GOVERNMENT NOTICE No. 421 Published on 23/6/2023

THE ENERGY AND WATER UTILITIES REGULATORY AUTHORITY ACT.

(CAP. 414)

RULES

(Made under section 40(c), (d), and (j))

THE ENERGY AND WATER UTILITIES REGULATORY AUTHORITY (PETROLEUM PRODUCTS PRICE SETTING) (AMENDMENT) RULES, 2023

Citation

GN. No. 57 of 2022 1. These Rules may be cited as the Energy and Water Utilities Regulatory Authority (Petroleum Products Price Setting) (Amendment) Rules, 2023, and shall be read as one with the Energy and Water Utilities Regulatory Authority (Petroleum Products Price Setting) Rules, 2022 hereinafter referred to as the "principal Rules".

Interpretation Cap. 414

2. The principal Rules are amended in rule 3 by inserting in its alphabetical order a new definition as follows:

"Weighted Average Exchange Rate" means the weighted average of actual exchange rates of the previous month (M-1), plus the difference between the weighted average of actual exchange rates of the previous month (M-1) and that of the previous three months (M-3) based on the market rate of the applicable foreign currency purchased by a wholesaler from the commercial banks as reported by Bank of Tanzania which reflect the true market conditions."

Amendment of rule 4

- 3. The principal Rules are amended in rule 4 by-
- (a) deleting the words "First, Second and Third" appearing in subrule (1);
- (b) adding a new subrule (8) immediately after subrule (7) the following:
 - "(8) The Authority may share inputs for the computations of petroleum prices with stakeholders upon request.

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Deletion of Schedules **4**. The principal Rules are amended by deleting the "First Schedule, Second Schedule and Third Schedule" and substituting for them the following:

SCHEDULE

(Made under rule 4(1))

PRICING FORMULA FOR PETROLEUM PRODUCTS IMPORTED THROUGH DAR ES SALAAM PORT, TANGA PORT AND MTWARA PORT

Weighted Average Exchange Rate						
WT Average Actual Conversion Factors of the Previous Month (M-1):						
			Petrol	Diesel	Kerosene	
DESCRIPTION		UNIT	PRIC E	PRIC E	PRICE	
	Weighted Average Platt's FOB	TZS/L				
Plus	Weighted Average Premium as Per Quotation (Freight+Insurance+Premium)	TZS/L				
Sub Total	DAP COST	TZS/L				
	LOCAL COSTS PAYABLE TO GOVERNMENT AUTHORITIES Wharfage TZS 15/L + 18% VAT	Γ	Γ	Γ		
Plus	(or Wayleave Charge for Tanga Port: USD3/MT)	TZS/L				
	Customs Processing Fee (TZS 20 million/Vessel)	TZS/L				
	Weights & Measures Fee (TZS 7 million/Vessel)	TZS/L				
	TBS Charge (TZS 12.8 million/Vessel)	TZS/L				
	Regulatory Levy	TZS/L				
Sub Total	LOCAL COSTS PAYABLE TO GOVERNMENT AUTHORITIES	TZS/L				
Plus	GOVERNMENT TAXES					

Energy and Water Utilities Regulatory Authority (Petroleum Products Price Setting) (Amendment)

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	Fuel Levy	TZS/L	413.00	413.00	_			
	Excise Duty	TZS/L	379.00	255.00	465.00			
	Petroleum Fee	TZS/L	100.00	100.00	250.00			
	Railway Development Levy (1.5% of DAP)	TZS/L						
Sub Total	GOVERNMENT TAXES	TZS/L						
	WHOLESALE OPERATION COSTS AND PROFIT							
	OMC's Overheads & Margins	TZS/L	123.00	123.00	123.00			
	Petroleum Marking Cost	TZS/L	7.00	7.00	7.00			
	Financing Cost (1.5% of DAP)	TZS/L						
	Evaporation Losses (0.5% MSP, 0.30% AGO, and 0.30% IK) of DAP	TZS/L						
	Actual Demurrage Cost	TZS/L						
	Charges payable to Executive Agencies	TZS/L	1.03	1.03	1.03			
Sub Total	WHOLESALE OPERATION COSTS AND PROFIT	TZS/L						
	WHOLESALE PRICE CAP (DSM)	TZS/L						
	RETAIL OPERATION COSTS AND PROFIT							
Plus	Retailers Margin	TZS/L	108.00	108.00	108.00			
	Transport Charges (Local)	TZS/L	10.00	10.00	10.00			
	Service Levy payable to LGAs (0.3% of the turnover net of excise duty and VAT in wharfage, petroleum marking cost)	TZS/L						
	Charges payable to Executive Agencies	TZS/L	5.44	5.44	5.44			
Sub Total	RETAIL OPERATION COSTS AND PROFIT	TZS/L						
	PUMP PRICE CAP (DSM, Tanga or Mtwara)	TZS/L						

Dodoma, 22nd June, 2023

JAMES A. MWAINYEKULE Director General