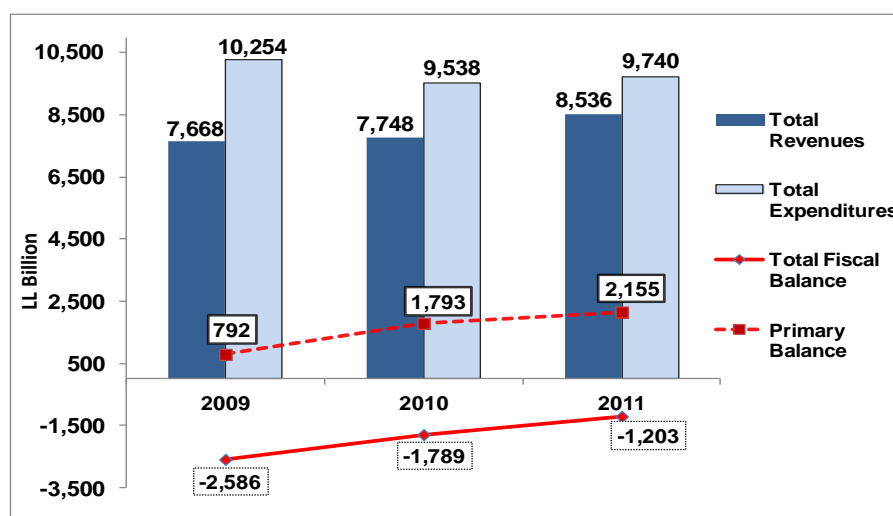


**The total fiscal balance** registered a deficit of LL 1,203 billion in January-July 2011 compared to a deficit of LL 1,789 billion in the same period in 2010. As for the **primary balance**, it recorded a surplus of LL 2,155 billion in the first seven months of 2011 compared to a surplus of LL 1,793 billion in the corresponding period of 2010. These figures are the result of a 10.2 percent increase in revenues (generated by the inclusion of the expected revenues from the Ministry of Telecommunications), and a 7.1 percent increase in expenditures.

When expected telecommunications' revenues (LL 1,253 billion) are excluded, **the fiscal deficit** widens to LL 2,457 billion in January-July 2011, while **the primary surplus** drops to LL 902 billion, due to a 6 percent drop in total receipts, coupled with a 2.1 percent rise in total payments.



**Total revenues** for the seven-month period ended July 31, 2011 amounted to LL 8,536 billion, as compared to LL 7,748 billion for the corresponding period in 2010. Although tax revenues fell by 2.5 percent, total revenues over the said period increased by 10.2 percent due to the inclusion of the expected revenues from the Ministry of Telecommunications accrued for the period. If these revenues are excluded, total revenues would decrease by 6 percent, as compared to the same period of the previous year, due to a 2.5 percent decline in tax revenues and a 31.7 percent decline in non-tax revenues.

**Tax revenues** dropped by 3 percent in the first seven months of 2011, to LL 6,170 billion compared to LL 6,330 billion in 2010. *Taxes on income, profits, and capital gains* rose by LL 300 billion (or 19 percent), resulting from a LL 188 billion increase in *income tax on profits*, owing to higher profits realized in 2010. Apart from this, all other tax components registered decreases as follows:

- LL 381 billion (or 23 percent) drop in *taxes on international trade*, led by a LL 361 billion (31 percent) decrease in excises – due to a large extent to lower collection on gasoline<sup>1</sup> (by LL 267 billion) and lower collection on cars (by LL 105 billion). Customs also witnessed a downturn (LL 20 billion or 4 percent), despite higher imports in January-July 2011 compared to the same period of 2010.
- LL 47 billion (or 7 percent) drop in *taxes on property*, mainly due to lower collection from real estate registration.
- LL 31 billion (or 1 percent) drop in *domestic taxes on goods and services*. Collection from *private car registration fees* and *passenger departure tax* dropped by LL 24 billion and LL 5 billion respectively. VAT receipts remained stable, as the LL 44 billion drop in VAT at customs was offset by a LL 42 billion increase from VAT collected internally.

<sup>1</sup> The decline in excise on gasoline was the result of the Higher Council of Customs' decision on 26 February 2011 to reduce the excise on gasoline by LL 5,000 per 20 liters.

With the inclusion of the expected revenues from the Ministry of Telecommunications (LL 1,253 billion), **non-tax revenues** increased over the period from LL 986 billion in 2010 to LL 1,926 billion in 2011, an increase of LL 941 billion, or 95.5 percent. With the exclusion of expected revenues from the Ministry of Telecommunications, non-tax revenues would decline from LL 986 billion in the first seven months of 2010 to LL 673 billion during the corresponding period in 2011, a decrease of 31.7 percent. Actual transfers from the Ministry of Telecommunications during the same period of 2010 were LL 331 billion, which does not reflect total accrued revenues from the Ministry of Telecommunications over the period.

**Treasury receipts** amounted to LL 440 billion, LL 7 billion higher than the January-July 2010 level, of which LL 182 billion for the Independent Municipal Fund.

**Total expenditures** in January-July 2011 increased by LL 202 billion, to LL 9,740 billion from LL 9,538 billion in 2010.

**Current primary expenditures** increased by LL 513 billion as a result of the following changes:

- LL 223 billion rise in salaries, wages, and related items (Article 13)<sup>2</sup>, and a LL 95 billion rise in retirement and end-of-service compensations.
- LL 64 billion increase in transfers to EDL due to higher international oil prices<sup>3</sup>
- LL 120 billion increase in transfers to NSSF as part of the annual government contribution to the maternity and sickness fund from the 2010 Budget Proposal
- LL 58 billion payment for the wheat subsidy

**Interest payments** fell by LL 225 billion (7 percent) to LL 3,177 billion due to lower debt service payments on domestic and foreign currency debt:

- On the **local currency debt**, interest payments totaled LL 2,023 billion for the January-July 2011 period and witnessed a drop of LL 159 billion over the same period in 2010, due to 50 percent lower discount interest payments (lower volume of maturities) and a 5 percent reduction in coupon payments, noting that the maturing t-bills in 2011 carry a substantially lower weighted average cost.
- On the **foreign currency debt**, interest payments totalled LL 1,154 billion in January-July 2011, 5 percent (LL 66 billion) lower than payments in 2010, due to LL 36 billion less Eurobond coupon payments and LL 23 billion lower concessional loans interest payments.

**Foreign debt principal payments** amounted to LL 182 billion for January-July 2011, a 1 percent increase compared to the same period in 2010.

**Capital expenditures** increased by LL 41 billion to reach LL 409 billion for January-July 2011, mainly due to a LL 27 billion increase in the construction-in-progress by the Ministry of Public Works and Transport and LL 43 billion in maintenance, mainly for roads. Payments to various funds and public institutions increased in January-July 2011 by LL 25 billion to the Lebanese University, and by LL 6 billion to CDR. Notably, expenditures related to fixed capital assets registered an 82 percent (or LL 42 billion) drop in the review period compared to one year earlier, due to lower transfers to IDAL's Export Plus Program.

**Other treasury expenditures** decreased by LL 138 billion, to LL 478 billion following the slowdown of VAT refunds paid in the first seven months of 2011. VAT refunds reached only LL 81 billion compared to LL 218 billion in January-July 2010.

**Gross public debt** increased by LL 300 billion from the end-December 2010 level, to LL 79,598 billion in July 2011.

**Local currency debt** increased by LL 49 billion to LL 48,304 billion. The sharp reduction of LL 3,693 billion in *holdings by commercial banks* was equally compensated by a rise of LL 3,684 billion in *BDL's domestic debt portfolio*. The LBP-denominated debt portfolio was affected by the following transactions:

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<sup>2</sup> For details, refer to the June 2011 issue of the publication "Salaries and Wages and Related Benefits-The Article 13 Monthly Bulletin".

<sup>3</sup> For details, refer to the July 2011 issue of the publication "Transfers to EDL – A Monthly Snapshot".

- The Debt Replacement Agreement between the Ministry of Finance and Banque du Liban in January 2011<sup>4</sup>.
- The issuance of 7.90 percent 7yr LL bonds that took place on March 24<sup>th</sup>, 2011<sup>5</sup>.
- The issuance of 7.90 percent 7yr LL bonds on April 21<sup>st</sup>, 2011<sup>6</sup>.

**Foreign currency debt** witnessed an increase in stock by LL 251 billion, mainly as a result of a LL 471 billion increase in market-issued Eurobonds, a LL 143 billion increase in bilateral, multilateral and foreign private sector loans and a LL 352 billion decrease in Paris II-related debt. The change in the market-issued Eurobonds pertains to:

- US\$ 265 million issuance on January 18th, 2011 undertaken through a Debt Replacement Agreement between the Ministry of Finance and Banque du Liban.
- US\$ 1 billion dual-tranche issuance on May 20th, 2011.<sup>7</sup>

**Table 1. Summary of Fiscal Performance<sup>1</sup>**

(LL billion)	2010 July	2011 July	2010 Jan-July	2011 Jan-July	% Change 2011/2010
<b>Total Budget and Treasury Receipts</b>	<b>1,202</b>	<b>1,350</b>	<b>7,748</b>	<b>8,536</b>	<b>10%</b>
<b>Total Budget and Treasury Payments, of which</b>	<b>1,621</b>	<b>1,249</b>	<b>9,538</b>	<b>9,740</b>	<b>2%</b>
• Interest Payments	521	310	3,402	3,177	-7%
• Concessional loans principal payments <sup>2</sup>	40	38	180	182	1%
• Primary Expenditures <sup>3</sup>	1,061	901	5,955	6,381	7%
<b>Total Cash Deficit/Surplus</b>	<b>-419</b>	<b>101</b>	<b>-1,789</b>	<b>-1,203</b>	<b>-33%</b>
<b>Primary Deficit/Surplus</b>	<b>141</b>	<b>449</b>	<b>1,793</b>	<b>2,155</b>	<b>20%</b>

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

<sup>1</sup> The results for the first seven months of 2011 are not necessarily indicative of the actual results for the full year.

<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)

<sup>4</sup> For details, refer to the corresponding note published on [www.finance.gov.lb](http://www.finance.gov.lb)

<sup>5</sup> For details, refer to the March 2011 PFM.

<sup>6</sup> For details, refer to the April 2011 PFM.

<sup>7</sup> For details, refer to the May 2011 PFM.

## Section 1: Revenue Outcome

**Table 2. Total Revenue**

(LL billion)	2010 July	2011 July	2010 Jan-July	2011 Jan-July	% Change 2011/2010
<b>Budget Revenues, of which</b>	<b>1,105</b>	<b>1,261</b>	<b>7,315</b>	<b>8,096</b>	<b>11%</b>
Tax Revenues	1,026	1,002	6,330	6,170	-3%
Non-Tax Revenues <sup>1</sup>	79	259	986	1,926	95%
<b>Treasury Receipts</b>	<b>97</b>	<b>90</b>	<b>433</b>	<b>440</b>	<b>2%</b>
<b>Total Revenues</b>	<b>1,202</b>	<b>1,350</b>	<b>7,748</b>	<b>8,536</b>	<b>10%</b>

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

<sup>1</sup> Non-tax revenues, and thus Budget Revenues and Total Revenues, for 2011 include anticipated transfers of LL 1,253 billion from the Ministry of Telecommunications, representing revenues accrued for the benefit of Ministry of Finance during the period from January 1, 2011 to July 31, 2011, which are currently held in the Ministry of Telecommunications' account at BDL. Non-tax revenues for the period January 1 to July 31, 2010 include the amount of LL 331 billion actually transferred by the Ministry of Telecommunications to the Ministry of Finance during the period. This amount does not reflect all of the accrued telecommunications revenues due to the Ministry of Finance for the period.

**Table 3. Tax Revenue**

(LL billion)	2010 July	2011 July	2010 Jan-July	2011 Jan-July	% Change 2011/2010
<b>Tax Revenues:</b>	<b>1,026</b>	<b>1,002</b>	<b>6,330</b>	<b>6,170</b>	<b>-3%</b>
<b>Taxes on Income, Profits, &amp; Capital Gains, of which</b>	<b>168</b>	<b>213</b>	<b>1,557</b>	<b>1,858</b>	<b>19%</b>
Income Tax on Profits	6	10	751	939	25%
Income Tax on Wages and Salaries	82	97	278	327	18%
Income Tax on Capital Gains & Dividends	17	35	145	180	25%
Tax on Interest Income (5%)	62	68	372	394	6%
Penalties on Income Tax	1	2	11	16	42%
<b>Taxes on Property, of which:</b>	<b>95</b>	<b>78</b>	<b>662</b>	<b>615</b>	<b>-7%</b>
Built Property Tax	9	5	109	93	-15%
Real Estate Registration Fees	79	67	504	455	-10%
<b>Domestic Taxes on Goods &amp; Services, of which:</b>	<b>451</b>	<b>466</b>	<b>2,196</b>	<b>2,165</b>	<b>-1%</b>
Value Added Tax	424	434	1,981	1,979	
Other Taxes on Goods and Services, of which:	25	30	209	180	-14%
Private Car Registration Fees	23	18	141	116	-17%
Passenger Departure Tax	2	12	67	62	-7%
<b>Taxes on International Trade, of which:</b>	<b>264</b>	<b>190</b>	<b>1,639</b>	<b>1,258</b>	<b>-23%</b>
Customs	73	69	468	448	-4%
Excises, of which:	191	121	1,171	810	-31%
Gasoline Excise	96	48	600	334	-44%
Tobacco Excise	33	35	206	215	4%
Cars Excise	61	38	360	256	-29%
<b>Other Tax Revenues (namely fiscal stamp fees)</b>	<b>49</b>	<b>54</b>	<b>275</b>	<b>274</b>	

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

**Table 4. Non-Tax Revenue**

<b>(LL billion)</b>	<b>2010</b>	<b>2011</b>	<b>2010</b>	<b>2011</b>	<b>% Change</b>
	<b>July</b>	<b>July</b>	<b>Jan-July</b>	<b>Jan-July</b>	<b>2011/2010</b>
<b>Non-Tax Revenues<sup>1</sup></b>	<b>79</b>	<b>259</b>	<b>986</b>	<b>1,926</b>	<b>95%</b>
<b>Income from Public Institutions and Government Properties, of which</b>	<b>29</b>	<b>208</b>	<b>623</b>	<b>1,544</b>	<b>148%</b>
Income from Non-Financial Public Enterprises, of which:	22	205	527	1,429	171%
<i>Revenues from Casino Du Liban</i>	12	13	98	102	4%
<i>Revenues from Port of Beirut</i>	0	0	65	48	-26%
<i>Budget Surplus of National Lottery</i>	10	0	31	25	-20%
<i>Transfer from the Telecom Surplus</i>	0	192	331	1,253	279%
Transfer from Public Financial Institution (BDL)	0	0	60	60	1%
Property Income (namely rent of Rafic Hariri International Airport)	6	2	34	49	44%
Other Income from Public Institutions (interests)	1	0	3	5	94%
<b>Administrative Fees &amp; Charges, of which:</b>	<b>40</b>	<b>40</b>	<b>297</b>	<b>301</b>	<b>1%</b>
Administrative Fees, of which:	34	33	243	245	1%
<i>Notary Fees</i>	2	3	17	17	-2%
<i>Passport Fees/ Public Security</i>	13	13	68	74	8%
<i>Vehicle Control Fees</i>	12	11	106	108	2%
<i>Judicial Fees</i>	2	2	14	15	7%
<i>Driving License Fees</i>	2	1	14	9	-36%
Administrative Charges	1	1	15	14	-7%
Sales (Official Gazette and License Number)	0	0	4	2	-47%
Permit Fees (mostly work permit fees)	5	5	29	32	9%
Other Administrative Fees & Charges	1	1	6	8	20%
<b>Penalties &amp; Confiscations</b>	<b>1</b>	<b>1</b>	<b>4</b>	<b>6</b>	<b>42%</b>
<b>Other Non-Tax Revenues (mostly retirement deductibles)</b>	<b>9</b>	<b>10</b>	<b>61</b>	<b>76</b>	<b>25%</b>

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

<sup>1</sup> Non-tax revenues, and thus Budget Revenues and Total Revenues, for 2011 include anticipated transfers of LL 1,253 billion from the Ministry of Telecommunications, representing revenues accrued for the benefit of Ministry of Finance during the period from January 1, 2011 to July 31, 2011, which are currently held in the Ministry of Telecommunications' account at BDL. Non-tax revenues for the period January 1 to July 31, 2010 include the amount of LL 331 billion actually transferred by the Ministry of Telecommunications to the Ministry of Finance during the period. This amount does not reflect all of the accrued telecommunications revenues due to the Ministry of Finance for the period.

## Section 2: Expenditure Outcome

**Table 5. Expenditure by Economic Classification**

(LL billion)	2010 Jan-July	2011 Jan-July	%Change 2011/2010
<b>1. Current Expenditures</b>	<b>8,401</b>	<b>8,690</b>	<b>3.4%</b>
1.a Personnel Cost, of which	2,879	3,224	12%
<i>Salaries, Wages and Related Items (Article 13)</i>	1,933	2,156	11.5%
<i>Retirement and End of Service Compensations, of which:</i>	780	875	12%
<i>Retirement</i>	622	694	12%
<i>End of Service</i>	158	181	14%
<i>Transfers to Public Institutions to Cover Salaries 1/</i>	166	193	17%
1.b Interest Payments, of which: 2/	3,402	3,177	-7%
<i>Domestic Interest Payments</i>	2,182	2,023	-7%
<i>Foreign Interest Payments</i>	1,221	1,154	-5%
1.c Foreign Debt Principal Repayment	180	182	1%
1.d Materials and Supplies, of which:	163	182	12%
<i>Nutrition</i>	34	33	-3%
<i>Fuel Oil</i>	5	5	4%
<i>Medicaments</i>	83	91	9%
<i>Accounting Adjustments for Treasury 3/</i>	21	25	19%
1.e External Services	67	72	8%
1.f Various Transfers, of which:	1,407	1,564	11%
<i>EDL 4/</i>	1,080	1,144	6%
<i>NSSF</i>	0	120	
<i>Treasury advances for diesel oil subsidy</i>	61	0	-100%
<i>Wheat Subsidy</i>	0	58	
<i>Special Tribunal for Lebanon</i>	41	0	-100%
<i>Accounting Adjustments for Treasury 3/</i>	2	18	1074%
1.g Other Current, of which:	237	216	-9%
<i>Hospitals</i>	197	166	-15.5%
<i>Others(judgments &amp; reconciliations, mission costs, other)</i>	34	41	21.5%
<i>Accounting Adjustments for Treasury</i>	5	7	27%
1.h Reserves	66	73	10%
<i>Interest subsidy</i>	66	73	10%
<b>2. Capital Expenditures</b>	<b>368</b>	<b>409</b>	<b>11%</b>
2.a Acquisitions of Land, Buildings, for the Construction of Roads, Ports, Airports, and Water Networks	1	1	62%
2.b Equipment	25	29	18%
2.c Construction in Progress, of which:	214	240	12%
<i>Displaced Fund</i>	30	23	-25%
<i>Council of the South</i>	20	34	72%
<i>CDR</i>	107	99	-8%
<i>Ministry of Public Work and Transport</i>	44	61	38%
<i>Other, of which</i>	12	23	96%
<i>Higher Council of Relief</i>	0	13	
2.d Maintenance	77	119	55%
2.e Other Expenditures Related to Fixed Capital Assets	52	10	-82%
2.f Parliamentary Equipment and Maintenance 5/	0	9	
<b>3. Budget Advances 6/</b>	<b>126</b>	<b>139</b>	<b>10%</b>
<b>4. Customs Administration (exc. Salaries and Wages) 7/</b>	<b>24</b>	<b>23</b>	<b>-2%</b>
<b>5. Other Treasury Expenditures</b>	<b>616</b>	<b>478</b>	<b>-22%</b>
Municipalities	274	234	-15%
Guarantees	49	31	-36%
Deposits 8/	39	53	36%
Other, of which:	254	137	-46%
<i>VAT Refund</i>	218	81	-63%
<i>Higher Council of Relief</i>	0	0	
Treasury advances for water authorities	0	23	
<b>6. Unclassified Expenditures</b>	<b>3</b>	<b>1</b>	<b>-76%</b>
<b>7. Total Expenditures (Excluding CDR Foreign Financed)</b>	<b>9,538</b>	<b>9,740</b>	<b>2%</b>

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

1/ For a detailed breakdown of these transfers, kindly refer to Table 6.

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

3/ The expenditure figures as published by the Ministry of Finance include the regularization from the budget allocations of treasury advances previously paid from treasury accounts. These regularizations are included on both the revenue and expenditure side for accounting purposes and do not constitute an actual spending that affects the deficit.

4/ 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.

5/ These are reclassifications of payments made from the guarantees under Law 123 dated 23 July 2010, that opened, in the 2010 Budget, a LL20 billion allocation for the equipment and maintenance of the House of Parliament. The law allowed the provision of an emergency advance issued by a Decision from the Speaker of Parliament specifying the amount and the duration of the advance. The advance is to be regularized based on invoices certified by the Secretariat of the Office of Parliament and submitted to the Ministry of Finance .

6/ 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.

7/ Customs administration 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

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)	2010 Jan-July	2011 Jan-July	%Change 2011/2010
Transfer to Council of the South	9	6	-26%
Transfer to Council for Development and Reconstruction (CDR)	15	22	41%
Transfer to the Displaced Fund	3	3	8%
Transfer to the Lebanese University	130	155	19%
Transfer to the Educational Center for Research and Development	9	7	-19%

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

**Table 7. Details of Debt Service Transactions**

(LL billion)	2010 July	2011 July	2010 Jan-July	2011 Jan-July	%Change 2011/2010
<b>Interest Payments <sup>1/</sup></b>	<b>521</b>	<b>310</b>	<b>3,402</b>	<b>3,177</b>	<b>-7%</b>
Local Currency Debt	394	232	2,182	2,023	-7%
Foreign Currency Debt, of which:	127	79	1,220	1,154	-5%
Eurobond Coupon Interest*	118	72	1,118	1,082	-3%
Special bond Coupon Interest*	0	0	9	2	-74%
Concessional Loans Interest Payments	9	6	93	70	-25%
<b>Concessional Loans Principal Repayments</b>	<b>40</b>	<b>38</b>	<b>180</b>	<b>182</b>	<b>1%</b>

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

1/ 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</sup>**

(LL billion)	2010 Jan-July	2011 Jan-July	%Change 2011/2010
<b>EDL of which:</b>	<b>1,080</b>	<b>1,144</b>	<b>6%</b>
<b>Debt Service of which:</b>	<b>61</b>	<b>60</b>	<b>-1%</b>
- C-Loans, of which:	45	40	-11%
Principal Repayments	38	33	-12%
Interest Payments	7	7	-4%
- BDL Guaranteed Loan payments	16	20	25%
<b>Reimbursement for purchase of Natural Gas, Fuel &amp; Gas Oil:</b>	<b>1,020</b>	<b>1,084</b>	<b>6%</b>
- KPC & SPC	1,020	1,029	1%
- EGAS <sup>2</sup>	-	55	-

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, is not yet reflected in the PFM to avoid series disruption and in order to keep the figures published in the PFM throughout 2010 consistent and comparable. Starting January 2011, EDL transfers will be reclassified under "budget expenditures".

(2) The sum of LL 42 billion was paid to EGAZ in May 2011, bringing the total to LL 55 billion during the first five months of 2011. The April 2011 PFM issue did not detail the category "Reimbursement for purchase of Natural Gas, Fuel & Gas oil", which in fact included a LL 13 billion payment to EGAZ

## Section 3: Public Debt

**Table 10. Public Debt Outstanding by Holder as of End-Jun 2011**

(LL billion)	Dec-08	Dec-09	Dec-10	Jul-11	Change Dec 10-Jul 11	% Change Dec10-Jul 11
<b>Gross Public Debt</b>	<b>70,941</b>	<b>77,112</b>	<b>79,298</b>	<b>79,598</b>	<b>300</b>	<b>0.38%</b>
<b>Local Currency Debt</b>	<b>39,007</b>	<b>44,973</b>	<b>48,255</b>	<b>48,304</b>	<b>49</b>	<b>0.10%</b>
a. Central Bank (Including REPOs and Loans to EDL to Finance Fuel Purchases) <sup>(1)</sup>	8,781	10,334	13,130	16,814	3,684	28.06%
b. Commercial Banks	24,320	27,286	27,214	23,521	-3,693	-13.57%
c. Other Local Currency Debt (T-bills), of which:	5,906	7,353	7,911	7,969	58	0.73%
Public Entities	5,062	6,078	6,268	6,686	418	6.67%
* Accrued Interest Included in Debt	1,029	999	867	847	-20	-2.31%
<b>Foreign Currency Debt</b> <sup>(2)</sup>	<b>31,934</b>	<b>32,139</b>	<b>31,043</b>	<b>31,294</b>	<b>251</b>	<b>0.81%</b>
a. Bilateral, Multilateral and Foreign Private Sector Loans	2,855	2,713	2,624	2,767	143	5.47%
b. Paris II Related Debt (Eurobonds and Loans) <sup>(3)</sup>	5,456	4,819	4,137	3,785	-352	-8.50%
c. Paris III Related Debt (Eurobonds and Loans) <sup>(4)</sup>	1,849	1,963	1,855	1,790	-65	-3.51%
d. Market-Issued Eurobonds	20,925	21,736	21,870	22,342	471	2.16%
e. Accrued Interest on Eurobonds	430	460	483	536	53	10.97%
f. Special T-bills in Foreign Currency <sup>(5)</sup>	419	447	74	74	0	0.00%
<b>Public Sector Deposits</b>	<b>8,326</b>	<b>10,522</b>	<b>11,419</b>	<b>11,012</b>	<b>-407</b>	<b>-3.56%</b>
<b>Net Debt</b>	<b>62,615</b>	<b>66,590</b>	<b>67,879</b>	<b>68,586</b>	<b>707</b>	<b>1.04%</b>
<b>Gross Market Debt</b> <sup>(6)</sup>	<b>46,992</b>	<b>51,231</b>	<b>51,308</b>	<b>47,782</b>	<b>-3,527</b>	<b>-6.87%</b>
<b>% of Total Debt</b>	<b>66%</b>	<b>67%</b>	<b>65%</b>	<b>60%</b>	<b>0</b>	<b>0.00%</b>

Source: Ministry of Finance, Banque du Liban

- (1) 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.
- (2) Figures for Dec 08 - Dec 10 may differ from previously published data due to updated information regarding bilateral and multilateral loans in the DMFAS system.
- (3) 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.
- (4) Issued to Malaysia as part of its Paris III contribution, IBRD loan, UAE loan, first tranche of the French loan received in February 2008, IMF loans, first tranche EC/EU loan, and AMF loan disbursed in June 2009.
- (5) Special T-bills in foreign currency (expropriation and contractor bonds).
- (6) 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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