

I. Treasury Transfers to EDL in March 2017

► In March 2017, treasury transfers to EDL reached LL 110.75 billion, as follows:

- ⇒ Reimbursement of KPC and Sonatrach LL 110.47 billion
- ⇒ Debt Service LL 0.27 billion

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

(LL billion)	Jan	Feb	Mar	Total
EDL of which:	95.14	213.93	110.75	419.81
Debt service (C-Loans and Eurobonds):	1.43	5.32	0.27	7.02
• Principal payments	0.94	4.99	0.24	6.16
• Interest payments	0.49	0.33	0.03	0.85
Reimbursement for purchase of gas and fuel	93.71	208.61	110.47	412.79
• KPC & SPC	93.71	208.61	110.47	412.79

Source: Ministry of Finance

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

► Transfers to EDL in Jan-Mar 2017 were LL 190.19 billion higher than the Jan-Mar 2016 level

Transfers in Jan-Mar 2017 were LL 190.19 billion higher than the amount paid in Jan-Mar 2016, which stood at LL 229.62 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-Mar 2016	Jan-Mar 2017	Change	% Change
EDL, of which:	229.62	419.81	190.19	82.8%
Debt Service (C-Loans and Eurobonds):	7.40	7.02	0.38-	-5.2%
-Principal Repayments	6.26	6.16	0.10-	-2%
-Interest Payments	1.14	0.85	0.28-	-24.8%
Reimbursement for purchase of gas and fuel	222.22	412.79	190.57	85.8%
• KPC & SPC	222.22	412.79	190.57	85.8%

► Payments to the two oil suppliers in Jan-Mar 2017 were LL 190.57 billion higher than their level during Jan-Mar 2016.

The component “Reimbursement of KPC and Sonatrach Agreements” reached LL 412.79 billion in Jan-Mar 2017, rise from LL 222.22 billion in Jan-Mar 2016. This 85.8 percent increase was mainly driven by higher average prices of crude oil.

- **From a quantity-effect viewpoint:**
 - % Change in Quantity of Fuel Oil imported: 4.15% ▼
 - % Change in Quantity of Gas Oil imported: 8.65% ▼
- **From a price-effect viewpoint:**

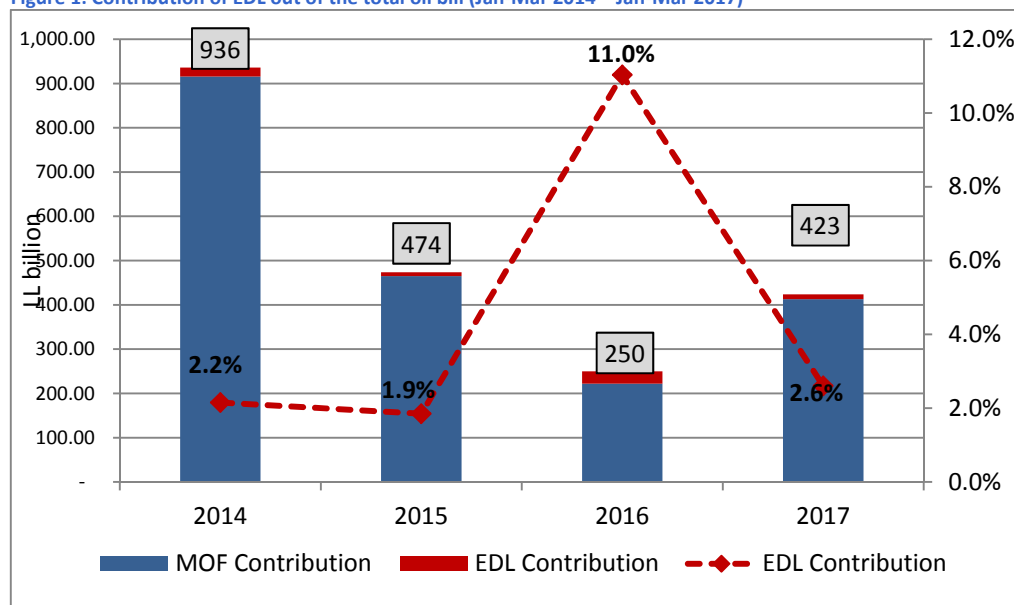
	Jan-Mar 2016 Bill	Jan-Mar 2017 Bill
Average Price/Barrel	US\$ 34.01	US\$ 53.60
% Change in weighted average price of crude oil		57.58% ▲

III. Contribution of EDL out of the total oil bill

- ▶ EDL contributed 2.6 percent of the total oil bill in Jan-Mar 2017

From a total oil bill of LL 423 billion in Jan-Mar 2017, EDL contributed by 2.6 percent to the cost of gas oil and fuel oil purchase¹. This figure was higher at 11 percent during the same period of 2016, out of a lower bill of LL 249.78 billion. In nominal terms, EDL’s contribution was lower in Jan-Mar 2017, amounting to LL 11 billion, compared to LL 28 billion during the same period in 2016.

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

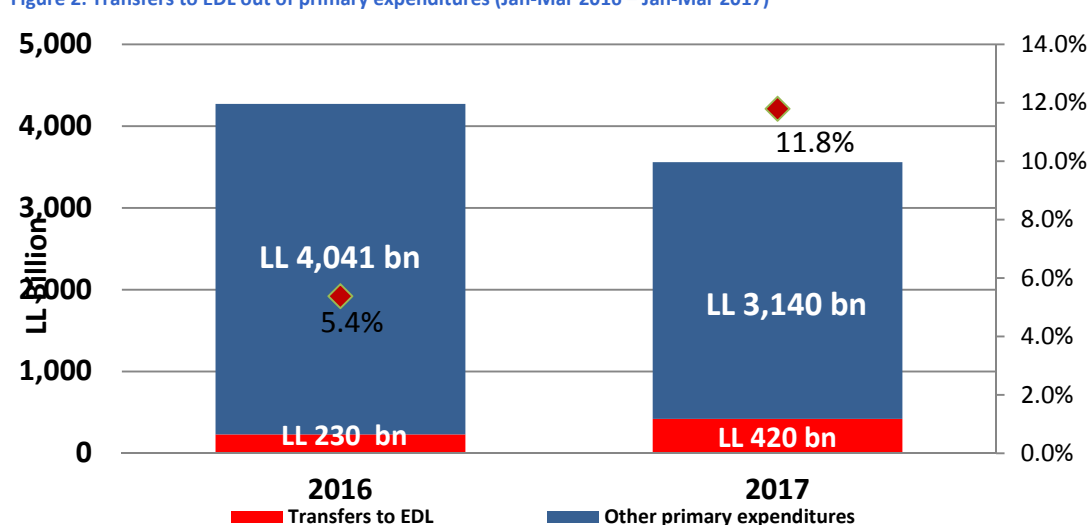


IV. Shares of “Transfers to EDL” out of Expenditures

- ▶ Transfers to EDL constituted 11.8 percent of primary expenditures in Jan-Mar 2017

With primary expenditures at LL 3,560 billion, the share of transfers to EDL reached 11.8 percent in Jan-Mar 2017. This share was lower at 5.4 percent in Jan-Mar 2016.

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



¹ The Treasury transferred around LL 419.81 billion to cover EDL’s deficit in Jan-Mar 2017. Out of this amount, around LL 412.79 billion represented the Treasury transfer to purchase gas oil and fuel oil (as shown in Table 2). However, the total oil bill for Jan-Mar 2017 amounted to LL 423.03 billion, which correspond to LL 412.79 billion of Treasury transfers plus LL 11.04 billion of payments made by EDL.