



**For Immediate Release**

**30<sup>th</sup> April 2013**

## **PRESS STATEMENT ON FUEL PRICES ADJUSTMENT**

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Prices of petroleum products have been adjusted by an average of KR1.69 per litre at the pump to ensure cost recovery in the price of fuel and guarantee security of supply in the medium to long term.

This adjustment is as a result of changes in the key factors that drive fuel prices namely international oil prices and the exchange rate of the Kwacha against the US Dollar. In light of these changes the new prices will now be as follows:

- Petrol prices will increase by KR1.75/l, from **KR8.16/l to KR9.91/l**;
- Diesel prices will increase by KR1.63/l, from **KR7.57/l to KR9.20/l**; and
- Kerosene prices will increase by KR1.68/l, from **KR5.15/l to KR6.83/l**

As part of this price adjustment, the Strategic Reserve Fund (SRF) which is the money charged on fuel by Government for price support and infrastructure development, has also been reviewed. An SRF cost line of KR0.15/litre has been applied to petrol, diesel and kerosene. Previously, the SRF cost line was only charged on Petrol at a rate of KR0.24/litre which has now been reduced to KR0.15/litre and applied to all the other products.

Further, in a bid to cushion the consumers, Government has removed the 5% import duty on imported petroleum feedstock.

These new prices will take effect from midnight of Tuesday, 30<sup>th</sup> April 2013. However, Oil Marketing Companies shall, as per practice, be allowed up to 48 hours within which to effect the price changes.

**RELEASED BY:**

**THE ENERGY REGULATION BOARD**