

I. Treasury Transfers to EDL in February 2020

- In February 2020, treasury transfers to EDL reached LL 7.61 billion, for reimbursement of KPC and Sonatrach.

Table 1: Monthly Treasury transfers to EDL in Jan-Feb 2020

(LL billion)	Jan	Feb	Total
EDL of which:	286.35	7.61	293.86
Debt service (C-Loans and Eurobonds):	1.31	0.00	1.31
• Principal payments	0.94	0.00	0.94
• Interest payments	0.36	0.00	0.36
Reimbursement for purchase of gas and fuel	285.04	7.61	292.65
• KPC & SPC	285.04	7.61	292.65
Transfers to Electricity Syria	0.00	0.00	0.00

Source: Ministry of Finance

II. Treasury Transfers to EDL in Jan-Feb 2020 in comparison with Jan-Feb 2019

- Transfers to EDL in Jan-Feb 2020 were LL 82 billion lower than the Jan-Feb 2019 level

Transfers in Jan-Feb 2020 were LL 82.01 billion lower than the amount paid in Jan-Feb 2019, which stood at LL 375.97 billion. This was mainly a result of lower payments to KPC and Sonatrach for fuel oil and gas oil purchases.

Table 2: Comparison of Treasury Transfers to EDL

(LL billion)	Jan-Feb 2019	Jan-Feb 2020	Change	% Change
EDL, of which:	375.97	293.85	82.01-	-21.8%
Debt Service (C-Loans and Eurobonds):	1.35	1.31	0.04-	-3.3%
-Principal Repayments	0.94	0.94	0.00-	-0.2%
-Interest Payments	0.41	0.36	0.04-	-10.6%
Reimbursement for purchase of gas and fuel	374.62	292.65	81.97-	-21.9%
• KPC & SPC	374.62	292.65	81.97-	-21.9%
Transfers to Electricity Syria	-	0	0	-

- Payments to the two oil suppliers in Jan-Feb 2020 were LL 81.97 billion lower than their level during Jan-Feb 2019.

The component “Reimbursement of KPC and Sonatrach Agreements” reached LL 292.65 billion in Jan-Feb 2020, a fall from LL 374.62 billion in Jan-Feb 2019. This 21.9 percent decrease was mainly driven by lower quantity of fuel and gas oil.

- **From a quantity-effect viewpoint:**
 - % Change in Quantity of Fuel Oil imported: 20.66% ▼
 - % Change in Quantity of Gas Oil imported: 52.33% ▼
- **From a price-effect viewpoint:**

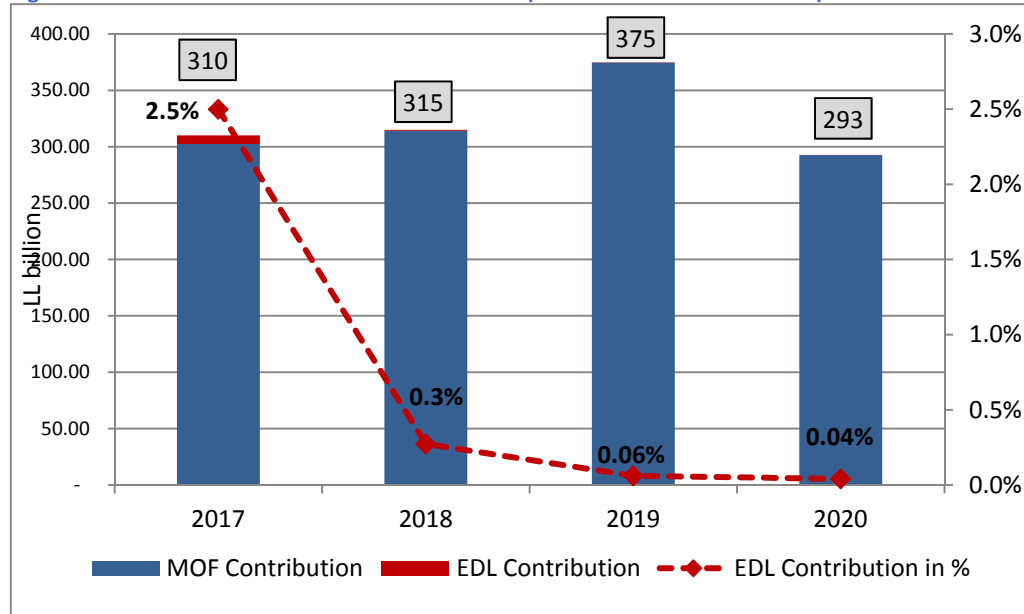
	Jan-Feb 2019 Bill	Jan-Feb 2020 Bill
Average Price/Barrel	US\$ 62.82	US\$ 63.65
% Change in weighted average price of crude oil		1.324% ▲

III. Contribution of EDL out of the total oil bill

▶ EDL contributed 0.04 percent of the total oil bill in Jan-Feb 2020

From a total oil bill of LL 293 billion in Jan-Feb 2020, EDL contributed by around 0.04 percent to the cost of gas oil and fuel oil purchase¹. This figure was higher at 0.06 percent during the same period of 2019, out of a higher bill of LL 375 billion. In nominal terms, EDL’s contribution was lower in Jan-Feb 2020, amounting to LL 0.12 billion, compared to LL 0.23 billion during the same period in 2019.

Figure 1: Contribution of EDL out of the total oil bill (Jan-Feb 2017 – Jan-Feb 2020)

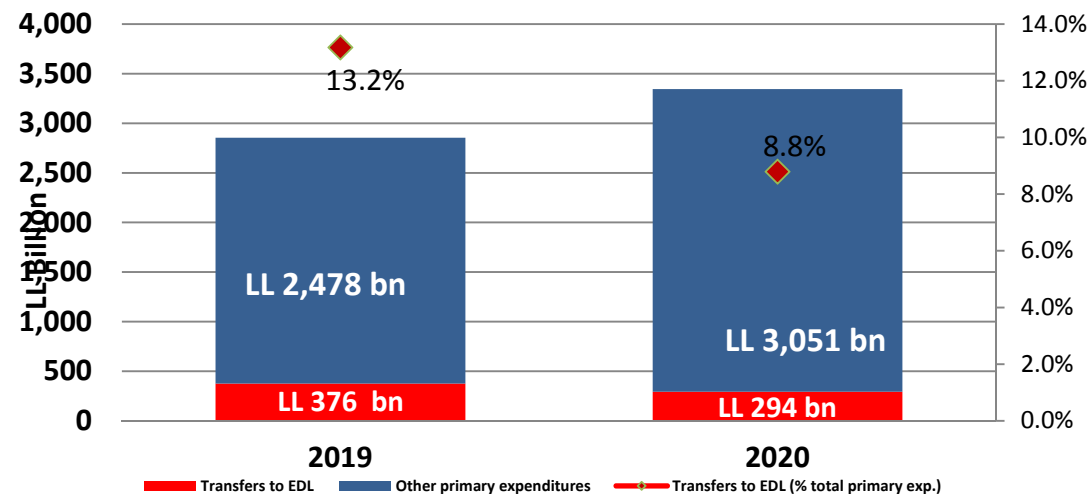


IV. Shares of “Transfers to EDL” out of Expenditures

▶ Transfers to EDL constituted 8.8 percent of primary expenditures in Jan-Feb 2020

With primary expenditures at LL 3,345 billion, the share of transfers to EDL reached 8.8 percent in Jan-Feb 2020. This share was higher at 13.2 percent in Jan-Feb 2019.

Figure 2: Transfers to EDL out of primary expenditures (Jan-Feb 2019 – Jan-Feb 2020)



¹ The Treasury transferred around LL 293.85 billion to cover EDL’s deficit in Jan-Feb 2020. Out of this amount, around LL 292.65 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 2020 amounted to LL 292.77 billion, which correspond to LL 292.65 billion of Treasury transfers plus LL 0.12 billion of payments made by EDL.