Oct 29th, 2015

Christoph Albus
Chairman
GRPE
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RE: UN GRPE-WP29 PROPOSAL FOR AMENDMENTS TO THE CONSOLIDATED RESOLUTION ON THE CONSTRUCTION OF VEHICLES (R.E.3) ECE/TRANS/WP.29/2015/111 - GLOBAL FUEL SPECIFICATION HARMONISATION

Dear Mr Chairman,

I write to you on behalf of the African Refiners Association that represents both African refinery and non-refining members (www.afrra.org).

We understand from CONCAWE representatives and other downstream stakeholders that at the last UN GRPE meeting, a new annex was proposed concerning a global harmonisation of fuel quality standards, in particular for Euro 2, 3, 4 equivalent fuel.

As the African Refiners Association, most of our members, both refiners and non-refiners, will be affected by this proposed harmonisation, as these fuels are prevalent in our markets. The African Refiners Association has developed and promotes the fuels specifications strategy AFRI 1 – AFRI 5 to provide members with guidelines for improved fuel quality in the region, which over time will evolve to European standards, but reflect the different African market conditions, including the mix of the current and future engine parc for both on- and off-road vehicles. The Association welcomes the global goals of lead elimination and sulphur reduction and have supported considerable progress on these goals in our region. However, delivering such ambitious goals requires substantial investment and time and we are very concerned that the proposed UN GRPE-WP29 Global Annex may impose an excessive burden on local fuel suppliers, which does not take regional priorities, challenges, refinery capabilities and vehicle parc into account.

In particular, we are concerned about significant restrictions on aromatics/olefins and PAH in diesel that are much more restrictive than the ARA fuels specifications strategy and increases in octane requirement from 91 to 95 RON, which were not even pursued by regions that lead in fuel specification development at these levels, like Europe. Regarding octane, we are also concerned about the proposed ban on octane enhancing components, which in certain regions assists members to meet standards in a safe and effective manner. The EU Commission, US EPA, and other regulators found there was no technical basis for restricting these components in Euro 2, 3, 4 fuel.

We appreciate the UN proposal is just a recommendation and is not legally binding. However, we are aware that many regulators look to UN guidelines to inform their policy. The GRPE-WP29 annex could therefore have a significant adverse impact on national economies and associated industries which rely on refining business and jobs when refiners are already struggling to finance the necessary



quality improvements for already planned fuel quality improvements. These stringent specifications ultimately have the potential to close most African refineries.

Unnecessary stringent global fuel quality standards can limit the current flexibility that national and local refineries have in progressing toward the highest possible fuel quality.

Finally, we understand that the CONCAWE representative has expressed serious concerns regarding this proposal on several occasions and that there was no consensus or endorsement for this proposal to be discussed at WP29 for possible adoption.

Therefore we respectfully request that this proposal be removed from the GRPE and WP29 agenda. Fuel quality is outside the area of responsibility for GRPE-WP29 and is already addressed in many other regulatory forums, such as national and regional specifications and within the UN PCFV. It is clear that the primary Stakeholders in the oil, fuel marketing, and auto industries have not reached consensus on this subject. It is therefore completely inappropriate to continue supporting this process to the advantage of one industry's proposal.

Yours faithfully,

Pierre Reteno N'Diaye ARA President

Cc: Riaan Henn, ARA Specification Working Group Leader

cc: Benedicte Boudol, GRPE Secretary

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