

I. Transfers to EDL in 2011

► In August 2011, treasury transfers to EDL reached LL 197 billion, as follows:

- ⇒ Reimbursement of KPC and Sonatrach LL 182.9 billion
- ⇒ Debt service LL 14.4 billion

► In 2011, treasury transfers to EDL reached LL 1,342 billion, as follows :

- ⇒ Reimbursement of KPC and Sonatrach LL 1,212.2 billion
- ⇒ Payments to EGAS LL 54.9 billion
- ⇒ Debt service LL 74.5 billion

Table 1: Monthly transfers to EDL in 2011

(LL billion)	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
EDL of which:	95	255	154	248	195	85	113	197					1,342
Debt service, of which:	2.0	14.3	0.5	19.9	1.7	3.9	17.9	14.4					74.5
• C-Loans and Eurobonds, of which:	2.0	14.3	0.5	1.0	1.7	3.9	16.6	14.4					54.3
– Principal payments	1.3	11.6	0.3	0.9	1.3	3.6	14.2	11.9					45.1
– Interest payments	0.7	2.7	0.2	0.1	0.3	0.3	2.4	2.5					9.2
• BDL Guaranteed Loan payments	0.0	0.0	0.0	19.0	0.0	0.0	1.3	0.0					20.3
Reimbursement for purchase of gas and fuel	92.5	240.6	153.6	228.5	192.9	81.0	95.0	182.9					1,267.0
• KPC & SPC	92.5	240.6	153.6	215.2	151.4	81.0	95.0	182.9					1,212.2
• EGAS	-	-	-	13.4	41.5	-	-	-					54.9

Source: Ministry of Finance

II. Transfers to EDL in 2011 in comparison with 2010

► Transfers to EDL in 2011 were LL 216 billion higher than the 2010 level

Transfers in January-August 2011 registered an amount LL 216 billion higher than that of 2010, which stood at LL 1,126 billion. This is primarily due to a LL 151 billion increase in gas oil and fuel oil payments and a LL 55 billion payment for natural gas provided by EGAS. Additionally, payments to cover for debt service increased by LL 10 billion over this period.

Table 2: Transfers to EDL

(LL billion)	Aug 2010	Aug 2011	2010	2011	Change	% Change
EDL, of which:	46	197	1,126	1,342	216	19%
Debt Service, of which:	4	14	65	75	10	15%
• C-Loans and Eurobonds, of which:	4	14	49	54	5	11%
– Principal Repayments	3	12	41	45	4	10%
– Interest Payments	1	2	8	9	1	18%
• BDL-Guaranteed Loan Payments	0	0	16	20	4	25%
Reimbursement for purchase of gas and fuel	42	183	1,061	1,267	206	19%
• KPC & SPC	42	183	1,061	1,212	151	14%
• EGAS	0	0	0	55	55	-

Source: Ministry of Finance

► *Payments to the two oil suppliers in 2011 were LL 151 billion higher than their 2010 level*

“Reimbursement for purchase of gas oil and fuel oil” reached LL 1,212 billion in 2011. The 14 percent increase in payments reflects higher international oil prices associated with the 2011 payments, which was partly offset by lower volumes of both fuel oil and gas oil over the period under consideration.

- From a price perspective, the average oil price according to which the 2011 payments were made is 18 percent higher than that pertaining to 2010. In fact, the January-August 2011 payments reflect consumption over the period June 2010- March 2011, when crude oil price averaged US\$ 84/barrel, whereas the 2010 payments reflect consumption over the period May 2009 – February 2010, when the international crude oil price averaged US\$ 72 per barrel.
- From a quantity perspective, payments to the two oil suppliers in 2011 reflect around 8 percent and 3 percent lower quantities¹ of gas oil and fuel oil, respectively, during the period under consideration.

► *Payments to EGAS for provision of natural gas*

Treasury payments to cover for the provision of natural gas amounted to LL 42 billion in May 2011, which constituted the payment of the last bills sent to the Ministry of Finance by the Ministry of Energy and Water. In sum, the treasury has paid a total of LL 97 billion for natural gas provided by Egypt over the period September 2009-November 2010. The flow of natural gas has not resumed since November 2010.

III. Contribution of EDL out of the total oil bill

► *EDL contributed to 8 percent of the total oil bill in 2011*

With a total oil bill of LL 1,367 billion paid in 2011, of which a treasury payment of LL 1,267 billion for “Reimbursement of KPC, Sonatrach and EGAS”, EDL contributed with 8 percent to this bill compared to 11 percent contribution in 2010 out of a smaller oil bill of LL 1,197 billion. The 2010 and 2011 contributions, however, are higher than those of 2009 and 2008, which represented 7 percent and 5 percent, respectively, of the total bill,.

¹ Quantity figures are calculated based on invoices sent by EDL to the Ministry of Finance.