

I. Treasury Transfers to EDL in September 2019

► In September 2019, treasury transfers to EDL reached LL 196.32 billion, as follows:

⇒ Reimbursement of KPC and Sonatrach	LL 196.04	Billion
⇒ Debt Service	LL 0.28	Billion

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

(LL billion)	Jan	Feb	Mar	April	May	June	July	August	Sep	Total
EDL of which:	99.27	276.70	66.65	321.24	149.14	168.41	182.92	248.68	196.32	1709.33
Debt service (C-Loans and Eurobonds):	1.35	0.00	0.00	0.28	0.00	0.57	1.32	0.00	0.28	3.80
• Principal payments	0.94	0.00	0.00	0.25	0.00	0.51	0.94	0.00	0.25	2.90
• Interest payments	0.41	0.00	0.00	0.03	0.00	0.05	0.38	0.00	0.03	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	1705.53
• KPC & SPC	97.92	276.70	66.65	320.96	149.14	167.84	181.59	248.68	196.04	1705.53
Transfers to Electricity Syria	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-September 2019 in comparison with Jan-September 2018

► Transfers to EDL in Jan-September 2019 were LL 151.35 billion lower than the Jan-September 2018 level

Transfers in Jan-September 2019 were LL 151.35 billion lower than the amount paid in Jan-September 2018, which stood at LL 1860.68 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-September 2018	Jan-September 2019	Change	% Change
EDL, of which:	1860.68	1709.33	151.35-	-8.1%
Debt Service (C-Loans and Eurobonds):	9.03	3.80	5.23-	-57.9%
-Principal Repayments	7.89	2.90	4.99-	-63.2%
-Interest Payments	1.15	0.91	0.24-	-20.9%
Reimbursement for purchase of gas and fuel	1832.55	1705.53	127.02-	-6.9%
• KPC & SPC	1832.55	1705.53	127.02-	-6.9%
Transfers to Electricity Syria	19.10	0.00	19.10-	-100%

► Payments to the two oil suppliers in Jan-September 2019 were LL 127.02 billion lower than their level during Jan-September 2018.

The component "Reimbursement of KPC and Sonatrach Agreements" reached LL 1705.53 billion in Jan-September 2019, a fall from LL 1832.55 billion in Jan-September 2018. This 6.9 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: 16.56% ▼
 - % Change in Quantity of Gas Oil imported: 10.35% ▲
- **From a price-effect viewpoint:**

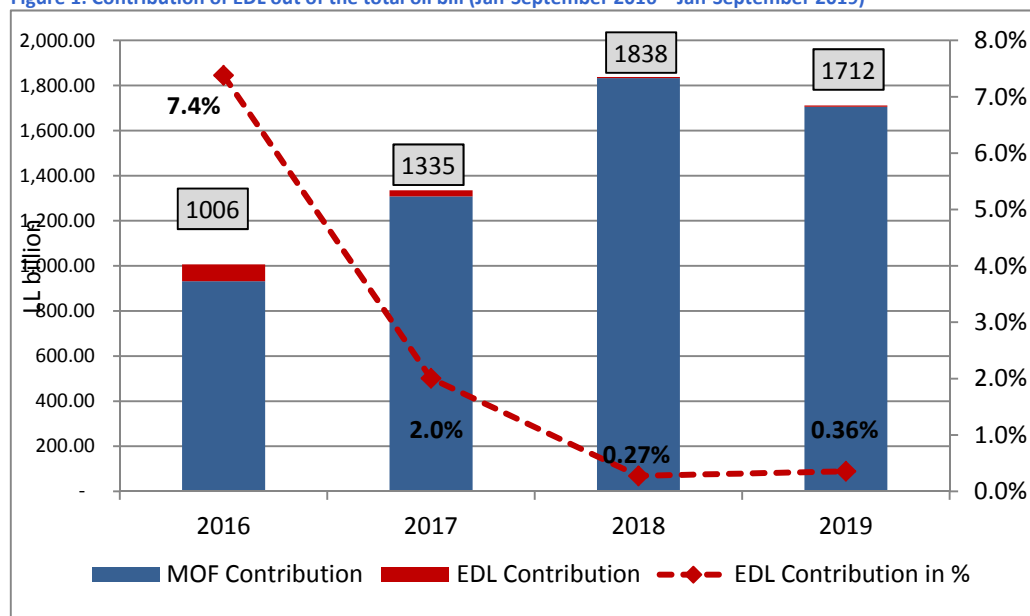
	Jan-September 2018 Bill	Jan-September 2019 Bill
Average Price/Barrel	US\$ 72.28	US\$ 64.93
% Change in weighted average price of crude oil		10.168% ▼

III. Contribution of EDL out of the total oil bill

► *EDL contributed 0.36 percent of the total oil bill in Jan-September 2019*

From a total oil bill of LL 1712 billion in Jan-September 2019, EDL contributed by around 0.36 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 1838 billion. In nominal terms, EDL’s contribution was higher in Jan-September 2019, amounting to LL 6.09 billion, compared to LL 5.05 billion during the same period in 2018.

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

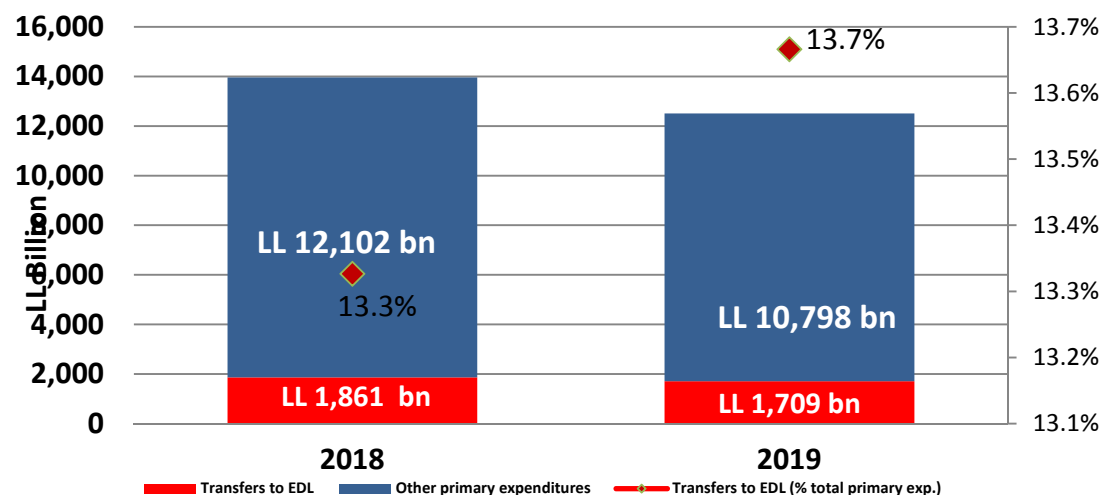


Shares of “Transfers to EDL” out of Expenditures

► *Transfers to EDL constituted 13.7 percent of primarily expenditures in Jan-September 2019*

With primarily expenditures at LL 12,507 billion, the share of transfers to EDL reached 13.7 percent in Jan-September 2019. This share was lower at 13.3 percent in Jan-September 2018.

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



¹ The Treasury transferred around LL 1709.33 billion to cover EDL’s deficit in Jan-September 2019. Out of this amount, LL 1705.53 billion represented the Treasury transfer to purchase gas oil and fuel oil (as shown in Table 2). However, the total oil bill for September 2019 amounted to LL 1711.62 billion, which correspond to LL 1705.53 billion of Treasury transfers plus LL 6.09 billion of payments made by EDL.