



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 JANUARY 2024

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 January 2024.

South Africa's fuel prices are adjusted monthly, 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 decreased from 82.62 US Dollars (USD) to 77.35 USD during the period under review, mainly due to, increased production by the United States of America, Venezuela, Guyana, and other non-OPEC countries despite the announcement by OPEC to cut production.

2. International petroleum product prices

The average international product prices of petrol, diesel and illuminating paraffin decreased in line with the lower crude oil prices. LPG prices increased due to higher freight cost. These factors led to lower contributions to the Basic Fuel Prices

of petrol, diesel and illuminating paraffin by 50.83 c/l, 105.81 c/l and 99.00 c/l, respectively.

3. Rand/US Dollar exchange rate

The Rand depreciated slightly on average, against the US Dollar (from 18.57 to 18.66 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 5.30 c/l, 5.83 c/l and 6.00 c/l, respectively.

4. Implementation of the Slate Levy

The cumulative slate balance on petrol and Diesel at the end of November 2023 had a positive balance of R1.8 billion. Therefore, a slate levy of zero c/l will be implemented in the price structure of petrol and diesel with effect from the 3rd of January 2024. This means that the motorists will benefit by 26.32 cents per litre since the slate levy will decrease from 26.32 to zero cents per litre.

5. Octane differential between 95 and 93 petrol grades

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-differential between 95 and 93 octanes is adjusted on the first Wednesday of each quarter. The BFP Octane differential has changed during the previous quarter and therefore the retail prices of 95 and 93 petrol octanes will be different in each fuel-pricing zone with effect from the 3rd of January 2024.

Based on current local and international factors, the fuel prices for January 2024 will be adjusted as follows:

- ❖ Petrol (93 ULP & LRP): Sixty-two cents per litre (62.00 c/l) **decrease.**
- ❖ Petrol (95 ULP & LRP): Seventy-six cents per litre (76.00 c/l) **decrease.**
- ❖ Diesel (0.05% sulphur): One hundred and eighteen point three two cents per litre (118.32 c/l) **decrease.**
- ❖ Diesel (0.005% sulphur): One hundred and twenty-six point three two cents per litre (126.32 c/l) **decrease.**
- ❖ Illuminating Paraffin (wholesale): Ninety-three cents per litre (93.00 c/l) **decrease.**

- ❖ SMNRP for IP: One hundred and twenty-four cents per litre (124.00 c/l)
decrease.
- ❖ Maximum LPGas Retail Price: Eleven cents per kilogram (11.00 c/kg)
increase.

The fuel prices schedule for the different zones will be published on Tuesday, the 2nd of January 2024.

Enquiries : mediadesk@dmre.gov.za

Mr Natie Shabangu – natie.shabangu@dmre.gov.za / 073 852 1922

Mr Johannes Mokobane - johannes.mokobane@dmre.gov.za / 082 766 3674

Mr Ernest Mulibana – ernest.mulibana@dmre.gov.za / 082 263 7372