AN INVESTIGATION OF EFFECTS OF SHORTAGE IN PETROLEUM SUPPLY ON MANUFACTURING INDUSTRIES

A CASE OF BIDCO OIL COMPANY

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Of Diploma in Purchasing and Supplies

UNIVERSITY OF NAIROBI
DECLARATION

I declare that this project is my original work and has not been presented for any academic award in any other university

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This project has been submitted for examination with my approval as a University Supervisor

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ABSTRACT

As countries move towards development of industries, energy has been a major factor in industrial development; it determines the rate and levels of production.

Most of these Industries depend on petroleum products for running and in case of shortage of the commodity, the costs of production are likely to raise, shortage in commodities produced, consumptions are likely to drop due to high costs which is passed on to consumers.

For the past few months, most African countries have been experiencing increase in prices of commodities thus creating shortage which has led to destabilising of economies.

Kenya in particular has experienced an increase in prices of commodities due to Shortages in petroleum products leading to an increase in the cost of production. Most industries are trying to find alternative forms of energy that will reduce the costs of production, finding ways of fuel storage in case of shortages and ways of curbing the shortage.