

I. Treasury Transfers to EDL in June 2014

► In June 2014, treasury transfers to EDL reached LL498.02 billion, as follows:

⇒ Reimbursement of KPC and Sonatrach	LL 497.26 billion
⇒ Debt Service	LL 0.75 billion

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

(LL billion)	Jan	Feb	March	April	May	June	Total
EDL of which:	262.94	107.43	420.84	194.47	81.34	498.02	1,565.03
Debt service, of which:	1.67	9.50	0.36	0.91	1.45	0.75	14.65
• C-Loans, of which:	1.67	9.50	0.36	0.91	1.45	0.75	14.65
- Principal payments	1.02	8.16	0.31	0.87	1.31	0.64	12.31
- Interest payments	0.66	1.34	0.05	0.04	0.14	0.11	2.34
• BDL Guaranteed Loan payments	-	-	-	-	-	-	-
Reimbursement for purchase of gas and fuel	261.26	97.93	420.48	193.56	79.89	497.26	1,550.38
• KPC & SPC	261.26	97.93	420.48	193.56	79.89	497.26	1,550.38
• EGAS	-	-	-	-	-	-	-

Source: Ministry of Finance

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

► Transfers to EDL in Jan-June 2014 were LL 145.22 billion higher than the Jan-June 2013 level

Transfers in Jan-June 2014 were LL 145.22 billion higher than the amount paid in Jan-June 2013, which stood at LL 1,419.81 billion. This was mainly due to higher payments to KPC and Sonatrach for fuel oil and gas oil purchases.

Table 2: Treasury Transfers to EDL

(LL billion)	June 2013	June 2014	Jan-June 2013	Jan-June 2014	Change	% Change
EDL, of which:	107.98	498.02	1,419.81	1,565.03	145.22	10%
Debt Service, of which:	-	0.75	40.42	14.65	25.77-	-64%
• C-Loans, of which:	-	0.75	14.30	14.65	0.35	2%
-Principal Repayments	-	0.64	11.59	12.31	0.72	6%
-Interest Payments	-	0.11	2.72	2.34	0.37-	-14%
• BDL-Guaranteed Loan Payments	-	-	26.12	-	26.12-	-100%
Reimbursement for purchase of gas and fuel	107.98	497.26	1,379.39	1,550.38	170.99	12%
• KPC & SPC	107.98	497.26	1,379.39	1,550.38	170.99	12%
• EGAS	-	-	-	-	-	-

Source: Ministry of Finance

► Payments to the two oil suppliers in Jan-June 2014 were LL170.99 billion higher than their level during Jan-June 2013

The component “Reimbursement for purchase of Gas and Fuel” reached LL 1,550.38 billion in Jan-June 2014, up from LL 1,379.39 billion in Jan-June 2013.

➤ **From a quantity-effect viewpoint:**

	Period covered in Jan-June 2013 Bill	Period covered in Jan-June 2014 Bill	% Change in Quantity Imported
Gas Oil	May-Dec 2012	May 2013-Jan 2014	7% ▲
Fuel Oil	July 2012-May 2013	August 2013-Jan 2014	47% ▲

➤ **From a price-effect viewpoint:**

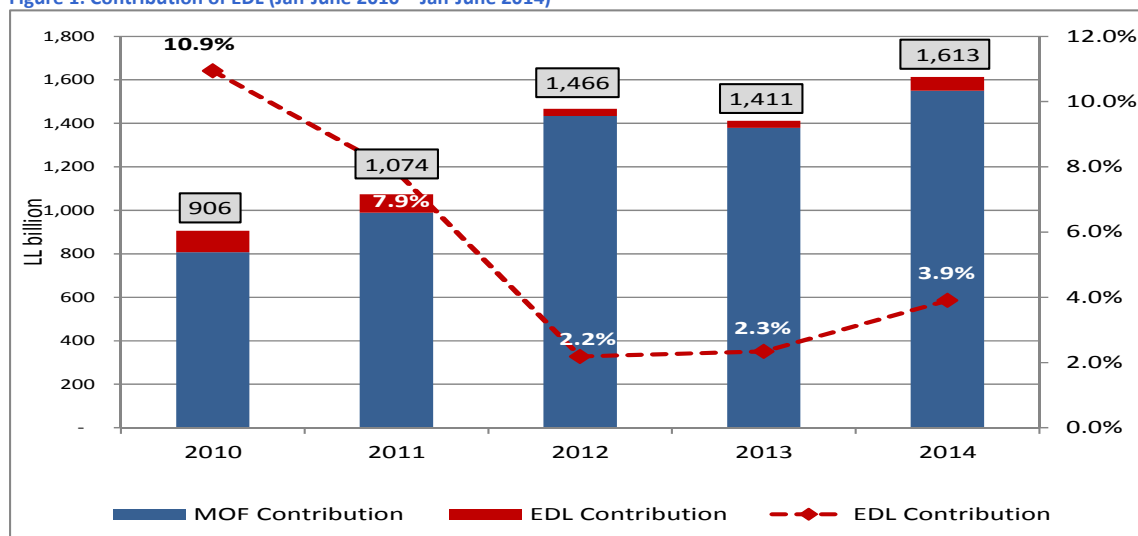
	Jan-June 2013 Bill	Jan-June 2014 Bill
Consumption Period	May 2012-May 2013	May 2013-Jan 2014
Average Price/Barrel	US\$ 109.7	US\$ 109.44
% Change in weighted average price of crude oil		0.28% ▼

III. Contribution of EDL out of the total oil bill

➤ **EDL contributed 3.9 percent of the total oil bill in Jan-June 2014**

From a total oil bill of LL 1,613 billion in Jan-June 2014, EDL contributed by 3.9 percent to the cost of gas oil and fuel oil purchase¹. This figure was lower at 2.3 percent during the same period of 2013, out of a higher bill of LL 1,411 billion. In nominal terms, EDL’s contribution in Jan-June 2014, amounting LL63 billion, was higher than its contribution during Jan-June 2013.

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

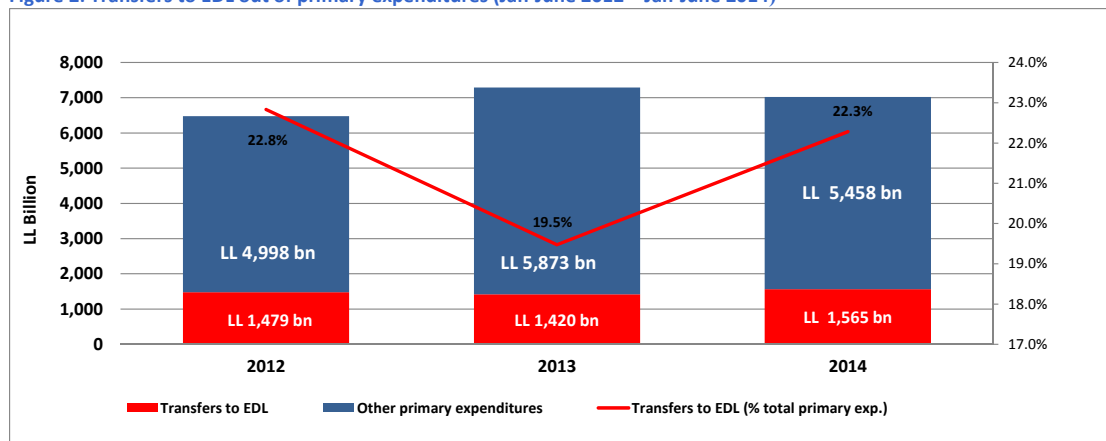


IV. Shares of “Transfers to EDL” out of Expenditures

➤ **Transfers to EDL stands at 22.3 percent of primary expenditures during Jan-June 2014**

With primary expenditures at LBP 7,023 billion in Jan-June 2014, the share of transfers to EDL reached 22.3 percent, a higher share than that paid in Jan-June 2013 that stood at 19.5 percent.

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



¹ The Treasury transferred around LL 1,565.03 billion to cover EDL’s deficit in Jan-June 2014. Out of this amount, around LL 1550.38 billion represented the Treasury transfer to purchase gas oil and fuel oil (as shown in Table 2). However, the total oil bill for Jan-June 2014 amounted to LL1,613 billion, which correspond to around LL1,550 billion of Treasury transfers plus around LL63 billion of payments made by EDL.