

China uncovers 6 price manipulation cases

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China's top economic planning agency said on Wednesday that it has uncovered six diesel price manipulation cases in a nationwide inspection.

A total of six petrol filling stations sold diesel at prices up to 42 percent higher than the government controlled levels to cash in on ongoing fuel shortages, according to the National Development and Reform Commission (NDRC).

Many gas stations across the country are experiencing shortages, with refineries unwilling to raise output in light of low domestic prices.

Experts said the government should reform the oil pricing mechanism to reflect international levels and allow oil firms to transfer cost to customers.

In one case, the Shiyang Gas Station in Chengdu, capital of southwest China's Sichuan Province, sold the No. 0 diesel at 7.5 yuan (1.01 U.S. dollars) per liter, 2.22 yuan, or 42 percent, higher than the government-set price of 5.28 yuan, the NDRC stated.

The other five are: Nantian Gas Station in Weng'an, Guizhou; Changhong Gas Station in Zhangjiakou, Hebei; gas stations of Yingu Oil Co. Ltd. in Yinchuan, Ningxia; Jinyuan Gas Station in Xi'an, Shaanxi; and Mixin Gas Stations in Miluo, Hunan.

The NDRC added the stations have received severe penalties for price offenses, without revealing further details.

On Tuesday, the NDRC said the domestic fuel supply will return to normal as the nation's major oil producers and local governments take concrete measures to ease shortages.

To increase supply, PetroChina and Sinopec are running at full capacity and trying to draw on stockpiles as much as possible, it said.

The two oil giants have pledged to provide sufficient oil to gas stations in Beijing, Shanghai, Tianjin and Guangdong and along some main trans-provincial expressways.

They are also considering providing more fuel supplies to the provinces of Yunnan and Zhejiang and also Guangxi Zhuang Autonomous Region where the shortages are more severe, the NDRC noted.

The NDRC also ordered local authorities to step up market supervision and crack down on gasoline retailers that withhold stocks and raise prices without government authorization.(Xinhua)

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