



# Press Statement

## Uniform Petroleum Pricing Mechanism

18<sup>th</sup> September 2010

In line with Government Policy to charge uniform prices for petroleum products countrywide, the Energy Regulation Board (ERB) has started implementing the Uniform Petroleum Pricing Mechanism with immediate effect. The Uniform Petroleum Pricing (UPP) mechanism will specifically relate to prices of petrol, diesel and kerosene.

In light of this change, the Cost Plus Pricing Model will continue to be used to determine the wholesale prices of refined petroleum products while the UPP will be applied on pump prices in order to cushion the rural and outlying areas against high fuel prices.

While the National Energy Policy clearly stipulates a uniform pricing mechanism, this could only be implemented after certain measures had been instituted. Hitherto, there have been variations in pump prices countrywide on account of the cost of transportation with places farthest from the Refinery paying more while those nearer to the Refinery paid less.

Under the UPP mechanism the transport costs will be standardised. This will entail a slight upward adjustment to the prevailing prices in some areas so as to attain parity in prices across the country.

In light of this, the new countrywide uniform pump prices are as follows:

- Petrol is K7,639/ litre;
- Diesel K6,999/litre; and
- Kerosene K5,008/litre.

It should be noted that the ERB will ensure that these changes are strictly adhered to by all retailers of petroleum products countrywide with immediate effect.

Changes in the pump prices of petroleum products under the UPP for the provincial capitals are indicated in the table below:

TOWN	PETROL (K/L)			DIESEL (K/L)			KEROSENE (K/L)		
	CURRENT PUMP PRICES	NEW UPP PRICES	VAR	CURRENT PUMP PRICES	NEW UPP PRICES	VAR	CURRENT PUMP PRICES	NEW UPP PRICES	VAR
Kasama	8,390	<b>7,639</b>	-751	7,717	<b>6,999</b>	-718	5,598	<b>5,008</b>	-590
Livingstone	8,030	<b>7,639</b>	-391	7,355	<b>6,999</b>	-357	5,288	<b>5,008</b>	-280
Chipata	8,229	<b>7,639</b>	-590	7,556	<b>6,999</b>	-557	5,460	<b>5,008</b>	-452
Solwezi	7,825	<b>7,639</b>	-186	7,150	<b>6,999</b>	-151	5,111	<b>5,008</b>	-103
Ndola	7,461	<b>7,639</b>	178	6,786	<b>6,999</b>	213	4,798	<b>5,008</b>	210
Lusaka	7,573	<b>7,639</b>	66	6,898	<b>6,999</b>	101	4,893	<b>5,008</b>	115
Kabwe	7,543	<b>7,639</b>	96	6,868	<b>6,999</b>	131	4,868	<b>5,008</b>	140
Mansa	8,252	<b>7,639</b>	-613	7,579	<b>6,999</b>	-580	5,480	<b>5,008</b>	-472
Mongu	8,337	<b>7,639</b>	-698	7,664	<b>6,999</b>	-665	5,553	<b>5,008</b>	-545

These changes are with effect from midnight on 18<sup>th</sup> September 2010.

**Ms. Ida Nkhoma**  
Vice Chairperson

ENERGY  
REGULATION  
BOARD