

## II. Energy Production and Processing

### 2.1 Import of Petroleum Products

During the first quarter of 2014/15, the total volume of petroleum products imported amounted to 623.9 thousands of metric tons, depicting 6.8 and 11.7 percent fall vis-à-vis the same quarter of last year and the preceding quarter, respectively. The yearly decline in the volume of import was attributed to the slowdown in the import of gas oil (7.4 percent), jet fuel (8.7 percent), regular gasoline (1.1 percent) and fuel oil (0.7 percent).

Of the total petroleum imports during the period, gas oil constituted 57.6 percent

share followed by jet fuel 27.1 percent, gasoline 8.4 percent and fuel oil 6.9 percent.

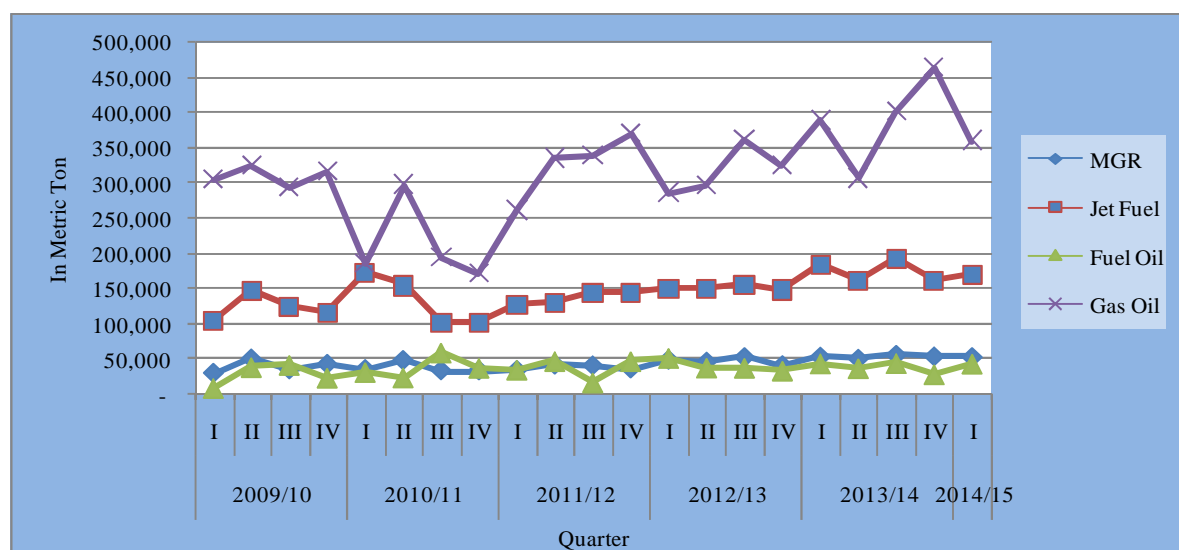
Similarly, the volume of petroleum products imported declined by 11.7 percent on quarterly basis because of 22.4 percent drop in imports of gas oil and regular gasoline (2.1 percent). Imports of fuel oil and jet fuel that constitute 34 percent of the total import during the period, however it tended to increase (Table 2.1).

**Table 2.1: Volume of Petroleum Products Imported**

(In Metric Ton)

Petroleum Products	2013/14				2014/15		Percentage Change	
	Qtr I		Qtr IV		Qtr I			
	A	Share (In %)	B	Share (In %)	C	Share (In %)	C/A	C/B
Regular Gasoline (MGR)	52,821.0	7.9	53,356.7	7.6	52,223.0	8.4	-1.1	-2.1
Jet Fuel	185,032.1	27.6	161,740.3	22.9	169,004.8	27.1	-8.7	4.5
Fuel Oil	43,486.4	6.5	28,037.6	4.0	43,174.9	6.9	-0.7	54.0
Gas Oil (ADO)	388,201.8	58.0	463,263.1	65.6	359,514.0	57.6	-7.4	-22.4
<b>Total</b>	<b>669,540.3</b>	<b>100.0</b>	<b>706,397.7</b>	<b>100.0</b>	<b>623,916.7</b>	<b>100.0</b>	<b>-6.8</b>	<b>-11.7</b>

**Source:** Ethiopian Petroleum Enterprise

**Fig.II.1: Trends in the Volume of Petroleum Products Imported**

**Source:** Ethiopian Petroleum Enterprise

The total import bill of petroleum products stood at Birr 11.1 billion showing a 7.1 percent annual decline owing to lower import value of all petroleum products

except for fuel oil which constitutes only 5 percent share. Similarly, the quarterly values of petroleum products imported went down by 14.9 percent (Table 2.2).

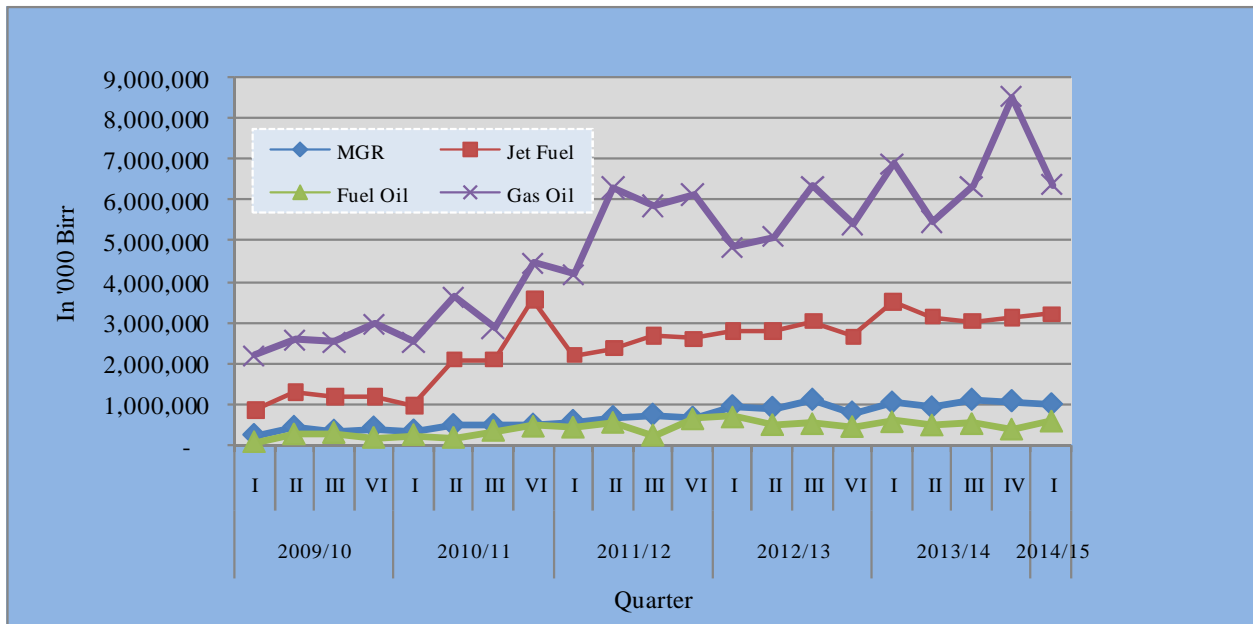
**Table 2.2: Value of Petroleum Products Imported**

(In '000Birr)

Petroleum Products	2013/14				2014/15		Percentage Change	
	Qtr I		Qtr IV		Qtr I		C/A	C/B
	A	Share (In %)	B	Share (In %)	C	Share (In %)		
Regular Gasoline (MGR)	1,022,857	8.5	1,058,233	8.1	980,533	8.8	-4.1	-7.3
Jet Fuel	3,489,406	29.1	3,093,371	23.7	3,192,513	28.7	-8.5	3.2
Fuel Oil	557,891	4.7	371,655	2.8	568,476	5.1	1.9	53.0
Gas Oil (ADO)	6,907,721	57.7	8,548,029	65.4	6,383,797	57.4	-7.6	-25.3
<b>Total</b>	<b>11,977,875</b>	<b>100.0</b>	<b>13,071,288</b>	<b>100.0</b>	<b>11,125,318</b>	<b>100.0</b>	<b>-7.1</b>	<b>-14.9</b>

**Source:** Ethiopian Petroleum Enterprise

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



**Source:** Ethiopian Petroleum Enterprise

In general, the 7.1 percent annual decline in the value of petroleum import during the period was attributed to the fall in the volume of import (6.8 percent) and average FOB price (5.1 percent).

The 5.1 percent decline in the average FOB price of petroleum products against the same period of last year was because

of the 6.7 percent fall in the FOB prices of gas oil, jet fuel (6.2 percent), regular gasoline (3.8 percent) and fuel oil (3.2 percent). In the meantime, the average FOB price of imported fuel showed a 4.6 percent decline compared with the preceding quarter (Table 2.3).

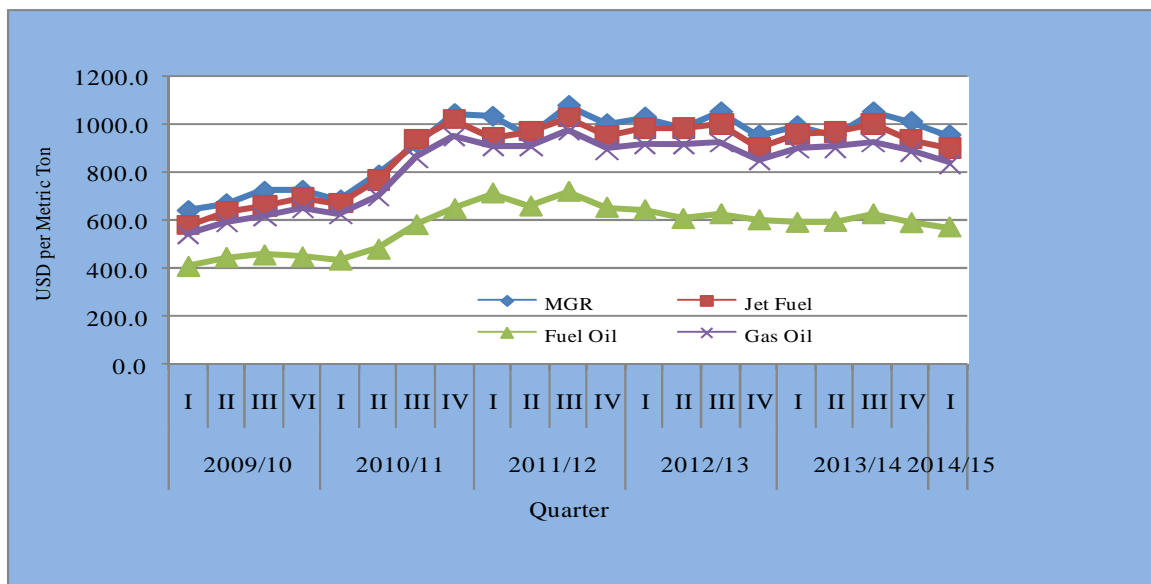
**Table 2.3: FOB Price of Petroleum Products Imported**

(In USD/ Metric Ton)

Petroleum Products	2013/14		2014/15	Percentage Change	
	Qtr I	Qtr IV	Qtr I	C/A	C/B
	A	B	C		
Regular Gasoline (MGR)	994.2	1,011.2	956.2	-3.8	-5.4
Jet Fuel	959.0	936.4	899.6	-6.2	-3.9
Fuel Oil	592.2	590.6	573.1	-3.2	-3.0
Gas Oil (ADO)	898.2	887.6	838.4	-6.7	-5.5
<b>Average</b>	<b>860.9</b>	<b>856.5</b>	<b>816.8</b>	<b>-5.1</b>	<b>-4.6</b>
<b>Brent crude oil (USD/barrel)*</b>	<b>110.1</b>	<b>109.8</b>	<b>102.1</b>	<b>7.3</b>	<b>7.0</b>

Source: Ethiopian Petroleum Enterprise

:\*Crude Oil (Petroleum); Dated Brent

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

Source: Ethiopian Petroleum Enterprise

During the first quarter of 2014/15, the average price of Brent crude oil, used as a point of reference for international oil price, declined by 7.3 percent and stood at USD 102.1 per barrel compared with

the USD 110.1 recorded in the previous year same period.

Following the movements in the level of international oil prices and other factors, domestic retail prices have been adjusted

accordingly. In the first quarter of 2014/15, the average retail price of fuel products in Addis Ababa went up by 12.7 percent to 18.97 Birr/liter from 16.83 Birr/liter in the same period of last

year. The retail prices also rose compared with the 18.83 Birr/liter registered in the preceding quarter (Table 2.4).

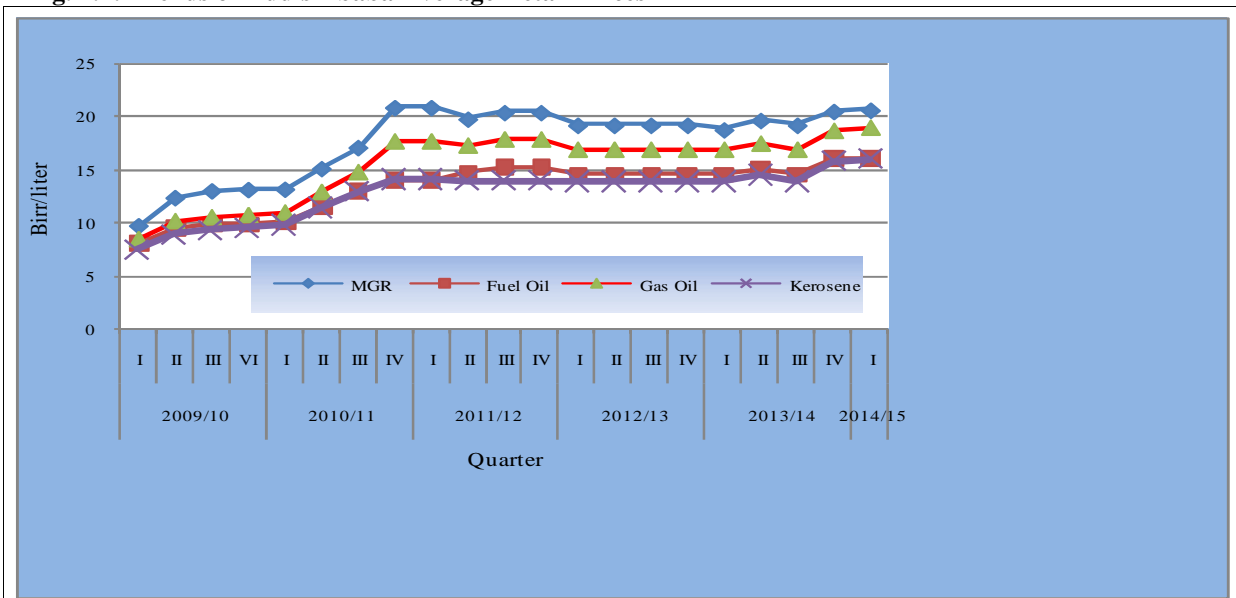
**Table 2.4: Addis Ababa Average Retail Prices of Fuel**

(Birr/Liter)

Petroleum Products	2013/14		2014/15	Percentage Change	
	Qtr I	Qtr IV	Qtr I	C/A	C/B
	A	B	C		
Regular Gasoline (MGR)	18.78	20.53	20.64	9.9	0.6
Fuel Oil	14.59	16.04	16.13	10.5	0.6
Gas Oil (ADO)	16.91	18.70	19.00	12.4	1.6
Kerosene	13.85	15.83	16.00	15.5	1.1
Jet fuel	20.01	23.04	23.09	15.4	0.2
<b>Average</b>	<b>16.83</b>	<b>18.83</b>	<b>18.97</b>	<b>12.7</b>	<b>0.8</b>

**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 first quarter of 2014/15 reached 1.6 billion KWH; about 26.2 and 30.5 percent lower than the same period of last year and the preceding quarter, respectively. The year-on-year decline in electric power generated was solely due to 27.3 percent fall in hydropower; while the quarterly decline was attributed to hydropower (30.6 percent), wind power (27.4 percent) and thermal power (26.5 percent). The problem faced in the sub-stations and transmission lines was the main reason for the decline of power generation during the quarter.

Of the total power generated during the review period, about 95.9 percent was produced by hydropower, 4.06 percent by wind power and 0.09 percent (1.4 million KWH) by thermal power. There was no energy production from geothermal sources during the period since the only power station at Aluto Langano was under repair. (Table 2.5)

By system generation, about 99.9 percent of electric power was produced from Inter Connected System (ICS<sup>1</sup>) while Self Contained System (SCS<sup>2</sup>) formed a negligible amount of power (1.4 million KWH, version 1.6 billion KWH electric energy generated) (Table 2.6).

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<sup>1</sup> Generates power by connecting to other systems  
<sup>2</sup> Generates power independently

**Table 2.5: Electricity Generation**

(In '000 of K.W.H)

Power Source	2013/14				2014/15		Percentage Change	
	Qtr I	Share (in %)	Qtr IV	Share (in %)	Qtr I	Share (in %)	C/A	C/B
	A		B		C			
Hydropower	2,066,899.4	97.3	2,164,223.7	96.0	1,502,337.9	95.9	-27.3	-30.6
Thermal Power	866.2	0.0	1,904.3	0.1	1,399.6	0.1	61.6	-26.5
Geothermal		0.0	-	0.0	-	-	0.0	0.0
wind	56,673.1	2.7	87,581.8	3.9	63,617.3	4.1	12.3	-27.4
<b>Total</b>	<b>2,124,438.7</b>	<b>100.0</b>	<b>2,253,709.8</b>	<b>100.0</b>	<b>1,567,354.8</b>	<b>100.0</b>	<b>-26.2</b>	<b>-30.5</b>

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	2013/14				2014/15		Percentage Change	
	Qtr I	Share (in %)	Qtr IV	Share (in %)	Qtr I	Share (in %)	C/A	C/B
	A		B		C			
<b>ICS</b>								
Hydro Power	2,066,819.8	97.3	2,164,223.7	96.0	1,502,337.9	95.9	-27.31	-30.58
Thermal Power		0.0		0.0	-	-		
Geothermal		0.0		0.0	-	-		
Wind	56,673.1	2.7	87,581.8	3.9	63,617.3	4.1	12.25	-27.36
<b>Sub-Total</b>	<b>2,123,492.9</b>	<b>100.0</b>	<b>2,251,805.5</b>	<b>99.9</b>	<b>1,565,955.2</b>	<b>99.9</b>	<b>-26.26</b>	<b>-30.46</b>
<b>SCS</b>						-		
Hydro Power	79.6	0.0		0.0	-	-	-	
Thermal Power	866.2	0.0	1,904.3	0.1	1,399.6	0.1	61.59	-26.50
Geothermal		0.0		0.0	-	-		
wind		0.0		0.0	-	-		
<b>Sub-Total</b>	<b>945.8</b>	<b>0.0</b>	<b>1,904.3</b>	<b>0.1</b>	<b>1,399.6</b>	<b>0.1</b>	<b>47.98</b>	<b>-26.50</b>
<b>Grand Total</b>	<b>2,124,438.7</b>	<b>100.0</b>	<b>2,253,709.81</b>	<b>100.0</b>	<b>1,567,354.8</b>	<b>100.0</b>	<b>-26.22</b>	<b>-30.45</b>

Source: Ethiopian Electric Power Corporation

**Fig.II.5: Volume of Electricity Production by Type**

