

II. ENERGY PRODUCTION AND PROCESSING

2.1 Imported Petroleum Products

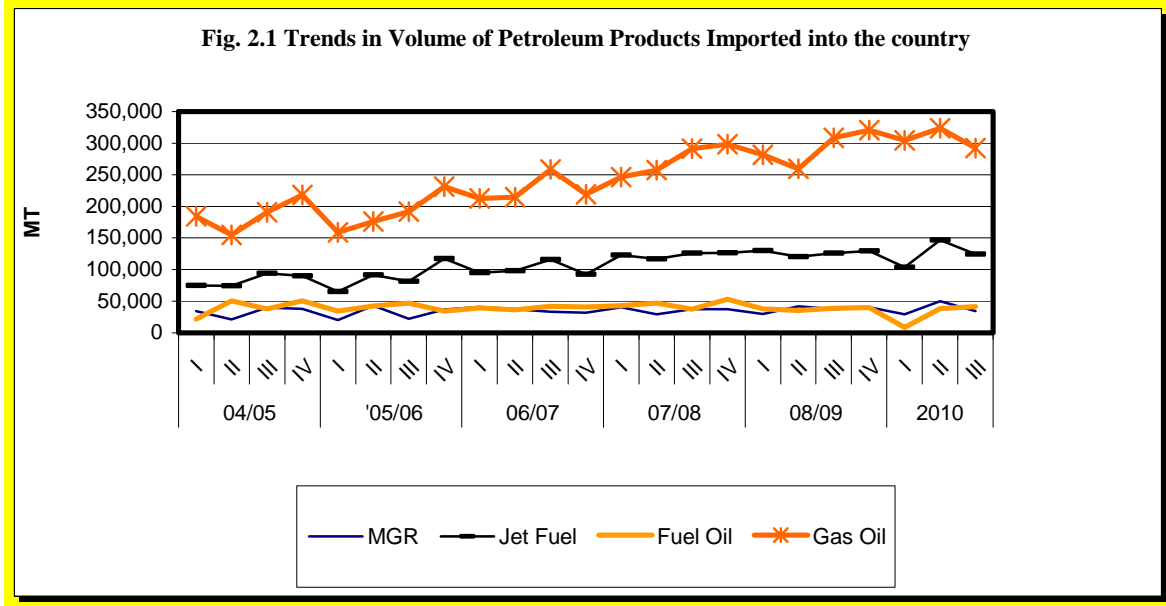
According to information obtained from the Ethiopian Petroleum Enterprise (EPE), some 492,429.9 metric tones (MT) of petroleum products were imported into the country during the third quarter of 2009/10. The volume

was 11.9 and 3.7 percent lower than the preceding quarter and last year same period, respectively. Component wise, all petroleum products, except fuel oil, exhibited a quarterly and annual decline in volume (Table 2.1)

Table 2.1: Volume of Petroleum Products Imported into the Country

	(In MT)							
	2008/09		2009/10				Percentage Change	
	Qtr III		Qtr II		Qtr III			
A	Share In %	B	Share In %	C	Share In %	C/A	C/B	
Regular Gasoline (MGR)	37,546.2	7	50,128.1	9.0	34,311.2	7.0	-8.6	-31.6
Jet Fuel	125,919.1	25	146,894.3	26.3	124,473.7	25.3	-1.1	-15.3
Fuel Oil	39,042.8	8	38,232.4	6.8	41,446.0	8.4	6.2	8.4
Gas Oil (ADO)	308,752.1	60	323,862.3	57.9	292,199.0	59.3	-5.4	-9.8
Total	511,260.2	100	559,117.2	100.0	492,429.9	100.0	-3.7	-11.9

Source: Ethiopian Petroleum Enterprise (EPE)



Source: EPE

Total c.i.f value of petroleum products imported into the country during the review period was Birr 4.3 billion, 79.4 percent above a year ago but 5 percent lower than the preceding quarter (Table 2.2). The yearly rise in value was on

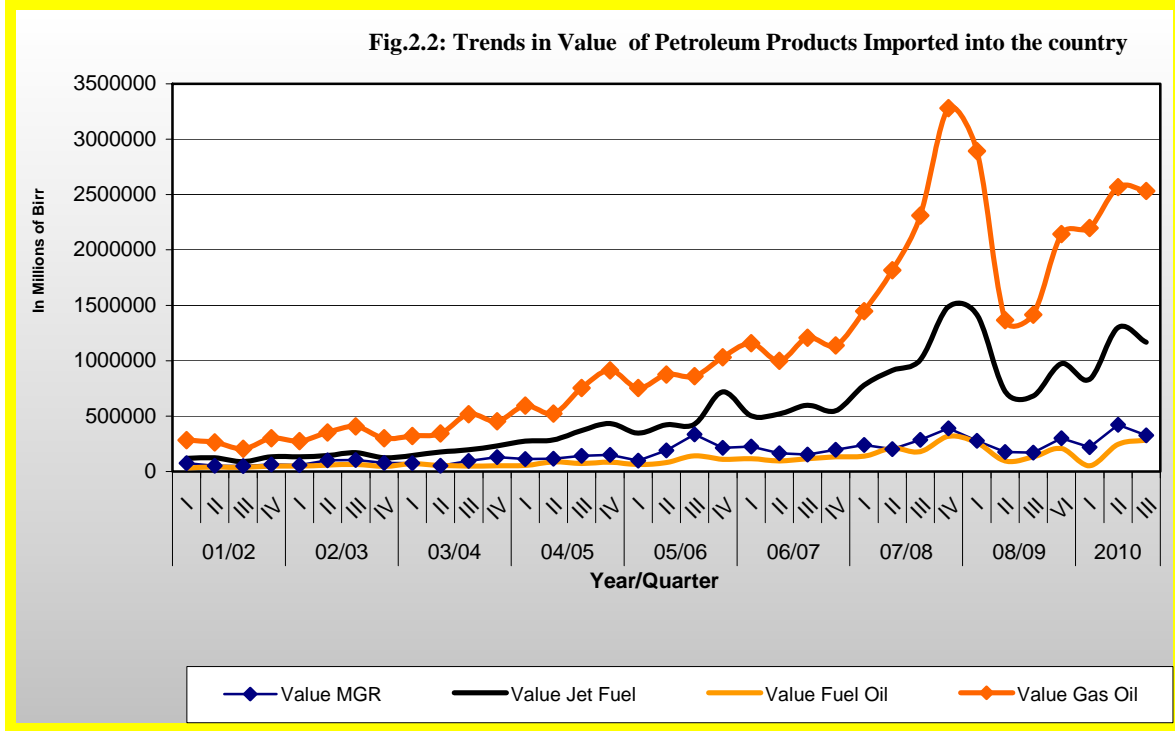
account of remarkable increase (66.3 percent) in unit price of petroleum products despite 3.7 percent fall in volume imported (Table 2.1 & 2.3). The increase in unit price is partly a reflection of global economic recovery.

Table 2.2 Value of Petroleum Products Imported

(In '000 Birr)

	2008/09		2009/10				Percentage Change	
	Qtr III		Qtr II		Qtr III		C/A	C/B
	A	Share In %	B	Share In %	C	Share In %		
Regular gasoline (MGR)	171,188.3	7	422,094.4	9.3	326844.7	7.6	90.9	-22.6
Jet fuel	680,808.8	28	1,300,291.7	28.7	1,165,435.4	27.0	71.2	-10.4
Fuel oil	133,999.7	6	246,419.6	5.4	284,411.8	6.6	112.2	15.4
Gas oil (ADO)	1,415,943.2	59	2,566,753.2	56.6	2,532,746.6	58.8	78.9	-1.3
Total	2,401,940.0	100	4,535,558.9	100.0	4,309,438.5	100.0	79.4	-5.0

Source: EPE



Source: EPE

Similarly, average FOB prices of petroleum products showed a quarterly rise of 4.7 percent and annual surge of 66.3 percent, owing to higher prices of all petroleum products. Accordingly, year-on-year basis, the FOB prices increase ranged from 56 percent for jet fuel to 90 percent for fuel oil.

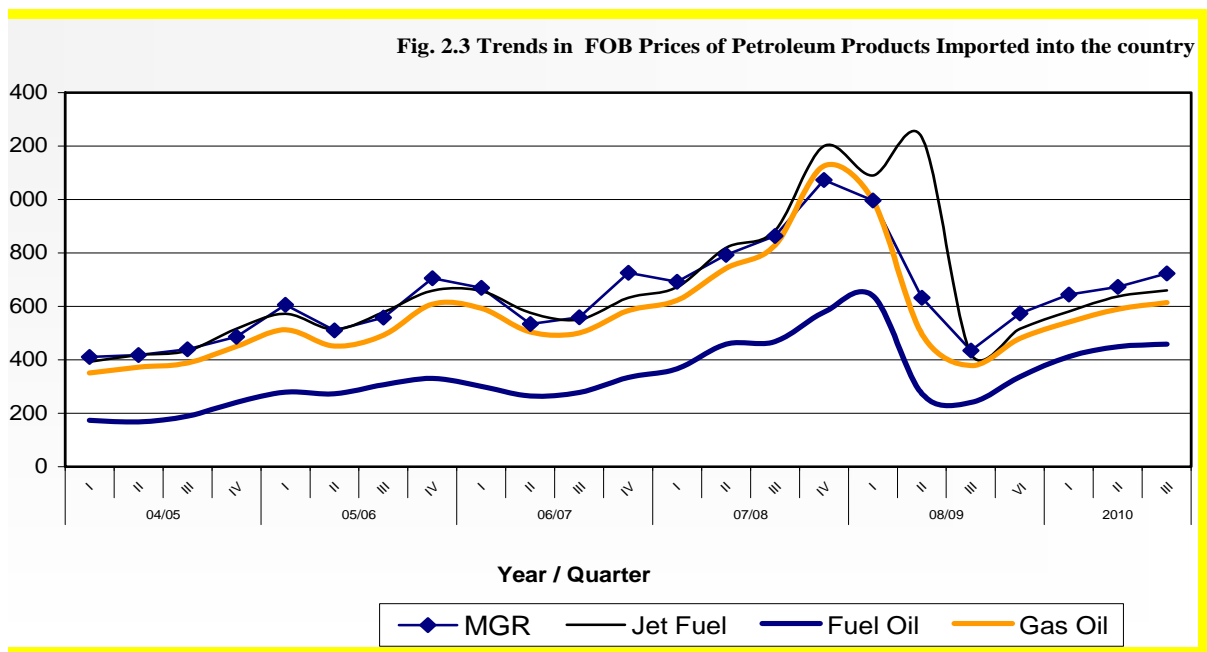
Correspondingly, regular gasoline, fuel oil, gas oil and jet fuel depicted 7.6, 2.3, 4.4 and 3.6 percent quarterly price increases, respectively (Table 2.3).

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

(In USD/MT)

Petroleum Products	2008/09	2009/10		Percentage Change	
	Qtr III	Qtr II	Qtr III	C/A	C/B
	A	B	C		
Regular gasoline (MGR)	434.4	672.8	723.7	66.6	7.6
Jet fuel	422.9	636.7	659.5	56.0	3.6
Fuel oil	241.2	448.9	459.0	90.3	2.3
Gas oil (ADO)	379.0	589.1	614.9	62.3	4.4
Average	369	586.9	614.3	66.3	4.7

Source: EPE



Source: EPE

In line with gradual recovery of world economy in general and that of emerging economies in particular, the price of crude oil in the international market exhibited a continuous rise and reached USD 76 per barrel in March 2010.

Accordingly, domestic retail prices were adjusted upwards to Birr 11 per liter in Addis Ababa during the review period from Birr 10.5 per liter in the previous quarter and Birr 8.45 per liter a year ago. Hence, retail prices of fuel rose by 4.8

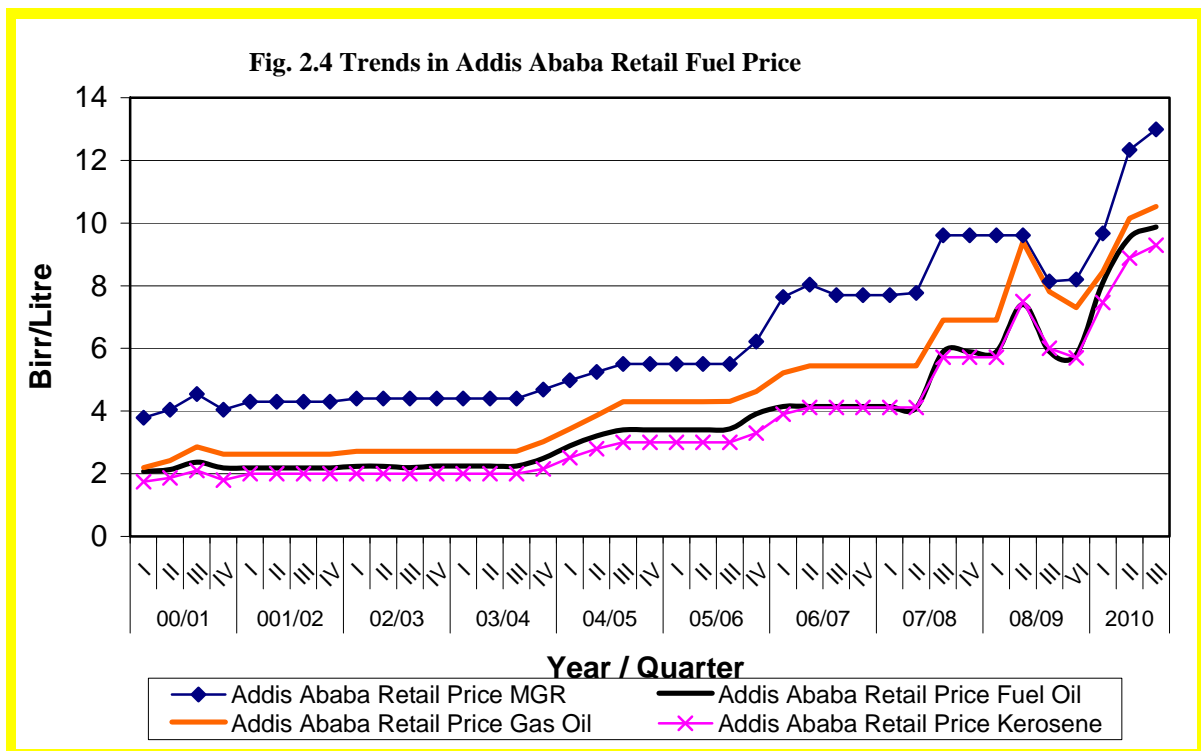
percent quarterly and 30.2 percent annually. Component wise, the increase in domestic retail prices on annual basis

ranged between 11.7 percent for gas oil and 35.2 percent for regular gasoline. (Table2.4).

Table 2.4: Retail Prices of Fuel in Addis Ababa

Petroleum Products	(Birr/Liter)				
	2008/09	2009/10		Percentage Change	
	Qtr III	Qtr II	Qtr III	C/A	C/B
	A	B	C		
Regular gasoline (MGR)	9.61	12.3	12.99	35.2	5.6
Fuel oil	7.40	9.5	9.9	33.7	4.2
Gas oil (ADO)	9.40	10.1	10.5	11.7	4
Kerosene	7.53	8.9	9.3	23.5	4.5
Jet fuel	8.35	11.5	12.08	44.7	5.0
Average	8.45	10.5	11.0	30.2	4.8

Source: EPE



Source: EPE

2.2 Electric Power Generation

Some 1.02 billion KWH electric power was generated during the review quarter which was 2.6 and 4.3 percent higher than the preceding quarter and same period of last fiscal year, respectively (Table 2.5).

The growth in the electric power generated during the quarter largely came from thermal (13 percent), geo-thermal (12.7 percent) and hydropower (1.7 percent). Thermal (diesel) and geo-thermal power jointly accounted for 8.3 percent of the total electric power generated while hydropower constituted 91.7 percent.

On the other hand, about 99.0 percent of the total electric power was generated from the Interconnected System (ICS) and the remaining 1.0 percent from Self Contained System (SCS) (Table 2.6).

The total amount of electric power generated in the country from hydro, geo-thermal, and thermal sources has grown significantly during the review quarter. Accordingly, the number of electrified towns and villages increased during the

past three years to 3,367, making energy access rise to 32 percent.

All in all, upon completion of power plant projects currently underway, the country's power generating capacity is estimated to increase to 3,028 MW by end 2010 and 14,912 MW in the coming ten years.

Table 2.5: Electric Power Generation

(In '000 KWH)

Power Source	2008/09		2009/10				Percentage Change	
	Qtr III	Share In %	Qtr II	Share In %	Qtr III	Share In %	C/A	C/B
	A		B		C			
Hydropower	867,976.4	88.8	918,473.1	92.4	934,235.5	91.7	7.6	1.7
Thermal Power	107,191.1	11.0	69,503.0	7.0	78,503.9	7.7	-26.8	13.0
Geo-thermal	1,727.5	0.2	5,854.7	0.6	6,600.8	0.6	282.1	12.7
Total	976,895.0	100.0	993,830.8	100.0	1,019,340.2	100.0	4.3	2.6

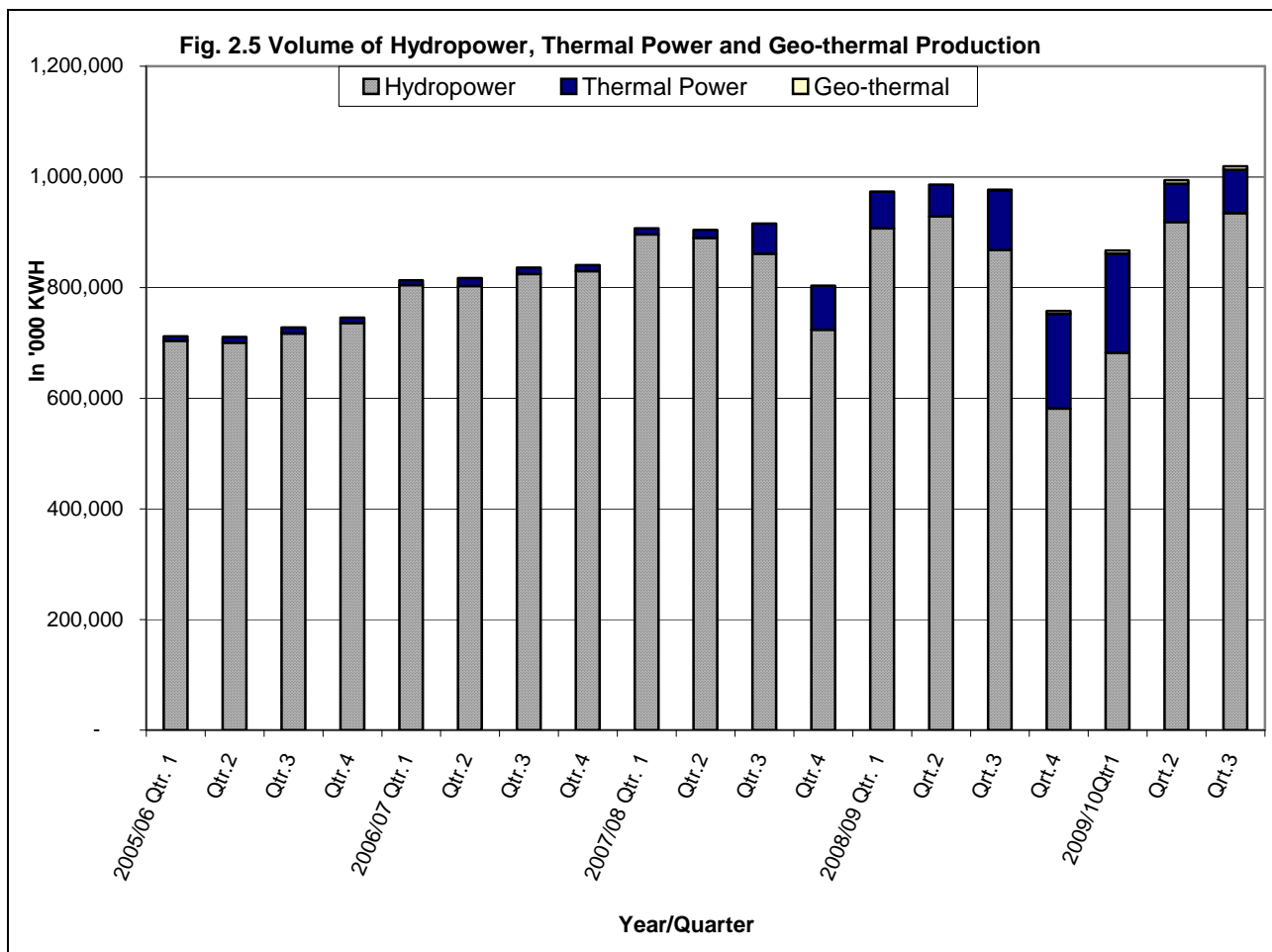
Source: Ethiopian Electric Power Corporation (EEPCo)

Table 2.6: Electric Power Generation from ICS and SCS

(In'000 KWH)

System of Power Supply	2008/09		2009/10				Percentage Change	
	Qtr III	Share In %	Qtr II	Share In %	Qtr III	Share In %	C/A	C/B
	A		B		C			
ICS								
Hydro Power	867,976.4	88.9	912,523.8	91.8	930,300.1	91.3	7.2	1.9
Thermal Power [Diesel]	100,472.6	10.3	63,269.3	6.4	71,977.6	7.1	(28.4)	13.8
Geo-thermal	1,727.5	0.2	5,854.7	0.6	6,600.8	0.6		
Sub-Total	970,176.5	99.3	981,647.8	98.8	1,008,878.4	99.0	4.0	2.8
SCS								
Hydro Power	-		5,949.4	0.6	3,935.4	0.4		
Thermal Power [Diesel]	6,718.5	0.7	6,233.7	0.6	6,526.4	0.6	(2.9)	4.7
Geo-thermal	-		-	-	-			
Sub-Total	6,718.5	0.7	12,183.0	1.2	10,461.7	1.0	55.7	-14.1
Grand Total	976,895.0	100	993,830.8	100	1,019,340.2	100.0	4.3	2.6

Source: EEPCo



Source: EEPCo