

Rwandan consumers can look forward to some welcome relief at the grocery store, thanks to a significant decrease in fuel prices announced by the Rwanda Utilities Regulatory Authority (RURA) on Wednesday, June 5th.

This move is expected to have a domino effect, ultimately lowering the cost of various goods, particularly food items.

The Minister of Trade and Industry, Prof. Ngabitsinze Jean Chrysostome, confirmed the positive impact of the fuel price reduction. He highlighted that lower transportation costs for businesses that deliver goods, including food products, will ultimately translate into lower prices for consumers.

According to the fuel price reduction breakdown: The new fuel prices, effective at 9:00 PM on June 5th, will be in effect for the next two months.

RURA effected reductions in the price of super petrol down from 1,764 Rwandan francs (RWF) per liter to 1,663 RWF per liter (decrease of 101 RWF) while Diesel prices will be reduced from 1,684 RWF per liter to 1,652 RWF per liter (decrease of 32 RWF)

Since transportation expenses make up a significant portion of the final cost of food on shelves, this fuel price reduction is likely to lead to a decrease in food prices. The exact percentage and timeline for this decrease haven't been announced, but consumers can expect to see some downward movement in food prices in the coming weeks, especially for items where transportation costs play a major role.

Looking ahead, the government's decision to adjust domestic fuel prices aligns with the global downward trend in fuel costs. This positions the country to benefit from this international development, potentially stimulating economic activity in sectors reliant on efficient logistics, according to analysts.

While the full impact on food prices remains to be seen, the fuel price reduction is a positive step towards making food more affordable for the households.