

# Petrol PLAZA

## Paraguay's state-owned Petropar targets more stations around the country

**The newly appointed President of Petropar wants to open Petropar gas stations all around the country. Heavy competition awaits.**



Petróleos Paraguayos, Paraguay's state-owned oil company, also known as Petropar, targets a continued but orderly expansion of its service stations across the country, according to the retailer's new President Patricia Samudio.

Since it entered the fuel retailing segment, Petropar has steadily been expanding its network of gas stations. It now has around 150 sites in the country, accounting for 12% of the market. The majority of their sites are located in the Central Department, the most populous and developed together with the capital city.

"We are going to continue growing but in an orderly manner. Petropar's numbers grew significantly. We have 80% of our network located in the Central Department so we have to grow in those areas of the country where we are still not present," said Samudio in an interview with Paraguay's national

radio.

President of Paraguay, Mario Abdo Benítez, appointed Patricia Samudio as the new head of Petropar only a month ago. She expects to open 15 to 20 new sites before the end of the year.

### **A new head of the pack**

Petropar faces a stark challenge if it hopes to challenge for a leadership position in Paraguay's fuelling market. Earlier this summer Copetrol SA, a family-owned fuelling company from Paraguay, acquired the assets of Petrobras for USD 383.5 million.

Part of Petrobras' plans to divest in Latin America to focus its resources in Brazil, where it has suffered huge losses due to ongoing corruption cases, it sold its 197 service stations in Paraguay to Copetrol. Through the divestment plan, which also included the sale of 100% of its assets in Chile to Southern Cross Group for USD 490 million and 67% of its shares in Argentina's Pampa Energy Group for USD 892 million, Petrobras hopes to recover USD 21 billion, according to La Nación.

The acquisition has cemented Copetrol's place as the leading retailer in Paraguay as it now manages a network of around 450 stations.

Other key players in the sector include Barcos & Rodados with a network of 320 sites, Puma Energy with 186 stations, Esso and Axion, among others.

The Paraguayan Government liberated petrol and diesel prices in May and June of 2018.