

II. ENERGY PRODUCTION AND PROCESSING

2.1. Imported Petroleum Products

A total of 552,336.8 metric tones (MT) of petroleum products were imported into the country during the second quarter of 2011/12 which was 5.6 percent higher than last year. The yearly

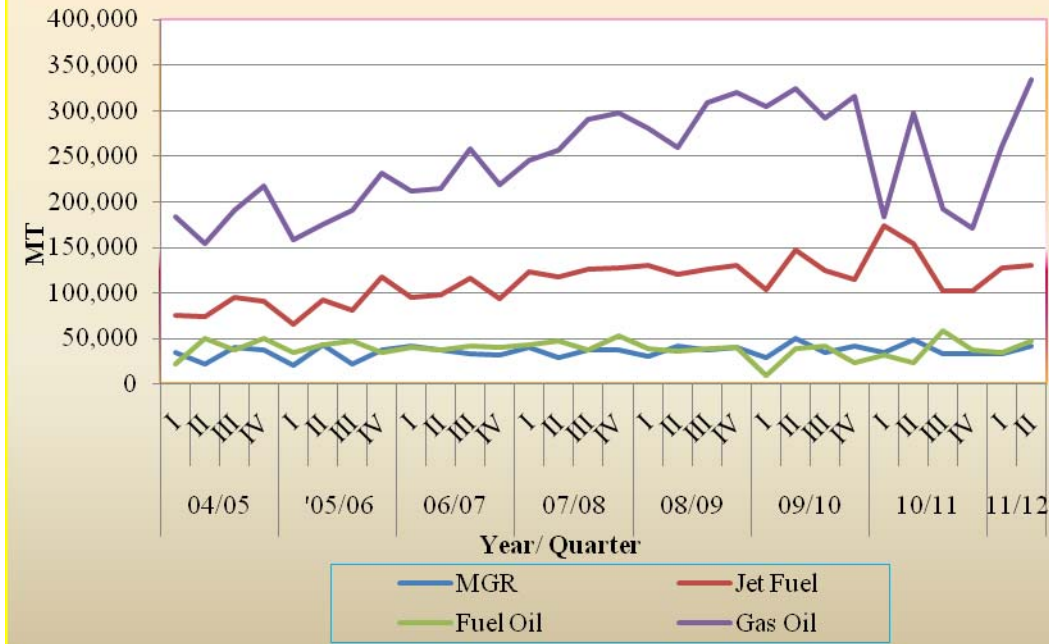
growth was attributed to surge in imports of gas oil, which constituted the largest share (60.5 percent) of total petroleum import, followed by Jet oil import (Table 2.1).

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

	2010/11		2011/12				Percentage Change	
	Qtr II		Qtr I		Qtr II			
	A	Share In %	B	Share In %	C	Share In %	C/A	C/B
Regular Gasoline (MGR)	48,048.3	9.3	33,381.2	7.3	41,496.3	7.5	-13.6	24.3
Jet Fuel	153,993.7	29.4	126,523.8	27.8	129,614.7	23.5	-15.8	2.4
Fuel Oil	23,734.3	4.5	34,684.5	7.6	46,905.1	8.5	97.63	35.2
Gas Oil (ADO)	297,309.2	56.8	260,608.1	57.3	334,320.7	60.5	12.5	28.3
Total	523,085.5	100	455,197.6	100	552,336.8	100	5.6	21.3

Source: EPE

Fig. II.1 Trends in Volume of Petroleum Products Imported into the country



Source: EPE

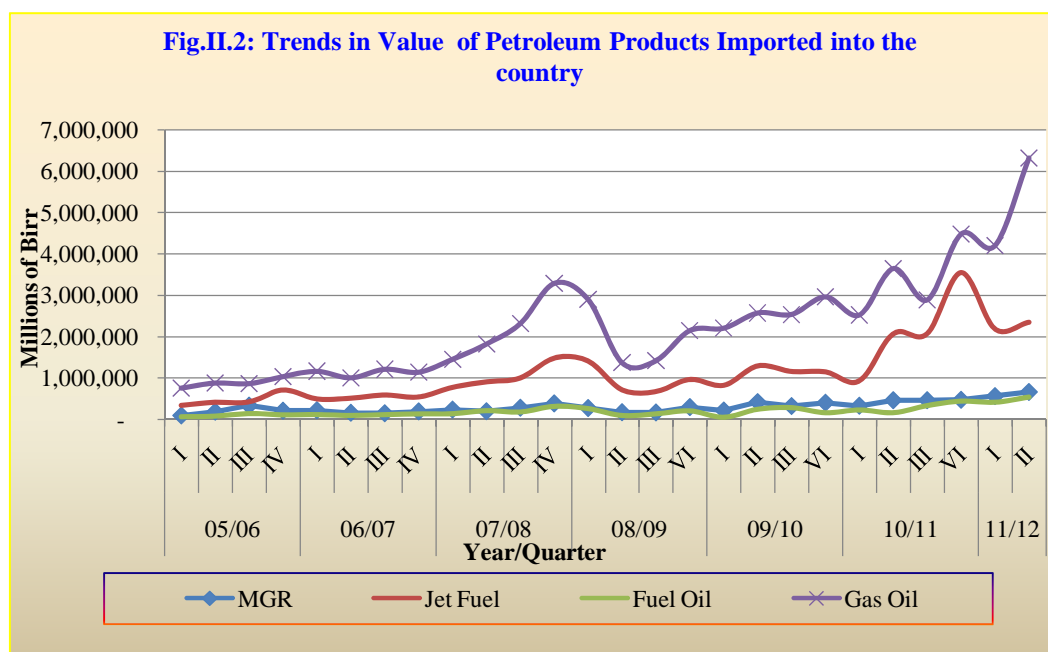
Meanwhile, the total value of petroleum products imported during the period under review reached Birr 9.9 billion,

up by 55.5 percent as compared to a year ago. (Table2.2).

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

	2010/11		2011/12				Percentage Change	
	Qtr II		Qtr I		Qtr II			
	A	Share In %	B	Share In %	C	Share In %	C/A	C/B
Regular Gasoline (MGR)	468,152.9	7.4	567,528.9	7.7	665,812.1	6.7	42.2	17.3
Jet Fuel	2,077,987.0	32.7	2,191,035.3	29.7	2,354,685.1	23.9	13.3	7.5
Fuel Oil	162,713.8	2.6	415,968.6	5.6	542,193.0	5.5	233.2	30.4
Gas Oil (ADO)	3,640,227.4	57.3	4,195,312.8	56.9	6,308,620.3	63.9	73.3	50.4
Total	6,349,081.1	100	7,369,845.6	100	9,871,310.5	100	55.5	33.9

Source: EPE



Source: EPE

The remarkable yearly growth in the value of petroleum imports was on account of the hike in FOB prices of all petroleum products coupled with an increase in volume of import, except for regular gasoline and Jet fuel.

Accordingly, on average, the FOB prices of petroleum products went up 26.9 percent annually to USD 872.8 from 687.8 per metric tones, owing to the rise in the prices of fuel oil (36.5 percent),

Regular Gasoline (20.3 percent), Gas Oil (27.9 percent) and Jet Fuel (26.7 percent) (Table 2.3).

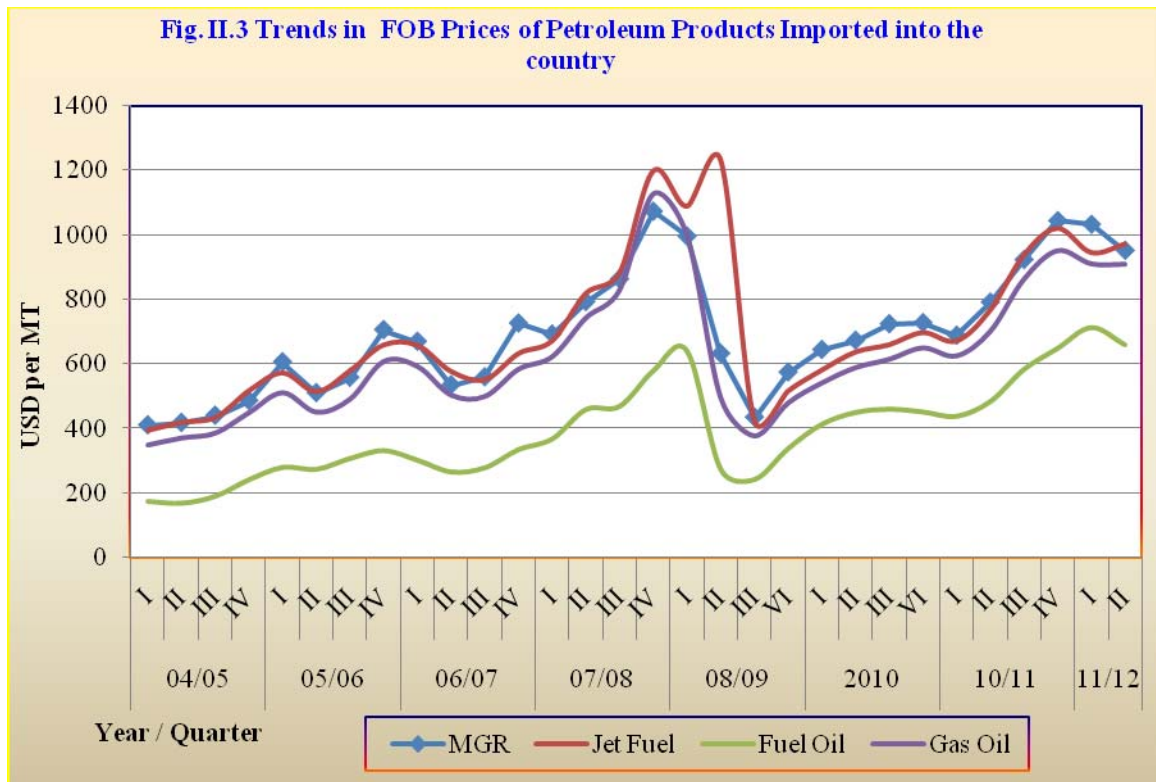
The FOB prices, however, showed a 3 percent quarterly marginal decline due to fall in the prices of all products, except Jet Fuel, which rose about 3 percent.

Table 2.3: FOB Price of Petroleum Products Imported

(USD/MT)

Petroleum Products	2010/11	2011/12		Percentage Change	
	Qtr II	Qtr I	Qtr II	C/A	C/B
	A	B	C		
Regular Gasoline (MGR)	791.0	1032.5	951.7	20.3	-7.8
Jet Fuel	767.4	945.7	972.5	26.7	2.8
Fuel Oil	482.6	712.0	658.6	36.5	-7.5
Gas Oil (ADO)	701.0	909.4	908.2	27.9	-0.1
Average	687.8	899.9	872.8	26.9	-3.0

Source: Ethiopian Petroleum Enterprise



Source: EPE

On the other hand; on average, the price of crude oil in the international market was USD 116.68 but decreased to USD 103.04 per barrel in the first quarter and reached to USD 99.68 in the regain quarter.

Following the movement in international price, domestic prices were adjusted upwards by the government accordingly. As

a result, the average retail prices of fuel in Addis Ababa soared by 31.3 percent to Birr 17.3 per liter relative to last year same period.

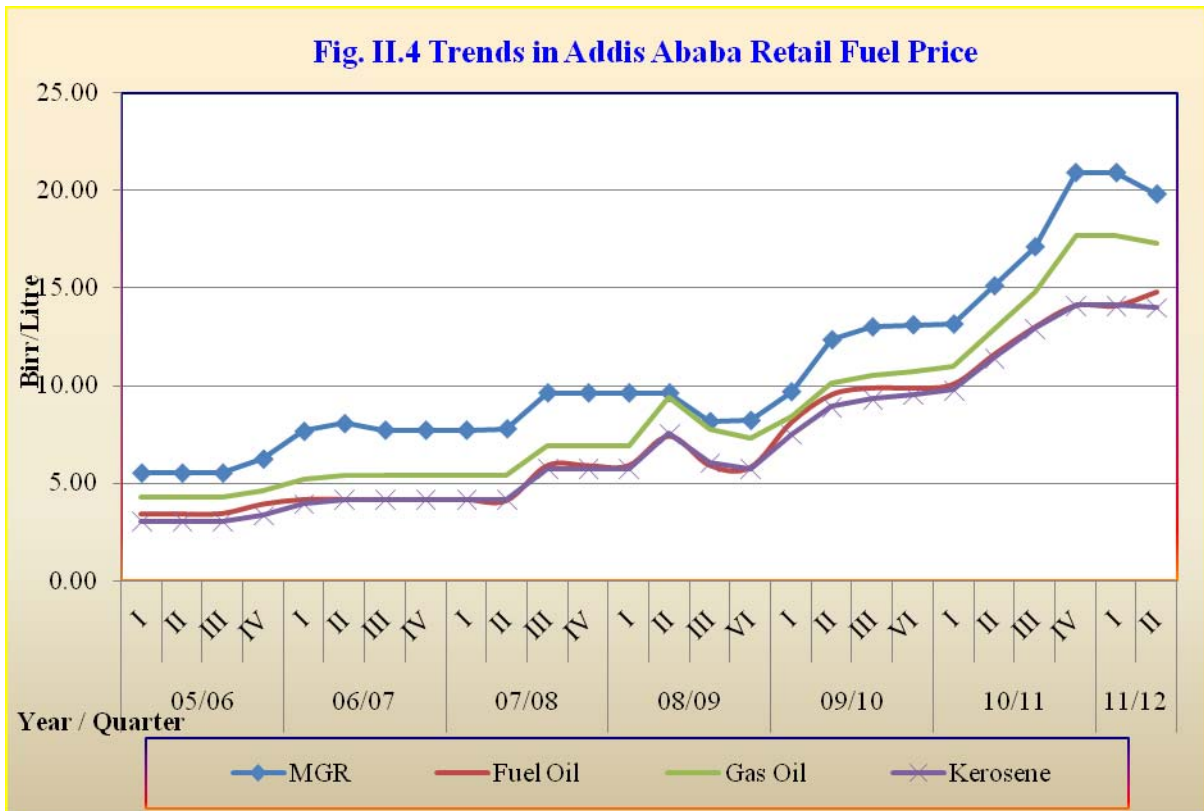
However, the average retail price in comparison to a quarter earlier showed 2.5 percent decline (Table 2.4).

Table 2.4: Addis Ababa Average Retail Prices of Fuel

(Birr/Liter)

Petroleum Products	2010/11	2011/12		Percentage Change	
	Qtr II	Qtr I	Qtr II	C/A	C/B
	A	B	C		
Regular Gasoline (MGR)	15.1	20.9	19.8	31.2	-5.4
Fuel Oil	11.6	14.1	14.8	27.5	5.4
Gas Oil (ADO)	12.9	17.7	17.3	34.2	-2.6
Kerosene	11.4	14.1	14.0	22.0	-0.7
Jet	14.7	21.7	20.5	39.0	-5.7
Average	13.2	17.7	17.3	31.3	-2.5

Source: Ethiopian Petroleum Enterprise



Source: EPE

2.2 Electric Power Generation

Total electricity generated during the quarter under review increased about 29.3 percent annually to 1.6 billion KWH in contrast with 1.2 billion a year ago (Table 2.5).

The growth in electricity generation was solely attributed to hydropower, which constituted 99.9 percent of the total power supply in the period. On the contrary, electricity generation from thermal and Geo-thermal sources exhibited a sharp decline.

In terms of system generation, about 99.9 percent of the electricity generated during the second quarter of 2011/12 was from the interconnected system (ICS) while the remaining 0.1 percent was from self contained system (SCS) (Table 2.6).

Given high in demand associated with the country's rapid economic growth, the supply of electricity is expected to increase in due course. 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 the Great Renaissance Dam Project and wind energy. With this production level, electric power access coverage is expected to reach 75% the population by end of 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 II	Share In %	Qtr I	Share In %	Qtr II	Share In %	C/A	C/B
	A		B		C			
Hydropower	1,185,821.3	99.1	1,487,489.4	99.7	1,544,635.5	99.9	30.3	3.8
Thermal Power	5,352.8	0.4	3,290.9	0.2	1,600.8	0.1	-70.1	-51.4
Geothermal	5,090.6	0.4	863.6	0.1	192.7	0.01	-96.2	-77.7
Total	1,196,264.7	100	1,491,643.8	100	1,546,429.0	100	29.3	3.7

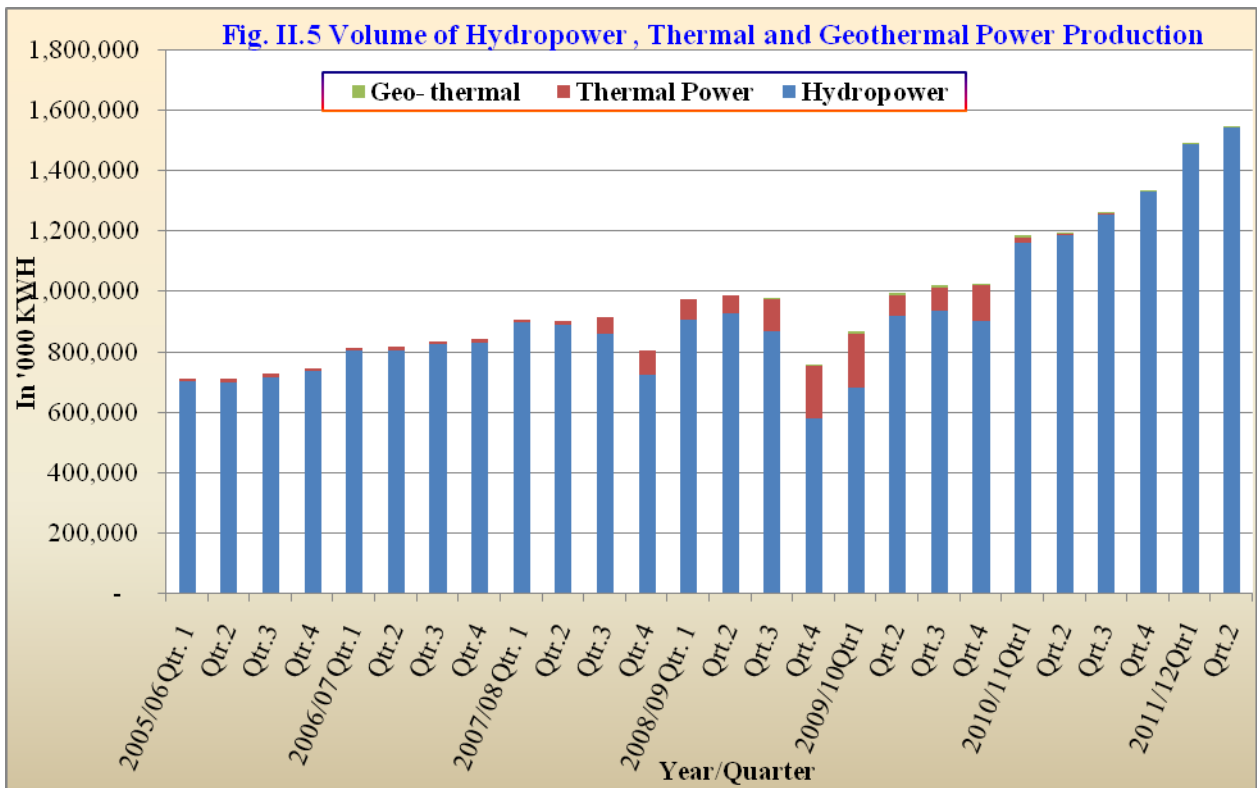
Source: Ethiopian Electric Power Corporation (EEPCO)

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 II		Qtr I		Qtr II			
	A	Share In %	B	Share In %	C	Share In %	C/A	C/B
ICS								
Hydro Power	1,183,707.4	99.0	1,486,692.2	99.7	1,544,255.7	99.9	30.5	3.9
Thermal Power	1,321.2	0.1			0	0		
Geothermal	5,090.6	0.4	863.6	0.1	192.7	0.01	-96.2	-77.7
Sub-Total	1,190,119.3	99.5	1,487,555.8	99.7	1,544,448.4	99.9	29.8	3.9
SCS						0		
Hydro Power	2,113.9	0.2	797.1	0.1	379.7	0.02	-82.0	-52.4
Thermal Power	4,031.5	0.3	3,290.9	0.2	1,600.8	0.1	-60.3	-51.4
Geothermal						0		
Sub-Total	6,145.4	0.5	4,088.0	0.3	1,980.6	0.1	-67.8	-51.6
Grand Total	1,196,264.7	100	1,491,643.8	100	1,546,429.0	100	29.3	3.7

Source: Ethiopian Electric Power Corporation (EEPCO)



Source: EEPCo