

President's Report

November 2024

Good afternoon dear members of the World Liquid Gas Association. It is an honour to be here during the first year of my Presidency of what is the undisputed global voice of the Liquid Gas industry

The start of my tenure at the helm of our Association has been quite unique as this has been an unprecedented time for the world, for the Liquid Gas industry and also for the WLGA.

The impacts of global uncertainty in geopolitics, finance and the energy transition are no doubt challenges facing the industry, but one thing is certain: The Liquid Gas industry can be counted on when a crisis hits.

As we face today's looming energy and political difficulties our industry will continue to deliver clean and modern energy safely to our customers and because of our industry's track record and ability to adapt, governments around the world in all types of markets know that they can rely on us

We provide warm homes, hot meals and hope from my home country of Brazil all the way to Bangladesh; from Canada to Korea and from Sweden to right here in South Africa. Our industry should be very proud of its ability to deliver and increase the quality of our customers lives.

WLGA continues to play a key role in marshalling the industry through difficult times and will continue to do so in the future. Through hard work and patient member engagement the WLGA team have succeeded in maintaining the unimpeachable credibility and global reach of the Association.

However, 2025 will no doubt present new challenges and opportunities. So let's bear in mind that the WLGA needs your support more than ever before.

Let me reflect on the first year of my Presidency for the Liquid Gas sector before coming to what I believe are our opportunities for the coming year.

Liquid Gas consumption in 2023 and this year has shown robust resilience around the world. Global demand increased in 2023 by nearly 4 and a half percent compared with 2022 to approximately 357 million tonnes.

This shows a continuation of trends set in the past decade of rising supply from key producers such as North America and the Middle East, matched by robust demand growth from a number of segments.

At almost half of global consumption, domestic use continues to account for the majority of Liquid Gas consumed around the world. Its use as a cooking fuel benefits millions of people each year. An example of that can be seen in the incredible strides that have been made in providing access to Liquid Gas, particularly LPG and transforming lives for the better, right here in South Africa.

In 2024 this need was highlighted by the International Energy Agency's Africa Clean Cooking Summit which was held on 14th May in Paris. This event was the largest ever held to focus on the issue of clean cooking. WLGA was heavily involved in this event launching the Cooking For Life Africa Task Force which continues to work with IEA on the best way to increase access on the African continent.

In 2024 WLGA the industry continued investing time and resources in developing renewable Liquid Gas with various technical studies, market development reports and virtual meetings and workshops. We are starting to see the results of this work, as the potential to develop renewable Liquid Gas along with other fuels such as rDME, from various feedstocks and pathways continues to grow. This guarantees that our industry will be part of the energy transition going forward.

2024 was the second year of a three-year plan and it was year marked by an increased focus on advocacy, innovation, communications and positioning of our product and industry along with an effort to increase the diversity of workforce which we believe will make our industry even stronger in the future.

The 2023 – 2025 time period is also seeing significant investments in important segments of our industry. From Autogas to power generation to maritime uses and of course in domestic applications, the industry has not stood still and continues to innovate and adapt to changing political and regulatory realities.

LPG Week here in Cape Town marks the 2nd time that WLGA has held its annual event in South Africa. Why did we come back here? Apart from, of course, being a wonderful country South Africa is the motor of sub-Saharan Africa and offers a great opportunity to be a shining example of how a Liquid Gas industry can be grown and change the lives of a country's poorest citizens.

One measure of the success of an organisation like WLGA is its ability to grow and maintain members, something that has been particularly challenging during the last few years. This year WLGA has managed to broaden the Association's global footprint as well as its influence. What has been particularly noteworthy is the addition of a record number of new Industry Council members including Consigaz from Brazil, Friedrich Scharr from Germany, Gasco from Saudi Arabia, Milangaz from Turkey, OPIS from the USA, Sigma Cylinders from Lebanon and Tomza from Mexico, all of which is allowing us to nearly reach our overall target of 50 Council members.

We need to continue to grow our membership levels in 2025 so that we can achieve our financial targets and make the desired investments in our strategic plan. I call upon all those here present to ask yourself, how you can assist your association in increasing its membership? Which colleagues, suppliers or customers could you approach to join us?

I would like to thank my fellow Board and Industry Council Members for their ongoing support to the Association's programmes and activities. I would like to thank the membership in general, for whom we work, and without whom we would not have a voice. Finally, I would like to pay a very strong tribute to the tireless WLGA staff for achieving what we expect to be another excellent year.

I look forward to the second 12 months of my Presidency with great anticipation. While we are confronting a difficult geopolitical reality, we know that the future role of energy is more critical than ever. Policy makers need solutions that are low carbon, contribute to improved air quality, are available and affordable. We know that Liquid Gas and renewable Liquid Gas are part of the solution. We need to make sure that this is translated into sustainable policy actions together with our national and regional associations across the world. There has never been such an important moment for your global industry association and now is the time to redouble your support. Invest in the WLGA and invest in the future of our sector.