

## I. Treasury Transfers to EDL in August 2016

- **In August 2016**, treasury transfers to EDL reached LL 124.18 billion, as follows:
- ⇒ Reimbursement of KPC and Sonatrach LL 118.68 billion
  - ⇒ Debt Service LL 5.50 billion

Table 1: Monthly Treasury transfers to EDL in Jan-Aug 2016

(LL billion)	Jan	Feb	Mar	April	May	June	July	Aug	Total
<b>EDL of which:</b>	<b>53.83</b>	<b>82.64</b>	<b>93.15</b>	<b>87.27</b>	<b>115.95</b>	<b>71.28</b>	<b>157.41</b>	<b>124.18</b>	<b>785.71</b>
Debt service ( C-Loans and Eurobonds):	<b>1.48</b>	<b>5.63</b>	<b>0.29</b>	<b>0.88</b>	<b>1.13</b>	<b>0.60</b>	<b>4.17</b>	<b>5.50</b>	<b>19.67</b>
• Principal payments	0.94	5.07	0.25	0.87	1.11	0.52	3.50	5.05	17.31
• Interest payments	0.53	0.57	0.04	0.01	0.02	0.08	0.66	0.45	2.36
Reimbursement for purchase of gas and fuel	<b>52.35</b>	<b>77.01</b>	<b>92.86</b>	<b>86.39</b>	<b>114.82</b>	<b>70.68</b>	<b>153.25</b>	<b>118.68</b>	<b>766.04</b>
• KPC & SPC	52.35	77.01	92.86	86.39	114.82	70.68	153.25	118.68	766.04

Source: Ministry of Finance

## II. Treasury Transfers to EDL in Jan-August 2016 in comparison with Jan-August 2015

- **Transfers to EDL in Jan-August 2016 were LL 401.21 billion lower than the Jan-August 2015 level**

Transfers in Jan-August 2016 were LL 401.21 billion lower than the amount paid in Jan-August 2015, which stood at LL 1,186.92 billion. This was mainly a result of lower payments to KPC and Sonatrach for fuel oil and gas oil purchases

(LL billion)	Jan-Aug 2015	Jan-Aug 2016	Change	% Change
<b>EDL, of which:</b>	<b>1,186.92</b>	<b>785.71</b>	<b>401.21-</b>	<b>-33.8%</b>
<b>Debt Service (C-Loans and Eurobonds):</b>	<b>25.87</b>	<b>19.67</b>	<b>6.20-</b>	<b>-24.0%</b>
-Principal Repayments	22.56	17.31	5.25-	-23%
-Interest Payments	3.31	2.36	0.95-	-28.7%
<b>Reimbursement for purchase of gas and fuel</b>	<b>1,161.05</b>	<b>766.04</b>	<b>395.01-</b>	<b>-34.0%</b>
• KPC & SPC	1,161.05	766.04	395.01-	-34.0%

- **Payments to the two oil suppliers in Jan-August 2016 were LL 395.01 billion lower than their level during Jan-August 2015.**

The component “Reimbursement of KPC and Sonatrach Agreements” reached LL 766.04 billion in Jan-August 2016, down from LL 1,161.05 billion in Jan-August 2015. This 34 percent decrease was mainly driven by lower average prices of crude oil.

- **From a quantity-effect viewpoint:**
  - % Change in Quantity of Fuel Oil imported: 17.28 % ▲
  - % Change in Quantity of Gas Oil imported: 0.12 % ▲
- **From a price-effect viewpoint:**

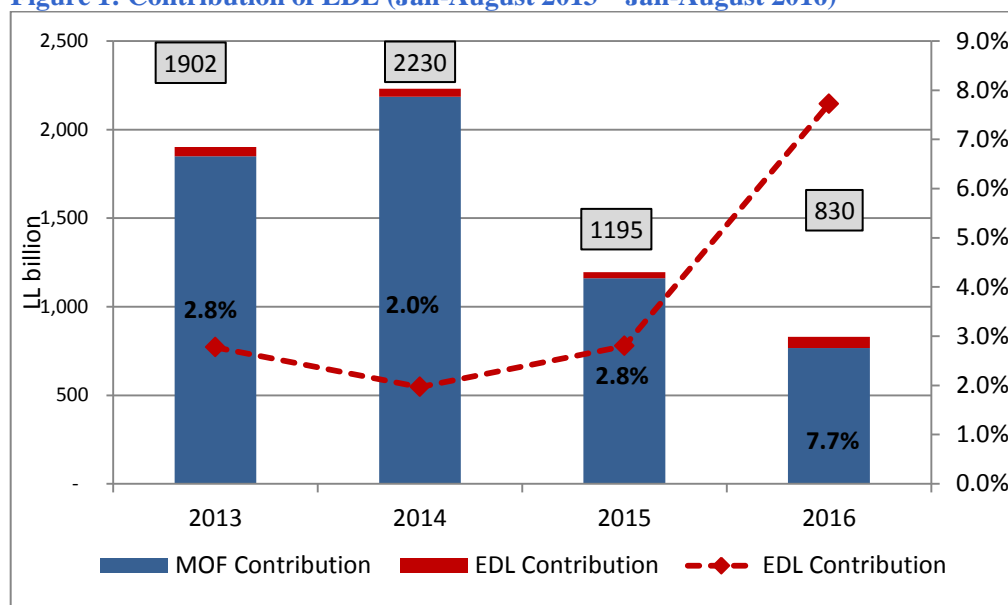
	Jan-Aug 2015 Bill	Jan-August 2016 Bill
Average Price/Barrel	US\$ 56.39	US\$ 41.40
% Change in weighted average price of crude oil		26.580 % ▼

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

▶ **EDL contributed 7.7 percent of the total oil bill in Jan-August 2016**

From a total oil bill of LL 830 billion in Jan-August 2016, EDL contributed by 7.7 percent to the cost of gas oil and fuel oil purchase<sup>1</sup>. This figure was lower at 2.8 percent during the same period of 2015, out of a higher bill of LL 1195 billion. In nominal terms, EDL’s contribution was lower in Jan-August 2015, amounting to LL 33.45 billion, compared to LL 64.08 billion during the same period in 2016.

**Figure 1: Contribution of EDL (Jan-August 2013 – Jan-August 2016)**

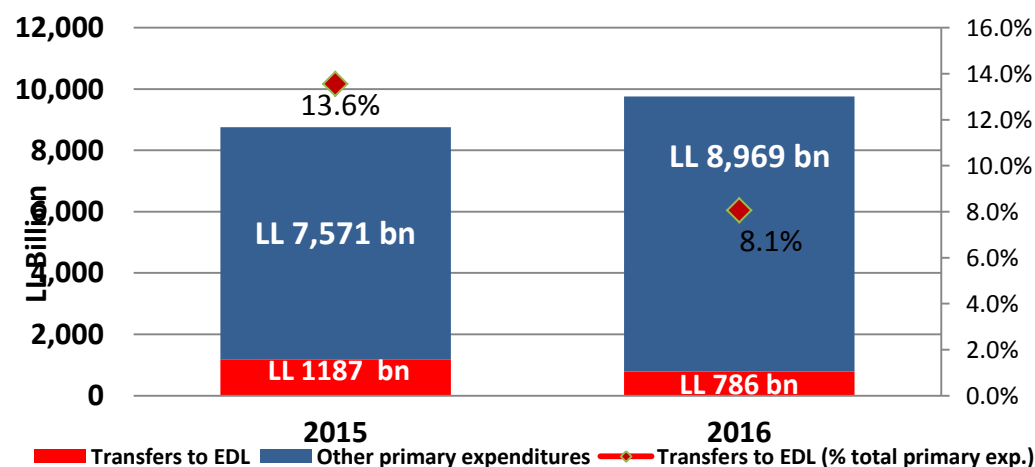


### IV. Shares of “Transfers to EDL” out of Expenditures

▶ **Transfers to EDL constituted 8.1 percent of primary expenditures in Jan-August 2016**

With primary expenditures at LL 9,755 billion, the share of transfers to EDL reached 8.1 percent in Jan-August 2016. This share was higher at 13.6 percent in Jan-August 2015.

**Figure 2: Transfers to EDL out of primary expenditures (Jan-Aug 2015 – Jan-Aug 2016)**



<sup>1</sup> The Treasury transferred around LL 785.71 billion to cover EDL’s deficit in Jan-August 2016. Out of this amount, around LL 766.04 billion represented the Treasury transfer to purchase gas oil and fuel oil (as shown in Table 2). However, the total oil bill for Jan-August 2016 amounted to LL 830.12 billion, which correspond to LL 766.04 billion of Treasury transfers plus LL 64.08 billion of payments made by EDL.