

**MEDIA STATEMENT - FOR RELEASE ON 02 JUNE 2023**

**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 07 JUNE 2023 IN GAUTENG (INCREASE) / DECREASE**

Product:

Both Grades of Petrol 93 & 95 (LRP & ULP)	71.00	cents per litre <b>decrease</b> in retail price
Diesel 0.05% Sulphur	84.00	cents per litre <b>decrease</b> in wholesale price
Diesel 0.005% Sulphur	80.00	cents per litre <b>decrease</b> in wholesale price
Illuminating Paraffin (Wholesale)	43.00	cents per litre <b>decrease</b> in wholesale price
Illuminating Paraffin (SMNRP)	58.00	cents per litre <b>decrease</b> in the Single Maximum National Retail price (SMNRP)
Maximum Retail Price for LPGAS	(75.00)	cents per kilogram <b>increase</b> in the maximum retail price

**2. GENERAL FUEL LEVY (CARBON LEVY)**

The Minister of Finance approved an increase of 1.0 c/l in the petrol and diesel price structures to allow the industry to recoup the levy payment for April 2023 with effect from 03 May 2023, however, this additional 1.0 c/l has been removed from the price structures of petrol and diesel with effect from 07 June 2023. With effect from 07 June 2023, the Fuel Levy will decrease to 395.0 c/l and 381.0 c/l respectively in the petrol and diesel price structures.

**3. ECONOMIC FACTORS AFFECTING THE UNIT OVER/UNDER-RECOVERIES FOR THE PERIOD 26 APRIL 2023 TO 01 JUNE 2023**

The average international product prices for Petrol, Diesel and Illuminating Paraffin decreased during the period under review.

The Rand depreciated 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 26 April 2023 to 01 June 2023 was 18.9854 compared to 18.1331 during the previous period. This led to a higher contribution to the Basic Fuel Prices on petrol, diesel and illuminating paraffin by 54.58 c/l, 50.88 c/l and 52.52 c/l respectively.

**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 07 June 2023.

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

The Single Maximum National Retail Price for the period 07 June 2023 to 04 July 2023 will be 1 801.0 compared to 1 859.0 c/l for the period 03 May 2023 to 06 June 2023.

**6. MAXIMUM LPGAS REFINERY GATE PRICE**

The maximum refinery gate price will be R13 536.87 per metric ton (751.296 c/l), excluding VAT, for the period 07 June 2023 to 04 July 2023.

## 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:

	<b>Petrol 95 ULP c/l</b>	<b>Diesel 0.05% c/l</b>	<b>Diesel 0.005% c/l</b>	<b>Illuminating Paraffin c/l</b>
<b><u>Movements in external factors</u></b>				
Movement in International Product Prices	125.113	133.834	131.365	94.951
Movement in Exchange Rate	( 54.576)	( 50.882)	( 52.389)	( 52.515)
<b><u>BFP Over/(under)-recovery for the period 26/04/2023 to 01/06/2023</u></b>	<b>70.537</b>	<b>82.952</b>	<b>78.976</b>	<b>42.436</b>

## 9. BREAKDOWN OF PRICE ADJUSTMENT

<b>Petrol 95 ULP &amp; LRP</b>	<b>Diesel 0.05 (%) Sulphur</b>	<b>Diesel 0.005 (%) Sulphur</b>	<b>Illuminating Paraffin Wholesale</b>	<b>LPGAS (Gauteng, Zone 9C)</b>
------------------------------------	------------------------------------	-------------------------------------	--	---

**The price adjustments in (1) above are based on the following actual data:**

Average product over/(under)-recovery, measured for the 27 days from 26/04/2023 to 01/06/2023 (cents / litre) as detailed below

Average product over/(under)-recovery, measured for the 27 days from 26/04/2023 to 01/06/2023 (cents / litre) as detailed below	70.537	82.952	78.976	42.436	-
Cumulative positive/(negative) slate balances end of April 2023 (R-million)	( 775.017)	2 039.696	2 039.696	91.049	-

**The price adjustments consist of the following elements:**

	<b><u>c/l</u></b>	<b><u>c/l</u></b>	<b><u>c/l</u></b>	<b><u>c/l</u></b>	
Average product over/(under)-recovery rounded to the nearest full cent for price (increase) / decrease	70.000	83.000	79.000	43.000	(75.000)
Decrease in Fuel Levy (Carbon Levy)	1.000	1.000	1.000	-	-
<b><u>Total price (increase) / decrease</u></b>	<b>71.000</b>	<b>84.000</b>	<b>80.000</b>	<b>43.000</b>	<b>( 75.000)</b>

## 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 07/06/2023 TO 04/07/2023 WILL BE AS FOLLOWS:**

Price element	Coast Zone 1A	Inland Zone 9C
Maximum refinery gate price	1 353.687	1 353.687
Primary transport costs	52.292	247.880
Operating expenses	501.698	501.698
Working capital	38.029	38.029
Depreciation	190.813	190.813
Gross margin: Cylinder-filling plant	243.815	243.815
Sub-total (1)	<b>2 380.333</b>	<b>2 575.921</b>
Retail Margin: (15% of Subtotal (1))	357.050	386.388
Sub-total (2)	<b>2 737.383</b>	<b>2 962.310</b>
Value Added Tax (15% Sub-total (2))	410.607	444.346
<b>Maximum Retail Price (Rounded to full cents)</b>	<b>3 148.000</b>	<b>3 407.000</b>

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 07/06/2023 TO 04/07/2023 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	56.600	56.600	83.830	83.830	83.830
Secondary Storage	28.800	28.800	28.800	28.800	28.800
Secondary Distribution	16.900	16.900	16.900	16.900	16.900
Router Differential	0.000	0.000	0.000	0.000	7.400
Retail margin	241.900	241.900	0.000	0.000	0.000
Zone differential in Gauteng	75.700	75.700	75.700	75.700	96.000
IP Tracer levy	0.000	0.000	0.100	0.100	0.000
Fuel levy	<b>395.000</b>	<b>395.000</b>	<b>381.000</b>	<b>381.000</b>	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	( 0.200)	( 0.200)	0.000	0.000	0.000
Sub-total	1 037.030	1 037.030	808.660	808.660	232.930
<u>Contribution to the Basic Fuel Price</u>	1 225.970	1 192.970	1 122.630	1 161.030	1 163.128
<u>Retail Price</u>	<u>2,263.00</u>	<u>2,230.00</u>			
<u>Wholesale price</u>			<u>1,931.290</u>	<u>1,969.690</u>	<u>1,396.058</u>

**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
06-Jan-21	1,486.00	1,416.00	<b>1,300.420</b>	<b>1,240.120</b>	739.688	658.588	2,708.00	2,472.00
03-Feb-21	1,567.00	1,497.00	<b>1,358.420</b>	<b>1,298.120</b>	798.688	717.588	2,901.00	2,666.00
03-Mar-21	1,632.00	1,562.00	<b>1,412.420</b>	<b>1,352.120</b>	845.688	764.588	2,988.00	2,752.00
07-Apr-21	1,732.00	1,661.00	<b>1,477.620</b>	<b>1,416.120</b>	880.488	798.588	3,036.00	2,801.00
05-May-21	1,723.00	1,651.00	<b>1,446.620</b>	<b>1,385.120</b>	857.488	775.588	2,864.00	2,628.00
02-Jun-21	1,713.00	1,641.00	<b>1,466.620</b>	<b>1,405.120</b>	877.488	795.588	2,721.00	2,486.00
07-Jul-21	1,739.00	1,667.00	<b>1,508.620</b>	<b>1,447.120</b>	913.488	831.588	2,784.00	2,549.00
04-Aug-21	1,830.00	1,758.00	<b>1,564.200</b>	<b>1,502.700</b>	963.488	881.588	3,010.00	2,775.00
01-Sep-21	1,834.00	1,762.00	<b>1,548.980</b>	<b>1,487.480</b>	948.488	866.588	3,104.00	2,869.00
06-Oct-21	1,833.00	1,761.00	<b>1,571.780</b>	<b>1,510.280</b>	980.488	898.588	3,097.00	2,861.00
03-Nov-21	1,954.00	1,882.00	<b>1,719.980</b>	<b>1,658.480</b>	1,125.488	1,043.588	3,387.00	3,151.00
01-Dec-21	2,029.00	1,957.00	<b>1,792.480</b>	<b>1,730.980</b>	1,167.688	1,085.788	3,570.00	3,335.00
05-Jan-22	1,961.00	1,889.00	<b>1,724.680</b>	<b>1,663.180</b>	1,096.688	1,014.788	3,500.00	3,259.00
02-Feb-22	2,014.00	1,942.00	<b>1,804.520</b>	<b>1,743.020</b>	1,197.688	1,115.788	3,376.00	3,134.00
02-Mar-22	2,160.00	2,088.00	<b>1,948.880</b>	<b>1,887.380</b>	1,318.688	1,236.788	3,446.00	3,204.00
06-Apr-22	2,196.00	2,124.00	<b>2,101.440</b>	<b>2,039.940</b>	1,584.688	1,502.788	3,696.00	3,454.00
04-May-22	2,184.00	2,109.00	<b>2,199.440</b>	<b>2,134.240</b>	1,664.288	1,585.088	3,765.00	3,523.00
01-Jun-22	2,417.00	2,352.00	<b>2,309.440</b>	<b>2,244.240</b>	1,820.288	1,741.088	3,714.00	3,472.00
06-Jul-22	2,674.00	2,609.00	<b>2,540.440</b>	<b>2,475.240</b>	1,986.288	1,907.088	3,496.00	3,255.00
03-Aug-22	2,542.00	2,477.00	<b>2,452.440</b>	<b>2,387.240</b>	1,842.288	1,763.088	3,553.00	3,311.00
07-Sep-22	2,338.00	2,273.00	<b>2,396.100</b>	<b>2,330.900</b>	1,760.288	1,681.088	3,388.00	3,146.00
05-Oct-22	2,236.00	2,171.00	<b>2,406.100</b>	<b>2,340.900</b>	1,699.288	1,620.088	3,407.00	3,166.00
02-Nov-22	2,287.00	2,222.00	<b>2,548.960</b>	<b>2,483.760</b>	1,776.288	1,697.088	3,309.00	3,068.00
07-Dec-22	2,346.00	2,281.00	<b>2,391.770</b>	<b>2,326.570</b>	1,718.958	1,639.758	3,404.00	3,146.00
04-Jan-23	2,140.00	2,075.00	<b>2,122.870</b>	<b>2,057.670</b>	1,525.958	1,446.758	3,486.00	3,227.00
01-Feb-23	2,168.00	2,103.00	<b>2,132.030</b>	<b>2,066.830</b>	1,583.958	1,504.758	3,346.00	3,087.00
01-Mar-23	2,295.00	2,230.00	<b>2,162.410</b>	<b>2,097.210</b>	1,596.958	1,517.758	3,868.00	3,610.00
05-Apr-23	2,297.00	2,225.00	<b>2,088.830</b>	<b>2,016.630</b>	1,472.058	1,379.558	3,776.00	3,517.00
03-May-23	2,334.00	2,262.00	<b>2,015.290</b>	<b>1,943.090</b>	1,439.058	1,346.558	3,332.00	3,073.00
07-Jun-23	2,263.00	2,191.00	<b>1,931.290</b>	<b>1,859.090</b>	1,396.058	1,303.558	3,407.00	3,148.00