



## **Media statement**

**To: All Media**

**26 July 2022**

### **DMRE WELCOMES THE REDUCTION IN INTERNATIONAL OIL PRICES**

The Department of Mineral Resources and Energy (DMRE) welcomes the reduction of international petroleum product prices, including crude oil prices. By close of business yesterday, 25 July 2022, the price of Brent Crude oil was hovering around 105 US dollars per barrel, a reduction on average of about 10% compared to the average price for June 2022.

Government has for the past four months cushioned South Africans from the vagaries of the oil market and the full impact of the high international oil prices. A temporary reduction in the general fuel levy of R1.50 per litre was introduced from 06 April 2022 to 05 July 2022. This was reduced to 75c per litre from 06 July 2022 to 02 August 2022.

Despite this reprieve coming to an end on 02 August 2022, the Department can confirm that there will still be a sizeable reduction in fuel prices including paraffin for South Africans. A formal announcement in this regard will be made by the end of the week.

As was undertaken in April 2022, consultation on the introduction of the price cap for 93 Octane fuel has formally been initiated. This price cap will allow for the fuel suppliers who can pass the benefit to the consumer to do so. No disruptions are expected in the fuel market as 93 Octane accounts for a small portion of the market, however this will allow the Department to monitor how the market will react to the capping of the price.

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**Issued by the Department of Mineral Resources and Energy**