

II. ENERGY PRODUCTION AND PROCESSING

2.1. Import of Petroleum Products

During the third quarter of 2013/14, the total volume of petroleum products imported amounted to 692.9 thousands of metric tons, depicting a 14.3 percent growth vis-à-vis the same period last year. This was due to the increase in imports of jet fuel (23.4 percent), fuel oil

(17.7 percent), gas oil (11.1 percent) and gasoline (6.7 percent).

Of the total imports during the period, gas oil constituted the largest share (57.8 percent) followed by Jet fuel (27.8 percent), gasoline (8 percent) and fuel oil (6.3 percent) (Table 2.1).

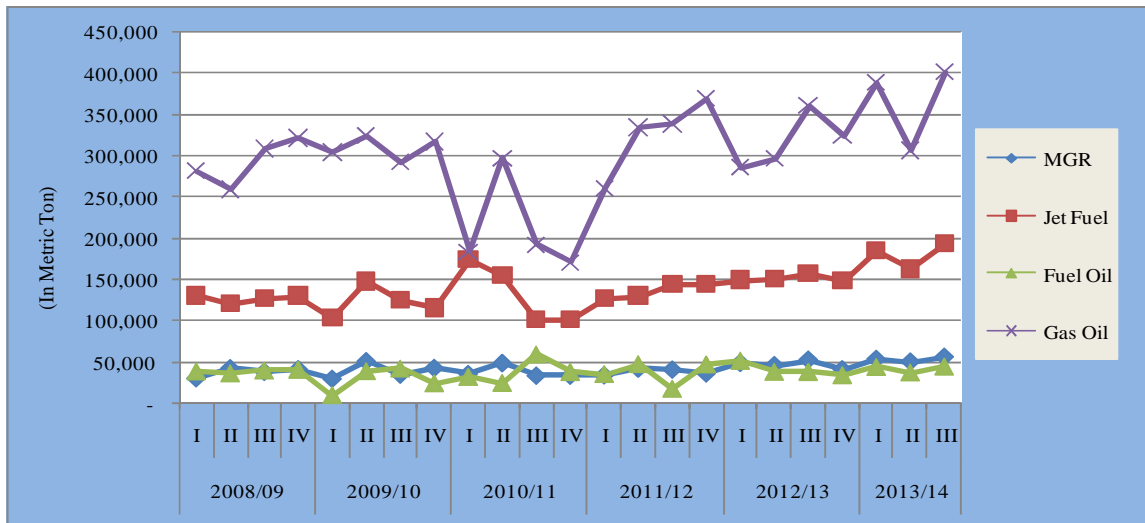
Table-2.1. Volume of Petroleum Products Imported

(In Metric Ton)

Petroleum Products	2012/13		2013/14				Percentage Change	
	Qtr III		Qtr II		Qtr III		C/A	C/B
	A	Share (In %)	B	Share (In %)	C	Share (In %)		
Regular Gasoline (MGR)	52,070.4	8.6	49,883.4	9.0	55,536.1	8.0	6.7	11.3
Jet Fuel	156,140.9	25.8	162,038.7	29.2	192,607.7	27.8	23.4	18.9
Fuel Oil	37,332.8	6.2	36,641.2	6.6	43,928.5	6.3	17.7	19.9
Gas Oil (ADO)	360,766.1	59.5	306,082.6	55.2	400,794.6	57.8	11.1	30.9
Total	606,310.2	100.0	554,645.9	100.0	692,867.0	100.0	14.3	24.9

Source: Ethiopian Petroleum Enterprise

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



Source:Ethiopian Petroleum Enterprise

Meanwhile,the total import bill of petroleum products increased to Birr 12.6 billionshowing an annual and quarterly increment of 14.6 and 25.6

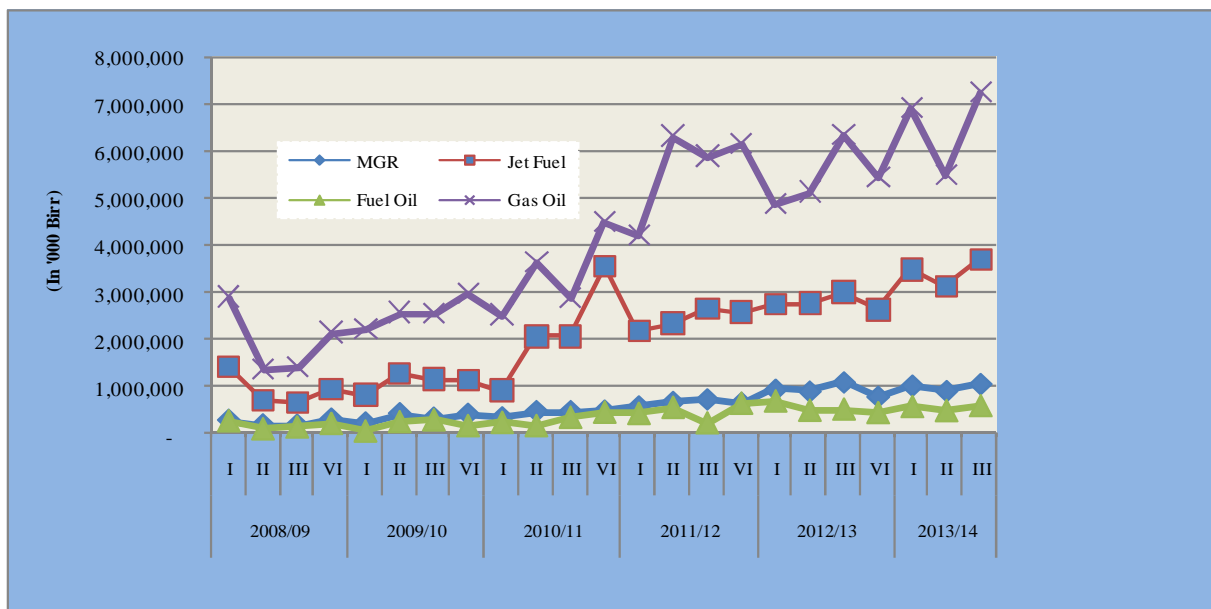
percent, respectively, owing to the rise in the volume of all types of petroleum products in both periods (Table 2.2).

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

Petroleum Products	2012/13		2013/14				Percentage Changes	
	Qtr III		Qtr II		Qtr III		C/A	C/B
	A	Share (In %)	B	Share (In %)	C	Share (In %)		
Regular Gasoline (MGR)	1,093,611.0	10.0	903,992.8	9.0	1,057,453.2	8.4	-3.3	17.0
Jet Fuel	3,014,286.5	27.5	3,134,799.8	31.3	3,699,359.1	29.4	22.7	18.0
Fuel Oil	505,467.5	4.6	473,262.6	4.7	576,918.4	4.6	14.1	21.9
Gas Oil (ADO)	6,349,103.8	57.9	5,493,636.4	54.9	7,231,284.6	57.6	13.9	31.6
Total	10,962,468.8	100.0	10,005,691.6	100.0	12,565,015.4	100.0	14.6	25.6

Source: Ethiopian Petroleum Enterprise

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



Source: Ethiopian Petroleum Enterprise

In general, the 14.6 percent annual rise in the value of petroleum import was attributed to 14.3 percent increase in volume of import during the period, despite the 5.5 percent decline in average FOB price of petroleum products

Average FOB price of petroleum products dropped by 5.5 percent to USD 851.1 per metric ton against the same period of last

year because of the slowdown in FOB prices of regular gasoline (7.1 percent), fuel oil (5.4 percent), jet fuel (5.3 percent) and gas oil (3.7 percent). Compared with the preceding quarter, however, the average FOB price of imported fuel showed a marginal decline of 0.5 percent in spite of a 2.2 percent rise in FOB price of regular gasoline (Table 2.3).

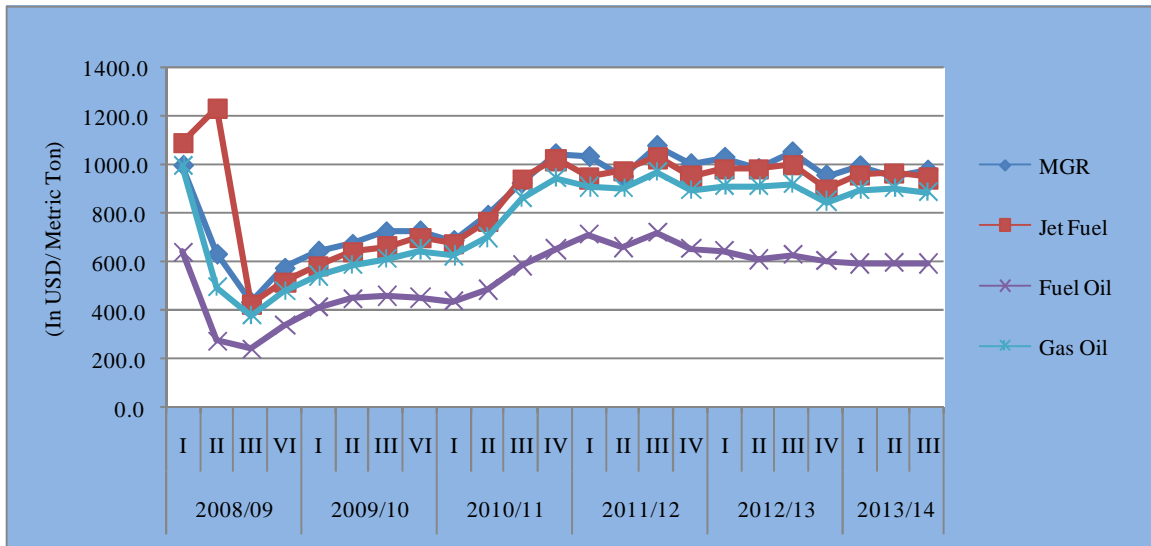
Table-2.3: FOB Price of Petroleum Products Imported

(In USD/ Metric Ton)

Petroleum Products	2012/13	2013/14		Percentage Changes	
	Qtr III	Qtr II	Qtr III		
	A	B	C	C/A	C/B
Regular Gasoline (MGR)	1051.7	955.4	976.6	-7.1	2.2
Jet Fuel	999.0	966.0	945.9	-5.3	-2.1
Fuel Oil	626.5	596.3	592.5	-5.4	-0.6
Gas Oil (ADO)	923.8	904.8	889.6	-3.7	-1.7
Average	900.3	855.6	851.1	-5.5	-0.5

Source: Ethiopian Petroleum Enterprise

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



Source:Ethiopian Petroleum Enterprise

During the third quarter of 2013/14, the average price of Brent crude oil, used as a point of reference for international oil price, stood at USD 107.9 per barrel; compared with USD 112.9 and USD 109.4 per barrel recorded in the previous year same period and the preceding quarter, respectively.

Following the movements in the international oil prices and other domestic factors, domestic retail prices have been adjusted. Accordingly, average retail price of fuel in Addis Ababa rose to Birr 18.51 per liter showing an average increment of 9.3 and 5.1 percent vis-à-vis the same period of last year and the preceding quarter, respectively (Table 2.4).

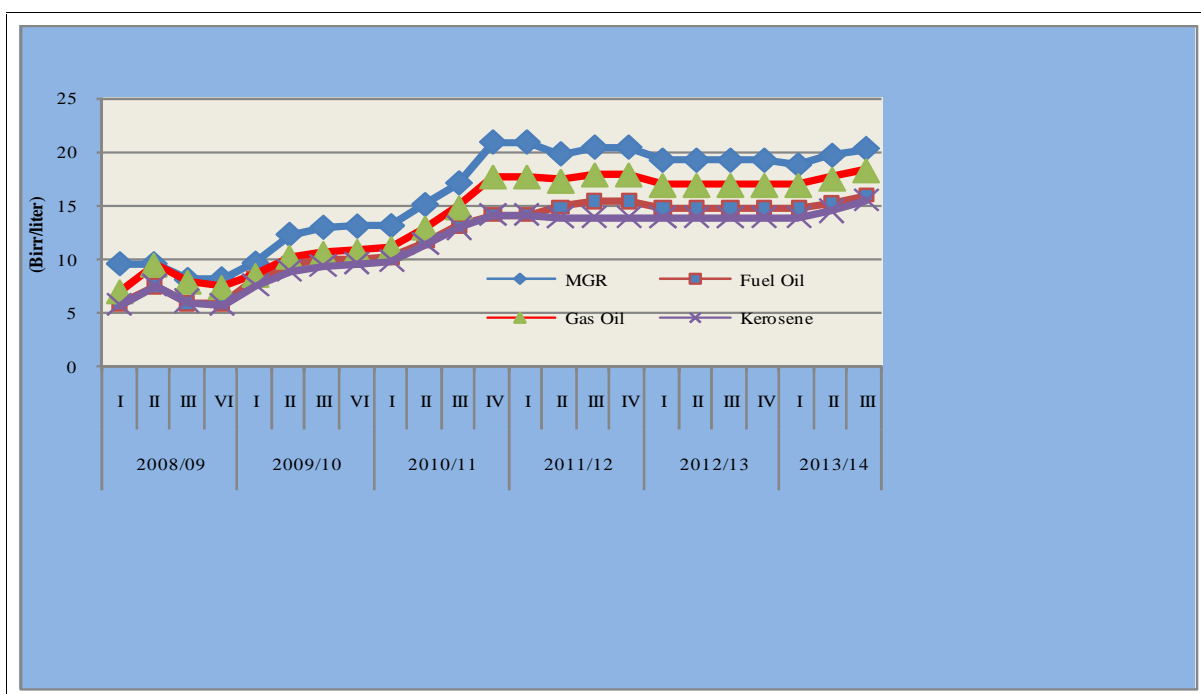
Table-2.4: Addis Ababa Average Retail Prices of Fuel

(Birr/Liter)

Petroleum Products	2012/13	2013/14		Percentage Change	
	Qtr III	Qtr II	Qtr III		
	A	B	C	C/A	C/B
Regular Gasoline (MGR)	19.21	19.7	20.3	5.7	3.2
Fuel Oil	14.59	15.09	15.81	8.4	4.8
Gas Oil (ADO)	16.91	17.49	18.28	8.1	4.5
Kerosene	13.85	14.50	15.50	11.9	6.9
Jet fuel	20.15	21.34	22.68	12.5	6.2
Average	16.94	17.62	18.51	9.3	5.1

Source: Ministry of Trade

Fig-II.4 Trends of Addis Ababa Average Retail Price



Source: Ministry of Trade

2.2 Electric Power Generation

The total electricity generated during the third quarter of 2013/14 reached 2.2 billion KWH; depicting a 9.5 percent increase vis-à-vis last year same quarter and 2 percent compared with the preceding quarter. The demand for electric power has been growing dramatically in line with the rapid and sustainable economic growth of the country. The annual rise in electricity generation had mainly originated from hydropower (7.3 percent) and wind power (77.3 percent). Of the total energy generated during the review period, about 94.9 percent was produced by hydropower and 5 percent by wind power.

The remarkable growth in the generation of wind power in quarterly and annual basis was due to the country's implementation of wind power projects such as Ashegoda and Adama wind farms which have production capacities of 120 MW and 51 MW, respectively.

Though electric power generation from thermal sources exhibited 11.8 percent decline vis-à-vis last year same period, it registered a remarkable growth of 198.3 percent as compared to the preceding quarter of the same fiscal year. During the period, there was no energy production from geothermal sources (Table 2.5).

As for system of generation, about 99.9 percent of electricity produced during the third quarter of 2013/14 was from the Inter Connected System (ICS¹) while Self Contained System (SCS²) contributed a negligible amount (Table 2.6).

¹ Generates power by connecting to other systems

² Generates power independently

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

Power Source	2012/13		2013/14				Percentage Change	
	Qtr III		Qtr II		Qtr III		C/A	C/B
	A	Share (in %)	B	Share (in %)	C	Share (in %)		
Hydropower	1,924,540.0	96.8	2,029,316.6	95.1	2,065,112.6	94.9	7.3	1.8
Thermal Power	2,090.1	0.1	618.1	0.0	1,843.6	0.1	-11.8	198.3
Geothermal	-	-	-	-	-	-	-	-
Wind	61,556.9	3.1	103,195.1	4.8	109,156.8	5.0	77.3	5.8
Total	1,988,186.9	100.0	2,133,129.8	100.0	2,176,113.0	100.0	9.5	2.0

Source: Ethiopian Electric Power Corporation

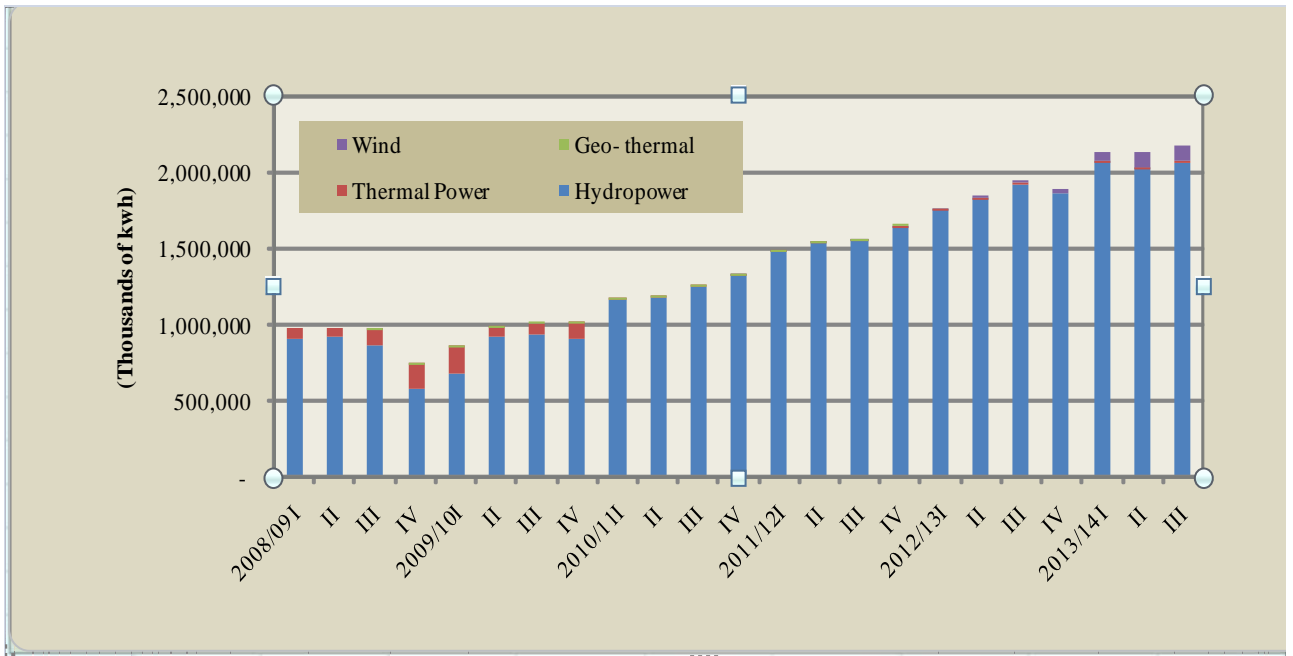
Table 2.6 Generation of Electricity Power in the Interconnected System (ICS) and Self Contained System (SCS)

(In '000 of K.W.H)

System of Power Supply	2012/13		2013/14				Percentage Change	
	Qtr III		Qtr II		Qtr III		C/A	C/B
	A	Share (in %)	B	Share (in %)	C	Share (in %)		
ICS								
Hydro Power	1,924,209.2	96.8	2,029,050.1	95.1	2,065,112.6	94.9	7.3	1.8
Thermal Power	12.5	0.0	-	-	-	-	-	-
Geothermal	-	-	-	-	-	-	-	-
Wind	61,556.9	3.1	103,195.1	4.8	109,156.8	5.0	77.3	5.8
Sub-Total	1,985,778.6	99.9	2,132,245.2	100.0	2,174,269.4	99.9	9.5	2.0
SCS								
Hydro Power	330.8	0.0	266.5	0.0	-	-	-	-
Thermal Power	2,077.6	0.1	618.1	0.0	1,843.6	0.1	-11.3	198.3
Geothermal	-	-	-	-	-	-	-	-
wind	-	-	-	-	-	-	-	-
Sub-Total	2,408.3	0.1	884.6	0.0	1,843.6	0.1	-23.4	108.4
Grand Total	1,988,186.9	100.0	2,133,129.8	100.0	2,176,113.0	100.0	9.5	2.0

Source: Ethiopian Electric Power Corporation

Fig II.5: Volume of Electricity Production by Type



Source: Ethiopian Electric Power Corporation