

## I. Treasury Transfers to EDL in May 2018

- *In May 2018*, treasury transfers to EDL reached LL 160.46 billion for reimbursement of KPC and Sonatrach.

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

(LL billion)	Jan	Feb	Mar	April	May	Total
<b>EDL of which:</b>	<b>134.45</b>	<b>185.24</b>	<b>211.93</b>	<b>254.90</b>	<b>160.46</b>	<b>946.97</b>
<b>Debt service (C-Loans and Eurobonds):</b>	<b>1.41</b>	<b>4.13</b>	<b>0.31</b>	<b>0.00</b>	<b>0.00</b>	<b>5.85</b>
• Principal payments	0.96	4.02	0.28	0.00	0.00	5.25
• Interest payments	0.45	0.11	0.03	0.00	0.00	0.60
<b>Reimbursement for purchase of gas and fuel</b>	<b>133.04</b>	<b>181.11</b>	<b>192.51</b>	<b>254.90</b>	<b>160.46</b>	<b>922.02</b>
• KPC & SPC	133.04	181.11	192.51	254.90	160.46	922.02
<b>Transfers to Electricity Syria</b>	<b>0.00</b>	<b>0.00</b>	<b>19.10</b>	<b>0.00</b>	<b>0.00</b>	<b>19.10</b>

Source: Ministry of Finance

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

- *Transfers to EDL in Jan-May 2018 were LL 253.43 billion higher than the Jan-May 2017 level*

Transfers in Jan-May 2018 were LL 253.43 billion higher than the amount paid in Jan-May 2017, which stood at LL 693.54 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-May 2018.

Table 2: Comparison of Treasury Transfers to EDL

(LL billion)	Jan-May 2017	Jan-May 2018	Change	% Change
<b>EDL, of which:</b>	<b>693.54</b>	<b>946.97</b>	<b>253.43</b>	<b>36.5%</b>
<b>Debt Service (C-Loans and Eurobonds):</b>	<b>7.05</b>	<b>5.85</b>	<b>1.20-</b>	<b>-17%</b>
-Principal Repayments	6.20	5.25	0.95-	-15.3%
-Interest Payments	0.86	0.60	0.26-	-30.2%
<b>Reimbursement for purchase of gas and fuel</b>	<b>686.49</b>	<b>922.02</b>	<b>235.53</b>	<b>34.3%</b>
• KPC & SPC	686.49	922.02	235.53	34.3%
<b>Transfers to Electricity Syria</b>	<b>-</b>	<b>19.10</b>	<b>19.10</b>	<b>-</b>

- *Payments to the two oil suppliers in Jan-May 2018 were LL 235.53 billion higher than their level during Jan-May 2017.*

The component “Reimbursement of KPC and Sonatrach Agreements” reached LL 922.02 billion in Jan-May 2018, a rise from LL 686.49 billion in Jan-May 2017. This 34.3 percent increase was mainly driven by higher average prices of crude oil and higher quantity of fuel oil. Transfers to Electricity Syria were LL 19.10 billion in Jan-May 2018.

- **From a quantity-effect viewpoint:**
  - % Change in Quantity of Fuel Oil imported: -4.88% ▼
  - % Change in Quantity of Gas Oil imported: 23.46% ▲
- **From a price-effect viewpoint:**

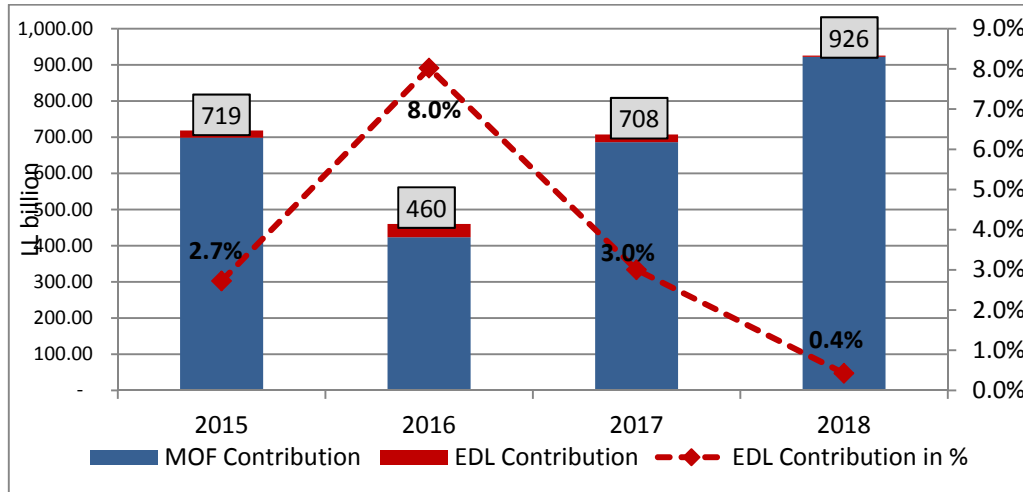
	Jan-May 2017 Bill	Jan-May 2018 Bill
Average Price/Barrel	US\$ 52.74	US\$ 70.16
% Change in weighted average price of crude oil		33.04% ▲

### III. Contribution of EDL out of the total oil bill

- ▶ EDL contributed 0.4 percent of the total oil bill in Jan-May 2018

From a total oil bill of LL 926 billion in Jan-May 2018, EDL contributed by 0.4 percent to the cost of gas oil and fuel oil purchase<sup>1</sup>. This figure was higher at 3 percent during the same period of 2017, out of a lower bill of LL 708 billion. In nominal terms, EDL’s contribution was lower in Jan-May 2018, amounting to LL 3.94 billion, compared to LL 21.24 billion during the same period in 2017.

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

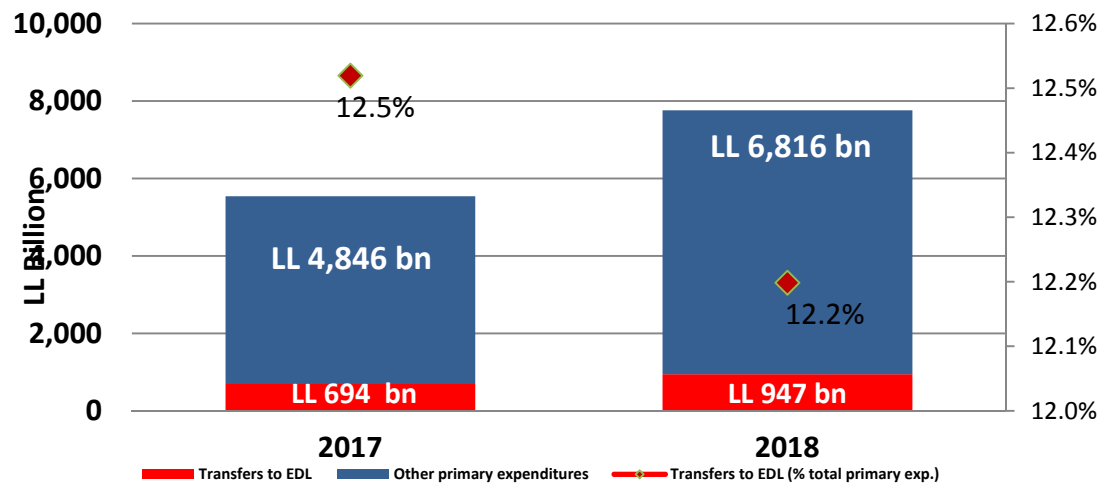


### IV. Shares of “Transfers to EDL” out of Expenditures

- ▶ Transfers to EDL constituted 12.2 percent of primarily expenditures in Jan-May 2018

With primarily expenditures at LL 7,763 billion, the share of transfers to EDL reached 12.2 percent in Jan-May 2018. This share was higher at 12.5 percent in Jan-May 2017.

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



<sup>1</sup> The Treasury transferred around LL 946.97 billion to cover EDL’s deficit in Jan-May 2018. Out of this amount, around LL 922.02 billion represented the Treasury transfer to purchase gas oil and fuel oil (as shown in Table 2). However, the total oil bill for Jan-May 2018 amounted to LL 926 billion, which correspond to LL 922.02 billion of Treasury transfers plus LL 3.94 billion of payments made by EDL.