

Official figures released by the Ministry of Finance, Customs Directorate, show a trade deficit of US\$ 7,236 million during the first half of 2015, 16 percent lower than the deficit of US\$ 8,622 million recorded during the same period of 2014. The US\$ 1,385 million improvement in the trade deficit is rooted in significantly lower imports by US\$ 1,491 million despite the slight decrease of US\$ 105 million in exports.

Total **imports** reached US\$ 8,789 million during the first half of 2015, recording a decline of 15 percent in value and a minor drop of 1 percent in volume, when compared to the same period of 2014.

- Imports of "**Mineral fuel and oil**" dropped sharply by 39 percent (US\$ 904 million)<sup>1</sup>, while in terms of volume they declined by 1 percent. In details, EDL fuel imports dropped from US\$ 529 million in January-June 2014 to nil during the same period this year. Also Non-EDL fuel imports decreased by 21 percent (US\$ 374 million) when compared to the first half of 2014<sup>2</sup>.
- Imports of "**Unwrought & semi-manufactured gold, diamonds, precious stones & metals**" continued to decline in terms of value with a year-on-year drop of 19 percent (US\$ 96 million), while in terms of volume there was a decrease by 2 percent.(Table 1)

**Table 1: Imports of Natural and precious stones – main components (US\$ Million)**

Description	Jan-June 2014	Jan-June 2015	Value Change	% Change
Diamonds, whether or not worked, but not mounted or set	103	112	9	9%
Precious stones (other than diamonds) and semi-precious stones	10	9	-1	-10%
Gold (including gold plated with platinum)	362	247	-115	-32% <sup>3</sup>
Articles of jewelry and parts	6	7	1	17%
Imitation jewelry	6	1	-5	-83%

- Excluding "**Mineral fuel and oil**" and "**Unwrought gold, un-mounted diamond & precious stones**", imports decreased by 7 percent (US\$ 491 million) during January-June 2015 compared to the same period of 2014. The main decreases were witnessed in "**Iron and steel**", "**Electrical machinery and equipment**", "**plastic and**

<sup>1</sup> The large decrease in value is mainly attributed to lower international fuel prices with the Brent price dropping to an average of US\$ 57.67 per barrel during the first half of 2015 from US\$ 108.93 per barrel during the same period of 2014.

<sup>2</sup> This drop in value of non-EDL fuel imports came despite the 26 percent increase in terms of volume, reflecting the large decrease in international fuel prices.

<sup>3</sup> This can be partly attributed to a lower price of gold during the period of Jan-June 2015 with an average of US\$ 1,205.5 per ounce compared to an average of US\$ 1,291.5 during the same period of 2014.

articles thereof" and "Aircraft engines and boilers" with respective drops of 43 percent (US\$ 196 million)<sup>4</sup>, 20 percent (US\$ 97 million)<sup>5</sup>, 11 percent (US\$ 37 million)<sup>6</sup> and 4 percent (US\$ 27 million)<sup>7</sup>, that more than offset the increases in imports of "Vehicles other than railway" and "Articles of apparel and clothing" by 13 percent (US\$ 92 million)<sup>8</sup> and 14 percent (US\$ 32 million)<sup>9</sup> respectively.

- As for the **breakdown of Lebanese imports by country of origin** during the first half of 2015, China remained Lebanon's top import trading partner with a share of 12 percent (US\$ 1,022 million) of total imports, noting that almost 15 percent of imports from this country are "Aircraft engines, Boilers, machinery and mechanical appliances". Italy, Germany and France followed with shares of 7 percent each.

Total **exports** reached US\$ 1,553 million during January-June of 2015, reflecting a drop of 6 percent compared to the same period of 2014, while in terms of volume it soared by a mere 1 percent.

- Exports of "Unwrought gold, un-mounted diamond & precious stones" dropped by 22 percent (US\$ 65 million) in terms of value, while in terms of volume it increased by 13 percent<sup>10</sup>.
- Excluding "Unwrought gold, un-mounted diamond & precious stones", exports decreased year-on-year by 3 percent (US\$ 40 million), mainly due to a decline in "Aircraft engines, Boilers, machinery and mechanical appliances" and "Plastic and articles" by 7 percent (US\$ 8 million)<sup>11</sup> and 11 percent (US\$ 7 million)<sup>12</sup> respectively.
- On the other hand, few categories registered a year-on-year increase, mainly exports of "fertilizers" and "Electrical machinery and equipment" which rose by US\$ 16 million (52 percent)<sup>13</sup> and by US\$ 11 million (11 percent)<sup>14</sup> respectively.
- **From a regional perspective**, exports to Arab countries witnessed a decline by 3 percent (US\$ 23 million) during the first half of 2015 compared to the same period of 2014. This drop is mainly due to decreases in exports to Syria, Jordan and Iraq by 14 percent (US\$ 16 million), 17 percent (US\$ 11 million) and 10 percent (US\$ 13 million) respectively, which offset the increase in exports to Saudi Arabia by 7 percent (US\$ 13 million)<sup>15</sup> and Egypt by 38 percent (US\$ 12 million).

---

<sup>4</sup> Mainly due to a decline in imports from China, Ukraine and Turkey by 54 percent (US\$ 156 million), 25 percent (US\$ 18 million) and 43 percent (US\$ 15 million) respectively.

<sup>5</sup> This contraction is mainly attributed to lower imports from China, Italy and Korea by 31 percent (US\$ 55 million), 32 percent (US\$ 11 million) and 30 percent (US\$ 8 million) respectively.

<sup>6</sup> The drop in "Plastics" is partly attributed to lower imports from Saudi Arabia by 15 percent (US\$ 12 million).

<sup>7</sup> The drop in "Aircraft engines" is mostly attributed to lower imports from China, USA and Germany by 13 percent (US\$ 23 million), 24 percent (US\$ 18 million) and 21 percent (US\$ 17 million) respectively that offset the increase in imports from United Kingdom by 224 percent (US\$ 42 million).

<sup>8</sup> This increase is a result of a hike of imports from Japan, Germany and USA by 22 percent (US\$ 24 million), 12 percent (US\$ 23 million) and 23 percent (US\$ 23 million) respectively.

<sup>9</sup> Mainly due to an increase in imports from Turkey and China by 71 percent (US\$ 16 million) and 15 percent (US\$ 10 million) respectively.

<sup>10</sup> This is mainly due to the export of a relatively large volume of "articles of goldsmiths or silversmiths wares and parts thereof, of precious metal or/of metal clad with precious metal" with 13,245 Kgs (46 percent of total exports of "Unwrought gold, un-mounted diamond & precious stones") having a value of US\$ 562 thousand (0.24 percent of total exports in this category). In comparison, these exports registered a volume of 6,363 Kgs in January-June 2014 with a value of US\$ 287 thousand.

<sup>11</sup> Mainly due to lower exports to Iraq by 56 percent (US\$ 14 million) which more than offset the increase in exports to Germany by 201 percent (US\$ 11 million) and Netherlands by 3210 percent (US\$ 10 million).

<sup>12</sup> This decrease is mainly related to lower exports to USA by 69 percent (US\$ 6 million).

<sup>13</sup> This increase can be explained by higher exports to Brazil by US\$ 21 million.

<sup>14</sup> This increase is partly due to higher exports to Saudi Arabia by 37 percent (US\$ 6 million).

<sup>15</sup> Mainly due to a y-o-y rise in exports of Electrical products by US\$ 22 million during January-June of 2015.

- Lastly, the **breakdown of Lebanese exports by major destination** shows that Saudi Arabia and the United Arab Emirates were at the top of the list during the first half of 2015 with respective shares of 13 percent and 10 percent, followed by other regional countries mainly Iraq, South Africa and Syrian Arab Republic with a share of 7 percent each.

**Table 2: Trade activity by value**

(US\$ millions)	2014	2015	% Change	2011	2012	2013	2014	2015	% Change
	June	June	June 15/14	Jan – June	Jan – June	Jan – June	Jan – June	Jan – June	Jan - June 15/14
<b>Imports</b>	<b>1,567</b>	<b>1,690</b>	<b>8%</b>	<b>9,228</b>	<b>10,882</b>	<b>10,796</b>	<b>10,280</b>	<b>8,789</b>	<b>-15%</b>
<i>of which mineral fuel &amp; oil</i>	288	277	-4%	1,698	3,213	2,657	2,326	1,422	-39%
-EDL registered fuel imports	0	0	NA	324	1,292	504	529	0	-100%
-Non EDL fuel imports	288	277	-4%	1,374	1,921	2,152	1,797	1,422	-21%
<i>of which Unwrought &amp; semi-manufactured gold, diamonds, precious stones &amp; metals</i>	69	75	9%	836	834	665	505	408	-19%
<b>Exports</b>	<b>278</b>	<b>281</b>	<b>1%</b>	<b>2,117</b>	<b>2,172</b>	<b>2,315</b>	<b>1,658</b>	<b>1,553</b>	<b>-6%</b>
<i>of which Unwrought gold, un-mounted diamond, &amp; precious metals</i>	43	34	-21%	697	854	537	303	237	-22%
<b>Trade Balance</b>	<b>-1,289</b>	<b>-1,409</b>	<b>9%</b>	<b>-7,111</b>	<b>-8,709</b>	<b>-8,481</b>	<b>-8,622</b>	<b>-7,236</b>	<b>-16%</b>

Source: Directorate General of Customs, Ministry of Finance

**Table 3: Trade activity by volume**

(Millions of kgs)	2014	2015	% Change	2011	2012	2013	2014	2015	% Change
	June	June	June 15/14	Jan – June	Jan – June	Jan – June	Jan – June	Jan – June	Jan - June 15/14
<b>Imports</b>	<b>1,144</b>	<b>1,398</b>	<b>22%</b>	<b>6,627</b>	<b>8,087</b>	<b>7,441</b>	<b>7,533</b>	<b>7,454</b>	<b>-1%</b>
<i>of which mineral fuel &amp; oil</i>	288	501	74%	2,237	3,594	2,878	2,629	2,599	-1%
-EDL registered fuel imports	0	0	NA	545	1,505	507	560	0	-100%
-Non EDL fuel imports	288	501	74%	1,692	2,089	2,371	2,069	2,599	26%
<i>of which Unwrought &amp; semi-manufactured gold, diamonds, precious stones &amp; metals (Kgs)</i>	125,806	115,533	-8%	530,346	521,122	653,380	546,520	535,587	-2%
<b>Exports</b>	<b>210</b>	<b>193</b>	<b>-8%</b>	<b>1,497</b>	<b>1,151</b>	<b>1,565</b>	<b>955</b>	<b>969</b>	<b>1%</b>
<i>of which Unwrought gold, un-mounted diamond, &amp; precious metals (Kgs)</i>	6,792	5,914	-13%	76,796	75,309	38,544	25,750	29,028	13%
<b>Trade Balance</b>	<b>-935</b>	<b>-1,205</b>	<b>29%</b>	<b>-5,130</b>	<b>-6,936</b>	<b>-5,875</b>	<b>-6,578</b>	<b>-6,485</b>	<b>-1%</b>

Source: Directorate General of Customs, Ministry of Finance

✚ The distribution of the top traded products is as follows:

**Table 4: IMPORT Distribution by Product (in US\$ million)**

Rank	Product	Jan-June 2014	% Share	Jan-June 2015	% Share	Value Change	% Change
1	Mineral fuels and oils	2,326	23%	1,422	16%	-903	-39%
2	Vehicles and accessories, cranes & lorries	699	7%	791	9%	92	13%
3	Aircraft engines, Boilers, machinery and mechanical appliances	640	6%	613	7%	-27	-4%
4	Pharmaceutical products	588	6%	569	6%	-20	-3%
5	Unwrought & semi-manufactured gold, diamonds, precious stones & metals	505	5%	408	5%	-96	-19%
6	Electrical machinery and equipment	494	5%	396	5%	-97	-20%
7	Plastics and articles thereof	344	3%	307	3%	-37	-11%
8	Iron and Steel	458	4%	262	3%	-196	-43%
9	Articles of apparel and clothing	229	2%	261	3%	32	14%
10	Cereals	181	2%	163	2%	-17	-10%
	Others	3,817	37%	3,597	41%	-220	-6%
	<b>Total</b>	<b>10,280</b>	<b>100%</b>	<b>8,789</b>	<b>100%</b>	<b>-1,491</b>	<b>-15%</b>

Source: MOF, DGC

**Table 5: EXPORT Distribution by Product (in US\$ million)**

Rank	Product	Jan-June 2014	% Share	Jan- June 2015	% Share	Value Change	% Change
1	Unwrought & semi-manufactured gold, diamonds, precious stones & metals	303	18%	237	15%	-65	-22%
2	Electrical machinery and equipment	104	6%	115	7%	11	11%
3	Aircraft engines, Boilers, machinery and mechanical appliances	122	7%	114	7%	-8	-7%
4	Preparations of vegetables	67	4%	67	4%	-1	-1%
5	Essential oils and resino	58	3%	64	4%	6	11%
6	Plastic and articles thereof	68	4%	61	4%	-7	-11%
7	Processed and Refined Copper	50	3%	50	3%	0	0%
8	Beverages, spirts and vinegar	50	3%	47	3%	-3	-5.4%
9	Fertilizers	30	2%	46	3%	16	52%
10	Furniture, bedding, mattresses	42	3%	44	3%	2	4%
	Others	764	46%	707	46%	-56	-7%
	<b>Total</b>	<b>1,658</b>	<b>100%</b>	<b>1,553</b>	<b>100%</b>	<b>-105</b>	<b>-6%</b>

Source: MOF, DGC



For further information please contact:  
**Ministry of Finance**  
Macro fiscal Department – Budget Directorate  
Tel: 961 1 956000- ext: 1716- 1740  
Website: [www.finance.gov.lb](http://www.finance.gov.lb)