

II. ENERGY PRODUCTION AND PROCESSING

2.1. Import of Petroleum Products

During the fourth quarter of 2013/14, the total volume of petroleum products imported amounted to 706.4 thousands of metric tons, depicting a 29.5 percent growth vis-à-vis the same period last year. This was due to an increase in imports of gas oil (43.1 percent), regular gasoline (31.8 percent) and jet fuel (9.3 percent) though fuel oil declined by 15.8 percent.

Of the total imports during the period, gas oil constituted the largest share (65.6 percent) followed by Jet fuel (22.9 percent), gasoline (7.6 percent) and fuel oil, (4 percent).

On the other hand, the volume of petroleum products imported declined for all types of petroleum except gas oil as compared with the previous quarter (Table 2.1).

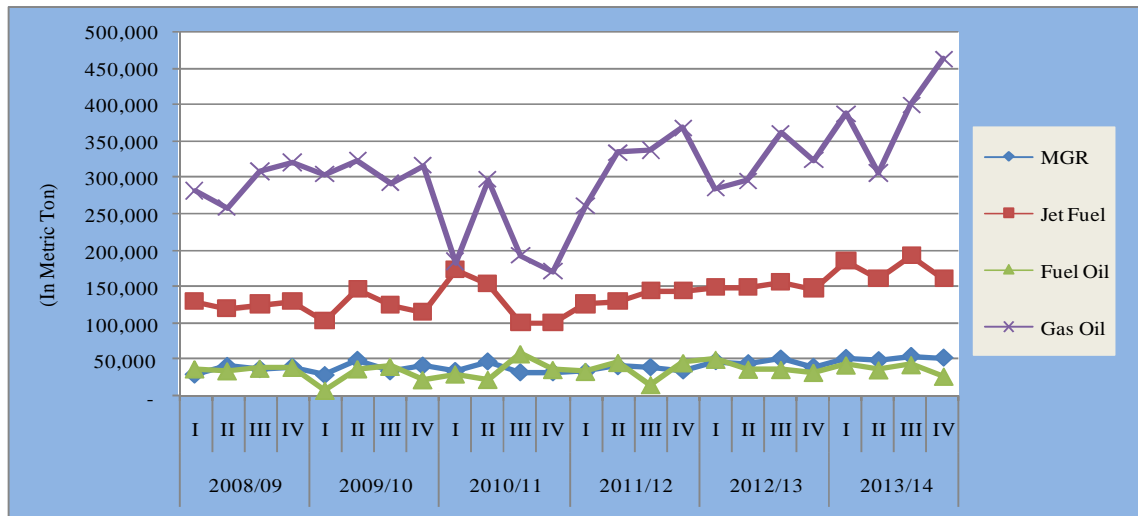
Table 2.1: Volume of Petroleum Products Imported

(In Metric Ton)

Petroleum Products	2012/13		2013/14				Percentage Change	
	Qtr IV		Qtr III		Qtr IV		C/A	C/B
	A	Share (In %)	B	Share (In %)	C	Share (In %)		
Regular Gasoline (MGR)	40,471.7	7.4	55,536.1	8.0	53,356.7	7.6	31.8	-3.9
Jet Fuel	148,006.8	27.1	192,607.7	27.8	161,740.3	22.9	9.3	-16.0
Fuel Oil	33,290.8	6.1	43,928.5	6.3	28,037.6	4.0	-15.8	-36.2
Gas Oil (ADO)	323,803.5	59.4	400,794.6	57.8	463,263.1	65.6	43.1	15.6
Total	545,572.8	100.0	692,867.0	100.0	706,397.7	100.0	29.5	2.0

Source: Ethiopian Petroleum Enterprise

FigII.1: Trends in the Volume of Petroleum Products Imported



Source: Ethiopian Petroleum Enterprise

Meanwhile, the total import bills of petroleum products increased to Birr 13 billion; showing an annual increment of 40.8 percent owing to the rise in the volume of all types of petroleum products in the period except for fuel oil.

Similarly, the value of petroleum products was increased by 4 percent as compared with the previous quarter. (Table 2.2)

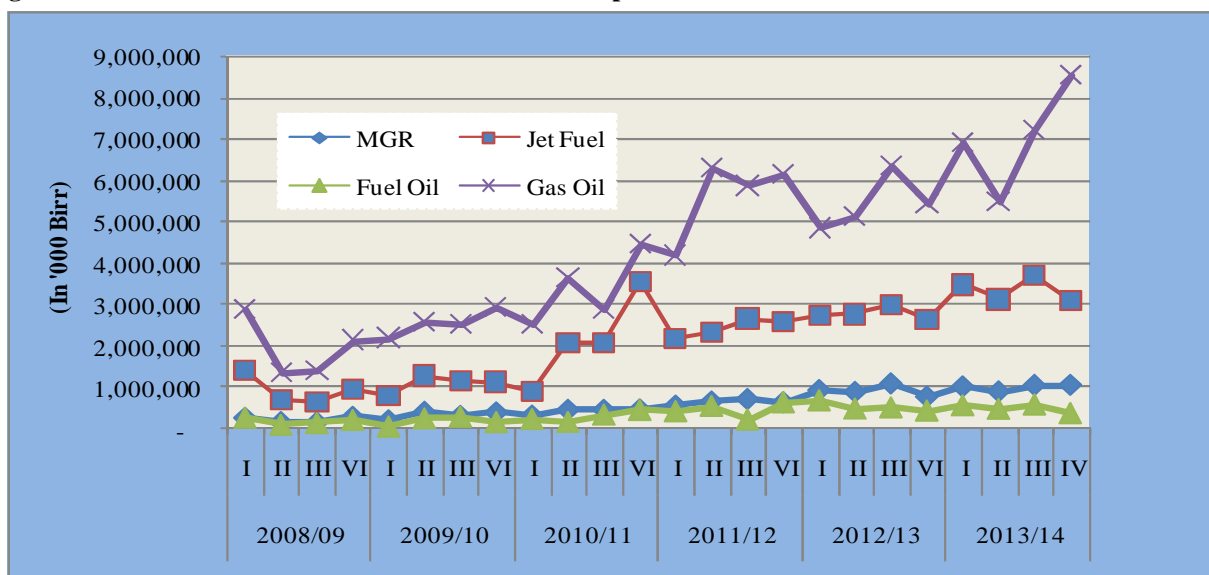
Table 2.2: Value of Petroleum Products Imported

(In '000 Birr)

Petroleum Products	2012/13		2013/14				Percentage Change	
	Qtr IV		Qtr III		Qtr IV			
	A	Share (In %)	B	Share (In %)	C	Share (In %)	C/A	C/B
Regular Gasoline (MGR)	779,222.1	8.4	1,057,453.2	8.4	1,058,232.8	8.1	35.8	0.1
Jet Fuel	2,639,482.4	28.4	3,699,359.1	29.4	3,093,370.9	23.7	17.2	-16.4
Fuel Oil	432,271.2	4.7	576,918.4	4.6	371,655.1	2.8	-14.0	-35.6
Gas Oil (ADO)	5,433,686.5	58.5	7,231,284.6	57.6	8,548,029.2	65.4	57.3	18.2
Total	9,284,662.1	100.0	12,565,015.4	100.0	13,071,288.0	100.0	40.8	4.0

Source: Ethiopian Petroleum Enterprise

Fig II.2: Trends in the Value of Petroleum Products Imported



Source: Ethiopian Petroleum Enterprise

In general, a 40.8 percent annual rise in the value of petroleum import during the period was attributed to 29.5 percent increase in volume and 3.5 percent in FOB price.

The increase in the average FOB price to USD 856.5 against the same period of last year was attributed to higher FOB prices of regular gasoline (5.7 percent), gas

oil(4.4 percent), and jet fuel (3.9 percent) despite (2 percent) fall in the FOB prices of fuel oil. Compared with the preceding quarter, however, the average FOB price of imported fuel showed a slight increment (0.6 percent) in spite of the decline in the FOB price of all types of petroleum products except for regular gasoline (Table 2.3).

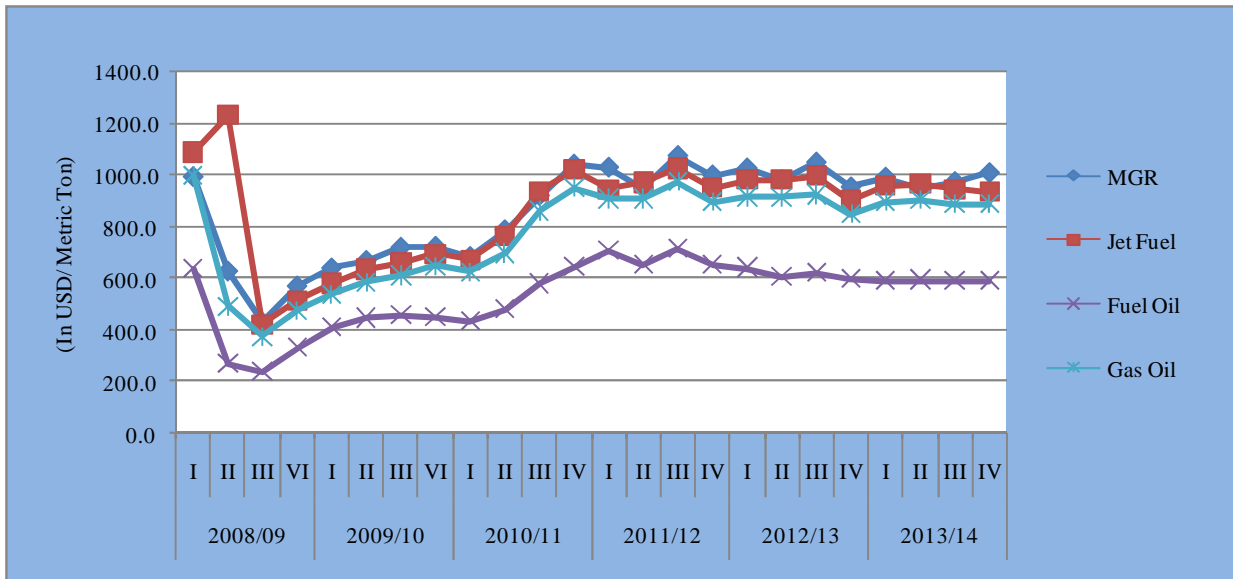
Table 2.3: FOB Price of Petroleum Products Imported

(In USD/ Metric Ton)

Petroleum Products	2012/13	2013/14		Percentage Change	
	Qtr IV	Qtr III	Qtr IV	C/A	C/B
	A	B	C		
Regular Gasoline (MGR)	956.2	976.6	1,011.2	5.7	3.5
Jet Fuel	901.7	945.9	936.4	3.9	-1.0
Fuel Oil	602.6	592.5	590.6	-2.0	-0.3
Gas Oil (ADO)	850.5	889.6	887.6	4.4	-0.2
Average	827.7	851.1	856.5	3.5	0.6

Source: Ethiopian Petroleum Enterprise

Fig II.3:Trends in the FOB Price of Imported Petroleum Products



Source: Ethiopian Petroleum Enterprise

During the fourth quarter of 2013/14, the average price of Brent crude oil, used as a point of reference for international oil price, stood at USD 109.8 per barrel; higher than USD 103.01 and USD 107.93 per barrel in the previous year same period and the preceding quarter, respectively.

Following the movements in the international oil prices and other domestic factors, domestic retail prices have been adjusted accordingly. The average retail price of fuel in Addis Ababa rose to Birr 18.83 per liter showing an average increment of 11.9percent on annual and 1.7 percent on quarterly terms (Table 2.4).

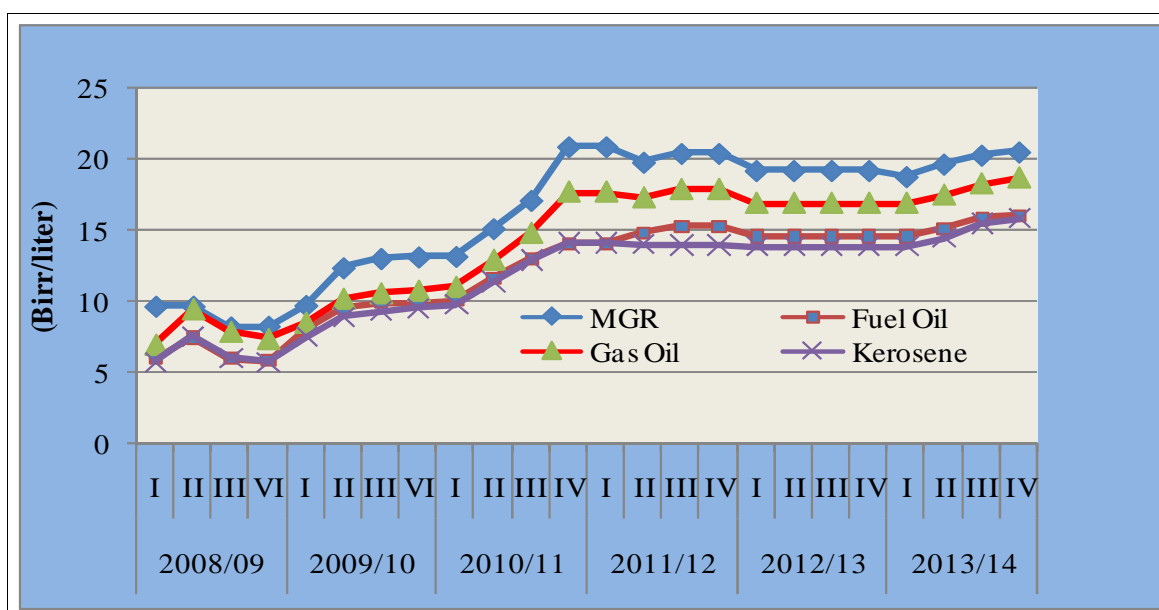
Table 2.4: Addis Ababa Average Retail Prices of Fuel

(Birr/Liter)

Petroleum Products	2012/13	2013/14		Percentage Change	
	Qtr IV	Qtr III	Qtr IV		
	A	B	C	C/A	C/B
Regular Gasoline (MGR)	18.78	20.30	20.50	9.3	1.1
Fuel Oil	14.59	15.81	16.04	9.9	1.4
Gas Oil (ADO)	16.91	18.28	18.70	10.6	2.3
Kerosene	13.85	15.50	15.83	14.3	2.2
Jet fuel	20.01	22.68	23.04	15.1	1.6
Average	16.83	18.51	18.83	11.9	1.7

Source: Ministry of Trade

Fig II.4:Trends of Addis Ababa Average Retail Prices



Source: Ministry of Trade

2.2. Electric Power Generation

The total electricity generated during the fourth quarter of 2013/14 reached 2.3 billion KWH; about 17.9 percent higher than last year same quarter and 3.6 percent over the preceding quarter in association with the rising demand for electricity as the economic growth remained resilient. The annual rise in electricity generation mainly originated from hydropower (16.1 percent), wind power (86.1 percent) and thermal power (50.8 percent). Of the total energy generated during the review period, about 96 percent was from hydropower and 3.9 percent from wind power. The remarkable annual growth in the generation of wind power was due to increased capacity of Ashegoda wind power station. On quarterly basis, however, the generation capacity from wind power dropped by 19.8 percent owing to low level of wind in the season.

On the other hand, electric power generation from thermal sources exhibited 50.8 percent increment over last year same period and 3.3 percent compared to the preceding quarter. During the period, there was no energy production from geothermal sources because the only power station of AlutoLangano was under repaired (Table 2.5).

In terms of system generation, about 99.9 percent of electricity produced during the fourth quarter of 2013/14 originated from Inter Connected System (ICS¹) while Self Contained System (SCS²) formed a negligible amount (1,904,313 KWH), out of 2.3 billion KWH (Table 2.6).

¹ Generates power by connecting to other systems
² Generates power independently

Table 2.5: Electricity Generation

(In '000 of K.W.H)

Power Source	2012/13		2013/14				Percentage Change	
	Qtr IV		Qtr III		Qtr IV			
	A	Share (in %)	B	Share (in %)	C	Share (in %)	C/A	C/B
Hydropower	1,863,717.8	97.5	2,065,112.6	94.9	2,164,223.7	96.0	16.1	4.8
Thermal Power	1,262.6	0.1	1,843.6	0.1	1,904.3	0.1	50.8	3.3
Geothermal	0.0	0.0	0.0	0.0	0.0	0.0	-	-
Wind	47,073.0	2.5	109,156.8	5.0	87,581.8	3.9	86.1	-19.8
Total	1,912,053.4	100.0	2,176,113.0	100.0	2,253,709.8	100.0	17.9	3.6

Source: Ethiopian Electric Power Corporation

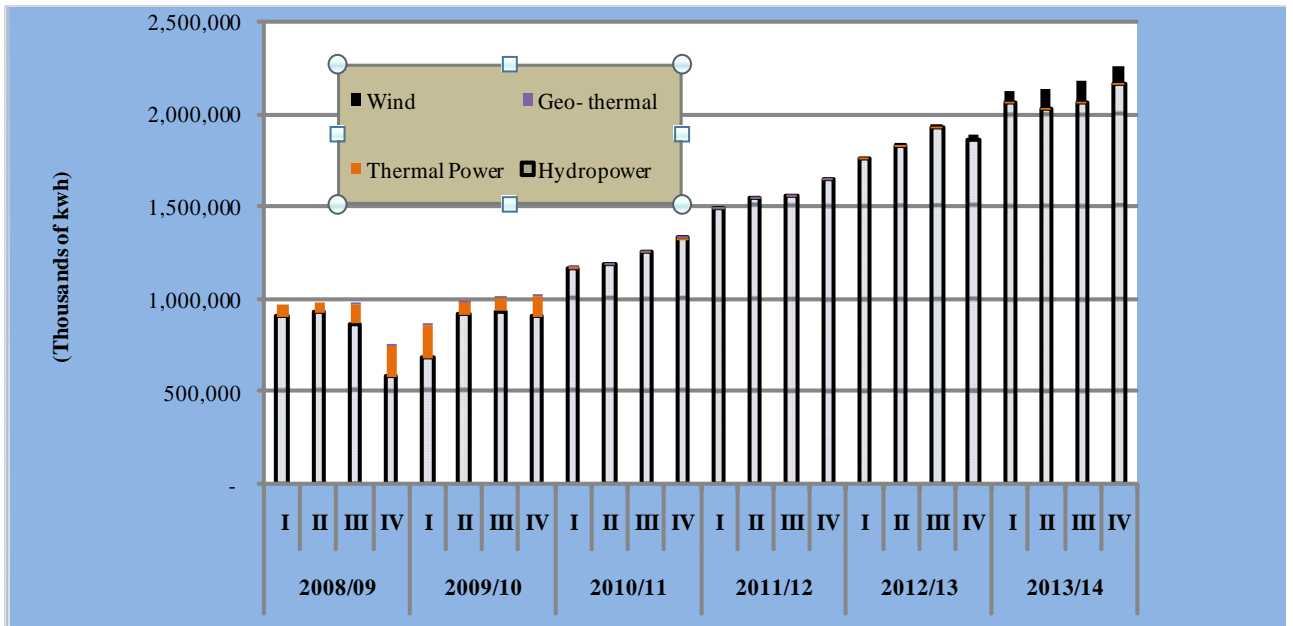
Table 2.6: Generation of Electricity Power in the Interconnected System (ICS) and Self Contained System (SCS)

(In '000 of K.W.H)

System of Power Supply	2012/13		2013/14				Percentage Change	
	Qtr IV		Qtr III		Qtr IV			
	A	Share (In %)	B	Share (In %)	C	Share (In %)	C/A	C/B
ICS								
Hydro Power	1,863,250.5	97.4	2,065,112.6	94.9	2,164,223.7	96.0	16.2	4.8
Thermal Power	-	-	-	-	-	-	-	-
Geothermal	-	-	-	-	-	-	-	-
Wind	47,073.0	2.5	109,156.8	5.0	87,581.8	3.9	86.1	-19.8
Sub-Total	1,910,323.6	99.9	2,174,269.4	99.9	2,251,805.5	99.9	17.9	3.6
SCS								
Hydro Power	467.2	0.0	-	-	-	-	-100.0	-
Thermal Power	1,262.6	0.1	1,843.6	0.1	1,904.3	0.1	50.8	3.3
Geothermal	-	-	-	-	-	-	-	-
wind	-	-	-	-	-	-	-	-
Sub-Total	1,729.9	0.1	1,843.6	0.1	1,904.3	0.1	10.1	3.3
Grand Total	1,912,053.4	100.0	2,176,113.0	100.0	2,253,709.8	100.0	17.9	3.6

Source: Ethiopian Electric Power Corporation

Fig II.5: Volume of Electricity Production by Type



Source: Ethiopian Electric Power Corporation