



energy

Department:
Energy
REPUBLIC OF SOUTH AFRICA

MEDIA STATEMENT
MINISTER OF MINERAL RESOURCES AND ENERGY, MR GWEDE
MANTASHE, ANNOUNCES ADJUSTMENT OF FUEL PRICES
EFFECTIVE FROM THE 4th OF DECEMBER 2019

The Minister of Mineral Resources and Energy, Mr Gwede Mantashe, announces the adjustment of fuel prices based on current local and international factors with effect from the 4th of December 2019.

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 importation costs, e.g. shipping costs.

The main reason for the petrol price increases is that the average Brent Crude oil price increased from 59.72USD to 62.68USD per barrel during the period under review. The Crude oil prices increased following signals of the extension of Organisation of the Petroleum Exporting Countries (OPEC) production cut into mid-2020, and signs of a new round of trade talks between China and the United State of America.

The diesel prices decreased due to seasonal decline in demand and ample refinery supplies. Furthermore, the weak domestic diesel demand in India pushed larger-than-usual diesel flows into the global market.

The Rand appreciated, on average, against the US Dollar (from 14.93 to 14.80 Rand per USD) during the period under review when compared to the previous one. This led to lower contributions to the Basic Fuel Prices of petrol, diesel and illuminating paraffin by 6.12 c/l, 6.24 c/l and 6.23 c/l respectively.

In line with the Self-Adjusting Slate Levy Mechanism Rules, the Slate Levy on petrol and diesel will remain at zero cents per litre (0.00 c/l).

In line with the application of the Regulatory Accounting System (RAS) the Minister of Energy approved a net increase of 11.60 c/l in the annual margin adjustments on petrol and a net increase of 6.05 cents per litre on diesel and illuminating paraffin wholesale prices, with effect from 04 December 2019. The Minister also approved the annual increase of the Maximum Retail Price of LPGas by 69.00 cents per kilogram with effect from 04 December 2019.

Based on current local and international factors, the fuel prices for December 2019 will be adjusted as follows:

- ❖ Petrol (both 93 ULP and LRP): twenty two cents per litre (22.00 c/l) **increase**
- ❖ Petrol (both 95 ULP and LRP): twenty two cents per litre (22.00 c/l) **increase**;
- ❖ Diesel (0.05% sulphur): fourteen point nine five cents per litre (14.95 c/l) **decrease**;
- ❖ Diesel (0.005% sulphur): fifteen point nine five cents per litre (15.95 c/l) **decrease**;
- ❖ Illuminating Paraffin (wholesale): seventeen point nine five cents per litre (17.95 c/l) **decrease**;
- ❖ SMNRP for IP: twenty four cents per litre (24.00 c/l) **decrease**;
- ❖ Maximum LPGas Retail Price: one hundred and two cents per kilogram (102.00 c/kg) **increase**; and

The fuel prices schedule for the different zones will be published on Tuesday, the 3rd of December 2019.

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