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DEPARTMENT OF MINERAL RESOURCES AND ENERGY

NO. R. 6499

12 August 2025

DEPARTMENT OF MINERAL AND PETROLEUM RESOURCES**REGULATED BIOFUELS PRICE IN TERMS OF THE PETROLEUM PRODUCTS ACT, 1977**

As part of the first phase of the implementation of the Cabinet approved Biofuels Regulatory Framework, 2020 which targets a 2% (two percent) biofuels penetration expected to come from first generation biofuels locally produced.

I, **SAMSON GWEDE MANTASHE, MP**, Minister of Mineral and Petroleum Resources, hereby, under section 2(1)(c) of the Petroleum Products Act, 1977 (Act No. 120 of 1977), publish the Regulated Biofuels Price in the Schedule for implementation.



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

DATE: 05-08-2025

SCHEDULE

Definitions

1. In these Regulations, any word or expression to which a meaning has been assigned in the Act, has the same meaning, and unless the context otherwise indicates—

“Basic Fuel Price” means a pricing mechanism used by the Department to determine the price of imported petroleum products;

“bio-ethanol” means ethanol derived from plant material (including crops, agricultural and forestry residues), animal residues, industrial and domestic/municipal waste as well as other organic and/or renewable resources. The ethanol must conform to the applicable SANS.;

“biodiesel” means a renewable fuel or fuel component derived from plant material (including crops, agricultural and forestry residues), animal residues, industrial and domestic/municipal waste as well as other organic and/or renewable resources. This renewable fuel or fuel component must conform to the applicable SANS.;

“biofuel” means biodiesel or bioethanol;

“biofuel blend” means a mixture of two or more compatible petroleum products having different properties, where one of the petroleum products is a biofuel and the other is petroleum diesel or a petroleum petrol, in order to produce a final petroleum product with desired attributes;

“blending facility” means a facility where biofuel blending is performed under a manufacturing licence in terms of the Act;

“CEF” means the Central Energy Fund (SOC) Limited, a state-owned company established in terms of the Central Energy Fund Act, 1977 (Act No. 38 of 1977);

“Department” means the Department of Mineral and Petroleum Resources;

“licenced biofuel manufacturer” means a person licenced to manufacture biofuel in terms of the Act;

“licenced petroleum manufacturer” means a person licenced to manufacture petroleum petrol or petroleum diesel in terms of the Act;

“Magisterial District” means a geographic area that is published by the Minister to adjust the price of prescribed petroleum products based on the transportation costs, taxes, and other expenses associated with delivering prescribed petroleum products to another geographic area;

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

“petroleum diesel” means any permitted grade of diesel that has no biodiesel added to it;

“petroleum petrol” means any permitted grade of petrol that has no bio-ethanol added to it;

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

“SANS” means a South African National Standard approved by the South African Bureau of Standards in terms of the Standards Act, 2008 (Act No. 8 of 2008);

“secondary storage” means the tariff for providing storage and handling facilities of biofuel blend only, 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);

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

“transfer price” means the maximum price which a licenced biofuels manufacturer shall be permitted to market the bio-ethanol or biodiesel to a licenced petroleum manufacturer within the Republic of South Africa; and

“zone differential” means the cents per litre amount approved by the Minister reflecting the cost of moving petroleum products from coastal port or refinery location to inland distribution centres by pipeline, rail or road.

Regulated Biofuels Price

2. (1) The regulated biofuels price comprises of the following elements—
- (i) the Basic Fuel Price of petroleum diesel (0,005% sulphur) for biodiesel or the Basic Fuel Price of unleaded petroleum petrol 95 (ULP) for bio-ethanol; and
 - (ii) the magisterial district zone differential;

(2) Any secondary storage that intends to perform blending facility activities must apply for a petroleum manufacture licence in terms of the Act.

(3) A person who contravenes a provision of these Regulations, shall be guilty of an offence as contemplated in section 12(1) of the Act.

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 using the average over or under-recovery in terms of the Basic Fuel Price for unleaded petrol 95 and petroleum diesel 0,005% sulphur that occurred the previous month in accordance with regulation 2.

Short Title and Commencement

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