



REPUBLIC OF NAMIBIA

MINISTRY OF MINES AND ENERGY

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MEDIA RELEASE

The Ministry of Mines and Energy announces that fuel pump prices for **April 2018 will remain unchanged.**

The results of the latest fuel price review indicate that the oil importers paid less than the Basic Fuel Price at Walvis Bay to bring fuel products into the country. However, the final figures recorded are not sufficient enough to trigger any adjustment in the local pump prices.

The technical analysis of the Basic Fuel Price Unit Rate Slate calculations indicate that the average Free On Board prices per barrel has remained stable for ULP 95 and for both Diesel grades. Barrel prices for refined oil traded at an average of US\$ 75.849 for ULP95, US\$ 76.560 and US\$ 76.779 for Diesel 500ppm and Diesel 50ppm respectively. The Basic Fuel Price Unit Rate Slate calculations for the past month recorded over-recoveries on the price regulated petroleum products. The average exchange rate also remained stable at N\$11.8217 per US\$ over the period reviewed. The over-recoveries recouped by the oil companies will be paid over to the National Energy Fund to enable future equalization of the fuel prices when there are under-recoveries recorded.

Declaration of Ondangwa as a Fuel Pricing Town

The Ministry of Mines and Energy has resolved to declare Ondangwa as a pricing fuel depot **effective 1st April 2018.**

The Ministry finds it in the best interests of all parties, government and the oil industry, for Ondangwa to become a pricing town for fuel. The resolution will enable the National Energy Fund to benefit by reducing the road subsidy rates that it pays to fuel distributors while the wholesalers will benefit through economies of scale by reducing the cost of transporting small amounts of fuel products on the road as compared to bulk volumes by rail.

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The Ministry regulates the prices of strategic fuel products, namely; Unleaded Petrol 95, Diesel 500ppm and Diesel 50ppm. Fuel products are imported into the country by the wholesalers through the port of Walvis Bay, where such products are stored in coastal depots when offloaded from the oil tankers. The fuel is then hauled by rail to the inland depots for further distribution to the fuel retail outlets. The railway to the northern parts of the country was only ending in Tsumeb and Grootfontein, where part of the central northern and north western parts of the country were supplied with fuel products. However, the railway was extended to Ondangwa in recent times and wholesalers have now invested in fuel depots at the town.

Import Parity

The over/(under)-recoveries per product on the BFP import parity landed in Walvis Bay calculated as at **25 March 2018** are indicated below:

95 Octane Unleaded Petrol	-	28.980 c/ℓ
Diesel 500ppm	-	17.101 c/ℓ
Diesel 50ppm	-	20.464 c/ℓ

Thus, fuel pump prices in Walvis Bay will remain as follows:

95 Octane Unleaded Petrol	-	N\$ 11.70 per liter
Diesel 500ppm	-	N\$ 11.73 per liter
Diesel 50ppm	-	N\$ 11.78 per liter

Fuel pump prices countrywide will also remain unchanged.

Sincerely yours



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23 MAR 2018
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