

I. Treasury Transfers to EDL in July 2014

► In July 2014, treasury transfers to EDL reached LL 211.76 billion, as follows:

⇒ Reimbursement of KPC and Sonatrach	LL 208.44 billion
⇒ Debt Service	LL 3.32 billion

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

(LL billion)	Jan	Feb	March	April	May	June	July	Total
EDL of which:	262.94	107.43	420.84	194.47	81.34	498.02	211.76	1,776.79
Debt service, of which:	1.67	9.50	0.36	0.91	1.45	0.75	3.32	17.97
• C-Loans, of which:	1.67	9.50	0.36	0.91	1.45	0.75	3.32	17.97
- Principal payments	1.02	8.16	0.31	0.87	1.31	0.64	2.80	15.11
- Interest payments	0.66	1.34	0.05	0.04	0.14	0.11	0.52	2.86
• 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	1,758.82
• KPC & SPC	261.26	97.93	420.48	193.56	79.89	497.26	208.44	1,758.82
• EGAS	-	-	-	-	-	-	-	-

Source: Ministry of Finance

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

► Transfers to EDL in Jan-Jul 2014 were LL 52.29 billion lower than the Jan-Jul 2013 level

Transfers in Jan-Jul 2014 were LL 52.29 billion lower than the amount paid in Jan-Jul 2013, which stood at LL 1,829.08 billion. This was due to lower payments of debt service and lower reimbursement to KPC and Sonatrach for fuel oil and gas oil purchases.

Table 2: Treasury Transfers to EDL

(LL billion)	July 2013	July 2014	Jan-Jul 2013	Jan-Jul 2014	Change	% Change
EDL, of which:	409.26	211.76	1,829.08	1,776.79	52.29-	-2.9%
Debt Service, of which:	11.87	3.32	52.29	17.97	34.32-	-65.6%
• C-Loans, of which:	8.26	3.32	22.57	17.97	4.60-	-20.4%
-Principal Repayments	6.80	2.80	18.39	15.11	3.28-	-17.8%
-Interest Payments	1.46	0.52	4.18	2.86	1.31-	-31.5%
• BDL-Guaranteed Loan Payments	3.61	-	29.72	-	29.72-	-100.0%
Reimbursement for purchase of gas and fuel	397.39	208.44	1,776.79	1,758.82	17.97-	-1.0%
• KPC & SPC	397.39	208.44	1,776.79	1,758.82	17.97-	-1.0%
• EGAS	-	-	-	-	-	-

Source: Ministry of Finance

► Payments to the two oil suppliers in Jan-Jul 2014 were LL 17.97 billion lower than their level during Jan-Jul 2013

The component "Reimbursement for purchase of Gas and Fuel" reached LL 1,758.82 billion in Jan-Jul 2014, down from LL 1,776.79 billion in Jan-Jul 2013.

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

	Period covered in Jan-Jul 2013 Bill	Period covered in Jan-Jul 2014 Bill	% Change in Quantity Imported
Gas Oil	May 2012-Feb 2013	May 2013-March 2014	9% ▼
Fuel Oil	July 2012-July 2013	August 2013-March 2014	30 % ▲

➤ **From a price-effect viewpoint:**

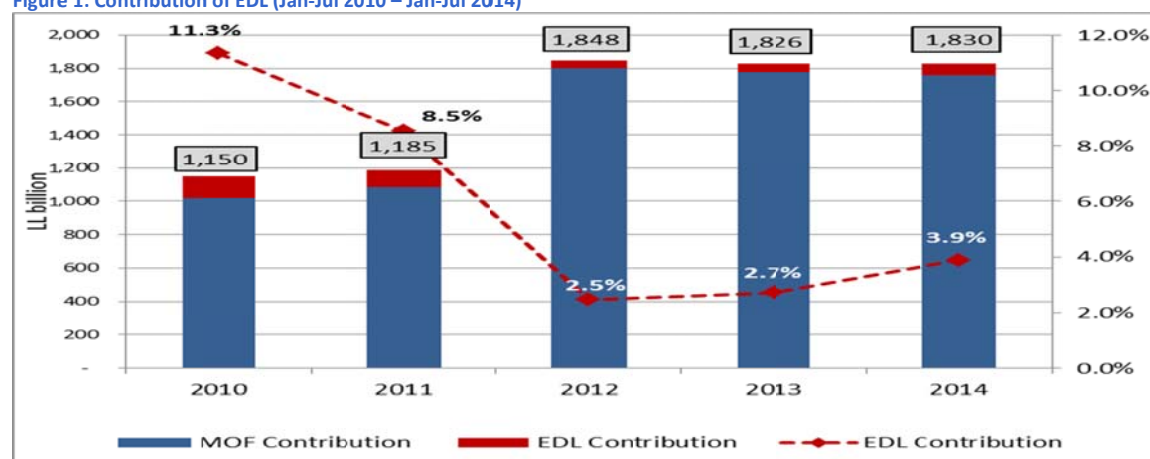
	<i>Jan-Jul 2013 Bill</i>	<i>Jan-Jul 2014 Bill</i>
Consumption Period	May 2012-July 2013	May 2013-March 2014
Average Price/Barrel	US\$ 110.5	US\$ 109.23
% Change in weighted average price of crude oil		1.11% ▼

III. Contribution of EDL out of the total oil bill

➤ **EDL contributed 3.9 percent of the total oil bill in Jan-Jul 2014**

From a total oil bill of LL 1,830 billion in Jan-Jul 2014, EDL contributed by 3.9 percent to the cost of gas oil and fuel oil purchase¹. This figure was lower at 2.7 percent during the same period of 2013, out of a lower bill of LL 1,826 billion. In nominal terms, EDL's contribution in Jan-Jul 2014, amounting LL71 billion, was higher than its contribution during Jan-Jul 2013, amounting LL 50 billion.

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

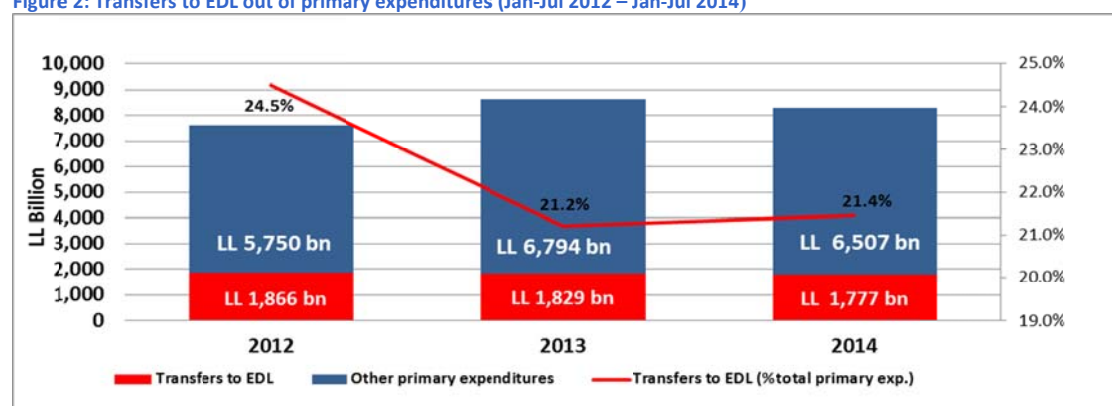


IV. Shares of “Transfers to EDL” out of Expenditures

➤ **Transfers to EDL stands at 21.4 percent of primary expenditures during Jan-Jul 2014**

With primary expenditures at LBP 8,284 billion in Jan-Jul 2014, the share of transfers to EDL reached 21.4 percent, a higher share than that paid in Jan-Jul 2013 that stood at 21.2 percent.

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



¹ The Treasury transferred LL 1,776.79 billion to cover EDL's deficit in Jan-Jul 2014. Out of this amount, LL 1,758.82 billion represented the Treasury transfer to purchase gas oil and fuel oil (as shown in Table 2). However, the total oil bill for Jan-Jul 2014 amounted to LL1,830 billion, which correspond to around LL1,759billion of Treasury transfers plus around LL71 billions of payments made by EDL.