



Media Statement

New LPG and Fuel Price

Saturday 28 March 2020

The Fijian Competition and Consumer Commission (FCCC) has reviewed and determined new prices for Unleaded Petrol, Premix, Kerosene, Diesel and LPG. The new Fuel and LPG prices will come into effect from Wednesday 1 April 2020 and are as follows:

Retail Fuel Prices

Motor Spirit from \$2.16 to \$2.06 per litre, a decrease of 10 cents per litre.

Premix from \$2.04 to \$1.90 per litre, a decrease of 14 cents per litre.

Kerosene from \$1.67 to \$1.47 per litre, a decrease of 20 cents per litre.

Diesel from \$1.87 to \$1.71 per litre, a decrease of 16 cents per litre.

Retail LPG Prices

4.5kg Cylinder from \$13.88 to \$14.43, an increase of \$0.55 per 4.5kg Cylinder.

12kg Cylinder from \$37.02 to \$38.47, an increase of \$1.45 per 12kg Cylinder.

13kg Cylinder from \$40.11 to \$41.67, an increase of \$1.56 per 13kg Cylinder.

Bulk Gas from \$2.621 to \$2.647, an increase of \$0.03 per kg.

Autogas from \$1.76 to \$1.78, an increase of \$0.02 per litre.

The Fuel and LPG price review implemented by FCCC follows a one-month lag period. Moreover, the movement of the crude oil prices will have an impact of the fuel prices in Fiji. Fiji does not buy crude oil directly, the crude oil is purchased by refineries and processed to give petroleum products (unleaded, diesel, kerosene and premix) and prices are determined by that. While, the LPG price in Fiji is impacted by the movement in Saudi Aramco Butane Contract Price (CP), the international freight rate and the exchange rate.

Fiji is also directly impacted by world market prices for both refined oils and LPG. As such, any changes to the world market prices will be reflected in Fuel and LPG prices in Fiji along with changes in supply and demand patterns.

The reduction in the local fuel prices was a result of the drop in the crude oil prices which were affected by the softening oil demand, weak refining margins and significant refinery run cuts due to the rapid spread of COVID-19 in China and several other countries. The lockdown placed in China due to COVID19, caused closure of manufacturing plants that led to a very weak demand which was further exacerbated by the imposition of travel restrictions. This caused a downturn in the demand for refined products like Diesel.

While this is a price reduction, all Fijians need to consider their usage of fossil fuels and its impact on the environment. Fijians must also be aware that fuel is a volatile market and Fiji is a price taker in the international refined fuel market.

Given the relaxation of lockdown in China and the resumption of its manufacturing, the demand of Diesel has increased and this will have a negative impact in future price reviews. As of now, the prices are reducing overall and the pass through is possible due to FCCC moving from quarterly price restatement methodology to a monthly price restatement to better pass on the benefits to Fijian consumers.

FCCC will conduct the next Fuel and LPG price review on 1 May 2020.

For more information/details on this please contact the FCCC on www.fccc.gov.fj or call 8921991.