

## I. Treasury Transfers to EDL in June 2017

► In June 2017, treasury transfers to EDL reached LL 144.98 billion, as follows:

- ⇒ Reimbursement of KPC and Sonatrach LL 144.37 billion
- ⇒ Debt Service LL 0.61 billion

**Table 1: Monthly Treasury to EDL in Jan-June 2017**

(LL billion)	Jan	Feb	Mar	April	May	Jun	Total
<b>EDL of which:</b>	<b>95.14</b>	<b>213.93</b>	<b>110.75</b>	<b>125.85</b>	<b>147.88</b>	<b>144.98</b>	<b>838.52</b>
Debt service (C-Loans and Eurobonds):	1.43	5.32	0.27	0.00	0.03	0.61	7.66
• Principal payments	0.94	4.99	0.24	0.00	0.03	0.53	6.73
• Interest payments	0.49	0.33	0.03	0.00	0.00	0.07	0.93
Reimbursement for purchase of gas and fuel	93.71	208.61	110.47	125.85	147.85	144.37	830.86
• KPC & SPC	93.71	208.61	110.47	125.85	147.85	144.37	830.86

Source: Ministry of Finance

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

► Transfers to EDL in Jan-June 2017 were LL 334.41 billion higher than the Jan-June 2016 level

Transfers in Jan-June 2017 were LL 334.41 billion higher than the amount paid in Jan-June 2016, which stood at LL 504.12 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-June 2016	Jan-June 2017	Change	% Change
<b>EDL, of which:</b>	<b>504.12</b>	<b>838.52</b>	<b>334.41</b>	<b>66.3%</b>
<b>Debt Service (C-Loans and Eurobonds):</b>	<b>10.01</b>	<b>7.66</b>	<b>2.35-</b>	<b>-23.5%</b>
-Principal Repayments	8.76	6.73	2.03-	-23%
-Interest Payments	1.25	0.93	0.32-	-25.7%
<b>Reimbursement for purchase of gas and fuel</b>	<b>494.11</b>	<b>830.86</b>	<b>336.75</b>	<b>68.2%</b>
• KPC & SPC	494.11	830.86	336.75	68.2%

► Payments to the two oil suppliers in Jan-June 2017 were LL 336.75 billion higher than their level during Jan-June 2016.

The component “Reimbursement of KPC and Sonatrach Agreements” reached LL 830.86 billion in Jan-June 2017, rise from LL 494.11 billion in Jan-June 2016. This 68.2 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: 22.89% ▲
  - % Change in Quantity of Gas Oil imported: 5.85 % ▼
- **From a price-effect viewpoint:**

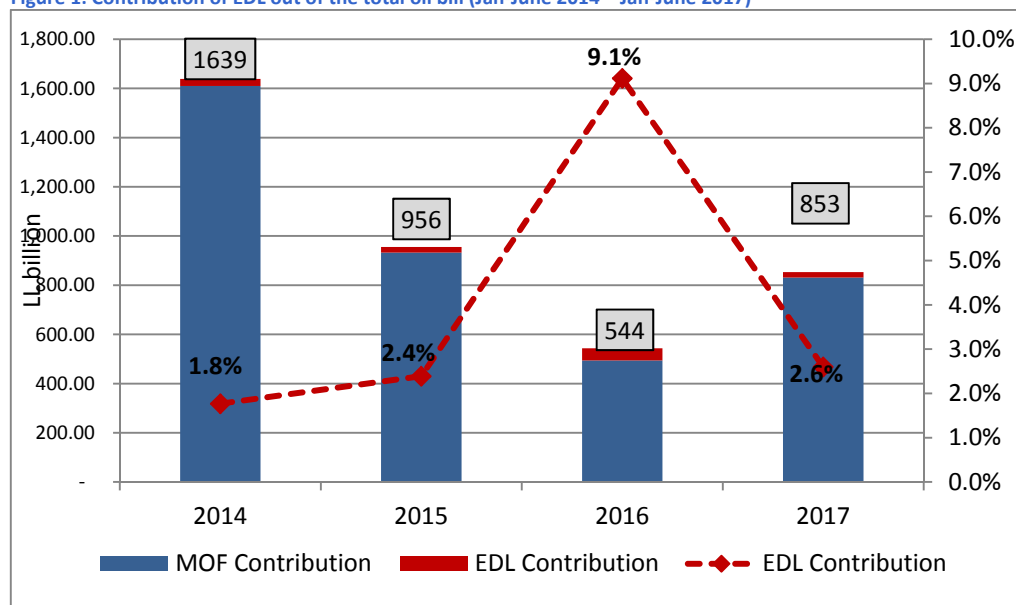
	Jan-June 2016 Bill	Jan-June 2017 Bill
Average Price/Barrel	US\$ 39.01	US\$ 51.24
% Change in weighted average price of crude oil		31.37% ▲

### III. Contribution of EDL out of the total oil bill

► *EDL contributed 2.6 percent of the total oil bill in Jan-June 2017*

From a total oil bill of LL 853 billion in Jan-June 2017, EDL contributed by 2.6 percent to the cost of gas oil and fuel oil purchase<sup>1</sup>. This figure was higher at 9.1 percent during the same period of 2016, out of a lower bill of LL 544 billion. In nominal terms, EDL's contribution was lower in Jan-June 2017, amounting to LL 22 billion, compared to LL 50 billion during the same period in 2016.

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

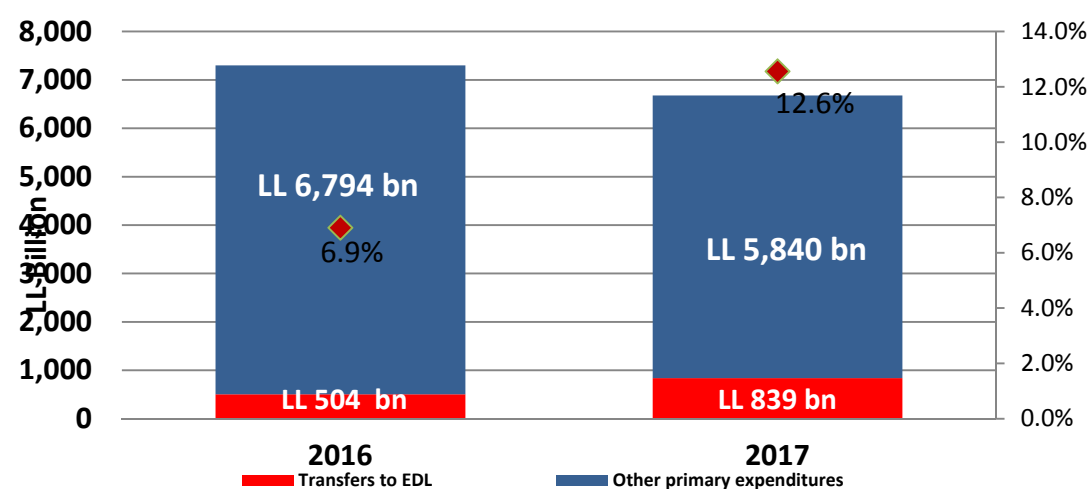


### IV. Shares of “Transfers to EDL” out of Expenditures

► *Transfers to EDL constituted 12.6 percent of primary expenditures in Jan-June 2017*

With primary expenditures at LL 6,679 billion, the share of transfers to EDL reached 12.6 percent in Jan-June 2017. This share was lower at 6.9 percent in Jan-June 2016.

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



<sup>1</sup> The Treasury transferred around LL 838.52 billion to cover EDL's deficit in Jan-June 2017. Out of this amount, around LL 830.86 billion represented the Treasury transfer to purchase gas oil and fuel oil (as shown in Table 2). However, the total oil bill for Jan-June 2017 amounted to LL 853.02 billion, which correspond to LL 830.86 billion of Treasury transfers plus LL 22.16 billion of payments made by EDL.