

SIERRA LEONE PETROLEUM DEALERS & TRANSPORTERS UNION(SLPDTU)

Motto: *"Connecting The Nation Through Fuel"*

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19th March 2022

PRESS RELEASE

The attention of the PETROLEUM DEALERS AND TRANSPORTERS UNION of Sierra Leone has been drawn to a Press Release by the Petroleum Regulatory Agency in respect of a review of the pump price of fuel from Le 12,000 for liter to Le 15,000. The Union wishes to state that it was never consulted in the process leading to the review of the pump price, contrary to Section 12(3) of the Petroleum Regulatory Agency Act of 2014 which states as follows:

"For the purposes of the review of the pump price of petroleum, both the Agency and the traders may, at any time, initiate negotiations at which all necessary import documents shall, subject to section 13, be made available to the Agency for analysis so as to enable any new pump price to be agreed and put into operation within two weeks from the date of commencement of the negotiations".

Our union, which consists of traders within the meaning of the Act, is a key stakeholder in the process.

The Union wishes it to be known that during the previous review of the pump price from Le.10,000 to Le12,000 **Dealers' Margin and Transporter (Tanker freight rate) was left the same** and. even though other business operators like Okada Riders, Kekeh Drivers, Ferry Operators, Motor Drivers, etc were given at least 20% increase in their respective tariffs. We did raise to the Petroleum Regulatory Agency our concerns on the effects of carrying out a review without consulting its membership, and proposed that Dealers' Margin be pegged at 10% of the fuel pump price. We were assured positive remedial action would be taken within one month,



but just two week later, the recent fuel pump price increase has been decided upon and implemented without considering our concerns at all.

Petroleum Dealers operate under a strict pricing regime whereby both buying and selling prices to dealers are completely nonnegotiable and outside the dealers' control. Therefore, further increasing of the fuel pump price from Le 12,000 to Le 15,000 without adequately increasing dealers margin will completely collapse dealers' businesses which were already severely under-capitalized and not breaking even.

We therefore call on the Petroleum Regulatory Agency to engage our union executive in urgent negotiation of the proposed level of increase in dealers' margin we had earlier presented for immediate consideration and implementation. We wish to state that, until such negotiations are concluded and the agreed level of increase in **Dealers' margin and Transporter (Tanker freight rate) is implemented, our members shall soon refrain from buying fuel products for the operation of petrol stations nationwide.**

Furthermore, our attention has been drawn to the persistent harassment of our members by state officials especially the Resident Minister North. In an incident in Makeni, the Minister ordered the arbitrary arrest and detention of our members, falsely accusing them of creating artificial scarcity of fuel even when there was no fuel in their stations. Our members have no control over and are not responsible for the current scarcity of fuel in the country. The reality is that though the PRA Executive Chairman did recently issue a press release reassuring the general public that there was no fuel scarcity in the country, all efforts by Dealers to get OMCs to supply stations with fuel they had already fully paid for were futile. Dealers got coerced into selling all the fuel they had, including reserve stock held for pre-paid customers and for emergencies, yet they continued to be falsely blamed and severely harassed for the scarcity. We therefore call on the government to intervene and protect our members.

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