

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

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| Citation | 1. These Rules may be cited as the Energy and |
| GN. No.
57 of 2022 | 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.

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:

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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	PRICE	PRICE	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			
Plus	LOCAL COSTS PAYABLE TO GOVERNMENT AUTHORITIES				
	Wharfage TZS 15/L + 18% VAT (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				
	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				

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	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			
Sub Total	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
	WHOLESALE OPERATION COSTS AND PROFIT	TZS/L			
	WHOLESALE PRICE CAP (DSM)	TZS/L			
Plus	RETAIL OPERATION COSTS AND PROFIT				
	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
	RETAIL OPERATION COSTS AND PROFIT	TZS/L			
	PUMP PRICE CAP (DSM, Tanga or Mtwara)	TZS/L			

Dodoma,
22 June, 2023

JAMES A. MWAINYEKULE
Director General