

I. Treasury Transfers to EDL in August 2018

- In August 2018, treasury transfers to EDL reached LL 206.31 billion, as follows:
- ⇒ Reimbursement of KPC and Sonatrach LL 205.12 billion
 - ⇒ Debt Service LL 1.19 billion

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

(LL billion)	Jan	Feb	Mar	April	May	June	July	Aug	Total
EDL of which:	134.45	185.24	211.93	254.90	160.46	166.23	320.83	206.31	1640.34
Debt service (C-Loans and Eurobonds):	1.41	4.13	0.31	0.00	0.00	0.61	1.37	1.19	9.02
• Principal payments	0.96	4.02	0.28	0.00	0.00	0.54	0.94	1.14	7.88
• Interest payments	0.45	0.11	0.03	0.00	0.00	0.06	0.43	0.05	1.15
Reimbursement for purchase of gas and fuel	133.04	181.11	192.51	254.90	160.46	165.62	319.46	205.12	1612.21
• KPC & SPC	133.04	181.11	192.51	254.90	160.46	165.62	319.46	205.12	1612.21
Transfers to Electricity Syria	0.00	0.00	19.10	0.00	0.00	0.00	0.00	0.00	19.10

Source: Ministry of Finance

II. Treasury Transfers to EDL in Jan-Aug 2018 in comparison with Jan-Aug 2017

- Transfers to EDL in Jan-Aug 2018 were LL 371.77 billion higher than the Jan-Aug 2017 level

Transfers in Jan-Aug 2018 were LL 371.77 billion higher than the amount paid in Jan-Aug 2017, which stood at LL 1268.57 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-Aug 2018.

Table 2: Comparison of Treasury Transfers to EDL

(LL billion)	Jan-Aug 2017	Jan-Aug 2018	Change	% Change
EDL, of which:	1268.57	1640.34	371.77	29.3%
Debt Service (C-Loans and Eurobonds):	14.36	9.02	5.34-	-39.12%
-Principal Repayments	12.73	7.88	4.85-	-38.1%
-Interest Payments	1.62	1.15	0.47-	-29%
Reimbursement for purchase of gas and fuel	1254.21	1612.21	358	28.5%
• KPC & SPC	1254.21	1612.21	358	28.5%
Transfers to Electricity Syria	-	19.10	19.10	-

- Payments to the two oil suppliers in Jan-Aug 2018 were LL 358 billion higher than their level during Jan-Aug 2017.

The component "Reimbursement of KPC and Sonatrach Agreements" reached LL 1,612.21 billion in Jan-Aug 2018, a rise from LL 1254.21 billion in Jan-Aug 2017. This 28.5 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: 11.12% ▼
 - % Change in Quantity of Gas Oil imported: 4.89% ▲
- **From a price-effect viewpoint:**

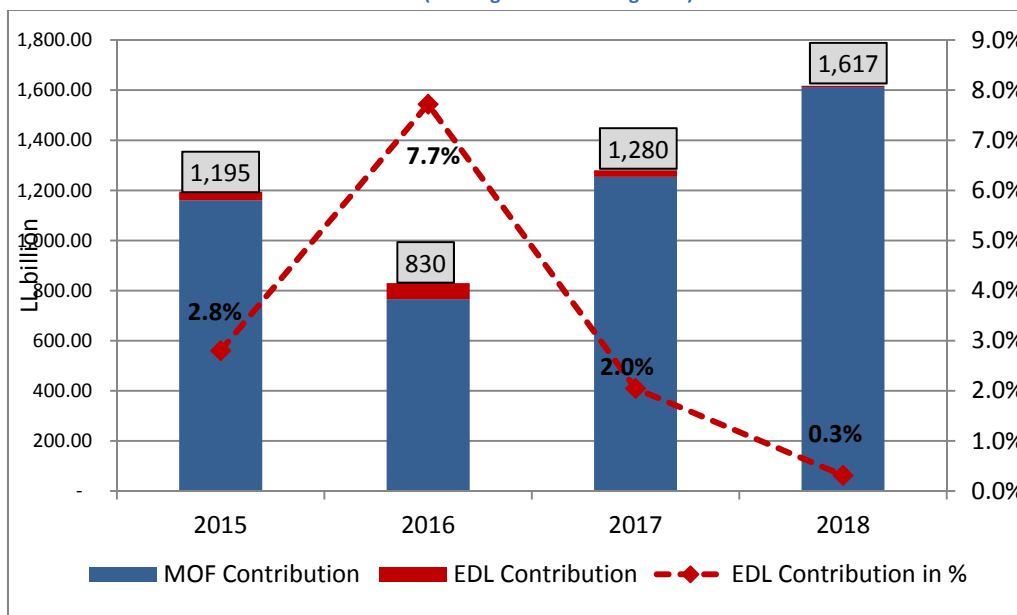
	Jan-Aug 2017 Bill	Jan-Aug 2018 Bill
Average Price/Barrel	US\$ 51.28	US\$ 71.70
% Change in weighted average price of crude oil		39.82% ▲

III. Contribution of EDL out of the total oil bill

▶ *EDL contributed 0.3 percent of the total oil bill in Jan-Aug 2018*

From a total oil bill of LL 1,617 billion in Jan-Aug 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 1,280 billion. In nominal terms, EDL’s contribution was lower in Jan-Aug 2018, amounting to LL 5.05 billion, compared to LL 26.18 billion during the same period in 2017.

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

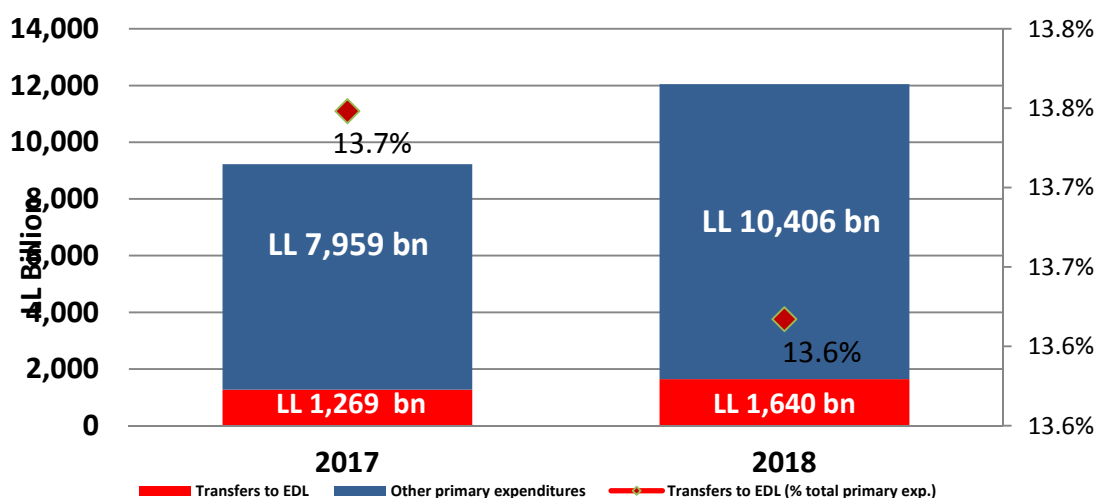


IV. Shares of “Transfers to EDL” out of Expenditures

▶ *Transfers to EDL constituted 13.6 percent of primarily expenditures in Jan-Aug 2018*

With primarily expenditures at LL 12,046 billion, the share of transfers to EDL reached 13.6 percent in Jan-Aug 2018. This share was higher at 13.7 percent in Jan-Aug 2017.

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



¹ The Treasury transferred around LL 1,640.34 billion to cover EDL’s deficit in Jan-Aug 2018. Out of this amount, around LL 1612.21 billion represented the Treasury transfer to purchase gas oil and fuel oil (as shown in Table 2). However, the total oil bill for Jan-Aug 2018 amounted to LL 1,617 billion, which correspond to LL 1,612.21 billion of Treasury transfers plus LL 5.05 billion of payments made by EDL.