MEDIA STATEMENT - FOR RELEASE ON 30 AUGUST 2024

RELEASED BY CEF (SOC) LTD ON BEHALF OF THE DEPARTMENT OF MINERAL RESOURCES AND ENERGY

ENQUIRIES: MR E MULIBANA 082 263 7372 / MR J MOKOBANE 082 766 3674

1. PRICE CHANGES TO BE EFFECTED ON WEDNESDAY 04 SEPTEMBER 2024 IN GAUTENG (INCREASE) / DECREASE

Product:		
Both Grades of Petrol 93 & 95 (ULP & LRP)	92.00	cents per litre **decrease** in retail price
Diesel 0.05% Sulphur	79.00	cents per litre **decrease** in wholesale price
Diesel 0.005% Sulphur	105.00	cents per litre **decrease** in wholesale price
Illuminating Paraffin (Wholesale)	103.00	cents per litre **decrease** in wholesale price
Illuminating Paraffin (SMNRP)	138.00	cents per litre **decrease** in the Single Maximum National Retail price (SMNRP)
Maximum Retail Price for LPGAS	10.00	cents per kilogram **decrease** in the maximum retail price

2. ECONOMIC FACTORS AFFECTING THE UNIT OVER/UNDER-RECOVERIES FOR THE PERIOD 02 AUGUST 2024 TO 29 AUGUST 2024

The average international product prices for Petrol, Diesel and Illuminating Paraffin decreased during the period under review.
The Rand appreciated against the US Dollar during the period under review, on average, when compared to the previous period. The average Rand/US Dollar exchange rate for the period 02 August 2024 to 29 August 2024 was 18.0578 compared to 18.2360 during the previous period. This led to a lower contribution to the Basic Fuel Prices on petrol, diesel and illuminating paraffin by 10.92 c/l, 11.15 c/l, 11.12c/l respectively.

3. INCREASE IN THE RETAIL MARGIN APPLICABLE TO BOTH GRADES OF PETROL

The Minister of Mineral Resources and Energy has approved a retail margin increase of 5.3 c/l to be effected in the retail price structures of all octane grades of petrol with effect from 04 September 2024. This increase is necessary to accommodate the wage increases of pump attendants, cashiers and administrative staff at service stations.

4. SLATE LEVY

In line with the provisions of the Self-Adjusting Slate Levy Mechanism, the Slate Levy on petrol and diesel will remain at 0.00 c/l with effect from 04 September 2024.

5. SINGLE MAXIMUM NATIONAL RETAIL PRICE FOR ILLUMINATING PARAFFIN (SMNRP)

The Single Maximum National Retail Price for the period 04 September 2024 to 01 October 2024 will be 1 756.0 c/l compared to 1 894.0 c/l for the period 07 August 2024 to 03 September 2024.

6. MAXIMUM LPGAS REFINERY GATE PRICE

The maximum refinery gate price will be R 13 532.85 per metric ton (751.073 c/l), excluding VAT, for the period 04 September 2024 to 01 October 2024.

7. PRICE ADJUSTMENT

In terms of the agreed mechanism:

(a) Price changes are adjusted in such a manner that the over- or under-recovery during the prior month will be corrected in the following month; and

(b) The unit over- or under-recoveries are rounded up or down to the nearest full cent so that the effect of rounding contributes to the clearing of the cumulative balance of the individual products on the slate.

(c) In order to manage a negative balance in the Cumulative over/(under) recovery account (the Slate), a Self-Adjusting Slate Levy Mechanism (SLM) was implemented with effect from 7 January 2009 and slate ranges adjusted with effected from 7 September 2022 (the SLM is available on the website of the Department of Energy). A Slate levy will only be applicable on all petrol and diesel grades if the Slate balance is negative (cumulative under recovery) by more than R500.0 million.

8. ANALYSIS OF THE ELEMENTS THAT RESULTED IN THE BFP OVER/(UNDER)-RECOVERIES

The over/(under)-recoveries for the period under review were affected by the factors set out below, which can be quantified as follows:

	Petrol 95 ULP c/l	Diesel 0.05% c/l	Diesel 0.005% c/l	Illuminating Paraffin c/l
Movements in external factors				
Movement in International Product Prices	85.588	67.630	93.554	91.865
Movement in Exchange Rate	10.917	11.152	11.228	11.116
BFP Over/(under)-recovery for the period 02/08/2024 to 29/08/2024	96.505	78.782	104.782	102.981

9. BREAKDOWN OF PRICE ADJUSTMENT

	Petrol 95 ULP & LRP	Diesel 0.05 (%) Sulphur	Diesel 0.005 (%) Sulphur	Illuminating Paraffin Wholesale	LPGAS (Gauteng, Zone 9C)
The price adjustments in (1) above are based on the following actual data:					
Average product over/(under)-recovery, measured for the 20 days from 02/08/2024 to 29/08/2024 (cents / litre) as detailed below	96.505	78.782	104.782	102.981	-
Cumulative positive/(negative) slate balances end of July 2024 (R-million)	532.108	1,606.700	1,606.700	3.865	-
The price adjustments consist of the following elements:	**c/l**	**c/l**	**c/l**	**c/l**	
Average product over/(under)-recovery rounded to the nearest full cent for price (increase) / decrease	97.000	79.000	105.000	103.000	10.000
(Increase) on Retail Margin on Petrol	(5.300)	-	-	-	-
Pump Rounding	0.300	-	-	-	-
Total price (increase) / decrease	**92.000**	**79.000**	**105.000**	**103.000**	**10.000**

10. REPORT OF THE INDEPENDENT AUDITORS

The report of the independent auditors is available on request.

11. **COMPOSITION OF THE MAXIMUM RETAIL PRICES FOR LPGAS AT THE COAST (ZONE 1A) AND IN THE INLAND AREA (ZONE 9C) IN CENTS PER KILOGRAM FOR THE PERIOD 04/09/2024 TO 01/10/2024 WILL BE AS FOLLOWS:**

Price element	Coast Zone 1A	Inland Zone 9C
Maximum refinery gate price	1 353.285	1 353.285
Primary transport costs	59.822	283.575
Operating expenses	536.315	536.315
Working capital	40.653	40.653
Depreciation	218.290	218.290
Gross margin: Cylinder-filling plant	278.924	278.924
Sub-total (1)	**2 487.290**	**2 711.042**
Retail Margin: (15% of Subtotal (1))	373.093	406.656
Sub-total (2)	**2 860.383**	**3 117.699**
Value Added Tax (15% Sub-total (2))	429.057	467.655
Maximum Retail Price (Rounded to full cents)	**3 289.000**	**3 585.000**

12. The annexure attached contains details of the composition of product prices as well as history of the price changes.

ANNEXURE 1

COMPOSITION OF THE RETAIL PRICE OF PETROL AND THE WHOLESALE PRICES FOR DIESEL AND IP IN GAUTENG FOR THE PERIOD 04/09/2024 TO 01/10/2024 WILL BE AS FOLLOWS:

	Petrol 95 ULP c/l	Petrol 93 ULP & LRP c/l	Diesel 0.05% S c/l	Diesel 0.005% S c/l	Illumi-nating Paraffin c/l
Wholesale margin	69.800	69.800	89.610	89.610	89.610
Secondary Storage	36.600	36.600	36.600	36.600	36.600
Secondary Distribution	17.200	17.200	17.200	17.200	17.200
Router Differential	0.000	0.000	0.000	0.000	7.400
Retail margin	**291.000**	**291.000**	0.000	0.000	0.000
Zone differential in Gauteng	82.800	82.800	82.800	82.800	103.000
IP Tracer levy	0.000	0.000	1.000	1.000	0.000
Fuel levy	396.000	396.000	384.000	384.000	0.000
Customs & excise duty	4.000	4.000	4.000	4.000	0.000
RAF levy	218.000	218.000	218.000	218.000	0.000
Petroleum Products levy	0.330	0.330	0.330	0.330	0.000
Slate levy	0.000	0.000	0.000	0.000	0.000
Pump Rounding	0.000	0.000	0.000	0.000	0.000
Sub-total	1 115.730	1 115.730	833.540	833.540	253.810
Contribution to the Basic Fuel Price	1 103.270	1063.27	1 125.630	1 135.030	1 123.128
Retail Price	2,219.00	2,179.00			
Wholesale price			1,959.170	1,968.570	1,376.938

STATISTICS OF PRICE CHANGES

Effective from:	Petrol 95 ULP		Diesel		Illuminating Paraffin		LPGAS	
	Gauteng SA c/l	Coast SA c/l	Gauteng SA c/l	Coast SA c/l	Gauteng SA c/l	Coast SA c/l	Gauteng SA c/Kg	Coast SA c/Kg
05-Jan-22	1,961.00	1,889.00	**1,724.680**	**1,663.180**	1,096.688	1,014.788	3,500.00	3,259.00
02-Feb-22	2,014.00	1,942.00	**1,804.520**	**1,743.020**	1,197.688	1,115.788	3,376.00	3,134.00
02-Mar-22	2,160.00	2,088.00	**1,948.880**	**1,887.380**	1,318.688	1,236.788	3,446.00	3,204.00
06-Apr-22	2,196.00	2,124.00	**2,101.440**	**2,039.940**	1,584.688	1,502.788	3,696.00	3,454.00
04-May-22	2,184.00	2,109.00	**2,199.440**	**2,134.240**	1,664.288	1,585.088	3,765.00	3,523.00
01-Jun-22	2,417.00	2,352.00	**2,309.440**	**2,244.240**	1,820.288	1,741.088	3,714.00	3,472.00
06-Jul-22	2,674.00	2,609.00	**2,540.440**	**2,475.240**	1,986.288	1,907.088	3,496.00	3,255.00
03-Aug-22	2,542.00	2,477.00	**2,452.440**	**2,387.240**	1,842.288	1,763.088	3,553.00	3,311.00
07-Sep-22	2,338.00	2,273.00	**2,396.100**	**2,330.900**	1,760.288	1,681.088	3,388.00	3,146.00
05-Oct-22	2,236.00	2,171.00	**2,406.100**	**2,340.900**	1,699.288	1,620.088	3,407.00	3,166.00
02-Nov-22	2,287.00	2,222.00	**2,548.960**	**2,483.760**	1,776.288	1,697.088	3,309.00	3,068.00
07-Dec-22	2,346.00	2,281.00	**2,391.770**	**2,326.570**	1,718.958	1,639.758	3,404.00	3,146.00
04-Jan-23	2,140.00	2,075.00	**2,122.870**	**2,057.670**	1,525.958	1,446.758	3,486.00	3,227.00
01-Feb-23	2,168.00	2,103.00	**2,132.030**	**2,066.830**	1,583.958	1,504.758	3,346.00	3,087.00
01-Mar-23	2,295.00	2,230.00	**2,162.410**	**2,097.210**	1,596.958	1,517.758	3,868.00	3,610.00
05-Apr-23	2,297.00	2,225.00	**2,088.830**	**2,016.630**	1,472.058	1,379.558	3,776.00	3,517.00
03-May-23	2,334.00	2,262.00	**2,015.290**	**1,943.090**	1,439.058	1,346.558	3,332.00	3,073.00
07-Jun-23	2,263.00	2,191.00	**1,931.290**	**1,859.090**	1,396.058	1,303.558	3,407.00	3,148.00
05-Jul-23	2,246.00	2,174.00	**1,949.290**	**1,877.090**	1,392.058	1,299.558	3,111.00	2,853.00
02-Aug-23	2,283.00	2,211.00	**2,021.290**	**1,949.090**	1,463.058	1,370.558	2,950.00	2,691.00
06-Sep-23	2,454.00	2,382.00	**2,305.290**	**2,233.090**	1,741.058	1,648.558	3,176.00	2,917.00
04-Oct-23	2,568.00	2,496.00	**2,501.990**	**2,429.790**	1,892.058	1,799.558	3,426.00	3,167.00
01-Nov-23	2,390.00	2,318.00	**2,416.910**	**2,344.710**	1,795.058	1,702.558	3,575.00	3,316.00
06-Dec-23	2,325.00	2,253.00	**2,181.490**	**2,109.290**	1,623.938	1,531.438	3,742.00	3,446.00
03-Jan-24	2,249.00	2,177.00	**2,063.170**	**1,990.970**	1,530.938	1,438.438	3,753.00	3,457.00
07-Feb-24	2,324.00	2,252.00	**2,136.170**	**2,063.970**	1,583.938	1,491.438	3,790.00	3,494.00
06-Mar-24	2,445.00	2,373.00	**2,241.870**	**2,169.870**	1,647.938	1,555.438	3,831.00	3,535.00
03-Apr-24	2,512.00	2,433.00	**2,245.090**	**2,166.090**	1,618.938	1,519.738	3,812.00	3,516.00
01-May-24	2,549.00	2,470.00	**2,215.090**	**2,136.090**	1,599.938	1,500.738	3,766.00	3,470.00
05-Jun-24	2,425.00	2,346.00	**2,096.550**	**2,017.550**	1,519.938	1,420.738	3,631.00	3,335.00
04-Jul-24	2,326.00	2,247.00	**2,066.170**	**1,987.170**	1,501.938	1,402.738	3,609.00	3,313.00
07-Aug-24	2,311.00	2,232.00	**2,038.170**	**1,959.170**	1,479.938	1,380.738	3,595.00	3,299.00
04-Sep-24	2,219.00	2,140.00	**1,959.170**	**1,880.170**	1,376.938	1,277.738	3,585.00	3,289.00