Section 1: Fiscal Overview

Highlights:

In January 2006, the total fiscal balance registered a total deficit of LL 3 billion, improving by 98 percent over January 2005, compared to a deficit of LL 155 billion for the same period in 2005. The total primary surplus amounted to LL 271 billion, a 398 percent increase compared to LL 54 billion in January 2005. This resulted from a 26 percent increase in total receipts and equality in total payments between January 2006 and January 2005.

Table 1. Summary of Fiscal Performance

<table>
<thead>
<tr>
<th>(LL billion)</th>
<th>2005</th>
<th>2006</th>
<th>Change</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>January</td>
<td>January</td>
<td>2005-2006</td>
<td></td>
</tr>
<tr>
<td>Budget Revenue</td>
<td>567</td>
<td>690</td>
<td>123</td>
<td>21.7%</td>
</tr>
<tr>
<td>Budget Expenditures</td>
<td>399</td>
<td>477</td>
<td>78</td>
<td>19.6%</td>
</tr>
<tr>
<td>o/w Debt Service</td>
<td>210</td>
<td>274</td>
<td>64</td>
<td>30.5%</td>
</tr>
<tr>
<td><strong>Budget Deficit/Surplus</strong></td>
<td>168</td>
<td>212</td>
<td>45</td>
<td>26.8%</td>
</tr>
<tr>
<td>in % of Budget Expenditures</td>
<td>42.0%</td>
<td>44.5%</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Budget Primary Deficit/Surplus</strong></td>
<td>377</td>
<td>486</td>
<td>109</td>
<td>28.9%</td>
</tr>
<tr>
<td>in % of Budget Expenditures</td>
<td>94.6%</td>
<td>101.9%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Treasury Receipts</td>
<td>24</td>
<td>53</td>
<td>29</td>
<td>120.3%</td>
</tr>
<tr>
<td>Treasury Payments</td>
<td>347</td>
<td>269</td>
<td>-78</td>
<td>-22.6%</td>
</tr>
<tr>
<td>Total Budget and Treasury Receipts</td>
<td>591</td>
<td>743</td>
<td>152</td>
<td>25.8%</td>
</tr>
<tr>
<td>Total Budget and Treasury Payments</td>
<td>746</td>
<td>746</td>
<td>0</td>
<td>0.0%</td>
</tr>
<tr>
<td><strong>Total Cash Deficit/Surplus</strong></td>
<td>-155</td>
<td>-3</td>
<td>152</td>
<td>-98.1%</td>
</tr>
<tr>
<td>in % of Total Expenditures</td>
<td>-20.8%</td>
<td>-0.4%</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Primary Deficit/Surplus</strong></td>
<td>54</td>
<td>271</td>
<td>216</td>
<td>397.8%</td>
</tr>
<tr>
<td>in % of Total Expenditures</td>
<td>7.3%</td>
<td>36.3%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: Ministry of Finance (MOF), Directorate General of Finance (DGF)
Section 2: Revenue Outcome

Highlights:

1. Total revenues for the first month of 2006 reached LL 743 billion compared to LL 591 billion in January 2005.

2. This 26 percent increase in overall revenues was mainly due to the 316 percent increase in non-tax revenues, which totaled LL 161 billion by the end of January 2006. The main reason behind the increase pertained to the absence of transfer from the Telecom Surplus in January 2005 – this transfer amounted to LL 120 billion during January 2006.

3. Tax revenues totaled LL 529 billion in January 2006, nearly equivalent to the overall tax collection level in January 2005. In fact, whereas most tax revenue items performed similarly to the previous year, taxes on income, profits, and capital gains registered 10 percent increase in collection, and property registration fees further witnessed 21 percent higher revenues, both of which offset the 13 percent decrease in revenues from taxes on international trade (customs and excises), which was mainly caused by the 42 percent loss in fuel excise revenues, resulting from the cap on gasoline prices.

4. Treasury receipts increased by 120 percent, mainly due to the rise in municipalities revenues, which totaled LL 27 billion in January 2006 compared to LL 7 billion in January 2005.
### Table 2. Total Revenue

<table>
<thead>
<tr>
<th>(LL billion)</th>
<th>2005</th>
<th>2006</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Budget Revenues, of which:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tax Revenues</td>
<td>567</td>
<td>690</td>
<td>21.8%</td>
</tr>
<tr>
<td>Non-Tax Revenues</td>
<td>528</td>
<td>529</td>
<td>0.2%</td>
</tr>
<tr>
<td>Treasury Receipts</td>
<td>39</td>
<td>161</td>
<td>316.2%</td>
</tr>
<tr>
<td>Total Revenues</td>
<td>591</td>
<td>743</td>
<td>25.8%</td>
</tr>
</tbody>
</table>

Source: MOF, DGF

### Table 3. Tax Revenue

<table>
<thead>
<tr>
<th>(LL billion)</th>
<th>2005</th>
<th>2006</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tax Revenues:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Taxes on Income, Profits, &amp; Capital Gains, of which:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Income Tax on Profits</td>
<td>36</td>
<td>31</td>
<td>-13.5%</td>
</tr>
<tr>
<td>Income Tax on Wages and Salaries</td>
<td>44</td>
<td>50</td>
<td>13.8%</td>
</tr>
<tr>
<td>Income Tax on Capital Gains &amp; Dividends</td>
<td>13</td>
<td>18</td>
<td>41.8%</td>
</tr>
<tr>
<td>Tax on Interest Income (5%)</td>
<td>26</td>
<td>32</td>
<td>21.1%</td>
</tr>
<tr>
<td>Penalties on Income Tax</td>
<td>3</td>
<td>2</td>
<td>-15.5%</td>
</tr>
<tr>
<td>Taxes on Property, of which:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Built Property Tax</td>
<td>5</td>
<td>5</td>
<td>-0.8%</td>
</tr>
<tr>
<td>Real Estate Registration Fees</td>
<td>19</td>
<td>23</td>
<td>21.0%</td>
</tr>
<tr>
<td>Domestic Taxes on Goods &amp; Services, of which:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Value Added Tax</td>
<td>222</td>
<td>221</td>
<td>-0.7%</td>
</tr>
<tr>
<td>Other Taxes on Goods and Services, of which:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Private Car Registration Fees</td>
<td>7</td>
<td>9</td>
<td>14.1%</td>
</tr>
<tr>
<td>Passenger Departure Tax</td>
<td>5</td>
<td>2</td>
<td>-69.5%</td>
</tr>
<tr>
<td>Taxes on International Trade, of which:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Customs</td>
<td>36</td>
<td>35</td>
<td>-1.0%</td>
</tr>
<tr>
<td>Excises, of which:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Petroleum Tax</td>
<td>46</td>
<td>27</td>
<td>-41.7%</td>
</tr>
<tr>
<td>Tobacco Tax</td>
<td>16</td>
<td>17</td>
<td>5.7%</td>
</tr>
<tr>
<td>Tax on Cars</td>
<td>17</td>
<td>20</td>
<td>20.6%</td>
</tr>
<tr>
<td>Other Tax Revenues (namely fiscal stamp fees)</td>
<td>26</td>
<td>26</td>
<td>3.5%</td>
</tr>
</tbody>
</table>

Source: MOF, DGF

Public Finance Monitor – January 2006


**Chart 2.**

![Evolu...](image)

**Table 4. Non-Tax Revenue**

<table>
<thead>
<tr>
<th>(LL billion)</th>
<th>2005 January</th>
<th>2006 January</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Non-Tax Revenues</strong></td>
<td>39</td>
<td>161</td>
<td>316.2%</td>
</tr>
<tr>
<td><strong>Income from Public Institutions and Government Properties, of which:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Income from Non-Financial Public Enterprises, of which:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><em>Revenues from Casino Du Liban</em></td>
<td>3</td>
<td>0</td>
<td>-100.0%</td>
</tr>
<tr>
<td><em>Revenues from Port of Beirut</em></td>
<td>0</td>
<td>0</td>
<td>0.0%</td>
</tr>
<tr>
<td><em>Budget Surplus of National Lottery</em></td>
<td>5</td>
<td>3</td>
<td>-40.0%</td>
</tr>
<tr>
<td><em>Transfer from the Telecom Surplus</em></td>
<td>0</td>
<td>120</td>
<td>100.0%</td>
</tr>
<tr>
<td>Property Income (namely rent of Rafic Hariri International Airport)</td>
<td>2</td>
<td>3</td>
<td>33.6%</td>
</tr>
<tr>
<td><strong>Other Income from Public Institutions (interests)</strong></td>
<td>0</td>
<td>1</td>
<td>30.9%</td>
</tr>
<tr>
<td><strong>Administrative Fees &amp; Charges, of which:</strong></td>
<td>21</td>
<td>26</td>
<td>22.7%</td>
</tr>
<tr>
<td>Administrative Fees, of which:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><em>Notary Fees</em></td>
<td>1</td>
<td>1</td>
<td>-7.0%</td>
</tr>
<tr>
<td><em>Passport Fees/ Public Security</em></td>
<td>7</td>
<td>9</td>
<td>29.6%</td>
</tr>
<tr>
<td><em>Vehicle Control Fees</em></td>
<td>4</td>
<td>6</td>
<td>65.4%</td>
</tr>
<tr>
<td><em>Judicial Fees</em></td>
<td>1</td>
<td>2</td>
<td>45.0%</td>
</tr>
<tr>
<td><em>Driving License Fees</em></td>
<td>1</td>
<td>1</td>
<td>-26.7%</td>
</tr>
<tr>
<td>Administrative Charges</td>
<td>2</td>
<td>2</td>
<td>-17.0%</td>
</tr>
<tr>
<td>Sales (Official Gazette and License Number)</td>
<td>0</td>
<td>0</td>
<td>27.0%</td>
</tr>
<tr>
<td>Permit Fees (mostly work permit fees)</td>
<td>3</td>
<td>3</td>
<td>-2.7%</td>
</tr>
<tr>
<td>Other Administrative Fees &amp; Charges</td>
<td>0</td>
<td>0</td>
<td>-4.5%</td>
</tr>
<tr>
<td><strong>Penalties &amp; Confiscations</strong></td>
<td>0</td>
<td>0</td>
<td>8.0%</td>
</tr>
<tr>
<td><strong>Other Non-Tax Revenues (mostly retirement deductibles)</strong></td>
<td>6</td>
<td>8</td>
<td>24.0%</td>
</tr>
</tbody>
</table>

Source: MOF, DGF
Section 3: Expenditure Outcome

Total expenditures for January 2006 totaled LL 746 billion, which is the same level reported in January 2005. Despite the fact that the same level of spending was reported, different patterns governed the trends when segregating expenditure data as debt/non-debt spending, and as budget/treasury spending.

1. Debt service reported LL 274 billion in January 2006, increasing by 64 billion, as compared to its level of January 2005, i.e., by around 30 percent

2. Meanwhile non-debt expenditures registered 472 billion in January 2006, decreasing by LL 64 billion as compared to January 2005, compensating thus for the increase in debt service and maintaining the total expenditure in January 2006 at the same level of 2005. Within the non-debt expenditures, different trends were noticed, mainly when segregating expenditure data as treasury/budget.

   a. Primary expenditures summed up to LL 472 billion in January 2006, decreasing by LL 64 billion when compared to LL 536 billion for the same period of 2005 due to a contraction in current non-interest and capital spending by LL 79 billion and LL 33 billion respectively. The decrease in current non-interest and capital spending is attributable to the following major factors:

      • Various transfers (65 percent decrease): LL 20 billion were transferred to the NSSF in January 2005 while no payments were made in January 2006,

      • Other current (33 percent decrease): mainly due to a one-time settlement of LL 13 billion conducted in January 2005 of arbitration decisions relating to the Ministries of Public Works and Education
Construction under progress (56 percent decrease): LL 47 billion were transferred to the CDR in January 2005, while LL 9 billion were transferred in January 2006.

b. The decline in primary budget expenditures was counterbalanced by an expansion in other treasury expenditures which increased by LL 47 billion. The increase in these expenditures was due to two major factors:

- Increase by LL 51 billion in transfers to municipalities
- Increase by LL 9 billion in treasury advances for diesel oil subsidy

c. Direct transfers to EDL increased by LL 25 billion when compared to January 2005. However, this increase is offset by the indirect transfer to EDL that took place during the month of January 2005 in the form of treasury advances to water authorities in settlement of unpaid accrued electricity bills (Refer to Table 7).

Table 5. Expenditures by Transaction Classification

<table>
<thead>
<tr>
<th>(LL billion)</th>
<th>2005</th>
<th>2006</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Expenditures</td>
<td>746</td>
<td>746</td>
<td>-0.0%</td>
</tr>
<tr>
<td>Budget Expenditures</td>
<td>399</td>
<td>477</td>
<td>19.6%</td>
</tr>
<tr>
<td>Expenditures Excluding Debt Service</td>
<td>189</td>
<td>204</td>
<td>7.5%</td>
</tr>
<tr>
<td>Debt Service, of which:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Domestic Debt</td>
<td>210</td>
<td>274</td>
<td>30.5%</td>
</tr>
<tr>
<td>Foreign Debt, of which:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Eurobond Coupon Interest</td>
<td>69</td>
<td>94</td>
<td>36.8%</td>
</tr>
<tr>
<td>Concessional Loans Principal Payments</td>
<td>15</td>
<td>15</td>
<td>-3.3%</td>
</tr>
<tr>
<td>Concessional Loans Interest Payments</td>
<td>3</td>
<td>4</td>
<td>43.3%</td>
</tr>
<tr>
<td>Treasury Expenditures, of which:</td>
<td>347</td>
<td>269</td>
<td>-22.6%</td>
</tr>
<tr>
<td>Municipalities</td>
<td>7</td>
<td>58</td>
<td>746.0%</td>
</tr>
<tr>
<td>Previous Years’ Appropriations</td>
<td>256</td>
<td>127</td>
<td>-50.4%</td>
</tr>
<tr>
<td>Non-Interest Expenditures (Total Expenditure minus Debt Service)</td>
<td>536</td>
<td>472</td>
<td>-11.9%</td>
</tr>
</tbody>
</table>

Source: MOF, DGF

Chart 4.

Expenditure by Economic Classification
January 2006

Personnel Cost 38%
Debt Service Payments 38%
Capital Expenditures 5%
Treasury Inc. EDL 17%
Other Expenditures 10%
### Table 6. Expenditures by Economic Classification

<table>
<thead>
<tr>
<th>(LL billion)</th>
<th>2005 January</th>
<th>2006 January</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>1. Current expenditures</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1.a Personnel cost, of which</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Article 13: Salaries and wages</td>
<td>589</td>
<td>574</td>
<td>-2.7%</td>
</tr>
<tr>
<td>Retirement and end of service compensations</td>
<td>274</td>
<td>226</td>
<td>-17.7%</td>
</tr>
<tr>
<td>1.b Debt service payments</td>
<td>189</td>
<td>155</td>
<td>-18.0%</td>
</tr>
<tr>
<td>1.c Materials and supplies</td>
<td>62</td>
<td>66</td>
<td>6.7%</td>
</tr>
<tr>
<td>1.d External services</td>
<td>3</td>
<td>7</td>
<td>115.1%</td>
</tr>
<tr>
<td>1.e Various transfers</td>
<td>37</td>
<td>13</td>
<td>-64.9%</td>
</tr>
<tr>
<td>o/w NSSF</td>
<td>62</td>
<td>66</td>
<td>6.7%</td>
</tr>
<tr>
<td>1.f Other current</td>
<td>210</td>
<td>274</td>
<td>30.5%</td>
</tr>
<tr>
<td>Hospitals</td>
<td>20</td>
<td>0</td>
<td>-100.0%</td>
</tr>
<tr>
<td>Others</td>
<td>8</td>
<td>4</td>
<td>-53.1%</td>
</tr>
<tr>
<td>1.g Reserves</td>
<td>37</td>
<td>13</td>
<td>-64.9%</td>
</tr>
<tr>
<td>Interest subsidy</td>
<td>37</td>
<td>13</td>
<td>-64.9%</td>
</tr>
<tr>
<td>2. Capital expenditures</td>
<td>73</td>
<td>40</td>
<td>-44.7%</td>
</tr>
<tr>
<td>2.a Acquisitions of land, buildings, for the construction of roads, ports, airports, and water networks</td>
<td>0</td>
<td>4</td>
<td>8840.0%</td>
</tr>
<tr>
<td>2.b Equipment</td>
<td>3</td>
<td>2</td>
<td>-30.8%</td>
</tr>
<tr>
<td>2.c Construction in Progress</td>
<td>61</td>
<td>27</td>
<td>-55.9%</td>
</tr>
<tr>
<td>2.d Maintenance</td>
<td>8</td>
<td>4</td>
<td>-53.1%</td>
</tr>
<tr>
<td>2.e Other Expenditures Related to Fixed Capital Assets</td>
<td>0</td>
<td>0</td>
<td>-64.2%</td>
</tr>
<tr>
<td>3. Other treasury expenditures, of which</td>
<td>81</td>
<td>128</td>
<td>58.0%</td>
</tr>
<tr>
<td>Municipalities</td>
<td>7</td>
<td>58</td>
<td>745.9%</td>
</tr>
<tr>
<td>EDL</td>
<td>1</td>
<td>26</td>
<td>2361.4%</td>
</tr>
<tr>
<td>Treasury advances for water authorities</td>
<td>48</td>
<td>0</td>
<td>-100.0%</td>
</tr>
<tr>
<td>Treasury advances for diesel oil subsidy</td>
<td>8</td>
<td>17</td>
<td>123.1%</td>
</tr>
<tr>
<td>4. Unclassified expenditures</td>
<td>0</td>
<td>0</td>
<td>-64.2%</td>
</tr>
<tr>
<td>5. Customs cashiers</td>
<td>3</td>
<td>3</td>
<td>24.5%</td>
</tr>
<tr>
<td>6. Total expenditures (excluding CDR foreign financed)</td>
<td>746</td>
<td>746</td>
<td>-0.1%</td>
</tr>
</tbody>
</table>

Source: statement of account 36, cashier spending, Public Debt Department figures, Fiscal performance gross adjustment figures

Public Finance Monitor – January 2006
### Table 7. Transfers to EDL

<table>
<thead>
<tr>
<th>(LL billion)</th>
<th>2005</th>
<th>2006</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>January</td>
<td>January</td>
<td></td>
</tr>
<tr>
<td>EDL of which:</td>
<td>49</td>
<td>26</td>
<td>-47.6%</td>
</tr>
<tr>
<td>Debt Service of which:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>C-Loans and Eurobonds, of which:</td>
<td>1</td>
<td>9</td>
<td>797.1%</td>
</tr>
<tr>
<td>Principal Payment</td>
<td>1</td>
<td>6</td>
<td>825.3%</td>
</tr>
<tr>
<td>Interest Payment</td>
<td>0</td>
<td>2</td>
<td>731.3%</td>
</tr>
<tr>
<td>Loans for Fuel Oil Payment</td>
<td>0</td>
<td>17</td>
<td>100.0%</td>
</tr>
<tr>
<td>BDL Guaranteed Loan Payment</td>
<td>0</td>
<td>0</td>
<td>0.0%</td>
</tr>
<tr>
<td>Treasury Advance for Fuel Purchase</td>
<td>0</td>
<td>0</td>
<td>0.0%</td>
</tr>
<tr>
<td>Treasury Advance for EDL’s Losses</td>
<td>-</td>
<td>0</td>
<td>0.0%</td>
</tr>
<tr>
<td>Material and supplies (electricity bills)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Treasury advance to water authorities</td>
<td>48</td>
<td>0</td>
<td>-100.0%</td>
</tr>
<tr>
<td>Expropriations</td>
<td>0</td>
<td>0</td>
<td>0.0%</td>
</tr>
</tbody>
</table>

Source: MOF, DGF

### Section 4: Public Debt

#### Highlights:

1. By the end of January 2006, gross public debt reached LL 58,139 billion (equivalent to US$ 39 billion), rising by LL 89 billion (or 0.2 percent) over the end-December 2005 debt level.

2. Local currency debt amounted to LL 29,086 billion (equivalent to US$ 19 billion), registering a drop-off of LL 55 billion or 0.2 percent over the end-December 2005 level.

3. By end-January 2006, foreign currency debt amounted to LL 29,053 billion (equivalent to US$ 19 billion), increasing by LL 144 billion (or 0.5 percent) over the end-December 2005 level.

4. BDL portfolio of treasury bills continued to decline as appetite for Lebanese Pound denominated treasury bills during January continued to be strong, especially by commercial banks. Accordingly, domestic debt held by BDL decreased by LL 299 billion in January 2006 compared to end December 2005. Meanwhile, domestic debt held by commercial banks increased by LL 268 billion during the month of January 2006.

5. Public sector deposits amounted to LL 5,559 billion, decreasing by around LL 30 billion from their December 2005 level.
<table>
<thead>
<tr>
<th>Table 8. Public Debt Outstanding by Holder as of End-January 2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>(LL Billion)</td>
</tr>
<tr>
<td>-----------------</td>
</tr>
<tr>
<td>Gross Public debt</td>
</tr>
<tr>
<td>Local currency debt</td>
</tr>
<tr>
<td>Ratio to total debt</td>
</tr>
<tr>
<td>a. Central Bank (including REPOS and Loans to EdL to finance fuel purchases)*</td>
</tr>
<tr>
<td>o/w Zero coupon T-bills</td>
</tr>
<tr>
<td>o/w Special Tbills issued at 4%</td>
</tr>
<tr>
<td>b. Commercial Banks</td>
</tr>
<tr>
<td>o/w Zero coupon T-bills</td>
</tr>
<tr>
<td>c. Other Domestic Debt (T-bills)</td>
</tr>
<tr>
<td>o/w Public entities</td>
</tr>
<tr>
<td>Foreign currency debt</td>
</tr>
<tr>
<td>Ratio to total debt</td>
</tr>
<tr>
<td>a. Bilateral, Multilateral and Foreign Private sector loans</td>
</tr>
<tr>
<td>b. Paris II related debt (Eurobonds and Loans)</td>
</tr>
<tr>
<td>c. BDL Eurobond (Paris II)</td>
</tr>
<tr>
<td>d. Market Eurobonds</td>
</tr>
<tr>
<td>o/w Zero interest Eurobonds issued to Comm. Bnks</td>
</tr>
<tr>
<td>e. Accrued Interest on foreign currency debt</td>
</tr>
<tr>
<td>f. Special Tbs in Foreign currency**</td>
</tr>
<tr>
<td>Public sector deposits</td>
</tr>
<tr>
<td>Net debt</td>
</tr>
<tr>
<td>Gross market debt***</td>
</tr>
<tr>
<td>% of total debt</td>
</tr>
</tbody>
</table>

Source: Ministry of Finance, Banque du Liban

Notes:

* The BDL has extended loans to EDL for the equivalent amount of US$ 300 million to purchase fuel oil. These loans are listed as public debt as they are government guaranteed.

** Special Tbs in Foreign currency (expropriation bonds)

*** Gross market debt equals gross debt less the portfolios of the BDL, NSSF, bilateral and multilateral loans, and Paris II related debt.
Chart 5.

Evolution of Public Debt

- Local currency debt
- Foreign currency debt
- Total
- Net Debt
- Gross Market Debt

<table>
<thead>
<tr>
<th>Date</th>
<th>Local currency debt</th>
<th>Foreign currency debt</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dec-03</td>
<td>30,000</td>
<td>50,000</td>
<td>80,000</td>
</tr>
<tr>
<td>Dec-04</td>
<td>32,000</td>
<td>52,000</td>
<td>84,000</td>
</tr>
<tr>
<td>Dec-05</td>
<td>34,000</td>
<td>54,000</td>
<td>88,000</td>
</tr>
<tr>
<td>Jan-06</td>
<td>36,000</td>
<td>56,000</td>
<td>92,000</td>
</tr>
</tbody>
</table>
For further information please contact:

**Ministry of Finance**  
UNDP Project  
Tel: 961 1 981057/8  
Fax: 961 1 981059  
E-mail: infocenter@finance.gov.lb  
Website: www.finance.gov.lb