

**Republic of Lebanon**  
**Ministry of Finance**

**Fiscal Performance Report for April 2002**

Overall fiscal performance - budgetary and treasury operations

Total expenditures (budgetary and treasury) for the period January – April 2002 amounted to LL 3,127 billion, compared to LL 2,396 billion during the same period last year, indicating an increase of LL 731 billion. Total revenues (budgetary and treasury), on the other hand, amounted to LL 1,715 billion during January – April 2002, compared to LL 1,442 billion during the same period last year. Hence, the total deficit since the beginning of the year amounted to LL 1,412 billion, equivalent to 45.16% of total expenditures compared to LL 954 billion or 39.83% during the same period in 2001. The total primary surplus, hence amounted to LL 105 billion during January – April 2002 compared to LL 325 billion during the same period last year.

Budget operations

On the budget execution front, budget expenditures during the January – April 2002 amounted to LL 2,463 billion and budget revenues amounted to LL 1,578 billion, compared to budget expenditures of LL 2,120 billion and budget revenues of LL 1,344 billion during the same period last year. The Value Added Tax collected during February - April 2002 (during the first three months since its implementation) amounted to LL 232 billion.

Delayed transfers from the Ministry of Post and Telecommunications and the abolition of diplomatic fees were the main underlying reasons for the LL 88 billion decline in non-tax revenues during first four months of 2002 compared to the outcome of the first four months in 2001.

The budget deficit for January – April 2002 amounted to LL 885 billion, equivalent to 35.93% of budget expenditures compared to LL 776 billion or 36.60% in January – April 2001. In addition, a budget primary surplus of LL 633 billion was achieved during the first four months of 2002 compared to LL 503 billion during the same period in 2001.

Treasury operations

As for treasury operations during the period January – April 2002, they resulted in a deficit of LL 527 billion, equivalent to 79.47% of treasury expenditures compared to LL 179 billion, or 64.63% during the same period in 2001.

Note:

Budget revenues and expenditures are not equally distributed among the months of the year. Therefore, upon the execution of the budget, revenue and expenditure figures from both the budget

and treasury accounts will differ among the months of the year and with it the deficit ratio and amount.

### Summary of Fiscal Performance April 2002

Republic of Lebanon - Ministry of Finance

(In million of L.L.)	Apr-01	Apr-02	Jan- Apr 2001	Jan- Apr 2002	Change	% Change
<b>1. Budget Transactions</b>						
<b>1.1 Revenues</b>	<b>280,019</b>	<b>455,284</b>	<b>1,343,862</b>	<b>1,578,480</b>	<b>234,618</b>	<b>17.46%</b>
1.1.1 Tax Revenues	193,055	345,979	816,903	1,139,373	322,470	39.47%
<i>of which customs revenues*</i>	127,370	129,157	489,103	521,068	31,965	6.54%
<i>of which VAT revenues**</i>	0	120,798	0	231,530	231,530	
1.1.2 Non-Tax Revenues	86,964	109,305	526,959	439,107	-87,852	-16.67%
<b>1.2 Expenditures</b>	<b>597,243</b>	<b>827,689</b>	<b>2,119,521</b>	<b>2,463,493</b>	<b>343,972</b>	<b>16.23%</b>
1.2.1 Expenditures excluding debt service	243,372	274,235	840,645	945,840	105,195	12.51%
1.2.2 Debt Service	353,871	553,454	1,278,876	1,517,653	238,777	18.67%
1.2.1.1 Domestic Debt	294,800	342,200	1,080,497	1,112,600	32,103	2.97%
1.2.1.2 Foreign Debt	59,071	211,254	198,379	405,053	206,674	104.18%
<b>Budget Total Deficit/Surplus</b>	<b>-317,224</b>	<b>-372,405</b>	<b>-775,659</b>	<b>-885,013</b>	<b>-109,354</b>	
<b>In % of total budget expenditures</b>	<b>-53.11%</b>	<b>-44.99%</b>	<b>-36.60%</b>	<b>-35.93%</b>		
<b>Budget Primary Deficit/Surplus</b>	<b>36,647</b>	<b>181,049</b>	<b>503,217</b>	<b>632,640</b>	<b>129,423</b>	
<b>In % of total budget expenditures</b>	<b>6.14%</b>	<b>21.87%</b>	<b>23.74%</b>	<b>25.68%</b>		
<b>2. Treasury Transactions</b>						
<b>2.1 Receipts</b>	<b>26,011</b>	<b>35,575</b>	<b>97,738</b>	<b>136,233</b>	<b>38,495</b>	
2.1.1 Trust accounts / guarantees	4,047	7,913	22,049	26,764	4,715	
2.1.2 Municipalities	9,991	9,211	38,859	39,717	858	
2.1.3 Deposits	5,241	8,559	19,553	24,725	5,172	
2.1.4 Other	6,732	9,892	17,277	45,027	27,750	
<b>2.2 Payments</b>	<b>25,660</b>	<b>133,188</b>	<b>276,294</b>	<b>663,488</b>	<b>387,194</b>	
2.2.1 Trust accounts/Guarantees	17,778	13,360	118,868	34,641	-84,227	
2.2.2 Municipalities	1,039	75,512	8,849	84,605	75,756	
2.2.3 Deposits	5,504	5,558	27,759	27,970	211	
2.2.4 Expenditures from previous years appropriations	317	6,376	50,630	344,674	294,044	
2.2.5 Expenditures from previous years/Guarantees	237	340	35,527	12,594	-22,933	
2.2.6 Other	785	32,042	34,661	159,004	124,343	
<b>Total Treasury Deficit/Surplus</b>	<b>351</b>	<b>-97,613</b>	<b>-178,556</b>	<b>-527,255</b>	<b>-348,699</b>	
<b>In % of total treasury expenditure</b>	<b>1.37%</b>	<b>-73.29%</b>	<b>-64.63%</b>	<b>-79.47%</b>		
<b>3. Total Budget and Treasury Receipts</b>	<b>306,030</b>	<b>490,859</b>	<b>1,441,600</b>	<b>1,714,713</b>	<b>273,113</b>	<b>18.95%</b>
<b>4. Total Cash Budget and Treasury Payments</b>	<b>622,903</b>	<b>960,877</b>	<b>2,395,815</b>	<b>3,126,981</b>	<b>731,166</b>	<b>30.52%</b>
<b>5. Total Cash Deficit/Surplus</b>	<b>-316,873</b>	<b>-470,018</b>	<b>-954,215</b>	<b>-1,412,268</b>	<b>-458,053</b>	
<b>In % of Total Expenditures</b>	<b>-50.87%</b>	<b>-48.92%</b>	<b>-39.83%</b>	<b>-45.16%</b>		
<b>6. Primary Deficit/Surplus</b>	<b>36,998</b>	<b>83,436</b>	<b>324,661</b>	<b>105,385</b>	<b>-219,276</b>	
<b>In % of total expenditures</b>	<b>5.94%</b>	<b>8.68%</b>	<b>13.55%</b>	<b>3.37%</b>		

\* Receipts from excise taxes are included within customs revenues for comparative reasons

\*\* VAT revenues represents the amount collected at customs.