

I. Treasury Transfers to EDL in September 2020

► In September 2020, treasury transfers to EDL reached LL 66.49 billion, as follows:

- ⇒ Reimbursement of KPC and Sonatrach LL 66.20 billion
- ⇒ Debt Service LL 0.29 billion

Table 1: Monthly Treasury transfers to EDL in Jan-September 2020

(LL billion)	Jan	Feb	March	April	May	June	July	August	September	Total
EDL of which:	286.35	7.61	161.09	127.72	24.41	46.49	153.09	145.06	66.49	1018.31
Debt service (C-Loans and Eurobonds):	1.31	0.00	0.28	0.00	0.30	0.55	0.00	0.00	0.29	2.72
• Principal payments	0.94	0.00	0.25	0.00	0.29	0.50	0.00	0.00	0.26	2.26
• Interest payments	0.36	0.00	0.03	0.00	0.004	0.05	0.00	0.00	0.02	0.46
Reimbursement for purchase of gas and fuel	285.04	7.61	160.81	127.72	24.11	45.94	153.09	145.06	66.20	1015.59
• KPC & SPC	285.04	7.61	160.81	127.72	24.11	45.94	153.09	145.06	66.20	1015.59

Source: Ministry of Finance

II. Treasury Transfers to EDL in Jan-September 2020 in comparison with Jan-September 2019

► Transfers to EDL in Jan-September 2020 were LL 691.02 billion lower than the Jan-September 2019 level

Transfers in Jan-September 2020 were LL 691.02 billion lower than the amount paid in Jan-September 2019, which stood at LL 1709.33 billion. This was mainly a result of lower payments to KPC and Sonatrach for fuel oil and gas oil purchases.

Table 2: Comparison of Treasury Transfers to EDL

(LL billion)	Jan-September 2019	Jan-September 2020	Change	% Change
EDL, of which:	1709.33	1018.31	691.02-	-40.4%
Debt Service (C-Loans and Eurobonds):	3.80	2.72	1.08-	-28.5%
-Principal Repayments	2.90	2.26	0.64-	-22.2%
-Interest Payments	0.91	0.46	0.44-	-48.8%
Reimbursement for purchase of gas and fuel	1705.53	1015.59	689.94-	-40.5%
• KPC & SPC	1705.53	1015.59	689.94-	-40.5%

► Payments to the two oil suppliers in Jan-September 2020 were LL 689.94 billion lower than their level during Jan-September 2019.

The component “Reimbursement of KPC and Sonatrach Agreements” reached LL 1015.59 billion in Jan-September 2020, a fall from LL 1705.53 billion in Jan-September 2019. This 40.5 percent decrease was mainly driven by lower quantity and price of fuel and gas oil.

- **From a quantity-effect viewpoint:**
 - % Change in Quantity of Fuel Oil imported: 21.60% ▼
 - % Change in Quantity of Gas Oil imported: 13.13% ▼
- **From a price-effect viewpoint:**

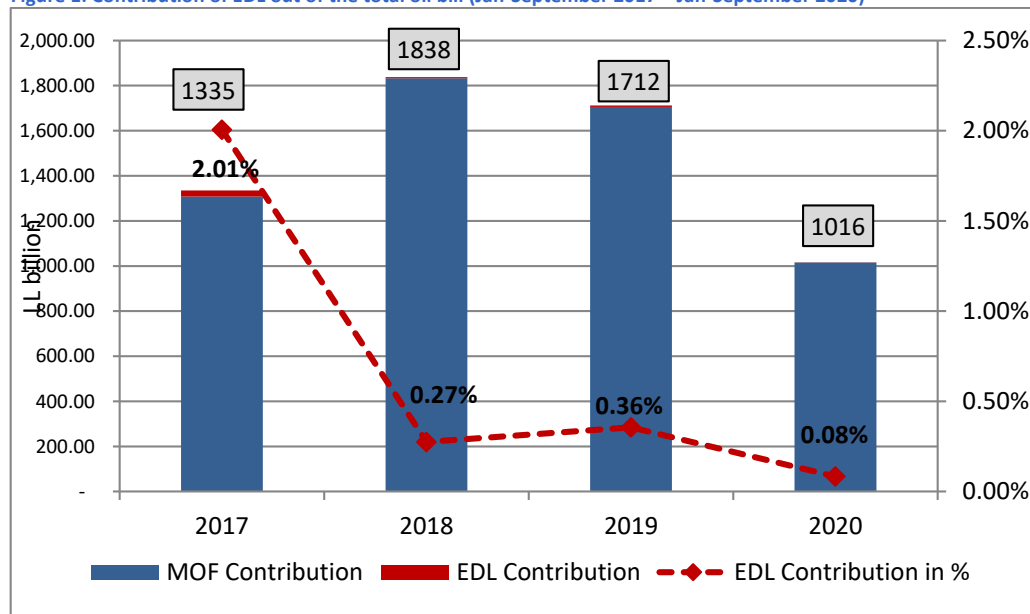
	Jan-September 2019 Bill	Jan-September 2020 Bill
Average Price/Barrel	US\$ 64.91	US\$ 41.00
% Change in weighted average price of crude oil		36.84% ▼

III. Contribution of EDL out of the total oil bill

► *EDL contributed 0.08 percent of the total oil bill in Jan-September 2020*

From a total oil bill of LL 1016 billion in Jan-September 2020, EDL contributed by around 0.08 percent to the cost of gas oil and fuel oil purchase¹. This figure was higher at 0.36 percent during the same period of 2019, out of a higher bill of LL 1712 billion. In nominal terms, EDL’s contribution was lower in Jan-September 2020, amounting to LL 0.85 billion, compared to LL 6.09 billion during the same period in 2019.

Figure 1: Contribution of EDL out of the total oil bill (Jan-September 2017 – Jan-September 2020)

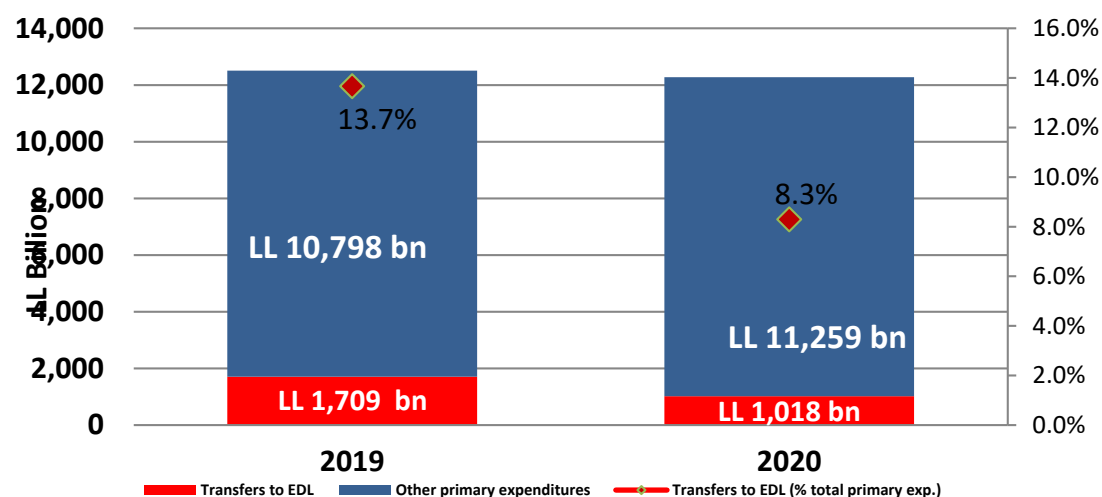


IV. Shares of “Transfers to EDL” out of Expenditures

► *Transfers to EDL constituted 8.3 percent of primary expenditures in Jan-September 2020*

With primary expenditures at LL 12,277 billion, the share of transfers to EDL reached 8.3 percent in Jan-September 2020. This share was higher at 13.7 percent in Jan-September 2019.

Figure 2: Transfers to EDL out of primary expenditures (Jan-September 2019 – Jan-September 2020)



¹ The Treasury transferred around LL 1018.31 billion to cover EDL’s deficit in Jan-September 2020. Out of this amount, around LL 1015.59 billion represented the Treasury transfer to purchase gas oil and fuel oil (as shown in Table 2). However, the total oil bill for Jan-September 2020 amounted to LL 1016.44 billion, which correspond to LL 1015.59 billion of Treasury transfers plus LL 0.85 billion of payments made by EDL.