

## I. Treasury Transfers to EDL in May 2013

► In May 2013, treasury transfers to EDL reached LL 219.62 billion, as follows:

⇒ Reimbursement of KPC and Sonatrach LL 218.14 billion

⇒ Debt service LL 1.49 billion

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

(LL billion)	Jan	Feb	Mar	Apr	May	Total
<b>EDL of which:</b>	<b>204.92</b>	<b>230.86</b>	<b>426.56</b>	<b>229.86</b>	<b>219.62</b>	<b>1,311.84</b>
Debt service, of which:	9.11	9.81	-	20.01	1.49	40.42
• C-Loan, of which:	1.71	9.81	-	1.29	1.49	14.30
- Principal payments	1.02	8.12	-	1.16	1.29	11.59
- Interest payments	0.69	1.70	-	0.13	0.19	2.72
• BDL Guaranteed Loan payments	7.39	-	-	18.73	-	26.12
<b>Reimbursement for purchase of gas and fuel</b>	<b>195.81</b>	<b>221.05</b>	<b>426.56</b>	<b>209.85</b>	<b>218.14</b>	<b>1,271.41</b>
• KPC & SPC	195.81	221.05	426.56	209.85	218.14	1,271.41

Source: Ministry of Finance

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

► Transfers to EDL in Jan-May 2013 were LL 97.26 billion lower than the Jan-May 2012 level

Transfers in Jan-May 2013 were LL 97.26 billion lower than the amount paid in Jan-May 2012, which stood at LL 1,409.10 billion. This was mainly a result of lower payments to KPC and Sonatrach for fuel oil and gas oil purchases.

Table 2: Treasury Transfers to EDL

(LL billion)	May 2012	May 2013	Jan- May 2012	Jan- May 2013	Change	% Change
<b>EDL, of which:</b>	<b>333.10</b>	<b>219.62</b>	<b>1,409.10</b>	<b>1,311.84</b>	<b>97.26-</b>	<b>-7%</b>
Debt Service, of which:	-	1.49	43.10	40.42	2.68-	-6%
• C-Loans, of which:	-	1.49	17.20	14.30	2.90-	-17%
-Principal Repayments	-	1.29	14.10	11.59	2.51-	-18%
-Interest Payments	-	0.19	3.10	2.72	0.38-	-12%
• BDL-Guaranteed Loan Payments	-	-	25.90	26.12	0.22	1%
<b>Reimbursement for purchase of gas and fuel</b>	<b>333.10</b>	<b>218.14</b>	<b>1,366.00</b>	<b>1,271.41</b>	<b>94.59-</b>	<b>-7%</b>
• KPC & SPC	333.10	218.14	1,366.00	1,271.41	94.59-	-7%

Source: Ministry of Finance

► Payments to the two oil suppliers in Jan-May 2013 were LL 94.59 billion lower than their level during 2012

The component "Reimbursement of KPC and Sonatrach Agreements" reached LL 1,271.41 billion in Jan-May 2013, down from LL 1,366.00 billion in Jan-May 2012. This 7 percent decrease was mainly driven by lower quantity of fuel oil purchases.

- From a quantity-effect viewpoint: gas oil imported in May-December 2012 (paid in Jan-May 2013) is 10 percent higher than the quantity imported during May-December 2011 (paid in Jan-May 2012). In return, fuel oil quantities imported during May-December 2012 (paid in Jan-May 2013) decreased by 27 percent, compared to the fuel oil quantities imported during May-December 2011 (paid in Jan-May 2012).
- From a price-effect viewpoint: the average oil price according to which the payments of Jan-May 2013 were made is almost 1 percent lower than that pertaining to Jan-May 2012. This is due to the fact that Jan-May 2013 payments reflect consumption over the period May-December 2012, where the weighted crude oil average prices were US\$

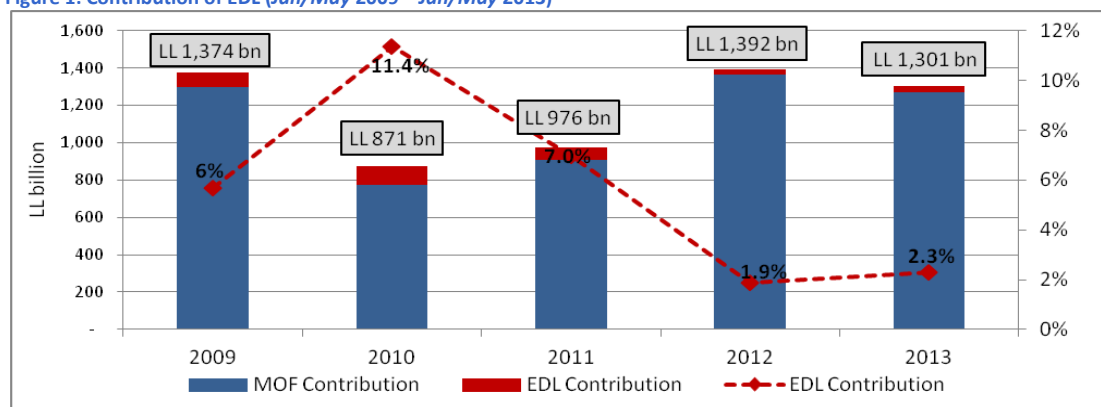
109.77/barrel. Whereas, the Jan-May 2012 payments reflect consumption over the period May-December 2011, where crude oil prices averaged US\$ 111.1/barrel.

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

#### ► EDL contributed 2.3 percent of the total oil bill in Jan-May 2013

With a total oil bill of LL 1,301 billion paid in Jan-May<sup>1</sup>, EDL contributed by 2.3 percent to repaying of KPC and Sonatrach. This figure was lower at 1.9% percent in Jan-May 2012, out of a higher bill of LL 1,392 billion. In nominal terms, EDL paid lower contribution in Jan-May 2012, amounting to LL 26 billion compared to LL 30 billion during the same period of this year. This represents a much lower contribution compared to that of Jan-May 2011, which amounted to LL 68 billion or 7 percent out of an oil bill of LL 976 billion.

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

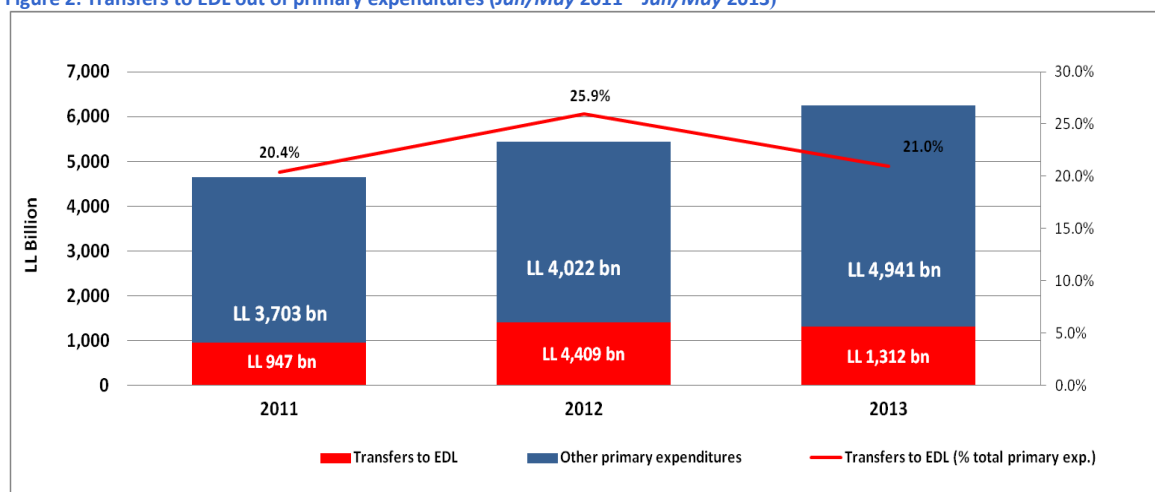


### IV. of “Transfers to EDL” out of Expenditures

#### ► Transfers to EDL constituted 21 percent of primary expenditures in Jan-May 2013

With primary expenditures at 6,253 billion in Jan-May 2013, the share of transfers to EDL reached 21 percent, a lower share than that paid in Jan-May 2012. In fact, the share of transfers out of primary expenditures was higher in Jan-May 2012, at 25.9 percent.

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



<sup>1</sup> The Treasury transferred around LL 1,312 billion to cover EDL's deficit in Jan-May 2013. Out of this amount, around LL 1,271 billion represented the Treasury transfer to purchase gas and oil (as shown in Table 2). However, the total oil bill for Jan-May 2013 summed up to LL 1,301 billion which is constituted of around LL 1,271 billion of treasury transfers “plus” 30 billion of transfers made by EDL.