

Total deficit decreased by 27 percent in 2014

Telecommunication is still the best driver of Government revenues

The primary State deficit of \$239 million in 2013 changed to a primary surplus of \$1.3 billion in 2014, according to Fiscal Performance figures released today by the Ministry of Finance (MoF). Total deficit reached \$3 billion in 2014, down from \$4.2 billion in 2013, a year-on-year decrease by more than 27 percent.

The total budget deficit reached \$2.48 billion in 2014, up from \$1.77 billion in 2013, a year-on-year increase of 40 percent. The budget primary surplus reached \$1.8 billion, down from \$2.2 billion, a y-o-y decrease of 18 percent.

Total revenues, including tax revenues, non-tax revenues, and other treasury revenues, accounted for \$10.8 billion in 2014, a y-o-y increase of 15 percent, up from \$9.4 billion in 2013.

Tax revenues reached \$6.8 billion, a y-o-y increase of 2.7 percent. The Value Added Tax revenues increased only by 0.2 percent, while customs revenues decreased by more than five percent.

Non-tax revenues reached \$2.8 billion in 2014, up from \$2.1 billion in 2013, a total y-o-y increase of more than 33 percent. The non-tax revenues were driven by Government properties, which registered a y-o-y increase of 39 percent, followed by administrative fees and charges (y-o-y increase of 11 percent), and other non-tax revenues (y-o-y increase of 24 percent).

In terms of Government properties, however, Casino du Liban, Beirut International Airport, and tourist site revenues registered an annual decrease of 6.6 percent, 28.8 percent, and 8.9 percent respectively.

Telecommunication services revenues increased by more than 40 percent to reach \$2 billion. Revenues transferred to the Government from the Port of Beirut registered a y-o-y increase by more than 173 percent. "The Port of Beirut had fewer obligations in 2014 compared to 2013, which explains the high transfer of the amount from around \$20 million in 2013 to \$54.5 million in 2014," said Elie Zakhour, President of the International Chamber of Shipping-Beirut. "In 2013, the Port of Beirut underwent construction works on an extension, in addition to expenses related to employees and equipment," he said.

Total expenditures went up to \$12.2 billion, up from \$10.6 billion, a y-o-y increase of 15 percent.

Transfers to the Electricité du Liban (EDL) totaled \$2 billion in 2014, almost the same amount as 2013.

