

I. Treasury Transfers to EDL in December 2015

► In December 2015, treasury transfers to EDL reached 120.24 LL billion, as follows:

⇒ Reimbursement of KPC and Sonatrach	119.65 LL billion
⇒ Debt Service	0.59 LL billion

Table 1: Monthly Treasury transfers to EDL in Jan-Dec 2015

(LL billion)	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Total
EDL of which:	187.83	126.43	161.30	106.98	129.11	234.38	164.55	76.33	152.30	119.16	132.26	120.24	1,710.87
Debt service, of which:	1.56	8.69	0.28	0.89	1.30	0.61	4.19	8.35	0.29	0.88	1.27	0.59	28.90
- Principal payments	0.97	7.77	0.24	0.87	1.22	0.52	3.35	7.61	0.25	0.87	1.22	0.51	25.40
- Interest payments	0.59	0.92	0.04	0.02	0.08	0.09	0.84	0.73	0.04	0.02	0.05	0.08	3.50
Reimbursement for purchase of gas and fuel	186.28	117.74	161.02	106.09	127.81	233.77	160.37	67.99	152.01	118.27	130.99	119.65	1,681.97
• KPC & SPC	186.28	117.74	161.02	106.09	127.81	233.77	160.37	67.99	152.01	118.27	130.99	119.65	1,681.98

Source: Ministry of Finance

II. Treasury Transfers to EDL in 2015 in comparison with 2014

► Transfers to EDL in Jan-Dec 2015 were 1,360.20 LL billion lower than the Jan-Dec 2014 level

Transfers in Jan-Dec 2015 were 1,360.20 LL billion lower than the amount paid in Jan-Dec 2014, which stood at 3,071.07 LL 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)	Jan-Dec 2014	Jan-Dec 2015(3)	Change	% Change
EDL, of which:	3,157.04	1,710.87	1,446.16-	-45.8%
Debt Service (C-Loans and Eurobonds):	32.11	28.90	3.21-	-10.0%
- Principal Repayments	27.18	25.40	1.78-	-7%
- Interest Payments	4.93	3.50	1.43-	-28.9%
Reimbursement for purchase of gas and fuel	3,124.92	1,681.98	1,442.95-	-46.2%
• KPC & SPC ⁽¹⁾	3,124.92	1,681.98	1,442.95-	-46.2%
• Adjusted 2014 KPC & SPC ⁽²⁾	3,038.96	1,681.98	1,356.98-	-44.7%
Total adjusted Transfers to EDL⁽²⁾	3,071.07	1,710.88	1,360.20-	-44.3%

Notes:

(1) Figures of 2014 as published previously in PFM and EDL snapshot December 2014

(2) Year 2014 adjusted Transfers to EDL calculated on cash basis for comparison reasons

(3) Year 2015 Transfers to EDL are calculated on cash basis and published in December 2015 PFM

Source: Ministry of Finance

► Payments to the two oil suppliers in Jan-Dec 2015 were LL 1,356.98 billion lower than their level during Jan-Dec 2014.

The component "Reimbursement of KPC and Sonatrach Agreements" reached LL 1,681.98 billion in Jan-Dec 2015, down from LL 3,038.96 billion in Jan-Dec 2014. This 44.7 percent

decrease was mainly driven by lower average prices of crude oil and lower quantity of fuel and gas oil purchases.

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

- % Change in Quantity of Fuel Oil imported: 0.51% ▲
- % Change in Quantity of Gas Oil imported: 9.13% ▲

➤ **From a price-effect viewpoint:**

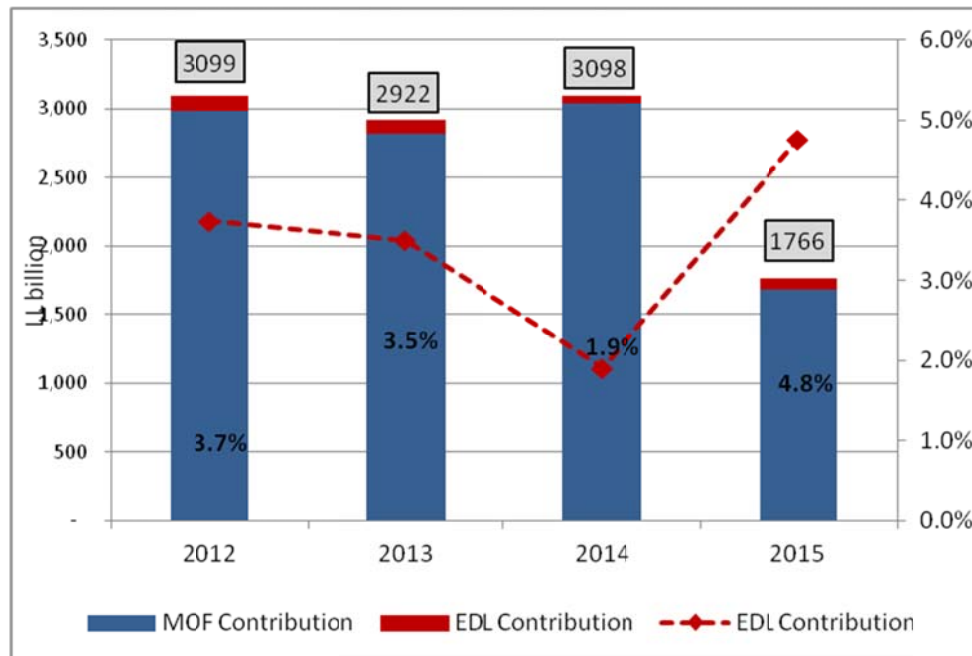
	<i>Jan-Dec 2014 Bill</i>	<i>Jan-Dec 2015 Bill</i>
Average Price/Barrel	US\$ 99.27	US\$ 51.94
% Change in weighted average price of crude oil		47.684% ▼

III. Contribution of EDL out of the total oil bill

▶ ***EDL contributed by 4.7 percent of the total oil bill in Jan-Dec 2015***

From a total oil bill of LL 1,765 billion in Jan-Dec 2015, EDL contributed by 4.7 percent to the cost of gas oil and fuel oil purchase¹. This figure was at 1.9 percent during the same period of 2014, out of a higher bill of LL 3,098 billion. In nominal terms, EDL’s contribution was higher in Jan-Dec 2015, amounting to LL 84 billion, compared to LL 59 billion during the same period in 2014.

Figure 1: Contribution of EDL (Jan-Dec 2012 – Jan-Dec 2015)



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

▶ ***Transfers to EDL constituted 12.8 percent of primary expenditures in Jan-Dec 2015***

¹ The Treasury transferred around LL 1,710.85 billion to cover EDL’s deficit in Jan-Dec 2015. Out of this amount, around LL 1,681.98 billion represented the Treasury transfer to purchase gas oil and fuel oil (as shown in Table 2). However, the total oil bill for Jan-Dec 2015 amounted to LL 1,766 billion, which correspond to LL 1,681.98 billion of Treasury transfers plus LL 84 billion of payments made by EDL.

With primary expenditures at LL 13,343 billion, the share of transfers to EDL reached 12.8 percent. This share was higher at 21.3% in Jan-Dec 2014.

Figure 2: Transfers to EDL out of primary expenditures (Jan-Dec 2014 – Jan-Dec 2015)

