

# Fiscal Performance

## Report for the Month of

### January 2000

The fiscal performance improvement continued in January 2000 and the budget surplus for the month amounted to LBP 88 billion compared to the deficits of LBP 49 billion and LBP 94 billion registered in January 1999 and December 1999 respectively.

The budget surplus was explained by:

- 1- The persistence in high levels of revenue collections: budget revenues reached LBP310 billion compared to the LBP 314 billion collected in January 1999 and the LBP 265 billion collected in January 1998,
- 2- The decrease in expenditures: budget expenditures amounted to LBP 222 billion in comparison with LBP 363 billion in January 1999. This is due to a decrease in debt service from LBP 278 billion in January 1999 to LBP 122 billion in January 2000.

Therefore, the primary surplus reached a record amount of LBP 210 billion or 95 percent of the January 2000 budget expenditures.

As for total expenditures (including treasury payments), they have significantly increased to LBP 219 billion, up from LBP 76 billion in January 1999 while treasury receipts have stagnated provoking a total deficit that represents 24 percent of total expenditures. This is close to the total deficit/total expenditures

ratio of 23 percent registered in January 1999. It also marks an improvement compared to the 33 percent recorded in December 1999.

The total deficit is expected to increase during the year as a result of the widening EDL deficit that will be fully supported by the Treasury. The deficit in the electricity state owned enterprise is due to the lack of revenues and the increase in foreign loan repayments.