

## I. Transfers to EDL in 2012

► In February 2012, treasury transfers to EDL reached LL 189 billion, as follows:

- ⇒ Reimbursement of KPC and Sonatrach LL 175.1 billion
- ⇒ Debt service LL 14.1 billion

► In 2012, treasury transfers to EDL reached LL 544 billion, as follows:

- ⇒ Reimbursement of KPC and Sonatrach LL 536.1 billion
- ⇒ Debt service LL 17.7 billion

Table 1: Monthly transfers to EDL in 2011

(LL billion)	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
<b>EDL of which:</b>	<b>355</b>	<b>189</b>											<b>544</b>
<b>Debt service, of which:</b>	<b>3.7</b>	<b>14.1</b>											<b>17.7</b>
• C-Loans and Eurobonds, of which:	1.7	14.1											15.8
– Principal payments	1.0	11.9											12.9
– Interest payments	0.7	2.2											2.9
• BDL Guaranteed Loan payments	1.9	0.0											1.9
<b>Reimbursement for purchase of gas and fuel</b>	<b>351.0</b>	<b>175.1</b>											<b>526.1</b>
• KPC & SPC	351.0	175.1											526.1
• EGAS		-											0.0

Source: Ministry of Finance

## II. Transfers to EDL in 2012 in comparison with 2011

► Transfers to EDL in 2012 were LL 194 billion higher than the 2011 level

Transfers in 2012 registered a level that is LL 194 billion higher than that of the same period of 2011, which stood at LL 349 billion, as a result of the following two factors:

- ⇒ increase in payments to Kuwait Petroleum Corporation (KPC) and Algeria's Sonatrach for fuel and gas oil purchases by LL 193 billion
- ⇒ increase in debt service by LL1 billion

Table 2: Transfers to EDL

(LL billion)	Feb 2011	Feb 2012	2011	2012	Change	% Change
<b>EDL, of which:</b>	<b>255</b>	<b>189</b>	<b>349</b>	<b>544</b>	<b>194</b>	<b>56%</b>
<b>Debt Service, of which:</b>	<b>14</b>	<b>14</b>	<b>16</b>	<b>18</b>	<b>1</b>	<b>9%</b>
• C-Loans and Eurobonds, of which:	14	14	16	16	0	-3%
– Principal Repayments	12	12	13	13	0	0%
– Interest Payments	3	2	3	3	0	-13%
• BDL-Guaranteed Loan Payments	0	0	0	2	2	-
<b>Reimbursement for purchase of gas and fuel</b>	<b>241</b>	<b>175</b>	<b>333</b>	<b>526</b>	<b>193</b>	<b>58%</b>
• KPC & SPC	241	175	333	526	193	58%
• EGAS	0	0	0	0	0	-

Source: Ministry of Finance

► *Payments to the two oil suppliers in 2012 were LL 193 billion higher than their 2011 level*

The component “Reimbursement of KPC and Sonatrach Agreements” reached LL 526 billion in 2012, up from LL 333 billion in 2011. This 58 percent upward change was mainly driven by higher international oil prices at the time when the gas oil and fuel oil shipments were imported.

From a quantity-effect, the payments made in January-February 2012 reflect around 16<sup>1</sup> percent higher fuel oil imports made in July-September 2011 (which was paid for in January-February 2012) compared to July-September 2010 (paid for in January-February 2011).

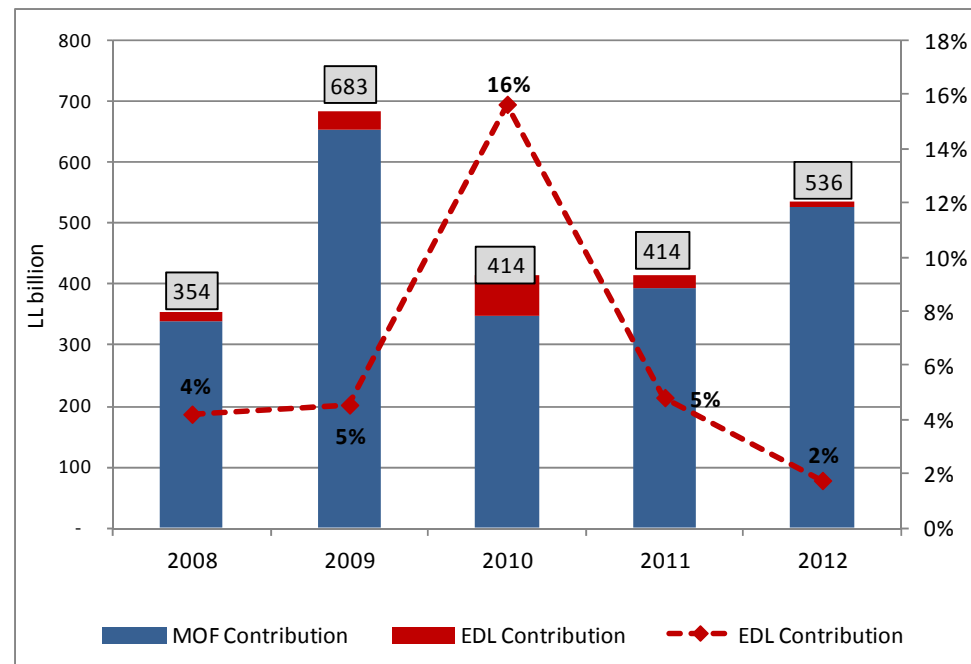
During this period, the average oil price according to which the 2012 payments were made is 49 percent higher than that pertaining to 2011. This pertains to the fact that 2012 payments reflect consumption over the period May-September 2011, where the crude oil prices averaged US\$ 114.5/barrel. The January-February 2011 payments reflect consumption over the period June-September 2010, where crude oil prices averaged US\$ 76.3 /barrel.

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

► *EDL contributed to 2 percent of the total oil bill in 2012*

With a total oil bill of LL 536 billion paid in January-February 2012, of which a treasury payment of LL 526 billion for “Reimbursement of KPC and Sonatrach Agreements”, EDL contributed by 1.8 percent to repaying the two oil suppliers. It is worth mentioning that this figure was higher at 4.8 percent in the same period of 2011, out of a smaller bill amounting to LL 414 billion. This comes at a much lower contribution if compared to that of 2010, which amounted to 15.7 percent out of an oil bill equivalent to that of 2011, i.e. LL 414 billion.

Figure 1: Contribution of EDL (2008-2012)



<sup>1</sup> Quantity figures are calculated based on Letters of Credit (LCs) sent by EDL to the Ministry of Finance.