



**energy**

Department:  
Energy  
REPUBLIC OF SOUTH AFRICA

## Media Statement

**EMBARGO: IMMEDIATE RELEASE**

### **FUEL PRICE INCREASES TO BE EFFECTED ON 03 July 2013**

**Friday, 28 June 2013** - The next fuel price adjustments will be effected on Wednesday, 03 July 2013. The current fuel price review period closed on 27 June 2013. The reasons for the fuel prices increases are:

#### **1. Crude oil prices**

During the current fuel price review period (31 May 2013 to 27 June 2013), the Brent crude oil prices increased on average by 1.0 USD/barrel, therefore the impact of the crude oil price on the Basic Fuel Price (BFP) was minimal.

#### **2. International product prices**

2.1 The international price of refined petroleum products increased on average compared to the previous price review period. The international product prices increased by 27.0 c/l and 17 c/l on petrol and diesel respectively. The high product prices could be attributed, but not limited, to the following;

- High demand of products in Europe due to the shortages caused by the refinery maintenance programs and disruptions in deliveries as a result of floodwaters; and
- Strong demand for diesel and petrol in Turkey and North Africa, respectively, as a result of inventory stocks build-up.

- A domestic shortfall of diesel in India,

### **3. The Rand / Dollar exchange rate**

During the period under review (31 May 2013 to 27 June 2013), the Rand weakened sharply against the USD and contributed to an increase in the BFP by at least **57.0 cents per litre**. The weaker Rand is mainly attributed to the slowdown in the economic growth in emerging markets and the expected slump in the demand of commodities. The Rand's vulnerability was also due to negative sentiments emanating from concerns over anticipated labour disputes and market expectations of industrial actions.

### **4. Adjustment to the Slate Levy on petrol and diesel**

In line with the Self-Adjusting Slate Levy Mechanism, the Slate Levy on petrol and diesel will increase from 4.38 c/l to 6.58 c/l and will be implemented into the price structures of petrol and diesel with effect from 03 July 2013.

### **5. Anticipated fuel price increases**

Based on the average unit over- and under- recovery and the implementation of a Slate Levy adjustment of 2.2 c/l on petrol and diesel, the following fuel price changes will be implemented on 03 July 2013, namely:

- Petrol (95 ULP and LRP): 84.0 c/l, **increase**;
- Petrol (93 ULP and LRP): 84.0 c/l, **increase**;
- Diesel (0.05% Sulphur): 78.20 c/l, **increase**;
- Diesel (0.005% Sulphur): 78.20 c/l, **increase**;
- IP wholesale: 75.0 c/l, **increase**;
- SMNRP for IP: 100.0 c/l, **increase**; and
- Maximum Retail Price for LPGas: 129.0 c/kg, **increase**

***This Media Statement is issued by Ms Thandiwe Maimane, Spokesperson of the Department of Energy.***

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