

I. Treasury Transfers to EDL in October 2017

► In October 2017, treasury transfers to EDL reached LL 277.34 billion, as follows:

⇒ Reimbursement of KPC and Sonatrach	LL 260.76 billion
⇒ Debt Service	LL 0.30 billion
⇒ Transfers to Electricity Syria	LL 16.28 billion

Table 1: Monthly Treasury to EDL in Jan-October 2017

(LL billion)	Jan	Feb	Mar	April	May	Jun	July	Aug	Sep	Oct	Total
EDL of which:	95.14	213.93	110.75	125.85	147.88	144.98	111.84	318.20	81.04	277.34	1626.95
a- Debt service (C-Loans and Eurobonds):	1.43	5.32	0.27	0.00	0.03	0.61	1.43	5.27	0.00	0.30	14.65
• Principal payments	0.94	4.99	0.24	0.00	0.03	0.53	0.95	5.05	0.00	0.26	12.99
• Interest payments	0.49	0.33	0.03	0.00	0.00	0.07	0.47	0.22	0.00	0.03	1.66
b- Reimbursement for purchase of gas& fuel	93.71	208.61	110.47	125.85	147.85	144.37	110.42	312.93	53.97	260.76	1568.94
• KPC & SPC	93.71	208.61	110.47	125.85	147.85	144.37	110.42	312.93	53.97	260.76	1568.94
c- Transfers to Electricity Syria	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	27.07	16.28	43.35

Source: Ministry of Finance

II. Treasury Transfers to EDL in Jan-October 2017 in comparison with Jan-October 2016

► Transfers to EDL in Jan-October 2017 were LL 552.72 billion higher than the Jan-October 2016 level

Transfers in Jan-October 2017 were LL 552.72 billion higher than the amount paid in Jan-October 2016, which stood at LL 1074.23 billion. This was mainly a result of higher payments to KPC and Sonatrach for fuel oil and gas oil purchases.

Table 2: Treasury Transfers to EDL

(LL billion)	Jan-October 2016	Jan-October 2017	Change	% Change
EDL, of which:	1074.23	1,626.95	552.72	51.5%
Debt Service (C-Loans and Eurobonds):	19.96	14.65	5.30-	-26.6%
-Principal Repayments	17.56	12.99	4.57-	-26%
-Interest Payments	2.40	1.66	0.74-	-30.8%
Reimbursement for purchase of gas and fuel	1054.27	1,568.94	514.67	48.8%
• KPC & SPC	1054.27	1,568.94	514.67	48.8%
Transfers to Electricity Syria	-	43.35	43.35	-

► Payments to the two oil suppliers in Jan-October 2017 were LL 514.67 billion higher than their level during Jan-October 2016.

The component "Reimbursement of KPC and Sonatrach Agreements" reached LL 1568.94 billion in Jan-October 2017, a rise from LL 1054.27 billion in Jan-October 2016. This 48.8 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: 21.18% ▲
 - % Change in Quantity of Gas Oil imported: 9.27% ▼
- **From a price-effect viewpoint:**

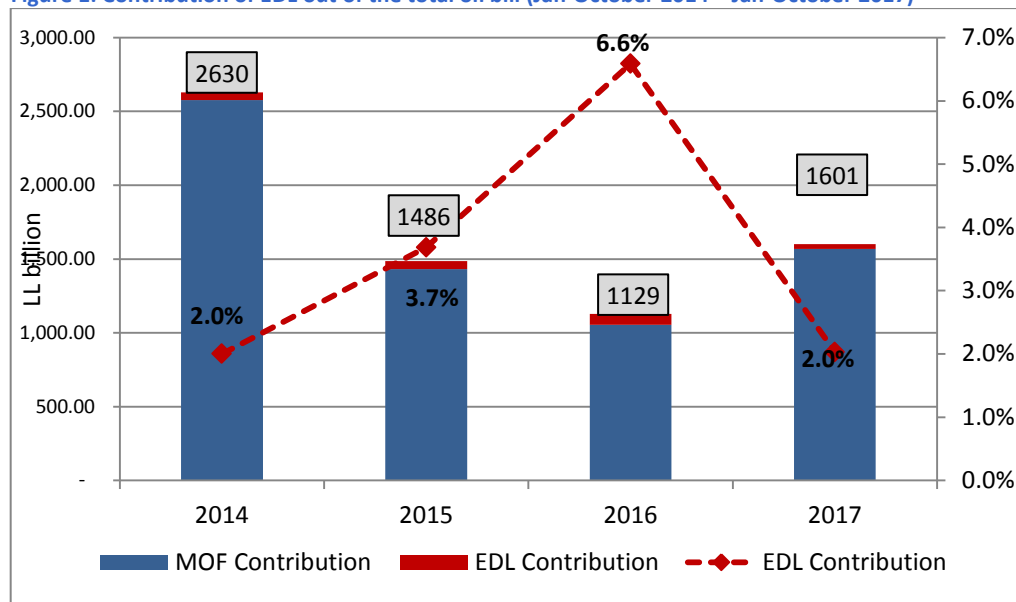
	Jan-October 2016 Bill	Jan-October 2017 Bill
Average Price/Barrel	US\$ 42.58	US\$ 52.26
% Change in weighted average price of crude oil		22.73% ▲

III. Contribution of EDL out of the total oil bill

► *EDL contributed 2 percent of the total oil bill in Jan-October 2017*

From a total oil bill of LL 1601 billion in Jan-October 2017, EDL contributed by 2 percent to the cost of gas oil and fuel oil purchase¹. This figure was higher at 6.6 percent during the same period of 2016, out of a lower bill of LL 1129 billion. In nominal terms, EDL’s contribution was lower in Jan-October 2017, amounting to LL 32 billion, compared to LL 74 billion during the same period in 2016.

Figure 1: Contribution of EDL out of the total oil bill (Jan-October 2014 – Jan-October 2017)

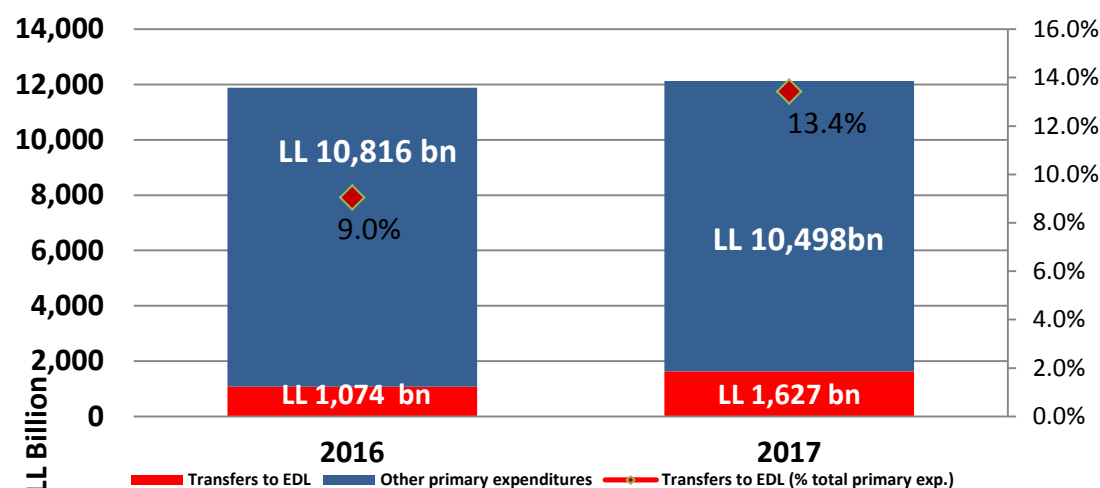


IV. Shares of “Transfers to EDL” out of Expenditures

► *Transfers to EDL constituted 13.4 percent of primary expenditures in Jan-October 2017*

With primary expenditures at LL 12,125 billion, the share of transfers to EDL reached 13.4 percent in Jan-October 2017. This share was lower at 9 percent in Jan-October 2016.

Figure 2: Transfers to EDL out of primary expenditures (Jan-October 2016 – Jan-October 2017)



¹ The Treasury transferred around LL 1626.95 billion to cover EDL’s deficit in Jan-October 2017. Out of this amount, around LL 1568.94 billion represented the Treasury transfer to purchase gas oil and fuel oil (as shown in Table 2). However, the total oil bill for Jan-October 2017 amounted to LL 1601.42 billion, which correspond to LL 1568.94 billion of Treasury transfers plus LL 32.48 billion of payments made by EDL.