

I. Treasury Transfers to EDL in Sep 2018

- ▶ *In Sep 2018*, treasury transfers to EDL reached LL 220.34 billion for Reimbursement of KPC and Sonatrach.

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

(LL billion)	Jan	Feb	Mar	April	May	June	July	Aug	Sep	Total
EDL of which:	134.45	185.24	211.93	254.90	160.46	166.23	320.83	206.02	220.34	1860.68
Debt service (C-Loans and Eurobonds):	1.41	4.13	0.31	0.00	0.00	0.61	1.37	0.90	0.00	9.02
• Principal payments	0.96	4.02	0.28	0.00	0.00	0.54	0.94	0.88	0.00	7.88
• Interest payments	0.45	0.11	0.03	0.00	0.00	0.06	0.43	0.02	0.00	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	1832.55
• KPC & SPC	133.04	181.11	192.51	254.90	160.46	165.62	319.46	205.12	220.34	1832.55
Transfers to Electricity Syria	0.00	0.00	19.10	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-Sep 2018 in comparison with Jan-Sep 2017

- ▶ *Transfers to EDL in Jan-Sep 2018 were LL 511.07 billion higher than the Jan-Sep 2017 level*

Transfers in Jan-Sep 2018 were LL 510.07 billion higher than the amount paid in Jan-Sep 2017, which stood at LL 1349.61 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-Sep 2018.

Table 2: Comparison of Treasury Transfers to EDL

(LL billion)	Jan-Sep 2017	Jan-Sep 2018	Change	% Change
EDL, of which:	1349.61	1860.68	511.07	37.9%
Debt Service (C-Loans and Eurobonds):	14.36	9.02	5.34-	-37.2%
-Principal Repayments	12.73	7.88	4.85-	-38.1%
-Interest Payments	1.62	1.15	0.47-	-29%
Reimbursement for purchase of gas and fuel	1308.18	1832.55	524.37	40.1%
• KPC & SPC	1308.18	1832.55	524.37	40.1%
Transfers to Electricity Syria	27.07	19.10	7.97-	-29.4%

- ▶ *Payments to the two oil suppliers in Jan-Sep 2018 were LL 524.37 billion higher than their level during Jan-Sep 2017.*

The component "Reimbursement of KPC and Sonatrach Agreements" reached LL 1,832.55 billion in Jan-Sep 2018, a rise from LL 1,308.18 billion in Jan-Sep 2017. This 40.1 percent increase was mainly driven by higher average prices of crude oil and higher quantity of fuel oil. Transfers to Electricity Syria in Jan-Sep 2018 were 29.4 percent lower than the amount paid in Jan-Sep 2017.

- **From a quantity-effect viewpoint:**
 - % Change in Quantity of Fuel Oil imported: 4.42% ▲
 - % Change in Quantity of Gas Oil imported: 6.11% ▲
- **From a price-effect viewpoint:**

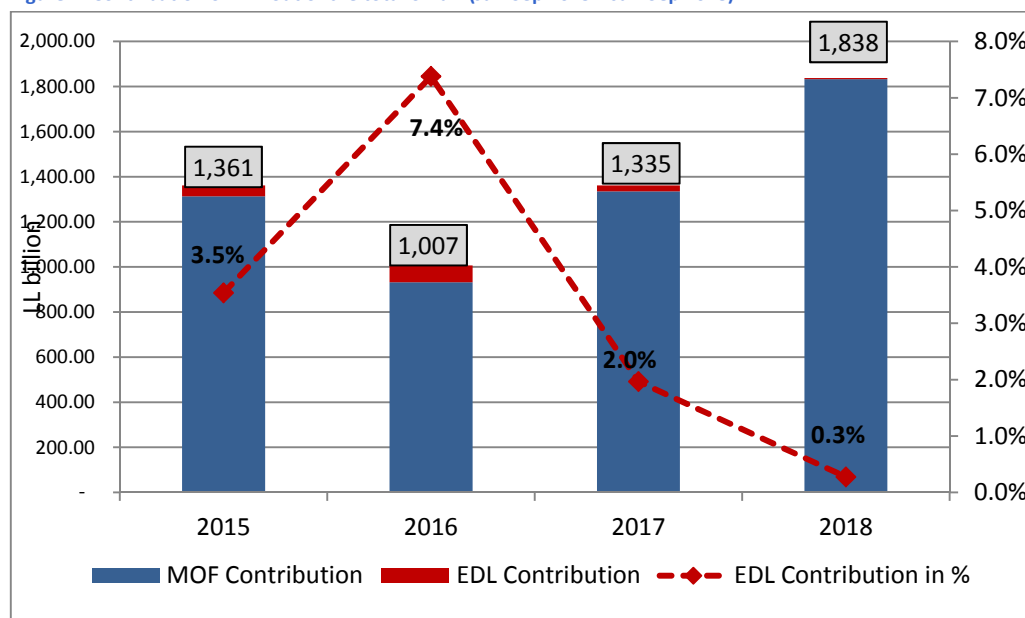
	Jan-Sep 2017 Bill	Jan-Sep 2018 Bill
Average Price/Barrel	US\$ 51.43	US\$ 72.65
% Change in weighted average price of crude oil		41.25% ▲

III. Contribution of EDL out of the total oil bill

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

From a total oil bill of LL 1,838 billion in Jan-Sep 2018, EDL contributed by 0.3 percent to the cost of gas oil and fuel oil purchase¹. This figure was higher at 2 percent during the same period of 2017, out of a lower bill of LL 1,332 billion. In nominal terms, EDL’s contribution was lower in Jan-Sep 2018, amounting to LL 5.05 billion, compared to LL 26.77 billion during the same period in 2017.

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

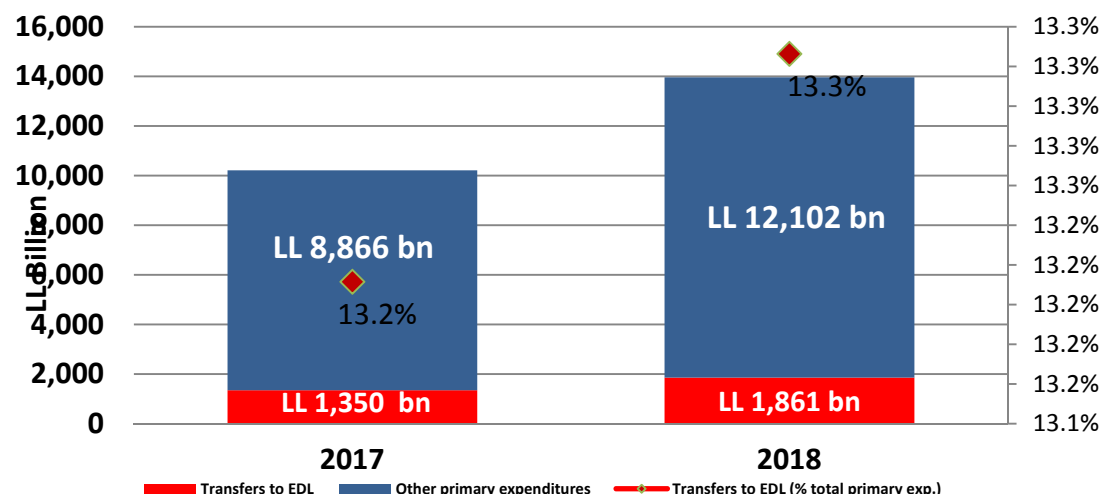


IV. Shares of “Transfers to EDL” out of Expenditures

► **Transfers to EDL constituted 13.3 percent of primarily expenditures in Jan-Sep 2018**

With primarily expenditures at LL 13,963 billion, the share of transfers to EDL reached 13.3 percent in Jan-Sep 2018. This share was lower at 13.2 percent in Jan-Sep 2017.

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



¹ The Treasury transferred around LL 1,860.68 billion to cover EDL’s deficit in Jan-Sep 2018. Out of this amount, around LL 1832.55 billion represented the Treasury transfer to purchase gas oil and fuel oil (as shown in Table 2). However, the total oil bill for Jan-Sep 2018 amounted to LL 1,838 billion, which correspond to LL 1,832.55 billion of Treasury transfers plus LL 5.05 billion of payments made by EDL.