

I. Treasury Transfers to EDL in November 2016

- ▶ **In November 2016**, treasury transfers to EDL reached LL 161.62 billion for reimbursement of KPC and Sonatrach gas and fuel bills.
- ▶ The C-loans are fully amortized so no debt service will be recorded starting October 2016.

Table 1: Monthly Treasury transfers to EDL in Jan-Nov 2016

(LL billion)	Jan	Feb	Mar	April	May	June	July	Aug	Sep	Oct	Nov	Total
EDL of which:	53.83	82.64	93.15	87.27	115.95	71.28	157.41	124.18	166.45	122.07	161.62	1235.85
Debt service (C-Loans and Eurobonds):	1.48	5.63	0.29	0.88	1.13	0.60	4.17	5.50	0.29	0.00	0.00	19.96
• Principal payments	0.94	5.07	0.25	0.87	1.11	0.52	3.50	5.05	0.25	0.00	0.00	17.56
• Interest payments	0.53	0.57	0.04	0.01	0.02	0.08	0.66	0.45	0.04	0.00	0.00	2.40
Reimbursement for purchase of gas and fuel	52.35	77.01	92.86	86.39	114.82	70.68	153.25	118.68	166.17	122.07	161.62	1215.89
• KPC & SPC	52.35	77.01	92.86	86.39	114.82	70.68	153.25	118.68	166.17	122.07	161.62	1215.89

Source: Ministry of Finance

II. Treasury Transfers to EDL in Jan-November 2016 in comparison with Jan-November 2015

- ▶ **Transfers to EDL in Jan-November 2016 were LL354.78 billion lower than the Jan-November 2015 level**

Transfers in Jan-November 2016 were LL 354.78 billion lower than the amount paid in Jan-November 2015, which stood at LL 1,590.63 billion. This was mainly a result of lower payments to KPC and Sonatrach for fuel oil and gas oil purchases

(LL billion)	Jan-Nov 2015	Jan-Nov 2016	Change	% Change
EDL, of which:	1,590.63	1,235.85	354.78-	-22.3%
Debt Service (C-Loans and Eurobonds):	28.31	19.96	8.35-	-29.5%
-Principal Repayments	24.89	17.56	7.33-	-29%
-Interest Payments	3.42	2.40	1.02-	-29.9%
Reimbursement for purchase of gas and fuel	1,562.32	1,215.89	346.43-	-22.2%
• KPC & SPC	1,562.32	1,215.89	346.43-	-22.2%

- ▶ **Payments to the two oil suppliers in Jan-November 2016 were LL 346.43 billion lower than their level during Jan-November 2015.**

The component “Reimbursement of KPC and Sonatrach Agreements” reached LL 1,215.89 billion in Jan-November 2016, down from LL 1,562.32 billion in Jan-November 2015. This 22.2 percent decrease was mainly driven by lower average prices of crude oil.

- **From a quantity-effect viewpoint:**
 - % Change in Quantity of Fuel Oil imported: 12.99 % ▲
 - % Change in Quantity of Gas Oil imported: -1.86 % ▼
- **From a price-effect viewpoint:**

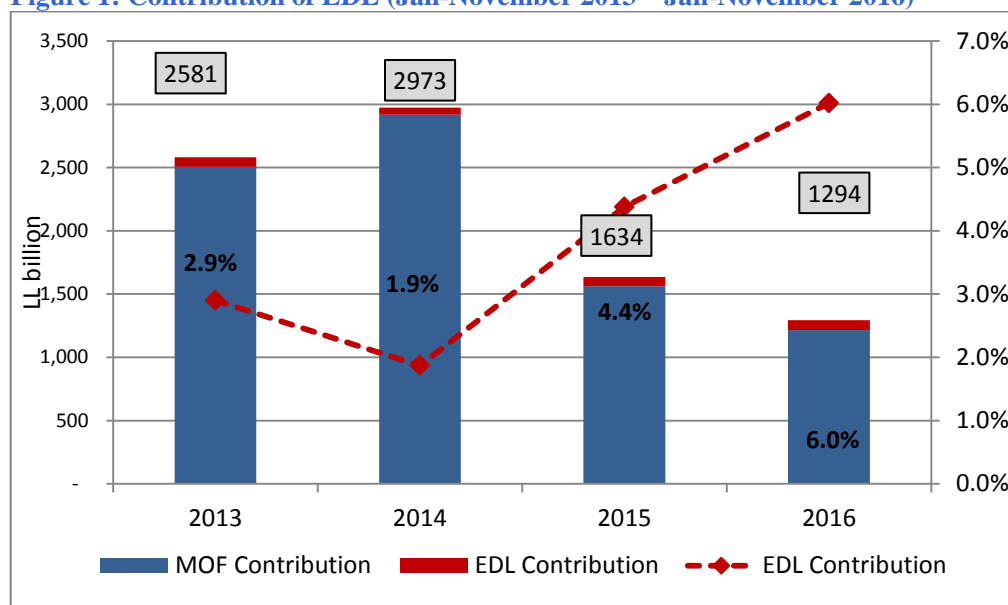
	Jan-Nov 2015 Bill	Jan-Nov 2016 Bill
Average Price/Barrel	US\$ 53.32	US\$ 43.05
% Change in weighted average price of crude oil		19.277 % ▼

III. Contribution of EDL out of the total oil bill

▶ **EDL contributed 6.0 percent of the total oil bill in Jan-November 2016**

From a total oil bill of LL 1294 billion in Jan-November 2016, EDL contributed by 6.0 percent to the cost of gas oil and fuel oil purchase¹. This figure was lower at 4.4 percent during the same period of 2015, out of a higher bill of LL 1634 billion. In nominal terms, EDL’s contribution was lower in Jan-November 2015, amounting to LL 71.53 billion, compared to LL 77.84 billion during the same period in 2016.

Figure 1: Contribution of EDL (Jan-November 2013 – Jan-November 2016)

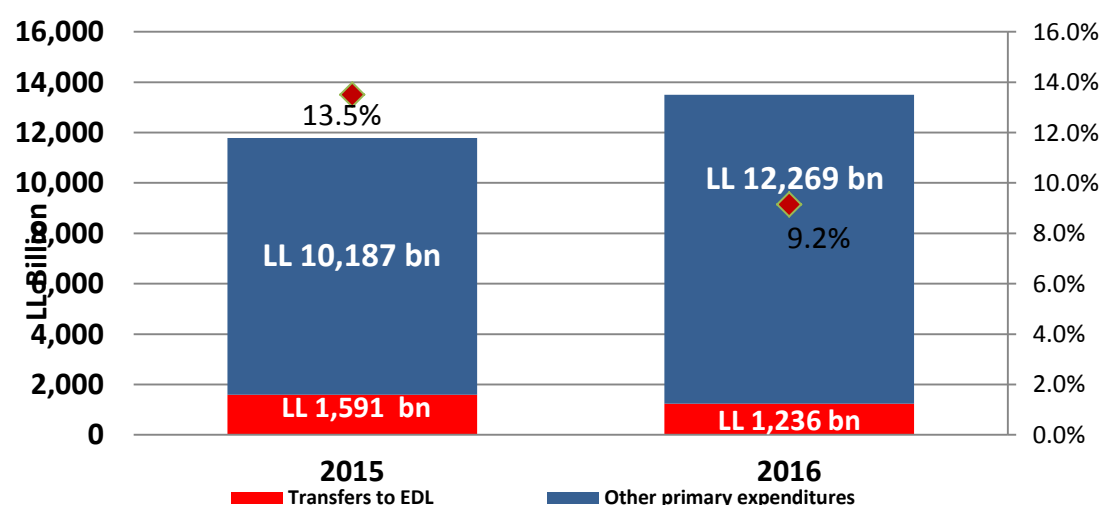


IV. Shares of “Transfers to EDL” out of Expenditures

▶ **Transfers to EDL constituted 9.2 percent of primary expenditures in Jan-November 2016**

With primary expenditures at LL 13,505 billion, the share of transfers to EDL reached 9.2 percent in Jan-November 2016. This share was higher at 13.5 percent in Jan-November 2015.

Figure 2: Transfers to EDL out of primary expenditures (Jan-Nov 2015 – Jan-Nov 2016)



¹ The Treasury transferred around LL 1,236 billion to cover EDL’s deficit in Jan-November 2016. Out of this amount, around LL 1215.89 billion represented the Treasury transfer to purchase gas oil and fuel oil (as shown in Table 2). However, the total oil bill for Jan-November 2016 amounted to LL 1293.73 billion, which correspond to LL 1215.89 billion of Treasury transfers plus LL 77.84 billion of payments made by EDL.