

II ENERGY PRODUCTION AND PROCESSING

2.1 Imported Petroleum Products

According to the data obtained from Ethiopian Petroleum Enterprise (EPE), 479,608 metric tones of petroleum products were imported into the country in the first quarter of 2008/09. The figure shows a 6 percent improvement as compared to the same period of last fiscal year but declined by 7 percent in relation to the previous quarter). Though

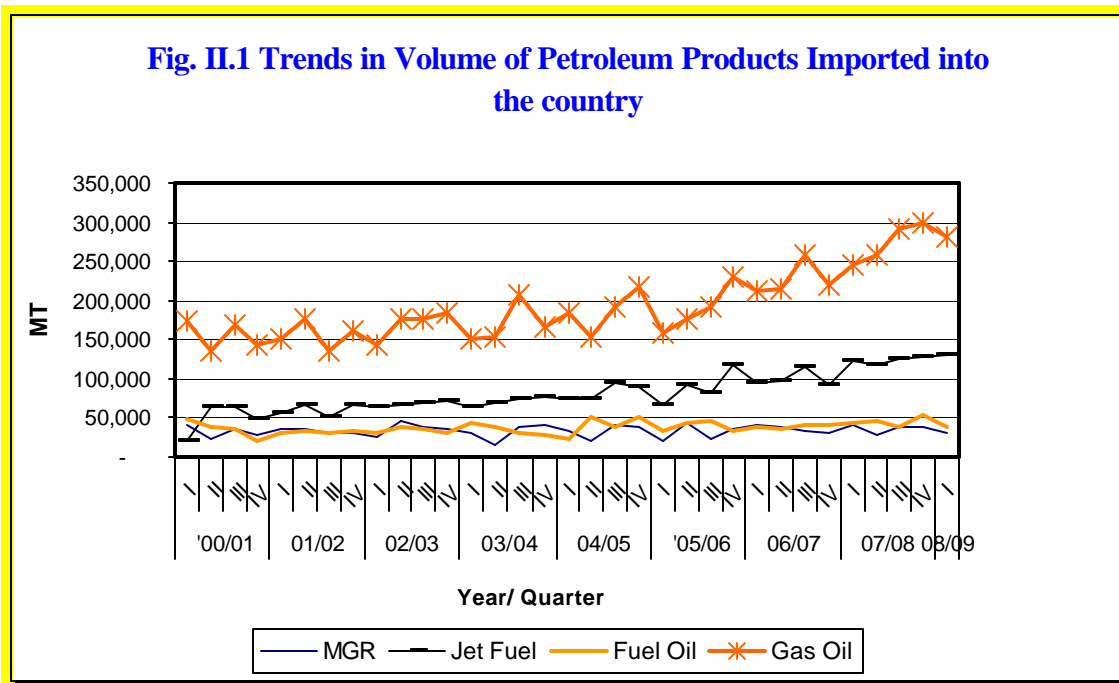
quarterly decline was observed in the volume of regular gasoline (20.5 percent), fuel oil (28.5 percent) and gas oil (5.6 percent), the volume of imported jet fuel rose by marginal 2.8 percent (Table 2.1). About 59 percent of the total quarterly imports of petroleum products constituted gas oil followed by Jet full.

Table 2.1: Volume of Petroleum Products Imported

(In MT)

	2007/08				2008/09		Percentage Change	
	Qtr I		Qtr IV		Qtr I			
	A	Share In %	B	Share In %	C	Share In %	C/A	C/B
Regular Gasoline (MGR)	40,354	9	37,595	7	29,907	6	-25.9	-20.5
Jet Fuel	122,857	27	126,463	25	129,951	27	5.8	2.8
Fuel Oil	42,910	9	53,314	10	38,126	8	-11.1	-28.5
Gas Oil (ADO)	246,508	54	298,269	58	281,623	59	14.2	-5.6
Total	452,629	100	515,641	100	479,608	100	6.0	-7.0

Source: Ethiopian Petroleum Enterprise (EPE)



Source: EPE

The total C&F value of petroleum products imported during the quarter was over 4.8 Billion Birr. This was lower by 11.5 percent on quarterly but

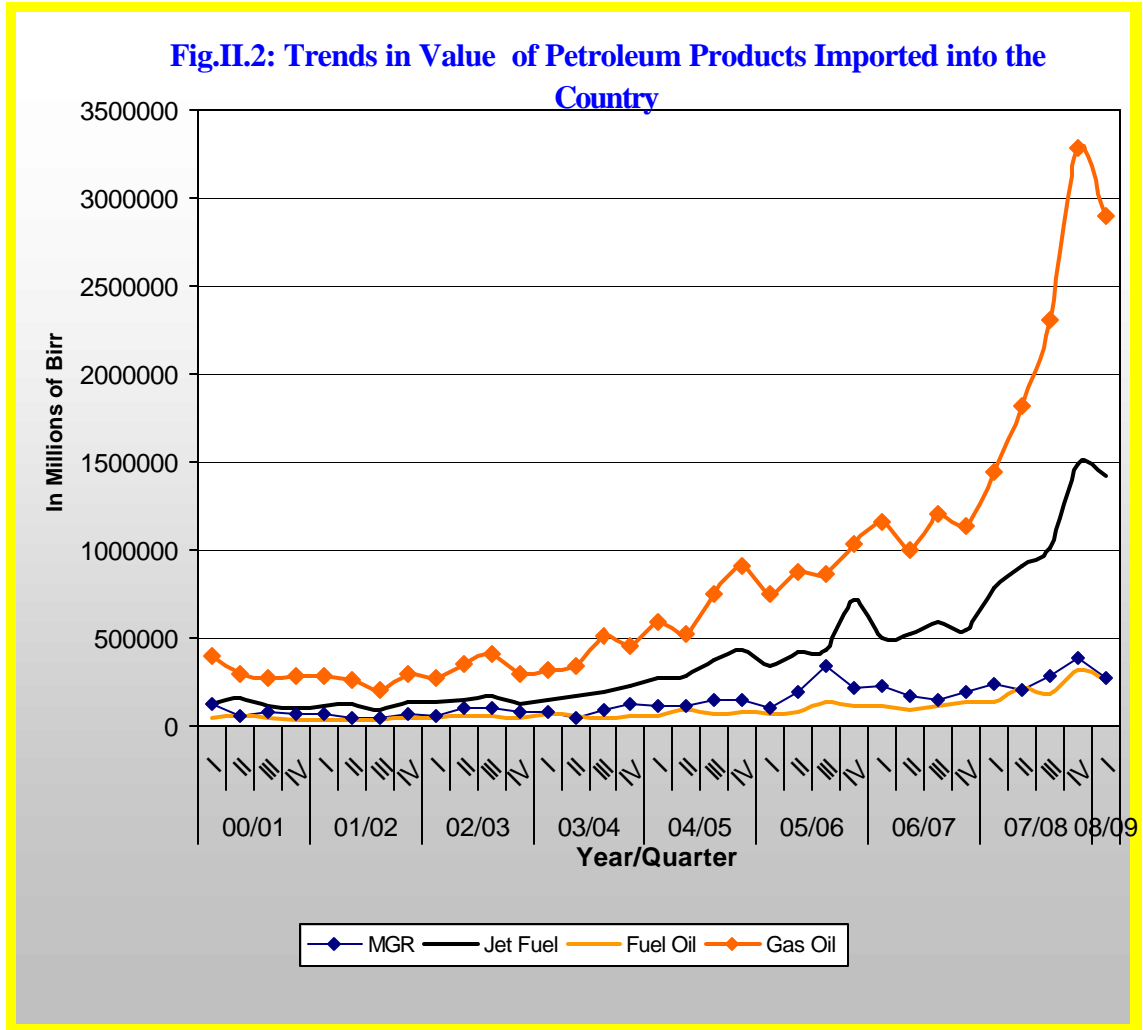
higher by 85.9 percent an annual basis. As indicated in the Table 2.2, all oil products showed annual increases and quarterly declines in their C&F values

Table 2.2 C&F Value of Petroleum Products Imported into the Country

(In '000 Birr)

	2007/08				2008/09		Percentage Change	
	Qtr I		Qtr IV		Qtr I			
	A	Share In %	B	Share In %	C	Share In %	C/A	C/B
Regular Gasoline (MGR)	240,962	9	390,807	7	278,406	6	15.5	-28.8
Jet Fuel	780,492	30	1,487,282	27	1,416,096	29	81.4	-4.8
Fuel Oil	138,844	5	317,362	6	261,299	5	88.2	-17.7
Gas Oil (ADO)	1,447,902	56	3,281,091	60	2,892,661	60	99.8	-11.8
Total	2,608,201	100	5,476,542	100	4,848,462	100	85.9	-11.5

Source: EPE



Source: EPE

The FOB prices of petroleum products on average exhibited a 6.4 percent decrease over the previous quarter, but 58.2 percent increase over last year. The quarterly decline in the FOB prices of petroleum

products was attributable to the fall in the price of regular gasoline (7.2 percent), jet fuel (9.2 percent) and gas oil (11.4 percent). Year-on-year basis, however, the FOB prices of all petroleum products revealed a marked increase (Table 2.3).

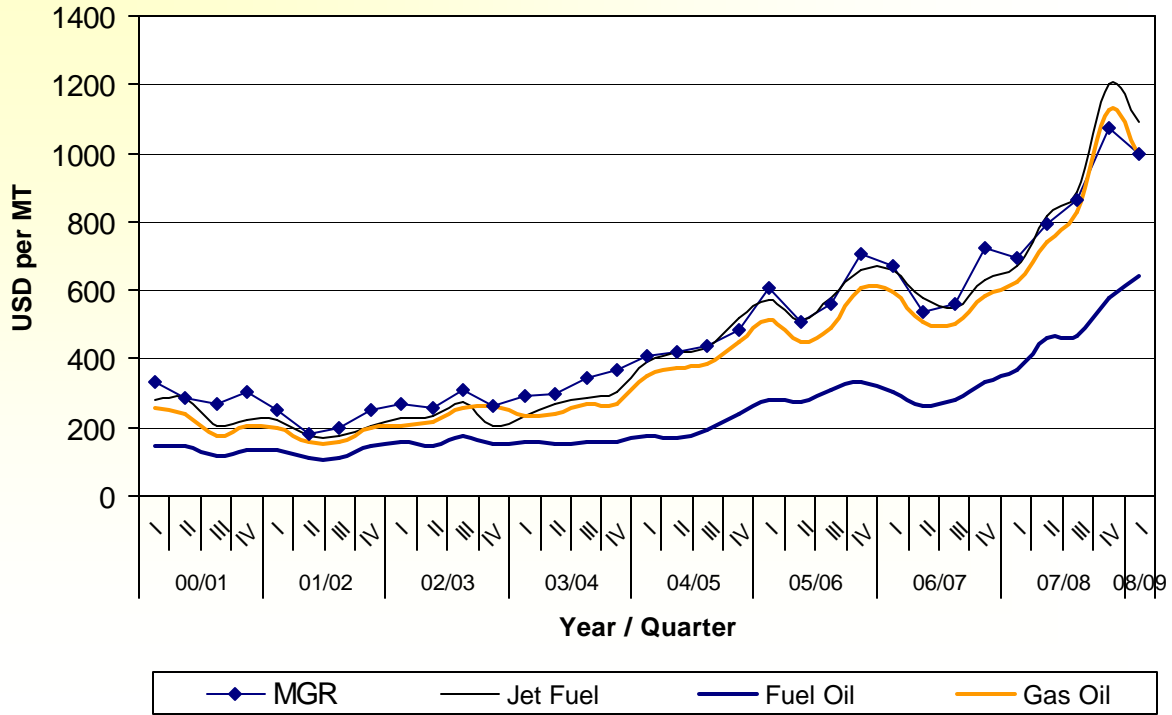
Table 2.3: FOB Price of Petroleum Products Imported into the Country

(In USD/MT)

Petroleum Products	2007/08		2008/09	Percentage Change	
	Qtr I	Qtr IV	Qtr I	C/A	C/B
	A	B	C		
Regular Gasoline (MGR)	692	1,073	996.2	44.0	-7.2
Jet Fuel	672	1,200	1,089.7	62.3	-9.2
Fuel Oil	367	578	639.3	74.2	10.6
Gas Oil (ADO)	623	1,125	996.9	60.0	-11.4
Average	588	994	931	58.2	-6.4

Source: EPE

Fig. II.3 Trends in FOB Prices of Petroleum Products Imported into the Country



Source: EPE

Component wise, the domestic retail prices of all petroleum products as proxied by retail prices in Addis Ababa stood at the same level of the previous

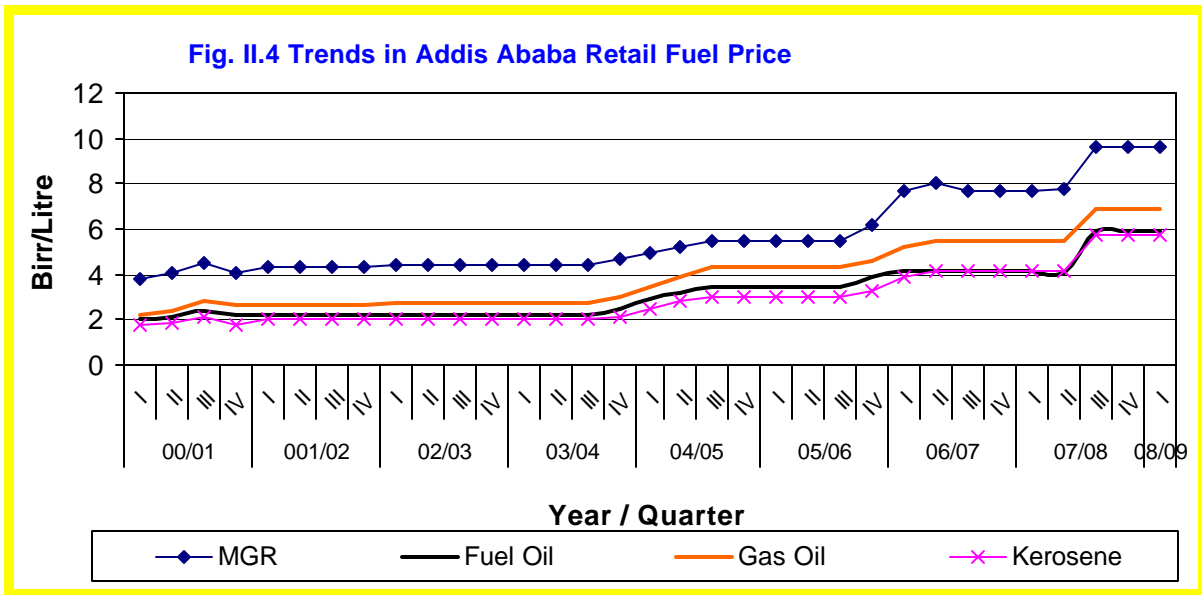
quarter. Vis-à-vis the same period of last fiscal year, however, retail prices of these products surged by 30.2 percent

Table 2.4: Retail Prices of Fuel in Addis Ababa

(Birr/Liter)

Petroleum Products	2007/08		2008/09	Percentage Change	
	Qtr I	Qtr IV	Qtr I	C/A	C/B
	A	B	C		
Regular Gasoline (MGR)	7.70	9.61	9.61	24.8	0.0
Fuel Oil	4.20	5.89	5.89	40.2	0.0
Gas Oil (ADO)	5.40	6.90	6.90	27.8	0.0
Kerosene	4.10	5.72	5.72	39.5	0.0
Average	5.40	7.03	7.03	30.2	0.0

Source: EPE



Source: EPE

2.2 Electric Power Generation

The total amount of electricity generated during the first quarter of 2008/09 reached 973.5 million KWH, which was 21.1 and 7.3 percent higher than the preceding quarter and same period last fiscal year, respectively.(Table 2.5).

Hydropower accounted for 93.2 of the total power supply during the stated quarter, while the remaining 6.8 percent was generated from thermal source.

As to the system category, 98.7 percent of the electricity generated was from the Inter-connected system (ICS) and the remaining 1.3 percent from Self-Contained System (SCS).

As per the government's plan for Accelerated and Sustained Development to End Poverty (PASDEP), it is planned to increase the electricity generation capacity of the country by completing the power stations under construction and building new ones. It is also envisaged to scale up the distribution down to rural towns and kebeles.

When the power generation projects such as Tekesze (300 MW), Gilgel-Gibe 2nd (420MW), Amertenesh (97 MW), Beles (420 MW), Wind Power (50 MW) and Yayo (100 MW) are finalized by 2010, the country's power generation capacity is expected to reach 2218 MW per hour. The number of cities and towns with electric power access is also planned to reach 6,000.

Table 2.5: Electric Power Generation

(In '000KWH)

Power Source	2007/08				2008/09		Percentage Change	
	Qtr I	Share	Qtr IV	Share	Qtr I	Share	C/A	C/B
	A	In %	B	In %	C	In %		
Hydropower	896,251.9	98.8	723,876.4	90.1	906,986.1	93.2	1.2	25.3
Thermal Power	11,019.4	1.2	79,676.2	9.9	66,512.5	6.8	503.6	-16.5
Total	907,271.3	100.0	803,552.6	100	973,498.5	100.0	7.3	21.1

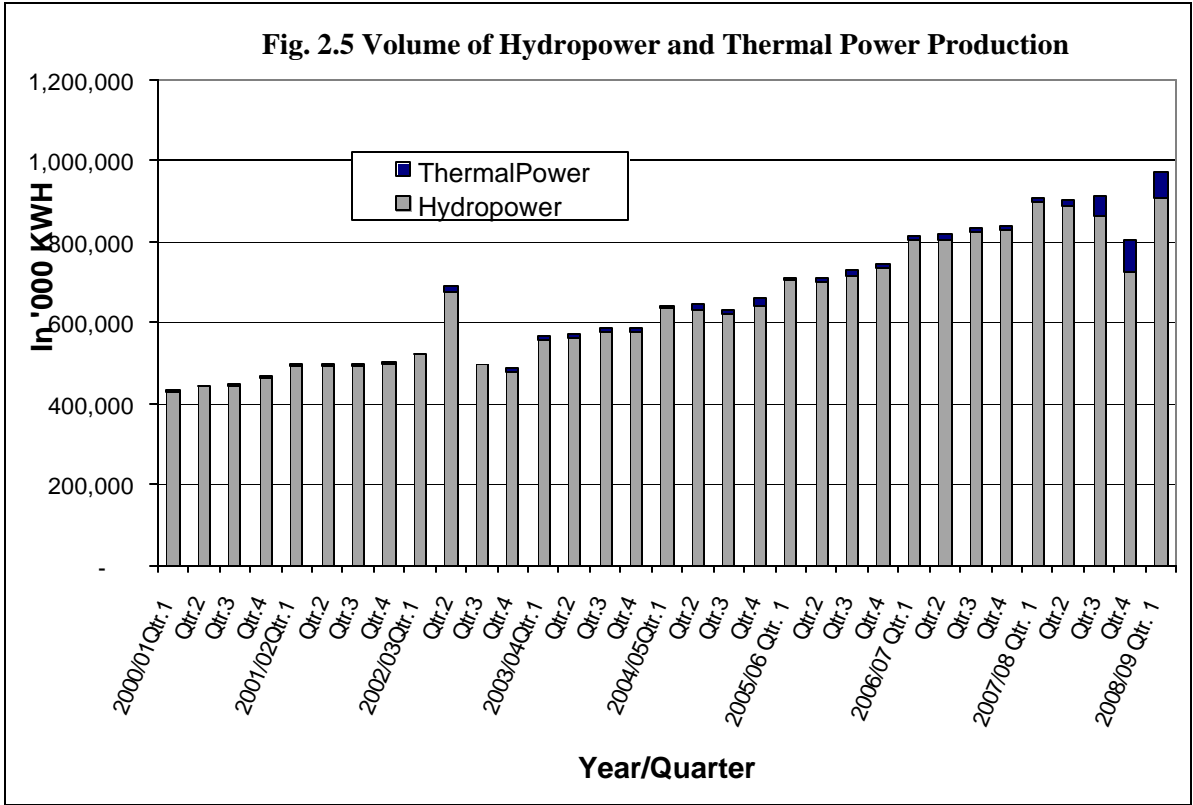
Source: Ethiopian Electric Power Corporation (EEPCo)

Table 2.6: Electric Power Generation from ICS and SCS

(In'000KWH)

System of Power Supply	2007/08				2008/09		Percentage Change	
	Qtr I	Share	Qtr IV	Share	Qtr I	Share	C/A	C/B
	A	In %	B	In %	C	In %		
ICS								
Hydro Power	896,251.9	98.8	723,876.4	90.1	902,621.1	92.7	0.7	24.7
Thermal Power	4,675.0	0.5	72,200.7	9.0	58,399.6	6.0	1,149.2	(19.1)
Supb-Total	900,926.9	99.3	796,077.1	99.1	961,020.7	98.7	6.7	20.7
SCS								
Hydro Power	-	-	-	-	4,365.0	0.4		
Thermal Power	6,344.4	0.7	7,475.5	0.9	8,113.5	0.8	27.9	8.5
Supb-Total	6,344.4	0.7	7,475.5	0.9	12,478.5	1.3	96.7	66.9
Grand Total	907,271.3	100.0	803,552.5	100	973,499.1	100	7.3	21.1

Source: EEPCo



Source: EEPCo