

## I. Treasury Transfers to EDL in July 2020

- In July 2020, treasury transfers to EDL reached LL 153.09 billion, for reimbursement of KPC and Sonatrach.

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

(LL billion)	Jan	Feb	March	April	May	June	July	Total
<b>EDL of which:</b>	<b>286.35</b>	<b>7.61</b>	<b>161.09</b>	<b>127.72</b>	<b>24.41</b>	<b>46.49</b>	<b>153.09</b>	<b>806.76</b>
<b>Debt service (C-Loans and Eurobonds):</b>	<b>1.31</b>	<b>0.00</b>	<b>0.28</b>	<b>0.00</b>	<b>0.30</b>	<b>0.55</b>	<b>0.00</b>	<b>2.43</b>
• Principal payments	0.94	0.00	0.25	0.00	0.29	0.50	0.00	1.99
• Interest payments	0.36	0.00	0.03	0.00	0.004	0.05	0.00	0.44
<b>Reimbursement for purchase of gas and fuel</b>	<b>285.04</b>	<b>7.61</b>	<b>160.81</b>	<b>127.72</b>	<b>24.11</b>	<b>45.94</b>	<b>153.09</b>	<b>804.32</b>
• KPC & SPC	285.04	7.61	160.81	127.72	24.11	45.94	153.09	804.32

Source: Ministry of Finance

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

- Transfers to EDL in Jan-July 2020 were LL 457.57 billion lower than the Jan-July 2019 level

Transfers in Jan-July 2020 were LL 457.57 billion lower than the amount paid in Jan-July 2019, which stood at LL 1264.33 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-July 2019	Jan-July 2020	Change	% Change
<b>EDL, of which:</b>	<b>1264.33</b>	<b>806.76</b>	<b>457.57-</b>	<b>-36.2%</b>
<b>Debt Service (C-Loans and Eurobonds):</b>	<b>3.53</b>	<b>2.43</b>	<b>1.10-</b>	<b>-31%</b>
-Principal Repayments	2.65	1.99	0.66-	-24.8%
-Interest Payments	0.88	0.44	0.44-	-49.8%
<b>Reimbursement for purchase of gas and fuel</b>	<b>1260.80</b>	<b>804.32</b>	<b>456.47-</b>	<b>-36.2%</b>
• KPC & SPC	1260.80	804.32	456.47-	-36.2%

- Payments to the two oil suppliers in Jan-July 2020 were LL 456.47 billion lower than their level during Jan-July 2019.

The component “Reimbursement of KPC and Sonatrach Agreements” reached LL 804.32 billion in Jan-July 2020, a fall from LL 1260.80 billion in Jan-July 2019. This 36.2 percent decrease was mainly driven by lower quantity of fuel and gas oil.

- **From a quantity-effect viewpoint:**
  - % Change in Quantity of Fuel Oil imported: 20.09% ▼
  - % Change in Quantity of Gas Oil imported: 10.76% ▼
- **From a price-effect viewpoint:**

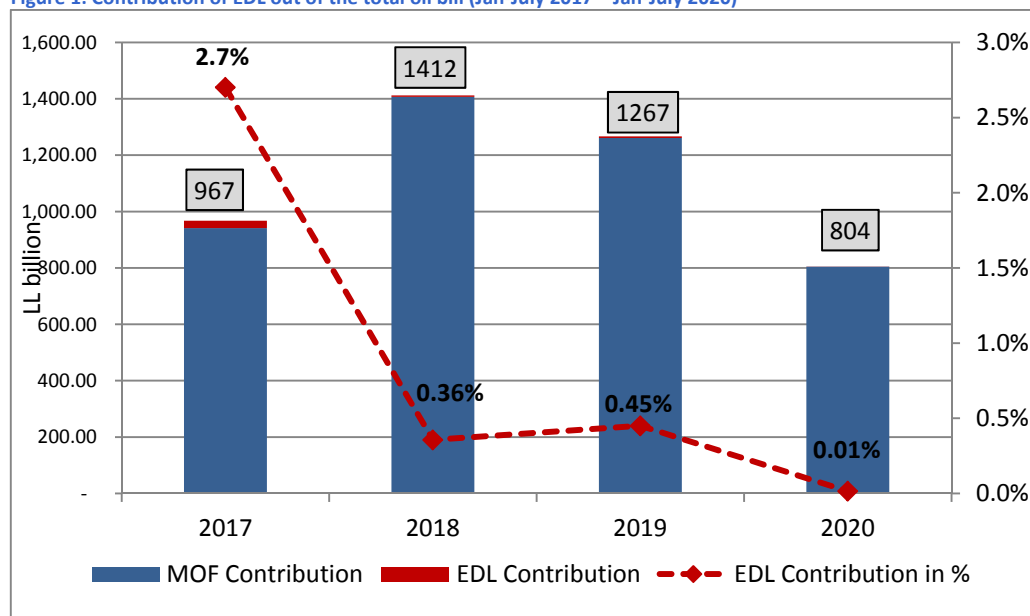
	Jan-July 2019 Bill	Jan-July 2020 Bill
Average Price/Barrel	US\$ 66.4	US\$ 40.22
% Change in weighted average price of crude oil		39.4% ▼

### III. Contribution of EDL out of the total oil bill

▶ *EDL contributed 0.01 percent of the total oil bill in Jan-July 2020*

From a total oil bill of LL 804 billion in Jan-July 2020, EDL contributed by around 0.01 percent to the cost of gas oil and fuel oil purchase<sup>1</sup>. This figure was higher at 0.45 percent during the same period of 2019, out of a higher bill of LL 1267 billion. In nominal terms, EDL’s contribution was lower in Jan-July 2020, amounting to LL 0.12 billion, compared to LL 5.70 billion during the same period in 2019.

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

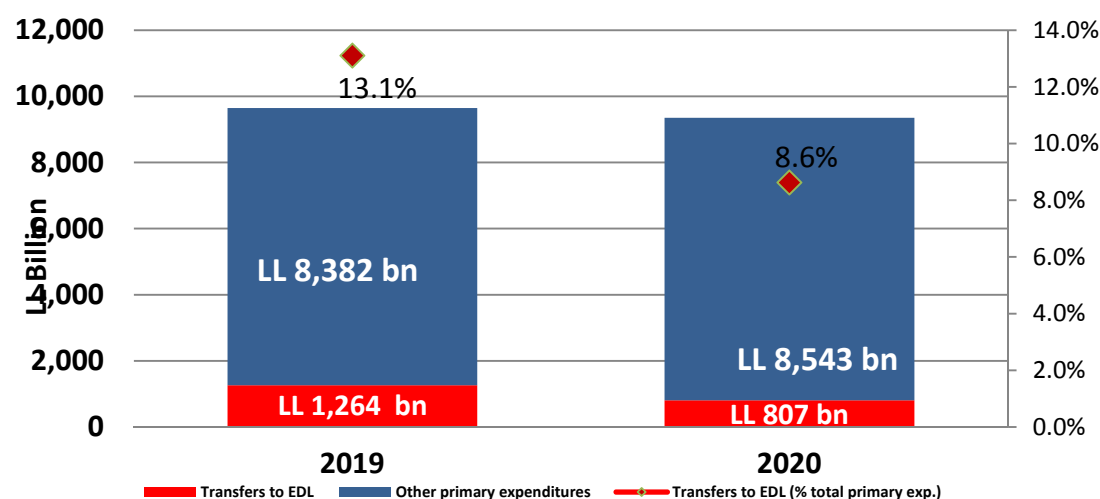


### IV. Shares of “Transfers to EDL” out of Expenditures

▶ *Transfers to EDL constituted 8.6 percent of primary expenditures in Jan-July 2020*

With primary expenditures at LL 9,350 billion, the share of transfers to EDL reached 8.6 percent in Jan-July 2020. This share was higher at 13.1 percent in Jan-July 2019.

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



<sup>1</sup> The Treasury transferred around LL 806.76 billion to cover EDL’s deficit in Jan-July 2020. Out of this amount, around LL 804.32 billion represented the Treasury transfer to purchase gas oil and fuel oil (as shown in Table 2). However, the total oil bill for Jan-July 2020 amounted to LL 804.44 billion, which correspond to LL 804.32 billion of Treasury transfers plus LL 0.12 billion of payments made by EDL.