

The 8<sup>th</sup> African Base Oils & Lubricants Conference

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# Legislation & Application Trends Impacting Africa Base Oil Requirements

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ExxonMobil Basestocks & Specialties

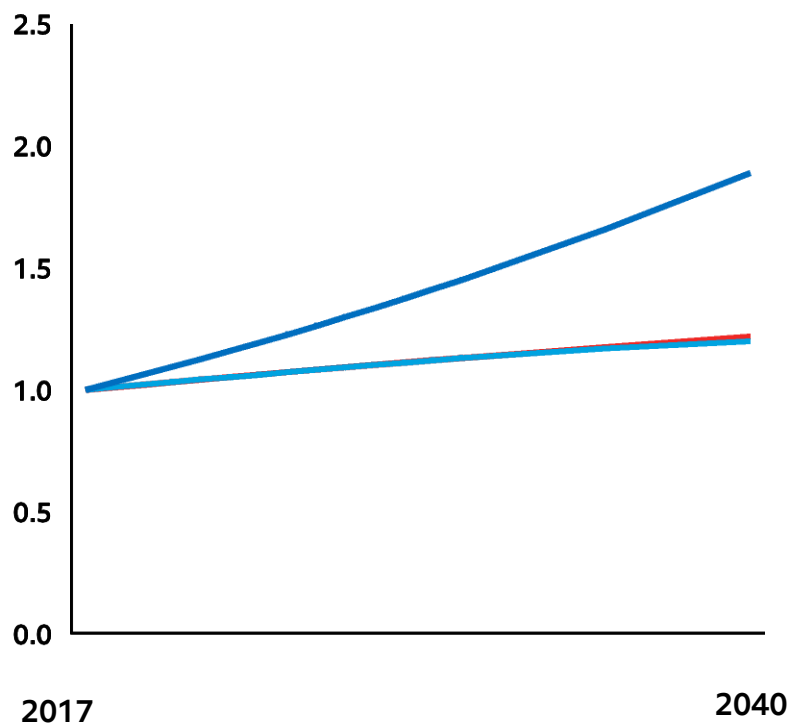
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# Africa growth outpaces rest of the world

Global - Indexed to 2017

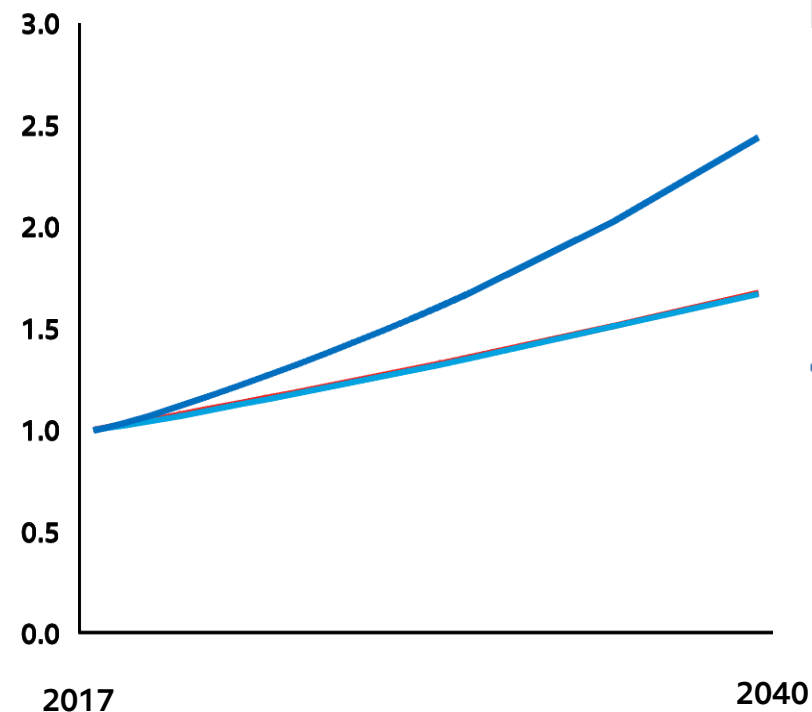


 **+71 trillion**  
GDP


 **+1.6 billion**  
people


 **+20%**  
energy  
demand

Africa Indexed to 2017

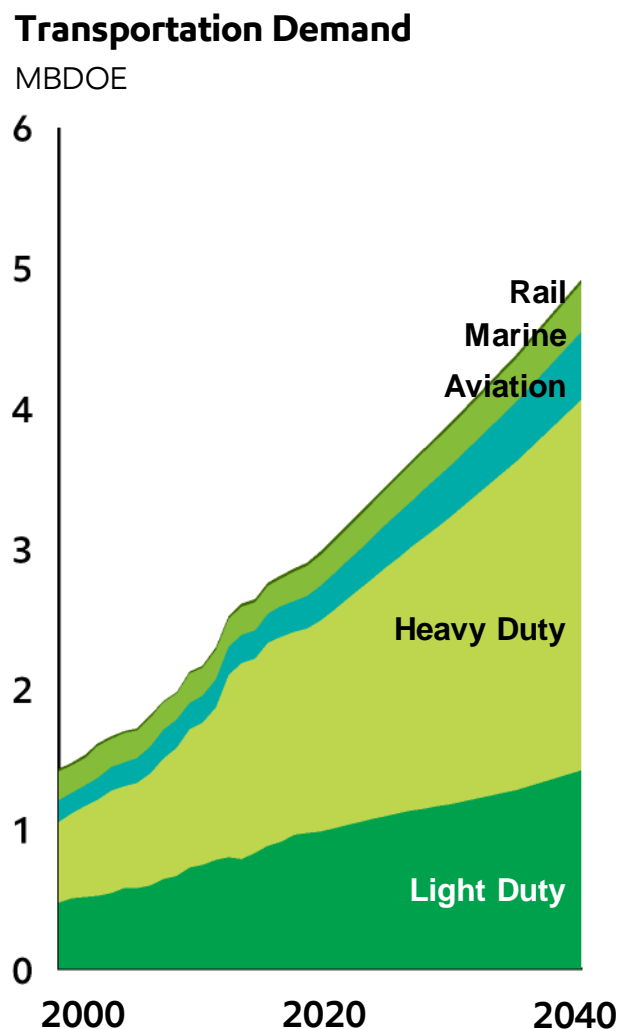


 **+3.5 trillion**  
GDP

 **+850 million**  
people

 **+70%**  
energy  
demand

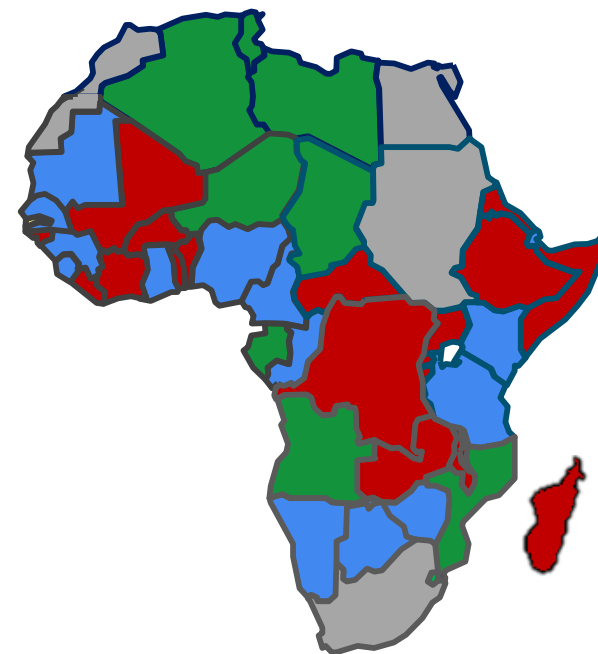
# Imported used vehicles will bridge the car ownership gap



- Increased motorization rates
- Auto lube demand to rise
- Growing used vehicle imports
- Increased legislation to control quality of imported used vehicles

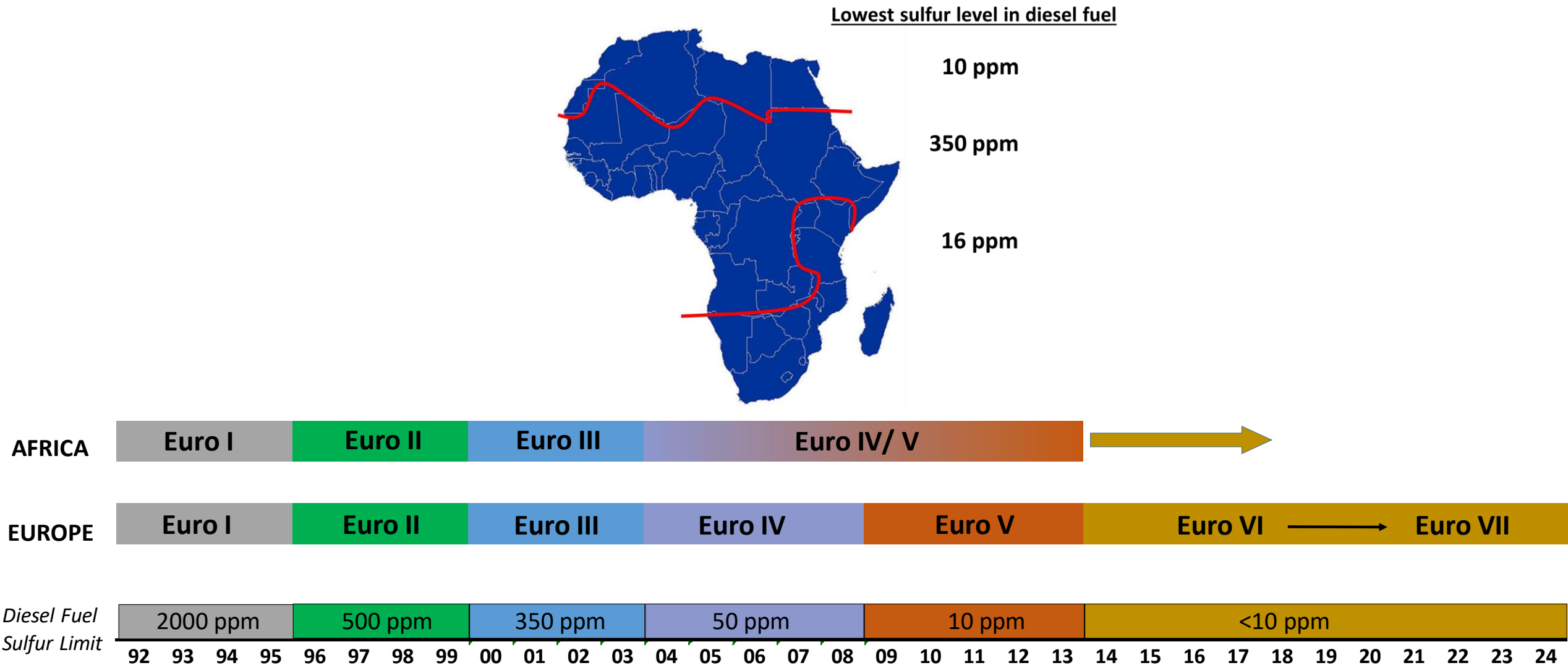
# Mixed import legislation driving mixed fleet by age

- 4 Countries ban used vehicle imports completely\*
- 10 Countries have bans on used vehicle imports (age caps ranging between 3-5 years\*\*)
- 13 Countries have bans on used vehicle imports (age caps ranging between 6-12 years\*\*)
- 27 Countries have no regulation in place

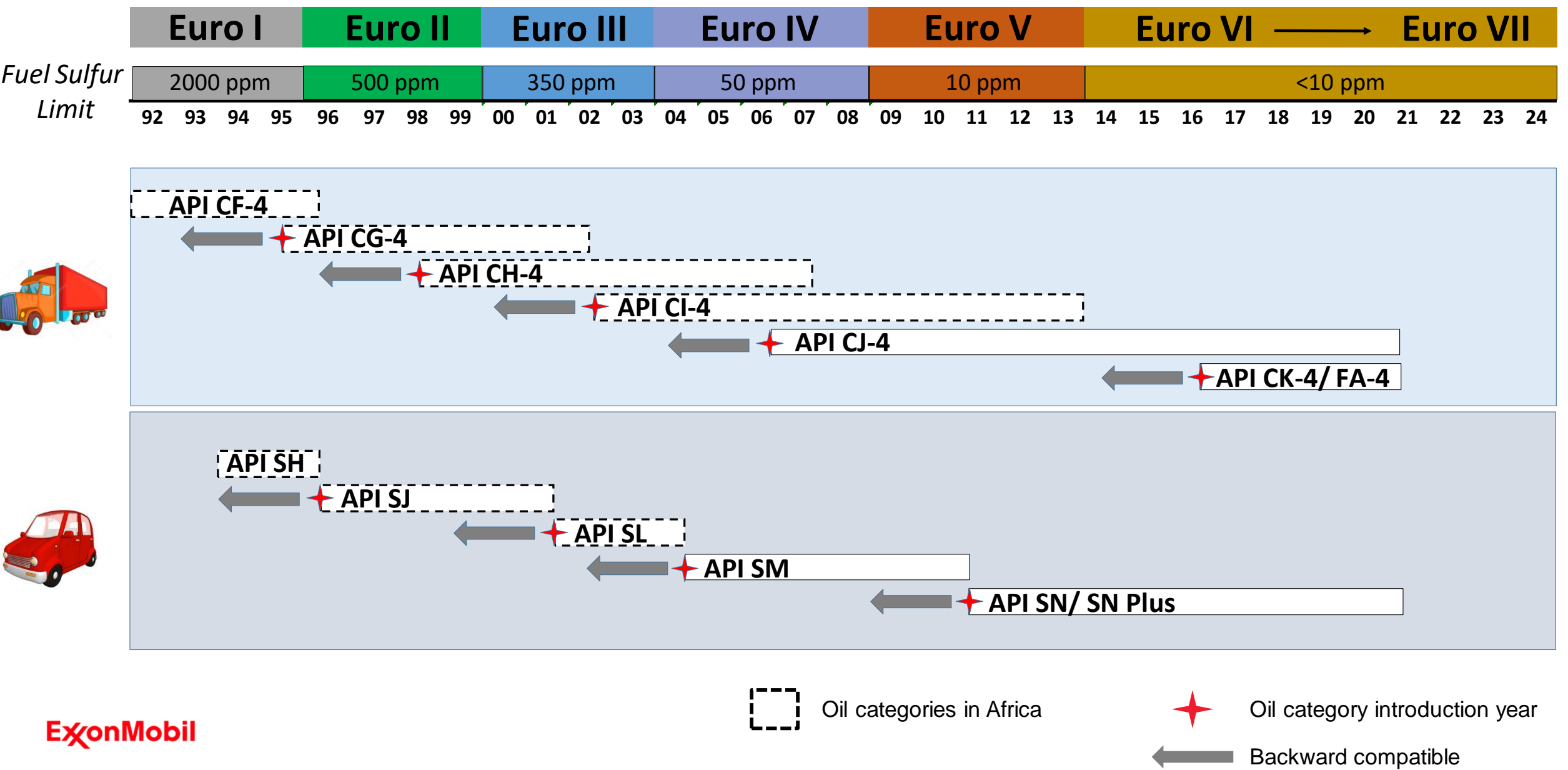


Used Vehicle Import legislation will impact a countries ability to meet their emission standard commitments

# Africa is rapidly progressing towards cleaner fuel

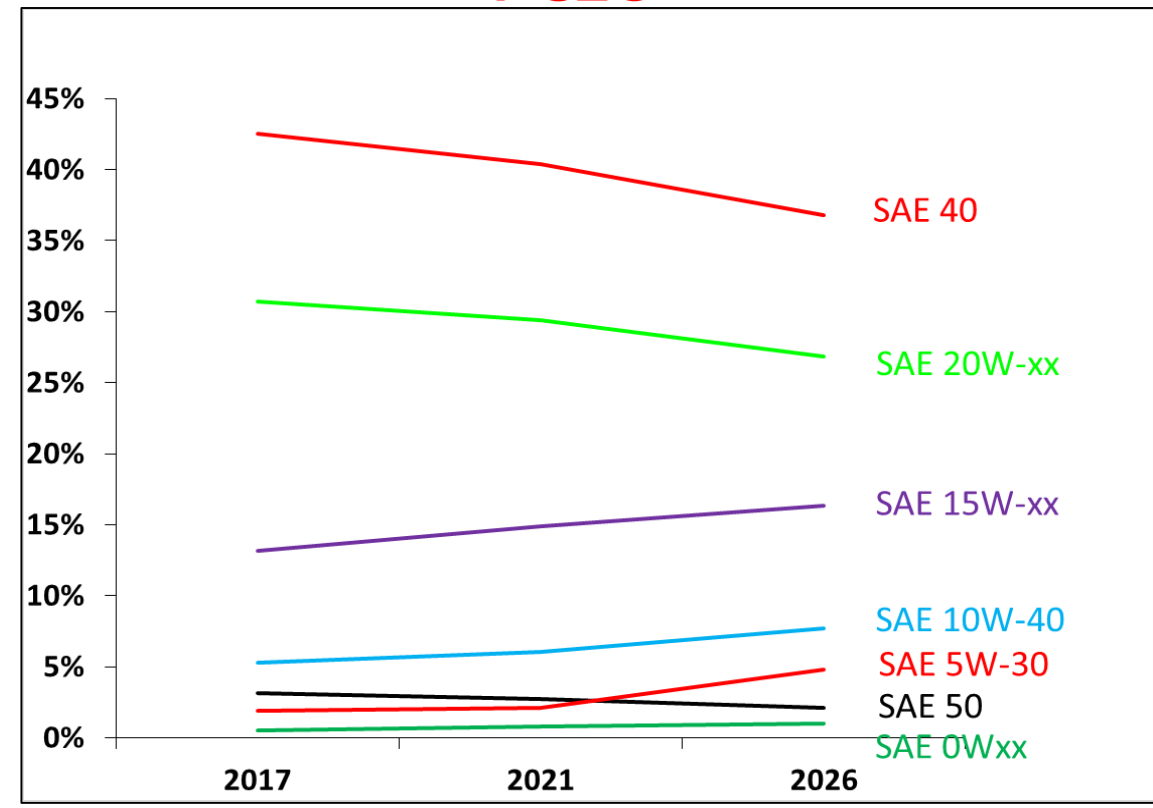


# The oil categories in Africa are evolving

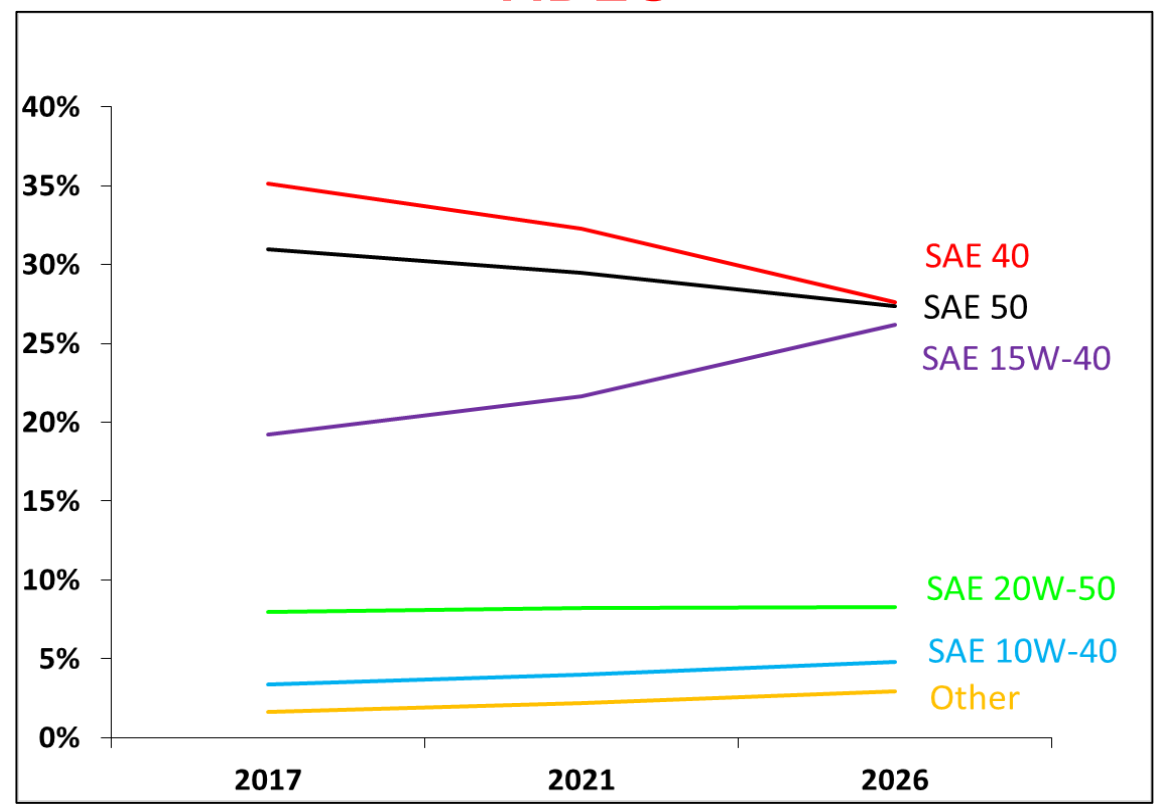


# Africa still use monograde oils, multigrades are quickly growing

## PCEO

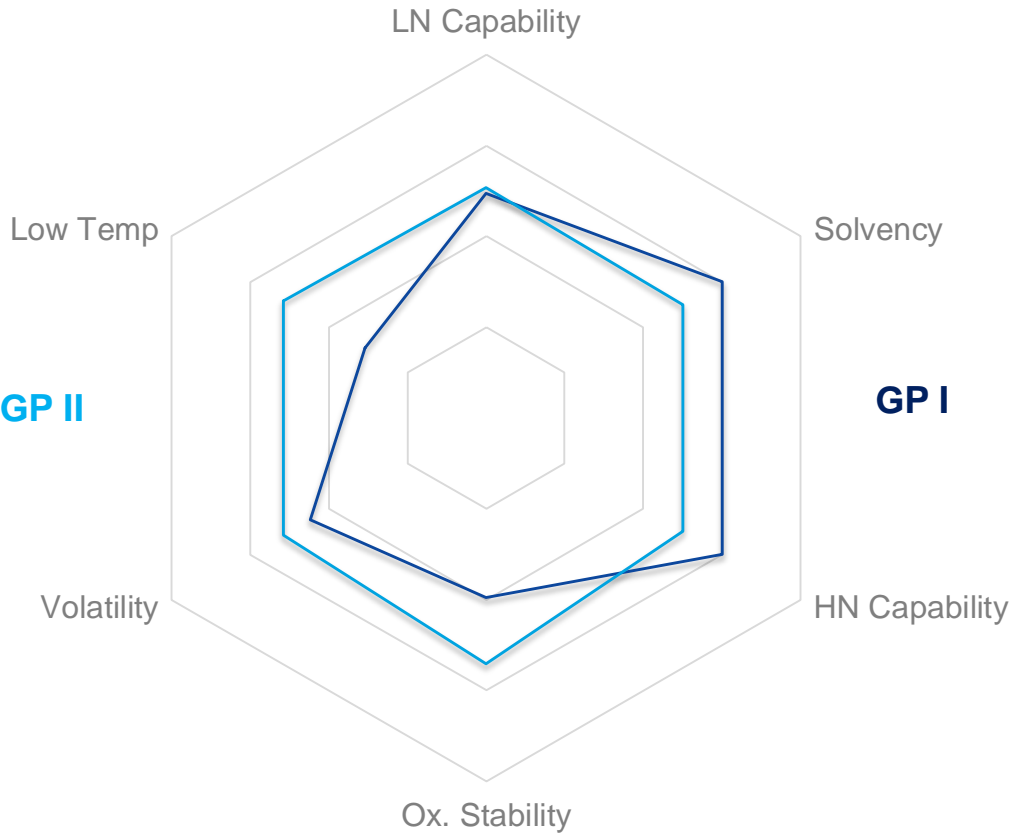


## HDEO



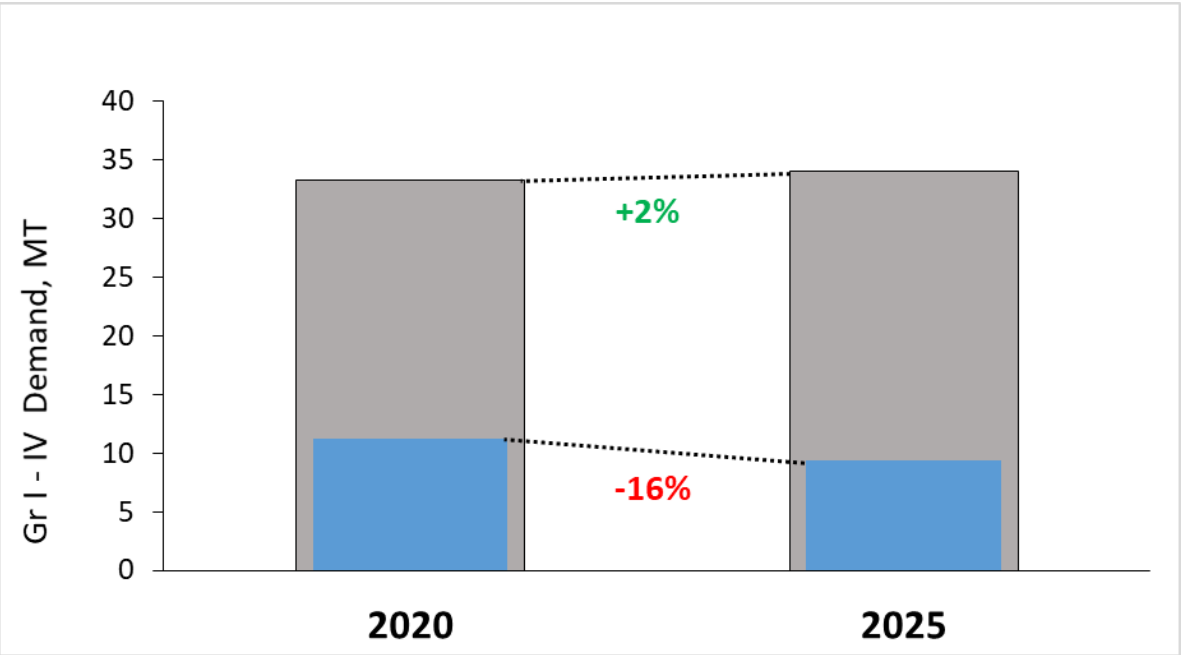
South Africa – Industrial makes up 45% lube demand driving Group I use  
Nigeria – Generator powered economy driving monograde use  
Egypt & Algeria – High Sulphur fuel & old car park driving monograde use

# Africa technical requirements are met by Group I & II

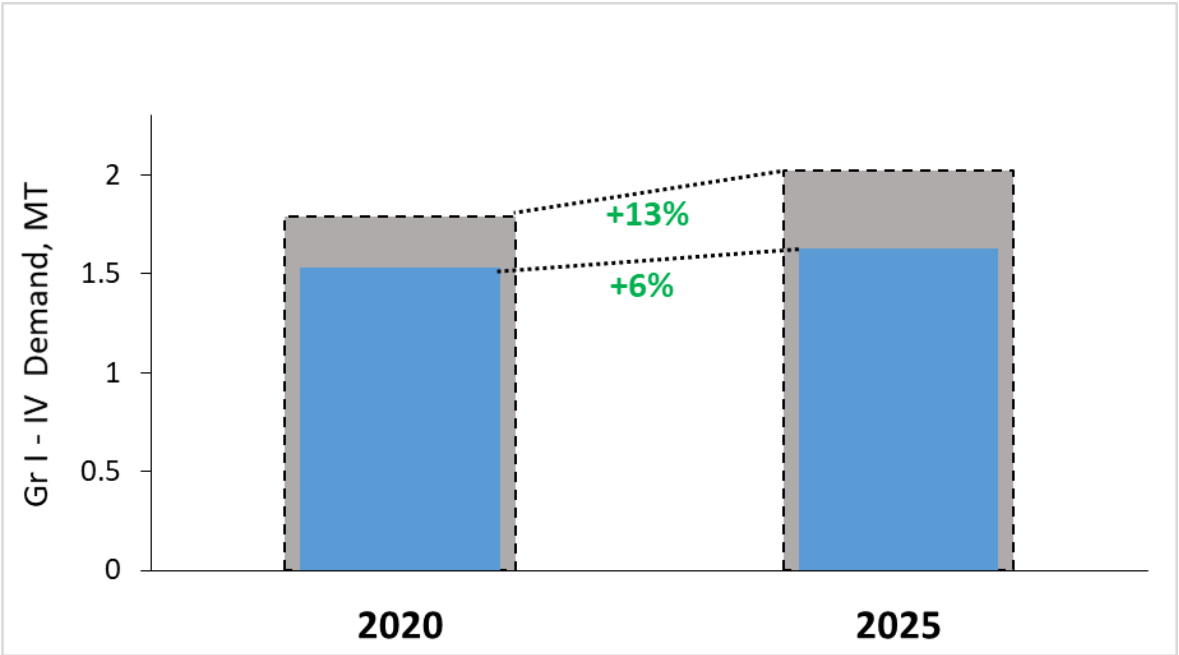


# Group I growing in Africa while group II gaining ground

Global (excl. Africa) Demand



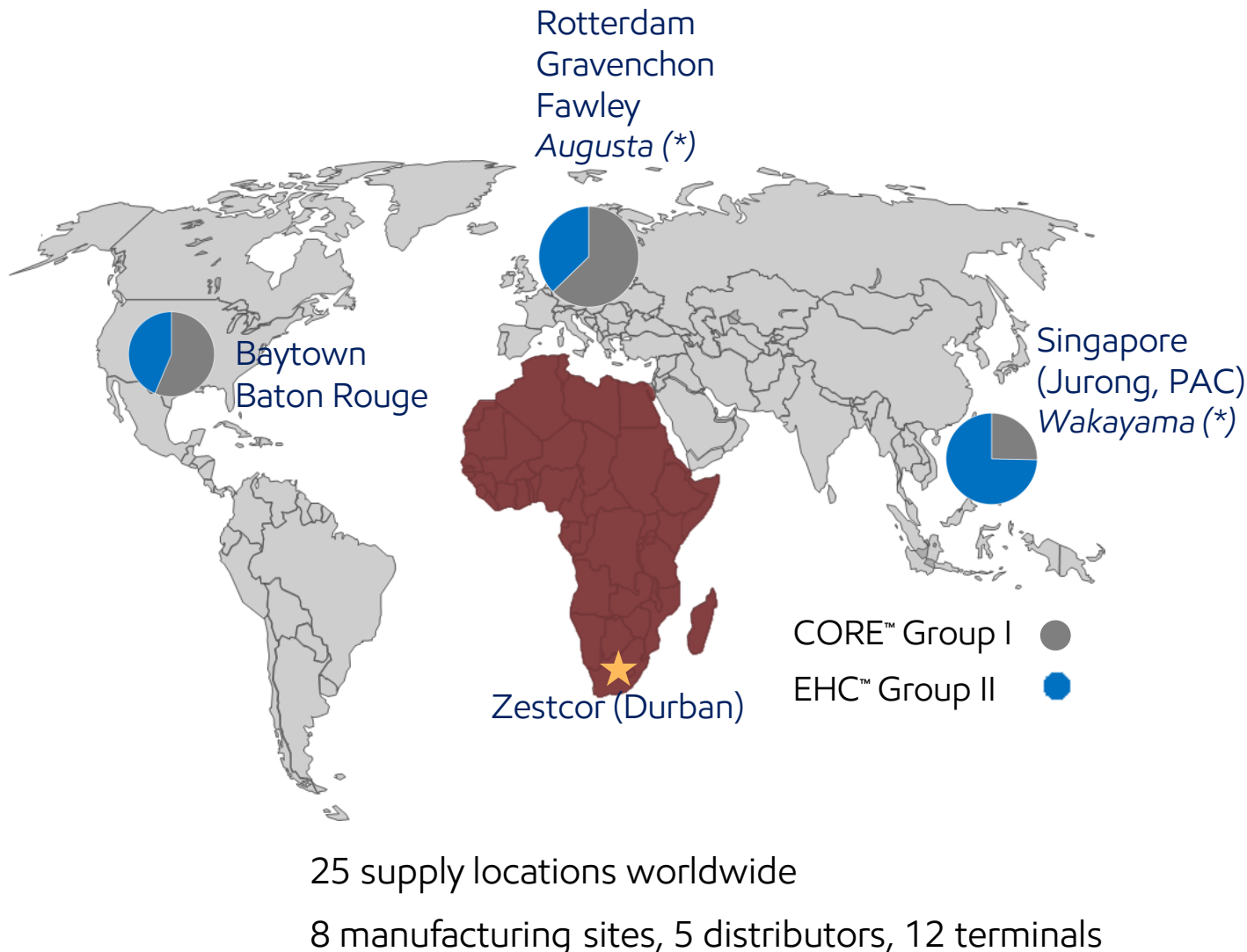
Africa Demand



Gr I

Gr I-IV

# Africa growth drives distinct base stock requirements



- Energy efficiency & fuel economy
- Reduce emissions & longer oil life
- Cost competitive blending
- Compatible with wider range of fuels
- Quality assurance
- Support to Group II transition
- Continued Group I availability

## ExxonMobil is committed to:

- Long term, quality Group I & II supply
- Meet distinct needs of blenders in Africa

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(\*) Not ExxonMobil owned; multi-year agreement in place

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