



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 2<sup>nd</sup> OF OCTOBER 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 2<sup>nd</sup> of October 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 fuel price increases is the higher oil prices during the period under review when compared to the previous one. The average Brent Crude oil price increased from 58.86 US dollars (USD) per barrel to 62.96 USD per barrel during the period under review. The oil prices rose sharply after drones attacked two major oil facilities in Saudi Arabia namely, Abqaiq facility, which is the largest crude oil stabilization plant in the world, and the Khurais oil field, which is the second largest oil field in Saudi Arabia, operated by Saudi Aramco on the 14<sup>th</sup> of September 2019. The closure of these operations had an impact on nearly five (5) million barrels of crude processing per day, affecting 5 percent of the world's daily oil production.

The Rand appreciated on average against the US Dollar from 15.17 to 14.90 Rand per dollar during the period under review when compared to the previous one. This led to a lower contribution to the Basic Fuel Prices on petrol, diesel and illuminating paraffin by more than seventeen cents per litre (17.00 c/l). Had it not been for the

stronger rand during this period, the impact of the attacks on Saudi facilities on prices would have been more severe.

In line with the Working Rules to determine the Basic Fuels Prices (BFP), 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 02 October 2019.

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) effective from the 2<sup>nd</sup> of October 2019.

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

- ❖ Petrol (both 93 ULP and LRP): four cents per litre (4.00 c/l) **decrease**
  - ❖ Petrol (both 95 ULP and LRP): eighteen cents per litre (18.00 c/l) **increase**;
  - ❖ Diesel (0.05% sulphur): twenty five cents per litre (25.00 c/l) **increase**;
  - ❖ Diesel (0.005% sulphur): twenty five cents per litre (25.00 c/l) **increase**;
  - ❖ Illuminating Paraffin (wholesale): twenty five cents per litre (25.00 c/l) **increase**;
  - ❖ SMNRP for IP: thirty three cents per litre (33.00 c/l) **increase**;
  - ❖ Maximum LPGas Retail Price: seventeen cents per kilogram (17.00 c/kg) **increase**;
- and

The fuel prices schedule for the different zones will be published on Tuesday, the 1<sup>st</sup> of October 2019.

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