

Ministry of Power and Energy signs agreement with RM Parks to ensure uninterrupted fuel supply

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Mapa Pathirana, Secretary, Ministry of Power and Energy along with Justion Divis, Vice President of RM Parks Company, formally signed the agreement in the presence of President Ranil Wickremesinghe.

To address the foreign exchange crisis in Sri Lanka and ensure a steady fuel supply, the Ministry of Power and Energy has taken decisive action. Accordingly, an agreement was signed between the Government of Sri Lanka and RM Parks, a prominent international company operating in collaboration with Shell, marking a significant step towards securing a long-term contract for importing, storing, distributing, and selling petroleum products in the country.

In the presence of the President, Mapa Pathirana, the Ministry of Power and Energy Secretary, along with Justion Divis, Vice President of RM Parks Company, formally signed the agreement.

This development comes after the Ministry explored various strategies to overcome the challenges posed by the foreign exchange crisis and guarantee a continuous fuel supply to consumers.

The current economic situation has hindered the Ceylon Petroleum Corporation (CPC) and Lanka Indian Oil Company (LIOC) from importing fuel shipments as planned. More foreign exchange when opening Letters of Credit and settling bills has exacerbated the issue. Consequently, the Ministry sought solutions to mitigate these challenges, leading to the invitation of Expression of Interest (EOIs) from reputable petroleum companies.

Following a rigorous evaluation process, several companies were shortlisted and invited to submit detailed proposals. The Cabinet Appointed Special Committee (CASC) and the Technical Evaluation Committee (TEC) carefully scrutinized these proposals and recommended the awarding of contracts to the following companies, subject to negotiations:

M/s Sinopec Fuel Oil Lanka (Private) Limited, located at F5, Hambantota Maritime Centre, Mirijjawila, Hambantota, Sri Lanka.

M/s United Petroleum Pty Ltd, situated at 600 Glenferrie Rd, Hawthorn, Victoria 3122, Australia.

M/s RM Parks, headquartered at 1061 N. Main St, Porterville, CA 93257, USA, in collaboration with Shell. After thoroughly considering the recommendations made by the CASC and the Committee appointed by the Cabinet of Ministers, the Cabinet granted its approval to award contracts to the selected suppliers. The contract agreement with M/s Sinopec Fuel Oil Lanka (Private) Limited and its parent companies was signed, following successful negotiations.

Furthermore, negotiations with M/s RM Parks have also reached a fruitful conclusion.

RM Parks, in collaboration with Shell, aims to commence operations in Sri Lanka within 45 days after the issuance of the license. This agreement marks a significant milestone in ensuring a reliable and uninterrupted fuel supply to meet the country's energy needs amid challenging economic circumstances.

The event was attended by Power and Energy Minister Kanchana Wijesekera,

Foreign Affairs Minister Ali Sabri, State Ministers D.V. Chanaka, Indika Anuruddha, Shehan Semasinghe, Presidential Senior Adviser on National Security and Chief of Presidential Staff Sagala Ratnayaka, American Ambassador to Sri Lanka Julie Chung, secretaries of relevant ministries, government officials, and various dignitaries.





President in discussion with Justion Divis, Vice President of RM Parks Company and Julie Chung, American Ambassador to Sri Lanka



Sagala Ratnayaka, Presidential Senior Adviser on National Security and Chief of Presidential Staff; Shehan Semasinghe, State Minister of Finance; and Kanchana Wijesekera, Minister of Power and Energy.



Officials from RM Parks; Julie Chung, American Ambassador to Sri Lanka; Justion Divis, Vice President of RM Parks; President Ranil Wickremesinghe; Kanchana Wijesekera, Minister of Power and Energy; Shehan Semasinghe, State Minister of Finance; D.V. Chanaka, State Minister of Power and Energy; Indika Anuruddha, State Minister of Power and Energy; and M.P.D.U.K. Mapa Pathirana, Secretary of the Ministry of Power and Energy.