



**Press Statement**  
**No Adjustment of Fuel Prices**  
**Date of Issue: Friday 14th December 2018**

Fuel prices in Zambia are largely determined on the basis of two factors: international oil prices and the exchange rate of the Zambian Kwacha against the United States Dollar. In Zambia, the Energy Regulation Board (ERB) uses the Cost Plus Model to determine wholesale and pump prices. These prices are reviewed only after each importation has been fully consumed.

In November 2018, the Government of the Republic of Zambia (GRZ) imported 100,000 metric tonnes (MT) of petroleum feedstock cargo, at a total cost of US\$74.40 million. In addition, Government imported finished petroleum products (petrol amounting to 29,569.69 metric tonnes and diesel amounting to 71,461.48 metric tonnes), at a total cost of US\$77.88 million.

During the period of importation, in mid-November 2018, the Kwacha was still depreciating while international oil prices were still relatively high. However, beyond the period of importation, there was a slight appreciation of the Kwacha and a notable drop in international oil prices that we had and no fuel was imported. The general fall in international oil prices in the period under review was mainly attributed to the excess oil supply and high oil inventories. Meanwhile, the oil prices have remained unpredictable and are on the upward trend.

Since the importation was done at the time when the two fundamentals that determine fuel pricing were still unfavourable, the notable improvement, thereafter, could not influence a price reduction.

In view of the fore-going, ERB has determined that there will be no adjustment of fuel prices in December 2018. Consequently, the pump prices per litre for petroleum products shall therefore continue to remain as follows:

Petrol – **K16.06**;  
Diesel – **K14.65**;  
Kerosene – **K11.34**; and  
Low Sulphur Gas (Diesel) – **K16.94**

**BY ORDER OF THE BOARD**

A handwritten signature in black ink, appearing to read 'Raymond Mpundu', written over a horizontal line.

**RAYMOND MPUNDU**  
**CHAIRPERSON**  
**ENERGY REGULATION BOARD**