



REPUBLIC OF NAMIBIA

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MEDIA RELEASE

The Ministry of Mines and Energy announces that fuel pump prices for **June 2018 will increase at 00h01 6th June 2018.**

The results of the latest fuel price review indicate that the oil importers paid more than the prices set by the government to bring fuel products into the country. The final figures recorded are way above the prices set by the government and these pricing under-recoveries are huge enough to trigger upward adjustments in the local pump prices in order to create a balance between the government determined prices and the oil market determined prices.

The technical analysis of the Basic Fuel Price Unit Rate Slate calculations indicate that due to demand speculation by oil traders and due to OPEC's continuing cuts of oil supply, the average Free On Board prices per barrel sharply increased for ULP 95 and for both Diesel grades. Barrel prices for refined oil traded at an average of US\$ 86.950 for ULP95, US\$ 88.732 and US\$ 89.477 for Diesel 500ppm and Diesel 50ppm respectively. The Basic Fuel Price Unit Rate Slate calculations for the past month, therefore, recorded high under-recoveries on the prices of regulated petroleum products. The average exchange rate was also volatile, which culminated in a depreciation of the N\$ against the US\$. One US dollar exchanged for N\$12.4996 over the period reviewed. The National Energy Fund will step in to absorb about more than 25% of the under-recoveries in order to offer partial relief to the consumers at the pumps.

ROAD FUND ADMINISTRATION (RFA) LEVY ADJUSTMENT

The RFA is mandated to secure and allocate sufficient funding for a safe and efficient road sector in Namibia. To that end, the Ministry has decided to adjust the RFA levy by **8 c/l from 122 c/l to 130 c/l** on all the price controlled petroleum products. The **effective date** for this adjustment is **6th June 2018.**

NAMIBIAN PORTS AUTHORITY (NAMPORT) TARIFF

NAMPORT is mandated to manage, operate and develop Namibia's ports. In order to secure additional funds for its operations, NAMPORT tariffs for controlled petroleum products have increased by **N\$ 2 from N\$ 34 to N\$ 36 per kilo litre, or by 0.2c/l from 3.4c/l to 3.6c/l**. The Ministry has therefore resolved to **effect** this change at the fuel pumps on **6th June 2018**.

Import Parity

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

95 Octane Unleaded Petrol	-	(91.764) c/l
Diesel 500ppm	-	(82.657) c/l
Diesel 50ppm	-	(83.542) c/l

Fuel pump prices in Walvis Bay will increase (inclusive of RFA Levy and NAMPORT Tariff) as follows:

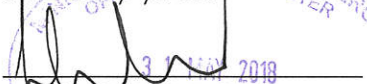
95 Octane Unleaded Petrol	- increase by 60 c/l (retail)
Diesel (all grades)	- increase by 60 c/l (wholesale)

Thus, the new fuel pump prices in Walvis Bay will be:

95 Octane Unleaded Petrol	-	N\$ 12.30 per liter
Diesel 500ppm	-	N\$ 12.63 per liter
Diesel 50ppm	-	N\$ 12.68 per liter

Fuel pump prices countrywide will also be adjusted accordingly.

Sincerely yours


TOM ALWEENDO, MP
MINISTER

(Official stamp: DEPARTMENT OF MINES AND ENERGY, OFFICE OF THE MINISTER, BAG 1087, WINDHOEK, NAMIBIA)