

**GOVERNMENT OF PAKISTAN  
MINISTRY OF PETROLEUM & NATURAL RESOURCES  
DIRECTORATE GENERAL OIL**

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**Achievements**

Annual consumption of petroleum products in the country is around 24 million tons. Indigenous crude oil meets only 15% of total requirements, while 85% requirements are met through imports in the shape of crude oil and refined petroleum products. The indigenous and imported crude is refined by six major and two small refineries.

- Byco Oil Pakistan Limited (Byco) has installed an Oil Refinery at Hub, Balochistan with refining capacity of 120,000 Barrel Per Day (5 million tons/annum) at cost of US\$ 400 million, which was inaugurated by the Prime Minister of Pakistan on 12<sup>th</sup> June, 2015.
- Byco has also installed Single Buoy Mooring (SBM) facilities for transportation of Crude Oil from ships to the storages tanks.
- Total PARCO Pakistan Limited acquired Chevron Pakistan Limited and with 765 petrol pumps it has become almost the size of Shell Pakistan.
- Due to reduced availability of Gas to CNG stations, the demand of MS has increased up to 25% during last 5 years necessitating for the opening of further abandoned oil depots to overcome the shortages. Accordingly, six (6) abandoned depots have been opened included in the IFEM and the storage capacity of diesel, petrol, kerosene and light diesel at these depots enhanced as under:-

S. No.	Location	Diesel	Petrol	Kerosene	Light Diesel	Total
1.	Daulatpur	6,600	950	0	0	7,550
2.	Khuzdar	1,600	0	380	0	2,040
3.	Sangi	4,450	465	1,000	180	6,095
4.	Habibabad	3,765	205	1,660	1,855	7,485
5.	Kundian	701	94	663	408	1,866
6.	SeraiNaurang	343	247	671	0	1,261
<b>Grand Total:</b>		<b>17,519</b>	<b>1,961</b>	<b>4,374</b>	<b>2,443</b>	<b>26,297</b>

- At present there are 22 depots which are included into Inland Freight Equalization Margin (IFEM) Pool out of 29. These 22 depots are scattered across the country and

the prices of Petroleum Products are uniform at these depots. The Federal Government's decision to reduce the number of IFEM depots from 29 was meant to bring the efficiency in IFEM mechanism and to eradicate dumping. The Government has authorized Oil Marketing Companies (OMCs)/Refineries to determine/fix at their own the prices of Petroleum Products with effect from 1<sup>st</sup> June, 2011 and 17<sup>th</sup> September, 2012 duly approved by ECC. OGRA manage and monitor the prices of Petroleum Products to avoid over-charging.

- Isomerization Project of Pakistan Refinery Limited (PRL) valued at US\$ 50 million has been commissioned in July, 2015 after which production of Motor Gasoline has been doubled i.e. 24,000 metric tons per month.
  - Crude Oil/ Condensate decanting facility at PARCO (MCR) has been commissioned in December 30, 2015 being the essential need of PARCO to receive Northern region crude oil/condensate in the country after ARL operating at full name plate capacity. The project cost approximately PKR 500 million.
  - ARL has started producing Euro-II (0.05% Sulphur) HSD from July 2016. Besides they have also installed isomerization plant and enhanced the production of Motor Gasoline in 2016.
  - ECC of the cabinet has increased OMCs/Dealers margins on CPI basis in the range of Rs. 0.06-0.08/Liter, w.e.f 1<sup>st</sup> July 2016.
  - In order to promote fuel efficiency, Government has introduced marketing of 92 RON Premier Motor Gasoline replacing the existing 87 RON PMG under the regulated environment effective from November, 2016. In addition to above, the marketing of 95/97 PMG has also been allowed under deregulated environment.
  - With effect from 1<sup>st</sup> January, 2017 entire imports of High Speed Diesel (HSD) is as per Euro-II specification (0.05% sulphur content).
  - Pak Arab Refinery Limited (PARCO) is implementing Khalifa Coastal Refinery project at Khalifa Point, near Hub, Balochistan, a state of the art refinery having capacity of 250-300,000 barrels per day (11-14 Million tons per annum). Estimated cost of the project is US\$ 4.5 billion. PARCO is working on detailed Feasibility Study of the project. Project implementation timelines are 60 months.
  - Diesel Hydro Desulphurization (DHDS) and Isomerization projects of NRL are in progress, which are expected to be completed by 30<sup>th</sup> June, 2017.
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