

I. Treasury Transfers to EDL in Nov 2018

► In November 2018, treasury transfers to EDL reached LL 374.304 billion, as follows:

- ⇒ Reimbursement of KPC and Sonatrach LL 374.30 billion
- ⇒ Debt Service LL 0.004 billion

Table 1: Monthly Treasury transfers to EDL in Jan-Nov 2018

(LL billion)	Jan	Feb	Mar	April	May	June	July	Aug	Sep	Oct	Nov	Total
EDL of which:	134.45	185.24	211.93	254.90	160.46	166.23	320.83	206.02	220.34	216.96	374.30	2451.94
Debt service (C-Loans and Eurobonds):	1.41	4.13	0.31	0.00	0.00	0.61	1.37	0.90	0.00	0.00	0.00	9.03
• Principal payments	0.96	4.02	0.28	0.00	0.00	0.54	0.94	0.88	0.00	0.00	0.00	7.88
• Interest payments	0.45	0.11	0.03	0.00	0.00	0.06	0.43	0.02	0.00	0.00	0.004	1.15
Reimbursement for purchase of gas and fuel	133.04	181.11	192.51	254.90	160.46	165.62	319.46	205.12	220.34	216.96	374.30	2423.81
• KPC & SPC	133.04	181.11	192.51	254.90	160.46	165.62	319.46	205.12	220.34	216.96	374.30	2423.81
Transfers to Electricity Syria	0.00	0.00	19.10	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	19.10

Source: Ministry of Finance

II. Treasury Transfers to EDL in Jan-Nov 2018 in comparison with Jan-Nov 2017

► Transfers to EDL in Jan-Nov 2018 were LL 718.44 billion higher than the Jan-Nov 2017 level

Transfers in Jan-Nov 2018 were LL 718.44 billion higher than the amount paid in Jan-Nov 2017, which stood at LL 1733.50 billion. This was mainly a result of higher payments to KPC and Sonatrach for fuel oil and gas oil purchases and transfers to Electricity Syria were LL 19.10 billion in Jan-Nov 2018.

Table 2: Comparison of Treasury Transfers to EDL

(LL billion)	Jan-Nov 2017	Jan-Nov 2018	Change	% Change
EDL, of which:	1733.50	2451.94	718.44	41.4%
Debt Service (C-Loans and Eurobonds):	14.65	9.03	5.62-	-38.4%
-Principal Repayments	12.99	7.88	5.11-	-39.3%
-Interest Payments	1.66	1.15	0.51-	-30.7%
Reimbursement for purchase of gas and fuel	1648.29	2423.81	775.52	47%
• KPC & SPC	1648.29	2423.81	775.52	47%
Transfers to Electricity Syria	70.56	19.10	51.46-	-72.9%

► Payments to the two oil suppliers in Jan-Nov 2018 were LL 775.52 billion higher than their level during Jan-Nov 2017.

The component "Reimbursement of KPC and Sonatrach Agreements" reached LL 2,423.81 billion in Jan-Nov 2018, a rise from LL 1,648.29 billion in Jan-Nov 2017. This 47 percent increase was mainly driven by higher average prices of crude oil and higher quantity of fuel oil. Transfers to Electricity Syria in Jan-Nov 2018 were 72.9 percent lower than the amount paid in Jan-Nov 2017.

- **From a quantity-effect viewpoint:**
 - % Change in Quantity of Fuel Oil imported: 5.60 % ▲
 - % Change in Quantity of Gas Oil imported: 12.20 % ▲
- **From a price-effect viewpoint:**

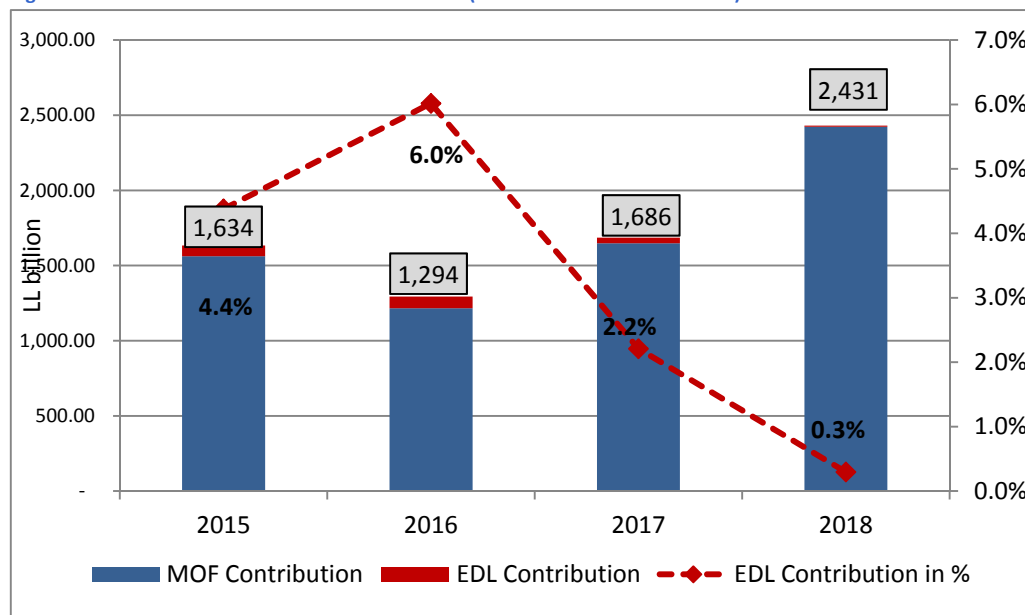
	Jan-Nov 2017 Bill	Jan-Nov 2018 Bill
Average Price/Barrel	US\$ 52.90	US\$ 72.22
% Change in weighted average price of crude oil		36.52% ▲

III. Contribution of EDL out of the total oil bill

▶ *EDL contributed 0.3 percent of the total oil bill in Jan-Nov 2018*

From a total oil bill of LL 2,431 billion in Jan-Nov 2018, EDL contributed by 0.3 percent to the cost of gas oil and fuel oil purchase¹. This figure was higher at 2.2 percent during the same period of 2017, out of a lower bill of LL 1,686 billion. In nominal terms, EDL’s contribution was lower in Jan-Nov 2018, amounting to LL 7.19 billion, compared to LL 37.22 billion during the same period in 2017.

Figure 1: Contribution of EDL out of the total oil bill (Jan-Nov 2015 – Jan-Nov 2018)

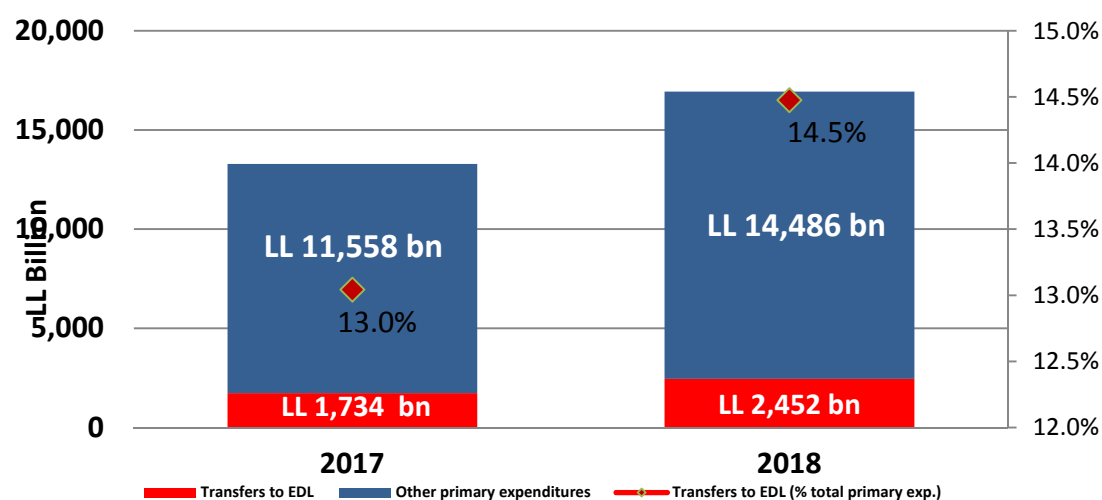


IV. Shares of “Transfers to EDL” out of Expenditures

▶ *Transfers to EDL constituted 14.5 percent of primary expenditures in Jan-Nov 2018*

With primary expenditures at LL 16,938 billion, the share of transfers to EDL reached 14.5 percent in Jan-Nov 2018. This share was lower at 13 percent in Jan-Nov 2017.

Figure 2: Transfers to EDL out of primarily expenditures (Jan-Nov 2017 – Jan-Nov 2018)



¹ The Treasury transferred around LL 2,451.94 billion to cover EDL’s deficit in Jan-Nov 2018. Out of this amount, around LL 2,423.81 billion represented the Treasury transfer to purchase gas oil and fuel oil (as shown in Table 2). However, the total oil bill for Jan-Nov 2018 amounted to LL 2,431 billion, which correspond to LL 2,423.81 billion of Treasury transfers plus LL 7.19 billion of payments made by EDL.