

Paria positioning T&T as key bunkering hub

By Melissa Maynard

PARIA Fuel Trading Company is positioning Trinidad and Tobago as a key player in the emerging renewable bunker fuel market, according to Lydia Dindayal, the company's commercial manager.

Speaking on the opening day of the Trinidad and Tobago Energy Conference at the Hilton Trinidad, Dindayal laid out a roadmap to transform the country into a regional hub for low-carbon bunkering.

In her presentation 'Development of a Low-Carbon Maritime Sector', Dindayal highlighted Paria's strategic location, expanding offshore operations, and planned supply of renewable marine fuels-such as methanol and hydrogenated vegetable oil (HVO)-as key pillars of the company's transition.

According to Dindayal, Paria, a State-owned company under Trinidad Petroleum Holdings Limited (TPHL), plays a central role in importing and exporting refined petroleum products. Its operations cover both local and regional markets and include an expanding offshore bunkering business.

Dindayal emphasised Trinidad and Tobago's strategic location for bunkering, positioned along key global shipping routes connecting North and South America, the Panama Canal, Europe, and West Africa. She said this advantage places both Paria and the country in an ideal position to expand bunkering operations.

'We have a deep-water port and a sheltered harbour; we have storage capacity over (2.5 million of clean products as well as 1.5 million barrels of crude). We also do product testing. We have a lab, which is ISO IEC 17,025, 2017 certified, and we also have blending capabilities; and, of course, we offer competitive prices. Historically, this is our performance. We have been profitable for the last three years,' she explained.

She noted that the company continues to expand its market in the region, stating that currently, '46% of our regional sale is really to the Caricom countries and 4% to the non-Caricom countries.'

Focusing on Paria's bunkering operations, she said the company has two bunker vessels through a lease arrangement with the owners, adding, 'We have a capacity of 52,000 barrels of very low sulfur fuel oil, which meets the IMO regulation of 0.58% sulfur... we do gas oil as well, 32,000 barrels; and 20,000 barrels of HSFO. Yes, there are still a lot of vessels that use HSFO (high sulfur fuel oil) because they have these proper facilities.'

'The last eight months...has been profitable for us, and we do approximately 90,000 barrels per month of a split of 53 to 47 in terms of gas oil and fuel oil, and we do about 50

barrels per month,' she said. Dindayal mentioned that since Paria's inception, there have been no complaints or issues reported about the quality of their products.

In relation to the company's performance last year, she highlighted that in August 2024, 'there was a methanol bunkering demonstration with methanol, national energy, dam bunkering, green energy, Uni-tankers, and of course Paria, and this was successfully completed at the port of Point Lisas, and as mentioned by one of the presenters before, it was one of the first of its kind in this region. So it was a big deal for all the companies that were involved.'

ISCC certified

Adding that Paria commenced offshore bunkering operations in October of last year, 'We have continued operations offshore-it's just off the northeast of Trinidad. In terms of our certification, we are now ISCC certified- which is International Sustainability and Carbon Certification-which will allow us to trade and supply low carbon and renewable maritime fuels especially into Europe.'

She emphasised that this is 'positioning Paria well in the evolving renewable bunker fuel market. We are also a member of the IEIA, which is the International Bunker Industry Association, which is an association that comprises a lot of ship owners and suppliers as well; and they are also influential in the IMO regulations. So, one of the biggest things for us is HVO, which is hydrogenated vegetable oil, which is a liquid fuel which is made of 100% of renewable oil, like cooking oil, palm oil, as well as animal fat.'

She stressed that it is similar to petroleum diesel and therefore can be used for bunkers. Additionally, it can also be used in tugs and launches in ports. She said it forms part of the company's expansion, which is around renewable fuels and HVO.

Stating Paria's medium- to longterm strategy, she said, 'Methanol is one of the products being looked at with intentions to partner with producers in Trinidad, and also the regulators.' Noting that a lot of the bunkering regulations are not in place in this country for renewable fuels, she said it is something that has to be pushed with the regulators. Dindayal reinforced that a regulatory framework must be developed locally to accommodate alternative fuels.

She said the company continues to look at opportunities in relation to regional trading and CIF deliveries, 'which we have done in the past.' Additionally, she said there are plans to increase its storage for renewable fuels. Touching on the IMO regulations, which started from 2020 to 2025, she said: 'Everybody is just trying to get in line with these regulations. So, just a little bit about the global bunker demand (and this information really comes from S&P Global, and they have done a lot of analysis and a lot of work in terms of the demand for bunkers). So, what they're saying here is by 2030, the alternative fuels that will be gaining a lot of momentum from a lot of companies which are trying to meet their CO2 targets will be LNG, biofuels, and methanol.'

She said further, based on the analysis as 2050 approaches, 'that will change to ammonia and hydrogen, and those two will emerge as the dominant choices for the shipbuilders. And we expect that the ESG investors and shipowners will provide the infrastructure that is needed to develop these fuels.'

According to Dindayal, the market is considering biofuels, which is a well-developed market.

'It's a drop-in fuel because it's very compatible with marine engines, and it also has a strong green accreditation, and especially HVO. So, it's in high demand; but it has a lot of concern for the land

usage. It's cost barriers as well as CO2 transport issues that limit the adoption.'

She said ammonia as a fuel carrier has no CO2 emissions; '-however, it faces low energy density, and we still have some port infrastructure gaps, and there are also some toxicity concerns.'

'LNG, of course, there is the infrastructure that is currently existing; however, it's a large capital cost,' she added. Consequently, she said, the bottom line is that each alternative fuel has a trade-off-a trade-off for sustainability or feasibility, and also the cost. 'So ultimately, the maritime industry will need to invest heavily in the infrastructure and innovation to transition towards the sustainable fuels, while balancing the economic and operational challenges.'

Dindayal revealed a three-phase roadmap aimed at transforming Trinidad and Tobago into a low-carbon bunkering hub. She said the plan began with a memorandum of understanding in 2024 involving Paria, National Energy, NP, and the University of Trinidad and Tobago. The current phase includes a pre-feasibility study to develop infrastructure and stakeholder engagement. 'We hope that the pre-feasibility study is approved and then move into a feasibility study where we can look at making Trinidad that national hub... The products that we will be offering here will be HVO, methanol, biodiesel-that's what we expect. And of course, we need a lot of action in terms of stakeholder partnership. We need to do supplier contracts, we have regulatory submissions, as well as to initially deliver these products via pipeline and barge,' she explained. The second phase, she said, is where 'we try to introduce more of a centralised model where we would look more at doing vessel bunkering as well as exporting cargoes.'

'And the last phase really is: we're looking at the expansion of the green energy to do some more green methanol. And not only for Trinidad, but we also look at our regional and international markets. So, the next step would then be developing the port facilities, strengthening supply relationships. We do a lot more ship-to-ship partnerships and more for this zero-bunkering hub,' she said.

She believes that roadmap is a strategic progression towards low-carbon fuel adoption, positioning Trinidad and Tobago as a regional leader in sustainable marine fuels.

Paria Fuel Trading commercial manager Lydia Dindayal.