

I. Treasury Transfers to EDL in May 2014

► In May 2014, treasury transfers to EDL reached LL 81.34 billion, as follows:

- ⇒ Reimbursement of KPC and Sonatrach LL 79.89 billion
- ⇒ Debt Service LL 1.45 billion

Table 1: Monthly Treasury transfers to EDL in Jan-May 2014

(LL billion)	Jan	Feb	March	April	May	Total
EDL of which:	262.94	107.43	420.84	194.47	81.34	1,067.01
Debt service, of which:	1.67	9.50	0.36	0.91	1.45	13.90
• C-Loans, of which:	1.67	9.50	0.36	0.91	1.45	13.90
- Principal payments	1.02	8.16	0.31	0.87	1.31	11.67
- Interest payments	0.66	1.34	0.05	0.04	0.14	2.23
• BDL Guaranteed Loan payments	-	-	-	-	-	-
Reimbursement for purchase of gas and fuel	261.26	97.93	420.48	193.56	79.89	1,053.12
• KPC & SPC	261.26	97.93	420.48	193.56	79.89	1,053.12
• EGAS	-	-	-	-	-	-

Source: Ministry of Finance

II. Treasury Transfers to EDL in 2014 in comparison with 2013

► Transfers to EDL in Jan-May 2014 were LL 244.82 billion lower than the Jan-May 2013 level

Transfers in Jan-May 2014 were LL 244.82 billion lower than the amount paid in Jan-May 2013, which stood at LL 1,311.84 billion. This was mainly due to lower payments to KPC and Sonatrach for fuel oil and gas oil purchases.

Table 2: Treasury Transfers to EDL

(LL billion)	May 2013	May 2014	Jan-May 2013	Jan-May 2014	Change	% Change
EDL, of which:	219.62	81.34	1,311.84	1,067.01	244.82-	-19%
Debt Service, of which:	1.49	1.45	40.42	13.90	26.53-	-66%
• C-Loans, of which:	1.49	1.45	14.30	13.90	0.41-	-3%
- Principal Repayments	1.29	1.31	11.59	11.67	0.08	1%
- Interest Payments	0.19	0.14	2.72	2.23	0.49-	-18%
• BDL-Guaranteed Loan Payments	-	-	26.12	-	26.12-	-100%
Reimbursement for purchase of gas and fuel	218.14	79.89	1,271.41	1,053.12	218.30-	-17%
• KPC & SPC	218.14	79.89	1,271.41	1,053.12	218.30-	-17%
• EGAS	-	-	-	-	-	-

Source: Ministry of Finance

► Payments to the two oil suppliers in Jan-May 2014 were LL 218.30 billion lower than their level during Jan-May 2013

The component "Reimbursement for purchase of Gas and Fuel" reached LL 1,053.12 billion in Jan-May 2014, down from LL 1,271.41 billion in Jan-May 2013.

➤ From a quantity-effect viewpoint:

	Period covered in Jan-May 2013 Bill	Period covered in Jan-May 2014 Bill	% Change in Quantity Imported
Gas Oil	May-Dec 2012	May-Nov 2013	18% ▼
Fuel Oil	July-Dec 2012	August-Dec 2013	0.12% ▲

➤ From a price-effect viewpoint:

	Jan-May 2013 Bill	Jan-May 2014 Bill
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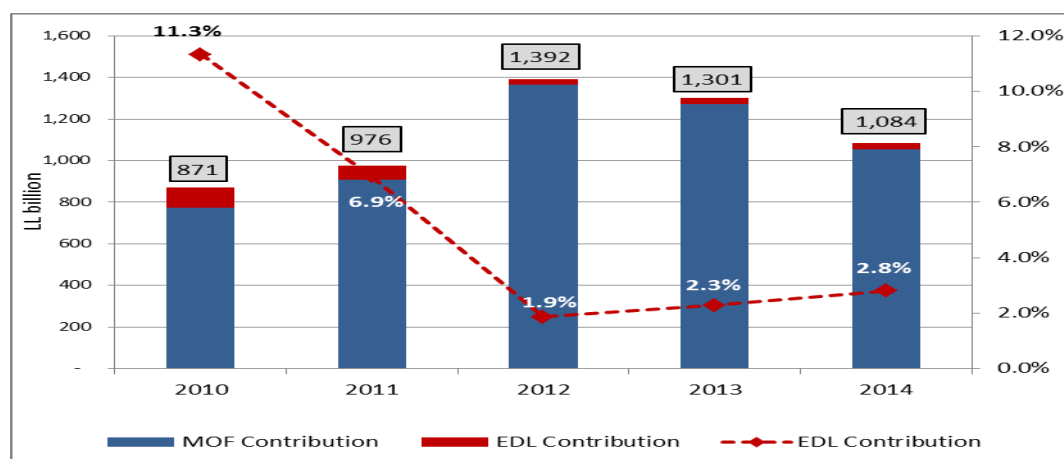
Consumption Period	May-Dec 2012	May-Dec 2013
Average Price/Barrel	US\$ 109.80	US\$ 109.64
% Change in weighted average price of crude oil		0.115% ▼

III. Contribution of EDL out of the total oil bill

► EDL contributed 2.8 percent of the total oil bill in Jan-May 2014

From a total oil bill of LL 1,084 billion in Jan-May 2014, EDL contributed by 2.8 percent to the cost of gas oil and fuel oil purchase¹. This figure was lower at 2.3 percent during the same period of 2013, out of a higher bill of LL 1,301 billion. In nominal terms, EDL's contribution in Jan-May 2014, amounting LL30 billion, was the same as its contribution during Jan-May 2013.

Figure 1: Contribution of EDL (Jan-May 2010 – Jan-May 2014)

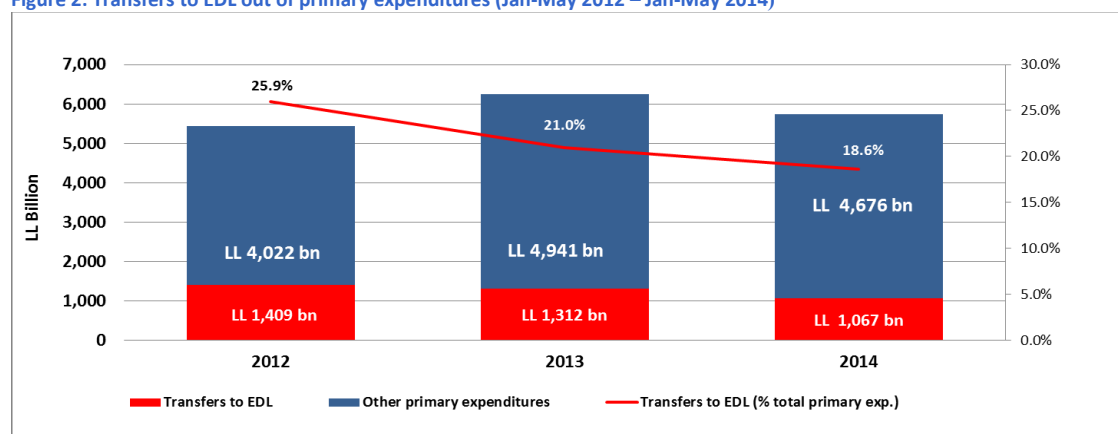


IV. Shares of “Transfers to EDL” out of Expenditures

► Transfers to EDL stands at 18.6 percent of primary expenditures during Jan-May 2014

With primary expenditures at LBP 5,743 billion in Jan-May 2014, the share of transfers to EDL reached 18.6 percent, a lower share than that paid in Jan-May 2013 that stood at 21 percent.

Figure 2: Transfers to EDL out of primary expenditures (Jan-May 2012 – Jan-May 2014)



¹ The Treasury transferred around LL 1,067.01 billion to cover EDL's deficit in Jan-May 2014. Out of this amount, around LL 1,053.12 billion represented the Treasury transfer to purchase gas oil and fuel oil (as shown in Table 2). However, the total oil bill for Jan-May 2014 amounted to LL1,084 billion, which correspond to around LL1,053 billion of Treasury transfers plus around LL 30 billion of payments made by EDL.