

Bangladesh Petroleum Corporation

Annual Performance Agreement (APA)

Between

The Chairman, Bangladesh Petroleum Corporation

And

The Managing Director, LP Gas Limited

2014-2015

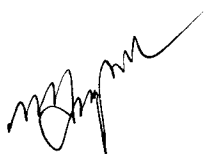
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Table of Contents

Preamble:
Section 1: LP Gas Limited's Vision, Mission, Strategic Objectives and Functions
Section 2: Strategic Objectives, Activities, Performance Indicators and Targets
Section 3: Trend values of the Performance Indicators
Section 4: Description of the Performance Indicators, Implementing Department/Agencies and Measurement Methodology
Section 5: Specific Performance Requirements from other Ministries/Divisions
Section 6: Outcomes of LP Gas Limited



Preamble

The Annual Performance Agreement is made and entered into on 23/04/ 2015

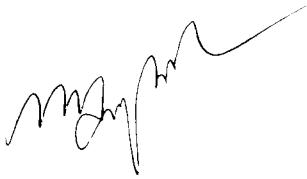
BETWEEN

The Managing Director, LP Gas Limited representing LP Gas Limited

AND

The Chairman, Bangladesh Petroleum Corporation representing Bangladesh Petroleum Corporation.

The parties hereto agree as follows:

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Section 1: LP Gas Limited's Vision, Mission, Functions and Strategic Objectives.

1.1 Vision

Ensuring economically feasible and least cost cooking fuel supply through inland produced and imported LPG for the household consumers to replace pipeline natural gas, kerosene & fire woods and distribution of bottled gas throughout the Country in a reasonable price to achieve energy security for the Country.

1.2 Mission

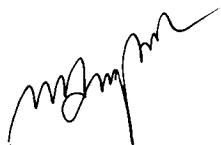
- Bottling of bulk LPG received from inland sources such as- ERL & RPGCL and ensuring evenness distribution of bottled gas among the customers in the Country.
- Developing LPG related infrastructures.
- Modernization of operational activities.

1.3 Functions

- To acquire, buy, sell, import, distribute of LPG and other Petroleum Products;
- To bottle bulk LPG and distribute of the same;
- To set up LPG Bottling Plants and ancillary facilities;
- To plan and install bulk LPG storage facilities;
- To allocate bottled gas among the customers;
- To establish and expand LPG marketing facilities;
- To act as managing agents of, or to enter into any management or any other agreement or contract with, any firm or company.

1.4 Strategic Objectives

- Procure LPG from inland sources; procure LPG cylinders and maintenance of LPG cylinders.
- Maintaining sufficient stock and bottling of bulk LPG to ensure energy security.
- Distribution of bottled gas and distribution of new LPG cylinders.



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	Fair	Poor	
(1) Procure LPG from inland sources; procure LPG cylinders and maintenance of LPG cylinders.	40	[1.1] Procurement of LPG from inland sources	[1.1.1] Bulk LPG procured	Thousand MT	25	18.00	17.00	16.00	15.00	14.00
		[1.2] Procurement of LPG cylinders	[1.2.1] New LPG cylinder procured	Thousand Pcs	10	20	18	16	14	12
		[1.3] Maintenance of LPG cylinders	[1.3.1] LPG cylinders repaired	Thousand Pcs	5	4	3.5	3	2.5	2
(2) Maintaining sufficient stock and bottling of bulk LPG to ensure energy security.	20	[2.1] Maintaining sufficient stock of bulk LPG	[2.1.1] Stock of bulk LPG maintained	Day	5	6	5	4	3	2
		[2.2] Bottling of bulk LPG	[2.2.1] No. of cylinders filled	Lakh Pcs	15	14.16	13.38	12.60	11.82	11.04

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	Poor	
(3) Distribution of LPG and distribution of new LPG cylinders.	25	[3.1] Distribution of bottled gas	[3.1.1] Nos. of filled cylinders distributed	Lakh Pcs	20	14.15	13.37	12.59	11.81	11.03
		[3.2] Distribution of new LPG cylinders	[3.2.1] Nos. of new cylinders distributed	Lakh Pcs	5	18	16	14	12	10
						100%	90%	80%	70%	60%

M. Singh

**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 100%	Very Good 90%	Good 80%	Fair 70%	Poor 60%
*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 BPC's meeting as required by BPC	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
*Efficient Functioning of the Annual Performance Agreement (APA) System	2.00	Improve audit performance	Percentage of outstanding audit objections disposed off during the year	%	1.0	20	18	15	14	13
						On-time submission	Date	2.0	24/04/15	26/04/15

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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
Mandatory Strategic Objectives										
*Improve Service delivery to the Public	6.00	Implementation of Citizens' Charter (CC)	Preparation and approval of CC by the BPC	Date	1.0	01/05/15	05/05/15	10/05/15	20/05/15	24/05/15
			Publication of CC in website or others means	Date	1.0	01/05/15	05/05/15	10/05/15	20/05/15	24/05/15
			Publishing names and contact details of GRS focal point in the website	Date	1.0	01/05/15	05/05/15	10/05/15	20/05/15	24/05/15
			Sending GRS report(s) to BPC from January 2015	Number of report(s)	1.0	5	4	3	2	1
			Implemented decisions of the innovation team	%	1.0	100	80	50	30	--
*Improve governance	4.00	Compliance with RTI Act and proactive disclosure	Unicode used in all official activities	Date	1.0	01/07/15	30/07/15	31/08/15	30/09/15	29/10/15
			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	Date	2.0	30/06/15	30/07/15	31/08/15	30/09/15	29/10/15

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) Procure bulk LPG from ERL and RPGCL.	[1.1] Procure of bulk LPG from ERL	[1.1.1] Bulk LPG received from ERL	Thousand MT	13.83	11.26	13.00	13.50	13.00
	[1.2] Procure of bulk LPG from RPGCL	[1.2.1] Bulk LPG received from RPGCL	Thousand MT	5.79	6.23	6.00	5.75	6.20
	[1.3] Import of bulk	[1.3.1] Bulk LPG Imported	Thousand MT	-	-	-	-	25.00
(2) Bottling of bulk LPG and distribution of bottled gas.	[2.1] Bottling of bulk LPG	[2.1.1] Nos. of cylinders bottled	Lakh Pcs	15.69	13.99	15.20	15.40	35.36
(3) Procurement & distribution of new LPG cylinders to replenish the old ones.	[3.1] Procure & distribute of new LPG cylinders	[2.1.1] Nos. of cylinders procured & distributed	Thousand Pcs	20	-	20	40	240




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 LPG to ensure the energy security.	[3.1] Maintain sufficient stock of bulk LPG	[3.1.1] LPG stock	Days	6	5	6	6	20
	[3.2] Distribution of bulk LPG	[3.2.1] Bottled gas distributed	Lakh Pcs	15.69	13.99	15.20	15.40	35.36
	[3.3] Enhance Storage Capacity	[3.3.1] Capacity increased	Thousand MT	-	-	-	-	6.00



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	Bulk LPG procured from ERL & RPGCL	Bulk LPG procure from local sources, viz- ERL & RPGCL.	LPGI	Annual Report of LPGI	
2	Bulk LPG Imported	Bulk LPG will be imported because domestic production is not sufficient to meet country's demand.	LPGI	Annual Report of LPGI	
3	Capacity Increased	Adequate supply of bottled LPG is very important to meet the regular demand. For uninterrupted supply of bottled gas storage capacity is required to be increased.	LPGI	Annual Report of LPGI	

M. Srinivas

Section 5:

Specific Performance Requirements from other Ministries/Divisions

Organization Type	Organization Name	Relevant Performance Indicator	What is your requirement from this organization	Justification for this requirement	Requirement from this Organization	What happens if your requirement is not met
Ministry of Power Energy & Mineral Resources	EMRD	Approval	Administrative and Financial Approval	Government Policy	Approval	Cooking fuel supply in the country will be hampered
Finance Ministry	Finance Division	Approval	Financial Allocation	Government Policy	Approval	Uninterrupted cooking fuel supply can't be achieved
Planning Ministry	Planning Commission	Approval	DPP/RDPP Approval	Government Policy	Approval	Projects can't be implemented
Shipping	BIWTA	Transportation	River Transportation	Ensure import of bulk LPG & supply of bottled LPG through Riverain ways	Ensure navigability of water ways	Importation & Transportation will be hampered

Section 6:
Outcomes of LP Gas Limited

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 bottled LPG throughout the Country ensured.	<ol style="list-style-type: none"> 1. Finance Division 2. Planning Commission 3. National Board of Revenue 4. Bangladesh Bank 5. EMRD 6. Petrobangla 7. BPC 	Per capita POL consumption	Kg oil equivalent	32.88	35.03	32.68	31.34	29.88



Whereas,

I, the Managing Director, LP Gas Limited representing LP Gas Limited commit to the Chairman, Bangladesh Petroleum Corporation representing Bangladesh Petroleum Corporation to deliver the results described in this agreement.

I, the Chairman, Bangladesh Petroleum Corporation on behalf of Bangladesh Petroleum Corporation commit to the Managing Director, LP Gas Limited to provide necessary support for delivery of the results described in this agreement.

Signed,

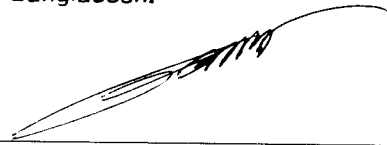


Managing Director

LP Gas Limited
Engr. Md. Sirajul Islam
Managing Director
LP GAS LIMITED
North Patenga, Ctg.
Bangladesh.

23/4/15

Date



Chairman

Bangladesh Petroleum Corporation

A.M. BADRUDDUJA
Chairman
(Secretary-in-charge)
Bangladesh Petroleum Corporation

23.4.15

Date

Acronyms

Sl.	Acronyms	Description
1.	BIWTA	Bangladesh Inland Water Transport Authority
2.	BPC	Bangladesh Petroleum Corporation
3.	DPP	Development Project Proposal
4.	EMRD	Energy & Mineral Resources Division
5.	ERL	Eastern Refinery Limited
6.	kg oil equiv	Kilogram Oil Equivalent
7.	LPG	Liquefied Petroleum Gas
8.	LPGL	LP Gas Limited
9.	MT	Metric Ton
10.	Pcs	Pieces
11.	POL	Petroleum, Oil and Lubricants
12.	RDPP	Revised Development Project Proposal
13.	RPGCL	Pupantarita Prakritik Gas Company Limited
14.	RTI Act	The Right To Information Act, 2009 Bangladesh

