



REPUBLIC OF NAMIBIA

## MINISTRY OF MINES AND ENERGY

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### OFFICE OF THE MINISTER

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### MEDIA RELEASE

The Ministry of Mines and Energy has undertaken the monthly fuel pump prices review during December 2018.

In the normal course of events, markets, naturally, ebb and flow. The global oil market is no exception. Until October 2018, oil prices have been increasing, much to the advantage of oil producers in terms of revenue. During the same period net importers of oil were dealt a devastating blow as their pump prices increased at a faster pace than their capacity to contain them.

The global oil market has now slipped into the ebb mode, where global oil prices have fallen by over 30 percent, much to the advantage of net importers. The major causes of these fluctuations are the market forces of supply and demand. The projected global economic meltdown has seen demand for oil falling while oil inventories have built up since October 2018. This has caused the price of Brent crude, which is the benchmark of our petroleum products, to decrease.

During the month of December 2018, the price for refined oil has decreased from an average of US\$81 per barrel of diesel in November 2018 to US\$68. Similarly, the price of refined petrol fell from an average of US\$68 per barrel to US\$59. Although the exchange rate between the Namibia Dollar against the US Dollar has weakened throughout the review period, on a month-to-month basis, from N\$14.0 in November to N\$14.30 in December, it could not erase the gains recorded in terms of over-recoveries owing to the fall in the prices of refined petroleum products.

As a result for the decreasing price for refined fuel, as at the 27 December 2018 we have recorded over-recoveries, on both petrol and diesel, on the BFP import parity landed in Walvis Bay. The over-recoveries are as indicated below:

<b>95 Octane Unleaded Petrol</b>	-	<b>144.825 c/l</b>
<b>Diesel 500ppm</b>	-	<b>158.874 c/l</b>

**Diesel 50ppm**

- **167.542 c/l**

We have therefore decided to decrease the fuel pump prices in Walvis Bay, as of 00H01 on the 2<sup>nd</sup> January 2019, as follows:

**95 Octane Unleaded Petrol**  
**Diesel(all grades)**

- **decrease by 90 c/l**  
- **decrease by 100 c/l**

The new fuel pump prices in Walvis Bay will be:

<b>95 Octane Unleaded Petrol</b>	-	<b>N\$ 12.05 per liter</b>
<b>Diesel 500ppm</b>	-	<b>N\$ 13.08 per liter</b>
<b>Diesel 50ppm</b>	-	<b>N\$ 13.13 per liter</b>

Fuel pump prices countrywide will also be adjusted accordingly.

Sincerely yours

  
**Tom K Alweendo, MP**  
**MINISTER**

