

**MEDIA STATEMENT - FOR RELEASE ON 28 APRIL 2022**

RELEASED BY CEF (SOC) LTD ON BEHALF OF THE DEPARTMENT OF MINERAL RESOURCES AND ENERGY  
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**1. PRICE CHANGES TO BE EFFECTED ON WEDNESDAY 04 MAY 2022 IN GAUTENG AND AT THE COAST (INCREASE)/DECREASE**

	<b>Gauteng</b>	<b>Coast</b>	
Both Grades of Petrol 93 & 95 (LRP & ULP)	12,00	15,00	cents per litre <b>decrease</b> in retail price
Diesel 0.05% Sulphur	(98,00)	(94,30)	cents per litre <b>increase</b> in wholesale price
Diesel 0.005% Sulphur	(92,00)	(88,30)	cents per litre <b>increase</b> in wholesale price
Illuminating Paraffin (Wholesale)	(79,60)	(82,30)	cents per litre <b>increase</b> in wholesale price

Illuminating Paraffin (SMNRP)	(149,00)	cents per litre <b>increase</b> in the Single Maximum National Retail price (SMNRP) (Country Wide)
Maximum Retail Price for LPGAS	(69,00)	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 REFER TO PARAGRAPH 2 BELOW**

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

In line with the Ministerial approval, the annual adjustments to road transport tariffs applicable in petrol, diesel and IP price structures will range from a decrease of 33.4 c/l (Gordonia South Magisterial District Pricing Zone) to an increase of 3.0 c/l (Gauteng District Pricing Zone). The primary transport tariffs applicable to the transport of petrol and diesel mainly by means of the pipeline network has increased. As a result of the different transport tariff adjustments to be implemented on 04 May 2022, price changes to similar products will differ in the 54 Magisterial District Pricing Zones.

**3. ECONOMIC FACTORS AFFECTING THE UNIT OVER/UNDER-RECOVERIES FOR THE PERIOD 01 APRIL 2022 TO 27 APRIL 2022**

The average international product prices for Petrol decreased whilst Diesel and Illuminating Paraffin increased during the period under review. The Rand appreciated 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 01 April to 27 April 2022 was 14.8983 compared to 15.0211 during the previous period. This led to a lower contribution to the Basic Fuel Prices on petrol, diesel and illuminating paraffin by 10.18 c/l, 11.96 c/l and 11.57 c/l respectively.

**4. SLATE LEVY**

The combined cumulative petrol and diesel Slate balances at the end of March 2022 amounted to a negative balance of R 11.505 billion. In line with the provisions of the Self-Adjusting Slate Levy Mechanism, a Slate Levy of 52.62 c/l (no change) has been implemented into the price structures of petrol and diesel with effect from 04

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

The Single Maximum National Retail Price for the period 04 May 2022 to 31 May 2022 will be 2 194.0 c/l compared to 2 045.0 c/l for the period 06 April 2022 to 03 May

**6. MAXIMUM LPGAS REFINERY GATE PRICE**

The maximum refinery gate price will be R16 931.07 per metric ton (939.674 c/l), excluding VAT, for the period 04 May 2022 to 31 May 2022.

## 7, **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.

## 8, **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	4,777	( 106,449)	( 100,931)	( 93,850)
Movement in Exchange Rate	10,184	11,956	12,074	11,568
<b>BFP Over/(under)-recovery for the period 01/04/2022 to 27/04/2022</b>	<b>14,961</b>	<b>( 94,493)</b>	<b>( 88,857)</b>	<b>( 82,282)</b>

## 9, **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 19 days from 01/04/2022 to 27/04/2022 (cents / litre) as detailed below

	14,961	( 94,493)	( 88,857)	( 82,282)	-
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Cumulative positive/(negative) slate balances end of March 2022 (R-million)

	(3 800,038)	(7 704,871)	(7 704,871)	( 531,252)	-
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**The price adjustments consist of the following elements:**

	<b>c/l</b>	<b>c/l</b>	<b>c/l</b>	<b>c/l</b>	
Average product over/(under)-recovery rounded to the nearest full cent for price (increase) / decrease	14,000	( 95,000)	( 89,000)	( 83,000)	( 69,000)
Increase in transport tariff (Gauteng)	( 3,000)	( 3,000)	( 3,000)	3,40	-
Pump rounding	1,000				
<b>Total price (increase) / decrease</b>	<b>12,000</b>	<b>( 98,000)</b>	<b>( 92,000)</b>	<b>( 79,600)</b>	<b>( 69,000)</b>

## 10, **REPORT OF THE INDEPENDENT AUDITORS**

The report of the independent auditors is available on request.

11,

**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 04/05/2022 TO 31/05/2022 WILL BE AS FOLLOWS:**

<u>Price element</u>	<b>Coast Zone 1A</b>	<b>Inland Zone 9C</b>
Maximum refinery gate price	1 693,107	1 693,107
Primary transport costs	48,825	231,447
Operating expenses	480,094	480,094
Working capital	36,391	36,391
Depreciation	178,163	178,163
Gross margin: Cylinder-filling plant	227,652	227,652
<b>Sub-total (1)</b>	<b>2 664,232</b>	<b>2 846,854</b>
Retail Margin: (15% of Subtotal (1))	399,635	427,028
<b>Sub-total (2)</b>	<b>3 063,867</b>	<b>3 273,882</b>
Value Added Tax (15% Sub-total (2))	459,580	491,082
<b>Maximum Retail Price (Rounded to full cents)</b>	<b>3 523,000</b>	<b>3 765,000</b>

12, 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 04/05/2022 TO 31/05/2022 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	45,500	45,500	80,220	80,220	80,220
Secondary Storage	30,700	30,700	30,700	30,700	30,700
Secondary Distribution	17,940	17,940	17,940	17,940	17,940
Router Differential	0,000	0,000	0,000	0,000	7,400
Retail margin	228,800	228,800	0,000	0,000	0,000
<b>Zone differential in Gauteng</b>	<b>67,900</b>	<b>67,900</b>	<b>67,900</b>	<b>67,900</b>	<b>81,900</b>
IP Tracer levy	0,000	0,000	0,100	0,100	0,000
Fuel levy	244,000	244,000	230,000	230,000	0,000
Customs & excise duty	4,000	4,000	4,000	4,000	0,000
RAF levy	218,000	218,000	218,000	218,000	0,000
Petroleum Products levy	0,330	0,330	0,330	0,330	0,000
Slate levy	52,620	52,620	52,620	52,620	0,000
DSML	10,000	0,000	0,000	0,000	0,000
Pump Rounding	(0,200)	(0,200)	0,000	0,000	0,000
<b>Sub-total</b>	<b>919,590</b>	<b>909,590</b>	<b>701,810</b>	<b>701,810</b>	<b>218,160</b>
<b>Contribution to the Basic Fuel Price</b>	<b>1 264,410</b>	<b>1 241,410</b>	<b>1 497,630</b>	<b>1 514,030</b>	<b>1 446,128</b>
<b>Retail Price</b>	<b>2 184,00</b>	<b>2 151,00</b>			
<b>Wholesale price</b>			<b>2 199,440</b>	<b>2 215,840</b>	<b>1 664,288</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
01-Jan-20	1 616,00	1 552,00	<b>1 462,260</b>	<b>1 408,060</b>	927,728	860,528	2 604,00	2 379,00
05-Feb-20	1 603,00	1 539,00	<b>1 457,260</b>	<b>1 403,060</b>	924,728	857,528	2 603,00	2 378,00
03-Mar-20	1 584,00	1 520,00	<b>1 403,260</b>	<b>1 349,060</b>	856,728	789,528	2 571,00	2 346,00
01-Apr-20	1 396,00	1 326,00	<b>1 269,560</b>	<b>1 209,260</b>	672,828	591,728	2 193,00	1 968,00
06-May-20	1 222,00	1 152,00	<b>1 108,560</b>	<b>1 048,260</b>	449,828	368,728	1 931,00	1 706,00
03-Jun-20	1 340,00	1 270,00	<b>1 130,560</b>	<b>1 070,260</b>	489,828	408,728	2 129,00	1 904,00
01-Jul-20	1 512,00	1 442,00	<b>1 303,560</b>	<b>1 243,260</b>	703,828	622,728	2 577,00	2 352,00
05-Aug-20	1 517,00	1 447,00	<b>1 348,560</b>	<b>1 288,260</b>	742,828	661,728	2 573,00	2 348,00
02-Sep-20	1 518,00	1 448,00	<b>1 327,560</b>	<b>1 267,260</b>	716,828	635,728	2 609,00	2 384,00
07-Oct-20	1 486,00	1 416,00	<b>1 237,560</b>	<b>1 177,260</b>	640,828	559,728	2 589,00	2 364,00
04-Nov-20	1 459,00	1 389,00	<b>1 225,560</b>	<b>1 165,260</b>	655,828	574,728	2 615,00	2 389,00
02-Dec-20	1 446,00	1 376,00	<b>1 245,420</b>	<b>1 185,120</b>	684,688	603,588	2 752,00	2 516,00
06-Jan-21	1 486,00	1 416,00	<b>1 300,420</b>	<b>1 240,120</b>	739,688	658,588	2 708,00	2 472,00
03-Feb-21	1 567,00	1 497,00	<b>1 358,420</b>	<b>1 298,120</b>	798,688	717,588	2 901,00	2 666,00
03-Mar-21	1 632,00	1 562,00	<b>1 412,420</b>	<b>1 352,120</b>	845,688	764,588	2 988,00	2 752,00
07-Apr-21	1 732,00	1 661,00	<b>1 477,620</b>	<b>1 416,120</b>	880,488	798,588	3 036,00	2 801,00
05-May-21	1 723,00	1 651,00	<b>1 446,620</b>	<b>1 385,120</b>	857,488	775,588	2 864,00	2 628,00
02-Jun-21	1 713,00	1 641,00	<b>1 466,620</b>	<b>1 405,120</b>	877,488	795,588	2 721,00	2 486,00
07-Jul-21	1 739,00	1 667,00	<b>1 508,620</b>	<b>1 447,120</b>	913,488	831,588	2 784,00	2 549,00
04-Aug-21	1 830,00	1 758,00	<b>1 564,200</b>	<b>1 502,700</b>	963,488	881,588	3 010,00	2 775,00
01-Sep-21	1 834,00	1 762,00	<b>1 548,980</b>	<b>1 487,480</b>	948,488	866,588	3 104,00	2 869,00
06-Oct-21	1 833,00	1 761,00	<b>1 571,780</b>	<b>1 510,280</b>	980,488	898,588	3 097,00	2 861,00
03-Nov-21	1 954,00	1 882,00	<b>1 719,980</b>	<b>1 658,480</b>	1 125,488	1 043,588	3 387,00	3 151,00
01-Dec-21	2 029,00	1 957,00	<b>1 792,480</b>	<b>1 730,980</b>	1 167,688	1 085,788	3 570,00	3 335,00
05-Jan-22	1 961,00	1 889,00	<b>1 724,680</b>	<b>1 663,180</b>	1 096,688	1 014,788	3 500,00	3 259,00
02-Feb-22	2 014,00	1 942,00	<b>1 804,520</b>	<b>1 743,020</b>	1 197,688	1 115,788	3 376,00	3 134,00
02-Mar-22	2 160,00	2 088,00	<b>1 948,880</b>	<b>1 887,380</b>	1 318,688	1 236,788	3 446,00	3 204,00
06-Apr-22	2 196,00	2 124,00	<b>2 101,440</b>	<b>2 039,940</b>	1 584,688	1 502,788	3 696,00	3 454,00
04-May-22	2 184,00	2 109,00	<b>2 199,440</b>	<b>2 134,240</b>	1 664,288	1 585,088	3 765,00	3 523,00