INSIGHT 4 - 2026

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WHEN FUEL PRICES RISE, NAMIBIANS START LOOKING FOR A HIKE

A fuel price increase of N$2.50 for petrol and N$4.00 for diesel per litre is not merely a technical adjustment. It is a national economic event. The knock-on effects are felt in every one of the 14 regions.

In Namibia, fuel is not just a commodity, it is the bloodstream of the economy. It moves goods, connects people, powers industries, and underpins our ambition to become a logistics hub for the region. When fuel prices rise sharply, the effects ripple through every household, every business, and every sector. Our vast and sparsely populated nation needs fuel to stay connected.

The question, therefore, is not whether such an increase matters. It is how deeply and how unevenly the pain will be felt. As usual it is Namibians trying to make ends meet and keep their heads above water who will feel the pinch first.

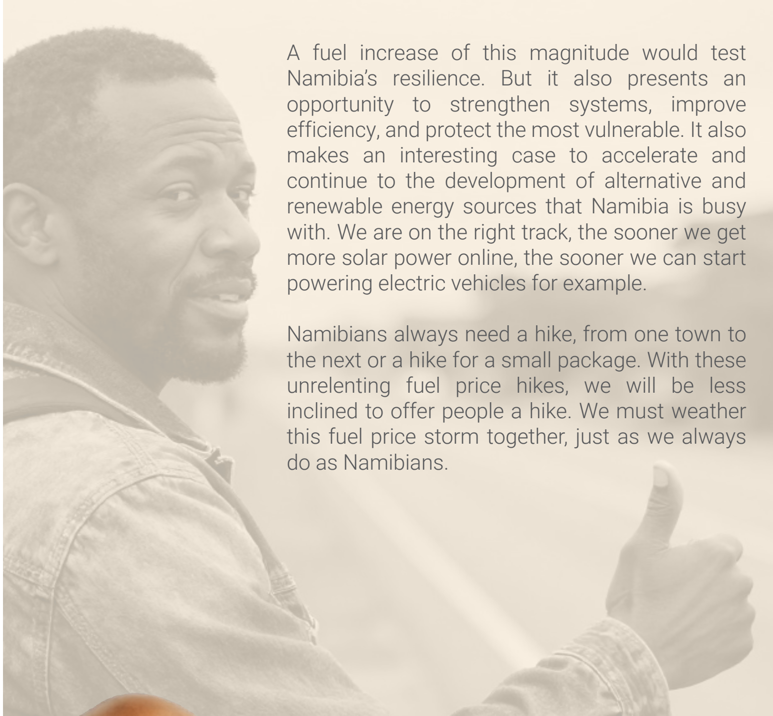
Transport costs rise almost instantly, price increase at the pump. Taxi fares adjust; taxi drivers pass on this increase to their passengers. Customers who count every coin when taking a taxi to and from work feel the pain. Freight becomes more expensive. These costs cascade quickly into the price of food, building materials, and everyday goods. Nobody wants to bear the brunt of the increase in fuel, so it gets passed on like a hot potato, with the end consumer eventually paying the price.

For ordinary Namibians, the true cost of fuel increases is lost purchasing power. Wages do not adjust overnight, yet prices do. Lower-income households are disproportionately affected. The price shock has a disastrous effect on our people.

Every business faces rising operating costs, due to the fuel price increase. Every farmer, running their tractors and machinery, or simply driving to and from their farms. The tourism industry must recalculate their transportation budgets across the board. Tourists may decide not to book holidays because of the increased jet fuel prices. It will severely erode Namibia's competitiveness and slow our fragile economic recovery. It seemingly never ends. Namibia's long distances, reliance on road transport, and exposure to global fuel markets make it particularly vulnerable to such shocks. Every country is dealing with increased fuel prices, but some countries have better financial buffers to absorb these shocks. Some countries are already subsidizing the price increases, to offset the pain felt at the pump by the consumer.

What can we do?

- Targeted protection for vulnerable households and public transport
- Phased fuel price adjustments, especially with the Namibian winter just around the corner
- We need to protect the food supply chains and commuter mobility
- Accelerate rail and logistics reforms
- Strengthen market oversight and transparency



A fuel increase of this magnitude would test Namibia's resilience. But it also presents an opportunity to strengthen systems, improve efficiency, and protect the most vulnerable. It also makes an interesting case to accelerate and continue to the development of alternative and renewable energy sources that Namibia is busy with. We are on the right track, the sooner we get more solar power online, the sooner we can start powering electric vehicles for example.

Namibians always need a hike, from one town to the next or a hike for a small package. With these unrelenting fuel price hikes, we will be less inclined to offer people a hike. We must weather this fuel price storm together, just as we always do as Namibians.

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