

## I. Treasury Transfers to EDL in July 2018

► In July 2018, treasury transfers to EDL reached LL 320.83 billion, as follows:

⇒ Reimbursement of KPC and Sonatrach	LL 319.46 billion
⇒ Debt Service	LL 1.37 billion

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

(LL billion)	Jan	Feb	Mar	April	May	June	July	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>166.23</b>	<b>320.83</b>	<b>1434.03</b>
Debt service (C-Loans and Eurobonds):	1.41	4.13	0.31	0.00	0.00	0.61	1.37	7.83
• Principal payments	0.96	4.02	0.28	0.00	0.00	0.54	0.94	6.74
• Interest payments	0.45	0.11	0.03	0.00	0.00	0.06	0.43	1.10
Reimbursement for purchase of gas and fuel	133.04	181.11	192.51	254.90	160.46	165.62	319.46	1407.09
• KPC & SPC	133.04	181.11	192.51	254.90	160.46	165.62	319.46	1407.09
Transfers to Electricity Syria	0.00	0.00	19.10	0.00	0.00	0.00	0.00	19.10

Source: Ministry of Finance

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

► Transfers to EDL in Jan-July 2018 were LL 483.66 billion higher than the Jan-July 2017 level

Transfers in Jan-July 2018 were LL 483.66 billion higher than the amount paid in Jan-July 2017, which stood at LL 950.37 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-July 2018.

Table 2: Comparison of Treasury Transfers to EDL

(LL billion)	Jan-July 2017	Jan-July 2018	Change	% Change
<b>EDL, of which:</b>	<b>950.37</b>	<b>1434.03</b>	<b>483.66</b>	<b>50.9%</b>
Debt Service (C-Loans and Eurobonds):	9.08	7.83	1.25-	-13.8%
-Principal Repayments	7.68	6.74	0.94-	-12.2%
-Interest Payments	1.40	1.10	0.30-	-21.4%
Reimbursement for purchase of gas and fuel	941.28	1407.09	465.81	49.5%
• KPC & SPC	941.28	1407.09	465.81	49.5%
Transfers to Electricity Syria	-	19.10	19.10	-

► Payments to the two oil suppliers in Jan-July 2018 were LL 465.81 billion higher than their level during Jan-July 2017.

The component "Reimbursement of KPC and Sonatrach Agreements" reached LL 1,407.09 billion in Jan-July 2018, a rise from LL 941.28 billion in Jan-July 2017. This 49.5 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: 3.71% ▲
  - % Change in Quantity of Gas Oil imported: 19.04% ▲
- **From a price-effect viewpoint:**

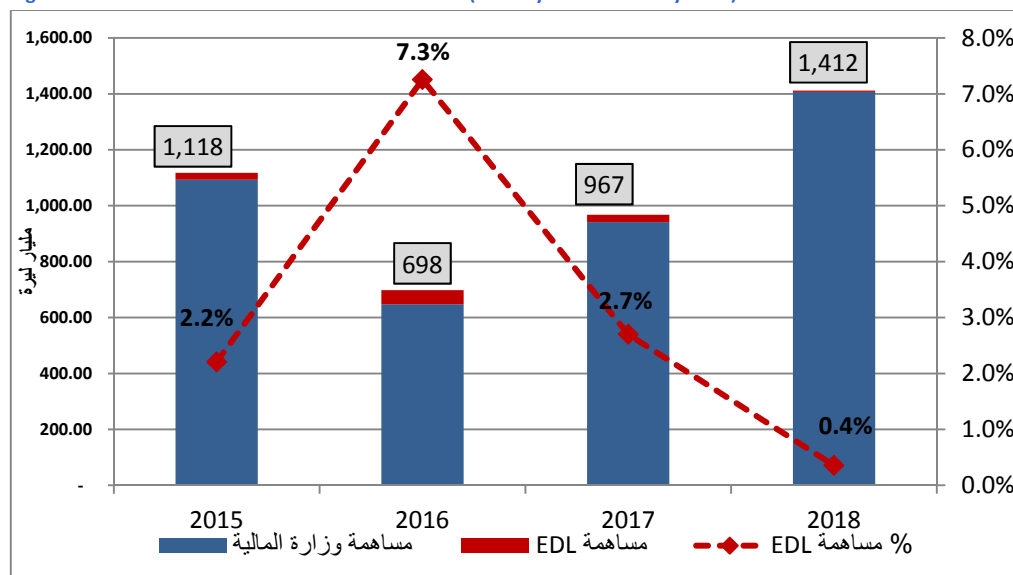
	Jan-July 2017 Bill	Jan-July 2018 Bill
Average Price/Barrel	US\$ 51.15	US\$ 71.58
% Change in weighted average price of crude oil		39.93% ▲

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

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

From a total oil bill of LL 1,412 billion in Jan-July 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 2.7 percent during the same period of 2017, out of a lower bill of LL 967 billion. In nominal terms, EDL’s contribution was lower in Jan-July 2018, amounting to LL 5.03 billion, compared to LL 26.13 billion during the same period in 2017.

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

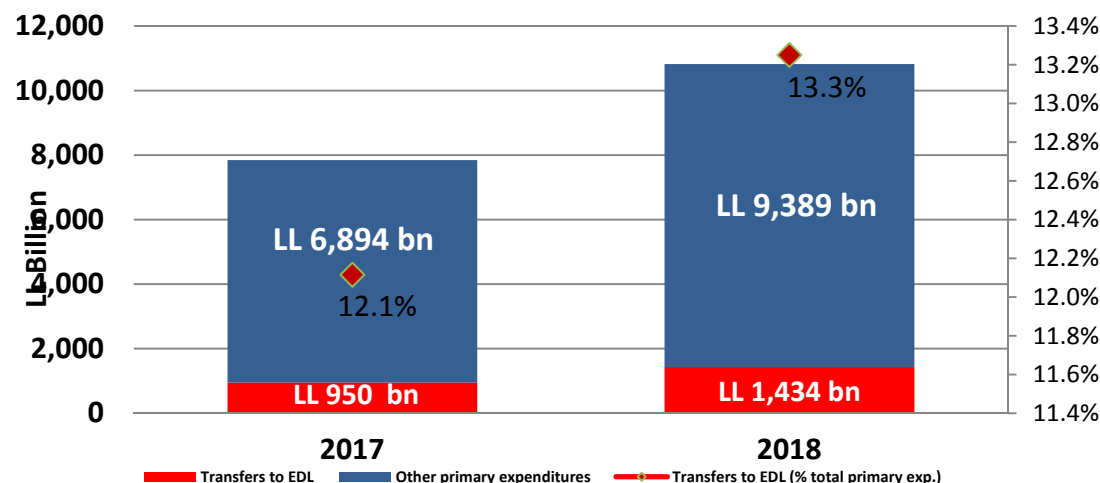


### IV. Shares of “Transfers to EDL” out of Expenditures

▶ *Transfers to EDL constituted 13.3 percent of primarily expenditures in Jan-July 2018*

With primarily expenditures at LL 10,823 billion, the share of transfers to EDL reached 13.3 percent in Jan-July 2018. This share was lower at 12.1 percent in Jan-July 2017.

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



<sup>1</sup> The Treasury transferred around LL 1,434.03 billion to cover EDL’s deficit in Jan-July 2018. Out of this amount, around LL 1407.09 billion represented the Treasury transfer to purchase gas oil and fuel oil (as shown in Table 2). However, the total oil bill for Jan-July 2018 amounted to LL 1,412 billion, which correspond to LL 1,407.09 billion of Treasury transfers plus LL 5.03 billion of payments made by EDL.