

II. ENERGY PRODUCTION AND PROCESSING

2.1. Imported Petroleum Products

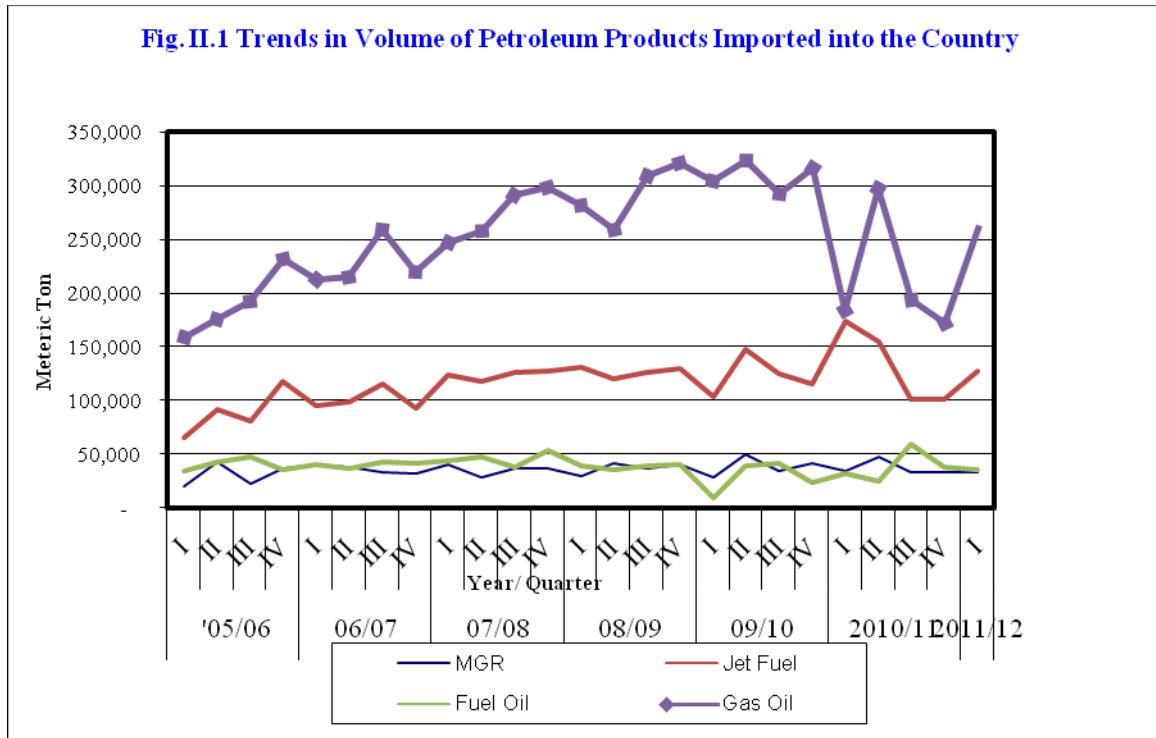
A total of 455,197.6 metric tones of petroleum products were imported into the country during the first quarter of 2011/12. The amount was 7.5 and 32.9 percent higher than last year same period and the preceding quarter, respectively.

The yearly growth was attributed to the surge in imports of gas oil, which constituted 57.3 percent of total petroleum import, followed by fuel oil import (Table 2.1).

Table 2.1: Volume of Petroleum Products Imported (In Metric Tones)

	2010/11				2011/12		Percentage Change	
	Qtr I		Qtr IV		Qtr I			
	A	Share In %	B	Share In %	C	Share In %	C/A	C/B
Regular Gasoline (MGR)	34,775.1	8.2	32983.8	9.6	33,381.2	7.3	-4.0	1.2
Jet Fuel	173,261.4	40.9	101074.5	29.5	126,523.8	27.8	-	25.2
Fuel Oil	31,202.1	7.4	37,231.4	10.9	34,684.5	7.6	11.2	-6.8
Gas Oil (ADO)	184,166.3	43.5	171,289.7	50.0	260,608.1	57.3	41.5	52.1
Total	423,404.9	100	342,579.3	100.0	455,197.6	100.00	7.5	32.9

Source: Ethiopian Petroleum Enterprise



Meanwhile, the total value of petroleum products imported during the period under review reached Birr 7.4 billion,

up by 83.3 percent as compared to a year ago, but slowed down by 17.6 percent against the preceding quarter (Table 2.2).

Table 2.2 Value of Petroleum Products Imported (In '000 Birr)

	2010/11				2011/12		Percentage Change	
	Qtr I		Qtr IV		Qtr I		Change	
	A	Share In %	B	Share In %	C	Share In %	C/A	C/B
Regular Gasoline (MGR)	333,700.99	8.3	477,262.6	5	567,528.9	7.7	70.1	18.9
Jet Fuel	939,551.4	23.4	3,553,666.0	40	2,191,035.3	29.7	133.2	-38.3
Fuel Oil	229,607.3	5.7	443,494	5	415,968.6	5.6	81.2	-6.2
Gas Oil (ADO)	2,517,844.5	62.6	4,474,422.5	50	4,195,312.8	56.9	66.6	-6.2
Total	4,020,704.3	100	8,948,845.0	100	7,369,845.6	100	83.3	-17.6

Source: EPE

The remarkable yearly growth in the value of petroleum imports was on account of 48.6 percent hike in FOB prices of all petroleum products coupled with the increase in volume of import.

Accordingly, on average, the FOB prices of petroleum products went up to USD 899.9 from

605.5 per metric tones a year ago owing to rise in prices of fuel oil (62.8 percent), Regular Gasoline (50 percent), Gas Oil

(45.4 percent) and Jet Fuel (40.9 percent) (Table 2.3).

The quarterly FOB prices, however, showed a 1.7 percent marginal decline due to fall in prices of all products, except fuel oil, which rose by about 10 percent.

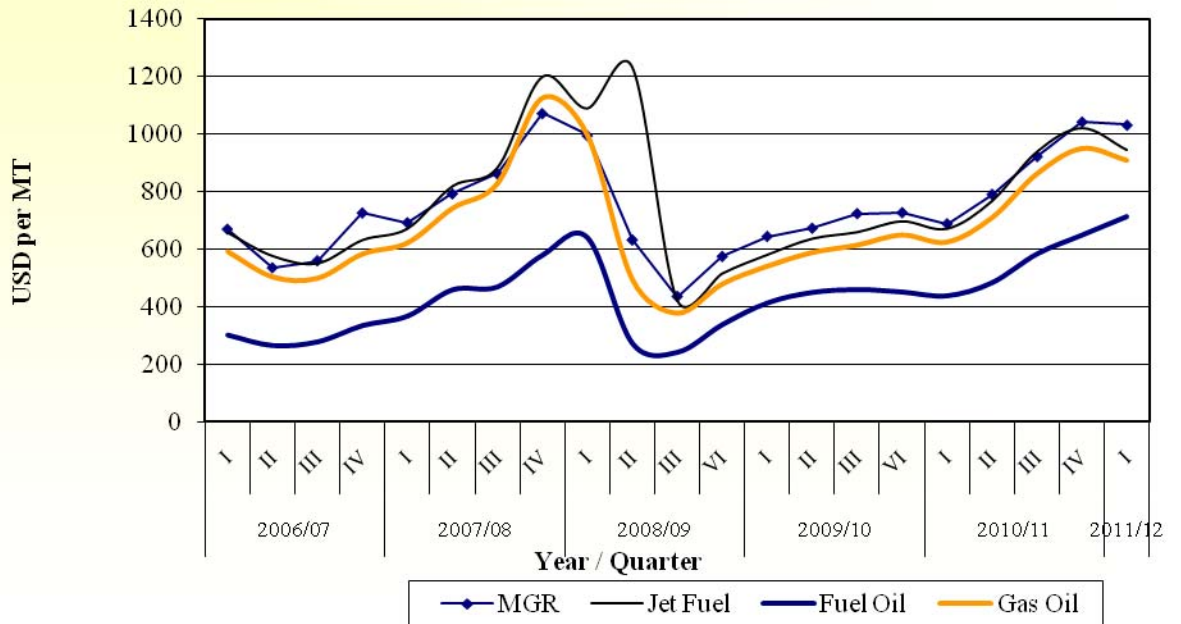
Table 2.3: FOB Price of Petroleum Products Imported

(USD/MT)

Petroleum Products	2010/11		2011/12	Percentage Change	
	Qtr I	Qtr IV	Qtr I	C/A	C/B
	A	B	C		
Regular Gasoline (MGR)	688.10	1043.9	1032.5	50.0	-1.1
Jet Fuel	671.4	1021.2	945.7	40.9	-7.4
Fuel Oil	437.2	647.7	712.0	62.8	9.9
Gas Oil (ADO)	625.5	950.2	909.4	45.4	-4.3
Average	605.54	915.73	899.9	48.6	-1.7

Source: Ethiopian Petroleum Enterprise

Fig. II.2 Trends in FOB Prices of Petroleum Products Imported into the country



Source: EPE

On the other hand, the average price of crude oil in the international market was USD 74.4 but increased to USD 116.68 per barrel in the fourth quarter and reached to USD 103.04 in the regain quarter.

Following the movement in the international price, domestic retail prices of petroleum products were adjusted by

the government. As a result, the average retail prices of fuel in Addis Ababa went up by 56.7 percent relative to last year same period to reach Birr 17.7 per liter.

However, the average retail price in comparison to a quarter earlier remained unchanged (Table 2.4).

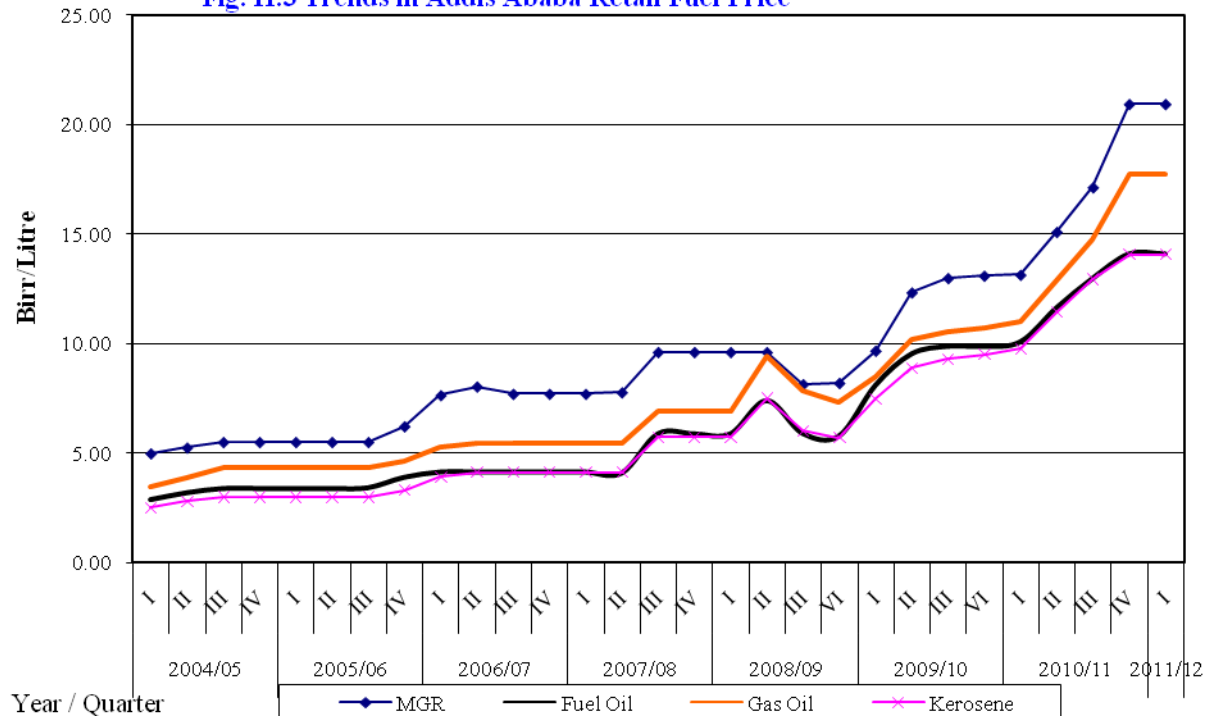
Table 2.4: Addis Ababa Average Retail Prices of Fuel

(Birr/Liter)

Petroleum Products	2010/11		2011/12	Percentage Change	
	Qtr I	Qtr IV	Qtr I		
	A	B	C	C/A	C/B
Regular Gasoline (MGR)	13.14	20.9	20.94	59.4	0.0
Fuel Oil	10.08	14.1	14.085	39.8	0.0
Gas Oil (ADO)	10.98	17.7	17.73	61.5	0.0
Kerosene	9.75	14.1	14.05	44.2	0.0
Jet	12.6	21.7	21.74	73.1	0.0
Average	11.3	17.7	17.7	56.7	0.0

Source: Ethiopian Petroleum Enterprise

Fig. II.3 Trends in Addis Ababa Retail Fuel Price



Source: EPE

2.2 Electric Power Generation

Total electricity generated during the quarter under review increased about 26 percent annually and 17 percent quarterly to 1.5 billion KWH in contrast with 1.3 billion in the preceding quarter and 1.2 billion a year ago (Table 2.5).

The registered yearly and quarterly growth in electricity generation was solely attributed to hydropower, which constituted 99.7 percent of the total power supply in the period. On the other hand, electricity generation from thermal and geo-thermal sources exhibited a sharp decline in both periods.

In terms of system generation, about 99.7 percent of the electricity generated during the first quarter of 2011/12 was from the interconnected system (ICS) and the remaining 0.3 percent from self contained system (SCS) (Table 2.6).

With continued rise in demand associated with the country's economic growth, supply of electricity is expected to increase. Accordingly, the country's electricity generation capacity under the five year GTP is projected to reach 8,000MW by 2015 from 2000 MW in 2010, due to construction of new power stations including Great Renaissance Dam Project. The electric power access coverage is also expected to reach 75% by end 2015 from 41 percent in 2010.

Table 2.5: Electricity Generation

('000 of K.W.H)

Power Source	2010/11				2011/12		Percentage Change	
	Qtr I	Share In %	Qtr IV	Share In %	Qtr I	Share In %	C/A	C/B
	A		B		C			
Hydropower	1,161,296	98.1	1,328,815.4	99.5	1,487,489.4	99.7	28.1	12
Thermal Power	17,490.9	1.5	4,048.2	0.30	3,290.9	0.22	-81.2	-18.7
Geothermal	5,486.3	0.5	3,355	0.25	863.6	0.06	-84.3	-74.3
Total	1,184,273.2	100	1,336,218.6	100	1,491,643.8	100	26	11.6

Source: Ethiopian Electric Power Corporation (EEPCO)

Table 2.6: Generation of Electricity Power in the Interconnected System (ICS) and Self Contained System (SCS)

(’000 of K.W.H)

System of Power Supply	2010/11				2011/12		Percentage Change	
	Qtr I		Qtr IV		Qtr I			
	A	Share In %	B	Share In %	C	Share In %	C/A	C/B
ICS								
Hydro Power	1,154,660.2	97.5	1,328,490.8	99.4	1,486,692.2	99.7	28.8	11.91
Thermal Power	12,127.3	1.0	62	0.00			(100)	(100)
Geothermal	5,486.3	0.5	3,355.0	0.3	863.6	0.1	(84.3)	(74.3)
Sub-Total	1,172,273.8	99.0	1,331,907.8	99.7	1,487,555.8	99.7	26.9	11.7
SCS								
Hydro Power	6,635.7	0.6	324.6	0.02	797.1	0.1	(87.99)	145.6
Thermal Power	5,363.6	0.5	3,986.2	0.3	3290.9	0.2	(38.6)	(17.4)
Geothermal								
Sub-Total	11,999.4	1.0	4,310.8	0.3	4,088	0.3	(65.9)	(5.2)
Grand Total	1,184,273.2	100.0	1,336,218.6	100	1,491,643.8	100	26	11.6

Source: Ethiopian Electric Power Corporation (EEPCO)

