

I. Treasury Transfers to EDL in December 2019

- *In December 2019*, treasury transfers to EDL reached LL 195.20 billion, as follows:
 - ⇒ Reimbursement of KPC and Sonatrach LL 194.67 billion
 - ⇒ Debt Service LL 0.53 billion

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

(LL billion)	Jan	Feb	Mar	April	May	June	July	August	Sep	Oct	Nov	Dec	Total
EDL of which:	99.27	276.70	66.65	321.24	149.14	168.41	182.92	248.68	196.32	259.54	105.12	195.20	2269.20
Debt service (C-Loans and Eurobonds):	1.35	0.00	0.00	0.28	0.00	0.57	1.32	0.00	0.28	0.00	0.01	0.53	4.34
• Principal payments	0.94	0.00	0.00	0.25	0.00	0.51	0.94	0.00	0.25	0.00	0.00	0.48	3.38
• Interest payments	0.41	0.00	0.00	0.03	0.004	0.05	0.38	0.00	0.03	0.00	0.005	0.05	0.96
Reimbursement for purchase of gas and fuel	97.92	276.70	66.65	320.96	149.14	167.84	181.59	248.68	196.04	259.54	105.12	194.67	2264.86
• KPC & SPC	97.92	276.70	66.65	320.96	149.14	167.84	181.59	248.68	196.04	259.54	105.12	194.67	2264.86
Transfers to Electricity Syria	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Source: Ministry of Finance

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

- *Transfers to EDL in Jan-Dec 2019 were LL 378.07 billion lower than the Jan-Dec 2018 level*

Transfers in Jan-December 2019 were LL 378.07 billion lower than the amount paid in Jan-December 2018, which stood at LL 2647.27 billion. This was mainly a result of lower payments to KPC and Sonatrach for fuel oil purchases, lower debt service and no transfers to Electricity Syria.

Table 2: Comparison of Treasury Transfers to EDL between 2018 and 2019

(LL billion)	Jan-December 2018	Jan-December 2019	Change	% Change
EDL, of which:	2647.27	2269.20	378.07-	-14.3%
Debt Service (C-Loans and Eurobonds):	9.63	4.34	5.29-	-54.9%
-Principal Repayments	8.42	3.38	5.04-	-59.9%
-Interest Payments	1.21	0.96	0.25-	-20.7%
Purchase of gas and fuel(KPC & SPC)	2618.54	2264.86	353.68-	-13.5%
Transfers to Electricity Syria	19.10	0.00	19.10-	-100%

- *Payments to the two oil suppliers in Jan-December 2019 were LL 353.68 billion lower than their level during Jan-December 2018.*

The component “Reimbursement of KPC and Sonatrach Agreements” reached LL 2264.86 billion in Jan-December 2019, a fall from LL 2618.54 billion in Jan-December 2018. This 13.5 percent decrease was mainly driven by lower average prices of crude oil and lower quantity of fuel oil.

- **From a quantity-effect viewpoint:**
 - % Change in Quantity of Fuel Oil imported: 20.40% ▼
 - % Change in Quantity of Gas Oil imported: 5.19 % ▲
- **From a price-effect viewpoint:**

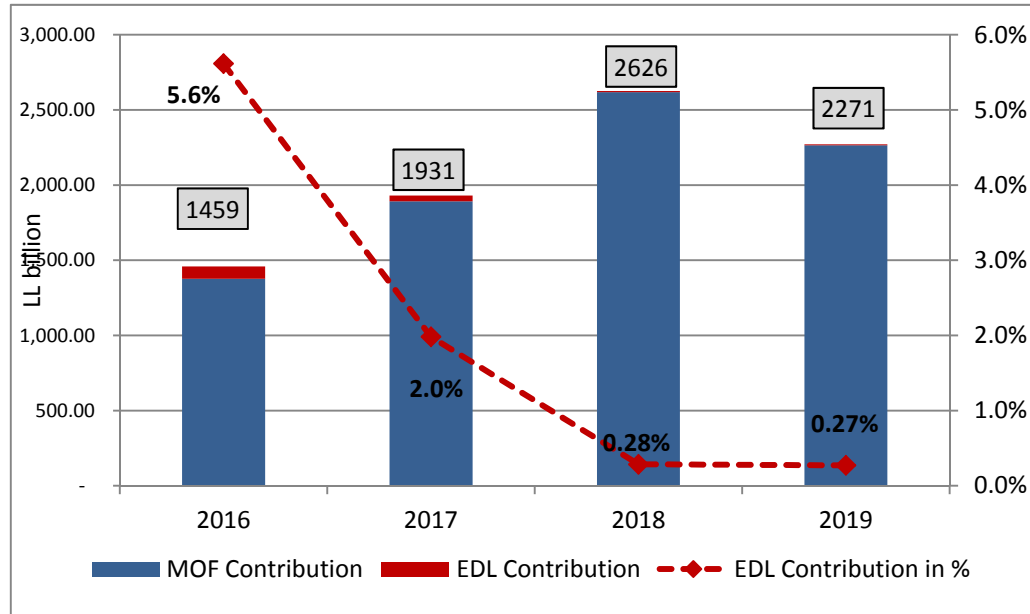
	Jan-December 2018 Bill	Jan-December 2019 Bill
Average Price/Barrel	US\$ 70.71	US\$ 64.49
% Change in weighted average price of crude oil	8.804% ▼	

III. Contribution of EDL out of the total oil bill

- EDL contributed 0.27 percent of the total oil bill in Jan-December 2019

From a total oil bill of LL 2271 billion in Jan-December 2019, EDL contributed by around 0.27 percent to the cost of gas oil and fuel oil purchase¹. This figure was lower than the one related to the same period of 2018, out of a higher bill of LL 2626 billion. In nominal terms, EDL’s contribution was lower in Jan-December 2019, amounting to LL 6.15 billion, compared to LL 7.48 billion during the same period in 2018.

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

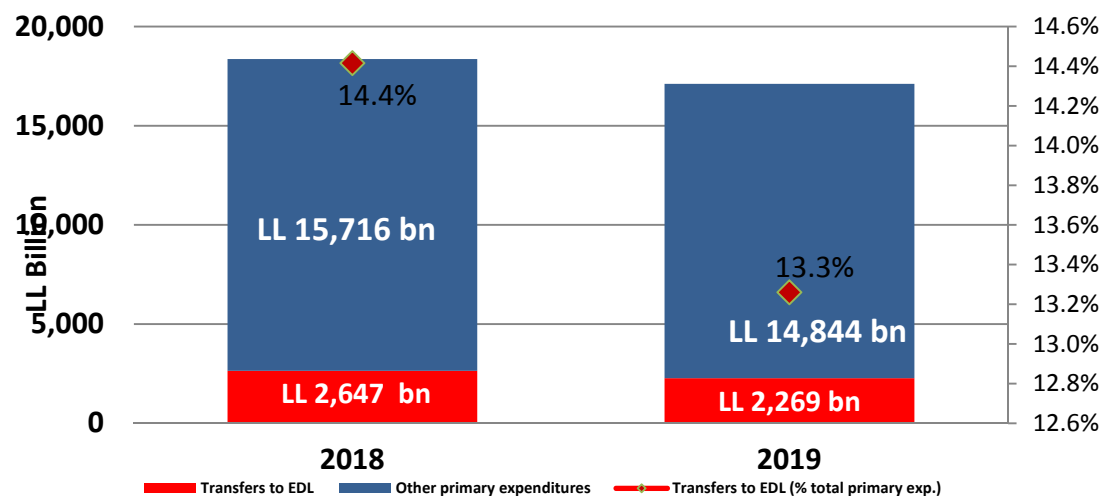


IV. Shares of “Transfers to EDL” out of Expenditures

- Transfers to EDL constituted 13.3 percent of primarily expenditures in Jan-December 2019

With primarily expenditures at LL 17,113 billion, the share of transfers to EDL reached 13.3 percent in Jan-December 2019. This share was higher at 14.4 percent in Jan-December 2018.

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



¹ The Treasury transferred around LL 2269.20 billion to cover EDL’s deficit in Jan-December 2019. Out of this amount, LL 2264.86 billion represented the Treasury transfer to purchase gas oil and fuel oil (as shown in Table 2). However, the total oil bill for December 2019 amounted to LL 2271 billion, which correspond to LL 2264.86 billion of Treasury transfers plus LL 6.15 billion of payments made by EDL.