

I. Treasury Transfers to EDL in October 2020

- ▶ *In October 2020*, treasury transfers to EDL reached LL 95.70 billion, for Reimbursement of KPC and Sonatrach.

Table 1: Monthly Treasury transfers to EDL in Jan-October 2020

(LL billion)	Jan	Feb	March	April	May	June	July	August	September	October	Total
EDL of which:	286.35	7.61	161.09	127.72	24.41	46.49	153.09	145.06	66.49	95.70	1114.01
Debt service (C-Loans and Eurobonds):	1.31	0.00	0.28	0.00	0.30	0.55	0.00	0.00	0.29	0.00	2.72
• Principal payments	0.94	0.00	0.25	0.00	0.29	0.50	0.00	0.00	0.26	0.00	2.26
• Interest payments	0.36	0.00	0.03	0.00	0.004	0.05	0.00	0.00	0.02	0.00	0.46
Reimbursement for purchase of gas and fuel	285.04	7.61	160.81	127.72	24.11	45.94	153.09	145.06	66.20	95.70	1111.29
• KPC & SPC	285.04	7.61	160.81	127.72	24.11	45.94	153.09	145.06	66.20	95.70	1111.29

Source: Ministry of Finance

II. Treasury Transfers to EDL in Jan-October 2020 in comparison with Jan-October 2019

- ▶ *Transfers to EDL in Jan-October 2020 were LL 854.87 billion lower than the Jan-October 2019 level*

Transfers in Jan-October 2020 were LL 854.87 billion lower than the amount paid in Jan-October 2019, which stood at LL 1968.87 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-October 2019	Jan-October 2020	Change	% Change
EDL, of which:	1968.87	1114.01	854.87-	-43.4%
Debt Service (C-Loans and Eurobonds):	3.80	2.72	1.08-	-28.5%
-Principal Repayments	2.90	2.26	0.64-	-22.2%
-Interest Payments	0.91	0.46	0.44-	-48.8%
Reimbursement for purchase of gas and fuel	1965.07	1111.29	853.78-	-43.4%
• KPC & SPC	1965.07	1111.29	853.78-	-43.4%

- ▶ *Payments to the two oil suppliers in Jan-October 2020 were LL 853.78 billion lower than their level during Jan-October 2019.*

The component "Reimbursement of KPC and Sonatrach Agreements" reached LL 1111.29 billion in Jan-October 2020, a fall from LL 1965.07 billion in Jan-October 2019. This 43.4 percent decrease was mainly driven by lower quantity and price of fuel and gas oil.

- **From a quantity-effect viewpoint:**
 - % Change in Quantity of Fuel Oil imported: 22.73% ▼
 - % Change in Quantity of Gas Oil imported: 16.40% ▼
- **From a price-effect viewpoint:**

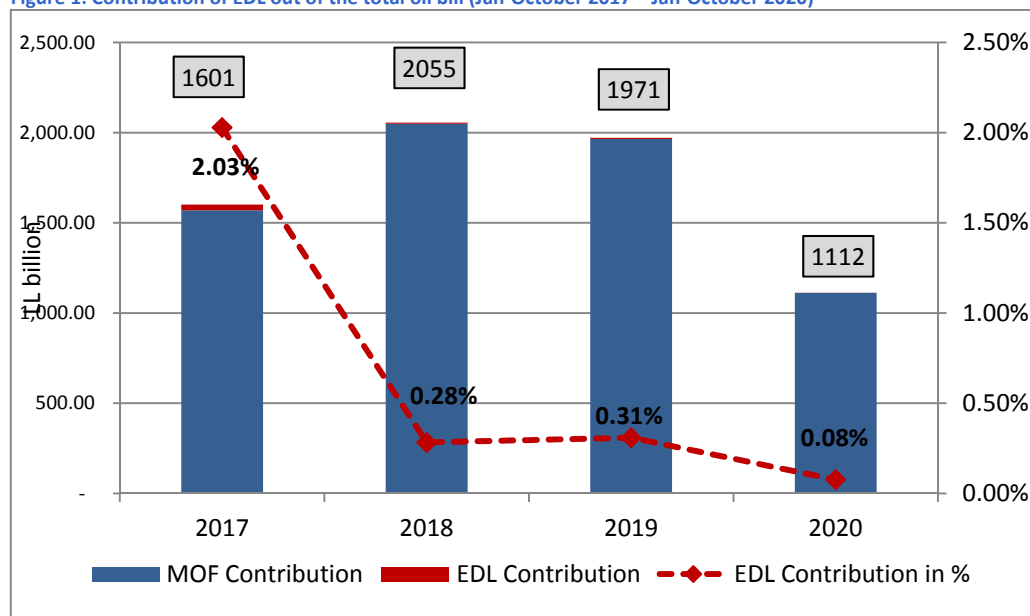
	Jan-October 2019 Bill	Jan-October 2020 Bill
Average Price/Barrel	US\$ 64.27	US\$ 40.92
% Change in weighted average price of crude oil		36.34% ▼

III. Contribution of EDL out of the total oil bill

► *EDL contributed 0.08 percent of the total oil bill in Jan-October 2020*

From a total oil bill of LL 1112 billion in Jan-October 2020, EDL contributed by around 0.08 percent to the cost of gas oil and fuel oil purchase¹. This figure was higher at 0.31 percent during the same period of 2019, out of a higher bill of LL 1971 billion. In nominal terms, EDL’s contribution was lower in Jan-October 2020, amounting to LL 0.85 billion, compared to LL 6.09 billion during the same period in 2019.

Figure 1: Contribution of EDL out of the total oil bill (Jan-October 2017 – Jan-October 2020)

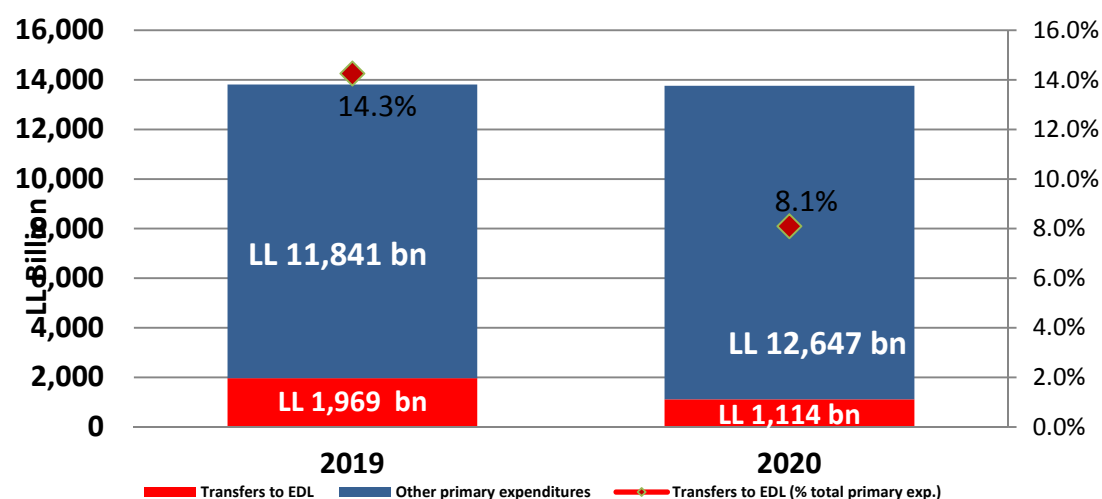


IV. Shares of “Transfers to EDL” out of Expenditures

► *Transfers to EDL constituted 8.1 percent of primary expenditures in Jan-October 2020*

With primary expenditures at LL 13,761 billion, the share of transfers to EDL reached 8.1 percent in Jan-October 2020. This share was higher at 14.3 percent in Jan-October 2019.

Figure 2: Transfers to EDL out of primary expenditures (Jan-October 2019 – Jan-October 2020)



¹ The Treasury transferred around LL 1114.01 billion to cover EDL’s deficit in Jan-October 2020. Out of this amount, around LL 1111.29 billion represented the Treasury transfer to purchase gas oil and fuel oil (as shown in Table 2). However, the total oil bill for Jan-October 2020 amounted to LL 1112.14 billion, which correspond to LL 1111.29 billion of Treasury transfers plus LL 0.85 billion of payments made by EDL.