

I. Treasury Transfers to EDL in May 2019

► In May 2019, treasury transfers to EDL reached LL 149.14 billion, as follows:

⇒ Reimbursement of KPC and Sonatrach	LL 149.14 billion
⇒ Debt Service	LL 0.004 billion

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

(LL billion)	Jan	Feb	Mar	Apr	May	Total
EDL of which:	99.27	276.70	66.65	321.24	149.14	913.00
Debt service (C-Loans and Eurobonds):	1.35	0.00	0.00	0.28	0.004	1.634
• Principal payments	0.94	0.00	0.00	0.25	0.00	1.20
• Interest payments	0.41	0.00	0.00	0.03	0.004	0.444
Reimbursement for purchase of gas and fuel	97.92	276.70	66.65	320.96	149.14	911.36
• KPC & SPC	97.92	276.70	66.65	320.96	149.14	911.36
Transfers to Electricity Syria	0.00	0.00	0.00	0.00	0.00	0.00

Source: Ministry of Finance

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

► Transfers to EDL in Jan-May 2019 were LL 33.98 billion lower than the Jan-May 2018 level

Transfers in Jan-May 2019 were LL 33.98 billion lower than the amount paid in Jan-May 2018, which stood at LL 946.98 billion. This was mainly a result of lower payments to KPC and Sonatrach for fuel oil and gas oil purchases, lower debt service and no transfers to Electricity Syria.

Table 2: Comparison of Treasury Transfers to EDL

(LL billion)	Jan-May 2018	Jan-May 2019	Change	% Change
EDL, of which:	946.98	913.00	33.98-	-3.6%
Debt Service (C-Loans and Eurobonds):	5.86	1.64	4.22-	-72%
-Principal Repayments	5.26	1.20	4.06-	-77.2%
-Interest Payments	0.60	0.44	0.16-	-26.7%
Reimbursement for purchase of gas and fuel	922.02	911.36	10.66-	-1.2%
• KPC & SPC	922.02	911.36	10.66-	-1.2%
Transfers to Electricity Syria	19.10	0	19.10-	-100%

► Payments to the two oil suppliers in Jan-May 2019 were LL 10.66 billion lower than their level during Jan-May 2018.

The component "Reimbursement of KPC and Sonatrach Agreements" reached LL 911.36 billion in Jan-May 2019, a fall from LL 922.02 billion in Jan-May 2018. This 1.2 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: 1.32% ▼
 - % Change in Quantity of Gas Oil imported: 0.97% ▲
- **From a price-effect viewpoint:**

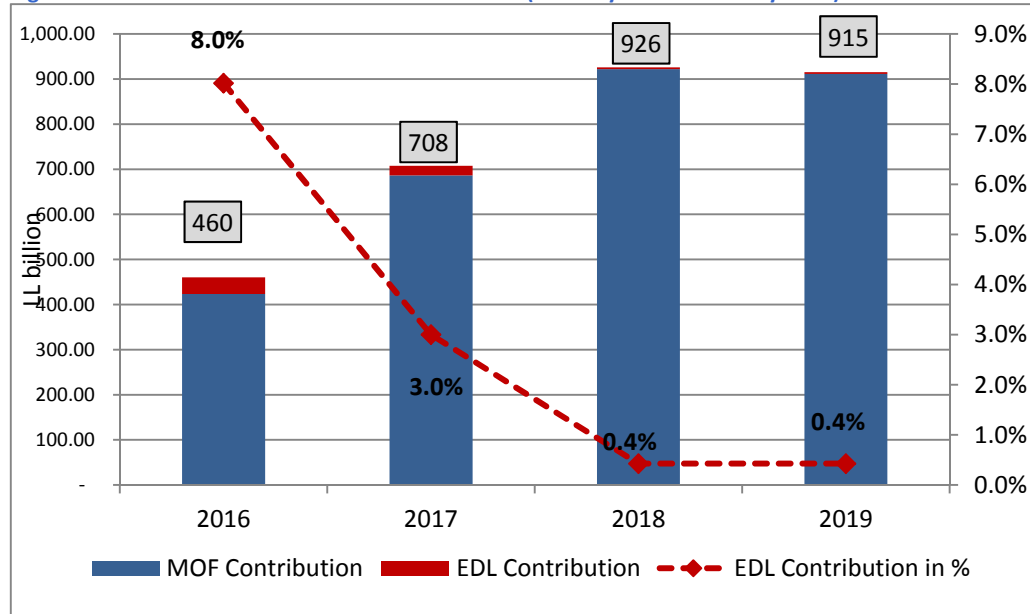
	Jan-May 2018 Bill	Jan-May 2019 Bill
Average Price/Barrel	US\$ 69.70	US\$ 67.21
% Change in weighted average price of crude oil		3.567% ▼

III. Contribution of EDL out of the total oil bill

- ▶ EDL contributed 0.4 percent of the total oil bill in Jan-May 2019

From a total oil bill of LL 915 billion in Jan-May 2019, EDL contributed by around 0.4 percent to the cost of gas oil and fuel oil purchase¹. This figure was the same as in Jan-May 2018, out of a higher bill of LL 926 billion. In nominal terms, EDL’s contribution was slightly lower in Jan-May 2019, amounting to LL 3.91 billion, compared to LL 3.94 billion during the same period in 2018.

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

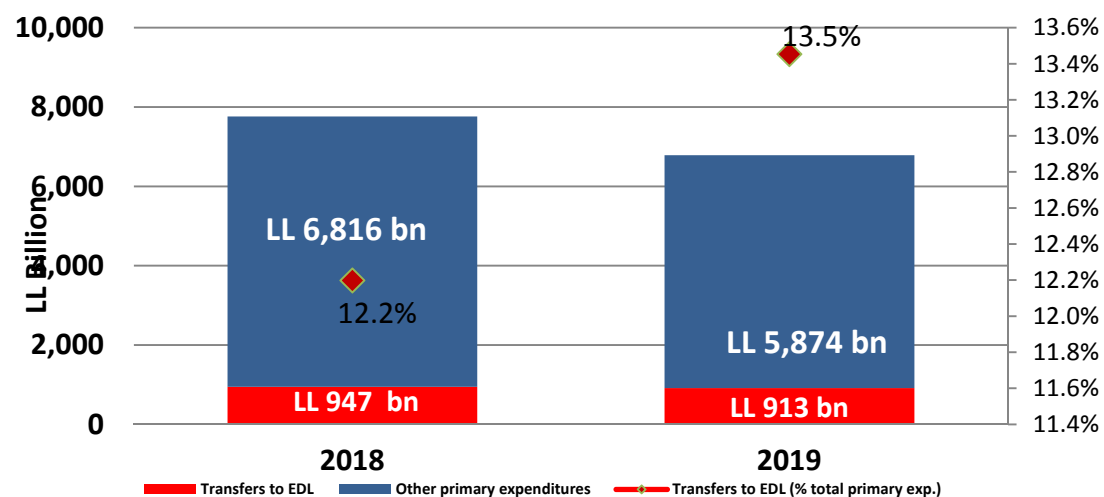


IV. Shares of “Transfers to EDL” out of Expenditures

- ▶ Transfers to EDL constituted 13.5 percent of primarily expenditures in Jan-May 2019

With primarily expenditures at LL 6,787 billion, the share of transfers to EDL reached 13.5 percent in Jan-May 2019. This share was lower at 12.2 percent in Jan-May 2018.

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



¹ The Treasury transferred around LL 913 billion to cover EDL’s deficit in Jan-May 2019. Out of this amount, LL 911.36 billion represented the Treasury transfer to purchase gas oil and fuel oil (as shown in Table 2). However, the total oil bill for May 2019 amounted to LL 915.27 billion, which correspond to LL 911.36 billion of Treasury transfers plus LL 3.91 billion of payments made by EDL.