

Astron Energy gives support for fuel industry during Covid pandemic

The business challenges presented by the pandemic for the fuel industry have been immense. Even though petrol stations were deemed an essential service and have been operating throughout the lockdown, fuel demand plummeted after the Level 5 restrictions were put in place. While there has been a rebound in demand as restrictions on movement have been gradually lifted, trading remains below pre-lockdown levels.



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For Astron Energy, a local oil refiner and holder of the Caltex license in Southern Africa, a major focus in its response to the crisis has always been on supporting its business partners throughout the commercial supply chain.

Tebogo Mekoa, Astron Energy's general manager of retail, says: "Like every company, we had to make our own staff and refining operations safe and deliver humanitarian interventions where we could, but a key imperative was to ensure the financial sustainability of everyone else involved in a complex business. We couldn't afford to simply look after ourselves."

Astron Energy has been working closely with its retail partners since the beginning of the crisis and has implemented a range of relief measures to soften the devastating economic impact of the virus and to alleviate the inevitable cash flow crises. Immediate interventions were implemented for April, like price change support, extended payment terms and rental relief, and they have since been extended to cover May and June.

Astron Energy has also supplied 36,000 fabric face masks to all service station staff around the country along with regular updates, guidelines and training material to help retailers keep their frontline employees and customers safe.

Chairman of the Caltex Franchise Advisory Council, Sabrie Mosaval, has described Astron Energy's approach as "heart-warming" and says the company has set many trends in leading the way in communication and support during Covid-19 and its initiatives have been recognised and appreciated by the Fuel Retailers Association.

Mekoa believes this is a case of doing the right thing to get the right outcome: "We all have to share the financial pain as equitably as we can and be very flexible in how we operate in this uncertain environment. Recovery will come much faster and more efficiently if we have been able to keep our tried and trusted partners afloat and operating."

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