

## I. Treasury Transfers to EDL in August 2017

- ▶ *In August 2017*, treasury transfers to EDL reached LL 318.20 billion, as follows:
- ⇒ Reimbursement of KPC and Sonatrach LL 312.93 billion
  - ⇒ Debt Service LL 5.27 billion

**Table 1: Monthly Treasury to EDL in Jan-August 2017**

(LL billion)	Jan	Feb	Mar	April	May	Jun	July	Aug	Total
<b>EDL of which:</b>	<b>95.14</b>	<b>213.93</b>	<b>110.75</b>	<b>125.85</b>	<b>147.88</b>	<b>144.98</b>	<b>111.84</b>	<b>318.20</b>	<b>1268.57</b>
<b>Debt service (C-Loans and Eurobonds):</b>	<b>1.43</b>	<b>5.32</b>	<b>0.27</b>	<b>0.00</b>	<b>0.03</b>	<b>0.61</b>	<b>1.43</b>	<b>5.27</b>	<b>14.36</b>
• Principal payments	0.94	4.99	0.24	0.00	0.03	0.53	0.95	5.05	12.73
• Interest payments	0.49	0.33	0.03	0.00	0.00	0.07	0.47	0.22	1.62
<b>Reimbursement for purchase of gas and fuel</b>	<b>93.71</b>	<b>208.61</b>	<b>110.47</b>	<b>125.85</b>	<b>147.85</b>	<b>144.37</b>	<b>110.42</b>	<b>312.93</b>	<b>1254.21</b>
• KPC & SPC	93.71	208.61	110.47	125.85	147.85	144.37	110.42	312.93	1254.21

Source: Ministry of Finance

## II. Treasury Transfers to EDL in Jan-August 2017 in comparison with Jan-August 2016

- ▶ *Transfers to EDL in Jan-August 2017 were LL 482.86 billion higher than the Jan-August 2016 level*

Transfers in Jan-August 2017 were LL 482.86 billion higher than the amount paid in Jan-August 2016, which stood at LL 785.71 billion. This was mainly a result of higher payments to KPC and Sonatrach for fuel oil and gas oil purchases.

**Table 2: Treasury Transfers to EDL**

(LL billion)	Jan-August 2016	Jan-August 2017	Change	% Change
<b>EDL, of which:</b>	<b>785.71</b>	<b>1268.57</b>	<b>482.86</b>	<b>61.5%</b>
<b>Debt Service (C-Loans and Eurobonds):</b>	<b>19.67</b>	<b>14.36</b>	<b>5.32-</b>	<b>-27%</b>
-Principal Repayments	17.31	12.73	4.58-	-26%
-Interest Payments	2.36	1.62	0.74-	-31.2%
<b>Reimbursement for purchase of gas and fuel</b>	<b>766.04</b>	<b>1254.21</b>	<b>488.18</b>	<b>63.7%</b>
• KPC & SPC	766.04	1254.21	488.18	63.7%

- ▶ *Payments to the two oil suppliers in Jan-August 2017 were LL 488.18 billion higher than their level during Jan-August 2016.*

The component "Reimbursement of KPC and Sonatrach Agreements" reached LL 1254.21 billion in Jan-August 2017, rise from LL 766.04 billion in Jan-August 2016. This 63.7 percent increase was mainly driven by higher average prices of crude oil and higher quantity of fuel oil.

- **From a quantity-effect viewpoint:**
  - % Change in Quantity of Fuel Oil imported: 27.80% ▲
  - % Change in Quantity of Gas Oil imported: 4.78% ▼
- **From a price-effect viewpoint:**

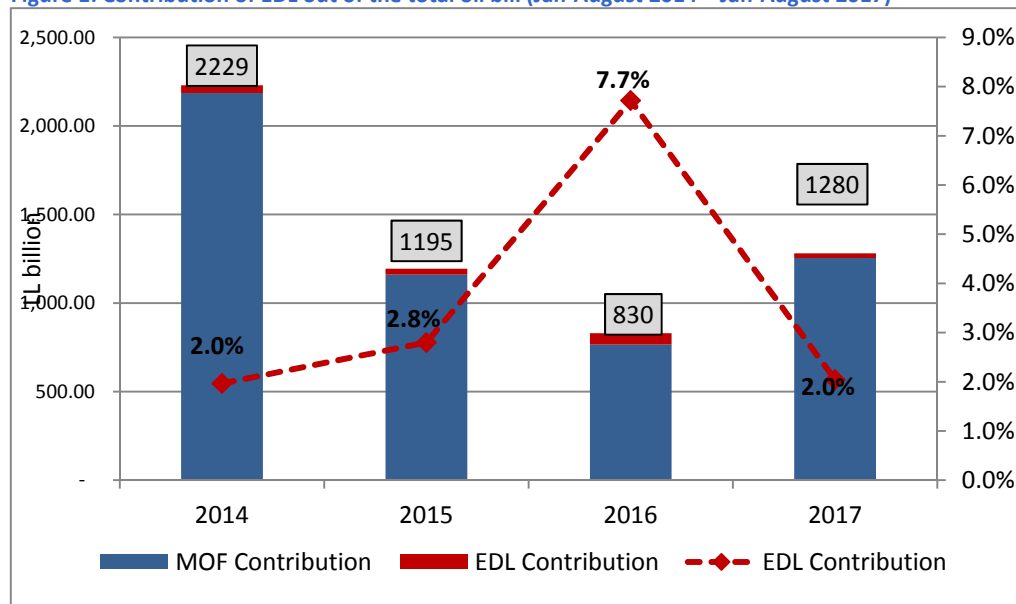
	Jan-August 2016 Bill	Jan-August 2017 Bill
Average Price/Barrel	US\$ 41.07	US\$ 51.07
% Change in weighted average price of crude oil		24.34% ▲

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

► *EDL contributed 2 percent of the total oil bill in Jan-August 2017*

From a total oil bill of LL 1280 billion in Jan-August 2017, EDL contributed by 2 percent to the cost of gas oil and fuel oil purchase<sup>1</sup>. This figure was higher at 7.7 percent during the same period of 2016, out of a lower bill of LL 830 billion. In nominal terms, EDL’s contribution was lower in Jan-August 2017, amounting to LL 26 billion, compared to LL 64 billion during the same period in 2016.

Figure 1: Contribution of EDL out of the total oil bill (Jan-August 2014 – Jan-August 2017)

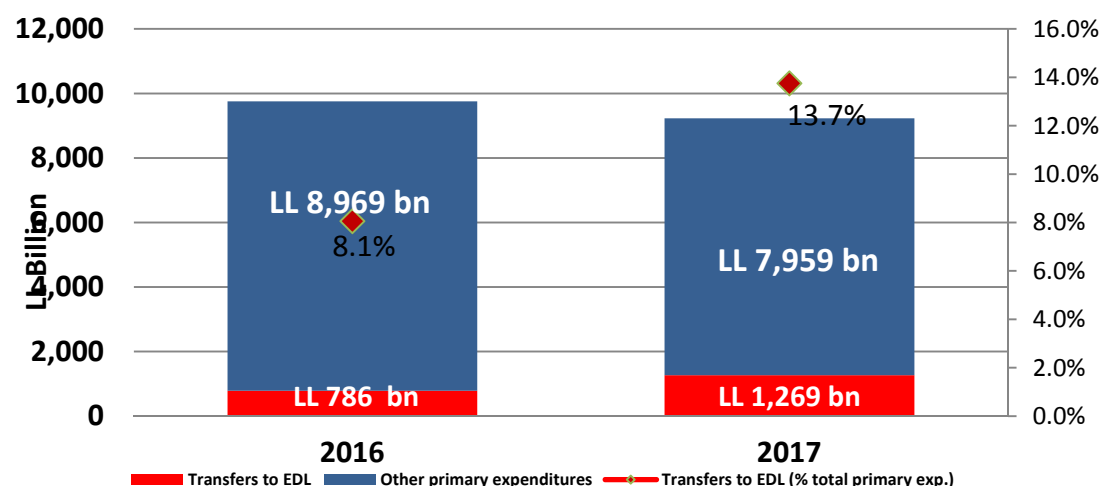


### IV. Shares of “Transfers to EDL” out of Expenditures

► *Transfers to EDL constituted 13.7 percent of primary expenditures in Jan-August 2017*

With primary expenditures at LL 9,227 billion, the share of transfers to EDL reached 13.7 percent in Jan-August 2017. This share was lower at 8.1 percent in Jan-August 2016.

Figure 2: Transfers to EDL out of primary expenditures (Jan-August 2016 – Jan-August 2017)



<sup>1</sup> The Treasury transferred around LL 1268.57 billion to cover EDL’s deficit in Jan-August 2017. Out of this amount, around LL 1254.21 billion represented the Treasury transfer to purchase gas oil and fuel oil (as shown in Table 2). However, the total oil bill for Jan-August 2017 amounted to LL 1280.39 billion, which correspond to LL 1254.21 billion of Treasury transfers plus LL 26.18 billion of payments made by EDL.