



PROCUREMENT PLAN

2020-2022

FOR

CRUDE OIL

&

PETROLEUM PRODUCTS

PREPARED & PRESENTED BY COMMERCIAL FUNCTION

Table of Contents

- 1. Executive Summary..... 4
 - 1.1 Total Estimated Funds Requirement for 2020-2022 Imports.....4
 - 1.2 Crude Oil Import Plan for 2020-2022.....4
 - 1.3 Refined Petroleum Products Import Requirement for 2020-2022.....5
 - 1.4 Forecasted Aviation Gasoline, Bitumen & Lubricant Demand for 2020-2022.....6
- 2. Term Tenders Scheduled during the period from 2020-2022.....7
- 3. Total Quantity to be imported under the Term Contracts 2019-2022.....8
- 4. Refined Products Yield.....8
- 5. Crude Oil and Refined Products Purchase Plan 2020-2022.....9
- 6. Appendixes.....7
 - 6.1 Appendix I- Cost Estimation of Crude and Petroleum Products(2020).....8
 - 6.2 Appendix II- Cost Estimation of Crude and Petroleum Products(2021).....8
 - 6.3 Appendix III- Cost Estimation of Crude and Petroleum Products(2022).....9
 - 6.4 Appendix VI- Graphical Representation.....10 -14

List of Abbreviations

AV Gas = aviation Gasoline

ADNOC = Abu Dubai National Oil Company

BBL = Barrels

CPC = Ceylon Petroleum Corporation

CEB = Ceylon Electricity Board

DAP = Delivery at place

KG = Kilogram

MT = Metric Tons

Mn.Liters = Million liters

Ppm = Parts per million

SSCAPC = Special Standing Cabinet Appointed Procumbent Committee

SRC = Stock Review Committee

TEC = Technical Evaluation Committee

USD = United Standards Dollars

1. Executive Summary

1.1 Total Estimated Funds Requirement for 2020-2022 Imports**

Year	Crude Cost	Cost of Refined Products	Total Import Cost of Crude oil & Refined Products
2020	888	2,157	3,045
2021	937	2,477	3,414
2022	1,126	2,703	3,829

Table 01: Based on the calculated data

** Refer Appendix I - IV.

1.2 Crude Oil Import Plan for 2020-2022

Year	Crude Type	Required Quantity (MT)	Estimated Shipments	Estimated Delivery
2020	Murban Crude and Other Crude	1,925,000	21	02 Shipments per month
2021	Murban Crude and Other Crude	1,600,000	20	02 Shipments per month
2022	Murban Crude and Other Crude	1,820,000	21	02 Shipments per month

Table 02: Economics and scheduling forecasted data – 2020-2022

Throughput per day: 5,500 MT

Most feasible parcel size 90,000 MT/700,000 BBL

1.3 Refined Petroleum Products Import Requirement for 2020-2022

(MT)

	Year	Gasoline 92 Octane	Gasoline 95 Octane	(Super) Gas Oil10 ppm	(Auto) Gas oil 500 ppm (With CEB)*	Jet/Kero	Fuel Oil*	Bitumen
2,020	Forecasted Demand	1,340,485	155,340	78,607	2,126,262	775,507	1,011,565	42,250
	Forecasted Refinery production	187,790	-	-	629,953	346,500	516,594	39,550
	Total Quantity to be imported	1,152,695	155,340	78,607	1,496,309	429,007	494,971	2,700
2,021	Forecasted Demand	1,306,375	188,728	106,398	2,034,569	888,280	812,929	42,550
	Forecasted Refinery production	168,903	0	0	538,304	294,840	422,100	35,595
	Total Quantity to be imported	1,137,472	188,728	106,398	1,496,266	593,440	390,829	6,955
2,022	Forecasted Demand	1,429,513	207,329	116,803	2,075,915	966,220	812,929	42,550
	Forecasted Refinery production	187,775	0	0	608,300	330,400	485,205	39,550
	Total Quantity to be imported	1,241,738	207,329	116,803	1,467,615	635,820	327,724	3,000

* With CEB Forecasted Demand & Local Consumers' Annual Requirement

Table 03: Based on the Forecasted data

1.4 Forecasted Aviation Gasoline, Bitumen & Lubricant Demand for 2020-2022

Year	Aviation Gasoline (MT)	Bitumen (MT)	Lubricant (Mn. Liters)
2020	347	42,250	-
2021	321.84	42,250	-
2022	368.94	42,250	-

Table 04: Based on the Commercial Function day

2. Term Tenders Scheduled during the period from 2020-2022

year	No	Term Contract Reference No.	Name of the Supplier	Total Shipments Planned under the contract	Total Shipments
2020	1	BK/TERM/GAS OIL (0.05% M.S.)/ JET-A 1/DTB-MUTHU/2019-2020-R	M/S Mena Energy DMCC, U.A.E	8	3
	2	BK/TERM/GAS OIL (0.05% M.S)/DTB-MUTHU/2019-2020	Emirates National Oil Company (Singapore) PTE LTD., Singapore	7	5
	3	BK/TERM/GASOLINE (92-95 UNL)/ DTB-MUTHU/2019-2020	M/S. Vitol Asia PTE LTD., Singapore	8	6
	4	BK/TERM/GAS OIL 0.001% M.S/GASOLINE 92 UNL/ DTB-MUTHU/2019-2020	M/S. Vitol Asia PTE LTD., Singapore	8	3
	5	BK/TERM/GAS OIL (0.05% M.S.)/ JET A-1/DTB-MUTHU/2020	TBN	8	8
	6	BK/TERM/ GASOLINE 92 UNL/ DTB-MUTHU/2020	TBN	6	6
	7	BK/TERM/GAS OIL (0.05% M.S.)/ GASOLINE 92 UNL /DTB-MUTHU/2020	TBN	4	4
	8	BK/TERM/GAS OIL (0.05%M.S.)/DTB-MUTHU/2020	TBN	8	8
	9	BK/TERM/GAS OIL (0.001% M.S.)/ GASOIL (0.05% M.S) /DTB-MUTHU/2020	TBN	5	5
2021		Forecasted total import quantities are to be imported through Term contracts. Term contracts are to be scheduled after a standard forecast.			
2022		Forecasted total import quantities are to be imported through Term contracts. Term contracts are to be scheduled after a standard forecast.			

Table 05: Based on the Commercial Function Data

3. Total Quantity to be imported under the Term and Single tender Contracts 2020-2022

Year	Gasoline 92 Octane	Gasoline 95 Octane	(Super) Gas Oil 10 ppm	(Auto) Gas oil 500 ppm (With CEB)*	Jet/Kero	Fuel Oil	Bitumen
2020	1,152,695.00	155,340.00	78,607.00	1,496,309.00	429,007.00	494,971.00	2,700.00
2020	1,137,472.42	188,727.93	106,397.64	1,496,265.95	593,439.75	390,828.73	6,955.00
2020	1,241,738.26	207,328.62	116,803.13	1,467,615.01	635,819.76	327,723.73	3,000.00

* With CEB Forecasted Demand & Local Consumers' Annual Requirement

Table 06: Based on the Forecasted Data

4. Refined Products Yield

Determination of the Crude Oil requirements for the Refinery and the corresponding yields for the 3 years (2020-2022) were forecasted using the data provided by the Economics & Scheduling Department of the Refinery. Further, the production capacity of CPC Refinery is not adequate to cater the country's demand as Refinery expansion project has not yet been happened and further increase of production cannot be expected due to the present condition of the Refinery. Forecasted daily yield of refined products from the refinery in 2022 would be lower than 2020 and 2021 as CPC has predicted full shutdown is scheduled in every two years generally.

	Gasoline 92 Octane	Gasoline 95 Octane	Gas Oil10 ppm	Gas oil 500 ppm	Jet A-1	Lanka Kero	Bitumen	Fuel Oil*
2020	187,775.00	0.00	0.00	629,965.00	277,200.00	69,300.00	39,550.00	516,600.00
2021	168,903.00	0.00	0.00	538,303.50	235,872.00	58,968.00	35,595.00	422,100.00
2022	187,775.00	0.00	0.00	608,300.00	263,620.00	66,780.00	39,550.00	485,205.00

Table 07: Forecasted Total Yield of Refined Products from the Refinery

5. Crude oil and Refined Products Purchase Plan 2020-2022

At the CPC Refinery, Crude Oil is processed and refined into petroleum products mainly Gasoline (92 UNL), Kerosene/ JET A-1, Diesel and Naptha. As Refinery output is not sufficient to cater the country demand. Therefore, CPC has to import Refined Petroleum Products to cover the total demand of Sri Lanka. The following table illustrates the Crude oil purchase plan for the period of 2020-2022 with the current status of procurement preparedness activities. Gasoline (95 UNL) and Gasoline 10 PPM are not presently produced at Sapugaskanda Refinery due to the absence of required infrastructure and facilities.

Year	Crude Type	Required Quantity (MT)	Already Confirmed Quantity (MT)	Balance Quantity to be Purchased (MT)
2020	Murban Crude and other Crude	1,925,000	360,000	1,565,000
	Estimated No. of Shipments	21	4	17
2021	Murban Crude and other Crude	1,600,000	Not Confirmed	Not Confirmed
	Estimated No. of Shipments	20	Not Confirmed	Not Confirmed
2022	Murban Crude and other Crude	1,820,000	Not Confirmed	Not Confirmed
	Estimated No. of Shipments	21	Not Confirmed	Not Confirmed

Throughput per day: 5,500 MT

Most feasible parcel size is 90,000 MT

Table 08: Crude oil Purchase Plan for 2020-2022

6. Appendix I

6.1 Cost Estimation of Crude Oil and Petroleum Products – 2020

	Gasoline 92 RON (MT)	Gasoline 95 RON (MT)	Gas Oil 10 ppm (MT)	Gas oil 500 ppm (with CEB) (MT)	Jet / Kero	Fuel Oil	Bitumen (MT)	Av Gas	Crude Oil (MT)
Forecasted Demand	1,340,485	155,340	78,607	2,126,262	775,507	0	42,250	347	1,925,000
Stocks as at 31st December 2019	50,000	6,000	7,000	150,000	43,000				
Forecasted Ref. Production	187,790	-	-	629,953	346,500	0	39,550	-	-
Forecasted Qty. To be Imported in MT	1,152,695	155,340	78,607	1,496,309	429,007	0	2,700	347	1,800,000
Forecasted Qty. to be Imported in BBL	9,797,907.50	1,320,390.00	589,552.50	11,222,317.50	3,432,056.00				14,640,780.00
Estimated DAP Value per BBL(US\$)	68.48	73.15	80.67	78.44	74.79				60.62
Value of Imports (US\$/Mn)	671	96.58	47.56	880.25	256.7	-	0.096	0.44	887.58
Total Estimated Value of Refined Products Imports (US\$/Mn) (with CEB requirement)									2,157
Total Estimated Value of Refined Products + Crude Oil Imports + Av. Gas + Bitumen (US\$/Mn)* (with CEB requirement)									3,046
Total Estimated Value of Imports (Rs.Mn) (with CEB requirement)									548,240

**Note: Exchange Rate of 178.245 dated 31st December 2018 is considered to derive Rupee Value

Table 10: Based on the calculated data

Appendix II

6.2 Cost Estimation of Crude Oil and Petroleum Products – 2021

	Gasoline 92 RON (MT)	Gasoline 95 RON (MT)	Gas Oil 10 ppm (MT)	Gas oil 500 ppm (with CEB) (MT)	Jet/ Kero	Fuel Oil	Bitumen (MT)	Av Gas	Crude Oil (MT)
Forecasted Demand	1,306,375	188,728	106,398	2,034,569	888,280	812,929	42,550	322	1,600,000
Stocks as at 31st December 2018	50,000	6,000	7,000	150,000	43,000				
Forecasted Ref. Production	180,500	-	-	629,965	313,040	516,600	34,020	-	-
Forecasted Qty. To be Imported in MT	1,137,472	188,728	106,398	1,496,266	593,440	390,829	6,955	322	1,600,000
Forecasted Qty. to be Imported in BBL	9,668,516	1,604,187	797,982	11,221,995	4,747,518				12,800,000
Estimated DES Value for BBL(US\$)	79	81	88	87	86	307.875			
Value of Imports (US\$/Mn)	767.04	129.54	70.49	980.99	408.68	120.33	3.07	0.57	937.43
Total Estimated Value of Refined Products Imports (US\$/Mn) (with CEB requirement)									2477
Total Estimated Value of Refined Products + Crude Oil Imports + Av. Gas + Bitumen (US\$/Mn)* (with CEB requirement)									3418
Total Estimated Value of Imports (Rs.Mn) (with CEB requirement)									615,264

Note: Assumed Exchange Rate US\$=Rs. 180.00

Table 11: Based on the calculated data

Appendix III

6.3 Cost Estimation of Crude Oil and Petroleum Products – 2022

	Gasoline 92 RON (MT)	Gasoline 95 RON (MT)	Gas Oil 10 ppm (MT)	Gas oil 500 ppm (with CEB) (MT)	Jet/ Kero	Fuel Oil	Bitumen (MT)	Av Gas	Crude Oil (MT)
Forecasted Demand	1,429,513	207,329	116,803	2,075,915	966,220	812,929	42,550	369	1,820,000
Stocks as at 31st December 2018	50,000	6,000	7,000	150,000	43,000				
Forecasted Ref. Production	187,775	-	-	608,300	330,400	485,205	39,550	-	-
Forecasted Qty. To be Imported in MT	1,241,738	207,329	116,803	1,467,615	635,820	327,724	3,000	369	1,820,000
Forecasted Qty. to be Imported in BBL	10,554,775	1,762,293	876,023	11,007,113	5,086,558				14,560,000
Estimated DES Value for BBL(US\$)	83	83	96	94	93	630			
Value of Imports (US\$/Mn)	870.77	145.39	83.81	1029.17	470.51	103.23	1.33	0.64	1,126.16
Total Estimated Value of Refined Products Imports (US\$/Mn) (with CEB requirement)									2,703
Total Estimated Value of Refined Products + Crude Oil Imports + Av. Gas + Bitumen (US\$/Mn)* (with CEB requirement)									3,831
Total Estimated Value of Imports (Rs.Mn) (with CEB requirement)									689,578.06

Note: Assumed Exchange Rate US\$=Rs. 180.00

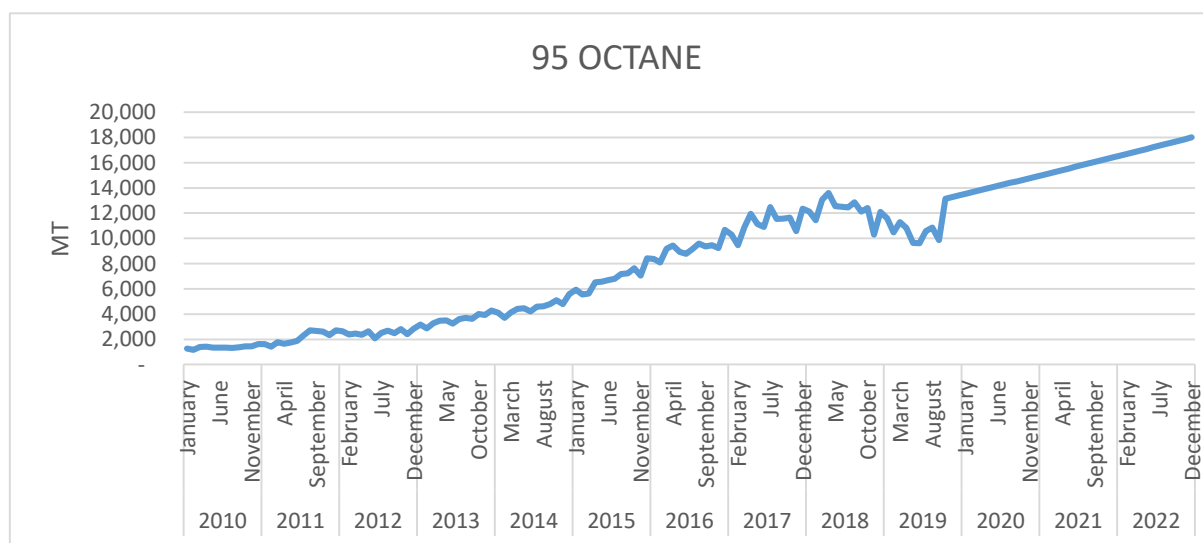
Table 12: Based on the calculated date

Appendix IV

6.4 Graphical Representation

GASOLINE (95 UNL) - (In MT's)

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
January	1,271	1,622	2,642	3,175	4,104	5,932	8,363	10,287	12,122	11,590	13,518	15,025	16,562
February	1,160	1,429	2,371	2,858	3,704	5,560	8,082	9,463	11,451	10,463	13,642	15,152	16,692
March	1,404	1,765	2,464	3,282	4,126	5,641	9,182	10,890	13,056	11,288	13,767	15,280	16,821
April	1,432	1,638	2,356	3,483	4,423	6,525	9,443	11,939	13,598	10,823	13,892	15,407	16,951
May	1,331	1,753	2,629	3,507	4,475	6,560	8,936	11,146	12,548	9,644	14,017	15,534	17,081
June	1,351	1,871	2,084	3,242	4,214	6,700	8,770	10,915	12,495	9,624	14,142	15,662	17,211
July	1,334	2,300	2,501	3,609	4,581	6,796	9,154	12,472	12,443	10,569	14,268	15,790	17,341
August	1,311	2,719	2,695	3,714	4,626	7,183	9,599	11,542	12,869	10,856	14,394	15,918	17,472
September	1,369	2,660	2,474	3,616	4,797	7,238	9,347	11,578	12,112	9,864	14,520	16,047	17,603
October	1,439	2,617	2,803	4,001	5,093	7,640	9,448	11,633	12,400	13,145	14,646	16,175	17,734
November	1,457	2,323	2,411	3,923	4,797	7,062	9,242	10,575	10,298	13,269	14,772	16,304	17,865
December	1,628	2,725	2,840	4,282	5,586	8,423	10,679	12,343	12,095	13,393	14,899	16,433	17,996

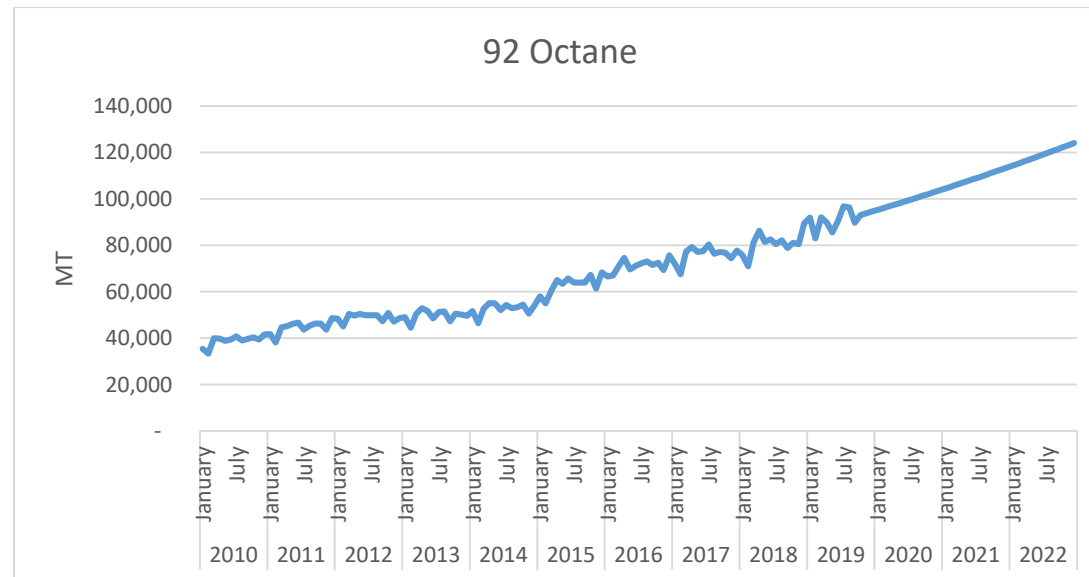


Appendix V

6.5 Graphical Representation

GASOLINE (92 UNL) - (In MT's)

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
January	35,434	41,811	48,304	49,125	51,713	58,017	66,534	72,088	75,765	91,879	95,247	104,391	114,291
February	33,347	38,101	45,080	44,505	46,505	54,960	66,947	67,548	70,923	83,037	95,981	105,187	115,151
March	39,984	44,631	50,372	50,372	52,720	60,329	71,061	77,302	81,319	92,038	96,720	105,988	116,017
April	39,810	45,140	49,691	52,898	55,090	65,095	74,501	79,279	86,237	89,775	97,464	106,794	116,889
May	38,885	46,202	50,465	51,743	55,035	63,416	69,660	77,183	81,525	85,630	98,214	107,605	117,766
June	39,418	46,755	49,939	48,444	52,120	65,682	71,168	77,507	82,552	90,509	98,968	108,422	118,649
July	40,733	43,670	49,922	51,198	54,302	64,017	72,271	80,305	80,542	96,772	99,727	109,244	119,537
August	38,994	45,280	49,879	51,607	52,888	63,946	73,010	76,372	82,188	96,363	100,492	110,072	120,431
September	39,698	46,288	47,243	47,291	53,394	63,888	71,501	77,159	78,779	89,690	101,261	110,905	121,331
October	40,424	46,318	50,842	50,608	54,435	67,326	72,485	76,752	81,096	93,074	102,036	111,743	122,237
November	39,376	43,739	47,189	50,183	50,527	61,294	69,293	74,445	80,477	93,793	102,816	112,587	123,148
December	41,635	48,702	48,642	49,601	53,963	68,305	75,687	77,737	89,520	94,517	103,601	113,436	124,065

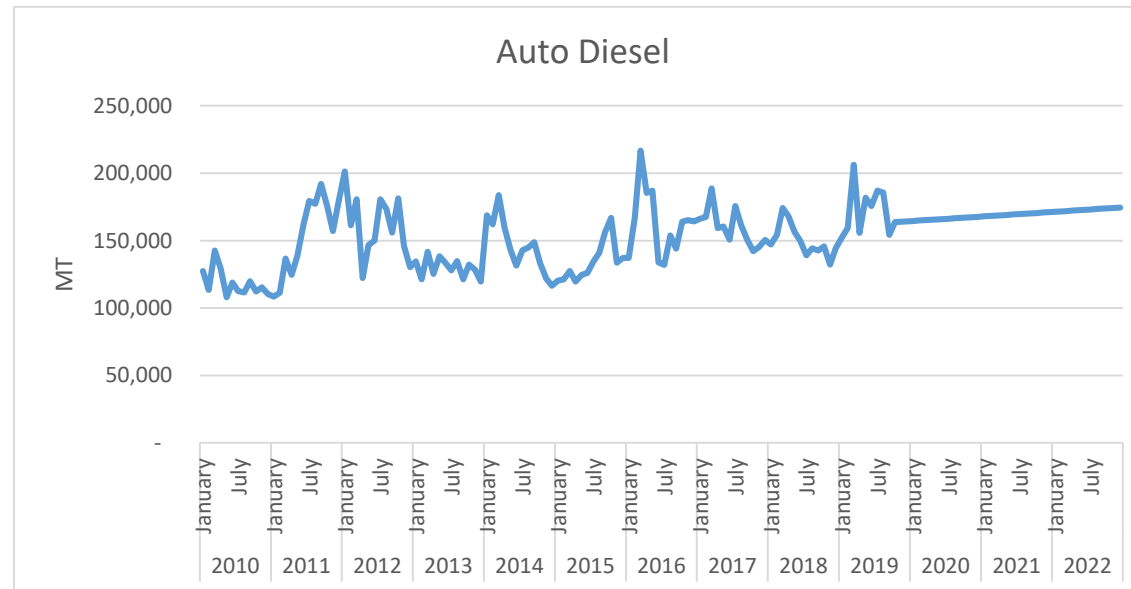


Appendix VI

6.6 Graphical Representation

GAS OIL (0.05%) - (In MT's)

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
January	127,365	108,410	201,203	134,561	168,792	120,300	137,095	166,067	147,109	152,342	164,584	167,979	171,408
February	113,368	111,258	161,494	121,270	162,209	121,219	167,131	167,614	154,256	159,277	164,866	168,263	171,695
March	142,628	136,830	180,699	141,658	183,680	127,576	216,689	188,636	174,133	206,367	165,148	168,548	171,983
April	129,568	124,497	122,187	125,231	159,818	119,652	185,507	159,323	168,138	155,770	165,430	168,833	172,271
May	108,050	138,817	146,603	138,465	142,817	124,544	187,044	160,503	156,534	181,951	165,712	169,118	172,559
June	119,004	161,810	149,980	133,559	131,474	126,066	133,845	150,843	149,830	175,783	165,994	169,403	172,847
July	112,410	179,520	180,602	128,012	142,987	134,696	131,954	175,588	139,188	187,152	166,277	169,689	173,136
August	111,513	177,260	173,644	134,886	144,796	140,947	153,918	160,909	144,363	185,718	166,560	169,975	173,425
September	119,816	191,943	155,995	121,276	148,894	156,097	144,142	150,814	142,759	154,299	166,843	170,261	173,714
October	112,210	175,624	181,331	132,181	133,355	166,873	164,039	142,112	145,780	163,741	167,127	170,547	174,003
November	115,426	157,175	146,007	128,370	121,980	133,704	165,291	145,273	132,268	164,022	167,411	170,834	174,293
December	110,277	180,367	130,374	119,507	116,527	137,146	164,302	150,433	144,582	164,303	167,694	171,121	174,583

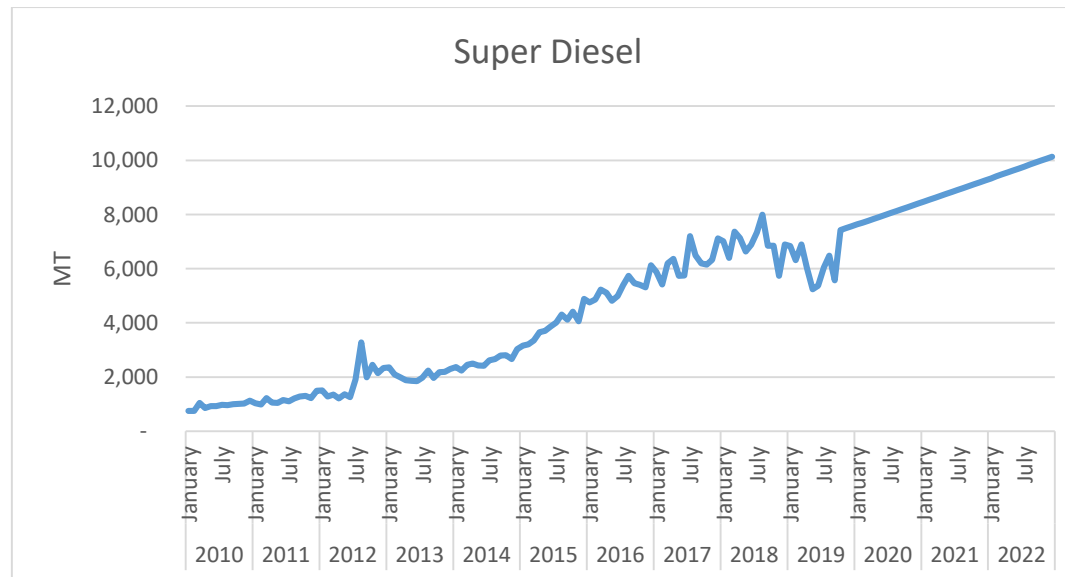


Appendix VII

6.7 Graphical Representation

GAS OIL (0.001%) - (In MT's)

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
January	745	1,028	1,509	2,358	2,371	3,160	4,749	5,881	7,008	6,835	7,633	8,474	9,333
February	749	986	1,281	2,099	2,239	3,205	4,861	5,416	6,400	6,315	7,702	8,545	9,406
March	1,037	1,220	1,351	1,985	2,448	3,350	5,227	6,192	7,365	6,891	7,772	8,616	9,478
April	851	1,050	1,203	1,885	2,502	3,658	5,112	6,360	7,130	6,026	7,842	8,687	9,551
May	929	1,041	1,360	1,863	2,427	3,708	4,813	5,740	6,639	5,243	7,911	8,759	9,623
June	923	1,148	1,259	1,848	2,412	3,862	4,990	5,746	6,879	5,372	7,981	8,830	9,696
July	970	1,106	1,901	1,977	2,619	4,004	5,388	7,198	7,348	6,045	8,051	8,902	9,769
August	959	1,204	3,278	2,240	2,663	4,303	5,735	6,488	7,992	6,477	8,122	8,973	9,842
September	995	1,279	1,985	1,965	2,795	4,115	5,461	6,192	6,840	5,567	8,192	9,045	9,916
October	1,004	1,305	2,445	2,172	2,803	4,417	5,405	6,153	6,846	7,425	8,262	9,117	9,989
November	1,024	1,221	2,146	2,194	2,663	4,059	5,310	6,321	5,740	7,495	8,333	9,189	10,063
December	1,126	1,488	2,331	2,298	3,029	4,883	6,125	7,116	6,898	7,564	8,403	9,261	10,136



Appendix VIII

6.8 Graphical Representation

JET A-1 - (In MT's)

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
January		39,670	41,827	38,193	44,351	43,443	45,278	49,422	83,679	61,055	65,451	71,198	77,455
February		36,467	36,695	36,249	39,730	40,455	44,192	44,990	78,949	54,927	65,911	71,700	78,000
March		41,108	39,053	40,871	41,728	44,549	49,955	48,880	83,948	64,570	66,374	72,205	78,549
April	33,951	39,137	36,368	38,155	40,353	41,335	45,861	46,468	79,246	57,563	66,841	72,714	79,101
May	33,542	37,402	35,211	36,298	40,135	40,739	43,254	45,549	69,231	50,553	67,311	73,227	79,656
June	33,386	37,981	34,347	32,726	38,605	40,970	44,139	44,287	64,978	49,881	67,784	73,743	80,216
July	34,592	39,465	37,436	44,333	42,899	43,664	48,538	49,502	70,021	54,453	68,261	74,262	80,779
August	33,934	39,013	38,865	41,786	42,765	41,004	48,268	54,707	70,726	55,836	68,742	74,785	81,345
September	33,146	37,980	47,059	39,783	40,165	37,672	44,806	50,093	68,421	52,559	69,226	75,312	81,915
October	34,353	38,346	38,431	41,037	42,139	42,387	46,944	53,382	57,942	64,093	69,714	75,843	82,489
November	35,017	34,904	36,124	39,118	40,486	38,363	42,826	56,941	59,025	64,542	70,205	76,377	83,067
December	38,673	39,487	38,193	40,870	42,940	46,287	49,302	81,826	62,104	64,995	70,700	76,914	83,648

