



mineral resources & energy

Department:
Mineral Resources and 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 AUGUST 2021

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 August 2021.

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 reasons for the fuel price adjustments are due to:

1. Crude oil prices

The average Brent Crude oil price increased from 73.00USD to 74.00USD per barrel during the period under review. The American Petroleum Institute reported that the decline in the crude oil inventories reached a total of nearly 54 million barrels and this contributed to higher oil prices during July 2021.

2. International petroleum product prices

The movement in international refined petroleum product prices followed the increasing trend in crude oil prices. This led to higher contributions to the Basic Fuel Price of petrol by 48.29 c/l, diesel by 16.37 c/l and 15.53 c/l and illuminating paraffin by 17.76 c/l.

3. Rand/US Dollar exchange rate

The Rand depreciated, on average, against the US Dollar (from 13.92 to 14.54 Rand per USD) during the period under review when compared to the previous one. This led to higher contributions to the Basic Fuel Prices of petrol, diesel and illuminating paraffin by 43.73 c/l, 32.37 c/l and 31.42 c/l respectively.

4. Implementation of the Slate Levy

A levy of 6.58 cents per litre will be implemented into the prices structures of petrol and diesel in line with the Self-Adjusting Slate Mechanism rules effective from the 4th of August 2021.

Based on current local and international factors, the fuel prices for August 2021 will be adjusted as follows:

- ❖ Petrol (both 93 ULP and LRP): ninety one cents per litre (91.00 c/l) **increase**
- ❖ Petrol (both 95 ULP and LRP): ninety one cents per litre (91.00 c/l) **increase;**
- ❖ Diesel (0.05% sulphur): fifty five point five eight cents per litre (55.58 c/l) **increase;**
- ❖ Diesel (0.005% sulphur): fifty four point five eight cents per litre (54.58 c/l) **increase;**
- ❖ Illuminating Paraffin (wholesale): fifty cents per litre (50.00 c/l) **increase;**
- ❖ SMNRP for IP: sixty seven cents per litre (67.00 c/l) **increase;**
- ❖ Maximum LPGas Retail Price: two hundred and twenty six cents per kilogram (226.00 c/kg) **increase;** and

The fuel prices schedule for the different zones will be published on Tuesday, the 3rd of August 2021.

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