REPUBLIC OF LEBANON
MINISTRY OF FINANCE

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Public Finance Monitor

2025

Section I: Macroeconomic Environment

According to the latest macroeconomic indicators, Lebanon's **nominal GDP** increased to LL 3,206,418 billion in 2025 from LL 2,728,402 billion in 2024, equivalent to approximately USD 35.8 billion, compared to USD 30.5 billion a year earlier. **Real GDP growth** is estimated at 4.0 percent in 2025, marking a return to positive economic growth following the contraction recorded in 2024 (-5.2 percent). Meanwhile, **average consumer price inflation (CPI)** moderated significantly to 14.6 percent, compared to 45.2 percent in 2024, reflecting a continued easing in inflationary pressures.

The gradual recovery in economic activity was supported by improving macroeconomic conditions, greater exchange rate stability, easing inflation, and the progressive restoration of confidence following institutional and policy developments during 2025. Nevertheless, economic activity remained constrained by persistent structural weaknesses, delays in implementing key reforms, and continued regional geopolitical uncertainties, indicating that the recovery remains gradual and fragile.

Table 1: Selected Macroeconomic Indicators

Indicator	2024	2025
Nominal GDP (LL billion)	2,728,402	3,206,418
Nominal GDP (USD billion)	30.5	35.8
Real GDP Growth (%)	-5.2	4.0
Average CPI Inflation (%)	45.2	14.6

Source: Ministry of Finance (MOF), Directorate General of Finance (DGF), based on the latest National Accounts estimates of the Central Administration of Statistics (CAS)

Section II: Public Finance Highlights

Lebanon's public finances recorded a marked improvement in 2025, reflecting stronger revenue mobilization and continued fiscal adjustment efforts despite the economic and social challenges associated with the repercussions of the war in 2024. Fiscal performance benefited from higher tax and non-tax revenues, improved tax compliance, new measures introduced in 2025 Budget Law (kindly refer to Box #1), the settlement of tax arrears, and increased collections from public institutions and government properties, while expenditure increase remained lower than the pace of revenue collection.

As a result, the **total fiscal balance** recorded a surplus of LL 129,305 billion in 2025, equivalent to 4.0 percent of GDP, compared to a surplus of LL 21,382 billion (0.8 percent of GDP) in 2024. Similarly, the **primary balance** registered a surplus of LL 156,491 billion, equivalent to 4.9 percent of GDP, up from LL 38,327 billion (1.4 percent of GDP) a year earlier, reflecting a substantial strengthening of the Government's fiscal position.

Total budget and treasury receipts increased by LL 205,181 billion (58.9 percent) to reach LL 553,414 billion in 2025. Revenue growth was broad-based across tax, non-tax and treasury revenues, supported by improved tax compliance, stronger collections from major tax categories, and higher revenues from public institutions and government properties.

On the expenditure side, **total expenditures** increased by LL 97,257 billion (29.8 percent) to reach LL 424,109 billion in 2025. **Current expenditures** remained the dominant expenditure category, accounting for 75.6 percent of total expenditures, with personnel cost continuing to represent the largest expenditure component. Higher personnel costs, social spending, healthcare-related expenditures and transfers, alongside a significant increase in capital and reconstruction-related spending, mainly drove expenditure increase.

Social expenditures increased by 33.3 percent to reach LL 196,265 billion in 2025, reflecting higher spending on retirement benefits, healthcare, education and social protection programs.

Overall, fiscal developments in 2025 indicate a continued improvement in public finance outcomes, supported by a robust revenue performance and strengthened fiscal balances. Nevertheless, the expenditure structure continues to be weighted heavily toward current spending, highlighting the importance of sustaining fiscal reforms, enhancing expenditure efficiency, and creating greater fiscal space for productive capital investment and long-term economic recovery.

Table 2: Summary of Fiscal Performance[1]

(LL billion)	Jan-Dec 2024	Jan-Dec 2025
Total Budget and Treasury Receipts	**348,233**	**553,414**
Total Budget and Treasury Payments, of which	**326,851**	**424,109**
Interest Payments	16,945	27,186
Primary Expenditures **1/**	309,906	396,923
Total (Deficit)/Surplus	**21,382**	**129,305**
Primary (Deficit)/Surplus	**38,327**	**156,491**

Source: Ministry of Finance (MOF), Directorate General of Finance (DGF)
(1) Primary expenditures exclude debt related payments.

Box #1: new tax amendments as per 2025 Budget Law

Alcoholic Beverages & Non- Alcoholic Beverages (Energy Drinks): *The applicable rates were introduced under the Budget Law pursuant to Decree No.* 56 dated 11 March 2025 *and were subsequently amended by Law No. 13 dated 11 July 2025.*

Real Estate Fees*: The 2025 Budget Law also introduced amendments to certain real estate fees, including cadastral map fees.*

Tobacco Products: *An annual fixed fee was imposed on the sale of tobacco products, tumbac, and their alternatives, including heated tobacco products and electronic cigarettes, as follows:*

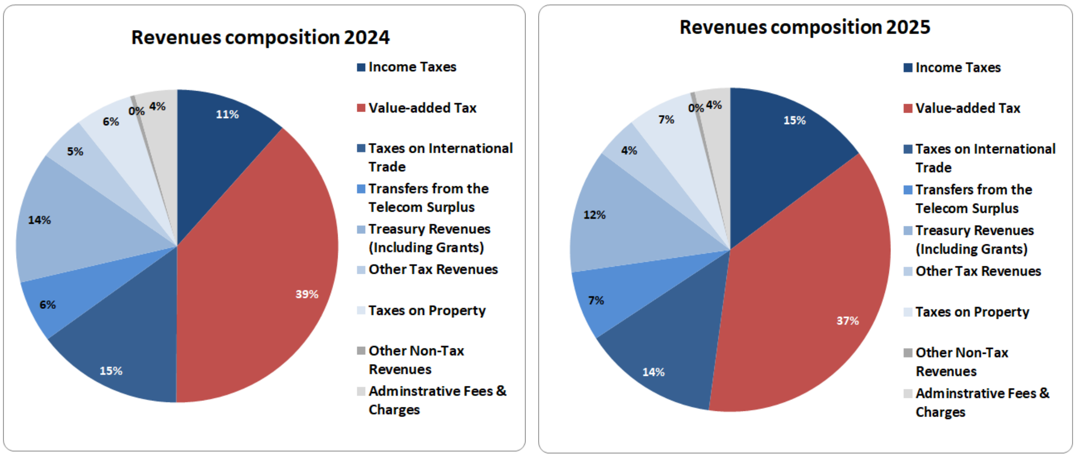
- *LBP 35 million LL for retail outlets.*
- *LBP 350 million LL for points of sale and headquarters.*

[1] The 2024 figures may differ from previously published data because of updates and improvements.

Section III: Revenue Outcome

Total revenues amounted to LL 553,414 billion during January–December 2025, rising to 17.3 percent of GDP from a 12.8 percent of GDP during the same period of 2024, with tax and non-tax revenues climbing by 64.0 percent and 48.6 percent respectively. In addition, treasury revenues grew by 41.4 percent during the covered period, with the 3% fee collected at the customs being classified under Guarantees sub-category[2]**.** Also, taxes on Income, Profits, and Capital gains improved the most in 2025 growing at 102.1 percent year-on-year, followed by taxes on Property (76.4 percent), then Domestic Taxes on Goods & Services (62.2 percent) and taxes on International Trade (42.9 percent).

Graph 1: Revenue Composition in 2024 and 2025



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

Tax Revenues

Tax revenues rose by LL 162,217 billion (64.0 percent) amounting to LL 415,853 billion in 2025, representing 75.1 percent of total revenues, and reaching a 13.0 percent share of GDP relative to 9.3 percent of GDP in over the 2024 period.

The increase was mainly attributed to a rise in taxes on income, profits, and capital gains and to higher Value-added Tax. It is worth mentioning that behind the revenue buoyancy in 2025 is a nominal growth stemming from an expected 4% real growth, a catching-up effect from a contraction of 5.2% in 2024 on the backdrop of the war, and an average CPI index of by 14.6 percent increase in 2025, which contributed to the nominal increase in revenue collection. Nevertheless, it also worth noting that 2025 tax revenues collection assumes some catching-up effect and the collection of tax arrears, as declaration deadlines in 2024 were postponed throughout the hostilities period.

In detail, income tax on profits reached LL 39,209 billion, while income tax on wages and salaries[3] stood at LL 25,144 billion, representing 9.4 percent and 6.0 percent of total tax revenues, respectively. Taxes on interest income amounted to LL 2,374 billion , or 0.6 percent of total tax revenues, reflecting the melt-down of private deposits and the

[2] The 3% fee is collected on imports by customs and should be ultimately classified under "Taxes from International trade".

[3] The increase partly reflects the settlement of outstanding tax arrears by taxpayers explained by the extension of the declaration deadlines in 2024 due to the war.

persistently low interest-rate environment and a lethargic financial sector.Taxes on property reached LL 31,423 billion, equivalent to 7.6 percent of total tax revenues and 1.0 percent of GDP. Of this amount, real estate registration fees[4] reached LL 25,256 billion, while built-property tax stood at LL 2,493 billion, both reflecting the continued rise in property-related transactions during 2025.

Domestic taxes on goods and services reached LL 227,237 billion, representing 7.1 percent from GDP and 54.6 percent of total tax revenues . The Value-Added Tax (VAT) remained the largest component at LL 179,249 billion, or 43.1 percent of total tax revenues, driven by nominal growth, VAT arrears [5] collection and complaince enforcement policies (customs clearance of the goods at imports conditional upon VAT arrears settlement). In details, during Jan-Dec 2025, both the VAT collected internally and the VAT collected at customs[6] stood at LL 67,009 billion and LL 112,240 billion respectively. In addition, collections from the Private Car Registration amounted to LL 13,724 billion in 2025, due to the loan facilities and promotions given by some retailers which supported the new car sales .

Taxes on international trade reached 65,580 billion in 2025 amounting about 15.8 percent of total tax revenues and 2.0 percent of GDP. Within this category, customs revenues[7] reached LL 32,966 billion (7.9 percent of total tax revenues), while excise revenues totaled LL 32,614 billion, including LL 18,809 billion from vehicles excise[8], LL 7,699 billion from Petroleum Products[9] and LL 5,540 billion from tobacco excise. In 2025 there was no higher exchange rate (in 2023-2024 customs dollar was chaged and all duties accordingly) and the growth in nominal import- to add the increase in import in 2025 which was substantial - maybe you can insert the 2024-2025 Import Top 10 table here.

Other tax revenues (namely fiscal stamp fees) increased by LL 5,778 billion (39.7 percent) to reach LL 20,340 billion in 2025[10], compared to LL 14,562 billion in 2024, representing 4.9 percent of total tax revenues and 0.6 percent of GDP.

[4] According to Land Registry statistics, Rental values rose, accompanied by a 62.6 percent increase in total transactions and contracts reaching 164,277 in 2025.

[5] According to the Minister of Finance Decision adopted in the Council of Ministers, the Ministry of Finance imposed customs clearance restriction on a large number of companies that had failed to settle their due value-added tax (VAT) liabilities. As a result, within only four days, approximately 1,800 companies proceeded to settle their outstanding tax dues, which led to an increase in VAT revenues.

[6] This is mainly due to higher imports of vehicles. For details, kindly refer to **footnote No. 7**.

[7] The increase is partly attributable to a 24.7 percent increase in the value of imports (Excl. Gold & Fuel), as well as strengthened monitoring and inspection activities following the introduction of scanner equipment, which enhanced compliance and contributed to higher revenue collection.

[8] The increase in vehicle excise reflects substantial growth in imports of 66 percent in value (from LL 771 billion to LL 1,284 billion) and 63.8 percent in volume over the period 2024–2025.

[9] The increase partly reflects Higher Customs Council Decision No. 49/2025 of 2 June 2025, whereby the excise duty on gasoline was increased from LL 20,000 to LL 100,000 and the duty on diesel (Mazout) was raised from zero to LL 174,000. These amendments were subsequently annulled by Council of State Decision No. 219/2024-2025 dated 15 July 2025; accordingly, the revised excise duties were applied only between 2 June 2025 and 15 July 2025.

[10] The increase partly reflects the amendments introduced under Article 18 of the 2025 Budget Law, which expanded and simplified the payment methods for fiscal stamp duties, as well as the improved availability of fiscal stamps compared to 2024 through authorized payment service providers (**OMT, Whish…** which contributed to higher collections). The increase does not reflect a change in the applicable fiscal stamp duty rates.

NON-TAX REVENUES

Non-tax revenues increased by LL 25,474 billion (48.6 percent) in 2025 equivalent to 18.7 percent of total revenues and 2.4 percent of GDP, mainly as a result of higher **income from public institutions and government properties.**

In details, Income from public institutions and government properties rose by LL 20,578 billion (54.7 percent) to LL 58,189 billion in 2026, owing to a LL 13,671 billion increase in Revenues from Telecom[11] coupled with a LL 2,730 billion increase in Revenues from Port of Beirut[12].

Administrative fees and charges rose by LL 3,923 billion (29.7 percent) to reach LL 17,115 billion in 2025 representing 22.0 percent of total Non-tax revenues, mostly owing to higher Vehicle Control Fees[13] which rose by LL 2,095 billion (109.3 percent). In parallel, Other Non-tax revenues (mostly retirement deductibles) also increased by LL 798 billion (55.9 percent) to reach LL 2,226 billion in 2025.

TREASURY REVENUES

Treasury receipts recorded a LL 59,689 billion (41.4 percent) increase in 2025 from LL 42,199 billion in 2024, partly driven by an increase of 6,577 billion rise in the 3% fee collected at imports classified under Guarantees.

Section IV: Expenditures Outcome

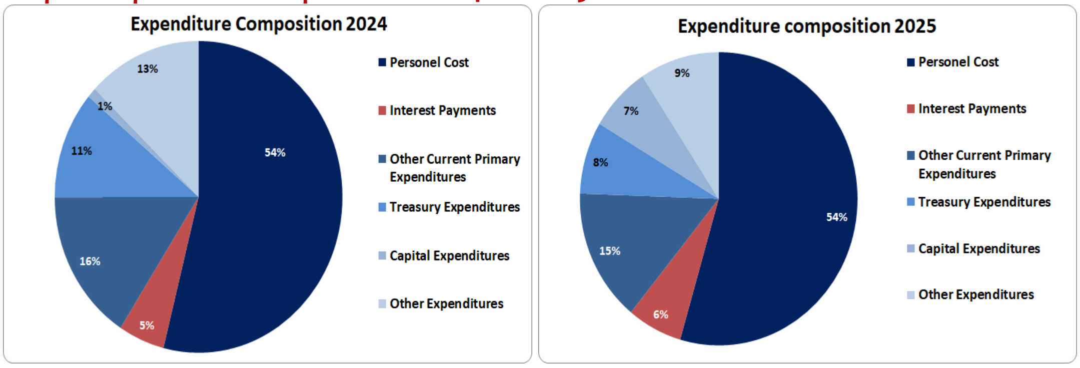
Total expenditures (Budget and Treasury) increased by LL 97,257 billion (29.8 percent) to reach LL 424,109 billion in 2025 from LL 326,852 billion in 2024.As a percent of GDP, they rose to reach 13.2 percent in 2025 compared to 12.0 percent in 2024. Current expenditures remained the dominant expenditure category, accounting for 75.6 percent of total expenditures in 2025, compared to 75.0 percent in 2024. Within current expenditures, personnel cost continued to represent the largest expenditure component, accounting for 54.5 percent of total expenditures in 2025 compared to 53.9 percent in 2024. Meanwhile, the share of capital expenditures increased significantly from 1.0 percent to 7.2 percent, reflecting higher spending on construction, maintenance and foreign-financed projects. By contrast, the shares of treasury expenditures and budget advances declined from 11.2 percent and 11.7 percent in 2024 to 8.0 percent and 8.0 percent, respectively, in 2025.

[11] The increase is partly attributable to a change in the recording of telecommunications revenues. In 2024, only mobile telecommunications revenues were transferred to the Treasury, whereas in 2025 both mobile and fixed-line revenues were transferred, as fixed-line operations were no longer recorded under the annex budgets.

[12] The increase partly reflects a 22.4 percent increase in the volume of imports (Excl. Gold & Fuel) during 2025.

[13] The increase reflects the more regular operation of the traffic management organization centers in 2025, compared to the disruptions and irregular activity experienced during 2024.

Graph 2: Expenditure Composition in 2024 and 2025



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

Current primary expenditures[14] increased by LL 75,471 billion (30.8 percent) to reach LL 320,517 billion in Jan-Dec 2025, mainly as a result of increases in Personnel cost by LL 54,783 billion due to a surge in salaries, wages and social benefits of LL 32,608 billion (25.9 percent) and in retirement and end-of-service compensations of LL 13,850 billion (34.8 percent). The increase in personnel cost was mainly driven by compensation adjustments and additional monthly raises granted to military personnel in service and military retirees during 2025 (kindly refer to Box #2).

Box #2: Additional Monthly Salary Raises Granted to Military Personnel and Retirees.

- *Military personnel in service*: An additional monthly raise of LBP 14 million was granted to military personnel in service effective 1 July 2025, pursuant to Law No. 18 dated 11 July 2025.

- *Military retirees*: An additional monthly raise of LBP 12 million was granted to military retirees effective 1 July 2025, pursuant to Law No. 18 dated 11 July 2025.

- *Civilian retirees*: Law No. 26 dated 30 December 2025 granted civilian retirees an additional monthly raise of LBP 12 million effective 1 August 2025. However, as the implementing Decree No. 2386 was issued on 21 January 2026, **the fiscal impact of this measure was primarily reflected in 2026 rather than in 2025.**

Moreover, Other Current expenditures increased by LL 11,803 billion (291.9 percent) in 2025, mainly driven by a rise of LL 10,916 billion (300.5 percent) in hospital expenditures[15], which accounted for around 92 percent of the total increase in this category.

Interest payments increased by LL 10,241 billion (60.4 percent) to reach LL 27,186 billion in 2025, compared to LL 16,945 billion in 2024. This increase was mainly driven by higher domestic interest payments[16], which rose by LL 9,598 billion (188.1 percent) to reach LL 14,701 billion in 2025 from LL 5,103 billion in 2024. In contrast, foreign interest payments increased by a more moderate LL 643 billion (5.4 percent), reaching LL 12,485 billion in 2025 compared to LL 11,842 billion in 2024. Consequently, the share of domestic interest

[14] Current primary expenditures represent current expenditures excluding interest payments.

[15] Mainly due to higher budget allocated to cover the increase in prices of goods and services in the sector.

[16] The increase mainly reflects the payment in 2025 of coupons due to Banque du Liban (BDL), which had not been paid during the previous three years.

payments in total interest payments increased from 30.1 percent in 2024 to 54.1 percent in 2025, while the share of foreign interest payments declined from 69.9 percent to 45.9 percent over the same period.

Various transfers[17] it is important to start by explaining the context increased by LL 2,603 billion (7.6 percent) in 2025. Local or budget financing increased by LL 11,671 billion (86.1 percent) to reach LL 25,232 billion, mainly driven by higher transfers to the National Social Security Fund (NSSF), which rose by LL 5,795 billion, accounting for nearly half of the increase in locally financed transfers[18]. Additional increases were recorded in transfers to the Higher Council of Relief (LL 589 billion) and the Council of the South (LL 128 billion), mainly reflecting expenditures related to relief, and compensation and recovery efforts associated with the repercussions of the war in 2024. These increases were partly offset by a decline of LL 184 billion (79.4 percent) in transfers to the Directorate General of Cereals and Beetroot[19], as well as a decrease of LL 9,293 billion (44.8 percent) in foreign-financed loans (namely transfers to MoSA for AMAN cash transfer program), resulting in a more moderate overall increase in various transfers of LL 2,603 billion.

Materials and Supplies, which declined by LL 5,118 billion (39.5 percent) to reach LL 7,825 billion in 2025. The decrease was almost exclusively informed by a reduction in fuel oil expenditures from LL 3,215 billion in 2024 to LL 7 billion in 2025[20], representing a decline of LL 3,208 billion (99.8 percent).

Capital expenditures increased by LL 27,098 billion (800.9 percent) to reach LL 30,481 billion in Jan-Dec 2025, mainly driven by a substantial increase in Construction in Progress, which rose by LL 7,867 billion (425.1 percent) to reach LL 9,717 billion. This increase was primarily attributable to higher transfers to the Council for Development and Reconstruction (CDR) by LL 5,429 billion[21], in addition to increases in transfers to the Council of the South and the Higher Council of Relief by LL 1,811 billion[22] and LL 620 billion[23], respectively, mainly reflecting expenditures related to reconstruction, rehabilitation and emergency response efforts following the war. Furthermore, maintenance expenditures increased significantly by LL 9,361 billion to reach LL 10,309 billion[24], while expenditures related to foreign-financed CDR projects amounted to LL

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[17] Various transfers comprise budget-financed current transfers to public sector entities and contributions to non-public sector entities, including non-profit organizations (NGOs). The category also includes expenditures financed by foreign grants and loans, such as the AMAN cash transfer program implemented by the Ministry of Social Affairs (MoSA). In accordance with the economic classification of expenditures, transfers to public institutions intended to finance salaries and wages are classified under Personnel Cost rather than under Various Transfers.

[18] The government contribution as an employer increased due to higher subscription as per new decisions issued by NSSF **(kindly refer to Box #3).**

[19] The decline mainly reflects lower Treasury Advances and donor-funded support for wheat-related expenditures in 2025 compared to 2024. Part of the donor-funded support provided in 2024 was recorded at the official exchange rate of LBP 1,500 per US dollar, generating exchange differences upon settlement at the prevailing exchange rate **(kindly check Footnote 26).**

[20] The relatively high level of fuel oil expenditures in 2024 mainly reflected Treasury Advances granted to finance fuel oil expenditures mainly to military sector. In 2025, such expenditures were no longer financed through Treasury Advances (the new government stopped all treasury advances) and were largely incorporated within budget advances, for which a detailed breakdown is not available.

[21] Of which LL 3,909 billion (62 percent from total transfers to CDR) maintenance and rehabilitation of Beirut–Rafic Hariri International Airport.

[22] Transfers to the Council of the South amounted to LL 2,102 billion in 2025, of which LL 1,600 billion (76.1 percent) was allocated to the rehabilitation of buildings damaged during the war.

[23] Transfers to the Higher Council of Relief amounted to LL 1,290 billion in 2025, of which LL 1,000 billion (77.5 percent) was allocated to works related to buildings damaged during the war.

[24] The increase in maintenance expenditures mainly reflects higher spending by Ogero (LL 4,760 billion) and the Ministry of Public Works and Transport (LL 4,470 billion). Together, these expenditures accounted for approximately 89.5 percent of total maintenance expenditures.

10,156 billion in 2025. These increases were partly offset by a decline in equipment expenditures of LL 394 billion (67.6 percent).

Budget Advances[25] decreased by LL 4,279 billion (11.2 percent) to reach LL 33,848 billion in 2025, compared to LL 38,127 billion in 2024.

Treasury expenditures decreased by LL 2,671 billion (7.3 percent) to reach LL 33,837 billion in Jan-Dec 2025, compared to LL 36,508 billion in the corresponding period of 2024. This decline was mainly driven by lower exchange rate differential[26], which decreased by LL 6,544 billion from their elevated level recorded in 2024. The decrease was partly offset by higher transfers to municipalities, which increased by LL 2,042 billion to reach LL 18,193 billion in 2025[27]. Furthermore, VAT refunds increased by LL 1,439 billion, while deposits and guarantees rose by LL 818 billion and LL 257 billion, respectively.

Section V: Social expenditures

Besides reporting on Government expenditures by Economic Classification- (reference Table 6 in Section 3- and above analysis), and in an effort to report more on sectoral spending and to analyze Government expenditures from a Functional classification perspective, the Ministry of Finance is compiling a social expenditures table to better monitor the development of expenditures that have a social dimension.

Social expenditures cover public and private sector social protection, including health, education, transfers to the National Social Security Fund (NSSF), retirement and end-of-service indemnities, social allowances, social assistance programs, and other areas of intervention where the Government provides social support.

Social expenditures increased by 33.3 percent year-on-year, rising by LL 49,060 billion from LL 147,205 billion in 2024 to LL 196,265 billion in 2025. The main changes during the year were:

Public Sector Social Protection

Social expenditures related to public sector social protection increased by LL 27,010 billion (32.9 percent) to reach LL 109,165 billion in 2025. The surge was mainly driven by the following developments:

a) Expenditures on end-of-service indemnities and retirement wages rose by LL 14,072 billion (35.5 percent) to reach LL 53,672 billion, mainly reflecting a LL 14,111 billion increase in retirement wage payments (kindly refer to Box # 2).

[25] Budget advances consist of urgent advances from the Budget allocations provided to cover expenditures pending regular budget appropriations. These advances include, among others, expenditures related to the military and security forces, notably fuel oil, hospitalization, maintenance, and other operational requirements, for which a detailed breakdown is not available.

[26] Exchange rates differentials declined from LL 6,837 billion in 2024 to LL 292 billion in 2025, representing a decrease of LL 6,544 billion (95.7 percent). The elevated level recorded in 2024 mainly reflected expenditures that had originally been budgeted at official exchange rates of LBP 1,500 or LBP 15,000 per US dollar and were subsequently settled at the prevailing exchange rate of LBP 89,500 per US dollar. The resulting gap between the budgeted values and the actual payments was recorded under exchange rates differentials. **Among these expenditures were transfers to the Directorate General of Cereals and Beetroot financed through external loans in 2024, which were initially recorded at the official exchange rate of LBP 1,500 per US dollar in the Budget system.**

[27] The increase in transfers to municipalities is mainly attributable to higher distributions of mobile phone revenues. Transfers amounted to approximately LL 1,871 billion in 2024, compared with approximately LL 2,964 billion in 2025.

b) Expenditures on social allowances for military and security personnel increased by LL 7,685 billion (34.6 percent) to reach LL 29,905 billion, mainly due to a LL 5,876 billion rise in education allowances and a LL 1,333 billion growth in maternity and sickness allowances.

c) Mutual funds participations grew by LL 5,253 billion (25.8 percent) to reach LL 25,587 billion, mainly reflecting a LL 5,675 billion rise (46.7 percent) in transfers to the Civil Servants' Cooperative (CSC)[28].

Private Sector Social Protection

Social expenditures related to private sector social protection surged by LL 22,049 billion (33.9 percent) to reach LL 87,100 billion in 2025. The increase was mainly driven by the following developments:

a) Expenditures related to health increased by LL 11,751 billion (96.3 percent) to reach LL 23,955 billion, mainly driven by a LL 10,766 billion surge (284.6 percent) in private-sector hospitalization expenditures[29], a LL 347 billion rise (5.5 percent) in purchases of medication, and a LL 210 billion growth (14.3 percent) in transfers to public hospitals. In addition, spending from foreign-financed health programs increased by LL 441 billion (75.4 percent).

b) Expenditures related to education rose by LL 9,035 billion (32.9 percent) to reach LL 36,469 billion, mainly due to a LL 3,535 billion hike (16.9 percent) in compensation and social benefits for public school teachers[30], a LL 3,482 billion surge (54.7 percent) in transfers to the Lebanese University[31], and a LL 1,233 billion rise (1,739.3 percent) in public schools funds. In addition, spending from foreign-financed education programs[32] recorded expenditures of LL 854 billion in 2025, compared to no spending in the previous year.

c) Transfers to the National Social Security Fund (NSSF) grew by LL 5,795 billion (469.8 percent) to reach LL 7,028 billion in 2025, compared to LL 1,233 billion a year earlier (kindly refer to Box #3).

The aforementioned increases were partly counterbalanced by a decline of LL 6,369 billion (38.0 percent) in expenditures under the AMAN Project, reflecting lower foreign-financed spending compared to 2024. Furthermore, expenditures on subsidies with social impact decreased by LL 3,565 billion (98.7 percent), mainly due to the near elimination of wheat and bread subsidies.

In terms of spending allocation, public sector social protection accounted for 55.6 percent of total social spending in 2025, compared to 44.4 percent for private sector social protection. End-of-service indemnities and retirement wages remained the largest

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[28] The increase in transfers to CSC is mainly attributable to the revision of education allowance rates for the 2024/2025 academic year pursuant to Civil Service Council Decision No. 4 of 9 April 2025, endorsed by Civil Servants' Cooperative Circular No. 5/2025 dated 10 April 2025.

[29] Mainly due to higher budget allocated to cover the increase in prices of goods and services in the sector.

[30] The increase primarily reflects higher compensation and social benefits paid to contractual public school teachers, which accounted for the largest share of the increase in this category.

[31] The increase in transfers to the Lebanese University partly reflects Decree No. 132 of 9 April 2025 (Official Gazette No. 16 of 17 April 2025), which transferred LL 1,538.4 billion from the budget contingency reserve to the Lebanese University to finance the payment of four additional monthly salaries for the period from 1 January 2025 to 21 December 2025, pursuant to Decree No. 14033 of 30 September 2024.

[32] The increase mainly reflects donor-financed maintenance and rehabilitation of public schools. Although recorded under education-related social spending, these expenditures were predominantly capital in nature.

expenditure component, accounting for 27.3 percent of total social spending, followed by education expenditures (18.6 percent) and social allowances for military and security personnel (15.2 percent). Health expenditures increased their share of total social spending from 8.3 percent in 2024 to 12.2 percent in 2025, reflecting the significant increase in hospitalization-related expenditures during the year.

Box #3: Key Measures Affecting NSSF Contributions and Benefits in 2025.

- **Decree No. 422 (10 June 2025)**

Decree No. 422, published in the Official Gazette on 19 June 2025, amended the Family and Education Allowances Branch of the NSSF. The decree increased the ceiling of earnings subject to deductions under Article 68 (Paragraph 2) of the Social Security Law to LL 18 million per month. It also revised family allowance benefits by setting the maximum monthly allowance at LL 4.5 million, comprising LL 1.2 million for a spouse (husband or wife) and LL 660,000 for each child, up to a maximum of five children. These measures increased the level of benefits provided under the scheme and contributed to higher NSSF-related expenditures in 2025.

- **Decree No. 699 (18 July 2025)**

Decree No. 699 raised the official minimum monthly wage for employees and workers subject to the Lebanese Labor Code to **LL 28 million**, effective August 2025. The measure increased the wage base used for calculating social security contributions and related benefits, contributing to higher transfers to the National Social Security Fund (NSSF).

The implementation of these measures increased both the earnings base subject to contributions and the value of social benefits, thereby contributing to higher NSSF expenditures and transfers in 2025.

Table 3: Main Social Expenditure[33] - Functional Classification

(LL billion)	2024	2025	%Change 2024/2025
1. Public Sector Social Protection	**82,155**	**109,165**	**32.9%**
1.a Social Allowances (Military &Security Personnel)	**22,220**	**29,905**	**34.6%**
Hospitalization	9,899	10,366	4.7%
Maternity and sickness allowance	483	1,816	275.7%
Education allowance	11,813	17,689	49.7%
Marriage allowance	9	9	8.3%
Birth allowance	8	10	28.7%
Death allowance	5	12	136.2%
Social expense benefits	3	2	-15.7%
1.b Mutual Funds Participations	**20,334**	**25,587**	**25.8%**
Transfers to Civil Servants' Cooperative (CSC)	12,158	17,833	46.7%
Participation in LU mutual fund	4,154	4,437	6.8%
Participation in Judge mutual fund	2,913	2,505	-14.0%
Participation in other mutual funds	1,109	812	-26.8%

[33] All social expenditures from the budget, treasury advances, and foreign-financed spending channeled through budgetary central government. Classification follows Lebanon's Economic & Administrative budget codes.

1.c End of service indemnities & retirement wages	**39,600**	**53,672**	**35.5%**
Retirement wages	38,893	53,004	36.3%
End of service indemnities	708	668	-5.5%
2. Private Sector Social Protection	**65,051**	**87,100**	33.9%
2.a Health	**12,204**	**23,955**	**96.3%**
Hospitalization in the private sector	3,783	14,549	284.6%
Purchase of medication	6,352	6,699	5.5%
Transfers to Public Hospitals	1,471	1,681	14.3%
Health Programs within MoPH (foreign financed):	585	1,026	75.4%
Loans	585	818	39.8%
Grants	0	208	NA
Transfers to Nonprofit Health Organizations	13	0	-100.0%
2.b Education	**27,434**	**36,469**	**32.9%**
Contributions to non-profitable Schools	81	12	-85.3%
Scholarships for students	0	0	NA
Transfers to the Lebanese University (LU)	6,363	9,845	54.7%
Public Schools Funds	71	1,304	1739.3%
Compensation and Social Benefits for Public School Teachers	20,919	24,455	16.9%
Foreign Financed Education Program/ Loan	0	854	NA
2.c NSSF	**1,233**	**7,028**	**469.8%**
Transfers to the National Social Security Fund (NSSF)	1,233	7,028	469.8%
2.d Ministry of Social Affairs — MoSA	**1,837**	**3,035**	**65.2%**
Contributions to non-profit organizations	99	984	889.8%
Locally Financed Social Programs	1,648	2,052	24.5%
Foreign Financed Social Programs	90	0	-100.0%
2.e AMAN Project	**16,759**	**10,389**	**-38.0%**
AMAN Locally Financed	0	0	NA
AMAN Foreign Financed	16,759	10,389	-38.0%
2.f Subsidies with Social Impact	**3,612**	**48**	**-98.7%**
Wheat / bread subsidy	3,612	48	-98.7%
Fuel Subsidies	0	0	NA
Medications Subsidies	0	0	NA
2.g War Related Expenditures	**1,971**	**6,176**	**213.3%**
Higher Relief Council	380	2,085	448.7%
Council of the South	1,591	3,191	100.6%
Municipalities	0	900	NA
Grand-Total Social Spending	**147,205**	**196,265**	**33.3%**

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

SECTION III: REVENUE OUTCOME

Table 4: Total Revenues

(LL billion)	Jan-Dec 2024	Jan-Dec 2025	%Change 2024/2025
Budget Revenues, of which:	**306,034**	**493,725**	**61.3%**
Tax Revenues	253,636	415,853	64.0%
Non-Tax Revenues	52,398	77,872	48.6%
Treasury Receipts 1/	**42,199**	**59,689**	**41.4%**
Total Revenues	**348,233**	**553,414**	**58.9%**

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

(1) *To note that the 3% Fee collected at imports is classified under Treasury revenues - Guarantees.*

Table 5: Tax Revenues

(LL billion)	Jan-Dec 2024	Jan-Dec 2025	%Change 2024/2025
Tax Revenues:	**253,636**	**415,853**	**64.0%**
Taxes on Income, Profits, & Capital Gains, of which:	**35,262**	**71,273**	**102.1%**
Income Tax on Profits	18,829	39,209	108.2%
Income Tax on Wages and Salaries	10,283	25,144	144.5%
Income Tax on Capital Gains & Dividends	3,434	4,005	16.6%
Tax on Interest Income	2,263	2,374	4.9%
Penalties on Income Tax	453	541	19.4%
Taxes on Property, of which:	**17,818**	**31,423**	**76.4%**
Built Property Tax	2,133	2,493	16.9%
Real Estate Registration Fees	9,991	25,256	152.8%
Domestic Taxes on Goods & Services, of which:	**140,097**	**227,237**	**62.2%**
Value Added Tax	120,187	179,249	49.1%
Other Taxes on Goods and Services, of which:	9,009	23,488	160.7%
Private Car Registration Fees 1/	31	13,724	NA
Passenger Departure Tax	8,966	9,764	8.9%
Taxes on International Trade, of which:	**45,897**	**65,580**	**42.9%**
Customs	28,919	32,966	14.0%
Excises, of which:	16,978	32,614	92.1%
Petroleum Products	2,490	7,699	209.2%
Beverages	463	566	22.2%
Tobacco	5,859	5,540	-5.4%
Vehicles	8,166	18,809	130.3%
Other Tax Revenues (namely fiscal stamp fees)	**14,562**	**20,340**	**39.7%**

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

(1) *Private Car Registration Fees for 2024 were included under vehicle control fees due to the unavailability of detailed data.*

Table 6: Non-Tax Revenue

(LL billion)	Jan-Dec 2024	Jan-Dec 2025	%Change 2024/2025
Non-Tax Revenues	**52,398**	**77,872**	**48.6%**
Income from Public Institutions and Government Properties, of which:	37,611	58,189	54.7%
Revenues from Casino Du Liban	5,617	7,654	36.3%
Revenues from Port of Beirut	4,029	6,759	67.8%
Revenues of National Lottery 1/	0	2,270	
Transfer from the Telecom	19,843	33,514	68.9%
Transfer from Public Financial Institution (BDL)	0	0	NA
Property Income (namely rent of Rafic Hariri International Airport)	8,070	7,899	-2.1%
Other Income from Public Institutions (interests)	16	26	62.5%
Administrative Fees & Charges, of which:	**13,192**	**17,115**	**29.7%**
Administrative Fees, of which:	7,533	13,156	74.6%
Notary Fees	117	138	17.9%
Passport Fees/ Public Security	4,825	7,074	46.6%
Vehicle Control Fees	1,916	4,011	109.3%
Judicial Fees	591	695	17.6%
Driving License Fees 2/	0	1,046	NA
Administrative Charges	962	459	-52.3%
Sales (Official Gazette and License Number)	49	61	24.5%
Permit Fees (mostly work permit fees)	1,051	1,596	51.9%
Other Administrative Fees & Charges	3,597	1,843	-48.8%
Penalties & Confiscations	**167**	**342**	**104.8%**
Other Non-Tax Revenues (mostly retirement deductibles)	**1,428**	**2,226**	**55.9%**

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

[1] *Revenues from the national lottery in 2024, amounting to approximately LBP 1,652 billion, were recorded under treasury receipts, as the annex budgets had been cancelled and the corresponding new accounts were not opened during 2024.*

[2] *Driving license fees for 2024 were included under vehicle control fees due to the unavailability of disaggregated data and car registration in 2024 are also included in vehicle control fees.*

SECTION IV: EXPENDITURE OUTCOME

Table 7: Expenditure by Economic Classification

(LL billion)	Jan-Dec 2024	Jan-Dec 2025	%Change 2024/2025
1. Current Expenditures	**245,046**	**320,517**	**30.8%**
1.a Personnel Cost, of which	**176,284**	**231,066**	**31.1%**
Salaries, Wages and social benefits	**126,036**	**158,644**	25.9%
Retirement and End of Service Compensations, of which:	39,823	53,672	34.8%
Retirement	39,124	53,004	35.5%
End of Service	699	668	-4.4%
Transfers to Public Institutions to Cover Salaries	10,425	18,750	79.9%
1.b Interest Payments, of which:	**16,945**	**27,186**	**60.4%**
Domestic Interest Payments	5,103	14,701	188.1%
Foreign Interest Payments	11,842	12,485	5.4%
1.c Materials and Supplies, of which:	**12,943**	**7,825**	**-39.5%**
Nutrition	3	195	NA
Fuel Oil	3,215	7	-99.8%
Medicaments	6,352	6,699	5.5%
1.d External Services	**535**	**1,695**	**216.5%**
1.e Various Transfers, of which:	**34,295**	**36,898**	**7.6%**
Foreign Financing / Loan	**20,725**	**11,432**	-44.8%
Foreign Financing / Grants	**66**	**234**	255.5%
Local Financing, of which:	**13,561**	**25,232**	86.1%
NSSF	1,233	7,028	469.8%
Higher Council of Relief	206	795	286.3%
Council of South	1,463	1,591	8.8%
Transfers to Directorate General of Cereals and Beetroot 1/	231	48	-79.4%
Contributions to non-public sectors	832	867	4.2%
1.f Other Current, of which:	**4,044**	**15,847**	**291.9%**
Hospitals	3,633	14,549	300.5%
Others(judgments & reconciliations, mission costs, other)	411	1,298	215.7%
1.g Interest subsidy	**1**	**0**	**-67.5%**
2. Capital Expenditures	**3,384**	**30,481**	**800.9%**
2.a Acquisitions of Land, Buildings, for the Construction of Roads, Ports, Airports, and Water Networks	**1**	**0**	-100.0%
2.b Equipment	**583**	**189**	**-67.6%**
2.c Construction in Progress, of which:	**1,850**	**9,717**	**425.1%**
Council of the South	291	2,102	622.1%
CDR	879	6,308	617.9%
Higher Council of Relief	670	1,290	92.5%
2.d Maintenance, of which:	**948**	**10,309**	**987.3%**
Local Financing	948	9,679	920.9%
FX Funded Maintenance Expenditures / Loans	0	630	NA
2.e Other Expenditures Related to Fixed Capital Assets	**1**	**110**	**NA**
2.f FX Funded Projects-CDR / Loans	**NA**	**10,156**	**NA**
3. Budget Advances 2/	**38,127**	**33,848**	**-11.2%**
4. Customs Administration (exc. Salaries and Wages) 3/	**3,787**	**5,425**	**43.3%**
5. Treasury Expenditures 4/	**36,508**	**33,837**	**-7.3%**
Municipalities	16,151	18,193	12.6%
Guarantees	900	1,157	28.5%

Deposits **5/**	2,415	3,233	33.9%
Other, of which:	17,042	11,255	-34.0%
VAT Refund	5,117	6,555	28.1%
exchange differences	6,837	292	-95.7%
6. Total Expenditures	**326,852**	**424,109**	**29.8%**

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

(1) Transfers to Directorate General of Cereals and Beetroot include both administrative expenses and payments for wheat subsidy.

(2) 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.

(3) 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.

(4) 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.

(5) Deposit payments are payments made by the treasury to public administrations, institutions, municipalities, and funds, from revenues it has collected on their behalf.

ANNEX: TOP 10 IMPORTS AND EXPORTS BY VALUE

Table 8: Top 10 Imports by Value 1/

Description	Jan-Dec 2024	Share %	Jan-Dec 2025	Share %	Value change	% Change 2024/2025
Mineral Fuels, Mineral Oils and Products of Their Distillation	4,243	25.1%	4,604	21.8%	360	8.5%
Natural or Cultured Pearls, Precious Stones and Metals	2,572	15.2%	3,957	18.8%	1,385	53.8%
Vehicles other than railway or tramway rolling stock	771	4.6%	1,284	6.1%	513	66.5%
Pharmaceutical products	737	4.4%	903	4.3%	166	22.6%
Nuclear reactors, boilers, machinery and mechanical appliances; parts thereof.	639	3.8%	871	4.1%	233	36.4%
Electrical machinery and equipment and parts thereof.	665	3.9%	752	3.6%	87	13.0%
Plastics and articles thereof.	457	2.7%	536	2.5%	78	17.1%
Iron and steel	363	2.1%	515	2.4%	151	41.7%
Cereals	361	2.1%	383	1.8%	22	6.2%
Live animals	331	2.0%	327	1.6%	-4	-1.1%
Other	5,761	34.1%	6,943	32.9%	1,181	20.5%
Total	**16,902**	**100%**	**21,076**	**100%**	**4,174**	**24.7%**

Source: Lebanese Customs Administration

(1) The total value of the top ten imported products, excluding mineral fuels and gold, increased by LL 2,428 billion (24.1 percent) to reach LL 12,514 billion in 2025, compared to LL 10,086 billion in 2024.

Table 9: Top 10 Exports by Value 1/

Description	Jan-Dec 2024	Share %	Jan-Dec 2025	Share %	Value change	% Change 2024/2025
Natural or Cultured Pearls, Precious Stones and Metals	572	21.1%	1,248	34.3%	675	118.0%
Nuclear reactors, boilers, machinery and mechanical appliances; parts thereof.	145	5.3%	186	5.1%	42	28.7%
Iron and steel	117	4.3%	177	4.8%	59	50.6%
Electrical machinery and equipment and parts thereof.	162	6.0%	163	4.5%	1	0.5%
Copper and articles thereof	100	3.7%	135	3.7%	34	34.1%
Preparations of vegetables, fruit, nuts or other parts of plants.	116	4.3%	127	3.5%	11	9.5%
Aluminium and articles thereof.	75	2.8%	103	2.8%	28	38.0%
Fertilisers	64	2.4%	102	2.8%	38	59.6%
Plastics and articles thereof.	89	3.3%	88	2.4%	-1	-0.7%
Miscellaneous edible preparations	89	3.3%	86	2.4%	-3	-3.9%
Other	1,178	43.5%	1,226	33.7%	48	4.1%
Total	**2,707**	**100%**	**3,639**	**100%**	**932**	**34.4%**

Source: Lebanese Customs Administration

(1) The total value of the top ten exported products, excluding gold, increased by LL 257 billion (12.0 percent) to reach LL 2,392 billion in 2025, compared to LL 2,135 billion in 2024.

REPUBLIC OF LEBANON
MINISTRY OF FINANCE

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