

Engen now ship-shape and sailing strongly in Mauritius

Up and down Africa's coasts, major seaports with bunkering facilities play a key strategic role in keeping sea traffic flowing, and industries growing. It is big business and includes the storage of bunker (ship) fuels and the provision of fuel to vessels. Bunkering includes the shipboard logistics of loading fuel and distributing it among bunkers.

In 2014, the Mauritian authority that sources fuel for the country's requirements, liberalised the importation of Heavy Fuel for bunkering, in order to support Port Louis as a bunkering hub for the region. Heavy fuel contributes 62% of the bunkering sales in Mauritius and is used by many industries, including the fishing and cargo shipping industries.

The invitation to players (including Engen) specified a 380 CST grade fuel, which for Engen proved to be non-competitive in terms of price, the availability of dedicated storage facilities and barges to target big customers.

Convinced that Engen's 180 CST would do a better job than the 380 CST Grade, a joint team was assembled from Engen tasked with formulating and executing a strategy to get the company into play. The first phase involved a number of high-level stakeholder engagements which saw the business get approval for 180 CST.

The team then managed to secure the optimal storage and logistics solutions by partnering with third parties for storage and barge facilities. In doing so the business secured healthy shore storage tank capacity, barges, and a dedicated pipeline for receipt and loading of barges. Engen tightly manages inbound logistics into Port Louis, daily price volatility and financing of the product to ensure that it is always competitive. Engen Petroleum Mauritius manages the in-country storage and outbound logistics through marketing and delivery to the customers.

Christian Li, Engen Commercial Business Development Manager, Christian Musindi (Trading Manager), Anmarie Kleinhans (Marine Sales and Operations Manager) and Ricardo Aimee, (Commercial Executive) teamed up to create awareness to local and international customers on product quality and availability.

The result has been extraordinary. Engen has succeeded in growing its market share of Fuel Oil more than ten-fold.

In Li's words: "It took buy-in, teamwork, commitments, cross collaborations and stakeholder engagement to make it all possible. It also took almost a year of pre-work and a number of engagements."

Drikus Kotze, Engen General Manager: International Business says: "What began as a barrier to entry into a growing market has become a major success, and a significant step in Engen's drive to become a major player in every market that it operates".

Engen Petroleum is a leading producer and marketer of a wide range of fuels, lubricants and oil-based products in Sub-Saharan Africa.