

**MEDIA STATEMENT - FOR RELEASE ON 31 MARCH 2021**

**RELEASED BY CEF (SOC) LTD ON BEHALF OF THE DEPARTMENT OF MINERAL RESOURCES AND ENERGY**

**ENQUIRIES: MS LERATO NTSOKO 082 459 2788 / MR J MOKOBANE 082 766 3674**

**1. PRICE CHANGES TO BE EFFECTED ON WEDNESDAY 07 APRIL 2021 IN GAUTENG AND AT THE COAST (INCREASE)/DECREASE**

	<b>Gauteng</b>	<b>Coast</b>	
95 ULP & LRP	(100,00)	(99,00)	cents per litre <b>increase</b> in retail price
93 ULP & LRP	(95,00)	(94,00)	cents per litre <b>increase</b> in retail price
Diesel 0.05% Sulphur	(65,20)	(64,00)	cents per litre <b>increase</b> in wholesale price
Diesel 0.005% Sulphur	(63,20)	(62,00)	cents per litre <b>increase</b> in wholesale price
Illuminating Paraffin (Wholesale)	(34,80)	(34,00)	cents per litre <b>increase</b> in wholesale price

Illuminating Paraffin (SMNRP)	(35,00)	cents per litre <b>increase</b> in the Single Maximum National Retail price (SMNRP) (Country Wide)
Maximum Retail Price for LPGAS	(48,00)	cents per kilogram <b>increase</b> in the maximum retail price

**PRICE CHANGES WILL DIFFER IN MAGISTERIAL DISTRICT ZONES DUE TO THE DIFFERENT TRANSPORT DECREASES/INCREASES IMPLEMENTED INTO THE FUEL PRICE STRUCTURES AND THE REVISED PETROL 95/93 BFP OCTANE DIFFERENTIAL - REFER TO PARAGRAPHS 2 & 3 BELOW**

**2. ADJUSTMENTS TO THE TRANSPORT TARIFFS (ZONE DIFFERENTIAL)**

In line with Ministerial approval, the annual adjustments to road transport tariffs applicable in petrol, diesel and IP price structures will range from 0.0 c/l (at the coast) to a decrease of 2.8 c/l (Gordonia South Magisterial District Pricing Zone). The primary transport tariffs applicable to the transport of petrol and diesel mainly by means of the pipeline network will increase. The highest increase will amount to 1.2 c/l (Zone 9C - Gauteng). As a result of the different transport tariff adjustments to be implemented on 07 April 2021, price changes to similar products will differ in the 54 Magisterial District Pricing Zones.

**3. ADJUSTMENT TO THE OCTANE DIFFERENTIAL BETWEEN 95 AND 93 BFP OCTANE**

Furthermore, the quarterly Octane differential adjustment between Petrol 95 and 93 octanes in the same Magisterial District Pricing Zones will add to the different petrol price increases to be effected on 07 April 2021 on 95 and 93 in the 54 Magisterial District Pricing Zones.

**4. FUEL AND ROAD ACCIDENT FUND LEVIES INCREASE**

The Minister of Finance, in his Budget Speech on 25 February 2021, announced that the Fuel and the Road Accident Fund levies on both petrol and diesel will increase by 16.0 c/l and 11.0 c/l respectively on 07 April 2021. With effect from 07 April 2021, the Fuel Levy in the price structure of petrol and diesel will therefore amount to 393.0 c/l and 379.0 c/l respectively. The Road Accident Fund Levy in the price structure of both petrol and diesel will amount to 207.0 c/l with effect from 07 April 2021.

**### ECONOMIC FACTORS AFFECTING THE UNIT OVER/UNDER-RECOVERIES FOR THE PERIOD 26 FEBRUARY 2021 TO 30 MARCH 2021**

The average international product prices for Petrol, Diesel and Illuminating Paraffin increased during the period under review. The Rand depreciated against the US Dollar during the period under review, on average, when compared to the previous period. The average Rand/US Dollar exchange rate for the period 26 February 2021 to 30 March 2021 was 14.9829 compared to 14.7631 during the previous period. This led to a higher contribution to the Basic Fuel Prices on petrol, diesel and illuminating paraffin by 10.70 c/l, 10.03 c/l and 9.71 c/l respectively.

**### SLATE LEVY**

In line with the Self-Adjusting Slate Levy Mechanism Rules, the Slate levy on petrol and diesel will remain at 0.00 c/l with effect from 07 April 2021.

**### SINGLE MAXIMUM NATIONAL RETAIL PRICE FOR ILLUMINATING PARAFFIN (SMNRP)**

The Single Maximum National Retail Price for the period 07 April 2021 to 04 May 2021 will be 1 106.0 c/l compared to 1 071.0 c/l for the period 03 March 2021 to 06 April 2021.

**### MAXIMUM LPGAS REFINERY GATE PRICE**

The maximum refinery gate price will be R11 748.89 per metric ton (652.06 c/l), excluding VAT, for the period 07 April 2021 to 04 May 2021.

### ### PRICE ADJUSTMENT

In terms of the agreed mechanism:

- (a) Price changes are adjusted in such a manner that the over- or under-recovery during the prior month will be corrected in the following month; and
- (b) The unit over- or under-recoveries are rounded up or down to the nearest full cent so that the effect of rounding contributes to the clearing of the cumulative balance of the individual products on the slate.
- (c) In order to manage a negative balance in the Cumulative over/(under) recovery account (the Slate), a Self-Adjusting Slate Levy Mechanism (SLM) was implemented with effect from 7 January 2009 (the SLM is available on the website of the Department of Energy). A Slate levy will only be applicable on all petrol and diesel grades if the Slate balance is negative (cumulative under recovery) by more than R250.0 million.

### ### ANALYSIS OF THE ELEMENTS THAT RESULTED IN THE BFP OVER/(UNDER)-RECOVERIES

The over/(under)-recoveries for the period under review were affected by the factors set out below, which can be quantified as follows:

	<b>Petrol 95 ULP c/l</b>	<b>Diesel 0.05% c/l</b>	<b>Diesel 0.005% c/l</b>	<b>Illuminating Paraffin c/l</b>
<b>Movements in external factors</b>				
Movement in International Product Prices	( 61,726)	( 27,217)	( 25,729)	( 25,268)
Movement in Exchange Rate	( 10,696)	( 10,032)	( 10,071)	( 9,711)
<b><u>BFP Over/(under)-recovery for the period 26/02/2021 to 30/03/2021</u></b>	<b>( 72,422)</b>	<b>( 37,249)</b>	<b>( 35,800)</b>	<b>( 34,979)</b>

### ### BREAKDOWN OF PRICE ADJUSTMENT

<b>Petrol 95 ULP &amp; LRP</b>	<b>Diesel 0.05 (%) Sulphur</b>	<b>Diesel 0.005 (%) Sulphur</b>	<b>Illuminating Paraffin Wholesale</b>	<b>LPGAS (Gauteng, Zone 9C)</b>
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**The price adjustments in (1) above are based on the following actual data:**

Average product over/(under)-recovery, measured for the 23 days from 26/02/2021 to 30/03/2021 (cents / litre) as detailed below

	( 72,422)	( 37,249)	( 35,800)	( 34,979)	-
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Cumulative positive/(negative) slate balances end of February 2021 (R-million)

	299,494	49,701	49,701	33,455	-
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**The price adjustments consist of the following elements:**

Average product over/(under)-recovery rounded to the nearest full cent for price (increase) / decrease

	( 72,000)	( 37,000)	( 35,000)	( 34,000)	( 48,000)
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Fuel Levy Increase

	( 16,000)	( 16,000)	( 16,000)	-	-
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Road Accident Fund Levy

	( 11,000)	( 11,000)	( 11,000)	-	-
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Transport Tariff Increases

	( 1,200)	( 1,200)	( 1,200)	( 0,800)	-
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Price Rounding

	0,200	-	-	-	-
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**Total price (increase) / decrease**

	<b>( 100,000)</b>	<b>( 65,200)</b>	<b>( 63,200)</b>	<b>( 34,800)</b>	<b>( 48,000)</b>
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### ### REPORT OF THE INDEPENDENT AUDITORS

The report of the independent auditors is available on request.

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**COMPOSITION OF THE MAXIMUM RETAIL PRICES FOR LPGAS AT THE COAST (ZONE 1A)  
AND IN THE INLAND AREA (ZONE 9C) IN CENTS PER KILOGRAM  
FOR THE PERIOD 07/04/2021 TO 04/05/2021 WILL BE AS FOLLOWS:**

<b>Price element</b>	<b>Coast Zone 1A</b>	<b>Inland Zone 9C</b>
Maximum refinery gate price	1 174,889	1 174,889
Primary transport costs	47,588	225,582
Operating expenses	464,757	464,757
Working capital	35,228	35,228
Depreciation	173,648	173,648
Gross margin: Cylinder-filling plant	221,883	221,883
<b>Sub-total (1)</b>	<b>2 117,993</b>	<b>2 295,987</b>
Retail Margin: (15% of Subtotal (1))	317,699	344,398
<b>Sub-total (2)</b>	<b>2 435,692</b>	<b>2 640,385</b>
Value Added Tax (15% Sub-total (2))	365,354	396,058
<b>Maximum Retail Price (Rounded to full cents)</b>	<b>2 801,000</b>	<b>3 036,000</b>

### The annexure attached contains details of the composition of product prices as well as history of the price changes.

**ANNEXURE 1**

**COMPOSITION OF THE RETAIL PRICE OF PETROL AND THE  
WHOLESALE PRICES FOR DIESEL AND IP IN GAUTENG  
FOR THE PERIOD 07/04/2021 TO 04/05/2021 WILL BE AS FOLLOWS:**

	<b>Petrol 95 ULP c/l</b>	<b>Petrol 93 ULP &amp; LRP c/l</b>	<b>Diesel 0.05% S c/l</b>	<b>Diesel 0.005% S c/l</b>	<b>Illumi- nating Paraffin c/l</b>
Wholesale margin	40,500	40,500	77,660	77,660	77,660
Secondary Storage	27,200	27,200	27,200	27,200	27,200
Secondary Distribution	15,800	15,800	15,800	15,800	15,800
Router Differential	0,000	0,000	0,000	0,000	7,400
Retail margin	221,600	221,600	0,000	0,000	0,000
<b>Zone differential in Gauteng</b>	<b>64,900</b>	<b>64,900</b>	<b>64,900</b>	<b>64,900</b>	<b>85,300</b>
IP Tracer levy	0,000	0,000	0,100	0,100	0,000
Fuel levy	<b>393,000</b>	<b>393,000</b>	<b>379,000</b>	<b>379,000</b>	0,000
Customs & excise duty	4,000	4,000	4,000	4,000	0,000
RAF levy	<b>218,000</b>	<b>218,000</b>	<b>218,000</b>	<b>218,000</b>	0,000
Petroleum Products levy	0,330	0,330	0,330	0,330	0,000
Slate levy	0,000	0,000	0,000	0,000	0,000
DSML	10,000	0,000	0,000	0,000	0,000
Pump Rounding	0,500	0,500			
<b>Sub-total</b>	<b>995,830</b>	<b>985,830</b>	<b>786,990</b>	<b>786,990</b>	<b>213,360</b>
<b>Contribution to the Basic Fuel Price</b>	<b>736,170</b>	<b>724,170</b>	<b>690,630</b>	<b>693,030</b>	<b>667,128</b>
<b>Retail Price</b>	<b>1 732,00</b>	<b>1 710,00</b>			
<b>Wholesale price</b>			<b>1 477,620</b>	<b>1 480,020</b>	<b>880,488</b>

**STATISTICS OF PRICE CHANGES**

	Petrol 95 ULP		Diesel		Illuminating Paraffin		LPGAS	
	Gauteng SA c/l	Coast SA c/l	Gauteng SA c/l	Coast SA c/l	Gauteng SA c/l	Coast SA c/l	Gauteng SA c/Kg	Coast SA c/Kg
<b>Effective from:</b>								
02-Jan-19	1 401,00	1 342,00	<b>1313,420</b>	<b>1264,620</b>	828,678	768,178	2 319,00	2 106,00
06-Feb-19	1 408,00	1 349,00	<b>1314,420</b>	<b>1265,620</b>	823,678	763,178	2 308,00	2 095,00
06-Mar-19	1 482,00	1 423,00	<b>1405,420</b>	<b>1356,620</b>	899,678	839,178	2 409,00	2 196,00
03-Apr-19	1 613,00	1 549,00	<b>1487,120</b>	<b>1432,920</b>	962,678	895,478	2 580,00	2 367,00
01-May-19	1 667,00	1 603,00	<b>1488,120</b>	<b>1433,920</b>	965,678	898,478	2 664,00	2 451,00
05-Jun-19	1 676,00	1 612,00	<b>1521,280</b>	<b>1467,080</b>	973,678	906,478	2 657,00	2 443,00
03-Jul-19	1 581,00	1 517,00	<b>1446,500</b>	<b>1392,300</b>	916,678	849,478	2 524,00	2 310,00
07-Aug-19	1 592,00	1 528,00	<b>1433,210</b>	<b>1379,010</b>	914,678	847,478	2 555,00	2 342,00
04-Sep-19	1 603,00	1 539,00	<b>1459,210</b>	<b>1405,010</b>	938,678	871,478	2 539,00	2 326,00
02-Oct-19	1 621,00	1 557,00	<b>1484,210</b>	<b>1430,010</b>	963,678	896,478	2 556,00	2 343,00
06-Nov-19	1 608,00	1 544,00	<b>1468,210</b>	<b>1414,010</b>	940,678	873,478	2 526,00	2 313,00
04-Dec-19	1 630,00	1 566,00	<b>1453,260</b>	<b>1399,060</b>	922,728	855,528	2 628,00	2 403,00
01-Jan-20	1 616,00	1 552,00	<b>1462,260</b>	<b>1408,060</b>	927,728	860,528	2 604,00	2 379,00
05-Feb-20	1 603,00	1 539,00	<b>1457,260</b>	<b>1403,060</b>	924,728	857,528	2 603,00	2 378,00
03-Mar-20	1 584,00	1 520,00	<b>1403,260</b>	<b>1349,060</b>	856,728	789,528	2 571,00	2 346,00
01-Apr-20	1 396,00	1 326,00	<b>1269,560</b>	<b>1209,260</b>	672,828	591,728	2 193,00	1 968,00
06-May-20	1 222,00	1 152,00	<b>1108,560</b>	<b>1048,260</b>	449,828	368,728	1 931,00	1 706,00
03-Jun-20	1 340,00	1 270,00	<b>1130,560</b>	<b>1070,260</b>	489,828	408,728	2 129,00	1 904,00
01-Jul-20	1 512,00	1 442,00	<b>1303,560</b>	<b>1243,260</b>	703,828	622,728	2 577,00	2 352,00
05-Aug-20	1 517,00	1 447,00	<b>1348,560</b>	<b>1288,260</b>	742,828	661,728	2 573,00	2 348,00
02-Sep-20	1 518,00	1 448,00	<b>1327,560</b>	<b>1267,260</b>	716,828	635,728	2 609,00	2 384,00
07-Oct-20	1 486,00	1 416,00	<b>1237,560</b>	<b>1177,260</b>	640,828	559,728	2 589,00	2 364,00
04-Nov-20	1 459,00	1 389,00	<b>1225,560</b>	<b>1165,260</b>	655,828	574,728	2 615,00	2 389,00
02-Dec-20	1 446,00	1 376,00	<b>1245,420</b>	<b>1185,120</b>	684,688	603,588	2 752,00	2 516,00
06-Jan-21	1 486,00	1 416,00	<b>1300,420</b>	<b>1240,120</b>	739,688	658,588	2 708,00	2 472,00
03-Feb-21	1 567,00	1 497,00	<b>1358,420</b>	<b>1298,120</b>	798,688	717,588	2 901,00	2 666,00
03-Mar-21	1 632,00	1 562,00	<b>1412,420</b>	<b>1352,120</b>	845,688	764,588	2 988,00	2 752,00
07-Apr-21	1 732,00	1 661,00	<b>1477,620</b>	<b>1416,120</b>	880,488	798,588	3 036,00	2 801,00