



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 3RD OF NOVEMBER 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 3rd of November 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 75.50USD to 83.40USD per barrel during the period under review. The Brent Crude oil reached the highest level since October 2018. The key driver is the higher global demand recovery amid a weaker supply response from non-OPEC and other oil producers. The situation was exacerbated by the impact of the current Gas challenges experienced by European countries that are having on the prices of energy commodities

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 102.37 c/l, diesel by 129.69 c/l and illuminating paraffin by 129.05 c/l, respectively.

3. Rand/US Dollar exchange rate

The Rand depreciated, on average, against the US Dollar (from 14.56 to 14.72 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 over 15.00 cents per litre.

4. Implementation of the Slate Levy

An increase of 2.20 c/l (i.e. from 13.16 c/l to 15.36 c/l) will be implemented into the prices structures of petrol and diesel in line with the Self-Adjusting Slate Mechanism rules effective from the 3rd of November 2021. The combined cumulative Slate balances of petrol and diesel amounted to a negative R1.657 billion at the end of September 2021.

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

- ❖ Petrol (both 93 and 95 ULP & LRP): one hundred and twenty-one cents per litre (121.00 c/l) **increase**
- ❖ Diesel (0.05% and 0.005% sulphur): one hundred and forty-eight point two cents per litre (148.20 c/l) **increase**;
- ❖ Illuminating Paraffin (wholesale): one hundred and forty-five cents per litre (145.00 c/l) **increase**;
- ❖ SMNRP for IP: one hundred and ninety-three cents per litre (193.00 c/l) **increase**;
- ❖ Maximum LPGas Retail Price: two hundred and ninety cents per kilogram (290.00 c/kg) **increase**; and

The fuel prices schedule for the different zones will be published on Tuesday, the 2nd of November 2021.

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