

New proposed bill could slash SA's petrol price by R9 per litre

The price of fuel could be lowered significantly if the Fuel Price Deregulation Bill is passed into law. DA spokesperson for Mineral Resources and Energy, Kevin Mileham, said it would reduce by about R9 a litre, taking the fuel price to R17.50, [IOL](#) reported.



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Mileham said this is the maximum the DA could achieve with the proposals they are putting on the table. The proposals are as follows:

Scrapping the general fuel levy - R3.93 per litre. A tax that goes into the national revenue fund and is used to fund the day-to-day projects of the government.

Amending the Road Accident Fund levy - R2.18 per litre. To allow road users who have valid comprehensive third-party insurance and can prove that they have it to claim a tax rebate when they submit their annual tax returns against their fuel purchases.

Fuel Deregulation Bill - Here the DA wants to create competition in the fuel sector. This would allow people to import cheaper fuel, wholesalers to distribute cheaper fuel and retailers to compete on the basis of price.

“It is not targeted at the retailer and wholesaler margin specifically. It is targeted at the entire fuel price and the entire fuel value chain. There has been a concern raised that this proposal will drive people to self-service petrol stations,” says Mileham.

Mileham also says there is great support for the proposals.

“We have more than 139,000 people who have signed our [petition](#) so far, calling on the government to do these three things and we have written to Minister (Gwede) Mantashe.

“The Fuel Deregulation Bill will go to Parliament and has the support of various industry bodies, including long-distance freight associations, bus companies and taxi associations and the like,” Mileham concludes.

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