

I. Treasury Transfers to EDL in July 2016

► In July 2016, treasury transfers to EDL reached LL 157.41 billion, as follows:

- ⇒ Reimbursement of KPC and Sonatrach LL 153.25 billion
- ⇒ Debt Service LL 4.17 billion

Table 1: Monthly Treasury transfers to EDL in Jan-July 2016

(LL billion)	Jan	Feb	Mar	April	May	June	July	Total
EDL of which:	53.83	82.64	93.15	87.27	115.95	71.28	157.41	661.53
Debt service (C-Loans and Eurobonds):	1.48	5.63	0.29	0.88	1.13	0.60	4.17	14.17
• Principal payments	0.94	5.07	0.25	0.87	1.11	0.52	3.50	12.26
• Interest payments	0.53	0.57	0.04	0.01	0.02	0.08	0.66	1.91
Reimbursement for purchase of gas and fuel	52.35	77.01	92.86	86.39	114.82	70.68	153.25	647.36
• KPC & SPC	52.35	77.01	92.86	86.39	114.82	70.68	153.25	647.36

Source: Ministry of Finance

II. Treasury Transfers to EDL in Jan-July 2016 in comparison with Jan-July 2015

► Transfers to EDL in Jan-July 2016 were LL 449.05 billion lower than the Jan-July 2015 level

Transfers in Jan-July 2016 were LL 449.05 billion lower than the amount paid in Jan-July 2015, which stood at LL 1,110.58 billion. This was mainly a result of lower payments to KPC and Sonatrach for fuel oil and gas oil purchases

(LL billion)	Jan-July 2015	Jan-July 2016	Change	% Change
EDL, of which:	1,110.58	661.53	449.05-	-40.4%
Debt Service (C-Loans and Eurobonds):	17.52	14.17	3.35-	-19.1%
-Principal Repayments	14.95	12.26	2.68-	-18%
-Interest Payments	2.58	1.91	0.67-	-25.9%
Reimbursement for purchase of gas and fuel	1,093.06	647.36	445.70-	-40.8%
• KPC & SPC	1,093.06	647.36	445.70-	-40.8%

► Payments to the two oil suppliers in Jan-July 2016 were LL 445.70 billion lower than their level during Jan-July 2015.

The component "Reimbursement of KPC and Sonatrach Agreements" reached LL 647.36 billion in Jan-July 2016, down from LL 1,093.06 billion in Jan-July 2015. This 40.8 percent decrease was mainly driven by lower average prices of crude oil.

- **From a quantity-effect viewpoint:**
 - % Change in Quantity of Fuel Oil imported: 5.27 % ▲
 - % Change in Quantity of Gas Oil imported: 8.61 % ▼
- **From a price-effect viewpoint:**

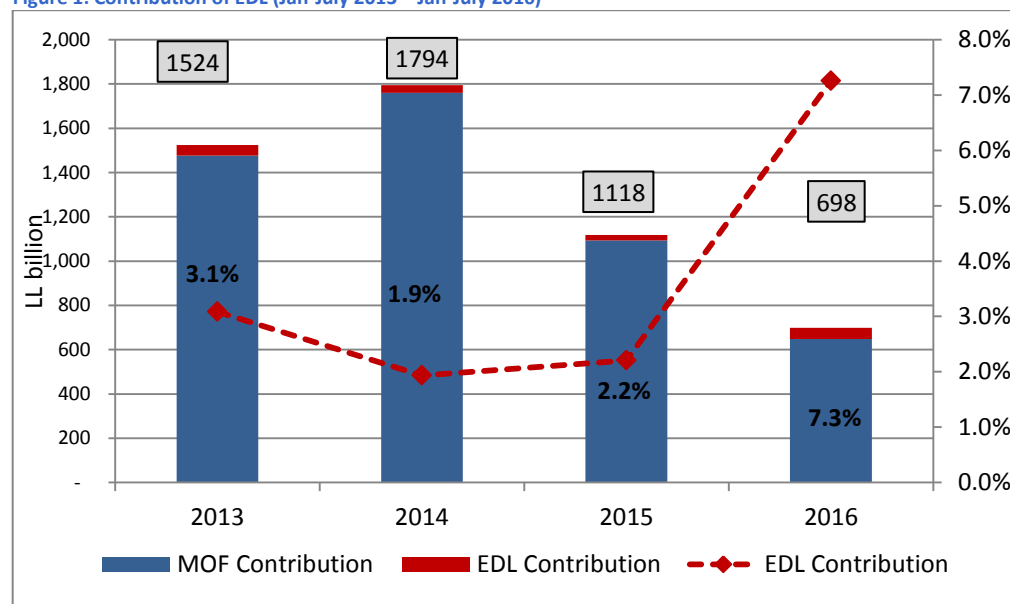
	Jan-July 2015 Bill	Jan-July 2016 Bill
Average Price/Barrel	US\$ 57.35	US\$ 40.40
% Change in weighted average price of crude oil		29.549 % ▼

III. Contribution of EDL out of the total oil bill

► *EDL contributed 7.3 percent of the total oil bill in Jan-July 2016*

From a total oil bill of LL 698 billion in Jan-July 2016, EDL contributed by 7.3 percent to the cost of gas oil and fuel oil purchase¹. This figure was lower at 2.2 percent during the same period of 2015, out of a higher bill of LL 1118 billion. In nominal terms, EDL's contribution was lower in Jan-July 2015, amounting to LL 25 billion, compared to LL 51 billion during the same period in 2016.

Figure 1: Contribution of EDL (Jan-July 2013 – Jan-July 2016)

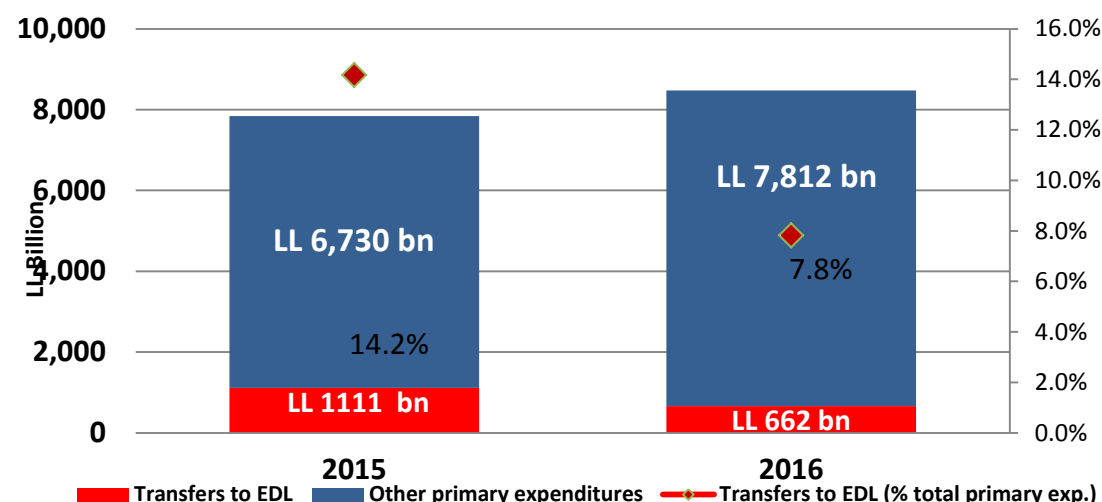


IV. Shares of “Transfers to EDL” out of Expenditures

► *Transfers to EDL constituted 7.8 percent of primary expenditures in Jan-July 2016*

With primary expenditures at LL 8,474 billion, the share of transfers to EDL reached 7.8 percent in Jan-July 2016. This share was higher at 14.2 percent in Jan-July 2015.

Figure 2: Transfers to EDL out of primary expenditures (Jan-July 2015 – Jan-July 2016)



¹ The Treasury transferred around LL 661.53 billion to cover EDL's deficit in Jan-July 2016. Out of this amount, around LL 647.36 billion represented the Treasury transfer to purchase gas oil and fuel oil (as shown in Table 2). However, the total oil bill for Jan-July 2016 amounted to LL 698.01 billion, which correspond to LL 647.36 billion of Treasury transfers plus LL 50.65 billion of payments made by EDL.