

No. R. 1193

4 November 2008

PETROLEUM PRODUCTS ACT, 1977 (ACT NO 120 OF 1977)

I, Buyelwa P. Sonjica, Minister of Minerals and Energy, in terms of Section 1A (1) (b) of the Petroleum Products Act, 1977 (Act No 120 of 1977) hereby determine the Slate levies applicable on petrol and diesel locally manufactured from crude oil, natural gas and coal, as well as imported and that the following procedures as reflected in the Schedule below be adhered to in terms of the administration of the Slate levies.

SCHEDULE**DEFINITIONS**

1. In this Schedule-
 - 1.1 **“Licensed Distributor”** means any person who obtains fuel levy goods from a licensee of a customs and excise warehouse anywhere in the Republic of South Africa for removal to a purchaser in Botswana, Lesotho, Swaziland and Namibia or for export.
 - 1.1 **“Products”** means all petrol and diesel grades.
 - 1.2 **“Slate levy”** means a levy included into the pricing structures of products.
 - 1.3 **“the Act”** means the Petroleum Products Act, 1977 (Act No 120 of 1977);
 - 1.4 **“Undertaking”** means any licensed manufacturer and or importer (licensed wholesaler).
2. Undertakings must submit to the Central Energy Fund (Pty) Ltd on a monthly basis and in electronic format, not later than 30 days after the end of an Undertaking’s accounting month, a copy of DA 159 or DA 160 as required by Rule 19A.06 to the Customs and Excise Act, 1964 (Act No 91 of 1964).
3. In the case of imported petrol or diesel copies of the Import Bill of Entry (DA 500) must be submitted by the Undertaking to CEF (Pty) Ltd not

later than 30 days after the completion of the pumping of the shipment and the cumulative Slate levy on the imported petrol and diesel volumes must be deposited into the CEF (Pty) Ltd account not later than 30 days after the date of the DA 500.

4. In the case of South African manufactured petrol or diesel, Undertakings must, on a monthly basis, pay the cumulative Slate levy income (volumes as per DA159/DA160 X applicable product Slate levy for that month) to CEF (Pty) Ltd. Undertakings must make a direct payment, within 60 days after the end of the Undertakings' accounting month, into the Central Energy Fund (Pty) Ltd's bank account at ABSA Bank, Rosebank, Account Number: 1790750361.
5. Licensed distributors may claim a refund from the Central Energy Fund for products uplifted from local refineries and the purchase of these products in Botswana, Lesotho, Swaziland and Namibia or destined for the export market. Such a claim must be accompanied by a certified copy of DA 160.
6. The average accounting month unit over/under recovery rate is the average differential between the actual daily BFP and the BFP as reflected in the retail prices of petrol grades and the wholesale prices of diesel grades reflected in the monthly Fuel Price Media Statement. The cumulative under/over recovery for an undertaking's month is the sum of each petrol and diesel grades' average unit over/under recovery times the volumes of each petrol and diesel grade **sold** for inland consumption. The monthly cumulative over/under recovery on each product for each undertaking will be calculated by CEF (Pty) Ltd based on (a) the sales volumes for that month and (b) the Central Energy Fund's calculated average unit over/under recovery for each grade of petrol and diesel for the same month.

7. The maximum accumulated funds available in the Slate account administered by CEF (Pty) Ltd will be utilised in full, on a monthly basis, to finance a negative Slate balance. Payments to Undertakings will be in line with the monthly contribution Undertakings have made to the negative Slate Account. CEF (Pty) Ltd will make such payments within 14 days after the end of the calendar month.
8. In the case where the cumulative Slate balance by product group is positive, the accumulated funds in the Slate Account at CEF (Pty) Ltd will not be utilised.
9. Undertakings must submit to CEF (Pty) Ltd, not later than 30 days after the end of an Undertaking's accounting month, the volumes of petrol and diesel that an Undertaking has sold at a BFP other than the BFP in the applicable price structures of petrol and diesel in the previous accounting month. Undertakings must submit external audit certificates to CEF (Pty) Ltd on the above by the end of April each year. The Central Energy Fund (Pty) Ltd must keep record of the cumulative under/over recovery by product for each individual Undertaking.
- 10 In the case of late payments by Undertakings, the Central Energy Fund (Pty) Ltd must issue an invoice for interest to the undertakings in line with section 80(1)(b) of the Public Finance Management Act, 1999 (Act No.1 of 1999).
- 11.Undertakings will be penalised by R2,000.00 for the non-compliance to paragraphs 2 and 4 each.
- 12.This Schedule will come into operation at 00h01 on Wednesday, 5 November 2008.