

Government readjusts petrol price after miscalculation

The Department of Mineral Resources and Energy (DMRE) has announced the readjustment of the price of both 93 and 95 ULP and LRP grades. "The DMRE regrets to announce that the adjustment of the petrol price announced on Monday, 29 November was erroneous," said the department on Wednesday.



Source: [Pexels](#)

On Monday, the department announced that the price of petrol (both 93 and 95) will go up by 81c per litre taking the price to R20.35 a litre in Gauteng as of Wednesday.

On Wednesday, the department announced that the price of petrol has risen by 75c a litre instead. This means that a litre of 95 ULP in Gauteng, which currently costs to R20.35 will now cost R20.29.

"The 6c difference is due to the fact that the adjustment of wages for service station workers had already been implemented in September 2021. Although it is for the very first time that such an error has occurred in the history of basic fuel price determination in South Africa, the DMRE profusely apologises for the inconvenience caused. The rest of the fuel prices are correct," said the department.

It added that the reasons for the fuel price adjustments remain as communicated.

The price of diesel 0.05% increased by 72c and diesel 0.005% sulphur will increase by 75c per litre.

“The main reasons for the fuel price adjustments are due to the contribution of the Rand/US Dollar exchange rate. The Rand depreciated, on average, against the US Dollar during the period under review when compared to the previous one.

“The increase in the prices crude oil thhe average Brent Crude oil price increased from \$82.50 to \$83.00 per barrel during the period under review. The key driver is the higher global demand recovery amid a weaker supply response from non-OPEC and other oil producers,” the department said in a statement.

The department said other factors contributing to the increase include petroleum products prices around the world, the adjustments in the Regulatory Accounting System Industry Margins and the implementation of the Slate Levy.

Meanwhile, the wholesale price of illuminating paraffin has increased by 42c per litre, while the maximum retail price for illuminating paraffin has increased by 56c per litre.

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