

## TABLE OF CONTENTS

### Revenues

Page 2

### Expenditure

Page 2-3

### Public Debt Development

Page 3-4

## General Overview

The **total fiscal balance** recorded a deficit of LL 838 billion in Jan-Feb 2015, compared to a deficit of LL 369 billion during the same period of 2014 (Table 1). Furthermore, the first two months of 2015 recorded a primary deficit of LL 174 billion, as compared to a surplus of LL 251 billion during the same period of 2014. This fiscal outcome was the result of a LL 561 billion decrease in revenues, which was not compensated for by the LL 92 billion decrease in expenditure. Furthermore, the drop in revenues is mainly attributed to the absence of Transfers from the Telecom Surplus during Jan-Feb 2015, whereas these amounted to LL 313 billion during the same period of 2014 (Please refer to Figure 1 for a cash basis comparison between Jan-Feb 2014 and 2015 results).

**Table 1: Summary of Fiscal Performance**

(LL billion)	2014 Jan-Feb	2015 Jan-Feb	% Change 2015/2014
<b>Total Budget and Treasury Receipts<sup>1</sup></b>	<b>2,542</b>	<b>1,981</b>	<b>-22.1%</b>
<b>Total Budget and Treasury Payments, of which</b>	<b>2,911</b>	<b>2,819</b>	<b>-3.2%</b>
•Interest Payments	584	631	8.1%
•Concessional loans principal payment <sup>2</sup>	35	33	-7.7%
•Primary Expenditures <sup>3</sup>	2,292	2,155	-6.0%
<b>Total (Deficit)/Surplus</b>	<b>(369)</b>	<b>(838)</b>	<b>127.1%</b>
<b>Primary (Deficit)/Surplus</b>	<b>251</b>	<b>(174)</b>	<b>-169.3%</b>

Source: Ministry of Finance (MOF), Directorate General of Finance (DGF)

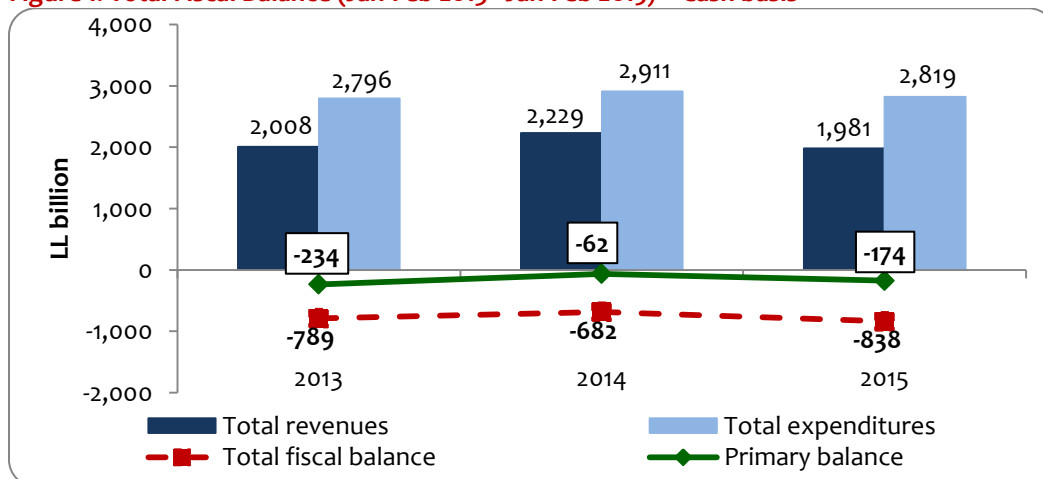
<sup>1</sup> Starting January 2015, Transfers from the Telecom Surplus figures for 2015 are being recorded on a cash basis in the Fiscal Performance, whereas for previous years, these figures remain the ones estimated by the Ministry of Telecommunication and MOF

<sup>2</sup> Includes only Principal repayments of concessional loans earmarked for project financing

<sup>3</sup> Primary expenditures exclude debt related payments (Interest payments and Concessional loans principal repayment)

On a **cash basis** - i.e. after excluding the LL 313 billion expected transfers from the Telecom Surplus in Jan-Feb 2014 and including the actual transfer from the Telecom Surplus (nil), the total deficit increased by 23 percent year-on-year during Jan-Feb 2015, from LL 682 billion in the first two months of 2014 to LL 838 billion in 2015. Correspondingly, the primary balance recorded a deficit of LL 174 billion in Jan-Feb 2015, compared to a smaller deficit of LL 62 billion in Jan-Feb 2014.

**Figure 1: Total Fiscal Balance (Jan-Feb 2013 - Jan-Feb 2015) – Cash basis<sup>1/</sup>**



Source: Ministry of Finance (MOF), Directorate General of Finance (DGF)

<sup>1/</sup> On a cash basis, transfers from the Telecom Surplus were nil during Jan-Feb 2013, 2014 and 2015.

## Revenues

**Total revenues<sup>1</sup>** registered a year-on-year decrease of LL 561 billion (22 percent) to reach LL 1,981 billion in Jan-Feb 2015, as compared to LL 2,542 billion in Jan-Feb 2014. On a cash basis, total revenues recorded a smaller decrease of 11 percent, down from the LL 2,229 billion registered in Jan-Feb 2014.

**Tax revenues** declined by LL 41 billion (2 percent) year-on-year to reach LL 1,656 billion in Jan-Feb 2015, as a result of lower collections from all major sub-categories except **taxes on income, profits and capital gains**.

**Domestic taxes on goods and services** recorded the steepest decline in nominal terms, falling by LL 54 billion, owing primarily to a drop in the Value-added tax. In detail, VAT collected internally rose by 4 percent, while VAT at customs fell by 19 percent in part due to lower international oil prices that significantly reduced VAT collections on gasoline products. **Taxes on property** decreased by LL 10 billion due to lower Real Estate Registration fees by LL 21 billion (17 percent), which was mainly driven by a 27 percent decrease in the number of sale transactions. The drop in Real Estate Registration fees was partly offset by a LL 9 billion increase in Built Property tax. Moreover, revenues from **Fiscal Stamps** dropped by LL 6 billion over the period.

**Taxes on international trade** inched down by LL 3 billion during the first two months of 2015, reflecting a LL 16 billion drop in Customs duties that was almost counterbalanced by a LL 14 billion increase in excises. In detail, gasoline excises improved by LL 19 billion (24 percent), namely due to a 13 percent increase in the volume of imported gasoline as well as a policy that increased gasoline excises by LL 530 per 20 liters of 95 Octane and LL 470 per 20 liters of 98 Octane<sup>2</sup>. It is noteworthy that the gasoline excise is a per liter tax, thus depends on the quantity of imported gasoline and is not affected by variations in international oil prices.

The abovementioned decreases were partly offset by a LL 32 billion increase in **taxes on income, profits and capital gains**.

**Non-tax revenues<sup>3</sup>** decreased by LL 408 billion (68 percent) year-on-year, amounting to LL 189 billion in Jan-Feb 2015. On a cash basis, non-tax revenues registered a smaller decline of LL 95 billion, noting that cash transfers from the Telecom Surplus were nil during both Jan-Feb 2014 and 2015. The most notable decreases include a LL 50 billion drop in revenues from Port of Beirut, reflecting a discrepancy in timing of payments, as well as a LL 40 billion decrease in Property Income (*for more information, kindly refer to the January 2015 Public Finance Monitor*).

**Treasury receipts** recorded a LL 112 billion (45 percent) decrease to reach LL 136 billion in Jan-Feb 2015. It is worth mentioning that Treasury receipts are transitory in nature and as such, variations in these collections are usually not reflective of economic activity.

## Expenditure

**Total expenditures** reached LL 2,819 billion in Jan-Feb 2015, decreasing by LL 92 billion compared to Jan-Feb 2014, mainly driven by drops in various transfers and capital expenditure.

<sup>1</sup> On an expected basis.

<sup>2</sup> Following Higher Council of Customs' Decision 1/2015 (dated 13 January 2015), gasoline excise rates were set at LL 5,060 per 20 liters of 95 Octane and LL 4,950 per 20 liters of 98 Octane.

<sup>3</sup> On an expected basis.

**Current primary expenditures**<sup>4</sup> decreased by LL 94 billion, reaching LL 1,805 billion in Jan-Feb 2015. This was mainly the result of (i) a LL 100 billion decrease in transfers to NSSF, (ii) a LL 56 billion decrease in transfers to Electricité du Liban<sup>5</sup> owing to lower international crude oil prices, (iii) a LL 23 billion decrease in materials and supplies partly due to a decline in payments for medicaments and (iv) a LL 22 billion decrease in interest subsidy mainly due to a difference in the timing of payment. These decreases were mitigated by a LL 82 billion increase in salaries, wages and social benefits, mainly due to an increase in allowances and social benefits to military personnel.

**Interest payments** rose by LL 47 billion to reach LL 631 billion in Jan-Feb 2015, due to higher debt service payments on the local currency component. **Foreign debt principal repayments** amounted to LL 33 billion in Jan-Feb 2015, showing no significant change from the same periods of 2013 and 2014.

**Capital expenditures** decreased by LL 72 billion to reach LL 163 billion in Jan-Feb 2015, down from LL 235 billion in Jan-Feb 2014, chiefly as a result of (i) a LL 78 billion decrease in construction in progress due to the accounting adjustment for treasury advances (*for more information, kindly refer to the January 2014 Public Finance Monitor*), (ii) an LL 11 billion decrease in **other expenditures related to fixed capital assets**. These drops were partly offset by a LL 20 billion rise in spending on **maintenance**.

**Treasury expenditures**<sup>6</sup> increased by LL 13 billion to reach LL 149 billion in Jan-Feb 2015, as compared to LL 135 billion in Jan-Feb 2014. In details, deposits and VAT refund increased by LL 17 billion and LL 16 billion, respectively. Such increases were partially counterbalanced by a LL 35 billion decrease in transfers to Municipalities - mainly resulting from a decrease in payments to solid waste management companies by LL 44 billion. It is worth noting that transfers to municipalities include cheques that were registered during the month of February but have not been paid yet, amounting to LL 8 billion.

## Public Debt

**Gross public debt** stood at LL 104,390 billion at end-February 2015, up by 4.0 percent from end-2014, whereas net debt increased at a slower pace of 1.3 percent, owing to the 21 percent jump in public sector deposits to LL 16,913 billion.

**Local currency debt** reached LL 62,830 billion, up by 1.7 percent from end-2014, accounting for 60 percent of total debt. Local currency debt holdings by the Central Bank increased by LL 717 billion, followed by Commercial Banks with an increase of LL 206 billion. Commercial banks remained the largest holders of local currency debt with 50 percent of the outstanding stock. Other investors in local currency Treasury bills and bonds, including Public entities increased added LL 144 billion to their portfolio to LL 7,845 billion or 12 percent of the total.

<sup>4</sup> Current primary expenditures represent current expenditures excluding interest payment and debt service.

<sup>5</sup> In 2015, new contracts were signed between the Lebanese Republic and petroleum suppliers, Sonatrach and KPC, specifying new payment mechanisms for fuel oil and gasoil imports. Under the new contracts, reimbursements for imports were set to be made 30 to 45 days from the opening date of letters of credit, compared to previous periods of 180 to 270 days for Sonatrach and KPC respectively. This new structure reduces interest payments due to suppliers and results on the fiscal front in a direct pass-through from the change in international oil prices to Treasury transfers to EDL. Correspondingly, payments made in 2015 compare to a different structure of payments in previous years, when actual payments pertained to imports 180 to 270 days earlier.

<sup>6</sup> Starting December 2011, the Treasury expenditures section in the monthly, quarterly and yearly reports and its corresponding figures differ from the same section appearing in the fiscal performance reports published by the Ministry of Finance because of the reclassification affecting certain payments from guarantees and treasury advances accounts, which are manually reclassified in their budgetary economic classification articles.

In contrast, the stock of **foreign currency debt** recorded a large expansion of LL 2,959 billion in the first two months of 2015, following the issuance of a new US\$ 2.2 billion market Eurobond in February, and which resulted in an 8.8 percent rise in outstanding market Eurobonds to LL 35,461 billion. As a result, the share of foreign currency debt from gross outstanding debt increased by around 1.5 percentage points to 40 percent. The new Eurobond issuance was 223% oversubscribed and consisted of two tranches, a US\$ 1,400 million 6.650% coupon Eurobond due February 2030, and an US\$ 800 million 6.200% coupon Eurobond due February 2025<sup>7</sup>. Other notable changes in foreign currency debt in Jan-Feb 2015 included a LL 63 billion drop in “Bilateral, multilateral and foreign private sector loans”, and decreases in Paris II and Paris III related bonds and loans by LL 27 billion and LL 48 billion respectively. Those were mainly due to amortized principal repayments and negative valuation adjustments owing to the depreciation of the euro to €/€ 1.122 from €/€ 1.217 as at end-2014.

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<sup>7</sup> More information on the February 2015 Eurobond issuance can be found under Debt Transactions in the Public Debt Section on the Ministry of Finance website: “Dual-tranche: US\$ 800 million 6.20% notes due Feb 2025 and 1.4 billion 6.65% notes due Feb 2030, issued 26 Feb 2015”.

## SECTION 1: REVENUE OUTCOME

**Table 2: Total Revenues**

(LL billion)	2014 Jan-Feb	2015 Jan-Feb	% Change 2015/2014
<b>Budget Revenues, of which</b>	<b>2,295</b>	<b>1,846</b>	<b>-19.6%</b>
Tax Revenues	1,697	1,656	-2.4%
Non-Tax Revenues	597	189	-68.3%
<b>Treasury Receipts</b>	<b>248</b>	<b>136</b>	<b>-45.2%</b>
<b>Total Revenues</b>	<b>2,542</b>	<b>1,981</b>	<b>-22.1%</b>

Source: Ministry of Finance (MOF), Directorate General of Finance (DGF)

**Table 3: Tax Revenues**

(LL billion)	2014 Jan-Feb	2015 Jan-Feb	% Change 2015/2014
<b>Tax Revenues:</b>	<b>1,697</b>	<b>1,656</b>	<b>-2.4%</b>
<b>Taxes on Income, Profits, &amp; Capital Gains, of which</b>	<b>433</b>	<b>465</b>	<b>7.3%</b>
Income Tax on Profits	111	129	15.9%
Income Tax on Wages and Salaries	171	169	-0.7%
Income Tax on Capital Gains & Dividends	20	26	29.9%
Tax on Interest Income (5%)	125	131	4.9%
Penalties on Income Tax	6	9	52.0%
<b>Taxes on Property, of which:</b>	<b>166</b>	<b>156</b>	<b>-5.9%</b>
Built Property Tax	25	34	34.1%
Real Estate Registration Fees	122	102	-16.8%
<b>Domestic Taxes on Goods &amp; Services, of which:</b>	<b>700</b>	<b>646</b>	<b>-7.8%</b>
Value Added Tax	651	597	-8.2%
Other Taxes on Goods and Services, of which:	46	45	-2.3%
Private Car Registration Fees	31	28	-9.7%
Passenger Departure Tax	14	16	13.9%
<b>Taxes on International Trade, of which:</b>	<b>310</b>	<b>308</b>	<b>-0.8%</b>
Customs	126	109	-13.0%
Excises, of which:	185	198	7.4%
Gasoline Excise	79	98	23.6%
Tobacco Excise	50	42	-16.3%
Cars Excise	54	57	6.1%
<b>Other Tax Revenues (namely fiscal stamp fees)</b>	<b>88</b>	<b>81</b>	<b>-7.2%</b>

Source: Ministry of Finance (MOF), Directorate General of Finance (DGF)

**Table 4: Non-Tax Revenues**

(LL billion)	2014 Jan-Feb	2015 Jan-Feb	% Change 2015/2014
<b>Non-Tax Revenues</b>	<b>597</b>	<b>189</b>	<b>-68.3%</b>
<b>Income from Public Institutions and Government Properties, of which:</b>	<b>467</b>	<b>54</b>	<b>-88.4%</b>
Income from Non-Financial Public Enterprises, of which:	394	20	-94.8%
Revenues from Casino Du Liban	22	20	-9.7%
Revenues from Port of Beirut	50	0	-100.0%
Budget Surplus of National Lottery	8	0	-100.0%
Transfer from the Telecom Surplus <sup>1/</sup>	313	0	-100.0%
Property Income (namely rent of Rafic Hariri International Airport)	73	33	-54.6%
Other Income from Public Institutions (interests)	1	1	-24.9%
<b>Administrative Fees &amp; Charges, of which:</b>	<b>105</b>	<b>108</b>	<b>2.2%</b>
Administrative Fees, of which:	81	76	-6.2%
Notary Fees	5	5	7.9%
Passport Fees/ Public Security	24	29	20.0%
Vehicle Control Fees	36	29	-19.9%
Judicial Fees	4	4	8.3%
Driving License Fees	3	3	20.6%
Administrative Charges	11	15	40.2%
Permit Fees (mostly work permit fees)	11	12	13.3%
Other Administrative Fees & Charges	2	4	69.4%
<b>Penalties &amp; Confiscations</b>	<b>2</b>	<b>2</b>	<b>47.2%</b>
<b>Other Non-Tax Revenues (mostly retirement deductibles)</b>	<b>23</b>	<b>25</b>	<b>9.3%</b>

Source: Ministry of Finance (MOF), Directorate General of Finance (DGF)

<sup>1/</sup> Starting January 2015, Transfers from the Telecom Surplus figures for 2015 are being recorded on a cash basis in the Fiscal Performance, whereas for previous years, these figures remain the ones estimated by the Ministry of Telecommunication and MOF. Out of the expected LL 313 billion in Jan- Feb2014, none was effectively transferred from the Telecom Surplus.

## SECTION 2: EXPENDITURE OUTCOME

**Table 5: Expenditure by Economic Classification**

(LL billion)	2014 Jan-Feb	2015 Jan-Feb	% Change 2015/2014
<b>1. Current Expenditures</b>	<b>2,518</b>	<b>2,469</b>	<b>-2.0%</b>
1.a Personnel Cost, of which	1,015	1,116	9.9%
Salaries, Wages and Related Benefits	667	749	12.3%
Retirement and End of Service Compensations, of which:	292	306	4.9%
Retirement	269	281	4.6%
End of Service	23	25	8.5%
Transfers to Public Institutions to Cover Salaries 1/	56	61	7.9%
1.b Interest Payments, 2/	584	631	8.1%
Domestic Interest Payments	419	466	11.1%
Foreign Interest Payments	165	166	0.3%
1.c Foreign Debt Principal Repayment	35	33	-7.7%
1.d Materials and Supplies, of which:	80	58	-28.2%
Nutrition	16	17	4.1%
Fuel Oil	2	2	-24.6%
Medicaments	35	27	-21.5%
1.e External Services	38	20	-46.0%
1.f Various Transfers, of which:	607	433	-28.7%
EDL 3/	370	314	-15.1%
NSSF	100	0	-100.0%
Higher Council of Relief	5	20	314.8%
Contributions to non-public sectors	56	45	-20.1%
Transfers to Directorate General of Cereals and Beetroot 4/	0	10	N.M.
Contributions to water authorities	12	0	-100.0%
1.g Other Current, of which:	124	164	33.0%
Hospitals	104	145	40.0%
Others (judgments & reconciliations, mission costs, other)	18	15	-20.8%
1.h Interest subsidy	35	13	-63.3%
<b>2. Capital Expenditures</b>	<b>235</b>	<b>163</b>	<b>-30.7%</b>
2.a Acquisitions of Land, Buildings, for the Construction of Roads, Ports, Airports, and Water Networks	0	0	N.M.
2.b Equipment	13	9	-30.1%
2.c Construction in Progress, of which:	180	102	-43.1%
Council of the South	10	0	-100.0%
CDR	63	65	3.7%
Ministry of Public Work and Transport	23	14	-38.0%
Other	22	22	-2.0%
2.d Maintenance	30	50	66.2%
2.e Other Expenditures Related to Fixed Capital Assets	12	1	-91.8%
<b>3. Budget Advances 5/</b>	<b>10</b>	<b>14</b>	<b>42.9%</b>
<b>4. Customs Administration (exc. Salaries and Wages) 6/</b>	<b>12</b>	<b>23</b>	<b>95.0%</b>
<b>5. Treasury Expenditures 7/</b>	<b>135</b>	<b>149</b>	<b>10.0%</b>
Municipalities	68	33	-51.7%
Guarantees	3	6	117.4%
Deposits 8/	11	28	151.4%
Other, of which:	53	82	54.7%
VAT Refund	29	45	57.8%
<b>6. Total Expenditures (Excluding CDR Foreign Financed)</b>	<b>2,911</b>	<b>2,819</b>	<b>-3.2%</b>

Source: Statement of Account 36, Cashier Spending, Public Debt Department Figures, Fiscal Performance Gross Adjustment Figures

1/ For a detailed breakdown of those transfers, kindly refer to table 6.

2/ For a detailed breakdown of interest payments, kindly refer to table 7.

3/ For a detailed breakdown of transfers to EDL, kindly refer to table 8. EDL has been reclassified to various transfers from "other treasury expenditures", following the reclassification of the 2009 Budget Proposal and in line with the Fiscal Performance.



4/ Transfers to Directorate General of Cereals and Beetroot include both administrative expenses and payments for wheat subsidy.

5/ Budget Advances were previously classified under "other". Given their growth, and in line with the Ministry of Finance's efforts to ensure transparency, they will be published in a separate line. They will be regularized at a later stage, and it is only after their regularization that they can be classified according to their economic nature in the budget system.

6/ Customs administrations include payments - excluding salaries and wages - made to customs and paid from customs cashiers. They can only be classified after Customs submit the supporting documents to the Directorate General of Finance.

7/ Starting December 2011, the Treasury expenditures section in the monthly, quarterly and yearly reports and its corresponding figures differ from the eponym section appearing in the Fiscal performance reports published by the Ministry of Finance because of the reclassification affecting certain payments from guarantees and treasury advances accounts which are manually reclassified in their budgetary economic classification articles.

8/ Deposit payments are payments made by the treasury to public administrations, institutions, municipalities, funds, from revenues it has collected on their behalf.

**Table 6: Breakdown of Transfers to Public Institutions for the Coverage of Salaries**

(LL billion)	2014 Jan-Feb	2015 Jan-Feb	% Change 2015/2014
Transfer to Council of the South	5	0	-100.0%
Transfer to CDR	3	0	-100.0%
Transfer to the Displaced Fund	1	0	-100.0%
Transfer to the Lebanese University	45	61	34.6%
Transfer to the Educational Center for Research and Development	2	0	-100.6%

Source: Ministry of Finance (MOF), Directorate General of Finance (DGF)

**Table 7: Details of Debt Service Transactions<sup>1</sup>**

(LL billion)	2014 Jan-Feb	2015 Jan-Feb	% Change 2015/2014
<b>Interest Payments</b>	<b>584</b>	<b>631</b>	<b>7.9%</b>
Local Currency Debt	419	465	10.9%
Foreign Currency Debt, of which:	165	166	0.3%
Eurobond Coupon Interest*	146	147	0.4%
Special bond Coupon Interest*	1	2	8.2%
Concessional Loans Interest Payments	18	17	-0.9%
<b>Concessional Loans Principal Repayments</b>	<b>35</b>	<b>33</b>	<b>-7.7%</b>

Source: Ministry of Finance (MOF), Directorate General of Finance (DGF)

<sup>(1)</sup> Please note that the classification of debt service expenditures is now broken into two separate categories as follows: Interest Payments (as per GFS classification) and repayment of principal on concessional loans earmarked for project financing.

\* Includes general expenses related to the transaction

**Table 8: Transfers to EDL<sup>1,2</sup>**

(LL billion)	2014 Jan-Feb	2015 Jan-Feb	% Change 2015/2014
EDL of which:	370	314	-15.1%
Debt Service	11	10	-8.3%
Reimbursement for purchase of Natural Gas, Fuel & Gas Oil	359	304	-15.4%

Source: Ministry of Finance (MOF), Directorate General of Finance (DGF)

<sup>(1)</sup> Prior to 2005, transfers to EDL were recorded under the line item "treasury expenditures", because they were paid through treasury advances based on decrees issued by the Council of Ministers. Starting 2005, transfers to EDL were included in the yearly budget as an allocation classified as a loan. In 2009, the said budget item was reclassified to become a subsidy to the electricity company rather than a treasury. In the fiscal performance, transfers to cover EDL's gas and fuel oil remained classified under "treasury expenditures" until August 2010 when it was reclassified under "budget expenditures". This reclassification, however, was not reflected in the 2010 PFM issues to avoid a disruption in the series and in order to keep the figures published in the PFM throughout 2010 consistent and comparable. Since January 2011, EDL transfers are reclassified under "budget expenditures".

<sup>(2)</sup> In 2015, new contracts were signed between the Lebanese Republic and petroleum suppliers, Sonatrach and KPC, specifying new payment mechanisms for fuel oil and gasoil imports. Under the new contracts, reimbursements for imports were set to be made 30 to 45 days from the opening date of letters of credit, compared to previous periods of 180 to 270 days for Sonatrach and KPC respectively. This new structure reduces interest payments due to suppliers and results on the fiscal front in a direct pass-through from the change in international oil prices to Treasury transfers to EDL. Correspondingly, payments made in 2015 compare to a different structure of payments in previous years, when actual payments pertained to imports 180 to 270 days earlier.



## SECTION 3: PUBLIC DEBT

**Table 9: Public Debt Outstanding by Holder as of End-February 2015**

(LL billion)	Dec-13	Dec-14	Feb-15	% Change Dec 14 - Feb 15
<b>Gross Public Debt</b>	<b>95,710</b>	<b>100,363</b>	<b>104,390</b>	<b>4.0%</b>
<b>Local Currency Debt</b>	<b>56,312</b>	<b>61,752</b>	<b>62,830</b>	<b>1.7%</b>
* Accrued Interest Included in Debt	877	1,029	1,127	9.5%
a. Central Bank (Including REPOs)	17,171	19,855	20,572	3.6%
b. Commercial Banks	29,905	31,468	31,674	0.7%
c. Other Local Currency Debt (T-bills), of which:	9,236	10,429	10,584	1.5%
Public Entities	7,117	7,701	7,845	1.9%
Contractor bonds 1/	134	180	180	0.0%
<b>Foreign Currency Debt 2/</b>	<b>39,398</b>	<b>38,611</b>	<b>41,560</b>	<b>7.7%</b>
a. Bilateral, Multilateral and Foreign Private Sector Loans	2,606	2,752	2,679	-2.3%
b. Paris II Related Debt (Eurobonds and Loans) 3/	2,338	1,743	1,716	-1.5%
c. Paris III Related Debt (Eurobonds and Loans) 4/	1,187	986	938	-4.9%
d. Market-Issued Eurobonds	32,688	32,584	35,461	8.8%
e. Accrued Interest on Eurobonds	444	425	646	52.0%
f. Special T-bills in Foreign Currency 5/	136	121	121	0.0%
<b>Public Sector Deposits</b>	<b>15,495</b>	<b>13,965</b>	<b>16,913</b>	<b>21.1%</b>
<b>Net Debt 6/</b>	<b>80,215</b>	<b>86,398</b>	<b>87,477</b>	<b>1.3%</b>
<b>Gross Market Debt 7/</b>	<b>65,386</b>	<b>67,380</b>	<b>70,691</b>	<b>4.9%</b>
<b>% of Total Debt</b>	<b>68%</b>	<b>67%</b>	<b>68%</b>	<b>0.9%</b>

Source: Ministry of Finance, Banque du Liban

<sup>(1)</sup> Contractor bonds issued in LBP. Contractor bonds issued in USD are listed under "Special T-bills in foreign currency".

<sup>(2)</sup> Figures for Dec 13- Dec 14 may differ from previously published data due to updated information regarding bilateral and multilateral loans in the DMFAS system.

<sup>(3)</sup> Paris II related debt (Eurobonds and Loans) including a Eurobond originally issued at USD 1,870 billion to BDL in the context of the Paris II conference.

<sup>(4)</sup> Eurobonds Issued to Malaysia as part of its Paris III contribution, IBRD loan, UAE loan, first and second tranches of the French loan received in February 2008.

<sup>(5)</sup> Special Tbs in foreign currency (expropriation and contractor bonds).

<sup>(6)</sup> Net Debt is obtained by subtracting Public Sector Deposits from Gross Public Debt.

<sup>(7)</sup> Gross market debt equals gross debt less the portfolios of the BDL, NSSF, bilateral and multilateral loans, Paris II and Paris III related debt.

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