

## I. Treasury Transfers to EDL in March 2016

► In March 2016, treasury transfers to EDL reached LL 93.15 billion, as follows:

- ⇒ Reimbursement of KPC and Sonatrach LL 92.86 billion
- ⇒ Debt Service LL 0.29 billion

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

(LL billion)	Jan	Feb	Mar	Total
<b>EDL of which:</b>	<b>53.83</b>	<b>82.64</b>	<b>93.15</b>	<b>229.62</b>
Debt service (C-Loans and Eurobonds):	1.48	5.63	0.29	7.40
• Principal payments	0.94	5.07	0.25	6.26
• Interest payments	0.53	0.57	0.04	1.14
Reimbursement for purchase of gas and fuel	52.35	77.01	92.86	222.22
• KPC & SPC	52.35	77.01	92.86	222.22

Source: Ministry of Finance

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

► Transfers to EDL in Jan-Mar 2016 were LL 245.94 billion lower than the Jan-Mar 2015 level

Transfers in Jan-Mar 2016 were LL 245.94 billion lower than the amount paid in Jan-Mar 2015, which stood at LL 475.56 billion. This was mainly a result of lower payments to KPC and Sonatrach for fuel oil and gas oil purchases.

(LL billion)	Jan-Mar 2015	Jan-Mar 2016	Change	% Change
<b>EDL, of which:</b>	<b>475.56</b>	<b>229.62</b>	<b>245.94-</b>	<b>-51.7%</b>
<b>Debt Service (C-Loans and Eurobonds):</b>	<b>10.53</b>	<b>7.40</b>	<b>3.13-</b>	<b>-29.7%</b>
-Principal Repayments	8.98	6.26	2.72-	-30%
-Interest Payments	1.55	1.14	0.41-	-26.6%
<b>Reimbursement for purchase of gas and fuel</b>	<b>465.03</b>	<b>222.22</b>	<b>242.81-</b>	<b>-52.2%</b>
• KPC & SPC	465.03	222.22	242.81-	-52.2%

► Payments to the two oil suppliers in Jan-Mar 2016 were LL 242.81 billion lower than their level during Jan-Mar 2015.

The component “Reimbursement of KPC and Sonatrach Agreements” reached LL 222.22 billion in Jan-Mar 2016, down from LL 465.03 billion in Jan-Mar 2015. This 52.2 percent decrease was mainly driven by lower average prices of crude oil.

- **From a quantity-effect viewpoint:**
  - % Change in Quantity of Fuel Oil imported: 2.31% ▲
  - % Change in Quantity of Gas Oil imported: 0.95 % ▼

- **From a price-effect viewpoint:**

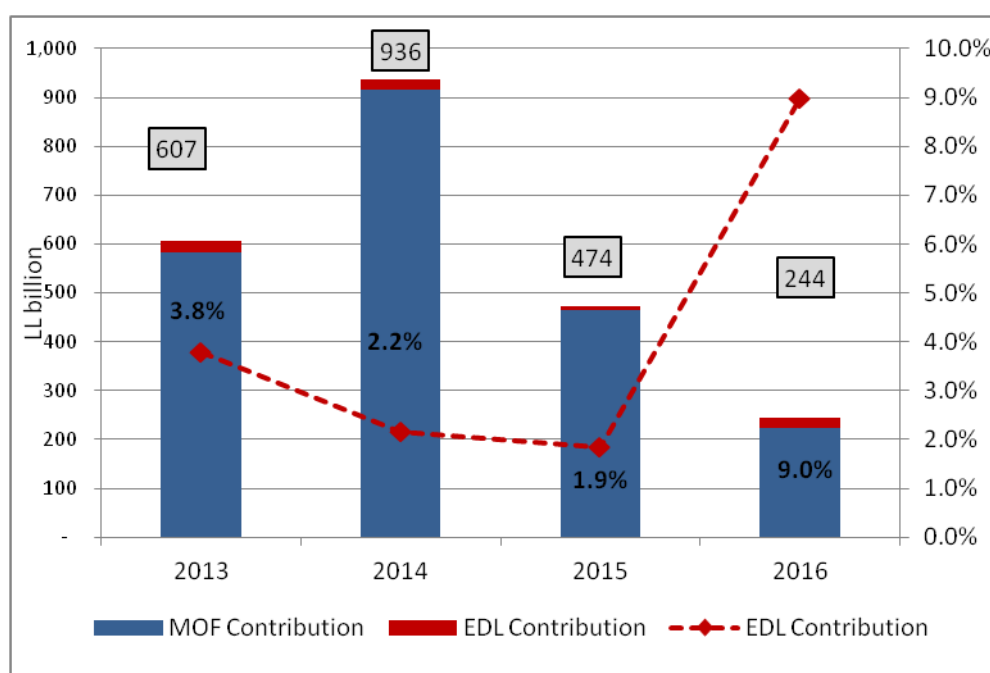
	Jan-Mar 2015 Bill	Jan-Mar 2016 Bill
Average Price/Barrel	US\$ 53.59	US\$ 34.21
% Change in weighted average price of crude oil		36.165 % ▼

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

▶ *EDL contributed 9.8 percent of the total oil bill in Jan-Mar 2016*

From a total oil bill of LL 244 billion in Jan-Feb 2016, EDL contributed by 9.0 percent to the cost of gas oil and fuel oil purchase<sup>1</sup>. This figure was lower at 1.9 percent during the same period of 2015, out of a higher bill of LL 474 billion. In nominal terms, EDL’s contribution was lower in Jan-Mar 2015, amounting to LL 9 billion, compared to LL 22 billion during the same period in 2016.

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

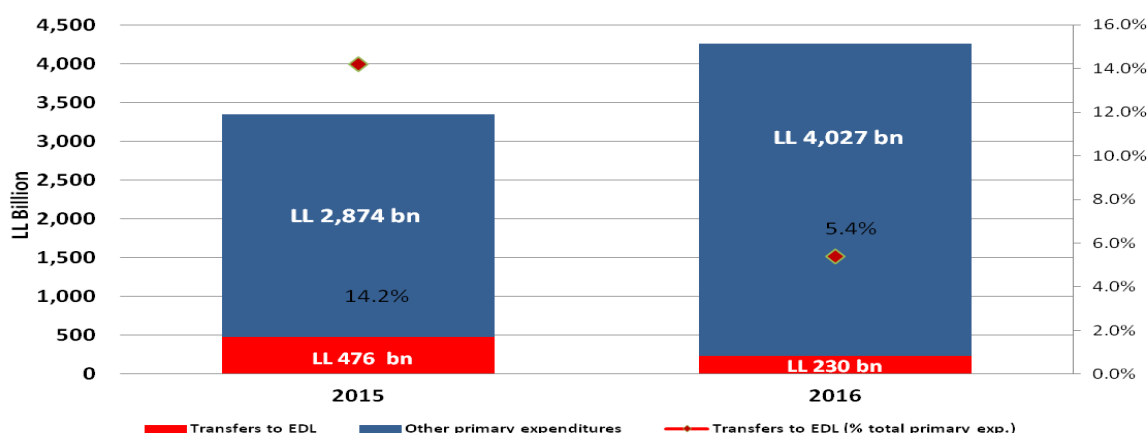


### IV. Shares of “Transfers to EDL” out of Expenditures

▶ *Transfers to EDL constituted 5.4 percent of primary expenditures in Jan-Mar 2016*

With primary expenditures at LL 4,257 billion, the share of transfers to EDL reached 5.4 percent in Jan-Mar 2016. This share was higher at 14.2 percent in Jan-Mar 2015.

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



<sup>1</sup> The Treasury transferred around LL 229.62 billion to cover EDL’s deficit in Jan-Mar 2016. Out of this amount, around LL 222.22 billion represented the Treasury transfer to purchase gas oil and fuel oil (as shown in Table 2). However, the total oil bill for Jan-Mar 2016 amounted to LL 244.17 billion, which correspond to LL222.22 billion of Treasury transfers plus LL 21.95 billion of payments made by EDL.