

## I. Treasury Transfers to EDL in July 2013

► In July 2013, treasury transfers to EDL reached LL 409.26, as follows:

- ⇒ Reimbursement of KPC and Sonatrach LL 397.39 billion
- ⇒ Debt service LL 11.87 billion

Table 1: Monthly Treasury transfers to EDL in Jan-July 2013

| (LL billion)                                      | Jan           | Feb           | Mar           | Apr           | May           | June          | July          | Total           |
|---------------------------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|-----------------|
| <b>EDL of which:</b>                              | <b>204.92</b> | <b>230.86</b> | <b>426.56</b> | <b>229.86</b> | <b>219.62</b> | <b>107.98</b> | <b>409.26</b> | <b>1,829.08</b> |
| Debt service, of which:                           | 9.11          | 9.81          | -             | 20.01         | 1.49          | -             | 11.87         | 52.29           |
| • C-Loan, of which:                               | 1.71          | 9.81          | -             | 1.29          | 1.49          | -             | 8.26          | 22.57           |
| - Principal payments                              | 1.02          | 8.12          | -             | 1.16          | 1.29          | -             | 6.80          | 18.39           |
| - Interest payments                               | 0.69          | 1.70          | -             | 0.13          | 0.19          | -             | 1.46          | 4.18            |
| • BDL Guaranteed Loan payments                    | 7.39          | -             | -             | 18.73         | -             | -             | 3.61          | 29.72           |
| <b>Reimbursement for purchase of gas and fuel</b> | <b>195.81</b> | <b>221.05</b> | <b>426.56</b> | <b>209.85</b> | <b>218.14</b> | <b>107.98</b> | <b>397.39</b> | <b>1,776.79</b> |
| • KPC & SPC                                       | 195.81        | 221.05        | 426.56        | 209.85        | 218.14        | 107.98        | 397.39        | 1,776.79        |

Source: Ministry of Finance

## II. Treasury Transfers to EDL in 2013 in comparison with 2012

► Transfers to EDL in Jan-July 2013 were LL 36.52 billion lower than the Jan-July 2012 level

Transfers in Jan-July 2013 were LL 36.52 billion lower than the amount paid in Jan-July 2012, which stood at LL 1,865.60 billion. This was a result of lower payments to KPC and Sonatrach for fuel oil and gas oil purchases.

Table 2: Treasury Transfers to EDL

| (LL billion)                                      | July 2012     | July 2013     | Jan- July 2012  | Jan- July 2013  | Change        | % Change   |
|---------------------------------------------------|---------------|---------------|-----------------|-----------------|---------------|------------|
| <b>EDL, of which:</b>                             | <b>386.50</b> | <b>409.26</b> | <b>1,865.60</b> | <b>1,829.08</b> | <b>36.52-</b> | <b>-2%</b> |
| Debt Service, of which:                           | 18.60         | 11.87         | 63.30           | 52.29           | 11.01-        | -17%       |
| • C-Loans, of which:                              | 8.10          | 8.26          | 26.90           | 22.57           | 4.33-         | -16%       |
| -Principal Repayments                             | 6.40          | 6.80          | 21.80           | 18.39           | 3.41-         | -16%       |
| -Interest Payments                                | 1.70          | 1.46          | 5.10            | 4.18            | 0.92-         | -18%       |
| • BDL-Guaranteed Loan Payments                    | 10.50         | 3.61          | 36.40           | 29.72           | 6.68-         | -18%       |
| <b>Reimbursement for purchase of gas and fuel</b> | <b>367.90</b> | <b>397.39</b> | <b>1,802.30</b> | <b>1,776.79</b> | <b>25.51-</b> | <b>-1%</b> |
| • KPC & SPC                                       | 367.90        | 397.39        | 1,802.30        | 1,776.79        | 25.51-        | -1%        |

Source: Ministry of Finance

► Payments to the two oil suppliers in Jan-July 2013 were LL 25.51 billion lower than their level during 2012

The component "Reimbursement of KPC and Sonatrach Agreements" reached LL 1,776.79 billion in Jan-July 2013, down from LL 1,802.30 billion in Jan-July 2012. This 1 percent decrease was mainly driven by lower quantity of fuel oil purchases.

- From a quantity-effect viewpoint: gas oil imported in May 2012-February 2013 (paid in Jan-July 2013) is 8 percent higher than the quantity imported during May 2011-February 2012 (paid in Jan-July 2012). In return, fuel oil quantities imported during July 2012-July 2013 (paid in Jan-July 2013) decreased by 14 percent, compared to the fuel oil quantities imported during July 2011-January 2012 (paid in Jan-July 2012).
- From a price-effect viewpoint: the average oil price according to which the payments of Jan-July 2013 were made is almost 1 percent lower than that pertaining to Jan-July 2012. This is due to the fact that Jan-July 2013 payments reflect consumption over the

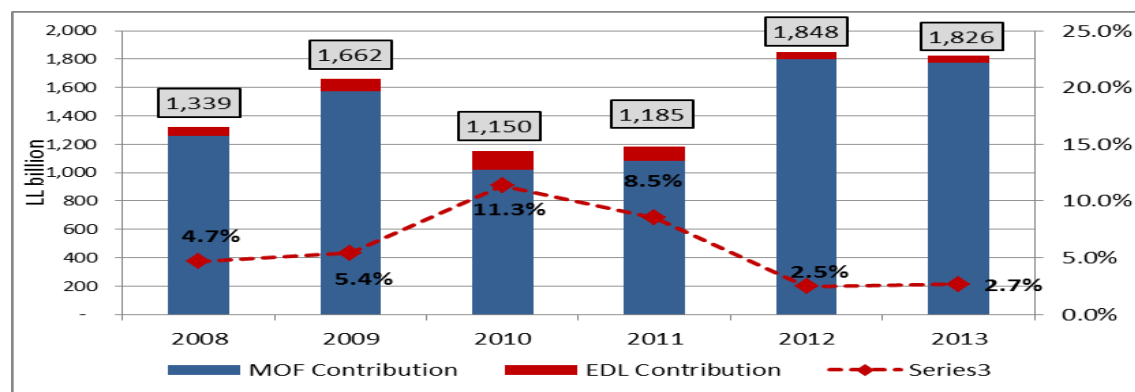
period May 2012-July 2013, where the weighted crude oil average prices were US\$ 110.21/barrel. The Jan-July 2012 payments reflect consumption over the period May 2011-February 2012, where crude oil prices averaged US\$ 111.4/barrel.

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

#### ► EDL contributed 2.7 percent of the total oil bill in Jan-July 2013

With a total oil bill of LL 1,826 billion paid in Jan-July<sup>1</sup>, EDL contributed by 2.7 percent to repaying of KPC and Sonatrach. This figure was slightly lower at 2.5 percent during the same period of 2012, out of a higher bill of LL 1,848 billion. In nominal terms, EDL paid lower contribution in January-July 2012, amounting to LL 46 billion compared to LL 49 billion during the same period of this year. This represents a much lower contribution compared to that of Jan-June 2012, which amounted to LL 101 billion or 8.5 percent out of an oil bill of LL 1,185 billion.

Figure 1: Contribution of EDL (Jan/July 2008 – Jan/July 2013)

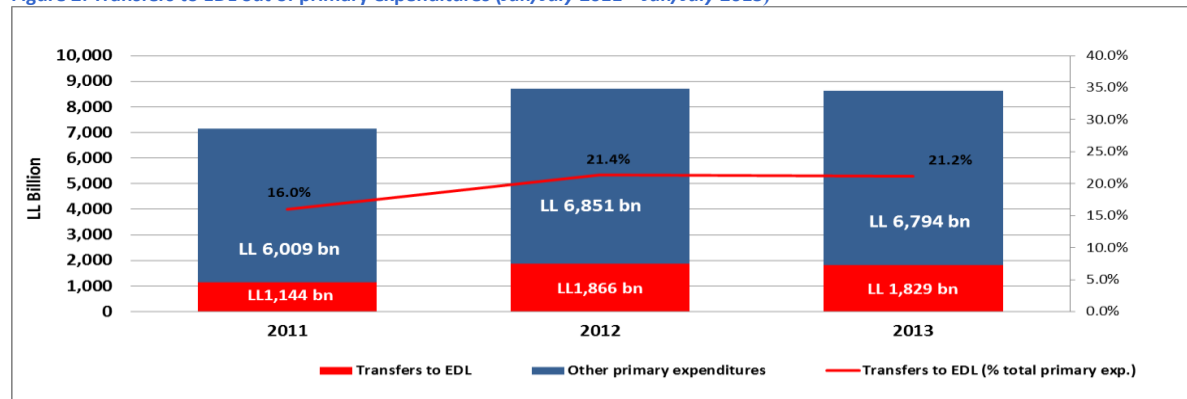


### IV. Shares of “Transfers to EDL” out of Expenditures

#### ► Transfers to EDL constituted 21.2 percent of primary expenditures in Jan-July 2013

With primary expenditures at 8,623 billion in Jan-July 2013, the share of transfers to EDL reached 21.2 percent. The share of transfers out of primary expenditures was slightly higher in Jan-June 2012, at 21.4 percent.

Figure 2: Transfers to EDL out of primary expenditures (Jan/July 2011 – Jan/July 2013)



<sup>1</sup> The Treasury transferred around LL 1,829.08 billion to cover EDL's deficit in Jan-July 2013. Out of this amount, around LL 1,776.79 billion represented the Treasury transfer to purchase gas and oil (as shown in Table 2). However, the total oil bill for Jan-July 2013 amounted to LL 1,825.82 billion, which correspond to LL 1,776.79 billion of Treasury transfers plus LL 49.03 billion of payments made by EDL.