



Government of the People's Republic of Bangladesh

## **Annual Performance Agreement (APA)**

Between

**The Secretary, Energy and Mineral Resources Division**

And

**The Chairman, Bangladesh Petroleum Corporation**

2014-2015

২৫/১২/১৪  
১০/১২/১৪

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## Preamble

The Annual Performance Agreement is made and entered into on ...../...../ 2015.

BETWEEN

The Chairman, Bangladesh Petroleum Corporation, representing Bangladesh Petroleum Corporation.

AND

The Secretary, Energy and Mineral Resources Division representing the Minister, Power, Energy and Mineral Resources.

The parties hereto agree as follows:

## **Section 1: Bangladesh Petroleum Corporation's Vision, Mission, Functions and Strategic Objectives.**

### **1.1 Vision**

Ensuring uninterrupted supply of Petroleum Products throughout the country in a reasonable price.

### **1.2 Mission**

- Ensuring energy security for the country through import, acquire, refining & distribution of Petroleum Products.
- Developing Petroleum related infrastructures.
- Modernization of Operational activities.

### **1.3 Functions**

- To acquire, import crude petroleum and other refined petroleum products;
- To refine crude petroleum and manufacture of various grades of refined products;
- To set up refineries and ancillary facilities;
- To plan and install petroleum (crude and refined) storage facilities;
- To determine allocation of petroleum products against the marketing companies;
- To establish and expand petroleum marketing facilities;
- To export petroleum products;
- To act as managing agents of, or to enter into any management or any other agreement or contract with, any firm or company.
- To supervise, co-ordinate and control the affairs of the enterprises;

### **1.4 Strategic Objectives**

- Importing of crude oil, refined petroleum products and procure refined products from local sources.
- Processing crude petroleum and producing different grades of petroleum products.
- Maintaining sufficient stock & efficient distribution of Petroleum Products to ensure the energy security.

## Section 2:

### Strategic Objectives, Activities, Performance Indicators and Targets

Strategic Objectives	Weight of Strategic Objective	Activities	Performance Indicator (PI)	Unit	Weight of PI	Target/Criteria Value				
						Excellent	Very Good	Good	Fair	Poor
						100%	90%	80%	70%	60%
(1) Import of crude oil, refined petroleum products and procure refined products from local sources.	40	[1.1] Import of finished petroleum products	[1.1.1] Finished Products imported	Lakh MT	20	43.85	40	37	35	30
		[1.2] Import of crude oil	[1.2.1] Crude oil imported	Lakh MT	15	13	12	11	10	9
		[1.3] Procurement of finished products from local sources.	[1.3.1] Finished Products procured	Lakh MT	5	4	3.5	3	2.5	2
(2) Processing crude petroleum and producing different grades of petroleum products.	15	[2.1] Processing of Crude oil	[2.1.1] Crude oil processed	Lakh MT	10	12	11	10	9	8
		[2.2] Producing different grades of petroleum products.	[2.2.1] Mid distillate Collected	Lakh MT	3	5.85	5.26	4.68	4.10	3.51
			[2.2.2] Top distillate Collected	Lakh MT	1	2.08	1.87	1.66	1.46	1.25
			[2.2.3] Bottom distillate Collected	Lakh MT	1	4.71	4.24	3.77	3.30	2.83

Section 2:

**Strategic Objectives, Activities, Performance Indicators and Targets (Continues...)**

Strategic Objectives	Weight of Strategic Objective	Activities	Performance Indicator (PI)	Unit	Weight of PI	Target/Criteria Value				
						Excellent	Very Good	Good	Fair	Poor
						100%	90%	80%	70%	60%
(3) Maintain sufficient stock & efficient distribution of Petroleum Products to ensure the energy security.	30	[3.1] Maintain sufficient stock of Petroleum Products	[3.1.1] HSD stocked	Day	8	40	35	33	30	28
			[3.1.2] Crude Oil stocked	Day	3	25	22	20	18	15
			[3.1.3] Jet A-1 stocked	Day	2	30	25	22	20	18
			[3.1.4] HSFO stocked	Day	2	25	22	20	18	15
			[3.1.5] HOBC stocked	Day	1	40	35	33	30	28
			[3.1.6] MS stocked	Day	1	45	40	35	33	30
			[3.1.7] SKO stocked	Day	1	30	25	22	20	18
			[3.1.8] LPG stocked	Day	1	-	-	-	-	-
		[3.2] Distribution of Petroleum Products	[3.2.1] Retail Customer Distributed	LMT	4	26	25	24	22	20
			[3.2.2] Direct Customer Distributed	LMT	2	15	14	13	12	10
			[3.2.3] Agency wise distributed	LMT	2	14	13	12	11	9
		[3.3] Enhance Storage Capacity	[3.3.1] Capacity increased	LMT	3	0.50	0.45	0.40	0.35	0.30

**Section 2:**

**Strategic Objectives, Activities, Performance Indicators and Targets (Continues...)**

Strategic Objectives	Weight of Strategic Objective	Activities	Performance Indicator (PI)	Unit	Weight of PI	Target/Criteria Value				
						Excellent	Very Good	Good	Fair	Poor
						100%	90%	80%	70%	60%
Mandatory Strategic Objectives										
*Improve Financial Management	3.00	Improve Compliance with the Terms of Reference of the Budget Management Committee (BMC)	Budget Implementation Plan (BIP) prepared and Quarterly Budget Implementation Report (QIMR) Submitted to Finance Division (FD) meeting FD requirements	Number of report	1.0	5	4	3	2	1
			Actual achievements against performance targets are monitored by the BMC on a quarterly basis	Number of BMC Meetings	1.0	4	3	2	1	--
		Improve audit performance	Percentage of outstanding audit objections disposed off during the year	%	1.0	20	18	15	14	13
*Efficient Functioning of the Annual Performance Agreement(APA) System	2.00	Timely submission of Draft APA for 2014-2015	On-time submission	Date	2.0	24/03/15	26/03/15	28/03/15	31/03/15	02/04/15

**Section 2:**

**Strategic Objectives, Activities, Performance Indicators and Targets (Continues...)**

Strategic Objectives	Weight of Strategic Objective	Activities	Performance Indicator (PI)	Unit	Weight of PI	Target/Criteria Value				
						Excellent	Very Good	Good	Fair	Poor
						100%	90%	80%	70%	60%
<b>Mandatory Strategic Objectives</b>										
*Improve Service delivery to the Public	6.00	Implementation of Citizens' Charter(CC)	Preparation and approval of CC by the Ministry/Division	Date	1.0	01/03/15	05/03/15	10/03/15	20/03/15	24/03/15
			Publication of CC in website or others means	Date	1.0	01/03/15	05/03/15	10/03/15	20/03/15	24/03/15
		Implementation of Grievance Redress System(GRS) System	Publishing names and contact details of GRS focal point in the website	Date	1.0	01/03/15	05/03/15	10/03/15	20/03/15	24/03/15
			Sending GRS report(s) to the Cabinet Division from January 2015	Number of report(s)	1.0	5	4	3	2	1
		Implementing Innovations	Implemented decisions of the innovation team	%	1.0	100	80	50	30	--
			Unicode used in all official activities	Date	1.0	31/12/14	31/01/15	28/02/15	31/03/15	30/04/15
*Improve governance	4.00	Compliance with RTI Act and proactive disclosure	Percentage of information, mentioned in the RTI Act and related regulations, disclosed in the website	%	2.0	80	70	60	50	40
		Preparation and Implementation of the National Integrity Strategy Work Plan	Preparation of NIS Work Plan for 2015 and get approved by the Ethics Committee	Date	2.0	28/02/15	31/03/15	30/04/15	31/05/15	30/06/15



**Section 3:**

**Trend values of the Performance Indicators**

Strategic Objectives	Activities	Performance Indicator	Unit	Actual Value for FY 12-13	Actual Value for FY 13-14	Target Value for FY 14-15	Projected Value for FY 15-16	Projected Value for FY 16-17
(1) Import of crude oil, refined petroleum products and procure refined products from local sources.	[1.1] Import of crude oil	[1.1.1] Crude oil imported	Lakh MT	12.92	11.77	12.50	12.00	12.50
	[1.2] Import of finished petroleum products	[1.2.1] Finished Products imported	Lakh MT	36.40	41.74	43.85	44.00	44.00
	[1.3] Procurement of finished products from local sources.	[1.3.1] Finished Products procured	Lakh MT	2.35	2.20	2.50	2.50	2.50
(2) Processing crude petroleum and producing different grades of petroleum products.	[2.1] Processing of Crude oil including local condensate	[2.1.1] Crude oil processed	Lakh MT	13.61	12.05	13.00	12.50	13.00

**Section 3:**

**Trend values of the Performance Indicators (Continue...)**

Strategic Objectives	Activities	Performance Indicator	Unit	Actual Value for FY 12-13	Actual Value for FY 13-14	Target Value for FY 14-15	Projected Value for FY 15-16	Projected Value for FY 16-17
(3) Maintain sufficient stock & efficient distribution of Petroleum Products to ensure the energy security.	[3.1] Maintain sufficient stock	[3.1.1] HSD stock	Lakh MT	3.257	2.563	3.20	3.80	4.50
		[3.1.2] Jet A-1 stock	Lakh MT	0.497	0.227	0.48	0.50	0.50
		[3.1.3] HOBC stock	Lakh MT	0.083	0.086	0.10	0.18	0.20
		[3.1.4] MS stock	Lakh MT	0.123	0.115	0.15	0.18	0.20
		[3.1.5] SKO stock	Lakh MT	0.339	0.240	0.35	0.40	0.40
		[3.1.6] HSFO stock	Lakh MT	0.537	0.690	0.70	0.70	0.70
		[3.1.7] Crude Oil stock	Lakh MT	1.294	1.302	1.30	1.30	1.30
		[3.1.8] LPG stock	Lakh MT	0.0011	0.0012	0.0012	0.0012	0.0012
	[3.2] Distribution of Petroleum Products	[3.2.1] Direct Customer Distributed to	Lakh MT	14.50	16.95	17.50	17.50	17.50
		[3.2.2] Retail Customer Distributed to	Lakh MT	22.88	24.58	25.00	25.50	26.00
		[3.2.3] Agency & LPG	Lakh MT	13.46	13.31	14.50	15.50	16.50
	[3.3] Enhance Storage Capacity	[3.3.1] Capacity increased	Lakh MT	0.53	1.12	0.50	1.20	1.00

Section 4:

**Description of the Performance Indicators, Implementing Department/Agencies and Measurement Methodology**

SI No	Performance Indicators	Description	Implementing Department/Agencies	Measurement and Source of Data	General Comments
1	Finished Petroleum Product Imported	Finished Petroleum Products are imported because domestic production is not sufficient to meet country's demand.	BPC	Annual Report of BPC	
2	Crude Oil Imported	Crude oil is imported due to no local source.	BPC	Annual Report of BPC	
3	Capacity Increased	Adequate Supply of liquid fuel is very important to meet the regular demand. For uninterrupted supply of oil, storage capacity is required to be increased.	BPC	Annual Report of BPC	

**Section 6:**

**Outcomes of Bangladesh Petroleum Corporation**

Outcome	Jointly responsible for influencing this outcome/ impact with the following organization(s)/division(s)/ ministry(ies)	Performance Indicator	Unit	Actual Value for FY 12-13	Actual Value for FY 13-14	Target Value for FY 14-15	Projected Value for FY 15-16	Projected Value for FY 16-17
Uninterrupted supply of POL products throughout the country ensured.	<ol style="list-style-type: none"> <li>1. Finance Division</li> <li>2. Planning Commission</li> <li>3. National Board of Revenue</li> <li>4. Bangladesh Bank</li> <li>5. EMRD</li> <li>6. Petrobangla</li> </ol>	Per capita POL consumption	Kg oil equivalent	32.88	35.03	32.68	31.34	29.88

Whereas,

Whereas,

I, the Chairman, Bangladesh Petroleum Corporation representing Bangladesh Petroleum Corporation commit to the Secretary, Energy and Mineral Resources Division, representing the State Minister of Power, Energy and Mineral Resources to deliver the results described in this agreement.

I, the Secretary, Energy and Mineral Resources Division, on behalf of the State Minister, Power, Energy and Mineral Resources, commit to the Chairman, Bangladesh Petroleum Corporation to provide necessary support for delivery of the results described in this agreement.

Signed,



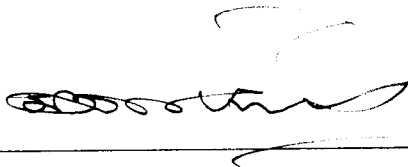
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Chairman  
Bangladesh Petroleum Corporation

01.04.2015

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Date



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Secretary  
Energy and Mineral Resources Division

1.4.2015

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Date