



**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 1ST OF FEBRUARY 2023

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 1st of February 2023.

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:

1. Crude oil prices

The average Brent Crude oil price increased from 85.08 US Dollars (USD) per barrel to 86.16 USD per barrel during the period under review. The main contributing factor is the re-opening of the Chinese economy.

2. International petroleum product prices

The movement in international refined petroleum product prices, diesel, petrol and illuminating paraffin in particular followed the increasing trend in crude oil prices, while the prices of LPGas decreased due to lower propane and butane prices during the period under review. These factors led to higher contributions to the Basic Fuel Prices of petrol, diesel and illuminating paraffin by 92.74 c/l, 71.40 c/l and 78.21 c/l,

respectively. The LPGas prices are decreasing due to the lower prices of Propane and Butane during the period under review.

3. Rand/US Dollar exchange rate

The Rand appreciated slightly, on average, against the US Dollar (USD) (from 17.28 to 17.00 Rand per USD) during the period under review when compared to the previous one. The stronger Rand led to lower contributions to the Basic Fuel Prices of petrol, diesel and illuminating paraffin by 15.97 c/l, 18.79 c/l and 19.36 c/l respectively.

4. Implementation of the Slate Levy

The negative slate balance on petrol and diesel amounted to R2.191 billion at the end of December 2022. A slate levy decrease of 43.84 c/l (from 61.38 c/l to 17.54 c/l) will be implemented into the price structures of petrol and diesel, in line with the Self-Adjusting Slate Mechanism rules effective from the 1st of February 2023.

Based on current local and international factors, the fuel prices for January 2023 will be adjusted as follows:

- ❖ Petrol (both 93 and 95 ULP & LRP): Twenty-eight cents per litre (28.00 c/l) **increase**;
- ❖ Diesel (0.05% sulphur): Nine point one six cents per litre (9.16 c/l) **increase**;
- ❖ Diesel (0.005% sulphur): Zero point eight four cents per litre (0.84 c/l) **decrease**;
- ❖ Illuminating Paraffin (wholesale): Fifty-eight cents per litre (58.00 c/l) **increase**;
- ❖ SMNRP for IP: Seventy-eight cents per litre (78.00 c/l) **increase**;
- ❖ Maximum LPGas Retail Price: One hundred and forty cents per kilogram (140.00 c/kg) **decrease**;

The fuel prices schedule for the different zones will be published on Tuesday, the 31st of January 2023.

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