

## II. Energy Production and Processing

### 2.1 Import of Petroleum Products

During the fourth quarter of 2014/15, the total volume of petroleum products imported amounted to 806.1 thousands of metric tons, depicting 14.1 and 17.7 percent increment vis-à-vis the same quarter of last year and the preceding quarter, respectively. The yearly rise in the volume of import was attributed to higher import bill for fuel oil (41.5 percent), regular gasoline (18.2 percent), gas oil (16.2 percent) and jet fuel (1.9 percent).

Of the total petroleum imports during the period, gas oil constituted 66.8 percent share followed by jet fuel (20.4 percent), regular gasoline (7.8 percent) and fuel oil (4.9 percent).

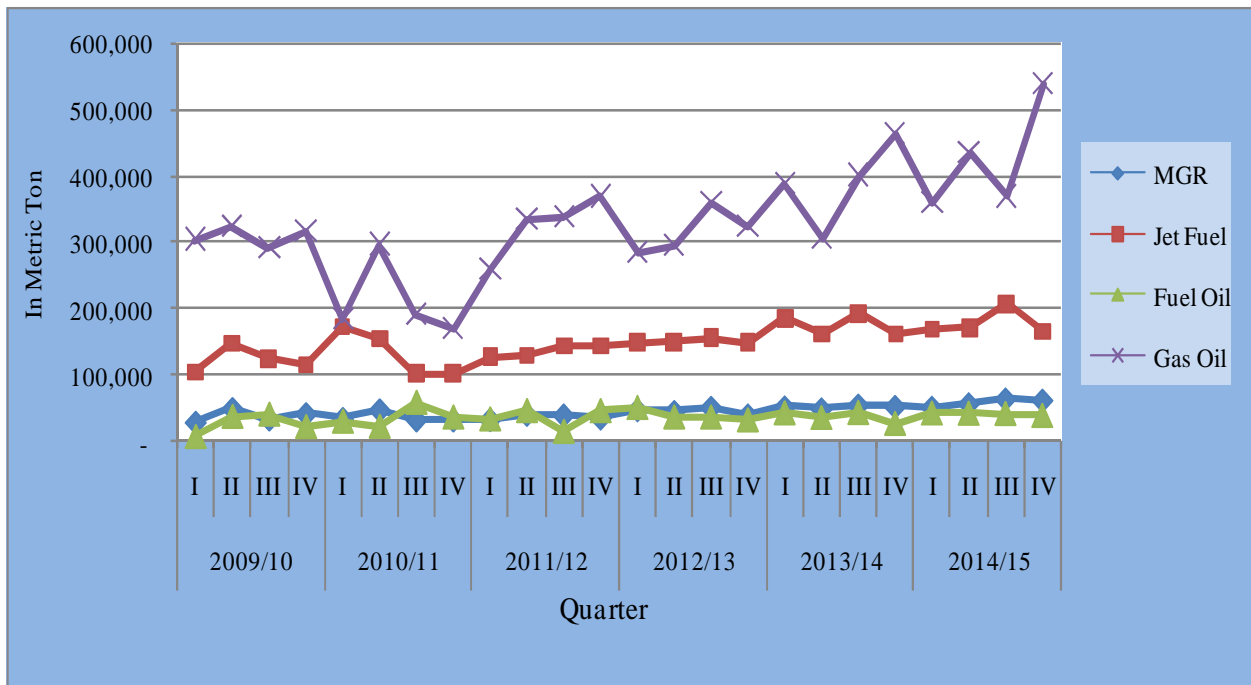
Similarly, the volume of petroleum products imported went up by 17.7 percent over the previous quarter, owing to the rise in the import of gas oil (45.7 percent) which outweighed the reduction of other types of petroleum products such as jet fuel (20.7 percent), fuel oil (6.9 percent) and regular gasoline (2.8 percent) (Table 2.1).

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

(In Metric Ton)

Petroleum Products	2013/14		2014/15				Percentage Change	
	Qtr IV		Qtr III		Qtr IV		C/A	C/B
	A	Share (In %)	B	Share (In %)	C	Share (In %)		
Regular Gasoline (MGR)	53,356.7	7.6	64,895.0	9.5	63,065.0	7.8	18.2	-2.8
Jet Fuel	161,740.3	22.9	207,909.1	30.3	164,822.9	20.4	1.9	-20.7
Fuel Oil	28,037.6	4.0	42,621.7	6.2	39,679.7	4.9	41.5	-6.9
Gas Oil (ADO)	463,263.1	65.6	369,681.0	54.0	538,500.8	66.8	16.2	45.7
<b>Total</b>	<b>706,397.7</b>	<b>100.0</b>	<b>685,106.8</b>	<b>100.0</b>	<b>806,068.3</b>	<b>100.0</b>	<b>14.1</b>	<b>17.7</b>

**Source:** Ethiopian Petroleum Enterprise

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

**Source:** Ethiopian Petroleum Enterprise

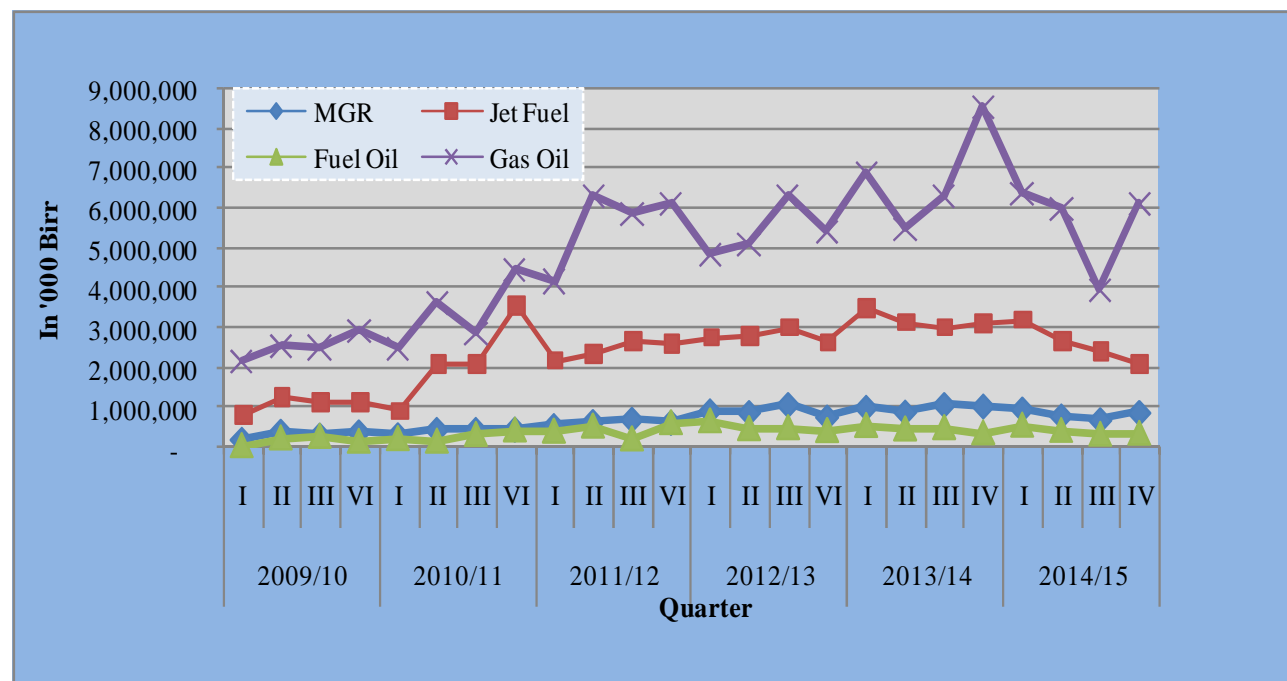
The total import bill of petroleum reached Birr 9.5 billion, showing a 27.4 percent annual decline and a 27.7 percent increase on quarterly basis. The annual reduction resulted from a dramatic fall in the international oil price, while quarterly increment emanated from an increase in the volume and price of petroleum imported. As compared with last year same quarter, the

values of jet fuel and gas oil registered a 32.2 and 28.2 percent decline, respectively. Compared with the previous quarter, gas oil registered a 54.8 percent increase followed by regular gasoline (25.8 percent) and fuel oil (7.3 percent); though, jet fuel contracted by 13.3 percent (Table 2.2).

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

(In '000 Birr)

Petroleum Products	2013/14		2014/15				Percentage Change	
	Qtr IV		Qtr III		Qtr IV			
	A	Share (In %)	B	Share (In %)	C	Share (In %)	C/A	C/B
Regular Gasoline (MGR)	1,058,232.8	8.1	710,462.3	9.6	893,676.0	9.4	-15.6	25.8
Jet Fuel	3,093,370.9	23.7	2,419,104.3	32.6	2,097,465.4	22.1	-32.2	-13.3
Fuel Oil	371,655.1	2.8	337,491.7	4.5	362,053.7	3.8	-2.6	7.3
Gas Oil (ADO)	8,548,029.2	65.4	3,963,886.3	53.3	6,135,301.8	64.7	-28.2	54.8
<b>Total</b>	<b>13,071,288.0</b>	<b>100.0</b>	<b>7,430,944.6</b>	<b>100.0</b>	<b>9,488,496.8</b>	<b>100.0</b>	<b>-27.4</b>	<b>27.7</b>

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

The 38.2 percent down turn in the average FOB price of petroleum products against the same quarter of last year was due to of the fall in the FOB prices of all types of petroleum products;

fuel oil (41.2 percent), gas oil (40 percent), jet fuel (38.9 percent), and regular gasoline (34.2 percent).

On the contrary, the average FOB price of fuel showed a 14.4 percent rise over the

preceding quarter owing to the rise in all types of petroleum products (Table 2.3).

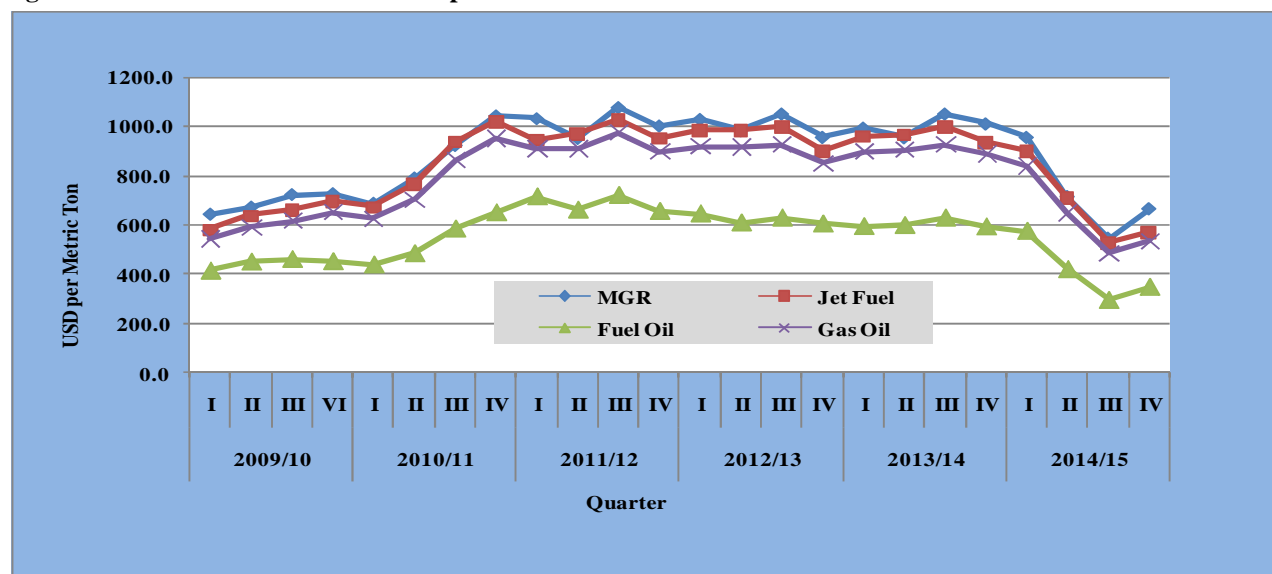
**Table 2.3: FOB Price of Petroleum Products Imported**

(In USD/ Metric Ton)

Petroleum Products	2013/14	2014/15		Percentage Change	
	Qtr IV	Qtr. III	Qtr IV	C/A	C/B
	A	B	C		
Regular Gasoline (MGR)	1011.2	545.9	665.7	-34.2	21.9
Jet Fuel	936.4	526.6	572.1	-38.9	8.6
Fuel Oil	590.6	294.3	347.2	-41.2	18.0
Gas Oil (ADO)	887.6	484.2	532.6	-40.0	10.0
<b>Average</b>	<b>856.5</b>	<b>462.7</b>	<b>529.4</b>	<b>-38.2</b>	<b>14.4</b>
<b>Brent Crude Oil (USD/Barrel)</b>	109.8	54.0	62.1	-43.4	14.9

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 2014/15, the average price of Brent crude oil, used as a point of reference for international oil price, declined by 43.4 percent and reached

USD 62.1 per barrel compared with the USD 109.8 recorded a year ago. In contrast, the average price of Brent oil showed a 14.9

percent increase compared with the previous quarter (Table 2.3).

In line with the movements in the level of international oil prices and other factors, domestic retail prices have been adjusted accordingly. In the review quarter, the average retail price of fuel products in Addis Ababa were reduced by 18.1 percent to 15.43 Birr/liter from 18.83 Birr/liter in the same quarter of last year following reduction of fuel price in international market. Similarly, the retail prices fell by 2.1 compared with the 15.76 Birr/liter registered in the preceding quarter percent (Table 2.4).

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

(Birr/Liter)

Petroleum Products	2013/14	2014/15		Percentage Change	
	Qtr IV	Qtr III	Qtr IV		
	A	B	C	C/A	C/B
Regular Gasoline (MGR)	20.53	17.86	17.43	-15.1	-2.4
Fuel Oil	16.04	13.94	13.59	-15.2	-2.5
Gas Oil (ADO)	18.70	16.56	16.10	-13.9	-2.8
Kerosene	15.83	14.55	14.13	-10.8	-2.9
Jet fuel	23.04	15.88	15.89	-31.0	0.1
<b>Average</b>	<b>18.83</b>	<b>15.76</b>	<b>15.43</b>	<b>-18.1</b>	<b>-2.1</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 fourth quarter of 2014/15 reached 2.3 billion KWH; registering 3.5 percent growth over the same quarter of last year. The year-on-year increase in electric power generation was due to an improvement in thermal power (129.4 percent), wind power (48.7 percent) and hydropower (1.6 percent).

Of the total energy generated during the review period, about 94.2 percent was produced by hydropower, 5.6 percent by wind power and 0.2 percent by thermal power. There was no energy production from geothermal sources during the review period (Table 2.5)

By system generation, around 99.9 percent of electric power was produced through Inter Connected System (ICS<sup>1</sup>) while Self Contained System (SCS<sup>2</sup>) formed the remaining 0.1 percentage share (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 by Sources**

(In '000 of K.W.H)

Power Source	2013/14		2014/15				Percentage Change	
	Qtr IV		Qtr III		Qtr IV			
	A	Share (in %)	B	Share (in %)	C	Share (in %)	C/A	C/B
Hydropower	2,164,223.7	96.0	2,270,974.4	93.0	2,198,682.6	94.2	1.6	-3.2
Thermal Power	1,904.3	0.1	615.7	0.0	4,368.2	0.2	129.4	609.4
Geothermal	-	-	-	-	-	-		
wind	87,581.8	3.9	171,611.4	7.0	130,238.4	5.6	48.7	-24.1
<b>Total</b>	<b>2,253,709.8</b>	<b>100.0</b>	<b>2,443,201.5</b>	<b>100.0</b>	<b>2,333,289.3</b>	<b>100.0</b>	<b>3.5</b>	<b>-4.5</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 IV		Qtr III		Qtr IV			
	A	Share (In %)	B	Share (In %)	C	Share (In %)	C/A	C/B
<b>ICS</b>								
Hydro Power	2,164,223.7	96.0	2,270,974.4	93.0	2,198,682.6	94.2	1.6	-3.2
Thermal Power	-	-	-	-	3,023.9	0.1		
Geothermal	-	-	-	-	-	-		
Wind	87,581.8	3.9	171,611.4	7.0	130,238.4	5.6	48.7	-24.1
<b>Sub-Total</b>	<b>2,251,805.5</b>	<b>99.9</b>	<b>2,442,585.8</b>	<b>100.0</b>	<b>2,331,945.0</b>	<b>99.9</b>	<b>3.6</b>	<b>-4.5</b>
<b>SCS*</b>								
Hydro Power	-	-	-	-	-	-		
Thermal Power	1,904.3	0.1	615.7	0.0	1,344.3	0.1	-29.4	118.3
Geothermal	-	-	-	-	-	-		
wind	-	-	-	-	-	-		
<b>Sub-Total</b>	<b>1,904.3</b>	<b>0.1</b>	<b>615.7</b>	<b>0.0</b>	<b>1,344.3</b>	<b>0.1</b>	<b>-29.4</b>	<b>118.3</b>
<b>Grand Total</b>	<b>2,253,709.8</b>	<b>100.0</b>	<b>2,443,201.5</b>	<b>100.0</b>	<b>2,333,289.3</b>	<b>100.0</b>	<b>3.5</b>	<b>-4.5</b>

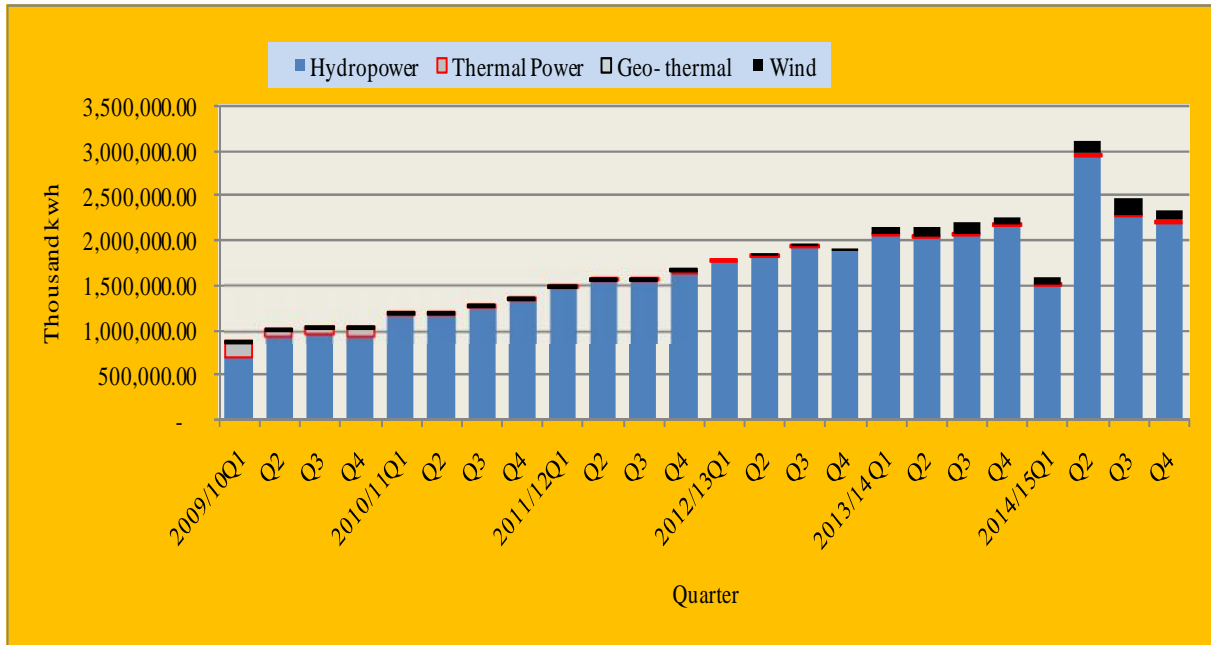
Source: Ethiopian Electric Power

\*scs includes estimated value

Fourth Quarter 2014/15



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



**Source:** Ethiopian Electric Power