



Argentina: Dapsa to invest \$30mn in a 350-station network

Through its subsidiary, Sociedad Comercial del Plata has decided to jump from the upstream segment to Argentina's retailing market with ambitious plans to increase its petrol station network.

Destilería Argentina de Petróleo (Dapsa), owned by Sociedad Comercial del Plata, plans to open some 350 petrol stations across Argentina by investing \$30 million, the company announced to its shareholders on Monday, according to El Cronista Comercial.

The first phase of the expansion project will see 40 independent stations being rebranded by May. The opening of 350 sites would allow Dapsa to be present in 12 Argentinian provinces and have an initial market share of 2.5%.

The current network is formed by 125 sites that Dapsa acquired from Oil Combustibles. In addition, the company currently supplies around 350 independent stations that it hopes to lure to its new project.

"We're not a low-cost chain but a large, national oil company with 15 years of experience in the market that decided to join the fuel retailing market segment with competitive prices and quality operational services," explained Pablo Arnaude, CEO of Dapsa.

Sociedad Comercial del Plata has decided to enter the retailing market at a time of increasing competition as new players such as Puma and Gulf try to increase their share of the fuel market, which is still vastly dominated by YPF, Shell and Axion.