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**DEPARTMENT OF MINERAL RESOURCES AND ENERGY****NO. 6077****1 April 2025****PUBLICATION OF THE DRAFT REGULATION FOR BIOFUELS PRICE FOR PUBLIC COMMENTS**

I, **SAMSON GWEDE MANTASHE, MP**, Minister of Mineral and Petroleum Resources, under section 2(1)(c) the Petroleum Products Act, 1977 (Act No. 120 of 1977), read together with the Regulations regarding the Mandatory Blending of Biofuels with Petrol and Diesel, 2012 published by Government Notice No. R. 671 of 23 August 2012, as amended by Government Notice No. R. 794 of 1 September 2021 hereby publish the draft Regulations for Biofuels Price in the Schedule attached hereto for public comment.

Interested and affected parties are invited to submit written comments on the draft Regulated Price for Biofuels, within 30 days from the date of publication of this notice by —

- (a) post to: Private Bag X 59, Arcadia, 0007; or
- (b) hand delivery to: Trevenna Campus, 70 Meintjies Street, Sunnyside, Pretoria; or
- (c) email to: **petroleum.policy@dmre.gov.za**.

Comments must be addressed to the Director General, Department of Mineral Resources and Energy, and marked for the attention of Ms Vania Mahotas.

Kindly provide the name, address, contact telephone number, and email address of the person or organisation submitting comments.

Comments received after the closing date will not be considered.



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**SAMSON GWEDE MANTASHE, MP**  
**MINISTER OF MINERAL AND PETROLEUM RESOURCES**

DATE: 27/03/2025

## SCHEDULE

### Definitions

1 In these Regulations, any word or expression to which a meaning has been assigned in the Act or the Regulations regarding the Mandatory Blending of Biofuels with Petrol and Diesel, 2012, has the same meaning, and unless the context otherwise indicates-

**“Act”** means the Petroleum Products Act, 1977 (Act No. 120 of 1977);

**“Central Energy Fund (CEF) (SOC)”** means a Schedule 2 state-owned diversified energy company reporting to the Department of Mineral Resources and Energy;

**“Department”** means the Department of Mineral Resources and Energy;

**“import parity pricing”** means a pricing mechanism that determines the price of imported petroleum products by adding Free on Board (FOB) price, freight, insurance, cargo dues, coastal storage, stock financing, and other costs associated with importing the product;

**“Magisterial District Zone”** means a geographic area that is defined by administrative boundaries;

**“Magisterial zone differential”** means a zone-based pricing mechanism that adjusts the price of petroleum products based on the transportation costs, taxes, and other expenses associated with delivering products to different magisterial district zones as prescribed;

**“Minister”** means the Minister of Mineral and Petroleum Resources;

**“regulated biofuels price”** means the transfer price of biodiesel or bio-ethanol, charged by a licenced biofuels manufacturer to a licenced petroleum manufacturer in terms of regulation 2; and

**“secondary storage”** means the cost of providing storage and handling facilities inland and determined by the National Energy Regulator of South Africa in terms of section 20(1) of the Petroleum Pipelines Act, 2003 (Act No. 60 of 2003);

## **Regulated Biofuels Price**

**2** The regulated biofuels price comprises of-

- (a) the import parity pricing for unleaded petrol 95;
- (b) the magisterial district zone differential; and
- (c) secondary storage costs.

## **Monthly Revision of the Regulated Biofuels Price**

**3** The regulated biofuels price must be adjusted every month by the Department and effective from the first Wednesday of each month and must be calculated by the CEF (SOC) Limited using the average over or under-recovery in terms of the Platts quoted prices of unleaded petrol 95 that occurred the previous month in accordance with regulation 2.

## **Short title and Commencement**

**4** These Regulations are called the Draft Regulations for Biofuels Price and will take effect from the date of publication in the Government Gazette.