

**PRESS RELEASE**

**FUEL PRICES ADJUSTMENT**

1. Botswana Energy Regulatory Authority informs the public that the retail pump prices for diesel and illuminating paraffin will be adjusted as follows:
  - i) Retail pump price of diesel 50ppm will decrease by 44 thebe per litre.
  - ii) Retail pump price of illuminating paraffin will decrease by 8 thebe per litre.
2. The above changes take effect from 00:01hrs on Thursday, 22<sup>nd</sup> December 2022.
3. The adjustments are based on the analysis of the movement of petroleum products prices for the month of November 2022, which was characterised amongst others by the following;
  - i) The decline in average Brent crude oil price for the month decreased from US\$93.59 per barrel in October 2022 to US\$90.85 per barrel. The drop in crude oil prices followed concerns of reduced oil consumption in China due to an increase in COVID-19 cases resulting in lock downs within major economic hubs in that country.
  - ii) The reported build-up of the US stock inventory which signalled low economic activity,
  - iii) The rising interest rates by central banks around the world to curb inflation and ease the demand for fuel.
  - iv) The strengthening of the US dollar against other currencies.
4. During the same month, prices of refined petroleum products moved in opposite direction with prices of diesel and illuminating paraffin following the downward movement of crude oil prices while prices of petrol grades on the other hand increased.
5. As a result, under recoveries were realised on both petrol grades (pump prices of petrol grades were less than the actual costs of these products), while diesel and paraffin moved into over recoveries (pump prices higher the actual cost of products). Ideally, pump prices would be adjusted according to individual product recoveries such that products that are over recovering would have their prices reduced while those under recovering would have their prices increased. However, due to moderate under recoveries for petrol grades, it was decided that pump prices adjustment be made for diesel and illuminating paraffin only.
6. For further information please contact BERA at 5330392 email; [info@bera.co.bw](mailto:info@bera.co.bw)



**Nnosang Mhutsiwa**  
**Ag. Chief Executive Officer**