

II. ENERGY PRODUCTION AND PROCESSING

2.1. Imported Petroleum Products

Total volume of petroleum products imported during the first quarter of 2012/13 amounted to 534.1 thousand metric tons (MT), depicting 17.3 percent growth over the same period last year but 10.3 percent lower than the preceding quarter.

The growth in volume of petroleum products on year-on-year basis was attributed mainly to the increase in gas oil (9.7 percent), Jet fuel import (17.5 percent), fuel oil (47.7 percent) and

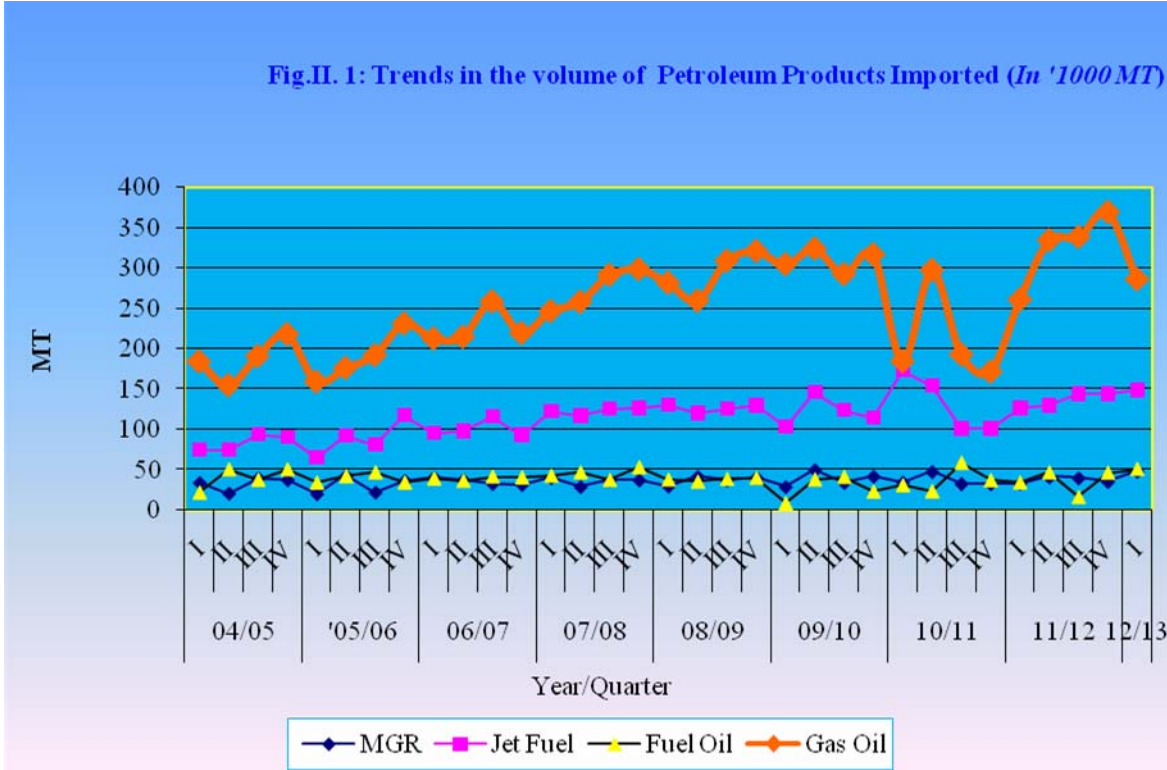
regular gasoline (45 percent) driven by higher demand spurred by growing economic activities in the country.

Import of gas oil alone accounted for 53.5 percent of the total volume of petroleum product imports followed by Jet fuel (27.8 percent) while fuel oil (9.6 percent) and regular gasoline (9.1 percent). (Table 2.1)

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

Petroleum Products	2011/12				2012/13		Percentage Change	
	Qtr I		Qtr IV		Qtr I			
	A	Share %	B	Share %	C	Share %	C/A	C/B
Regular Gasoline (MGR)	33,381.2	7.3	35,580.7	6.0	48,367.8	9.1	44.9	35.9
Jet Fuel	126,523.8	27.8	144,182.1	24.2	148,668.1	27.8	17.5	3.1
Fuel Oil	34,684.5	7.6	46,551.5	7.8	51,231.8	9.6	47.7	10.1
Gas Oil (ADO)	260,608.1	57.3	369,272.7	62.0	285,788.9	53.5	9.7	-22.6
Total	455,197.6	100.0	595,587.0	100.0	534,056.6	100.0	17.3	-10.3

Source: Ethiopian Petroleum Enterprise



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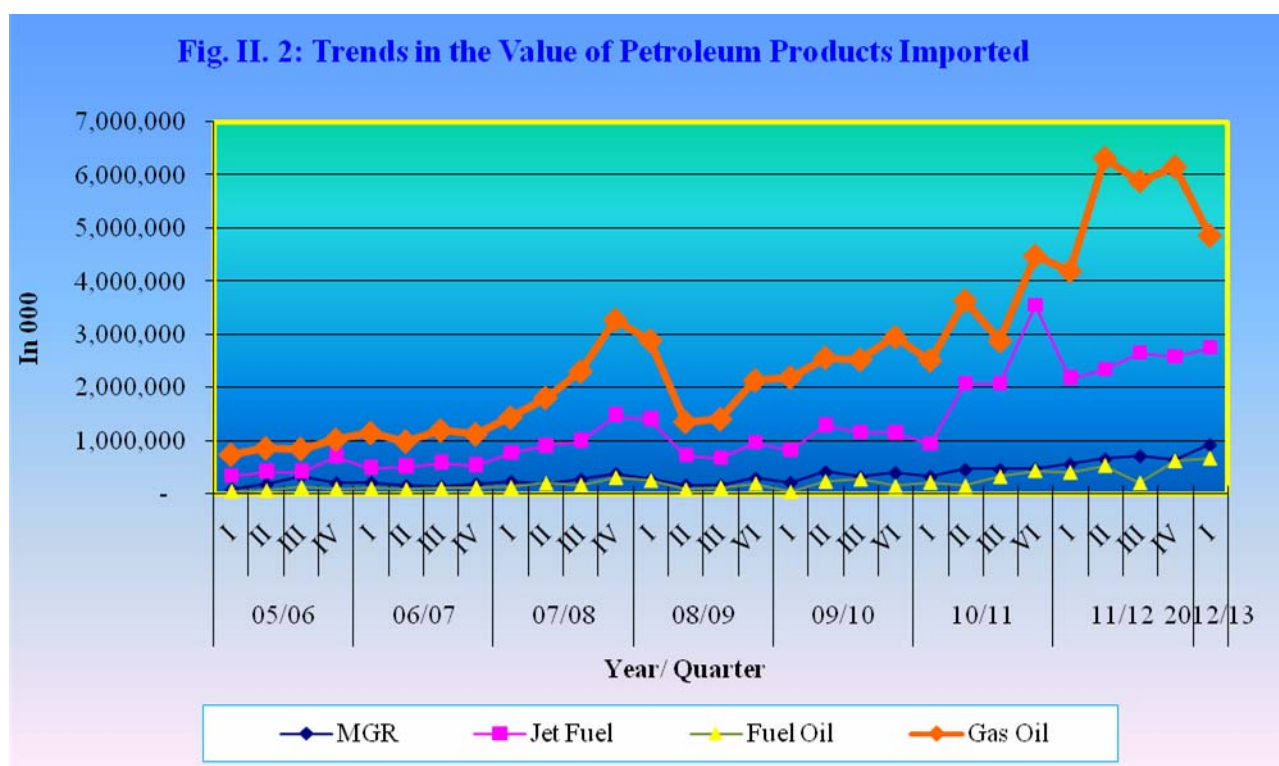
Likewise, the total import bill of petroleum products increased robustly by 25.1 percent compared to last year same period to reach Birr 9.2 billion

mainly as a result of higher volume of imports (17.3 percent), though 7.8 percent lower than the preceding quarter.(Table2.2)

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

Petroleum Products	2011/12				2012/13		Percentage Change	
	Qtr I		Qtr IV		Qtr I		C/A	C/B
	A	Share %	B	Share %	C	Share %		
Regular Gasoline (MGR)	567,528.9	7.7	647,226.6	6.5	934,254.4	10.1	64.6	44.3
Jet Fuel	2,191,035.3	29.7	2,586,143.9	25.8	2,757,560.2	29.9	25.9	6.6
Fuel Oil	415,968.6	5.6	627,952.9	6.3	675,627.7	7.3	62.4	7.6
Gas Oil	4,195,312.8	56.9	6,146,722.4	61.4	4,855,726.5	52.6	15.7	-21.0
Total	7,369,845.6	100.0	10,008,045.4	100.0	9,223,168.8	100.0	25.1	-7.8

Source: Ethiopian Petroleum Enterprise



Source: Ethiopian Petroleum Enterprise

In contrast, the average FOB prices of petroleum product imports declined slightly by 0.7 percent on annual terms and stood at USD 893.2 per metric tons owing to lower prices of regular gasoline and fuel oil (Table 2.3).

On quarterly base, however, the average FOB prices rose marginally by 2 percent largely on account of slight growth of jet fuel, regular gasoline and gasoil prices.

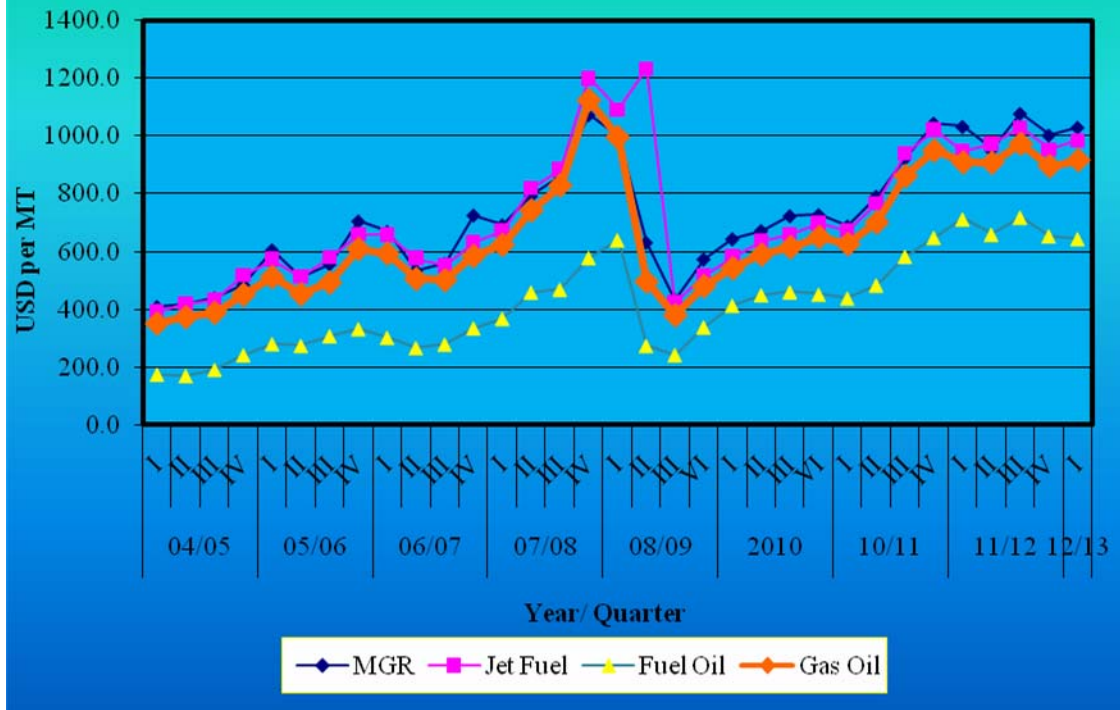
Table 2.3: FOB Price of Petroleum Products Imported

(USD/MT)

Petroleum Products	2011/12		2012/13	Percentage Change	
	Qtr I	Qtr IV	Qtr I	C/A	C/B
	A	B	C		
Regular Gasoline (MGR)	1,032.5	1,002.6	1,029.5	-0.3	2.7
Jet Fuel	945.7	952.4	983.2	4.0	3.2
Fuel Oil	712.0	653.5	643.5	-9.6	-1.5
Gas Oil (ADO)	909.4	895.9	916.9	0.8	2.3
Average	899.9	876.1	893.2	-0.7	2.0

Source: Ethiopian Petroleum Enterprise

Fig. II. 3: Trends in FOB prices of petroleum products imported in to the country



Source: Ethiopian Petroleum Enterprise

Similarly, the price of crude oil in international market continued to decline during the review period and reached USD 92.69 per barrel compared to USD 93.73 per barrel in the previous quarter.

Following the marginal downward movements of the global fuel price, the

government made adjustments on domestic fuel price.

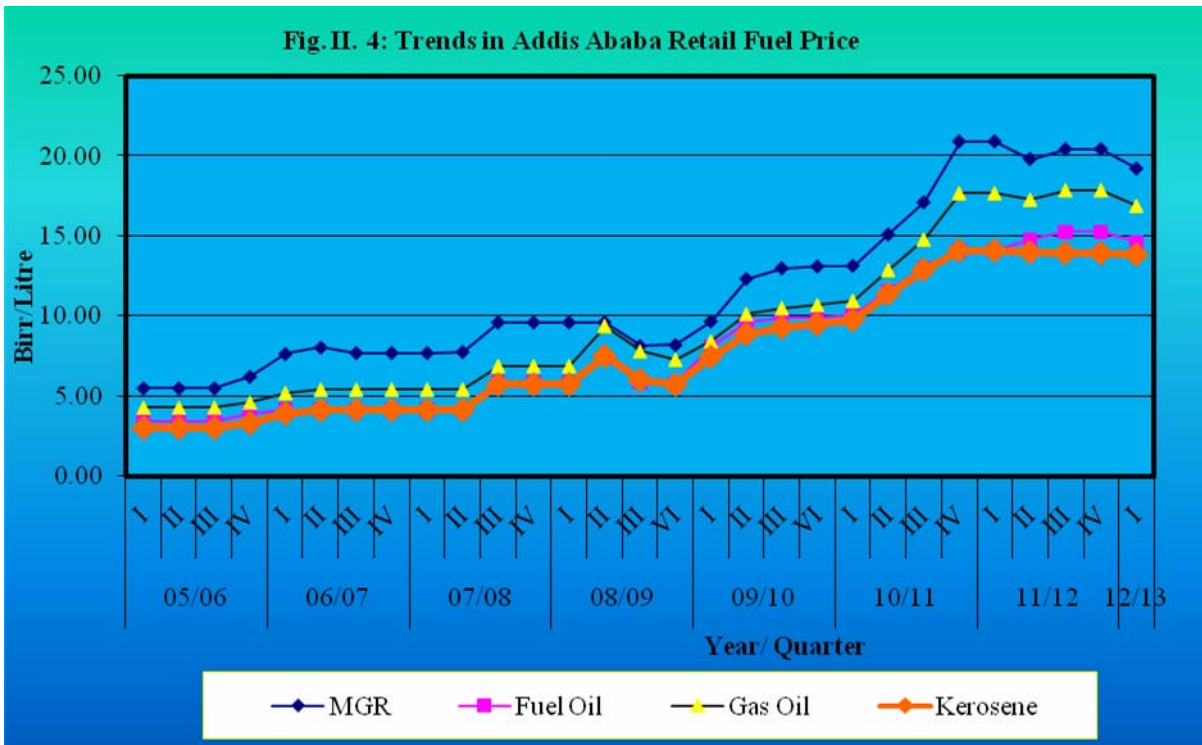
Accordingly the average retail prices of fuel in Addis Ababa during the review period stood at Birr 17 per liter, depicting 4.2 and 4.5 percent reduction annually and quarterly basis, respectively (Table 2.4).

Table 2.4: Addis Ababa Average Retail Prices of Fuel

(Birr/Liter)

Petroleum Products	2011/12		2012/13	Percentage Change	
	Qtr I	Qtr IV	Qtr I	C/A	C/B
	A	B	C		
Regular Gasoline (MGR)	20.9	20.4	19.2	-8.3	-5.9
Fuel Oil	14.1	15.3	14.6	3.6	-4.4
Gas Oil (ADO)	17.7	17.9	16.9	-4.6	-5.5
Kerosene	14.1	14.0	13.9	-1.4	-0.7
Jet Oil	21.7	21.3	20.3	-6.9	-4.7
Average	17.7	17.8	17.0	-4.2	-4.5

Source: Ethiopian Petroleum Enterprise



Source: Ethiopian Petroleum Enterprise

2.2: Electric Power Generation

Total electric power generated during the first quarter of 2012/13 increased by 20 percent to 1.79 billion KWH relative to last year same period solely due the growth in hydropower production (18.6 percent) which more than offset the (69.2 percent) reduction in thermal power. (Table 2.5)

Hydropower constituted 98.7 percent of the total electric power generation during the period. Similarly, the total electric generation showed a 7 percent quarterly growth largely on account of higher production of hydropower (7 percent) and wind (23.4 percent) in spite of sharp decline of electric power from Thermal and Geo-thermal sources.

In terms of system generation, interconnected system (ICS) accounted for 99.9 percent of the total electric power generated during the first quarter of 2012/13 while self contained system (SCS) constituted the balance (Table 2.6).

Under the medium term economic plan (GTP) period, 2015 electric power generation capacity of the nation is expected to reach 8,000 MW from 2000 MW in 2010. This can be achieved through construction of additional new power stations to meet the continued high demand in association with sustained economic growth. As a result, about 75 percent of the population is envisaged to have access to electric power by end 2015 compared to 41 percent in 2010.

Table 2.5: Electricity Generation ('000 of K.W.H)

Power Source	2011/12				2012/13		Percentage Change	
	Qtr I	Share %	Qtr IV	Share %	Qtr I	Share %	C/A	C/B
	A		B		C			
Hydropower	1,487,489.4	99.7	1,649,425.9	98.6	1,764,865.6	98.7	18.6	7.0
Thermal Power	3,290.9	0.2	1,945.5	0.1	1,012.2	0.1	-69.2	-48.0
Geothermal	863.6	0.1	3,804.0	0.2	0	0	-	-
Wind	-	-	18,094.3	1.1	22,329.1	1.2		23.4
Total	1,491,643.8	100	1,673,269.8	100.0	1,788,206.9	100.0	19.9	6.9

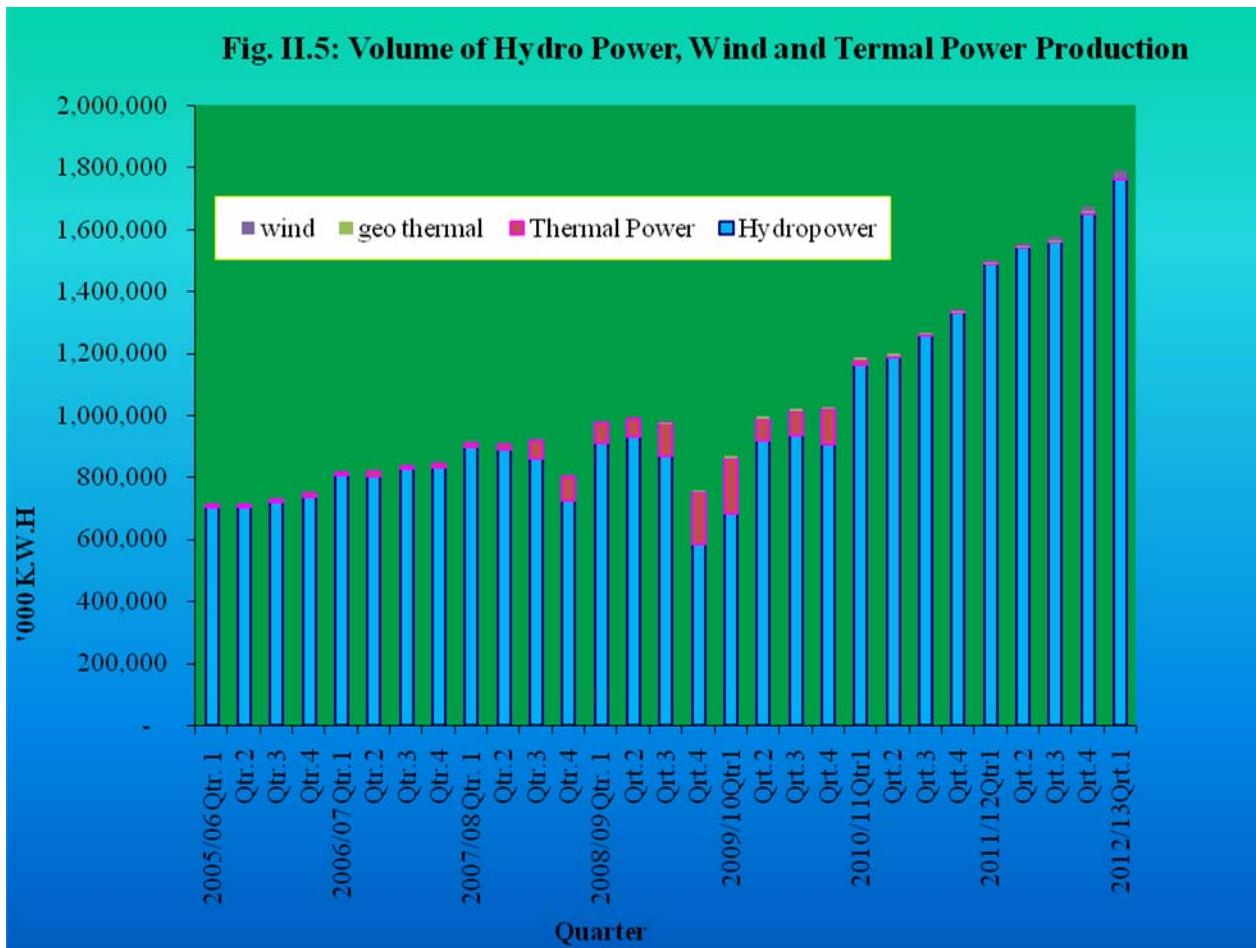
Source: Ethiopian Electric Power Corporation (EPPCO)

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	2011/12				2012/13		Percentage Change	
	Qtr I		Qtr IV		Qtr I			
	A	Share %	B	Share %	C	Share %	C/A	C/B
ICS								
Hydro Power	1,486,692.2	99.7	1,649,166.7	98.6	1,764,418.3	98.7	18.7	7.0
Thermal Power	0	0	0	0	0	0	0	0
Geothermal	863.6	0.1	3804.0	0.2	0.0	0.0	-100	-100
Wind	0	0	18,094.3	1.1	22,329.1	1.2	0	23.4
Sub-Total	1,487,555.8	99.7	1,671,065.1	99.9	1,786,747.4	99.9	20.1	6.9
SCS								
Hydro Power	797.1	0.1	259.2	0.0	447.3	0.0	-43.9	72.6
Thermal Power	3,290.9	0.2	1,945.5	0.1	1,012.2	0.1	-69.2	-48.0
Geothermal	0	0	0	0	0	0	0	0
Wind					0.0	0.0		
Sub-Total	4,088	0.3	2,204.7	0.1	1,459.5	0.1	-64.3	-33.8
Grand Total	1,491,643.8	100	1,673,269.8	100	1,788,206.9	100	19.9	6.9

Source: Ethiopian Electric Power Corporation (EEPCO)



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