

► Treasury Transfers to EDL in January 2013

► *In January 2013, treasury transfers to EDL reached LL 204.92 billion, as follows:*

⇒ Reimbursement of KPC and Sonatrach	LL 195.81 billion
⇒ Debt Service	LL 9.11 billion

I. Treasury Transfers to EDL in 2013 in comparison with 2012

► *Transfers to EDL in January 2013 were LL 150 billion lower than the 2012 level*

Transfers in January 2013 were LL 150 billion lower than the amount paid in January 2012, which stood at LL 355 billion. This was a result of lower payments to KPC and Sonatrach for fuel oil and gas oil purchases.

Table 2: Treasury Transfers to EDL

(LL billion)	Jan-2012	Jan-2013	Change	% Change
EDL, of which:	355	205	-150	-42%
Debt Service, of which:	3.67	9.11	5.44	148%
• C-Loans and Eurobonds, of which:	1.74	1.71	-0.02	-1%
-Principal Repayments	1.04	1.02	-0.01	-1%
-Interest Payments	0.70	0.69	-0.01	-1%
• BDL-Guaranteed Loan Payments	1.93	7.39	5.46	283%
Reimbursement for purchase of gas and fuel	351	196	-155	-44%
• KPC & SPC	350.95	195.81	-155	-44%
• EGAS	0	0	0	0%

Source: Ministry of Finance

► *Payments to the two oil suppliers in January 2013 were LL 155 billion lower than their level during 2012*

The component “Reimbursement of KPC and Sonatrach Agreements” reached LL 196 billion in January 2013, down from LL 351 billion in January 2012. This 44 percent decrease was mainly driven by lower quantity of fuel oil and gas oil purchases.

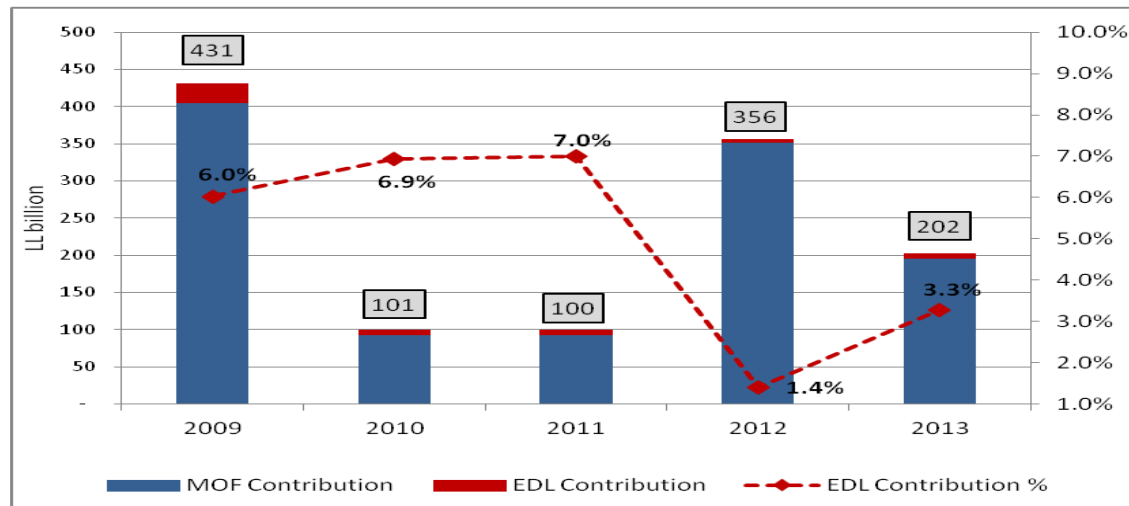
- From a quantity-effect viewpoint: gas oil imported in July 2012 (paid in January 2013) is 50% lower than the quantity imported between July and August 2011 (paid in January 2012). In return, fuel oil quantities imported during July-August 2012 (paid in January 2013) decreased by 34 percent, compared to July 2011 (paid in January 2012).
- From a price-effect viewpoint: the average oil price according to which the payments of January 2013 were made is 8 percent lower than that pertaining to January 2011. This is due to the fact that January 2013 payments reflect consumption over the period July-August 2012, where the weighted crude oil average prices were US\$ 106.2 /barrel. The January 2012 payments reflect consumption over the period July-August 2011, where crude oil prices averaged US\$ 115.6/barrel.

II. Contribution of EDL out of the total oil bill

► EDL contributed 3.3 percent of the total oil bill in January 2013

With a total oil bill of LL 202¹ billion paid in January 2013², EDL contributed by 3.3 percent to repaying of KPC and Sonatrach. This figure was lower at 1.4% percent in January 2012, out of a larger bill of LL 356 billion. In nominal terms, EDL paid lower contribution in January 2012, amounting to LL 5 billion compared to LL 7 billion during the same period of this year. This represents a much lower contribution compared to that of January 2011, which amounted to LL 7 billion or 7 percent out of an oil bill of LL 100 billion.

Figure 1: Contribution of EDL (Jan 2009 – Jan 2013)

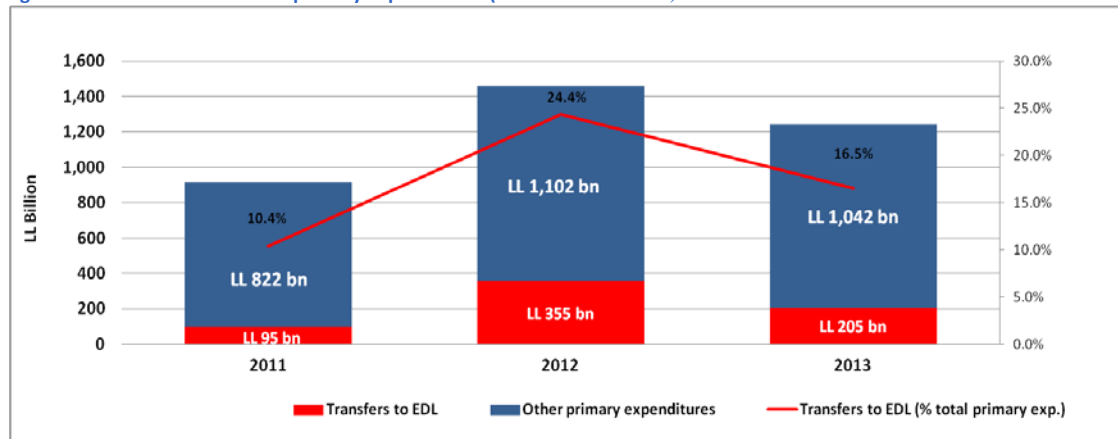


III. Share of “Transfers to EDL” out of Expenditures

► Transfers to EDL constituted 16.5 percent of primary expenditures in January 2013

With primary expenditures at 1,241 billion in January 2013, the share of transfers to EDL reached 16.5 percent, a lower share than that paid in January 2012. In fact, the share of transfers out of primary expenditures was higher in January 2012, at 24.4 percent.

Figure 2: Transfers to EDL out of primary expenditures (Jan 2011 – Jan 2013)



¹ The total oil bill of January 2013 stood at LL202 billion of which LL 9 billion was paid on behalf of the Oil Refineries and was reimbursed in March 2013.

² The Treasury transferred LL 205 billion to cover EDL's deficit in January 2013. Out of this amount, LL 196 billion represented the Treasury transfer to purchase gas and oil (as shown in Table 2). However, the total oil bill 2013 summed up to LL 202 billion which is constituted of LL 196 billion of treasury transfers “plus” 7 billion of transfers made by EDL.