**MEDIA STATEMENT**

**COMMITTEE ON MINERAL RESOURCES AND ENERGY RECOGNISES FACTORS INFLUENCING PETROL PRICE REGULATION**

**Parliament, Wednesday, 13 November 2019 –**The Portfolio Committee on Mineral Resources and Energy has recognised all the factors affecting the regulated price of petrol, illuminating paraffin and liquefied petroleum gas. It also called for the department to strengthen governance and operation at the Central Energy Fund (CEF) group of companies.

The committee was briefed on the basic fuel price by the Minister of Mineral Resources and Energy, Mr Gwede Mantashe. The Chairperson of the committee, Mr Sahlulele Luzipo, said: “Although we appreciate the international and domestic factors affecting the price of fuel, we remain concerned that the domestic regulations are tax-based.”

The committee learned that at an international level, the regulated price of fuel is influenced by the price of crude oil, the balance of supply and demand, as well as the exchange rate between the South African rand and US dollar.

“Our view is that the Department of Mineral Resources and Energy should ensure that the CEF turnaround strategy prioritises African countries with regard to the purchase of crude oil in order to reduce transportation expenses,” said Mr Luzipo.

**ISSUED BY THE PARLIAMENTARY COMMUNICATION SERVICES ON BEHALF OF THE CHAIRPERSON OF THE PORTFOLIO COMMITTEE ON MINERAL RESOURCES AND ENERGY, MR SAHLULELE LUZIPO.**