

**MINISTRY**

**MINERAL RESOURCES AND ENERGY**

**REPUBLIC OF SOUTH AFRICA**

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 **Memorandum from the Parliamentary Office**

**National Assembly: 1036**

Please find attached a response to Parliamentary Questionfor ***written reply*** asked **by Ms P Madokwe (EFF) to ask the Minister of Mineral Resources and Energy:**

**Mr Tseliso Maqubela**

**Deputy Director General: Mineral and Petroleum Regulation**

**………………/………………/2021**

Recommended/ Not Recommended

**Adv. T.S Mokoena**

**Director General: Department of Mineral Resources and Energy**

**………………/………………/2021**

Approved / Not Approved

**Mr. S.G Mantashe**

**Minister of Mineral Resources and Energy**

**………………/………………/2021**

**1036. Ms P Madokwe (EFF) to ask the Minister of Mineral Resources and Energy:**

Following the projections by the Executive Director of the SA Institute of Professional Accountants at the beginning of the year, that the Republic may be more reliant on imports for fuel and fuel products as a result of various challenges including that all six South African refineries are under review, what steps has his department taken to intervene and ensure that the ordinary South African does not feel the consequences of such a move, in particular an unprecedented fuel hike? NW1219E

**Reply:**

One of the Petroleum refining companies has decided to close its refinery and convert is into an import terminal.

The Department believes that the refineries should remain operational not just used as storage, because this approach compromises the country with respect to numerous benefits such as employment creation, skills, enterprise development and other benefits that come with local manufacturing.

With respect to the pricing issue, the planned closure of the refinery will not affect pricing because the Basic Fuel Price (BFP) assumes that the product is being imported not produced locally.