

## I. Treasury Transfers to EDL in August 2021

► In August 2021, treasury transfers to EDL reached LL 54.56 billion, as follows:

- ⇒ For Reimbursement of KPC and Sonatrach LL 53.22 billion
- ⇒ Debt Service LL 1.34 billion

Table 1: Monthly Treasury transfers to EDL in Jan-August 2021

(LL billion)	Jan	Feb	March	April	May	June	July	Aug	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>99.60</b>	<b>126.77</b>	<b>54.56</b>	<b>699.15</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>0.58</b>	<b>0.00</b>	<b>1.34</b>	<b>2.21</b>
• Principal payments	0.00	0.00	0.27	0.00	0.00	0.54	0.00	0.92	1.73
• Interest payments	0.00	0.00	0.02	0.00	0.00	0.04	0.00	0.41	0.48
<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>99.02</b>	<b>126.77</b>	<b>53.22</b>	<b>696.94</b>
• KPC & SPC	43.23	66.49	217.79	59.33	31.09	99.02	126.77	53.22	696.94

Source: Ministry of Finance

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

► Transfers to EDL in Jan-August 2021 were LL 252.67 billion lower than the Jan-August 2020 level

Transfers in Jan-August 2021 were LL 252.67 billion lower than the amount paid in Jan-August 2020, which stood at LL 951.82 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-August 2020	Jan-August 2021	Change	% Change
<b>EDL, of which:</b>	<b>951.82</b>	<b>699.15</b>	<b>-252.67</b>	<b>-26.5%</b>
<b>Debt Service (C-Loans and Eurobonds):</b>	<b>2.43</b>	<b>2.21</b>	<b>-0.23</b>	<b>-9.3%</b>
-Principal Repayments	1.99	1.73	-0.27	-13.5%
-Interest Payments	0.44	0.48	-0.04	-9.4%
<b>Reimbursement for purchase of gas and fuel</b>	<b>949.38</b>	<b>696.94</b>	<b>-252.44</b>	<b>-26.6%</b>
• KPC & SPC	949.38	696.94	-252.44	-26.6%

► Payments to the two oil suppliers in Jan-August 2021 were LL 252.44 billion lower than their level during Jan-August 2020.

The component “Reimbursement of KPC and Sonatrach Agreements” reached LL 696.94 billion in Jan-August 2021, a fall from LL 949.38 billion in Jan-August 2020. This 26.6 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: 28.16% ▼
  - % Change in Quantity of Gas Oil imported: 53.94% ▼
- **From a price-effect viewpoint:**

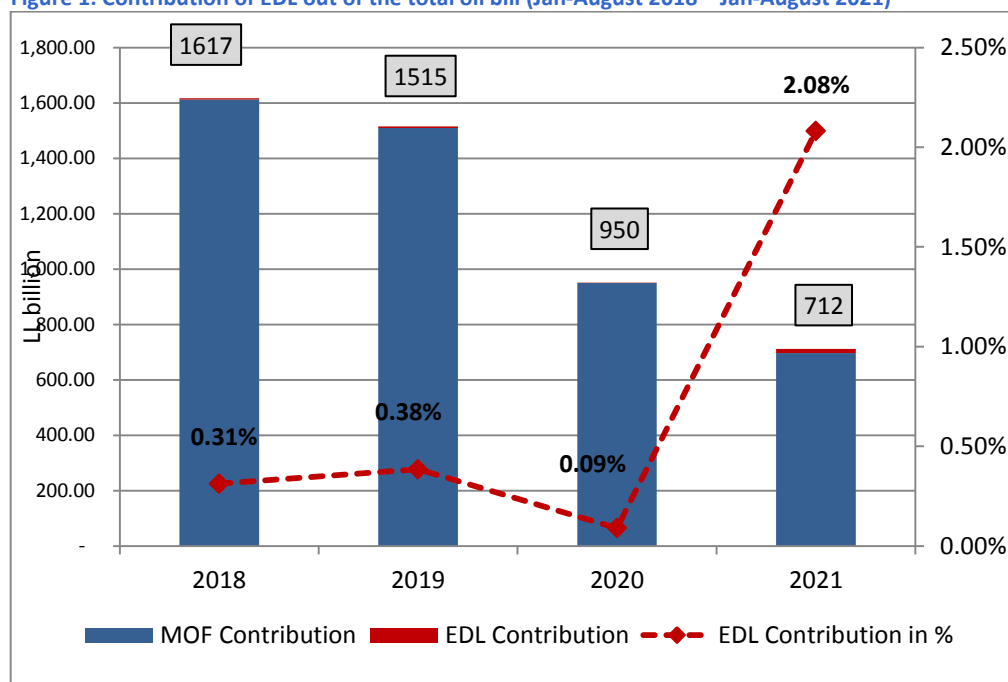
	Jan-August 2020 Bill	Jan-August 2021 Bill
<b>Average Price/Barrel</b>	US\$ 41.01	US\$ 67.52
<b>% Change in weighted average price of crude oil</b>		64.66% ▲

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

▶ *EDL contributed 2.08 percent of the total oil bill in Jan-August 2021*

From a total oil bill of LL 712 billion in Jan-August 2021<sup>1</sup>, EDL contributed by around 2.08 percent to the cost of gas oil and fuel oil purchase. This figure was lower at 0.09 percent during the same period of 2020, out of a higher bill of LL 950 billion. In nominal terms, EDL’s contribution was only LL 0.85 billion during the same period in 2020.

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

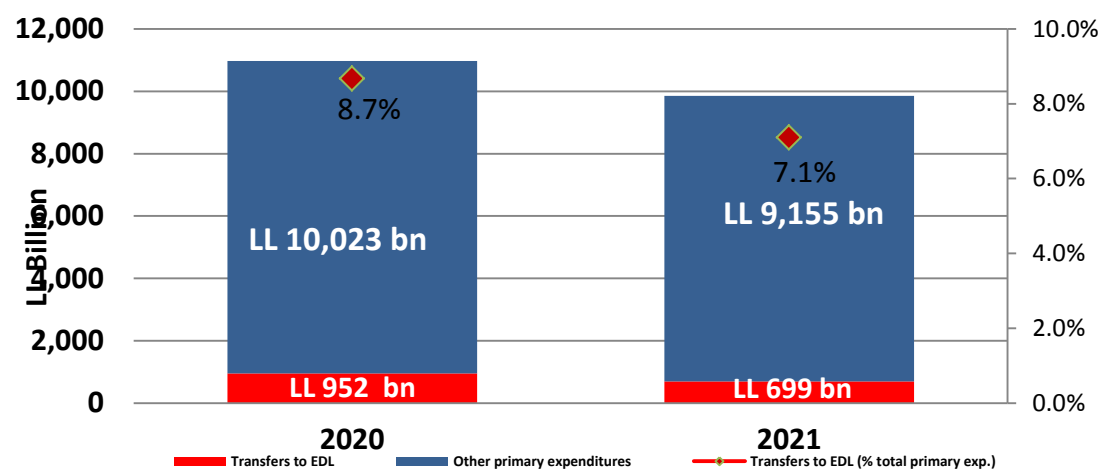


### IV. Shares of “Transfers to EDL” out of Expenditures

▶ *Transfers to EDL constituted 7.1 percent of primary expenditures in Jan-August 2021*

With primary expenditures at LL 9,854 billion, the share of transfers to EDL reached 7.1 percent in Jan-August 2021. This share was higher at 8.7 percent in Jan-August 2020.

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



<sup>1</sup> The Treasury transferred around LL 699.15 billion to cover EDL’s deficit in Jan-August 2021. This entire amount represented the Treasury transfer to EDL (as shown in Table 2). However, the total oil bill for Jan-August 2021 amounted to LL 711.75 billion, which correspond to LL 696.94 billion of Treasury transfers plus LL 14.81 billion of payments made by EDL.