

MEDIA STATEMENT

28 March 2014

FUEL PRICE ADJUSTMENTS EFFECTIVE FROM 02 APRIL 2014

The Department of Energy informs the public of the fuel price adjustment for April 2014. 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 shipping costs.

Locally, the pricing formula includes:

- fuel levies and the Road Accident Fund levy as determined annually by the Minister of Finance;
- the cost of transportation which results in different prices for different areas (adjusted annually);
- the different prices for 93 and 95 octanes which are informed by cost of production (adjusted quarterly).

Since 2008, the Incremental Inland Transport Recovery System (IITRS) levy of 3.0 cents per litre was included in the fuel price to recover the cost of transporting petroleum products by alternative modes of transport other than the pipeline from the Durban to the inland markets.

The Minister of Energy has repealed this levy with effect from 02 April 2014 as result of the commissioning of the multiproduct pipeline. This means that inland motorists will pay 3.0 cents/ litre less on the pump price.

According to the Minister of Energy, Dikobe Ben Martins, “the scrapping of the 3.0 cents per litre levy due to the commissioning of the multiproduct pipeline has had a positive effect on the latest fuel price adjustments. This is consistent with government’s programme to build new infrastructure that benefits South Africans”.

Based on current local and international factors, the fuel prices for April 2014 in the Gauteng zone will be adjusted as follows:

1. **Illuminating paraffin** (Wholesale) will **decrease** by 34.5 cents/litre
2. **Illuminating Paraffin** (SMNRP) will **decrease** by 49 cents/litre
3. **Liquefied Petroleum Gas** (Maximum Retail Price) will **decrease** by 22 cents/kilogram
4. **Diesel** (0.05% Sulphur) will **decrease** by 8.8 cents/litre
5. **Diesel** (0.005% Sulphur) will **decrease** by 7.8 cents/litre
6. **Petrol** (93 octane) will **increase** by 5.0 cents/litre
7. **Petrol** (95 octane) will **increase** by 7.0 cents/litre

In other fuel pricing zones, the prices will be different due to the adjustment to the transportation costs. The pricing schedule for the different zones will be published on Tuesday, 01 April 2014.

“The decrease in the price of illuminating paraffin and LPG will benefit households that use these products, especially as winter approaches”, Minister Martins concluded.

ISSUED THE DEPARTMENT OF ENERGY

Enquiries:

Zodwa Batyashe

Email: Zodwa.batyashe@energy.gov.za

Tel: 012 406 7484 or Cell: 082 455 9796

Johannes Mokobane

Email: johannes.mokobane@energy.gov.za mediadesk@energy.gov.za

Tel: 012 406 7481 or Cell: 082 766 3674