

## General Overview

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Despite political and economic instabilities Lebanon's public finances markedly improved in 2014 from the previous year, owing to higher revenue collections and the application of expenditure restraints. Revenues mainly increased with the collection of Telecom arrears, including a portion on behalf of Municipalities, in addition to the improved collection of some tax items as a result of administrative efforts exerted by the Ministry of Finance. On the other hand, primary expenditures declined on the back of transfers to NSSF and lower supply expenses, in addition to a drop in Capital expenditures, namely in Maintenance costs and transfers to the Ministry of Public Works and Transport.

As a result, the **total fiscal balance** recorded a deficit of LL 4,632 billion in 2014 (6.2 percent of GDP), shrinking by 27 percent from LL 6,362 billion in 2013 (8.9 percent of GDP), notwithstanding a 10.5 percent increase in debt service obligations. The primary **balance** was at a surplus of LL 1,970 billion (2.6 percent of GDP), compared to a deficit of LL 361 billion (0.5 percent of GDP) in 2013 (figure 1)<sup>1</sup>.

**Table 1: Summary of Fiscal Performance**

(LL billion)	2013 Jan-Dec	2014 Jan-Dec	% Change 2014/2013
<b>Total Budget and Treasury Receipts<sup>1</sup></b>	<b>14,201</b>	<b>16,400</b>	<b>15.5%</b>
<b>Total Budget and Treasury Payments, of which</b>	<b>20,563</b>	<b>21,032</b>	<b>2.3%</b>
•Interest Payments <sup>2</sup>	5,714	6,314	10.5%
•Concessional loans principal payment <sup>3</sup>	287	288	0.6%
•Primary Expenditures <sup>4</sup>	14,562	14,430	-0.9%
<b>Total (Deficit)/Surplus</b>	<b>-6,362</b>	<b>-4,632</b>	<b>-27.2%</b>
<b>Primary (Deficit)/Surplus</b>	<b>-361</b>	<b>1,970</b>	<b>N.M.<sup>5</sup></b>

Source: Ministry of Finance, Directorate General of Finance

<sup>1</sup> Includes the actual transfer from Telecom Surplus

<sup>2</sup> Includes accounting adjustments in 2014: 1) addition of the amount LBP 1,605,190,000 (capitalized interest drawn from the loan and paid directly to the creditor EKF), and 2) deduction of the amount LBP 33,259,493,672 (accrued interest paid on 27/5/2014 - due to the new procedure applied by the accounting department since July 2014)

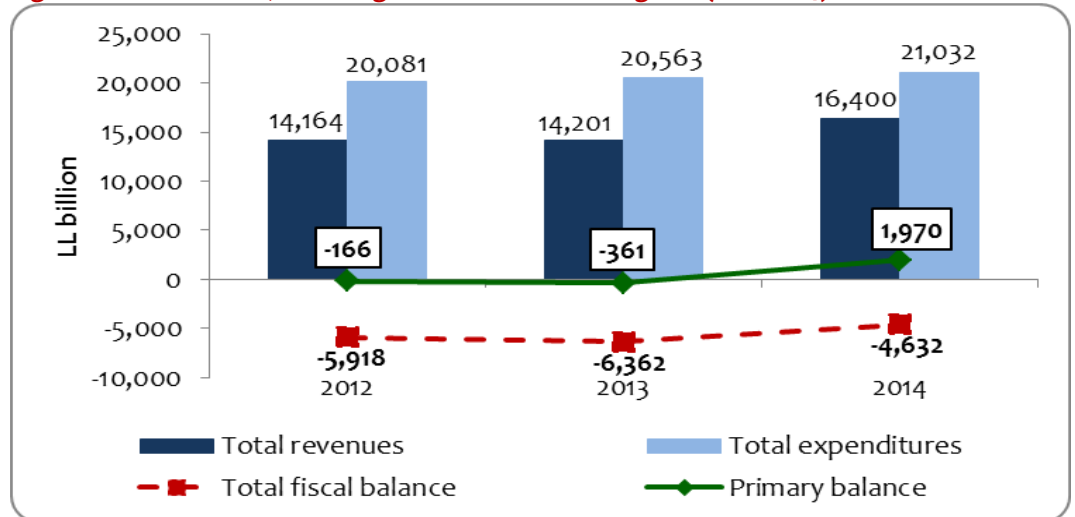
<sup>3</sup> Includes only Principal repayments of concessional loans earmarked for project financing

<sup>4</sup> Primary expenditures exclude debt related payments (Interest payments and Concessional loans principal repayment)

<sup>5</sup> Not Meaningful

<sup>1</sup> GDP was estimated at LL 71,185 billion during 2013 (Source: Central Administration of Statistics) and LL 74,656 billion during 2014 (Source: Computed using IMF April 2015 WEO real growth and deflator, based on 2013 CAS GDP figure).

Figure 1: Fiscal Balance, Including for Actual Telecom Figures (2012-2014)



Source: Ministry of Finance, Directorate General of Finance

## Revenues

**Total revenue** rose by LL 2,199 billion (15 percent) to reach LL 16,400 billion (21.9 percent of GDP) in 2014. This notable increase can be mostly attributed to the collection of arrears from the Telecom Surplus as well as Telecom revenues on behalf of Municipalities, and to a lesser extent to efforts undertaken by the administration to improve revenue collections (particularly those related to income taxes and administrative fees).

**Tax revenues** reached LL 10,388 billion by the end of 2014, increasing by LL 272 billion from the LL 10,116 billion collected in 2013. This was mainly driven by **taxes on income, profits and capital gains**, which jumped by LL 293 billion (12 percent), with around half of the increase stemming from income tax on profits - mainly due to collections of arrears from previous years.

**Taxes on property** scaled up by LL 44 billion (4 percent), driven by a LL 38 billion (21 percent) increase in built property tax, while real estate registration fees only increased by 2 percent (LL 19 billion), outlining a 3 percent rise in the number of sold properties<sup>2</sup>. Those were slightly counterbalanced by a LL 14 billion drop in the inheritance tax since exceptionally during 2013, the tax administration handled high value files and accelerated the collection of pending payments.

**Domestic taxes on goods and services** increased by LL 29 billion as transfers from Régie rose by LL 20 billion (22 percent) due to a discrepancy in the timing of receipts<sup>3</sup>, and Value Added Tax (VAT) collections increased by LL 6 billion. In detail, VAT collected internally increased by 5 percent, while VAT collected at customs declined by 3 percent, mainly as a result of the low inflation environment in 2014<sup>4</sup>.

**Taxes on international trade** decreased by LL 116 billion (5 percent) as a result of lower excises and customs collections during the year, reflecting the overall decrease in the

<sup>2</sup> Kindly note that the number of sold properties is based on sale contracts declared over the period (Source: Cadaster, Ministry of Finance).

<sup>3</sup> During 2014, Régie transferred to the Treasury the entire surplus it made during the previous year, which amounted to LL 115 billion. During 2013, Régie transferred however only part of the surplus it made a year earlier, or an amount of LL 95 billion, noting that a remaining of LL 40 billion had already been disbursed in September 2012.

<sup>4</sup> According to the Central Administration of Statistics (CAS), the average Consumer Price Index was up by 1.9 percent in 2014, as compared to 2013.

value of imports by 3.5 percent. Tobacco excises registered the most notable decrease of LL 63 billion over the period, as tobacco imports decreased by 17 percent in value and 8 percent in volume; the latter could most likely be attributed to smuggling across the border with Syria. Also, excises on cars dropped by LL 31 billion, as car imports decreased by 7 percent in value and 9 percent in volume. It is worth mentioning that revenues collected from **fiscal stamp fees** increased by LL 21 billion (4 percent).

**Non-tax revenues** stood at LL 4,354 billion in 2014, increasing by LL 1,085 billion year-on-year. This increase was mainly driven by transfers from the Telecom Surplus that hiked by LL 878 billion to reach LL 3,034 by end 2014, mostly the result of a collection of arrears.

Of other non-tax revenues, (i) revenues from Port of Beirut increased by LL 52 billion in 2014, (ii) vehicle control fees rose by LL 50 billion, mainly the result of a policy that reduced penalty dues and thus encouraged citizens to cover their late payments in September 2014, (*for more information, kindly refer to September 2014 Public Finance Monitor*), (iii) receipts from property income (consisting mainly of the rent of Rafic Hariri International Airport) increased by LL 41 billion (*for more information, kindly refer to the January 2014 Public Finance Monitor*), and (iv) retirement deductibles increased by LL 33 billion in 2014.

**Treasury receipts** witnessed an unprecedented increase of LL 842 billion in 2014, primarily owing to the collection of Telecom revenues on behalf of Municipalities (worth LL 739 billion), to be redistributed at a later stage.

### **Expenditures**

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**Total expenditures** increased by LL 469 billion, reaching LL 21,032 billion (28.2 percent of GDP) in 2014 compared to LL 20,563 billion (28.9 percent of GDP) in 2013.

**Current primary expenditures**<sup>5</sup> decreased by LL 44 billion to reach LL 11,922 billion in 2014. This was mainly the result of lower payments to (i) NSSF by LL 150 billion, (ii) **hospitals** by LL 92 billion, and (iii) **medicaments** by LL 50 billion. These decreases were offset by a LL 225 billion increase in salaries and wages, mainly due to (i) a LL 119 billion rise in government subscriptions and contributions to the employees' cooperative, (ii) a LL 71 billion rise in basic salaries of the army, and (iii) LL 29 billion higher basic salaries of general security forces. As such, personnel cost were the largest expenditure item in 2014 accounting for 32 percent of total expenditures. Furthermore, transfers to **Electricité du Liban (EDL)** increased by LL 101 billion highlighting a 14 percent increase in petroleum imports<sup>6</sup>.

**Interest payments** jumped by LL 600 billion (11 percent) to reach LL 6,314 billion, comprising 30 percent of total expenditures, mainly due to higher debt service payments on local currency debt and to lesser extent on foreign currency debt.

**Foreign debt principal repayments** amounted to LL 288 billion by end 2014, increasing by 1 percent year on year.

**Capital expenditures** regressed by LL 104 billion to LL 883 billion in 2014, mainly as a result of (i) a LL 135 billion decline in payments to **maintenance**, (ii) a LL 69 billion decrease in payments to the **Ministry of Public Work and Transport**, and (iii) LL 24 billion lower transfers to **CDR**.

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<sup>5</sup> Current primary expenditures represent current expenditures excluding interest payment and debt service.

<sup>6</sup> Additional details on EDL transfers in Jan-Dec 2014 will be available in the December issue of Transfers to Electricité Du Liban, a monthly snapshot.

**Treasury expenditures**<sup>7</sup> decreased by LL 18 billion to reach LL 1,313 billion by end 2014; mainly due to lower **deposits** and **VAT refund** by LL 48 billion and LL 26 billion, respectively. This decrease was counterbalanced by a LL 118 billion increase in transfers to **municipalities**, reaching LL 709 billion, of which (i) LL 355 billion relate to the distribution of revenues<sup>8</sup>, (ii) LL 336 billion pertain to transfers to solid waste management companies, and (iii) LL 17 billion represent payments for infrastructure projects and other expenses.

### **Public Debt**

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**Gross public debt** totaled LL 100,363 billion by end 2014, adding LL 4,653 billion (5 percent) from end-2013, and was boosted by a 10 percent rise in the stock of local currency debt, compared to a 2 percent decline in foreign currency debt. The debt to GDP ratio stood at 134.4 percent by end 2014, unchanged from year end 2013. Net debt amounted to LL 86,398 billion, up by LL 6,183 billion from end-2013, outlining a LL 1,530 billion (10 percent) decrease in public sector deposits to LL 13,965 billion.

**Local currency debt** amounted to LL 61,752 billion by end-2014 increasing by LL 5,440 billion from end-2013. Commercial banks' LL portfolio increased by LL 1,563 billion to LL 31,468 billion, while local currency debt holdings by Banque du Liban reached 19,855 billion, compared to LL 17,171 billion as at end-2013. Holdings by Public Institutions climbed by LL 584 billion to LL 7,701 billion, while holdings of the general public and Financial Institutions increased by LL 243 billion and LL 366 billion respectively.

Outstanding **foreign currency debt** decreased by LL 787 billion to LL 38,611 billion by end-2014. This was mainly due to declines in Eurobonds and loans issued in the context of Paris II and Paris III, as a result of amortized principal repayments, by LL 596 billion and LL 201 billion respectively. In addition, outstanding market issued Eurobonds decreased by LL 103 billion to LL 32,584 billion, mainly due to the valuation adjustment on euro denominated Eurobonds, whereby the value of the euro to the US dollar decreased to 1.217 by end-2014 from 1.376 as at end-2013. Those declines were partially offset by a LL 147 billion rise in outstanding "Bilateral, multilateral and foreign private sector loans".

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<sup>7</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.

<sup>8</sup> As per decree 11180 dated 11 February 2014. The total treasury advance for 2012 is LL 490 billion, to be redistributed at a later stage.

## SECTION 1: REVENUE OUTCOME

**Table 2: Total Revenues**

(LL billion)	2013 Jan-Dec	2014 Jan-Dec	% Change 2014/2013
<b>Budget Revenues, of which</b>	<b>13,385</b>	<b>14,742</b>	<b>10.1%</b>
Tax Revenues	10,116	10,388	2.7%
Non-Tax Revenues	3,269	4,354	33.2%
<b>Treasury Receipts</b>	<b>816</b>	<b>1,658</b>	<b>103.2%</b>
<b>Total Revenues</b>	<b>14,201</b>	<b>16,400</b>	<b>15.5%</b>

Source: Ministry of Finance, Directorate General of Finance

**Table 3: Tax Revenues**

(LL billion)	2013 Jan-Dec	2014 Jan-Dec	% Change 2014/2013
<b>Tax Revenues:</b>	<b>10,116</b>	<b>10,388</b>	<b>2.7%</b>
<b>Taxes on Income, Profits, &amp; Capital Gains, of which</b>	<b>2,502</b>	<b>2,795</b>	<b>11.7%</b>
Income Tax on Profits	974	1,119	14.9%
Income Tax on Wages and Salaries	587	643	9.5%
Income Tax on Capital Gains & Dividends	231	261	13.1%
Tax on Interest Income (5%)	660	711	7.7%
Penalties on Income Tax	49	61	24.6%
<b>Taxes on Property, of which:</b>	<b>1,201</b>	<b>1,245</b>	<b>3.6%</b>
Built Property Tax	179	218	21.3%
Real Estate Registration Fees	847	866	2.3%
<b>Domestic Taxes on Goods &amp; Services, of which:</b>	<b>3,782</b>	<b>3,811</b>	<b>0.8%</b>
Value Added Tax	3,296	3,302	0.2%
Other Taxes on Goods and Services, of which:	382	385	0.8%
Private Car Registration Fees	213	217	1.7%
Passenger Departure Tax	167	166	-0.6%
<b>Taxes on International Trade, of which:</b>	<b>2,158</b>	<b>2,042</b>	<b>-5.4%</b>
Customs	817	766	-6.2%
Excises, of which:	1,341	1,276	-4.8%
Gasoline Excise	483	512	6.1%
Tobacco Excise	395	332	-15.9%
Cars Excise	455	423	-6.9%
<b>Other Tax Revenues (namely fiscal stamp fees)</b>	<b>473</b>	<b>495</b>	<b>4.5%</b>

Source: Ministry of Finance, Directorate General of Finance

**Table 4: Non-Tax Revenues**

(LL billion)	2013 Jan-Dec	2014 Jan-Dec	% Change 2014/2013
<b>Non-Tax Revenues</b>	<b>3,269</b>	<b>4,354</b>	<b>33.2%</b>
<b>Income from Public Institutions and Government Properties, of which</b>	<b>2,518</b>	<b>3,498</b>	<b>39.0%</b>
Income from Non-Financial Public Enterprises, of which:	2,362	3,300	39.7%
<i>Revenues from Casino Du Liban</i>	125	117	-6.6%
<i>Revenues from Port of Beirut</i>	30	82	173.7%
<i>Budget Surplus of National Lottery</i>	50	66	32.2%
<i>Transfer from the Telecom Surplus</i>	2,156	3,034	40.7%
Transfer from Public Financial Institution (BDL)	61	61	0.6%
Property Income (namely rent of Rafic Hariri International Airport)	87	127	46.8%
Other Income from Public Institutions (interests)	8	10	29.4%
<b>Administrative Fees &amp; Charges, of which:</b>	<b>606</b>	<b>675</b>	<b>11.3%</b>
Administrative Fees, of which:	492	565	14.8%
<i>Notary Fees</i>	30	32	4.6%
<i>Passport Fees/ Public Security</i>	140	163	16.7%
<i>Vehicle Control Fees</i>	235	285	21.2%
<i>Judicial Fees</i>	25	28	11.6%
<i>Driving License Fees</i>	19	20	5.3%
Administrative Charges	32	24	-23.1%
Sales (Official Gazette and License Number)	3	3	4.9%
Permit Fees (mostly work permit fees)	65	68	4.9%
Other Administrative Fees & Charges	14	14	-2.1%
<b>Penalties &amp; Confiscations</b>	<b>9</b>	<b>11</b>	<b>26.5%</b>
<b>Other Non-Tax Revenues (mostly retirement deductibles)</b>	<b>136</b>	<b>170</b>	<b>24.4%</b>

Source: Ministry of Finance, Directorate General of Finance

## SECTION 2: EXPENDITURE OUTCOME

**Table 5: Expenditure by Economic Classification**

(LL billion)	2013 Jan-Dec	2014 Jan-Dec	% Change 2014/2013
<b>1. Current Expenditures</b>	<b>17,966</b>	<b>18,524</b>	<b>3.1%</b>
1.a Personnel Cost, of which	6,473	6,727	3.9%
Salaries, Wages and social benefits	4,276	4,501	5.2%
Retirement and End of Service Compensations, of which:	1,831	1,893	3.4%
Retirement	1,583	1,652	4.4%
End of Service	248	241	-2.8%
Transfers to Public Institutions to Cover Salaries 1/	366	333	-9.0%
1.b Interest Payments, of which: 2/	5,714	6,314	10.5%
Domestic Interest Payments	3,341	3,934	17.8%
Foreign Interest Payments	2,373	2,380	0.3%
1.c Accounting Adjustment 3/	0	32	-
1.d Foreign Debt Principal Repayment	287	288	0.6%
1.e Materials and Supplies, of which:	455	390	-14.4%
Nutrition (Food supplies)	75	77	2.6%
Fuel Oil	13	13	3.5%
Medicaments	245	195	-20.3%
1.f External Services	153	150	-1.7%
1.g Various Transfers, of which:	4,143	4,002	-3.4%
EDL 4/	3,056	3,157	3.3%
NSSF	250	100	-60.0%
Higher Council of Relief	108	96	-11.2%
Contributions to non-public sectors	290	294	1.5%
Transfers to Directorate General of Cereals and Beetroot	98	70	-29.1%
Contributions to water authorities	12	12	3.2%
Special Tribunal	58	0	-100.0%
1.h Other Current, of which:	532	425	-20.0%
Hospitals	388	297	-23.6%
Others (judgments & reconciliations, mission costs, other)	141	118	-16.3%
1.i Interest subsidy	209	196	-6.4%
<b>2. Capital Expenditures</b>	<b>987</b>	<b>883</b>	<b>-10.5%</b>
2.a Acquisitions of Land, Buildings, for the Construction of Roads, Ports, Airports, and Water Networks	14	0	-98.6%
2.b Equipment	75	66	-11.1%
2.c Construction in Progress, of which:	571	606	6.1%
Displaced Fund	0	30	-
Council of the South	37	78	110.1%
CDR	305	281	-7.8%
Ministry of Public Work and Transport	139	71	-49.2%
Other of which:	77	77	0.7%
Higher Council of Relief	15	10	-34.7%
2.d Maintenance	297	163	-45.3%
2.e Other Expenditures Related to Fixed Capital Assets	29	48	62.4%
<b>3. Budget Advances 5/</b>	<b>233</b>	<b>263</b>	<b>12.8%</b>
<b>4. Customs Administration (exc. Salaries and Wages) 6/</b>	<b>40</b>	<b>47</b>	<b>15.7%</b>
<b>5. Treasury Expenditures 7/</b>	<b>1,331</b>	<b>1,313</b>	<b>-1.4%</b>
Municipalities	591	709	19.9%
Guarantees	93	121	31.0%
Deposits 8/	160	113	-29.7%
Other, of which:	487	370	-24.0%
VAT Refund	301	275	-8.5%
<b>6. Unclassified Expenditures</b>	<b>5</b>	<b>2</b>	<b>-63.7%</b>
<b>7. Total Expenditures (Excluding CDR Foreign Financed)</b>	<b>20,563</b>	<b>21,032</b>	<b>2.3%</b>

Source: Ministry of Finance, Directorate General of Finance

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/ Includes accounting adjustments in 2014: 1) addition of the amount LBP 1,605,190,000 (capitalized interest drawn from the loan and paid directly to the creditor EKF), and 2) deduction of the amount LBP 33,259,493,672 (accrued interest paid on 27/5/2014 - due to the new procedure applied by the accounting department since July 2014)

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/ 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 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

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

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

(LL billion)	2013	2014	% Change 2014/2013
	Jan-Dec	Jan-Dec	
Transfer to Council of the South	9	12	34.8%
Transfer to CDR	30	25	-14.4%
Transfer to the Displaced Fund	6	6	-14.5%
Transfer to the Lebanese University	304	277	-9.0%
Transfer to the Educational Center for Research and Development	17	14	-19.4%
<b>Total Transfers to Public Institutions to Cover Salaries</b>	<b>366</b>	<b>333</b>	<b>-9.0%</b>

Source: Ministry of Finance, Directorate General of Finance

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

(LL billion)	2013	2014	% Change 2014/2013
	Jan-Dec	Jan-Dec	
<b>Interest Payments</b>	<b>5,714</b>	<b>6,314</b>	<b>10.5%</b>
Local Currency Debt	3,341	3,934	17.8%
Foreign Currency Debt, of which:	2,373	2,380	0.3%
Eurobond Coupon Interest*	2,246	2,285	1.8%
Special bond Coupon Interest*	7	7	-1.2%
Concessional Loans Interest Payments	120	120	-0.4%
<b>Concessional Loans Principal Repayments</b>	<b>287</b>	<b>288</b>	<b>0.6%</b>

Source: Ministry of Finance, Directorate General of Finance

<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</sup>**

(LL billion)	2013	2014	% Change 2014/2013
	Jan-Dec	Jan-Dec	
<b>EDL of which:</b>	<b>3,056</b>	<b>3,157</b>	<b>3.3%</b>
Debt Service	65	32	-50.9%
Reimbursement for purchase of Natural Gas, Fuel & Gas Oil	2,990	3,125	4.5%

Source: Ministry of Finance, Directorate General of Finance

<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".

### SECTION 3: PUBLIC DEBT

**Table 9: Public Debt Outstanding by Holder as of End-December 2014**

(LL billion)	Dec-12	Dec-13	Dec-14	% Change Dec 13-Dec 14
<b>Gross Public Debt</b>	<b>86,959</b>	<b>95,710</b>	<b>100,363</b>	<b>4.9%</b>
<b>Local Currency Debt</b>	<b>50,198</b>	<b>56,312</b>	<b>61,752</b>	<b>9.7%</b>
* <i>Accrued Interest Included in Debt</i>	789	877	1,029	17.3%
a. Central Bank (Including REPOs)	15,049	17,171	19,855	9.5%
b. Commercial Banks	27,267	29,905	31,468	15.6%
c. Other Local Currency Debt (T-bills), of which:	7,882	9,236	10,429	5.2%
<i>Public Entities</i>	6,479	7,117	7,701	12.9%
<i>Contractor bonds 1/</i>	134	134	180	8.2%
<b>Foreign Currency Debt 2/</b>	<b>36,761</b>	<b>39,398</b>	<b>38,611</b>	<b>-2.0%</b>
a. Bilateral, Multilateral and Foreign Private Sector Loans	2,584	2,606	2,752	5.6%
b. Paris II Related Debt (Eurobonds and Loans) 3/	2,925	2,338	1,743	-25.5%
c. Paris III Related Debt (Eurobonds and Loans) 4/	1,313	1,187	986	-16.9%
d. Market-Issued Eurobonds	29,427	32,688	32,584	-0.3%
e. Accrued Interest on Eurobonds	400	444	425	-4.3%
f. Special T-bills in Foreign Currency 5/	112	136	121	-11.0%
<b>Public Sector Deposits</b>	<b>12,916</b>	<b>15,495</b>	<b>13,965</b>	<b>-9.9%</b>
<b>Net Debt 6/</b>	<b>74,043</b>	<b>80,215</b>	<b>86,398</b>	<b>7.7%</b>
<b>Gross Market Debt 7/</b>	<b>58,623</b>	<b>65,386</b>	<b>67,380</b>	<b>3.1%</b>
<b>% of Total Debt</b>	<b>67%</b>	<b>68%</b>	<b>67%</b>	<b>-1.7%</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 12- Dec 13 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.

## MINISTRY OF FINANCE PUBLICATIONS

### 2015

*Public Finance Monitor Monthly Update, July-November 2014*

*Transfers to EDL: A Monthly Snapshot, July-August 2014*

*Salaries and Wages and Related Benefits-The Article 13 Monthly Bulletin, July- September 2014*

*Debt and Debt Markets Quarterly, QIV 2014*

### 2014

*Aid Coordination Monthly Newsletter, Issues 74-81*

*Public Finance Monitor Monthly Update, January-June 2014*

*Public Finance Monitor Monthly Update, October 2013-December 2013*

*Public Finance Quarterly Review, QII 2013 and QIII 2013*

*Public Finance Annual Review, 2013*

*Public Finance Semi- Annual Report, H1 2014*

*Transfers to EDL: A Monthly Snapshot, January-June 2014*

*Transfers to EDL: A Monthly Snapshot, October-December 2013*

*Salaries and Wages and Related Benefits-The Article 13 Monthly Bulletin, January-June 2014*

*Salaries and Wages and Related Benefits-The Article 13 Monthly Bulletin, October-December 2013*

*Debt and Debt Markets Quarterly, QI 2014, QII 2014, QIII 2014*

*Debt and Debt Markets Quarterly, QIV 2013*

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