

I. Treasury Transfers to EDL in September 2016

► **In September 2016**, treasury transfers to EDL reached LL 166.45 billion, as follows:

- ⇒ Reimbursement of KPC and Sonatrach LL 166.17 billion
- ⇒ Debt Service LL 0.29 billion

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

(LL billion)	Jan	Feb	Mar	April	May	June	July	Aug	Sep	Total
EDL of which:	53.83	82.64	93.15	87.27	115.95	71.28	157.41	124.18	166.45	952.16
Debt service (C-Loans and Eurobonds):	1.48	5.63	0.29	0.88	1.13	0.60	4.17	5.50	0.29	19.96
• Principal payments	0.94	5.07	0.25	0.87	1.11	0.52	3.50	5.05	0.25	17.56
• Interest payments	0.53	0.57	0.04	0.01	0.02	0.08	0.66	0.45	0.04	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	932.20
• KPC & SPC	52.35	77.01	92.86	86.39	114.82	70.68	153.25	118.68	166.17	932.20

Source: Ministry of Finance

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

► **Transfers to EDL in Jan-September 2016 were LL 387.06 billion lower than the Jan-September 2015 level**

Transfers in Jan-September 2016 were LL 387.06 billion lower than the amount paid in Jan-September 2015, which stood at LL 1,339.22 billion. This was mainly a result of lower payments to KPC and Sonatrach for fuel oil and gas oil purchases

(LL billion)	Jan-Sep 2015	Jan-Sep 2016	Change	% Change
EDL, of which:	1,339.22	952.16	387.06-	-28.9%
Debt Service (C-Loans and Eurobonds):	26.16	19.96	6.20-	-23.7%
-Principal Repayments	22.81	17.56	5.25-	-23%
-Interest Payments	3.35	2.40	0.96-	-28.5%
Reimbursement for purchase of gas and fuel	1,313.06	932.20	380.86-	-29.0%
• KPC & SPC	1,313.06	932.20	380.86-	-29.0%

► **Payments to the two oil suppliers in Jan-September 2016 were LL 380.86 billion lower than their level during Jan-September 2015.**

The component “Reimbursement of KPC and Sonatrach Agreements” reached LL 932.20 billion in Jan-September 2016, down from LL 1,313.06 billion in Jan-September 2015. This 29 percent decrease was mainly driven by lower average prices of crude oil.

- **From a quantity-effect viewpoint:**
 - % Change in Quantity of Fuel Oil imported: 14.91 % ▲
 - % Change in Quantity of Gas Oil imported: 0.21 % ▲
- **From a price-effect viewpoint:**

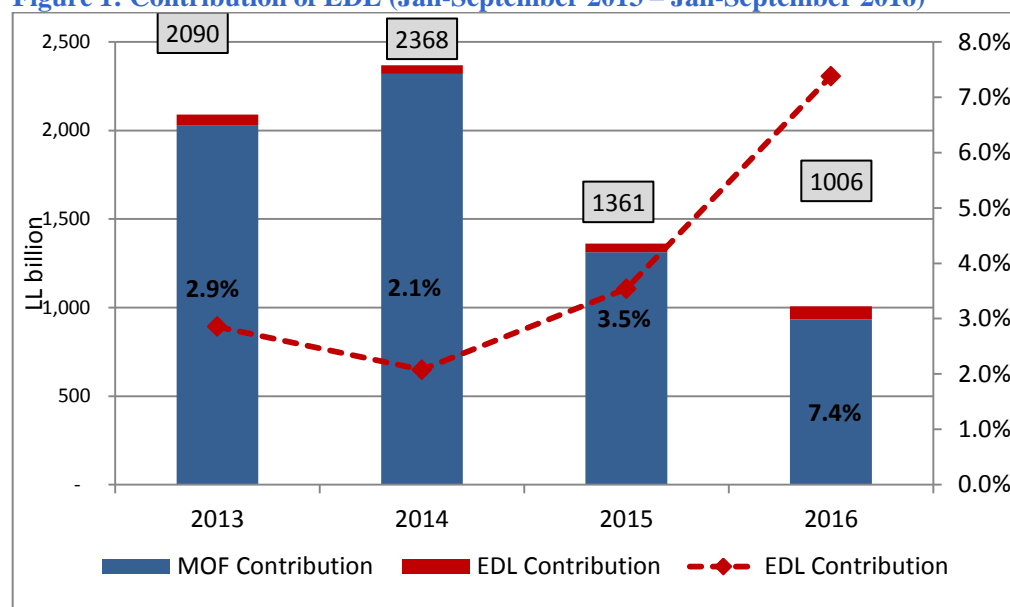
	Jan-Sep 2015 Bill	Jan-Sep 2016 Bill
Average Price/Barrel	US\$ 55.05	US\$ 42.17
% Change in weighted average price of crude oil		23.390 % ▼

III. Contribution of EDL out of the total oil bill

► **EDL contributed 7.4 percent of the total oil bill in Jan-September 2016**

From a total oil bill of LL 1006 billion in Jan-September 2016, EDL contributed by 7.4 percent to the cost of gas oil and fuel oil purchase¹. This figure was lower at 3.5 percent during the same period of 2015, out of a higher bill of LL 1361 billion. In nominal terms, EDL's contribution was lower in Jan-September 2015, amounting to LL 48.18 billion, compared to LL 74.27 billion during the same period in 2016.

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

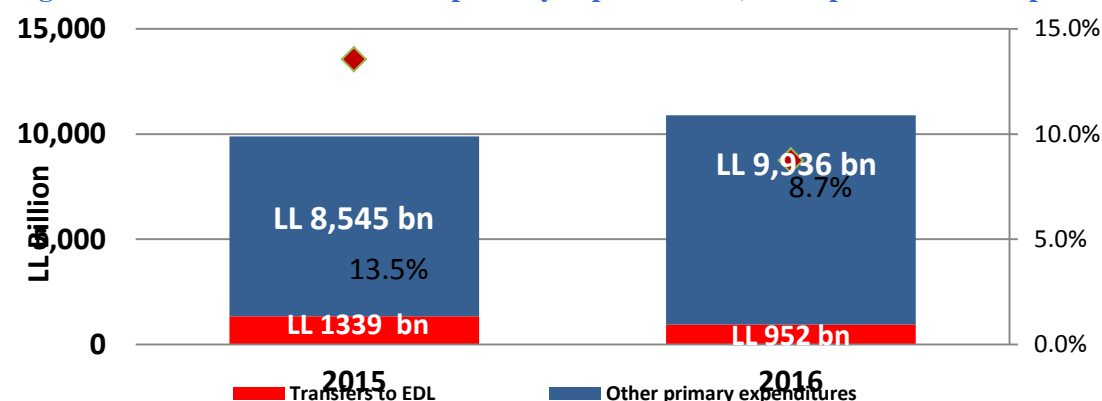


IV. Shares of “Transfers to EDL” out of Expenditures

► **Transfers to EDL constituted 8.7 percent of primary expenditures in Jan-September 2016**

With primary expenditures at LL 10,888 billion, the share of transfers to EDL reached 8.7 percent in Jan-September 2016. This share was higher at 13.5 percent in Jan-September 2015.

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



¹ The Treasury transferred around LL 952.16 billion to cover EDL's deficit in Jan-September 2016. Out of this amount, around LL 932.20 billion represented the Treasury transfer to purchase gas oil and fuel oil (as shown in Table 2). However, the total oil bill for Jan-September 2016 amounted to LL 1006.47 billion, which correspond to LL 932.20 billion of Treasury transfers plus LL 74.27 billion of payments made by EDL.