noting the ongoing investigations by the Directorate of Criminal Investigations (DCI) and the Ethics and Anti-Corruption Commission (EACC), the Committee observed the need to defer consideration of matters relating to individual culpability, disciplinary action, or possible criminal conduct, including issues arising from the resignations and disciplinary processes involving key officials such as the Principal Secretary for Energy and Petroleum, the Managing Director of the Kenya Pipeline Company (KPC), and the Director-General of the Energy and Petroleum Regulatory Authority (EPRA), pending the conclusion of the investigations and the submission of findings by the relevant agencies.

B. Committee Recommendations

Based on the foregoing the Committee recommends THAT-

A. On Emergency Petroleum Procurement and Supply Chain

1. The Ministry of Energy and Petroleum, in consultation with Parliament, the National Treasury, the Public Procurement Regulatory Authority (PPRA), the Attorney-General, EPRA and other relevant agencies, develop and operationalise a statutory emergency petroleum procurement framework within **six (6) months** of adoption of this report. The framework should clearly define the triggers for declaring a petroleum supply emergency; the roles, responsibilities and approval hierarchy across Government agencies; conditions and procedures for the invocation of regulatory waivers and exemptions; transparency, reporting and disclosure obligations; and, accountability, audit and post-emergency review mechanisms.

2. The Ministry of Energy and Petroleum, KPC, EPRA, KEBS, KRA, SUPPLYCOR and other relevant government agencies establish and operationalise a unified real-time digital petroleum stock monitoring system to support supply chain visibility, energy security planning and regulatory oversight. The Ministry should submit a comprehensive progress report to the Senate within **six (6) months** of adoption of this report.

3. Disaggregated Oil Marketing Company (OMC)-level stock, importation and allocation data be made available to oversight institutions, subject only to narrowly defined commercial confidentiality safeguards. In addition, daily petroleum stock reporting should be standardised and published in a consistent format, including on weekends and public holidays, to eliminate information gaps during periods of supply disruption. The Ministry should submit a comprehensive progress report to the Senate within **six (6) months** of adoption of this report.

4. The Ministry of Energy and Petroleum, EPRA, KPC, KPA and SUPPLYCOR strengthen inter-agency coordination mechanisms and develop integrated data-sharing protocols to improve accountability, operational efficiency and crisis response across the petroleum supply chain within **six (6) months** of adoption of this report.

B. On Fuel Quality Assurance and Regulatory Waivers

5. The Ministry of Investments, Trade and Industry, in consultation with KEBS, EPRA and the Ministry of Energy and Petroleum, develop detailed regulations and operational guidelines governing the invocation of Section 9(3) of the Standards Act, including criteria for granting waivers, documentation requirements, implementation protocols, monitoring mechanisms and reporting obligations. The Committee further recommends that all future waivers granted under Section 9(3) of the Standards Act be accompanied by a clearly documented compliance, monitoring and enforcement framework identifying responsible agencies, timelines, reporting requirements and verification procedures. The Ministry should submit a comprehensive progress report to the Senate within **six (6) months** of adoption of this report.

C. On Strategic Petroleum Reserves and National Energy Security

6. The Government prioritise the restructuring, recapitalisation, and strengthening of the National Oil Corporation of Kenya (NOCK) as the country's strategic national petroleum entity, with a clear mandate to support national energy security objectives. In particular, NOCK should be empowered to play a central role in the acquisition, management, and maintenance of strategic petroleum reserves, including the development and operation of strategic storage infrastructure either independently or through public-private partnerships. The Ministry should submit a comprehensive progress report to the Senate within **six (6) months** of adoption of this report.

7. The Ministry of Energy and Petroleum, in consultation with the National Treasury and other relevant agencies, develop a framework within **twelve (12) months** of adoption of this report for the phased establishment of a national strategic petroleum reserve policy anchored on NOCK, with the long-term objective of achieving strategic petroleum reserves equivalent to at least six months of national consumption. The framework should provide for sustainable financing mechanisms, stock rotation arrangements, governance safeguards, and clear accountability measures to ensure operational efficiency and transparency.

8. EPRA review and enforce regulatory obligations requiring Oil Marketing Companies to maintain a minimum of 30-day's' strategic stock cover aligned with national energy security objectives. The Committee further recommends that EPRA develop clear and enforceable penalties for non-compliance with minimum stockholding obligations; appropriate incentive mechanisms to support compliance and investment in storage infrastructure; and, an assessment of the operational, financial and logistical capacity of OMCs to maintain enhanced stockholding requirements. The Ministry should submit a comprehensive progress report to the Senate within **six (6) months** of adoption of this report.

9. The Ministry of Energy and Petroleum assess and, where feasible, leverage the planned Dangote Refinery in Mombasa as part of the country's broader energy security strategy. In particular, the Ministry should evaluate opportunities for utilising the planned refinery to expand national petroleum storage capacity, strengthen strategic petroleum reserves, enhance regional supply security and improve Kenya's resilience to future supply disruptions arising from geopolitical shocks, global market volatility and other external risks. The Ministry should submit a comprehensive progress report to the Senate within **six (6) months** of adoption of this report.

D. On Private Sector Participation

10. All emergency petroleum procurement frameworks incorporate clear contractual protections for compliant suppliers; defined risk allocation mechanisms; predictable dispute resolution procedures; and guarantees of due process and fair administrative action in enforcement proceedings. The Committee further recommends that the Ministry of Energy and Petroleum urgently engage affected Oil Marketing Companies, including One Petroleum Limited and Oryx Energies Kenya Limited, with a view to pursuing amicable and structured resolution of disputes arising from the emergency procurement arrangements through appropriate alternative dispute resolution mechanisms. The objective of such engagements should be to preserve market confidence, maintain supply stability and safeguard continuity of fuel availability. The Ministry should submit a comprehensive progress report to the Senate within **six (6) months** of adoption of this report.

11. The Ministry of Energy and Petroleum, in collaboration with the Energy and Petroleum Regulatory Authority (EPRA) and other relevant agencies, develop

and institutionalise a comprehensive energy sector communication framework within **sixty (60) days** to ensure timely, transparent and consistent public communication during periods of fuel supply disruption, market instability and other energy-related emergencies with a view towards maintaining public confidence, mitigating misinformation and preserving market stability.

12. All matters relating to the resignation and/or relieving of duties of State and public officers in connection with the petroleum sector crisis, including (but not limited to) Mr. Mohamed Liban, former Principal Secretary, State Department of Petroleum; Mr. Joe Sang, former Managing Director, Kenya Pipeline Company; Mr. Daniel Kiptoo Bargoria, former Director-General, Energy and Petroleum Regulatory Authority; Mr. Joseph Wafula, former Deputy Director of Petroleum; and Mr. Joel Mburu, former Supply and Logistics Manager, Kenya Pipeline Company, be handled strictly in accordance with the Constitution, applicable employment law, and the principles of fair administrative action under Article 47 of the Constitution.

13. Any ongoing administrative, disciplinary, or criminal proceedings involving the said officers be concluded expeditiously, but without prejudice to due process, including the right to a fair hearing and impartial determination. Accordingly, the Committee recommends that the Ministry of Energy and Petroleum, the Public Service Commission, the State Corporations Advisory Committee, the Boards of EPRA and the Kenya Pipeline Company, together with all relevant investigative agencies, submit a consolidated status report to the Senate within **sixty (60 days)** of adoption of this report detailing the progress, findings, and outcomes of all investigations and disciplinary proceedings relating to the affected officials.

ANNEX 1:

SCHEDULE OF COMMITTEE SITTINGS

REPUBLIC OF KENYA

PARLIAMENT OF KENYA

THE SENATE

Standing Committee on Energy

13th Parliament | Fifth Session

SCHEDULE OF COMMITTEE SITTINGS ON

THE INQUIRY ON ON ALLEGED IRREGULARITIES IN THE PETROLEUM PRODUCTS SUPPLY CHAIN

No.	ACTIVITY	DESCRIPTION	DATES
1.	***Meeting with-***	a) Inhouse – Committee Briefing on the ongoing crisis in the petroleum sector	8th April, 2026
		b) CEO, Kenya Pipeline Company (KPC) and c) CEO Oryx Energies	14th April, 2026
		d) CEO, SUPPLY CORR	23rd April, 2026
		e) Inhouse Meeting to deliberate on the ongoing crisis in the petroleum sector	28th April, 2026
		f) Ag. Commissioner General, Kenya Revenue Authority (KRA)	4th June, 2026

2.	***Visit to-***	g) Kenya Pipeline Company (KPC) Mombasa; and h) Kenya Ports Authority, Mombasa	15th April, 2026
2.	***Consideration and Adoption of -***	The Committee Report	9th June, 2026

ANNEX 2:

MINUTES OF THE COMMITTEE SITTINGS

MINUTES OF THE ONE HUNDRED AND SEVENTY-THIRD SITTING OF THE STANDING COMMITTEE ON ENERGY HELD ON TUESDAY, 9TH JUNE 2026 IN COMMITTEE ROOM 8, FIRST FLOOR, BUNGE TOWER AT 11.00 AM.

PRESENT

1. **Sen. (Dr.) Oburu Oginga, MGH, MP** - **Chairperson**
2. **Sen. William Kisang' Kipkemoi, CBS, MP** - **Vice- Chairperson**
3. Sen. (Dr.) Boni Khalwale, CBS, MP - Member
4. Sen. James Lomenen Ekomwa, CBS, MP - Member
5. Sen. (Dr.) Danson Buya Mungatana, MGH, MP - Member
6. Sen. Beatrice Ogolla, MP - Member

ABSENT WITH APOLOGY

1. Sen. Ledama Olekina, CBS, MP - Member
2. Sen. Edwine Watenya Sifuna, CBS, MP - Member
3. Sen. Veronica Maina, CBS, MP - Member

COMMITTEE SECRETARIAT

1. Dr. Christine Sagini - Senior Clerk assistant/ Lead Clerk
2. Ms. Mary Waqo - Clerk Assistant
3. Mr. Jeremy Chabari - Legal Counsel
4. Dr. Evans Kiganda - Principal Fiscal Analyst
5. Ms. Nancy Mulei - Research Officer
6. Mr. Washington Otiato - Media Relations Officer
7. Mr. Rony Nyaga - Public Communications Officer
8. Ms. Judith Aoka - Audio Officer

MIN/SEN/ENG/NO.1194/2026 **PRELIMINARIES**

The meeting was called to order at 11.13 a.m. and the sitting commenced with a word of prayer by the Chairperson.

MIN/SEN/ENG/NO.1195/2026 **ADOPTION OF THE AGENDA**

The agenda of the meeting was adopted after it was proposed by Sen. James Lomenen Ekomwa, CBS, MP and Seconded by Sen. Beatrice Ogolla, MP as follows-

AGENDA

1. Prayer;
2. Adoption of the Agenda;
3. Confirmation of Minutes of the previous sittings;
4. Matters Arising from the Minutes;
5. Consideration of Committee Reports on-
   a) Report on Alleged irregularities in the Petroleum Products Supply Chain *(Committee Paper No. 127):* and
   b) The handing over of a cooking gas handling facility from Kenya Petroleum Refineries Limited to Asharami Energy. *(Committee Paper No. 128).*
6. Any Other Business; and
7. Date of the Next Meeting and Adjournment.

MIN. SEN/ENG/NO.1196/2026 **CONFIRMATION OF MINUTES OF THE PREVIOUS SITTINGS**

Confirmation of minutes of the previous sittings was deferred to the next sitting.

MIN. SEN/ENG/NO.1197/2026 **MATTERS ARISING FROM THE MINUTES**

There were no matters arising.

MIN/SEN/ENG/NO.1198/2026 **REPORT ON ALLEGED IRREGULARITIES IN THE PETROLEUM PRODUCTS SUPPLY CHAIN *(COMMITTEE PAPER NO 127)***

1. The Committee noted that the proposed timeline on strategic petroleum reserves should be revised from six months to ninety (90) days;
2. The Committee noted that Oil Marketing Companies (OMCs) cannot be compelled to maintain long-term strategic stocks, as this mandate rests with the

National Oil Corporation of Kenya (NOCK), and proposed that the observation be reframed to emphasise strengthening regulatory and contractual frameworks on minimum stockholding levels without assigning strategic reserve obligations to OMCs;

3. The Committee noted that the observation relating to ongoing investigations by the Directorate of Criminal Investigations (DCI) and the Ethics and Anti-Corruption Commission (EACC) be retained, but with the inclusion of a defined timeline of two (2) months within which the relevant agencies should conclude investigations and submit their findings to enable the Committee to consider the matter further;

4. The Report on Alleged Irregularities in the Petroleum Products Supply Chain was adopted by the Committee, having been proposed by Sen. James Lomenen Ekomwa, CBS, MP and seconded by Sen. Beatrice Ogolla, MP; and

5. The Committee resolved to invite the Cabinet Secretary, Ministry of Energy and Petroleum to appear before it and provide a comprehensive briefing on the Government's plans to establish a petroleum refinery in Kenya, including the proposed timelines, feasibility considerations, and policy framework underpinning the initiative

MIN/SEN/ENG/NO.1199/2026 **THE HANDING OVER OF A COOKING GAS HANDLING FACILITY FROM KENYA PETROLEUM REFINERIES LIMITED TO ASHARAMI ENERGY.** ***(COMMITTEE PAPER NO 128)***

The Committee resolved to defer consideration and adoption of the Report on the Handing Over of a Cooking Gas Handling Facility from Kenya Petroleum Refineries Limited (KPRL) to Asharami Energy to 10th June, 2026.

MIN. SEN/ENG/NO.1200/2026 **ANY OTHER BUSINESS**

There were no issues deliberated under Any Other Business.

MIN. SEN/ENG/NO.1201/2026 **ADJOURNMENT**

The meeting was adjourned at 1.02 p.m. The date of the next meeting was to be communicated by notice.

SIGNED.....**DATE**.....11th June 2026.....

SEN. (DR.) OBURU OGINGA, MGH, MP

CHAIRPERSON.

MINUTES OF THE ONE HUNDRED AND SEVENTY-SECOND SITTING OF THE STANDING COMMITTEE ON ENERGY HELD ON THURSDAY, 4TH JUNE 2026 IN COMMITTEE ROOM 8, FIRST FLOOR, BUNGE TOWER AT 11.00 AM.

PRESENT

1. **Sen. (Dr.) Oburu Oginga, MGH, MP** - **Chairperson**
2. **Sen. William Kisang' Kipkemoi, CBS, MP** - **Vice- Chairperson**
3. Sen. (Dr.) Boni Khalwale, CBS, MP - Member
4. Sen. (Dr.) Danson Buya Mungatana, MGH, MP - Member
5. Sen. Veronica Maina, CBS, MP - Member
6. Sen. Beatrice Ogolla, MP - Member

ABSENT WITH APOLOGY

1. Sen. Ledama Olekina, CBS, MP - Member
2. Sen. James Lomenen Ekomwa, CBS, MP - Member
3. Sen. Edwine Watenya Sifuna, CBS, MP - Member

COMMITTEE SECRETARIAT

1. Dr. Christine Sagini - Senior Clerk assistant/ Lead Clerk
2. Ms. Mary Waqo - Clerk Assistant
3. Mr. Jeremy Chabari - Legal Counsel
4. Dr. Evans Kiganda - Fiscal Analyst
5. Ms. Nancy Mulei - Research Officer
6. Mr. Washington Otiato - Media Relations Officer
7. Mr. Rony Nyaga - Public Communications Officer
8. Ms. Judith Aoka - Audio Officer

IN ATTENDACE	KRA
1. Dr. Lilian Nyawanda	Ag. Commisioner General
2. Mr. Adan Ibrahim	Ag. DC
3. Mr. Bernard Kibiti	CM-PMM
4. Mr. Dohon Nzano	Manager
5. Ms. Harriet Kitiyo	Officer KRA
6. Ms. Linah Nyamorata	KRA
7. Mr. Paul Agonda	Senior KRA

MIN/SEN/ENG/NO.1187/2026 **PRELIMINARIES**

The meeting was called to order at 11.13 a.m. and the sitting commenced with a word of prayer by the Chairperson.

MIN/SEN/ENG/NO.1188/2026 **ADOPTION OF THE AGENDA**

The agenda of the meeting was adopted after it was proposed by Sen. Beatrice Ogolla, MP and Seconded by Sen. (Dr.) Boni Khalwale, CBS, MP as follows-

AGENDA

1. Prayer;
2. Adoption of the Agenda;
3. Confirmation of Minutes of the previous sittings;
4. Matters Arising from the Minutes;
5. Meeting with the Commissioner General, Kenya Revenue Authority to deliberate on the ongoing crisis in the petroleum sector. (Committee Paper No. 126).
6. Any Other Business; and
7. Date of the Next Meeting and Adjournment.

MIN. SEN/ENG/NO.1189/2026 **CONFIRMATION OF MINUTES OF THE PREVIOUS SITTINGS**

Confirmation of minutes of the previous sittings was deferred to the next sitting.

MIN. SEN/ENG/NO.1190/2026 **MATTERS ARISING FROM THE MINUTES**

There were no matters arising.

MIN/SEN/ENG/NO.1191/2026 **MEETING WITH THE COMMISSIONER GENERAL, KENYA REVENUE AUTHORITY TO DELIBERATE ON**

THE ONGOING CRISIS IN THE PETROLEUM SECTOR. *(COMMITTEE PAPER NO 126)*

1. The Committee noted that fuel-related taxes and levies are a major pillar of the national revenue framework, generating approximately Kshs. 278.6 billion between July 2025 and April 2026, equivalent to about Kshs. 27.9 billion per month, with VAT and excise duty contributing Kshs. 140.8 billion and fuel levies Kshs. 137.9 billion over the same period;

2. The Committee noted that, among the nine principal taxes and levies applicable to petroleum products (including VAT, excise duty, Road Maintenance Levy, Petroleum Development Levy, Petroleum Regulatory Levy, Railway Development Levy, Import Declaration Fee, Merchant Shipping Levy and the Anti-Adulteration Levy on illuminating kerosene), only Value Added Tax (VAT) was reduced, from 16 per cent to 8 per cent;

3. The Committee noted that KRA attributed the reduction of VAT from 16% to 8% to an explicit legal provision under the VAT Act empowering the Cabinet Secretary responsible for Energy and Petroleum to vary VAT on petroleum products, whereas no equivalent administrative flexibility exists for the other levies and charges, which are anchored in distinct statutes and funds with dedicated expenditure mandates;

4. The Committee further noted, based on KRA's submission, that the reduction of VAT on petroleum products from 16 per cent to 8 per cent is estimated to result in a revenue loss of approximately Kshs. 9.1 billion for the month of April 2026 alone, thereby narrowing the fiscal space available to finance public services and increasing reliance on borrowing to bridge the fiscal deficit.

8. The Committee observed that, according to KRA records, the Motor Tanker MT Paloma discharged approximately 66.3 million litres of Premium Motor Spirit (PMS) for local use and 15.6 million litres for transit between 28th and 30th March 2026, and that the consignment was initially processed as compliant cargo following approval by the Kenya Bureau of Standards (KEBS).

9. The Committee further observed that KRA assessed and collected taxes amounting to approximately Kshs. 5.1 billion in respect of the MT Paloma PMS consignment, which were paid by various Oil Marketing Companies (OMCs) upon self-assessment and entry filing in iCMS;

10. The Committee observed that KRA's statutory mandate in the petroleum supply chain is confined to trade facilitation, customs clearance, transit control, and the assessment and collection of taxes and levies, and that the Authority is not

involved in the procurement, contracting, or sourcing of petroleum cargo, whether under the Government to Government (G to G) framework or the Open Tender System (OTS). The Committee further noted that KRA does not receive information on the underlying procurement arrangements and therefore has no systemic way of distinguishing between G-to-G consignments and OTS or privately procured imports during customs processing;

11. Following a subsequent policy directive by the Ministry of Energy and Petroleum restricting the MT Paloma consignment from the local market on the grounds that it had been procured outside the G-to-G framework and instructing that it be re-consigned to the transit market, the Committee noted that KRA cancelled the local customs entries and initiated a process to reallocate the Kshs. 5.1 billion in taxes already paid by OMCs to customs declarations for subsequent vessels;

12. The Committee further noted that the FY 2026/27 budget framework anticipates total expenditure of about Kshs. 4.82 trillion against total revenue and grants of Kshs. 3.67 trillion, implying a fiscal deficit of approximately Kshs. 1.11 trillion and therefore observed that any sustained reduction in fuel tax rates would need to be carefully balanced against the risk of widening the deficit and intensifying domestic borrowing pressures;

14. The Committee observed that KRA's customs processing of petroleum products is triggered only after vessel discharge and issuance of an outturn report, and that all assessed taxes and levies are required to be paid within five days of entry, with transit cargo secured through bonds until physical exit from the country;

15. The Committee further noted that KRA does not control or have direct access to information on demurrage charges, storage constraints, or ullage availability, which fall under the operational mandates of the Kenya Ports Authority (KPA), the Kenya Pipeline Company (KPC), and individual OMCs, and that such costs do not directly alter the legal basis for tax assessment, which is anchored on customs value, quantity, and applicable statutory rates; and

16. The Committee resolved that the Kenya Revenue Authority submit a report on the Premium Motor Spirit (PMS) consignment delivered by the Motor Tanker MT Paloma, specifically on the local entries cancelled, taxes paid by the various Oil Marketing Companies (OMCs), and the scheduled transfers to customs declarations for subsequent vessels by Close of Business (COB) on 5th June 2026;

MIN. SEN/ENG/NO.1192/2026 ANY OTHER BUSINESS

There were no issues deliberated under Any Other Business.

MIN. SEN/ENG/NO.1193/2026 **ADJOURNMENT**

The meeting was adjourned at 1.02 p.m. The date of the next meeting was to be communicated by notice.

SIGNED.....**DATE**.....11th June 2026.....

SEN. (DR.) OBURU OGINGA, MGH, MP

CHAIRPERSON.

MINUTES OF THE ONE HUNDRED AND SIXTY-NINTH SITTING OF THE STANDING COMMITTEE ON ENERGY HELD ON TUESDAY, 28TH APRIL 2026 IN COMMITTEE ROOM 8, FIRST FLOOR, BUNGE TOWER AT 11.00 AM.

PRESENT

1. **Sen. William Kisang' Kipkemoi, CBS, MP** - **Vice- Chairperson**
2. Sen. (Dr.) Boni Khalwale, CBS, MP - Member
3. Sen. James Lomenen Ekomwa, CBS, MP - Member
4. Sen. Beatrice Ogolla, MP - Member

ABSENT WITH APOLOGY

1. **Sen. (Dr.) Oburu Oginga, MGH, MP** - **Chairperson**
2. Sen. Ledama Olekina, CBS, MP - Member
3. Sen. (Dr.) Danson Buya Mungatana, MGH, MP - Member
4. Sen. Veronica Maina, CBS, MP - Member
5. Sen. Edwine Watenya Sifuna, CBS, MP - Member

COMMITTEE SECRETARIAT

1. Dr. Christine Sagini - Senior Clerk assistant/ Lead Clerk
2. Ms. Mary Waqo - Clerk Assistant
3. Ms. Zeinab Jirma - Legal Counsel
4. Ms. Nancy Mulei - Research Officer
5. Mr. Washington Otiato - Media Relations Officer
6. Mr. Rony Nyaga - Public Communications Officer
7. Ms. Judith Aoka - Audio Officer
8. Ms. Harriet Kerubo - Attache

MIN/SEN/ENG/NO.1166/2026 **PRELIMINARIES**

The meeting was called to order at 11.10 a.m. and the sitting commenced with a word of prayer by the Chairperson.

MIN/SEN/ENG/NO.1167/2026 **ADOPTION OF THE AGENDA**

The agenda of the meeting was adopted after it was proposed by Sen. Beatrice Ogolla, MP and Seconded by Sen. James Lomenen Ekomwa, CBS, MP as follows-

AGENDA

1. Prayer;
2. Adoption of the Agenda;
3. Confirmation of Minutes of the previous sittings;
4. Matters Arising from the Minutes;
5. Meeting with Meeting with the Cabinet Secretary, Ministry of Investments, Trade and Industry and The Acting Commissioner General, Kenya Revenue Authority to deliberate on the ongoing crisis in the petroleum sector. (Committee Paper No. 126).
6. Any Other Business; and
7. Date of the Next Meeting and Adjournment

MIN. SEN/ENG/NO.1168/2026 **CONFIRMATION OF MINUTES OF THE PREVIOUS SITTINGS**

a) Minutes of the 168th sitting held on Thursday, 23rd April, 2026 were confirmed as the true record of the proceedings after being proposed by Sen. (Dr.) Boni Khalwale, CBS, MP and Seconded by Sen. Beatrice Ogolla, MP;

b) Minutes of the 166th sitting held on Tuesday, 14th April, 2026 were confirmed as the true record of the proceedings after being proposed by Sen. (Dr.) Boni Khalwale, CBS, MP and Seconded by Sen. Beatrice Ogolla, MP;

c) Minutes of the 165th sitting held on Wednesday, 8th April, 2026 were confirmed as the true record of the proceedings after being proposed by Sen. James Lomenen Ekomwa, CBS, MP and Seconded by Sen. Beatrice Ogolla, MP;

d) Minutes of the 163rd sitting held on Tuesday, 31st March, 2026 were confirmed as the true record of the proceedings after being proposed by Sen. James Lomenen Ekomwa, CBS, MP and Seconded by Sen. Beatrice Ogolla, MP; and

e) Minutes of the 162nd sitting held on Thursday, 26th March, 2026 were confirmed as the true record of the proceedings after being proposed by Sen. James Lomenen Ekomwa, CBS, MP and Seconded by Sen. Beatrice Ogolla, MP.

MIN. SEN/ENG/NO.1169/2026 MATTERS ARISING FROM THE MINUTES

There were no matters arising.

MIN/SEN/ENG/NO.1170/2026 MEETING WITH MEETING WITH THE CABINET SECRETARY, MINISTRY OF INVESTMENTS, TRADE AND INDUSTRY AND THE ACTING COMMISSIONER GENERAL, KENYA REVENUE AUTHORITY TO DELIBERATE ON THE ONGOING CRISIS IN THE PETROLEUM SECTOR (COMMITTEE PAPER NO 126)

a) The Committee was informed that *Vide* a letter dated 27th April, 2026 REF: MITI/CS/SEN/25/VOL.1(102) and Vide a letter dated 27th April, 2026 REF: KRA/5/1002/5(13902) the Cabinet Secretary, Ministry of Investments, Trade and Industry and The Acting Commissioner General, Kenya Revenue Authority formally tendered their apologies for being unable to appear before the Committee on the scheduled date and requested that alternative dates be set for their attendance.

b) The Committee resolved to invite the Cabinet Secretary, Ministry of Investments, Trade and Industry for a meeting on 5th May, 2026 and The Acting Commissioner General, Kenya Revenue Authority on 7th May, 2026 to deliberate on the ongoing crisis in the petroleum sector.

MIN. SEN/ENG/NO.1171/2026 ANY OTHER BUSINESS

The following issues were deliberated under Any Other Business.

a) The Committee resolved to hold a joint retreat with the Standing Committee on Land, Environment and Natural Resources, and the Standing Committee on Finance and Budget. The retreat, scheduled to take place in Nakuru County from 7th to 11th May 2026, will aim to strengthen parliamentary oversight over the implementation of the Financing Locally-Led Climate Action (FLLoCA)

programme through a coordinated, evidence-based, and multi-committee approach;

b) The Committee was informed that, vide a letter dated 27th April, 2026 (Ref: MOEP/SDE/1/27), the Ministry of Energy and Petroleum invited the Chairperson and Vice Chairperson to participate in the World Geothermal Congress, 2026, to be held in Calgary, Canada; and

c) The Committee consequently resolved to nominate Sen. (Dr.) Oburu Oginga, MGH, MP and Sen. William Kisang' Kipkemoi, CBS, MP to represent it at the World Geothermal Congress in Calgary, Canada, scheduled from 6th to 14th June, 2026.

MIN. SEN/ENG/NO.1172/2026 **ADJOURNMENT**

The meeting was adjourned at 12.15 p.m. The date of the next meeting was to be communicated by notice.

SIGNED.....**DATE**.....11th June 2026.....

SEN. (DR.) OBURU OGINGA, MGH, MP

CHAIRPERSON.

MINUTES OF THE ONE HUNDRED AND SIXTY-EIGHT SITTING OF THE STANDING COMMITTEE ON ENERGY HELD ON THURSDAY, 23RD APRIL 2026 IN COMMITTEE ROOM 7, FIRST FLOOR, BUNGE TOWER AT 11.00 AM.

PRESENT

1. **Sen. (Dr.) Oburu Oginga, MGH, MP** - **Chairperson**
2. **Sen. William Kisang' Kipkemoi, CBS, MP** - **Vice- Chairperson**
3. Sen. Ledama Olekina, CBS, MP - Member
4. Sen. (Dr.) Boni Khalwale, CBS, MP - Member
5. Sen. James Lomenen Ekomwa, CBS, MP - Member
6. Sen. Veronica Maina, CBS, MP - Member
7. Sen. Beatrice Ogolla, MP - Member

ABSENT WITH APOLOGY

1. Sen. (Dr.) Danson Buya Mungatana, MGH, MP - Member
2. Sen. Edwine Watenya Sifuna, CBS, MP - Member

COMMITTEE SECRETARIAT

1. Dr. Christine Sagini - Senior Clerk assistant/ Lead Clerk
2. Ms. Mary Waqo - Clerk Assistant
3. Ms. Zeinab Jirma - Legal Counsel
4. Ms. Nancy Mulei - Research Officer
5. Mr. Washington Otiato - Media Relations Officer
6. Mr. Rony Nyaga - Public Communications Officer
7. Ms. Judith Aoka - Audio Officer
8. Ms. Harriet Kerubo - Attache

IN ATTENDANCE

1. Dr. Rachel Mulungye, - CEO Supply Corr

MIN/SEN/ENG/NO.1159/2026 PRELIMINARIES

The meeting was called to order at 11.20 a.m. and the sitting commenced with a word of prayer by the Chairperson.

MIN/SEN/ENG/NO.1160/2026 ADOPTION OF THE AGENDA

The agenda of the meeting was adopted after it was proposed by Sen. (Dr.) Boni Khalwale, CBS, MP and Seconded by Sen. Ledama Olekina, CBS, MP as follows-

AGENDA

1. Prayer;
2. Adoption of the Agenda;
3. Confirmation of Minutes of the previous sittings;
4. Matters Arising from the Minutes;
5. Meeting with Dr. Rachel Mulungye, Supply Coordinator, to deliberate on the ongoing crisis in the petroleum sector. (Committee Paper No. 126).
6. Any Other Business; and
7. Date of the Next Meeting and Adjournment.

MIN. SEN/ENG/NO.1161/2026 CONFIRMATION OF MINUTES OF THE PREVIOUS SITTINGS

Confirmation of minutes of the previous sittings was deferred to the next sitting.

MIN. SEN/ENG/NO.1162/2026 MATTERS ARISING FROM THE MINUTES

There were no matters arising.

MIN/SEN/ENG/NO.1163/2026 MEETING WITH DR. RACHEL MULUNGYE, SUPPLY COORDINATOR, TO DELIBERATE ON THE ONGOING CRISIS IN THE PETROLEUM SECTOR (COMMITTEE PAPER NO 126)

1. **Mandate and role of SUPPLYCOR**

a) The Committee noted that SUPPLYCOR is an industry supply coordination committee established under the Petroleum Act and the Petroleum Importation Regulations, 2023, with a mandate that includes liaising with the Ministry responsible for Petroleum, Kenya Pipeline Company (KPC), operators of common-user facilities and other relevant government agencies on supply coordination matters.

b) It was observed that SUPPLYCOR consolidates the volume requirements for petroleum products imported under the Government-to-Government (GtoG) arrangement and compiles stock levels in licensed bulk storage facilities for submission to EPRA at prescribed intervals.

c) Members further observed that SUPPLYCOR is responsible for consolidating all marketers' import nominations, guided by monthly capacity allocation numbers shared by KPC, for onward submission to the Ministry of Energy and Petroleum which then allocates quantities to Oil Marketing Companies (OMCs) under the GtoG imports.

2. Stock balances and availability (February–March 2026)

a) It was noted that the stocks presented are commingled for all OMCs and represent volumes for both the local and transit/export markets, rather than company-specific holdings.

b) Examination of the daily stock data showed that PMS, AGO and Jet A-1 volumes fluctuated within the period but remained at significant levels (for example, PMS generally in the range of about 160,000–260,000 m^3 on many reporting days), indicating that physical product was present in the system during the months under review.

c) The Committee observed that there were days without reported figures (gaps between dates), suggesting that only working days or specific reporting dates were captured, which has implications for how trends in daily availability are interpreted.

3. Vessel schedules and cargo arrivals

a) The Committee noted that SUPPLYCOR submitted a schedule of vessels for February and March 2026 associated with Gulf Energy, One Petroleum, Asharami and BE Energy, indicating vessel names, grades, arrival dates and quantities (in metric tonnes).

b) It was observed that multiple PMS and AGO cargos arrived or were scheduled in the review period, including, among others, MT STI ELYSEES (PMS) on 29 January 2026, MT TORTUGA (PMS) on 17 February 2026, MT LYRIC

MAGNOLIA (AGO) on 3 March 2026, MT NAVE ESTELLA (AGO) on 14 March 2026, and MT VALERY ROMA and MT FOS MERCURY (PMS) in mid-March 2026.

c) Members noted that Jet A-1 consignments, such as MT TIAN E ZUO and MT CONSTANTINOS, were also scheduled within the same period, suggesting coordinated multi-product replenishment of the national system.

d) The Committee observed that this schedule evidences a continuous inflow of product into the country over the review period, which must be contrasted with any reported retail shortages or price pressures experienced in the market during the same time.

4. Pricing, landed cost and Platts/freight components

a) It was observed that SUPPLYCOR indicated that it does not receive or handle invoices from the GtoG supplier-nominated OMCs, as invoices are sent directly to individual OMCs for settlement, limiting SUPPLYCOR's visibility on actual invoicing and billing arrangements.

b) The Committee noted that, instead of invoices, SUPPLYCOR provided EPRA price build-ups for PMS for February and March 2026, and summarized landed cost per litre for key PMS consignments, including landed costs of approximately KES 75.867 per litre for MT STI ELYSEES (January pricing), KES 78.097 for MT TORTUGA (February), and about KES 110.484 and 110.667 for MT VALERY ROMA and MT FOS MERCURY (March).

c) Members observed a sharp increase in the PMS landed cost between the consignments priced in January/February and those priced in March 2026, which SUPPLYCOR attributed to differences in the applicable S&P Global Platts prices for the respective months.

d) It was further noted that SUPPLYCOR provided a breakdown of Platts and freight/premium components for selected PMS consignments, which showed constant freight/premium charges (84 USD/MT) against rising Platts values from about 642.726 USD/MT in January to 973.386 USD/MT in March 2026, indicating that international benchmark price movements were the main driver of higher landed costs.

5. Limitations in SUPPLYCOR's information and role

a) The Committee observed that SUPPLYCOR's role is largely coordinative and data-aggregation in nature, and that the committee does not participate directly in commercial contracting or pricing between GtoG suppliers and individual OMCs.

b) Members noted that, as a result, SUPPLYCOR was not able to provide supplier invoices or company-specific commercial terms and could only furnish standardized EPRA price build-ups and aggregated landed cost information.

c) It was also observed that SUPPLYCOR had no additional information beyond the stock balances, vessel schedules, landed cost summaries and Platts/freight breakdowns already submitted, which may constrain the depth of analysis the Committee can undertake solely on the basis of SUPPLYCOR's documentation.

3. RESOLUTIONS

a) The Committee resolved that the Vessel Alignment Committee should be established through an appropriate legal framework; and

b) Further, the Committee resolved that correspondence be sent to the Ministry of Energy and Petroleum and One Petroleum Limited, requesting submission of responses to the previously raised queries by Monday, 27th May 2026.

MIN. SEN/ENG/NO.1164/2026 ANY OTHER BUSINESS

There were no issues deliberated under Any Other Business.

MIN. SEN/ENG/NO.1165/2026 ADJOURNMENT

The meeting was adjourned at 12.58 p.m. The date of the next meeting was to be communicated by notice.

SIGNED .....**DATE**..28th April 2026.....

SEN. (DR.) OBURU OGINGA, MGH, MP

CHAIRPERSON.

MINUTES OF THE ONE HUNDRED AND SIXTY SEVENTH SITTING OF THE STANDING COMMITTEE ON ENERGY HELD ON WEDNESDAY, 15TH APRIL 2026 IN KENYA PIPELINE COMPANY AND KENYA PORTS AUTHORITY BOARDROOM, MOMBASA COUNTY AT 9.00 AM.

PRESENT

1. **Sen. William Kisang' Kipkemoi, CBS, MP** - **Vice- Chairperson**
2. Sen. (Dr.) Boni Khalwale, CBS, MP - Member
3. Sen. James Lomenen Ekomwa, CBS, MP - Member
4. Sen. (Dr.) Danson Buya Mungatana, MGH, MP - Member
5. Sen. Veronica Maina, CBS, MP - Member

ABSENT WITH APOLOGY

1. **Sen. (Dr.) Oburu Oginga, MGH, MP** - **Chairperson**
2. Sen. Ledama Olekina, CBS, MP - Member
3. Sen. Edwine Watenya Sifuna, CBS, MP - Member
4. Sen. Beatrice Ogolla, MP - Member

COMMITTEE SECRETARIAT

1. Dr. Christine Sagini - Senior Clerk assistant/ Lead Clerk
2. Ms. Mary Waqo - Clerk Assistant
3. Ms. Zeinab Jirma - Legal Counsel
4. Ms. Nancy Mulei - Research Officer
5. Mr. Washington Otiato - Media Relations Officer
6. Mr. Rony Nyaga - Public Communications Officer
7. Ms. Judith Aoka - Audio Officer

MIN/SEN/ENG/NO.1151/2026 **PRELIMINARIES**

The meeting was called to order at 11.13 a.m. and the sitting commenced with a word of prayer by the Chairperson.

MIN/SEN/ENG/NO.1152/2026 **ADOPTION OF THE AGENDA**

The agenda of the meeting was adopted after it was proposed by Sen. James Lomenen Ekomwa, CBS, MP and Seconded by Sen. (Dr.) Boni Khalwale, CBS, MP as follows-

AGENDA

1. Prayer;
2. Adoption of the Agenda;
3. Confirmation of Minutes of the previous sittings;
4. Matters Arising from the Minutes;
5. *Meeting with –*
    1. *Kenya Pipeline Company;*
    2. *Kenya Ports Authority to deliberate on the ongoing crisis in the petroleum sector.*
6. Any Other Business; and
7. Date of the Next Meeting and Adjournment.

MIN. SEN/ENG/NO.1153/2026 **CONFIRMATION OF MINUTES OF THE PREVIOUS SITTINGS**

Confirmation of minutes of the previous sittings was deferred to the next sitting

MIN. SEN/ENG/NO.1154/2026 **MATTERS ARISING FROM THE MINUTES**

There were no matters arising.

MIN/SEN/ENG/NO.1155/2026 **MEETING WITH KENYA PIPELINE COMPANY AND KENYA PORTS AUTHORITY (COMMITTEE PAPER NO 126)**

1. The Committee noted that there were persistent information gaps and fragmented accountability in briefings from KPA, KPC, and KPRL on the ongoing fuel crisis, including unclear responsibility for security of supply and management of quality incidents;
2. The Committee noted unresolved concerns regarding the condemned vessel MT Paloma (KG05/2026), including how the contaminated fuel was landed and handled,

and the implications for supply chain integrity, regulatory oversight, and public safety;

3. The Committee noted that engagements with personnel in procurement, logistics, and port handling revealed systemic challenges, including weak inter-agency coordination, poor real-time data sharing, and gaps in risk management, which impede effective response to supply crises and weaken energy security;
4. The Committee noted that, as at 1st April 2026, petroleum stock cover within KPC facilities stood at approximately 14 days for Motor Spirit (Petrol), 18 days for Automotive Gas Oil (Diesel), 16 days for Illuminating Kerosene, 10 days for Jet A-1, and 33 days for Dual Purpose Kerosene, with some products declining by 8th April 2026. The Committee was satisfied that current stocks were sufficient and that there was no immediate risk of shortages;
5. The Committee noted that, during the inspection of the Kipevu Oil Storage Facility, facility management and sector officials assured Members of the current and projected stability of the country's petroleum reserves;
6. The Committee noted that five dedicated petroleum cargoes were scheduled to arrive at the Port of Mombasa in April and May as a proactive measure to mitigate any risk of future fuel shortages;
7. The Committee noted that these consignments were reserved exclusively for the domestic market and were expected to provide an adequate buffer for local supply. The Committee further noted that, upon berthing, EPRA and other agencies, including KEBS, would carry out mandatory quality conformity checks before any fuel is discharged into the national pipeline system;
8. The Committee assessed the physical and technical capacity of the Kipevu Oil Storage Facility and were informed that its total holding capacity is 328 million litres, serving both domestic demand and regional transit volumes; and
9. The Committee inspected the facility's onsite laboratory, where technical staff demonstrated the standard operating procedures for petroleum quality control, including mandatory physicochemical tests conducted on all received fuel to confirm compliance with Kenyan standards before public distribution.

MIN. SEN/ENG/NO.1157/2026 ANY OTHER BUSINESS

There were no issues deliberated under Any Other Business-

MIN. SEN/ENG/NO.1158/2026 ADJOURNMENT

The meeting was adjourned at 4.58 p.m. The date of the next meeting was to be communicated by notice.

SIGNED.....**DATE**.....11th June 2025.....

SEN. (DR.) OBURU OGINGA, MGH, MP

CHAIRPERSON.

MINUTES OF THE ONE HUNDRED AND SIXTY SIXTH SITTING OF THE STANDING COMMITTEE ON ENERGY HELD ON TUESDAY, 14TH APRIL 2026 IN COMMITTEE ROOM 8, FIRST FLOOR, BUNGE TOWER AT 11.00 AM.

PRESENT

1. **Sen. (Dr.) Oburu Oginga, MGH, MP** - **Chairperson**
2. **Sen. William Kisang' Kipkemoi, CBS, MP** - **Vice- Chairperson**
3. Sen. Ledama Olekina, CBS, MP - Member
4. Sen. (Dr.) Boni Khalwale, CBS, MP - Member
5. Sen. James Lomenen Ekomwa, CBS, MP - Member
6. Sen. (Dr.) Danson Buya Mungatana, MGH, MP - Member
7. Sen. Beatrice Ogolla, MP - Member

ABSENT WITH APOLOGY

1. Sen. Veronica Maina, CBS, MP - Member
2. Sen. Edwine Watenya Sifuna, CBS, MP - Member

COMMITTEE SECRETARIAT

1. Dr. Christine Sagini - Senior Clerk assistant/ Lead Clerk
2. Ms. Mary Waqo - Clerk Assistant
3. Ms. Zeinab Jirma - Legal Counsel
4. Ms. Nancy Mulei - Research Officer
5. Mr. Washington Otiato - Media Relations Officer
6. Mr. Rony Nyaga - Public Communications Officer
7. Ms. Judith Aoka - Audio Officer
8. Ms. Harriet Kerubo - Attache

IN ATTENDANCE

1. Mr. Pius Mwendwa - Ag. KPC MD
2. Ms. Ageline Maangi - MD Oryx Energies

MIN/SEN/ENG/NO.1144/2026 PRELIMINARIES

The meeting was called to order at 11.13 a.m. and the sitting commenced with a word of prayer by the Chairperson.

MIN/SEN/ENG/NO.1145/2026 ADOPTION OF THE AGENDA

The agenda of the meeting was adopted after it was proposed by Sen. Beatrice Ogolla, MP and Seconded by Sen. (Dr.) Boni Khalwale, CBS, MP as follows-

AGENDA

1. Prayer;
2. Adoption of the Agenda;
3. Confirmation of Minutes of the previous sittings;
4. Matters Arising from the Minutes;
5. *Meeting with –*
    1. *Chairperson, Board of Directors, Energy and Petroleum Regulatory Authority (EPRA);*
    2. *Ag. Managing Director Kenya Pipeline Company (KPC);*
    3. *Executive Director, One Petroleum Ltd.; and*
    4. *Managing Director, Oryx Ltd; to deliberate on the ongoing crisis in the petroleum sector. (Committee Paper No. 126).*
6. Any Other Business; and
7. Date of the Next Meeting and Adjournment.

MIN. SEN/ENG/NO.1146/2026 CONFIRMATION OF MINUTES OF THE PREVIOUS SITTINGS

Confirmation of minutes of the previous sittings was deferred to the next sitting

MIN. SEN/ENG/NO.1147/2026 MATTERS ARISING FROM THE MINUTES

There were no matters arising.

MIN/SEN/ENG/NO.1148/2026 MEETING WITH CHAIRPERSON, BOARD OF DIRECTORS, EPRA, AG. KPC MD, CHAIRPERSON, BOARD OF

DIRECTORS KPC, MD ORYX ENERGIES (COMMITTEE PAPER NO 126)

1. The Committee was informed that *Vide* a letter dated 13th April, 2026 REF: KPC/BO/ME/5 and Vide a letter dated 13th April, 2026 REF EPRA/ADM/CONF/Vol.7/RM/km the Chairpersons of the Kenya Pipeline Company and the Energy and Petroleum Regulatory Authority boards formally tendered their apologies for being unable to appear before the Committee on the scheduled date and requested that alternative dates be set for their attendance.

2. KPC's central role vis-à-vis absence of strategic reserves-

   a) The Committee noted that Kenya Pipeline Company plays a critical role in safeguarding security of supply through its 1,342 km pipeline network and storage infrastructure with an annual handling capacity of approximately 14 billion litres.

   b) The Committee further noted that the development and operationalization of national strategic petroleum reserves falls under the State Department for Petroleum, and that no clearly operational strategic reserve framework is currently in place within KPC's system.

   c) The Committee noted that a structural gap exists between KPC's operational centrality and the absence of an operational strategic reserve regime, raising concerns on national preparedness in the event of prolonged supply disruptions.

3. Current stock cover levels below strategic thresholds-

   a) The Committee noted that, as at 1st April 2026, stock cover within Kenya Pipeline Company facilities stood at: Motor Spirit (Petrol) (14 days), Automotive Gas Oil (Diesel) (18 days), Illuminating Kerosene (16 days), Jet A-1 Fuel (10 days), and Dual Purpose Kerosene (33 days), with some products declining further by 8 April 2026.

   b) The Committee further noted that these stock levels are sufficient for normal operations but fall short of strategic resilience benchmarks of three to six months required in high-risk geopolitical environments.

4. Limited visibility of national petroleum stocks-

a) The Committee noted that KPC has no oversight or visibility over stocks held by Oil Marketing Companies (OMCs) outside its infrastructure, resulting in the absence of a consolidated, real-time national stock position.

b) The Committee further noted that KPC is unable to disclose individual OMC stock positions due to confidentiality clauses in Transport and Storage Agreements and therefore provides only aggregated data.

c) The Committee noted that this limitation constrains effective planning, enforcement of minimum stock obligations, and timely response to supply disruptions.

d) The Committee further noted that while commercial confidentiality is a legitimate concern, this position may limit parliamentary oversight on market conduct, including potential hoarding or inequitable allocation of products.

e) The Committee noted that KPC reported no shortages within its system and attributed downstream shortages to factors outside its mandate.

f) The Committee further noted that this indicates fragmented accountability across the supply chain, with potential vulnerabilities in last-mile distribution, allocation practices, and market conduct by OMCs.

Key Observations from Oryx Energies Submission

5. Emergency procurement exposes supply vulnerabilities-

a) The Committee noted that Oryx Energies was given a two-hour window on 19th March 2026 to submit a proposal for emergency PMS supply and proceeded to secure cargo on that basis.

b) The Committee further noted that the Ministry accepted both the initial 60,000 MT and an additional 36,000 MT but subsequently cancelled the entire procurement after the cargoes were already en route.

c) The Committee noted that the compressed timelines, single-source engagement, and post-commitment cancellation reflect weaknesses in the governance of emergency fuel procurement and may undermine Kenya's credibility in future crises.

d) The Committee further noted that Oryx quoted a premium of USD 253.94/MT compared to the G2G premium of USD 84/MT, attributed to global supply disruptions, increased insurance, and war risk costs.

e) The Committee noted that the significant price differential underscores the cost advantage of Government-to-Government arrangements and highlights the importance of pre-positioned strategic reserves and long-term supply contracts.

f) The Committee further noted that failure to honour emergency procurement commitments may erode private sector confidence and willingness to respond in future supply crises.

g) The Committee noted that the Ministry should establish a clear emergency procurement and strategic reserve framework that ensures accountability, value for money, and maintains trust with credible suppliers.

h) The Committee further noted that Oryx maintains the process was initiated by a legally mandated authority under existing OTS terms, while leaving the determination of compliance with the G2G framework to the Committee.

6. RESOLUTIONS

a) The Committee to interrogate the adequacy of the country's physical and financial infrastructure to maintain petroleum product stocks sufficient for a minimum period of three (3) months. The Committee shall further examine the feasibility of permitting Oil Marketing Companies (OMCs) to import stocks adequate for at least three (3) months.

b) The Managing Director of the Kenya Pipeline Company to revise and resubmit the presentations previously made before the Committee, incorporating all required clarifications and updated data.

c) Oryx Energies Kenya Limited to provide the Committee with a comprehensive statement of its asset base, including storage capacity and related facilities.

d) One Petroleum Limited to be invited to appear before the Committee on Tuesday, 21st April 2026. The Cabinet Secretary for the Ministry of Trade and the Cabinet Secretary for the Ministry of Energy and Petroleum to be invited to appear before the Committee on Tuesday, 28th April 2026.

MIN. SEN/ENG/NO.1149/2026 **ANY OTHER BUSINESS**

The following issues were deliberated under Any Other Business-

a) The Committee was informed of correspondence from One Petroleum Ltd dated 13th April, 2026;

b) The Committee expressed concern regarding the contents of the letter, particularly where it raises jurisdictional and procedural objections that appear to question the constitutional mandate of the Senate and the authority of the Standing Committee on Energy.

MIN. SEN/ENG/NO.1150/2026 **ADJOURNMENT**

The meeting was adjourned at 3.58 p.m. The date of the next meeting was to be communicated by notice.

SIGNED... .....**DATE**.....28th April 2026.....

SEN. (DR.) OBURU OGINGA, MGH, MP

CHAIRPERSON.

MINUTES OF THE ONE HUNDRED AND SIXTY FIFTH SITTING OF THE STANDING COMMITTEE ON ENERGY HELD ON WEDNESDAY, 8TH APRIL 2026 IN COMMITTEE ROOM 4, FIRST FLOOR, BUNGE TOWER AT 12.00 PM.

PRESENT

1. **Sen. (Dr.) Oburu Oginga, MGH, MP - Chairperson**
2. **Sen. William Kisang' Kipkemoi, CBS, MP - Vice- Chairperson**
3. Sen. Ledama Olekina, CBS, MP - Member
4. Sen. (Dr.) Boni Khalwale, CBS, MP - Member
5. Sen. James Lomenen Ekomwa, CBS, MP - Member
6. Sen. (Dr.) Danson Buya Mungatana, MGH, MP - Member
7. Sen. Beatrice Ogolla, MP - Member

ABSENT WITH APOLOGY

1. Sen. Veronica Maina, CBS, MP - Member
2. Sen. Edwine Watenya Sifuna, CBS, MP - Member

COMMITTEE SECRETARIAT

1. Dr. Christine Sagini - Senior Clerk assistant/ Lead Clerk
2. Ms. Mary Waqo - Clerk Assistant
3. Ms. Zeinab Jirma - Legal Counsel
4. Ms. Nancy Mulei - Research Officer
5. Mr. Washington Otiato - Media Relations Officer
6. Mr. Rony Nyaga - Public Communications Officer
7. Ms. Judith Aoka - Audio Officer
8. Ms. Harriet Kerubo - Attache

MIN/SEN/ENG/NO.1136/2026 **PRELIMINARIES**

The meeting was called to order at 12.13 p.m. and the sitting commenced with a word of prayer by the Chairperson.

MIN/SEN/ENG/NO.1137/2026 **ADOPTION OF THE AGENDA**

The agenda of the meeting was adopted after it was proposed by Sen. Beatrice Ogolla, MP and Seconded by Sen. (Dr.) Boni Khalwale, CBS, MP as follows-

AGENDA

1. Prayer;
2. Adoption of the Agenda;
3. Confirmation of Minutes of the previous sittings;
4. Matters Arising from the Minutes;
5. Committee briefing on the ongoing crisis in the petroleum Sector *(Committee Paper No. 125);*
6. Any Other Business; and
7. Date of the Next Meeting and Adjournment.

MIN. SEN/ENG/NO.1138/2026 **CONFIRMATION OF MINUTES OF THE PREVIOUS SITTINGS**

Confirmation of minutes of the previous sittings was deferred to the next sitting

MIN. SEN/ENG/NO.1139/2026 **MATTERS ARISING FROM THE MINUTES**

There were no matters arising.

MIN/SEN/ENG/NO.1140/2026 **COMMITTEE BRIEFING ON THE ONGOING CRISIS IN THE PETROLEUM SECTOR (COMMITTEE PAPER NO 126)**

1. The Committee observed that the recent petroleum crisis in the country arose primarily from accountability failures rather than global supply shortages. Senior officials in the Ministry of Energy, Kenya Pipeline Company, and the Energy and Petroleum Regulatory Authority manipulated stock data, bypassing the 2023 Government-to-Government procurement framework, which contributed to public

alarm amid heightened Middle East tensions. This manipulation facilitated emergency non-competitive procurement of MT Paloma imports;

2. The Committee noted that the Principal Secretary MOEP requested Kenya Bureau of Standards waivers on Certificates of Conformity and quality inspections, citing Gulf disruptions. These requests extended to port inspections and penalty waivers, including a 5% CIF/USD 3,500 exemption;
3. The Committee observed significant pricing irregularities, including the MT Paloma super petrol priced at Kshs 198,000 per metric ton, compared to the G-to-G benchmark of Kshs 140,000 per metric ton. Such premiums threatened consumer affordability and overall price stability;
4. The Committee acknowledged the President's acceptance of resignations by PS Liban, KPC Managing Director Joe Sang, and EPRA Director-General Daniel Kiptoo, while noting that actions were being pursued against other officials, including Deputy Director Wafula and KPC's Joel Mburu. The Committee further expressed concerns regarding resignation processes and potential retention of benefits despite alleged malfeasance;
5. The Committee noted that the government halted a second irregular shipment to protect public interest. One Petroleum was directed to withdraw 60,000 MT invoices and remove substandard cargo, while oil marketing companies were barred from payments or deliveries, and EPRA excluded the affected cargo from pricing calculations;
6. The Committee observed that the EPRA pricing framework incorporates landed costs, distribution, taxes, levies, and OMC margins, as stipulated in the 2022 Regulations. Excise duties, the Road Maintenance Levy, VAT, and anti-adulteration levies significantly influence pump prices. Recent increases in OMC margins further reduced flexibility without affecting revenue;
7. The Committee noted that Kshs 25 billion has been allocated to the FY2025/26 Fuel Stabilization Program, emphasizing that its utilization requires heightened transparency and accountability. Historical allocations ranging from Kshs 18 billion to 63 billion during previous crises underscore the need for detailed review of deployment and sustainability;
8. Regarding supply, the Committee observed that as of 30th March 2026, petroleum stocks cover between 16 and 49 days, with national monthly requirements at 255,000 MT versus expected needs of 290,000 MT, indicating a 47-day coverage. Shortages reported in Eldoret and Kitale highlighted vulnerabilities in distribution and delayed National Oil Corporation reforms, which hinder supply stabilization. The Committee further noted the risk of panic buying and cross-border smuggling, calling for strengthened governance between the Ministry, EPRA, and sector boards;

9. The Committee observed governance weaknesses, including unclear accountability between the Ministry, EPRA, and sector boards. Questions remain regarding EPRA's independence, budget approvals, and overall transparency. In response, the Committee recommended reviewing tender documents, verifying G-to-G supplier compliance, and summoning Kenya Ports Authority to confirm cargo manifests and supply status; and
10. Finally, the Committee noted proposals to consider EPRA leadership as a parliamentary appointment to enhance accountability, while recognizing that current regulatory frameworks contain gaps that could heighten the risk of future petroleum crises.

RESOLUTIONS

1. To request the Ministry of Energy and Petroleum and the Ministry of Trade to provide comprehensive information regarding the ongoing petroleum crisis by Monday, 13th April 2026;
2. To invite the EPRA Board, Kenya Pipeline Company and all relevant Oil Marketing Companies for a meeting on Tuesday, 14th April 2026, to deliberate on the ongoing crisis in Kenya's petroleum sector, with the aim of seeking urgent interventions to restore stability, protect consumers, and safeguard national energy security.
3. Visit the Kenya Ports Authority, Kenya Pipeline Company, and Kenya Petroleum Refineries Limited to receive briefings and updates on the ongoing fuel crisis, and to request facilitation for access to the following:

    a) The condemned vessel MT Paloma (KG05/2026);
    b) Current and received petroleum stocks;
    c) Incoming cargoes and port operations;
    d) Relevant documentation and records;
    e) Key personnel involved in procurement, logistics, and port handling.

MIN. SEN/ENG/NO.1141/2026 ANY OTHER BUSINESS

There were no issues deliberated under Any Other Business-

MIN. SEN/ENG/NO.1142/2026 ADJOURNMENT

The meeting was adjourned at 2.35 p.m. The date of the next meeting was to be communicated by notice.

SIGNED .....**DATE**.....28th April 2026.....

.....

SEN. (DR.) OBURU OGINGA, MGH, MP

CHAIRPERSON.

ANNEX 3:

SUBMISSIONS BY MINISTRY OF ENERGY AND PETROLEUM

REPUBLIC OF KENYA

MINISTRY OF ENERGY AND PETROLEUM

Telephone: +254-20-4841000
E-mail: cs@energy.go.ke
When replying please quote

OFFICE OF THE CABINET SECRETARY
KAWI HOUSE
P. O. Box 30582
NAIROBI

THE SENATE
RECEIVED
11 MAY 2026
DEPUTY CLERK

THE SENATE
RECEIVED
11 MAY 2026
CLERK'S OFFICE
P.O. Box 41842-00100 NAIROBI

Ref. No. MOEP/SDP/CONF/1/5

11th May, 2026

Mr. J. M. Nyegenye, CBS
Clerk of the Senate
Clerks Chambers
Parliament Buildings
NAIROBI

Dear Hon. Clerk

REQUEST FOR INFORMATION BY THE STANDING COMMITTEE ON ENERGY

Reference is made to your letter Ref. SEN/DSEC/ENERGY/381/2026, dated 9th April 2026.

Attached herewith are submissions from the Ministry of Energy and Petroleum on the statements sought from the Cabinet Secretary.

Yours Sincerely

Hon. J. Opiyo Wandayi, EGH
CABINET SECRETARY

Encls.

11 MAY 2026

(2) DDSEC B
Kindly de
Hon.
12/05/20

(1) DSEC
Kindly deal.
11/05/2026

3) Dr. Sagoni
Kindly deal
12/05/2026



REPUBLIC OF KENYA

MINISTRY OF ENERGY AND PETROLEUM

RESPONSES TO THE SENATE STANDING COMMITTEE ON ENERGY

Ref. No. SEN/DSEC/ENERGY/381/2026 dated 13th April 2026

Hon. James Opiyo Wandayi, EGH

Cabinet Secretary,

Energy and Petroleum

7th May 2026

Background

The Senate Standing Committee on Energy at its sitting held on Wednesday, 8th April, 2026, resolved that the Cabinet Secretary for Energy and Petroleum apprise it on issues regarding Kenya's petroleum sector with a view of seeking urgent interventions to restore stability, protect consumers and safeguard national energy security.

The Cabinet Secretary responds as follows;

Question 1; Specify the exact standards, protocols or contractual obligations under the Government-to-Government (G-to-G) fuel importation framework that were allegedly breached in relation to the cargo associated with One Petroleum Limited and Oryx Energies, indicating the internal and/or external mechanisms through which the breach was detected, and stating the exact date the anomalies were first detected, and by which entity;

1) The cargoes associated with One Petroleum and Oryx Energies were not under G-to-G fuel importation framework. Fuel importation standards and protocols are governed by the Petroleum Act, 2019 and the Petroleum (Importation) Regulations, 2023 (Legal Notice No. 3 of 2023) provides for the importation of petroleum products under a Government to Government (G-to-G) arrangement or through the Open Tendering System (OTS).

Question 2; Clarify reports that the petroleum cargo of 60,000 metric tonne super petrol consignment associated with MT *Paloma* which arrived in Kenya on 27th March, 2026 followed a successful bid by One Petroleum pursuant to the issuance of an emergency request for fuel supply by the Ministry;

2) As reported by the technical team that handled the matter, a brief on Supply Position was prepared. Based on proposals received from OMCs the team recommended that the offer by [*Brief on Stock Position and Proposals for Delivery of Premium Motor Spirit (PMS)*] One Petroleum Limited [60,000MT with delivery date range of 23rd to 26th March 2026] be considered as contingency PMS cargo to shore up stocks. This brief was presented to the Principal Secretary, State Department for Petroleum for consideration and approval.

Question 3; Explain, in detail, the procurement process applied in the alleged emergency fuel request, including -

a) The identities of the companies that submitted bids apart from One Petroleum Limited;

3) As reported by the technical team, proposals were also received from the following Oil Marketing Companies (OMCs'):

i. Hass Petroleum,
ii. Oryx Energies, and,
iii. E3 Energies,

b) How and why the decision was reached to procure outside the G-to-G framework; and

4) At the Vessel Alignment Committee (VAC) meeting held on 18th March 2026, it was reportedly noted that the PMS vessel designated for the delivery of PMS KG05/2026, MT Elka Apollon, which had loaded cargo in Jebel Ali, was unable to transit the

Strait of Hormuz. The Committee observed that PMS stocks levels were low, with the next vessel scheduled to deliver between 3rd and 5th April 2026; consequently, the Committee noted that immediate attention to stock replenishment was necessary.

5) Accordingly, the VAC invited proposals from OMCs for the supply of an emergency PMS cargo to bridge the supply gap.

c) The legal or regulatory justification for the procurement method applied.;

6) The One Petroleum cargo was imported outside the G-to-G framework and procedures.

Question 4; Provide details of the alleged four successful bidders under the emergency process, including disclosure of the identities of the remaining two companies not publicly referenced (that is, apart from One Petroleum and Oryx Energies), indicating the criteria used to evaluate and select the successful bidders and stating whether the criteria applied was consistent with the G-to-G framework requirements;

7) According to a brief by the technical team, proposals were received from the following four OMCs':

i. Hass Petroleum,
ii. Oryx Energies,
iii. E3 Energies, and,
iv. One Petroleum

8) As reported by the technical team, the proposals were based on the following creteria;

i. Applicable terms - Open Tender System (OTS) Terms and Conditions (2023) save for payment currency being USD for the entire Cargo.

ii. Quantity - 35kt -85kt, bidders to indicate the delivery vessel size in the bid and the split where applicable.

iii. Delivery date range - 28/03 - 02/04/2026, with a preference for delivery 28-30/03/2026.

iv. Receiving Terminal - KOT II.

v. Pricing month - as per the OTS.

Question 5; Where applicable, provide a comprehensive account and detailed chronology of events leading to the rejection of the MT *Paloma* fuel consignment, including, the alleged issuance of the emergency request; the bidding and award process; the identification of the alleged breach; details of alleged consultations between One Petroleum and the Ministry on the same; evidence of the same in form of minutes; and the technical, commercial and regulatory grounds for the rejection and subsequent recall of the cargo;

9) A Detailed chronology of events up to the award process is covered in the response to Question 3.

10) Upon delivery of the contigency cargo, it was noted that the consignment was imported into the country outside the

procedures set out under the G-to-G contractual framework hence its rejection and subsequent recall.

Question 6; In light of the press statement by One Petroleum Limited indicating that it took back its cargo following consultations with the Ministry, table evidence confirming that the cargo was not discharged at any Kenyan port or facility including facilities managed by Kenya Pipeline Company and that the product has not entered the domestic fuel circulation system;

11) The cargo was discharged into the Kipevu Oil Storage Facility (KOSF) following conclusion of discharge procedures.

12) Upon recall of the cargo, Oil Marketing Companies were directed to neither pay the invoices nor uplift product from the consignment and One Petroleum Limited was directed to exit the product out of the Country.

13) Energy and Petroleum Regulatory Authority was directed to exclude the product from the monthly price computation for April-May 2026 and any subsequent pricing cycles.

Question 7; Following the withdrawal of the cargo by On Petroleum Limited, state what arrangements the Ministry has put in place to replace the affected volumes and any financial exposure incurred by the Government arising from the transaction;

14) The Ministry engaged the G-to-G suppliers to avail and supply medium range cargoes to bridge the shortfall created by the withdrawal of the cargo by One Petroleum.

15) There is no financial exposure to the Government as the product was neither factored in the April-May 2026 pricing cycle nor in any subsequent pricing cycles.

Question 8; Clarify reports of a looming fuel shortage arising from the withdrawal of cargo and the ongoing disruptions arising from the Middle East crisis and provide the current status of national fuel stocks and days of cover;

16) The Country is adequately stocked as shown in table 1 below;

Table 1: The declared global stocks position as at 5th May 2026 is detailed below

Item	**PMS (m^3)**	**AGO (m^3)**	**JET A-1 (m^3)**
Global Stocks (Kenya and Others)	201,249	235,937	57,012
Daily Demand	8,175	10,914	2,861
Stock Days	**25**	**22**	**20**

Question 9; Provide a detailed explanation of the basis upon which the Ministry determines the current national petroleum stock cover levels, including the methodology used to compute days of cover and an assessment of current reserves in the context of heightened demand arising from panic buying and speculative hoarding;

17) The Ministry determines the stock cover days by computing the volumes of the available stocks held in Kenya Pipeline Company depots and private terminals and dividing it by the Average Daily

Consumption Rates (Daily Demand) for the previous three months.

$$\text{Stocks cover days} = \frac{\text{Available Stocks}}{\text{Average Daily Consumption Rate}}$$

18) Based on the assesment shown in Table 1 the country has stock cover days of 25, 22 and 20 for PMS, AGO and JET A-1 respectively.

Question 10; State the contingency measures put in place to ensure continuity of supply and price stability during this period and elaborate on measures instituted to guarantee continuous and equitable supply of petroleum products across all counties, including enforcement mechanisms against hoarding and supply chain distortions;

19) The Ministry has maintained constant engagement with the G-to-G suppliers and firmed up imports from May to July 2026 as shown in table 2. Additionally, the Ministry has deployed the use of the Petroleum Development Levy to stabilize the pump prices hence cushioning consumers against price volatilities.

Table 2: May to July 2026 Import Schedule

CARGO ID	GRADE	DELIVERY DATE	VOLUME (MT)
KG07/2026	MSP	07-09/05/2026	85,000
KG10/2026	AGO	03-05/05/2026	85,000
KG05/2026	JET-A1	15-17/05/2026	80,000
KG11/2026	AGO	05-07/05/2026	85,000
KG08/2026	MSP	05-07/05/2026	85,000
KG12/2026	AGO	16-18/05/2026	85,000
KG09/2026	MSP	20-22/05/2026	85,000

KG13/2026	AGO	28-30/05/2026	85,000
KG06/2026	JET-A1	18-20/06/2026	60,000
KG14/2026	AGO	08-10/06/2026	85,000
KG10/2026	MSP	04-06/06/2026	85,000
KG15/2026	AGO	19-21/06/2026	85,000
KG11/2026	MSP	21-23/06/2026	85,000
KG16/2026	AGO	01-03/07/2026	85,000
KG12/2026	MSP	06-08/07/2026	85,000
KG17/2026	AGO	12-14/07/2026	85,000
KG06/2026	JET-A1	16-18/07/2026	60,000
KG18/2026	AGO	24-26/07/2026	85,000

20) EPRA undertakes country wide surveilance and enforcement across loading depots and retail stations to ensure petroleum products are sold within the published pump prices and deter any hoarding of products. To this effect, the Authority has issued show cause letters to the OMCs suspected to be involved in any malpractices.

Question 11; Explain, in detail, the measures being undertaken under the G-to-G procurement framework to mitigate price shocks, including diversification of supply routes, sourcing alternative and contractual safeguards against geopolitical disruptions;

21) The Master Framework Agreements governing the G-to-G imports, has an agreed fixed Freight and Premium. This has helped mitigate against the increase in costs for delivery of products into the Country. The G-to-G arrangement does not restrict the suppliers to a single region, as such suppliers are free to source from other regions.

Question 12; Provide a comprehensive status update on all petroleum products currently in transit (under both G-to-G arrangements and the Open Tender System), including quantities, expected arrival timelines and projections for national supply stability over the next three (3) months;

22) Table 2 in paragraph 20 above shows the import schedule for Petroleum products from May to July 2026.

Question 13; Provide detailed data on the country's actual monthly and quarterly petroleum consumption requirements over the last twelve (12) months, disaggregated by product (super petrol, diesel, and kerosene) and compare these against the volumes authorized for importation over the same period;

23) The actual local monthly petroleum consumption requirements over the last twelve (12) months are as shown in table 3;

Table 3: Monthly petroleum consumption per grade

Month	PMS (M^3)	AGO (M^3)	JETA-1 (M^3)
Apr-25	181,254	220,799	61,360
May-25	179,584	236,568	99,358
Jun-25	158,377	204,761	56,761
Jul-25	180,542	244,898	63,904
Aug-25	179,460	239,140	73,828
Sep-25	170,065	235,904	47,932
Oct-25	172,995	265,181	121,045
Nov-25	151,348	237,203	45,530
Dec-25	188,239	248,397	138,840
Jan-26	184,126	239,752	4,217
Feb-26	170,794	239,880	169,619
Mar-26	173,005	254,297	69,005
Apr-26	181,004	216,921	78,224

Question 14; Explain the methodology and reliability of the demand forecasting and threshold determination mechanisms used by the Ministry and the Energy and Petroleum Regulatory Authority, including any identified gaps or inaccuracies that may have contributed to the current supply shortfall;

24) The Ministry determines the stock cover days by computing the volumes of the available stocks held in Kenya Pipeline Company depots and private terminals and dividing it by the Average Daily Consumption Rates (Daily Demand) for the previous three months. By using a three-month rolling consumption average, the methodology is reliable.

Question 15; Provide a comprehensive breakdown of the Fuel Stabilization Fund, including -

a) **total allocations and disbursements over the last two (2) financial years;**

25) Allocation vis a vis disbursement of stabilisation fund for the FY2024/2025 and FY2025/2026

Table 4: Stabilisation allocation and disbursement for FY2024/2025 and FY2025/2026

Financial Year	Budget Allocation (KES)	Disbursement (KES)
FY 2024/2025	18,571,088,366	13,688,851,633
FY 2025/2026	22,450,000,000	3,407,859,813

b) **itemized utilization of the Fund; and**

26) Summary of Stabilisation Payments per Importer for FY2024/2025

Table 5:Summary of stabilisation payments for FY2024/2025 per Importer

Importer	Amount (KES)
Gulf Energy	9,466,158,810
Galana Energies	1,853,726,324
One Petroleum	998,367,729
Asharami Synergy	257,838,596
Oryx Energies	1,111,108,592
Texas Energy	1,651,581
Grand Total	**13,688,851,632**

27) Summary of Stabilisation Payments – FY2025/2026

Table 6:Summary of stabilisation payments for FY2024/2025 per Importer

Importer	Amount (KES)
Gulf Energy	1,407,514,851
Galana Energies	263,398,608
One Petroleum	666,247,994
Be Energy	583,618,430
Oryx Energies	487,079,930
Grand Total	**3,407,859,813**

c) **The current balance and its capacity to cushion consumers in the remainder of the current financial year and in FY 2026/2027.**

28) The stabilisation balances as at 6th May 2026 is as shown in table 7;

Table 7: Stabilisation balances for FY2025/2026

Financial Year	Allocated (KES)	Disbursed (KES)	Committed Payment (KES)	Balance (KES)
FY 2025/2026	22,450,000,000	3,407,859,813	7,723,783,640	11,318,356,548
FY2026/2027	22,000,000,000	-	-	-

29) The available funds for stabilisation for the reminder of the FY2025/2026 is Ksh.11,318,356,548

Question 16; Elaborate on the mitigation strategies adopted by the Ministry to address rising supply chain costs, including increases in marine insurance premiums, war risk surcharges, freight rates and demurrage charges and their implications for end-user fuel pricing.

30) Importation of petroleum products into the country is undertaken through the Government-to-Government framework. Under this framework, cargoes are delivered at an agreed fixed Freight and Premium. This has helped mitigate against increase in freight costs. Additionally, the framework has enhanced operational flexibility by allowing cargoes to be called-in based on prevailing demand and ullage availability thereby minimising demurrage.

HON. J. OPIYO WANDAYI, EGH
CABINET SECRETARY
7th May, 2026

ANNEX 4:

SUBMISSIONS BY MINISTRY OF TRADE, INVESTMENTS AND INDUSTRY

REPUBLIC OF KENYA

MINISTRY OF INVESTMENTS, TRADE AND INDUSTRY

OFFICE OF THE CABINET SECRETARY

Fax No: +254-(0)-20-2731511
Telephone: +254-(0)20-2731531/2-4
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Social Security House, 17th Floor
P.O. BOX 30418-00100
NAIROBI, GPO

Ref: MITI/CS/SEN/25/VOL.1(008)

13th April, 2026

THE SENATE
RECEIVED
14 APR 2026
CLERK'S OFFICE
P.O. BOX 41842-00100 NAIROBI

Mr. J.M. Nyegenye, CBS
Clerk of the Senate
Parliament Buildings
P.O. Box 41842 - 00100
NAIROBI

Dear Sir,

RE: REQUEST FOR INFORMATION BY THE STANDING COMMITTEE ON ENERGY

We acknowledge receipt of your letter Ref: **SEN/DSEC/ENERGY/383/2026** dated **9th April, 2026** on the above subject matter and received electronically at 4:24pm on Friday 10th April 2026.

Given the magnitude of the issues raised by the Senate Committee and in order to provide a conclusive information we hereby request the indulgence of the house to submit the report in the next ten (10) days from today.

Further, the information sought will require cross reference with other Government Departments and agencies and hence, the need for additional time. We therefore request to file the report by **Thursday 23rd April 2026.**

Looking forward to your favorable consideration on this matter.

Yours sincerely

Hon. Lee Kinyanjui, E.G.H
CABINET SECRETARY

DSEC
You are dealing.
14/4/2026
Lead Clerk Energy
Kindly deal
Ababu
15/4/26

Copy to: **H.E (Dr) Musalia Mudavadi, EGH**
Prime Cabinet Secretary and Cabinet Secretary
Ministry of Foreign and Diaspora Affairs
NAIROBI

REPUBLIC OF KENYA

MINISTRY OF INVESTMENTS, TRADE AND INDUSTRY

WRITTEN SUBMISSIONS TO THE STANDING COMMITTEE ON ENERGY THE SENATE OF KENYA ON THE INQUIRY INTO THE ONGOING CRISIS IN KENYA'S PETROLEUM SECTOR

SUBMITTED BY: HON. LEE KINYANJUI, EGH

CABINET SECRETARY, MINISTRY OF INVESTMENTS, TRADE AND INDUSTRY

REF: SEN/DSEC/ENERGY/383/2026 DATED 9TH APRIL 2026

Honourable Chairman,

Distinguished Members of the Standing Committee on Energy,

I wish to express my sincere appreciation to the Standing Committee on Energy for the opportunity to present these submissions in response to the Committee's letter referenced **SEN/DSEC/ENERGY/383/2026** dated **9th April 2026**. I appear before this Committee with full respect for the constitutional authority of the Senate and its Committees, and with a deep commitment to transparency, accountability, and the protection of the Kenyan public.

The issues raised by this Committee touch on matters of significant national importance the safety of Kenya's fuel supply, I welcome this inquiry and undertake to respond to each of the fifteen questions with honesty, precision, and the full weight of evidence at my disposal. Where documentation is referenced, I commit to tabling it before this Committee. Where further information is required, I undertake to provide it without delay.

QUESTION 1: *Confirm whether the Ministry issued or sanctioned the issuance of official letters waiving the requirement for Verification of Conformity (PVOC) in respect of the petroleum cargo associated with One Petroleum Limited and/or Oryx Energies.*

RESPONSE

Honourable Chairman, I confirm, openly and without reservation, that the Ministry of Investments, Trade and Industry issued a letter dated **28th March 2026**, referenced **MITI/CS/VOL.1/WAIVER/03**, addressed to the Cabinet Secretary, Ministry of Energy and Petroleum. That letter granted a **conditional recommendation for waiver** on specific parameters in the Kenya Standard **KS EAS 158:2025 Automotive Gasoline Specifications** for **68,000 metric tons of Premium Motor Spirit (PMS) RON 93 aboard the vessel MT Paloma**, imported by One Petroleum Limited.

The specific parameters on which the waiver was granted were **oxygenates, manganese, sulphur, and benzene**. This waiver was not issued arbitrarily or in disregard of public safety. It was issued in direct response to official communications from the Principal Secretary, State Department for Petroleum, dated **26th March 2026** and **27th March 2026**, which presented evidence of a critical national supply shortfall of PMS, exacerbated by disruptions to global marine traffic arising from the ongoing conflict in the Middle East, particularly affecting the Strait of Hormuz. The Ministry acted on that information in good faith and in the public interest, subject to strict conditions designed to protect consumers and safeguard public safety.

With respect to Oryx Energies, the Ministry's letter of **28th March 2026** specifically concerned the MT Paloma consignment associated with One Petroleum Limited. The Ministry has no record of issuing a separate waiver letter in respect of any petroleum cargo specifically associated with Oryx Energies in the context of this matter. The Honourable Committee is invited to provide any further particulars it may have on this, and the Ministry will respond accordingly.

QUESTION 2: *If so, provide copies of the said waiver letters issued by the Ministry and/or Kenya Bureau of Standards, the legal and regulatory basis under which the waiver was granted and details of the specific officers or authorities who approved and executed the waiver.*

RESPONSE

Honourable Chairman, the Ministry is pleased to table before this Committee the letter referenced **MITI/CS/VOL.1/WAIVER/03** dated **28th March 2026**, which constitutes the Ministry's waiver communication in this matter. This letter is attached to these submissions as Annexure 1. The Ministry also tables, for the Committee's information and context, the letters from the Principal Secretary, State Department for Petroleum, dated 26th March 2026 and 27th March 2026, which triggered and informed the Ministry's decision, attached as Annexures 2 and 3 respectively.

With regard to the legal and regulatory basis for the waiver, the Ministry's authority to grant a waiver of this nature is grounded in Section 9(3) of the Standards Act, Cap. 496, which provides that the Cabinet Secretary, on the advice of the National Standards Council, may exempt a person, industry or trade from compliance with a Kenya Standard order where it is satisfied that it is temporarily impossible or impractical to comply with the standard, and that it is in the public interest to permit the relevant product to be made available. The conditions prevailing at the time a verified national PMS supply shortfall, the imminent risk of a stock-out, and the extraordinary disruption of global supply chains by the Middle East conflict squarely met the threshold for activation of this provision.

The waiver was approved and signed by the Cabinet Secretary, Ministry of Investments, Trade and Industry, acting within the authority vested in the Cabinet Secretary under the Standards Act. The process was initiated by the Principal Secretary, State Department for Petroleum, whose official communications to the Ministry provided the factual and technical basis upon which the decision was made. The Ministry of Energy and

Petroleum was the recipient of the waiver communication, as it is the ministry with primary policy responsibility over petroleum supply and the G-to-G import framework.

QUESTION 3: *Clarify whether the waiver of PVOC requirements is permissible under existing laws and standards, including the applicable provisions of the Standards Act and import inspection regulations and indicate any circumstances under which such waivers may be lawfully granted.*

RESPONSE

Honourable Chairman, the waiver of certain product specification parameters under defined and exceptional circumstances is expressly permissible under Kenyan law. The Ministry wishes to draw the Committee's attention to the precise legal provision that governs this matter: **Section 9(3) of the Standards Act, Cap. 496**. This provision states that the Cabinet Secretary, on the advice of the National Standards Council, after a resolution to the effect that it is temporarily impossible or impractical for a person, industry or trade to comply with an applicable Kenya Standard, and that it is nevertheless desirable in the public interest that the relevant product be permitted to be made available, may by notice in the Gazette exempt that person, industry or trade from compliance with the Standard for a specified period and subject to specified conditions.

It is important for the Honourable Committee to understand that this provision is not an escape clause, a loophole, or a discretionary tool for circumventing public safety. It is a deliberate legislative instrument that Parliament itself enacted, in recognition of the reality that there would be extraordinary national circumstances under which a rigid and unyielding application of standards could itself cause serious harm to the public for instance, by causing a critical shortage of an essential commodity like fuel. The waiver mechanism therefore reflects Parliament's own wisdom in building flexibility into the standards framework, while ensuring that such flexibility is exercised only through the highest levels of institutional authority, subject to conditions, and in the public interest.

The circumstances under which such a waiver may lawfully be granted are therefore clearly defined by the statute: first, it must be temporarily impossible or impractical to comply with the relevant standard; second, it must be in the public interest to permit the product to be made available despite the non-compliance; and third, the Cabinet Secretary must act on the advice and resolution of the National Standards Council. In the present case, all three elements were present. The country was facing a verified and imminent PMS supply shortfall. The public interest in preventing a stock-out with its attendant consequences for transportation, livelihoods, health services, and the broader economy was manifest and urgent. And the Ministry acted on information provided through the appropriate inter-governmental channels.

The Ministry further wishes to assure the Committee that the waiver did not remove or suspend the requirement for destination inspection and testing by the Kenya Bureau of Standards. On the contrary, destination inspection was one of the explicit conditions of the waiver, as set out in the Ministry's letter of 28th March 2026. The integrity of the conformity assessment process was therefore preserved and reinforced, not compromised.

QUESTION 4: *Explain the justification and public interest considerations relied upon in granting the waiver, particularly in light of the potential risks to fuel quality, consumer safety and environmental compliance.*

RESPONSE

Honourable Chairman, the decision to grant a conditional waiver on specific PMS parameters for the MT Paloma consignment was not taken lightly. It was made after careful consideration of the national supply situation, the potential consequences of inaction, and the adequacy of the safeguards that could be put in place to protect consumers and manage risk. The Ministry wishes to set out the public interest justification for that decision in full.

At the time the waiver was issued, Kenya was experiencing a verifiable and serious shortfall in PMS stocks. The Principal Secretary, State Department for Petroleum, communicated to the Ministry that the country was critically lean on PMS, with demand significantly outpacing available supply. The next scheduled G-to-G PMS import was not expected until between the 3rd and 5th of April 2026. Without immediate intervention, the country faced the very real and imminent prospect of a fuel stock-out a scenario that would have had severe consequences for millions of Kenyans who depend on fuel for transport, agriculture, healthcare, commerce, and daily life. The disruption to marine traffic through the Strait of Hormuz, arising from the Middle East conflict, had compounded an already fragile supply situation by affecting the timely delivery of previously scheduled PMS cargoes.

Against this backdrop, the Ministry was faced with a difficult but necessary choice: allow the MT Paloma consignment, which was already at the port of Mombasa, to be processed under a carefully managed and conditional framework or risk an outright fuel shortage that would have caused widespread harm to the public. The Ministry judged, and still maintains, that the public interest in securing fuel supply for the nation outweighed the risks presented by the specific off-specification parameters particularly given that robust conditions were attached to the waiver to mitigate those risks.

Those conditions included: subjecting the PMS to full destination inspection by KEBS against all other parameters of KS EAS 158:2025; commingling the MT Paloma PMS with existing stock to dilute and mitigate excess manganese concentrations; directing Kenya Pipeline Company Limited, in conjunction with EPRA, to control the distribution of the commingled PMS; ensuring the next two scheduled PMS consignments were fully compliant with KS EAS 158:2025; requiring the importer to provide written confirmation that MTBE oxygenates were absent; and requiring the importer to indemnify KEBS against any unexpected consequences arising from the waiver. These were not cosmetic conditions they were substantive safeguards specifically designed to address the identified risks to fuel quality, consumer safety, and environmental compliance.

QUESTION 5: *Indicate whether the waiver was granted as part of an emergency procurement process at the request of the Ministry of Energy and Petroleum or any other government agency and provide details of such request(s).*

RESPONSE

Honourable Chairman,

The waiver issued on 28th March 2026 was granted in direct response to formal requests from the Principal Secretary, State Department for Petroleum, Ministry of Energy and Petroleum. The Ministry received two official communications dated 26th and 27th March 2026, which outlined the prevailing national petroleum supply situation, identified the MT Paloma consignment, and requested consideration of specific off-specification parameters. These communications were transmitted through the established inter-governmental framework and formed the basis upon which the Ministry considered the matter.

With respect to whether the waiver formed part of an emergency procurement process, the Ministry wishes to clarify its mandate. The Ministry of Investments, Trade and Industry does not have oversight over petroleum procurement processes and is therefore not in a position to confirm or characterize the procurement modality under which the MT Paloma consignment was sourced. That determination falls within the jurisdiction of the Ministry of Energy and Petroleum and the relevant sector entities responsible for petroleum supply and procurement.

The Ministry's involvement was limited to the regulatory domain specifically, the consideration of whether, and under what conditions, a consignment with identified off-specification parameters could be managed within the framework of the Standards Act and applicable regulations, in light of the circumstances presented by the sector ministry.

Accordingly, the waiver did not constitute a procurement decision by the Ministry, but rather a conditional regulatory measure taken in response to a formally communicated national supply situation.

The Ministry further notes that the waiver letter set out specific conditions precedent to its operationalisation. As at the time of these submissions, formal confirmation has not been received from the Ministry of Energy and Petroleum indicating that these conditions have been fully satisfied. The waiver therefore remains conditional and not fully operationalised pending such confirmation.

QUESTION 6: *Provide a detailed account of the process followed in granting the waiver, including whether any risk assessments, technical evaluations or quality assurances were undertaken prior to issuance; and whether any alternative quality assurance mechanisms were put in place in lieu of the PVOC requirement.*

RESPONSE

Honourable Chairman, the Ministry wishes to provide the Committee with a clear and transparent account of the process that was followed in arriving at the decision to grant the conditional waiver on specific parameters of the MT Paloma PMS consignment. The Ministry submits that this process was deliberate, documented, and grounded in the information officially provided by the competent government agencies with direct responsibility over petroleum supply and market conditions in Kenya.

The process began with the receipt of official communications from the **Principal Secretary, State Department for Petroleum**, dated **26th March 2026** and **27th March 2026**. These letters presented, through proper inter-governmental channels, a detailed account of the national PMS supply situation, the specific circumstances of the MT Paloma cargo, and the technical information available at the time regarding the cargo's Certificate of Quality. Specifically, the letters identified that three parameters Benzene content, Manganese content, and the presence of Oxygenates appeared to fall outside the specifications of **KS EAS 158:2025 Automotive Gasoline Specifications**, while the majority of parameters were within the required specifications. The letters further communicated that the country was facing an imminent PMS stock-out if the consignment was not processed, and that the next scheduled G-to-G import was not expected until between the 3rd and 5th of April 2026.

Upon receipt of these communications, the Ministry reviewed the information provided and considered the national supply context against the applicable legal framework under **Section 9(3) of the Standards Act, Cap. 496**. The technical and supply information that informed the Ministry's assessment was drawn from the official communications of the State Department for Petroleum, which is the government institution with primary expertise, data, and mandate over petroleum supply management in Kenya. The Ministry relied on that information as the authoritative and competent source for the supply emergency assessment. The Ministry also considered the specific off-specification parameters identified, the availability of mitigation measures

particularly commingling with existing compliant stock and the protective conditions that could be attached to the waiver to manage residual risk.

With respect to alternative quality assurance mechanisms put in place in lieu of the PVOC requirement, the Ministry wishes to emphasize that the waiver did not remove or suspend all quality assurance requirements. The conditions attached to the Ministry's letter of 28th March 2026 constituted a structured alternative quality assurance framework specifically designed for this consignment. Those conditions were:

1. The PMS aboard MT Paloma to be subjected to full destination inspection by KEBS to ensure compliance with all other requirements of KS EAS 158:2025, beyond the waived parameters.
2. The PMS to be commingled with existing compliant stock to mitigate excess manganese concentrations through dilution.
3. Kenya Pipeline Company Limited, in conjunction with EPRA, to control the distribution of the commingled PMS pending the arrival of the next compliant PMS consignments, which were to be used to further dilute and mitigate excess manganese.
4. The Ministry of Energy and State Department of Petroleum to ensure that the next two scheduled PMS consignments were fully compliant with KS EAS 158:2025.
5. The importer to provide written confirmation that Methyl Tertiary Butyl Ether (MTBE) oxygenates were absent from the consignment.
6. The importer to indemnify KEBS against any unexpected consequences arising from the waiver, providing a financial and legal safeguard for the institution and by extension the public.

These six conditions collectively constituted a robust alternative quality assurance framework. They preserved the role of KEBS in independently testing the consignment, established distribution controls through KPC and EPRA, secured legal protection for KEBS through the indemnity requirement, and ensured that the waived parameters were managed through scientifically sound mitigation measures. The Ministry submits that this approach reflected a responsible and structured response to an extraordinary national emergency.

QUESTION 7: *State whether the cargo in question was subjected to post-arrival inspection, testing, or certification by Kenya Bureau of Standards or any other authorized body, and table the results of such inspections where applicable.*

RESPONSE

Honourable Chairman,

Post-arrival inspection, testing, and certification of imported petroleum products are undertaken within the destination inspection regime as provided for under the Standards Act, Cap. 496, and the Standards (Verification of Conformity to Standards and Other Applicable Regulations) Order, Legal Notice No. 78 of 2020.

In respect of the MT Paloma consignment, the Ministry confirms that the waiver issued on 28th March 2026 expressly required that the product be subjected to full destination inspection and testing as a mandatory precondition to any market release. This was intended to ensure that, notwithstanding the limited parameters

under waiver, the consignment would be subjected to comprehensive quality assurance processes and comply with all other applicable requirements of KS EAS 158:2025.

The Ministry further confirms that the consignment remains under a controlled and conditional handling framework within the destination inspection regime. This includes restricted discharge, controlled commingling with compliant stocks as a technical mitigation measure, and ongoing laboratory testing to verify the conformity of the resultant product.

Accordingly, post-arrival inspection and testing are still in process, and the conformity assessment cycle has not yet been concluded. Final consolidated inspection results, test reports, and any certification outcomes will only be available upon completion of this statutory process.

The Ministry will table the full results before the Committee once the destination inspection and verification process is finalised, in accordance with the law.

QUESTION 8: *Clarify whether similar PVOC waivers have been granted previously in respect of petroleum imports or other sensitive products, and if so, provide details of such instances over the past five (5) years.*

RESPONSE

Honourable Chairman,

The Ministry wishes to respond to this question with clarity and precision, particularly given its potential implications.

With respect to petroleum imports, the Ministry confirms that it does not have on record any prior instance, within the past five (5) years, where a Pre-Export Verification of Conformity (PVOC) waiver of the nature under consideration was granted for petroleum products. The present case is therefore exceptional and arose within a specific set of circumstances communicated by the sector ministry responsible for petroleum supply.

More broadly, the Committee may note that the waiver mechanism referenced under Section 9(3) of the Standards Act is a lawful and structured regulatory instrument. Its application is neither routine nor automatic. It is triggered only under clearly justifiable circumstances and is subject to a rigorous, multi-layered process. This includes a formal request by the relevant sector authority, technical evaluation of the parameters in question, inter-agency consultations where necessary, and the imposition of strict conditions to safeguard public health, safety, environmental integrity, and market confidence.

Further, the operationalization of conformity assessment, including the PVOC framework, is governed by the applicable subsidiary legislation, including Legal Notice No. 78 of 2020, which provides for detailed procedures on inspection, verification, and certification of imports. Any consideration of a waiver must therefore be anchored within this broader legal and regulatory architecture and cannot be exercised arbitrarily.

In this regard, the Ministry emphasises that the existence of a waiver provision within the law does not denote frequent use but rather ensures that Government retains a controlled and legally grounded mechanism to respond to exceptional situations, while maintaining oversight and accountability. Each instance, where it arises, is treated on its own merits and subjected to strict safeguards.

The Ministry remains available to provide any further clarifications the Committee may require on the legal framework and procedural safeguards governing the use of waivers under the Standards Act.

QUESTION 9: *Confirm whether the Kenya Bureau of Standards was provided with a stock status report from the State Department for Petroleum and the Kenya Pipeline Company, and state whether the accuracy of such report was independently verified to justify the declaration of an emergency and any deviation from the Government-to-Government framework.*

RESPONSE

Honourable Chairman,

This question raises two issues: first, the flow of information to the Kenya Bureau of Standards (KEBS); and second, the question of independent verification of the stock status data underpinning the declaration of a supply emergency.

On the first issue, the Ministry clarifies that its communication of 28th March 2026 was formally addressed to the Cabinet Secretary, Ministry of Energy and Petroleum, in line with established inter-ministerial protocol. However, KEBS was also engaged through direct correspondence from the Principal Secretary, State Department for Petroleum, via letters dated 26th and 27th March 2026, which specifically referenced the MT Paloma consignment and the prevailing national supply situation. Through this channel, KEBS was apprised of the stock status context as communicated by the sector ministry.

The stock position referenced in those communications originated from the State Department for Petroleum, which bears the statutory mandate for monitoring national petroleum supply, demand, and stock levels Accordingly, the information shared with KEBS formed part of the established government reporting and coordination framework within the petroleum sector.

On the second issue of independent verification, the Ministry wishes to be precise. The Ministry of Investments, Trade and Industry did not undertake a separate, independent verification of the stock status report prior to issuing the waiver. Instead, it relied on the State Department for Petroleum as the competent authority and authoritative source of national petroleum stock data. This reliance reflects standard government practice, where technical and sector-specific data is provided and validated within the mandate of the responsible line ministry or department.

It is important to underscore that the Ministry's role in this instance was not to determine or audit national stock levels, but to respond within its mandate to a request arising from the sector ministry, by establishing a controlled, conditional framework under which any potential deviation from prescribed standards could be managed without compromising public safety, product integrity, or environmental compliance. In this regard, the Ministry's focus was on defining and enforcing stringent quality assurance and risk mitigation conditions, rather than revalidating upstream supply data that falls outside its technical jurisdiction.

QUESTION 10: *State whether the requirement for the importer to issue a written indemnity against potential risks was supported by a formal risk assessment identifying possible impacts, including engine damage or environmental harm, which the indemnity was intended to mitigate.*

RESPONSE

Honourable Chairperson,

The requirement for the importer to issue a written indemnity was one of the six conditions expressly attached to the Ministry's waiver letter dated 28th March 2026. This condition must be understood within the broader risk management architecture underpinning the waiver decision, which is firmly anchored in the Standards Act, Cap. 496 and the Standards (Verification of Conformity to Standards and Other Applicable Regulations) Order, Legal Notice No. 78 of 2020.

At the outset, the Ministry emphasises that the waiver was not a relaxation of standards, but a controlled regulatory response structured around layered risk management measures. These measures were deliberately designed to operate cumulatively, with the indemnity forming only one component of a wider framework that is robustly buttressed by the statutory destination inspection regime, mandatory laboratory testing, and conditional handling requirements.

In this regard, the Ministry's decision-making process was informed by a structured technical evaluation of risk, based on the parameters identified as off specification namely oxygenates, manganese, sulphur, and benzene and their known implications for engine performance, emissions systems, and environmental compliance. These considerations were not treated in isolation but were integrated into the design of the conditions attached to the waiver.

Critically, the primary risk control measures were technical and regulatory in nature. The waiver expressly required:

1. Controlled commingling of the consignment with compliant stocks, as a scientifically recognised method of diluting off-specification parameters to within acceptable limits;

2. Full post-arrival (destination) inspection and testing by KEBS, covering the complete suite of parameters under the applicable standard, not limited to those initially flagged; and

3. Confirmatory laboratory verification prior to any release of the product into the market.

These measures ensured that any potential risks whether to engine integrity, public health, or the environment would be systematically mitigated through measurable, science-based processes before the product could enter circulation.

Within this structured framework, the indemnity requirement functioned as a residual risk allocation mechanism, rather than a primary risk control tool. Its purpose was to ensure that, in the unlikely event that adverse outcomes arose despite the prescribed technical safeguards, legal and financial responsibility would rest with the importer, and not with the Government or its regulatory agencies.

Accordingly, the question of a "formal risk assessment" should be understood in context. The Ministry's approach did not rely on a single standalone document labelled as a risk assessment; rather, risk identification, evaluation, and mitigation were embedded directly within the regulatory design of the waiver conditions themselves, consistent with the legal framework governing conformity assessment and exceptional measures under Section 9(3) of the Standards Act.

Finally, the Ministry underscores that, as at the time of these submissions, the waiver remains conditional and not fully operationalised, as confirmation has not been received that all stipulated requirements including execution of the indemnity, controlled commingling, and completion of post-arrival testing and verification have been satisfied. This is a critical safeguard, as it ensures that the risk management framework must be fully implemented before any potential exposure can arise.

In summary, the indemnity was part of a comprehensive, lawfully grounded, and technically robust risk management system, in which regulatory controls, scientific verification, and legal accountability operate together to safeguard public interest.

QUESTION 11: *Explain the process through which the Kenya Bureau of Standards established that the fuel was substandard, including whether laboratory or quality assurance tests were conducted and submit the corresponding test reports and documentation supporting the findings of non-compliance.*

RESPONSE

Honourable Chairman,

The determination of non-compliance for the MT Paloma consignment is being undertaken within the established destination inspection and conformity assessment regime provided for under the Standards Act, Cap. 496, and the Standards (Verification of Conformity to Standards and Other Applicable Regulations) Order, Legal Notice No. 78 of 2020.

The process through which the Kenya Bureau of Standards (KEBS) establishes whether imported petroleum products are compliant is structured, technical, and evidence based. Upon arrival of the consignment, KEBS initiates post-arrival (destination) inspection, which includes sampling of the product in accordance with prescribed petroleum sampling protocols to ensure representativeness and integrity of samples.

These samples are then subjected to laboratory analysis against the applicable standard, in this case KS EAS 158:2025 for Premium Motor Spirit (PMS). The testing regime covers a range of physicochemical parameters, including but not limited to sulphur content, benzene levels, manganese content, and oxygenates, as well as other performance and environmental indicators specified in the standard. The results of these laboratory analyses are compared against the permissible limits to establish compliance or identify any deviations.

In the present case, the identification of off-specification parameters was initially based on the Certificate of Quality accompanying the consignment, which indicated deviations in certain parameters. This triggered the regulatory process that led to the request for a conditional waiver. However, the definitive determination of compliance status is anchored on KEBS' independent post-arrival testing under the destination inspection regime.

The Ministry confirms that this process is still ongoing. The consignment remains under controlled handling, including technical measures such as commingling with compliant stocks, followed by further sampling and laboratory testing to assess the conformity of the resultant blended product against the standard.

Consequently, the full suite of laboratory test reports, quality assurance documentation, and final conformity assessment findings has not yet been concluded or formally certified. Upon completion of the process, the Ministry will submit to the Committee the complete set of test reports, including sampling records, laboratory analysis results, and any certificates or determinations issued by KEBS, to fully substantiate the findings on compliance or non-compliance.

The Ministry emphasises that the conclusion on whether the fuel is compliant or non-compliant will be based strictly on this statutory, science-based testing process, and not on preliminary documentation alone.

QUESTION 12: *Detail the regulatory and enforcement actions undertaken by the Kenya Bureau of Standards upon confirmation that the fuel did not meet the required standards, including the timeline of such actions and the decision-making process that informed them.*

Honourable Chairman,

The premise of this question presupposes that the Kenya Bureau of Standards (KEBS) has already made a definitive finding that the MT Paloma consignment does not meet the required standards. The Ministry wishes to clarify that, as at the date of these submissions, no such final determination has been made.

The Certificate of Quality that accompanied the consignment and informed the request for a waiver is a third-party commercial document issued by the originating supplier. While it flagged certain parameters as being off specification, it does not constitute a regulatory determination of non-compliance under the Standards Act or the Standards (Verification of Conformity to Standards and Other Applicable Regulations) Order, Legal Notice No. 78 of 2020. Under the law, only KEBS, through its independent conformity assessment processes, can establish compliance or non-compliance.

In accordance with the statutory destination inspection regime, KEBS has undertaken sampling of the consignment and commenced comprehensive laboratory testing against the full suite of parameters prescribed under the applicable standard for Premium Motor Spirit. This analysis is not limited to the parameters identified in the third-party Certificate of Quality but covers all relevant physicochemical and performance requirements under the standard.

The process is ongoing, and the outcome may result in one of three scenarios: confirmation of compliance; confirmation of non-compliance with respect to the flagged parameters; or identification of additional parameters requiring regulatory attention. Until this process is concluded, no definitive compliance status can be assigned to the consignment.

Accordingly, regulatory and enforcement actions that would ordinarily follow a confirmed finding of non-compliance such as rejection, recall, disposal, or other sanctions provided for under the law have not been triggered. Instead, the consignment remains under a controlled regulatory framework, including restricted handling and ongoing testing, in line with the conditions set out in the waiver letter and the applicable legal provisions.

Upon completion of the laboratory analysis and formal determination by KEBS, any necessary enforcement actions will be undertaken in accordance with the Standards Act and its subsidiary legislation; Standards (Verification of Conformity to Standards and Other Applicable Regulations) Order, Legal Notice No. 78 of 2020. The Ministry will provide the Committee with a detailed account of such actions, including timelines and the decision-making process, once a conclusive determination has been reached.

QUESTION 13: *Indicate the oversight and accountability mechanisms in place within the Ministry and Kenya Bureau of Standards to prevent abuse of waiver provisions in the future and ensure compliance with national standards.*

Honourable Chairman,

The premise of this question appears to suggest the existence of abuse of waiver provisions. The Ministry wishes to state at the outset that there is no finding, allegation formally substantiated, or determination of abuse in the application of the waiver mechanism in the matter under consideration. The waiver was issued strictly within the confines of the law, and through established inter-agency processes provided for under statute.

The legal foundation for such waivers is expressly provided under Section 9(3) of the Standards Act, Cap. 496, which constitutes an important statutory safeguard designed to address exceptional national circumstances. The provision empowers the Cabinet Secretary, on the advice of the National Standards Council, and upon a resolution that:

- it is satisfied that it is temporarily impossible or impractical for a person, industry, or trade to comply with the applicable Kenya Standard order; and
- it is nevertheless desirable in the public interest that that person, industry, or trade should be permitted to manufacture or sell any commodity, method, or procedure referred to in the order,

To exempt such person, industry, or trade either generally or for a specific transaction by Gazette Notice, and subject to such conditions and for such period as the Council shall advise.

Similarly, the operational framework under the Standards (Verification of Conformity to Standards and Other Applicable Regulations) Order, Legal Notice No. 78 of 2020, provides complementary procedural safeguards for implementation of conformity assessment requirements, including controlled exemptions under the PVOC regime, destination inspection, and post-arrival verification measures.

Honourable Chairman, this waiver mechanism is not an administrative loophole. It is a deliberately crafted legislative safety valve intended by Parliament to ensure continuity of essential national supply chains under extraordinary conditions, while preserving regulatory oversight. It ensures that flexibility is exercised only within a tightly controlled legal framework anchored on two core institutional safeguards: advice by the National Standards Council, and the imposition of binding conditions governing compliance and enforcement.

In the present framework, oversight and accountability are therefore embedded at multiple levels.

First, any waiver is grounded on documented inter-agency requests from the relevant sector ministry and technical evaluation within the standards system.

Second, it is subject to Council advice and formal ministerial approval as required by law.

Third, it is implemented conditionally, with KEBS retaining full statutory authority to conduct independent sampling, testing, and certification under the destination inspection regime before any product is released to the market.

The Ministry further emphasizes that KEBS' mandate under the Standards Act remains fully intact and unaffected by the issuance of any waiver. All consignments subject to waiver are still required to undergo full post-arrival inspection and laboratory testing, ensuring that public health, safety, and environmental standards are not compromised at any stage.

Accordingly, the existence and use of the waiver mechanism do not indicate regulatory weakness or administrative failure. Rather, it reflects the lawful functioning of a carefully designed statutory system that allows Government to respond to genuine national emergencies in a structured, transparent, and accountable manner, while maintaining continuous regulatory control and oversight.

QUESTION 14: *State whether any internal reviews, investigations or disciplinary actions have been initiated in relation to the issuance of the waiver and provide timelines for conclusion and public disclosure of findings;.*

Honourable Chairman,

The premise of this question appears to presuppose the existence of procedural irregularity or misconduct in the issuance of the waiver. The Ministry wishes to clarify that the waiver was issued through the established legal and institutional framework provided under the Standards Act, Cap. 496 and the Standards (Verification of Conformity to Standards and Other Applicable Regulations) Order, Legal Notice No. 78 of 2020, following formal inter-governmental requests and in response to a documented national supply situation.

Accordingly, no internal review, investigation, or disciplinary process has been initiated within the Ministry or against any officer in relation to the issuance of the waiver, as there is no prima facie indication of misconduct, procedural breach, or violation of applicable law or regulations that would warrant such action. The decision was an exercise of statutory discretion within a defined legal framework, supported by inter-agency communication and subject to binding conditions intended to safeguard public interest, safety, and regulatory integrity.

Honourable Chairman, it is important to distinguish between three separate governance layers in this matter. First, the policy and regulatory decision to issue a conditional waiver, which was undertaken within the lawful authority of the Cabinet Secretary under Section 9(3) of the Standards Act. Second, the technical implementation and conformity assessment function, which remains vested in the Kenya Bureau of Standards under the destination inspection regime. Third, the oversight and verification of compliance with waiver conditions, which is an ongoing inter-agency administrative process involving the relevant sector institutions.

Within this structure, the issuance of a waiver does not in itself trigger disciplinary or investigative processes, unless there is evidence of deviation from statutory procedure, abuse of office, or breach of the conditions attached to the decision. In the present case, all actions taken were documented, inter-agency in nature, and grounded in written requests from the State Department for Petroleum and the applicable statutory provisions.

The Ministry further notes that the waiver was explicitly conditional in nature, requiring, inter alia, post-arrival destination inspection, controlled handling measures, and laboratory verification by KEBS prior to any market release. As has been previously indicated to the Committee, the post-arrival inspection and testing process is still ongoing, and therefore the final compliance determination of the consignment has not yet been concluded.

In light of this, the Ministry is not in a position to subject a concluded administrative decision lawfully made and still being operationalised through ongoing technical verification to disciplinary characterization in the absence of any established wrongdoing. However, the Ministry remains fully committed to institutional accountability and transparency and will cooperate with any lawful oversight processes that Parliament or other oversight bodies may deem necessary in the broader review of the application of waiver mechanisms under the Standards Act.

Finally, should any future systemic or procedural enhancements be identified arising from ongoing inter-agency reviews of conformity assessment processes, the Ministry will implement such reforms proactively to strengthen governance, documentation, and coordination. However, at this stage, no investigative or disciplinary timelines exist, as no such processes have been initiated.

QUESTION 15: *Explain the measures the Ministry is undertaking to strengthen the integrity of the Verification of Conformity regime, particularly in high-risk sectors such as petroleum imports.*

Honourable Chairman,

The Ministry welcomes this question as it goes to the core of regulatory integrity, particularly in high-risk and safety-sensitive sectors such as petroleum imports, where conformity assessment is both a trade facilitation tool and a critical public protection function.

The Pre-export Verification of Conformity (PVoC) regime, as operationalised under the Standards Act, Cap. 496 and the Standards (Verification of Conformity to Standards and Other Applicable Regulations) Order, Legal Notice No. 78 of 2020, is designed to ensure that imported goods meet applicable Kenyan Standards prior to entry into the domestic market. In high-risk sectors such as petroleum, this framework is supplemented by destination inspection, laboratory testing, and post-arrival verification mechanisms administered by the Kenya Bureau of Standards (KEBS).

The Ministry recognises that the integrity of this regime depends not only on legal provisions, but on the robustness of implementation, inter-agency coordination, and the reliability of technical data used in decision-making. In this regard, the Ministry is undertaking a number of targeted measures to strengthen the system.

First, the Ministry is working with KEBS and other sector ministries to reinforce risk-based conformity assessment, particularly for sensitive commodities. This involves enhanced scrutiny of consignments classified as high-risk, including petroleum products, with greater reliance on destination inspection, expanded sampling protocols, and full-spectrum laboratory testing against applicable standards rather than limited parameter checks.

Second, the Ministry is strengthening inter-agency coordination protocols between the Ministry of Investments, Trade and Industry, the Ministry of Energy and Petroleum. The objective is to ensure that decisions involving conformity exemptions, waivers, or emergency handling measures are supported by structured information sharing, clearly defined roles, and documented accountability trails.

Third, in recognition of the importance of data integrity in emergency decision-making, the Ministry is working towards the development of a formalised verification framework for critical inputs, particularly in situations where stock status assessments or emergency declarations inform regulatory decisions. This is intended to reduce reliance on single-source data and enhance corroboration of technical information used in waiver considerations.

Fourth, the Ministry is reinforcing post-arrival compliance controls under the destination inspection regime, ensuring that no consignment subject to any form of exemption is released into the market without full KEBS verification, laboratory testing, and documented conformity certification. This strengthens the principle that regulatory flexibility does not translate into reduced safety thresholds.

Fifth, the Ministry is enhancing documentation, auditability, and traceability of waiver decisions, including clear recording of conditions attached to approvals, timelines for compliance, and follow-up verification steps. This is intended to ensure that all exceptional regulatory decisions remain fully auditable and subject to parliamentary and institutional oversight.

Sixth, the Ministry is working with KEBS to strengthen laboratory capacity assurance and quality management systems, including continuous calibration of testing infrastructure, adherence to international best practice in petroleum testing methodologies, and periodic proficiency testing to ensure reliability and defensibility of results.

Honourable Chairman, it is important to emphasise that the PVoC regime, including its exemption provisions, is not inherently a point of weakness. On the contrary, it is a structured legal system designed to balance trade facilitation, supply continuity, and consumer protection. The integrity of the system is therefore not defined by the absence of exceptions, but by the discipline with which such exceptions are governed, documented, and subjected to strict post-arrival verification.

In conclusion, the Ministry remains committed to continuously strengthening this framework to ensure that Kenya's standards regime remains credible, science-based, and capable of responding to both routine trade flows and extraordinary national circumstances without compromising public safety or regulatory confidence.

I submit chair.

ANNEX 5:

SUBMISSIONS BY KENYA PIPELINE COMPANY

KENYA PIPELINE COMPANY PLC

THE SENATE
RECEIVED
14 APR 2026
CLERK'S OFFICE
P.O. Box 41842-00100 NAIROBI

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Industrial Area, Nairobi, Kenya
P.O. Box 73442 - 00200
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Our Ref: KPC/MD/CO/56 **Date**: 10th April 2026

Your Ref: SEN/DSEC/ENERGY/382/2026

Mr. J. M. Nyegenye, CBS
Clerk of the Senate
The Senate
Parliament Buildings
P. O. Box 41842-00100
Nairobi, Kenya

THE SENATE RECEIVED 15 APR 2026 DIRECTOR COMMITTEE SERVICES (DSEC)

DSEC
Please deal
15/4/2026

Dear Sir,

RE: INVITATION TO A MEETING BY THE STANDING COMMITTEE ON ENERGY

Please find KPC responses to the queries from the Senate Standing Committee on Energy raised via your letter dated 9th April 2026:

Lead clerk - Energy
Kindly deal
Please
15/4/26

1. **Explain the role of the Kenya Pipeline Company in promoting and supporting the security of supply of petroleum products within the country.**

   The Kenya Pipeline Company (KPC PLC-established under the Companies Act Cap 486 of the Laws of Kenya) plays a critical role in promoting and safeguarding the security of petroleum supply within the country. Its core mandate is to provide an efficient, reliable, safe, and cost-effective system for the transportation of refined petroleum products from Mombasa to hinterland and neighboring countries.

   To fulfil this mandate, KPC PLC has developed and continues to maintain an extensive network of pipelines, storage depots, and loading facilities dedicated to the transportation, storage, and distribution of petroleum products. The existing infrastructure comprises approximately 1,342 kilometres of pipeline, with an annual handling capacity of about 14 billion litres. This integrated system enhances supply reliability, minimizes logistical inefficiencies, and supports national energy security by ensuring consistent availability of petroleum products across the country.

   Provide a detailed account of the procedure followed in effecting the resignation, including the role of the Board of Directors, compliance with applicable legal and corporate governance requirements, and the interim measures put in place to ensure continuity of operations.

   The Board of Directors is the appointing authority of the CEO, KPC PLC, and all matters related to the CEO including resignation are handled by the Board.

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At its special sitting held on 8th April 2026 at the Head office of the Company, the KPC Board of Directors appointed an Acting Managing Director to assume leadership responsibilities on an interim basis, pending the recruitment and appointment of a substantive office holder.

The interim appointment has ensured continuity in leadership and the uninterrupted execution of the Company's operations, thereby maintaining service delivery and stakeholder confidence.

2. **Provide comprehensive details of petroleum product requirements for the local market (Kenya), indicating monthly demand disaggregated by product category, and further submit corresponding monthly supply data for all petroleum products for the last twelve (12) months from May 2025 to 8th April 2026.**

A. Overview of Demand (Throughput)

The Kenyan petroleum market demand, proxied by system throughput, reflects steady consumption across key products: Motor Spirit Premium (MSP), Automotive Gas Oil (AGO), Illuminating Kerosene (IK), and Jet A-1 fuel.

- **AGO (Diesel)** remains the dominant product, consistently recording the highest monthly throughput, peaking at **265,181 m³ in October 2025**, with average daily demand exceeding **8,500 m³/day**.
- **MSP (Petrol)** shows relatively stable consumption, ranging between **151,348 m³ and 188,239 m³**, with daily demand averaging **~5,000–6,100 m³/day**.
- **IK (Kerosene)** demand remains comparatively low but showed a gradual increase toward early 2026, peaking at **5,921 m³ in March 2026**.
- **Jet A-1** demand fluctuates in line with aviation activity, with notable highs in **October 2025 (4,861 m³)** and **December 2025 (4,680 m³)**.

A seasonal trend is evident:

- **Higher demand periods:** July–October 2025 and December 2025.
- **Lower demand periods:** June 2025 and February 2026 (short month effect, though daily averages remain high).

B. Supply Position (Imports for Local Market)

Total imports into the local market demonstrate responsiveness to consumption patterns:

- Peak import volumes were recorded in **December 2025 (788,026m³)**, driven by increased festive demand and stock build-up.

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- Lower import volumes in **January 2026 (297,830m³)** reflect post-holiday demand correction and inventory drawdown.
- **AGO imports** consistently dominate supply, aligning with its role in transport and industry.
- **Jet A-1 imports** show significant volatility, with a sharp spike in **February 2026 (191,333m³)**, likely reflecting aviation sector recovery and forward stocking.

See Annex 1 attached hereto

3. **Submit a certified status report on all petroleum products received for storage and transportation for the months of February 2026, March 2026, and April 2026, including a clear indication of storage distribution of available stock across all Kenya Pipeline Company storage facilities as at 31st March 2026.**

Table 1: Petroleum Products received for the month of February, March & April 2026

Month	MSP	AGO	JETA-1	Grand Total
Feb-26	297,810	252,212	191,334	**741,355**
Mar-26	362,721	436,884	95,423	**895,028**
Apr-26	50,654	58,964	0	**109,617**

Table 2: Distribution of available stocks in KPC storage facilities as at 31st March 2026

PUMPABLE STOCKS -VOLUME(M3) AS AT 31/03/2026					
STATION	**MSP**	**IK**	**AGO**	**JET**	**DPK**
JKIA PS9				27,118	
NAIROBI PS10	52,700	1,053	18,058		
NAKURU PS25	5,804	644	8,637		
ELDORET PS27	5,650	2,088	15,131	4,106	
KISUMU PS28	1,973	2,029	26,784	3,944	
MIA PS12				2,625	
KOSF PS14	43,139		75,577		100,332
KPRL PS15	58,176		50,617		21,339
GLOBAL IN TANK	**167,443**	**5,815**	**194,803**	**37,794**	**121,671**

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4. **Indicate the stock cover period (in days) for all petroleum products held within Kenya Pipeline Company storage facilities and pipeline systems as at 1st April 2026 and additionally provide the current stock cover (in days) as at 8th April 2026.**

A. Stock Cover Summary in Days

Product	Stock Days (1 Apr 2026)	Stock Days (8 Apr 2026)
MSP	14	14
AGO	18	13
IK	16	19
Jet A-1	10	11
DPK	33	22

5. **Provide a status update on petroleum products held outside Kenya Pipeline Company facilities by Oil Marketing Companies, indicating stock levels as at 1st February 2026, 1st March 2026, and 1st April 2026, together with the corresponding stock cover periods.**

KPC does not have oversight or visibility over petroleum stocks held in facilities owned or operated by Oil Marketing Companies or other third parties outside its infrastructure.

6. **Submit a detailed breakdown of petroleum products held on behalf of Oil Marketing Companies, indicating respective shares and utilization levels from 1st February 2026 to 8th April 2026, and further explain any anomalies experienced in servicing orders by the respective companies.**

KPC has provided information on the total stocks held by OMCs in No 4. above. However, KPC is unable to disclose information relating to individual OMC entitlements without committing grave breaches of contract with the said OMCs through unauthorised disclosure of information to persons who are not parties to the TSA agreements signed.

Nonetheless, based on operational records and performance monitoring over the stated period, **no anomalies were observed in the servicing of orders** for any of the OMCs. All product dispatches were executed in accordance with established scheduling protocols, contractual obligations, and system capacity, ensuring equitable and efficient service delivery to all stakeholders.

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7. **Explain the circumstances under which segments of the market, including Oil Marketing Companies, allegedly experienced shortages of petroleum products despite Government assurances of adequate availability within Kenya Pipeline Company storage and pipeline systems.**

   KPC confirms that it has consistently made available petroleum products to its customers based on prevailing nominations and allocations and has not experienced any shortages within its storage and pipeline systems.

   However, KPC does not regulate downstream petroleum market activities and is therefore unable to authoritatively comment on the circumstances that may have led to alleged shortages experienced by certain market segments, including Oil Marketing Companies. Such matters fall within the purview of sector regulators and other relevant authorities.

8. **Provide comprehensive information on any instances where substandard fuel was received, offloaded, or intended for offloading into Kenya Pipeline Company storage and pipeline systems, clearly indicating the volumes involved by product category, the laboratory results confirming substandard quality, attaching incident reports, and details of the cargo owner(s).**

   KPC maintains stringent quality assurance and control measures across all its operations and **does not accept, receive, or offload substandard petroleum products** into its storage or pipeline systems.

   All petroleum products handled within the KPC system complied fully with the applicable national and international quality standards, as verified through routine laboratory testing and quality inspection procedures prior to acceptance.

   However, in the last five years, there have been two incidences:

   1. ***MT Tiara***
      On 01/04/2019, an OMC imported a PMS cargo of 108,203 M^3 vide a vessel identified as *MT Ocean Tiara*. After tests were done at our PS 14 laboratory, the cargo was rejected for falling outside the TSA specifications. The cargo was not accepted into the KPC System.
   2. ***MT Paloma***

      On 27th March 2026, an OMC imported 60,200.813 MT of PMS aboard the vessel *MT Paloma*. The cargo was scrutinized for compliance with KS EAS 158:2025 gasoline (PMS) standard requirements. The gasoline in the vessel was noted to have sulphur of 43 ppm against the KS EAS 158:2025 standard requirement of 10ppm.

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This was covered by a waiver from the Ministry of Trade and Industrialization vide letter REF: MITI/CS/Vol.1/WAIVER/03 dated 28th March 2026.

Request and Waiver attached as Annex 2

9. **Elaborate on the measures taken by the Kenya Pipeline Company to dispose of, destroy, or return substandard petroleum cargo, including the total costs incurred or expected to be incurred in undertaking such actions.**

   The disposal, destruction, or return of substandard petroleum cargo falls under the mandate of the State Department responsible for petroleum, working in collaboration with sector regulators and other relevant government agencies.

   The owner of the cargo aboard *MT* Paloma was instructed to exit the product from KPC system. Discussions are currently under way to determine the modalities of implementation of this directive.

   Any costs associated with the removal of substandard petroleum products are borne by the importer responsible for the cargo, in line with established commercial and regulatory requirements.

10. **Provide a status update on the country's strategic petroleum reserves and outline the measures being undertaken to actualize and operationalize the same.**

    The development, management, and operationalization of the country's strategic petroleum reserves fall within the mandate of the State Department responsible for petroleum, in collaboration with relevant regulatory bodies and state agencies.

11. **Submit a comprehensive report on the status of transit petroleum products for February 2026, March 2026, and April 2026, including any concerns or challenges raised by stakeholders, including those from neighboring countries, and specify the actions taken to address such concerns.**

Summary of Transit Volume

Month	MSP	AGO	Jet A-1	Total
Feb-26	157,377	98,829	21,714	277,920
Mar-26	188,279	188,646	26,418	403,343
Apr-26*	-	16,995	-	16,995
Total	**345,656**	**304,470**	**48,132**	**698,258**
Average (monthly)	**115,219**	**101,490**	**16,044**	**232,753**

KENYA PIPELINE
COMPANY PLC

Kenpipe Plaza, Sekondi
Road,Off Nanyuki Road,
Industrial Area, Nairobi, Kenya
P.O. Box 73442 - 00200
0709 723 000
info@kpc.co.ke
www.kpc.co.ke

C. Stakeholder Concerns and Challenges

Key issues reported by regional stakeholders include:

(i) **Stock Imbalances**: Occasional mismatches between inland depot stocks and transit requirements.

(ii) **Jet A-1 Supply Variability**: Fluctuations affecting aviation clients in the region.

Mitigation Measures Implemented:

- **Strategic Stock Positioning:** Increased inland depot allocations based on demand.
- **Stakeholder Engagement:** Regular coordination meetings with OMCs and regional clients.

Yours faithfully,

PIUS MWENDWA
AG. MANAGING DIRECTOR

ANNEX 1

Imports for Kenya and Other markets

Month	AGO (m3)	PMS (m3)	JETA-1 (m3)	Grand Total
Jan-26	122,919.720	174,911.206		**297,830.926**
Feb-26	359,948.239	119,724.721	191,333.562	**671,006.522**
Mar-26	363,509.538	305,365.641	81,447.308	**750,322.487**
Apr-26	47,553.534	101,850.478	-	**149,404.012**
Grand Total	**893,931.031**	**701,852.046**	**272,780.870**	**1,868,563.947**

UNOC IMPORTS

Month	MSP	AGO	JETA-1	Grand Total
Jan-26	160,517.335	179,654.000	27,865.000	**368,036.335**
Feb-26	82,621.236	-	-	**82,621.236**
Mar-26	108,489.000	79,674.000	13,975.000	**202,138.000**
Apr-26	-	-	-	-
Grand Total	**351,627.571**	**259,328.000**	**41,840.000**	**652,795.571**

14/4/26.

ANNEX 1/2

Imports for Kenya and Other m

Month	MSP	AGO	JETA-1	Grand Total
Jan-25	243,353.644	360,669.676	111,769.518	715,792.838
Feb-25	145,617.262	235,249.117	80,977.648	461,844.027
Mar-25	311,096.199	249,869.524	104,225.853	665,191.576
Apr-25	267,462.723	296,294.855	66,665.446	630,423.024
May-25	122,973.035	309,874.752	119,019.016	551,866.803
Jun-25	245,736.239	353,966.666	56,760.562	656,463.467
Jul-25	241,617.088	258,050.204	75,067.225	574,734.517
Aug-25	260,883.171	363,919.881	82,702.704	707,505.756
Sep-25	253,841.184	241,584.501	51,928.839	547,354.524
Oct-25	181,688.918	364,314.448	136,614.507	682,617.873
Nov-25	297,543.136	370,353.971	52,603.366	720,500.473
Dec-25	278,276.811	362,514.934	147,234.684	788,026.429
Grand Total	**2,850,089.410**	**3,766,662.529**	**1,085,569.368**	**7,702,321.307**

UNOC IMPORTS

Month	MSP	AGO	JETA-1	Grand Total
Jan-25	164,900.000	98,439.000	36,273.800	299,612.800
Feb-25	82,309.157	120,784.000	-	203,093.157
Mar-25	83,016.555	106,882.000	21,693.790	211,592.345
Apr-25	81,591.998	-	20,050.029	101,642.027
May-25	165,685.647	114,426.000	15,353.516	295,465.163
Jun-25	81,986.361	102,887.000	15,254.294	200,127.655
Jul-25	165,931.563	147,259.000	17,677.961	330,868.524
Aug-25	84,802.131	145,945.000	21,091.367	251,838.498
Sep-25	81,352.968	146,532.743	23,742.693	251,628.404
Oct-25	164,475.521	25,696.103	26,207.717	216,379.341
Nov-25	111,244.854	116,672.264	26,241.153	254,158.271
Dec-25	82,878.240	145,817.429	23,568.859	252,264.528
Grand Total	**1,350,174.995**	**1,271,340.539**	**247,155.179**	**2,868,670.713**

14/4/26

ANNEX 2/1

MINISTRY OF ENERGY & PETROLEUM
STATE DEPARTMENT FOR PETROLEUM

Telegrams: "MINPOWER" **Nairobi**
Telephone: +254-20-310112
Fax: +254-20-240910
Telex: 23094 MINERGY
Email: ps@petroleum.go.ke
When replying please quote

OFFICE OF THE PRINCIPAL SECRETARY
KASNEB TOWERS II
P. O. Box 51614-00100
NAIROBI

Ref. No. MOEP/SDP/CONF/4/12

26th March 2026

Ms. Esther Ngari, CBS
Managing Director
Kenya Bureau of Standards
Popo Road, Off Mombasa Road
NAIROBI.

Dear MD

RE: TEMPORARY WAIVER ON THE REQUIRMENT FOR CERTIFICATE OF CONFORMITY (CoC) AND SOME PARAMETERS ON CERTIFICATE OF QUALITY OF REFINED PETROLEUM PRODUCTS.

As you are aware, the ongoing conflict in the Gulf Region has affected marine traffic flow especially those that have to pass through the Strait of Hormuz. The International Oil Companies (IOCs)/ Suppliers under the Government-to-Government Arrangement through their local counterparties i.e. Nominated Oil Marketing Companies (OMCs) must actively source for refined products to meet the delivery schedule to ensure security of supply.

As a result, they have needed to be flexible with their loading points and sources. Sometimes, the products found in the market were originally meant for other markets, where specifications do not completely match those required by East Africa or the Receiving Terminal.

Due to the volatility occasioned by the conflict, the IOCs have been forced to reroute cargoes or undertake Ship to Ship loading to meet the delivery commitment and timelines.

Thus, in some instances, the requirement of Pre-export Verification of Conformity (PVoC) may not be feasible within the prevailing situation. Therefore, the cargo inspection may not have been done by agents authorized in the Kenya Bureau of Standards (KEBS) system to do CoC at the load Port / points.

During the Vessel Alignment Committee Meetings, it was noted that some vessels may require a waiver on the requirement for CoC or specific parameters that fall outside the EAS / Kenya Specifications and have therefore requested that:

a) in instances where CoC is not available, the inspection is done by Intertek Testing Services (ITS) Kenya at discharge port i.e. Mombasa;
b) attendant penalties of **5% of CIF or USD 3,500 maximum** be waived; **and,**
c) on case-by-case basis, KEBS waive the affected quality parameters.

We have reviewed the import schedules and failure or a delay to receive any of the cargoes will lead to supply shortfall and expose the country to disruptions. Additionally, application of the penalty will lead to higher cost of the refined petroleum products at the pump which will affect the Kenyan consumers.

This is, therefore, to request KEBS to consider the above-mentioned waivers in view of the security of supply and to mitigate escalation of cost of product to a time when the conflict eases or the global supply normalises.

Yours faithfully

Mohamed Liban, CBS
PRINCIPAL SECRETARY

Copy to:

Hon. J. Opiyo Wandayi, EGH
Cabinet Secretary
Ministry of Energy and Petroleum
Kawi House, South C
NAIROBI

Dr Juma Mukhwana, CBS
Principal Secretary
Industrialisation
Teleposta Towers
NAIROBI

Mr. Daniel Kiptoo Bargoria, MBS, OGW
Director General
Energy and Petroleum Regulatory Authority
Eagle House
Longonot Road Upperhill
NAIROBI

Dr Lillian Nyawanda
Commissioner Custom Services and Border Control
Kenya Revenue Authority
Times Tower
NAIROBI

Joseph Otieno, R Geol
Commissioner Petroleum
State Department for Petroleum
NAIROBI

Mr.Joe Sang,EBS
Managing Director
Kenya Pipeline Company Plc
Sekondi Road, Off Nanyuki Road
NAIROBI

Mr. Paul Limo
Chief Executive Officer
Gulf Energy Limited
105 Manyani Road, Lavington
NAIROBI

Mr. Anthony Munyasya
Chief Executive Officer
Galana Energies Limited
Delta Office Suites, 2nd Floor, Block B
Off Waiyaki Way & Manyani West Road, Muthangari
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Mr. Debola Adesanya
Managing Director
Asharami Synergy Ltd
The Arch Place, 5th Floor
Nyangumi Road, Kilimani
NAIROBI

Mr.Ali Abdelghany
Manging Director
Be Energy Limited
Africa-Re Centre, 4th Floor
Hospital Road, Upperhill
NAIROBI

Mr.Ali Balala
Managing Director
One Petroleum
Mbaraki Wharf
MOMBASA

Ms Angeline Maangi
Managing Director
Oryx Energies Kenya Limited
9 West Building, Fifth Floor
Westlands, Ring Road
NAIROBI

ANNEX 2/2

REPUBLIC OF KENYA
MINISTRY OF INVESTMENTS, TRADE AND INDUSTRY

Office of The Cabinet Secretary

Telephone: +254-(0)20-2731531/2-44
Web: www.industrialization.go.ke
Email: cs@miti.go.ke

Social Security House, Block A
P.O. Box 30418 - 00100
NAIROBI, GPO

REF: MITI/CS/ /VOL.1/WAIVER/03 **28th March, 2026**

Hon. J. Opiyo Wandayi, EGH
Cabinet Secretary
Ministry of Energy and Petroleum
Kawi House
South C
NAIROBI-Kenya

RE: RECOMMENDATION FOR WAIVER OF SOME PARAMETERS IN KS EAS 158:2025 - AUTOMOTIVE GASOLINE SPECIFICATIONS FOR 68,000 METRIC TONS OF PREMIUM MOTOR SPIRIT (PMS) RON 93 ABOARD MT PALOMA

We refer to the subject matter, the letters from the State Department for Petroleum dated 26th March 2026 and 27th March 2026

Waiver is hereby granted on the oxygenates, manganese, Sulphur and Benzene parameters in the KS EAS 158:2025 - Automotive Gasoline Specifications standard for 68,000 metric tons of Premium Motor Spirit (PMS) RON 93 aboard MT Paloma subject to the following conditions:

1. That the PMS onboard MT Paloma will be subjected to destination inspection to ensure it complies with all the other requirements KS EAS 158:2025 - Automotive Gasoline Specifications.
2. The PMS onboard MT Paloma be comingled with the current stock to mitigate excess manganese.
3. Kenya Pipeline Company Limited, working in conjunction with the Energy and Petroleum Regulatory Authority, to control the distribution of the comingled PMS awaiting arrival of the next PMS consignments (tentatively scheduled for 3rd and 4th April 2026) which will be used to further mitigate excess manganese in the PMS currently in stock.

4. The Ministry of Energy, State Department of Petroleum, to ensure that two next scheduled PMS consignments are fully compliant with the requirements of KS EAS 158:2025 - Automotive Gasoline Specifications.
5. The importer gives a written confirmation that Methyl Tertiary Butyl Ether (MTBE) oxygenates are absent.
6. The importer indemnifies KEBS in case of any unexpected happening coming from this waiver.

Thank you for your continued support.

Yours sincerely,



Hon. Lee Kinyanjui
CABINET SECRETARY

ANNEX 6:

SUBMISSIONS BY KENYA PORTS AUTHORITY

Office of the Managing Director

HM&GMMO/7/S/62

13th April 2026

Mr. J.M. Nyegenye, CBS
Clerk of the Senate
Clerk's Chambers
Parliament Buildings
P.O. Box 41842 - 00100
NAIROBI

Dear Sir,

RE: VISIT BY THE STANDING COMMITTEE ON ENERGY

We acknowledge receipt of your letter dated 9th April 2026 (Ref. SEN/DSEC/ENERGY/386/2026) regarding the above subject matter.

MT. Paloma arrived at outer port limit on 27th March 2026 at 0230 hours. As per the inward cargo manifest reference number 2026MSASI0037604 by the ships agent Sturrock Shipping (Kenya) Limited, she was declared to be laden with 60,200.813 metric tonnes of premium motor spirit (PMS). The pilot boarded the vessel at 1750 hours upon lodgment of the manifest, and the vessel was brought alongside KOT II at berth No. 1 at 2042 hours.

Kenya Ports Authority (KPA) would like to appraise the Committee as follows:

1. Upon berthing of tanker vessels at KOT II, cargo discharge and all associated operations are undertaken by Kenya Pipeline Company (KPC). Accordingly, after berthing of vessels, KPA is not privy to all subsequent operations or actions that may be taken by the relevant Government Agencies in charge of fuel importation. We confirm that this was the procedure that was equally applied to MT Paloma.

2. Upon completion of discharge on 30th March 2026 at 1212 hours as logged by both KPC`s Loading Master and the vessel master, KPA secured the applicable final port charges and the vessel sailed out at 1920 hours.

3. From 1st March 2026 to date, a total of 19 tanker vessels carrying PMS/petrol, AGO/diesel and Kerosene/Jet A-1 were handled at the port of Mombasa, the last being on 12th April 2026 as shown in the table below: -

Kenya Ports Authority
P.O. Box 95009 - 80104 Mombasa, Kenya
Tel: +254 41 2112999 / 2113999
Mobile: +254 709 092999 / 709 093999 / 730 653999
Email : info@kpa.co.ke
ISDN (041) 2112999 / 2113999 KEBS ISO 9001 Certified Org. No. 087 | KPA. 5023901017

NO.	NAME OF VESSEL	ARRIVAL DATE	DEPARTURE DATE	FUEL TYPE	BERTH	DECLARED QUANTITIES IN THE BILL(S) OF LADING (MT)
1	MT Tortuga	21/02/2025	03/03/2026	PMS	KOT II -1	88,144.60
2	MT Wisteria	03/03/2026	08/03/2026	JET-A1	KOT II -3	11,000.14
				AGO		31,549.09
3	MT Lyric Magnolia	03/03/2026	07/03/2026	AGO	KOT II -2	102,091.56
4	MT Solar Sally	06/03/2026	08/03/2026	PMS	KOT II -1	19,977.07
5	MT Torm Innovation	08/03/2026	13/03/2026	PMS	KOT II -1	60,356.29
6	MT Nave Estella	14/03/2026	17/03/2026	AGO	KOT II -2	59,986.36
7	MT Great Manta	15/03/2026	18/03/2026	PMS	KOT II -3	14,830.12
				AGO		20,800.34
8	MT Valery Roma	16/03/2026	19/03/2026	PMS	KOT II-3	37,944.48
9	MT FOS Mercury	18/03/2026	23/03/2026	PMS	KOT II-1	37,979.17
10	MT PS Pelican	18/03/2026	21/03/2026	AGO	KOT II -2	36,102.85
11	MT PIS Paragon	19/03/2026	21/03/2026	PMS *VPOWER*	SOT	23,618.07
12	MT Constantinos	21/03/2026	24/03/2026	JET-A1	KOT II -3	64,994.73
13	MT Lunaria	21/03/2026	26/03/2026	AGO	KOT II -2	101,918.03
14	MT Paloma	27/03/2026	30/03/2026	PMS	KOT II -1	60,200.81
15	MT Elandra Sea	30/03/2026	01/04/2026	AGO	KOT II -2	41,940.61
16	MT Renad	02/04/2026	06/04/2026	AGO	KOT II -2	38,966.81
17	MT Amira	02/04/2026	05/04/2026	PMS	KOT II -1	38,019.18
18	MT NCC Najem	07/04/2026	09/04/2026	PMS	KOT II -1	36,747.40
19	MT Velos Turquoise	10/04/2026	12/04/2026	AGO	KOT II -2	44,420.21

NOTE: - The quantities declared comprise of local and transit cargo

4. Currently the Importation of Petroleum Products into Kenya under the G-to-G arrangement is within the mandate of the State Department of Petroleum. Therefore, the Authority is not in a position to respond to the Committee's request for data on incoming petroleum cargo scheduled for the next 30-90 days. However, for planning purposes only, the Authority maintains a 14-day list of expected vessels in the ports, which is updated daily and published on KPA website.

5. In August 2022, the Authority commissioned an ultra-modern offshore oil terminal (KOT II) which has three berths capable of handling three tanker vessels simultaneously thus increasing capacity and efficiency. This

addressed delays and resultant demurrage costs previously attributed to the Authority. Tanker vessels now berth on arrival subject to fulfilling prerequisites for berthing set by other government agencies.

6. Management of petroleum cargo supply, licensing and quality checks as well as the country's stock management is not within the mandate of KPA. However, the Authority confirms sufficiency of its facilities to handle petroleum tanker vessels upon readiness of the vessels.

7. Currently, there is no congestion attributed to tanker vessels at the Port. Since commissioning of KOT II, the Authority has provided sufficient capacity for handling tanker vessels. In addition, the Authority owns Shimanzi Oil Terminal (SOT) and Mbaraki Wharf both of which are equally operational.

The Authority welcomes the Committee to visit our facilities as requested. However, we wish to inform the Committee that MT. Paloma sailed away on 30th March 2026 as aforementioned.

We remain available should any further information or clarification be required by the Standing Committee.

Yours sincerely

Capt. William K. Ruto, AFNI, MBS
MANAGING DIRECTOR

Copy to: **Mr. Davis Chirchir, EGH,**
Cabinet Secretary
Ministry of Roads and Transport
P.O. Box 52692-00200
NAIROBI

Mr. Mohamed Daghar, CBS
Principal Secretary
State Department of Transport
Ministry of Roads and Transport
Transcom House, Ngong Road
P.O. Box 52692-00200
NAIROBI

Mr. Cyrell Odede Wagunda
Principal Secretary
State Department for Public Investments and Assets Management
The National Treasury
P.O Box 30007 – 00100
NAIROBI

Schedule of Enclosures

1. Email dated 27th March 2026 from the KRA Chief Manager PMU regarding berthing approval for MT. Paloma
2. Letter from Sturrock Shipping (Kenya) Limited dated March 27th, 2026, Ref: 26MBA0087 forwarding the Inward Cargo Manifest For M/T. "Paloma" Voy.20 E.T.A. 27th March 2026
3. MT. Paloma's Statements of Facts for voyage No. 20 from Sturrock Shipping (Kenya) Limited and the Ship's Master

STURROCK SHIPPING (KENYA) LTD

Harbour House 2nd Floor Mombasa Mombasa
P.O Box 80147-80100 Mombasa Kenya
P +254 41 2225681 M +254 721 [illegible]

www.sturrockgrindrod.com

March 27th, 2026

Ref: 26MBA0087

The Chief Manager,
Port Operations,
Kilindini

Dear Sir,

RE: INWARD CARGO MANIFEST FOR M/T. "PALOMA" Voy.20
E.T.A. 27TH MARCH 2026

MANIFEST REG. NUMBER: 2026MSASI0037604

Please receive attached **EIGHT** pages (**Page 1** to **8**) of the inward cargo manifest for the subject vessel.

Kindly acknowledge receipt.

Summary: -

Local	MOGAS	48,715.000mt
Transit	MOGAS	11,485.813mt
TOTAL		**60,200.813mt**

We trust it will be of guidance to you and will assist you keep your records accurately.

Yours faithfully
For M/s Sturrock Shipping (K) Ltd
As Agents Only

STURROCK SHIPPING (KENYA) LTD

DOREEN J KIPTOON
DOCUMENTATION SUPERVISOR

CC: KPA-CDO 3 COPIES
CC: KMA 1 COPY
CC: OC MPU 1 COPY
CC: CHIEF PILOT

INWARD CARGO MANIFEST

2026MSASI0037604

VESSEL	**MT.PALOMA**	PORT OF DISCHARGE	**MOMBASA KE**	FLAG	**MARSHALL ISLANDS**	PRODUCT/QUANTITY KGS	**MOGAS** 60,200,813
MASTER	**CAPT.SARLA COSMIN**	LOADING DATE	24.02.2026	COUNTRY ORIG	**U.A.E**	TOTAL QUANTITY KGS	
PORT OF LOAD	**FUJAIRAH**			NEXT PORT	**TBA**		

S.NO	BL NO	SHIPPER	CONSIGNEE	NOTIFY	DESCRIPTION OF GOODS	POL	POD	Svc Code	NO OF UNITS	PKG	KGS	CBM	FINAL DEST
1	LMA01	ARAMCO TRADING FUJAIRAH FZE	ONE PETROLEUM LIMITED P.O BOX KENYA	ONE PETROLEUM LIMITED P.O BOX KENYA	MOGAS FOR LOCAL USE	AEFJR	KEMBA	6	2000	BULK-LIQ	48,715,000	48715	KEMBA
2	LMA02	ARAMCO TRADING FUJAIRAH FZE	AFTAH PETROLEUM SOUTH SUDAN P.O BOX SOUTH SUDAN	AFTAH PETROLEUM K LTD P.O BOX KENYA	MOGAS IN TRANSIT TO SOUTH SUDAN	AEFJR	KEMBA	6	2000	BULK-LIQ	144,000	144	SSJUB
3	LMA03	ARAMCO TRADING FUJAIRAH FZE	ANTIC ENERGIES LTD- SSD P.O BOX SOUTH SUDAN	ANTIC ENERGIES LTD P.O BOX KENYA	MOGAS IN TRANSIT TO SOUTH SUDAN	AEFJR	KEMBA	6	2000	BULK-LIQ	100,000	100	SSJUB
4	LMA04	ARAMCO TRADING FUJAIRAH FZE	ANTIC ENERGIES LTD- SSD P.O BOX SOUTH SUDAN	ANTIC ENERGIES LTD P.O BOX KENYA	MOGAS IN TRANSIT TO SOUTH SUDAN	AEFJR	KEMBA	6	2000	BULK-LIQ	35,000	35	SSJUB
5	LMA05	ARAMCO TRADING FUJAIRAH FZE	CONSIGNEE APPLE ENERGY DRC P.O BOX DRC	APPLE ENERGY P.O BOX KENYA	MOGAS IN TRANSIT TO CONGO	AEFJR	KEMBA	6	2000	BULK-LIQ	118,000	118	CDFIH
6	LMA06	ARAMCO TRADING FUJAIRAH FZE	CONSIGNEE APPLE ENERGY DRC P.O BOX DRC	APPLE ENERGY P.O BOX KENYA	MOGAS IN TRANSIT TO CONGO	AEFJR	KEMBA	6	2000	BULK-LIQ	62,000	62	CDFIH
7	LMA07	ARAMCO TRADING FUJAIRAH FZE	ARECH PETROLEUM SOUTHERN SUDAN LTD P.O BOX SOUTH SUDAN	ARECH PETROLEUM LTD P.O BOX KENYA	MOGAS IN TRANSIT TO SOUTH SUDAN	AEFJR	KEMBA	6	2000	BULK-LIQ	30,000	30	SSJUB
8	LMA08	ARAMCO TRADING FUJAIRAH FZE	SOCIETE KOTECHA P.O BOX DRC	ASHARAMI SYNERGY LIMITED P.O BOX 55903-00200 NAIROBI KENYA	MOGAS IN TRANSIT TO CONGO	AEFJR	KEMBA	6	2000	BULK-LIQ	102,000	102	CDFIH
9	LMA09	ARAMCO TRADING FUJAIRAH FZE	AWDEER INVESTMENTS DRC CONGO P.O BOX DRC	AWDEER INVESTMENTS P.O BOX KENYA	MOGAS IN TRANSIT TO CONGO	AEFJR	KEMBA	6	2000	BULK-LIQ	34,000	34	CDFIH
10	LMA10	ARAMCO TRADING FUJAIRAH FZE	KAMBALE MACHOZI BP 27 BENI, DRC P.O BOX DRC	AXON ENERGY LTD P.O BOX KENYA	MOGAS IN TRANSIT TO CONGO	AEFJR	KEMBA	6	2000	BULK-LIQ	36,000	36	CDFIH

INWARD CARGO MANIFEST

2026MSASI0037604

VESSEL	MT.PALOMA	PORT OF DISCHARGE	MOMBASA KE	FLAG	MARSHALL ISLANDS	PRODUCT/QUANTITY KGS	MOGAS 60,200,813
MASTER	CAPT.SARLA COSMIN	LOADING DATE	24.02.2026	COUNTRY ORIG	U.A.E	TOTAL QUANTITY KGS	
PORT OF LOAD	FUJAIRAH			NEXT PORT	TBA		

S.NO	BL NO	SHIPPER	CONSIGNEE	NOTIFY	DESCRIPTION OF GOODS	POL	POD	Svc Code	NO OF UNITS	PKG	KGS	CBM	FINAL DEST
11	LMA11	ARAMCO TRADING FUJAIRAH FZE	AZIFAT ENERGIES LTD P.O BOX DRC	AZIFAT ENERGIES LTD P.O BOX KENYA	MOGAS IN TRANSIT TO CONGO	AEFJR	KEMBA	6	2000	BULK-LIQ	55,000	55	CDFIH
12	LMA12	ARAMCO TRADING FUJAIRAH FZE	AZKAM OIL LIMITED DRC P.O BOX DRC	AZKAM OIL LIMITED P.O BOX KENYA	MOGAS IN TRANSIT TO CONGO	AEFJR	KEMBA	6	2000	BULK-LIQ	30,000	30	CDFIH
13	LMA13	ARAMCO TRADING FUJAIRAH FZE	BACHILE LTD SOUTH SUDAN P.O BOX SOUTH SUDAN	BACHILE LTD P.O BOX KENYA	MOGAS IN TRANSIT TO SOUTH SUDAN	AEFJR	KEMBA	6	2000	BULK-LIQ	133,000	133	SSJUB
14	LMA14	ARAMCO TRADING FUJAIRAH FZE	BACHILE LTD SOUTH SUDAN P.O BOX SOUTH SUDAN	BACHILE LTD P.O BOX KENYA	MOGAS IN TRANSIT TO SOUTH SUDAN	AEFJR	KEMBA	6	2000	BULK-LIQ	52,000	52	SSJUB
15	LMA15	ARAMCO TRADING FUJAIRAH FZE	KAMBALE MACHOZI - DRC P.O. BOX 134 BENI	BE ENERGY LTD P.O BOX KENYA	MOGAS IN TRANSIT TO CONGO	AEFJR	KEMBA	6	2000	BULK-LIQ	60,000	60	CDFIH
16	LMA16	ARAMCO TRADING FUJAIRAH FZE	KAMBALE MACHOZI - DRC P.O. BOX 134 BENI	BE ENERGY LTD P.O BOX KENYA	MOGAS IN TRANSIT TO CONGO	AEFJR	KEMBA	6	2000	BULK-LIQ	77,000	77	CDFIH
17	LMA17	ARAMCO TRADING FUJAIRAH FZE	BLUE SKY ENERGY DRC P.O BOX DRC	BLUE SKY ENERGY LTD P.O BOX KENYA	MOGAS IN TRANSIT TO CONGO	AEFJR	KEMBA	6	2000	BULK-LIQ	500,000	500	CDFIH
18	LMA18	ARAMCO TRADING FUJAIRAH FZE	BLUE SKY ENERGY DRC P.O BOX DRC	BLUE SKY ENERGY LTD P.O BOX KENYA	MOGAS IN TRANSIT TO CONGO	AEFJR	KEMBA	6	2000	BULK-LIQ	500,000	500	CDFIH
19	LMA19	ARAMCO TRADING FUJAIRAH FZE	BLUE SKY ENERGY DRC P.O BOX DRC	BLUE SKY ENERGY LTD P.O BOX KENYA	MOGAS IN TRANSIT TO CONGO	AEFJR	KEMBA	6	2000	BULK-LIQ	500,000	500	CDFIH
20	LMA20	ARAMCO TRADING FUJAIRAH FZE	INGENIRIA INOVASIONE P.O. BOX DRC	CITY OIL KENYA LTD P.O. BOX NAIROBI, KENYA	MOGAS IN TRANSIT TO CONGO	AEFJR	KEMBA	6	2000	BULK-LIQ	153,000	153	CDFIH

INWARD CARGO MANIFEST

2026MSASI0037604

VESSEL	MT.PALOMA	PORT OF DISCHARGE	MOMBASA KE	FLAG	MARSHALL ISLANDS	PRODUCT/QUANTITY KGS	MOGAS 60,200,813
MASTER	CAPT.SARLA COSMIN	LOADING DATE	24.02.2026	COUNTRY ORIG	U.A.E	TOTAL QUANTITY KGS	
PORT OF LOAD	FUJAIRAH			NEXT PORT	TBA		

S.NO	BL NO	SHIPPER	CONSIGNEE	NOTIFY	DESCRIPTION OF GOODS	POL	POD	Svc Code	NO OF UNITS	PKG	KGS	CBM	FINAL DEST
21	LMA21	ARAMCO TRADING FUJAIRAH FZE	PANAMERA INVESTMENT SARL P.O BOX DRC	COSTALINA ENERGY LIMITED P.O. BOX KENYA	MOGAS IN TRANSIT TO CONGO	AEFJR	KEMBA	6	2000	BULK-LIQ	311,000	311	CDFIH
22	LMA22	ARAMCO TRADING FUJAIRAH FZE	DILSS PETROLEUM LTD Address 440, JUBA , SOUTH SUDAN	DALBIT PETROLEUM LTD P.O BOX KENYA	MOGAS IN TRANSIT TO SOUTH SUDAN	AEFJR	KEMBA	6	2000	BULK-LIQ	198,000	198	SSJUB
23	LMA23	ARAMCO TRADING FUJAIRAH FZE	FATHI GENERAL TRADING COMPANY LTD -DRC P.O. BOX DRC	DIFAAC GENERAL TRADING LIMITED. P.O. BOX KENYA	MOGAS IN TRANSIT TO CONGO	AEFJR	KEMBA	6	2000	BULK-LIQ	42,000	42	CDFIH
24	LMA24	ARAMCO TRADING FUJAIRAH FZE	E.A GASOIL SOUTH SUDAN P.O BOX SOUTH SUDAN	E. A GASOIL LTD P.O BOX KENYA	MOGAS IN TRANSIT TO SOUTH SUDAN	AEFJR	KEMBA	6	2000	BULK-LIQ	122,000	122	SSJUB
25	LMA25	ARAMCO TRADING FUJAIRAH FZE	EST FIKAMU PO BOX 574 BUTEMBO	EUROPET LIMITED KENYA P.O BOX KENYA	MOGAS IN TRANSIT TO CONGO	AEFJR	KEMBA	6	2000	BULK-LIQ	38,000	38	CDFIH
26	LMA26	ARAMCO TRADING FUJAIRAH FZE	PETRO MAISHA P.O. BOX DRC	FASTNETT ENERGY LTD P.O BOX KENYA	MOGAS IN TRANSIT TO CONGO	AEFJR	KEMBA	6	2000	BULK-LIQ	81,000	81	CDFIH
27	LMA27	ARAMCO TRADING FUJAIRAH FZE	FINEJET AFRICA HOLDINGS LTD P.O BOX SOUTH SUDAN	FINEJET LIMITED P.O. BOX , NAIROBI, KENYA	MOGAS IN TRANSIT TO SOUTH SUDAN	AEFJR	KEMBA	6	2000	BULK-LIQ	47,000	47	SSJUB
28	LMA28	ARAMCO TRADING FUJAIRAH FZE	GALLAD CENTRE CONGO P.O BOX DRC	GALLAD CENTRE P.O BOX KENYA	MOGAS IN TRANSIT TO CONGO	AEFJR	KEMBA	6	2000	BULK-LIQ	42,000	42	CDFIH
29	LMA29	ARAMCO TRADING FUJAIRAH FZE	GAMOIL TRADING LIMITED DRC P.O BOX DRC	GAMOIL TRADING LIMITED P.O BOX KENYA	MOGAS IN TRANSIT TO CONGO	AEFJR	KEMBA	6	2000	BULK-LIQ	64,500	65	CDFIH
30	LMA30	ARAMCO TRADING FUJAIRAH FZE	GAMOIL TRADING LIMITED DRC P.O BOX DRC	GAMOIL TRADING LIMITED P.O BOX KENYA	MOGAS IN TRANS ONGO	AEFJR	KEMBA	6	2000	BULK-LIQ	64,500	65	CDFIH

INWARD CARGO MANIFEST

2026MSASI0037604

VESSEL	MT.PALOMA	PORT OF DISCHARGE	MOMBASA KE	FLAG	MARSHALL ISLANDS	PRODUCT/QUANTITY KGS	MOGAS 60,200,813
MASTER	CAPT.SARLA COSMIN	LOADING DATE	24.02.2026	COUNTRY ORIG	U.A.E	TOTAL QUANTITY KGS	
PORT OF LOAD	FUJAIRAH			NEXT PORT	TBA		

S.NO	BL NO	SHIPPER	CONSIGNEE	NOTIFY	DESCRIPTION OF GOODS	POL	POD	Svc Code	NO OF UNITS	PKG	KGS	CBM	FINAL DEST
31	LMA31	ARAMCO TRADING FUJAIRAH FZE	GENPET PETROLEUM DRC P.O BOX DRC	GENPET PETROLEUM LTD P.O OX KENYA	MOGAS IN TRANSIT TO CONGO	AEFJR	KEMBA	6	2000	BULK-LIQ	475,000	475	CDFIH
32	LMA32	ARAMCO TRADING FUJAIRAH FZE	GREATWALL OIL DRC CONGO P.O BOX DRC	GREAT WALL OIL P.O BOX KENYA	MOGAS IN TRANSIT TO CONGO	AEFJR	KEMBA	6	2000	BULK-LIQ	130,000	130	CDFIH
33	LMA33	ARAMCO TRADING FUJAIRAH FZE	GREATWALL OIL DRC CONGO P.O BOX DRC	GREAT WALL OIL P.O BOX KENYA	MOGAS IN TRANSIT TO CONGO	AEFJR	KEMBA	6	2000	BULK-LIQ	129,000	129	CDFIH
34	LMA34	ARAMCO TRADING FUJAIRAH FZE	PETRO MAISHA P.O BOX DRC	GREEN WELLS ENERGIES P.O. BOX KENYA	MOGAS IN TRANSIT TO CONGO	AEFJR	KEMBA	6	2000	BULK-LIQ	216,000	216	CDFIH
35	LMA35	ARAMCO TRADING FUJAIRAH FZE	HARBOUR ENERGY SARL P.O BOX DRC	HARBOUR ENERGY LTD P.O BOX KENYA	MOGAS IN TRANSIT TO CONGO	AEFJR	KEMBA	6	2000	BULK-LIQ	43,000	43	CDFIH
36	LMA36	ARAMCO TRADING FUJAIRAH FZE	HASS PETROLEUM DRC P.O BOX DRC	HASS PETROLEUM (K) LTD P.O. BOX 76337, NAIROBI, KENYA	MOGAS IN TRANSIT TO CONGO	AEFJR	KEMBA	6	2000	BULK-LIQ	318,000	318	CDFIH
37	LMA37	ARAMCO TRADING FUJAIRAH FZE	HSON CONGO SARL P.O BOX DRC	HSON KENYA LTD P.O. BOX KENYA	MOGAS IN TRANSIT TO CONGO	AEFJR	KEMBA	6	2000	BULK-LIQ	104,000	104	CDFIH
38	LMA38	ARAMCO TRADING FUJAIRAH FZE	SOCIETE TWINS P.O BOX DRC	ILADE OIL CO. LTD P.O.BOX , NAIROBI, KENYA.	MOGAS IN TRANSIT TO CONGO	AEFJR	KEMBA	6	2000	BULK-LIQ	100,000	100	CDFIH
39	LMA39	ARAMCO TRADING FUJAIRAH FZE	PETRO MAISHA DRC P.O BOX DRC	INDEPENDENT PETROLEUM GROUP KENYA LII P.O BOX KENYA	MOGAS IN TRANSIT TO CONGO	AEFJR	KEMBA	6	2000	BULK-LIQ	85,000	85	CDFIH
40	LMA40	ARAMCO TRADING FUJAIRAH FZE	KENGAS KENYA LIMITED P.O BOX SOUTH SUDAN	KENGAS KENYA LTD P.O. BOX KENYA	MOGAS IN TRANSIT TO SOUTH SUDAN	AEFJR	KEMBA	6	2000	BULK-LIQ	310,000	310	SSJUB

INWARD CARGO MANIFEST

2026MSASI0037604

VESSEL	MT.PALOMA	PORT OF DISCHARGE	MOMBASA KE	FLAG	MARSHALL ISLANDS	PRODUCT/QUANTITY KGS	MOGAS 60,200,813
MASTER	CAPT.SARLA COSMIN	LOADING DATE	24.02.2026	COUNTRY ORIG	U.A.E	TOTAL QUANTITY KGS	
PORT OF LOAD	FUJAIRAH			NEXT PORT	TBA		

S.NO	BL NO	SHIPPER	CONSIGNEE	NOTIFY	DESCRIPTION OF GOODS	POL	POD	Svc Code	NO OF UNITS	PKG	KGS	CBM	FINAL DEST
41	LMA41	ARAMCO TRADING FUJAIRAH FZE	KENGAS KENYA LIMITED P.O BOX DRC	KENGAS KENYA LTD P.O. BOX KENYA	MOGAS IN TRANSIT TO CONGO	AEFJR	KEMBA	6	2000	BULK-LIQ	1,106,813	1107	CDFIH
42	LMA42	ARAMCO TRADING FUJAIRAH FZE	DRC PETROLEUM SARL P.O BOX DRC	LAKE OIL LTD P.O. BOX 37376 - 00100 NAIROBI	MOGAS IN TRANSIT TO CONGO	AEFJR	KEMBA	6	2000	BULK-LIQ	254,000	254	CDFIH
43	LMA43	ARAMCO TRADING FUJAIRAH FZE	ETAL AND FILS TRADING P.O BOX DRC	M & A ENERGY LIMITED P.O BOX KENYA	MOGAS IN TRANSIT TO CONGO	AEFJR	KEMBA	6	2000	BULK-LIQ	52,000	52	CDFIH
44	LMA44	ARAMCO TRADING FUJAIRAH FZE	NOMAD PETROCHEM LTD P.O BOX DRC	NOMAD PETROCHEM LTD P.O BOX KENYA	MOGAS IN TRANSIT TO CONGO	AEFJR	KEMBA	6	2000	BULK-LIQ	53,000	53	CDFIH
45	LMA45	ARAMCO TRADING FUJAIRAH FZE	OCEAN ENERGY DR CONGO P.O BOX DRC	OCEAN ENERGY LIMITED P.O.BOX , NAIROBI, KENYA.	MOGAS IN TRANSIT TO CONGO	AEFJR	KEMBA	6	2000	BULK-LIQ	138,000	138	CDFIH
46	LMA46	ARAMCO TRADING FUJAIRAH FZE	OIL ENERGY DRC P.O BOX DRC	OIL ENERGY KENYA LTD P.O BOX KENYA	MOGAS IN TRANSIT TO CONGO	AEFJR	KEMBA	6	2000	BULK-LIQ	36,000	36	CDFIH
47	LMA47	ARAMCO TRADING FUJAIRAH FZE	OILGEN PETROLEUM DRC P.O BOX DRC	OILGEN PETROLEUM LIMITED P.O.BOX 16736-00100 NAIROBI - KENYA	MOGAS IN TRANSIT TO CONGO	AEFJR	KEMBA	6	2000	BULK-LIQ	346,000	346	CDFIH
48	LMA48	ARAMCO TRADING FUJAIRAH FZE	OILHUB SARL DR CONGO P.O BOX DRC	OILHUB LIMITED P.O BOX KENYA	MOGAS IN TRANSIT TO CONGO	AEFJR	KEMBA	6	2000	BULK-LIQ	100,000	100	CDFIH
49	LMA49	ARAMCO TRADING FUJAIRAH FZE	OILHUB SARL DR CONGO P.O BOX DRC	OILHUB LIMITED P.O BOX KENYA	MOGAS IN TRANSIT TO CONGO	AEFJR	KEMBA	6	2000	BULK-LIQ	68,000	68	CDFIH
50	LMA50	ARAMCO TRADING FUJAIRAH FZE	OILWAVE DRC P.O BOX DRC	OILWAVE ENERGY LIMITED P.O BOX KENYA	MOGAS IN TRANSI NGO	AEFJR	KEMBA	6	2000	BULK-LIQ	30,000	30	CDFIH

INWARD CARGO MANIFEST

2026MSASI0037604

VESSEL	MT.PALOMA	PORT OF DISCHARGE	MOMBASA KE	FLAG	MARSHALL ISLANDS	PRODUCT/QUANTITY KGS	MOGAS 60,200,813
MASTER	CAPT.SARLA COSMIN	LOADING DATE	24.02.2026	COUNTRY ORIG	U.A.E	TOTAL QUANTITY KGS	
PORT OF LOAD	FUJAIRAH			NEXT PORT	TBA		

S.NO	BL NO	SHIPPER	CONSIGNEE	NOTIFY	DESCRIPTION OF GOODS	POL	POD	Svc Code	NO OF UNITS	PKG	KGS	CBM	FINAL DEST
51	LMA51	ARAMCO TRADING FUJAIRAH FZE	PETRO MAISHA DRC P.O BOX DRC	ORYX ENERGIES KENYA LTD P.O. BOX KENYA	MOGAS IN TRANSIT TO CONGO	AEFJR	KEMBA	6	2000	BULK-LIQ	170,000	170	CDFIH
52	LMA52	ARAMCO TRADING FUJAIRAH FZE	PETRO MAISHA DRC P.O BOX DRC	ORYX ENERGIES KENYA LTD P.O. BOX KENYA	MOGAS IN TRANSIT TO CONGO	AEFJR	KEMBA	6	2000	BULK-LIQ	170,000	170	CDFIH
53	LMA53	ARAMCO TRADING FUJAIRAH FZE	PETROVA ENERGIES DRC P.O BOX DRC	PETROVA ENERGIES P.O BOX KENYA	MOGAS IN TRANSIT TO CONGO	AEFJR	KEMBA	6	2000	BULK-LIQ	89,000	89	CDFIH
54	LMA54	ARAMCO TRADING FUJAIRAH FZE	PETROVA ENERGIES SOUTH SUDAN P.O BOX SOUTH SUDAN	PETROVA ENERGIES P.O BOX KENYA	MOGAS IN TRANSIT TO SOUTH SUDAN	AEFJR	KEMBA	6	2000	BULK-LIQ	131,000	131	SSJUB
55	LMA55	ARAMCO TRADING FUJAIRAH FZE	PIN OIL DRC P.O BOX DRC	PIN OIL LIMITED P.O BOX KENYA	MOGAS IN TRANSIT TO CONGO	AEFJR	KEMBA	6	2000	BULK-LIQ	206,000	206	CDFIH
56	LMA56	ARAMCO TRADING FUJAIRAH FZE	PITOT ENERGY DRC P.O BOX DRC	PITOT ENERGY LIMITED P.O BOX KENYA	MOGAS IN TRANSIT TO CONGO	AEFJR	KEMBA	6	2000	BULK-LIQ	30,000	30	CDFIH
57	LMA57	ARAMCO TRADING FUJAIRAH FZE	PRIZE PETROLEUM SSD P.O BOX SOUTH SUDAN	PRIZE PETROLEUM LTD P.O BOX KENYA	MOGAS IN TRANSIT TO SOUTH SUDAN	AEFJR	KEMBA	6	2000	BULK-LIQ	94,000	94	SSJUB
58	LMA58	ARAMCO TRADING FUJAIRAH FZE	ASSET ENERGY LTD SSD P.O BOX SOUTH SIDAN	RAAD ENERGY P.O BOX KENYA	MOGAS IN TRANSIT TO SOUTH SUDAN	AEFJR	KEMBA	6	2000	BULK-LIQ	116,000	116	SSJUB
59	LMA59	ARAMCO TRADING FUJAIRAH FZE	SAHARA ENERGY DRC P.O BOX DRC	SAHARA ENERGY LTD P.O BOX KENYA	MOGAS IN TRANSIT TO CONGO	AEFJR	KEMBA	6	2000	BULK-LIQ	267,000	267	CDFIH
60	LMA60	ARAMCO TRADING FUJAIRAH FZE	SAKINA ENERGY P.O BOX DRC	SAKINA GAS COMPANY LTD P.O. BOX KENYA	MOGAS IN TRANSIT TO CONGO	AEFJR	KEMBA	6	2000	BULK-LIQ	130,000	130	CDFIH

INWARD CARGO MANIFEST

2026MSASI0037604

VESSEL	MT.PALOMA	PORT OF DISCHARGE	MOMBASA KE	FLAG	MARSHALL ISLANDS	PRODUCT/QUANTITY KGS	MOGAS 60,200,813
MASTER	CAPT.SARLA COSMIN	LOADING DATE	24.02.2026	COUNTRY ORIG	U.A.E	TOTAL QUANTITY KGS	
PORT OF LOAD	FUJAIRAH			NEXT PORT	TBA		

S.NO	BL NO	SHIPPER	CONSIGNEE	NOTIFY	DESCRIPTION OF GOODS	POL	POD	Svc Code	NO OF UNITS	PKG	KGS	CBM	FINAL DEST
61	LMA61	ARAMCO TRADING FUJAIRAH FZE	SHORELINE PETROLEUM DRC P.O BOX DRC	SHORELINE PETROLEUM LIMITED P.O BOX KENYA	MOGAS IN TRANSIT TO CONGO	AEFJR	KEMBA	6	2000	BULK-LIQ	249,000	249	CDFIH
62	LMA62	ARAMCO TRADING FUJAIRAH FZE	STABEX INTERNATIONAL SARL, DRC P.O BOX DRC	STABEX INTERNATIONAL LTD P.O BOX KENYA	MOGAS IN TRANSIT TO CONGO	AEFJR	KEMBA	6	2000	BULK-LIQ	85,000	85	CDFIH
63	LMA63	ARAMCO TRADING FUJAIRAH FZE	ETAL $ FILS DRC P.O BOX DRC	TAKSAN ENERGIES LTD P.O BOX KENYA	MOGAS IN TRANSIT TO CONGO	AEFJR	KEMBA	6	2000	BULK-LIQ	101,000	101	CDFIH
64	LMA64	ARAMCO TRADING FUJAIRAH FZE	TALOS ENERGY SOUTH SUDAN P.O BOX SOUTH SUDAN	TALOS ENERGY LTD P.O. BOX NAIROBI, KENYA	MOGAS IN TRANSIT TO SOUTH SUDAN	AEFJR	KEMBA	6	2000	BULK-LIQ	70,000	70	SSJUB
65	LMA65	ARAMCO TRADING FUJAIRAH FZE	PETRO MAISHA DRC P.O BOX DRC	TIBA PETROLEUM P.O BOX KENYA	MOGAS IN TRANSIT TO CONGO	AEFJR	KEMBA	6	2000	BULK-LIQ	30,000	30	CDFIH
66	LMA66	ARAMCO TRADING FUJAIRAH FZE	TOPSTAR ENERGY (DRC) P.O BOX DRC	TOPSTAR ENERGY LTD P.O BOX KENYA	MOGAS IN TRANSIT TO CONGO	AEFJR	KEMBA	6	2000	BULK-LIQ	41,000	41	CDFIH
67	LMA67	ARAMCO TRADING FUJAIRAH FZE	TORCH ENERGY DR CONGO P.O BOX DRC	TORCH ENEGRY LIMITED P. O BOX NAIROBI, KENYA	MOGAS IN TRANSIT TO CONGO	AEFJR	KEMBA	6	2000	BULK-LIQ	127,000	127	CDFIH
68	LMA68	ARAMCO TRADING FUJAIRAH FZE	TOSHA SUDAN P.O BOX SOUTH SUDAN	TOSHA PETROLEUM KENYA LIMITED P.O BOX KENYA	MOGAS IN TRANSIT TO SOUTH SUDAN	AEFJR	KEMBA	6	2000	BULK-LIQ	58,000	58	SSJUB
69	LMA69	ARAMCO TRADING FUJAIRAH FZE	TRINITY ENERGY LIMITED P.O BOX SOUTH SUDAN	TRINITY ENERGY LIMITED P.O BOX KENYA	MOGAS IN TRANSIT TO SOUTH SUDAN	AEFJR	KEMBA	6	2000	BULK-LIQ	158,000	158	SSJUB
70	LMA70	ARAMCO TRADING FUJAIRAH FZE	TUPESH ENERGY LTD P.O BOX RWANDA	ILADE OIL CO. LTD P.O.BOX , NAIROBI, KENYA.	MOGAS IN TRANS[redacted]WANDA	AEFJR	KEMBA	6	2000	BULK-LIQ	30,000	30	RWKGL

INWARD CARGO MANIFEST

2026MSASI0037604

VESSEL	**MT.PALOMA**	PORT OF DISCHARGE	**MOMBASA KE**	FLAG	**MARSHALL ISLANDS**
MASTER	**CAPT.SARLA COSMIN**	LOADING DATE	24.02.2026	COUNTRY ORIG	**U.A.E**
PORT OF LOAD	**FUJAIRAH**			NEXT PORT	**TBA**

PRODUCT/QUANTITY KGS **MOGAS** 60,200,813
TOTAL QUANTITY KGS

S.NO	BL NO	SHIPPER	CONSIGNEE	NOTIFY	DESCRIPTION OF GOODS	POL	POD	Svc Code	NO OF UNITS	PKG	KGS	CBM	FINAL DEST
71	LMA71	ARAMCO TRADING FUJAIRAH FZE	UPTIME ENERGIES P.O BOX DRC	UPTIME ENERGIES (K) LTD P.O BOX KENYA	MOGAS IN TRANSIT TO CONGO	AEFJR	KEMBA	6	2000	BULK-LIQ	30,000	30	CDFIH
72	LMA72	ARAMCO TRADING FUJAIRAH FZE	UPTIME ENERGIES P.O BOX DRC	UPTIME ENERGIES (K) LTD P.O BOX KENYA	MOGAS IN TRANSIT TO CONGO	AEFJR	KEMBA	6	2000	BULK-LIQ	30,000	30	CDFIH
73	LMA73	ARAMCO TRADING FUJAIRAH FZE	WNINE ENERGY DR CONGO P.O BOX DRC	WNINE ENERGY LIMITED P.O BOX KENYA	MOGAS IN TRANSIT TO CONGO	AEFJR	KEMBA	6	2000	BULK-LIQ	30,000	30	CDFIH
74	LMA74	ARAMCO TRADING FUJAIRAH FZE	STE XENOM ENERGY DRC SARLU P.O BOX DRC	XENOM ENERGY LTD P.O BOX KENYA	MOGAS IN TRANSIT TO CONGO	AEFJR	KEMBA	6	2000	BULK-LIQ	719,000	719	CDFIH
75	LMA75	ARAMCO TRADING FUJAIRAH FZE	STE XENOM ENERGY DRC SARLU P.O BOX DRC	XENOM ENERGY LTD P.O BOX KENYA	MOGAS IN TRANSIT TO CONGO	AEFJR	KEMBA	6	2000	BULK-LIQ	500,000	500	CDFIH

STATEMENT OF FACTS

Vessel	PALOMA
Voyage No.	20
Port(s)	MOMBASA
Arrived From	FUJAIRAH
Discharge Port	MOMBASA
ETD	31-MAR-2026 6:00
Cargo	60,200.8 MT MOGAS

Start Date	Time	Stop Date	Time	Event Terminal / Comment
27-MAR-2026	01:30			END OF SEA PASSAGE
	02:30			NOTICE OF READINESS TENDERED
	02:30			COMMENCED DRIFTING AWAITING BERTHING INSTRUCTIONS
	14:36			RECEIVED PILOT BOARDING INSTRUCTIONS/COMMENCED PROCEEDING TO PILOT STATION
	15:48			ARRIVED AT PILOT STATION
	15:48	27-MAR-2026	17:48	AWAITING PILOT
	17:48			PILOT ON BOARD
	17:48			NOTICE OF READINESS RE-TENDERED
	18:15			VESSEL ENTERED PORT CHANNEL
	19:48			FIRST LINE ASHORE
	20:30			PILOT OFF
	20:42			ALL FAST ALONGSIDE KOT II B#1
	20:42			NOTICE OF READINESS RE-TENDERED
	22:30			GANGWAY IN POSITION
	22:40			AGENT ONBOARD
	22:40			AUTHORITIES ON BOARD PORT HEALTH
	23:00			FREE PRATIQUE GRANTED
	23:00			SURVEYOR ONBOARD
	23:00		23:20	SAFETY MEETING
	23:54			COMMENCE ULLAGES AND SAMPLING
28-MAR-2026	00:42			COMPLETE ULLAGES
	00:42	28-MAR-2026	01:12	CARGO CALCULATIONS
	03:00		03:30	LOADING ARM CONNECTED 1X20"
	03:18			COMPLETED SAMPLING
	03:18			SAMPLES TAKEN FOR ANALYSIS
	06:15			SAMPLES PASSED CARGO RELEASED
	06:15			NOTICE OF READINESS ACCEPTED
	06:30			VESSEL GIVEN TWO HOURS NOTICE TO PREPARE FOR DISCHARGE
	08:42			COMMENCED DISCHARGE TO KOSF
	08:42		10:06	DISCHARGING
	10:06			SUSPENDED DISCHARGING

Start Date	Time	Stop Date	Time	Event Terminal / Comment
				FOR LINE DISPLACEMENT / SHORE STOP
	10:24			RESUMED DISCHARGE
	10:24		22:06	DISCHARGING
	22:06			SUSPENDED DISCHARGING SHORE STOP
	22:06		23:59	AWAITING TERMINAL INSTRUCTIONS
29-MAR-2026	00:01	29-MAR-2026	08:12	AWAITING TERMINAL INSTRUCTIONS
	08:12			RESUMED DISCHARGE TO KOSF
	08:12		14:48	DISCHARGING
	14:48			SUSPENDED DISCHARGING SHORE STOP
	14:48		23:59	AWAITING TERMINAL INSTRUCTIONS
30-MAR-2026	00:01	30-MAR-2026	00:18	AWAITING TERMINAL INSTRUCTIONS
	00:18			RESUMED DISCHARGE TO KOSF
	00:18		12:12	DISCHARGING
	12:12			COMMENCED DISCHARGE
	12:12		12:42	TANK INSPECTION
	12:42		15:36	AWAITING TERMINAL INSTRUCTIONS
	15:36		15:54	LOADING ARM DISCONNECTED
	16:00			DOCUMENTS ONBOARD
	19:20			PILOT ON BOARD
	20:00			LAST LINE
	21:24			PILOT OFF
	21:24			SAILED

MASTER PALOMA

PALOMA MAJURO

STURROCK GRINDROD MARITIME AS AGENTS ONLY

STURROCK GRINDROD MARITIME (KENYA) LTD AGENTS ONLY P 0511 30625 M

AMOS MIGAWI INSPECTORATE (E.A) LTD MOMBASA

CARGO SURVEYOR

SGS

"For Receipt, Gauges and Temperatures Only
If a comparable SGS document was also issued,
the SGS document with this wording
in the event of a dispute

BSM STATEMENT OF FACTS

Vessel:	PALOMA	Date:	27/03/2026
Operation / Grade:	DISCHARGING UNLEADED MOTOR SPIRIT	Voyage:	020
Port:	MOMBASA, KENYA	Terminal:	KOT II JETTY

SOF	DD/MM/YY	Local time	Remarks
EOSP	27/03/2026	01:30	
Commenced Drifting	27/03/2026	02:30	
NOR tendered	27/03/2026	02:30	
Stop Drifting, proceed to PBA	27/03/2026	14:36	
Pilot on board	27/03/2026	17:48	
AFT tug secured	27/03/2026	18:30	
FWD tug secured	27/03/2026	18:36	
First line ashore	27/03/2026	19:48	
Pilot disembarked	27/03/2026	20:30	
All fast	27/03/2026	20:42	
Cast off Tugs	27/03/2026	20:42	
NOR retendered	27/03/2026	20:42	
Ship Gangway down	27/03/2026	22:30	
Agent and Quarantine Officer on board	27/03/2026	22:40	
Free pratique granted	27/03/2026	23:00	
Cargo surveyor and Loading master on board	27/03/2026	23:00	
Commenced Key/Safety meeting	27/03/2026	23:00	
Completed Key/Safety meeting SSSCL done	27/03/2026	23:20	
Commenced Ullaging	27/03/2026	23:54	
Commenced Sampling	27/03/2026	23:54	
Completed Ullaging	28/03/2026	00:42	
Commenced Cargo Calculation	28/03/2026	00:42	
Completed Cargo Calculation	28/03/2026	01:12	
Commenced Cargo Arm Connection	28/03/2026	03:00	Manifold 1x20"
Completed Sampling	28/03/2026	03:18	
Cargo Arm Connected	28/03/2026	03:30	Manifold 1x20"
NOR accepted. Cargo Sample Accepted	28/03/2026	06:15	
Received notice to prepare for discharging	28/03/2026	06:36	
Commenced Discharging Operation	28/03/2026	08:42	
Suspended Discharging Operation	28/03/2026	10:06	Line Displacement
Resumed Discharging	28/03/2026	10:24	
Suspended Discharging by Terminal	28/03/2026	22:06	As per terminal request
Resume Discharging	29/03/2026	08:12	As per terminal request

BSM	STATEMENT OF FACTS

Suspended Discharging by Terminal	29/03/2026	14:48	As per terminal request
Resumed Discharging	30/03/2026	00:18	As per terminal request
Completed Discharging	30/03/2026	12:12	
Commenced Tank Inspection	30/03/2026	12:12	
Completed Tank Inspection	30/03/2026	12:42	
Commenced cargo arm disconnection	30/03/2026	15:36	
Cargo arm Disconnected	30/03/2026	15:54	
Documents signed	30/03/2026	16:00	
Pilot on board	30/03/2026		
Tugs Made Fast	30/03/2026		
Commenced Unmooring	30/03/2026		
Cast Off	30/03/2026		
Cast Off Tugs	30/03/2026		
Pilot Off	30/03/2026		
COSP	30/03/2026		

Remarks (delays, stoppages etc.)

See LOP.

FOR RECEIPT ONLY WITHOUT PREJUDICE

Terminal / Shipper / Consignee

Agent

PALOMA

Master

ANNEX 7:

SUBMISSIONS BY ORYX ENERGIES

ORYX ENERGIES KENYA

An **Oryx Energies** Company

13th April 2026

OUR REF: OEKL/EXT/2026/D003/DSEC
YOUR REF: SEN/DSEC/ENERGY/385/2026

The Senate,
Clerk's Chambers,
Parliament Building,
P.O. Box 41842 – 00100
Nairobi

Advanced via email: *clerk.senate@parliament.go.ke*
energycommittee.senate@parliament.go.ke

Attention: Mr. J.M. Nyegenye, CBS

RE: INVITATION TO A MEETING BY THE STANDING COMMITTEE ON ENERGY

Reference is made to the above subject matter and to your letter dated 9th April 2026 ("**the Letter**"), issued by the Standing Committee on Energy ("**the Committee**"). The Letter invites Ms. Angeline M. Maangi, the Managing Director of Oryx Energies Kenya Ltd ("**the Company**"), to appear before the Committee to address it on its inquiry into the ongoing crisis in Kenya's petroleum sector.

The Company recognizes the Committee's mandate to safeguard the interests of Kenyan consumers and to ensure transparency and accountability in the management of the country's petroleum supply chain. It is in that spirit that the Company sets out its responses to the questions raised in the Letter. Having considered the questions and issues raised by the Committee in the Letter, the Company hereby sets out its responses thereto as follows:

QUESTION 1. Indicate how and when your company became aware of the emergency request for fuel by the Ministry, including, the mode of communication used, and, whether, to the best of your knowledge, the request was issued publicly to market participants or selectively to specific firms

a) The Company received an invitation on 19th March 2026, from the MOEP to submit a proposal for additional deliveries of Premium Motor Spirit ("**PMS**") to bolster operational stock reserves for Kenya and the region amid the ongoing Middle East conflict.

Oryx Energies Kenya Limited

Visiting address:
5th Floor, 9 West
Ring Road Parklands
Westlands, Nairobi
Kenya

T. +254 20 374 67 88
T. +254 20 374 68 06/07
kenya@oryxenergies.com
www.oryxenergies.com

Mailing adress:
P.O. Box 12403 - 00100
GPO 00100, Nairobi
Kenya

Reg. No.: 102803 PIN No.: P051157899V

b) The invitation was communicated directly to the Company's Managing Director, from the official email account of the Principal Secretary, State Department of Petroleum, MOEP. (*Find enclosed herein a copy of the email correspondence between the Company and the MOEP)*

c) The Company is unaware of whether the request was issued publicly to market participants or selectively to specific firms. The invitation received from the MOEP was sent directly to the Company and no other oil marketing companies were included in the email circulation list.

QUESTION 2. Provide details and copies of all communications, invitations, or notices received from the Ministry or any agent thereof in relation to the emergency request

The full schedule of all the documents and correspondence between the Company and the Ministry are as follows:

a) ***Annexure 1:*** Email from the Ministry dated 19th March 2026 requesting a proposal for the supply of PMS

b) ***Annexure 2:*** The Company's quotation for the supply of PMS dated 19th March 2026

c) ***Annexure 3:*** Letter dated 25th March 2026 from the Ministry confirming acceptance of delivery of 60,000 metric tons (±10%), together with the forwarding email of the same date.

d) ***Annexure 4:*** Letter dated 26th March 2026 from the Company confirming its acceptance of the nomination to supply PMS, together with the forwarding email of the same date

e) ***Annexure 5***: Email dated 27th March 2026 from the Company advising that it had secured an additional 36,000 metric tons of PMS and requesting confirmation that it could be supplied under the same terms as the initial offer

f) ***Annexure 6***: Email dated 27th March 2026 from the Ministry confirming acceptance of the additional cargo

g) ***Annexure 7:*** Email dated 30th March 2026 from the Company requesting industry volume allocations for receivers

h) ***Annexure 8:*** Email dated 31st March 2026 from the Ministry notifying the Company of the cancellation of the entire offer

i) ***Annexure 9:*** Email dated 3rd April 2026 from the Company to the Ministry confirming receipt of the cancellation and rejecting it.

j) ***Annexure 10:*** Email dated 9th April 2026 from the Company to the Ministry reiterating the Company's position on the cancellation and requesting that the Ministry take delivery of the cargoes

k) ***Annexure 11:*** Email dated 1st April 2026 (0140 HRS) from the Shipmaster of MT SEAWAYS MILO confirming arrival of the vessel and readiness to discharge the first consignment at the port of Mombasa.

l) ***Annexure 12:*** Sample evaluated bids for Tenders held in Tanzania prior to the Middle East Crisis.

m) ***Annexure 13A***: A table outlining the current PMS (Gasoline) pricing premiums to be applied for Mid-April – Mid-June deliveries of Petroleum Products by the Tanzania Petroleum Development Corporation (**TPDC**) under the direction of Tanzania's Petroleum Bulk Procurement Agency (**PBPA**)

n) ***Annexure 13B***: Tanzanian media article confirming intervention by the Tanzania Government to secure product supplies outside of the Government Bulk Procurement System (BPS), which are to be delivered by TPDC.

QUESTION 3. Describe, in detail, the tendering and procurement process as experienced by the company, including, tender requirements, timelines, bid security (if any); the evaluation criteria; and, the date and form of notification of award

a) The tendering and procurement process experienced by the company involved the receipt of the email of 19th March 2026 from the Principal Secretary's office, State Department of Petroleum, MOEP. The email formally constituted a direct Request for Proposal ("**RFP**") for the supply of PMS.

b) The tender requirements, timelines, bid security, evaluation criteria, were set out in the RFP, which was issued in the following terms:

   i. *Applicable terms: Open Tender System (OTS) Terms and Conditions (2023), except payment currency to be USD for the entire cargo.*

   ii. *Quantity: 35–85 kt; bidders to indicate delivery vessel size and any split, where applicable.*

   iii. *Delivery window: 28/03–02/04/2026, with a preference for 28–30/03/2026.*

   iv. *Receiving terminal: KOT II.*

   v. *Pricing month: as per the OTS.*

   vi. *Shipper participation: local/transit details to be shared separately.*

c) On 19th March 2026, and in accordance with the instructions set out in the RFP, the Company submitted its quotation for the supply of PMS, confirming its capacity and readiness to perform, with the proposed delivery window being between 25th March 2026 and 20th April 2026.

d) On 25th March 2026, the Company received an email enclosing a letter from the Principal Secretary's office, State Department of Petroleum, MOEP, confirming acceptance of the cargo as per the proposal that has been issued by the Company. The Company thereafter sent a letter dated 26th March 2026, confirming the acceptance of its nomination to supply 60,000 Metric Tons (±10%) of PMS. (*Find enclosed the letters dated 19th March 2026, 25th March 2026 and 26th March 2026)*

e) On 27th March 2026, the Company reached out to the Principal Secretary's office, State Department of Petroleum, MOEP via email and advised that it had secured an additional 36kt of PMS that could be delivered on 31st March 2026 to further support the Kenyan Government's efforts to boost the security of supply of petroleum products. Further, the Company advised that this additional cargo of PMS could be delivered under the same terms as the initial offer and sought confirmation on whether this was acceptable. On the same day, the Principal Secretary's office, State Department of Petroleum, MOEP, confirmed the acceptance of the delivery of the additional PMS under the same terms as the initial offer.

QUESTION 4. Identify all other bidders known to the company and indicate whether there were any consortia, intermediaries, or agents involved in the process

a) As at the time of the receipt of the email invitation to send a proposal for the supply of PMS, the Company was not aware of any other bidders. Further, the email invitation received had no indication of any consortia, intermediaries, or agents involved in the process.

QUESTION 5. Clarify whether the tender documents explicitly outlined the nature and justification of the emergency invoked to bypass the standard Government-to-Government (G2G) procurement framework, and state whether the process, in the company's assessment, complied with the G2G framework, and if not, specify the deviations

a) The email invitation dated 19th March 2026 made reference to various Vessel Alignment Committee ("**VAC**") meetings held between 9th and 18th March 2026 at the State Department for Petroleum, and stated that during the meetings, the security of supply of refined petroleum products had been deliberated in light of the ongoing conflict in the Middle East and that **the**

critical need to shore up operational stock reserves for the country and region had been recommended.

b) The Company sets out below its good-faith assessment of the process, based solely on its own experience of the invitation and submission, and without access to the MOEP's internal records or communications with other parties.

The Company received its invitation from the State Department of Petroleum within MOEP, the authority mandated under the G2G framework to issue such invitations, and the invitation included applicable terms for offer submission by reference to the OTS Terms and Conditions (2023). From the Company's perspective, the invitation bore the hallmarks of a process initiated by the competent authority under the existing legal framework. The Company respectfully submits that it is for the Committee to assess whether these features collectively constitute a deviation from the G2G framework, and if so, by whom and under whose authority, taking into account the MOEP's own account of the process. The Company acted in reasonable and good-faith reliance on a formal written invitation from the competent authority.

QUESTION 6. Indicate the timeline between the issuance of the tender invitation and the submission deadline, and detail whether your company was able to source and secure the cargo within the stipulated timeframe

a) The email invitation from the Principal Secretary's office, State Department of Petroleum, was received on 19th March 2026 at 10:11 a.m. It required submission of the proposal (both as a PDF via the State Department's official email and as a hard copy delivered to the MOEP) on the same day, by 12:30 hours (Nairobi Time). The total window from invitation to deadline was 2 hours and 19 minutes. The Company submitted the quotation for the supply of PMS by a letter dated 19th March 2026 by 12.25 pm which was within the required timeline.

b) The Ministry's email of 19th March 2026 stipulated a timeframe for the supply of PMS between 28th March and 2nd April 2026. However, in its proposal, the Company indicated its ability to deliver between 25th March and 20th April 2026. In its letter of acceptance, the Ministry confirmed the acceptance of 60,000 metric tonnes of PMS with a delivery window from 5th to 7th April 2026. The shipment was en route for delivery when the Ministry cancelled the offer.

c) The Company secured an additional 36,000 metric tonnes of PMS and informed the Ministry via email on 27th March 2026 that it could deliver the additional cargo by 31st March 2026 under the same terms as the initial offer. The Ministry confirmed acceptance of this offer. However,

the shipment was en route when the Ministry cancelled the delivery in its email of 31st March 2026, just before the delivery could be made.

d) During the stipulated timeframe for the submission of the proposal, the Company was able to source and secure the cargo of PMS. This was possible by virtue of the Company's established presence as a regional energy supplier, its existing relationships with cargo owners and trading counterparties, and its real-time access to product positions in the market. The ability to respond with speed and certainty in conditions of acute market stress is precisely the operational value that an experienced regional operator brings to a government facing a supply emergency.

QUESTION 7. State whether there were price differentials between bid offer, G2G rates and/or prevailing market benchmarks at the time of bidding, and explain what factors influenced your bid pricing including sourcing and supply chain considerations

a) The Company submitted a premium of USD 253.94 per metric tonne in its quotation. The G2G premium is USD 84.00 per metric tonne. The price difference between the bid offer and the G2G rates was USD 169.94 per metric tonne. This differential reflects prevailing market conditions at the time of the bid, characterised by acute product scarcity that materially elevated both flat prices and FOB premiums across key petroleum products. More than 8 million barrels per day of production and 2 million barrels per day of refining capacity had been effectively removed from the market, with the displaced volumes primarily destined for the Arab Gulf and Asia. The resulting supply shortfall triggered intense demand from Asian buyers seeking to replace those barrels at any cost, placing significant upward pressure on FOB premiums for Diesel, Jet, and Gasoline; with premiums increasing significantly against prevailing benchmarks. The impact on PMS is particularly illustrative. Before the onset of the Middle East crisis, PMS premiums in the spot market were around USD 150 per metric tonne. However, as the crisis escalated in March, PMS premiums nearly doubled, rising to over USD 280 per metric tonne. A relevant comparison can be drawn from our neighbouring market, where Tanzania through the TPDC has implemented contingency measures to secure petroleum products for the period of April-June 2026. In this case, premiums range from USD 271 to USD 284 per metric tonne.

b) In summary, the factors which influenced the Company's bid, include sourcing and supply chain considerations. However, the primary factors which influenced the Company's bid as of 19th March 2026 were the ongoing conflict in the Middle East which led to significantly higher costs for oil and gas shipments from the Gulf to reach buyers in East Africa. These primary considerations were:

i. **Geopolitical Conflict and Supply Disruption:**

- **Strait of Hormuz and Red Sea Security:** The Middle East conflict that began in late February 2026 has effectively obstructed the Strait of Hormuz, through which twenty percent (20%) of global oil and gas flows. Further, continued Houthi threats in the Red Sea have forced tankers off traditional routes, raising logistics costs.
- **Rerouting around the Cape of Good Hope:** Diversions add roughly 10–14 days to transit times and materially increase fuel consumption and logistics costs.
- **Tanker Scarcity and Stoppage:** Transit through the strait has fallen by roughly 95%, causing hundreds of tankers to be stranded or delayed in and around the Gulf. Many shipping companies have refused to send vessels into the Gulf due to safety fears, leading to a severe shortage of tankers willing to enter, even when some passages were technically allowed.
- **Emergency Surcharges:** Major carriers have introduced Emergency Fuel Surcharges ("**EFS**") on East Africa lanes to offset higher bunker costs.

ii. **High Insurance and Risk Premiums:**

- **Significantly Elevated Insurance Costs:** Insurers have reassessed Middle East Gulf risks, increasing premiums and, in some cases, withdrawing coverage for certain vessels.
- **"War Risk" Charges:** Elevated risks of seizure or damage have driven up war-risk premiums, costs that flow through to East African consumers.

QUESTION 8. Provide details of any ongoing engagements or negotiations with the Ministry regarding emergency supply of fuel

a) Apart from the subsequent correspondence sent to the government via email on 9th April 2026, where the Company notified the government of the need to take delivery of the cargo and fulfill its obligations, there have been no further negotiations or engagements with the Ministry. (*Find enclosed herein a copy of the email correspondence dated 9th April 2026 sent to the MOEP by the Company)*

b) The Company notes that by the time of cancellation, a binding contractual arrangement had been established through the exchange of formal written correspondence, and the Company had already committed significant operational resources in anticipation of performance. The Company respectfully invites the Committee to also consider the circumstances and basis of

the cancellation as part of its inquiry, as this bears directly on the integrity and reliability of the Government's emergency procurement process. The Company reserves all rights arising from the cancellation while remaining willing to engage constructively with the MOEP. As matters currently stand, there are no active engagements or negotiations with the MOEP regarding emergency fuel supply. *(Refer to the enclosed email correspondence between the Company and the Principal Secretary's office, State Department of Petroleum, MOEP)*

QUESTION 9. State any observations or concerns your company may have regarding the conduct of the tender process, including timelines, documentation, or the G2G procurement framework

a) The Company is aware that the State Department of Petroleum within the MOEP is the custodian of Kenya's procurement framework for regulated bulk petroleum products. In fulfilling its mandate to ensure security of supply, the State Department of Petroleum retains discretion over how this mandate is exercised, subject to all applicable procurement laws and regulations. The Company wishes to observe, however, that Kenya's ability to respond to petroleum supply emergencies depends critically on the willingness of experienced private sector operators to engage rapidly and at risk in volatile market conditions. A framework that invites such participation but fails to honour the resulting commitments or that exposes companies acting in good faith to regulatory or reputational risk will over time erode the private sector's confidence and capacity to respond. The Company submits this observation not as a criticism of the Committee's inquiry, which it fully supports, but as a constructive contribution to the Committee's broader assessment of the emergency procurement framework.

b) The Company stands ready to support the government, through the MOEP, in guaranteeing security of supply of petroleum and regards the MOEP's instructions for the supply of the two cargoes of PMS as being legal and binding contractual arrangements. The Company has consistently fulfilled its obligations to the Government and to Kenyan consumers. Its conduct throughout this transaction from responding to an urgent government request within a two-hour window, to committing additional volumes at the Government's request two days later, reflects that longstanding commitment.

ORYX ENERGIES KENYA
An **Oryx Energies** Company

QUESTION 10. Provide any additional information that may assist the Committee in establishing accountability, ensuring transparency in emergency procurement, and safeguarding the integrity of Kenya's petroleum supply chain

a) The Company has set out above all the information in its possession on the emergency request for fuel by the MOEP. It does not have any other information that may assist the Committee in establishing accountability, ensuring transparency in emergency request for fuel by the MOEP, and safeguarding the integrity of Kenya's petroleum supply chain.

The Company, in compliance with the Letter, has set out and disclosed fully and transparently the facts and evidence in its possession with regard to the emergency request for fuel by the MOEP. It acted at the Government's request, under extreme market conditions, and with the sole purpose of supporting Kenya's energy security. The Company trusts that the information provided will assist the Committee in performing its mandate under Standing Order 228 (3) and the Fourth Schedule of the Senate Standing Orders, and it welcomes the opportunity to engage further with the Committee in person.

Yours faithfully,

.....

ANGELINE MAANGI
MANAGING DIRECTOR

ANNEXURE 1

EMAIL FROM THE MINISTRY OF ENERGY AND PETROLEUM DATED 19TH MARCH INVITING THE COMPANY TO SUBMIT A SUPPLY PROPOSAL FOR THE DELIVERY OF ADDITIONAL (PREMIUM MOTOR SPIRIT) PMS CARGOES

Request for Proposal for Supply of Premium Motor Spirit

Reply | Reply All | Forward

pssdp@petroleum.go.ke
To Maangi Angeline; Ngugi James
Cc ps; Daniel.kiptoo; Eng. Edward Kinyua; Joseph Wafula; cs; ericozcantona; Kishoyian Saigilu; Morris Mwaniki; **+10 others**

Thu 3/19/2026 10:11 AM

Warning: This email has been generated from outside of our organization Oryx Energies (pssdp@petroleum.go.ke). Do not click on any links or download any files or reply to it unless you know the sender and you know that content is safe.

Dear Oryx Energy Kenya Limited

Attention: Angeline Maangi, Managing Director

We refer to the various Vessel Alignment Committee (VAC) meetings held between 9th and 18th March 2026 at the State Department for Petroleum. During the meetings, the refined petroleum products security of supply was deliberated in light of the ongoing conflict in the Middle East and the critical need to shore up operational stock reserves for the country and region was recommended.
In this regard, the Ministry of Energy and Petroleum is seeking additional deliveries of Premium Motor Spirit (PMS) as follows:

1. Applicable terms - Open Tender System (OTS) Terms and Conditions (2023) save for payment currency being USD for the entire Cargo.
2. Quantity - 35kt -85kt, bidders to indicate the delivery vessel size in the bid and the split where applicable.
3. Delivery date range - 28/03 -02/04/2026, with a preference for delivery 28-30/03/2026.
4. Receiving Terminal - KOT II.
5. Pricing month - as per the OTS
6. The shipper's participation, local/transit shall be shared separately.

You are therefore invited to submit a proposal both electronic in pdf format and the hard copy to the Ministry, **today 19th March 2026, on or before 1230 hrs. Nairobi Time.**
The electronic submission to be sent through this email keeping all copied and the hard copy to be submitted at KASNEB Towers II 11th Floor for subsequent discussions with your Supply / Trading team.

Yours
State Department for Petroleum

ANNEXURE 2

COMPANY'S QUOTATION FOR THE SUPPLY OF PREMIUM MOTOR SPIRIT (PMS) DATED 19th MARCH 2026 IN RESPONSE TO THE RFP (REQUEST FOR PROPOSAL)

ORYX ENERGIES KENYA
An **Oryx Energies** Company

19th ~~September~~ March 2026

Our Ref: OEKL/EXT/2026/C004/MOEP

THE PRINCIPAL SECRETARY
STATE DEPARTMENT FOR PETROLEUM
MINISTRY OF ENERGY AND PETROLEUM
11TH FLOOR, KASNEB TOWERS

Dear Sir,

RE: QUOTATION FOR SUPPLY OF PREMIUM MOTOR SPIRIT (PMS) – IN RESPONSE TO REQUEST FOR PROPOSAL (RFP) BY STATE DEPARTMENT OF PETROLEUM

We write with great respect and commercial commitment in response to the Ministry of Energy and Petroleum's invitation to submit a quotation for the supply of Premium Motor Spirit (PMS) to the Government of Kenya. We acknowledge the urgency of this requirement in the context of the ongoing geopolitical tensions in the Middle East and the attendant imperative to bolster operational petroleum stock reserves for Kenya and the broader Eastern African region.

Pursuant to the RFP issued by the Ministry, we hereby submit our bundle offer and confirm our readiness to deliver a total volume of 160,000 Metric Tonnes (MT) of Premium Motor Spirit, structured across three (3) discrete cargo liftings as detailed below:

Seller:	Oryx Energies Kenya Limited
Buyer:	MoEP For Kenyan OMC as per OTS
Product:	Gasoline
Delivery:	DAP ONE SAFE PORT/BERTH MOMBASA, KENYA
Laycan:	a) 25-29 March 2026
	b) 05-10 April 2026, to be narrowed by seller to a two days window
	c) 10-20 April 2026, to be narrowed by seller to a two days window, delivery is optional at the seller's option, to be declared by the 25th March 2026 subject to Port Opening in Fujairah, UAE and loading
Quantity:	a) 60,000 MT +/-10% SELLER OPTION
	b) 60,000MT +/-10% SELLER OPTION
	c) 40,000MT +/-10% SELLER OPTION
Quality:	a) Gasoline as per Kenya Spec, except Sulfur, Benzene, Oxygenates, as per attached spec
	b) Gasoline as per Kenya Specs
	c) Gasoline as per Kenya Specs
Price:	a) MOPAG 92 (AAGJA00) +253.94 USD/MT
	b) MOPAG92 (AAGJA00) +253.94 USD/MT
	c) MOPAG92 (AAGJA00) +253.94 USD/MT

Oryx Energies Kenya Limited
Visiting address:
5th Floor, 9 West
Ring Road Parklands
Westlands, Nairobi
Kenya

T. +254 20 374 67 88
T. +254 20 374 68 06/07
F. +254 20 374 68 38
kenya@oryxenergies.com
www.oryxenergies.com

Mailing adress:
P.O. Box 12403 - 00100
GPO 00100, Nairobi
Kenya

Reg. No.: 102893 PIN No.: P051157899V

Part of AOG

ORYX ENERGIES KENYA

An **Oryx Energies** Company

Price decimals:	ROUNDED UP TO 4 DECIMAL PLACES
Pricing period:	A) THE AVERAGE OF ALL MEAN QUOTATIONS PUBLISHED DURING 20TH – 31ST MARCH 2026 (BOTH DAYS INCLUDED)
	B) THE AVERAGE OF ALL MEAN QUOTATIONS PUBLISHED DURING 20TH – 31ST MARCH 2026 (BOTH DAYS INCLUDED)
	C) THE AVERAGE OF ALL MEAN QUOTATIONS PUBLISHED DURING 1st – 30TH APRIL 2026 (BOTH DAYS INCLUDED)
Payment:	OTS Terms
Risk & Title:	OTS Terms
Nomination:	TBA
Demurrage:	Per Charterparty Rate
Law:	English Law with London-seated arbitration conducted under LMAA rules with proceedings in the English language
Others:	Cargo (c) is subject to Port Opening in Fujairah, UAE and loading
Validity:	This offer is valid until 1300 HRS 19th March 2026

The cargoes under this proposal will be financed by the Addax and Oryx Group or a first-class European Bank.

This is a structured combined bundle offer of 160,000 MT split into three shipments and has been specifically designed to provide the Ministry with operational flexibility while ensuring a sustained and reliable replenishment of national petroleum reserves. We are fully committed to delivering on our obligations reliably, punctually, and in full compliance with all regulatory and contractual requirements.

We thank the Ministry of Energy and Petroleum for this opportunity and affirm our readiness to serve Kenya's energy needs with the highest degree of commitment.

Enclosed herewith are the quality specs for the first cargo (a) for your information and consideration.

Yours Faithfully,

.....

ANGELINE MAANGI
MANAGING DIRECTOR

Oryx Energies Kenya Limited

Visiting address:
5th Floor, 9 West
Ring Road Parklands
Westlands, Nairobi
Kenya

T. +254 20 374 67 88
T. +254 20 374 68 06/07
F. +254 20 374 68 38
kenya@oryxenergies.com
www.oryxenergies.com

Mailing adress:
P.O. Box 12403 - 00100
GPO 00100, Nairobi
Kenya

Reg. No.: 102893 PIN No.: P051157899V

Part of AOG

ANNEXURE 3

LETTER DATED 25TH MARCH 2026 FROM MINISTRY CONFIRMING ACCEPTANCE OF DELIVERY OF 60,000 METRIC TONS (+/-10%) TOGETHER WITH THE FORWARDING EMAIL OF THE SAME DATE

Re: Request for Proposal for Supply of Premium Motor Spirit

Reply | Reply All | Forward

P

pssdp@petroleum.go.ke

To Maangi Angeline; Ngugi James

Cc ps; Daniel.kiptoo; Eng. Edward Kinyua; Joseph Wafula; cs; ericozcantona; Kishoyian Saigilu; Morris Mwaniki; downstream; abbymwangi; **+5 others**

Wed 3/25/2026 9:14 PM

You forwarded this message on 3/26/2026 7:33 AM.

Oryx Energies Letter.pdf
1023 KB

Warning: This email has been generated from outside of our organization Oryx Energies (pssdp@petroleum.go.ke). Do not click on any links or download any files or reply to it unless you know the sender and you know that content is safe.

Dear Oryx Energies Kenya Limited,

Attention: Angeline Maangi, Managing Director

Further to our letter attached herein, we hereby confirm acceptance of the cargo as per the commercial offer.

Regards,

State Department for Petroleum

MINISTRY OF ENERGY AND PETROLEUM
STATE DEPARTMENT FOR PETROLEUM

Telegrams: "MINPOWER" **Nairobi**
Telephone: +254-20-310112
Fax: +254-20-240910
Telex: 23094 MINERGY
Email: ps@petroleum.go.ke
When replying please quote

OFFICE OF THE PRINCIPAL SECRETARY
KASNEB TOWERS II
P. O. Box 51614-00100
NAIROBI

Ref. No. MOEP/SDP/CONF/4/12

March 25, 2026

Ms. Angeline Maangi
Managing Director
Oryx Energies Limited
9 West Building, Westlands
P.O. Box 12403 - 00100
NAIROBI

Dear MD

RE: DELIVERY OF CONTINGENCY PREMIUM MOTOR SPIRIT (PMS) KGC02/2026

Following your proposal to supply Premium Motor Spirit (PMS) for contingency stocks, we hereby confirm as follows:

1. The quantity of PMS to be delivered in parcel size of 60,000 metric tons (± 10%),

2. The quality of the PMS to be delivered is as per Kenya Bureau of Standards specifications and the requirements of the receiving terminals as per the MFA,

3. The Local quantities shall be paid in our local currency of Kenya Shillings (KES) that shall later be converted into United States Dollars (USD) to meet the Letter of Credit obligations,

4. The Transit quantity shall be paid in USD,

5. The Nominated OMC is expected to open a one hundred and eighty (180) days LC and an Escrow Account to which the Buyers shall pay for their product, **and,**

6. By copy of this letter, the receiving terminals i.e., Kenya Pipeline Company System, or any other terminals (as will be allocated) are informed that this cargo will be financed by reputable banks acceptable to the Supplier.

The schedule of the cargo to be delivered is as below.

CARGO ID	GRADE	QUANTITY (MT)	DELIVERY DATE RANGE
KGC02/2026	PMS	60,000	05 – 07/04/2026

Please expedite.

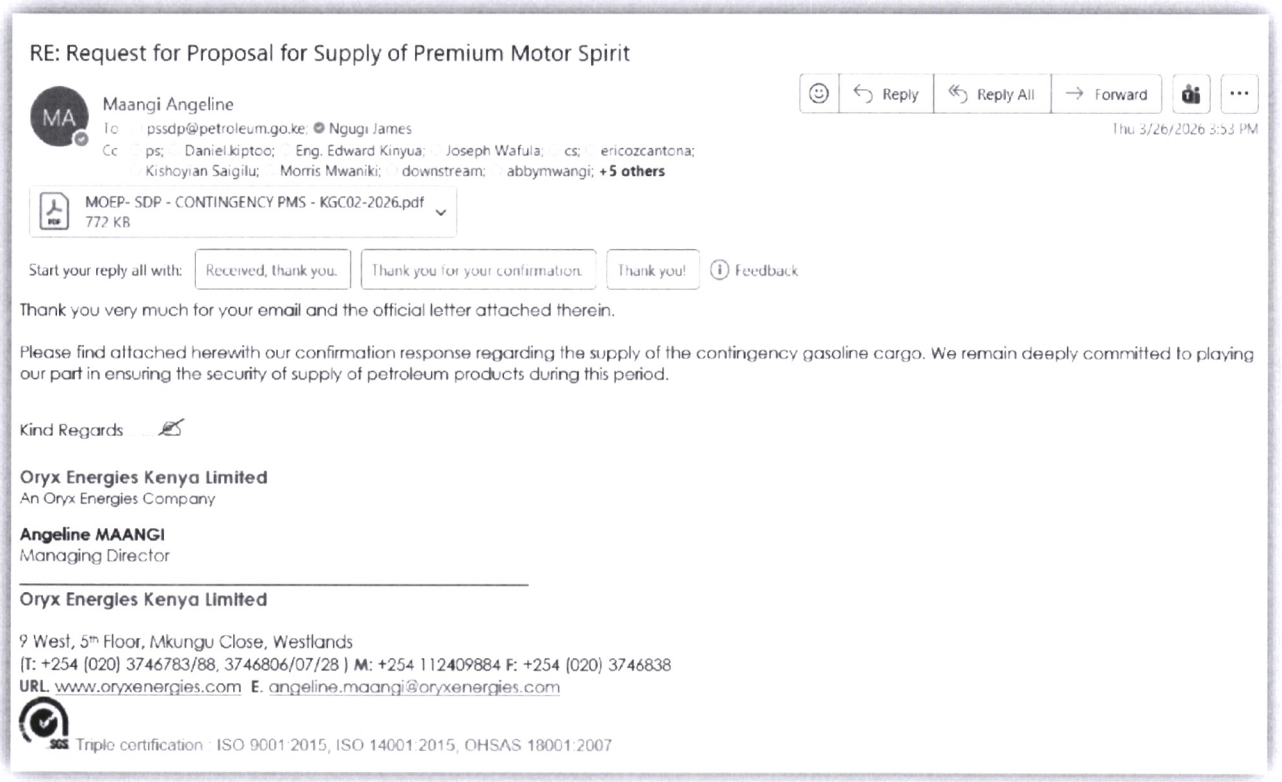
Yours faithfully

Mohamed Liban, **CBS**
PRINCIPAL SECRETARY

Copy to: **Hon. J. Opiyo Wandayi, EGH**
Cabinet Secretary
Ministry of Energy and Petroleum
Kawi House, South C
NAIROBI

ANNEXURE 4:

LETTER DATED 26TH MARCH 2026 FROM THE COMPANY CONFIRMING ITS ACCEPTENCE OF THE NOMINATION TO SUPPLY PMS TOGETHER WITH THE FORWARDING EMAIL OF THE SAME DATE



RE: Request for Proposal for Supply of Premium Motor Spirit

Reply | Reply All | Forward

MA

Maangi Angeline

To: pssdp@petroleum.go.ke; Ngugi James

Cc: ps; Daniel.kiptoo; Eng. Edward Kinyua; Joseph Wafula; cs; ericozcantona; Kishoyian Saigilu; Morris Mwaniki; downstream; abbymwangi; **+5 others**

Thu 3/26/2026 3:53 PM

MOEP- SDP - CONTINGENCY PMS - KGC02-2026.pdf
772 KB

Start your reply all with: Received, thank you. | Thank you for your confirmation. | Thank you! | Feedback

Thank you very much for your email and the official letter attached therein.

Please find attached herewith our confirmation response regarding the supply of the contingency gasoline cargo. We remain deeply committed to playing our part in ensuring the security of supply of petroleum products during this period.

Kind Regards

Oryx Energies Kenya Limited
An Oryx Energies Company

Angeline MAANGI
Managing Director

Oryx Energies Kenya Limited

9 West, 5th Floor, Mkungu Close, Westlands
(T: +254 (020) 3746783/88, 3746806/07/28) M: +254 112409884 F: +254 (020) 3746838
URL www.oryxenergies.com E. angeline.maangi@oryxenergies.com

SGS Triple certification : ISO 9001:2015, ISO 14001:2015, OHSAS 18001:2007

ORYX ENERGIES KENYA
An **Oryx Energies** Company

Our Ref: OEKL/EXT/2026/C005/MOEP
Your Ref: MOEP/SDP/CONF/4/2

26th March 2026

THE PRINCIPAL SECRETARY
STATE DEPARTMENT FOR PETROLEUM
MINISTRY OF ENERGY AND PETROLEUM
11TH FLOOR, KASNEB TOWERS

Dear Sir,

RE: DELIVERY OF CONTINGENCY PREMIUM MOTOR SPIRIT (PMS) KGC02/2026

We write with sincere appreciation and a strong sense of responsibility in response to the Ministry of Energy and Petroleum's letter dated 25 March 2026, confirming our nomination to deliver 60,000 metric tons (MT) of Premium Motor Spirit (PMS) in support of Kenya's contingency petroleum stocks.

We recognize the strategic urgency of this procurement given the ongoing crisis in the Middle East and the potential impacts on Kenya and regional fuel supply chains, and we are fully committed to executing this delivery with the highest standards of reliability and regulatory compliance.

We hereby formally accept the opportunity communicated by the Ministry and confirm our readiness to deliver the specified cargo within the stipulated delivery window of 5–7 April 2026, CIF Mombasa Port, Kenya, in strict accordance with the Kenya Open Tender System (OTS) terms and conditions.

Terms and Conditions of Delivery:

In accordance with our previously shared commercial proposal (Ref: OEKL/EXT/2026/CO04/MOEP) and the Kenya OTS framework, and in the interest of contractual clarity, we wish to set out hereunder our confirmed terms and conditions governing this delivery:

Product:	Premium Motor Spirit (PMS) – Unleaded, 93 RON minimum
Quantity:	60,000 Metric Tonnes (MT) ± 10% at Seller's option
Delivery Window:	5th – 7th April 2026 (to be reviewed closer to first day of laycan)
Delivery Basis:	CIF Mombasa, Kenya
Quality:	As per Kenya OTS / KEBS specifications
Pricing Period:	The Average of All Mean Quotations in Arab Gulf Published During 20th – 31st March 2026 (Both Days Included)
Price Build-up:	As per OTS Terms & Conditions
Premium:	MOPAG92 (AAGJA00) +253.94 USD/MT
Currency:	United States Dollars (USD)

Oryx Energies Kenya Limited

Visiting address:
5th Floor, 9 West
Ring Road Parklands
Westlands, Nairobi
Kenya

T. +254 20 374 67 88
T. +254 20 374 68 06/07
F. +254 20 374 68 38
kenya@oryxenergies.com
www.oryxenergies.com

Mailing adress:
P.O. Box 12403 - 00100
GPO 00100, Nairobi
Kenya

Reg. No.: 102893 PIN No.: P051157899V

Part of AOG

ORYX ENERGIES KENYA
An **Oryx Energies** Company

Payment Terms:	As per Kenya OTS Terms and Conditions
Financing:	Addax and Oryx Group (AOG) and / or First-class European Bank
Nominated Vessel:	TBA
Demurrage:	As per charter party rates
Force Majeure:	Standard international petroleum trade force majeure provisions apply; neither party shall be liable for delays or non-performance arising from events beyond reasonable control including war, hostilities (including the ongoing Middle East crisis and any escalation thereof), embargo, acts of God, or government action
Governing Law:	As per OTS Terms & Conditions

We thank the Ministry of Energy and Petroleum for this opportunity and affirm our readiness to serve Kenya's energy needs with the highest degree of commitment.

We remain at the Ministry's disposal should any clarification or further documentation be required and look forward to the prompt execution of the formal award letter.

Yours Faithfully,

.....

ANGELINE MAANGI
MANAGING DIRECTOR

Oryx Energies Kenya Limited

Visiting address:
5th Floor, 9 West
Ring Road Parklands
Westlands, Nairobi
Kenya

T. +254 20 374 67 88
T. +254 20 374 68 06/07
F. +254 20 374 68 38
kenya@oryxenergies.com
www.oryxenergies.com

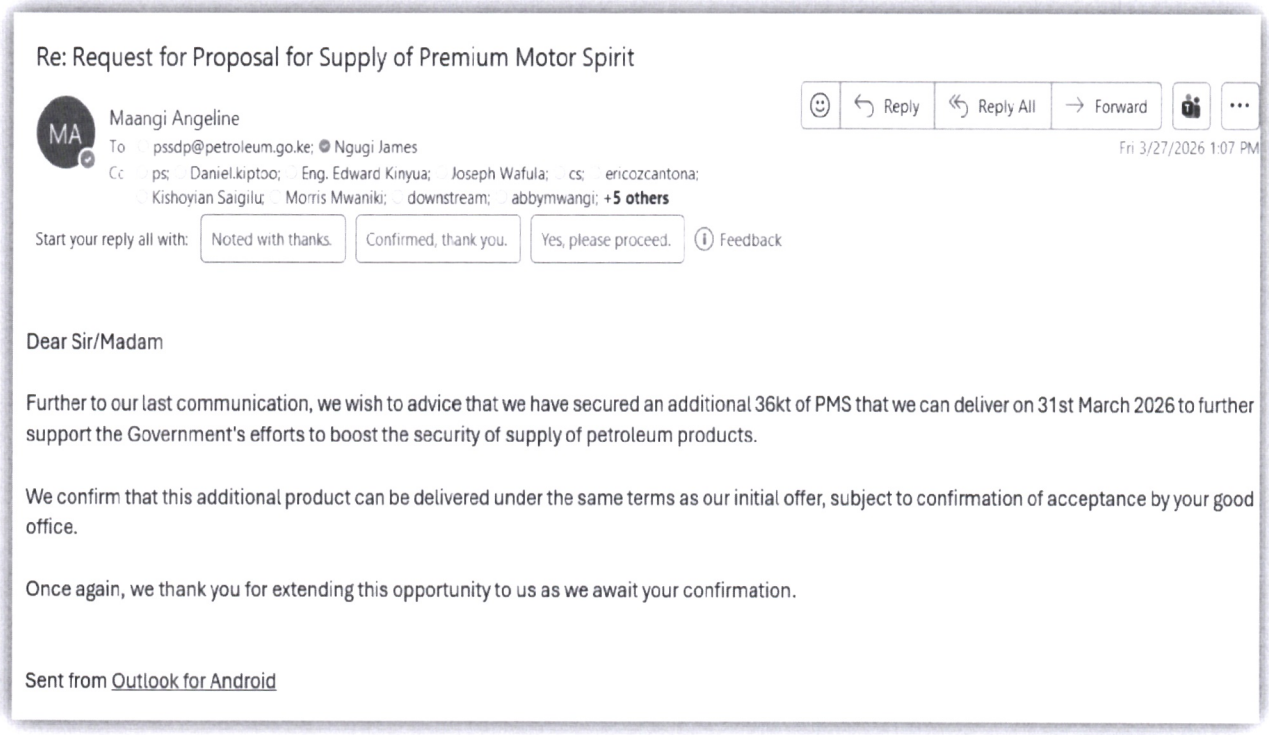
Mailing adress:
P.O. Box 12403 - 00100
GPO 00100, Nairobi
Kenya

Reg. No.: 102893 PIN No.: P051157899V

Part of AOG

ANNEXURE 5:

EMAIL DATED 27TH MARCH 2026 FROM THE COMPANY ADVISING THAT IT HAD SECURED ADDITIONAL 36,000 METRIC TONS CARGO OF PMS AND REQUESTING CONFIRMATION THAT IT COULD BE SUPPLIED UNDER SAME TERMS AS THE INITIAL OFFER



Re: Request for Proposal for Supply of Premium Motor Spirit

Reply | Reply All | Forward

MA Maangi Angeline

To pssdp@petroleum.go.ke; Ngugi James

Cc ps; Daniel.kiptoo; Eng. Edward Kinyua; Joseph Wafula; cs; ericozcantona; Kishoyian Saigilu; Morris Mwaniki; downstream; abbymwangi; **+5 others**

Fri 3/27/2026 1:07 PM

Start your reply all with: Noted with thanks. | Confirmed, thank you. | Yes, please proceed. | Feedback

Dear Sir/Madam

Further to our last communication, we wish to advice that we have secured an additional 36kt of PMS that we can deliver on 31st March 2026 to further support the Government's efforts to boost the security of supply of petroleum products.

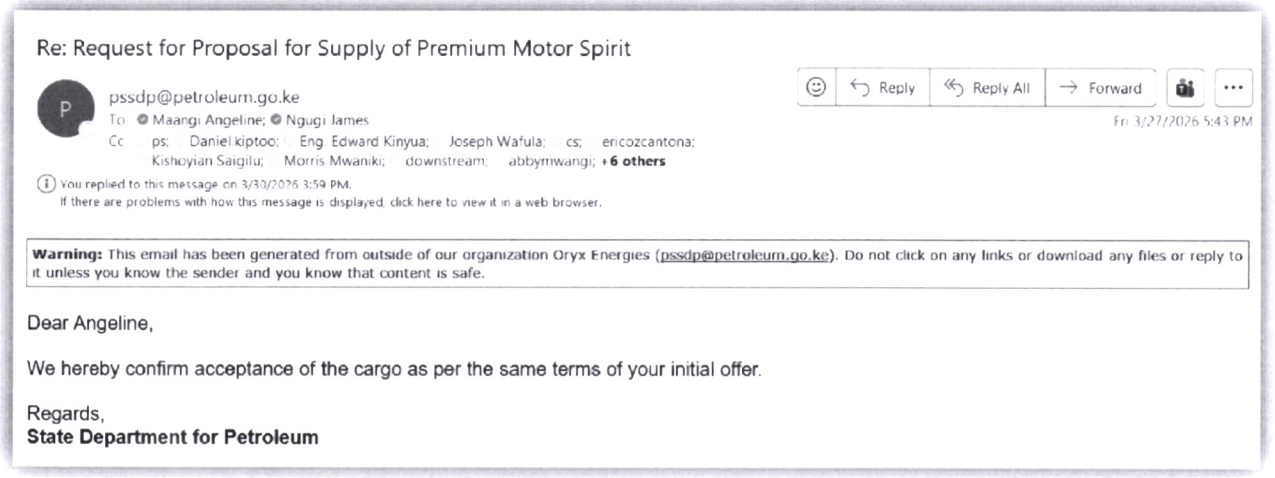
We confirm that this additional product can be delivered under the same terms as our initial offer, subject to confirmation of acceptance by your good office.

Once again, we thank you for extending this opportunity to us as we await your confirmation.

Sent from Outlook for Android

ANNEXURE 6:

EMAIL DATED 27TH MARCH 2026 FROM THE MINISTRY CONFIRMING ACCEPTANCE OF THE ADDITIONAL CARGO



Re: Request for Proposal for Supply of Premium Motor Spirit

P pssdp@petroleum.go.ke

Reply | Reply All | Forward

To: Maangi Angeline; Ngugi James

Cc: ps; Daniel kiptoo; Eng. Edward Kinyua; Joseph Wafula; cs; ericozcantona; Kishoyian Saigilu; Morris Mwaniki; downstream; abbymwangi; **+6 others**

Fri 3/27/2026 5:43 PM

You replied to this message on 3/30/2026 3:59 PM.

If there are problems with how this message is displayed, click here to view it in a web browser.

Warning: This email has been generated from outside of our organization Oryx Energies (pssdp@petroleum.go.ke). Do not click on any links or download any files or reply to it unless you know the sender and you know that content is safe.

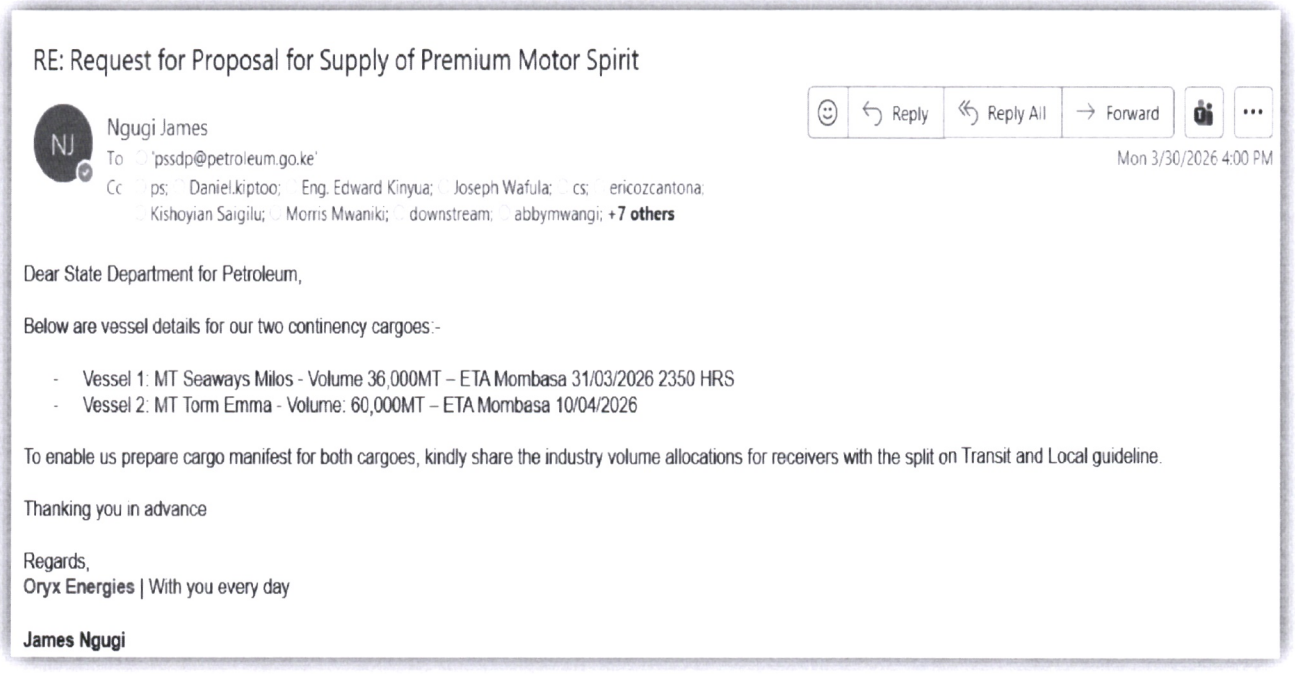
Dear Angeline,

We hereby confirm acceptance of the cargo as per the same terms of your initial offer.

Regards,
State Department for Petroleum

ANNEXURE 7:

EMAIL DATED 30TH MARCH 2026 FROM THE COMPANY REQUESTING INDUSTRY VOLUME ALLOCATIONS FOR RECEIVERS



RE: Request for Proposal for Supply of Premium Motor Spirit

Reply | Reply All | Forward

NJ

Ngugi James

To 'pssdp@petroleum.go.ke'

Mon 3/30/2026 4:00 PM

Cc ps; Daniel.kiptoo; Eng. Edward Kinyua; Joseph Wafula; cs; ericozcantona; Kishoyian Saigilu; Morris Mwaniki; downstream; abbymwangi; **+7 others**

Dear State Department for Petroleum,

Below are vessel details for our two continency cargoes:-

- Vessel 1: MT Seaways Milos - Volume 36,000MT – ETA Mombasa 31/03/2026 2350 HRS
- Vessel 2: MT Torm Emma - Volume: 60,000MT – ETA Mombasa 10/04/2026

To enable us prepare cargo manifest for both cargoes, kindly share the industry volume allocations for receivers with the split on Transit and Local guideline.

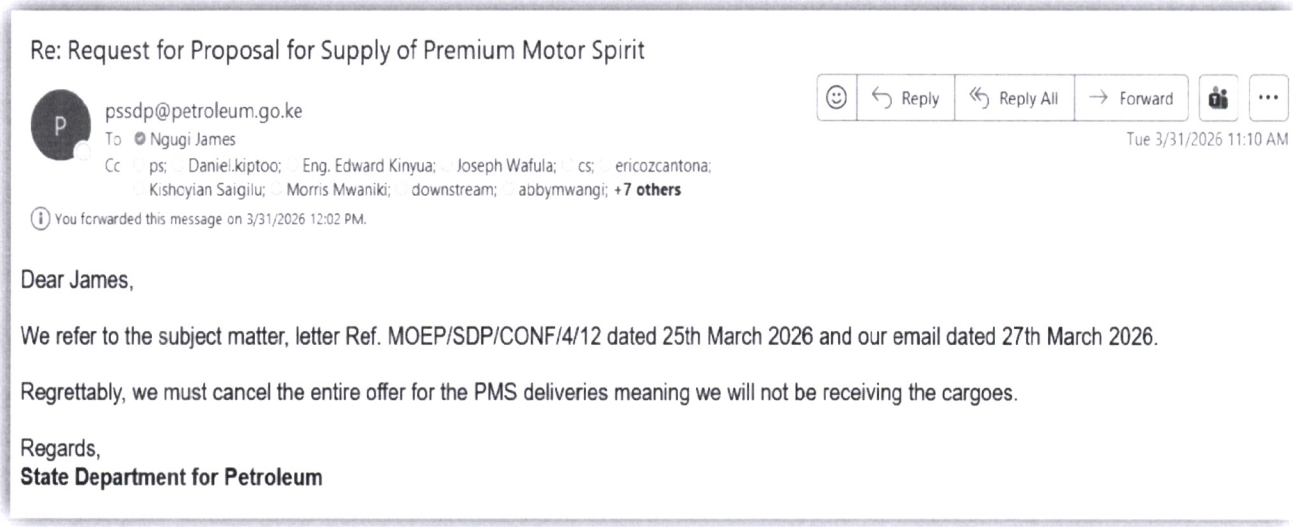
Thanking you in advance

Regards,
Oryx Energies | With you every day

James Ngugi

ANNEXURE 8:

EMAIL DATED 31ST MARCH 2026 FROM THE MINISTRY NOTIFYING THE COMPANY OF THE CANCELLATION OF THE ENTIRE OFFER.



Re: Request for Proposal for Supply of Premium Motor Spirit

Reply | Reply All | Forward

P

pssdp@petroleum.go.ke

To Ngugi James

Cc ps; Daniel.kiptoo; Eng. Edward Kinyua; Joseph Wafula; cs; ericozcantona; Kishoyian Saigilu; Morris Mwaniki; downstream; abbymwangi; **+7 others**

Tue 3/31/2026 11:10 AM

You forwarded this message on 3/31/2026 12:02 PM.

Dear James,

We refer to the subject matter, letter Ref. MOEP/SDP/CONF/4/12 dated 25th March 2026 and our email dated 27th March 2026.

Regrettably, we must cancel the entire offer for the PMS deliveries meaning we will not be receiving the cargoes.

Regards,
State Department for Petroleum

ANNEXURE 9:

EMAIL DATED 3RD APRIL 2026 FROM THE COMPANY TO THE MINISTRY CONFIRMING THE RECEIPT OF THE CANCELLATION FROM THE MINISTRY AND REJECTING THE CANCELLATION

RE: Request for Proposal for Supply of Premium Motor Spirit

Reply | Reply All | Forward

MA Maangi Angeline
To pssdp@petroleum.go.ke
Cc ps; Daniel.kiptoo; Joseph Wafula; cs; ericozcantona; Kishoyian Saigilu; Morris Mwaniki; downstream; abbymwangi; Abigail Mwangi; Kishoyian Saigilu; josephcambb; **+2 others**

Fri 4/3/2026 12:30 PM

If there are problems with how this message is displayed, click here to view it in a web browser.

Dear Sir/Madam

We acknowledge receipt of your email dated 31 March 2026, advising cancellation of the PMS deliveries that had already been confirmed following documented instructions from the Ministry of Energy and Petroleum **(MOEP)** that we received on 19 March and 27 March 2026, and which are anchored on the Kenya Open Tender terms and conditions.

For the avoidance of doubt, in consideration of the fact that the documented instructions from MOEP are contractual and binding, we do not recognize any valid cancellation, and the purported cancellation is hereby rejected in full. As you are aware, **Clause 16** of the OTS Terms and Conditions, as incorporated into the contracts, sets out the exclusive circumstances under which either party may terminate, and none of these circumstances apply in this instance.

The current operational position of the two deliveries is as follows:

- The first PMS delivery under M/T Seaways Milos (36,000 MT PMS) has already arrived and the vessel tendered its NOR at KOT II, Mombasa on 01 April 2026 at 0100 hrs local time in accordance with our agreement with MOEP.
- The second PMS delivery under M/T Torm Emma (60,000 MT PMS) is scheduled to arrive within the agreed delivery window on 10 April 2026, also in accordance with our agreement with the MOEP.

Your email notification, served just a few hours before the arrival of the first PMS delivery, places Oryx Energies Kenya Ltd in a materially difficult commercial and operational position given our contractual commitments to our suppliers over these two deliveries. We are reviewing our position and any required mitigation measures while reserving our rights

That said, we value our working relationship with the Ministry and are keen to find a mutually workable solution. We remain open to constructive discussions to confirm a way forward and would welcome clarification of your position, including withdrawal of the cancellation notice, as soon as possible.

Kind Regards.....

Oryx Energies Kenya Limited
An Oryx Energies Company

Angeline MAANGI
Managing Director

Oryx Energies Kenya Limited

9 West, 5th Floor, Mkungu Close, Westlands
(T: +254 (020) 3746783/88, 3746806/07/28) M: +254 112409884 F: +254 (020) 3746838
URL. www.oryxenergies.com **E.** angeline.maangi@oryxenergies.com

SGS Triple certification : ISO 9001:2015, ISO 14001:2015, OHSAS 18001:2007

ANNEXURE 10

FOLLOW-UP EMAIL DATED 9TH APRIL REITERARING THE COMPANY'S POSITION ON THE MINISTRY'S CANCELATION AND REQUESTING THAT THE MINISTRY TAKE DELIVERY OF THE CARGOES

RE: Request for Proposal for Supply of Premium Motor Spirit

Reply | Reply All | Forward

MA Maangi Angeline
To pssdp@petroleum.go.ke
Cc ps; cs; Kishoyian Saigilu; Morris Mwaniki; downstream; abbymwangi; Abigail Mwangi; Kishoyian Saigilu; josephcambb; joseph.cambb; **+2 others**

Thu 4/9/2026 5:28 PM

Dear Sir/Madam,

We refer to your email dated 31 March 2026, advising the cancellation of the PMS deliveries that had been confirmed following documented instructions received from the Ministry of Energy and Petroleum (MOEP) on 19 March and 27 March 2026, and which are anchored on the Kenya Open Tender System Terms and Conditions.

Further to our correspondence below, and as of today, we have not received any additional communication or clarification from your side. In the absence of any further guidance or formal position, we would welcome further engagement, particularly in light of the immediate operational implications.

For clarity, our understanding remains that the documented instructions received on 19 March and 27 March 2026 constitute contractual commitments. In this context, we have not identified any basis for termination under the applicable terms, including Clause 16 of the OTS Terms and Conditions. We therefore continue to consider the contracts as valid and in force.

Accordingly, we confirm that we remain fully ready, willing and able to perform our contractual obligations in respect of both PMS deliveries.

Your notification, received shortly before the arrival of the first vessel, has created operational and commercial challenges, particularly in light of our commitments to suppliers. We are currently reviewing the situation and any appropriate mitigation measures, while reserving all our rights.

That said, we highly value our working relationship with the Ministry and remain committed to finding a constructive and mutually acceptable way forward. We would therefore appreciate your guidance on the next steps, including clarification of your current position.

In this respect, we have retained legal counsel and, should we not receive further communication, we may need to consider appropriate steps to protect our position, all of which is expressly reserved.

We remain available at any time to engage constructively and resolve this matter.

Kind Regards.....

Oryx Energies Kenya Limited
An Oryx Energies Company

Angeline MAANGI
Managing Director

Oryx Energies Kenya Limited

9 West, 5th Floor, Mkungu Close, Westlands
(**T:** +254 (020) 3746783/88, 3746806/07/28) **M:** +254 112409884 **F:** +254 (020) 3746838
URL. www.oryxenergies.com **E.** angeline.maangi@oryxenergies.com

SGS Triple certification : ISO 9001:2015, ISO 14001:2015, OHSAS 18001:2007

ANNEXURE 11

EMAIL DATED 1ST APRIL 2026 FROM THE SHIP MASTER OF MT SEAWAYS MILOS CONFIRMING ARRIVAL OF THE VESSEL AND READINESS TO DISCHARGE THE FIRST CONSIGNMENT OF CARGOES.

---------- Original Message ----------
From: "Seaways Milos-Master" <master.semilos@gtmailplus.com>
Date: Wednesday, April 1st 2026 at 1:40 am
Subject: RE: SEAWAYS MILOS VOY.97 / TRAFIGURA V.31 PTE CP 04.02.2026 // NOTICE OF READINESS TENDERED - MOMBASA, KENYA
To: "oilshipping"
<oilshipping@trafigura.com>,<ARAGasolineOps@trafigura.com>,<EafGasolineOperations@trafigura.com>,<eos.ops@oryxenergies.com>,<sgm.
Papakonstantinou" <K.Papakonstantinou@trafigura.com>
Cc: "Seaways Milos Vessel Control Group" <smilovc@vships.com>,"CommOPS" <commops@intlseas.com>,"Karan"
<karan.talwar@vships.com>,"Dinesh, Sai" <sai.dinesh@vships.com>

Good day,

This is to advise you, that the above vessel under my command, has arrived at Mombasa, Kenya, on 01 April 2026 at 0100 hrs local time,
and she is ready in all respects to Discharge her cargo as per terms, conditions and exceptions of the relevant charter party dated 04 February 2026.

Notice of Readiness Re-Tendered on 01 April 2026 at 0124 hrs local time, without prejudice to my previous NOR, of which the first was tendered on 01 April 2026 at 0100 hrs local time.

Agent is kindly requested to pass the same to all concerned parties.

01 April 2026
0100H – EOSP / Notice of Readiness Tendered
0124H – NOR Re-Tendered without prejudice to the original NOR tendered

Thanks and best regards,
Capt. Roel Jason V. Mandal
MASTER / MT SEAWAYS MILOS
E-mail: master.semilos@gtmailplus.com
VSAT: +44 20 3966 4827 (Master's Office)
VSAT: +44 20 3966 4826 (Bridge)
VSAT: +44 20 3966 4828 (CCR)
TLX INM-C: 453 836 795 / 453 836 796
CALL SIGN: V7WR8
==========
"Vessel's e-mail system is not online, for urgent matters please call"

ANNEXURE 12

SAMPLE EVALUATED BIDS ILLUSTRATING THE RESULTS FOR TENDERS HELD IN TANZANIA BEFORE THE MIDDLE EAST CRISIS

PETROLEUM BULK PROCUREMENT AGENCY (PBPA)

EVALUATED BID FOR DELIVERY OF PETROLEUM PRODUCTS IN THE MONTH OF FEBRUARY 2026

TENDER NO	C1-SPM	C2-SPM	C3-SPM	C4-SPM	C1-KOJ1	C2-KOJ1	C3-KOJ1	C-KOJ1	
PRODUCT	GASOIL	GASOIL	GASOIL	GASOIL	MOGAS	MOGAS	MOGAS	JET A-1	IK
QUANTITY IN MT	106,000	106,000	106,000	106,000	39,000	39,000	38,134	33,440	500
PRICE BASIS	Average European Market scan Platt's Quotation AASGJ00 for the month of December 2025 (01st December 2025 to 31st December 2025) for AGO C1 & AGO C2; January 2026 (1st January 2026 to 31st January 2026) for AGO C3 & AGO C4; under the quote 'Mean Fob Arab Gulf Gasoil 0.005% S'.								
	Average marketscan Platts quotation AAGJA00 for the month of February 2026 (01st February 2026 to 28th February 2026) for PMS C1, PMS C2 & PMS C3, Unleaded Petrol, under the quote "Gasoline 92 Ron Unleaded FOB Arab Gulf Jebel Ali Cargo"								
	Average Asia /Pacific Arab Gulf Marketscan Platt's Quotation PJAAA00 for the month of February 2026 (01st February 2026 to 28th February 2026); Jet A-1&IK, under the quote 'Mean FOB Arab Gulf for Jet A-1&IK								
BIDDERS	DAP PREMIUM USD/MT								
AUGUSTA ENERGY DMCC	93.700	94.500	90.000	97.500	158.000	157.000	157.000	-	-
E3 ENERGY FZCO	96.500	-	96.500	-	154.500	-	157.500	-	-
ADDAX ENERGY SA	93.200	90.990	93.200	95.400	157.100	157.100	155.700	179.100	179.100
TPDC	93.600	90.810	93.600	95.900	-	-	-	-	-
SAHARA ENERGY RESOURCES LIMITED	94.000	95.000	94.010	94.000	157.000	156.000	155.000	-	-
MONTFORT TRADING FZE	92.469	92.348	96.098	96.489	157.400	157.700	157.300	175.000	175.000
NAMARO ENERGY	90.000	91.000	91.000	95.500	157.000	152.000	154.900	-	-
2 RIVERS DMCC	-	-	-	-	-	-	-	-	-
MOCOH SA	98.800	97.700	97.500	97.500	156.700	152.000	156.800	-	-
HAPCO FZE	98.000	97.500	97.800	98.500	160.500	161.000	153.000	-	-
DALBIT INTERNATIONAL	-	-	-	-	-	149.000	-	-	-

TENDER NO	PBPA/CPP/COMBI/C-TANGA&MTWARA/02/2026					
PRICE BASIS	*Average marketscan Platts quotation AAGJA00 for the month of January 2026 (01st January 2026 to 31st January 2026); under the quote 'Mean Fob Arab Gulf Gasoil 0.005% S';Unleaded Petrol, under the quote "Gasoline 92 Ron Unleaded FOB Arab Gulf Jebel Ali Cargo"*					
DISCHARGE POINT	WEIGHTED AVERAGE PREMIUM USD/MT	TANGA		MTWARA		
PRODUCT		MOGAS (MT)	GASOIL (MT)	MOGAS (MT)	GASOIL (MT)	
QUANTITY IN MT		15,000	5,000	15,000	500	
BIDDERS		DAP PREMIUM USD/MT				
ADDAX ENERGY SA	149.540	149.540	149.540	149.540	149.540	149.540
HAPCO FZE	-	-	-	-	-	-
SAHARA ENERGY RESOURCES LIMITED	159.000	159.000	159.000	159.000	159.000	159.000
MONTFORT TRADING FZE	152.464	152.464	152.464	152.464	152.464	152.464
AUGUSTA ENERGY DMCC	156.000	156.000	156.000	156.000	156.000	156.000
MOCOH SA	155.900	155.900	155.900	155.900	155.900	155.900
DALBIT INTERNATIONAL	-	-	-	-	-	-

Key Note: Lowest Premium	

TENDER NUMBER	WINNER	DELIVERY DATE RANGE		
PBPA/CPP/AGO/C1-SPM/02/2026	NAMARO ENERGY	19-Jan-2026	21-Jan-2026	
PBPA/CPP/AGO/C2-SPM/02/2026	TPDC	28-Jan-2026	30-Jan-2026	
PBPA/CPP/AGO/C3-SPM/02/2026	AUGUSTA ENERGY DMCC	15-Feb-2026	17-Feb-2026	
PBPA/CPP/AGO/C4-SPM/02/2026	SAHARA ENERGY RESOURCES LIMITED	25-Feb-2026	27-Feb-2026	
PBPA/CPP/PMS/C1-KOJ1/02/2026	E3 ENERGY FZCO	14-Mar-2026	16-Mar-2026	
PBPA/CPP/PMS/C2-KOJ1/02/2026	DALBIT INTERNATIONAL	18-Mar-2026	20-Mar-2026	
PBPA/CPP/PMS/C3-KOJ1/02/2026	HAPCO FZE	26-Mar-2026	28-Mar-2026	
PBPA/CPP/JET A-1&IK/C-KOJ1/02/2026	MONTFORT TRADING FZE	1-Mar-2026	3-Mar-2026	
PBPA/CPP/COMBI/C-TANGA&MTWARA/02/2026	ADDAX ENERGY SA	20-Feb-2026	22-Feb-2026	TANGA, MTWARA ON ARRIVAL

ANNEXURE 13 A

A TABLE OUTLINING TPDC (TANZANIA PETROLEUM DEVELOPMENT CORPORATION) GASOLINE (PMS) PREMIUMS RELEASED ON 31ST MARCH 2026 FOR MID-APRIL TO MID-JUNE 2026 DELIVERIES:

PBPA (Petroleum Bulk Procurement Agency) in their communication to Tanzania OMC's dated 31st March 2026:

"In view of the prevailing situation and to ensure security of supply for April to June 2026, and pursuant to Sections 5 and 181 of the Petroleum Act, Cap. 392, the products shall be supplied by the Tanzania Petroleum Development Corporation (TPDC) to maintain market stability." PBPA.

	Delivery Date Range		Pricing Formula	Pricing Premium USD/MT	Pricing Dates
Gasoline	13.04.2026	15.04.2026	MOPAG92	271.802	07/03/2026-31/03/2026
	18.05.2026	20.05.2026	MOPAG92	284.902	April average
	26.05.2026	28.05.2026	MOPAG92	284.902	April average
	03.06.2026	05.06.2026	MOPAG92	284.902	April average
	07.06.2026	09.06.2026	MOPAG92	284.902	April average
	11.06.2026	13.06.2026	MOPAG92	284.902	April average

ANNEXURE 13B:

TANZANIAN MEDIA ARTICLE CONFIRMING GOVERNMENT INTERVENTION TO SECURE SUPPLIES OUTSIDE OF THE BPS (BULK PROCUREMENT SYSTEM) TO BE DELIVERED BY TPDC (TANZANIA PETOLEUM DEVELOPMENT CORPORATION)

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Tanzania deploys TPDC to import fuel, steady prices amid global surge

SATURDAY, MARCH 28, 2026 2 min read





By Gadiosa Lamtey
Business Reporter
Mwananchi Communications Ltd

Dar es Salaam. The government has moved to stabilise fuel prices by assigning the state-run Tanzania Petroleum Development Corporation (TPDC) to import and distribute petroleum products between May and July, leveraging bulk procurement to secure more favourable prices.

Energy ministry Permanent Secretary Dr Jamea Mataragio said the intervention follows a market assessment that found the TPDC could source fuel at lower cost than suppliers engaged through the Petroleum Bulk Procurement Agency (PBPA).

ANNEX 8:

• SUBMISSIONS BY SUPPLY CORR

OIL INDUSTRY SUPPLY COORDINATION COMMITTEE (SUPPLYCOR) MEMORANDUM TO THE SENATE STANDING COMMITTEE ON ENERGY

INTRODUCTION

Supplycor is an industry Supply Coordination Committee whose mandate under the Petroleum act and the Petroleum (Importation Regulation 2023) includes the following

i. Liaising with the Ministry responsible for Petroleum, Kenya Pipeline, operators of the common user facilities and other relevant government agencies.
ii. Consolidate the volume requirement for Petroleum products to be imported through the Government-to-Government (GTG) arrangement
iii. Compile and submit to Energy and Petroleum Regulatory Authority (EPRA) the stock levels of Petroleum in licensed Bulk storage facilities at the intervals prescribed by EPRA
iv. Consolidating all marketers import nominations for onward submission to the Ministry of Energy and Petroleum. These nominations are guided by Capacity allocation numbers shared by Kenya Pipeline every month. The Ministry of Energy and Petroleum then uses these numbers to share each OMCs quantity on the GTG imports.

The following is our reply to the queries raised by the senate standing committee on Energy vide letter reference SEN/DSEC/ENERGY/390/2026 dated 17th April 2026.

1. **Stock Summaries indicating opening and closing balances for the months of February to March 2026 including daily stock balances over the same period.**

   The total in tank stock balances as declared on working days by the Kenya Pipeline Company Plc (KPC) and private depots and terminals are summarised and attached to this memorandum **(Appendix 1)**. The stocks indicated are commingled for all the Oil Marketing Companies (OMCs) for sales to both the local and transit (export) markets.

2. **A comprehensive schedule of all vessels enroute during the period under review including those associated with Gulf, One Petroleum, Oryx Energies, Hass and other suppliers, indicating arrival dates, quantities, and product types.**

The schedule of the vessels for February to March 2026 is detailed in **Table 1** below.

Table 1: Schedule of vessels for February and March 2026

NOMINATED OMC	VESSEL NAME	GRADE	ARRIVAL DATE	BL[a] QUANTITY (MT)[b]
GULF ENERGY	MT STI ELYSEES	PMS	29/01/2026	89,092
GULF ENERGY	MT ARIZONA LADY	AGO	01/02/2026	95,025
GULF ENERGY	MT TORTUGA	PMS	17/02/2026	88,145
ASHARAMI	MT SFL LION	AGO	20/02/2026	101,476
GULF ENERGY	MT TIAN E ZUO	JET A-1	23/02/2026	63,301
GULF ENERGY	MT LYRIC MAGNOLIA	AGO	03/03/2026	102,092
ONE PETROLEUM	MT NAVE ESTELLA	AGO	14/03/2026	59,986
GULF ENERGY	MT PS PELICAN	AGO	15/03/2026	36,103
GULF ENERGY	MT VALERY ROMA	PMS	16/03/2026	37,944
GULF ENERGY	MT FOS MERCURY	PMS	17/03/2026	37,979
GULF ENERGY	MT CONSTANTINOS	JET A-1	20/03/2026	64,995
ONE PETROLEUM	MT LUNARIA	AGO	20/03/2026	55,014
BE ENERGY	MT LUNARIA	AGO	20/03/2026	46,904

(a) BL means Bill of Lading
(b) MT means Metric Tonnes
(c) PMS means Premium Motor Spirit (Super Petrol)
(d) AGO means Automotive Gasoil (Diesel)
(e) Jet A1 means Jet Fuel

3. Invoices issued by Gulf, One Petroleum, Oryx Energies, Hass and other suppliers for the months of February and March indicating PMS pricing per litre, together with an explanation of any variations in pricing between the suppliers.

SUPPLYCOR does not receive or handle invoices from the Government to Government (G to G) supplier nominated Oil Marketing Companies. These are instead sent directly to each OMC for settlement.

We have attached the price build ups for the months of February and March 2026 for PMS **(Appendix 2)** noting that the build ups are standard and under the Energy and Petroleum Regulatory Authority (EPRA) Price regulation. A summary of the resultant landed cost/price per litre for the PMS consignments is detailed below under **Table 2**. Any price differences is due to the applicable Standard and Poors (S&P) Global Platts price (Platts) for the given month.

Table 2: PMS consignments landed cost price (Kes/Litre)

NOMINATED OMC	VESSEL NAME	MONTH OF PRICING	LANDED COST (KES/LTR)
GULF ENERGY	MT STI ELYSEES	JANUARY	75.867
GULF ENERGY	MT TORTUGA	FEBRUARY	78.097
GULF ENERGY	MT VALERY ROMA	MARCH	110.484
GULF ENERGY	MT FOS MERCURY	MARCH	110.667

4. A detailed breakdown of freight, premium and Platts components applicable to the consignments.

A breakdown of Platts and Freight & Premium for the PMS consignments is as detailed below under **Table 3.**

Table 3: Detailed breakdown of PMS consignments Platts, Freight & Premium

NOMINATED OMC	VESSEL NAME	GRADE	ARRIVAL DATE	MONTH OF PRICING	PLATTS (US$)/MT	FREIGHT & PREMIUM (US$)/MT
GULF ENERGY	MT STI ELYSEES	PMS	29/01/2026	JANUARY	642.726	84.000
GULF ENERGY	MT TORTUGA	PMS	17/02/2026	FEBRUARY	686.525	84.000
GULF ENERGY	MT VALERY ROMA	PMS	16/03/2026	MARCH	973.386	84.000
GULF ENERGY	MT FOS MERCURY	PMS	17/03/2026	MARCH	973.386	84.000

5. Any other relevant information that may assist the Committee in its inquiry.

We have no additional information.

Signed by,



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Chair, Supply Coordination Committee (SUPPLYCOR)

APPENDIX 1

DATE	PMS (M3)	AGO (M3)	JET A-1/IK(M3)
02/02/2026	230,290	262,379	145,081
03/02/2026	246,034	425,365	112,091
04/02/2026	245,124	408,903	130,817
05/02/2026	235,528	378,769	143,875
06/02/2026	198,900	446,530	150,175
09/02/2026	225,513	450,404	165,267
10/02/2026	212,343	445,043	196,589
11/02/2026	205,877	435,258	164,056
12/02/2026	224,869	414,793	158,548
13/02/2026	239,552	367,642	152,624
16/02/2026	261,652	342,380	103,625
17/02/2026	206,241	335,661	123,410
18/02/2026	165,482	322,479	136,730
19/02/2026	174,291	335,312	132,257
20/02/2026	217,438	269,113	128,284
23/02/2026	269,257	248,581	107,722
24/02/2026	248,942	271,941	108,015
25/02/2026	252,076	303,916	138,923
26/02/2026	247,122	295,401	114,159
27/02/2026	236,259	262,379	145,081
02/03/2026	192,469	278,102	172,534
03/03/2026	198,459	262,826	168,572
04/03/2026	213,592	207,990	165,662
05/03/2026	201,156	231,058	168,255
06/03/2026	162,808	282,623	171,347
09/03/2026	221,569	276,601	141,108
10/03/2026	243,370	275,062	119,029
11/03/2026	224,124	255,570	115,681
12/03/2026	191,602	245,676	134,030
13/03/2026	173,130	314,384	148,515
16/03/2026	210,901	251,779	143,040
17/03/2026	193,107	241,897	139,344
18/03/2026	191,621	270,946	129,179
19/03/2026	171,566	277,313	124,289
23/03/2026	258,542	274,214	116,284
24/03/2026	247,244	283,685	150,963
25/03/2026	213,845	275,923	169,502
26/03/2026	169,089	291,588	178,020
27/03/2026	131,835	343,509	170,713
30/03/2026	192,882	292,929	171,073
31/03/2026	195,201	266,557	167,264

PMS *means Premium Motor Spirit*
AGO *means Automotive Gas Oil*
IK *means Illuminating Kerosene*

APPENDIX 2

PREMIUM MOTOR SPIRIT (PMS)		MT STI ELYSEES	MT TORTUGA	MT VALERY ROMA	MT FOS MERCURY
		GULF ENERGY	GULF ENERGY	GULF ENERGY	GULF ENERGY
Costs paid in USD		**USD/MT**	**USD/MT**	**USD/MT**	**USD/MT**
Free On Board (FOB)	Platts based	642.7260	686.5250	973.3860	973.3860
Freight & Premium (F&P)	Varies as per Tender	84.0000	84.0000	84.0000	84.0000
Letter of Credit Charges (LC)	[1.10%*C&F]	7.9940	8.4758	11.6312	11.6312
Certificate of Confomity (COC)		0.0303	0.0397	0.0922	0.0922
Total USD based Cost		**734.7503**	**779.0405**	**1069.1095**	**1069.1094**
Costs paid in KShs		**KSHS/MT**	**KSHS/MT**	**KSHS/MT**	**KSHS/MT**
Insurance	[C&F*0.250%]	238.9112	252.3469	346.2939	346.2939
War Risk	[1.003*C&F*0.0275%]	-	-	-	-
KPA Wharfage	[USD 3.00/MT + 16% VAT]	613.2413	629.9350	607.7640	606.3052
Stevedoring Charges	[USD 2.10/MT]	370.0542	380.1358	366.7607	365.8699
Ocean Losses	[0.50%*CIFLW]	489.1894	516.5576	706.8104	706.7986
Adminstration Fees	[0.5% of CIF]	479.0169	505.9556	694.3193	694.3193
Inspection Charges		10.0136	9.9867	10.0434	10.0433
Analysis +Recertification Charges	[0.50%*CIF]	0.5783	0.4769	0.6906	0.6900
Merchant Shipping Fee	[USD 0.3/MT]	39.4500	39.3000	39.3000	39.3000
Total Kshs based costs (KShs/MT)		**2240.4549**	**2334.6945**	**2771.9823**	**2769.6202**
Exchange rate (USD/KShs)		129.2296	129.5070	129.9862	129.8902
Conversion factor (M3/MT)		1.3401	1.3818	1.3332	1.3300
USD based Cost coverted to KShs/Litre		70.8565	73.0149	104.2389	104.4140
Kshs based cost converted KShs/Litre		1.6719	1.6896	2.0792	2.0825
Kipevu shore handling charges	[42.14TKES*16%VAT]	0.0489	0.0489	0.0489	0.0489
KPRL hospitality Charges/Storage	[521.78KES*16%VAT]	0.6053	0.6053	0.6053	0.6053
Direct Order charges		-	-	-	-
Forex Loss Recovery	KShs.0.80/litre + 16% VAT	0.928000	0.928000	0.928000	0.928000
Forex Shortfall		-	-	-	-
DI Collection charges	KShs. 0.2105/ Litre	-	-	-	
Import Declaration (IDF) Fees		1.7564	1.8099	2.5838	2.5882
Landed Cost KShs/Litre		75.8671	78.0966	110.4841	110.6668

ANNEX 9:

SUBMISSIONS BY ONE PETROLEUM LTD.

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Date: 14th April, 2026

Our Ref: OPL/CEO/140426

Your Ref: SEN/DSEC/ENERGY/384/2026

The Senate,
Clerk's Chambers,
Parliament Building,
P.O. Box 41842-00100,
NAIROBI.

Email: clerk.senate@parliament.go.ke
energycommitte.senate@parliament.go.ke

Attention: Mr. J.M Nyegenye, CBS

RE: RESPONSE TO THE SENATE STANDING COMMITTEE ON ENERGY

We acknowledge receipt of your letter **Ref. SEN/DSEC/ENERGY/384/2026** dated 9th April 2026 inviting One Petroleum Limited (**"the Company"**) to appear before the Standing Committee on Energy **("the Committee")** and to provide written responses regarding the matters raised therein.

One Petroleum appreciates the opportunity to present factual information and to assist the Committee in its inquiry into the recent petroleum supply challenges affecting the country and the region. We remain fully committed to transparency, accountability, and constructive engagement with all relevant State institutions in support of safeguarding Kenya's energy security and maintaining confidence in the petroleum supply chain.

In that spirit, the Company respectfully submits the following responses together with the relevant supporting documentation as follows;

1. ***Indicate how and when the company became aware of the emergency request for fuel by the Ministry, including, the mode of communication used, and, whether, to the best of your knowledge, the request was issued publicly to market participants or selectively to specific firms;***

Response:

i) Between 8th and 18th March 2026 several industry and sector coordination meetings, including Vessel Alignment Committee (VAC) engagements, were held during which

concerns regarding petroleum stock positions, supply security, and anticipated shortages were discussed.

ii) On **19th March 2026**, One Petroleum received formal correspondence from the Ministry of Energy and Petroleum inviting the company to submit a proposal for the supply of Premium Motor Spirit (PMS) ranging between 35KT and 85KT under an accelerated supply arrangement. The communication was transmitted electronically through the official email of the State Department of Petroleum.

iii) We understood the request to have arisen from urgent concerns relating to petroleum supply continuity amid prevailing geopolitical disruptions affecting global and regional supply chains, and further note that subsequent disclosures by Oryx Energies Kenya Limited confirm that the Ministry similarly initiated direct requests for proposals to other suppliers during the same period in order to bolster operational petroleum stock reserves for Kenya and the region amid the prevailing supply disruptions.

iv) However, we are not in a position to confirm whether the request was publicly issued to all market participants or selectively transmitted to specific firms.

2. ***Provide details and copies of all communications, invitations, or notices received from the Ministry or any agent thereof in relation to the emergency request;***

Response:

i) Kindly find attached relevant correspondence and supporting documentation relating to:

- the invitation to submit a proposal; the Company's proposal submission;
- Communications relating to cargo nomination and acceptance.

The correspondence is self-explanatory and demonstrates that the Company acted pursuant to formal communications received from the Ministry and relevant Government agencies as per the List of Documents annexed below.

3. ***Describe, in detail, the tendering and procurement process as experienced by the company, including, tender requirements, timelines, bid security (if any); evaluation criteria; and, the date and form of notification of award;***

Response:

i) On 18th March 2026, the Ministry of Energy and Petroleum convened an industry meeting to review petroleum stock positions, during which the need to shore up

operational stock reserves was deliberated. This engagement took place against the backdrop of ongoing geopolitical tensions in the Middle East and the reported closure of the Strait of Hormuz at the time, which had significantly tightened global supply conditions.

ii) Subsequently, on 19th March 2026, the Ministry invited bidders, including One Petroleum Limited, to submit proposals on the same day, for additional deliveries of petroleum products intended to bolster stock reserves for Kenya and the region. In the request, the Ministry referenced various Vessel Alignment Committee (VAC) meetings held between 8th and 18th March 2026 at the State Department for Petroleum.

iii) Notably, the stipulated terms for the additional deliveries of the petroleum products specified the applicable procurement framework as the Open Tender System (OTS) Terms and Conditions (2023), save for the requirement that payment currency be in USD for the entire cargo. Bidders were requested to deliver additional petroleum quantities at KOT II ranging between 35kt - 85kt within the period of 28.03 - 02.04. 2026 with a preference for delivery on 28.03.2026. The invitation further outlined quantity requirements, proposed delivery timelines, the receiving terminal requirements and related operational terms.

iii) Following receipt of the invitation, we promptly identified a vessel owned by BP that was enroute to Angola. Owing to the vessel's relative proximity to the Kenyan coast and the Company's existing commercial relationships within the international petroleum market, we were able to secure the shipment within approximately three days, thereby expediting potential supply availability into the country.

iv) We further note that certain specification parameters of the consignment did not align with the prevailing Kenyan standards applicable at the time, specifically in relation to oxygenates, manganese, sulphur, and benzene. However, the product conformed to specifications applicable within several Southern African markets and substantially aligned with standards previously applicable within Kenya between 2019 and 2025. Given the emergency nature of the procurement and the prevailing supply circumstances at the time, we disclosed the specifications and composition of the product to the Ministry of Energy and Petroleum, following which the Ministry sought a temporary regulatory waiver through the Ministry of Investments, Trade and Industry (MITI).

v) The Company subsequently submitted its proposal electronically and in PDF format within the timelines communicated by the Ministry and thereafter received formal communication confirming acceptance of the proposed cargo arrangement.

vi) To note, the process reflected accelerated timelines associated with emergency supply stabilization considerations and that similar timelines were communicated to other participating suppliers during the same period.

vii) We wish to confirm that One Petroleum participated in the process in good faith and on the understanding that the relevant Government authorities were exercising their lawful mandates in response to extraordinary market conditions.

4. ***Identify all other bidders known to the company and indicate whether there were any consortia, intermediaries, or agents involved in the process;***

Response:

i) One Petroleum became aware of Oryx Energies Kenya Limited as another participant in the process following subsequent vessel planning and operational coordination activities, including the issuance of cargo nominations and vessel line-up arrangements. However, we are not aware of the full list of bidders or participating entities involved in the process.

ii) We further confirm that all formal communications relating to the proposal process, cargo nomination, and related operational coordination were conducted directly through official Ministry of Energy and Petroleum email channels. The Company did not engage any intermediaries or brokers in relation to the Ministry's invitation process.

5. ***Clarify whether the tender documents explicitly outlined the nature and justification of the emergency invoked to bypass the standard Government-to-Government (G2G) procurement framework, and state whether the process, in the company's assessment, complied with the G2G framework, and if not, specify the deviations;***

Response:

i) As indicated in our responses under '3' above, we received a formal invitation to submit a proposal under the Open Tender System (OTS) Terms and Conditions (2023) following sector consultations concerning petroleum supply security and anticipated supply shortfalls arising from prevailing geopolitical disruptions. We understood, from engagements within the Vessel Alignment Committee process and communications from the Ministry, that the proposal process had arisen following concerns regarding the ability of scheduled supply arrangements to meet anticipated national demand within the required timelines.

ii) We respectfully submit that One Petroleum was not responsible for determining the applicability, suspension, or modification of the Government-to-Government procurement framework. We participated in the process in good faith and in reliance upon formal Government communications and engagements initiated by the competent authorities.

iii) Subsequent submissions by other participants in the process, including Oryx Energies, similarly indicate that the emergency procurement engagements originated directly from the State Department for Petroleum within the Ministry in response to security-of-supply concerns linked to the Middle East conflict and related supply disruptions.

iv) To the extent that any deviations may ultimately be found to have existed from the ordinary G2G framework, we respectfully submit that such determinations properly fall within the mandate of the relevant Government authorities responsible for the procurement structure and broader policy framework.

6. **Indicate the timeline between the issuance of the tender invitation and the submission deadline, and detail how your company was able to source and secure the cargo within the stipulated timeframe;**

Response:

i) We received the invitation for the bid proposal from the Ministry on 19th March 2026, wherein the Ministry invited bidders, including One Petroleum Limited, to submit proposals on the same day. The Company subsequently submitted its formal proposal within the timelines communicated by the Ministry, as indicated above.

ii) Following receipt of the invitation, we engaged our international oil brokerage and trading counterparts on the same day and identified a vessel owned by BP that was en route to Angola. Owing to the vessel's relative proximity to the Kenyan coast and our existing commercial relationships within the international petroleum market, we were able to secure the shipment within approximately three days, thereby expediting potential supply availability into the country, following which a laycan date was identified and communicated.

iii) We note that the compressed procurement timelines reflected the urgency of the prevailing supply situation at the time and were broadly consistent with timelines communicated to other market participants involved in the emergency supply process.

7. ***Provide a detailed pricing breakdown for the cargo, including, the benchmark reference, premiums, freight and insurance components, financing costs, and, profit margins. Justify***

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any price differentials between the company's offer, G2G rates and/or prevailing market benchmarks at the time of bidding, including any risk premiums applied due to the emergency nature of the procurement;

Response:

i) The pricing structure reflected prevailing international market conditions during a period of exceptional geopolitical disruption affecting petroleum supply chains globally and regionally at the time. The pricing components included several components including -

- Benchmark market pricing; (Platts)
- CIF Premiums (Freight and logistics costs);
- Marine and war-risk insurance;
- Financing costs;
- Terminal Handling/Port fees at destination;

ii) We note that due to the Middle East conflict and associated supply disruptions, tanker availability during the material period had materially tightened, freight costs had escalated sharply, insurance premiums had increased, and petroleum premiums across regional spot markets had risen substantially above ordinary G2G pricing benchmarks.

iii) Further, global demand for petroleum products was elevated during the material period, and available cargoes were largely being traded as spot purchases at substantially higher premiums owing to the prevailing supply constraints, logistical disruptions, and heightened geopolitical uncertainty.

iv) Taking the foregoing into account, we respectfully submit that any comparisons between emergency procurement pricing and ordinary G2G pricing should be assessed within the context of the materially different market timings, logistical, financing, and risk conditions prevailing at the time. If you were to begin negotiating a term deal in today's climate the prices would be similar if not higher to the spot premium seen on MT Paloma.

v) We attach herewith a detailed pricing schedule and supporting documentation.

8. ***Provide full details of the 60,000 MT super petrol cargo associated with MT Paloma, including, the origin, sourcing arrangements, and full supply chain of the fuel, including all agents and/or intermediaries involved;***

Response:

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i) We have provided these as part of our documentary submissions.

9. ***Submit all shipping and inspection documentation, including bills of lading, certificates of quality/quantity, and any pre-discharge inspection reports;***

i) We have provided this as part of our submissions.

10. ***Confirm whether the Certificate of Quality verified that the fuel met all applicable Kenyan standards prior to shipment, and submit supporting documentation;***

Response:

i) We confirm that our cargo met most of the applicable Kenyan petroleum specifications save for certain parameters relating to oxygenates, manganese, sulphur, and benzene, and further conformed to specifications applicable within several Southern African markets and aligned with standards previously applicable within Kenya between 2019 and 2025.

ii) Given the emergency nature of the procurement and the prevailing supply circumstances at the time, we fully disclosed the specifications and composition of the product to the Ministry of Energy and Petroleum, following which the Ministry sought temporary regulatory waivers through the Ministry of Investments, Trade and Industry (MITI). We further note that the regulatory waivers were subsequently facilitated through inter-agency coordination and regulatory flexibility pursuant to Section 9(3) of the Standards Act, which permits temporary deviation from standard requirements in circumstances where compliance is impracticable and where such intervention is considered to be in the public interest.

iii) At all material times, the Company made the relevant Government authorities aware of the specifications of the cargo and the identified parameter variances.

iv) All relevant documentary evidence and supporting records have been submitted accordingly.

11. ***Specify the exact nature of the alleged breach communicated to the company, including whether it related to product specifications, contractual terms, G2G framework requirements, or, regulatory or licensing issues;***

Response:

i) No formal determination of breach, illegality, or regulatory non-compliance has been communicated to the Company through official Government channels.

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ii) To note, we became aware of the alleged breaches principally through media reports, public statements, and subsequent public discourse surrounding the transaction. At all times, we have has sought to engage constructively with the Ministry, the relevant regulators, and other stakeholders in order to address any concerns or misapprehensions relating to the cargo and the procurement process.

iii) We further wish to reiterate that One Petroleum acted transparently, disclosed all relevant cargo specifications and related information to the relevant authorities, and participated in the process in reliance upon formal Government communications, engagements, and approvals.

12. ***Explain the basis for the company's decision to recall the cargo, including whether this was at the direction of the Ministry; whether any alternative options (e.g., blending, re-routing, or price renegotiation) were considered; and, the final disposition of the cargo including current location and ownership status;***

Response:

iii) We refer to our statement dated 7th April 2026. Following consultations and engagements with relevant Government authorities, the Company took steps to suspend market entry and pursue alternative commercial arrangements for the cargo.

13. ***Provide verifiable evidence confirming that the cargo was not discharged at any Kenyan port or facility, including those operated by Kenya Pipeline Company (KPC); and, has not entered the Kenyan fuel supply system. Kindly include ullage reports, vessel logs, and independent inspector confirmations in relation to the same;***

Response:

i) As indicated previously, the vessel arrived on 27th March 2026 and thereafter proceeded to be discharged through the KPC system. The product was subsequently commingled with existing stocks as part of the operational and technical handling process. We respectfully note that such commingling and blending processes constitute recognised global industry practices routinely applied within petroleum supply systems for purposes of product stabilization, specification management, and operational optimization.

ii) All relevant documentary evidence and supporting records have been submitted accordingly.

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14. ***Quantify the financial losses incurred by the company arising from the transaction, including costs related to freight, demurrage, financing, insurance, and opportunity costs;***

i) The Company has incurred substantial commercial losses arising from vessel demurrage, customs warehouse rent from KRA, storage charges from and risks being unable to liquidate the product at its cost and faces losses in the millions of dollars aside from the reputational damage to the Company and its Directors.

15. ***State whether any penalties, claims, or liabilities have been imposed on the company by the Government; or, claimed by the company against the Government, and, if applicable, provide details thereof;***

Response:

i) To date, no penalties or formal liabilities have been imposed upon the Company by the Government arising from the transaction. One Petroleum has not made any claim against the government.

Indicate whether any indemnities, guarantees or contractual protections were in place and whether these have been invoked;

Response:

i) None are in place and none have been invoked.

16. ***Provide details of any ongoing engagements or negotiations with the Ministry following the recall of the cargo***

Response:

i) The Company continues to engage constructively with relevant Government authorities and stakeholders regarding operational, regulatory, and commercial issues arising from the transaction.

17. ***Provide any additional information that may assist the Committee in establishing accountability, ensuring transparency in emergency procurement, and safeguarding the integrity of Kenya's petroleum supply chain..***

Response:

i) The Company has shared the above responses and all information pertaining this matter as requested by the Ministry. We have no additional information to add.

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ii) We trust that the provide information shall assist the Honourable Committee to ensure the integrity and Kenya's Energy Supply is safe guarded.

Yours Faithfully,

ALI SALAAH BALALA
CHIEF EXECUTIVE OFFICER

Encl.

One Petroleum Limited

+254 (41) 2224910, +254 (41) 2311103, +254 (41) 2313606
Mbaraki Wharf, Off Nyerere Road, Likoni, Mombasa, Kenya

www.onepetroleum.com

one
PETROLEUM

LIST OF SUPPORTING DOCUMENTS;

1. Meeting Minutes for the Vessel Alignment Committee (VAC) Dated 18.03.2026
2. Email from the Ministry Dated 19th March, 2026 requesting for a Proposal for the supply of PMS
3. Email from One Petroleum Limited Dated 20th March, 2026 to PSSD on our PMS Offer
4. Letter (Ref: MOEP/SDP/CONF/4/12) from the Ministry of Energy and Petroleum to One Petroleum Limited Confirming our Proposal of PMS Delivery (Quantity 60,000 metric tons ±10%) Dated 25th March, 2026
5. Letter (Ref: MOEP/SDP/CONF/4/19) from the Ministry of Energy and Petroleum to One Petroleum – Nomination Letter "Buyers Participation for PMSKGC01/2026
6. Letter (Ref: MOEP/SDP/CONF/4/12) from the Ministry of Energy and Petroleum to the MD Kenya Bureau of Standards Requesting for a Temporary Waiver on the requirement of Certificate of Conformity (CoC) Dated 26th March, 2026
7. Letter (Ref: MOEP/SDP/CONF/4/22) from the Ministry of Energy and Petroleum to the MD Kenya Bureau of Standards on the PMS RON 93 Specifications aboard MT Paloma Dated 27th March, 2026
8. Notice of Readiness for the Vessel MT Paloma Dated 27th March, 2026
9. Notice of Letter of Pratique Dated 27th March, 2026
10. Letter of Protest Custom Clearance Dated 27th March, 2026
11. Endorsed Bill of Lading Dated 24th February, 2026
12. Certificate of Origin for MT Paloma Dated 24th March, 2026
13. Certificate of Quality Dated 17th March, 2026
14. One Petroleum Limited Statement Dated 7th April, 2026

MINUTES OF THE VESSEL ALIGNMENT COMMITTEE MEETING HELD ON 18TH MARCH 2026 AT KASNEB TOWERS II 11TH FLOOR BOARDROOM

Participants

S/No	Name	Organization
1.	Joseph Wafula	Ministry of Energy and Petroleum (MOEP) - Chairing
2.	Abigail Mwangi	Ministry of Energy and Petroleum (MOEP)
3.	Eric Onyango	Ministry of Energy and Petroleum (MOEP)
4.	Kishoyian Saigilu	Ministry of Energy and Petroleum (MOEP) (Taking minutes)
5.	Morris Mwaniki	Ministry of Energy and Petroleum (MOEP)
6.	Gerald Cheruiyot	Energy & Petroleum Regulatory Authority (EPRA)
7.	Fredrick Kipng'ok	Kenya Pipeline Company Limited (KPC)
8.	Benard Kibiti	Kenya Revenue Authority (KRA)
9.	Dennis Waweru	Galana Energies / Nominated Oil Marketing Company
10.	Raphael Maina	Galana Energies / Nominated Oil Marketing Company
11.	Charles Nyakundi	Gulf Energy Limited / Nominated Oil Marketing Company
12.	Martin Muriuki	Total Energies Kenya Limited & Chair Supplycor
13.	Samuel Misoi	Total Energies Kenya Limited & Chair Supplycor
14.	Susan Wacuka	NOC-Kenya
15.	Benjamin Mageto	Be Energy
16.	Ali Jin	One Petroleum
17.	Maurice Onyango	Talos Energy & Chair OTEK
18.	Allaride Akun	Vivo
19.	Kosgei Obadiah	Vivo
20.	Ukash A. Noor	Costalina
21.	Wanambisi D. Wanaswa	AFTAH
22.	Dorothy Rukenya	Rubis
23.	Margaret Kagu	OLA Energy
24.	Ketwony Edmond	Hass Petroleum
25.	Lucy Nzuki	E3 Energies
26.	Jecinta Ndugire	Asharami Synergy
27.	Dr. Rachel Mulungye	Industry Coordinator
28.	Grace Mando	External Legal Counsel

Minute 1/18/03/26 – Opening Remarks

The Chair called the meeting to order at 0920hrs. This was followed by a word of prayer and self introductions.

The Chair reiterated the need to continuously monitor the nominated cargoes and therefore urged Nominated OMCs to give credible updates to enhance visibility and efficient planning.

Minute 2/18/03/26 - Adoption of Agenda

The agenda of the meeting was adopted as follows: -

1. Review of supply position and replenishment plan

2. April - June 2026 import plan
3. AOB

Minute 3/18/03/26 - Review of supply position and replenishment plan

The forum was taken through the supply position for the nominated cargoes import arrangements noting the following:

1. One Petroleum notified the meeting that AGO KG06A/2026 completed discharge outturn report is out and will be shared by COB today.
2. Gulf Energy informed the meeting that the first PMS MR cargo, KG04/2026 ex MT *Valery Roma*, is completing discharge today, Wednesday, 18th March 2026, with the outturn report expected by 3:00 PM today. The entire volume will be allocated to the local market. The second PMS MR cargo, KG04/2026 ex MT *Fos Mercury*, has arrived and documentation is currently being processed. This cargo will be for both the local and transit markets. KPC confirmed that sufficient ullage is available to accommodate the vessel.
3. Be Energy indicated that their cargo will arrive on 20th March 2026, documentation done only working on the manifest
4. MT Pelican has arrived, have it berth and start discharging to minimise demurrage. Agree on allocation percentage to transit.
5. The Jet A-1 cargo KG03/2026 is expected to arrive tomorrow. There is sufficient ullage to accommodate the cargo upon arrival, with approximately 36,000 m^3 currently available. Additionally, a batch is scheduled for 20th March 2026 that will create more ullage.
6. PMS KG05/2026 ex MT Elka Apollon, the Supplier secured insurance just awaiting a window to over however, Supplier working on getting two MRs. Following the situation it was noted that the country is very low on PMS stocks and the PMS daily demand has increased by an average of 20% with an expectation of rising demand due to the upcoming holidays. The Ministry requested to consult internally and revert on the possibility of calling an emergency PMS cargo
7. The PMS quarterly MR cargo KG06/2026 is loading from Yemen MT Nagem. Allocation will be advised
8. AGO KG08A/2026 is loading from Jeesun MT Renalt 40+5% kT, next update on 23rd March 2026.
9. AGO KG09/2026 to load 100kT
10. AGO KG06/2026 is loading from Belgium, Antwarp and is expected to arrive within the delivery date range.

Minute 4/18/03/26 – April - June 2026 Import Plan

KPC presented the April - June 2026 import plan as below:

CARGO ID	IMPORTER	IOC	PRICING MONTH	GRADE	DELIVERY DATE	VOLUME (MT)	STOCK DAYS	Delivery Date	Containment date	Demurrage days
UG03/2026	UNOC		MAR'26	JET-A1	11-13/04/2026	19,950	10	13/04/2026	13/04/2026	0
UG04/2026	UNOC		APR'26	AGO	11-13/04/2026	45,000	10			
KG04/2026	Gulf Energy		APR'26	JET-A1	19-21/04/2026	60,000	15	21/04/2026	21/04/2026	0
KG07/2026	Gulf Energy		APR'26	MSP	25-27/04/2026	85,000	18	27/04/2026	07/05/2026	10
KG10/2026		ATF	APR'26	AGO	23-25/04/2026	85,000	18	25/04/2026	28/04/2026	3

UG05/2026	UNOC		APR'26	MSP	24-26/04/2026	58,000	10	26/04/2026	26/04/2026	0
UG05/2026	UNOC		APR'26	AGO	28-30/04/2026	42,000	10			0
KG05/2026	Gulf Energy		MAY'26	JET-A1	15-17/05/2026	80,000	16	17/05/2026	24/05/2026	7
KG11/2026	Gulf Energy		APR'26	AGO	05-07/05/2026	85,000	18	07/05/2026	08/05/2026	1
KG08/2026	Gulf Energy		APR'26	MSP	05-07/05/2026	85,000	18	07/05/2026	17/05/2026	10
KG12/2026		ATF	MAY'26	AGO	16-18/05/2026	85,000	18	18/05/2026	18/05/2026	0
KG09/2026	Gulf Energy		MAY'26	MSP	20-22/05/2026	85,000	18	22/05/2026	05/06/2026	14
KG13/2026	Gulf Energy		MAY'26	AGO	28-30/05/2026	85,000	18	30/05/2026	30/05/2026	0
KG06/2026	Gulf Energy		JUN'26	JET-A1	18-20/06/2026	60,000	17	20/06/2026	24/06/2026	4
KG14/2026		ATF	MAY'26	AGO	08-10/06/2026	85,000	18	10/06/2026	10/06/2026	0
KG10/2026	Gulf Energy		MAY'26	MSP	04-06/06/2026	85,000	18	06/06/2026	21/06/2026	15
KG15/2026	Gulf Energy		JUN'26	AGO	19-21/06/2026	85,000	18	21/06/2026	21/06/2026	0
KG11/2026	Gulf Energy		JUN'26	MSP	21-23/06/2026	85,000	18	23/06/2026	01/07/2026	8
KG16/2026		ATF	JUN'26	AGO	01-03/07/2026	85,000	18	03/07/2026	03/07/2026	0
KG12/2026	Gulf Energy		JUN'26	MSP	06-08/07/2026	85,000	18	08/07/2026	18/07/2026	10
KG17/2026	Gulf Energy		JUN'26	AGO	12-14/07/2026	85,000	18	14/07/2026	14/07/2026	0
KG06/2026	Gulf Energy		JUL'26	JET-A1	16-18/07/2026	60,000	18	18/07/2026	18/07/2026	0
KG18/2026		ATF	JUL'26	AGO	24-26/07/2026	85,000	18	26/07/2026	26/07/2026	0

Minute 6/18/03/26 – AOB

I. Total raised concern on the requested IM7 which Gulf Energy is yet to provide. Gulf Energy promised to provide IM7 by 1:00 PM and outturn by 3:00 PM

Name	Organization	Signature
Joseph Wafula	Ministry of Energy and Petroleum (MOEP) - Chairing	
Abigail Mwangi	Ministry of Energy and Petroleum (MOEP)	
Eric Onyango	Ministry of Energy and Petroleum (MOEP)	
Kishoyian Saigilu	Ministry of Energy and Petroleum (MOEP) (Taking minutes)	
Morris Mwaniki	Ministry of Energy and Petroleum (MOEP)	
Gerald Cheruiyot	Energy & Petroleum Regulatory Authority (EPRA)	
Fredrick Kipng'ok	Kenya Pipeline Company Limited (KPC)	
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Dennis Waweru	Galana Energies / Nominated Oil Marketing Company	
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Ali Jin	One Petroleum	
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Allaride Akun	Vivo	
Kosgei Obadiah	Vivo	
Ukash A. Noor	Costalina	
Wanambisi D. Wanaswa	AFTAH	
Dorothy Rukenya	Rubis	
Margaret Kagu	OLA Energy	
Ketwony Edmond	Hass Petroleum	
Lucy Nzuki	E3 Energies	
Jecinta Ndugire	Asharami Synergy	
Dr. Rachel Mulungye	Industry Coordinator	
Grace Mando	External Legal Counsel	

From: pssdp@petroleum.go.ke <pssdp@petroleum.go.ke>
Sent: Thursday, 19 March 2026 12:40
To: Ali Balala <ab@onepetroleum.com>; Abdul Aziz Noor <a.noor@onepetroleum.com>
Cc: ps <ps@petroleum.go.ke>; Daniel.kiptoo <Daniel.kiptoo@epra.go.ke>; Eng. Edward Kinyua <edward.kinyua@epra.go.ke>; Joseph Wafula <josephwafula67@gmail.com>; cs <cs@energy.go.ke>; ericozcantona <ericozcantona@yahoo.com>; Kishoyian Saigilu <kishoyiansaigilu@gmail.com>; Morris Mwaniki <morris.mwaniki@petroleum.go.ke>; downstream <downstream@petroleum.go.ke>; abbymwangi <abbymwangi@outlook.com>; Abigail Mwangi <abigail.mwangi@petroleum.go.ke>; joseph.wafula <joseph.wafula@petroleum.go.ke>; Kishoyian Saigilu <kishoyian.saigilu@petroleum.go.ke>; josephcambb <josephcambb@gmail.com>; joseph.cambb <joseph.cambb@petroleum.go.ke>; gerald.cheruiyot <gerald.cheruiyot@epra.go.ke>; mahat <mahat@garaneadvocates.com>; grace.mando <grace.mando@garaneadvocates.com>
Subject: REQUEST FOR PROPOSAL FOR SUPPLY OF PREMIUM MOTOR SPIRIT

Dear One Petroleum,

Attention: Mr. Ali Balala, Executive Director

We refer to the various Vessel Alignment Committee (VAC) meetings held between 9th and 18th March 2026 at the State Department for Petroleum. During the meetings, the refined petroleum products security of supply was deliberated in light of the ongoing conflict in the Middle East and the critical need to shore up operational stock reserves for the country and region was recommended.

In this regard, the Ministry of Energy and Petroleum is seeking additional deliveries of Premium Motor Spirit (PMS) as follows:

1. Applicable terms - Open Tender System (OTS) Terms and Conditions (2023) save for payment currency being USD for the entire Cargo.
2. Quantity - 35kt -85kt, bidders to indicate the delivery vessel size in the bid and the split where applicable.
3. Delivery date range - 28/03 - 02/04/2026, with a preference for delivery 28-30/03/2026.
4. Receiving Terminal - KOT II.
5. Pricing month - as per the OTS.
6. The shipper's participation, local/transit shall be shared separately.

You are therefore invited to submit a proposal in both electronic and pdf format and the hard copy to the Ministry, today 19th March 2026, **on or before 1500 hrs. Nairobi Time.**

The electronic submission to be sent through this email keeping all copied and the hard copy to be submitted at KASNEB Towers II 11th Floor for subsequent discussions with your Supply / Trading team.

Regards,

State Department for Petroleum

From: Abdul Aziz Noor
Sent: Friday, March 20, 2026 11:16 PM
To: pssdp@petroleum.go.ke <pssdp@petroleum.go.ke>; Ali Balala <ab@onepetroleum.com>; James Ngatia <ngatia@onepetroleum.com>
Cc: ps <ps@petroleum.go.ke>; Daniel.kiptoo <Daniel.kiptoo@epra.go.ke>; Eng. Edward Kinyua <edward.kinyua@epra.go.ke>; Joseph Wafula <josephwafula67@gmail.com>; cs <cs@energy.go.ke>; ericozcantona <ericozcantona@yahoo.com>; Kishoyian Saigilu <kishoyiansaigilu@gmail.com>; Morris Mwaniki <morris.mwaniki@petroleum.go.ke>; downstream <downstream@petroleum.go.ke>; abbymwangi <abbymwangi@outlook.com>; Abigail Mwangi <abigail.mwangi@petroleum.go.ke>; joseph.wafula <joseph.wafula@petroleum.go.ke>; Kishoyian Saigilu <kishoyian.saigilu@petroleum.go.ke>; josephcambb <josephcambb@gmail.com>; joseph.cambb <joseph.cambb@petroleum.go.ke>; gerald.cheruiyot <gerald.cheruiyot@epra.go.ke>; mahat <mahat@garaneadvocates.com>; grace.mando <grace.mando@garaneadvocates.com>
Subject: RE: REQUEST FOR PROPOSAL FOR SUPPLY OF PREMIUM MOTOR SPIRIT

Good evening,

We sincerely apologize for the late submission of our offer beyond the stipulated deadline of 19th March 2026 at 1500 hrs.

We wish to inform you that we have secured a vessel carrying approximately 60 KT of Premium Motor Spirit (PMS), with an expected time of arrival in Mombasa of 23rd – 26th March 2026.

Please find attached the quality certificate of the product for your review.

Our commercial offer is as follows:

Seller:	ONE PETROLEUM LTD
Product:	Premium Motor Spirit (PMS)
Delivery:	CIF Mombasa
Laycan:	23rd – 26th March 2026
Quantity:	60,000 MT +/- 5%
Quality:	As per attached specifications
Q&Q Determination:	Quantity basis shore tank measurement and Quality basis attached Certificate of Analysis
Price:	MOPS 92 + 290 USD/MT
Pricing period:	The average of all mean quotations published during 23rd – 31st March 2026 (both days included)
Payment:	180 Calendar Days after BL date
Lay-time:	48+6 hrs at tendering of NOR
Demurrage:	As per CP rate

We remain available for any further discussions and are fully committed to supporting the country's security of supply requirements.

Thank you for your consideration.

Regards,

Abdul Aziz Noor

Supply and Operations Manager | One Petroleum Limited

Mbaraki Bulk Terminal, Mbaraki Wharf | P O Box 90147 - 80100, Mombasa, Kenya

D: 254 41 222 4910 | M: 254 746 924 812

From: pssdp@petroleum.go.ke <pssdp@petroleum.go.ke>
Sent: Wednesday, 25 March 2026 21:06
To: Abdul Aziz Noor <a.noor@onepetroleum.com>; Ali Balala <ab@onepetroleum.com>; James Ngatia <ngatia@onepetroleum.com>
Cc: Daniel.kiptoo <Daniel.kiptoo@epra.go.ke>; Joseph Wafula <josephwafula67@gmail.com>; ericozcantona <ericozcantona@yahoo.com>; abbymwangi <abbymwangi@outlook.com>; Abigail Mwangi <abigail.mwangi@petroleum.go.ke>; Eric Onyango <eric.onyango@petroleum.go.ke>
Subject: Re: REQUEST FOR PROPOSAL FOR SUPPLY OF PREMIUM MOTOR SPIRIT

Dear One Petroleum,

Attention: Mr. Ali Balala, Executive Director

Further to our letter attached herein, we hereby confirm acceptance of the cargo as per the commercial offer.

Regards,

State Department for Petroleum

MINISTRY OF ENERGY AND PETROLEUM
STATE DEPARTMENT FOR PETROLEUM

Telegrams: "MINPOWER" **Nairobi**
Telephone: +254-20-310112
Fax: +254-20-240910
Telex: 23094 MINERGY
Email: ps@petroleum.go.ke
When replying please quote

OFFICE OF THE PRINCIPAL SECRETARY
KASNEB TOWERS II
P. O. Box 51614-00100
NAIROBI

Ref. No. MOEP/SDP/CONF/4/12

March 25, 2026

Mr. Ali Balala
Executive Director
One Petroleum Limited
Mbaraki Bulk Terminal
Mbaraki Wharf
P.O. Box 90147 - 80100
MOMBASA

Dear Director

RE: DELIVERY OF CONTIGENCY PREMIUM MOTOR SPIRIT (PMS) KGC01/2026

Following your proposal to supply Premium Motor Spirit (PMS) for contingency stocks, we hereby confirm as follows:

1. The quantities of PMS to be delivered in parcel size of 60,000 metric tons (± 10%),

2. The quality of the PMS to be delivered is as per Kenya Bureau of Standards specifications and the requirements of the receiving terminals as per the MFA,

3. The Local quantities shall be paid in our local currency of Kenya Shillings (KES) that shall later be converted into United States Dollars (USD) to meet the Letter of Credit obligations,

4. The Transit quantity shall be paid in USD,

5. The Nominated OMC is expected to open a one hundred and eighty (180) days LC and an Escrow Account to which the Buyers shall pay for their product, **and,**

6. By copy of this letter, the receiving terminals i.e., Kenya Pipeline Company System, or any other terminals (as will be allocated) are informed that this cargo will be financed by reputable banks acceptable to the Supplier.

The schedule of the cargo to be delivered is as below.

CARGO ID	GRADE	QUANTITY (MT)	DELIVERY DATE RANGE
KGC01/2026	PMS	60,000	25 - 27/03/2026

Please expedite.

Yours faithfully

Mohamed Liban, **CBS**
PRINCIPAL SECRETARY

Copy to: **Hon. J. Opiyo Wandayi, EGH**
Cabinet Secretary
Ministry of Energy and Petroleum
Kawi House, South C
NAIROBI

Mr. Daniel Kiptoo Bargoria, MBS, OGW
Director General
Energy and Petroleum Regulatory Authority
Eagle Africa Centre, Upper Hill
NAIROBI

Mr. Joe Sang, EBS
Managing Director
Kenya Pipeline Company
Kenpipe Plaza
NAIROBI

MINISTRY OF ENERGY AND PETROLEUM
STATE DEPARTMENT FOR PETROLEUM

Telegrams: "MINPOWER" Nairobi
Telephone: +254-20-310112
Fax: +254-20-240910
Telex: 23094 MINERGY
Email: ps@petroleum.go.ke
When replying please quote

OFFICE OF THE PRINCIPAL SECRETARY
KASNEB TOWERS II
P. O. Box 51614-00100
NAIROBI

Ref. No. MOEP/SDP/CONF/4/19

March 26, 2026

Mr. Ali Balala
Executive Director
One Petroleum Limited
Mbaraki Bulk Terminal
Mbaraki Wharf
P.O Box 90147 - 80100
MOMBASA

Dear Director

RE: BUYERS PARTICIPATION FOR PMS KGC01/2026

Reference is made to our letter Ref. MOEP/SDP/CONF/4/12 dated March 25, 2026 on delivery of contingency Premium Motor Spirit (PMS) to be delivered as follows:

PRODUCT	CARGO ID	QUANTITY (MT)	DATE RANGE
PMS	KGC01/2026	60,000	25 - 27/03/2026

The criteria adopted in sharing the cargo is as follows:

1. 80% local / 20% transit.
2. Local; participation based on OMCs with retail outlets.
3. Local allocation basis market share.
4. Transit; average daily uplifts for February 2026 and March 2026 to-date (25th March 2026).

The respective participations for this cargo are as indicated below:

	PMS KGC01/2026 25-27/03/2026	
PARTICIPATIONS (MT)	LOCAL (MT)	TRANSIT (MT)
ACER PETROLEUM LIMITED	0	106
AFTAH PETROLEUM(K)LTD	1,525	144
AINUSHAMSI ENERGY LIMITED	79	189
ANTIC ENERGIES LIMITED	0	135
APPLE ENERGY LIMITED	0	180
ARECH PETROLEUM LIMITED	0	30
ASHARAMI SYNERGY LIMITED	0	102
ASTROL PETROLEUM COMPANY LIMITED	1,519	0
AWDEER INVESTEMENTS LIMITED	0	34
AXON ENERGY LIMITED	0	36
AZIFAT ENERGIES LIMITED	0	55
AZKAM OIL LIMITED	0	30
BACHILE LIMITED	0	133
BACHULAL POPATLAL (KENYA) LIMITED	79	0
BE ENERGY LIMITED	470	137
BLUE SKY ENERGY LIMITED	2,000	0
CITY OIL (K) PETROLEUM LTD	0	153
COSTALINA ENERGY LIMITED	40	311
DALBIT PETROLEUM LIMITED	0	198
DC ENERGY KENYA LIMITED	283	0
DIFAAC GENERAL TRADING LIMITED	0	42
EAST AFRICAN GASOIL LIMITED	30	122
EGOL ENTERPRISES LIMITED	74	0
EUROPET LIMITED	0	38
FASTNETT ENERGY LIMITED	0	81
FINEJET LIMITED	0	47
FOSSIL SUPPLIES LIMITED	1,026	0
GALANA ENERGIES LIMITED	1,162	123
GALLAD CENTRE LIMITED	0	42

GAMOIL TRADING LIMITED	0	129
GAS AND GO PETROLEUM PRODUCTS LTD	79	0
GENPET PETROLEUM LIMITED	0	245
GREAT WALL OIL LIMITED	0	259
GREEN WELLS ENERGIES LIMITED	584	216
HARBOUR ENERGY LIMITED	0	43
HASS PETROLEUM KENYA LIMITED	777	318
HERO PETROLEUM LIMITED	0	1,174
HSON KENYA LIMITED	0	104
ILADE OIL CO. LIMITED	142	100
INDEPENDENT PETROLEUM GRP KENYA LTD	0	85
KENGAS KENYA LIMITED	0	42
LAKE OIL LIMITED	1,309	254
LEADWAY PETROLEUM LIMITED	1,139	0
LEXO ENERGY KENYA LIMITED	573	30
LUQMAN PETROLEUM LIMITED	334	36
M&A ENERGY LIMITED	0	52
MARVISS PETROLEUM LIMITED	164	0
NAHR JUBA GENERAL TRADING LIMITED	0	30
NATIONAL OIL CORPORATION OF KENYA	500	0
NOMAD PETROCHEM LTD	30	53
NORD ENERGY LIMITED	0	45
OCEAN ENERGY LIMITED	0	138
OIL ENERGY KENYA LIMITED	0	36
OILCOM (K) LIMITED	74	0
OILGEN PETROLEUM LIMITED	0	576
OILHUB LIMITED	0	168
OILWAVE ENERGY LIMITED	0	30
OLA ENERGY KENYA LIMITED	1,814	0
ORYX ENERGIES KENYA LIMITED	300	340
PACIFIC PETROLEUM LIMITED	0	130
PETRO OIL KENYA LIMITED	1,763	397
PETROVA ENERGIES KENYA LIMITED	0	220
PINOIL ENERGY LIMITED	0	206
PITOT ENERGY LIMITED	0	30
PRINSAN GROUP LIMITED	0	52
PRIZE PETROLEUM LIMITED	0	94
RAAD ENERGY LIMITED	0	116
RANWAY ENERGIES LTD	215	0
RIVA PETROLEUM DEALERS LIMITED	363	0
RUBIS ENERGY KENYA PLC	6,089	767
SAHARA ENERGY LIMITED	459	267
SAKINA GAS COMPANY LTD	62	130
SHORELINE PETROLEUM LIMITED	278	249

STABEX INTERNATIONAL LTD	703	85
TAKSAN ENERGY LTD	0	101
TALOS ENERGY LIMITED	0	70
TEXAS ENERGY LTD	170	0
TIBA OIL COMPANY LIMITED	0	30
TOPSTAR ENERGY LIMITED	0	41
TORCH ENERGY LIMITED	0	127
TOSHA PETROLEUM (KENYA) LIMITED	884	58
TOTALENERGIES MARKETING KENYA PLC	8,350	332
TRINITY ENERGY (K) LIMITED	198	158
TRISTAR TRANSPORT LIMITED	204	30
TUPESH ENERGY LIMITED	0	30
UPTIME ENERGIES (KENYA) LIMITED	0	60
VIVO ENERGY KENYA LIMITED	12,156	0
WNINE ENERGY LIMITED	0	30
XENOM ENERGY LIMITED	0	1,219
	48,000	12,000
AGGREGATE	60,000	

Please be guided accordingly.

Yours faithfully

Mohamed Liban, CBS
PRINCIPAL SECRETARY

COPY TO: **Hon. J. Opiyo Wandayi, EGH**
Cabinet Secretary
Ministry of Energy and Petroleum
Kawi House, South C
NAIROBI

Dr. Kamau Thugge, CBS
Governor, Central Bank of Kenya
Haile Selassie Avenue
P.O. Box 60000-00200
NAIROBI

Mr. Joe Sang, EBS
Managing Director
Kenya Pipeline Company Ltd
Industrial Area
NAIROBI

Dr. Lilian Nyawanda
Commissioner Customs and Border Control
Kenya Revenue Authority
Times Towers
NAIROBI

Mr. John Gachora
Chairman
Kenya Bankers Association
International House, Mama Ngina Street
NAIROBI

MINISTRY OF ENERGY & PETROLEUM
STATE DEPARTMENT FOR PETROLEUM

Telegrams: "MINPOWER" **Nairobi**
Telephone: +254-20-310112
Fax: +254-20-240910
Telex: 23094 MINERGY
Email: ps@petroleum.go.ke
When replying please quote

OFFICE OF THE PRINCIPAL SECRETARY
KASNEB TOWERS II
P. O. Box 51614-00100
NAIROBI

Ref. No. MOEP/SDP/CONF/4/12

26th March 2026

Ms. Esther Ngari, CBS
Managing Director
Kenya Bureau of Standards
Popo Road, Off Mombasa Road
NAIROBI.

Dear MD

RE: TEMPORARY WAIVER ON THE REQUIRMENT FOR CERTIFICATE OF CONFORMITY (CoC) AND SOME PARAMETERS ON CERTIFICATE OF QUALITY OF REFINED PETROLEUM PRODUCTS.

As you are aware, the ongoing conflict in the Gulf Region has affected marine traffic flow especially those that have to pass through the Strait of Hormuz. The International Oil Companies (IOCs)/ Suppliers under the Government-to-Government Arrangement through their local counterparties i.e. Nominated Oil Marketing Companies (OMCs) must actively source for refined products to meet the delivery schedule to ensure security of supply.

As a result, they have needed to be flexible with their loading points and sources. Sometimes, the products found in the market were originally meant for other markets, where specifications do not completely match those required by East Africa or the Receiving Terminal.

Due to the volatility occasioned by the conflict, the IOCs have been forced to reroute cargoes or undertake Ship to Ship loading to meet the delivery commitment and timelines.

Thus, in some instances, the requirement of Pre-export Verification of Conformity (PVoC) may not be feasible within the prevailing situation. Therefore, the cargo inspection may not have been done by agents authorized in the Kenya Bureau of Standards (KEBS) system to do CoC at the load Port / points.

During the Vessel Alignment Committee Meetings, it was noted that some vessels may require a waiver on the requirement for CoC or specific parameters that fall outside the EAS / Kenya Specifications and have therefore requested that:

a) in instances where CoC is not available, the inspection is done by Intertek Testing Services (ITS) Kenya at discharge port i.e. Mombasa;
b) attendant penalties of **5% of CIF or USD 3,500 maximum** be waived; **and,**
c) on case-by-case basis, KEBS waive the affected quality parameters.

We have reviewed the import schedules and failure or a delay to receive any of the cargoes will lead to supply shortfall and expose the country to disruptions. Additionally, application of the penalty will lead to higher cost of the refined petroleum products at the pump which will affect the Kenyan consumers.

This is, therefore, to request KEBS to consider the above-mentioned waivers in view of the security of supply and to mitigate escalation of cost of product to a time when the conflict eases or the global supply normalises.

Yours faithfully

Mohamed Liban, CBS
PRINCIPAL SECRETARY

Copy to:

Hon. J. Opiyo Wandayi, EGH
Cabinet Secretary
Ministry of Energy and Petroleum
Kawi House, South C
NAIROBI

Dr Juma Mukhwana, CBS
Principal Secretary
Industrialisation
Teleposta Towers
NAIROBI

Mr. Daniel Kiptoo Bargoria, MBS, OGW
Director General
Energy and Petroleum Regulatory Authority
Eagle House
Longonot Road Upperhill
NAIROBI

Dr Lillian Nyawanda
Commissioner Custom Services and Border Control
Kenya Revenue Authority
Times Tower
NAIROBI

Joseph Otieno, R Geol
Commissioner Petroleum
State Department for Petroleum
NAIROBI

Mr.Joe Sang,EBS
Managing Director
Kenya Pipeline Company Plc
Sekondi Road, Off Nanyuki Road
NAIROBI

Mr. Paul Limo
Chief Executive Officer
Gulf Energy Limited
105 Manyani Road, Lavington
NAIROBI

Mr. Anthony Munyasya
Chief Executive Officer
Galana Energies Limited
Delta Office Suites, 2nd Floor, Block B
Off Waiyaki Way & Manyani West Road, Muthangari
NAIROBI

Mr. Debola Adesanya
Managing Director
Asharami Synergy Ltd
The Arch Place, 5th Floor
Nyangumi Road, Kilimani
NAIROBI

Mr.Ali Abdelghany
Manging Director
Be Energy Limited
Africa-Re Centre, 4th Floor
Hospital Road, Upperhill
NAIROBI

Mr.Ali Balala
Managing Director
One Petroleum
Mbaraki Wharf
MOMBASA

Ms Angeline Maangi
Managing Director
Oryx Energies Kenya Limited
9 West Building, Fifth Floor
Westlands, Ring Road
NAIROBI

MINISTRY OF ENERGY & PETROLEUM
STATE DEPARTMENT FOR PETROLEUM

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KASNEB TOWERS II
P. O. Box 51614-00100
NAIROBI

Ref. No. MOEP/SDP/CONF/4/22

27th March 2026

Ms. Esther Ngari, CBS
Managing Director
Kenya Bureau of Standards
Popo Road, Off Mombasa Road
NAIROBI.

Dear MD

RE: PREMIUM MOTOR SPIRIT (PMS) RON 93 SPECIFICATIONS ABOARD MT PALOMA.

We refer to our letter ref MOEP/SDP/CONF/4/12 dated 26th March 2026 attached herein. Further reference is made to communication from One Petroleum in respect to specifications of PMS RON 93 aboard vessel MT Paloma.

In view of the intermittent supply shortfall experienced in the last week and the projected delivery, an alternative source of PMS has been identified.

This product was re-routed to Mombasa to stabilise the supply situation noting that the earlier planned delivery has been affected by the ongoing conflict in the Middle East that has affected marine traffic flow especially those that have to pass through the Strait of Hormuz.

Upon review of the cargo Certificate of Quality, the importer informs us that while the majority of parameters are within Kenyan PMS specifications, there are a few off-spec parameters, namely:
Benzene content, Manganese content and presence of Oxygenates. The Certificate of Quality (CoQ) is attached herein for your reference.

Given the current low stocks and the need to ensure security of supply of petroleum products, we respectfully request that Kenya Bureau of Standards (KEBS) reviews the relevant specifications and considers granting a waiver for these parameters.

Yours

Mohamed Liban, CBS
PRINCIPAL SECRETARY

Copy to:

Hon. J. Opiyo Wandayi, EGH
Cabinet Secretary
Ministry of Energy and Petroleum
Kawi House, South C
NAIROBI

Mr.Daniel Kiptoo Bargoria, MBS, OGW
Director General
Energy and Petroleum Regulatory Authority
Eagle House
Longonot Road Upperhill
NAIROBI

Mr.Joseph Otieno, R Geol
Commissioner Petroleum
State Department for Petroleum
NAIROBI

Mr.Ali Balala
Managing Director
One Petroleum
Mbaraki Wharf
MOMBASA

BSM	Notice Of Readiness	Form: PTM 12

Vessel: **MT PALOMA** Date : **27-Mar-2026** Voy. No: **20**

Terminal : **KIPEVU OIL TERMINAL (KOT II JETTY)** Port : **MOMBASA, KENYA**

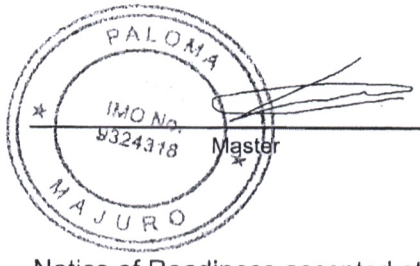
Cargo Grade : **GASOLINE** Nominated Q'ty: **AS PER C/P**

To: **KIPEVU OIL TERMINAL (KOT II JETTY)**
BP OIL INTERNATIONAL
ONE PETROLEUM KENYA LIMITED
AGENT / STURROCK SHIPPING (KENYA)
TRAFIGURA MARITIME
TO WHOM IT MAY CONCERN

NOTICE OF READINESS

Dear sirs,

"This is to advise you, that vessel PALOMA under my command, has arrived at MOMBASA Waiting area :Lat.:04° 11.0'S / Long.: 039°46.5'E," at 02:30 hrs local time,on 27 Mar 2026 and she is ready in all respects to discharge her cargo as per terms, conditions and exceptions of the relevant charter party dated 10 Feb 2026



Capt. COSMIN SARLA
Master

Notice of Readiness accepted at . . . . . hours local time on. . . . . .

For Terminal

Name

Designation

MT PALOMA

Port : **MOMBASA, KENYA**
Date : **March 27, 2026**
Voy. No : **20**

To: **Port Authority / MOMBASA, KENYA**

Terminal / KIPEVU OIL TERMINAL (KOT II JETTY)
BP OIL INTERNATIONAL
Agent / STURROCK SHIPPING (KENYA)
To whom it may concern.

Re: **Letter of Protest for Free Pratique.**

Dear Sirs,

This is to inform you that we must hold you responsible for the following facts and all consequences arising thereof:

- Free pratique was requested at the time of tendering Notice of readiness at 02:30 hours local time on 27 Mar 2026.

Customary or not, and through no fault of my vessel or her Owners or her agents or her Charterers, Free pratique has not been granted promptly on arrival at the time of my tendering of notice of readiness.

On behalf of my principals, reserve the right to extend or modify this protest at a future time and place.

Kindly acknowledge receipt of this letter and oblige in advance.

Yours Truly
MASTER

Capt. COSMIN SARLA

PALOMA
IMO No. 9324318
MAJURO

Received on Shipper's behalf :

Name :	**Date :**
Signature :	**Time :**

MT PALOMA

Port : **MOMBASA, KENYA**
Date : **March 27, 2026**
Voy. No : **20**

To: **Port Authority / MOMBASA, KENYA**

Terminal / KIPEVU OIL TERMINAL (KOT II JETTY)
BP OIL INTERNATIONAL
Agent / STURROCK SHIPPING (KENYA)
To whom it may concern.

Re: **Letter of Protest Custom clearance.**

Dear Sirs,

This is to inform you that we must hold you responsible for the following facts and all consequences arising thereof:

- Custom clearance was requested at the time of tendering Notice of readiness at 02:30 hours local time on 27 Mar 2026.

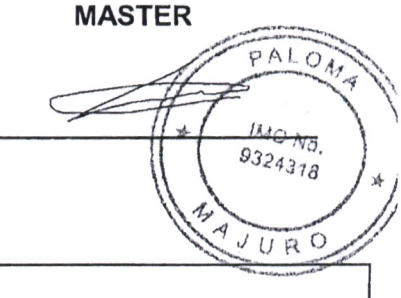
Customary or not, and through no fault of my vessel or her Owners or her agents or her Charterers, Custom clearance has not been granted promptly on arrival at the time of my tendering of notice of readiness.

On behalf of my principals, reserve the right to extend or modify this protest at a future time and place.

Kindly acknowledge receipt of this letter and oblige in advance.

Yours Truly
MASTER

Capt. COSMIN SARLA



Received on Shipper's behalf :

Name :	**Date :**
Signature :	**Time :**

Bill of Lading

COPY NON-NEGOTIABLE

B/L No. 1786073.1.452233

Shipper
ARAMCO TRADING FUJAIRAH FZE

Consignee
TO THE ORDER OF ARAMCO TRADING FUJAIRAH FZE

Notify address

We, Aramco Trading Fujairah FZE, hereby endorse this Bill of Lading to the order of BP SINGAPORE PTE LIMITED

For Customs purposes only
Not a document of title.

Vessel
M/T PALOMA

Port of Loading
FUJAIRAH, UAE

Port of Discharge
WEST AFRICA FOR ORDERS

Shipper's description of goods

Product Grade	**GASOLINE**
Cubic metres @ 15°C	**81,519.899**
Litres @ 15°C	**81,519,899**
Metric Tons (in air)	**60,200.813**
Metric Tons (in vacuum)	**60,289.549**
Long Tons	**59,250.00**
US Barrels @ 60°F	**513,094**

Other clauses: CLEAN ON BOARD
FREIGHT PAYABLE AS PER CHARTER PARTY

Shipped in apparent good order and condition by ARAMCO TRADING FUJAIRAH FZE. on board MARSHALL ISLANDS vessel, M/T PALOMA whereof Capt. SARLA COSMIN is the master at the port of Fujairah, United Arab Emirates.

This shipment is carried under and pursuant to the terms of the charter party between the owners and the charterer, and all the terms whatsoever of the said charter party except the rate and payment of freight specified therein apply to and govern the rights of the parties concerned in this shipment.

In witness whereof, the Master has signed three(3) original Bills of Lading of this tenor and date, one of which being accomplished, the others will be void.

Dated at Fujairah this day February 24, 2026

وكالة شرف للملاحة (ش.ذ.م.م) ص.ب ١٧٣٨ الفجيرة P.O. BOX: 1738 Fujairah SHARAF SHIPPING AGENCY L.L.C

Agents on behalf of Master
Capt. SARLA COSMIN

Vopak Horizon Fujairah Ltd.
PO Box 1769
Fujairah
United Arab Emirates

Telephone +971 (9) 2281800
Fax +971 (9) 2281358
www.vopakhorizonfujairah.com
FFZA Regn. No. 97 0-3449

فـوباك هورايزون
الفجيرة المحدودة
Vopak Horizon Fujairah Limited

COPY

B/L No. 1786073.1.452233

Certificate of Origin

Vessel	:	M/T PALOMA
Date	:	February 24, 2026
Destination	:	WEST AFRICA FOR ORDERS
Consignor	:	ARAMCO TRADING FUJAIRAH FZE
Consignee	:	TO THE ORDER OF ARAMCO TRADING FUJAIRAH FZE

The loaded product is said to be as follows:

Product Grade	**GASOLINE**
Cubic metres @ 15°C	**81,519.899**
Litres @ 15°C	**81,519,899**
Metric Tons (in air)	**60,200.813**
Metric Tons (in vacuum)	**60,289.549**
Long Tons	**59,250.00**
US Barrels @ 60°F	**513,094**

This is to confirm that the cargo as listed above has been loaded from Vopak Horizon Fujairah Ltd., Fujairah, United Arab Emirates.

Operations Supervisor

P.O. Box 1769, Fujairah - U.A.E. Vopak Horizon Fujairah Ltd.

VO-OPS 3-B(02-00)

intertek
caleb brett

S Testing Services (U.K.) Ltd. - Fujairah Br.
P.O. Box 1307
Fujairah
United Arab Emirates

Tel +971 9 2228124
Fax +971 9 2228125
intertek.com

ENAS
Emirates National Accreditation System
Testing - NAL 227

Report of Analysis

BP Singapore

Laboratory Report ID : 5956297
Job No. : 2026-FJRH-000223-G
Client Reference : Email Dated

Sample ID : 2026-FJRH-000223-G-001
Product : Gasoline 93R
Vessel : PALOMA
Job Location : Fujairah, UAE
Representing : PALOMA - Volumetric composite of samples from ship tanks 1W - 6W & Slop W drawn after loading on 24-02-26.

Date Taken : 24-Feb-2026
Date Submitted : 25-Feb-2026
Date Tested : 17-Mar-2026
Drawn By : Intertek

Method	Property	Result	Units	specification
ASTM D4052	FDensity at 15deg C	0.7391	kg/l	Min 0.710 - Max 0.780
ASTM D86	FDistillation			
	FEvaporated at 70°C	33.4	%Vol	Min 10
	FEvaporated at 125°C	83.4	%Vol	Min 50
	FEvaporated at 180°C	98.1	%Vol	Min 90
	F Final Boiling Point	184.8	°C	Max 215
	FResidue	1.0	%Vol	Max 2.0
ASTM D323	RVP at 37.8 deg C	8.25	Psi	Max 9.0
ASTM D2699	FOctane Number, Research (RON)*	93.6	-	Min 93.2
ASTM D2700	FOctane Number, Motor (MON)	84.8	-	Min 83.0
ASTM D3237	Lead Content	<0.0025	gPb/l	Max 0.013
ASTM D4294	FSulphur Content	0.0043	% mass	Max 0.05
ASTM D4952	Doctor Test	Negative		Negative
ASTM D 3227	Mercaptans	<0.0003	% mass	Max 0.005
ASTM D130	FCopper strip corrosion (3hrs @ 50degC)	1a	-	Max 1
ASTM D381	Gum, Existent (Washed)	1.0	mg/100ml	Max 4.0
ASTM D525	FInduction Period	>360	minutes	Min 360
Visual	Colour	Undyed	-	Green
	Odor	Marketable	-	Marketable
ASTM D1319	Aromatics	33.5	Vol %	report
ASTM D1319	Olefins	6.0	% vol	Max 18.0
ASTM D5580	Benzene	2.79	% vol	Max 3.0
ASTM D4815	Total Oxygen Content	0.23	mass %	Max 2.3
ASTM D3831	Manganese Content	27.0	mg/L	--

Sample Received Condition : Good (No Seal)
Seal Number : None
Sampling Method : Client Instruction
Remarks : AE220-0028178

*Doped with 170mg/L WRT MMT

intertek
caleb brett

ITS Testing Services (U.K.) Ltd. - Fujairah Br.
P.O. Box 1307
Fujairah
United Arab Emirates

Tel +971 9 2228124
Fax +971 9 2228125
intertek.com

ENAS
Emirates National Accreditation System
Testing - NAL 227

Report of Analysis

Laboratory Report ID : 5956297
Job No. : 2026-FJRH-000223-G
Client Reference : Email Dated

Results denoted by (F) are part of laboratory accreditation to ISO 17025:2017 requirements by ENAS.

Intertek is using latest version of Test methods.

This report has been reviewed for accuracy, completeness, and comparison against specifications when available. The reported results are only representative of the samples submitted for testing. This report shall not be reproduced except in full, without approval of the laboratory.

Signed: _____ Date: 17-03-2026

Sudeesh Kumar, Shift Leader

ITS Testing Services (U.K.) Ltd. Laboratory Division intertek caleb brett P.O. Box: 1307, Fujairah - U.A.E.

one
PETROLEUM

DATE: 7th April 2026

STATEMENT TO MEDIA HOUSES FROM ONE PETROLEUM LIMITED

In March, One Petroleum Limited, was one of four bidders that successfully responded to an emergency request issued by the Kenya Ministry of Energy and Petroleum.

Following consultations with the Government, One Petroleum Limited confirms that it has forthwith taken steps to ensure that the petroleum cargo that was brought in on 27th March, 2026 via MT Paloma does not enter the Kenyan market.

-ONE PETROLEUM LIMITED

One Petroleum Limited

+254 (41) 2224910, +254 (41) 2311103, +254 (41) 2313606
Mbaraki Wharf, Off Nyerere Road, Likoni, Mombasa, Kenya

www.onepetroleum.com

one
PETROLEUM

STATEMENT FROM ONE PETROLEUM ON DEFAMATORY AND INFLAMMATORY MISINFORMATION CIRCULATING IN KENYA

APRIL 24TH 2026

One Petroleum has, until now, chosen to let its actions speak for themselves. We are confident that everything we did was lawful, proper, and in direct response to requests from the Kenyan Government. However, the campaign of defamatory misinformation - including today's article in The Standard - has gone too far. We will not allow an unjustified narrative to stand unchallenged.

We were not approached by The Standard or any other media house for comment before these allegations were published. We are instructing our legal counsel and will be pursuing all available legal remedies.

The Facts

1. On 18 March 2026, the Ministry of Energy convened an industry meeting on petroleum stock positions . During this meeting, it was highlighted that there was a need to shore up the operational stock reserves.
2. On 19 March, the Ministry wrote to us and other suppliers requesting bids for an emergency cargo of between 35,000 and 85,000 MT of petroleum.
3. Globally, due to the ongoing conflict in the Middle East, there is a very high demand for petroleum and therefore, shipments may be available at a spot purchase at higher premiums. We were able to find a shipment owned by British Petroleum which was heading to Angola. Owing to its proximity to the Kenyan coast at the time of our enquiry, we were informed that the shipment could be delivered within 3 days.
4. When responding with our offer, we disclosed to the Ministry the specs of the product. A waiver was subsequently applied for and granted, as confirmed by the Ministry of Trade. It is worth noting that the product met petroleum standards applicable across many Southern African markets and Kenya's own standards from 2019 to mid 2025.
5. As is standard global practice, co-mingling of fuel is a recognised industry process. "Off-spec" imports and co-mingling occur in every market around the globe regularly, including in Kenya on other recent consignments reported in the press.
6. By 7 April, 20% of the consignment was paid for and collected by OMCs allotted by the Ministry before the new policy directive. Although we had by this stage incurred significant financial costs and had no legal obligation to comply, we chose to support the Government's revised position and immediately began withdrawing invoices for product destined for the local market.
7. We have at all times fully cooperated with all government authorities and investigators.

In Summary

We did not seek this contract. We responded to a written government request. Every aspect - quantity, price, and even quality - was communicated to and approved by the Ministry of Energy in writing, with formal waivers in place.

One Petroleum and its Directors are being targeted without any legitimate basis. We will take every step necessary - including legal action -to protect our reputation and that of our Directors.

One Petroleum Limited

+254 (41) 2224910, +254 (41) 2311103, +254 (41) 2313606
Mbaraki Wharf, Off Nyerere Road, Likoni, Mombasa, Kenya

www.onepetroleum.com
media@onepetroleum.com

ANNEX 10:

SUBMISSIONS BY KENYA REVENUE AUTHORITY.

KENYA REVENUE AUTHORITY

KENYA REVENUE AUTHORITY SUBMISSION TO THE SENATE STANDING COMMITTEE ON ENERGY

MAY 2026

KENYA REVENUE AUTHORITY
Confirmed
P. O. Box 48240 - 00100, NAIROBI
Date: 18.05.2026
Sign:

1.0 INTRODUCTION

The Senate Standing Committee on Energy vide letter Ref: SEN/DSEC/DISSC/ENERGY/391/2026 dated 21st April 2026 requested Kenya Revenue Authority (KRA) to provide the following information:

1. Role of KRA in promoting and supporting the steady supply of petroleum products in the country,

2. Comprehensive information on the applicable process for assessing, levying and collecting taxes and other customs-based levies on all petroleum imports into the country by products category and similarly indicate the process for all transit petroleum products, including highlighting the trends such as volumes and transit destinations in the last one fiscal year to date,

3. Clarify whether imports of all petroleum products into Kenya have been undertaken through the Government-to-Government (G-to-G) framework since its inception in 2023 and indicate any exceptions, specifying the date and time of import and clarifying the quantities, amounts and ownership,

4. A comprehensive status report with clear, certified data on all petroleum products that were assessed for taxes and levies for the period covering January 2026, February 2026, March 2026 and April 2026 (to date), indicating the details by product category and ownership, including the Oil Marketing Companies involved,

5. Comprehensive information on the status of petroleum products imported by specific oil marketers in the period March 2026, including notifications for imports, actual arrival, discharge and disclosing any cancellations or no-shows following any possible authorization by the Ministry and relevant agents,

6. Explain by submitting comprehensive information on taxes and levies realizes from petroleum products for the period July 2025 to April 2026 (to date), broken down by product category and ownership and indicating whether the products were for local consumption or for transit,

7. Clarify by indicating the status of the oil imports undertaken by One Petroleum in the months of February, March and April 2026 (to date) and the status of the petroleum cargo so imported, including additional disclosure on quantities involved, taxes and levies assessed and collected and if available, its compliance with set standards and its impact or yield on taxes and levies to be assessed and collected,

KENYA REVENUE AUTHORITY
P.O. Box 48240 - 00100, NAIROBI
Date: 18.05.2026
Sign:

8. Explain whether KRA has any information relating to the withdrawal of petroleum products on account of concerns about standards or quality of imported fuel or any other concerns, for the last six (6) months to date (April 2026), indicating the type of petroleum products, quantities involved and ownership including any penalties applicable by law,

9. Elaborate by providing the turnaround time involved in the clearance including processing of petroleum products by KRA at the Port of Mombasa and at exit points for transit cargo, indicating whether any delays were or are experienced in the clearance of ships or tankers importing oil products into the country and providing evidence of the time involved against set clearance timelines or standards and additionally submitting any information on demurrage charges levied by ships or tankers, and their implication on cost of petroleum products and subsequent assessment for taxation,

10. Clarifying whether any KRA official(s) were involved in the procurement or sourcing of emergency petroleum products and state their role and mandate in that regards,

11. Explain the type of information that KRA submits to Kenya Ports Authority (KPA) for the clearance (or otherwise) of imports and exports of goods, including petroleum products and similarly indicate the information submitted to Kenya Pipeline Company (KPC) regarding the import of petroleum products and the removal/withdrawal/destruction of unwanted/substandard/illegal petroleum products,

12. Provide and explain trend information in respect of the amount of taxes and levies realized from petroleum products in the last twenty-four (24) months to date (April 2026), broken down by petroleum products category and additionally provide the quantum of taxes and levies waived or foregone as a result of the recent reduction of Value Added Tax (VAT) on petroleum products and its implication and,

13. Submit and elaborate any legislative proposals or recommendations regarding subsisting gaps or weaknesses involving the importation (and export) of petroleum products, including proposals on the emergency procurement of petroleum products.

KENYA REVENUE AUTHORITY
Confirmed
P. O. Box 48240 - 00100, NAIROBI
Date: 18.05.2026
Sign:

In this regard, we submit as follows:

2.0 RESPONSES

2.1 Role of KRA in promoting and supporting the steady supply of petroleum products in the country

KRA promotes and supports the steady supply of petroleum products in the country by facilitating importation and customs clearance upon release by the concerned Partner Government Agencies (PGAs) such as Kenya Bureau of Standards (KEBS) who are responsible for quality control.

This is achieved through the expedited processing of import documentation, timely assessment and collection of duties, VAT, levies and other statutory charges, as well as the prompt release of cargo at petroleum depots in Mombasa and upcountry.

2.2 Comprehensive information on the applicable process for assessing, levying and collecting taxes and other customs-based levies on all petroleum imports into the country by products category and similarly indicate the process for all transit petroleum products, including highlighting the trends such as volumes and transit destinations in the last one fiscal year to date

The process of customs clearance of petroleum is as follows:

- Shipping line submits cargo manifest in the Integrated Customs Management System (iCMS) which seamlessly gets transmitted to the KPA system,
- Importer submits Notice Of Intention (NOI) to KRA indicating vessel name and product details,
- Upon arrival of the vessel, KRA and other Government Agencies go on-board to ascertain vessel, crew and cargo details,
- Determination of petroleum quantities discharged from the importing vessel by the industry contracted quantity surveyor, result in issuance of an outturn report which gives the quantities and their allocation to specific oil marketing companies based on initial import plans and any necessary adjustments by the importer,
- Submission by the importer of a warehousing customs declaration for the parcels for local use and subsequent payment of the applicable levies i.e. Merchant Shipping Superintendent (MSS) levy,

KENYA REVENUE AUTHORITY
P.O Box [illegible] NAIROBI
Date: 18.05.2026
Sign:

- Processing and approval by relevant PGAs with any role or interest e.g. approval of standards by KEBS,
- Final processing of customs warehousing declaration by KRA,
- Transfer of ownership by the importer to the various Oil Marketing Companies (OMCs) by way of assigning quantities in the iCMS system via form C16 which is also transmitted to KPC,
- Self-assessment of taxes by the OMCs in the iCMS system by way of customs declarations of petroleum for home use and payment of the applicable customs taxes, fees and levies (Import Duty – where applicable, Excise Duty, VAT, Import Declaration Fees, Railway Development Levy, Road Maintenance Levy, Petroleum Development Fund/Levy, Petroleum Regulatory Levy, Anti-Adulteration Levy - for illuminating kerosene),
- For transit products, the respective OMCs will declare their products in the iCMS system and execute security bonds to cover the equivalent tax liability of their products until the product exits the country.
- Trend for imports and transit from July 2024 to April 2026 (as at 18th) are provided in Annex I and II below.

2.3 Clarify whether imports of all petroleum products in to Kenya have been undertaken through G-to-G framework since its inception in 2023, and indicate any exceptions, specifying the date and time of import and clarifying the quantities, amounts and ownership

The importation of petroleum products into Kenya is the sole mandate of the Ministry in charge of petroleum as provided for by the Petroleum (Importation) Regulations, 2023 (Legal Notice No. 3 of 2023). The importer is not obligated to declare the importation arrangements with KRA.

2.4 A comprehensive status report with clear, certified data on all petroleum products that were assessed for taxes and levies for the period covering January 2026, February 2026, March 2026 and April 2026 (to date), indicating the details by product category and ownership, including the OMCs involved

Trend for imports from January 2026 to April 2026 (as at 18th) are provided **in Annex III** below.

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2.5 Comprehensive information on the status of petroleum products imported by specific oil marketers in the period March 2026, including notifications for imports, actual arrival, discharge and disclosing any cancellations or no-shows following any possible authorization by the Ministry and relevant agents

Notifications for imports are based on the Ministry of Energy and Petroleum letters of award to the various G-to-G importers while actual arrival dates are maintained by KPA. The berthing and discharge dates are as follows:

LIST OF VESSELS COMPLETED DISCHARGES IN MARCH 2026						
No.	Vessel Name	Importer	Product	Date of Berthing	Date of Completion	No. of Days Discharging
1.	MT Lyric Magnolia	Gulf Energy	AGO	04/03/2026	07/03/2026	4
2.	MT Nave Estella	One Petroleum	AGO	15/03/2026	17/03/2026	3
3.	MT Valery Roma	Gulf Energy	PMS	16/03/2026	18/03/2026	3
4.	MT FOS Mercury	Gulf Energy	PMS	18/03/2026	22/03/2026	5
5.	MT PS Pelican	Gulf Energy	AGO	19/03/2026	21/03/2026	3
6.	MT Lunaria	One Petroleum & Be Energy	AGO	20/03/2026	26/03/2026	7
7.	MT Constantinos	Gulf Energy	JET A1	20/03/2026	24/03/2026	5
8.	MT Paloma	One Petroleum	PMS	28/03/2026	30/03/2026	3

2.6 Explain by submitting comprehensive information on taxes and levies realizes from petroleum products for the period July 2025 to April 2026 (to date), broken down by product category and ownership and indicating whether the products were for local consumption or for transit

Trend for imports and transit from July 2025 to April 2026 (as at 18th) are provided in **Annex IV and V** below.

2.7 Clarify by indicating the status of the oil imports undertaken by One Petroleum in the months of February, March, and April 2026 (to date), and the status of the petroleum cargo so imported, including additional disclosure on quantities involved, taxes and levies assessed and collected and, if available, its compliance with set standards and its impact or yield on taxes and levies to be assessed and collected

LIST OF VESSELS IMPORTED BY ONE PETROLEUM FEBRUARY, MARCH & APRIL 2026							
No.	Vessel Name	Product	Date of Discharge	Quantity (Litres)		Taxes Paid (Kshs.)	Compliance with Standard
				Local	Transit		
1.	MT Nave Estella	AGO	14.03.2026 - 16.03.2026	50,266,056	22,791,150	2,711,307,535	APPROVED BY KEBS
2.	MT Lunaria	AGO	22.03.2026 - 26.03.2026	42,491,602	24,522,603	3,033,577,853	APPROVED BY KEBS
3.	MT Paloma	PMS	28.03.2026 - 30.03.2026	66,288,562	15,558,562	5,097,783,692	APPROVED BY KEBS

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2.8 Explain whether KRA has any information relating to the withdrawal of petroleum products on account of concerns about standards or quality of imported fuel, or any other concerns, for the last six (6) months to date (April 2026), indicating the type of petroleum products, quantities involved and ownership including any penalties applicable by law

KRA is only aware of the directive by the Government to exit the petroleum product imported on vessel MT. PALOMA on account of being procured outside the G-to-G framework:

- **Product:** Premium Motor Spirit (PMS)
- **Ownership:** One Petroleum Ltd

On 7th April 2026, the Cabinet Secretary, Ministry of Energy and Petroleum issued a Press Release restricting the PMS consignment delivered by vessel MT. PALOMA from the local market and guided One Petroleum Ltd exit the product out of Kenya.

Further, the Ministry of Energy and Petroleum, vide letter Ref: MOEP/SDP/CONF/4/12 dated 14th April 2026 guided **on re-consignment** of the PMS consignment delivered by vessel MT. PALOMA **to the transit market.**

The local entries have been cancelled and the taxes paid by the various OMCs are scheduled for transfers to customs declarations for subsequent vessels.

2.9 Elaborate by providing the turnaround time involved in the clearance including processing of petroleum products by KRA at the Port of Mombasa and at exit points for transit cargo, indicating whether any delays were or are experienced in the clearance of ships or tankers importing oil products into the country and providing evidence of the time involved against set clearance timelines or standards and additionally submitting any information on demurrage charges levied by ships or tankers and their implication on cost of petroleum products and subsequent assessment for taxation;

Vessel discharge at the port typically takes between **2 and 15 days**, depending on the availability of **ullage (storage space)**. However, it is important to note that this process falls under the operational mandate of **KPA** and **KPC, together with the importing OMCs who have the responsibility for clearance of the Letters of Credit with the financing bank before vessel discharge.**

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Consequently, information relating to **demurrage charges levied by ships or tankers** and their implications on the cost of petroleum products is **not within the access or control of KRA**. Further, this operational process does **not have any direct implication on the subsequent assessment of taxes**, which is based on the applicable customs value, quantity imported and prevailing tax rates and statutory levies.

Assessment and collection of taxes on petroleum products takes place **upon completion of vessel discharge and issuance of the outturn report**, as guided by the **Customs and Excise (Petroleum Oils) (Excise) Regulations, 2005, Legal Notice No. 47 of 2005**, as amended by the **2013 Regulations (Legal Notice No. 199 of 2013)**. The Regulations provide that, upon determination of ownership and assessment of tax liability, all applicable taxes and levies become payable upon release by customs, **provided that no taxes or levies shall remain unpaid for more than five (5) days from the date of entry**.

At the points of exit, transit cargoes are cleared on arrival and within the Service Level Agreement (SLA) timelines.

2.10 Clarifying whether any KRA official(s) were involved in the procurement or sourcing of emergency petroleum products and state their role and mandate in that regards

KRA is **not** involved in the procurement process. The importation of petroleum products into Kenya is the sole mandate of the Ministry in charge of petroleum as provided for by the Petroleum (Importation) Regulations, 2023 (Legal Notice No. 3 of 2023).

2.11 Explain the type of information that KRA submits to KPA for the clearance (or otherwise) of imports and exports of goods, including petroleum products and similarly indicate the information submitted to KPC regarding the import of petroleum products and the removal/withdrawal/destruction of unwanted/substandard/illegal petroleum products

The ship manifest submitted by the shipping line to the **KRA iCMS** is seamlessly transmitted to the **KPA system**, as the two (2) systems are fully integrated. Cargo manifest information includes details of the exporter, importer and cargo quantity.

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For cargo imported for local use, KRA approves the transfer of ownership from the main importer to the other OMCs through form C16. This process is automated in iCMS and the information is shared with KPC's SAP system which is integrated with iCMS.

After the OMCs declare their respective products and pay the requisite taxes and levies through iCMS, KRA processes and after release, the information is transmitted to KPC's SAP system (KRA only processes and releases products after approval and release by KEBS).

For transit cargo, OMCs declare their respective products and execute security bonds to cover the tax liabilities in iCMS. KRA processes and after release, the information is transmitted to KPC's SAP system.

2.12 Provide and explain trend information in respect of the amount of taxes and levies realized from petroleum products in the last twenty-four (24) months to date (April 2026), broken down by petroleum products category and additionally provide the quantum of taxes and levies waived or foregone as a result of the recent reduction of VAT on petroleum products and its implication

Trend for imports from July 2024 to April 2026 (as at 18th) are provided in Annex VI and impact of change in VAT rate in **Annex VII** below.

2.13 Submit and elaborate any legislative proposals or recommendations regarding subsisting gaps or weaknesses involving the importation (and export) of petroleum products, including proposals on the emergency procurement of petroleum products

With regard to the weaknesses identified in the **importation of petroleum products**, it is recommended that there be **strengthened inter-agency data integration and enhanced statutory reporting obligations** among the relevant Government Agencies to improve information flow, operational efficienc and accountability across the petroleum supply chain.

As concerns proposals relating to the **emergency procurement of petroleum products**, it is recommended that this matter be addressed by the **relevant government agencies within whose statutory mandate the function falls.**

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3.0 CONCLUSION

In conclusion, KRA respectfully submits that its role in the petroleum supply chain is limited to matters falling within its statutory mandate, principally **customs clearance, tax assessment, levy collection, transit control and trade facilitation**. KRA continues to support the **steady and uninterrupted supply of petroleum products** through expedited customs processes, prompt release of approved cargo and timely assessment and collection of applicable duties, taxes, levies and fees.

In respect of the concerns raised by the Committee, KRA has provided the information available within its systems and jurisdiction, including import and transit processes, tax and levy trends and cargo status.

The Authority remains available to provide any further clarification or certified data that the Committee may require.

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4.0 ANNEXES

Annex I: Trend of Imports from July 2024 to April 2026

FY	Month	2710.12.20 (Premium Motor Spirit)			2710.19.21 (Kerosene Type Jet Fuel)			2710.19.31 (Gas Oil)		
		Quantity ('000 Litres.)	Levies (Kshs. Millions)	Taxes (Kshs. Millions)	Quantity ('000 Litres.)	Levies (Kshs. Millions)	Taxes (Kshs. Millions)	Quantity ('000 Litres.)	Levies (Kshs. Millions)	Taxes (Kshs. Millions)
2024/2025	Jul-24	138,853.08	4,435.94	5,824.54	9,018.73	17.98	243.64	216,050.09	6,554.96	6,314.67
	Aug-24	161,510.20	5,249.04	6,803.34	8,600.05	16.24	221.16	288,692.93	9,367.70	8,422.91
	Sep-24	195,776.12	6,345.72	8,021.34	8,251.85	15.61	212.66	210,409.58	6,815.35	5,985.70
	Oct-24	186,002.49	6,013.58	7,434.03	4,923.73	8.59	117.81	258,508.24	8,347.31	7,037.44
	Nov-24	176,041.60	5,690.79	7,030.49	7,495.00	12.96	178.04	205,143.84	6,643.29	5,815.36
	Dec-24	157,017.21	5,089.78	6,221.94	8,999.89	15.61	211.28	197,477.15	6,423.48	5,534.52
	Jan-25	225,406.65	7,373.23	8,987.88	7,280.22	15.54	170.50	275,279.94	9,021.54	7,754.86
	Feb-25	111,169.43	3,642.28	4,481.32	9,065.05	19.40	213.47	191,408.73	6,287.11	5,521.87
	Mar-25	199,677.46	6,526.35	7,911.29	6,723.33	14.85	162.42	205,421.46	6,731.39	5,777.01
	Apr-25	200,393.40	6,537.56	7,827.56	5,786.99	12.30	134.99	186,221.28	6,082.12	5,051.83
	May-25	159,513.51	5,202.44	6,211.70	7,204.50	15.11	166.17	269,297.43	8,791.18	7,269.69
	Jun-25	207,598.17	6,781.54	8,192.41	6,274.19	12.78	141.18	182,684.48	5,959.66	4,892.69
Sub-Total		***2,118,959.32***	***68,888.25***	***84,947.83***	***89,623.50***	***176.98***	***2,173.32***	***2,686,595.14***	***87,025.10***	***75,378.57***
2025/2026	Jul-25	131,372.73	4,299.60	5,253.59	9,424.77	20.15	220.91	241,139.70	7,881.23	6,591.61
	Aug-25	194,628.02	6,361.03	7,709.35	8,450.85	17.20	190.10	212,244.39	6,950.36	5,925.58
	Sep-25	191,291.23	6,258.20	7,627.86	7,508.71	14.94	165.68	289,975.24	9,479.57	7,946.08
	Oct-25	211,734.79	6,924.92	8,430.27	7,157.82	13.60	152.06	290,028.33	9,490.91	8,036.54
	Nov-25	162,120.88	5,291.84	6,353.30	8,150.71	20.74	175.67	281,350.89	9,216.92	7,888.35
	Dec-25	205,504.63	6,712.11	8,095.21	8,013.95	55.14	175.31	218,564.01	7,167.93	6,197.22
	Jan-26	174,541.54	5,689.63	6,766.38	7,066.94	47.76	153.70	174,913.81	5,712.12	4,734.65
	Feb-26	182,469.73	5,944.86	7,048.33	6,578.61	45.78	143.31	259,305.93	8,459.85	6,947.76
	Mar-26	191,804.78	6,299.63	7,881.72	8,308.29	58.80	190.04	251,143.18	8,302.24	7,742.98
	Apr-26	166,183.18	5,528.32	6,716.83	6,930.86	48.22	150.88	161,834.30	5,537.63	5,142.33
Sub-Total		***1,811,651.50***	***59,310.14***	***71,882.85***	***77,591.51***	***342.34***	***1,717.66***	***2,380,499.77***	***78,198.75***	***67,153.10***
Grand Total		**3,930,610.82**	**128,198.39**	**156,830.68**	**167,215.01**	**519.32**	**3,890.99**	**5,067,094.92**	**165,223.84**	**142,531.67**

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Notes:

- *The products considered are petroleum products of heading 2710.12.20 (Premium Motor Spirit), 2710.19.21 (Kerosene Type Jet Fuel) and 2710.19.31 (Gas oil)*
- ***Taxes include:** Import Duty, Value Added Tax, Excise Duty and Import Declaration Fee*
- ***Levies include:** Railway Development Levy, Petroleum Development Levy, Petroleum Regulatory Levy, Road Maintenance Levy and Merchant Shipping Superintendent Levy*
- *The total quantities for the three (3) products imported from July 2024 to April 2026 was **9,164,920.74** Litres*
- *The total taxes and levies paid were **Kshs. 303,253.34 Million** and **Kshs. 293,941.55 Million** respectively*

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Annex II: Trend of Transit from July 2024 to April 2026

Destination	2710.12.20 (Premium Motor Spirit)		2710.19.21 (Kerosene Type Jet Fuel)		2710.19.31 (Gas Oil)	
	Quantity ('000 Litres)	CIF Value (Kshs. Million)	Quantity ('000 Litres)	CIF Value (Kshs. Million)	Quantity ('000 Litres)	CIF Value (Kshs. Million)
Uganda	2,183,869	181,373	335,010	31,514	1,958,266	170,273
DRC	1,428,751	113,429	59,626	4,797	1,586,390	127,604
South Sudan	1,071,731	86,359	237,953	19,538	1,261,315	102,616
Rwanda	43,553	4,146	-	-	26,786	2,431
Tanzania	-	-	-	-	25	2
Others	1,697	134	175	15	1,112	92
Grand Total	**4,729,600**	**385,439**	**632,764**	**55,864**	**4,833,894**	**403,018**

Notes:

- *This data covers the period July 2024 to April 2026 (as at 18th April 2026)*
- *The three (3) products are PMS, AGO and Kerosene type jet fuel*
- *Transit data includes Single Customs Territory (SCT) system and non-SCT data*
- *SCT covers Uganda, Tanzania and Rwanda while non-SCT covers DRC and South Sudan*

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Annex III: Trend of Imports Data from January 2026 to April 2026

Consignee Name	2710.12.20 (Premium Motor Spirit)			2710.19.21 (Kerosene Type Jet Fuel)			2710.19.31 (Gas Oil)		
	Quantity ('000 Litres.)	Taxes (Kshs. Millions)	Levies (Kshs. Millions)	Quantity ('000 Litres.)	Taxes (Kshs. Millions)	Levies (Kshs. Millions)	Quantity ('000 Litres.)	Taxes (Kshs. Millions)	Levies (Kshs. Millions)
Vivo Energy Kenya Limited	149,482.32	4,904.94	5,973.20	7,261.92	51.22	164.53	213,381.65	7,046.07	6,132.44
Totalenergies Marketing Kenya Plc	86,148.06	2,834.38	3,481.53	705.00	4.85	14.84	113,717.19	3,762.63	3,341.53
Rubis Energy Kenya Plc	57,340.28	1,885.93	2,310.94	3,159.65	21.97	68.66	77,661.32	2,573.32	2,262.97
Vitalac International Limited	47,530.38	1,556.35	1,852.49				29,331.01	966.31	820.07
Petro Oil Kenya Limited	27,199.39	892.93	1,075.57				17,250.91	572.32	503.09
E3 Energy Kenya Limited	24,750.86	809.15	978.31				1,381.18	45.76	40.60
Kengas Kenya Limited	24,492.23	803.58	969.88				21,710.21	710.69	596.30
Towba Petroleum Company Limited	21,232.27	696.00	840.48				15,710.82	518.88	452.93
Aftah Petroleum (K) Limited	19,893.76	654.51	804.22				9,341.59	310.64	270.16
Ola Energy Kenya Limited	19,402.21	636.40	771.91	475.10	3.31	10.40	36,882.46	1,218.36	1,073.46
Galana Energies Limited	17,365.39	570.03	673.68				43,908.02	1,456.88	1,296.73
Fossil Supplies Limited	14,883.97	487.90	592.75				7,458.92	245.72	222.09
Lake Oil Limited	13,065.77	428.60	518.60				13,298.28	439.25	382.05
Tosha Petroleum (Kenya) Limited	12,521.07	409.62	491.72				16,982.07	562.07	499.20
Astrol Petroleum Company Limited	12,409.78	406.51	483.16				12,305.10	407.62	356.57
Stabex International Limited	11,077.22	362.25	426.34	1,976.26	13.76	43.11	13,215.73	436.88	378.35
Gapco Kenya Limited	10,428.77	341.65	410.29				12,779.45	422.23	367.96
Hass Petroleum (K) Limited	8,377.44	275.92	42.70	6,649.55	46.08	143.07	18,932.16	632.19	564.33
Dalbit Petroleum Ltd	7,705.33	253.18	306.29	1,204.59	8.39	26.28	22,843.59	757.14	686.98
Be Energy Limited	7,527.35	247.05	300.03	1,489.86	10.43	33.06	12,633.07	419.50	376.76
Top 20 Consignees	**592,833.83**	**19,456.91**	**23,604.07**	**22,921.93**	**160.02**	**503.95**	**710,724.74**	**23,504.47**	**20,624.56**
Other Consignees	**122,165.39**	**4,005.54**	**4,809.19**	**5,962.78**	**40.55**	**133.99**	**136,472.48**	**4,507.36**	**3,943.16**
Grand Total	**714,999.22**	**23,462.45**	**28,413.26**	**28,884.70**	**200.56**	**637.94**	**847,197.22**	**28,011.83**	**24,567.72**

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Notes:

- *The period under review is January 2026 to April 2026*
- *The list includes Top 20 consignees, quantities, taxes and levies for the three (3) imported products*

Annex IV: Imports from July 2025 to April 2026

Consignee Name	2710.12.20 (Premium Motor Spirit)			2710.19.21 (Kerosene Type Jet Fuel)			2710.19.31 (Gas Oil)		
	Quantity ('000 Litres.)	Taxes (Kshs. Millions)	Levies (Kshs. Millions)	Quantity ('000 Litres.)	Taxes (Kshs. Millions)	Levies (Kshs. Millions)	Quantity ('000 Litres.)	Taxes (Kshs. Millions)	Levies (Kshs. Millions)
Vivo Energy Kenya Limited	391,195.08	12,807.83	15,572.65	20,754.02	90.75	466.05	580,290.61	19,050.94	16,296.86
Totalenergies Marketing Kenya Plc	225,523.93	7,387.93	8,991.65	1,755.00	6.89	37.53	326,775.61	10,735.19	9,257.83
Rubis Energy Kenya Plc	148,108.38	4,851.67	5,901.59	5,976.60	29.62	131.50	232,681.38	7,647.26	6,569.78
Vitalac International Limited	108,283.14	3,545.61	4,279.53				71,203.18	2,339.47	1,996.72
Petro Oil Kenya Limited	67,124.45	2,199.70	2,667.29				52,985.05	1,743.45	1,503.67
Ola Energy Kenya Limited	56,329.22	1,842.80	2,231.39	988.53	5.38	21.39	91,485.40	3,005.18	2,588.56
Towba Petroleum Company Limited	51,285.25	1,677.57	2,025.93				39,393.48	1,293.77	1,109.21
Aftah Petroleum (K) Limited	49,377.90	1,618.96	1,976.25				32,271.43	1,061.86	911.32
Galana Energies Limited	40,853.43	1,337.44	1,602.58				130,940.66	4,304.33	3,703.03
Fossil Supplies Limited	35,508.03	1,161.59	1,406.94				25,698.74	842.45	726.90
Leadway Petroleum Limited	34,365.93	1,124.92	1,370.46				28,208.26	926.56	799.11
Tosha Petroleum (Kenya) Limited	33,417.28	1,092.27	1,317.33				52,519.83	1,724.94	1,484.53
Lake Oil Limited	32,230.90	1,055.55	1,281.26				34,297.38	1,126.96	966.61
Astrol Petroleum Company Limited	31,953.85	1,045.03	1,255.70				28,637.74	942.15	810.30
Zacosia Trading Limited	30,623.89	1,001.77	1,217.59				35,652.63	1,168.33	995.60
Gapco Kenya Limited	29,519.74	965.30	1,164.38				42,283.96	1,387.76	1,186.90
Stabex International Limited	26,412.59	863.25	1,032.16	9,090.58	36.24	205.86	28,552.49	938.65	802.43
Hass Petroleum (K) Limited	21,710.40	711.48	869.25	14,812.11	69.57	324.64	50,418.96	1,662.81	1,438.98
Dalbit Petroleum Ltd	18,728.93	613.22	741.13	2,947.41	15.43	64.26	74,493.29	2,447.05	2,117.41
Be Energy Limited	17,928.60	586.77	710.30	4,499.14	16.33	98.62	37,767.14	1,242.01	1,073.79

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Consignee Name	2710.12.20 (Premium Motor Spirit)			2710.19.21 (Kerosene Type Jet Fuel)			2710.19.31 (Gas Oil)		
	Quantity ('000 Litres.)	Taxes (Kshs. Millions)	Levies (Kshs. Millions)	Quantity ('000 Litres.)	Taxes (Kshs. Millions)	Levies (Kshs. Millions)	Quantity ('000 Litres.)	Taxes (Kshs. Millions)	Levies (Kshs. Millions)
Top 20 Consignees	1,450,480.92	47,490.66	57,615.38	60,823.37	270.20	1,349.85	1,996,557.21	65,591.11	56,339.55
Other Consignees	361,170.58	11,819.48	14,267.48	16,768.13	72.13	367.81	383,942.56	12,607.64	10,813.55
Grand Total	1,811,651.50	59,310.14	71,882.85	77,591.51	342.34	1,717.66	2,380,499.77	78,198.75	67,153.10

Notes:

- *The period under review is July 2025 to April 2026*
- *The list includes Top 20 consignees, quantities, taxes and levies for the three imported products*

Annex V: Trend of Transit from July 2025 to April 2026

Destination	2710.12.20 (Premium Motor Spirit)		2710.19.21 (Kerosene Type Jet Fuel)		2710.19.31 (Gas Oil)	
	Quantity ('000 Litres)	CIF Value (Kshs. Million)	Quantity ('000 Litres)	CIF Value (Kshs. Million)	Quantity ('000 Litres)	CIF Value (Kshs. Million)
Uganda	775,275	63,696	131,919	10,636	758,737	65,020
DRC	711,346	54,989	14,553	1,131	799,503	64,393
South Sudan	481,262	38,051	89,758	7,259	574,019	46,776
Rwanda	22,653	2,161	-	-	9,066	825
Tanzania	-	-	-	-	25	2
Others	1,006	80	75	6	388	34
Grand Total	**1,991,542**	**158,977**	**236,304**	**19,031**	**2,141,737**	**177,049**

Notes:

- *This data covers the period July 2025 to April 2026 (as at 18th April 2026)*
- *The three products are PMS, AGO and Kerosene type jet fuel*
- *Transit data includes SCT system and non-SCT data*
- *SCT covers Uganda, Tanzania and Rwanda while non-SCT covers DRC and South Sudan*

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Annex VI: Imports from July 2024 to April 20ss26

FY	Month	2710.12.20 (Premium Motor Spirit)			2710.19.21 (Kerosene Type Jet Fuel)			2710.19.31 (Gas Oil)		
		Quantity ('000 Litres.)	Levies (Kshs. Millions)	Taxes (Kshs. Millions)	Quantity ('000 Litres.)	Levies (Kshs. Millions)	Taxes (Kshs. Millions)	Quantity ('000 Litres.)	Levies (Kshs. Millions)	Taxes (Kshs. Millions)
2024/2025	Jul-24	138,853.08	4,435.94	5,824.54	9,018.73	17.98	243.64	216,050.09	6,554.96	6,314.67
	Aug-24	161,510.20	5,249.04	6,803.34	8,600.05	16.24	221.16	288,692.93	9,367.70	8,422.91
	Sep-24	195,776.12	6,345.72	8,021.34	8,251.85	15.61	212.66	210,409.58	6,815.35	5,985.70
	Oct-24	186,002.49	6,013.58	7,434.03	4,923.73	8.59	117.81	258,508.24	8,347.31	7,037.44
	Nov-24	176,041.60	5,690.79	7,030.49	7,495.00	12.96	178.04	205,143.84	6,643.29	5,815.36
	Dec-24	157,017.21	5,089.78	6,221.94	8,999.89	15.61	211.28	197,477.15	6,423.48	5,534.52
	Jan-25	225,406.65	7,373.23	8,987.88	7,280.22	15.54	170.50	275,279.94	9,021.54	7,754.86
	Feb-25	111,169.43	3,642.28	4,481.32	9,065.05	19.40	213.47	191,408.73	6,287.11	5,521.87
	Mar-25	199,677.46	6,526.35	7,911.29	6,723.33	14.85	162.42	205,421.46	6,731.39	5,777.01
	Apr-25	200,393.40	6,537.56	7,827.56	5,786.99	12.30	134.99	186,221.28	6,082.12	5,051.83
	May-25	159,513.51	5,202.44	6,211.70	7,204.50	15.11	166.17	269,297.43	8,791.18	7,269.69
	Jun-25	207,598.17	6,781.54	8,192.41	6,274.19	12.78	141.18	182,684.48	5,959.66	4,892.69
Sub-Total		***2,118,959.32***	***68,888.25***	***84,947.83***	***89,623.50***	***176.98***	***2,173.32***	***2,686,595.14***	***87,025.10***	***75,378.57***
2025/2026	Jul-25	131,372.73	4,299.60	5,253.59	9,424.77	20.15	220.91	241,139.70	7,881.23	6,591.61
	Aug-25	194,628.02	6,361.03	7,709.35	8,450.85	17.20	190.10	212,244.39	6,950.36	5,925.58
	Sep-25	191,291.23	6,258.20	7,627.86	7,508.71	14.94	165.68	289,975.24	9,479.57	7,946.08
	Oct-25	211,734.79	6,924.92	8,430.27	7,157.82	13.60	152.06	290,028.33	9,490.91	8,036.54
	Nov-25	162,120.88	5,291.84	6,353.30	8,150.71	20.74	175.67	281,350.89	9,216.92	7,888.35
	Dec-25	205,504.63	6,712.11	8,095.21	8,013.95	55.14	175.31	218,564.01	7,167.93	6,197.22
	Jan-26	174,541.54	5,689.63	6,766.38	7,066.94	47.76	153.70	174,913.81	5,712.12	4,734.65
	Feb-26	182,469.73	5,944.86	7,048.33	6,578.61	45.78	143.31	259,305.93	8,459.85	6,947.76
	Mar-26	191,804.78	6,299.63	7,881.72	8,308.29	58.80	190.04	251,143.18	8,302.24	7,742.98
	Apr-26	166,183.18	5,528.32	6,716.83	6,930.86	48.22	150.88	161,834.30	5,537.63	5,142.33
Sub-Total		***1,811,651.50***	***59,310.14***	***71,882.85***	***77,591.51***	***342.34***	***1,717.66***	***2,380,499.77***	***78,198.75***	***67,153.10***
Grand Total		**3,930,610.82**	**128,198.39**	**156,830.68**	**167,215.01**	**519.32**	**3,890.99**	**5,067,094.92**	**165,223.84**	**142,531.67**

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Notes:

- *The period under review is July 2024 to April 2026*
- *The list includes quantities, taxes and levies for the three (3) imported products*

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Annex VII: Impact of Change in VAT Rate from 16% to 13% and 8%

Dates In April 2026	VAT Rate	Quantity ('000 Litres.)	VAT Oil (Kshs. M)	Value (Kshs. M)	VAT @ 16%	Impact (Kshs. M)
01/04/2026	16%	9,306.72	220.90	1,190.86		
02/04/2026	16%	6,614.67	154.38	838.42		
04/04/2026	16%	150.00	3.21	17.80		
07/04/2026	16%	6,800.78	155.90	895.69		
08/04/2026	16%	45,568.97	948.42	5,107.62		
09/04/2026	16%	21,552.16	457.32	2,498.21		
10/04/2026	16%	14,625.67	276.66	1,451.15		
11/04/2026	16%	238.45	4.47	23.04		
13/04/2026	16%	2,610.48	48.15	257.15		
14/04/2026	16%	13,108.37	255.52	1,318.65		
15/04/2026	16%	583.99	11.85	63.89		
15/04/2026	13%	7,170.69	113.29	714.01	114.24	0.96
16/04/2026	8%	19,280.16	241.37	2,735.41	437.66	196.29
16/04/2026	16%	163.67	3.80	21.75		
16/04/2026	13%	17,996.81	329.20	2,212.23	353.96	24.76
17/04/2026	8%	24,842.60	302.05	3,389.61	542.34	240.29
17/04/2026	16%	730.50	14.01	77.53		
17/04/2026	13%	2,007.54	41.01	286.41	45.83	4.82
18/04/2026	8%	142.65	1.50	16.10	2.58	1.08
20/04/2026	8%	1,061.81	11.29	123.69	19.79	8.50
20/04/2026	16%	433.68	7.78	43.13		
20/04/2026	13%	1,850.75	41.04	294.08	47.05	6.01
21/04/2026	8%	2,310.63	24.72	275.41	44.07	19.35
21/04/2026	16%	1,773.64	24.78	141.47		
21/04/2026	13%	60.47	0.72	4.86	0.78	0.06
22/04/2026	8%	25,737.93	273.40	2,860.38	457.66	184.26
22/04/2026	16%	135.00	2.90	15.87		
22/04/2026	13%	0.14	0.00	0.01	0.00	- 0.000092
23/04/2026	8%	25,157.24	267.56	2,809.09	449.46	181.90
23/04/2026	16%	14.54	0.20	1.09		
24/04/2026	8%	47,906.68	655.24	7,640.64	1,222.50	567.26
24/04/2026	16%	302.68	4.67	26.94		
25/04/2026	8%	1,833.01	25.19	294.09	47.05	21.86
27/04/2026	8%	2,568.21	32.44	366.19	58.59	26.15
27/04/2026	16%	808.03	11.70	65.15		
28/04/2026	8%	3,857.49	52.57	612.14	97.94	45.37
28/04/2026	16%	1,555.84	23.55	134.15		
29/04/2026	8%	2,856.82	36.45	421.54	67.45	31.00
29/04/2026	16%	281.23	5.29	30.08		
29/04/2026	13%	1.48	0.01	0.10	0.02	0.00070
30/04/2026	8%	20,125.51	305.10	3,577.91	572.46	267.36
30/04/2026	16%	820.63	14.70	78.87		
Grand Total		**334,948**	**5,404**	**42,932**		**1,827.27**

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Notes

- *The impact of reduction of VAT rate from 16% to 13% and 8% was a reduction in VAT collections by* ***Kshs. 1,827.27 Million****, for the month of April 2026 for PMS and AGO.*

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KENYA REVENUE AUTHORITY
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Office of the Commissioner General

KRA/5/1002/5(14060)

9th June 2026

Mr. Jeremiah Nyegenye, CBS
Clerk of the Senate
P. O. Box 41842-00100
Main Parliament Buildings
Nairobi

Dear Clerk,

REPORT TO THE DEPARTMENTAL COMMITTEE ON ENERGY ON THE MT. PALOMA PREMIUM MOTOR SPIRIT (PMS) CONSIGNMENT

Kenya Revenue Authority (KRA) appeared before the Senate Standing Committee on Energy on 4th June 2026 to submit responses to an inquiry into the ongoing crisis in Kenya's petroleum sector.

The Committee requested KRA to submit a status report on the volume of petroleum products directed to transit market for vessel MT. Paloma.

In this regard, we hereby submit the report for consideration by the Committee.

Yours sincerely,

Dr. Lilian Nyawanda
FOR: COMMISSIONER GENERAL

KENYA REVENUE AUTHORITY

REPORT TO THE DEPARTMENTAL COMMITTEE ON ENERGY ON THE MT. PALOMA PREMIUM MOTOR SPIRIT (PMS) CONSIGNMENT

JUNE 2026

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1. Introduction

Following the appearance of Kenya Revenue Authority (KRA) before the Senate Standing Committee on Energy on 4th June 2026 to submit responses to an inquiry into the ongoing crisis in Kenya's petroleum sector, the Authority was requested to provide additional information relating to the matter under consideration.

Specifically, the Committee requested KRA to submit a status report on the volume of petroleum products directed to transit market for vessel MT. Paloma.

In this regard, we submit as follows:

2.0 Responses

2.1 Importation and Distribution

The vessel MT. Paloma imported **66.29** million litres of Premium Motor Spirit (PMS) intended for the Kenyan market. Prior to the Cabinet Secretary's directive of 7th April 2026, One Petroleum Limited had distributed **65.13** million litres of the product to 37 Oil Marketing Companies (OMCs), while retaining the balance. Of the volumes distributed to the OMCs, 123 home-use customs declarations covering the **61.84** million litres were lodged and taxes amounting to **Kshs. 5.10 Billion** paid.

2.2 Measures taken by KRA after Directive

Following issuance of the Cabinet Secretary's directive on 7th April 2026, restricting the PMS consignment delivered by vessel MT. Paloma from the local market and guidance that One Petroleum Limited exits the product out of Kenya, the affected declarations were cancelled and the product returned to the control of One Petroleum Limited for disposal in regional export markets. Of the taxes paid on the cancelled declarations, approximately **Kshs. 2.8 Billion** has been applied against new customs declarations from subsequent vessels by the affected OMCs collected. The balance is being administered in accordance with the applicable customs and tax procedures.

To ensure full compliance with the Government's directive and safeguard revenue, KRA placed the product under customs control through dedicated customs warehousing entries and continues to monitor all movements through the Regional Electronic Cargo Tracking System (RECTS).

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2.3 Current Status on the Product Distribution Across Regional Markets

To date, 48.12 million litres of the product had been consigned to regional buyers, comprising consignments destined for South Sudan and the Democratic Republic of Congo (DRC), while approximately 18.17 million litres remained held by One Petroleum Limited pending disposal in regional markets. Details of the buyers, volumes consigned and destination countries are provided in the attached ***Annex 1.***

2.4 Challenges Affecting Remaining Stock

The disposal of the product in regional markets has been slower than anticipated due to logistical challenges affecting regional trade flows, particularly disruptions along the DRC transit corridor, which have affected the movement and uptake of DRC-bound consignments.

2.5 Conclusion

KRA continues to undertake stock reconciliation, monitor cargo movements through RECTS, verify export documentation and maintain customs control over the product until final discharge in the destination markets.

Accordingly, the MT. Paloma consignment remains fully accounted for under customs control.

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Annex 1 – Volume in litres of Transit Consignments Distributed to the respective Destination Country

Transit Oil Marketers	The Democratic Republic Of The Congo	South Sudan	Grand Total
Acer Petroleum Limited	549,964	533,708	1,083,672
Aftah Petroleum (K) Limited		1,049,807	1,049,807
Ainushamsi Energy Limited	363,030		363,030
Antic Energies Limited	721,928	406,377	1,128,305
Asharami Synergy Limited	1,083,672		1,083,672
Axon Energy Limited	270,918		270,918
Azkam Oil Limited	160,000		160,000
Bachile Limited	57,000	1,883,402	1,940,402
City Oil (K) Limited	440,242		440,242
Costalina Energy Limited		1,354,590	1,354,590
Difaac General Trading Ltd		510,918	510,918
East African Gasoil Limited		956,953	956,953
Europet Limited	541,836		541,836
Gamoil Trading Limited	270,918		270,918
Genpet Petroleum Limited	541,836	1,954,591	2,496,427
Great Wall Oil Limited	1,229,129	623,647	1,852,776
Hass Petroleum Drc c/o Hass Petroleum K. Ltd	677,295		677,295
Hero Petroleum Limited	5,621,551	1,151,402	6,772,953
Hson Energy Ltd		400,000	400,000
Kengas Kenya Limited	1,814,590	420,000	2,234,590
Lake Oil Limited		338,648	338,648
Luqman Petroleum Limited		78,000	78,000
M & A Energy Limited	1,194,750		1,194,750
Nomad Petrochem Limited	425,838	124,622	550,460
Oilgen Petroleum Limited	1,787,237	2,276,532	4,063,769
Oilhub Limited	270,918		270,918
Oryx Energies Kenya Limited	1,876,082		1,876,082
Pacific Petroleum Limited	541,836		541,836
Raad Energy Limited		406,377	406,377
Sahara Energy Limited	208,607		208,607
Sakina Gas Company Ltd	338,806	487,913	826,719
Taksan Energy Limited	541,740	271,014	812,754
Talos Energy Limited	218,535	411,707	630,242
Topstar Energy Limited	770,918		770,918
Tosha Petroleum (Kenya) Limited	644,784	709,806	1,354,590
Trinity Energy (Kenya) Limited	480,000	1,011,858	1,491,858
Trufuels Energy Limited	240,000		240,000
Uptime Energies(Kenya) Limited	200,086	399,996	600,082
Xenom Energy Limited	4,362,908	1,909,548	6,272,456
Grand Total	**28,446,954**	**19,671,416**	**48,118,370**