

I. Treasury Transfers to EDL in March 2013

- *In March 2013*, treasury transfers to EDL reached LL 426.56 billion the totality to cover reimbursement of KPC and Sonatrach.

Table 1: Monthly Treasury transfers to EDL in Jan-Mar 2013

(LL billion)	Jan	Feb	Mar	Total
EDL of which:	204.92	230.86	426.56	862.35
Debt service, of which:	9.11	9.81	-	18.92
• C-Loan, of which:	1.71	9.81	-	11.53
- Principal payments	1.02	8.12	-	9.14
- Interest payments	0.69	1.70	-	2.39
• BDL Guaranteed Loan payments	7.39	-	-	7.39
Reimbursement for purchase of gas and fuel	195.81	221.05	426.56	843.43
• KPC & SPC	195.81	221.05	426.56	843.43

Source: Ministry of Finance

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

- *Transfers to EDL in Jan-Mar 2013 were LL 47 billion higher than the Jan-Mar 2012 level*

Transfers in January-March 2013 were LL 47 billion higher than the amount paid in January-March 2012, which stood at LL 815.53 billion. This was a result of higher payments to KPC and Sonatrach for fuel oil and gas oil purchases.

Table 2: Treasury Transfers to EDL

(LL billion)	Mar 2012	Mar 2013	Jan-Mar 2012	Jan-Mar 2013	Change	% Change
EDL, of which:	271.73	426.56	815.53	862.35	46.82	6%
Debt Service, of which:	-	-	17.74	18.92	1.19	7%
• C-Loans, of which:	-	-	15.80	11.53	4.28-	-27%
-Principal Repayments	-	-	12.89	9.14	3.75-	-29%
-Interest Payments	-	-	2.92	2.39	0.53-	-18%
• BDL-Guaranteed Loan Payments	-	-	1.93	7.39	5.46	283%
Reimbursement for purchase of gas and fuel	271.73	426.56	797.80	843.43	45.63	6%
• KPC & SPC	271.73	426.56	797.80	843.43	45.63	6%

Source: Ministry of Finance

- *Payments to the two oil suppliers in QI 2013 were LL 46 billion higher than their level during 2012*

The component “Reimbursement of KPC and Sonatrach Agreements” reached LL 843.43 billion in Jan-March 2013, up from LL 797.80 billion in Jan-March 2012. This 6 percent increase was mainly driven by higher quantity of fuel oil and gas oil purchases.

- From a quantity-effect viewpoint: gas oil imported in May-October 2012 (paid in QI 2013) is 7 percent higher than the quantity imported during May-October 2011 (paid in QI 2012). In return, fuel oil quantities imported during May-October 2012 (paid in QI 2013) increased by 5 percent, compared to May-October 2011 (paid in QI 2012).
- From a price-effect viewpoint: the average oil price according to which the payments of QI 2013 were made is 4 percent lower than that pertaining to QI 2012. This is due to the fact that QI 2013 payments reflect consumption over the period May-October 2012, where the weighted crude oil average prices were US\$ 109.31/barrel. The QI

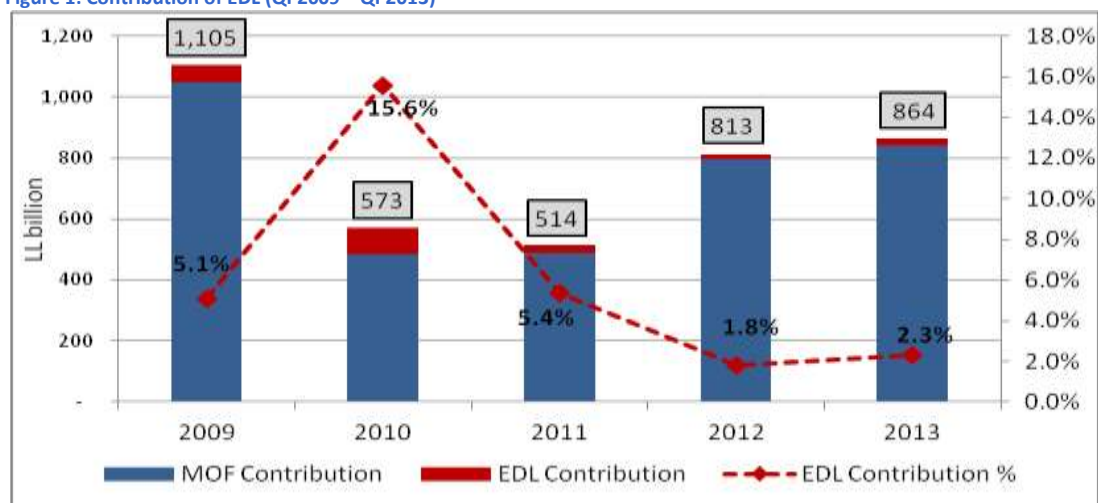
2012 payments reflect consumption over the period May-October 2011, where crude oil prices averaged US\$ 113.6/barrel.

III. Contribution of EDL out of the total oil bill

► EDL contributed 2.3 percent of the total oil bill in QI 2013

With a total oil bill of LL 864 billion paid in QI 2013¹, EDL contributed by 2.3 percent to repaying of KPC and Sonatrach. This figure was lower at 1.8% percent in QI 2012, out of a smaller bill of LL 813 billion. In nominal terms, EDL paid lower contribution in QI 2012, amounting to LL 15 billion compared to LL 20 billion during the same period of this year. This represents a much lower contribution compared to that of QI 2011, which amounted to LL 28 billion or 5.4 percent out of an oil bill of LL 514 billion.

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

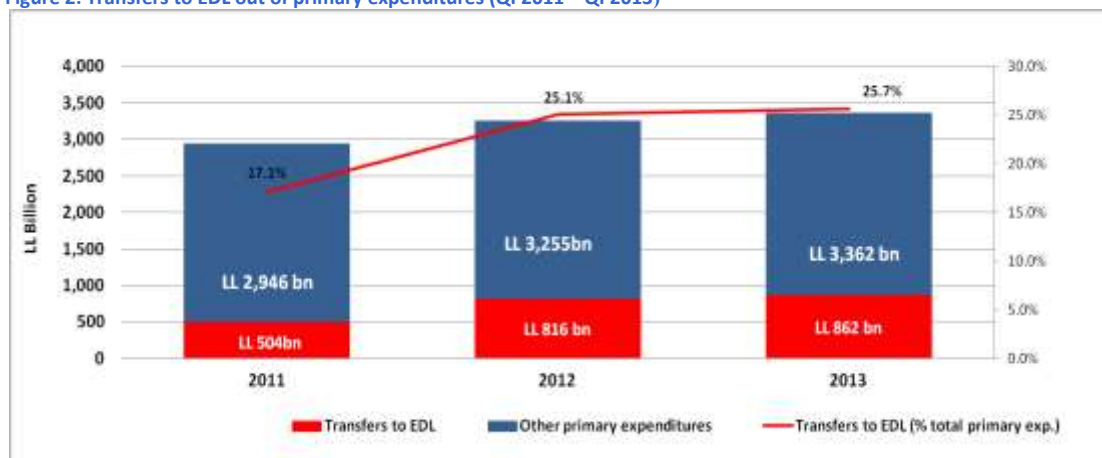


IV. of “Transfers to EDL” out of Expenditures

► Transfers to EDL constituted 25.7 percent of primary expenditures in QI 2013

With primary expenditures at 3,362 billion in QI 2013, the share of transfers to EDL reached 25.7 percent, a higher share than that paid in QI 2012. In fact, the share of transfers out of primary expenditures was lower in QI 2012, at 25.1 percent.

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



¹ The Treasury transferred around LL 862 billion to cover EDL's deficit in QI 2013. Out of this amount, around LL 843 billion represented the Treasury transfer to purchase gas and oil (as shown in Table 2). However, the total oil bill for QI 2013 summed up to LL 864 billion which is constituted of around LL 843 billion of treasury transfers “plus” 20 billion of transfers made by EDL.