



energy

Department:
Energy
REPUBLIC OF SOUTH AFRICA

MEDIA STATEMENT ISSUED BY THE DEPARTMENT OF ENERGY ON THE ADJUSTMENT OF FUEL PRICES EFFECTIVE FROM 07 SEPTEMBER 2016

DATE: 02 SEPTEMBER 2016

The Department of Energy informs the public of the fuel price adjustments for September 2016. 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.

The main reasons for the fuel price adjustments are:

- (1) **The strengthening of the Rand against the US Dollar** during the period under review which cushioned the fuel prices by about 22.00c/l,
- (2) **The increase in the prices of petrol and decrease in the prices of diesel, on average**, in the international markets during the period under review. The Basic Fuel Price (BFP) of diesel decreased by about 6 cents while that of petrol increased by about 25 cents during the same period. This could explain why the diesel over recovery is higher than the petrol over recovery. The overall effect on the fuel prices locally has been outweighed by the strengthening of the Rand to the US Dollar.
- (3) **The increase in the prices crude oil**, on average, during the period under review. A key factor that contributed to the increase in the prices of crude oil was the news that the Organization of the Petroleum Exporting Countries (OPEC) and

other key exporters are likely to revive talks on freezing output levels when meeting in Algeria in September 2016.

Based on current local and international factors, the fuel prices for September 2016 will be adjusted as follows:

1. Petrol (93 ULP and LRP): 18.00c/l **decrease**;
2. Petrol (95 ULP and LRP): 18.00c/l **decrease**;
3. Diesel (0.05% Sulphur): 48.00c/l **decrease**;
4. Diesel (0.005% Sulphur): 49.00c/l **decrease**;
5. Wholesale price for Illuminating Paraffin: 47.00c/l **decrease**;
6. SMNRP for Illuminating Paraffin: 63.00c/l **decrease**; and
7. Maximum Retail Price for LPGas: 9.00c/kg **decrease**.

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, 06 September 2016.

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