

## I. Treasury Transfers to EDL in May 2021

- ▶ In May 2021, treasury transfers to EDL reached LL 31.09 billion, for Reimbursement of KPC and Sonatrach.

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

(LL billion)	Jan	Feb	March	April	May	Total
<b>EDL of which:</b>	<b>43.23</b>	<b>66.49</b>	<b>218.08</b>	<b>59.33</b>	<b>31.09</b>	<b>418.22</b>
<b>Debt service (C-Loans and Eurobonds):</b>	<b>0.00</b>	<b>0.00</b>	<b>0.29</b>	<b>0.00</b>	<b>0.00</b>	<b>0.29</b>
• Principal payments	0.00	0.00	0.27	0.00	0.00	0.27
• Interest payments	0.00	0.00	0.02	0.00	0.00	0.02
<b>Reimbursement for purchase of gas and fuel</b>	<b>43.23</b>	<b>66.49</b>	<b>217.79</b>	<b>59.33</b>	<b>31.09</b>	<b>417.93</b>
• KPC & SPC	43.23	66.49	217.79	59.33	31.09	417.93

Source: Ministry of Finance

## II. Treasury Transfers to EDL in Jan-May 2021 in comparison with Jan-May 2020

- ▶ Transfers to EDL in Jan-May 2021 were LL 188.96 billion lower than the Jan-May 2020 level

Transfers in Jan-May 2021 were LL 188.96 billion lower than the amount paid in Jan-May 2020, which stood at LL 607.18 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-May 2020	Jan-May 2021	Change	% Change
<b>EDL, of which:</b>	<b>607.18</b>	<b>418.22</b>	<b>-188.96</b>	<b>-31.1%</b>
<b>Debt Service (C-Loans and Eurobonds):</b>	<b>1.89</b>	<b>0.29</b>	<b>-1.60</b>	<b>-84.7%</b>
-Principal Repayments	1.49	0.27	-1.23	-82.2%
-Interest Payments	0.39	0.02	-0.37	-94.1%
<b>Reimbursement for purchase of gas and fuel</b>	<b>605.29</b>	<b>417.93</b>	<b>-187.36</b>	<b>-31%</b>
• KPC & SPC	605.29	417.93	-187.36	-31%

- ▶ Payments to the two oil suppliers in Jan-May 2021 were LL 187.36 billion lower than their level during Jan-May 2020.

The component “Reimbursement of KPC and Sonatrach Agreements” reached LL 417.93 billion in Jan-May 2021, a fall from LL 605.29 billion in Jan-May 2020. This 31 percent decrease was mainly driven by lower quantities of fuel and gas oil.

- **From a quantity-effect viewpoint:**
  - % Change in Quantity of Fuel Oil imported: 22.23% ▼
  - % Change in Quantity of Gas Oil imported: 51.70% ▼
- **From a price-effect viewpoint:**

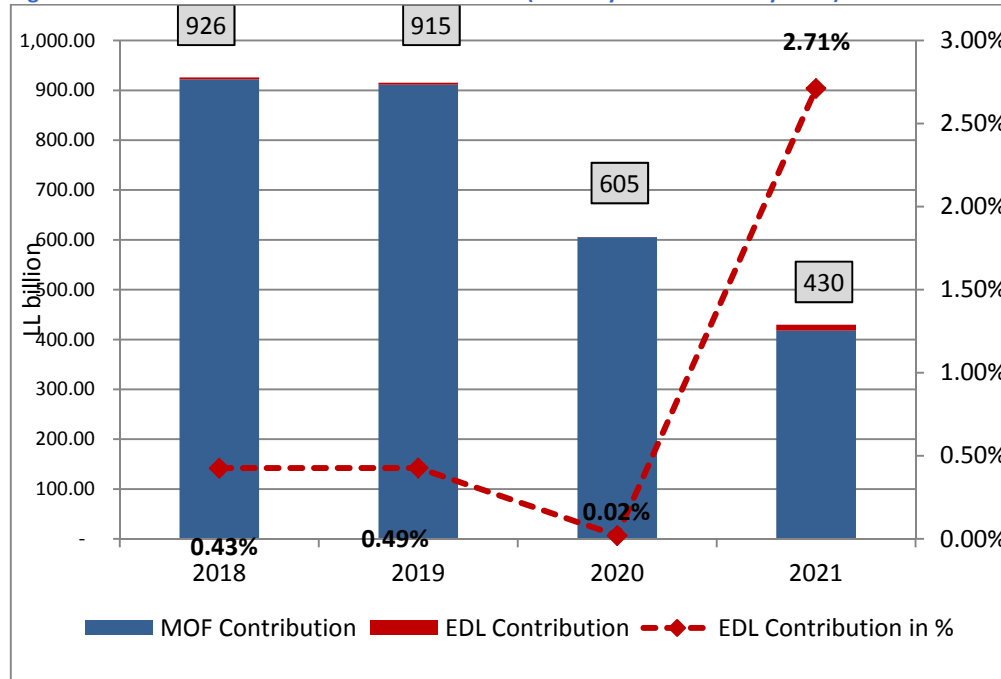
	Jan-May 2020 Bill	Jan-May 2021 Bill
Average Price/Barrel	US\$ 39.47	US\$ 64.10
% Change in weighted average price of crude oil		62.40% ▲

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

▶ *EDL contributed 2.71 percent of the total oil bill in Jan-May 2021*

From a total oil bill of LL 430 billion in Jan-May 2021<sup>1</sup>, EDL contributed by around 2.71 percent to the cost of gas oil and fuel oil purchase. This figure was lower at 0.02 percent during the same period of 2020, out of a higher bill of LL 605.41 billion. In nominal terms, EDL’s contribution was only LL 0.12 billion during the same period in 2020.

Figure 1: Contribution of EDL out of the total oil bill (Jan-May 2018 – Jan-May 2021)

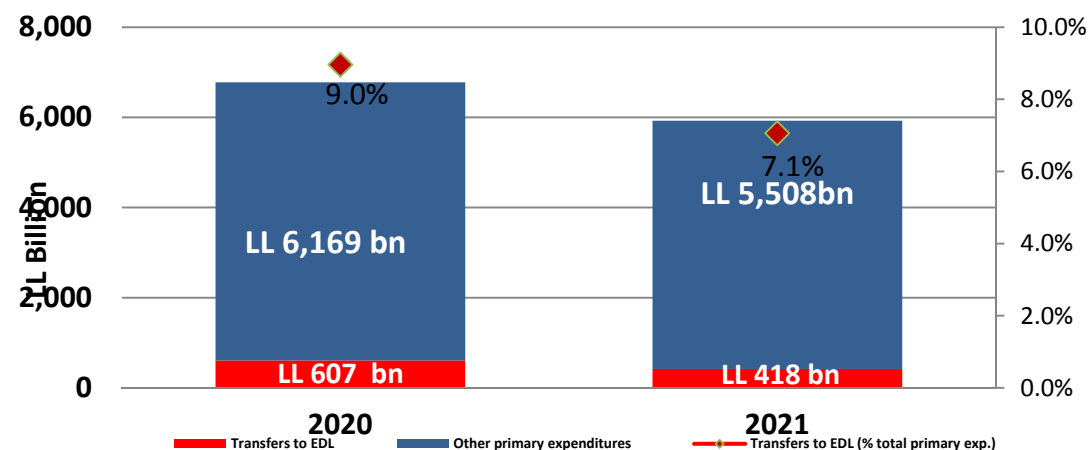


### IV. Shares of “Transfers to EDL” out of Expenditures

▶ *Transfers to EDL constituted 8 percent of primary expenditures in Jan-May 2021*

With primary expenditures at LL 5,926 billion, the share of transfers to EDL reached 7.1 percent in Jan-May 2021. This share was higher at 9 percent in Jan-May 2020.

Figure 2: Transfers to EDL out of primary expenditures (Jan-May 2020 – Jan-May 2021)



<sup>1</sup> The Treasury transferred around LL 418.22 billion to cover EDL’s deficit in Jan-May 2021. This entire amount represented the Treasury transfer to EDL (as shown in Table 2). However, the total oil bill for Jan-May 2021 amounted to LL 429.58 billion, which correspond to LL 417.93 billion of Treasury transfers plus LL 11.65 billion of payments made by EDL.