

I. Treasury Transfers to EDL in Dec 2018

► In December 2018, treasury transfers to EDL reached LL 195.32 billion, as follows:

- ⇒ Reimbursement of KPC and Sonatrach LL 194.73 billion
- ⇒ Debt Service LL 0.59 billion

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

(LL billion)	Jan	Feb	Mar	April	May	June	July	Aug	Sep	Oct	Nov	Dec	Total
EDL of which:	134.45	185.24	211.93	254.90	160.46	166.23	320.83	206.02	220.34	216.96	374.30	195.32	2647.26
Debt service (C-Loans and Eurobonds):	1.41	4.13	0.31	0.00	0.00	0.61	1.37	0.90	0.00	0.00	0.00	0.59	9.62
• Principal payments	0.96	4.02	0.28	0.00	0.00	0.54	0.94	0.88	0.00	0.00	0.00	0.53	8.41
• Interest payments	0.45	0.11	0.03	0.00	0.00	0.06	0.43	0.02	0.00	0.00	0.00	0.06	1.21
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	216.96	374.30	194.73	2618.54
• KPC & SPC	133.04	181.11	192.51	254.90	160.46	165.62	319.46	205.12	220.34	216.96	374.30	194.73	2618.54
Transfers to Electricity Syria	0.00	0.00	19.10	0.00	0.00	0.00	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-Dec 2018 in comparison with Jan-Dec 2017

► Transfers to EDL in Jan-Dec 2018 were LL 645.64 billion higher than the Jan-Dec 2017 level

Transfers in Jan-Dec 2018 were LL 645.64 billion higher than the amount paid in Jan-Dec 2017, which stood at LL 2001.62 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-Dec 2018.

Table 2: Comparison of Treasury Transfers to EDL

(LL billion)	Jan-Dec 2017	Jan-Dec 2018	Change	% Change
EDL, of which:	2001.62	2647.26	645.64	32.3%
Debt Service (C-Loans and Eurobonds):	15.28	9.62	5.66-	-37%
-Principal Repayments	13.55	8.41	5.14-	-37.9%
-Interest Payments	1.73	1.21	0.52-	-30.1%
Reimbursement for purchase of gas and fuel	1892.36	2618.54	726.18	38.4%
• KPC & SPC	1892.36	2618.54	726.18	38.4%
Transfers to Electricity Syria	93.98	19.10	74.88-	-79.7%

► Payments to the two oil suppliers in Jan-Dec 2018 were LL 726.18 billion higher than their level during Jan-Dec 2017.

The component "Reimbursement of KPC and Sonatrach Agreements" reached LL 2,618.54 billion in Jan-Dec 2018, a rise from LL 1,892.36 billion in Jan-Dec 2017. This 38.4 percent increase was mainly driven by higher average prices of crude oil and higher quantity of fuel oil. Transfers to Electricity Syria in Jan-Dec 2018 were 79.7 percent lower than the amount paid in Jan-Dec 2017.

- **From a quantity-effect viewpoint:**
 - % Change in Quantity of Fuel Oil imported: 5.50 % ▲
 - % Change in Quantity of Gas Oil imported: 4.80 % ▲
- **From a price-effect viewpoint:**

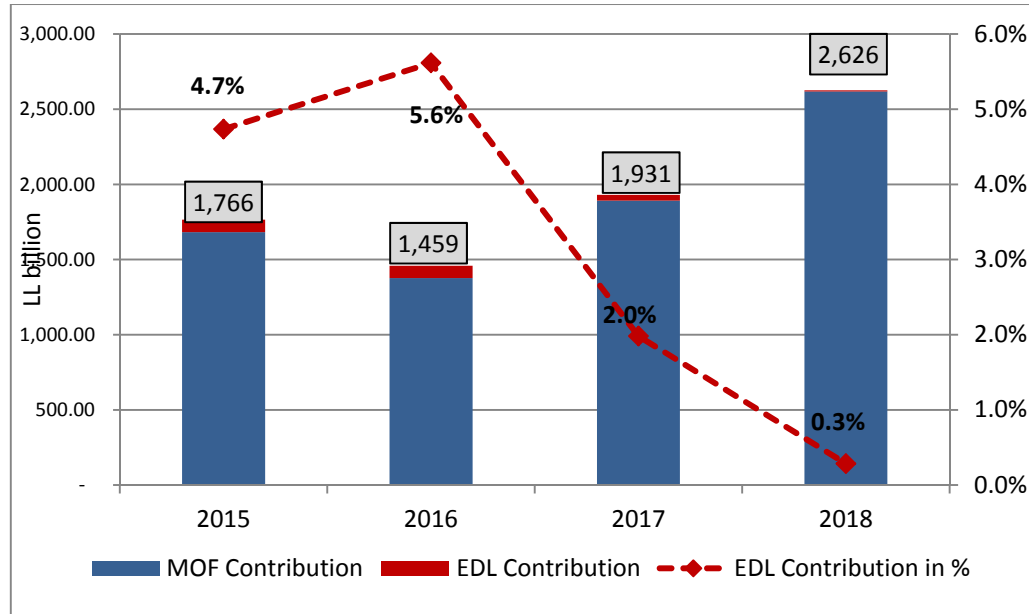
	Jan-Dec 2017 Bill	Jan-Dec 2018 Bill
Average Price/Barrel	US\$ 54.15	US\$ 70.91
% Change in weighted average price of crude oil		30.960% ▲

III. Contribution of EDL out of the total oil bill

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

From a total oil bill of LL 2,626 billion in Jan-Dec 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 1,931 billion. In nominal terms, EDL's contribution was lower in Jan-Dec 2018, amounting to LL 7.48 billion, compared to LL 37.22 billion during the same period in 2017.

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

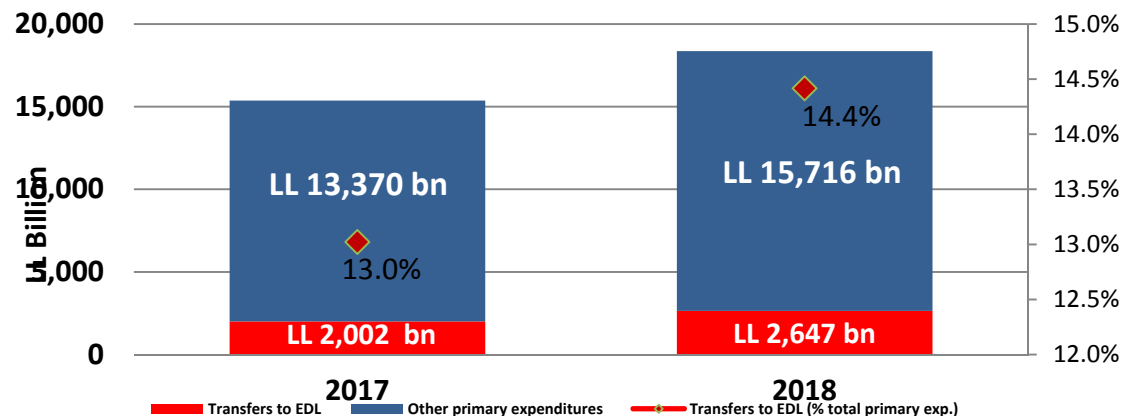


IV. Shares of “Transfers to EDL” out of Expenditures

► *Transfers to EDL constituted 14.4 percent of primary expenditures in Jan-Dec 2018*

With primary expenditures at LL 18,363 billion, the share of transfers to EDL reached 14.4 percent in Jan-Dec 2018. This share was lower at 13 percent in Jan-Dec 2017.

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



¹ The Treasury transferred around LL 2,647.26 billion to cover EDL's deficit in Jan-Dec 2018. Out of this amount, around LL 2,618.55 billion represented the Treasury transfer to purchase gas oil and fuel oil (as shown in Table 2). However, the total oil bill for Jan-Dec 2018 amounted to LL 2,626 billion, which correspond to LL 2,618.55 billion of Treasury transfers plus LL 7.48 billion of payments made by EDL.