

# KEY PERFORMANCE INDICATORS

## FOR

# PETROLEUM SECTOR



## INTRODUCTION

### 1.0 BACKGROUND AND SCOPE

#### 1.1. BACKGROUND

1.1.1. Sections 33 (2) (g), (i) and (j) of the BERA Act requires the Authority to establish technical codes and performance monitoring methodologies for licensees and regulated entities. This is derived from the function that the Authority shall; *'monitor and inspect licensees and enforce licence conditions'* as stated in Section 6 (2) (g) of the Act. It is in this premise that the Authority develops Key Performance Indicators (KPIs) that can be used to monitor licensees in the petroleum businesses.

#### 1.2. SCOPE

- 1.2.1. This document covers key performance indicators for petroleum licensees under various licences such as manufacturing, retail and storage facilities.
- 1.2.2. The Authority shall upon entering into force of these KPIs use them to monitor performance of petroleum operators.
- 1.2.3. Performance shall be published by the Authority from time to time to encourage operators to adhere to high performance standards and induce competition amongst operators.

## **2.0 KEY PERFORMANCE INDICATORS**

**2.1** KPIs have been identified and categorised as follows; public health and safety, environment, consumer service and protection and product quality as priorities that must be monitored to ensure high standards of performance. Targets are indicated in Table 1: KPIs for Petroleum Licensees.

### **2.1.1 PUBLIC HEALTH AND SAFETY**

During the conduction of a regulated activity or within a regulated facility, a licensee is expected to conduct its business in a manner that does not pose unmitigated risks to the public, consumers, its employees and neighbours. It is therefore imperative that incidents and accidents are recorded, investigated and all risks are mitigated appropriately. Safety, Health, Environment and Quality (SHEQ) Policy must be available and displayed alongside with the licence.

2.1.1.1 Fatality – death resulting from conduction of a regulated activity; this must be reported immediately.

2.1.1.2 Lost time injury (LTI) – this refers to an injury that causes permanent disability or that which the injured person may not return to work a day after the incident; LTIs must be reported within twelve hours of occurrence.

2.1.1.3 Fire Incidents – any incident resulting in a fire at regulated facility must be reported within twelve hours of occurrence.

2.1.1.4 Vehicle Accidents – any accident involving a vehicle/vessel transporting petroleum products that has the potential to cause any or all of the following; fire, petroleum product spill, fatality or lost time injury. These must be reported within twelve hours of occurrence.

### **2.1.2 ENVIRONMENTAL PROTECTION**

Whilst environmental protection mandate sits with the Department of Environmental Affairs, the Authority has been given a responsibility under its functions (Section 5 (e)) to protect and preserve the environment. It is in this regard that licensees are expected to conduct their businesses in a manner that does not cause unmitigated risk to the environment.

2.1.2.1 Petroleum Product Spill – refers to any uncontrolled loss of containment of more than two hundred litres in one instant. Spills must be reported within twelve hours of occurrence and must be contained and managed consistently with the applicable legislation or standards.

2.1.2.2 Minor spill – minor spills refers to any uncontrolled loss of containment not exceeding two hundred litres in one instant such as overfill spills or drips during re-fuelling of vehicles. Whilst these are not reportable, the licensee is expected to ensure that there is proper drainage and oil separators designed according to the applicable standards to control these spills so that they do not pollute the environment or underground water. Consistent with the applicable standards the licensees shall be required to drill and maintain leak observation wells for monitoring environmental contamination on accordance with applicable standards.

### **2.1.3 PRODUCT QUALITY**

Petroleum licensees are expected to only stock, offer for sale and sell products which conform to the specified quality in the applicable standards. The Authority may conduct random sampling and testing of products at facilities from time to time and these must conform at any given time. It is the responsibility of any licensee to ensure that the product they receive from their supplier conforms to the standard.

2.1.3.1 Product Quality Incidents – this refers to any incident in which the product is either contaminated or cross mixed with another therefore compromising its quality or performance parameters. Where a licensee decides to add some additives for marketing purposes, such additives must not compromise or alter the specified quality of the product. These must be reported immediately after determining that such has occurred.

2.1.3.2 Water Contamination – this refers to product contamination due to presence of water in the storage tanks that is above the allowable limit specified in the applicable standards. Licensees are expected to regularly monitor and record water content in the storage tanks. Where operators record water levels higher than the minimum set limit, they must close that particular tank immediately until all the water has been pumped out to below the

minimum set limit. These incidents must be reported to the Authority within twelve hours of occurrence.

#### **2.1.4 CONSUMER SERVICE AND PROTECTION**

Consistent with the requirements of Section 63 of the Act, each licensee shall be required to have a Code of Practice on Consumer Protection approved by the Authority. Licensees must ensure that their processes do not infringe consumers' rights and where consumers complain against their products or services, they resolve the complaints within set timelines without victimising the complainant.

2.1.4.1 Consumer Complaints – This refers to complaints by consumers against a licensee for either the products or services received from the retail outlet. The operator is expected to record, resolve and report to the Authority (as may be necessary) within the timelines prescribed in the BERA Complaints Handling Procedure Regulations.

2.1.4.2 Product Stock Outs – this refers to the number of days the retail outlet runs dry/out of stock. These must be reported to the Authority within the time period prescribed by the Authority.

#### **2.1.5 TECHNICAL AND REGULATORY COMPLIANCE**

Licensees are expected to comply with all regulatory requirements and technical standards prescribed by the Authority from time to time. Inspections, audits and investigations that shall be carried out by the Authority from time to time shall be used to determine the performance of the operator under this category. This includes product quality sampling and testing as shall be conducted by the Authority, general compliance to technical, environmental, safety standards, regulated prices, calibration of equipment and licence conditions.

2.1.5.1 Non-compliances resulting in fines, suspension/revocation of licence or closure of facilities shall be recorded and used to measure performance of the operator.

2.1.5.2 Training of staff – operators must ensure that their staff are trained at a bare minimum on; handling of petroleum products, firefighting and first aid.

**2.2** Targets are indicated in Table 1: KPIs for Petroleum Licensees.

### **3.0 KPI REPORTING**

- 3.1** Licensees shall submit to the Authority their performance assessment report quarterly.
- 3.2** The report shall be as per Table 2: KPIs Reporting Template for Petroleum Licensees.
- 3.3** The report may be accompanied with explanatory notes where necessary.

### **4.0 VERIFICATION OF KPIs BY THE AUTHORITY**

- 4.1** Upon receipt of KPI reports from licensees the Authority shall scrutinize the data contained therein.
- 4.2** The Authority may conduct a verification audit (unannounced) in order to validate the reported data.
- 4.3** Where in the view of the Authority, the data submitted by the licensee is incorrect or undeserved or where the licensee fails to submit the report by the set deadline date, the Authority's assessment shall prevail.

### **5.0 PUBLISHING OF PERFORMANCE**

- 5.1** After verifying and validating the reports submitted by licensees the Authority shall award a performance rating to each of the licensees.
- 5.2** Performance ratings may be published by the Authority on its website, media and any other platform that the Authority deems necessary.
- 5.3** The Authority may where it considers necessary establish a reward system for the high performers.

### **6.0 REVIEW OF KPIs**

- 6.1** The Authority shall review the KPI Framework every twenty four months from the date of its implementation.
- 6.2** Any amendments emanating from reviews shall be communicated to the relevant stakeholders and the public.

**Table 1: Key Performance Indicators for Petroleum Sector**

Indicator	Definition	Interpretation	Target	Reporting Timeline
2.1.1.1 Fatality	Death resulting from conduction of a regulated activity	Indicative of the effectiveness of the safety systems in place	Zero (0)	Immediately
2.1.1.2 Lost time injuries	An injury that causes permanent disability or that which the injured person may not return to work a day after the incident	Indicative of the effectiveness of the safety systems in place	Zero (0)	Twelve (12) hours from occurrence
2.1.1.3 Fire	Any incident resulting in a fire at retail outlet must be reported within twelve hours of occurrence	Indicative of the effectiveness of the fire prevention mechanisms in place	Zero (0)	Twelve (12) hours from occurrence
2.1.1.4 Vehicle accidents	Any accident involving a vehicle/vessel transporting petroleum products that has the potential to cause any or all of the following; fire, petroleum product spill, fatality or lost time injury	Indicative of the effectiveness of the transport safety management systems in place	Zero (0)	Twelve (12) hours from occurrence
2.1.2.1 Petroleum Product Spill	Any product spill of more than two hundred litres in one instant	Indicative of the effectiveness of the environmental management (protection) systems in place	Zero (0)	Twelve (12) hours from occurrence
2.1.2.2 Minor Spill	Any uncontrolled spill not exceeding two hundred litres in one instant	Indicative of the effectiveness and integrity of the drainage and oil separator systems in place	Zero (0) soil contamination.	Twelve (12) hours from occurrence of any soil contamination.
2.1.3.1 Product Quality	Any incident in which the product is either contaminated or cross	Indicative of adherence to Product Quality	Zero (0)	Immediately after

	mixed with another therefore compromising its quality or performance parameters	specifications approved by the Authority		determining occurrence
2.1.3.2 Water Contamination	Product contamination due to presence of water in the storage tanks that is above the allowable limit specified in the applicable standards	Indicative of effectiveness of the water elimination system in place	Two (2)	Twelve (12) hours from occurrence
2.1.4.1 Consumer Complaints	Complaints by consumers against a retail outlet for either the products or services received from the retail outlet	Indicative of adherence to and effectiveness of the Code of Practice on Consumer Protection	100% timeous complaint resolution rate	In accordance with BERA Complaints Settlement Procedure Regulations
2.1.4.2 Product Stock Outs	The number of days the retail outlet runs dry/out of stock	Indicative of the adherence to licence conditions and effectiveness of the supply logistics systems in place	Two (2)	In accordance with BERA Petroleum Regulations
2.1.5.1 Non-Compliances	Fines, suspension/revocation of licence or closure of facilities	Indicative of adherence to the licence conditions, BERA regulations and Act requirements	100% Compliance Level	N/A
2.1.5.2 Un-trained Staff	Operators must ensure that their staff are trained at a bare minimum on; handling of petroleum products, firefighting and first aid	Indicative of adherence to licence conditions	Zero (0)	N/A



**Table 2: KPIs Reporting Template for Petroleum Sector**

**Company Name:**.....

**Address:**.....**Phone:**.....

**Licence Number:**.....**Next Renewal Due Date:**.....

**Reporting Period:**.....

No.	Indicator	Target	Actual	Time of Occurrence	Time Reported
2.1.1.1	Fatality	Zero (0)			
2.1.1.2	Lost time injuries	Zero (0)			
2.1.1.3	Fire	Zero (0)			
2.1.1.4	Vehicle accidents	Zero (0)			
2.1.2.1	Petroleum Product Spill	Zero (0)			
2.1.2.2	Soil contamination due Minor Spills	Zero (0)			
2.1.3.1	Product Quality	Zero (0)			
2.1.3.2	Water Contamination	Two (2)			
2.1.4.1	Consumer Complaints	100% Timeous complaint resolution rate		<i>(target resolution time)</i>	<i>(actual resolution time)</i>
2.1.4.2	Product Stock Outs	Two (2)			
2.1.5.1	Non-Compliances	100% Compliance Level		N/A	N/A
2.1.5.2	Un-trained Staff	Zero (0)		N/A	N/A

**Reported by:**.....(Authorised Operator Representative)

**Signature:**.....(Position in the Company) **Date:**.....

**Verified by:**.....(BERA Representatives)

**Signature:**.....**Date:**.....

**Approved by:**.....(For/Chief Operations Officer BERA)

**Signature:**.....**Date:**.....