

# TIPS/WWF

## SA Liquid Fuels Just Transition Project

Refining & Logistics Sectors

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# Overview

- Context
- SA Liquid Fuels Supply Chain schematic
- Job numbers
- Job Categories
- Skill Levels
- Transition Timing
- Conclusion

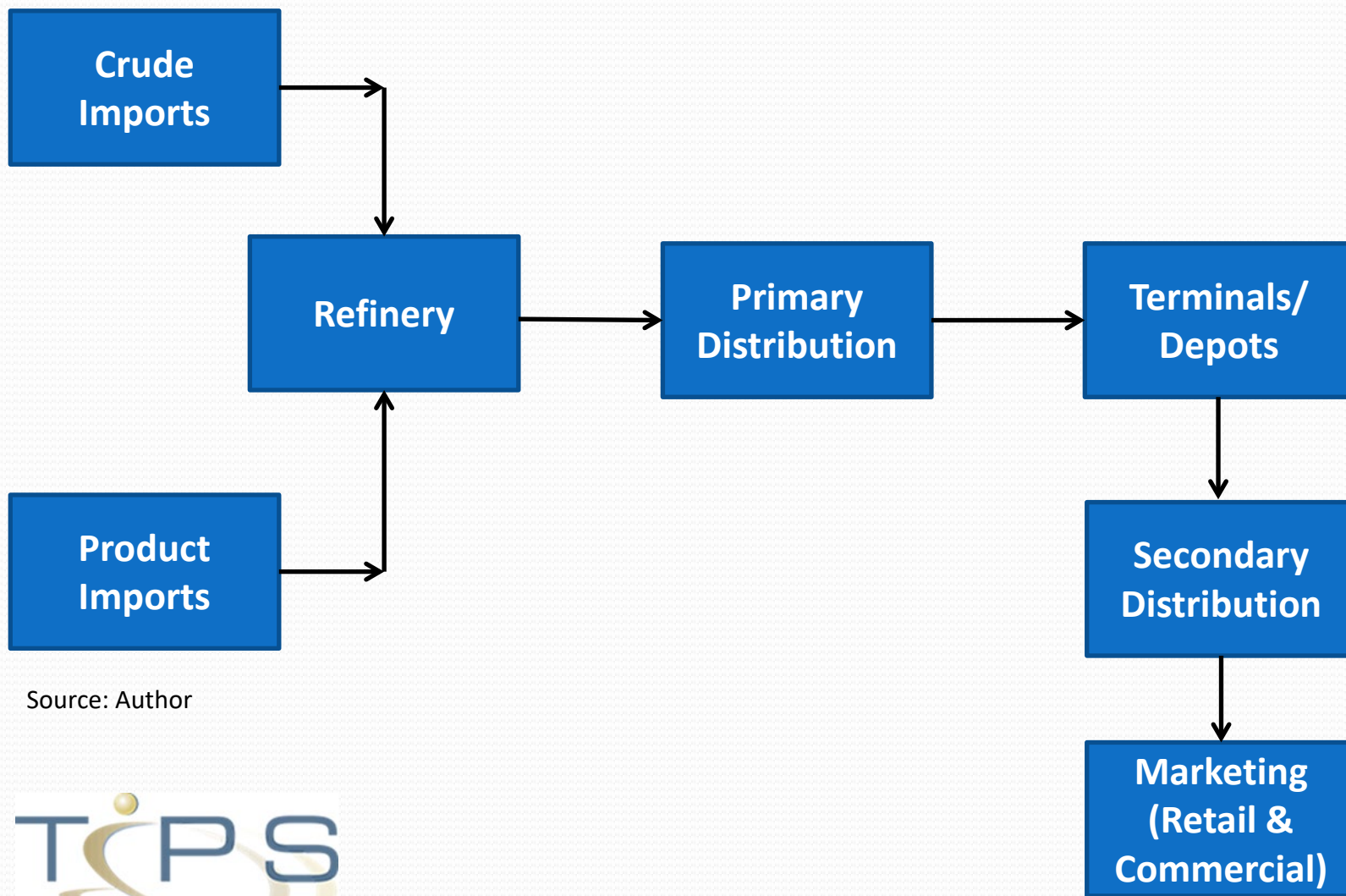


# Context

- High level study – Refining & Logistics sectors
  - Detailed Job data not readily available in the public domain
- Job numbers based on FTI Consulting study (2021)
  - SAPIA was the client
- Status of local refinery operations
  - Astron – off line since Jul 20; due to start up 3Q2022
  - Engen – shutdown announced 2021
  - Natref – operational; CF2 investment not viable; future to be announced by end 3Q2022
  - PetroSA – shutdown 2021 – no feed
  - SAPREF – ceased operations end March 2022



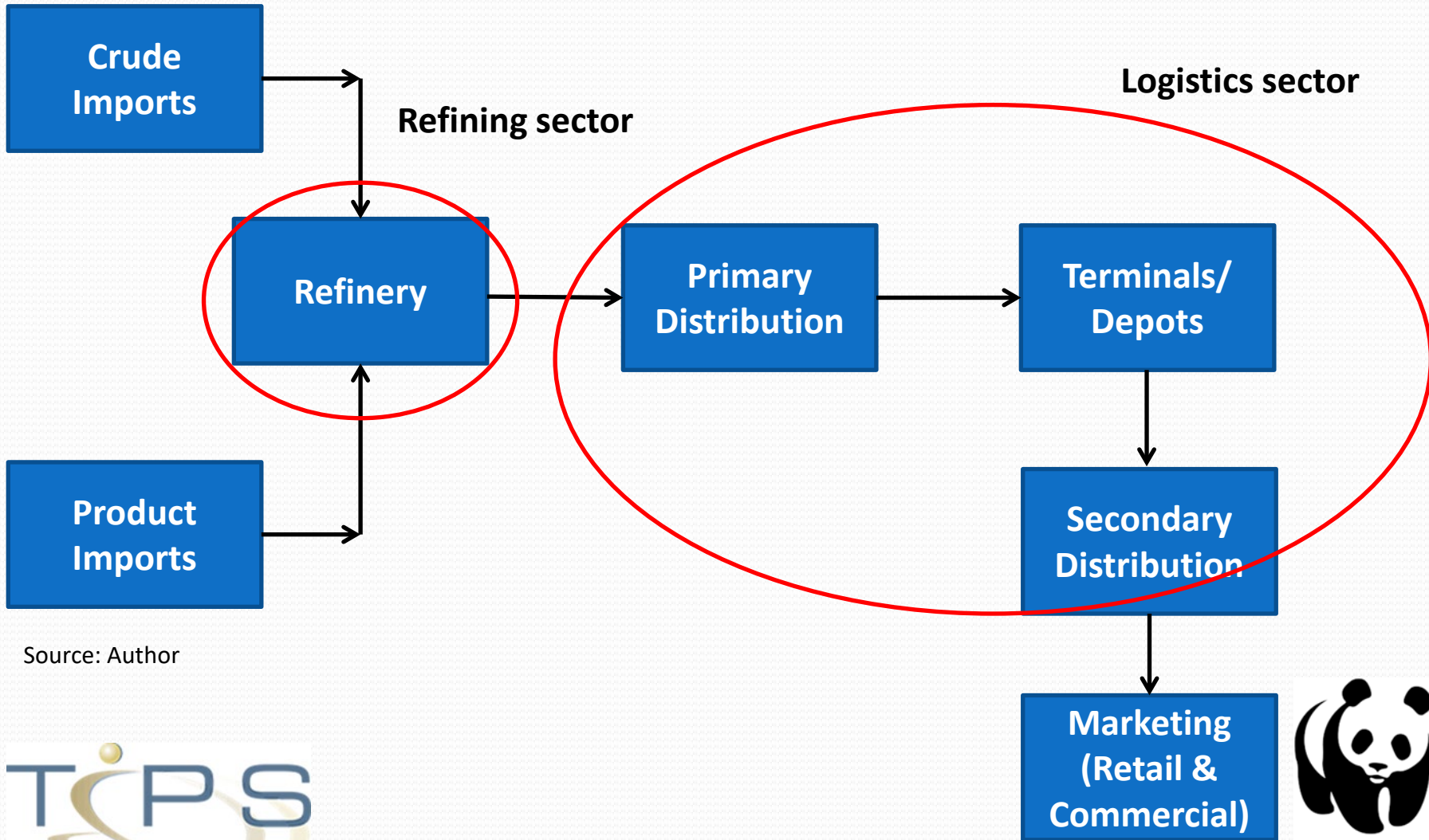
# SA Liquid Fuels Supply Chain schematic



Source: Author



# SA Liquid Fuels Supply Chain schematic



Source: Author

# Job Numbers (FTI Consulting (2021))

	Total direct and indirect jobs	% of total jobs	Estimate of Direct jobs
Head Office	21 775	9	934
Feedstock and Import	4 167	2	179
Refining & Manufacturing	64 121	26	2 751
Distribution & Storage	27 021	10	1 159
Wholesale	32 364	13	1 388
Retail	98 324	40	4 218
Total	247 772	100	10 630

Source: Author based on FTI Consulting (2021)

# Job Numbers (FTI Consulting (2021))

	Total direct and indirect jobs		Estimate of Direct jobs
Feedstock and Import	4 167		179
Refining & Manufacturing	64 121		2 751
Distribution & Storage	27 021		1 159
<b>Total</b>	<b>95 309</b>		<b>4 089</b>

**Not Considering Head Office jobs  
- able to find alternative placements**

**38% of Total jobs**

# Job Categories

- Management ) HO jobs - likely to find alternative
- Professional ) positions
- Process operators – new operator jobs or retrained
- Maintenance artisans )
- Truck Drivers ) placement in other industries?
- Clerical )
  
- Placement in other industries requires growth in industry to absorb additional people





# Skill Levels

	<b>Highly Skilled &amp; Skilled</b>	<b>Semi &amp; unskilled</b>	<b>Informal</b>
<b>Oil Industry labour force</b>	<b>59%</b>	<b>24%</b>	<b>17%</b>
<b>South African labour force</b>	<b>20%</b>	<b>57%</b>	<b>24%</b>

Source: Author, based on FTI Consulting 2021

# Transition timing

- Transition for Refining sector
  - Already started - needs action
- Transition for Logistics sector
  - Will change with reduction in demand for fossil fuels
  - Impact on fossil fuel demand not before 2035
  - Time to plan



# Conclusion

- New jobs needed for Refining sectors employees
  - Process operators – most difficult to replace in like for like
  - Maintenance artisans
  - Truck Drivers
  - Clerical
- New operations on existing refinery sites?
  - Biorefineries ) No projects
  - CO<sub>2</sub> conversion ) implemented
  - Green H<sub>2</sub> ) yet – timing mismatch for jobs
- Logistics sector – no immediate transition pressure



# Thank you

