



energy

Department:  
Energy  
REPUBLIC OF SOUTH AFRICA

## **MEDIA STATEMENT ISSUED BY THE DEPARTMENT OF ENERGY ON THE ADJUSTMENT OF FUEL PRICES EFFECTIVE FROM 04 JANUARY 2017**

**DATE: 29 DECEMBER 2016**

The Department of Energy informs the public of the fuel price adjustments for January 2017. 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 due to:

- (1) **The contribution of the Rand/US Dollar** exchange rate. The Rand strengthened very slightly against the US Dollar from R13.91 to R13.87, on average, during the period under review when compared to the previous one.
- (2) **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 fact that OPEC members agreed to cut production by 1.2 million barrels per from 1 January 2017 during their meeting that was held in Vienna, Austria, on 30 November 2016. Furthermore, Russia and other Non-OPEC producers also agreed to cut production by 600 thousand barrels per day.
- (3) **The increase in the prices of petrol, diesel and illuminating paraffin, on average**, in the international markets during the period under review. The Basic Fuel Price (BFP) of all the products increased in line with the increase in the price of crude oil.

#### **(4) Adjustment to the Octane Differential between 95 and 93 Octane**

In line with the Working Rules to determine the Basic Fuels Prices, the 95 octane (unleaded) grade is the price-marker grade and the BFP-differentials between 95 and 93 Octanes will be adjusted on the first Wednesday of each quarter. The 95/93 octane price differential will be adjusted with effect from 04 January 2017.

Based on current local and international factors, the fuel prices for January 2017 will be adjusted as follows:

1. Petrol (93 ULP and LRP): 50.00c/l **increase**;
2. Petrol (95 ULP and LRP): 48.00c/l **increase**;
3. Diesel (0.05% Sulphur): 39.00c/l **increase**;
4. Diesel (0.005% Sulphur): 37.00c/l **increase**;
5. Wholesale price of Illuminating Paraffin: 43.00c/l **increase**;
6. SMNRP of Illuminating Paraffin: 58.00c/l **increase**; and
7. Maximum Retail Price of LPGas: 106.00c/kg **increase**.

The fuel prices schedule for the different zones will be published on Tuesday, 03 January 2017.

**Enquiries:** [mediadesk@energy.gov.za](mailto:mediadesk@energy.gov.za)

#### **Lerato Ntsoko**

Email: [lerato.ntsoko@energy.gov.za](mailto:lerato.ntsoko@energy.gov.za)

Tel: 012 406 7799 or Cell: 082 459 2788

#### **Johannes Mokobane**

Email: [johannes.mokobane@energy.gov.za](mailto:johannes.mokobane@energy.gov.za)

Tel: 012 406 7481 or Cell: 082 766 3674