



REPUBLIC OF NAMIBIA

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MEDIA RELEASE

FUEL PRICE REVIEW ANNOUNCEMENT – AUGUST 2025

The Ministry of Industries, Mines and Energy has completed a review to inform the fuel price for August 2025 and hereby notifies the public of its decision:

During the month of July 2025, global oil prices were largely influenced by high supply levels and moderate demand. Oil-producing countries, especially within OPEC+, increased their output, particularly Saudi Arabia, leading to more supply than the market needed. At the same time, ongoing economic uncertainties continued to weaken fuel consumption in key regions. This contributed to a decline in the international cost of Unleaded Petrol (ULP). In contrast, the cost of Diesel (ADO) increased slightly due to limited global distillate supply and a steady demand from industries. Shipping-related costs also moderated during the period, with demurrage, the penalty for vessel delays at berth charges and freight rates decreasing as vessel turnaround times improved and tanker availability remained high. Meanwhile, easing tensions in the Middle East and progress in international trade talks helped bring some stability to the market, but did not stop the overall downward trend in petrol prices.

According to the Ministry's latest calculations, the average price of Petrol 95 for the period July 1-25, 2025, was USD 82.03 per barrel, representing a 2.27% decrease from the June average of USD 83.93. In contrast, the average price of Diesel 50ppm during the same period increased to USD 90.21 per barrel, reflecting a 5.31% increase from USD 85.67 recorded in June. Diesel 10ppm followed a similar trend, averaging USD 90.49 per barrel, an increase of 5.23% compared to the June average of USD 86.

The Namibia Dollar strengthened against the US Dollar during the review period. From 01 to 22 July 2025, the average exchange rate stood at N\$17.72 per USD, reflecting a 0.65% appreciation compared to the June 2025 average of N\$17.84. This appreciation helped cushion the impact of rising international diesel prices by slightly lowering the cost of imports in local currency terms. As a result, although diesel prices rose by nearly 3% in USD terms, the net increase in NAD terms was limited by approximately 2.3%, therefor reducing the extent of under-recoveries.

Based on the outcomes of the preceding input factors and other parameters considered in the fuel pricing mechanism, the model recorded an **over-recovery of 0.46 cents per litre for ULP95**. In contrast, **significant under-recoveries of 90.62 cents**

per litre for Diesel 50ppm and 83.86 cents per litre for Diesel 10ppm were recorded during the review period.

To that end, the Ministry is pleased to announce that the **prices of ULP 95 and both Diesel grades will remain unchanged for the duration of August 2025. Petrol will be maintained at N\$20.37 per litre, Diesel 50ppm at N\$19.92 per litre, and Diesel 10ppm at N\$20.02 per litre**, consistent with the previous period. The National Energy Fund will absorb all under-recoveries. Based on volumes consumed in June 2025, the Fund is expected to absorb an estimated cumulative under-recovery of approximately N\$24.7 million.

The Ministry remains committed to ensuring fuel price stability while balancing market realities and protecting consumer interests. We will continue to monitor international and local market developments closely and adjust pricing as necessary to promote a sustainable and reliable fuel supply for Namibia.

SIGNED:


MOSES PAKOTE
EXECUTIVE DIRECTOR/ACCOUNTING OFFICER



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