



**Press Statement**

*For Immediate Release*

**Petroleum Pump Prices Revised**

**Wednesday, 30<sup>th</sup> November 2022**

The Energy Regulation Board (ERB) has adjusted the pump prices of petroleum products upwards by K1.58/litre for petrol and K1.22/litre for kerosene, while the pump price of diesel remains unchanged. Further, the ERB has adjusted upwards the posted airfield price (PAP) of Jet A-1 at Kenneth Kaunda International Airport (KKIA) by K1.45/litre.

At the last review which yielded the November 2022 fuel prices, the average prices of petrol, diesel and kerosene were US\$89.32/bbl, US\$128.80/bbl and US\$116.61/bbl, respectively, compared to US\$94.45/bbl, US\$127.60/bbl and US\$118.97/bbl respectively, for the current price review. The movements in prices represent a rise of 5.75% and 2.02% for petrol and kerosene. Meanwhile, diesel recorded a decline of 0.93%.

The international oil price outlook was greatly influenced by the China Covid 19 situation which clouded the outlook for global energy demand, and added more stress in an already-fragile global oil market. The behaviour of the international oil prices was further affected by mounting fears of a global recession, and speculation of further oil supply restrictions by OPEC+ countries. Generally, the international petroleum products market is still considered fragile and unpredictable.

During this price review period, the exchange rate depreciated from K15.93/US\$ to K16.48/US\$, representing a 3.44% decline. The depreciation of the Kwacha is mainly attributed to the demand pressures that emerged in September for the procurement of agricultural and petroleum products. These pressures intensified well into November 2022 and this trajectory is likely to be sustained in December 2022.

Therefore, in line with the ERB pricing mechanism, the combined effect of the changes in the two factors (exchange rate and international oil prices) has resulted in upward changes in the prices of petrol, kerosene and Jet A-1, which were above the 2.50% wholesale price trigger band. Meanwhile, the wholesale price for diesel is below the 2.50% threshold and therefore, there will be no price change. The 2.5% threshold is the trigger band for variation of prices, where changes exceeding that level are considered sufficient to result in a price change, while anything below is considered negligible.

Based on the foregoing, the following are the determined changes in the national uniform pump prices for December 2022:

**Retail Pump Prices and Posted Airfield Price for December 2022**

PRODUCT	NATIONAL UNIFORM PUMP PRICES AND POSTED AIRFIELD PRICES			% CHANGE
	CURRENT	NEW	ABSOLUTE VARIANCE	
	K/Litre	K/Litre	K/Litre	
PETROL	24.31	25.89	1.58	6.50
LOW SULPHUR DIESEL	27.38	27.38	-	-
KEROSENE	19.23	20.45	1.22	6.34
JET A-1 (at KKIA)	21.78	23.23	1.45	6.66

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

**PAPS Prices at Airport**

Airport	KKIA	Mfuwe	HMKIA	SMKIA
PAP (K/Litre)	23.23	24.44	23.23	24.04

These price changes take effect midnight of Wednesday, 30<sup>th</sup> November 2022.

**By Order of the Board**



**Reynolds C. Bowa**

**Board Chairperson**