

I. Treasury Transfers to EDL in September 2015

► In September 2015, treasury transfers to EDL reached 152.30 LL billion, as follows:

⇒ Reimbursement of KPC and Sonatrach	152.01 LL billion
⇒ Debt Service	0.29 LL billion

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

(LL billion)	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Total
EDL of which:	187.83	126.43	161.30	106.98	129.11	234.38	164.55	76.33	152.30	1,339.22
Debt service, of which:	1.56	8.69	0.28	0.89	1.30	0.61	4.19	8.35	0.29	26.16
- Principal payments	0.97	7.77	0.24	0.87	1.22	0.52	3.35	7.61	0.25	22.81
- Interest payments	0.59	0.92	0.04	0.02	0.08	0.09	0.84	0.73	0.04	3.35
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	1,313.06
• KPC & SPC	186.28	117.74	161.02	106.09	127.81	233.77	160.37	67.99	152.01	1,313.06

Source: Ministry of Finance

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

► Transfers to EDL in Jan-Sep 2015 were 1,008.66 LL billion lower than the Jan-Sep 2014 level

Transfers in Jan-Sep 2015 were 1,008.66 LL billion lower than the amount paid in Jan-Sep 2014, which stood at 2,347.88 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-Sep 2014	Jan-Sep 2015(3)	Change	% Change
EDL, of which:	2,248.38	1,339.22	909.16-	-40.4%
Debt Service (C-Loans and Eurobonds):	29.16	26.16	3.00-	-10.3%
-Principal Repayments	24.47	22.81	1.66-	-7%
-Interest Payments	4.69	3.35	1.33-	-28.4%
Reimbursement for purchase of gas and fuel	2,219.22	1,313.06	906.16-	-40.8%
· KPC & SPC ⁽¹⁾	2,219.22	1,313.06	906.15-	-40.8%
· Adjusted 2014 KPC & SPC ⁽²⁾	2,318.72	1,313.06	1,005.66-	-43.4%
Total adjusted Transfers to EDL⁽²⁾	2,347.88	1,339.22	1,008.66-	-43.0%

Notes:

(1) Figures of 2014 as published previously in PFM and EDL snapshot September 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 September 2015 PFM

Source: Ministry of Finance

► Payments to the two oil suppliers in Jan-Sep 2015 were LL 1,005.66 billion lower than their level during Jan-Sep 2014.

The component "Reimbursement of KPC and Sonatrach Agreements" reached LL 1,313.06 billion in Jan-Sep 2015, down from LL 2,318.72 billion in Jan-Sep 2014. This 43.4 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: 2.67% ▼
 - % Change in Quantity of Gas Oil imported: 11.90% ▲

➤ **From a price-effect viewpoint:**

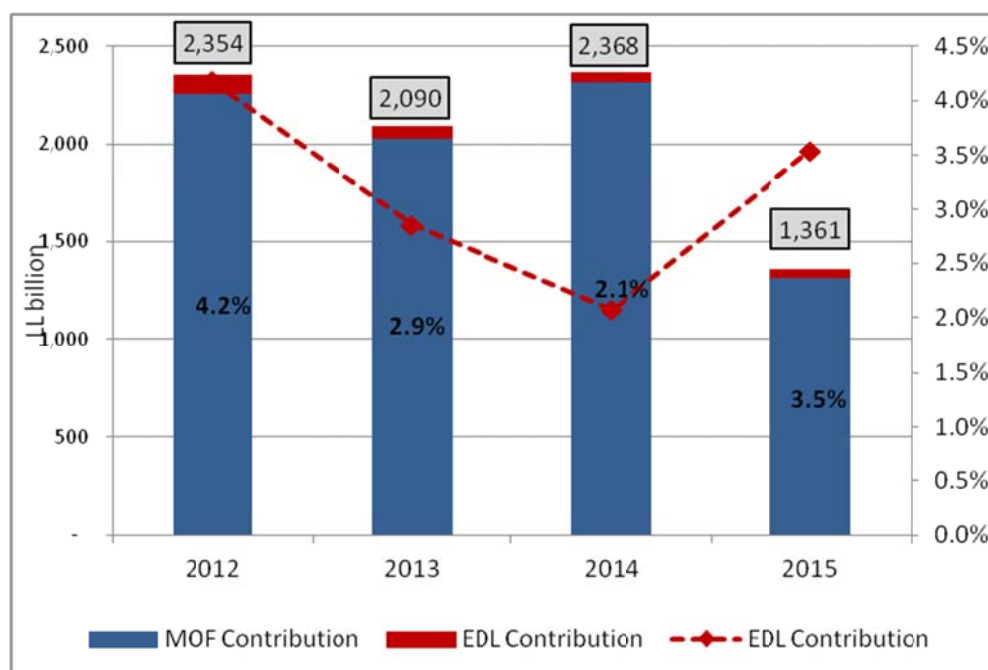
	<i>Jan-Sep 2014</i> <i>Bill</i>	<i>Jan-Sep 2015</i> <i>Bill</i>
Average Price/Barrel	US\$ 106.58	US\$ 55.05
% Change in weighted average price of crude oil		48.35% ▼

III. Contribution of EDL out of the total oil bill

▶ ***EDL contributed by 3.5 percent of the total oil bill in Jan-Sep 2015***

From a total oil bill of LL 1,361.24 billion in Jan-Sep 2015, EDL contributed by 3.5 percent to the cost of gas oil and fuel oil purchase¹. This figure was at 2.1 percent during the same period of 2014, out of a higher bill of LL 2,368 billion. In nominal terms, EDL’s contribution was almost the same in Jan-Sep 2015, amounting to LL 48 billion, compared to LL 49 billion during the same period in 2014.

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



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

▶ ***Transfers to EDL constituted 13.5 percent of primary expenditures in Jan-Sep 2015***

With primary expenditures at LL 9,884 billion, the share of transfers to EDL reached 13.5 percent. This share was higher at 22.0% in Jan-Sep 2014.

¹ The Treasury transferred around LL 1,339.22 billion to cover EDL’s deficit in Jan-Sep 2015. Out of this amount, around LL 1,313.06 billion represented the Treasury transfer to purchase gas oil and fuel oil (as shown in Table 2). However, the total oil bill for Jan-Sep 2015 amounted to LL 1,361 billion, which correspond to LL 1,313.06 billion of Treasury transfers plus LL 48 billion of payments made by EDL.

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

