



MEDIA STATEMENT

**MINISTER OF MINERAL RESOURCES AND ENERGY, MR GWEDE
MANTASHE, ANNOUNCES ADJUSTMENT OF FUEL PRICES
EFFECTIVE FROM THE 3RD OF APRIL 2024**

The Minister of Mineral Resources and Energy, Mr Gwede Mantashe, announces the adjustment of fuel prices based on current local and international factors with effect from the 3rd of April 2024.

South Africa's fuel prices are adjusted monthly, informed by international and local factors. International factors include the fact that South Africa imports both crude oil and finished products at a price set at the international level, including importation costs, e.g., shipping costs.

The main reasons for the fuel price adjustments are due to:

1. Crude oil prices

The average Brent Crude oil price increased from 82.50 US Dollars (USD) to 84.22 USD per barrel, during the period under review. There was a lot of volatility in the market this period. The main contributing factors is the continued OPEC+ production cuts and the attacks on the Russian Refineries by Ukraine, which could pose a supply risk.

2. International petroleum product prices

The average international product prices of petrol increased following the higher Brent crude oil prices during the period under review. The diesel, illuminating

paraffin and LPGas prices decreased on average due seasonal changes in the Northern Hemispheres as they move away from their Winter season. The movement in product prices has led to a lower contribution to the Basic Fuel Price of petrol by 47.40 c/l and higher contributions to the BFP of diesel by 23.54 c/l and illuminating paraffin by 25.88 cents per litre.

3. Rand/US Dollar exchange rate

The Rand appreciated, on average, against the US Dollar (from 19.20 to 18.04 Rand per USD) during the period under review when compared to the previous one. This led to lower contributions to the Basic Fuel Prices of all products by over 10.00 cents per litre.

4. Fuel Levy, Road Accident Fund (RAF) and Carbon Fuel Levy

The Minister of Finance, in his Budget Speech on the 21st of February 2024, announced that the Fuel Levy and Road Accident Fund (RAF) Levy on both petrol and diesel will remain unchanged, with effect from the 3rd of April 2024. However, the carbon fuel levy increased by 1.00 c/l on petrol and 3 c/l on diesel. Thus, the fuel levy on petrol and diesel will increase to 396.00 c/l and 384.00 c/l, respectively.

5. Adjustment to revised road and pipeline transport tariffs

The Minister of Mineral Resources and Energy has approved the annual adjustments to road transport tariffs applicable in petrol, diesel and IP price structures and will range from an increase of 14.8c/l (14 C and 17C Magisterial District Pricing Zone) to an increase of 7.3 c/l (09C Magisterial District Pricing Zone (Gauteng)). The primary transport tariffs applicable to the transport of petrol and diesel by means of the pipeline network and road network has increased. As a result of the different transport tariff adjustments to be implemented on 03 April 2024, price changes to similar products will differ in the 54 Magisterial District Pricing Zones

6. Octane differentials between 95 and 93 petrol grades

In line with the Working Rules to determine the Basic Fuels Prices (BFP), the 95 octane (unleaded) grade is the price-marker grade and the BFP-differential

between 95 and 93 octanes is adjusted on the first Wednesday of each quarter. The BFP Octane differential has changed during the previous quarter and therefore the retail prices of 95 and 93 petrol octanes will be different in each fuel-pricing zone with effect from the 3rd of April 2024.

7. Implementation of the Slate Levy

As at the end of February 2024, the cumulative slate amounted to a negative balance for petrol and diesel of R 2.65 billion. In line with the provisions of the Self-Adjusting Slate Levy Mechanism, a slate levy of 21.92 c/l will be implemented into the price structures of petrol and diesel with effect from the 3rd of April 2024.

Based on current local and international factors, the fuel prices for April 2024 will be adjusted as follows:

- ❖ Petrol (93 ULP & LRP): Sixty-five cents per litre (65.00 c/l) **increase.**
- ❖ Petrol (95 ULP & LRP): Sixty-seven cents per litre (67.00 c/l) **increase.**
- ❖ Diesel (0.05% sulphur): Three point two two cents per litre (3.22 c/l) **increase.**
- ❖ Diesel (0.005% sulphur): One point seven eight cents per litre (1.78 c/l) **decrease.**
- ❖ Illuminating Paraffin (wholesale): Twenty-nine cents per litre (29.00 c/l) **decrease.**
- ❖ SMNRP for IP: Fifty-eight cents per litre (58.00 c/l) **decrease.**
- ❖ Maximum LPGas Retail Price: Nineteen cents per litre (19.00 c/kg) **decrease**

The fuel prices schedule for the different zones will be published on Tuesday, the 2nd of April 2024.

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