



## **MEDIA STATEMENT**

### **THE DEPARTMENT OF MINERAL RESOURCES AND ENERGY ANNOUNCES ADJUSTMENT OF FUEL PRICES EFFECTIVE FROM THE 4<sup>TH</sup> OF JULY 2024**

The Department of Mineral Resources and Energy announces the adjustment of fuel prices based on current local and international factors with effect from the 4<sup>th</sup> of July 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 82.98 US Dollars (USD) to 82.24 USD per barrel, during the period under review. The main contributing factors are the increased production by the US and other non-OPEC countries amid slow economic growth globally.

#### **2. International petroleum product prices**

The average international product prices of petrol decreased following the lower Brent crude oil prices during the period under review. The movement in product prices has led to a lower contribution to the Basic Fuel Price (BFP) of petrol by

93.66 - 99.65 c/l, diesel by 17.55 – 23.80 c/l and illuminating paraffin by 16.87 cents per litre.

### 3. Rand/US Dollar exchange rate

The Rand appreciated slightly, on average, against the US Dollar (from 18.46 to 18.44 Rand per USD) during the period under review when compared to the previous one. This led to lower contributions to the Basic Fuel Prices of all products by about 1.50 cents per litre on all products.

### 4. Implementation of the Slate Levy

The cumulative slate amounted to a negative balance for petrol and diesel of R 1.15 billion at the end of May 2024. In line with the provisions of the Self-Adjusting Slate Levy Mechanism, a slate levy of zero cents per litre will be applicable in the price structures of petrol and diesel with effect from the 4<sup>th</sup> of July 2024, which is a decrease of 4.38 cents per litre on the prices of both diesel and petrol.

### 5. Octane differentials 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 4<sup>th</sup> of July 2024.

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

- ❖ Petrol 93 (ULP & LRP): One hundred and five cents per litre (105.00 c/l) **decrease.**
- ❖ Petrol 95 (ULP & LRP): Ninety-nine cents per litre (99.00 c/l) **decrease.**
- ❖ Diesel (0.05% sulphur): Thirty point three eight cents per litre (30.38 c/l) **decrease.**
- ❖ Diesel (0.005% sulphur): Twenty-four point three eight cents per litre (24.38 c/l) **decrease.**

- ❖ Illuminating Paraffin (wholesale): Eighteen cents per litre (18.00 c/l) **decrease.**
- ❖ SMNRP for IP: Twenty-four cents per litre (24.00 c/l) **decrease.**
- ❖ Maximum LPGas Retail Price: Twenty-two cents per kilogram (22.00 c/kg) **decrease;** and

The fuel prices schedule for the different zones will be published on Wednesday, the 3<sup>rd</sup> of July 2024.

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