
GOVERNMENT NOTICE

DEPARTMENT OF MINERALS AND ENERGY

No. 920

2 October 2007

CENTRAL ENERGY FUND ACT, 1977 (ACT NO 38 OF 1977)

I, Buyelwa P. Sonjica, Minister of Minerals and Energy, in terms of Section 1A (1) (b) of the Central Energy Fund Act, 1977 (Act No 38 of 1977) hereby determine the Slate levies applicable on petrol and diesel and that the following procedures as reflected in the Schedule below be adhered to in terms of the collection of the Slate levies and the reimbursement thereof to licensed undertakings.

SCHEDULE

DEFINITIONS

1. In this Schedule-
 - 1.1 “**Licensed Distributor**” means any person who obtains fuel levy goods from a licensee of a customs and excise warehouse anywhere in the Republic of South Africa for removal to a purchaser in Botswana, Lesotho, Swaziland and Namibia or for export.
 - 1.1 “**Products**” means all petrol and diesel grades.
 - 1.2 “**Slate levy**” means a levy included into the pricing structures of products.
 - 1.3 “**the Act**” means the Petroleum Products Act, 1977 (Act No 120 of 1977);
 - 1.4 “**Undertaking**” means any licensed manufacturer and or importer (licensed wholesaler).

2. Undertakings must submit to the Central Energy Fund (Pty) Ltd on a monthly basis and in electronic format, not later than 30 days after the end of an Undertaking's accounting month, a copy of DA 159 or DA 160 as required by Rule 19A.06 to the Customs and Excise Act, 1964 (Act No 91 of 1964).

3. Undertakings must make a once-off direct payment into the Central Energy Fund Account (account details reflected in paragraph 4) on all petrol and diesel stocks, including product in the DJP pipeline, as reflected in the financial statements of undertakings as at the day prior to the implementation of this Schedule, not later than 60 days after the implementation date of this Schedule. The amount paid into the CEF account must correspond with the stock volumes and applicable Slate levies at that point in time.
4. Undertakings must, on a monthly basis, pay the cumulative Slate levy income (volumes as per DA159/160 X applicable product Slate levy for that month) to CEF (Pty) Ltd. Undertakings must make a direct payment, within 60 days after the end of the Undertakings' accounting month, into the Central Energy Fund (Pty) Ltd's bank account at ABSA Bank, Rosebank, Account Number: 1790750361.
5. Licensed distributors may claim a refund from the Central Energy Fund for products uplifted from local refineries and the purchase of these products in Botswana, Lesotho, Swaziland and Namibia or destined for the export market. Such a claim must be accompanied by a certified copy of DA 60.
6. The average accounting month unit over/under recovery rate is the average differential between the actual daily BFP and the BFP as reflected in the retail prices of petrol grades and the wholesale prices of diesel grades reflected in the monthly Fuel Price Media Statement. The cumulative under/over recovery for an undertaking's month is the sum of each petrol and diesel grades' average unit over/under recovery times the volumes of each petrol and diesel grade **sold** for inland consumption. The monthly cumulative over/under recovery on each

product for each undertaking will be calculated by CEF (Pty) Ltd based on (a) the sales volumes for that month and (b) the Central Energy Fund's calculated average unit over/under recovery for each grade of petrol and diesel for the same month.

7. When the cumulative industry product Slate balance is negative at the end of a quarter, CEF (Pty) Ltd will, 14 days after the end of that quarter, reimburse each Undertaking in line with that Undertaking's contribution to that industry product cumulative Slate balance. The total balance in the Slate levy account for that product in the account of CEF (Pty) Ltd as at the end of that quarter will be utilised in full. The reimbursement to all undertakings will take place simultaneously on the condition that all undertakings have submitted their sales volumes for each month of that quarter.
8. The Central Energy Fund (Pty) Ltd must keep record of the cumulative under/over recovery by product for each individual Undertaking.
9. Undertakings currently taking part in the SAPIA cumulative industry Slate account, must submit to CEF (Pty) Ltd, 21 days after this Schedule has become operational, its individual Slate balances for each grade of petrol and diesel as at the day before this Schedule becomes operational. These balances will be utilised as the opening balances of individual undertakings' cumulative product Slate balances.
10. In the case of late payments by Undertakings, the Central Energy Fund (Pty) Ltd must issue an invoice for interest to the undertakings in line with section 80(1)(b) of the Public Finance Management Act, 1999 (Act No.1 of 1999).

11. Undertakings will be penalised by R2,000.00 for the non-compliance to paragraphs 2 and 4 each.

 12. This Schedule will come into operation at 00h01 on Wednesday, 3 October 2007.
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