

I. Treasury Transfers to EDL in February 2018

► In February 2018, treasury transfers to EDL reached LL 185.24 billion, as follows:

⇒ Reimbursement of KPC and Sonatrach	LL 181.11 billion
⇒ Debt Service	LL 4.13 billion

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

(LL billion)	Jan	Feb	Total
EDL of which:	134.45	185.24	319.69
Debt service (C-Loans and Eurobonds):	1.41	4.13	5.54
• Principal payments	0.96	4.02	4.97
• Interest payments	0.45	0.11	0.56
Reimbursement for purchase of gas and fuel	133.04	181.11	314.15
• KPC & SPC	133.04	181.11	314.15
Transfers to Electricity Syria	0.00	0.00	0.00

Source: Ministry of Finance

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

► Transfers to EDL in Jan-Feb 2018 were LL 10.62 billion higher than the Jan-Feb 2017 level

Transfers in Jan-Feb 2018 were LL 10.62 billion higher than the amount paid in Jan-Feb 2017, which stood at LL 309.07 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 2017	Jan-Feb 2018	Change	% Change
EDL, of which:	309.07	319.69	10.62	3.4%
Debt Service (C-Loans and Eurobonds):	6.75	5.54	1.21-	-17.9%
-Principal Repayments	5.93	4.97	0.96-	-16.2%
-Interest Payments	0.82	0.56	0.26-	-31.7%
Reimbursement for purchase of gas and fuel	302.32	314.15	11.83	3.9%
• KPC & SPC	302.32	314.15	11.83	3.9%
Transfers to Electricity Syria	-	0	0	-

► Payments to the two oil suppliers in Jan-Feb 2018 were LL 11.83 billion higher than their level during Jan-Feb 2017.

The component "Reimbursement of KPC and Sonatrach Agreements" reached LL 314.15 billion in Jan-Feb 2018, a rise from LL 302.32 billion in Jan-Feb 2017. This 3.9 percent increase was mainly driven by higher average prices of crude oil and higher quantity of fuel oil.

- **From a quantity-effect viewpoint:**
 - % Change in Quantity of Fuel Oil imported: 0.44% ▲
 - % Change in Quantity of Gas Oil imported: 22.67% ▼
- **From a price-effect viewpoint:**

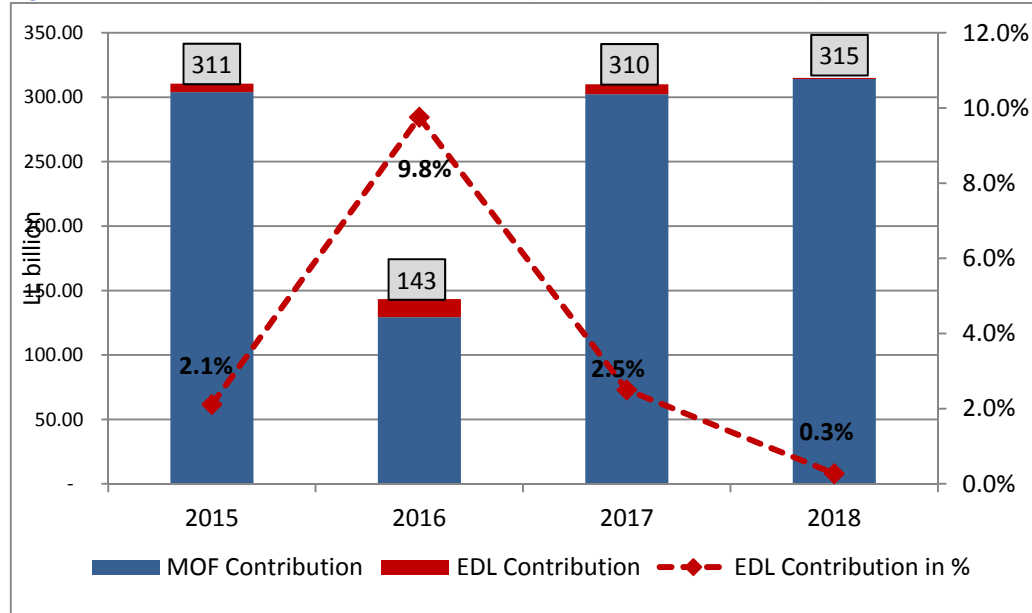
	Jan-Feb 2017 Bill	Jan-Feb 2018 Bill
Average Price/Barrel	US\$ 54.76	US\$ 67.72
% Change in weighted average price of crude oil		23.67% ▲

III. Contribution of EDL out of the total oil bill

► EDL contributed 0.3 percent of the total oil bill in Jan-Feb 2018

From a total oil bill of LL 315 billion in Jan-Feb 2018, EDL contributed by 0.3 percent to the cost of gas oil and fuel oil purchase¹. This figure was higher at 2.5 percent during the same period of 2017, out of a lower bill of LL 310 billion. In nominal terms, EDL’s contribution was lower in Jan-Feb 2018, amounting to LL 0.86 billion, compared to LL 7.75 billion during the same period in 2017.

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

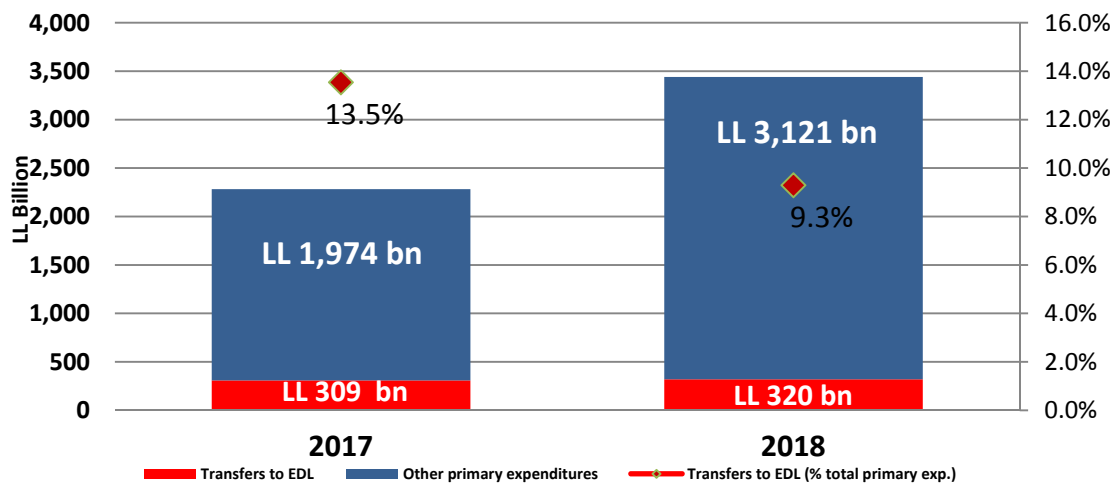


IV. Shares of “Transfers to EDL” out of Expenditures

► *Transfers to EDL constituted 9.3 percent of primary expenditures in Jan-Feb 2018*

With primary expenditures at LL 3,441 billion, the share of transfers to EDL reached 9.3 percent in Jan-Feb 2018. This share was higher at 13.5 percent in Jan-Feb 2017.

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



¹ The Treasury transferred around LL 319.69 billion to cover EDL’s deficit in Feb 2017. Out of this amount, around LL 314.15 billion represented the Treasury transfer to purchase gas oil and fuel oil (as shown in Table 2). However, the total oil bill for Feb 2018 amounted to LL 315.01 billion, which correspond to LL 314.15 billion of Treasury transfers plus LL 0.86 billion of payments made by EDL.