

## II. Energy Production and Processing

### 2.1 Import of Petroleum Products

Total volume of petroleum products imported during the third quarter of 2014/15 amounted to 685 thousands of metric tons, depicting a 1.1 and 3.1 percent decline vis-à-vis the same quarter of last year and the preceding quarter, respectively due to reduction in the volume of petroleum imports of gas oil and fuel oil 7.8

and 3.0 percent, respectively despite a rise in regular gasoline and jet fuel. Gas oil constituted 54 percent of the total petroleum imports followed by jet fuel (30.3 percent), gasoline (9.5 percent) and fuel oil (6.2 percent). (Table 2.1)

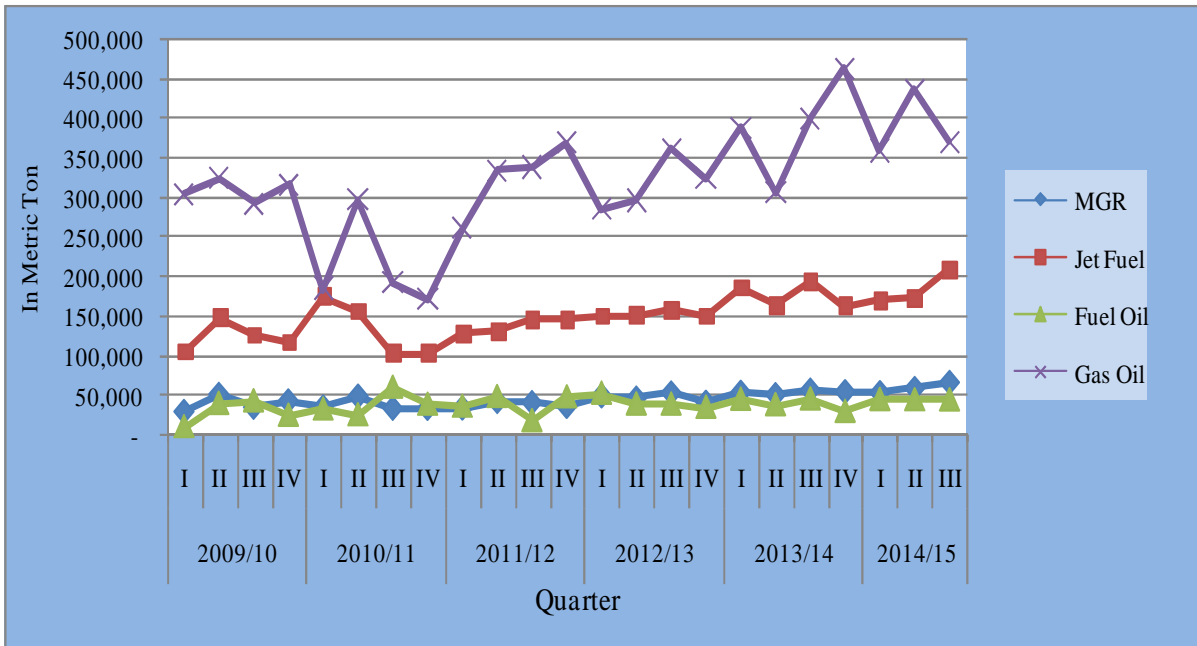
**Table 2.1: Volume of Petroleum Products Imported**

(In Metric Ton)

Petroleum Products	2013/14		2014/15				Percentage Change	
	Qtr III		Qtr II		Qtr III			
	A	Share (In %)	B	Share (In %)	C	Share (In %)	C/A	C/B
Regular Gasoline (MGR)	55,536.1	8.0	57,561.0	8.1	64,895.0	9.5	16.9	12.7
Jet Fuel	192,607.7	27.8	171,011.2	24.2	207,909.1	30.3	7.9	21.6
Fuel Oil	43,928.5	6.3	42,829.3	6.1	42,621.7	6.2	-3.0	-0.5
Gas Oil (ADO)	400,794.6	57.8	435,565.0	61.6	369,681.0	54.0	-7.8	-15.1
<b>Total</b>	<b>692,867.0</b>	<b>100.0</b>	<b>706,966.5</b>	<b>100.0</b>	<b>685,106.8</b>	<b>100.0</b>	<b>-1.1</b>	<b>-3.1</b>

**Source:** Ethiopian Petroleum Enterprise

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



**Source:** Ethiopian Petroleum Enterprise

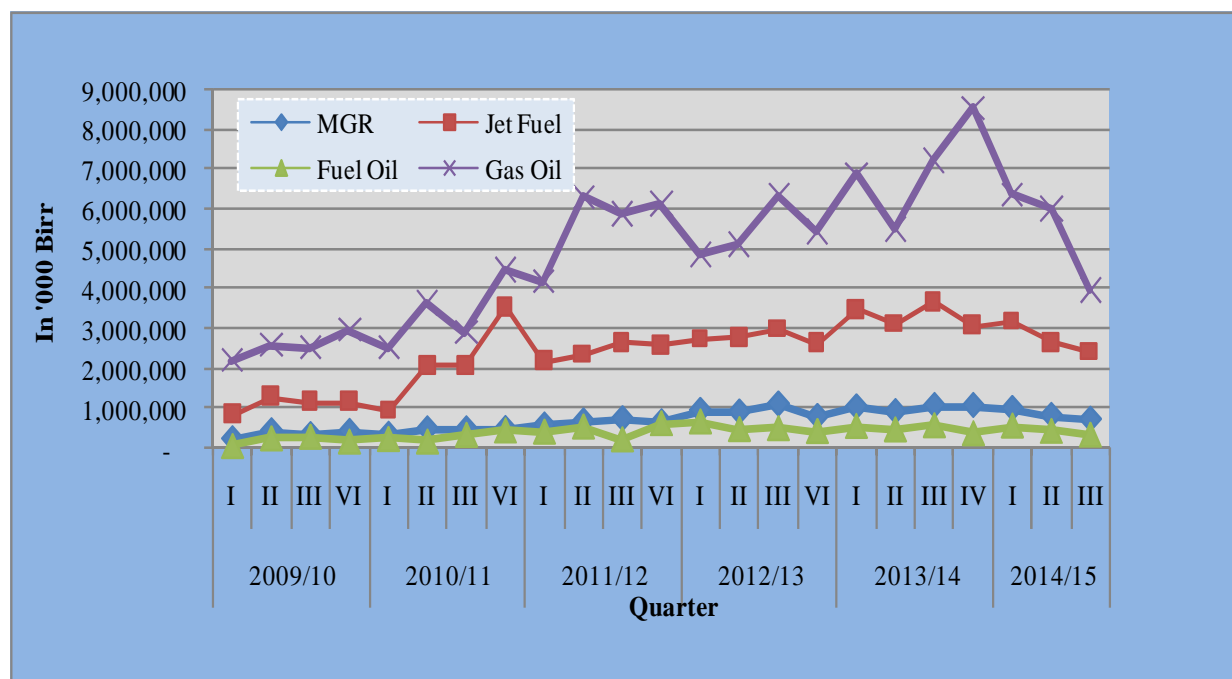
Correspondingly, the total import bill of petroleum products was Birr 7.4 billion showing a 40.9 percent annual and 25.2 percent quarterly reduction due to a dramatic fall in international price and marginal reduction in the volume of import. The remarkable fall in the value of petroleum products on yearly basis was attributed to the slowdown in the value of gas

oil (45.2 percent), fuel oil (41.5 percent), jet fuel (34.6 percent) and regular gasoline (32.8 percent). Compared with the previous quarter, the largest reduction emanated from gas oil (34.2 percent) followed by fuel oil (22.3 percent) and regular gasoline (12.1 percent). (Table 2.2)

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

(In '000Birr)

Petroleum Products	2013/14		2014/15				Percentage Change	
	Qtr III		Qtr II		Qtr III			
	A	Share (In %)	B	Share (In %)	C	Share (In %)	C/A	C/B
Regular Gasoline (MGR)	1,057,453.2	8.4	808,567.2	8.1	710,462.3	9.6	-32.8	-12.1
Jet Fuel	3,699,359.1	29.4	2,671,981.9	26.9	2,419,104.3	32.6	-34.6	-9.5
Fuel Oil	576,918.4	4.6	434,129.3	4.4	337,491.7	4.5	-41.5	-22.3
Gas Oil (ADO)	7,231,284.6	57.6	6,024,809.2	60.6	3,963,886.3	53.3	-45.2	-34.2
<b>Total</b>	<b>12,565,015.4</b>	<b>100.0</b>	<b>9,939,487.7</b>	<b>100.0</b>	<b>7,430,944.6</b>	<b>100.0</b>	<b>-40.9</b>	<b>-25.2</b>

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

The 45.6 percent decline in the average FOB price of petroleum products against the same quarter of last year was because of the lower FOB prices of all types of petroleum products; fuel oil (50.3

percent), gas oil (45.6 percent), jet fuel (44.3 percent), and regular gasoline (44.1 percent). (Table 2.3)

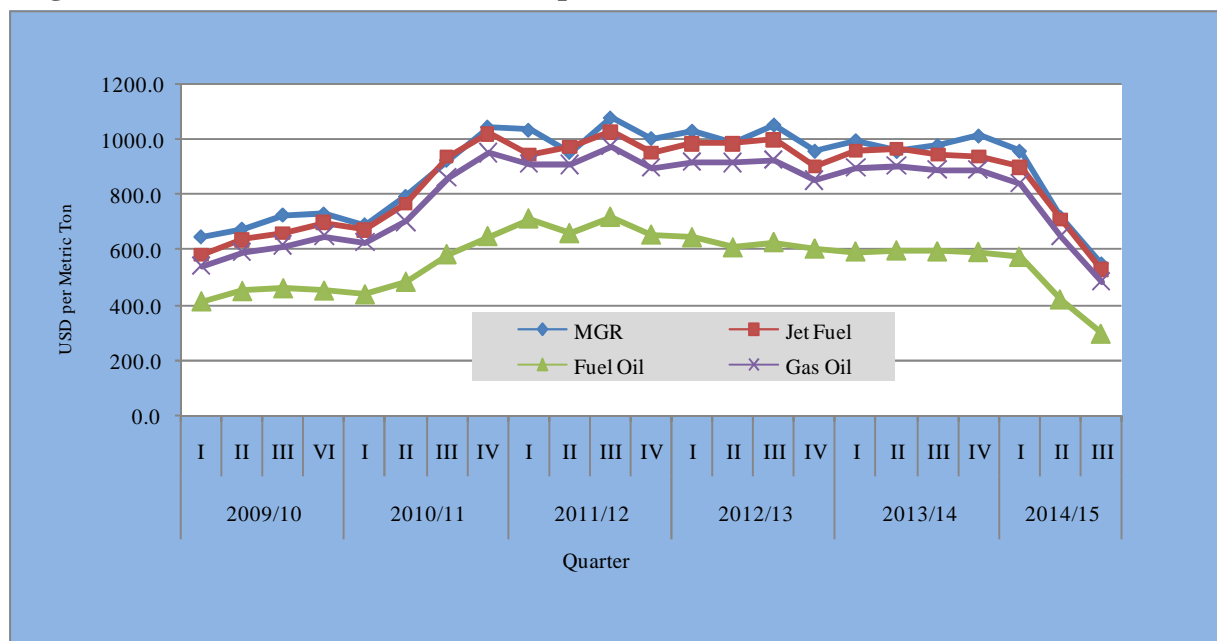
**Table 2.3: FOB Price of Petroleum Products Imported**

(In USD/ Metric Ton)

Petroleum Products	2013/14	2014/15		Percentage Change	
	Qtr III	Qtr. II	Qtr III	C/A	C/B
	A	B	C		
Regular Gasoline (MGR)	976.6	715.7	545.9	-44.1	-23.7
Jet Fuel	945.9	709.7	526.6	-44.3	-25.8
Fuel Oil	592.5	418.7	294.3	-50.3	-29.7
Gas Oil (ADO)	889.6	648.7	484.2	-45.6	-25.4
<b>Average</b>	<b>851.1</b>	<b>623.2</b>	<b>462.7</b>	<b>-45.6</b>	<b>-25.7</b>
<b>Brent crude oil (USD/barrel)</b>	107.9	76.0	54.0	-49.9	-28.8

Source: Ethiopian Petroleum Enterprise

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



Source: Ethiopian Petroleum Enterprise

During the third quarter of 2014/15, the average price of Brent crude oil, used as a point of reference for international oil price, declined by 49.9 percent and reached USD 54 per barrel compared with the USD 107.9 a year ago (Table 2.3).

In accordance with the movements in the level of international oil prices and other factors, domestic retail prices have also been adjusted down wards.

Hence, in the review quarter, the average retail price of fuel products in Addis Ababa dropped by 14.9 percent to 15.76 Birr/liter from 18.51 Birr/liter in the same quarter of last year. Similarly, the retail prices fell by 12.4 percent compared with the 18.00 Birr/liter registered in the preceding quarter (Table 2.4).

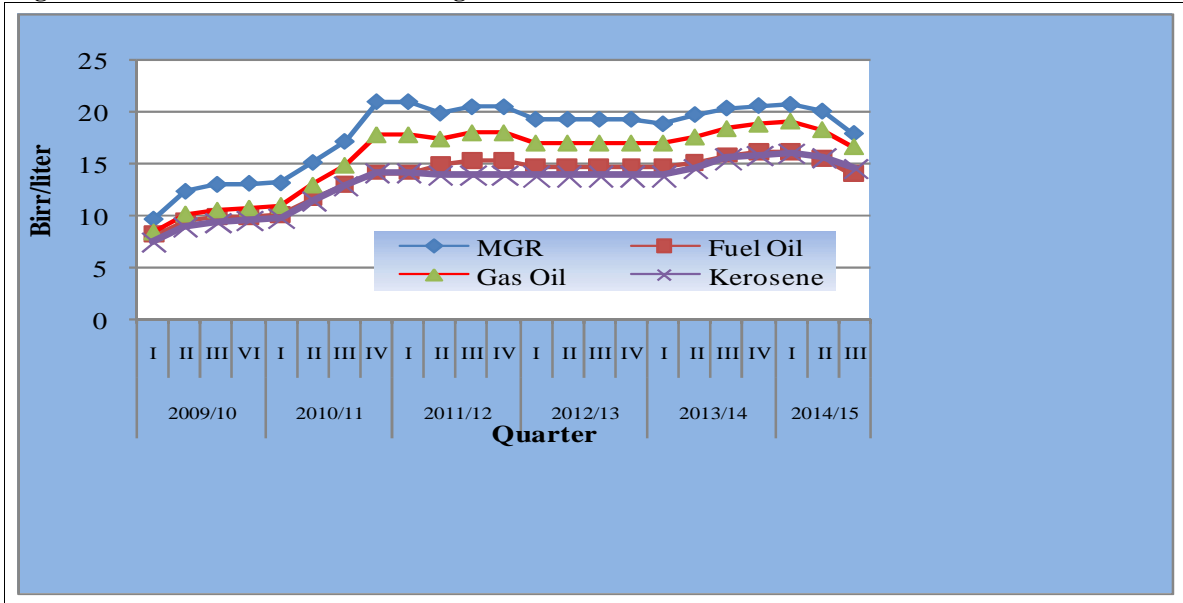
**Table 2.4: Addis Ababa Average Retail Prices of Fuel**

(Birr/Liter)

Petroleum Products	2013/14	2014/15		Percentage Change	
	Qtr III	Qtr II	Qtr III	C/A	C/B
	A	B	C		
Regular Gasoline (MGR)	20.30	20.0	17.9	-12.0	-10.7
Fuel Oil	15.81	15.42	13.94	-11.8	-9.6
Gas Oil (ADO)	18.28	18.19	16.56	-9.4	-9.0
Kerosene	15.50	15.63	14.55	-6.1	-6.9
Jet fuel	22.68	20.75	15.88	-30.0	-23.5
<b>Average</b>	<b>18.51</b>	<b>18.00</b>	<b>15.76</b>	<b>-14.9</b>	<b>-12.4</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 third quarter of 2014/15 reached 2.4 billion KWH; about 12.3 percent higher than last year same quarter on account of a massive improvement in wind power (57.2 percent) and hydropower (10 percent) despite 66.6 percent fall in thermal power.

On the other hand, the huge surge in wind power is attributed to an increase in the capacity of the newly operational Adama II wind power, besides the rise in the performance of the existing stations.

Of the total power generated during the review period, about 93 percent was produced by hydropower, 7 percent by wind power and a negligible amount (615 thousand KWH) by thermal power. There was no energy production from geothermal sources during the review period (Table 2.5)

By system generation, approximately 100 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 (615 thousand KWH of thermal source) (Table 2.6).

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

<sup>2</sup> Generates power independently

National Bank of Ethiopia Quarterly Bulletin

**Table 2.5: Electricity Generation by Sources**

(In '000 of K.W.H)

Power Source	2013/14		2014/15				Percentage Change	
	Qtr III	Share (in %)	Qtr II	Share (in %)	Qtr III	Share (in %)	C/A	C/B
	A		B		C			
Hydropower	2,065,112.6	94.9	2,956,677.5	95.7	2,270,974.4	93.0	10.0	-23.2
Thermal Power	1,843.6	0.1	870.0	0.0	615.7	0.0	-66.6	-29.2
Geothermal		-	-	-	-	-		
wind	109,156.8	5.0	132,223.6	4.3	171,611.4	7.0	57.2	29.8
<b>Total</b>	<b>2,176,113.0</b>	<b>100.0</b>	<b>3,089,771.1</b>	<b>100.0</b>	<b>2,443,201.5</b>	<b>100.0</b>	<b>12.3</b>	<b>-20.9</b>

Source: Ethiopian Electric Power

**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 III	Share (In %)	Qtr II	Share (In %)	Qtr III	Share (In %)	C/A	C/B
	A		B		C			
<b>ICS</b>								
Hydro Power	2,065,112.6	94.9	2,956,677.5	95.7	2,270,974.4	93.0	10.0	-23.2
Thermal Power		-	252.2	0.0	-	-		
Geothermal		-	-	-	-	-		
Wind	109,156.8	5.0	132,223.6	4.3	171,611.4	7.0	57.2	29.8
<b>Sub-Total</b>	<b>2,174,269.4</b>	<b>99.9</b>	<b>3,089,153.3</b>	<b>100.0</b>	<b>2,442,585.8</b>	<b>100.0</b>	<b>12.3</b>	<b>-20.9</b>
<b>SCS*</b>		-		-		-		
Hydro Power	-	-	-	-	-	-	0.0	0.0
Thermal Power	1,843.6	0.1	617.8	0.0	615.7	0.0	-66.6	-0.3
Geothermal		-	-	-	-	-		
wind		-	-	-	-	-		
<b>Sub-Total</b>	<b>1,843.6</b>	<b>0.1</b>	<b>617.8</b>	<b>0.0</b>	<b>615.7</b>	<b>0.0</b>	<b>-66.6</b>	<b>-0.3</b>
<b>Grand Total</b>	<b>2,176,113.0</b>	<b>100.0</b>	<b>3,089,771.1</b>	<b>100.0</b>	<b>2,443,201.5</b>	<b>100.0</b>	<b>12.3</b>	<b>-20.9</b>

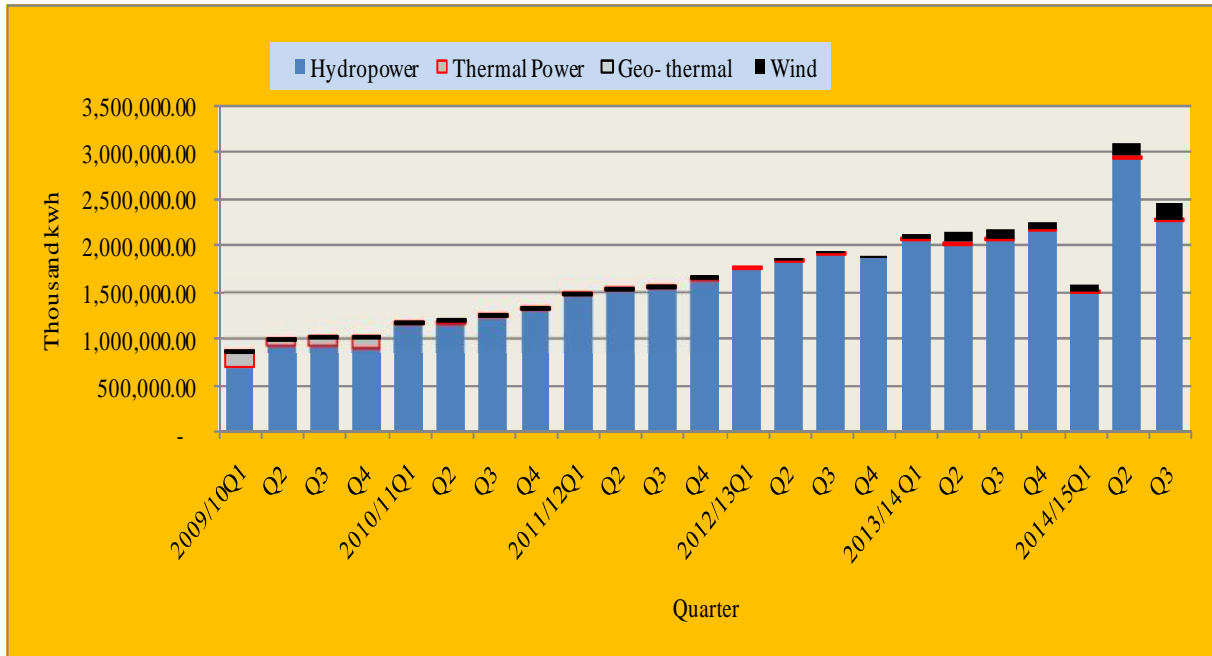
Source: Ethiopian Electric Power

\*SCS includes estimated value

Third Quarter 2014/15



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



**Source:** Ethiopian Electric Power