

I. Treasury Transfers to EDL in February 2019

- In February 2019, treasury transfers to EDL reached LL 276.70 billion, for reimbursement of KPC and Sonatrach.

Table 1: Monthly Treasury transfers to EDL in Jan-Feb 2019

(LL billion)	Jan	Feb	Total
EDL of which:	99.27	276.70	375.97
Debt service (C-Loans and Eurobonds):	1.35	0.00	1.35
• Principal payments	0.94	0.00	0.94
• Interest payments	0.41	0.00	0.41
Reimbursement for purchase of gas and fuel	97.92	276.70	374.62
• KPC & SPC	97.92	276.70	374.62
Transfers to Electricity Syria	0.00	0.00	0.00

Source: Ministry of Finance

II. Treasury Transfers to EDL in Jan-Feb 2019 in comparison with Jan-Feb 2018

- Transfers to EDL in Jan-Feb 2019 were LL 56.28 billion higher than the Jan-Feb 2018 level

Transfers in Jan-Feb 2019 were LL 56.28 billion higher than the amount paid in Jan-Feb 2018, which stood at LL 319.69 billion. This was mainly a result of higher payments to KPC and Sonatrach for fuel oil and gas oil purchases.

Table 2: Comparison of Treasury Transfers to EDL

(LL billion)	Jan-Feb 2018	Jan-Feb 2019	Change	% Change
EDL, of which:	319.69	375.97	56.28	17.6%
Debt Service (C-Loans and Eurobonds):	5.54	1.35	4.19-	-75.6%
-Principal Repayments	4.98	0.94	4.04-	-81.1%
-Interest Payments	0.56	0.41	0.15-	-26.8%
Reimbursement for purchase of gas and fuel	314.15	374.62	60.47	19.2%
• KPC & SPC	314.15	374.62	60.47	19.2%
Transfers to Electricity Syria	-	0	0	-

- Payments to the two oil suppliers in Jan-Feb 2019 were LL 60.47 billion higher than their level during Jan-Feb 2018.

The component “Reimbursement of KPC and Sonatrach Agreements” reached LL 374.62 billion in Jan-Feb 2019, a rise from LL 314.15 billion in Jan-Feb 2018. This 19.2 percent increase was mainly driven by higher quantity of fuel and gas oil.

- **From a quantity-effect viewpoint:**
 - % Change in Quantity of Fuel Oil imported: 17.83% ▲
 - % Change in Quantity of Gas Oil imported: 46.62 % ▲
- **From a price-effect viewpoint:**

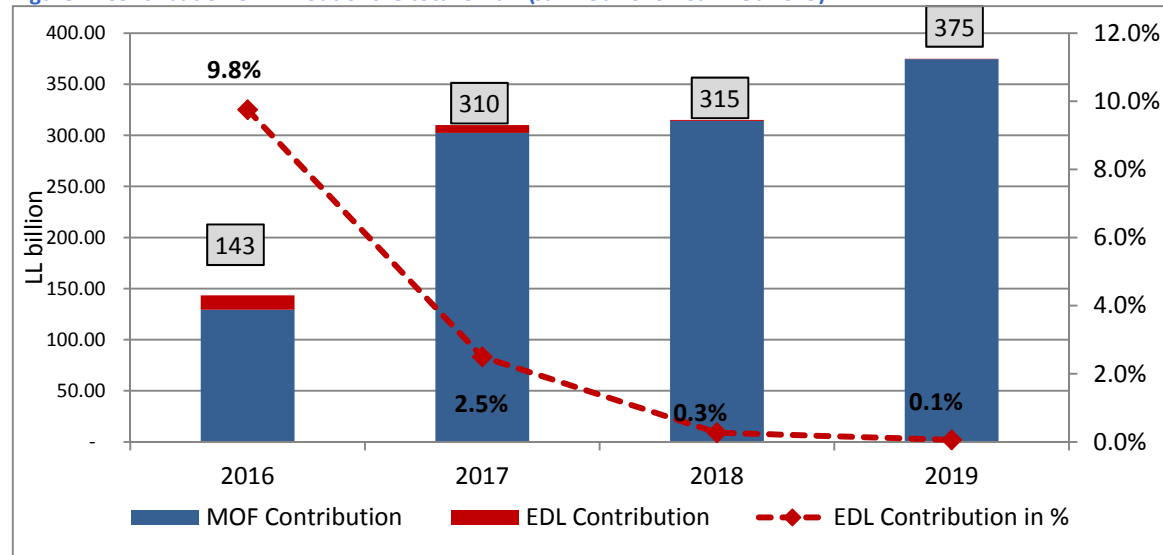
	Jan-Feb 2018 Bill	Jan-Feb 2019 Bill
Average Price/Barrel	US\$ 67.04	US\$ 62.82
% Change in weighted average price of crude oil	6.3% ▼	

III. Contribution of EDL out of the total oil bill

► *EDL contributed 0.1 percent of the total oil bill in Jan-Feb 2019*

From a total oil bill of LL 375 billion in Jan-Feb 2019, EDL contributed by around 0.1 percent to the cost of gas oil and fuel oil purchase¹. This figure was higher at 0.3 percent during the same period of 2018, out of a lower bill of LL 315 billion. In nominal terms, EDL's contribution was lower in Jan-Feb 2019, amounting to LL 0.23 billion, compared to LL 0.86 billion during the same period in 2018.

Figure 1: Contribution of EDL out of the total oil bill (Jan-Feb 2016 – Jan-Feb 2019)

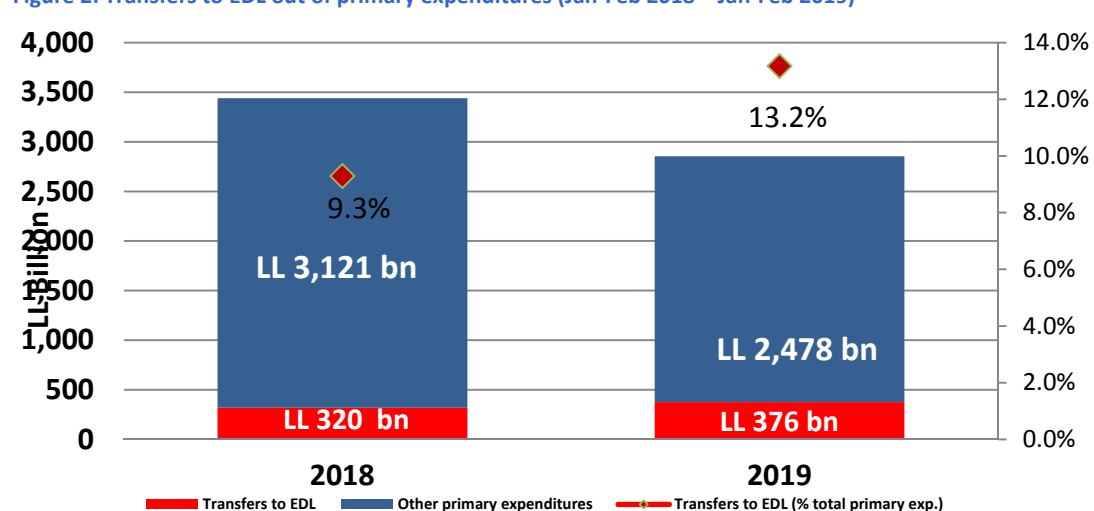


IV. Shares of “Transfers to EDL” out of Expenditures

► *Transfers to EDL constituted 13.2 percent of primary expenditures in Jan-Feb 2019*

With primary expenditures at LL 2,854 billion, the share of transfers to EDL reached 13.2 percent in Jan-Feb 2019. This share was lower at 9.3 percent in Jan-Feb 2018.

Figure 2: Transfers to EDL out of primary expenditures (Jan-Feb 2018 – Jan-Feb 2019)



¹ The Treasury transferred around LL 375.97 billion to cover EDL's deficit in Jan-Feb 2019. Out of this amount, around LL 374.62 billion represented the Treasury transfer to purchase gas oil and fuel oil (as shown in Table 2). However, the total oil bill for Jan-Feb 2019 amounted to LL 374.85 billion, which correspond to LL 374.62 billion of Treasury transfers plus LL 0.23 billion of payments made by EDL.