

I. Treasury Transfers to EDL in June 2021

► In June 2021, treasury transfers to EDL reached LL 99.60 billion, as follows:

- ⇒ For Reimbursement of KPC and Sonatrach LL 99.02 billion
- ⇒ Debt service LL 0.58 billion

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

(LL billion)	Jan	Feb	March	April	May	June	Total
EDL of which:	43.23	66.49	218.08	59.33	31.09	99.60	517.82
Debt service (C-Loans and Eurobonds):	0.00	0.00	0.29	0.00	0.00	0.58	0.87
• Principal payments	0.00	0.00	0.27	0.00	0.00	0.54	0.80
• Interest payments	0.00	0.00	0.02	0.00	0.00	0.04	0.07
Reimbursement for purchase of gas and fuel	43.23	66.49	217.79	59.33	31.09	99.02	516.95
• KPC & SPC	43.23	66.49	217.79	59.33	31.09	99.02	516.95

Source: Ministry of Finance

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

► Transfers to EDL in Jan-June 2021 were LL 135.85 billion lower than the Jan-June 2020 level

Transfers in Jan-June 2021 were LL 135.85 billion lower than the amount paid in Jan-June 2020, which stood at LL 653.67 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-June 2020	Jan-June 2021	Change	% Change
EDL, of which:	653.67	517.82	-135.85	-20.8%
Debt Service (C-Loans and Eurobonds):	2.43	0.87	-1.57	-64.3%
-Principal Repayments	1.49	0.80	-1.19	-59.8%
-Interest Payments	0.44	0.07	-0.37	-84.9%
Reimbursement for purchase of gas and fuel	651.24	516.95	-134.29	-20.6%
• KPC & SPC	651.24	516.95	-134.29	-20.6%

► Payments to the two oil suppliers in Jan-June 2021 were LL 134.29 billion lower than their level during Jan-June 2020.

The component "Reimbursement of KPC and Sonatrach Agreements" reached LL 516.95 billion in Jan-June 2021, a fall from LL 651.24 billion in Jan-June 2020. This 20.6 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: 16.92% ▼
 - % Change in Quantity of Gas Oil imported: 51.96% ▼
- **From a price-effect viewpoint:**

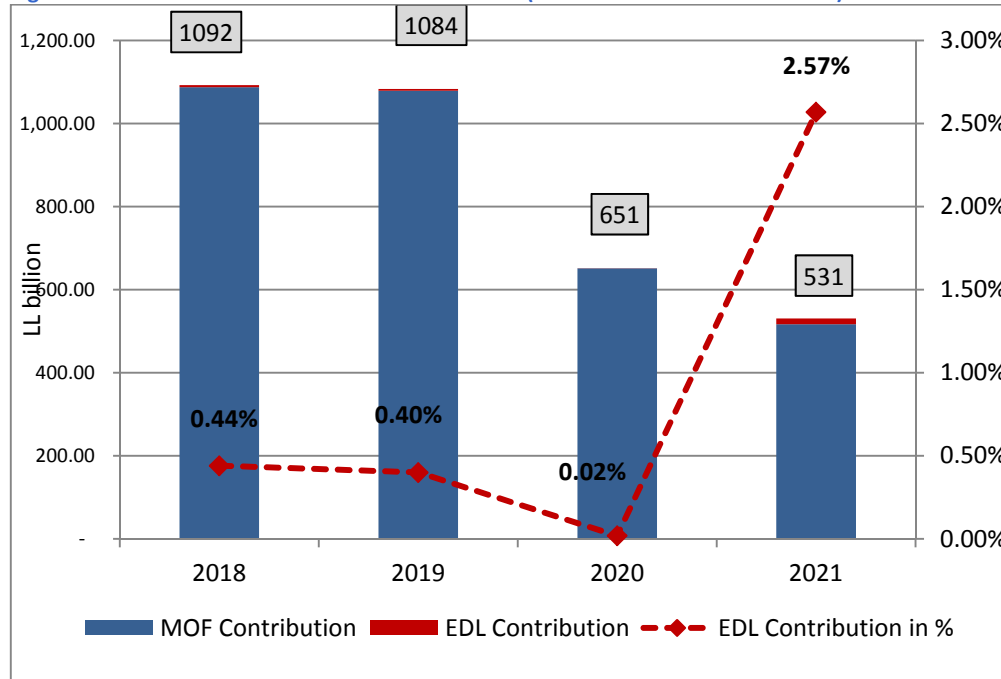
	Jan-June 2020 Bill	Jan-June 2021 Bill
Average Price/Barrel	US\$ 39.58	US\$ 65.71
% Change in weighted average price of crude oil		65.99% ▲

III. Contribution of EDL out of the total oil bill

▶ *EDL contributed 2.57 percent of the total oil bill in Jan-June 2021*

From a total oil bill of LL 531 billion in Jan-June 2021¹, EDL contributed by around 2.57 percent to the cost of gas oil and fuel oil purchase. This figure was lower at 0.02 percent during the same period of 2020, out of a higher bill of LL 651 billion. In nominal terms, EDL’s contribution was only LL 0.12 billion during the same period in 2020.

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



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

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

With primary expenditures at LL 7,275 billion, the share of transfers to EDL reached 7.1 percent in Jan-June 2021. This share was higher at 7.9 percent in Jan-June 2020.

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

¹ The Treasury transferred around LL 517.82 billion to cover EDL’s deficit in Jan-June 2021. This entire amount represented the Treasury transfer to EDL (as shown in Table 2). However, the total oil bill for Jan-June 2021 amounted to LL 530.58 billion, which correspond to LL 516.95 billion of Treasury transfers plus LL 13.63 billion of payments made by EDL.

