

I. Transfers to EDL in 2010

► In May 2010, treasury transfers to EDL reached LL155 billion, due to:

⇒ Reimbursement of KPC and Sonatrach LL 155.2 billion

► In 2010, treasury transfers to EDL reached LL 806 billion, as follows:

⇒ Reimbursement of KPC and Sonatrach LL 772.7 billion

⇒ Debt service LL 32.8 billion

Table 1: Monthly Transfers to EDL in 2010

(LL billion)	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
EDL of which:	94	264	147	145	155								806
Debt service, of which:	0.4	8.0	13.3	11.0	0.0								32.8
• C-Loans and Eurobonds, of which:	0.4	8.0	13.3	1.0	0.0								22.8
– Principal payments	0.0	7.6	10.3	0.9	0.0								18.8
– Interest payments	0.4	0.4	3.0	0.1	0.0								4.0
• BDL Guaranteed Loan payments	0.0	0.0	0.0	10.1	0.0								10.1
Reimbursement of KPC and Sonatrach	93.3	255.8	134.1	134.2	155.2								772.7

Source: Ministry of Finance

II. Transfers to EDL in 2010 in comparison with 2009

► Transfers to EDL in 2010 were LL 542 billion lower than their 2009 level

Transfers in January-May 2010 registered a level that is LL 542 billion lower compared to the same period of 2009, which stood at LL 1,347 billion, as a result of the following two factors:

⇒ decrease in payments to Kuwait Petroleum Corporation (KPC) and Algeria's Sonatrach for fuel and gas oil purchases by LL 523 billion

⇒ decrease in debt service by LL 19 billion

Table 2: Transfers to EDL

(LL billion)	Apr 2009	Apr 2010	2009	2010	Change	% Change
EDL, of which:	147	155	1,347	806	(542)	-40%
Debt Service, of which:	0	0.0	52	33	(19)	-36%
• C-Loans and Eurobonds, of which:	0	0.0	32	23	(9)	-28%
– Principal Repayments	0	0.0	27	19	(8)	-30%
– Interest Payments	0	0.0	5	4	(1)	-22%
• BDL-Guaranteed Loan Payments	-	0.0	20	10	(10)	-49%
Reimbursement of KPC and Sonatrach Agreements	147	155	1,296	773	(523)	-40%

Source: Ministry of Finance

▶ *Payments to the two oil suppliers in 2010 were LL 523 billion lower than their 2009 level*

The component “Reimbursement of KPC and Sonatrach Agreements” reached LL 773 billion by end-May 2010, down from LL 1,296 billion in 2009. The registered 40 percent downward change is rooted mainly in a price effect, where the average oil price according to which the 2010 payments were made is notably lower than that pertaining to 2009.

At the quantity level, payments to oil suppliers in January-May 2010 reflect around 5 percent¹ lower quantity of gas oil and fuel oil than that paid in the same period of 2009.

III. Contribution of EDL out of the total oil bill

▶ *EDL contributed to 11 percent of the total oil bill in 2010*

With a total oil bill of LL 871 billion paid in 2010, of which a treasury payment of LL 773 billion for “Reimbursement of KPC and Sonatrach Agreements”, EDL contributed by 11.3 percent to repaying the two oil suppliers. It is worth mentioning that this figure was lower at around 6 percent in the first four months of 2009, out of a larger oil bill of LL 1,374 billion.

¹ Quantity figures are calculated based on Letters of Credit (LCs) sent by EDL to the Ministry of Finance.