

I. Treasury Transfers to EDL in July 2017

► In July 2017, treasury transfers to EDL reached LL 111.84 billion, as follows:

- ⇒ Reimbursement of KPC and Sonatrach LL 110.42 billion
- ⇒ Debt Service LL 1.43 billion

Table 1: Monthly Treasury to EDL in Jan-July 2017

(LL billion)	Jan	Feb	Mar	April	May	Jun	July	Total
EDL of which:	95.14	213.93	110.75	125.85	147.88	144.98	111.84	950.37
Debt service (C-Loans and Eurobonds):	1.43	5.32	0.27	0.00	0.03	0.61	1.43	9.08
• Principal payments	0.94	4.99	0.24	0.00	0.03	0.53	0.95	7.68
• Interest payments	0.49	0.33	0.03	0.00	0.00	0.07	0.47	1.40
Reimbursement for purchase of gas and fuel	93.71	208.61	110.47	125.85	147.85	144.37	110.42	941.28
• KPC & SPC	93.71	208.61	110.47	125.85	147.85	144.37	110.42	941.28

Source: Ministry of Finance

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

► Transfers to EDL in Jan-July 2017 were LL 288.84 billion higher than the Jan-July 2016 level

Transfers in Jan-July 2017 were LL 288.84 billion higher than the amount paid in Jan-July 2016, which stood at LL 661.53 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-July 2016	Jan-July 2017	Change	% Change
EDL, of which:	661.53	950.37	288.84	43.7%
Debt Service (C-Loans and Eurobonds):	14.17	9.08	5.09-	-35.9%
-Principal Repayments	12.26	7.68	4.58-	-37%
-Interest Payments	1.91	1.40	0.51-	-26.7%
Reimbursement for purchase of gas and fuel	647.36	941.28	293.92	45.4%
KPC & SPC	647.36	941.28	293.92	45.4%

► Payments to the two oil suppliers in Jan-July 2017 were LL 293.92 billion higher than their level during Jan-July 2016.

The component "Reimbursement of KPC and Sonatrach Agreements" reached LL 941.28 billion in Jan-July 2017, rise from LL 647.36 billion in Jan-July 2016. This 45.4 percent increase was mainly driven by higher average prices of crude oil and higher quantity of fuel oil.

- **From a quantity-effect viewpoint:**
 - % Change in Quantity of Fuel Oil imported: 20.38% ▲
 - % Change in Quantity of Gas Oil imported: 14.35 % ▼
- **From a price-effect viewpoint:**

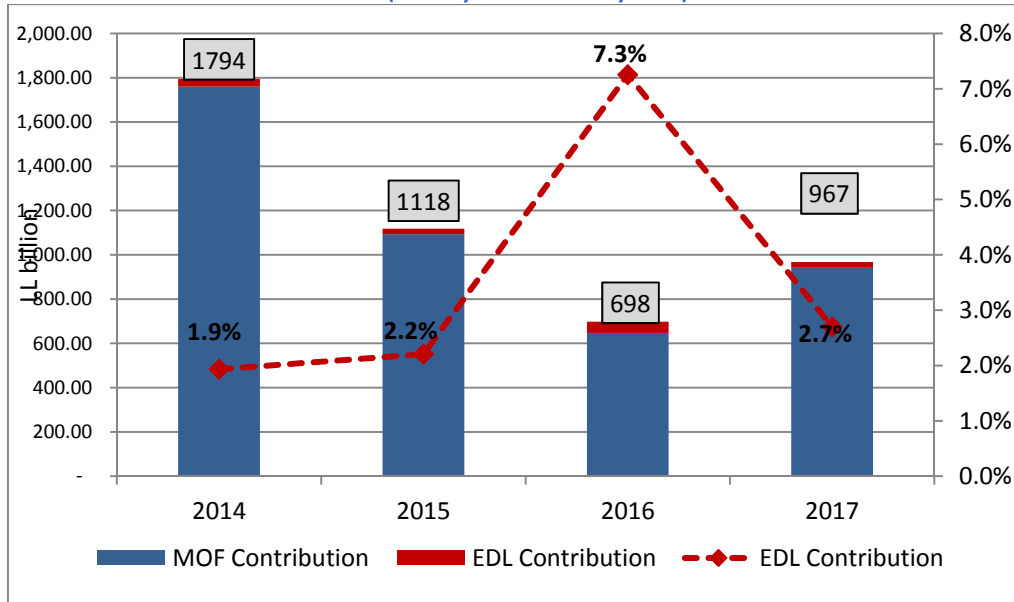
	Jan-July 2016 Bill	Jan-July 2017 Bill
Average Price/Barrel	US\$ 40.04	US\$ 50.85
% Change in weighted average price of crude oil		26.98% ▲

III. Contribution of EDL out of the total oil bill

► *EDL contributed 2.7 percent of the total oil bill in Jan-July 2017*

From a total oil bill of LL 967 billion in Jan-July 2017, EDL contributed by 2.7 percent to the cost of gas oil and fuel oil purchase¹. This figure was higher at 7.3 percent during the same period of 2016, out of a lower bill of LL 698 billion. In nominal terms, EDL's contribution was lower in Jan-July 2017, amounting to LL 26 billion, compared to LL 51 billion during the same period in 2016.

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

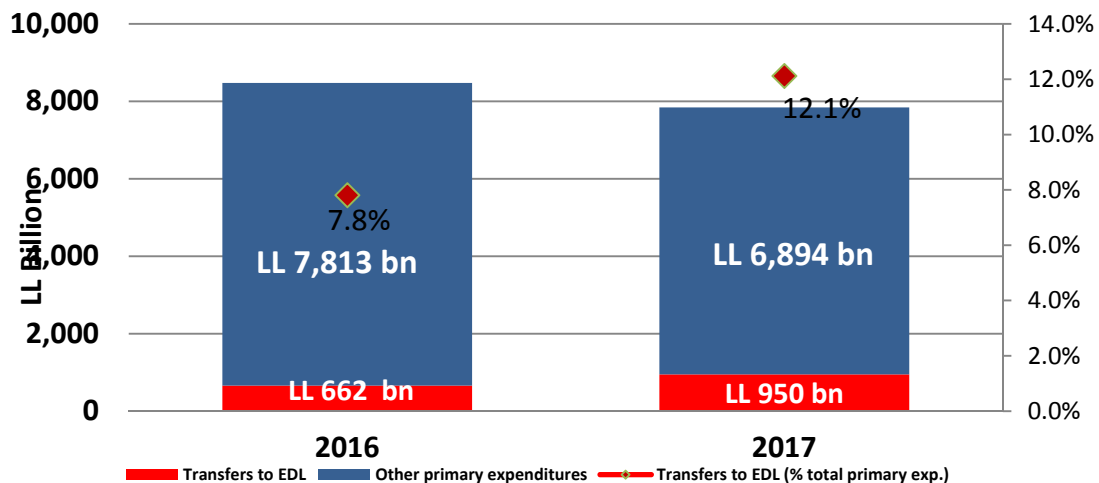


IV. Shares of “Transfers to EDL” out of Expenditures

► *Transfers to EDL constituted 12.1 percent of primary expenditures in Jan-July 2017*

With primary expenditures at LL 7,844 billion, the share of transfers to EDL reached 12.1 percent in Jan-July 2017. This share was lower at 7.8 percent in Jan-July 2016.

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



¹ The Treasury transferred around LL 950.37 billion to cover EDL's deficit in Jan-July 2017. Out of this amount, around LL 941.28 billion represented the Treasury transfer to purchase gas oil and fuel oil (as shown in Table 2). However, the total oil bill for Jan-July 2017 amounted to LL 967.41 billion, which correspond to LL 941.28 billion of Treasury transfers plus LL 26.13 billion of payments made by EDL.