

Pakistan braces for another fuel crisis as oil transporters go slow

KARACHI: Pakistan is feared to go through another spell of fuel shortage as oil transporters observe protest against new taxes, constraining supplies across the country, people familiar with the matter said on Friday.

Oil tankers are protesting against increase in income and toll taxes. On Thursday, Oil Tankers Association announced to discontinue fuel supply across the country to protest against increase in income and toll taxes.

Petroleum dealers said fuel stations across the country have started drying up as the strike by oil contractors enters the second day.

Pakistan Petroleum Dealers Association President Sami Khan said tankers are on strike and very limited quantity of fuel is supplied to fuel stations.

"Demand declined on Friday due to rainfalls otherwise most of the fuel stations would have dried up by now," said Khan. "If the issue is not resolved there would be a fuel crisis in the country."

People were seen flocking at the petrol stations that ran dry amid lockdown-driven transportation shortage and significant reduction in domestic oil prices. The normalcy resumed when prices of petroleum products were raised substantially.

Price of petrol was increased by Rs25.58 to Rs100.10 per litre from its previous level of Rs74.52 per litre. Price of high speed diesel was increased by Rs21.13 to Rs101.46 per litre from its previous level of Rs80.15 per litre.

Shoaib Ashraf, a representative of Oil Tankers and Contractors Association said the strike would continue until their demands are met.

"Government has invited us for a meeting on Monday, and we hope that the issues are to be resolved," Ashraf said.

However, Ashraf said fuel is still available at the station. "Regular dispatch would be restored once we reach an understanding with the authorities," he said.

The association said the strike would not be called off on mere commitments by the authorities. "We are going to Islamabad, but the strike would continue unless government agrees to resolve our issues in writing," it said in a statement.

Khan said it seems the authorities are not serious in resolving the issue as there has so far been no discussion or dialogue with the stakeholders.

More than 7,000 oil tankers were found not in compliance with the safety standards notified by the Oil and Gas Regulatory Authority. There are around 11,704 tankers in the country.