

## I. Treasury Transfers to EDL in December 2014

► In December 2014, treasury transfers to EDL reached LL 429.66 billion, as follows:

⇒ Reimbursement of KPC and Sonatrach	LL 428.99 billion
⇒ Debt Service	LL 0.67 billion

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

(LL billion)	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
<b>EDL of which:</b>	<b>262.94</b>	<b>107.43</b>	<b>420.84</b>	<b>194.47</b>	<b>81.34</b>	<b>498.02</b>	<b>211.76</b>	<b>351.92</b>	<b>119.67</b>	<b>207.36</b>	<b>271.64</b>	<b>429.66</b>	<b>3,157.04</b>
Debt service, of which:	1.67	9.50	0.36	0.91	1.45	0.75	3.32	10.86	0.33	0.90	1.38	0.67	32.11
• C-Loans, of which:	1.67	9.50	0.36	0.91	1.45	0.75	3.32	10.86	0.33	0.90	1.38	0.67	32.11
- Principal payments	1.02	8.16	0.31	0.87	1.31	0.64	2.80	9.09	0.28	0.87	1.27	0.57	27.19
- Interest payments	0.66	1.34	0.05	0.04	0.14	0.11	0.52	1.78	0.05	0.03	0.11	0.10	4.93
• BDL Guaranteed Loan payments	-	-	-	-	-	-	-	-	-	-	-	-	-
Reimbursement for purchase of gas and fuel	261.26	97.93	420.48	193.56	79.89	497.26	208.44	341.06	119.34	206.46	270.26	428.99	3,124.92
• KPC & SPC	261.26	97.93	420.48	193.56	79.89	497.26	208.44	341.06	119.34	206.46	270.26	428.99	3,124.92

Source: Ministry of Finance

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

► Transfers to EDL in year 2014 were LL 101.37 billion higher than the 2013 year level

Transfers in year 2014 were LL 101.37 billion higher than the amount paid during year 2013, which stood at LL 3,055.66 billion. This was due to higher reimbursement to KPC and Sonatrach for fuel oil and gas oil purchases during 2014.

Table 2: Treasury Transfers to EDL

(LL billion)	Dec 2013	Dec 2014	Jan-Dec 2013	Jan-Dec 2014	Change	% Change
<b>EDL of which:</b>	<b>226.26</b>	<b>429.66</b>	<b>3,055.66</b>	<b>3,157.04</b>	<b>101.37</b>	<b>3.3%</b>
Debt service, of which:	0.76	0.67	65.39	32.11	33.27-	-50.9%
• C-Loans, of which:	0.76	0.67	35.66	32.11	3.55-	-10.0%
- Principal payments	0.64	0.57	29.59	27.19	2.40-	-8.1%
- Interest payments	0.12	0.10	6.07	4.93	1.15-	-18.9%
• BDL Guaranteed Loan payments	-	-	29.72	-	29.72-	-100.0%
Reimbursement for purchase of gas and fuel	225.50	428.99	2,990.28	3,124.92	134.65	4.5%
• KPC & SPC	225.50	428.99	2,990.28	3,124.92	134.65	4.5%

Source: Ministry of Finance

► Payments to the two oil suppliers in Jan-Dec 2014 were LL 134.65 billion higher than their level during Jan-Dec 2013

The component "Reimbursement for purchase of Gas and Fuel" reached LL 3,124.92 billion in Jan-Dec 2014, up from LL 2,990.28 billion in Jan-Dec 2013.

➤ **From a quantity-effect viewpoint:**

	<i>Period covered in Jan-Dec 2013 Bill</i>	<i>Period covered in Jan-Dec 2014 Bill</i>	<i>% Change in Quantity Imported</i>
Gas Oil	May 2012-June 2013	May 2013-Jul 2014	7.92 % ▼
Fuel Oil	Jul 2012-Aug 2013	Aug 2013- Aug 2014	30.46% ▲

➤ **From a price-effect viewpoint:**

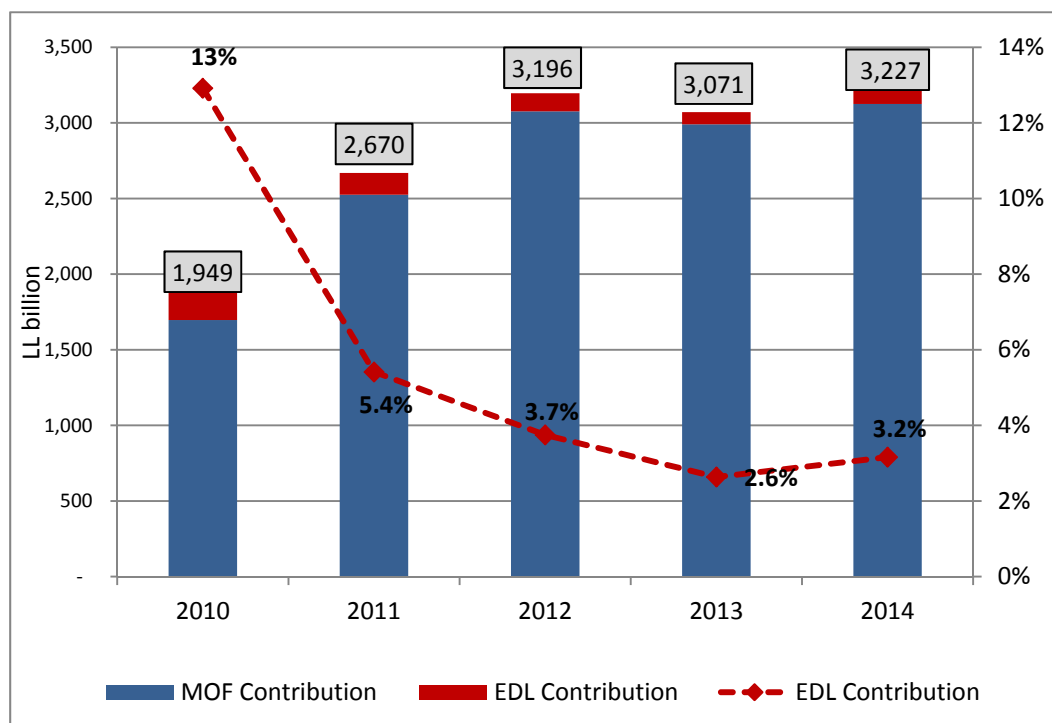
	<i>Jan-Dec 2013 Bill</i>	<i>Jan-Dec 2014 Bill</i>
Consumption Period	May 2012-Aug 2013	May 2013-Aug 2014
Average Price/Barrel	US\$ 108.64	US\$ 108.73
% Change in weighted average price of crude oil		0.085% ▲

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

➤ **EDL contributed 3.2 percent of the total oil bill in Jan-Dec 2014**

From a total oil bill of LL 3,227 billion in Jan-Dec 2014, EDL contributed by 3.2 percent to the cost of gas oil and fuel oil purchase<sup>1</sup>. This figure was lower at 2.6 percent during the same period of 2013, out of a lower bill of LL 3,071 billion. In nominal terms, EDL's contribution in Jan-Dec 2014 amounting LL102 billion, was higher than its contribution during Jan-Dec 2013, amounting LL 81 billion.

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



<sup>1</sup> The Treasury transferred LL 3,157.04 billion to cover EDL's deficit in Jan-Dec 2014. Out of this amount, LL 3,124.92 billion represented the Treasury transfer to purchase gas oil and fuel oil (as shown in Table 2). However, the total oil bill for Jan-Dec 2014 amounted to LL 3,227 billion, which correspond to around LL 3,124.92 billion of Treasury transfers plus around LL102 billions of payments made by EDL.

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

► *Transfers to EDL stood at 21.9 percent of primary expenditures during Jan-Dec 2014*

With primary expenditures at LBP 14,430 billion in Jan-Dec 2014, the share of transfers to EDL reached 21.9 percent, a slightly higher share than that paid in Jan-Dec 2013 which stood at 21.0 percent of total primary expenditures.

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

