

I. Treasury Transfers to EDL in June 2013

- In June 2013, treasury transfers to EDL reached LL 107.98 billion the totality to cover reimbursement of KPC and Sonatrach.

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

(LL billion)	Jan	Feb	Mar	Apr	May	June	Total
EDL of which:	204.92	230.86	426.56	229.86	219.62	107.98	1,419.81
Debt service, of which:	9.11	9.81	-	20.01	1.49	-	40.42
• C-Loan, of which:	1.71	9.81	-	1.29	1.49	-	14.30
- Principal payments	1.02	8.12	-	1.16	1.29	-	11.59
- Interest payments	0.69	1.70	-	0.13	0.19	-	2.72
• BDL Guaranteed Loan payments	7.39	-	-	18.73	-	-	26.12
Reimbursement for purchase of gas and fuel	195.81	221.05	426.56	209.85	218.14	107.98	1,379.39
• KPC & SPC	195.81	221.05	426.56	209.85	218.14	107.98	1,379.39

Source: Ministry of Finance

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

- Transfers to EDL in Jan-June 2013 were LL 59.29 billion lower than the Jan-June 2012 level

Transfers in Jan-June 2013 were LL 59.29 billion lower than the amount paid in Jan-June 2012, which stood at LL 1,479.1 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)	June 2012	June 2013	Jan- June 2012	Jan- June 2013	Change	% Change
EDL, of which:	70.00	107.98	1,479.10	1,419.81	-59.29	-4%
Debt Service, of which:	1.60	-	44.70	40.42	-4.28	-10%
• C-Loans, of which:	1.60	-	18.80	14.30	-4.50	-24%
-Principal Repayments	1.30	-	15.40	11.59	-3.81	-25%
-Interest Payments	0.30	-	3.40	2.72	-0.68	-20%
• BDL-Guaranteed Loan Payments	-	-	25.90	26.12	0.22	1%
Reimbursement for purchase of gas and fuel	68.40	107.98	1,434.40	1,379.39	-55.01	-4%
• KPC & SPC	68.40	107.98	1,434.40	1,379.39	-55.01	-4%

Source: Ministry of Finance

- Payments to the two oil suppliers in Jan-June 2013 were LL 55.01 billion lower than their level during 2012

The component "Reimbursement of KPC and Sonatrach Agreements" reached LL 1,379.39 billion in Jan-June 2013, down from LL 1,434 billion in Jan-June 2012. This 4 percent decrease was mainly driven by lower quantity of fuel oil purchases.

- From a quantity-effect viewpoint: gas oil imported in May-December 2012 (paid in Jan-June 2013) is 9 percent higher than the quantity imported during May-December 2011 (paid in Jan-June 2012). In return, fuel oil quantities imported during July 2012-May 2013 (paid in Jan-June 2013) decreased by 22 percent, compared to the fuel oil quantities imported during July-December 2011 (paid in Jan-July 2012).
- From a price-effect viewpoint: the average oil price according to which the payments of Jan-June 2013 were made is almost 1 percent lower than that pertaining to Jan-June 2012. This is due to the fact that Jan-June 2013 payments reflect consumption over the period May 2012-May 2013, where the weighted crude oil average prices were US\$

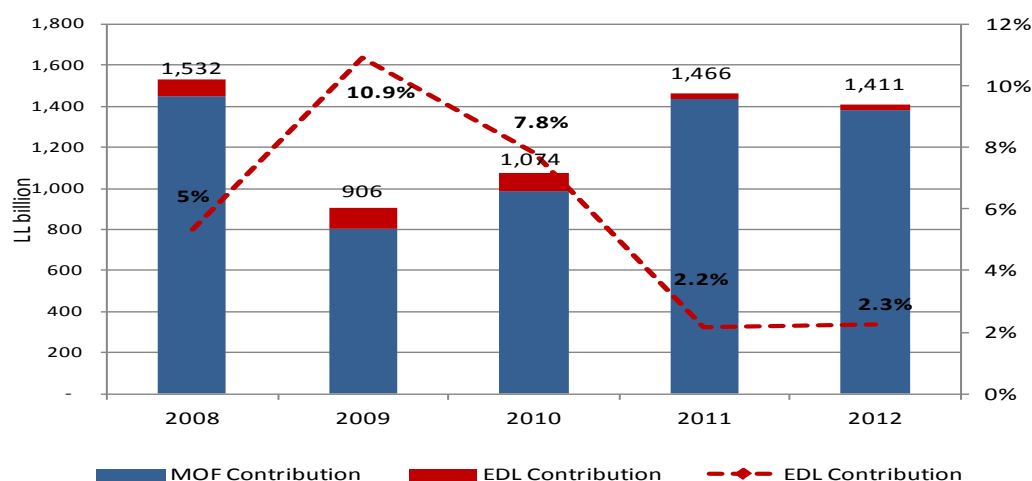
109.56/barrel. The Jan-June 2012 payments reflect consumption over the period May-December 2011, where crude oil prices averaged US\$ 111.2/barrel.

III. Contribution of EDL out of the total oil bill

► EDL contributed 2.3 percent of the total oil bill in Jan-June 2013

With a total oil bill of LL 1,411 billion paid in Jan-June¹, EDL contributed by 2.3 percent to repaying of KPC and Sonatrach. This figure was almost the same as the contribution percentage of Jan-June 2012, out of a higher bill of LL 1,466 billion. In nominal terms, The EDL contribution in Jan-June 2013 is exactly the same as the one made in Jan-June 2012, amounting to LL 32 billion. This represents a much lower contribution compared to that of Jan-June 2011, which amounted to LL 84 billion or 7.8 percent out of an oil bill of LL 1,074 billion.

Figure 1: Contribution of EDL (Jan/June 2009 – Jan/June 2013)

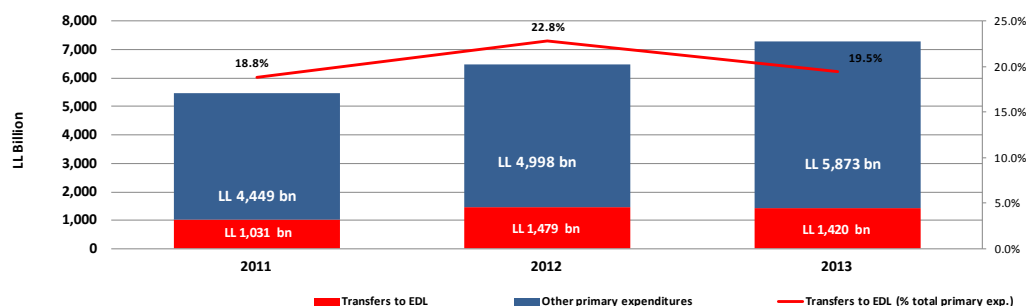


IV. Shares of “Transfers to EDL” out of Expenditures

► Transfers to EDL constituted 19.5 percent of primary expenditures in Jan-June 2013

With primary expenditures at 7,293 billion in Jan-June 2013, the share of transfers to EDL reached 19.5 percent, a lower share than that paid in Jan-June 2012. In fact, the share of transfers out of primary expenditures was higher in Jan-June 2012, at 22.8 percent.

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



¹ The Treasury transferred around LL 1,419.81 billion to cover EDL's deficit in Jan-June 2013. Out of this amount, around LL 1379.39 billion represented the Treasury transfer to purchase gas and oil (as shown in Table 2). However, the total oil bill for Jan-June 2013 amounted to LL 1,411 billion, which correspond to LL 1,379.39 billion of Treasury transfers plus LL 32 billion of payments made by EDL.