



REPUBLIC OF NAMIBIA

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## MINISTRY OF MINES AND ENERGY

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### MEDIA RELEASE

The Ministry of Mines and Energy announces that Diesel pump prices will **increase on Wednesday, the 2<sup>nd</sup> of May, 2018, at 00h001**, and Petrol prices will remain **unchanged**.

Refined oil prices picked up in the month of April, hovering above US\$80 for both petrol and diesel, and this has led to the landed cost of fuel locally to escalate by a large margin and, ultimately, to huge under-recoveries, especially on diesel grades. Petrol pulled through the month of April with relatively smaller under-recoveries and the National Energy Fund will subsidize those under-recoveries. During the period under review, the USD/NAD exchange rate has not been favourable. The local currency has depreciated against the US Dollar in which oil is traded and this meant that oil companies had to pay more to deliver fuel to our shores compared to the previous month

#### Declaration of Ondangwa as a Fuel Pricing Town

Ondangwa was declared a pricing town in April, 2018, and the cost implications was that the transport cost of fuel to Ondangwa, on the rail, from Walvis Bay in the price build had to be adjusted, from the rates applicable to Tsumeb - where all the northern towns were supplied from - to Ondangwa; where the aforementioned towns will now be supplied with fuel from. The new rail rates applicable to Ondangwa warrant an adjustment of 9 c/l and 10 c/l for diesel and petrol, respectively, in the Ondangwa fuel price build up. It is for this reason that the Ministry has decided to increase the diesel rail rate in the price build-up of Ondangwa by 9 c/l, effective from the **2<sup>nd</sup> of May, 2018**. The price of petrol will remain the same and shall be subsidized from the National Energy Fund.

## Import Parity

The under-recoveries per product on the BFP import parity landed in Walvis Bay calculated as at **25 April, 2018**, are indicated below:

The over-recoveries per product on the BFP import parity landed in Walvis Bay calculated as at **25 April, 2018**, are indicated below:

<b>95 Octane Unleaded Petrol</b>	-	<b>(15.627) c/ℓ</b>
<b>Diesel 500ppm</b>	-	<b>(36.155) c/ℓ</b>
<b>Diesel 50ppm</b>	-	<b>(36.129) c/ℓ</b>

Diesel pump prices in Walvis Bay will be adjusted as follows:

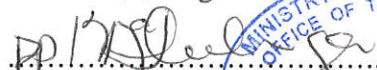
<b>95 Octane Unleaded Petrol</b>	-	<b>Unchanged</b>
<b>Diesel (all grades)</b>	-	<b>Increase by 30 c/l (wholesale).</b>

Thus, the Walvis Bay pump prices will be:

<b>95 Octane Unleaded Petrol</b>	-	<b>N\$ 11.70 per liter</b>
<b>Diesel 500ppm</b>	-	<b>N\$ 12.07 per liter</b>
<b>Diesel 50ppm</b>	-	<b>N\$ 12.08 per liter</b>

Diesel pump prices countrywide will be adjusted accordingly while petrol prices will remain unchanged.

Sincerely yours



**HON. TOM ALWEENDO, MP** APR 2018  
**MINISTER**

