

# DMRE's response to Eskom diesel licence claims

The Department of Mineral Resources and Energy (DMRE) has responded to an article on *News24* regarding diesel licence claims.



Source: © Rodolfo Ccix [pexels](#)

[\*Eskom can save billions with diesel import licence – but De Ruyter says progress with DMRE is slow\*](#) was published on the 29 December on News24.

The DMRE [response](#) provides the following clarity:

- For Eskom to buy directly from diesel importers of, they do not need a wholesale licence from DMRE. All oil companies operating in South Africa as well as other licensed importers can be approached for supply of diesel to Eskom at competitive prices.
- To import petroleum products directly, Eskom would need a licence including import infrastructure and adequate storage facilities which they currently do not have.



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David Richard Walwyn 19 Dec 2022



## Potential saving between the Basic Fuel Price and the Wholesale price

With regards to claims that there is a potential saving of R6 per litre between the Basic Fuel Price and the Wholesale price, the DMRE would like to indicate that the R6 is mainly made up of taxes that the DMRE has no control over.

However, if Eskom wants to be exempted from paying taxes which include the Fuel Levy and Road Accident Fund Levy, Eskom should approach the relevant authorities.

## Diesel wholesale licence application

The DMRE confirms that Eskom has applied for the diesel wholesale licence, however it was not awarded since the application did not meet certain requirements, the details of which have been shared with Eskom as the applicant.

As the per the legislated application process, Eskom can appeal the decision of the Controller of Petroleum Products to the Minister of Mineral Resources and Energy. That appeal has not been received by the Minister. The DMRE remains available to discuss its concerns with Eskom as it does with all other applicants.

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