

## I. Treasury Transfers to EDL in March 2014

► In March 2014, treasury transfers to EDL reached LL 420.84 billion, as follows:

- ⇒ Reimbursement of KPC and Sonatrach LL 420.48 billion
- ⇒ Debt Service LL 0.36 billion

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

(LL billion)	Jan	Feb	March	Total
<b>EDL of which:</b>	<b>262.94</b>	<b>107.43</b>	<b>420.84</b>	<b>791.20</b>
Debt service, of which:	1.67	9.50	0.36	11.54
• C-Loans, of which:	1.67	9.50	0.36	11.54
- Principal payments	1.02	8.16	0.31	9.48
- Interest payments	0.66	1.34	0.05	2.05
• BDL Guaranteed Loan payments	-	-	-	-
Reimbursement for purchase of gas and fuel	261.26	97.93	420.48	779.67
• KPC & SPC	261.26	97.93	420.48	779.67
• EGAS	-	-	-	-

Source: Ministry of Finance

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

► Transfers to EDL in Jan-March 2014 were LL 71.15 billion lower than the Jan-March 2013 level

Transfers in Jan-March 2014 were LL 71.15 billion lower than the amount paid in Jan-March 2013, which stood at LL 862.35 billion. This was mainly due to lower payments to KPC and Sonatrach for fuel oil and gas oil purchases.

Table 2: Treasury Transfers to EDL

(LL billion)	March 2013	March 2014	Jan- March 2013	Jan-March 2014	Change	% Change
<b>EDL, of which:</b>	<b>426.56</b>	<b>420.84</b>	<b>862.35</b>	<b>791.2</b>	<b>71.15-</b>	<b>-8%</b>
Debt Service, of which:	-	0.36	18.92	11.54	7.39-	-39%
• C-Loans, of which:	-	0.36	11.53	11.54	0.01	0%
-Principal Repayments	-	0.31	9.14	9.48	0.35	4%
-Interest Payments	-	0.05	2.39	2.05	0.34-	-14%
• BDL-Guaranteed Loan Payments	-	-	7.39	-	7.39-	-100%
Reimbursement for purchase of gas and fuel	426.56	420.48	843.43	779.67	63.76-	-8%
• KPC & SPC	426.56	420.48	843.43	779.67	63.76-	-8%
• EGAS	-	-	-	-	-	-

Source: Ministry of Finance

► Payments to the two oil suppliers in Jan-March 2014 were LL 63.76 billion lower than their level during Jan-March 2013

The component "Reimbursement for purchase of Gas and Fuel" reached LL779.67 billion in Jan-March 2014, down from LL 843.43 billion in Jan-March 2013.

➤ From a quantity-effect viewpoint:

	Period covered in Jan-March 2013 Bill	Period covered in Jan-March 2014 Bill	% Change in Quantity Imported
Gas Oil	May-Oct 2012	May-Nov 2013	3% ▼
Fuel Oil	July-Oct 2012	Aug-Oct 2013	5% ▲

➤ **From a price-effect viewpoint:**

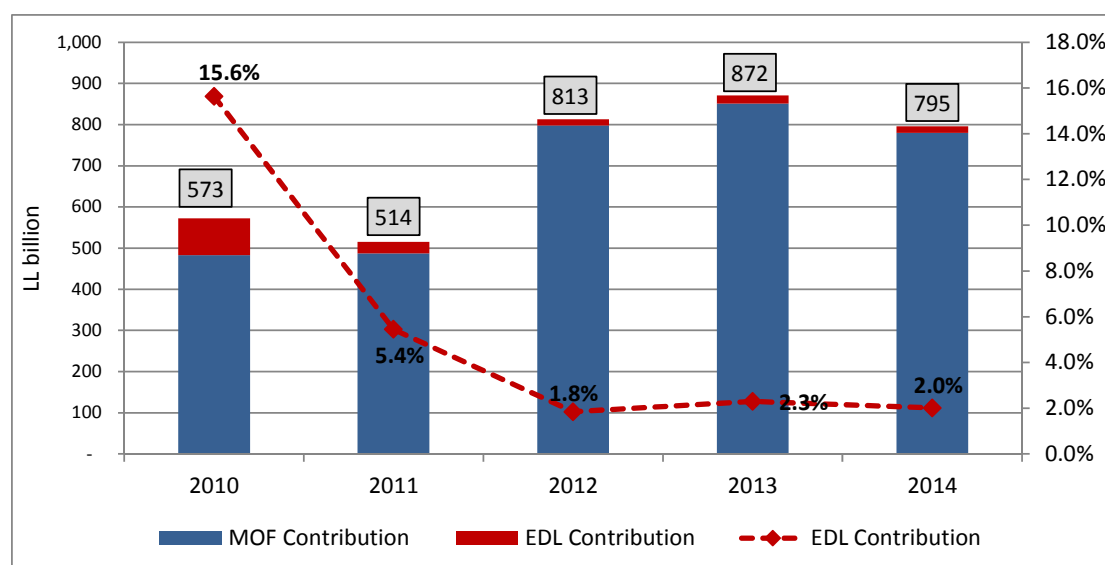
	<i>Jan-March 2013 Bill</i>	<i>Jan-March 2014 Bill</i>
Consumption Period	May-Oct 2012	May-Oct 2013
Average Price/Barrel	US\$ 109.30	US\$ 109.5
% Change in weighted average price of crude oil		0.2% ▲

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

➤ ***EDL contributed 2 percent of the total oil bill in Jan-March 2014***

From a total oil bill of LL 795 billion in Jan-March 2014, EDL contributed by 2 percent to the cost of gas oil and fuel oil purchase<sup>1</sup>. This figure was higher at 2.3 percent during the same period of 2013, out of a higher bill of LL872 billion. In nominal terms, EDL's contribution was lower in Jan-March 2014, amounting to LL16 billion, compared to LL 20 billion during the same period in 2013 and LL 15 billion or 1.8% percent of a LL813 billion oil bill in Jan-March 2012.

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



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

➤ ***Transfers to EDL constituted 22 percent of primary expenditures in Jan-March 2014***

With primary expenditures at LBP 3,599 billion in Jan-March 2014, the share of transfers to EDL reached 22 percent, a lower share than that paid in Jan-March 2013 of 25.6 percent.

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

<sup>1</sup> The Treasury transferred around LL791.2 billion to cover EDL's deficit in Jan-March 2014. Out of this amount, around LL 779.67 billion represented the Treasury transfer to purchase gas oil and fuel oil (as shown in Table 2). However, the total oil bill for Jan-March 2014 amounted to LL795 billion, which correspond to LL780 billion of Treasury transfers plus LL 15 billion of payments made by EDL.

