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Wasaa acquires bp Southern Africa's liquid bulk fuels import terminal in landmark transformation deal

Today marks a key milestone in the energy sector's transformation journey as bp Southern Africa (bpSA) and Wasaa, a subsidiary of black and women owned Wasaa Group officially announce the sale and acquisition of the East London Terminal, formerly operated by bp.

Wasaa Terminals acquisition of the East London Terminal is historic as it marks the first transaction of its kind in South Africa where a black and female owned entity has acquired a liquid bulk fuel import terminal. Importantly, the deal will significantly entrench Wasaa's position as an emerging commodity trader in the region and underscore bpSA's long-standing commitment to energy sector transformation.

This landmark transaction is a culmination of an alignment of bp's global strategy and local market imperatives which has informed a review of its terminal portfolio.

bpSA has over the years demonstrated its commitment to meaningful and sustainable transformation:

- Concluded one of the first BEE 25% equity transactions in the sector in 2001 with Mineworkers Investment Company (MIC) and the Women's Development Bank (WDB). Following MIC and WDB's exit from bpSA in 2014, bp sold 25%+1 share of bpSA equity to Broad-Based Black Economic Empowerment (B-BBEE) partners, namely, Kapela who hold 20%+1 share equity and the Energy Mobility Education Trust with 5% equity in bpSA.
- Set up the first BEE commercial business in the sector (Masana) in South Africa in 2005.
- Facilitated entry of BEE participants within core aspects of the industry like infrastructure ownership and management, having closed no less than three empowerment transactions to date.
- Facilitated supplier development initiatives and increasing the pool of B-BBEE through creating opportunities for new small to medium black owned enterprises to be part of the industry. The notable successes in the supplier development space since 2016 are

in the Secondary Transport space with Makwande Supply and Distribution (100% Black woman owned QSE) having graduated from the SMME category to a generic company.

In terms of the deal with bpSA, Wasaa Terminals, took over full operational responsibility of the terminal effective 6 December 2021. In line with the agreement, Wasaa Terminals has also acquired 100% of the terminal's movable assets and a 20% stake in the berth to terminal pipeline.

The long-term commercial contract entered into provides synergies for both Wasaa Terminals and bp Southern Africa. For its part, bp Southern Africa has retained operations of its transport business operating out of East London, while the Wasaa Terminals will provide terminal storage and handling services to bp Southern Africa. Wasaa will also provide the aggregation service to other BBB-EE companies.

Speaking from the East London terminal handover ceremony today, bpSA CEO, Taelo Mojapelo noted that the country's terminal landscape is evolving and there is growing participation from new market entrants keen to make their mark in the industry, including integrated traders and independent logistics operators.

"This infrastructure transaction is an important contribution by bpSA towards the country's efforts of empowering black and women owned entrepreneurs in the energy sector. As we handover the reins, we continue to support WASAA to help them get up to speed and ensure a seamless transition which is necessary for future success," said Mojapelo.

Wasaa Group founder and Managing Director, Nokwanele Qonde, says the deal with bpSA is the culmination of years of hard work, grit determination and unwavering resilience in an industry that is largely white, and male dominated.

"This transaction is a manifestation of the hard work the management team has put in place since we started our operations in 2009. The conclusion of this deal fits in snugly with our strategic objectives of being the leading provider in logistics, gasses, trading, chemicals, and commodities in sub-Saharan Africa and beyond. We firmly believe that this historic transaction will serve to deepen transformation in the petrochemicals industry and serve as a catalyst for meaningful women participation in the industry," says Qonde.

Qonde points out that although Wasaa Group may be relatively new to the industry, the management team boasts over 50 years of combined experience in the manufacturing and distribution of gas, fuels, and chemicals, which has earned it respect and accolades from its peers.

This landmark deal comes on the backdrop of a Memorandum of Understanding (MoU) that the Wasaa Group signed with Petromoc, a state-owned and second largest oil and gas firm in Southern Africa, to upgrade and operate the utility's LPG storage facilities in Mozambique.

“Wasaa Terminals takes over the East London terminal with excitement and anticipation. It has been a long, arduous but worthwhile journey that demonstrated bpSA’ s faithfulness to due process, ethics and transformation vision, led by black women” says Qonde.

The terminal operated successfully from day one of hand-over, with operations stability and integrity achieved within two months.

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