

MEDIA STATEMENT

SAPIA responds to the short-term relief measures to address fuel price increases

1 April 2022, Johannesburg - The South African Petroleum Industry Association (SAPIA) notes the joint announcement by Ministers Enoch Godongwana and Gwede Mantashe on the short-term relief measures to address fuel price increases. These measures would immediately relieve consumers impacted by the rising prices of fuel.

On 25 March 2022, SAPIA presented alternatives and considerations to mitigate the impact to the fuel price increases to the Portfolio Committee on Mineral Resources and Energy (PCMRE).

SAPIA is pleased that the recommendations have been considered in the “two-phase approach” which includes the temporary reduction in the general fuel levy. This will be funded by the liquidation of a portion of the strategic crude oil reserves. SAPIA will engage with the Department of Mineral Resources and Energy on its proposed package of additional measures to be introduced after the expiry of the temporary measures.

SAPIA supports a fair and transparent regulatory pricing system with periodic reviews but with stronger oversight of regulations. This is necessary to ensure that pricing mechanisms keep abreast of developments and that unacceptable practises are not allowed to proliferate in the industry.

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About SAPIA:

SAPIA represents the collective interests of the South African petroleum industry and plays a strategic role in addressing a range of common issues relating to the refining, distribution and marketing of petroleum products, as well as promoting the industry’s environmental and socio-economic progress. SAPIA fulfils this role by contributing to the development of regulation in certain areas of South African policy; proactively engaging with key stakeholders; sharing research information; providing expert advice; and communicating the industry’s views.

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