

I. Treasury Transfers to EDL in October 2014

► In October 2014, treasury transfers to EDL reached LL 207.36 billion, as follows:

⇒ Reimbursement of KPC and Sonatrach	LL 206.46 billion
⇒ Debt Service	LL 0.9 billion

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

(LL billion)	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Total
EDL of which:	262.94	107.43	420.84	194.47	81.34	498.02	211.76	351.92	119.67	207.36	2,455.74
Debt service, of which:	1.67	9.50	0.36	0.91	1.45	0.75	3.32	10.86	0.33	0.90	30.06
• C-Loans, of which:	1.67	9.50	0.36	0.91	1.45	0.75	3.32	10.86	0.33	0.90	30.06
- Principal payments	1.02	8.16	0.31	0.87	1.31	0.64	2.80	9.09	0.28	0.87	25.35
- Interest payments	0.66	1.34	0.05	0.04	0.14	0.11	0.52	1.78	0.05	0.03	4.72
• BDL Guaranteed Loan payments	-	-	-	-	-	-	-	-	-	-	-
Reimbursement for purchase of gas and fuel	261.26	97.93	420.48	193.56	79.89	497.26	208.44	341.06	119.34	206.46	2,425.67
• KPC & SPC	261.26	97.93	420.48	193.56	79.89	497.26	208.44	341.06	119.34	206.46	2,425.67
• EGAS	-	-	-	-	-	-	-	-	-	-	-

Source: Ministry of Finance

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

► Transfers to EDL in Jan-Oct 2014 were LL 252.57 billion lower than the Jan-Oct 2013 level

Transfers from January to October 2014 were LL 252.57 billion lower than the amount paid during the same period in 2013, which stood at LL 2708.31 billion. This was due to lower payments of debt service and lower reimbursement to KPC and Sonatrach for fuel oil and gas oil purchases.

Table 2: Treasury Transfers to EDL

(LL billion)	Oct 2013	Oct 2014	Jan-Oct 2013	Jan-Oct 2014	Change	% Change
EDL of which:	166.93	207.36	2,708.31	2,455.74	252.57-	-9.3%
Debt service, of which:	0.91	0.90	63.15	30.06	33.09-	-52.4%
• C-Loans, of which:	0.91	0.90	33.43	30.06	3.37-	-10.1%
- Principal payments	0.87	0.87	27.64	25.35	2.30-	-8.3%
- Interest payments	0.05	0.03	5.79	4.72	1.07-	-18.5%
• BDL Guaranteed Loan payments	-	-	29.72	-	29.72-	-100.0%
Reimbursement for purchase of gas and fuel	166.02	206.46	2,645.16	2,425.67	219.49-	-8.3%
• KPC & SPC	166.02	206.46	2,645.16	2,425.67	219.49-	-8.3%
• EGAS	-	-	-	-	-	-

Source: Ministry of Finance

► Payments to the two oil suppliers in Jan-Oct 2014 were LL 219.49 billion lower than their level during Jan-Oct 2013

The component "Reimbursement for purchase of Gas and Fuel" reached LL 2,425.67 billion in Jan-Oct 2014, down from LL 2,645.169 billion in Jan-Oct 2013.

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

	<i>Period covered in Jan-Oct 2013 Bill</i>	<i>Period covered in Jan-Oct 2014 Bill</i>	<i>% Change in Quantity Imported</i>
Gas Oil	May 2012-June 2013	May 2013-May 2014	19.5% ▼
Fuel Oil	Jul 2012-Aug 2013	Aug 2013- May 2014	19.18% ▲

➤ **From a price-effect viewpoint:**

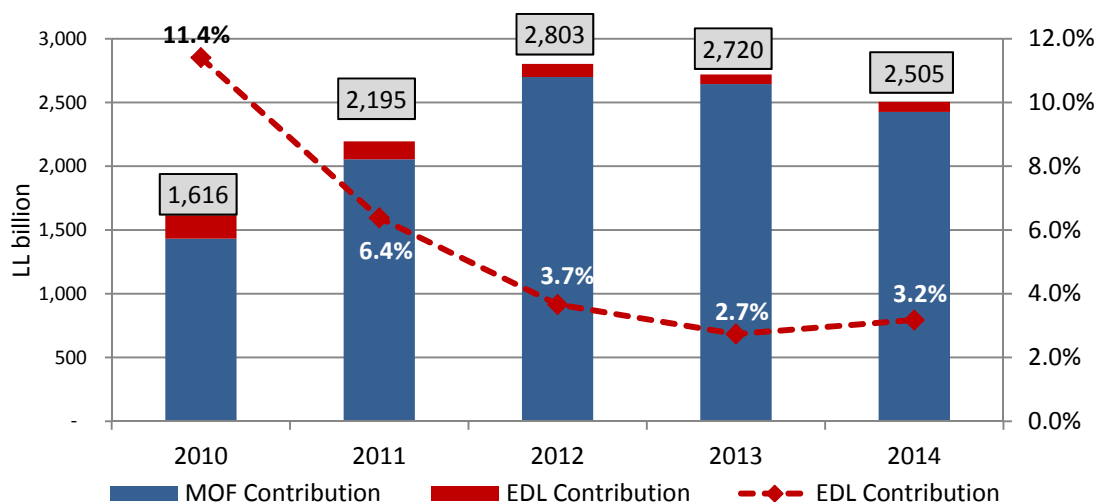
	<i>Jan-Oct 2013 Bill</i>	<i>Jan-Oct 2014 Bill</i>
Consumption Period	May 2012-Aug 2013	May 2013-May 2014
Average Price/Barrel	US\$ 109.1	US\$ 109.09
% Change in weighted average price of crude oil		0.05% ▼

III. Contribution of EDL out of the total oil bill

➤ **EDL contributed 3.2 percent of the total oil bill in Jan-Oct 2014**

From a total oil bill of LL 2,505 billion in Jan-Oct 2014, EDL contributed by 3.2 percent to the cost of gas oil and fuel oil purchase¹. This figure was lower at 2.7 percent during the same period of 2013, out of a higher bill of LL 2,720 billion. In nominal terms, EDL’s contribution in Jan-Oct 2014 amounting LL80 billion, was higher than its contribution during Jan-Oct 2013, amounting LL 74 billion.

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



¹ The Treasury transferred LL 2,455.7 billion to cover EDL’s deficit in Jan-Oct 2014. Out of this amount, LL 2,425.67 billion represented the Treasury transfer to purchase gas oil and fuel oil (as shown in Table 2). However, the total oil bill for Jan-Oct 2014 amounted to LL 2,505 billion, which correspond to around LL 2,425.67 billion of Treasury transfers plus around LL80 billions of payments made by EDL.

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

- ▶ *Transfers to EDL stands at 21.1 percent of primary expenditures during Jan-Oct 2014*

With primary expenditures at LBP 11,614 billion in Jan-Oct 2014, the share of transfers to EDL reached 21.1 percent, a slightly lower share than that paid in Jan-Oct 2013 that stood at 21.8 percent of total primary expenditures.

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

