



Khan: We don't control fuel after sale

AFTER a shipment of fuel sold by Paria Trading Company was unloaded in Aruba, TT gave up any say in its fate, Energy Minister Franklin Khan said in a recent interview at Radio 95.5 FM.

Of the allegations about the shipment allowing fuel to reach Venezuela in breach of US sanctions, Khan said, "The UNC is riding a horse to nowhere on this matter."

He said the shipment pertained to Paria, not Heritage Petroleum as has been reported.

Khan boasted Paria had recently made an annual profit of \$1.4 billion, and paid \$850 million in taxes to the Government.

In its role of importing fuel, Paria has performed extremely well, he said, just like Heritage.

Khan recalled that when the Petrotrin refinery was shut, nay-sayers had predicted fuel shortages, but Paria's efficiency had averted that.

"Paria imports fuel. That import is redirected in two ways. One is for the local market to satisfy local demand, and two is for re-export into the Caricom region. Paria imports around 1.3 or 1.4 million barrels of fuel per month. As I said, half of that is for the local market and half is for re-export to Caricom."

He said Paria's main suppliers include BP Trading and Trafigura, plus others, the bulk coming from US Gulf Coast refineries.

Half of imports to TT are re-exported to Caricom markets such as Guyana, Barbados and the Eastern Caribbean, previously supplied by the Petrotrin refinery, Khan said. He said oil traders,

often registered in Switzerland or New York, control market supplies, but are not producers.

“So what happened with this so-called shipment? Bear in mind Paria is a trading company, which sells products on two counts, by contract and spot purchase. On March 28, 2020, a spot-purchase request was made by a company called ES Euro Shipping SA, registered in Switzerland, for a cargo of 150,000 barrels of gasoline with a final destination of Aruba.”

He said the cargo began loading in Aruba on April 21 under the terms of the agreement.

“There is nothing wrong with doing a spot sale, especially because at the end of March, because of the covid restriction, Paria’s inventories were very high because demand in the local market had reduced significantly and there was a surplus volume available. A spot-market purchase fell in line with Paria’s marketing strategy.”

He said the contract and the bill of lading for that shipment both stipulated Aruba as final destination with all restrictions included.

“When the shipment lands in Aruba, which is when the contract has been fully served, and it is loaded on to some terminal in Aruba, we have lost title to the supply. So what happens after that is not the responsibility of Paria, not the responsibility of the Government of TT.

“I don’t know the facts. If some of that shipment eventually reached Venezuela, I don’t know. But even if that may have been correct, I’m not sure. We have no responsibility in that matter. We sold it with a bill of lading to Aruba. We have lost title in Aruba.

“So I don’t know where this whole issue has come from, and they are linking it to sanctions, they are linking it to meeting with the Prime Minister and Vice President of Venezuela.” He blamed the UNC.

Khan hit Opposition Leader Kamla Persad-Bissessar on this matter. He hit Oropouche East MP Dr Roodal Moonilal for

writing to the United States Ambassador to TT and allegedly virtually lobbying for sanctions against this country over this matter.