Fuel prices could come under fresh pressure after international crude oil prices climbed above $100 a barrel, raising the prospect of higher pump prices if the surge persists.

Brent crude futures rose above the $100 mark on Wednesday, September 9, for the first time since July, as escalating fighting involving the United States and Iran disrupted oil shipments and heightened concerns about global supplies.

Brent was trading at about $100.95 a barrel after rising more than 3%, while US West. Markets reported that oil flows through the Strait of Hormuz, a critical route for global energy supplies, have fallen sharply due to the conflict.

The renewed pressure comes as motorists are already paying significantly more for fuel than earlier this year.

The Rwanda Utilities Regulatory Authority (RURA) last adjusted the maximum pump prices in June, setting petrol at Rwf2,938 per litre and diesel at Rwf2,927 per litre.

Those prices remain the benchmark currently being reported for Rwanda, with petrol at Rwf2,938 per litre as of September 7, according to international fuel-price tracking data.

The June adjustment represented a sharp increase from prices set earlier in the year, particularly for diesel.

The latest jump in international oil prices could therefore put pressure on RURA''s next fuel-price review if the higher crude and refined-product prices are sustained.

Oil prices have been highly volatile, and the current rally is largely being driven by geopolitical developments. Alternative export routes, increased production outside the Middle East and weaker demand in some major markets have so far prevented an even sharper price surge.

For Rwanda, the immediate question is whether the latest international shock will be sustained long enough to feed into domestic fuel costs.

RURA is responsible for setting maximum retail prices for petroleum products. The regulator's fuel-pricing decisions take into account movements in international petroleum markets, among other factors.

Analysts have said, prolonged rise in crude and refined fuel prices could increase transport and logistics costs in the domestic market, with potential knock-on effects on the prices of goods and services.

The timing is particularly important because fuel prices have a direct impact on public transport operators, motorists and businesses that rely heavily on road transport.

For consumers, the concern is whether the current Rwf2,938 petrol and Rwf2,927 diesel ceilings will hold if global energy markets remain under pressure.

RURA had not, at the time of publication, announced a new pump-price adjustment in response to Wednesday’s surge.