

PRESS RELEASE

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پریس ریلیز

The Oil and Gas Regulatory Authority (OGRA) has taken note of reports circulating in various newspapers regarding a slowdown in diesel upliftment due to imports allowed to Oil Marketing Companies (OMCs). In response, OGRA wishes to clarify the situation and provide the necessary context for the current developments.

Pakistan's reliance on imported petroleum products requires meticulous planning, often conducted two months ahead of time. Given the complexities of this process, some variation in supply and demand is inevitable. The demand of diesel is influenced by several factors, like fluctuating pricing trends, changes in the upliftment behavior of OMCs, and varying demand patterns. Additionally, challenges such as the porous borders also play a role in the overall planning and availability of fuel in the country.

It is important to note that the demand for HSD traditionally increases during the agricultural season, which coincides with the months of October and November. This seasonal spike in demand necessitates the import of additional HSD volumes well in advance to ensure that the market remains adequately supplied.

Pak-Arab Refinery Company Limited (PARCO) will be undergoing scheduled maintenance during the months of October and November for a minimum of 45 days. PARCO contributes 50% diesel (200,000 MT) and 47 % Petrol (100,000 MT) to local production in the country. To address the shortfall, two major importing OMCs PSO and GO were instructed to import the necessary HSD volumes to maintain supply, following the established routine practice. Available healthy stocks, gathered strategically, shall start depletion at the start of agri season i.e. mid of September helping to cater the demand in absence of PARCO production.

OGRA remains committed to ensuring the uninterrupted supply of petroleum products in Pakistan. The authority is closely monitoring the situation and is in constant coordination with all stakeholders, including Refineries, OMCs and Petroleum Division to address any potential challenges accordingly.

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