



REPUBLIC OF NAMIBIA

MINISTRY OF MINES AND ENERGY

MEDIA RELEASE

FUEL PRICE REVIEW ANNOUNCEMENT

The Ministry of Mines and Energy has completed the review of the fuel prices for May 2024 and hereby informs the public of its decision.

Global crude oil prices maintained their upward trend throughout March and April 2024, driven by increased geopolitical tensions in Eastern Europe and the Middle East. Notably, the supply-side disruptions on refineries in several parts of the globe continue to persist and contribute to market uncertainty, thus edging up oil prices globally. This is further reinforced by the OPEC driven voluntary production cuts since the onset of the second quarter of 2024, exerting further upward pressure on oil prices.

The latest assessment by the Ministry indicates that the average price of Unleaded Petrol 95 in April 2024 stood at USD108.983 per barrel, up from USD103.631 per barrel at the end of March 2024, indicating an increase of USD5.352 per barrel or 5.2% over the review period. Additionally, the average price of Diesel 50ppm in April 2024 stood at USD103.536 per barrel, compared to USD100.512 per barrel at the end of March 2024, an increase of USD3.024 per barrel or 3% over the review period. Moreover, the average price of Diesel 10ppm in April 2024 stood at USD104.459 per barrel, relative to USD101.719 per barrel at the end of March 2024, indicating an increase of USD2.74 per barrel or 2.7% over the same period.

Furthermore, the exchange rate developments for the period of 01–22 April 2024 indicated a moderate appreciation of the NAD against the USD(0.02%), coming in at an average of N\$18.8551 per USD, compared to N\$18.8603 per USD at the end of March 2024. This currency gain, however, is not sufficient to outweigh the observed aggregate increase in global oil prices.

Having, considered all the input factors mentioned above into the fuel pricing model, the Ministry noted under-recoveries on both petrol and diesel products, amounting to 123.567 cents per litre on petrol, 60.214 cents per litre on diesel 50ppm and 51.208 cents per litre on diesel 10ppm.

In this context, and for Namibia as an oil importer, the imperative for striking a balance between alignment with the market dynamics and cushioning the consumers from the negative effects of excess price volatility cannot be overemphasized. Hence, as a result of the noted under recoveries, the Ministry is hereby announcing that **petrol prices will increase by 70 cents per litre** and, for both **diesel variants, the increase will amount to 40 cents per litre**. Consequently, **in Walvis Bay, the new prices will be N\$23.00 per litre for petrol, N\$22.17 per litre for diesel 50 ppm and N\$22.37 per litre for diesel 10 ppm**. Fuel prices in other regions of the country will be adjusted accordingly. The National Energy Fund will absorb the remaining under-recoveries, partially offsetting the burden on consumers.

Furthermore, the Ministry has also resolved to extend the temporary Relief Margin of 20 cents per litre offered to the oil importers for another six (6) months or until such time that the relief margin is reviewed, or the Petroleum Import Coordination System is implemented, whichever occurs first. These adjustments will come into effect on **Thursday, 2 May 2024**.

The Ministry would like to emphasize that Namibia is subject to international oil market prices, with limited headroom to avoid the impact of these developments. However, the Ministry will continue to work prudently towards ensuring that the security of fuel supply is maintained, and the capacity of the National Energy Fund is optimised to stabilise fuel prices in a sustainable manner.

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A handwritten signature in black ink, appearing to be 'E. R.' with a flourish.