

I. Treasury Transfers to EDL in December 2017

► In December 2017, treasury transfers to EDL reached LL 268.12 billion, as follows:

⇒ Reimbursement of KPC and Sonatrach	LL 244.07 billion
⇒ Debt Service	LL 0.63 billion
⇒ Transfers to Electricity Syria	LL 23.42 billion

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

(LL billion)	Jan	Feb	Mar	April	May	Jun	July	Aug	Sep	Oct	Nov	Dec	Total
EDL of which:	95.14	213.93	110.75	125.85	147.88	144.98	111.84	318.20	81.04	277.34	106.55	268.12	2001.62
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	0.00	0.63	15.28
• Principal payments	0.94	4.99	0.24	0.00	0.03	0.53	0.95	5.05	0.00	0.26	0.00	0.56	13.55
• Interest payments	0.49	0.33	0.03	0.00	0.00	0.07	0.47	0.22	0.00	0.03	0.00	0.07	1.73
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	79.35	244.07	1892.36
• KPC & SPC	93.71	208.61	110.47	125.85	147.85	144.37	110.42	312.93	53.97	260.76	79.35	244.07	1892.36
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	27.21	23.42	93.98

Source: Ministry of Finance

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

► Transfers to EDL in Jan-December 2017 were LL 604.34 billion higher than the Jan-December 2016 level

Transfers in Jan-December 2017 were LL 604.34 billion higher than the amount paid in Jan-December 2016, which stood at LL 1397.28 billion. This was mainly a result of higher payments to KPC and Sonatrach for fuel oil and gas oil purchases.

Table 2: Comparison of Treasury Transfers to EDL between 2016 and 2017

(LL billion)	Jan-December 2016	Jan-December 2017	Change	% Change
EDL, of which:	1397.28	2,001.62	604.34	43.3%
Debt Service (C-Loans and Eurobonds):	20.52	15.28	5.23-	-25.5%
-Principal Repayments	18.05	13.55	4.50-	-24.9%
-Interest Payments	2.47	1.73	0.74-	-29.9%
Reimbursement for purchase of gas and fuel	1376.76	1,892.36	515.59	37.4%
• KPC & SPC	1376.76	1,892.36	515.59	37.4%
Transfers to Electricity Syria	-	93.98	93.98	-

► Payments to the two oil suppliers in Jan-December 2017 were LL 515.59 billion higher than their level during Jan-December 2016.

The component "Reimbursement of KPC and Sonatrach Agreements" reached LL 1,891.36 billion in Jan-December 2017, a rise from LL 1,376.76 billion in Jan-December 2016. This 37.4 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: 15.49% ▲
 - % Change in Quantity of Gas Oil imported: 10.66 % ▼
- **From a price-effect viewpoint:**

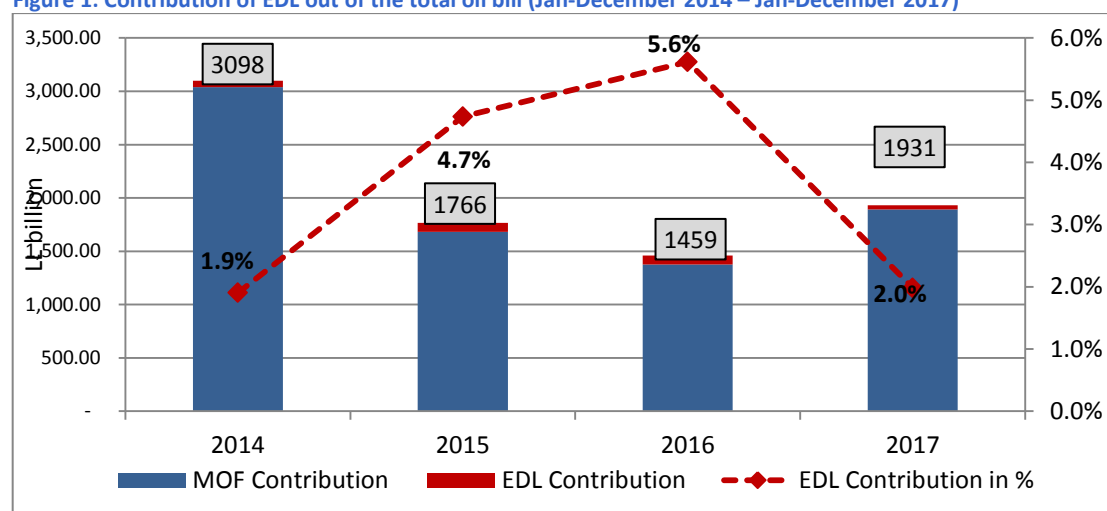
	Jan-December 2016 Bill	Jan-December 2017 Bill
Average Price/Barrel	US\$ 43.86	US\$ 54.12
% Change in weighted average price of crude oil	23.4% ▲	

III. Contribution of EDL out of the total oil bill

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

From a total oil bill of LL 1931 billion in Jan-December 2017, EDL contributed by 2 percent to the cost of gas oil and fuel oil purchase¹. This figure was higher at 5.6 percent during the same period of 2016, out of a lower bill of LL 1459 billion. In nominal terms, EDL's contribution was lower in Jan-December 2017, amounting to LL 38.25 billion, compared to LL 81.92 billion during the same period in 2016.

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

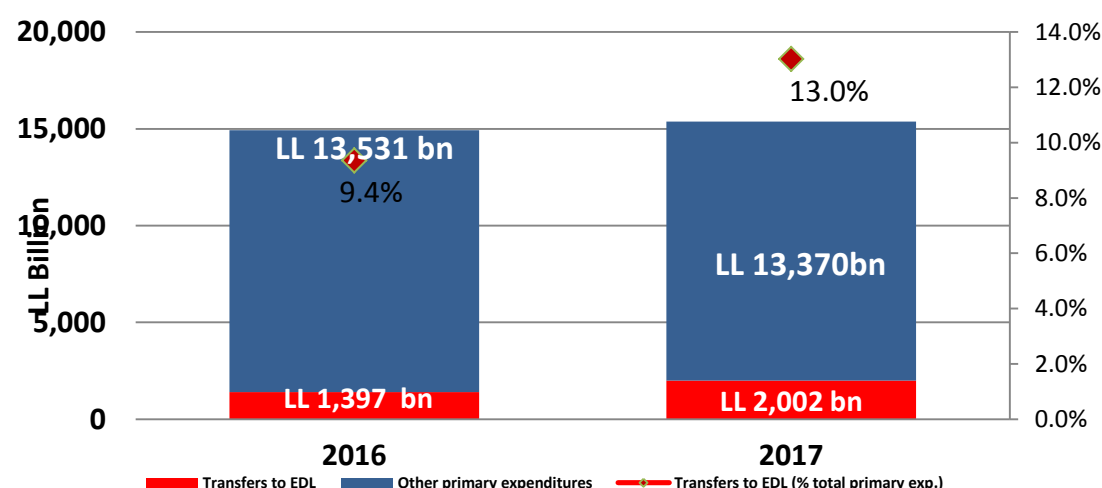


IV. Shares of “Transfers to EDL” out of Expenditures

► *Transfers to EDL constituted 13 percent of primary expenditures in Jan-December 2017*

With primary expenditures at LL 15,372 billion, the share of transfers to EDL reached 13 percent in Jan-December 2017. This share was lower at 9.4 percent in Jan-December 2016.

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



¹ The Treasury transferred around LL 2001.62 billion to cover EDL's deficit in Jan-December 2017. Out of this amount, around LL 1892.36 billion represented the Treasury transfer to purchase gas oil and fuel oil (as shown in Table 2). However, the total oil bill for Jan-December 2017 amounted to LL 1930.61 billion, which correspond to LL 1892.36 billion of Treasury transfers plus LL 38.25 billion of payments made by EDL.