

I. Treasury Transfers to EDL in June 2018

► In June 2018, treasury transfers to EDL reached LL 166.23 billion, as follows:

- ⇒ Reimbursement of KPC and Sonatrach LL 165.62 billion
- ⇒ Debt Service LL 0.61 billion

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

(LL billion)	Jan	Feb	Mar	April	May	June	Total
EDL of which:	134.45	185.24	211.93	254.90	160.46	166.23	1113.20
Debt service (C-Loans and Eurobonds):	1.41	4.13	0.31	0.00	0.00	0.61	6.46
• Principal payments	0.96	4.02	0.28	0.00	0.00	0.54	5.79
• Interest payments	0.45	0.11	0.03	0.00	0.00	0.06	0.67
Reimbursement for purchase of gas and fuel	133.04	181.11	192.51	254.90	160.46	165.62	1087.63
• KPC & SPC	133.04	181.11	192.51	254.90	160.46	165.62	1087.63
Transfers to Electricity Syria	0.00	0.00	19.10	0.00	0.00	0.00	19.10

Source: Ministry of Finance

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

► Transfers to EDL in Jan-June 2018 were LL 274.68 billion higher than the Jan-June 2017 level

Transfers in Jan-June 2018 were LL 274.68 billion higher than the amount paid in Jan-June 2017, which stood at LL 838.52 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-June 2018.

Table 2: Comparison of Treasury Transfers to EDL

(LL billion)	Jan-June 2017	Jan-June 2018	Change	% Change
EDL, of which:	838.52	1113.20	274.68	32.8%
Debt Service (C-Loans and Eurobonds):	7.66	6.46	1.20-	-15.7%
-Principal Repayments	6.73	5.79	0.94-	-14%
-Interest Payments	0.93	0.67	0.26-	-28%
Reimbursement for purchase of gas and fuel	830.86	1087.63	256.77	30.9%
• KPC & SPC	830.86	1087.63	256.77	30.9%
Transfers to Electricity Syria	-	19.10	19.10	-

► Payments to the two oil suppliers in Jan-June 2018 were LL 256.77 billion higher than their level during Jan-June 2017.

The component "Reimbursement of KPC and Sonatrach Agreements" reached LL 1,087.63 billion in Jan-June 2018, a rise from LL 830.86 billion in Jan-June 2017. This 30.9 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: -4.61% ▼
 - % Change in Quantity of Gas Oil imported: 5.46% ▲
- **From a price-effect viewpoint:**

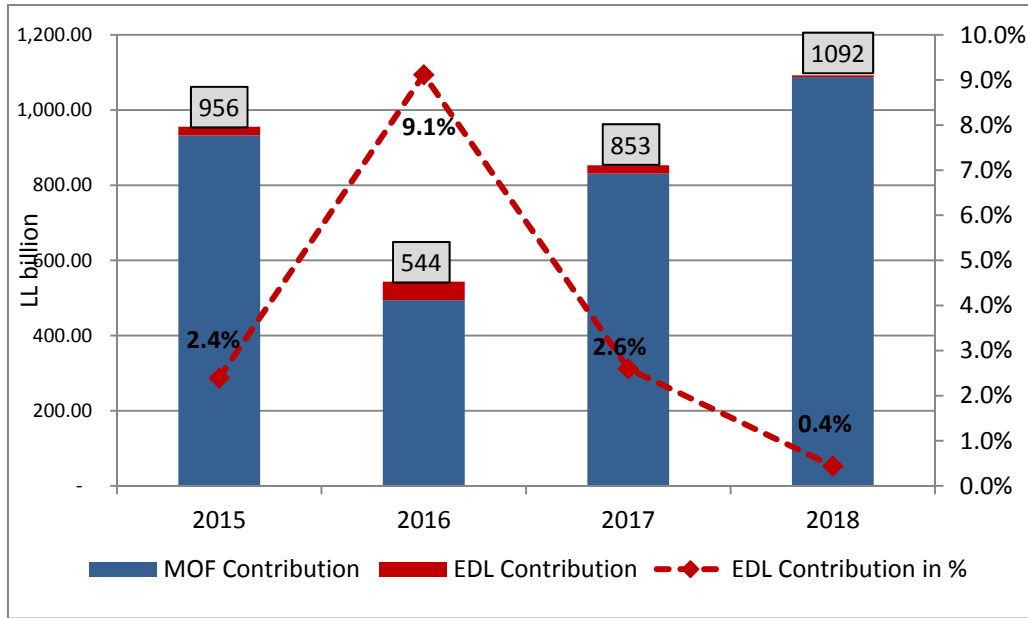
	Jan-June 2017 Bill	Jan-June 2018 Bill
Average Price/Barrel	US\$ 51.56	US\$ 70.79
% Change in weighted average price of crude oil		37.298% ▲

III. Contribution of EDL out of the total oil bill

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

From a total oil bill of LL 1,092 billion in Jan-June 2018, EDL contributed by 0.4 percent to the cost of gas oil and fuel oil purchase¹. This figure was higher at 2.6 percent during the same period of 2017, out of a lower bill of LL 853 billion. In nominal terms, EDL’s contribution was lower in Jan-June 2018, amounting to LL 4.81 billion, compared to LL 22.16 billion during the same period in 2017.

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

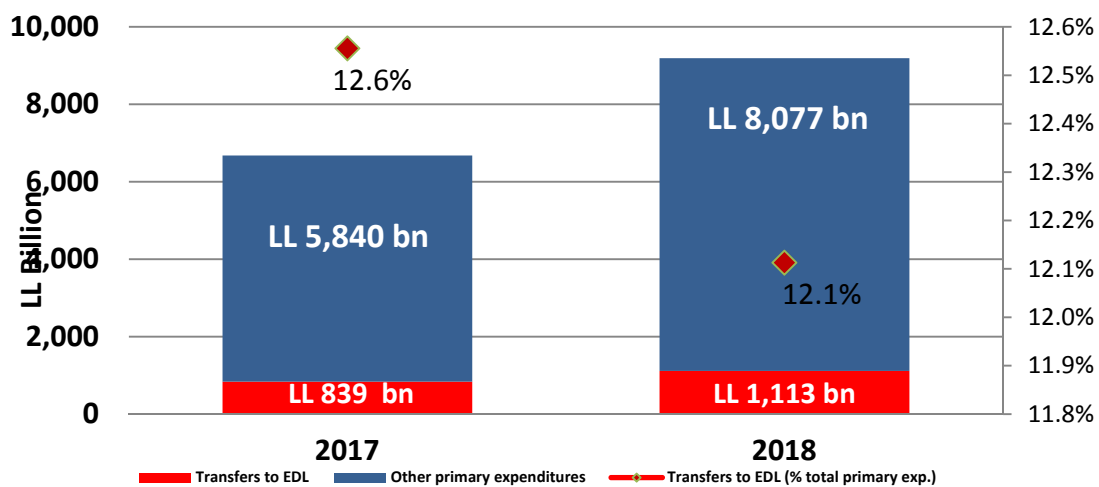


IV. Shares of “Transfers to EDL” out of Expenditures

- ▶ Transfers to EDL constituted 12.1 percent of primarily expenditures in Jan-June 2018

With primarily expenditures at LL 9,190 billion, the share of transfers to EDL reached 12.1 percent in Jan-June 2018. This share was higher at 12.6 percent in Jan-June 2017.

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



¹ The Treasury transferred around LL 1,113.20 billion to cover EDL’s deficit in Jan-June 2018. Out of this amount, around LL 1087.63 billion represented the Treasury transfer to purchase gas oil and fuel oil (as shown in Table 2). However, the total oil bill for Jan-June 2018 amounted to LL 1,092 billion, which correspond to LL 1,087.63 billion of Treasury transfers plus LL 4.81 billion of payments made by EDL.