

Press Statement***For Immediate Release*****Petroleum Pump Prices Revised****Friday 30th June 2023**

The Energy Regulation Board (ERB) has adjusted the pump price of Petrol upwards by K0.48/litre. The price of Diesel has been maintained while the prices of Kerosene and Jet A-1 have been reduced by K1.21/litre and K1.29/litre, respectively. The main drivers for the changes in petroleum prices are the movements in international oil price and the exchange rate. For the July 2023 price review, the ERB has also introduced a mechanism to manage exchange rate volatility. The Slate Mechanism, together with the set 2.5% threshold for price adjustment will minimise price fluctuations for consumers and will also manage gains or losses experienced by importers of petroleum products.

Since the last price review in June 2023, the average price of Petrol increased marginally by 2.17%, from US\$81.88/bbl to US\$83.66/bbl. The price of Diesel also increased by 2.61% from US\$84.70/bbl to US\$86.91/bbl. During the same period, the price of Kerosene increased by 0.68% from US\$85.51/bbl to US\$86.09/bbl, whilst the average exchange rate depreciated by 2.05% from K18.56/US\$ to K18.94/US\$.

Globally, despite marginal increases, the prices of petroleum products remained relatively stable during the review period. The petroleum products market continued to be influenced by concerns of a global economic slowdown and recession fears, which resulted in uncertainty in the macro-economic outlook of most economies. This has been worsened by announced intentions to increase global interest rates which will further tighten liquidity and slow down trade in petroleum products.

During the review period, the exchange rate of the Kwacha to the United States Dollar generally depreciated in first weeks of the month of June 2023, but appreciated steadily towards the end of the month. This was attributed to the positive sentiments about Zambia securing a debt restructuring deal. The future behavioural outlook of exchange rate is positive and is expected to significantly moderate adverse price movements that frequently occur.

Based on the foregoing, the ERB has determined the following changes in the national uniform pump prices for July 2023:

Retail Pump Prices and Posted Airfield Price for June 2023

PRODUCT	NATIONAL UNIFORM PUMP PRICES AND POSTED AIRFIELD PRICES			% CHANGE
	CURRENT	NEW	ABSOLUTE VARIANCE	
	K/Litre	K/Litre	K/Litre	
PETROL	24.45	24.93	0.48	1.96
LOW SULPHUR DIESEL	21.87	21.87	-	-
KEROSENE	19.74	18.53	(1.21)	(6.13)
JET A-1 (at KKIA)	21.64	20.35	(1.29)	(5.96)

The price of Jet A-1 for major airports has also been determined as follows:

Posted Airfield Prices (PAP) at Zambian Airports

Airport	KKIA (Lusaka)	Mfuwe	HMNIA (Livingstone)	SMKIA (Ndola)
PAP (K/Litre)	20.35	21.56	21.16	20.35

These price changes take effect midnight of Friday 30th June 2023.

By Order of the Board



**Reynolds C. Bowa
Board Chairperson**