

I. Treasury Transfers to EDL in February 2017

► In February 2017, treasury transfers to EDL reached LL 213.93 billion, as follows:

- ⇒ Reimbursement of KPC and Sonatrach LL 208.61 billion
- ⇒ Debt Service LL 5.32 billion

Table 1: Monthly Treasury transfers to EDL in Jan-Feb 2017

(LL billion)	Jan	Feb	Total
EDL of which:	95.14	213.93	309.07
Debt service (C-Loans and Eurobonds):	1.43	5.32	6.75
• Principal payments	0.94	4.99	5.93
• Interest payments	0.49	0.33	0.82
Reimbursement for purchase of gas and fuel	93.71	208.61	302.32
• KPC & SPC	93.71	208.61	302.32

Source: Ministry of Finance

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

► Transfers to EDL in Jan-Feb 2017 were LL 172.60 billion higher than the Jan-Feb 2016 level

Transfers in Jan-Feb 2017 were LL 172.60 billion higher than the amount paid in Jan-Feb 2016, which stood at LL 136.47 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-Feb 2016	Jan-Feb 2017	Change	% Change
EDL, of which:	136.47	309.07	172.60	126.5%
Debt Service (C-Loans and Eurobonds):	7.11	6.75	0.36-	-5.1%
-Principal Repayments	6.01	5.93	0.08-	-1%
-Interest Payments	1.10	0.82	0.28-	-25.2%
Reimbursement for purchase of gas and fuel	129.36	302.32	172.96	133.7%
• KPC & SPC	129.36	302.32	172.96	133.7%

► Payments to the two oil suppliers in Jan-Feb 2017 were LL 172.96 billion higher than their level during Jan-Feb 2016.

The component "Reimbursement of KPC and Sonatrach Agreements" reached LL 302.32 billion in Jan-Feb 2017, rise from LL 129.36 billion in Jan-Feb 2016. This 133.7 percent increase was mainly driven by higher average prices of crude oil and higher quantity of fuel and gas oil purchases.

- **From a quantity-effect viewpoint:**
 - % Change in Quantity of Fuel Oil imported: 6.7% ▼
 - % Change in Quantity of Gas Oil imported: 20.9% ▲
- **From a price-effect viewpoint:**

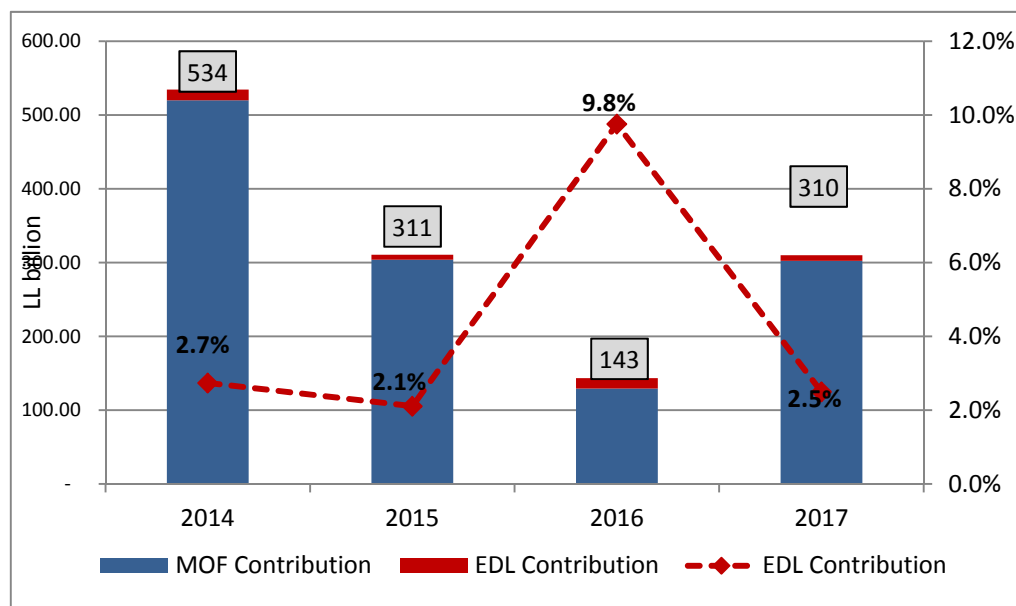
	Jan-Feb 2016 Bill	Jan-Feb 2017 Bill
Average Price/Barrel	US\$ 31.6	US\$ 54.7
% Change in weighted average price of crude oil		73.35% ▲

III. Contribution of EDL out of the total oil bill

► *EDL contributed 2.5 percent of the total oil bill in Jan-Feb 2017*

From a total oil bill of LL 310 billion in Jan-Feb 2017, EDL contributed by 2.5 percent to the cost of gas oil and fuel oil purchase¹. This figure was higher at 9.8 percent during the same period of 2016, out of a lower bill of LL 143.34 billion. In nominal terms, EDL’s contribution was lower in Jan-Feb 2017, amounting to LL 8 billion, compared to LL 14 billion during the same period in 2016.

Figure 1: Contribution of EDL (Jan-Feb 2014 – Jan-Feb 2017)

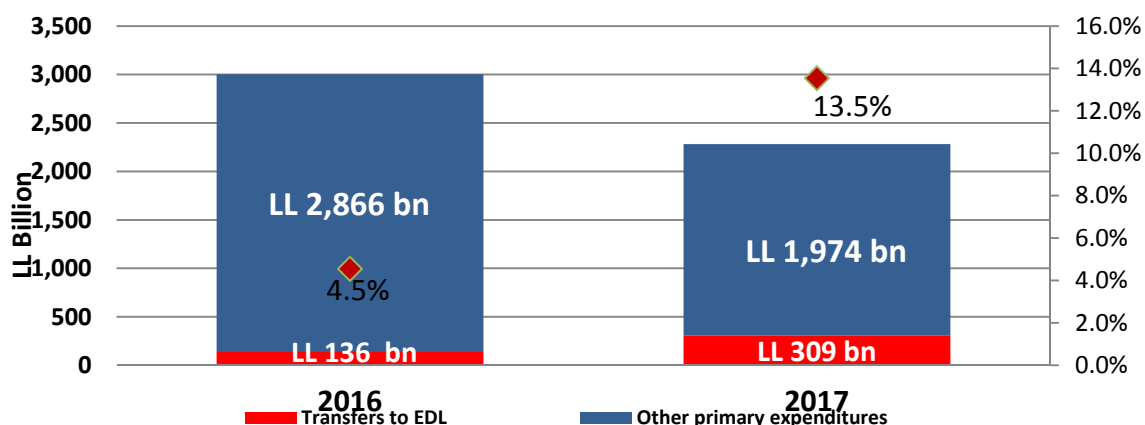


IV. Shares of “Transfers to EDL” out of Expenditures

► *Transfers to EDL constituted 13.5 percent of primary expenditures in Jan-Feb 2017*

With primary expenditures at LL 2,283 billion, the share of transfers to EDL reached 13.5 percent in Jan-Feb 2017. This share was lower at 4.5 percent in Jan-Feb 2016.

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



¹ The Treasury transferred around LL 309.067 billion to cover EDL’s deficit in Feb 2017. Out of this amount, around LL 302.32 billion represented the Treasury transfer to purchase gas oil and fuel oil (as shown in Table 2). However, the total oil bill for Feb 2017 amounted to LL 310.07 billion, which correspond to LL 302.32 billion of Treasury transfers plus LL 7.75 billion of payments made by EDL.