

I. Treasury Transfers to EDL in September 2017

► In September 2017, treasury transfers to EDL reached LL 81.04 billion, as follows:

- ⇒ Reimbursement of KPC and Sonatrach LL 53.97 billion
- ⇒ Transfers to Electricity Syria LL 27.07 billion

Noting that no payments are due as debt service starting September 2018

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

(LL billion)	Jan	Feb	Mar	April	May	Jun	July	Aug	Sep	Total
EDL of which:	95.14	213.93	110.75	125.85	147.88	144.98	111.84	318.20	81.04	1349.61
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	14.36
• Principal payments	0.94	4.99	0.24	0.00	0.03	0.53	0.95	5.05	0.00	12.73
• Interest payments	0.49	0.33	0.03	0.00	0.00	0.07	0.47	0.22	0.00	1.62
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	1308.18
• KPC & SPC	93.71	208.61	110.47	125.85	147.85	144.37	110.42	312.93	53.97	1308.18
c- Transfers to Electricity Syria	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	27.07	27.07

Source: Ministry of Finance

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

► Transfers to EDL in Jan-September 2017 were LL 397.45 billion higher than the Jan-September 2016 level

Transfers in Jan-September 2017 were LL 397.45 billion higher than the amount paid in Jan-September 2016, which stood at LL 952.16 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-September 2016	Jan-September 2017	Change	% Change
EDL, of which:	952.16	1,349.61	397.45	41.7%
Debt Service (C-Loans and Eurobonds):	19.96	14.36	5.60-	-28.1%
-Principal Repayments	17.56	12.73	4.83-	-27.5%
-Interest Payments	2.40	1.62	0.77-	-32.2%
Reimbursement for purchase of gas and fuel	932.20	1,308.18	375.98	40.3%
• KPC & SPC	932.20	1,308.18	375.98	40.3%
Transfers to Electricity Syria	-	27.07	27.07	-

► Payments to the two oil suppliers in Jan-September 2017 were LL 375.98 billion higher than their level during Jan-September 2016.

The component "Reimbursement of KPC and Sonatrach Agreements" reached LL 1308.18 billion in Jan-September 2017, a rise from LL 932.20 billion in Jan-September 2016. This 40.3 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: 8.21% ▲
 - % Change in Quantity of Gas Oil imported: 10.51 % ▼
- **From a price-effect viewpoint:**

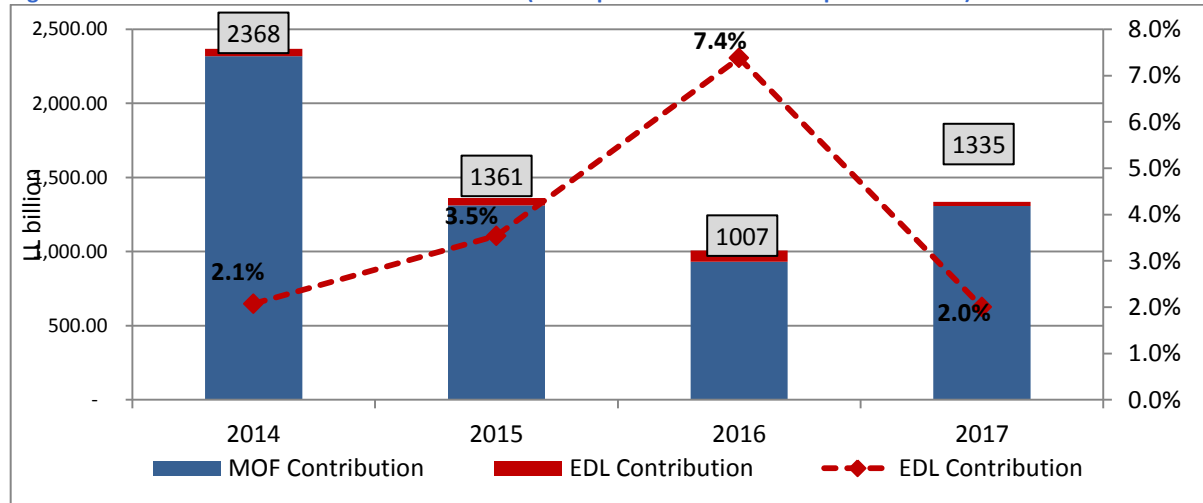
	Jan-September 2016 Bill	Jan-September 2017 Bill
Average Price/Barrel	US\$ 41.87	US\$ 51.23
% Change in weighted average price of crude oil	22.37% ▲	

III. Contribution of EDL out of the total oil bill

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

From a total oil bill of LL 1335 billion in Jan-September 2017, EDL contributed by 2 percent to the cost of gas oil and fuel oil purchase¹. This figure was higher at 7.4 percent during the same period of 2016, out of a lower bill of LL 1007 billion. In nominal terms, EDL's contribution was lower in Jan-September 2017, amounting to LL 27 billion, compared to LL 74 billion during the same period in 2016.

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

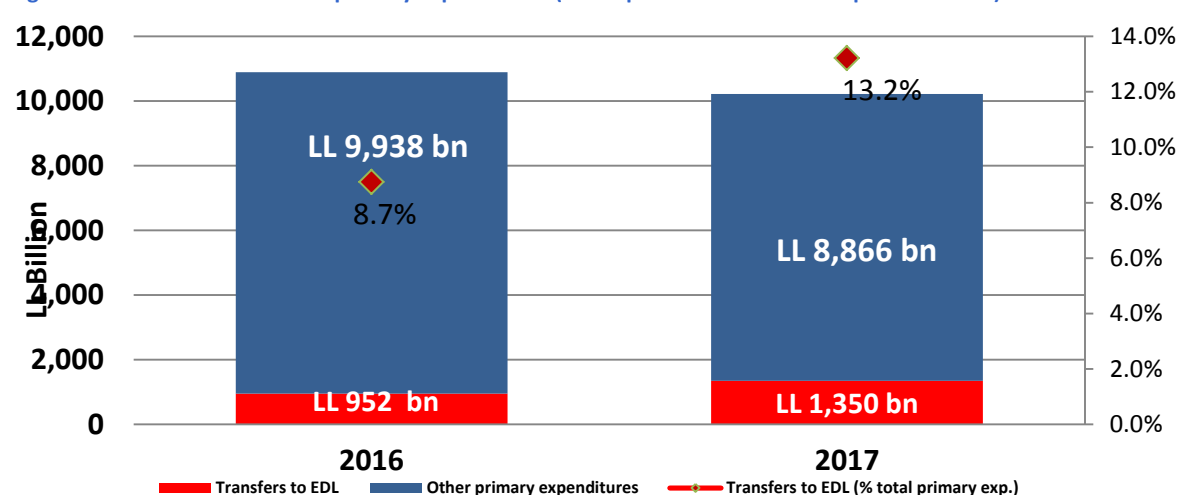


IV. Shares of “Transfers to EDL” out of Expenditures

► *Transfers to EDL constituted 13.2 percent of primary expenditures in Jan-September 2017*

With primary expenditures at LL 10,216 billion, the share of transfers to EDL reached 13.2 percent in Jan-September 2017. This share was lower at 8.7 percent in Jan-September 2016.

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



¹ The Treasury transferred around LL 1349.61 billion to cover EDL's deficit in Jan-September 2017. Out of this amount, around LL 1308.18 billion represented the Treasury transfer to purchase gas oil and fuel oil (as shown in Table 2). However, the total oil bill for Jan-September 2017 amounted to LL 1334.95 billion, which correspond to LL 1308.18 billion of Treasury transfers plus LL 26.77 billion of payments made by EDL.