

MEDIA STATEMENT - FOR RELEASE ON 27 DECEMBER 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 01 JANUARY 2025 IN GAUTENG (INCREASE) / DECREASE

Product:

Petrol 93 (ULP & LRP)	(19.00)	cents per litre increase in retail price
Petrol 95 (ULP & LRP)	(12.00)	cents per litre increase in retail price
Diesel 0.05% Sulphur	(7.50)	cents per litre increase in wholesale price
Diesel 0.005% Sulphur	(10.50)	cents per litre increase in wholesale price
Illuminating Paraffin (Wholesale)	9.50	cents per litre decrease in wholesale price
Illuminating Paraffin (SMNRP)	13.00	cents per litre decrease in the Single Maximum National Retail price (SMNRP)
Maximum Retail Price for LPGAS	(13.00)	cents per kilogram increase in the maximum retail price

2. ECONOMIC FACTORS AFFECTING THE UNIT OVER/UNDER-RECOVERIES FOR THE PERIOD 29 NOVEMBER 2024 TO 26 DECEMBER 2024

The average international product prices for Petrol increased, whilst 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 29 November 2024 to 26 December 2024 was 18.1120 compared to 17.9256 during the previous period. This led to a higher contribution to the Basic Fuel Prices on petrol, diesel and illuminating paraffin by 10.58 c/l, 11.11 c/l, 10.90 c/l respectively.

3. ADJUSTMENTS TO THE MAGISTERIAL DISTRICT ZONES (MDZ) DUE TO THE PORT OF PORT ELIZABETH NOW BEING OPERATIONAL

As reported in the price adjustment effected 02 October 2024, the temporary closure of the port had necessitated interim changes to the Magisterial District Zones (MDZ) in Nelson Mandela Bay. The repair work at the Port of Port Elizabeth is complete and the port is now operational. The Department will revert to the original MDZ in the price structures, with effect from 01 January 2025.

4. ADJUSTMENT TO THE OCTANE DIFFERENTIAL BETWEEN 95 AND 93 BFP OCTANE

In terms of the Working Rules to administer the BFP, the differentials between 95 and 93 petrol grades are adjusted at the beginning of each quarter. The BFP differentials between 95 and 93 petrol grades have not changed and therefore there were no different price adjustments between the two grades.

5. 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 01 January 2025.

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

The Single Maximum National Retail Price for the period 01 January 2025 to 04 February 2025 will be 1 689.00 c/l compared to 1 702.0 c/l for the period 04 December 2024 to 31 December 2024.

7. MAXIMUM LPGAS REFINERY GATE PRICE

The maximum refinery gate price will be R 14,508.10 per metric ton (805.200 c/l), excluding VAT, for the period 01 January 2025 to 04 February 2025.

8. 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.

9. 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
<u>Movements in external factors</u>				
Movement in International Product Prices	(2.332)	2.929	(0.133)	18.923
Movement in Exchange Rate	(10.583)	(11.114)	(11.263)	(10.900)
<u>BFP Over/(under)-recovery for the period 29/11/2024 to 26/12/2024</u>	(12.915)	(8.185)	(11.396)	8.023

10. BREAKDOWN OF PRICE ADJUSTMENT

	Petrol 95 ULP & LRP	Diesel 0.05 (%) Sulphur	Diesel 0.005 (%) Sulphur	Illuminating Paraffin Wholesale	LPGAS (Gauteng, Zone 9C)
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The price adjustments in (1) above are based on the following actual data:

Average product over/(under)-recovery, measured for the 20 days from 29/11/2024 to 26/12/2024 (cents / litre) as detailed below

(12.915)	(8.185)	(11.396)	8.023	-
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Cumulative positive/(negative) slate balances end of November 2024 (R-million)

1,691.177	2,611.868	2,611.868	105.799	-
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The price adjustments consist of the following elements:

	<u>c/l</u>	<u>c/l</u>	<u>c/l</u>	<u>c/l</u>	
Average product over/(under)-recovery rounded to the nearest full cent for price (increase) / decrease	(12.000)	(8.000)	(11.000)	9.000	(13.000)
Decrease in secondary storage	-	0.400	0.400	0.400	-
Decrease in secondary distribution	-	0.100	0.100	0.100	-
<u>Total price (increase) / decrease</u>	(12.000)	(7.500)	(10.500)	9.500	(13.000)

11. REPORT OF THE INDEPENDENT AUDITORS

The report of the independent auditors is available on request.

12.

**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 01/01/2025 TO 04/02/2025 WILL BE AS FOLLOWS:**

Price element	Coast Zone 1A	Inland Zone 9C
Maximum refinery gate price	1 450.810	1 450.810
Primary transport costs	63.830	302.575
Operating expenses	568.494	568.494
Working capital	43.092	43.092
Depreciation	232.915	232.915
Gross margin: Cylinder-filling plant	297.612	297.612
Sub-total (1)	2 656.753	2 895.498
Retail Margin: (15% of Subtotal (1))	398.513	434.325
Sub-total (2)	3 055.267	3 329.823
Value Added Tax (15% Sub-total (2))	458.290	499.473
Maximum Retail Price (Rounded to full cents)	3 514.000	3 829.000

13. 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 01/01/2025 TO 04/02/2025 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	73.700	73.700	94.990	94.990	94.990
Secondary Storage	38.000	38.000	38.000	38.000	38.000
Secondary Distribution	18.800	18.800	18.800	18.800	18.800
Router Differential	0.000	0.000	0.000	0.000	7.400
Retail margin	299.500	299.500	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	1 131.130	1 131.130	841.920	841.920	262.190
<u>Contribution to the Basic Fuel Price</u>	1 027.870	1002.870	1 086.630	1 101.030	1 064.128
<u>Retail Price</u>	<u>2,159.00</u>	<u>2,134.00</u>			
<u>Wholesale price</u>			<u>1,928.550</u>	<u>1,942.950</u>	<u>1,326.318</u>

STATISTICS OF PRICE CHANGES

	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
02-Oct-24	2,105.00	2,026.00	1,845.170	1,766.370	1,265.938	1,166.938	3,608.00	3,312.00
06-Nov-24	2,130.00	2,051.00	1,866.170	1,787.370	1,286.938	1,187.938	3,644.00	3,348.00
04-Dec-24	2,147.00	2,068.00	1,921.050	1,842.250	1,335.818	1,236.818	3,816.00	3,500.00
01-Jan-25	2,159.00	2,080.00	1,928.550	1,849.550	1,326.318	1,227.118	3,829.00	3,514.00