



REPUBLIC OF NAMIBIA

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MEDIA RELEASE

The Ministry of Mines and Energy announces that fuel pump prices for September 2016 will **decrease at 00h01 on Wednesday, the 7th of September 2016.**

The international market for crude oil and refined hydrocarbons continued to experience high levels of supply throughout August 2016. Iraq, which has exported more crude from its southern ports in August 2016, will continue ramping up output, according to its oil authorities. Top exporter Saudi Arabia has also kept output at around record levels over this month.

The latest fuel price review indicates that the average Free On Board prices per barrel increased slightly by about US\$ 0.90 for ULP 95 and US\$ 1.65 for both Diesel grades. Barrel prices for refined oil traded at an average of US\$ 53.327 for ULP95, US\$ 51.694 and US\$ 52.094 for Diesel 500ppm and Diesel 50ppm respectively. The Basic Fuel Price Unit Rate Slate calculations for the past month recorded high over-recoveries on all the regulated petroleum products. The over-recoveries recorded are sufficient enough to trigger a decrease in local pump prices.

The average exchange rate dropped from N\$ 14.4276 per US\$ to N\$ 13.7305 per US\$ over the period reviewed. This US\$ depreciation against the Namibian dollar has contributed immensely to the over-recoveries observed as oil products are traded with the greenback across the international market.

Road Safety Secretariat (RSS) Levy

The National Road Safety Council (NRSC) submitted a request to the Ministry of Mines and Energy in June 2016 to consider adjusting the Road Safety Secretariat (RSS) levy on regulated petroleum products in an effort to allocate more resources towards road safety in light of the alarming rate at

which road accidents continue to claim lives on national roads. Therefore, the Ministry of Mines and Energy has resolved to adjust the **RSS levy by 100% from 1.3c/l to 2.6c/l on all the regulated fuel products effective 7th September 2016.**

Fuel Tax

The Ministry of Finance has increased the levy rates on fuel products effective 1st August 2016. However, due to some procedural technicalities the levy was unable to be implemented at the pumps at that time. Therefore, **the fuel tax will increase from 12c/l to 25c/l on ULP95 and from 10c/l to 25c/l on both Diesel grades effective 7th September 2016 at the fuel pumps.**

The over-recoveries per product on the BFP import parity landed in Walvis Bay calculated as at **25 August 2016** are indicated below:

| | | |
|----------------------------------|---|--------------------|
| 95 Octane Unleaded Petrol | - | 115.622 c/ℓ |
| Diesel 500ppm | - | 90.027 c/ℓ |
| Diesel 50ppm | - | 91.561 c/ℓ |

Fuel pump prices will decrease as follows:

| | | |
|----------------------------------|---|--------------------------------------|
| 95 Octane Unleaded Petrol | - | decrease by 46c/l (retail) |
| Diesel (all grades) | - | decrease by 34c/l (wholesale) |

Thus, the new Walvis Bay pump prices will be:

| | | |
|----------------------------------|---|----------------------------|
| 95 Octane Unleaded Petrol | - | N\$ 10.48 per liter |
| Diesel 500ppm | - | N\$ 10.28 per liter |
| Diesel 50ppm | - | N\$ 10.33 per liter |

Fuel pump prices countrywide will be adjusted accordingly as well.

Sincerely yours


HON. OBETH KANDJOZE, MP
MINISTER

