

I. Treasury Transfers to EDL in December 2020

► In December 2020, treasury transfers to EDL reached LL 171.61 billion distributed as follows:

⇒ Reimbursement of KPC and Sonatrach LL 171.03 billion.

⇒ Debt Service LL 0.58 billion.

Table 1: Monthly Treasury transfers to EDL in Jan-December 2020

(LL billion)	Jan	Feb	March	April	May	June	July	August	September	October	November	December	Total
EDL of which:	286.35	7.61	161.09	127.72	24.41	46.49	153.09	145.06	66.49	95.70	107.85	171.61	1393.47
Debt service (C-Loans and Eurobonds):	1.31	0.00	0.28	0.00	0.30	0.55	0.00	0.00	0.29	0.00	0.00	0.58	3.30
• Principal payments	0.94	0.00	0.25	0.00	0.29	0.50	0.00	0.00	0.26	0.00	0.00	0.54	2.79
• Interest payments	0.36	0.00	0.03	0.00	0.004	0.05	0.00	0.00	0.02	0.00	0.00	0.05	0.51
Reimbursement for purchase of gas and fuel	285.04	7.61	160.81	127.72	24.11	45.94	153.09	145.06	66.20	95.70	107.85	171.03	1390.17
• KPC & SPC	285.04	7.61	160.81	127.72	24.11	45.94	153.09	145.06	66.20	95.70	107.85	171.03	1390.17

Source: Ministry of Finance

II. Treasury Transfers to EDL in Jan-December 2020 in comparison with Jan-December 2019

► Transfers to EDL in Jan-December 2020 were lower than the Jan-December 2019 level.

Transfers in Jan-December 2020 were LL 875.73 billion lower than the amount paid in Jan-December 2019, which stood at LL 2269.20 billion. This was mainly a result of lower payments to KPC and Sonatrach for fuel oil and gas oil purchases.

Table 2: Comparison of Treasury Transfers to EDL

(LL billion)	Jan-December 2019	Jan-December 2020	Change	% Change
EDL, of which:	2269.20	1393.47	875.73-	-38.6%
Debt Service (C-Loans and Eurobonds):	4.34	3.30	1.04-	-24%
-Principal Repayments	3.38	2.79	0.59-	-17.5%
-Interest Payments	0.96	0.51	0.45-	-46.8%
Reimbursement for purchase of gas and fuel	2264.86	1396.17	874.69-	-38.6%
• KPC & SPC	2264.86	1396.17	874.69-	-38.6%

► Payments to the two oil suppliers in Jan-December 2020 were LL 874.69 billion lower than their level during Jan-December 2019.

The component "Reimbursement of KPC and Sonatrach Agreements" reached LL 1396.17 billion in Jan-December 2020, a fall from LL 2264.86 billion in Jan-December 2019. This 38.6 percent decrease was mainly driven by lower quantity and price of fuel and gas oil.

- **From a quantity-effect viewpoint:**
 - % Change in Quantity of Fuel Oil imported: 20.47% ▼
 - % Change in Quantity of Gas Oil imported: 8.22% ▼
- **From a price-effect viewpoint:**

	Jan-December 2019 Bill	Jan-December 2020 Bill
Average Price/Barrel	US\$ 64.48	US\$ 42.08

% Change in weighted average price of crude oil

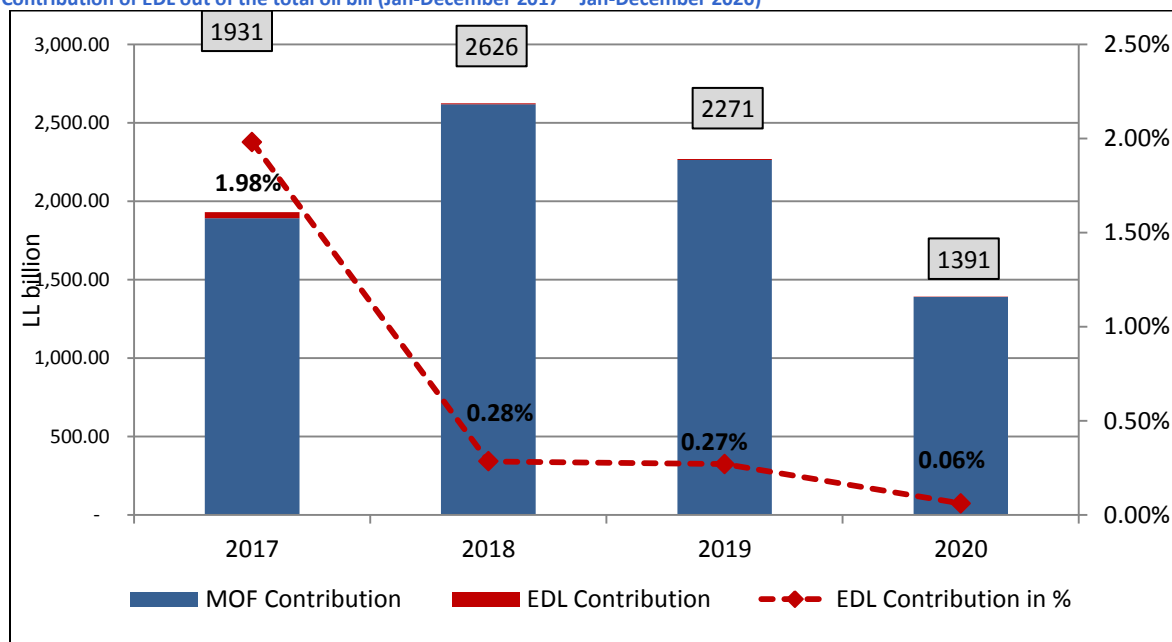
34.73% ▼

III. Contribution of EDL out of the total oil bill

▶ EDL contributed 0.06 percent of the total oil bill in Jan-December 2020

From a total oil bill of LL 1391 billion in Jan-December 2020, EDL contributed by around 0.06 percent to the cost of gas oil and fuel oil purchase¹. This figure was higher at 0.27 percent during the same period of 2019, out of a higher bill of LL 2271 billion. In nominal terms, EDL’s contribution was lower in Jan-December 2020, amounting to LL 0.85 billion, compared to LL 6.15 billion during the same period in 2019.

Figure 1: Contribution of EDL out of the total oil bill (Jan-December 2017 – Jan-December 2020)

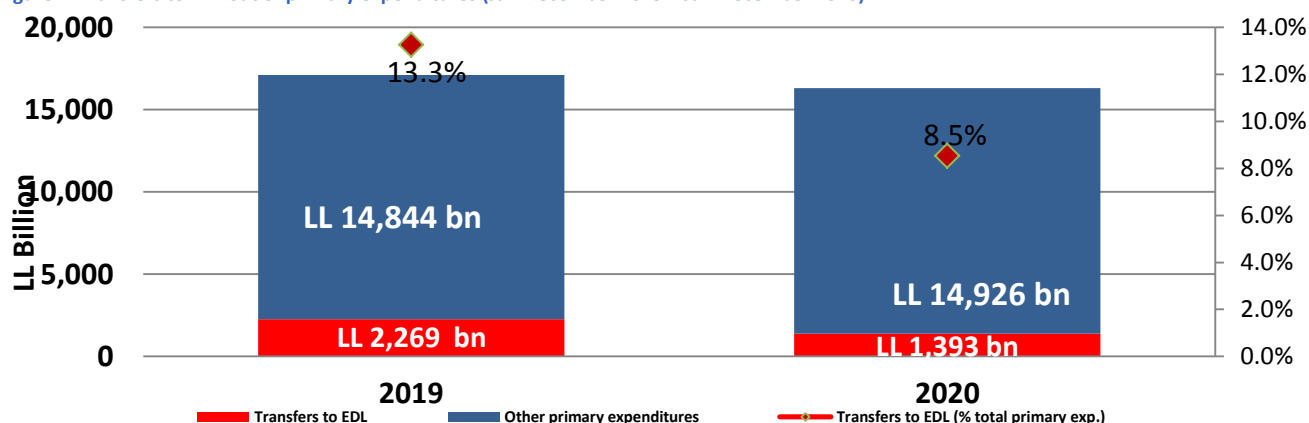


IV. Shares of “Transfers to EDL” out of Expenditures

▶ Transfers to EDL constituted 8.5 percent of primary expenditures in Jan-December 2020

With primary expenditures at LL 16,319 billion, the share of transfers to EDL reached 8.5 percent in Jan-December 2020. This share was higher at 13.3 percent in Jan-December 2019.

Figure 2: Transfers to EDL out of primary expenditures (Jan-December 2019 – Jan-December 2020)



¹ The Treasury transferred around LL 1393.47 billion to cover EDL’s deficit in Jan-December 2020. Out of this amount, around LL 1390.17 billion represented the Treasury transfer to purchase gas oil and fuel oil (as shown in Table 2). However, the total oil bill for Jan-December 2020 amounted to LL 1391.02 billion, which correspond to LL 1390.1 billion of Treasury transfers plus LL 0.85 billion of payments made by EDL.