



energy

Department:
Energy
REPUBLIC OF SOUTH AFRICA

MEDIA STATEMENT
MINISTER OF MINERAL RESOURCES AND ENERGY, MR GWEDE
MANTASHE, ANNOUNCES ADJUSTMENT OF FUEL PRICES
EFFECTIVE FROM THE 4th OF SEPTEMBER 2019

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 4th of September 2019.

South Africa's fuel prices are adjusted on a monthly basis, 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 reason for the fuel price increases is the weakening of the Rand against the U.S. Dollar on average during the period under review. The Rand depreciated on average against the US Dollar from 14.05 to 15.15 Rand per dollar during the period under review compared to the previous one. This led to a higher contribution to the Basic Fuel Prices on petrol, diesel and illuminating paraffin by more than fifty cents (50.00 c/l).

The average Brent Crude oil price decreased from 64.10 US dollars (USD) per barrel to 58.80 USD per barrel during the period under review. The oil prices remained near seven month lows due to escalating trade tensions between China and the United States of America. Brent crude oil prices lost more than 9% after the U.S.A. vowed to impose new tariffs on Chinese imports and China targeting U.S.A agricultural cargoes. Furthermore, traders were worried that the dispute between the world's two biggest oil buyers would dent demand.

In line with the Self-Adjusting Slate Levy Mechanism Rules, the Slate Levy on petrol and diesel will remain at zero cents per litre (0.00 c/l) effective from the 4th of September 2019. The combined cumulative Slate balance on petrol and diesel amounted to R689.30 million at the end of July 2019.

Based on current local and international factors, the fuel prices for September 2019 will be adjusted as follows:

- ❖ Petrol (both 95 ULP and LRP): eleven cents per litre (11.00 c/l) **increase**
 - ❖ Petrol (both 93 ULP and LRP): eleven cents per litre (11.00 c/l) **increase**;
 - ❖ Diesel (0.05% sulphur): twenty six cents per litre (26.00 c/l) **increase**;
 - ❖ Diesel (0.005% sulphur): twenty six cents per litre (26.00 c/l) **increase**;
 - ❖ Illuminating Paraffin (wholesale): twenty four cents per litre (24.00 c/l) **increase**;
 - ❖ SMNRP for IP: thirty two cents per litre (32.00 c/l) **increase**;
 - ❖ Maximum LPGas Retail Price: sixteen cents per kilogram (16.00 c/kg) **decrease**;
- and

The fuel prices schedule for the different zones will be published on Tuesday, 3 September 2019.

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