

Revision of Petroleum Pump Prices for November 2023

During the period under review, the prices of both crude oil and finished products marginally declined. The decline was mainly attributed to the non-adverse impact of the Middle East conflict between Hamas and Israel which has not resulted in significant supply disruptions. Furthermore, during October 2023, there was speculation that Russia could partially lift the voluntary export ban on petroleum products. These two factors helped to keep the global supply of oil and therefore prices relatively steady.

The Kwacha, during the review period, generally depreciated against the United States Dollar by 3.84%, from an average of K21.11/US\$ to K21.92/US\$. The depreciation was mainly attributed to the continued demand and supply imbalance in the market.

Notably, from the last fuel price adjustment on 30th September 2023, the price of petrol, diesel and kerosene in the international market declined by 10.20%, 3.33% and 5.37% respectively. The price of Petrol reduced from US\$101.05 to US\$90.74 per barrel. Diesel reduced from US\$119.96 to US\$115.96 per barrel. Kerosene reduced from US\$118.85 to US\$112.47 per barrel.

As a result, the expected benefits of the downward movement in international oil price have been negated by the depreciation of the Kwacha against the United States dollar.

During the review period, there were several developments that will have significant positive impact on prices and the supply of petroleum products in Zambia. In September 2023, the Government finalized the Tazama Open Access Guidelines which will provide for the use of the pipeline by third parties. During the same month, Statutory Instrument No 41 of 2023 was published to support open access. Additionally, Tazama Pipelines Limited (TAZAMA) published an expression of interest for use of the pipeline for the financial year 2024.

For the October 2023 price review, the ERB has implemented interim cost line revisions to the transportation rates for petrol and diesel in order to mitigate the adverse movement of domestic fuel prices. The ERB has introduced a temporary transport equalisation mechanism that would be used to cushion the difference between the actual transportation costs incurred by Oil Marketing Companies and the revised transport fees in the ERB cost build-up. The equalisation mechanism is supported by the Strategic Reserve Fund (SRF).

Accordingly, the ERB has maintained the October 2023 pump prices for Petrol, Diesel, Jet A-I and Kerosene. The prices in November 2023 for Petrol, Diesel, Jet A-I and Kerosene will therefore be K29.98/litre; K29.96/litre; K29.29/litre; and K20.44/litre respectively.

The prices have been maintained because the movements in the international oil prices and exchange rate of the Kwacha against the United States Dollar, resulted in changes that were below the set threshold of 2.5 percent. Meanwhile, the price of Kerosene has been maintained on account of sufficient national stock.

Based on the foregoing, the recommended pump prices for November 2023 are as follows:

NATIONAL UNIFORM PUMP PRICES				
K/Litre				
PRODUCT	CURRENT	NEW	ABSOLUTE VARIANCE	% CHANGE
PETROL	29.98	29.98	-	-
DIESEL/LSG	29.96	29.96	-	-
KEROSENE	20.44	20.44	-	-
JET A-I	29.29	29.29	-	-

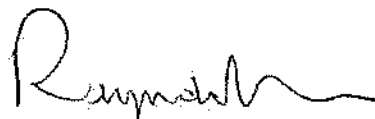
Post Airfield Prices (PAP) at International Airports are determined as follows:

Airport	KKIA (Lusaka)	Mfuwe	HMkia (Livingstone)	SMkia (Ndola)
PAP (K/Litre)	29.29	30.50	30.10	29.29
PAP (US\$/Litre) @ K21.55/US\$	1.36	1.42	1.40	1.36

These prices are effective midnight tonight 31st October 2023

Issued on Tuesday 31st October 2023

By Order of the Board



**Reynolds C. Bowa
Board Chairperson**