



REPUBLIC OF NAMIBIA

MINISTRY OF MINES AND ENERGY

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MEDIA RELEASE

ANNOUNCEMENT OF FUEL PRICE ADJUSTMENT

The Ministry of Mines and Energy would like to announce the outcome of its monthly fuel price review for January 2021, as follows:

The objective of the review exercise is to ensure that fuel pump prices are at all times reflective of the import price in an orderly manner. The review can either reveal an under-recovery, indicating that the pump price(s) was lower than the import price(s); or an over-recovery, indicating that the pump price(s) was higher than the import price(s). Usually, an under-recovery is passed onto the consumer(s) or either financed from the National Energy Fund (NEF). On the local front, a host of factors influences fuel pump prices however; during the month of December, we have seen only a few at play, namely: *The international price of refined oil and the exchange rate between the Namibia dollar against the US Dollar.*

During the month of December 2020, the international price of refined petroleum products increased in comparison to the previous months. The average international price for refined petrol was US\$51.82 per barrel in December compared to US\$44.15 in November, 2020; while that of refined diesel was US\$53.53 per barrel in December compared to US\$44.79 in November. During the same period, the exchange rate between the Namibia Dollar against the US Dollar strengthened. It appreciated, on average, from N\$15.50 in November to N\$14.92 in December. This appreciation helped keep under-recoveries at an acceptable level.

Owing to the aforementioned factors, the month of December recorded under-recoveries on both petrol and diesel. An under-recovery of -25.746 c/l was recorded on petrol while 50ppm diesel recorded an under-recovery of -48.685 c/l.

The ploughing season is upon us and diesel is one of the petroleum products largely used by the agricultural sector. Moreover, our economy is still limping in the Covid-19 climate thus; it is not Government's intention to place an additional burden on consumers. It is for that reason that the fuel review committee of the Ministry has decided **to keep fuel pump prices for January 2021, unchanged, and to finance the recorded under-recoveries from the National Energy Fund (NEF)**

The pump prices in Walvis Bay (*port of entry*) will remain **N\$11.38 c/l for diesel** and petrol price will remain **N\$11.35 c/l**. Fuel pump prices countrywide will also remain unchanged. The Ministry would like to thank all fuel retail outlets and the public for its cooperation.

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