

Rwanda has raised the price of fuel, adding to the financial stress of motorists and car owners who are already staring at a bleak future with the cost of living soaring by the day.

The cost of gasoline jumped 9.9% to a maximum of Rwf1, 460 from Rwf 1359 (Rwf 135) a liter in Kigali, while the price of diesel increased from Rwf1, 368 to Rwf1,503 reflecting an increase of 7.4% (Rwf135) a liter.

The new prices take effect from Friday, June 10, according to Rwanda Utilities Regulatory Authority (RURA).

The Minister of Infrastructure, Dr. Ernest Nsabimana, said that despite rising prices, the government has taken a decision to stabilize prices by forgoing some taxes on imports to protect citizens.

Prices were last changed in April this year where gasoline was increased by 167Frw while fuel was increased by 103Frw.

Speaking about the hike in prices, the Minister Nsabimana explained that the increase in fuel prices was largely due to the tensions between Ukraine and Russia.

“As people began to prepare for economic growth, the Ukraine-Russia war erupted in February this year,” he said.

Adding that things have changed, Russia is one of the largest oil producers in the world, most European countries use 40% of their oil from Russia which led to European countries looking for alternative sources of petroleum products”

Dr Nsabimana underlined that from October 2020 to October 2021, the government subsidized on fuel with Rwf 29.3 billion, in order to control the rising prices.

European countries announced a plan to end all Russian energy imports by shifting to the Middle East; this has caused energy costs to soar due to high demand.

“The tension in Russia and Ukraine happened just when business and industries that were affected by the pandemic were picking up and resuming operations, which also increased the demand for fuel,” Dr. Nsabimana noted.

“The government is going to re-invest from March this year to November this year, where it will invest about 10 billion Frw. There is no change in the way people are

transported because the government continues to put in place advocacy. ”

The Minister of State for Local Government, Jean Marie Vianney Gatabazi, has urged the public to remain calm, refrain from wasting money, in order to reduce unnecessary spending.

He said that the government has offered to reimburse the extra cost for a citizen and sacrificed taxes to ensure that the citizens don't feel the pinch.