

I. Treasury Transfers to EDL in October 2019

- *In October 2019*, treasury transfers to EDL reached LL 259.54 billion, for reimbursement of KPC and Sonatrach.

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

(LL billion)	Jan	Feb	Mar	April	May	June	July	August	Sep	Oct	Total
EDL of which:	99.27	276.70	66.65	321.24	149.14	168.41	182.92	248.68	196.32	259.54	1968.87
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	3.80
• Principal payments	0.94	0.00	0.00	0.25	0.00	0.51	0.94	0.00	0.25	0.00	2.90
• Interest payments	0.41	0.00	0.00	0.03	0.004	0.05	0.38	0.00	0.03	0.00	0.91
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	1965.07
• KPC & SPC	97.92	276.70	66.65	320.96	149.14	167.84	181.59	248.68	196.04	259.54	1965.07
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

Source: Ministry of Finance

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

- *Transfers to EDL in Jan-Oct 2019 were LL 108.77 billion lower than the Jan-Oct 2018 level*

Transfers in Jan-October 2019 were LL 108.77 billion lower than the amount paid in Jan-October 2018, which stood at LL 2077.65 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-October 2018	Jan-October 2019	Change	% Change
EDL, of which:	2077.65	1968.87	108.77-	-5.2%
Debt Service (C-Loans and Eurobonds):	9.03	3.80	5.23-	-57.9%
-Principal Repayments	7.89	2.90	4.99-	-63.3%
-Interest Payments	1.15	0.91	0.24-	-20.8%
Reimbursement for purchase of gas and fuel	2049.51	1965.07	84.44-	-4.1%
• KPC & SPC	2049.51	1965.07	84.44-	-4.1%
Transfers to Electricity Syria	19.10	0.00	19.10-	-100%

- *Payments to the two oil suppliers in Jan-October 2019 were LL 84.44 billion lower than their level during Jan-October 2018.*

The component "Reimbursement of KPC and Sonatrach Agreements" reached LL 1965.07 billion in Jan-October 2019, a fall from LL 2049.51 billion in Jan-October 2018. This 4.1 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: 11.74% ▼
 - % Change in Quantity of Gas Oil imported: 10.80% ▲
- **From a price-effect viewpoint:**

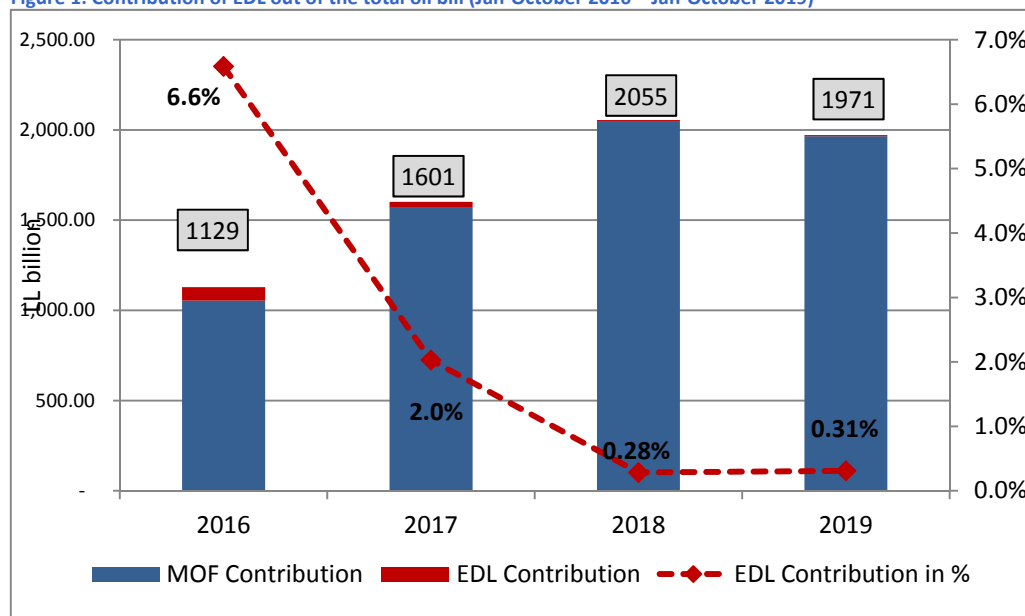
	Jan-October 2018 Bill	Jan-October 2019 Bill
Average Price/Barrel	US\$ 73.11	US\$ 64.28
% Change in weighted average price of crude oil		12.084% ▼

III. Contribution of EDL out of the total oil bill

► *EDL contributed 0.31 percent of the total oil bill in Jan-October 2019*

From a total oil bill of LL 1971 billion in Jan-October 2019, EDL contributed by around 0.31 percent to the cost of gas oil and fuel oil purchase¹. This figure was higher than the one related to the same period of 2018, out of a higher bill of LL 2055 billion. In nominal terms, EDL’s contribution was higher in Jan-October 2019, amounting to LL 6.09 billion, compared to LL 5.81 billion during the same period in 2018.

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

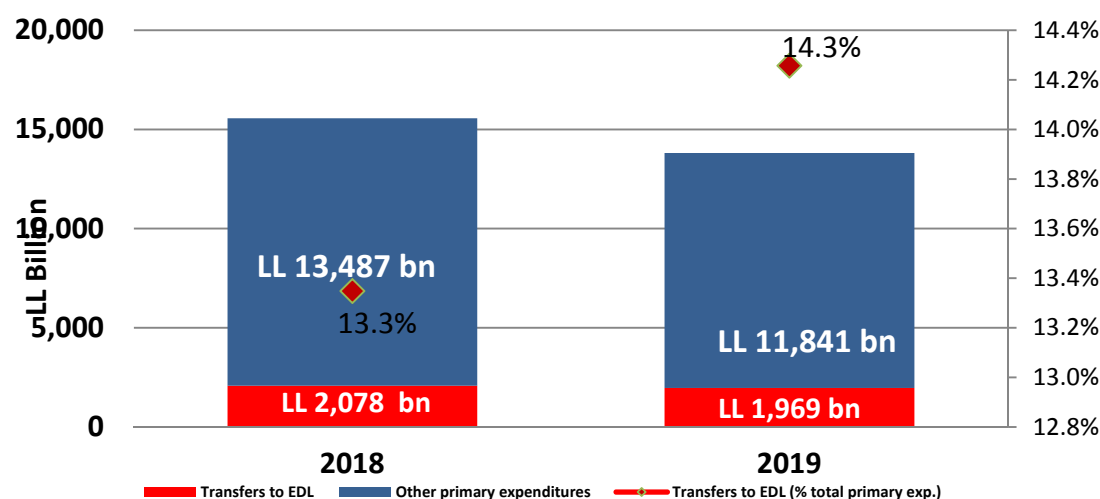


Shares of “Transfers to EDL” out of Expenditures

► *Transfers to EDL constituted 14.3 percent of primarily expenditures in Jan-October 2019*

With primarily expenditures at LL 13,810 billion, the share of transfers to EDL reached 14.3 percent in Jan-October 2019. This share was lower at 13.3 percent in Jan-October 2018.

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



¹ The Treasury transferred around LL 1968.87 billion to cover EDL’s deficit in Jan-October 2019. Out of this amount, LL 1965.07 billion represented the Treasury transfer to purchase gas oil and fuel oil (as shown in Table 2). However, the total oil bill for October 2019 amounted to LL 1971.16 billion, which correspond to LL 1965.07 billion of Treasury transfers plus LL 6.09 billion of payments made by EDL.