

LEBANESE REPUBLIC
PRESIDENCY OF THE COUNCIL OF MINISTERS
ECONOMIC ACCOUNTS MISSION

Economic Accounts of Lebanon
2010

Compiled and published under the direction of Robert Kasparian

October 2011

List of previous publications

National Economic Accounts 1997 - Ministry of Economy and Trade - May 2003

National Economic Accounts 1997-2002 - Ministry of Economy and Trade - July 2005

National Economic Accounts 2003 - Presidency of the Council of Ministers - May 2006

National Economic Accounts 2004 - Presidency of the Council of Ministers - February 2007

National Economic Accounts 2005 - Presidency of the Council of Ministers - October 2007

National Economic Accounts 2006-2007 - Presidency of the Council of Ministers - December 2008

National Economic Accounts 2008 - Presidency of the Council of Ministers - October 2009

National Economic Accounts 2008 - Presidency of the Council of Ministers - October 2010

Acknowledging the contribution of the team that worked on this publication edited by Dr. Robert Kasparian.

Nadine Zantout, Economist at the Economic Accounts Mission;

Najwa Yaacoub, Statistician responsible for the Economic Accounts at the Central Administration of Statistics;

Zakia El-Khoury, Senior Executive Secretary at the Economic Accounts Mission;

Ibrahim Nader, responsible for the Financial Sector Accounts at the Central Bank of Lebanon;

Rana Bissar, representing the Ministry of Finance for the Government Accounts;

Mario Najm, translation into English;

Special thanks goes out to Mr. Riad Saade, Director of the Lebanese Center for Agricultural Resources & Studies, for being readily available to work with the team during their evaluation of agricultural production between 2007 and 2009.

Table of Contents	Page
Introduction	9
PART ONE: The Goods and Services Account	11
Chapter 1. Production	13
Section I. Agriculture and livestock	13
Section II. Energy and water sector	15
Section III. Industry	17
Section IV. Construction	18
Section V. Transportation and communication	19
Section VI. Market services	20
Section VII. Trade	23
Section VIII. Non-market services	25
Chapter 2. Imports	28
Chapter 3. Consumption	35
Section I. Household consumption	35
Section II. Public consumption	42
Chapter 4. Investments	44
Section I. Gross fixed capital formation.	44
Section II. Changes in inventories	45
Chapter 5. Exports	46
PART TWO: Integrated Economic Accounts	51
Chapter 1. Integrated accounts of the national economy	54
Section I. Production account	55
Section II. Generation and allocation of primary income account	58
Section III. Secondary distribution of income account	61
Section IV. Use of income accounts	64
Section V. Capital account	64
Section VI. Financial account	65
Chapter 2. Rest of the world accounts and the balance of payments	70
Section I. External accounts of goods and services	70
Section II. External primary incomes and current transfers account	71
Section III. Capital transfers account	73
Section IV. Financial account	73
Conclusion	75
APPENDICES	83
APPENDIX I. Tables of Basic Accounts	85
APPENDIX II. Statistical sources	107

List of Tables

Tables in the Report

1. Aggregate account of goods and services 2009 -2010	11
2. Value added by sector 2009 -2010	13
3. Agricultural output 2009 -2010	14
4. Energy and water output 2009 -2010	16
5. Industrial output 2009 -2010	17
6. Construction and public works output 2009 -2010	19
7. Transportation and communication services output 2009 -2010	19
8. Market services output 2009 -2010	21
9. Trade sector account 2009 -2010	24
10. Computation of non-market services output 2009 -2010	26
11. Import of goods by type of product 2009 -2010	29
12. Territorial imports of goods classified according to use 2009 -2010	30
13 (a-e) Breakdown of imported intermediate products by type and sector 09-10	31
14. Household consumption by type of product 2009 -2010	35
15. Household consumption of food by type of product 2009 -2010	36
16. Household consumption of energy and water 2009 -2010	37
17. Purchase of capital goods by households 2009 -2010	38
18. Consumption of manufactured goods by type 2009 -2010	39
19. Domestic consumption of transportation and communication services 09-10	40
20. Consumption of social services by type 2009 -2010	40
21. Consumption of individual services by type 2009 -2010	41
22. Cost estimates of public education and healthcare services 2006-2010	43
23. Gross fixed capital formation by type of assets 2009 -2010	44
24. Breakdown of GFCF in the private/public sector 2006-2010	45
25. Export of goods and services by type 2009 -2010	46
26. Exports of gold ingots 2007-2010	47
27. Integrated accounts of the national economy (S.1) 2009 -2010	52
28. Rest of the world accounts (S.2) 2009 -2010	53
29. Evolution of the main aggregates of the National Economy 2006 -2010	54
30. Indirect taxes by type 2006-2010	56
31. Consumption tax by type 2006-2010	56
32. Subsidies to public corporations 2006-2010	57
33. Distribution of GDP by factors of production 2006-2010	58
34. Computation of bank interests paid by corporations and public administrations 2006-2010	59
35. Evolution of national debt burden and share interest accrued 2006-2010	60
36. Structure of gross national income 2006-2010	60
37. Distribution of direct taxes by type 2006-2010	61
38. Social security contributions paid by national agents 2006-2010	62
39. Distribution of social security benefits received by type 2006-2010	62
40. Distribution of current transfers received by type 2006-2010	63
41. Computation of GNDI 2006-2010	63
42. Distribution of net lending (+) or borrowing (-) by national agent 2006-2010	65

43. Changes in money supply and net foreign assets of the banking sector 2006-2010	66
44. Distribution of Treasury Bonds by subscriber 2006-2010	67
45. Changes in loans by type 2006-2010	68
46. Changes in loans to the private sector by economic sector 2006-2010	69
47. Evolution of the various balancing items in the balance of payments 2006-2010	70
48. Contribution of various demand components to the its growth %/yr	76

Tables of Basic Accounts (Appendix I)

1. Uses-resources accounts tables for goods and services by product group in current price values and chain volume measures of the preceding year	
1.0. All products	85
1.1. Agricultural products	86
1.2. Livestock products	87
1.3. Energy and water	88
1.4. Food industry products	89
1.5. Textiles, leather and clothes	90
1.6. Non-metal ores	91
1.7. Metals, machines and equipment	92
1.8. Wood, rubber and chemicals	93
1.9. Furniture	94
1.10. Other industrial products	95
1.11. Construction	96
1.12. Transport and communication	96
1.13. Market services	97
1.15. Non-market services	97
2. Goods and services input-output tables in current prices and volumes at the prices of the previous year	98
3. Financial institutions accounts (Commercial banks accounts)	103
4. Public Administration accounts	
4.1. Central Administration accounts	104
4.2. Public administration consolidated accounts (estimates)	106

Tables of Statistical Sources (Appendix II) 107

I.1	Vital statistics (number of registered events)	107
II.1	Crop output	107
II.2	Animal output	108
III.1	Main imported oil products	109
III.2	Electricity consumption	109
IV.1	Principle Industry Data fo the Year 2007	110
IV.2	Manufactured Tobacco	111
IV.3	Imports of intermediary products intended for industry	111
V.1	Building permits registered at engineers' order	112
V.2	Local cement sales	112
V.3	Raw material imports for construction	112
VI.1	Movement of goods via Beirut port	112

VI.2	Number of passengers departing from Beirut airport	112
VI.3	Income of telephone and telecommunications General Directorate	112
VII.1	Education: number of registered pupils and students	113
VII.2	Health: public health expenditures	113
VII.3	Insurance services	113
VII.4	Passenger arrivals	113
VIII.1	Budgetary income, State expenditure and their classification	114
VIII.2	Treasury accounts	115
VIII.3	Public debt	115
VIII.4	Transfers from State budget to autonomous agencies	116
VIII.5	CDR Accounts 2005-2010	117
VIII.6	National Social Security Fund accounts	118
VIII.7	Computation of the public administration fixed capital depreciation	119
IX.1	Evolution of the monetary situation	120
IX.2	Supply of banking credits by sector	120
X.1	Evolution of imports by production branch	121
X.2	Imports by country of origin	123
X.3	Exports	124
X.4	Changes in re-exports and transit	124
XI.1	Consumer price index (official)	125
XI.2	Index of unit values of imported goods by production branch	126
XI.3	Index of exchange rates	128

Introduction

The Economic Accounts of Lebanon for 2010 presented herein are established in compliance with the same accounting conventions and methodologies adopted in the compilation of the accounts for every year between 1997 and 2009. Bear in mind that given the gaps in data in the national economy, a simplified model drawn on the national accounts structure was adopted according to the recommendations of the United Nations and the European Union. As such, a methodological framework has been developed to estimate various sectors of these accounts from the available data.¹

Previous estimates have been progressively revised, however, given the availability of new data in some sectors of the national economy. In this context, deeper insight into the industry and services sectors was gained in 2003, following the results of the Saint-Joseph University (USJ) survey on the 900 leading companies. USJ's Socio-economic Reality Observatory performed the survey, which was financed by the Association for the Development of Exchanges in Economic and Financial Technology (ADETEF), a French body in charge of providing technical cooperation. Moreover, the compilation and analysis of industrial and trade establishment tax returns from 2003 to 2007, and statistics drawn from VAT records from 2003 to 2009 have made it possible to highlight economic trends in particular economic sectors. Additionally, public administration accounts were estimated with greater precision after appraising the accounts of principal municipalities for the years 2004 and 2005.

After stagnating in 2006, economic growth recovered in 2007 and gained momentum in 2008 and 2009 but became sluggish in 2010.

Imports registered negligible growth in volume, following a slowdown in demand. Demand, which was less than in year 2009, has always been driven by significant transfers from abroad. Thus, despite the widening trade balance deficit, the surplus in the balance of payments fell to a more modest level, following a considerable surplus in 2009.

In terms of inflation, while prices in 2009 remained relatively stable, the inflation in 2010 resumed its upward trend given the rise in import prices.

An analysis of the above is detailed in these accounts, which are presented in two parts:

Part one reviews the goods and services accounts and illustrates the evolution of the various aspects of the real economy. It comprises of five chapters devoted to the variables, which constitute the basic balance of these accounts, namely:

production + imports = consumption + gross fixed capital formation and changes in inventories
+ exports.

¹For more information concerning the account model and estimation methods used, kindly consult the two previous Ministry of Economy and Trade publications, namely: "Economic Accounts of Lebanon, 1997" (May 2003); and "Economic Accounts of Lebanon, 1997-2002" (July 2005).

Part two comprises of two chapters, presenting the general balance of accounts by integrating the whole set of flows, which constitute broad-spectrum economic activity. The first chapter is devoted to the integrated accounts of the national economy, incorporating production accounts and linking these with the distribution and financial transaction accounts, while the second chapter provides the rest of the world accounts and the balance of payments.

The principal accounts are published in the Annex:

- 1) Within the framework of the goods and services account :
 - Uses-resources accounts tables for goods and services grouped into 15 economic categories;
 - Input - output accounts tables for goods and services categorized into the seven main sectors of the economy.
- 2) Within the framework of institutional accounts :
 - Commercial banks accounts;
 - Central Administration accounts;
 - Whole of government accounts (estimated).

Information concerning other institutional sectors is still lacking.

Upon the availability of new data, a revised version of the national economic accounts from 1997 to 2007 was published in a separate volume alongside the accounts for years 2006-2007. Thus, it becomes possible to evaluate the performance of the Lebanese economy during the various economic phases over the course of the past 14 years.

PART ONE

The goods and services account

The aggregate account of goods and services describes the real economy. Table n° 1 below presents the 2010 results of this account against those of 2009. An estimate of these accounts at constant prices reveals the result of price changes in the total variation; thus, generating real growth.

Table n° 1
Aggregate account of goods and services 2009-2010

	<i>Value (LBP billion)</i>		<i>Changes in % / year</i>		
	2009	2010	2010 At prices of 2009	Price	Volume
<i>Uses</i>					
Private consumption	41 215	44 672	43 418	2.9	5.3
Public consumption	7 399	7 999	7 870	1.6	6.4
Private GFCF	16 426	17 880	17 377	2.9	5.8
Public GFCF	1 003	1 256	1 239	1.4	23.5
Varying inventories	685	-150	-140	...	...
Total: national expenditure	66 728	71 657	69 764	2.7	4.5
Exports	10 772	12 410	12 148	2.2	12.8
Uses = resources	77 501	84 067	81 912	2.6	5.7
<i>Resources</i>					
GDP	52 235	55 965	55 867	0.2	7.0
Imports	25 265	28 102	26 045	7.9	3.1

The growth of domestic economic activity as measured by Gross Domestic Product at prices of the previous year was 7% in 2010, against 9% in 2009, 8.6% in 2008; 8.4% in 2007; 0.7% on average in 2005 and 2006; 7.5% in 2004; and 2.5% on average during the period 1997-2003².

Unlike 2009, external demand contributed significantly to the growth recorded in 2010: from the 5.7% growth in volume of total demand, 1.8 points are due to exports of goods and services and spending by tourists, and 3.9 points are attributed to domestic demand; 3.4 points are due to consumption and 0.5 points are due to investment.

In contrast to previous years, import growth was lower than that of demand (+3.1% in volume against 5.7% for demand) while domestic production grew more rapidly (+7%).

²The accounts for the previous years have been revised.

Measured by price changes at the private consumption level, inflation in 2010 was 3% after recording its lowest level in 2009 since 2004: 1.3% against 10.5% in 2008; 5.1% in 2007; averaging 2.6% in 2005 and 2006; 2.9% in 2004; and averaging 0.8% during the period 1997-2003. This inflation is almost entirely imported and was caused by a price increase in the domestic factors of production, estimated at 0.2%, while import prices rose by 7.9%.

Changes in the aggregate account of goods and services during year 2010 are detailed and set forth in the following five chapters:

1. Domestic Output
2. Imports
3. Consumption
4. Gross Formation of Fixed Capital and Changes in Inventories
5. Exports

Chapter 1 Production

Gross Domestic Product (GDP) measures the production activity level of the various economic agents on the national territory. It is defined as the sum of value added of all enterprises (companies, individual enterprises and public companies) producing goods and services valued at market prices and the government production of non-market services valued at factor cost.

Table n° 2 demonstrates GDP distribution in various sectors by economic activity and its evolution in year 2010 against year 2009.

Table n° 2
Value added by sector 2009-2010

Sector	Value (LBP billion)		Changes in % / year		
	2009	2010	2010 at prices of 2009	Price	Volume
Agriculture and livestock	2 660	2 650	2 767	-4.2	4.0
Energy and water	-867	-1 473	-894	...	...
Industry	3 982	4 002	4 338	-7.7	8.9
Construction	7 018	8 515	8 313	2.4	18.5
Transportation and communications	3 427	3 084	3 621	-14.8	5.7
Market services	16 578	18 721	18 108	3.4	9.2
Trade	14 658	15 395	14 545	5.8	-0.8
Government	4 780	5 071	5 071	0.0	6.1
Total GDP	52 235	55 965	55 867	0.2	7.0

The growth of economic activity was witnessed primarily in three sectors: construction, services, and industry. In contrast to previous years, trade witnessed a negligible decline in value added at constant prices.

Growth or decline in the value added of a given sector is not only determined by the parameters of aggregate real activity, but also by output and input price variations. Remarkably, the low growth recorded in the energy sector despite a substantial decline in its value added became negative following a sharp increase in the price of oil products utilized to produce electricity. This price increase was not accompanied by an equivalent increase in the selling price of electrical energy.

Details on the value added by various sectors of the economy are set forth in the following sections.

Section I. Agriculture and livestock

The value added of the agriculture and livestock output sector is calculated by subtracting the estimated value of intermediate consumption from gross output valued at farm gate prices as the table below demonstrates (Table n° 3).

Table n° 3
Agricultural output 2009-2010

Output sector	Value (LBP billion)		Changes in % / year		
	2009	2010	2010 at prices of 2009	Price	Volume
Cereals	104	73	73	-1.0	-29.4
Fruits	1 409	1 620	1 683	-3.8	19.4
Industrial crops	110	121	119	1.7	7.8
Vegetables and other field crops	725	797	754	5.6	4.1
Agricultural products	2 348	2 610	2 630	-0.7	12.0
Livestock	414	348	337	3.3	-18.8
Livestock products	458	379	438	-13.3	-4.5
Fisheries products	119	119	119	0.0	0.0
Livestock, Fisheries products	992	846	893	-5.3	-9.9
Grand Total	3 340	3 457	3 523	-1.9	5.5
- intermediate consumption	680	807	756	6.7	11.1
=Gross value added	2 660	2 650	2 767	-4.2	4.0

Overall, the value added in agriculture fell slightly in 2010 compared to 2009 (-0.2%). This decrease is due to a rise in the value of intermediate consumption, which was higher than that of production (+18.6% against 3.5%). At constant prices, the value added in this sector, however, demonstrated a 4.0% increase, indicating a fall in prices in the factors of production.

Evolution of output³

Crop output significantly increased across all subcategories of this sector in 2010 in terms of volume and value except in the branch of cereals.

The 19.4% increase in fruit crop yield is largely due to a sharp rise in the output of olives in 2010, an increase that followed an output decrease in 2009, resulting from the bi-annual cycle of this crop. According to estimates provided by the Ministry of Agriculture, olive output is estimated to have been 177 300 tons in 2006, 76 200 tons in 2007, 123 500 tons in 2008 and 88 500 tons in 2009. In the lack of the agricultural statistics publication, agricultural output in 2010 was estimated at 2.1 times than year 2009, or 189 200 tons. The production in quantities of all other fruits in contrast increased by 7.4% according to data retrieved from the Lebanese Center for Research & Agricultural Studies.

With respect to variation in prices of fruits at farm gate, it was estimated at -30.5% for olives and +3% for other fruits.

³The Ministry of Agriculture has thus far yet to determine the output statistics for year 2010. Changes in output for major crops between 2009 and 2010 were estimated on data provided by the Lebanese Center for Research & Agricultural Studies.

Vegetable output ranks as the second largest in the agricultural sector and recorded higher figures than in year 2009 both in volume (+4.1%) and value (+9.9%), benefiting from higher farm gate prices and valued at 5.6% despite a fall in the price of potatoes (-23%), which occurred after a sharp price increase in 2009 (+66.5%).

Industrial crops, which mainly consist of tobacco, witnessed a rise in output.

As in year 2009, cereal output continued to decline. The decline, however, was also accompanied by a fall in prices, following a global trend in the prices of these goods.

The livestock and fisheries sectors witnessed an increase in output volume at stagnating prices.

Intermediate consumption in agriculture and livestock

In contrast to output, which is subject to regular statistical reviews by the Ministry of Agriculture, the data used to calculate the intermediate consumption of this sector is not derived from direct cost of production surveys at the farms. These values, thus, have been indirectly estimated by analyzing the output and import of products intended for use in agriculture and livestock, including, among others, seeds and seedlings, amount of irrigation water applied, fertilizers, pesticides, and cattle feed. Generally, most of these products are imported, which also makes it possible to estimate quantities used and calculate approximate changes in selling prices to farmers.

The variation in the volume of intermediate products used in agriculture in 2010 compared to 2009 exceeded that of production (11.1% against 5.5%). The increase in the volume of agricultural inflows was accompanied by a rise in prices (+6.7%) due to higher import prices of fuels and insecticides.

Section II. Energy and water sector

In addition to public companies, which control the production and distribution of electricity and water, many small private enterprises produce and sell electricity at the local level given the frequent power cuts on the public distribution network whereas other private companies distribute water to households by means of water tankers. Approximates for 2010 are based on previous estimates using available indicators.

The evolution of the production account for this sector between 2009 and 2010 is as follows (Table n° 4):

Table n° 4
Energy and water output 2009-2010

Output sector	Value (LBP billion)		Changes in % / year		
	2009	2010	2010 at prices of 2009	Price	Volume
Solid fuels	13	13	13	0.0	5.0
Electricity	1 246	1 310	1 303	0.6	4.5
Water	199	204	204	0.0	2.2
Total	1 458	1 527	1 519	0.5	4.2
-intermediate consumption	2 325	3 000	2 414	24.3	3.8
= Gross value added	-867	-1 473	-894	...	...

Note: figures for previous years have been revised

Evolution of output

Changes in the output volume of electrical energy were estimated from the statistical distribution of electrical current on the network, which is, in fact, an indicator of consumption and not output. From year 2007, this estimate takes into account the purchase of electrical energy from Syria, and more recently from Egypt. The volume of electrical current distributed in 2010 increased by 4.5%, from 11 920 MWh in 2009 to 12 456 MWh in 2010, whereas the purchase of electrical energy from Syria and Egypt increased from 1 116 MWh to 1 249 MWh. These figures lead us to infer a 4.3% volume increase in EDL output. A 4.5% increase in total output, however, was chosen to reflect the growth of private suppliers.

In the absence of data reviews regarding the distribution of water, the consumption of this natural resource is assumed to increase in direct proportion to intrinsic housing growth rates.

Given that tariffs were not modified between 2009 and 2010, these tariffs are theoretically assumed to have remained constant. Given that electrical energy tariffs are progressive in practice, however, the average distribution price per KWh delivered largely depends on the distribution of consumption across households. According to statistics retrieved from Electricité du Liban (EDL), the average unit cost for a KWh in year 2010 was slightly higher than year 2009 (+0.6%).

Evolution of value added and intermediate consumption in the energy sector

Intermediate consumption in this sector significantly increased in value (+29%) in this sector. This rise was entirely due to higher product prices, mainly that of fuel used to run power plants. The volume of inputs rose only by 3.8%.⁴

⁴Imports of fuel and diesel fell in 2010 but consumption increased at the same rate of output. This was due to the depletion of stock reserves that were hoarded in 2009.

The value added in this sector, which represents a negligible share of the output value, consequently, decreased by LBP 606 billion and from LBP - 867 billion in 2009 to LBP – 1473 in 2010. Note: the value added in this sector has been negative since 2005.

Section III. Industry

Table n° 5 demonstrates the output evolution and intermediate consumption by type of goods and services used in the production process of various industry sectors.

Table n° 5
Industrial output 2009-2010

Output sector	Value (LBP billion)		Changes in % / year		
	2009	2010	2010 at prices of 2009	Price	Volume
Output					
Agro-food	4 026	4 384	4 218	3.9	4.8
Textiles	879	997	983	1.5	11.7
Non-metallic ores	1 728	1 871	1 951	-4.1	12.9
Metals, machinery & equipment	2 003	2 214	2 190	1.1	9.3
Timber, rubber & chemicals	1 299	1 565	1 527	2.5	17.5
Furniture	894	930	914	1.8	2.3
Other sectors	1 498	1 671	1 478	13.0	-1.4
Total	12 328	13 633	13 261	2.8	7.6
Intermediate consumption					
Agricultural products	1 138	1 279	1 228	4.1	7.9
Livestock products	697	885	711	24.3	2.0
Energy and water	713	984	781	25.9	9.6
Food and beverage products	362	413	360	14.8	-0.5
Textiles	373	391	397	-1.5	6.5
Non-metallic ores	1 129	1 247	1 231	1.3	9.0
Metals, machinery & equipment	1 799	1 965	1 881	4.4	4.6
Timber, rubber & chemicals	1 444	1 697	1 571	8.0	8.8
Other manufactured goods	113	107	110	-2.7	-3.2
Services	579	664	652	1.9	12.7
Total	8 346	9 630	8 923	7.9	6.9
Gross value added	3 982	4 002	4 338	-7.7	8.9

Overall, after a slow down in 2009, the volume increase in industrial production (output) began on the path of growth: 7.6% in 2010 against +1.4% in 2009, +5.4% in 2008, and +6.8% in 2007. The industrial inflow volume (input) in industry was proportionally greater than production (+6.9%) , which resulted in the most important change in the value added at constant prices (+8.9 %).

In addition, manufacturers increased production prices at a slightly lower proportion than prices of consumed intermediate products (+2.8% versus +7.9% for inputs); thereby, reflecting a fall in the costs of the factors of production (-7.7%). Note: these figures are approximations given the lack of direct observational data on the costs of production.

Evolution of industrial output

Not all sectors benefited equally from the growth in demand:

- The output growth in the *agro-food industries* is due to a significant increase in the output of olive oil (refer to Section I: evolution of agricultural output). The output volume of fats and oils has, thus, increased by 35.6% while the output of other sectors of the agro-food industries increased by only 2.2%.
- The growth that began in the *textile and leather industries* in the previous year continued;
- The increased output volume of *non-metallic ore products* is directly tied to the demand of the construction and public works sector.
- The industries of *metals, machinery, equipment and timber, rubber, chemicals* benefited from the increased demand for these products. The evolution of output was just as important as imports, if not more important.
- The evolution production of the *furniture* was modest;
- Other industries (*various industries*) mainly include print works and jewelry. Print works output increased by 2.2% in volume. The output of jewelry, on the other hand, fell by 6.2% in volume but increased by 16.5% in value due to the rising prices of metals and precious stones.

Evolution of intermediate consumption in industry

The input compositions in industry depend on the evolution of the various sectors of production. The substantial increase in the prices of certain raw materials (+24.3% in the prices for livestock products, +25.9% in the price of petroleum products, and +14.8% in the prices of agro-food products) also created a distortion in the inflow structure.

Section IV. Construction

Using the same principle to discern industrial output, the real growth of the construction sector is derived from statistics on raw materials used in this sector, namely: domestic deliveries of cement by local cement factories and imported products used in construction and public works. Table n°6 demonstrates the construction output variation in terms of value and volume, and intermediate products consumed in the construction process.

Given that changes in construction prices were not observed directly, the variation is estimated as a function of the weighted average affecting changes in the wages of manual workers and prices of raw materials. Within this context, the price of labor increased by approximately 5%, and rising construction prices has only been 3.5% due to the more moderate increase in the value of raw materials for construction (-11% in the value of Portland cement and +6% in the value of imported raw materials).

Table n° 6
Construction and public works output 2009-2010

	<i>Value (LBP billion)</i>		<i>Changes in % / year</i>		
	2009	2010	2010 at prices of 2009	Price	Volume
Output	10 849	13 197	12 835	2.8	18.3
Intermediate consumption					
Non-metallic ores	1 373	1 680	1 659	1.3	20.8
Metals, machinery & equipment	1 452	1 693	1 621	4.4	11.6
Timber, rubber & chemicals	353	458	424	8.0	20.3
Other products	56	77	63	22.2	11.2
Services	596	773	755	2.4	26.6
Total	3 831	4 681	4 522	3.5	18.0
Gross value added	7 018	8 515	8 313	2.4	18.5

The change in the volume of intermediate consumption was slightly lower than that of output, which affected the growth rate of the value added at constant prices by increasing its value over that of output (18.5% against 18.3%).

The prices of all the factors of production forming the value added (depreciation, salaries, and mixed income) demonstrated a 2.4% increase.

Section V. Transportation and communication

The transportation and communications sector slowed in 2010 (+6.3% in volume against 12.7% in 2009). This slowdown is primarily due to the slow growth of telecommunications, which is the most significant subcategory in this sector as Table n° 7 below demonstrates.

Table n° 7
Transportation and communication services output 2009-2010

	<i>Value (LBP billion)</i>		<i>Changes in % / year</i>		
	2009	2010	2010 at prices of 2009	Price	Volume
Output sector					
Road transportation	1 185	1 275	1 273	0.2	7.4
Air transportation and others	759	831	831	0.0	9.5
Postal and telecom. services	3 688	3 722	3 883	-4.2	5.3
Total	5 632	5 828	5 987	-2.7	6.3
-intermediate consumption	2 205	2 744	2 366	15.9	7.3
= Gross value added	3 427	3 084	3 621	-14.8	5.7

Note : estimates for the Postal and Telecommunications (PTT) subcategory have been revised.

According to IATA statistics, the air transportation sector output increased by 9.5%. Concerning road transportation, this sector is assumed to have grown at stable prices by 7.4% in 2010 given the movement of people and tourists. Note, however, this value only takes into account the

transportation of population. It is important to mention, however, that road transportation output in absolute value is underestimated given that it lacks data for the road haulage of goods, and as such, does not consider this gap. This lapse in data reduces the share of agriculture in GDP to the benefit of other sectors, including trade.

The falling prices of value added (-14.8 %) is due to higher input prices (+15.9%), including oil prices, which were not added to increasing production costs: according to records provided by the Central Administration of Statistics (CAS), the prices of road and air transportation stagnated while prices of telecommunications fell by 4.2%.

Section VI. Market services

Table n° 8 below reproduces the output account of the market services sector, excluding transportation, communications, and trade. It also demonstrates how this sector has grown more significantly than year 2009: in real terms, the value added grew by 8.8% in 2010 against 5.2% in 2009.

Evolution of market services output

The market services sector is highly heterogeneous and regroups various activities, many of which experienced disparate developments.

a) Business services

Business services include services such as technical, legal, accounting, data processing, equipment rental, brokering, etc. The output of these services is not estimated from direct surveys of enterprises; rather, output value is equal to the sum of intermediate consumption of the various sectors using these services, particularly the public administration and exports. Possible errors in estimating intermediate consumption do not affect the estimate of GDP; however, these errors affect the distribution between the market services sector and other sectors. Nevertheless, an error in estimating the export of services does affect GDP⁵. According to a survey conducted in 2004, exports of such services represent the principal factor in their development.

The prices of these services were not subject to evaluation and were maintained constant in accounts prior to 2008; however, a growth of 10% was retained for 2008, 1.2% for 2009, and 3.0% for 2010 given the rate of inflation.

⁵Following the survey of large companies, the accounts for this sector were revised in 2003 to reflect the new data. It appeared that export of services in the 1997-2002 accounts were underestimated and subsequently discarded.

Table n° 8
Market services output 2009-2010

Output sector	Value (LBP billion)		Changes in % / year		
	2009	2010	2010 at prices of 2009	Price	Volume
Trade related services	2 009	2 140	2 078	3.0	3.5
Maintenance and repairs	408	410	403	1.6	-1.3
Housing	2 648	2 765	2 723	1.6	2.8
Hotels and restaurants	1 993	2 295	2 178	5.4	9.3
Various personal services	1 123	1 144	1 135	0.8	1.0
Health services	2 983	3 603	3 597	0.2	20.6
Educational services	4 105	4 564	4 159	9.8	1.3
Financial services	4 322	5 194	5 043	3.0	16.7
Total	19 590	22 115	21 315	3.8	8.8
-Intermediate consumption	3 012	3 394	3 206	5.9	6.4
=Gross value added	16 578	18 721	18 108	3.4	9.2

b) Maintenance and repair services

These services include only maintenance and repair services used by households and public administrations, which represent the only such services that are captured statistically. Maintenance services used by businesses were not estimated and have been purposely omitted, and as a result, the distribution of GDP between the services sector and other sectors is biased.

Household consumption in maintenance and repair services, which represent the principal components of this sector's output, is well documented owing to the Household Budget Survey of 1997. Estimates for other years were calculated by using indicators, including imports of spare parts for motor vehicle repairs and household appliances, and the growing number of households or buildings requiring maintenance. According to these indicators, consumption, and by extension, output of such services would have declined in volume by 1.3% in 2010 and witnessed a price increase of 1.6%.

c) Housing services

The output of housing services takes into consideration rental fees paid by public administrations and rental values of properties occupied by households. Rental fees paid by companies, however are unidentified and therefore belong to the value added of the various market sectors.

In the absence of verifiable statistics on housing growth, the number of occupied dwellings is assumed to equal the annual number of registered marriages net re-entries into existing dwellings. In 2010, the figure for dwellings occupied in the previous year represented 2.8%. The average rental value of an apartment has also increased by 1.6%, according to a price survey conducted by CAS.

d) Hotel and restaurant services

By convention and for the expediency of statistical processing, the output of hotels and restaurants is equal to sales turnover minus the purchase value of food and beverages served to customers. Based on 1997 estimates, the output of this sector for subsequent years was estimated by using simple growth rate averages of tourist arrivals and the resident population. In terms of increased tourist traffic, the growth rate of this sector was, thus, estimated at 9.3% vis-à-vis the increase in tourists: the arrival of foreign visitors grew by 17.6% in 2010 compared to 2009 (2.168 million arrivals in 2010 against 1.844 million arrivals in 2009).

Price changes in hotel and restaurant services (+5.4%) are based on CAS surveys.

e) Various personal services

The personal services include leisure, personal care and domestic care services. They are known by means of the Household Budget Survey of 1997. Estimates for subsequent years were arbitrarily extrapolated using data from 1997 to yield a real growth rate, ranging between 0% and 1.4% per annum between 1997 and 2009, and 1 % for 2010. The price change rate is calculated using price estimates retrieved from the CAS.

f) Health services

Health services were subject to a number of studies and surveys between 1997 and 1999: including the Survey of Living Conditions of Households by the Central Administration of Statistics (CAS 1997); the Lebanon National Health Accounts by the World Health Organization (WHO 1998); and the National Household Health Expenditure and Utilization Survey (CAS, WHO, 1999). These surveys yielded estimates for 1997, which were projected over subsequent years by using pharmaceutical imports as an indicator of the health services output.

Based on these estimates, the health sector (market sector, excluding public health services) in 2009 witnessed an upward trend after a slowdown in 2008 (20.6% in 2010 and 11% in 2009 against 1.3% in 2008, 15.1% in 2007, and 3.2% on average between 1997 and 2006).

Price changes (0.2% in 2010) were based on prices obtained from the CAS.

g) Educational services

Under this heading, output of educational services includes only tuition fees and the value of ancillary income services received by schools and universities in the sector of private education. Services pertaining to public schools and the Lebanese University are accounted for in the non-market services of the public administration (see Chapter 3, section 2). Estimates based on data from 1997 were projected over subsequent years in compliance with changing trends in the number of pupils and students enrolled in private schools as well as changes in tuition fees whose rates were identified by the CAS.

The result of these estimates demonstrated real growth in this sector, namely 1.3% in 2010 against 3.6% in 2009, 4.3% in 2008, and an average of 2.5% per annum during the period 1997-2007. The growth of this sector is mainly due to the development of private universities. CAS price surveys reveal a tuition fee increase of 9.8% in 2010.

h) Financial services

Financial services include banking and insurances services.

The output value of banking services is defined as being equal to interests and commissions received by banks minus the interest paid to depositors. The “profit and loss” account statements communicated to the Central Bank of Lebanon (BDL) provide the data for calculating the output of these services.

The output value of the banking sector (commercial banks, investment banks, and financial institutions) increased from LBP 3 845 billion in 2009 to LBP 4 565 billion in 2010, an increase of 18.5%, whereas it increased from 6.2% in 2009 to 21.1% in 2008 and 7.3% in 2007. These figures make it clear that much of the growth witnessed in 2008 was due to inflation. Given that the output “price” of banking services, therefore, is difficult to determine, a growth rate value of 10%, which is equal to the rate of inflation, has been arbitrarily adopted to estimate the real growth in banking income in 2008. For 2010, the inflation rate was estimated at 3%.

Similarly, the output of insurance services is defined as being equal to the difference between premiums received and claims paid. Once more, this classification is not intended to define a “price” for the service.

Given a set of relatively recent statistics provided by the Ministry of Economy and Trade in 2005, the output value of insurance services has been revised accordingly. This sector experienced strong growth over the course of the last 10 years. During the five-year period from 1997 to 2002, insurance proceeds increased from LBP 182 billion to LBP 299 billion, or an average growth rate of 10% per annum. Growth was even more significant between 2003 and 2005: +16% in 2003, +21% in 2004, and +20% in 2005. Since 2006, growth continued, albeit at a slower pace, rising from LBP 365 billion in 2005 to LBP 520 billion in 2008. After a decline in 2009, according to preliminary data provided by the Directorate of the Control of insurance companies at the Ministry of Economy and Trade. Economy insurance proceeds would have resumed its upward trend in 2010 to reach LBP 629 billion against LBP 477 billion in 2009.

Section VII. Trade

Evolution of trade output

The output value of trade services is measured by broad-spectrum trade margins (difference between purchase price and selling price) and commissions received by intermediaries between end-users and producers of goods. These margins strictly include consumption taxes paid by

retailers through the trade sector and merchants' trade margins. Table n° 9 below recapitulates the basic variables concerning the calculations of the trade sector output.

Only import duties collected at the instance of goods entering the national territory have been identified, including customs duties, consumption tax, and since 2002, VAT levied on imported goods.

The margins of domestic trade are equal to the difference between the value, uses, and imports of goods and services, and local output minus taxes paid by importers. Thus calculated, the trade margins are domestic taxes such as internal VAT and do not affect the current statistics of different groups of products.

The calculation of trade margin prices at previous year returns translates into calculating trade margins for a given year by applying the trade margin coefficient of the previous year to the volume of goods exchanged for that year. This calculation is performed separately for taxes and domestic trade margins. Considering that definite estimates for prices of trade services do not exist, values were assumed to have increased at the current rate of inflation 10% in 2008, 1.2% in 2009, and 3% in 2010.

Table n° 9
Trade sector account 2009-2010

	<i>Value (LBP billion)</i>		<i>Changes in % / year</i>		
	2009	2010	2010 at prices of 2009	Price	Volume
Trade output components					
Import duties	4 754	5 081	4 670	8.8	-1.8
National trade margins	10 777	11 316	10 795	4.8	0.2
Foreign trade services	1 152	1 169	1 135	3.0	-1.5
Total= output	16 683	17 566	16 600	5.8	-0.5
-Intermediate consumption	2 025	2 171	2 055	5.6	1.6
=Gross value added	14 658	15 395	14 545	5.8	-0.8

Table n° 9 underscores the following information:

- Import duties totaled LBP 5 081 billion, or a 6.9% increase over 2009. Compared to the growth rate of imports in value at current prices (+10.5%, according to customs data), this indicates a decline in the ratio of import duties, which increased from 19.3 % in 2009 to 18.8% in 2010. Had the ratio of import prices and duties / import value remained constant, the value of import duties would have reached LBP 4 670 billion, a fall of 1.8% from 2009, which varies from the real rate of change in imports (+2.6%, according to customs data before modification). This discrepancy results from the variation between the growth of imports of taxed, tax-free, and negligibly taxed products;
- Domestic trade margins recorded a moderate increase from LBP 10 777 billion in 2009 to LBP 11 316 billion in 2010, or +5%. Calculated at constant prices and rates, trade margins are estimated to have reached LBP 10 795 billion, or up by only 0.2%. Therefore, the “price” of trade services is estimated to have increased by 4.8%;

- Foreign trade services are estimated from the movement of cargo in transit and re-export trade. The value of foreign trade services increased by 1.5% in 2010 against 2009. Assuming an inflation rate at 3%, these services attracted higher prices, and the output of foreign trade services would have increased in real terms by 1.5%.

Intermediate consumption and value added in the trade sector

Estimated in 1997, intermediate consumption was projected over subsequent years in conformity with the methodology used for other sectors of the economy. Freight of goods was not included in trade inputs; thereby, resulting in a minor overvaluation of the value added in this sector, offsetting the undervaluation of the value added in the transportation sector.

The prices of products consumed by the trade sector increased throughout 2010 by 5.6%.

Given the "price" evolution of this sector's output, the value added at constant prices in 2010 fell by 0.8% against an increase of 17.4% in 2009.

Section VIII. Non-market services

The public administration, which includes the central administration, autonomous administrations, and municipalities, provides non-market services. As indicated by the term, these services are not sold on a market; therefore, these non-market services do not have a price in the ordinary sense of the term. Consequently, their value is estimated at costs comprising of the following three elements: value of consumed goods and market services; value of depreciation of public fixed capital, and salaries of civil servants.

Only the accounts of the central administration and the Council of Development and Reconstruction (CDR) are published regularly. All other administrations are subject to estimates from 1997 figures, which are projected over subsequent years using indicators taken from the Treasury accounts.

Table n° 10 details the variables in calculating the public administration output in 2010 compared to 2009.

The value of consumed market goods and services comprise the intermediate consumption in the production process. Consequently, the value added of the public administration is equal to civil servant salaries, and the fixed capital depreciation in collective use.

Table n° 10
Computation of non-market services output 2009-2010

Cost components	Value (LBP billion)		2010 at prices of 2009	Changes in % / year	
	2009	2010		Price	Volume
<i>Intermediate consumption</i>					
Energy and water	185	213	169	25.9	-8.7
Manufactured goods	243	280	258	8.4	6.1
Transport. & communication	33	38	40	-4.1	19.9
Financial services	1 365	1 490	1 446	3.0	5.9
Other market services	791	908	886	2.5	12.2
Total : intermed. consump.	2 617	2 927	2 799	4.6	7.0
<i>Components of value added</i>					
Depreciation	1 035	1 048	1 048	0.0	1.3
Compensation	3 745	4 022	4 022	0.0	7.4
Total : Gross value added	4 780	5 071	5 071	0.0	6.1
Gross value of output	7 398	7 998	7 869	1.6	6.4

a) *Intermediate consumption of market goods and services*

More than half of market goods and services consumed by the public administration comprise of the value of banking services integrated in the debt service. In fact, part of the interests paid by the State to banks that have subscribed to treasury bills constitute the payment of banking services; this value is measured by the difference between received interests and interests paid to depositors. The estimated value of financial services spent by the public administration increased from LBP 633 billion in 1997 to LBP 736 billion in 2002, and fell to LBP 487 billion in 2004. From 2005, the value of these services rebounded, reaching LBP 1 278 billion in 2008 and LBP 1 365 billion in 2009 and 1 490 billion in 2010. The 9.1% increase between these two years is partly due to subscriptions to larger treasury bills by the banking sector and in part to the higher margins of banking revenue. In fact, interests received by banks on their subscriptions to treasury bills increased by 2.8%, from LBP 3 545 billion in 2009 to LBP 3 645 billion in 2010, accompanied by an increase in the ratio of receipts to interest on bank margins, Changing from 30.9% in 2009 to 33.4% in 2010.

b) *Value added of the public administration*

The value added of the public administration is calculated at factor cost, namely: the depreciation value of fixed assets and compensation of the labor force.

The depreciation value of public assets is, by convention, equal to one-thirtieth of actualized value. This value was calculated by totaling the national expenditure of gross fixed capital formation over the past 30 years in which the value of a preceding year is converted to current value through an appropriate price index. In the absence of such an index prior to 1997, however,

the minimum wage indicator was used instead (see Annex for computation details). Using this methodology, the value of depreciation in 2010 increased in value and volume by 1.3%⁶.

The *compensation of employees*, increased by 7.4% given that wages and salaries remained unchanged.

c) Volume change of non-market services

Strictly speaking, given that non-market services do not carry a price, the calculation of the volume of such services at base year prices is performed by adding the components of cost valued at selected reference prices.

The changes in costs of non-market services in 2010, valued at 2009 prices, were, thus, +6.4% for a change of +8.1% in value.

⁶The computation for depreciation and non-market services values for previous years have been revised.

Chapter 2 Imports

Imports include both the import of all goods entering the national economic territory and consumer expenditures made by residents outside the national economic territory. Imports of services have been excluded from these accounts given that these values are deducted from exports of services. As of year 2007, the purchase of electrical energy from Syria and Egypt has been recorded in imports.

The import of goods into the national territory is known due to comprehensive and well-compiled customs statistics. The calculation of total value includes the rates of Cost, Insurance, and Freight (CIF) to customs stations. These statistics, however, have undergone two vital modifications: first, the import of gold bullions intended for national reserves or speculative purposes are not taken into account, only gold used in the manufacture of jewelry is recorded in imports; second, the value and volume of imported oil products have been corrected, according to statistics provided by the General Directorate of Oil⁷.

Table n°11 provides a comparative analysis in terms of value and volume of imports by consignment type between 2010 and 2009, according to the classification adopted for the compilation and development of these accounts.

Following the favorable growth rate recorded in 2009, the rate of imports entering the national territory slowed considerably in 2010: 2.7% in real terms against 20.4% in 2009. Unlike 2009, however, when import prices fell sharply (-14.1%), prices witnessed an 8.1% rise in 2010; thus, the value of imports demonstrated a greater annual increase in 2010: 11% against 3.4% in 2009.

The exchange rates of major currencies dropped slightly (the commercial foreign exchange rate index fell by 4.2%); the increase in import prices was mainly due to higher oil prices (+25.3%).

⁷ Table establishing the corrections made to customs statistics.

	Value (LBP billion)		2010 at prices of 2009	Changes in % / year	
	2009	2010		Price	Volume
Customs values	24 492	27 076	25 122	7.8	2.6
Oil Correction:	76	337	202		
- customs values	-4 446	-5 020	-4 028	24.6	-9.4
+ Directorate of Oil values	4 522	5 357	4 230	26.6	-6.5
Excluded values	-168	-317	-250		
Money and collection material	-25	-14	-17	-14.4	-37.0
gold ingots	-297	-483	-385	25.5	29.7
+ gold for use in jewelry	154	180	143	25.5	-7.1
Total Corrections	-92	-20	-56		
Total Corrected	24 400	27 095	25 066	8.1	2.7

There was also an increase in the prices of some basic foodstuffs: sugar (+32.6%), meat (+24.2%), and cereals (+16.1%).

Table n° 11
Import of goods by type of product 2009-2010

Type of product	Value (LBP billion)		2010 at prices of 2009	Changes in % / year	
	2009	2010		Price	Volume
Agriculture	920	1 050	953	10.2	3.5
Livestock	504	619	529	17.0	4.9
Oil and its derivatives	4 925	5 798	4 628	25.3	-6.0
Food and beverages	2 300	2 627	2 445	7.5	6.3
<i>Tobacco and alcohol</i>	376	464	435	6.7	15.9
<i>Food products</i>	1 924	2 163	2 009	7.6	4.4
Textiles	1 321	1 351	1 303	3.6	-1.4
Non-metallic ores	1 028	1 230	1 219	0.9	18.6
Metals, machinery & equipment	8 763	9 135	8 743	4.5	-0.2
Timber, rubber & chemicals	3 619	4 122	4 044	1.9	11.7
Furniture	215	220	217	1.4	0.6
Divers	805	942	985	-4.4	22.4
Total	24 400	27 095	25 066	8.1	2.7
Import of electrical energy	216	287	242	18.8	11.9
Expenditures made abroad	649	720	738	-2.4	13.6
Total	25 265	28 102	26 045	7.9	3.1

The goods whose import volume increased significantly in 2010 are:

- Alcoholic beverages (+32.4%) and tobacco (+9.7%);
- Products classified under non-metallic minerals, stone, and gravel (+36.8%), and ceramic products (+24.4%);
- Products classified under timber, rubber, chemicals, miscellaneous chemical products (+17.6%), and plastics (+14.9%);
- Products classified under others, product editions (+70%).

The decline in imports of oil and its derivatives, textiles, and capital goods accounted for the negligible increase in imports.

Imports met three types of demand: households' demand for consumer goods, local manufacturers' demand for intermediate products, and the demand of capital goods for the formation of gross fixed capital. As Table n°12 (below) exemplifies, the volume of goods imported for intermediate and final consumption grew moderately in 2010 against 2009 (3.4% and 6.3%, respectively), whereas capital goods for gross fixed capital formation declined in real terms by 10.7%.

Table n° 12
Territorial imports of goods classified according to use 2009-2010

Type of use	Value (LBP billion)		2010 at prices of 2009	Changes in % / year	
	2009	2010		Price	Volume
Final Consumption					
<i>Durable goods</i>	3 938	4 075	3 867	5.4	-1.8
<i>Non-durable goods</i>	7 075	8 037	7 523	6.8	6.3
Total uses for final consumption	11 013	12 112	11 391	6.3	3.4
Intermediate use in:					
<i>Agriculture and livestock</i>	495	548	562	-2.4	13.5
<i>Energy and industry</i>	6 037	7 202	6 372	13.0	5.9
<i>Construction</i>	903	1 253	1 173	6.8	29.9
<i>Transportation and services</i>	1 617	1 872	1 643	13.9	1.6
<i>Other sectors</i>	1 058	1 196	978	22.4	-7.6
Total for intermediate uses	10 110	12 097	10 748	12.6	6.3
Uses of GFCF in:					
<i>Agriculture and livestock</i>	149	178	169	4.8	13.9
<i>Industry</i>	788	783	807	-3.0	2.4
<i>Construction and Public Works</i>	183	222	224	-0.9	22.1
<i>Transport and communications</i>	1 435	989	973	1.6	-32.2
<i>Trade and services</i>	682	668	701	-4.8	2.8
<i>Other sectors</i>	39	47	51	-8.5	30.3
Total GFCF uses	3 277	2 886	2 926	-1.4	-10.7
Total	24 400	27 095	25 066	8.1	2.7

Final consumption of goods by households

Goods imported to meet the demand of final consumption by households grew moderately due to a fall in demand for durable goods: -1.8% by volume, 3.5% in value. Imports of consumer goods continued to grow as expected: +6.3% in volume and 13.6% in value. The evolution of demand in terms of its various consumption components and its impact on imports is described in the succeeding chapter.

Raw materials and semi-manufactured products

The economic growth achieved in 2010 resulted in a second increase in the imports of intermediate goods; the prices of these goods rose significantly. The intermediate products for the construction industry recorded the largest increase: +29.9% in volume, +38.7% in value. Tables n°13a and 13e provide details of the evolution of imports and intermediate products used by various economic sectors during year 2010 against 2009.

Note: the *agriculture and livestock sector* recorded an increase in the import volume of seeds and seedlings, and fertilizer (+20.5% and +26.1%), respectively) and lower volumes of imported pesticides (-15.4%) whose prices increased by 10.9%. The approximately 10% increase recorded in the import of cattle feed is entirely due to rising prices (see Table n° 13a).

Table n° 13a
Imports of intermediate products for agriculture and livestock 2009-2010

Type of intermediate product	Value (LBP billion)		Changes in % / year		
	2009	2010	2010 at prices of 2009	Price	Volume
Seeds and seedlings	85	103	102	1.3	20.5
Fertilizers and other products	133	147	189	-22.3	42.3
<i>phosphates</i>	67	67	103	-35.2	52.9
<i>fertilizers</i>	56	64	70	-8.4	26.1
<i>other products</i>	10	16	16	-0.6	60.6
Pesticides	41	38	35	10.9	-15.4
Cattle feed	236	260	236	10.1	-0.1
Total	495	548	562	-2.4	13.5

Intermediate products imported for the *energy and industry sector* include oil products intended for use in the production of electrical energy. This is essentially fuel oil, which witnessed an increase in price from LBP 602 million/ton in 2009 to LBP 754 million/ton in 2010 due to an increase in CIF prices while imports declined from 1 422 thousand tons to 1 356 thousand tons. Other imported petroleum products for industrial use could not be identified by destination; therefore, these were classified under products not distributed by sector (see Table n°13b).

The unit values of all non-oil products used in industry increased by 21.4% in 2010 accompanied by a 10.1% increase in the volume of imports and a 10.2% increase in prices. This increase is mainly due to the overall rise in the imports of metal products intended for use in various industries (see Table n°13b).

Overall, the value of imported intermediate goods for *construction* increased substantially in both value and volume. Table n°13c (below) provides data regarding the import trends of various types of goods entering into the construction and public works sectors. The main products recording a significant increase in imports are:

- Products classified under non-metallic minerals: asphalt for the tarring of roads (from LBP 28.4 billion in 2009 to LBP 89.1 billion in 2010), and marble, granite, and other stones (from LBP 60.4 in 2009 to LBP 87.2 billion in 2010);
- Products classified under metal machinery and equipment: electrical cables (from LBP 84.3 billion in 2009 to LBP 132.0 billion in 2010), valves (from LBP 36.6 billion in 2009 to LBP 45.8 billion in 2010), and elevators (from LBP 14.9 billion in 2009 to 23.9 billion in 2010).

Table n° 13b
Imports of intermediate products for energy and industry 2009-2010

Type of intermediate product	Value (LBP billion)		Changes in % / year		
	2009	2010	2010 at prices of 2009	Price	Volume
Agriculture	295	352	298	18.2	1.1
Livestock	382	487	403	20.7	5.7
Oil and its derivatives	1 466	1 679	1 359	23.6	-7.3
Food and beverages	184	252	213	18.3	15.5
Textiles and leather	200	186	190	-1.9	-5.4
Non-metallic ores	504	534	509	5.0	0.9
Metals	1 874	2 465	2 267	8.8	20.9
Timber, rubber & chemicals	1 079	1 212	1 095	10.7	1.5
Other products	54	61	60	0.6	12.0
Total	6 037	7 228	6 393	13.1	5.9
<i>Excluding oil</i>	<i>4 572</i>	<i>5 549</i>	<i>5 034</i>	<i>10.2</i>	<i>10.1</i>

Table n° 13c
Imports of intermediate products for construction 2009-2010

Type of intermediate product	Value (LBP billion)		Changes in % / year		
	2009	2010	2010 at prices of 2009	Price	Volume
Non-metallic ores	355	515	497	3.6	40.0
Metals, equipment	466	641	575	11.5	23.2
Timber, chemicals	81	97	101	-4.1	24.5
Total	903	1 253	1 173	6.8	29.9

Regarding the imports of intermediate products intended for use in the *transportation and services sector*, the volume of gasoline imported for use in the transportation sector stagnated - higher values are entirely due to rising prices. It can be discerned from Table n°13d that there was a decline in the imports of metals and an increase in the imports of chemicals in this sector. The decline in the import of metals is largely due to the spare parts used in telecommunications equipment whose value increased from LBP 60.5 billion in 2009 to LBP 13.1 billion in 2010. There was an increase in the imports of chemical agents used in laboratories for products classified under "timber, rubber, chemicals"; the value of these imports rose from LBP 39 billion in 2009 to LBP 44 billion in 2010. In addition, the value of bags and cartons used in trade for packaging also increased (LBP 10.8 billion in 2009 to LBP 19.7 billion in 2010).

Table n° 13d
Imports of intermediate products for transportation and services 2009-2010

Type of intermediate product	Value (LBP billion)		Changes in % / year		
	2009	2010	2010 at prices of 2009	Price	Volume
Oil and its derivatives	1 048	1 299	1 049	23.8	0.1
Non-oil products	569	574	594	-3.4	4.4
<i>Metals</i>	308	281	305	-8.0	-0.9
<i>Timber, rubber & chemicals</i>	145	183	179	2.3	23.1
<i>Other products</i>	116	110	110	-0.1	-5.0
Total	1 617	1 872	1 643	13.9	1.6

Table n° 13e illustrates the evolution of imported semi-manufactured products that can be used interchangeably in more than one sector; thereby, hindering the establishment of a distribution key. This is especially true of liquid fuels such as gas oil and certain chemicals.

Table n° 13e
Imports of intermediate products not categorized by sector 2009-2010

Type of intermediate product	Value (LBP billion)		Changes in % / year		
	2009	2010	2010 at prices of 2009	Price	Volume
Oil and its derivatives	760	854	659	29.6	-13.3
Non-oil products	297	342	318	7.3	7.1
<i>Timber, rubber & chemicals</i>	218	261	238	9.7	9.3
<i>Other products</i>	80	81	80	0.4	1.1
Total	1 058	1 196	978	22.4	-7.6

Capital goods for the formation of gross fixed capital

The import of capital goods for use in manufacturing fell sharply in 2010 compared to 2009 : -11.9% in value and approximately -10.7% in volume (the calculation of growth volume of such goods is difficult to determine and as such rely on approximated figures since changes in unit values do not reflect the actual change in the prices of these goods). This outcome is mainly due to the significant decline in the import of equipment for the transportation sector (-31.1% in value), which occurred after an exceptional year in which the national economy imported eight aircraft worth a combined total of LBP 888 billion.

In contrast, imports of materials for use in the sectors of agriculture and construction both increased in value by 19.4% and 21.3%, respectively. Among the goods imported for use in agriculture, the imports of plastic greenhouses rose from LBP 64.4 billion in 2009 to LBP 84.6 billion in 2010 as did equipment for farms (LBP 7.6 billion in 2010 against LBP 1.8 billion in

2009). Similarly, equipment for use in the construction sector also witnessed an increase in imports, including bridges and other metal structures (from LBP 27.5 billion in 2009 to LBP 40.8 in 2010), earthmoving equipment (from LBP 73.8 to LBP 77.1 billion), and truck concrete mixers (from LBP 17.3 billion to LBP 28.2 billion).

Purchase of electrical energy from Syria and Egypt, as appearing in the EDL accounts, increased from 1 116 million KWh in 2009 to 1 249 million KWh in 2010.

Within the context of *consumer expenditures made abroad by residents*, estimates are based upon the Household Budget Survey of 1997. In the absence of direct statistics for the period following 1997, this expenditure has been assumed to increase in volume, according to the activities of Lebanese citizens traveling abroad: +13.6% in 2010 against 2009.

An indicator was used in calculating expenditure changes in terms of value, which considered the average rate of exchange of the euro and the U.S. dollar against the Lebanese pound. The rate of exchange of the U.S. dollar is pegged by the Central Bank of Lebanon and as such remains constant; however, the euro fell against the Lebanese pound by 4.7% in 2010 compared to the average range of exchange in 2009.

Chapter 3 Consumption

Final consumption refers to the final use of goods and services to provide utility and represent the most significant share of these statistics, accounting for, and depending on the year, 70% to 75% of available resources. It comprises of both household consumption (private consumption) and public administration consumption (public consumption) - each of which is reviewed in the two sections set forth in this chapter.

Section I. Household consumption

Household consumption data is obtained by estimating private consumption on the national territory (domestic consumption) and by subtracting the consumption of tourists and totaling consumer expenditure of Lebanese citizens traveling abroad. The value of this consumption was estimated during the preparation of the Household Budget Survey in 1997, with extrapolated estimates for subsequent years using appropriate indicators.

Table n°14 demonstrates the evolution of household consumption by type of product and according to its various components. A specially compiled consumer price index has been formulated to demonstrate the real evolution of consumption. The sources of all applied data are published in the Annex.

Table n° 14
Household consumption by type of product 2009-2010

Type of product	Value (LBP billion)		Changes in % / year		
	2009	2010	2010 at prices of 2009	Price	Volume
Foods	10 047	10 695	10 410	2.7	3.6
Tobacco and alcohol	1 159	1 380	1 334	3.5	15.0
Textiles, leather & clothing	2 819	2 971	2 912	2.1	3.3
Energy and water	2 601	2 970	2 673	11.1	2.8
Durable goods	6 362	6 464	6 347	1.8	-0.2
Other manufactured goods	2 929	3 348	3 331	0.5	13.7
Transport. and communication	3 643	3 877	3 953	-1.9	8.5
Housing services	2 528	2 628	2 587	1.6	2.3
Education and health	6 790	7 826	7 415	5.5	9.2
Other services	4 339	5 001	4 834	3.5	11.4
Domestic consumption	43 217	47 161	45 796	3.0	6.0
- net expenditure of travelers	-2 002	-2 489	-2 378	4.6	18.8
Total	41 215	44 672	43 418	2.9	5.3

Domestic private consumption (the total sum of households and tourists on the national territory) and its components witnessed a slowdown in growth in 2010. The prices of key commodities that had fallen in 2009 began to increase in 2010, resulting in an economic environment that recorded a 3.0% rise in consumer prices whilst the growth rate of consumption in terms of volume fell from 9.2% in 2009 to 6% in 2010; however, the various components of consumption witnessed heterogeneous growth rates.

a) Consumption of foods

In 2010, food consumption is assumed to have risen by 3.6% in volume accompanied by a moderate increase in prices (+2.7%). The Ministry of Agriculture, however, has yet to estimate agricultural output (see Chapter 1, Section 1), indicating that the data on food consumption used for these accounts are approximations. Table n°15 (below) demonstrates the evolution of expenditure patterns on different type of food categories, which have emerged from customs statistics, provisional estimates of agricultural output, and certain branches of the food industry.

Table n° 15
Household consumption of food by type of product 2009-2010

Type of product	Value (LBP billion)		Changes in % / year		
	2009	2010	2010 at prices of 2009	Price	Volume
Agriculture:	2 454	2 701	2 666	1.3	8.6
<i>Cereals</i>	171	172	178	-3.3	4.0
<i>Fruits</i>	1 145	1 277	1 292	-1.2	12.9
<i>Vegetables</i>	1 074	1 180	1 118	5.5	4.1
<i>Others</i>	65	73	78	-6.7	20.7
Livestock and fisheries	998	996	995	0.1	-0.3
Foods industry:	6 594	6 969	6 720	3.7	1.9
<i>Fresh meats</i>	1 569	1 677	1 555	7.8	-0.9
<i>Grains and cereals</i>	1 470	1 566	1 493	4.9	1.6
<i>Dairy products</i>	1 142	1 185	1 173	1.0	2.8
<i>Fats and oils</i>	623	633	639	-0.9	2.5
<i>Sugar, chocolates & sweets</i>	277	297	284	4.5	2.3
<i>Processed foods and others</i>	292	353	348	1.4	19.1
<i>Other food products</i>	688	732	709	3.3	3.0
<i>Non-alcoholic beverages</i>	533	556	548	1.5	2.8
Total	10 047	10 695	10 410	2.7	3.6

It is worthy to note the decline in the consumption of fresh meats due to a rise in price, causing a shift in demand, and instead, an increase in the consumption of processed foods and others whose prices either remained stationary or increased negligibility.

b) Consumption of tobacco and alcoholic beverages

According to statistics provided by the State-owned tobacco monopoly, Régie des Tabacs, the volume of tobacco purchased by residents and non-residents on the national territory continued to rise in 2010 (+14.8%) with an increase in price (+ 4.2%). Régie des Tabacs sales have in fact increased from LBP 741.7 billion in 2009 to LBP 887.1 billion in 2010, up 19.6%. These sales are mainly from imported tobacco, the volumes of which reached 12 557 tons in 2010 against 11 407 tons in 2009. Local tobacco production, however, after continuing to decline steadily from 2005 to 2008, rose again in 2009 and 2010.

Sales of alcoholic beverages on the national territory also increased from LBP 232 billion to LBP 272 billion between 2009 and 2010. Prices of alcoholic beverages remained stable, and the volume on the national territory increased by 16.1%.

c) Private expenditure on textiles and clothing

Consumer expenditure on textiles and clothing were estimated at LBP 2 971 billion in 2010, up 5.4% against 2009. The prices for these products increased by 2.1%, and total consumption increased by 3.3%. These accounts now provide some more details on the consumption trends and each of the different components that comprise this group of products, which includes clothing, leather articles, household linen, and carpets.

d) Private consumption of energy

Table n°16 provides energy and water consumption details, which includes expenditure on electricity, water, and oil products.

Table n° 16
Household consumption of energy and water 2009-2010

Type of product	Value (LBP billion)		Changes in % / year		
	2009	2010	2010 at prices of 2009	Price	Volume
Electricity	779	814	810	0.6	3.9
Water	184	188	188	0.0	2.3
Oil and its derivatives	1 585	1 903	1 613	18.0	1.8
Solid fuels	53	65	63	...	...
Total	2 601	2 970	2 673	11.1	2.8

Note that electricity consumption grew by 3.9% with a modest increase in price. (It is important to highlight that even at a constant rate, the average price can change due to the progressive nature of the tariff and the consumption configuration).

In the absence of recent statistics, water consumption for these accounts is based on estimations, and this is achieved by assuming increased per capita demand in measure with the number of dwellings; however, prices have remained unchanged.

The consumption volume of oil and its derivatives consumed by households recorded minimal growth in 2010 (+1.8%), following a median price increase of 18%. Households maintain two primary uses for oil and its derivatives: transportation (as gasoline for private motor vehicles) and domestic purposes such as central heating and cooking (gas oil and butane gas).

- ◆ The volume of gasoline consumed increased by 3.2% and consumer prices increased by 14.7%. The average price of twenty liters of gasoline increased from LBP 28 341 in 2009 to LBP 32 415 in 2010. This increase was due to rising import prices. It is worthy to note that gas consumed by households in terms of value accounts for more than three-quarters of their oil bill;
- ◆ The volume of gas oil consumed by households and businesses, excluding EDL consumption and transportation companies, fell by 24.3%. This decline follows the sharp increase in volumes imported in 2009: rising from 387.8 thousand tons in 2008 to 1 133.2 thousand tons in 2009 and falling to 858.1 thousand tons in 2010. It is estimated that demand for diesel fuel stems mostly from businesses that increased their inventories in anticipation of higher prices in the future but subsequently consumed from this stock in 2010 to meet their energy needs. Households have not significantly increased or decreased their consumption of this fuel type for domestic heating purposes;
- ◆ In terms of imports, the consumption volume of domestic gas fell by 18.7% in 2010 compared to 2009 and recorded a 10.3% increase in price : the average price of a 10-kilogram bottle increased from LBP 14 546 in 2009 to LBP 16 041 in 2010.

e) Purchase of capital goods by households

After two years of strong growth (2007 and 2008), household expenditure on the purchase of capital goods declined in 2009 and 2010: +1.6% in value in 2010 against +7.7% in 2009.

Table n° 17
Purchase of capital goods by households 2009-2010

Type of product	Value (LBP billion)		Changes in % / year		
	2009	2010	2010 at prices of 2009	Price	Volume
Motor vehicles	4 351	4 124	4 124	0.0	-5.2
Machinery and equipment	711	756	767	-1.4	7.8
Furniture	483	540	533	1.3	10.4
Various appliances	409	494	487	1.3	19.1
Jewelry	407	551	437	26.0	7.2
Total	6 362	6 464	6 347	1.8	-0.2

The purchase of motor vehicles constituted the largest item of expenditure on durable goods (approximately 68% in 2009 and 66% in 2010). In terms of volume, the number of imported motor vehicles, after recording 51 937 units in 2007 and 100 207 units in 2008, peaked at 108 539 units in 2009 and dropped to 100 271 units in 2010. Taking into account the evolution of various categories, the decline in purchase volume of private motor vehicles by households was 5.2%; thus, household expenditure on motor vehicle purchases is deemed to have fallen between 2009 and 2010 despite relatively stable prices.

Conversely, household expenditure on the purchase of machinery and appliances, and furniture increased by more than 16%.

f) Consumption of other manufactured goods

Under the heading, “other manufactured goods”, various products are grouped into the following categories: chemical and pharmaceutical industries; products for personal and domestic care; print works, and a variety of glass, pottery, or metal works. Table n°18 provides the consumption evolution of these products.

Table n° 18
Consumption of manufactured goods by type 2009-2010

Type of product	Value (LBP billion)		Changes in % / year		
	2009	2010	2010 at prices of 2009	Price	Volume
Chemicals and pharmaceuticals	2 164	2 463	2 473	-0.4	14.2
Print works	539	638	610	4.5	13.2
Glass, metal work	194	208	206	1.1	6.3
Other products	32	39	42	-8.2	31.7
Total	2 929	3 348	3 331	0.5	13.7

- Chemicals and pharmaceuticals are the most important products in this category, and represent approximately 5% of total domestic private consumption. The expenditure on this category increased by 13.8% in value and 14.2% in volume. It is important to take note of the evolution in the volume of imported drugs intended for retail trade. The value of these imports increased from LBP 1 018.4 to LBP 1 139.7 billion LBP between 2009 and 2010, while import volumes increased from 6 282 tons to 7 575 tons;
- Print works are the second most significant in this category and primarily consist of newspapers, magazines and books, including textbooks. Prices in this category increased by 4.5% and household expenditure on this category also increased by 18.3% in 2010. This increase is due to the purchase of imported books and magazines whose customs value increased from LBP 64.7 to LBP 153.6 billion between 2009 and 2010.

g) Private expenditure on transportation and communication

According to statistics provided by IATA, expenditure growth on the use of *air transportation* services increased by 7.6% in 2010 compared to 2009. It should be noted that domestic consumption of air transportation services is equal to the value of passenger tickets sold by travel agencies on the national territory. Prices have remained relatively stable and volume growth in the use of air transportation was 7.4%

On the other hand, expenditure on *road transportation* services grew more significantly: +9.5% in both value and volume.

Table n° 19
Domestic consumption of transportation and communication services 2009-2010

Type of product	Value (LBP billion)		Changes in % / year		
	2009	2010	2010 at prices of 2009	Price	Volume
Road transportation	1 167	1 256	1 254	0.2	7.4
Air transportation and travel	753	825	825	0.0	9.5
Postal & telecomm. (PTT)	1 723	1 796	1 874	-4.2	8.8
Total	3 643	3 877	3 953	-1.9	8.5

In the *postal services and telecommunications (PTT)* sector, the growth of household expenditure increased by 4.3% with a 4.2% drop in price.⁸

h) Rental value of housing

In the absence of verifiable statistics on the evolution housing, the number of occupied dwellings was assumed to be equal to the annual number of registered marriages net re-entries into existing homes. This number represents 2.3% of dwellings occupied in the previous year. The average rental value of apartments has also increased by 1.6%. Relying on data from the Survey of Living Conditions of Households, the rental value of housing units was estimated at LBP 2 059 billion in 1997, and reached LBP 2 628 billion in 2010.

i) Consumption of education and health services

The social services sector represents more than 16% of total private consumption. These include private expenditure on education and health that have progressed at different rates as Table n°20 below demonstrates.

Table n° 20
Consumption of social services by type 2009-2010

Type of service	Value (LBP billion)		Changes in % / year		
	2009	2010	2010 at prices of 2009	Price	Volume
Education	4 105	4 564	4 159	9.8	1.3
Health	2 685	3 261	3 256	0.2	21.3
Total	6 790	7 826	7 415	5.5	9.2

Tuition fees for primary and secondary education, and private universities totaled LBP 4 105 billion in 2009 and LBP 4 564 billion in 2010, i.e. a growth rate of 11.2%. Considering the 9.8% increase in tuition fees, the real growth rate per annum was 1.3%. This growth can be largely attributed to the proliferation of private universities. In fact, the number of students enrolled in

⁸ These figures were revised in light of data provided by the Ministry of Postal Services and Telecommunications (PTT).

private universities increased from 100 163 in 2009 to 108 037 in 2010; representing an average growth rate of 7.9% while the number of students enrolled in private schools fell from 560 945 in 2009 to 556 024 in 2010 (-0.9%). Overall, the budgetary expenditure coefficient on education increased less rapidly than total expenditure of the household budget on such expense ratios, increasing from 9.9% in 2009 to 10.2% in 2010.

The evolution of *health services* is less well documented. Assuming that a direct correlation is drawn from the volume of imported drugs, the volume of healthcare provided by private health services after a negligible decline in 2008 resumed its growth in 2009 (+13.2%) and in 2010 (+21.3%). Surveys of healthcare prices have demonstrated relatively stable prices in 2010 against 2009. Health services expenditure, thus, increased by 21.5% in 2010 and its burden on household consumption increased from 6.4% in 2009 to 7.3% in 2010. Note that the public administration guarantees healthcare assistance by paying a percentage of hospital expenses and the public administration accounts for this assistance under the public administration consumption heading (refer to next section).

j) Consumption of individual services

Typically, individual services represent between 9% and 10% of total household and tourist expenditure on the national territory. These services take into account and include hotels and restaurants, maintenance and repair services, and miscellaneous services such as leisure, personal care, and domestic help.

Table n°21 below illustrates the breakdown of these services and their evolution between 2009 and 2010.

Table n° 21
Consumption of individual services by type 2009-2010

Type of service	Value (LBP billion)		Changes in % / year		
	2009	2010	2010 at prices of 2009	Price	Volume
Hotels and restaurants	1 993	2 295	2 178	5.4	9.3
Maintenance and repairs	393	392	386	1.6	-1.8
Insurances and banks	830	1 170	1 136	3.0	36.8
Other services	1 123	1 144	1 135	0.8	1.0
Total	4 339	5 001	4 834	3.5	11.4

The *hotel and restaurant sector* is partly dependent on the number of tourists and improvements in the living standards of the resident population. In 2010, the numbers of foreign arrivals increased by approximately 17.6% against 2009 (refer to Chapter 1, Section VI, Paragraph d).

In the *maintenance and repair services* sector, consumption is deduced from the estimated output of such services (refer to Chapter 1, section VI, Paragraph b).

Consumption of *financial services* comprises of banking and insurance services. Consumption of banking services by households is equivalent to the net value of banking income imputed to

households in proportion to bank loans. This share increased between 2009 and 2010 from LBP 492 billion to LBP 738 billion; this growth was spurred by the increase in housing loans. As for insurance services, whose value is equal to the sum of premiums paid by households less claims consumed by households, this has increased from LBP 338 billion to LBP 432 billion. In total, financial services expenditure attributed to household consumption increased by 40.9% with a share (3%) attributed to inflation (refer to Chapter 1, section VI, Paragraph h for the output of financial services calculation method).

k) Net expenditure of travelers

Expenditures incurred in the previous paragraphs apply to private spending on the national territory. These include expenditures by tourists and other travelers from abroad but exclude everyday expenditures incurred outside of resident households in Lebanon. In calculating the total household final consumption expenditure, the total expenditure of all households, whether resident or not, within the economic territory is adjusted by adding expenditures of residents abroad and subtracting expenditures by non-residents within the economy territory.

Regrettably, the nature of these expenditures is unknown, and as such, these are considered in a global context. The estimate of tourist expenditure is provided below the table of exports (Table n° 25), and resident expenditure outside the economic territory is provided below the table of imports (Table n°11).

Section II. Public consumption

By definition, public consumption is equal to the output of non-market services by the Government. The estimated value of such services was accounted for in the chapter associated with production (refer to Chapter 1, Section VIII).

Public consumption also incorporates, in addition to the value of collective services, production costs of individual services that are either free-of-charge or entail nominal fees, including education and healthcare services dispensed through State-owned establishments. Normally, these services are subject to separate estimates. The current system of public accounts, however, makes it unfeasible to establish a separate account for such social services provided by the public administration. The value of such services, however, is inferred by drawing on the main variables entered in the relevant calculations. Table n°22 demonstrates the expenditure on education as these appear in the State's closure accounts vis-à-vis primary and secondary education, and in the accounts of the Lebanese University for higher education. The table also highlights the amounts disbursed by the Ministry of Health for the hospitalization of patients treated at the Lebanese government's expense.

In order to complete the cost estimates of such services, it is necessary to include an evaluation of the depreciation of school and university buildings that belong to the State, and to deduct part of the bank debt burden borne by the State to cover its deficit.

Table n° 22
Cost estimates of public education and healthcare services 2006-2010

Type of service	<i>LBP billion</i>				
	2006	2007	2008	2009	2010
Primary and secondary education					
<i>Wages and Salaries</i>	485	504	489	585	605
<i>Consumption of goods and services</i>	20	23	22	30	39
Total	505	527	511	615	644
Lebanese University *					
Total	157	146	174	252	270
Total Education	662	673	685	867	914
Hospitalization expenditure	180	210	306	297	311
Total social services	842	883	991	1 164	1 225

* In the absence of closure of accounts from 2006 for the Lebanese University, the figures presented herein represent the transfers received by the Lebanese University from the State budget.

In terms of the annual change in the number of students enrolled in public education, the growth in volume varies significantly from the growth in value.

-In *primary and secondary education*, the total number of students enrolled in both public and private schools was unavailable for the 2008-2009 academic year. Between the two academic years, 2007-2008 and 2009-2010, the number decreased from 468 014 to 449 528, a fall of 3.9%. The rising cost of education services between these two years (+33.4%) is attributed to the increase in the minimum wage decreed by the State in May 2008.

-At the *Lebanese University*, the number of students enrolled for the 2009-2010 academic year remained relatively unchanged from the previous year (72 813 against 74 134). On the hand, the cost of education increased by 7.1% in terms of the funding transferred from the State budget to bolster the Lebanese University budget (LBP 270 in 2010 against LBP 252 billion in 2009).

Chapter 4 Investments

Gross fixed capital formation (GFCF) is defined as the value of acquisitions, minus the tangible and intangible fixed assets value of disposals, plus on-site improvements.

Section I. Gross fixed capital formation

Overall, GFCF is calculated by totaling the general value of capital goods purchased by businesses and the public administration to the general output value of the construction sector. Foreign trade statistics provide the necessary indicators for estimating these values given that the majority of such goods are imported. Table n° 23 demonstrates the formation and distribution and evolution of GFCF between 2009 and 2010.

Table n° 23
Gross fixed capital formation by type of assets 2009-2010

Type of fixed capital	Value (LBP billion)		Changes in % / year		
	2009	2010	2010 at prices of 2009	Price	Volume
Construction and public works	10 849	13 197	12 835	2.8	18.3
Machinery and equipment	1 834	1 874	1 820	3.0	-0.8
Transportation equipment	3 351	2 419	2 335	3.6	-30.3
Furniture	640	614	617	-0.5	-3.6
Other products	756	1 032	1 010	2.2	33.6
Total	17 429	19 136	18 616	2.8	6.8

Construction and public works make up the largest investment component in Lebanon (70%). In 2010, these components continued their upward trend recorded over the past four years: +21.6% in value against +12.9% in 2009, +33% in 2008 and +32% in 2007.

Investments in capital goods declined after the strong growth witnessed in 2009. This is due to purchase of several aircraft, which accentuated 2009. In addition, investment in transportation equipment increased by 178% in 2009 and witnessed a natural decline in 2010 compared to the abnormally high level recorded in 2009 (-27.8%). Investments in machinery and equipment, and furniture also stagnated or witnessed a decline in value. Price changes used for calculating variations in the volume of capital investments are inferred from capital goods, which are estimated as the import unit values of these goods plus taxes. In this context, price variations could be partly attributed to changes in quality or type.

Breakdown of GFCF in both the private and public sectors

The gross fixed capital formation of enterprises is not known directly. Rather, it is measured by calculating the difference between the total value and the value represented by public investments. The statistical aggregate of GFCF is a measure of new net investments by enterprises in the private sector, rather than of all enterprises. Indeed, public investments include in addition to the public administration's GFCF infrastructural expenditures toward electrical energy, water distribution, and telecommunications, which constitute a share of GFCF for public companies.

Table n° 24
Breakdown of GFCF in the private/ public sector 2006-2010

	<i>LBP billion</i>				
End-user sector	2006	2007	2008	2009	2010
Private sector	6 867	9 222	12 366	16 334	17 948
Public sector	901	905	997	1 095	1 184
Total	7 768	10 127	13 363	17 429	19 132

Public investments are estimated from State accounts and autonomous administrations, including the CDR.⁹

The fiscal restraint policy adopted by the State to alleviate the public debt burden has resulted in weak public investment growth. Virtually stationary from 2004 to 2007, public spending on infrastructure and equipment increased by 10.1% in 2008, 9.9% in 2009, and 8.1% in 2010. Given the rising costs of public construction in 2008, however, public investment would have actually declined slightly in volume in 2010. Growth in 2009 and 2010, on the contrary, appears more realistic.

Section II. Changes in inventories

Statistics are unavailable for inventories of enterprises. Changes in inventories appearing in these accounts are aimed at regularizing the use of resources in goods and services across successive years. In 2007, the sharp increase in imports was partly due to the need to replenish stocks, which began in 2006 following the port embargo and the restriction of provisions, entering the national territory during the six-week war period. In 2008, importers anticipated increased demand and this led to significant stock replenishments. The balancing of accounts resulted in a variation of inventories estimated at LBP +446 billion in that year. In 2009, and despite a shortage of certain products, there was an increase in the imports of live animals and particularly of oil products, which exceeded demand following a sharp fall in prices. Once more, the balance sheets led to changes in inventories estimates at LBP 635 billion at current prices. In 2010, the gap between uses and resources of the metal products is probably due to a decrease in the inventories of these products estimated at LBP 180 billion in 2010 and an increase of LBP 30 billion for olive oil due to an abundant olive drupes harvest in 2010. The decline in inventory value in terms of the decline in the value of all inventories was, thus, estimated at LBP 150 billion.

⁹ Public investments have been revised following a detailed examination of municipalities' accounts and projects implemented by the CDR.

Chapter 5 Exports

Exports, in accordance with standard concepts, take into account the exchange of goods and services, and tourist expenditure on the national territory.

Following a decline in 2009 due to the global financial crisis, the export of Lebanese goods and services outside the national territory resumed the upward trend witnessed in 2010: 13.2% in value and 12.2% in volume against a decline in 2009, 10.2% and 3.2% respectively. Conversely, the growth of tourist expenditure on the national territory slowed significantly in 2010 after recording strong growth in previous years: 21.1% against +28.7% in 2009. The paragraphs set forth below review the evolution of exports in various sectors, and are detailed in Table n°25.

Table n° 25
Exports of goods and services by type 2009-2010

Type of product	Value (LBP billion)		Changes in % / year		
	2009	2010	2010 at prices of 2009	Price	Volume
Agricultural exports	502	601	573	4.9	14.1
<i>Agricultural products</i>	460	571	542	5.3	17.8
<i>Livestock products</i>	42	29	30	-3.2	-27.2
Exports of manufactured goods	5 473	6 496	6 406	1.4	17.0
<i>Food and beverage</i>	599	724	718	0.8	20.0
<i>Textiles and leather</i>	584	618	612	0.9	4.8
<i>Non-metallic ores</i>	428	398	439	-9.4	2.8
<i>Metals, machines & equipment</i>	2 064	2 828	2 787	1.5	35.1
<i>Timber, rubber & chemicals</i>	786	888	850	4.5	8.1
<i>Furniture</i>	112	116	113	2.2	0.9
<i>Other</i>	901	925	886	4.3	-1.6
Total exports of goods	5 976	7 096	6 979	1.7	16.8
Exports of services	2 146	2 101	2 052	2.4	-4.4
<i>Telecommunications</i>	169	132	138	-4.2	-18.0
<i>Business services</i>	542	623	605	3.0	11.7
<i>Financial services</i>	284	180	175	3.0	-38.3
<i>Trade</i>	1 152	1 169	1 135	3.0	-1.5
Exports outside the territory	8 122	9 201	9 032	1.9	11.2
Tourist expenditure	2 651	3 209	3 116	3.0	17.6
Grand Total	10 772	12 410	12 148	2.2	12.8

The prices used to evaluate the changes in volume for exported goods are derived from customs statistics transaction values that are calculated by dividing value by volume. The prices of business services and trade were assumed to vary in parallel to the general price index. As for the

price index of tourist expenditure in Lebanon, it is assumed to be equal to the consumer price index for domestic consumption.

a) Agricultural exports

Agricultural exports, which witnessed a significant decline in 2009 (+1.9% in volume and -2.8% in value), resumed the growth trend of previous years in 2010: +14.1% in volume and +19.6% value. It is important to note that the value of agricultural exports retained in these accounts is significantly greater than those appearing in customs statistics. Accordingly, the correction coefficients that were applied varied from 1.5% to 3%, depending on the need to balance the uses/resources accounts of agricultural products.

In 2010, exports of fruit, which constitute more than half of all agricultural exports, recorded a general increase of 30.7% in value, 25.5% in volume. The export of vegetables and flora recorded an increase, accounting for approximately 16% of all agricultural exports (+22.2% in value, +14.2% in volume). Exports of industrial crops also increased during the same period (approximately 12% of all agricultural exports - up 16% in value and 6.5% in volume in 2010 compared to 2009). The latter group mainly includes raw tobacco exports, which, after declining from 10 509 tons in 2008 to 6 236 tons in 2009, rose slightly to reach 6 359 tons in 2010.

b) Industrial exports

Comparable to agricultural exports, customs statistics, regarding the exports of manufactured goods, were corrected upward in significantly smaller percentages for several goods.

After falling in value by 11.2% in 2009, following both a 9.1% drop in price and 2.4% drop in volume, industrial exports began to rise: 18.7% in value and 17.0% by volume.

It is important to note that exports and imports of gold ingots were excluded from these accounts, given that the inclusion of these would have distorted the actual trends of industrial exports. Indeed, as illustrated in the table below, gold exports fluctuated erratically between 2007 and 2010: +1.4% in 2008, and 144.6% in 2009, and -42% in 2010.

Table n° 26
Exports of gold ingots 2007-2010

	2007	2008	2009	2010	<i>Changes in % / year</i>		
					2008	2009	2010
Value (LBP billion)	474.2	481.0	1 176.8	682.7	1.4	144.6	-42.0
Volume (kg)	16 254	12 254	29 210	13 805	-24.6	138.4	-52.7
Price (LBP million/kg)	29.2	39.3	40.3	49.5	34.6	2.6	22.8

The metals, machines, and equipment industries recorded the highest exports increase in 2010 (+37% in value), followed by the food and beverage industry (+20.9%).

- The metals, machinery, and equipment sector continues to play an increasingly significant role in industrial exports (accounting for 37.7% of the total value of

manufactured exports in 2009, and 43.5% in 2010). This sector is classified under the following subcategories: metals, excluding gold (16.1% of manufactured exports), metal works (4.7%), machinery and equipment (20.6%), and transport equipment (2.1%).

- Metal exports increased sharply in 2010 compared to 2009: +153.4% in value and 127.4% in volume. More than a third of these exports comprise of scrap iron and copper, which increased in total value from LBP 197 billion in 2009 to LBP 380 in 2010;
 - The export value of metal works fell by 20.6%; a decline partly due to falling prices (-10.2%). Metal structures for use in construction projects are among the main products exported in this subcategory, and these export values increased from LBP 40.6 billion in 2009 to LBP 30.8 billion in 2010;
 - The exports of machinery and equipment witnessed a 48.2% increase in value from 1 067 to 1 580 billion LBP between the two-year period. It is worthy to note the exports of automatic data processing, which increased from LBP 80.3 billion in 2009 to LBP 147.5 billion in 2010.
- The export value for transportation equipment increased between 2009 and 2010 from LBP 199 to LBP 134 billion. The latter figure does not consider the delivery of military tanks to UNIFIL, which was valued at LBP 500 billion and recorded in error in the exports account.
 - Among all exported products, the most significant in the food and beverage industry include:
 - *processed foods*: representing 29.7% of exports in this category; exports grew by 17.1% in value and 16.2% in volume;
 - *confectionery and chocolate*: 22.3% of food exports, grew by 29% in value and +30.3% in volume;
 - *pasta*: representing 10.5% of exports in this category; grew by 24.6% in value and 24.5% in volume;
 - *fats and oils exports*: accounting for 9% of the food and beverage industry in terms of exports, grew by 44.1% in value and 42.1.7% in volume.
 - The export values of textiles, clothing, and leather rose modestly: 5.7% in value and 4.8% in volume.
 - These are essentially clothing and hosiery whose exports customs recorded LBP 117.7 billion in 2010 against LBP 109.3 billion in 2009, up 7.7%. With export prices falling by 4.9%, the volume of exports actually increased by 13.3%;
 - Footwear was the second largest export with export customs recording a value of LBP 30.4 billion in 2010, up 26.8% over 2009. This increase was largely due to prices (+10%); volume only actually increased by 15.2%.
 - Exports of non-metallic ore and derivatives containing these minerals also declined following a drop in prices, which reached -9.4%, and a +6.9% fall in value despite a 2.8% increase in export volume. In 2010, more than 80% of these products comprised of uncut diamonds and cement.
 - Diamond exports (or rather re-exportation) decreased from 228 kg in 2009, valued at LBP 227.9 billion, to 169 kg in 2010, valued at LBP 256.5 billion in 2010;

- In the case of cement, the exported volume of this product fell from 887 thousand tons in 2009 to 673 thousand tons in 2010 (-24.1%), in addition to an 18% drop in price, the export value of cement fell by 38%, from LBP 108 billion in 2009 to LBP 67 billion in 2010.
- The basic chemicals that formed 35% of exports in 2009 in the subcategory under the title of "timber, rubber, chemicals" constituted 43.6% in 2010, following an increase in prices (+10.4%) and prices of exported volumes (+24.7%). The export prices of the two most important products in this subcategory, namely phosphoric acid and superphosphate, increased from LBP 166.4 billion in 2009 to LBP 257.3 billion in 2010, while exported quantities increased from 340.2 tons to 454.7 thousand tons.
- The other categories under this subcategory experienced a less dramatic export increase between 2009 and 2010:
 - The value of other exported chemical products increased from LBP 159.3 billion to LBP 166.5 billion, following a 6.2% drop in prices;
 - The exported value of woodwork (excluding furniture) fell from LBP 42.4 to LBP 32.8 billion, with prices increasing by 1.8%;
 - Pulp and paper exports increased from LBP 208 billion to LBP 208.3 billion with a price increase of 3%;
 - Exports of manufactured plastic goods fell from LBP 83.2 billion to LBP 80.8 billion and recorded a 5.5% drop in price.
- Although negligible, furniture exports also increased in value: +2.5%.
- The category of "Other products" includes primary print works and jewelry.
 - Exports of printed products increased by 8.2% in value, or, rose from to LBP 409.2 billion in 2009 to LBP 443 billion in 2010 despite a decline in unit values (-5.4%);
 - In the case of jewelry, exports increased negligibly from LBP 369.4 billion to 372.6 billion (+0.9%); higher prices (+22.4%) offset the decline in export quantities (-17.6%).

c) Export of services

Foreign exchanges of services are not yet well inventoried. At present, and due to regular reviews, only the net receipts of public services for telecommunication are known. The net exports of transportation services have been omitted. The net exports of business services, however, have been estimated based on parameters set by a survey of large enterprises, which was performed in 2004. The export of financial services includes the part of the net banking product imputed to the interest received from abroad and the net export of re-insurance services which is negative. It is important to note the triangular trade receipts retained in these accounts are extremely rough estimates given that these are based on due customs statistics on general trade, import-export, and transit.

The net receipts of the General Directorate of Telecommunications, resulting from overseas communications fell by 21.4%, including 4.2% following a reduction in price rates.

According to the declarations made by large companies in the survey of enterprises, the overseas turnover by Lebanese companies in *business services*, net of services payments to non-residents, increased from LBP 205 billion in 2002 to LBP 245 billion in 2003, representing a rise of 19.3%.¹⁰ A growth rate figure of 25% was retained after it was derived from the 2004 and 2005 values, taking into account offshore companies' tax returns to the Ministry of Finance. In the absence of recent statistics, an average growth rate of 6% per annum was adopted for the 2006 and 2007 estimates, 20% for 2008, 5% for 2009, and 10% for 2010. Given the impossibility to define and monitor the prices of such services, prices were assumed to increase at the same rate of inflation, which was 3% in 2010.

After a sharp decline in 2009, *financial services* continued their downward spiral in 2010. These services include charges levied to dividends received by banks from their investments abroad minus imports of insurance services. Dividends received by banks from overseas, according to Central Bank of Lebanon, fell from LBP 889 billion in 2009 to LBP 575 billion in 2010. The banking services/earned interests ratio was 33.4% in 2010 (against 30.1% in 2009); the share of interest dividends declared as exports amounted to LBP 275 billion in 2009 and LBP 192 billion in 2010. The bank charges on the net external transactions must be added to the interest differential, translating into LBP 68 billion in 2009 and LBP 43 billion in 2010. In addition, services of foreign reinsurances represented net imports of LBP 59 billion and LBP 55 billion in 2009 and 2010. These figures were subtracted from exports of services. Financial services from foreign transactions fell by 36.6%.

The growth rate retained for the triangular trade estimate of net revenue, used data that monitored transit activities and re-export. Following a year of strong growth in 2004 (+32.4%), net revenues from foreign trade activity was in constant decline: -3.5% in 2005, -17.8% in 2006, and -3.9% in 2007, but growth resumed in 2008 (+17.2%) and at lower figures in 2009 (+8.6%) and 2010 (+1.5%). As for financial services, a conventional rate of inflation of 3% was retained to measure the rising prices of this service.

d) Tourist expenditure

By convention, the growth rate in volume of tourist expenditure and other foreign travelers on the national territory is equal to the total growth rate of the annual number of foreign visitors (excluding Syrian nationals) returning annually to Lebanon: 27.1% in 2009 and 17.6% in 2010. The consumer price index was selected to estimate the domestic consumption expenditure of this value.

¹⁰ A subsequent investigation revealed the survey results of the large enterprises study concerning exports of services in the 1997-2002 accounts were significantly underestimated.

PART TWO

Integrated economic accounts

The international System of National Accounts (SNA93) is aimed at establishing a standard set of accounts for each of the five economic agent categories in a national economy, indicated by S.1, and for the rest of the world, indicated by S.2.

The five economic agent categories of the national economy are:

- S.11 : non-financial corporations
- S.12 : financial institutions
- S.13 : public administrations
- S.14 : households
- S.15 : non-profit institutions serving households

At the current stage of its development, the national statistics of Lebanon prohibit the establishment of a separate and accurate integrated economic accounts record for each of the five agents. It is practically impossible, therefore, to provide a distribution of output operations between non-financial institutions and households. In contrast, the key elements of the integrated economic accounts of domestic economic agents as a whole and those concerning the rest of the world can be loosely approximated.

Tables n° 27 and n° 28 present both the integrated economic accounts of the national economy (S.1) and rest of the world (S.2). These account modules make it possible to measure the main flows that represented economic activity between 2009 and 2010.

Chapter 1 presents the integrated economic accounts of the national economy, which measure the main aggregates: production account, generation of income and primary distribution of income account, secondary distribution of income account, use of income account, capital account, and financial account.

Chapter 2 presents the estimates of the main balance of payments elements, which are divided into four accounts: exchange of goods and services account, account of primary incomes and current transfers, capital transfers account, and finally, the financial account.

The economic agent accounts were established to compare to the accounts of the central administration and commercial banks. These accounts are reproduced in the Annex.

Table n° 27
Integrated accounts of the national economy (S.1) 2009-2010

LBP billion

Accounts	Uses		Resources	
	2009	2010	2009	2010
I. Production account				
P11. Market output			63 165	69 109
P12. Non-market output			7 399	7 999
D2-D3. Taxes (-) subsidies/products			6 715	8 215
P2. Intermediate consumption	25 043	29 358		
<i>B1. Gross value added (GDP)</i>	<i>52 235</i>	<i>55 965</i>		
Total	77 278	85 323	77 278	85 323
II.1. Generation and allocation of primary income account				
B1. GDP			52 235	55 965
D2-D3. Taxes (-) subsidies/products	6 715	8 215	6 715	8 215
D41. Interests	8 312	9 566	7 789	9 375
<i>private sector</i>	3 837	4 632		
<i>public sector</i>	4 475	4 934		
D1+D4. Compensations, other income	34 408	36 391	35 061	36 386
<i>B5. Balance of primary income (GNI)</i>	<i>52 366</i>	<i>55 769</i>		
Total	101 800	109 941	101 800	109 941
II.2. Secondary distribution of income account				
B5. GNI			52 366	55 769
D5. Direct taxes	3 089	3 577	3 089	3 577
D61. Social security contributions	1 402	1 452	1 402	1 452
D62. Social security benefits	2 334	2 483	2 360	2 510
D79. Other current transfers	548	569	15 677	16 076
<i>B6. Balance of secondary income (GNDI)</i>	<i>67 520</i>	<i>71 304</i>		
Total	74 894	79 384	74 894	79 384
II.4. Use of income account				
P2. Consumption	48 614	52 672		
<i>B8. Gross saving</i>	<i>18 906</i>	<i>18 633</i>		
Total = GNDI	67 520	71 304	67 520	71 304
III. 1 Capital account				
B8. Gross saving			18 906	18 633
P51. Gross fixed capital formation	18 114	18 986		
D9. Capital transfers	38	14	10 135	3 895
<i>B9. Bal.: net lending/borrowing (-) financing</i>	<i>10 889</i>	<i>3 528</i>		
Total	29 041	22 528	29 041	22 528
III. 2 Financial Account				
B9. Net lending/borrowing (-) financing			10 889	3 528
F2. Currency and deposits	32 231	20 057	20 323	15 045
F3. Securities other than loans	7 860	2 629	6 175	3 233
F4. Loans	2 945	8 705	1 115	8 088
F5. Shares/other equities	2 750	2 066	7 284	3 563
Total	45 786	33 458	45 786	33 458

Table n° 28
Rest of the world accounts (S.2) 2009-2010

LBP billion

Accounts	Uses		Resources	
	2009	2010	2009	2010
I. Transactions of goods and services				
Imports			25 265	28 102
Exports	10 722	12 410		
<i>B11. Trade balance</i>	<i>14 493</i>	<i>15 693</i>		
Total	25 265	28 102	25 265	28 102
II. Primary income and current transfers account				
B11. Trade balance			14 493	15 693
D1. Compensation of employees	1 186	576	698	709
D41. Interests	996	809	1 519	1 000
D4... Other income (net)	728	827	563	699
D62. Social benefits	26	28		
D79. Other current transfers (net)	15 128	15 507		
<i>B12. Current balance</i>	<i>-796</i>	<i>353</i>		
Total	17 273	18 100	17 273	18 100
III. 1 Capital account				
B12. Current balance			-796	353
D9. Capital transfers (net)	10 097	3 881		
<i>B9. Bal.: Net lending/borrowing of financing</i>	<i>-10 889</i>	<i>-3 528</i>		
Total	-792	353	-792	353
III. 2 Financial Account				
B9. Net lending/borrowing of financing			-10 889	-3 528
F2. Currency and deposits (net)			11 908	5 012
F3. Securities other than loans	-1 685	604		
F4. Loans	-1 830	-617		
F5. Shares / other equities	4 534	1 497		
Total	1 019	1 484	1 019	1 484

Chapter 1

Integrated accounts of the national economy

The various transactions carried out between economic agents, or flows, arising from economic activity, are divided into the following six categories or sub-categories of these accounts (the Roman numerals used are the international classification codes of these accounts):

- I. Production account
- II.1. Generation and allocation of primary income account
- II.2. Secondary distribution of income account
- II.4. Use of income account
- III.1. Capital account
- III.2. Financial account

These accounts make it possible to measure the main aggregates that represent economic activity. These aggregates are summarized in Table n° 29 below.

Table n° 29
Evolution of the main aggregates of the national economy 2006-2010

Type of aggregate	2006	2007	2008	2009	2010
GDP	33 451	37 624	44 748	52 235	55 965
+ Net factor income	-209	-225	743	130	-196
= GNI	33 242	37 400	45 491	52 366	55 769
+ Net current transfers	6 566	6 529	11 843	15 155	15 535
= GNDI	39 808	43 929	57 334	67 520	71 304
- Final consumption	-32 734	-36 595	-44 225	-48 614	-52 672
= Gross national saving	7 074	7 333	13 108	18 906	18 633
+ Net capital transfers	4 367	2 171	3 945	10 097	3 881
= Gross disposable saving	11 441	9 504	17 053	29 003	22 514
- GFCF	7 733	10 462	13 764	18 114	18 986
= Net lending (+) / brwg. (-) of fncg.	3 708	-959	3 289	10 889	3 528
+ Foreign financing	505	4 029	1 929	1 019	1 484
= Balance of payments	4 213	3 070	5 218	11 908	5 012

Note : Figures from 2006 to 2009 have been revised.

Thus:

- Gross domestic product (GDP) is the balancing item in the production account of all economic agents;
- Gross national income (GNI) is derived from the allocation of primary income account;
- Gross national income (GNDI) is the balancing item of the secondary distribution of income account;
- Gross national savings is the balancing item in the use of income account;
- Gross national savings and net lending/borrowing are deduced from the capital account;
- The balancing item in the balance of payments is reflected in the financial account under the heading, "Changes of cash and deposits."

The details of these accounts are presented in the sections set forth below.

Section I. Production account

The production account records the production value in terms of resources received by various economic agents, and the value of intermediate consumption in terms of uses. The balance of this account is equal to gross domestic product or GDP.

The production value is sub-divided into: market output (P.11), non-market output (P.12), and taxes minus product subsidies (D.2 – D.3).

a) Market output (P.11)

Market output is equal to the sum of receipts, excluding taxes, of all production units resulting from the sale of goods and services. However, given the estimation methods adopted in the absence of adequate statistics, the market output value described herein also includes the production value of own final consumption.

The production value is equal to the sum of the output values of all market sectors calculated at market prices minus indirect taxes plus operating subsidies.

Details of the market output evaluated at consumer prices are provided in Part One, Chapter 1 of this report.

b) Non-market output (P.12)

Non-market output as appearing in these accounts represents only an estimate of public administration output. Thus, it excludes the self consumed output value of households and products of non-profit institutions.

The estimation method used for this output is described in Part One, Chapter 1 of this report.

c) Taxation less subsidies/products (D.2 – D.3)

In principle, only specific net taxes on products less subsidies should appear in this account. Given the lack of data in this area, however, all indirect taxes featuring in the generation of income account were retained. These include the following: customs duties, taxes on the consumption of specific products, including VAT, as of year 2002, and the profits of public corporations, municipal taxes, and other taxes.

Municipality taxes were revised after an analysis of all big municipalities' accounts and a sample of other municipalities' accounts for years 2004 and 2005. Taxes for other years were estimated using indicators from the Treasury accounts, which collects specific taxes on behalf of municipalities. These are part of a necessary adjustment to balance the public sector accounts.

Other tax data were taken from the closure account of the public administration. Table n° 30 demonstrates the evolution of various indirect taxes by type from 2006 to 2010.

Table n° 30
Indirect taxes by type 2006-2010

Type of tax	<i>LBP billion</i>				
	2006	2007	2008	2009	2010
Customs duties	461	556	686	768	810
Consumption tax	2 349	2 580	3 600	4 917	5 344
Profits of public corporations	1 423	2 006	2 020	2 446	2 708
Stamps and other duties	259	292	350	396	453
Municipal taxes and adjustments	469	349	601	520	748
- <i>subsidies</i>	-1 396	-1 501	-2 478	-2 333	-1 848
Total	3 566	4 282	4 779	6 715	8 215

Note: The accounts from 2006 to 2009 have been revised. Subsidies now include Treasury advances to the Electricité du Liban (EDL).

Customs duties declined from 2001 to 2003, following a policy adopted by the public administration to replace these duties progressively with VAT. These custom duties rebounded again in 2004, albeit at a lower growth rate than imports. The real ratio of duties / customs value of imports fell from 4.3% in 2003 and 3.1% in 2007 to 2.8% in 2008, 3.1% in 2009, and 3% in 2010.

As Table n° 31 demonstrates, *consumption taxes* mainly consist of VAT, which was introduced in year 2002.

Table n° 31
Consumption tax by type 2006-2010

Type of Tax	<i>LBP billion</i>				
	2006	2007	2008	2009	2010
- on value added	1 660	1 803	2 584	2 889	3 193
- on tobacco	162	211	246	277	347
- on airport embarkations	64	84	107	123	148
- on fuels	230	185	112	999	1 040
- on motor vehicles	217	287	539	614	598
- Others	16	11	13	15	18
Total	2 349	2 580	3 600	4 917	5 344

Between 2004 and 2007, the growth rate of VAT averaged 5.9% per annum. In 2008, it averaged 43.2%, 11.8% in 2009, and 10.5% in 2010. In fact, in the absence of the annual closing of accounts, tax data are preliminary; the real growth rate of VAT in 2008, according to reports from the Ministry of Finance would be 29%. Regularly recorded since 2004 to 2008, lower tax on fuels is attributed to the public administration's policy to stabilize gasoline prices. The fall in import prices of gasoline in 2009 allowed the State to raise taxes on fuel; hence, their high value. Changes in 2010 (4.1%) followed a slight increase in fuel consumption.

Profits of public corporations are entered as product taxes given that prices of goods and services produced by these corporations are set by the public administration. Among the profits of public corporations, public telecommunication operators, which are the most significant, displayed the most noteworthy growth in recent years: the value of this sector soared from LBP 141 billion in 1997 to LBP 1 310 billion in 2004, and reached LBP 1 456 billion in 2005. Estimations measure the value of these public telecommunication operators at LBP 1 298 billion in 2006, LBP 1 660 billion in 2007, and LBP 1 734 billion in 2008, and LBP 2 054 billion in 2009. In 2010, profits from telecommunications accruing to the public administration have still not yet been transferred to the Treasury in their entirety; the budget revenue for this sector fell to LBP 957 billion. The real earnings from telecommunications accruing to the public administration and local governments are estimated at LBP 2 287 billion, and it was this last figure that these accounts retained.

Subsidies to public corporations, which appear in the accounts of the public administration, are presented below (Table n° 32):

Table n° 32
Subsidies to public corporations 2006-2010

Corporation	<i>LBP billion</i>				
	2006	2007	2008	2009	2010
EDL	1 370.0	1 479.0	2 430.0	2 258.5	1 797.3
Bureau of wheat and beet	5.0	-	30.7	45.0	25.6
Transportation and communication	13.0	15.9	10.0	18.1	14.2
Television of Lebanon	4.0	4.0	4.0	7.0	8.0
Others	4.0	2.0	3.0	4.0	3.3
Total	1 396.0	1 500.9	2 477.7	2 332.6	1 848.3

Subsidies granted to Electricité du Liban (EDL) are not entered in the budgetary expenditure of the public administration but are entered in the accounts as Treasury advances to State-owned institutions. These were treated as financial transactions in previous year accounts. Recently, the newly adopted convention treats these advances as a primary distribution transaction and not a financial transaction. Accounts for previous years have been revised accordingly. It is important to note that indirect subsidies granted to tobacco farmers, and whose values are unknown, are deduced from taxes on manufactured tobacco.

d) Intermediate uses

Intermediate uses are equal to purchases by the production units of consumable goods and services minus changes in inventories. These are valued at market prices, in other words, inclusive of applicable taxes.

Intermediate consumption of economic activity in various sectors is described in Part One, Chapter 1 of this report.

Section II. Generation and allocation of primary income account

Primary income is defined as revenue accruing from the factors of production and other components classified under the value of GDP. The generation and allocation of primary income account records all primary income received by domestic economic agents under resources in GDP. It records the total of primary incomes payable to domestic economic agents in uses. The balance of this account yields the second significant aggregate; namely, gross national income (GNI). Primarily aimed at focusing on institutional units, the generation and allocation of primary income account provides GDP distribution using the income approach.

a) Income approach of GDP

Table n°33 below demonstrates the revenue distribution of GDP from factors of production and other components classified under this value such as wages and salaries; taxes, net of subsidies, on products; interests; other income, and depreciation.

Table n° 33
Distribution of GDP by factors of production 2006-2010

	<i>LBP billion</i>				
GDP components	2006	2007	2008	2009	2010
Taxes – subsidies/products	3 566	4 282	4 779	6 715	8 215
Interests	2 925	3 631	2 740	3 837	4 632
Compensation and other income	22 503	24 923	30 277	34 408	36 391
Depreciation (balance)	4 457	4 788	6 952	7 276	6 728
Total = GDP	33 451	37 624	44 748	52 235	55 965

Wages and salaries represent all labor charges borne by the public and private sectors. Wages and salaries paid by the public administration are drawn from public sector accounts. The evolution of these accounts is reported in Table n°10 (refer to Part One, Chapter 1, Section VIII). Surveys undertaken during the establishment of the 1997 accounts detailed wages, salaries, payroll taxes, and other labor charges paid by businesses. The share of wages and salaries in GDP was on average of 35.5%; namely, 83.2% in the public sector and 29.1% in the private sector. Unfortunately, due to a lack of adequate data for the period 1998-2010, the evolution of this GDP share remains imprecise. The year 2004 survey of large corporations, which included 240 industrial plants, 270 service-oriented establishments (other than telecommunications, financial, and educational services) and 96 trade firms, provided the approximate wage cost/gross value added ratio of labor in 2002 and 2003 as follows:

Sector	2002	2003
Industry	24.6%	24.2%
Services	32.4%	32.9%
Trade	10.5%	10.9%

In addition, an industrial census conducted by the Ministry of Industry in 2007 on the activities of establishments, employing five or more employees revealed a relative wages / value added of 26.7%.

The *share of indirect taxes less subsidies* in GDP grew significantly between 1997 and 2004, increasing from 9.6% in 1997 to 14.9% in 2004. This evolution is due to the introduction of VAT in February 2002, which expanded its base over the two subsequent years. In 2005 and 2006, the decline in consumption resulted in less indirect taxes, resulting in a lower GDP share; thus, yielding a decline from 13.3% to 10.5%. With the recovery of consumption in 2007, the share of indirect taxes in GDP increased to 11.2%. In 2008, this ratio fell to 10.5%, following a sharp increase in subsidies to EDL. In 2009, owing to a significant increase in taxes on fuel, the GDP share of indirect taxes reached 12.7%. Conversely, in 2010, the decline in subsidies to EDL raised the share of taxes on products, less subsidies, to 14.5% of GDP.

Interests represent the returns of financial capital paid by corporations to owners of this capital, and exclude interests paid by the public administration. By convention, these interests are not entered in the estimate of non-market output and are consequently excluded from GDP.

Table n° 34
Computation of bank interests paid by corporations and public administrations
2006-2010

	<i>LBP billion</i>				
Bank data	2006	2007	2008	2009	2010
Interests received					
on Treasury bonds	2 502	2 754	3 173	3 545	3 645
from non-residents	1 047	1 047	1 744	889	575
from other debtors	4 173	5 009	4 074	5 551	6 953
Total	7 722	8 810	8 992	9 985	11 173
Interests paid to depositors	5 413	6 386	6 046	6 902	7 442
<i>Interests paid/received ratio</i>	<i>0.701</i>	<i>0.725</i>	<i>0.672</i>	<i>0.691</i>	<i>0.666</i>
Interest charges paid to depositors at the expense of:					
administrations	1 754	1 996	2 134	2 451	2 428
non-residents	734	759	1 173	615	383
corporations	2 925	3 631	2 740	3 837	4 632
Total	5 413	6 386	6 046	6 902	7 442

To estimate interest charges borne by corporations, the accounts presented herein retained the income deposits of commercial and investment banks. Interests paid by banks were distributed among debtor agents and measured vis-à-vis their bank debts. It is important to note that part of the interests received by banks represent compensation for services rendered in the area of financial intermediation (refer to Table n°34 above).

Thus, interests paid by the private sector (mainly corporations) to owners of deposits through commercial banks were estimated at LBP 2 740 billion in 2008, LBP 3 837 billion in 2009, and LBP 4 632 billion in 2010, representing 6.0%, 7.3%, and 8.3% of GDP respectively. In 1997, this share only accounted for 5.3%.

Interests paid by the public sector are not classified under the value of GDP, but are still entered in the primary distribution account in accordance with relevant international conventions. These values are drawn from public administration accounts after deducting the value of banking

services. These banking services are estimated by applying the ratio of banking services / interest in Table n°34 to interests received by banks on Treasury bonds. The following table describes the evolution of the national debt burden, its interest, and banking services distribution.

Table n° 35
Evolution of the national debt burden and share in interest accrued 2006-2010

	<i>LBP billion</i>				
Distribution of charges	2006	2007	2008	2009	2010
Debt servicing	4 375	5 328	5 067	5 840	6 424
- value of banking services	903	935	1 278	1 365	1 490
= interest paid	3 472	4 393	3 789	4 475	4 934

Other income consists of dividends paid to owners of capital invested in the production of mixed income and sole proprietorships. These incomes were subject to a comprehensive estimate in 1997; however, shareholder remuneration figures are still unknown. As for wages and salaries, only year 1997 produced a verifiable estimate for these incomes, revealing a relative share in GDP of 42.3%.

Given a lack of data, wages, salaries, and other income, excluding interests, were grouped into a single aggregate in 1998.

Depreciation is the balancing item of the operational accounts of corporations, plus the estimated depreciation value of the public administration's fixed assets. This last component is set forth in Table n°10 and demonstrates the computation of non-market output value.

b) Calculation of gross national income (GNI)

GNI is equal to the balancing item of the generation and allocation of primary income account of all domestic economic agents. It is, thus, equal to GDP plus primary income balance (resources - uses), which in turn is equal to the net income factor received from the rest of the world. The latter are drawn from the accounts of the rest of the world, S.2 (refer to Table n°28), which are presented in the following chapter.

The balance for the three types of primary incomes (compensation, interests, and other incomes) is detailed in Table n°36.

Table n° 36
Structure of gross national income 2006-2010

	<i>LBP billion</i>				
Components of GNI	2006	2007	2008	2009	2010
GDP	33 451	37 624	44 748	52 235	55 965
Net foreign compensation	277	76	-131	-523	-190
Other net foreign income	-487	-301	874	653	-5
Total = GNI	33 242	37 400	45 491	52 366	55 769

After four years of decline in net foreign income, resulting in a GNI growth rate lower than GDP, the years 2006 and 2007 witnessed a recovery of this income type. There was a modest

decline in the employment of foreign labor and a significant increase in the income of Lebanese labor abroad, according to estimates provided by the Central Bank of Lebanon (BDL). With falling interest rates abroad, moreover, interests paid to non-residents, exceeded those received by Lebanese nationals on their investments abroad. In 2010, the decline in income accruing from investments abroad and stagnating incomes of Lebanese labor abroad slowed the growth of GNI: 6.5% against 7.1% of GDP in nominal value.

Section III. Secondary distribution of income account

The secondary distribution of income account records GNI resources of domestic economic agents from various types of transfers, including: direct taxes, social security contributions, social security benefits, and current transfers. Payments of such transfers by domestic economic agents are carried over in uses. The balance of this account is, therefore, equal to GNI plus net current transfers from abroad. This yields the third aggregate, to analyze the progression of a national economy; namely, “gross national disposable income” (GNDI).

a) Direct taxes

Direct taxes are compulsory deductions made by the public administration on the resources of national agents. These are entered in private sector uses and public administration resources.

There are two types of direct taxes: income tax and property tax. Taxation on privately owned motor vehicles is similar to that of property tax and was included with direct taxes as opposed to administrative classification, which includes specific consumption taxes. Table n° 37 below presents the various tax revenues collected by the central administration as appearing in the closing account of the State Budget.

Table n° 37
Distribution of direct taxes by type 2006-2010

	<i>LBP billion</i>				
Type of tax	2006	2007	2008	2009	2010
Income tax	1 184	1 142	1 564	1 839	2 050
Property tax	579	526	786	808	1 088
Motor vehicle tax	265	276	385	441	439
Total	2 029	1 944	2 735	3 089	3 577

b) Social security contributions

Within the context of these accounts, social security contributions are associated with contributions received by the National Social Security Fund (NSSF), and levies collected by the public administration from the wages and salaries of civil servants to contribute to the pension fund. Mandatory contributions to other funds, including the Cooperative of Civil Servants, were omitted owing to a lack of relevant statistics.

All contributions, including those paid by employers to the NSSF, are supposed to be paid by employees, given that such disbursements are calculated in compensation of labor. These are entered as public administration resources.

Public administration spending on NSSF is classified as transfers rather than contributions in these accounts. This becomes clear in non-contractual employer/employee obligations, which do not have an official status unlike those governing civil servants, and are, therefore, subject to the Labor Code. Typically, such payments are sporadic (LBP 60 billion in 2000, LBP 80 billion in 2004, LBP 340 billion in 2005, LBP 220 billion in 2006, and LBP 100 billion in 2008). These payments were excluded from both labor compensation and social security contributions.

Table n° 38
Social security contributions paid by national agents 2006-2010

Type of contribution	<i>LBP billion</i>				
	2006	2007	2008	2009	2010
Contribution to NFSS	865	1 049	1 025	1 306	1 340
Contribution of civil servants	85	79	85	95	112
Total	951	1 128	1 110	1 402	1 452

c) Social security benefits

Social security benefits, which appear in the account as resources II.2, are higher than those recorded in uses, given that households receive, in addition to local benefits, retirement pensions paid by non-residents. According to data from the Survey of Living Conditions of Households, these pensions were estimated at LBP 23 billion in 1997. This figure has been kept constant or slightly increased for subsequent years due to a lack of verifiable statistics.

Table n° 39
Distribution of social security benefits received by type 2006-2010

Social security benefit	<i>LBP billion</i>				
	2006	2007	2008	2009	2010
Social security benefits from NSSF	829	939	885	1 020	1 083
<i>Health benefits</i>	451	536	492	548	587
<i>Family benefits</i>	231	224	241	245	262
<i>End of Service indemnity</i>	147	179	152	226	234
Retirement pensions paid					
by the State	935	924	1 016	1 316	1 399
by the rest of the world	23	24	25	26	28
Total	1 787	1 872	1 926	2 360	2 510

Social security benefits provided by national agents (recorded in uses) are limited to benefits and allowances paid by NSSF, and to retirement pensions paid by the public administration. The former spending increased from LBP 407 billion in 1997 and LBP 812 billion in 2004 to LBP 1 020 and in 2009 and LBP 1 083 billion in 2010 whereas the spending of the latter increased from LBP 528 billion and LBP 821 billion to LBP 1 316 billion and LBP 1 399 billion during the same period.

As for contributions, benefits provided by other social security funds have been omitted in these accounts.

d) Current transfers and calculation of GNDI

The heading, “current transfers,” groups three types of capital flows: non-tax receipts of the public administration; assistance provided by the public administration to individuals, associations, and other resident or non-resident private sector organizations, and finally, current transfers made or received by resident from non-resident.

The first two sections are drawn from the State’s closing of accounts with an adjustment regarding financial aid provided by other administrations.

Net foreign transfers, resulting from the methods adopted for estimating the various sections of the balance of payments, are described in the subsequent chapter.

Table n° 40
Distribution of current transfers received by type 2006-2010

	<i>LBP billion</i>				
Type of transfer	2006	2007	2008	2009	2010
Non-tax receipts	296	327	336	337	375
Aid	175	170	192	211	193
Net foreign transfers	6 543	6 505	11 818	15 128	15 507
Total	7 015	7 002	12 346	15 677	16 076

The balance of the secondary distribution of income account is equal to GNI plus net foreign payments on secondary distribution, as demonstrated in Table n°41 below.

Table n° 41
Computation of GNDI 2006-2010

	<i>LBP billion</i>				
	2006	2007	2008	2009	2010
GNI	33 242	37 400	45 491	52 366	55 769
Migrant transfers	23	24	25	26	28
Net foreign transfers	6 550	6 512	11 835	15 146	15 525
less international aid	-7	-7	-17	-17	-18
Total = GNDI	39 808	43 929	57 334	67 520	71 304

From 1997 to 2002, net foreign transfers tended to decline. As a result, growth of GNDI during that period was lower than that of GDP. In 2003, the balance of payments results showed a significant influx of transfers to Lebanon (refer to next chapter) in which GNDI growth was higher than GDP in terms of current value (12.8% for GNDI against 5.5% for GDP). The level of net foreign transfers, which reached 18.3% of GDP in 1997, fell to 13.2% of GDP in 2005 to rise dramatically in five consecutive years (2006-2010); the balance of payments recorded strong surpluses during this period. These transfers represent 17.2% of GDP in 2007, 26.4% in 2008, 28.9% in 2009, and 27.7% in 2010.

Section IV. Use of income account

The income account records domestic consumption in uses, and the available GNI in resources. The balance of this account is equal to national savings.

After recording growth in 1998, national savings went into constant decline, especially from years 2000 to 2002. The national savings total, thus, estimated at 13.6% in 1997, fell to 7.7% in 2002. This downward progression could be attributed to the significant decline in foreign transfers over that period as indicated by the balance of payments. Similarly, with the recovery of such transfers in 2003, the national savings rate grew to 12.6%. In 2004, the national savings rate fell to 11%; and increased to 12.9% in 2005. Between years 2006 and 2009, growth in disposable income was higher than consumption, resulting in a rate of 16.7% in 2007, 22.9% in 2008, and 28% in 2009. In 2010, this trend reversed and the savings rate declined to 26.1%.

Section V. Capital account

The capital account records GFCF in uses, changes in inventories, and capital transfers performed by national agents. GFCF records gross savings and capital transfers received in resources.

Capital transfers as recorded in uses represent subsidies for reconstruction works by the public administration for those displaced by war and subsidies for the reconstruction of South Lebanon. Initially, these transfers were substantial (LBP 481 billion in 1997); however, the transfers gradually declined to become negligible from 2002 to 2003. There was a moderate resumption of these subsidies during the two-year period 2004-2005 when these reached LBP 129 billion and LBP 121 billion respectively. These subsidies were estimated at LBP 8 billion in 2008, LBP 38 billion in 2009, and LBP 14 billion in 2010.

In addition to transfers recorded in uses, capital transfers recorded in resources include net foreign transfers received. The latter also gradually declined from LBP 1 932 billion in 1997 to LBP 720 billion in 2002; however, these recovered in subsequent years to reach LBP 4 366 billion in 2006, LBP 2 165 billion in 2007, and LBP 3 940 billion in 2008, and LBP 10 093 billion in 2009. In 2010, these fell to account for only LBP 3 880. These figures, however, remain a rudimentary approximation, resulting from the estimates of the balance of payments. These estimates are presented in the following chapter.

The balance of the capital account, depending on whether it is positive or negative, is the capacity or need for financing and is equally referred to as net lending or borrowing. Overall, the Lebanese economy has always exhibited a need for foreign financing. In the last two years, however, as Table n°42 below demonstrates, the national economy recorded a surplus given that the net lending of households far exceeded the financing needs of corporations and public administrations.

Table n° 42
Distribution of net lending (+) or borrowing (-) by national agent
2006-2010

	<i>LBP billion</i>				
Economic agent	2006	2007	2008	2009	2010
Public administrations	-3 649	-3 938	-3 257	-2 276	-1 738
Corporations	-3 155	-5 647	-6 820	-10 870	-12 050
Households	10 512	8 627	13 366	24 035	17 316
Total	3 708	-959	3 289	10 889	3 528

In effect, within the framework of the accounting system adopted, net lending to households is equal to their savings plus the undistributed income of corporations and net capital transfers received from abroad. These are supposed to be entirely paid to households¹¹. Thus defined, the financing capacity of households is dependent on foreign transfers and capital flows. In 2008 and 2009, the significant transfers recorded a record level increase in net lending (more than LBP 13 trillion in 2008 and more than LBP 24 trillion in 2009), far exceeding the financing needs of corporations and public administrations in those two years. In 2010, the financing capacity of households fell to just over LBP 17 trillion, which still exceeded the net borrowing of other agents.

The net borrowing of corporations is equal to GFCF of the market sector and changes in inventories minus the amounts deducted as capital depreciation. The changing needs of net borrowing of corporations lagged behind that of investments in the private sector, which were declining in 2005 and increased sharply during the period 2007- 2010.

Concerning the net borrowing of the public administration, this is equal to the deficit of the public sector. While this deficit was much higher than the value of public investments, it fell significantly in the last two years. It represented 15.1% of GDP in 2002. In 2007, these ratios fell to 10.5%. In 2010, the deficit represented only 3.2% of GDP. Note, however, that this budget deficit does not take into account the Treasury budget deficit.

Section VI. Financial account

The financial account records changes in net acquisitions of financial assets in uses, and changes in the liabilities of national agents in resources. The balance of the financial account is equal to the capacity or need for borrowing. This parity results from the general balance of accounts principle. The estimation methods in compiling this account are largely based on this balancing principle. The net lending of households, thus, results in an equivalent increase in financial assets held; the need for financing corporations is covered by an increase in equities and loans obtained, and finally, the deficit of the public administration is translated by an equivalent increase in the national debt net of Treasury advances.

¹¹ Kindly bear in mind that individual corporations are grouped with other corporations and with households.

Financial assets and liabilities included in the current account are classified in compliance with international nomenclature under four headings: currency and deposits (F2), securities other than shares (F3), loans (F4), shares and other equity (F5).

a) Changes in currency and deposits (F2)

The currency and deposits identified herein include only banknotes issued in Lebanese pounds (LBP) by the Central Bank of Lebanon (BDL), bank deposits held by residents, and net foreign assets of Lebanese banks. By this definition, the entries exclude banknotes in United States dollars or other currencies and deposits held by residents in foreign banks (excluding banks). Currency and deposits held by the public sector are also excluded. The retained figures regarding money supply are derived from the BDL data.

Changes in money supply for the banking system are recorded in resources and in uses for the non-banking private sector. These comprise of mainly deposits held by households; the changes in currencies and non-bank financial institutions can be considered negligible. Accordingly, changes in money supply, which increased from LBP 13 390 billion in 2008 to LBP 20 323 billion in 2009 and then fell to LBP 15 045 billion in 2010, is partly a reflection of the changes in the net lending of households (see above).

Table n° 43

Changes in money supply and net foreign assets of the banking sector 2006-2010

	<i>LBP billion</i>				
Type of currency	2006	2007	2008	2009	2010
Currency (LBP)	-987	1 353	12 494	14 165	7 912
Foreign currency deposits	6 077	8 200	895	6 158	7 133
Total = resources	5 090	9 554	13 390	20 323	15 045
Net foreign assets of banks	4 213	3 070	5 218	11 908	5 012
Total = uses	9 303	12 624	18 608	32 231	20 057

Note : Changes in currency deposits are calculated at constant rates of exchange.

The significant fluctuations observed in the currency composition between the Lebanese pound and foreign currencies resulted in cyclical variations of confidence in the national currency and interest differentials. It is important to note that changes in foreign currency deposits were calculated at constant rates of exchange.

In terms of uses, the amount of currency deposits held by residents is added to the increase in net foreign currency assets held by domestic banks. This is equal to deposits of Lebanese banks abroad minus the deposits of non-residents. It is calculated at constant rates of exchange. By definition, this variation represents the balancing item in the balance of payments.

b) Changes in securities other than shares

Only Lebanese Treasury bonds were retained in these accounts; private and foreign sector securities were omitted. Table n° 44 below provides the distribution of Treasury bonds by subscriber¹².

The variation of Treasury bonds held by banks and other residents is registered in uses. Bonds held by autonomous administrations are excluded from consolidation. In addition to bonds subscribed by residents, public administrations also have as resources bonds subscribed by non residents. It should be noted, however, the distribution of Treasury bonds between residents and non-residents are not precisely known. Treasury bonds in Lebanese pounds are supposed to be held by residents, whereas those denominated in foreign currencies and circulating outside banks are supposed to be held by non-residents.

Table n° 44
Distribution of Treasury bonds by subscriber 2006-2010

	<i>LBP billion</i>				
Subscriber	2006	2007	2008	2009	2010
	<i>T.B. in LBP</i>				
Public administrations	860	1 475	253	1 029	186
Banks *	344	2 626	6 715	5 288	3 087
Others and adjustments	289	1 919	915	604	110
Total	1 493	6 020	7 884	6 922	3 383
	<i>T.B. in currency</i>				
Banks *	3 296	209	-952	1 610	-662
Financial institutions	9	69	214	358	95
Others	-1 864	250	451	-1 685	604
Total	1 442	528	-288	282	37
	<i>All T.B. excluding public administration</i>				
Banks *	3 640	2 836	5 763	6 898	2 425
Private sector residents	298	1 987	1 129	962	205
Non-residents	-1 864	250	451	-1 685	604
Consolidated Total	2 075	5 073	7 343	6 175	3 233

* Central Bank of Lebanon (BDL) and commercial banks.

Note: figures for previous years have been revised.

From 2004 to 2006, the issuances of Treasury bonds in foreign currencies were inclined to replace those issued in Lebanese pounds. In fact, banks subscribed to a significant portion of these bills. In 2007, assets in the balance sheet of the BDL recorded a decrease in the Treasury bonds portfolio (-2 500 billion LBP), compensated by a liabilities decrease in the entry,

¹² Treasury bonds to which banks subscribe are drawn from their balance sheets as published by the Central Bank of Lebanon (BDL). Treasury bonds subscribed to by the public and public administration are estimated on statistics provided by the BDL. Changes in foreign currency bills are calculated at constant rates of exchange. Between the accounts of the Treasury and BDL statistics, both significant and negligible differences appear. The figures adopted in these accounts are the result of arbitration.

“exchange rates difference” in accordance with article 115 of the Money and Credit Code. This accounting entry was not considered in the calculation of net issuance of returns. From 2007, there has been a significant increase in bonds issued in local currency.

c) Changes in loans

These amounts represent changes in bank loans and are entered in uses in compliance with current monetary situation statistics and estimated Treasury advances to public corporations. In the absence of a consolidated balance sheet for the financial institutions sector, financial institutions sector loans by non-financial institutions outside the monetary system were not recorded in the accounting system adopted. In resources, these loans also include net foreign loans received by the public administration.

Table n° 45
Changes in loans by type 2006-2010

	<i>LBP billion</i>				
Type of loan	2006	2007	2008	2009	2010
<i>Bank loans</i>					
to the private sector	1 163	914	5 778	4 976	9 415
to the public sector (net)	1 137	-118	-3 807	-2 260	-998
<i>Loans</i>	-9	-35	-8	-64	-101
<i>- deposits of public sector</i>	1 146	-83	-3 799	-2 196	-897
Total bank loans	2 300	796	1 971	2 716	8 417
Treasury advances	175	235	180	229	288
Total in uses	2 475	1 031	2 151	2 945	8 705
Foreign loans	161	1 234	-689	-1 830	-617
Total : resources	2 636	2 265	1 463	1 115	8 088

Bank loans to the private sector recovered in 2004 after experiencing a sharp slowdown during the period 1997-2003. This recovery slowed between 2005 and 2007, but resumed more vigorously in the two subsequent years. The appropriation of loans net of receivables in 2008, 2009, and 2010, far exceeded the level attained in 2004: LBP 5 778 billion, LBP 4 976 billion, and LBP 9 415 respectively against LBP 1 464 billion in 2004. This dramatic growth in bank loans was due to a liquidity surplus. Table n°46 below demonstrates the evolution of the distribution of funds in the financial sector by user sector as published by the BDL.

These loans differ from those reported in the monetary situation given that these include loans granted by credit institutions outside the monetary system. It, however, remains possible to analyze the evolution and changes in the distribution of funds by sector. For example, it can be observed that there was a surge in loans granted to the construction sector and individuals with the primary intention of financing the purchase of a home.

Table n° 46
Changes in loans to the private sector by economic sector 2006-2010

Sector	<i>LBP billion</i>				
	2006	2007	2008	2009	2010
Agriculture	-16	34	64	-5	132
Industry	31	592	753	226	936
Construction	111	440	1 745	793	2 199
Trade	67	891	1 014	477	1 976
Services	782	1 675	1 301	434	892
Financial institutions	254	485	1 235	773	1 049
Other bodies	15	190	306	-77	429
Individuals	885	1 157	937	2 870	3 146
Total	2 130	5 462	7 355	5 492	10 760

The banking system's liability to the public sector is net of deposits. Strictly speaking, the change reflects more deposits than loans; however, these are negligible given that banks finance the public sector through subscriptions to Treasury bonds. In 2008 and 2009, it appeared that significant subscriptions of Treasury bonds by the BDL and commercial banks (+5 763 billion LBP in 2008 and +6 717 billion LBP in 2009) largely translated into an increase in Treasury deposits with the BDL (+3 799 billion LBP and +2 021 billion LBP in 2008 and 2009 respectively). In 2010, the growth of these deposits was significantly lower (LBP 897 billion), but is important to bear in mind the dormant LBP 11 419 billion in public sector deposits at the BDL.

Treasury advances to public corporations such as Electricité du Liban (EDL) are not accurately known. The current system of public accounts does not disclose the breakdown of advances by the recipient. The figures entered are approximations and allow for the balancing of public administration accounts. Note that, however, the sums disbursed by the Treasury on behalf of EDL, are no longer entered as advances but are now entered as subsidies.

CDR and other public bodies as listed by the BDL evaluate the *external public debt* recorded. The recourse to external funding by the public administration is largely accomplished through the issuance of euro bonds.

d) Changes in shares and other equity

There currently exists a lack of data regarding corporate balance sheets. The figures indicated in uses represent changes in the property rights of households on corporate ownership whether these are limited companies or sole proprietorships. These figures also include amounts paid by households to purchase new homes and were estimated at LBP 1 328 billion in 1997, according to the Survey of Living Conditions of Households. In the absence of other relevant data over subsequent years, the participation of households in the gross capital formation of corporations can only be estimated by residuals.

In resources, resident holdings and non-resident direct investments are estimated within the framework of the balance of payments (refer to following chapter).

Chapter 2

Rest of the world accounts and the balance of payments

Transactions with the rest of the world consist of all non-resident institutional units that enter into transactions with resident units, or have other economic links with resident units. These are recorded in four accounts, which capture the main balancing items of the balance of payments:

- I. The external account of goods and services balance equals the trade balance;
- II. The external account of primary incomes and current transfers balance equals the current account balance;
- III.1 The account of capital transfers balance equals net lending/borrowing for external funding;
- III.2 The financial account balance equals the balance of payments deficit or surplus.

These various balances are shown in Table n° 47.

Table n° 47
Evolution of the various main balancing items in the balance of payments 2006 - 2010

	<i>LBP billion</i>				
Balancing item	2006	2007	2008	2009	2010
Trade balance	7 016	9 434	13 242	14 493	15 693
+ incomes and net transfers	-6 357	-6 304	-12 586	-15 285	-15 339
= current balance	659	3 129	656	-792	353
+ Net capital transfers	-4 367	-2 171	-3 945	-10 097	-3 881
= Net lending/borrowing	-3 708	959	-3 289	-10 889	-3 528
+ Net financing	-505	-4 029	-1 929	-1 019	-1 484
<i>Loans</i>	-161	-1 234	689	1 830	617
<i>Treasury bonds</i>	1 864	-250	-451	1 685	-604
<i>Net direct investments</i>	-2 208	-2 544	-2 167	-4 534	-1 497
= Balance of payments	-4 213	-3 070	-5 218	-11 908	-5 012

Note: A positive balance in the external account represents a deficit for the country, while a negative balance represents a surplus. The balance of payments was, thus, in surplus throughout the period 2006-2010.

Section I. External accounts of goods and services

The external account of goods and services, along with the rest of the world transactions, record imports in resources and exports in uses. These aggregates were reviewed in Part I, Chapter 2 and Chapter 5. The balance of this account, referred to as trade balance, embraces a broader meaning than its standard definition given that these exchanges are not limited to goods, but also includes net exports of services.

In Lebanon, the trade balance has constantly been in deficit. Between 1997 and 2002, the trade deficit in external goods and services fell from LBP 8 009 billion to LBP 5 405 billion, following a stagnation in imports and a significant growth in exports. In 2003 and 2004, following an import growth that was greater than exports, the deficit increased from LBP 6 249 billion to LBP 7 160 billion. In 2005 and 2006, this deficit remained almost unchanged. From 2007, it began to grow: LBP 9 434 billion in 2007, and LBP 13 242 billion in 2008, LBP 14 493 billion in 2009, and LBP 15 693 billion in 2010. Previously, in 1997, this deficit accounted for 33% of GDP and 24.8% of national expenditure; in 2002, it represented only 18.8% of GDP and 15.8% of national expenditure. These ratios were 25.1% and 20% respectively in 2007, and in 2008, were closer to the level attained in 1997: 29.6% and 22.8%, declining slightly in 2009 to 27.7% and 21.7%, and then rising in 2010 to 28% and 21.9%.

Kindly note that these trade balance estimates have been revised downward, following the upward revision of net exports of services.

Section II. External primary incomes and current transfers account

This account records in uses the primary incomes paid to Lebanese residents by the rest of the world as well as net current transfers received from abroad. It incorporates the balance of goods and services transactions in resources and records primary income payments made by the domestic economy to non-residents.

The balance of this account is equal to the current balance of payments. Similar to the trade balance, this balance has been positive for the rest of the world, indicating a deficit for Lebanon. Its changes are dependent on current transfer transactions. Following significant current transfers transactions recorded in 2008 and 2009, the trade balanced sank to its lowest level in 2008 and became negative in 2009, recording a surplus for the first time in Lebanon. In 2010, the current account balance again became positive in favor of the rest of the world.

The evolution of the components recorded in this account is set forth below.

a) Primary income

This heading is also referred to as income distribution, primary income includes wages, salaries, interests, and other income from capital or labor.

The Survey of Living Conditions of Households estimated *compensation of employees and other incomes of labor received from abroad* by Lebanese residents in 1997. These figures were projected over subsequent years, taking the frequency of Lebanese residents traveling abroad as an indicator. Within the context of compensation paid to non-residents, these were proportionately projected to the value added in agriculture and construction. Following recent analysis by the BDL on the balance of payments, however, new indicators on the evolution of these incomes were adopted. These, however, have not produced data that is more reliable (refer to Table n°28).

Interests received by Lebanese residents on foreign investments and interests paid to non-residents are estimated by the BDL within the framework of its reviews on the balance of payments. These estimates demonstrate a marked decline in interest received, which fell from LBP 1 321 billion in 1997 to LBP 549 billion in 2003, while interests paid to non-resident investors increased considerably from LBP 1 060 billion in 1997 to LBP 1 652 billion in 2003. In 2004, while there was an increase in interests for both recipients, the balance remained in favor of non-residents (LBP 1 813 to LBP 946 billion). By contrast, in 2005, interests received by Lebanese residents exceeded those paid to non-residents; thereby, yielding a positive surplus of LBP 143 billion in 2005, LBP 277 billion in 2006, and LBP 76 billion in 2007. In 2008, the trend reversed again with residents receiving less on foreign investments than what was paid to non-residents: LBP -131 billion in 2008, LBP -523 billion in 2009, and LBP -191 billion in 2010.

Until 2007, interest constituted the largest share of external primary income exchanged. In 2008, wages and other capital labor incomes of Lebanese expatriates significantly increased, offsetting the decline in income from investments in foreign banks. The net income distribution from the rest of the world, thus, increased from LBP -225 billion in 2007 to LBP +743 billion in 2008. In 2009, the net income distribution fell from LBP +130 billion to become negative in 2010 (LBP -196 billion)—(refer to Table n°29).

b) Net current transfers

Historically, Lebanon has constantly benefited from a flow of external transfers. There are no reliable statistics, however, on the types and amounts of such transfers. The methodology adopted herein for estimating current transfers records all surpluses in balance of payments as transfers, i.e. under the heading “errors and omissions”, these are spread between current transfers and capital transfers, using key distributions dependent on general economic conditions, particularly investment. The key distribution, resulting from current transfers and capital transfers have been adjusted to the following: 0.7/0.3 in 1997, 1998, and 2004; 0.8/0.2 in 1999; 0.85/0.15 in 2000 and 2002; 0.9/0.1 in 2001; two-thirds / one-third in 2003; three-quarters/one-quarter in 2005, 2007 and 2008; 0.6/0.4 in 2006 and 2009; and finally, 0.8 / 0.2 in 2010.

The general trend of net external transfers declined between 1997 and 2002. Given the downward trend of investment in Lebanon, it is natural to assume that this decline affected capital transfers to a greater degree than current transfers. In 2003, the strong surplus in the balance of payments was a precursor to a substantial inflow of transfers to Lebanon due to increasing oil revenues. Investments in the private sector began to rise, increasing capital transfers, which was considered more important than current transfers. This trend continued in 2004 and 2005, albeit at a lower level. From 2006, record levels of current and capital transfers were achieved: more than LBP 10 trillion, more than LBP 8 trillion in 2007, more than LBP 15 trillion in 2008, and more than LBP 24 trillion in 2009, and more than LBP 19 trillion in 2010.

Net current transfers should include payments relating to retirement pensions and other social contributions and benefits received from abroad. These payments, which were valued at LBP 23 billion in 1997 following the Survey of Living Conditions of Households, were maintained constant until 2006 and then increased to LBP 24 billion, LBP 25 billion, and LBP 26 billion in 2007, 2008, and 2009 respectively, and LBP 28 billion in 2010.

Section III. Capital transfers account

This account records the current balance retained in resources and net capital transfers retained in uses.

Net capital transfers were estimated by the same methods adopted for estimating current transfers: see preceding section. This estimation method resulted in recording a decline in net external capital transfers between 1997 and 2002: LBP 1 918 billion in 1997 to LBP 469 billion in 2002. From 2003, these transfers became larger and more significant, varying between LBP 2 trillion and LBP 4 trillion between 2006 and 2008 to reach LBP 10 trillion in 2009 and LBP 3.9 trillion in 2010.

Given the general balance of accounts, the balance of this account is strictly equal in absolute value to net lending/borrowing of the national economy. With the exception of 2003, 2006, 2008, 2009, and 2010, this balance was positive (in terms of the external; hence, negative for the domestic economy) throughout the period 1997-2010.

Section IV. Financial account

The financial account records transactions that involve changes in financial assets in uses and financial liabilities for the rest of the world vis-à-vis the national economy in resources. The capital account is strictly equal to the capacity or need for borrowing. Financial assets and debts are entered as net values in each category.

Uses recorded the following:

a) Securities other than shares

These record the changes in the portfolio of Lebanese Treasury bonds held by non-residents. These amounts are estimated by the BDL (see preceding chapter, Section VI, Paragraph b).

b) Loans

These exclusively record foreign loans taken by the CDR and other public bodies.

c) Shares and other equity

The property rights of non-residents in domestic corporations are largely in real estate. From an initial estimate established within the framework of year 1997 accounts, these changes in property rights were projected over subsequent years in proportion to direct investments held by the BDL in estimating the components of the balance of payments.

Resources record, in addition to lending, net change in foreign assets of the Lebanese banking system under the heading “currency and deposits.” By definition, this change represents the final balancing item of the balance of payments.

As shown in this analysis, the balance of payments was significantly in deficit in 2001 after a surplus in 2002 because of contributions made by foreign bodies in financing the Lebanese

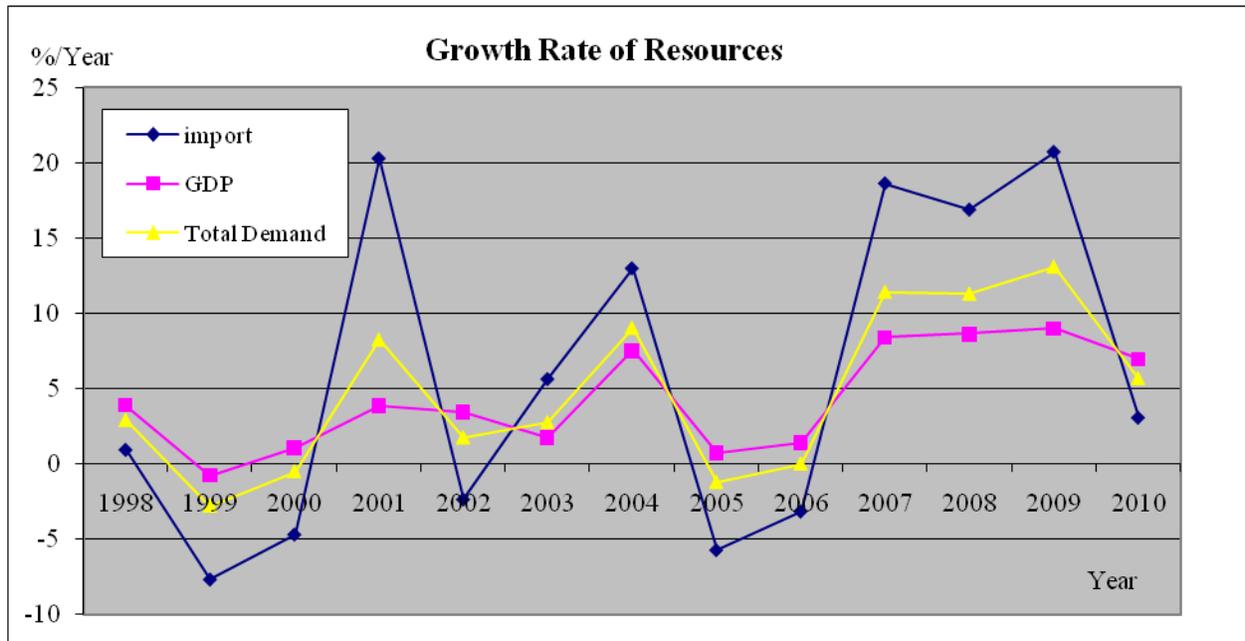
Treasury, pursuant to pledges made during the Paris II Conference. In 2003, the balance of payments recorded surpluses that were even more significant under the dual effect of continued purchases of Treasury bonds and capital and current transfer transactions. In 2004, despite substantial transfer volumes, the balance of payments surplus was moderate given a sharp rise in imports and modest subscriptions to euro bonds. From 2005, the balance of payments surplus resulted from the resumption of direct investments, particularly in the real estate sector, and in 2008, 2009, and 2010, a significant increase in transfers was witnessed, increasing the net lending capacity of the national economy.

Conclusion

The projection of economic accounts for years 2003 to 2010 were computed in compliance with the methods developed during the compilation of the 1997-2002 accounts. These methods served not only to assess the macro-economic developments, but also to identify changes in the characteristics of the Lebanese economy and finance, and measure the impact of major political events that have shaped economic activity in recent years. The following summarizes some of the most salient observations that have emerged:

- a) *The productivity apparatus of Lebanon is characterized by a particular rigidity in meeting changes in demand, which significantly influence imports*

The cycle of economic growth that began in 2004 was interrupted in 2005 and 2006; growth recovered in 2007 and continued strongly in 2008 and 2009, but slowed in 2010: 7% against 9%, 8.6%, and 8.4% in 2009, 2008, and 2007 respectively. The slowdown followed a significant decrease in demand whose growth rate at constant prices was 5.7% against 13.7%, 11.3%, and 11.4% in 2009, 2008, and 2007 respectively. The lowered growth rate in demand led to a larger decline in the growth rate of import volume: 3.1% against 20.7% in 2009, 16.9% in 2008, and 18.6% in 2007.



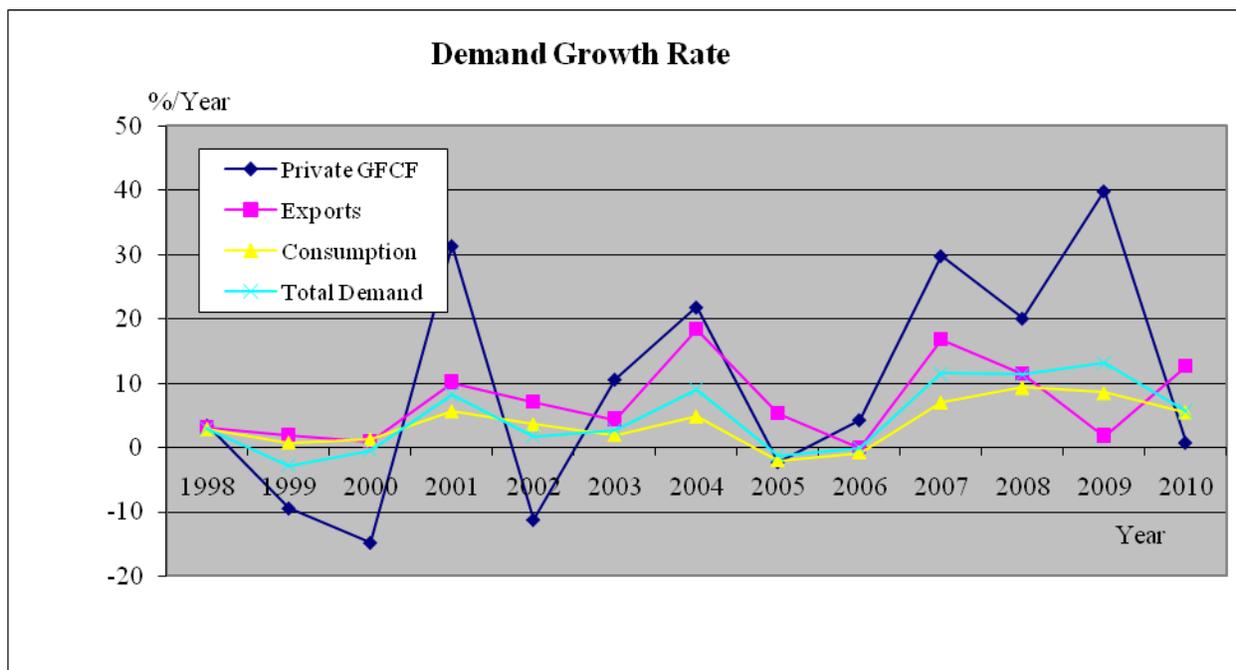
- b) *Depending on the circumstances, the role of private consumption in demand variations are either decreased or increased due to investment flows and external demand*

Tableau n° 48
Contribution of various demand components to its growth %/year

Demand components	2006	2007	2008	2009	2010
Private consumption	-1.0	4.1	5.4	4.6	2.8
Public consumption	0.5	0.7	0.7	0.9	0.6
GFCF and changes in inventories	0.5	4.1	3.4	7.4	0.5
Exports	0.0	2.6	1.8	0.3	1.8
Total demand	0.0	11.4	11.3	13.1	5.7

Note : The contribution to the growth of demand is calculated by multiplying the growth of the component by the ratio of its value over the total value.

In 2004, household demand, investment, and external demand contributed almost equally to the increase in aggregate demand. In 2007, the second year of strong growth, the contribution of exports was less significant; it was investment, equaling or slightly exceeding consumption, which drove growth upward. In 2008, household demand assumed the leading role in demand growth while in 2009, investments served as the main contributor to growth in demand. Export growth over the course of the past year was significantly lower due to the global financial crisis. In 2010, the slowdown in demand was due to both a decline in investments, following a year of strong growth, and to a lesser extent, a retarded growth in consumption (refer to Table n° 48).



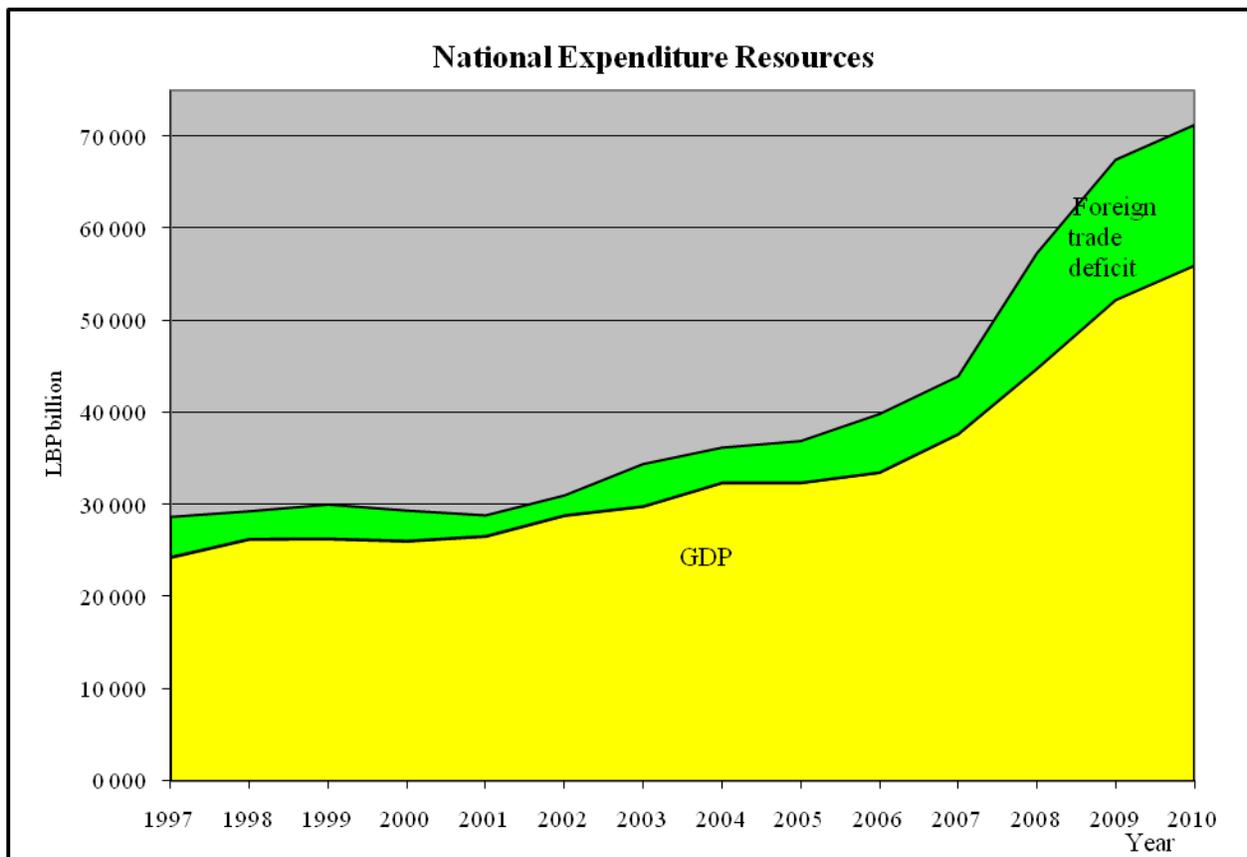
c) Slowdown in private investment

After a period of regression, investment rebounded strongly in 2003 (+11.9% in value) and continued to grow in 2004 (+25.6%), but stagnated in 2005 (-0.9%). This stagnation was due to a decline in public investment and diminished inventories, whereas gross fixed capital formation of private corporations continued to grow (+8.5% in value, 5.8% in volume) due to external

capital inflows seeking investment opportunities. In 2006, despite the hostilities, both private and public investment increased in real terms by 3.5%. In 2007, these demonstrated a record growth rate of 25% (20.4%, excluding increases in inventories). The growth of gross fixed capital formation of private enterprises (excluding changes in inventories) in real terms remained significant in 2008 (+ 20.5%), set a new record in 2009 (+ 35.8%), and fell to 5.8% in 2010.

d) The structural discrepancy between national expenditure and domestic output increased negligibly in recent years

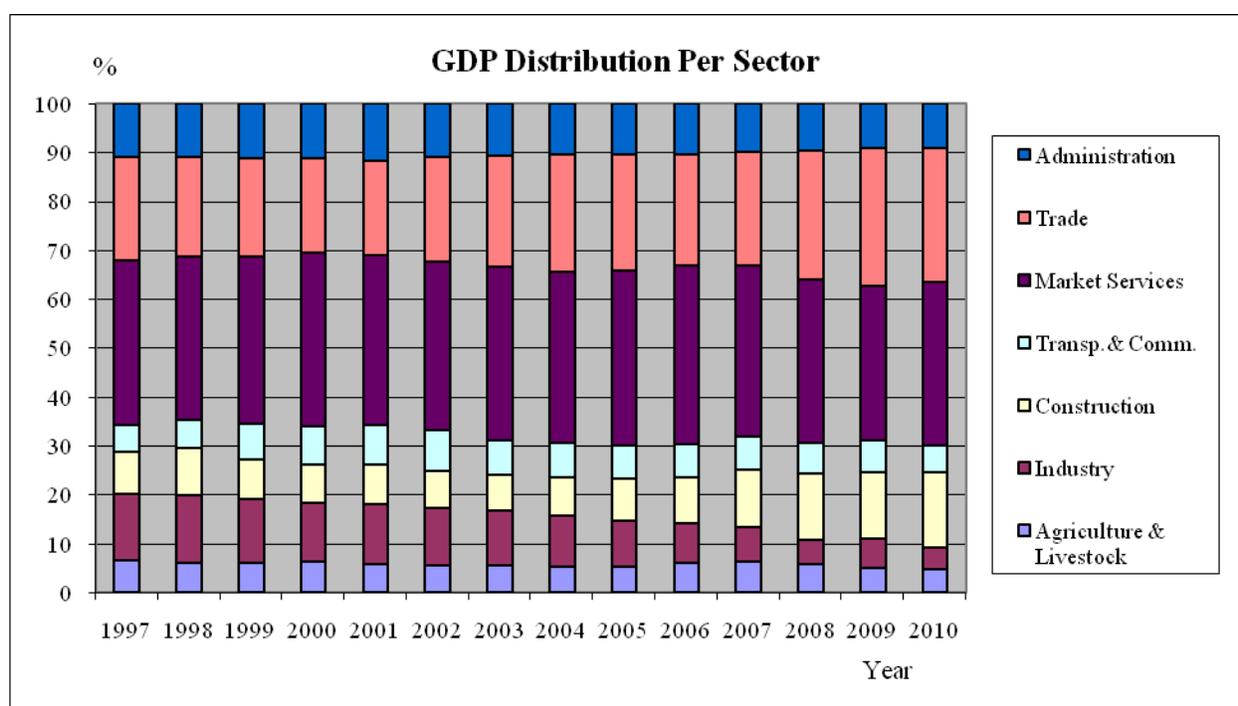
After an evolution growth across the period 1997-2002, which led to a closing of the gap in relative value between national expenditure and GDP, this disparity fell from 30% of GDP in 1997 to 17.7% in 2002. Subsequently, it recovered to fluctuate between 20% and 21% from 2003 to 2006, and reached 25% in 2007, 29.6% in 2008, and 27.7% in 2009, and 28% in 2010. This evolution is the result of the disparity in the evolution of different economic sectors, and between import and production prices.



In the interim, the trade deficit in goods and services, which initially comprised of 23.1% of national expenditure in 1997, had declined to 15.1% of this expenditure in 2002. This ratio fluctuated between 16% and 18% between 2003 and 2006, rising to 20% in 2007, 22.8% in 2008, 21.7% in 2009, and 21.9% in 2010.

e) *Continued weakness in the goods-producing sectors*

The share of agriculture in GDP was in constant decline from 1997 to 2005, falling from 6.7% to 5.2%, and increasing slightly above 6% in 2006 and 2007, and then falling again to 5.8% in 2008, 5.1% in 2009, and 4.7% in 2010. Conversely, the share of industry and energy continued to decline until 2008, falling from 13.4% in 1997 to 5% in 2008, and rising to 6% 2009 before falling once again to 4.5% in 2010. The significant drain of the value added in the energy sector is largely responsible for this regression. Only the share of industry in GDP declined less dramatically: from 12.5% in 1997 and 8.3% in 2008 to 7.6% in 2009 and 7.2% in 2010. Note that the growth of industry would have been greater had the prices of its factors of production, instead of falling or stagnating, followed the same trend as prices of the total value added.



Furthermore, years 2008 and 2009 were characterized by strong growth in the trade sector due to increased demand by households for mainly imported durable goods and other goods that are principally imported.

f) *A change in import prices not fully reflected in consumer prices*

In 2010, inflation, as measured by prices for domestic consumption, was 3% while import prices rose by 7.9%, and prices of domestic factors remained virtually unchanged (+0.2%). In 2009, inflation reached 1.3% despite a significant drop in import prices (-14.5%), while increased taxes on wages and profits increased the domestic prices of the factors of production by 7.5%. The year 2008, by contrast, was marked by high inflation (+10.4%) due to the dual effect of increased prices for both imports and factors of production; both the latter and former rose by 9.5% and

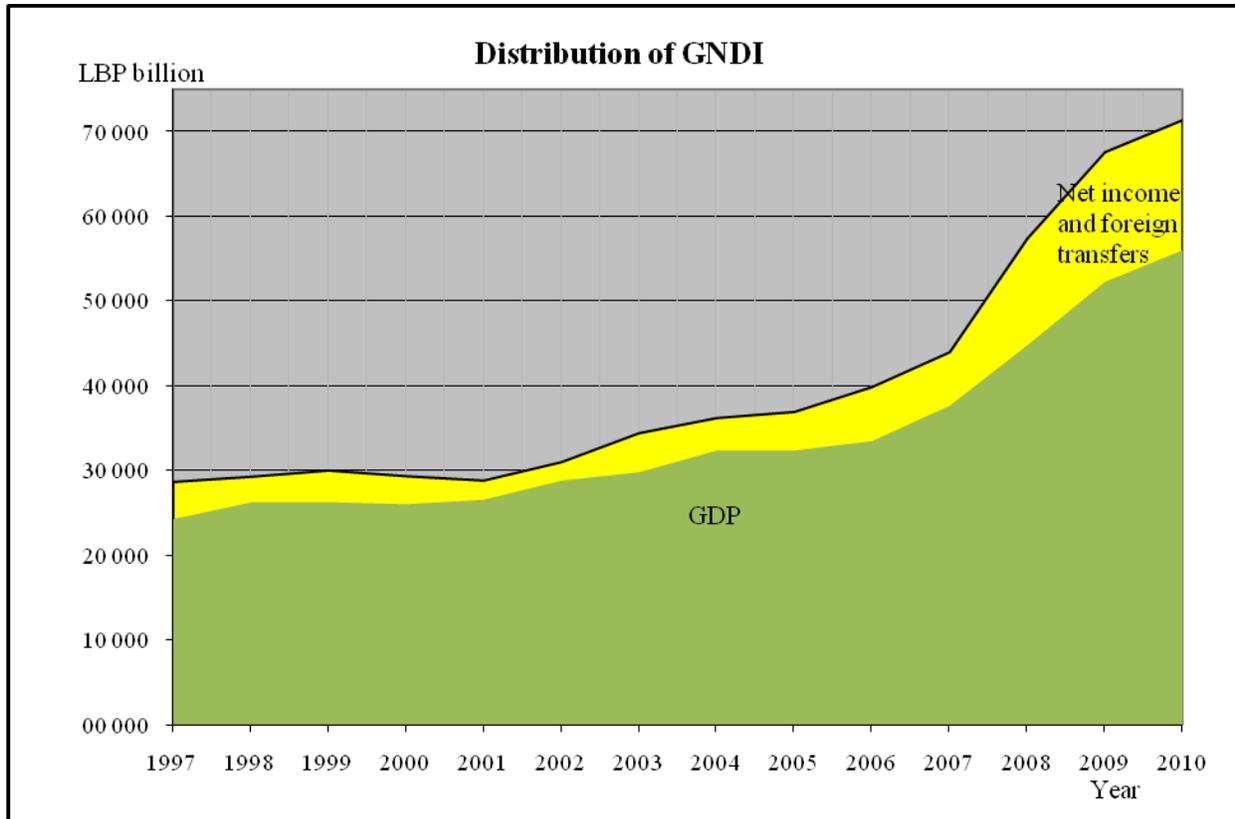
14% respectively. During the period 1997-2002, inflation was negligible (+0.7% per annum) while import unit prices fell on average by 4.1% per annum, largely due to the appreciation of the Lebanese pound against other major foreign currencies as well as lower commodity prices. In 2003, the Lebanese pound, pegged to the United States dollar, began to depreciate, while commodity prices recovered and began to rise. Consequently, import prices increased on average by 5.6%. The same trend was observed in subsequent years: from 2004 to 2007, the unit value of imported goods increased on average by 7% per annum whereas consumer prices increased by only 3.6% per annum.



g) An increased and significant dependency on foreign transfers

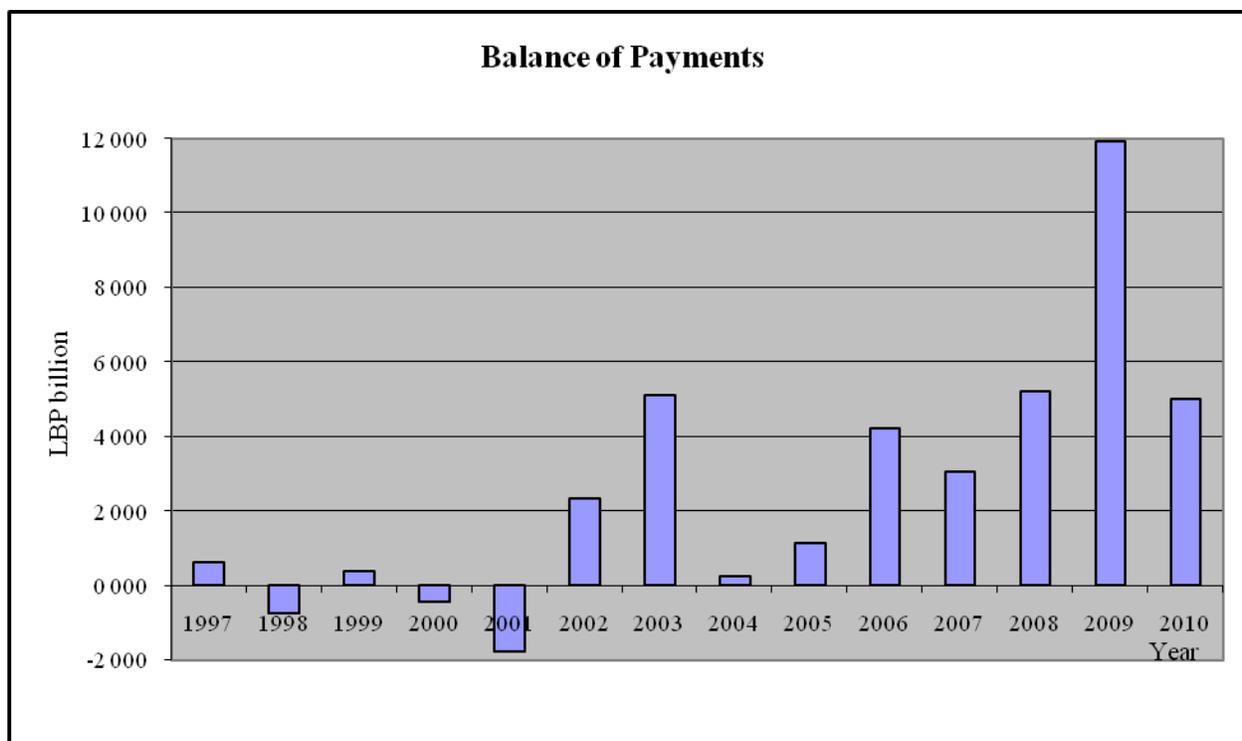
The trade deficit in the foreign exchange of goods and services has constantly been covered by revenues and external transfers from abroad, which have contributed either directly or indirectly toward financing the national economy by contributing to the configuration of household savings.

Estimated transfers, excluding direct investment, significantly rebounded from year 2003 after a previous period of decline. The net income and foreign current transfers in GNDI fell from 15.3% in 1997 to 7% in 2002 and rose to 13.4% in 2003, 14.3% in 2007, 21.9% in 2008, 22.6% in 2009, and finally fell to 21.5% in 2010.



h) A constantly positive balance of payments

The significance of current or capital transfers, often accompanied by direct investment or subscription to Treasury bonds, have largely offset the trade balance deficit, resulting in a balance of payments surplus. In 2005 and 2006, the decline in imports, resulting from a decline in demand, further increased the surplus - a surplus that was more significant in 2006 due to increased transfers. In 2007, 2008, and 2009, transfers created a surplus despite the significant increase in imports and trade balance deficit. In 2010, declining external transfers reversed the balance of payments surplus to its 2008 level.



i) An increase in national savings

Gross national savings declined sharply between 2000 and 2002 after peaking at LBP 4 454 billion in 1999. With the recovery of economic activity, but mainly due to a balance of payments surplus, gross national **savings** grew significantly in 2003, and moderately declined in 2004 due to increased consumer spending. The political events of 2005 and 2006 encouraged households to save rather than spend. In 2007, 2008, and 2009, the growth in disposable income was higher than consumption and savings attained record levels of LBP 7 338 billion, LBP 13 113 billion, and LBP 18 911 billion, representing 16.7%, 22.9%, and 28.0 % respectively of GNDI. Savings in 2010 maintained the same level in terms of absolute value, but relative to GNDI, declined to 26.1%.

j) The participation of banks in financing private sector investment grows in importance

The participation of the banking sector in financing private sector investment began declining in 1997 to become negative in 2003. Bank surpluses were invested in Treasury bonds, banked abroad, or blocked at the Central Bank of Lebanon. In 2004, bank loans to the private sector recovered to indicate positive figures, estimated at 23% of investments in this sector. Since 2005, however, these loans again went into decline, compared to private sector investment (GFCF + changes in inventories): in 2007, these loans contributed for only 9.6% (approximately) to finance these investments. From 2008, the savings surplus, which supplies bank deposits, and the relative decline in interest rates, led commercial banks to finance both the private and public sectors. Thus, over the course of the last three years, the change in private sector loans accounts for approximately 45%, 29%, and 53% of private business investments.

k) The State's budget deficit continues to steadily decline

Reducing the public deficit began in 2003 and continued in 2005. The deficit to GDP ratio, which fluctuated between 15% and 20% during the 1997-2002 period, fell to 12.1% in 2003 and 8.1% in 2005. In 2006 and 2007, it rose to approximately 10%. Between 2008 and 2010, the deficit declined significantly, following the strong growth in consumption taxes and represented only 3.1% of GDP in 2010.

l) The public debt burden remains high despite a significant reduction in 2010

Despite a significant decline, the significance of pure interests (excluding bank margins) contributed to the public debt in the secondary distribution sector and remains predominant: these accounted for 141% of compulsory income levies in direct taxes and social security contributions in 1997. This ratio increased to 175% in 2002 and 174% in 2003, and fell to 137% in 2004 and 106% in 2005 and 2006. It increased back to 129% in 2007 and fell to roughly 91% during the period 2008-2010.

Regarding the consolidated public debt (net of treasury bonds held by the public administration and net deposits at the BDL), this value relative to GDP began to decline from 2007: from 157% at year ending 2006, it fell to 143% in 2007 and 127% in 2008, 115 % in 2009, and 108% in 2010.

APPENDICES

Appendix I Tables of Basic Accounts

N.B:

- The accounts from 2006 till 2009 have been modified.
- The difference in total found, is due to the rounding of figures from decimals.

1. Goods and services supply-use tables

1.0. All products

a) Current value

billion LBP

Nature of flow	2006	2007	2008	2009	2010
Intermediate uses	17 521	20 118	25 611	25 042	29 357
Final consumption	33 899	37 673	45 700	50 616	55 160
GFCF	7 768	10 127	13 363	17 429	19 136
Exports	5 783	7 255	9 019	8 122	9 201
Changes in inventories/Adjustment	-35	335	401	685	-150
Total uses= resources	64 936	75 508	94 093	101 894	112 704
Output except Trade	42 805	48 396	57 773	61 747	68 925
Imports	13 964	17 765	23 735	24 616	27 382
Taxes/imports	2 450	2 872	3 710	4 754	5 081
Trade output*	5 717	6 475	8 875	10 777	11 316

b) Volume at previous year prices

billion LBP

Nature of flow	2006	2007	2008	2009	2010
Intermediate uses	16 705	18 894	22 360	27 721	27 043
Final consumption	32 989	36 097	41 310	49 926	53 667
GFCF	7 516	9 350	11 987	17 777	18 616
Exports	5 621	6 999	7 991	8 679	9 032
Changes in inventories/Adjustment	-42	317	363	1 069	-140
Total uses= resources	62 790	71 657	84 010	105 173	108 218
Output except Trade	41 676	45 968	52 112	61 519	67 445
Imports	13 307	16 506	20 780	28 679	25 308
Taxes/imports	2 559	2 918	3 552	4 600	4 670
Trade output*	5 249	6 265	7 567	10 375	10 795

*Trade margins + trade services exports

Note:

Supply-Use tables are established according to the territorial concept. Consequently imports and consumption do not include household expenses abroad. In the same way, tourists expenses on the territory are not included in exports but in consumption.

1. Goods and services supply-use tables (continued)

1.1. Agricultural products

a) Current value

billion LBP

Nature of flow	2006	2007	2008	2009	2010
Intermediate uses	1 125	1 186	1 607	1 370	1 546
Final consumption	1 801	1 988	2 190	2 454	2 701
GFCF	-	-	-	-	-
Exports	306	401	439	460	571
Changes in inventories/Adjustment	-	32	-	-	-
Total uses= resources	3 232	3 607.5	4 235.5	4 285	4 819
Output	2 003	2 155	2 422	2 348	2 610
Imports	537	822	1 042	920	1 050
Taxes/imports	105	86	92	38	40
Trade Margin	588	545	680	978	1 119

b) Volume at previous year prices

billion LBP

Nature of flow	2006	2007	2008	2009	2010
Intermediate uses	957	983	1 371	1 633	1 486
Final consumption	1 563	1 833	1 898	2 296	2 666
GFCF	-	-	-	-	-
Exports	311	375	428	481	542
Changes in inventories/Adjustment	-	22	-	-	-
Total uses = resources	2 832	3 213	3 696	4 409	4 694
Output	1 663	1 858	2 217	2 433	2 630
Imports	513	675	833	1 176	953
Taxes/imports	99	135	84	97	42
Trade Margin	557	545	562	704	1 070

1. Goods and services supply-use tables (continued)

1.2. Livestock products

a) Current value

billion LBP

Nature of flow	2006	2007	2008	2009	2010
Intermediate uses	525	592	672	698	885
Final consumption	506	722	862	998	996
GFCF	18	20	22	55	75
Exports	27	40	45	42	29
Changes in inventories/Adjustment	-	-	-	100	-
Total uses= resources	1 076	1 374	1 601	1 893	1 985
Output	547	745	894	992	846
Imports	303	313	348	504	619
Taxes/imports	4	6	6	5	6
Trade Margin	222	310	353	392	514

b) Volume at previous year prices

billion LBP

Nature of flow	2006	2007	2008	2009	2010
Intermediate uses	511	523	516	690	712
Final consumption	468	567	807	988	995
GFCF	16	16	22	55	77
Exports	26	43	48	44	30
Changes in inventories/Adjustment	-	-	-	103	0
Total uses = resources	1 021	1 149	1 392	1 880	1 814
Output	498	612	760	942	893
Imports	306	280	274	525	529
Taxes/imports	5	5	6	8	6
Trade Margin	213	251	352	406	386

1. Goods and services supply-use tables (continued)

1.3. Energy and water

a) Current value

billion LBP

Nature of flow	2006	2007	2008	2009	2010
Intermediate uses	4 068	4 568	6 520	5 414	7 160
Final consumption	1 701	1 805	2 171	2 601	2 970
GFCF	-	-	-	-	-
Exports	10	9	18	17	9
Changes in inventories/Adjustment	-	-	-	700	-
Total uses= resources	5 780	6 383	8 708	8 732	10 140
Output	1 313	1 312	1 384	1 458	1 527
Imports	3 457	4 161	6 145	5 141	6 085
Taxes/imports	609	599	739	1 593	1 684
Trade Margin	401	311	440	540	843

b) Volume at previous year prices

billion LBP

Nature of flow	2006	2007	2008	2009	2010
Intermediate uses	3 691	4 222	5 129	7 027	5 688
Final consumption	1 673	1 763	1 965	2 655	2 673
GFCF	-	-	-	-	-
Exports	9	9	10	18	10
Changes in inventories/Adjustment	-	-	-	1 086	-
Total uses= resources	5 373	5 994	7 104	10 787	8 371
Output	1 310	1 307	1 392	1 456	1 519
Imports	2 969	3 715	4 642	7 881	4 869
Taxes/imports	675	619	688	938	1 485
Trade Margin	420	353	383	511	497

1. Goods and services supply-use tables (continued)

1.4. Food industry products

a) Current value

billion LBP

Nature of flow	2006	2007	2008	2009	2010
Intermediate uses	431	494	542	581	649
Final consumption	5 153	5 938	6 983	7 754	8 379
GFCF	-	-	-	-	-
Exports	366	468	577	599	724
Changes in inventories/Adjustment	70	30	71	-55	30
Total uses= resources	6 019	6 930	8 172	8 878	9 782
Output	3 192	3 404	3 990	4 026	4 384
Imports	1 324	1 776	2 053	2 300	2 627
Taxes/imports	397	495	519	556	671
Trade Margin	1 107	1 254	1 610	1 996	2 099

b) Volume at previous year prices

billion LBP

Nature of flow	2006	2007	2008	2009	2010
Intermediate uses	403	458	495	583	565
Final consumption	4 910	5 441	5 895	7 601	8 083
GFCF	-	-	-	-	-
Exports	347	444	515	599	718
Changes in inventories/Adjustment	65	35	56	-59	29
Total uses= resources	5 726	6 379	6 961	8 724	9 396
Output	3 074	3 132	3 318	3 960	4 218
Imports	1 291	1 620	1 823	2 444	2 445
Taxes/imports	403	501	575	586	618
Trade Margin	958	1 126	1 245	1 734	2 115

1. Goods and services supply-use tables (continued)

1.5. Textiles, leather and clothes

a) Current value

billion LBP

Nature of flow	2006	2007	2008	2009	2010
Intermediate uses	279	317	393	390	410
Final consumption	2 013	1 931	2 563	2 819	2 971
GFCF	4	5	5	6	7
Exports	498	579	656	584	618
Changes in inventories/Adjustment	-50	50	60	-	-
Total uses= resources	2 745	2 883	3 678	3 799	4 006
Output	697	754	913	879	997
Imports	863	963	1 205	1 321	1 351
Taxes/imports	180	182	225	247	246
Trade Margin	1 005	984	1 335	1 351	1 411

b) Volume at previous year prices

billion LBP

Nature of flow	2006	2007	2008	2009	2010
Intermediate uses	277	317	388	433	416
Final consumption	1 904	2 016	2 380	2 938	2 912
GFCF	4	6	5	6	7
Exports	515	586	634	651	612
Changes in inventories/Adjustment	-53	48	60	-	-
Total uses= resources	2 647	2 973	3 467	4 028	3 947
Output	689	775	864	947	983
Imports	907	915	1 200	1 372	1 303
Taxes/imports	182	191	227	256	244
Trade Margin	870	1 092	1 175	1 452	1 417

1. Goods and services supply-use tables (continued)

1.6. Non-metal ores

a) Current value

billion LBP

Nature of flow	2006	2007	2008	2009	2010
Intermediate uses	1 596	1 994	2 651	2 878	3 344
Final consumption	63	69	96	110	115
GFCF	24	29	33	37	41
Exports	225	323	478	428	398
Changes in inventories/Adjustment	-35	25	60	-60	-
Total uses= resources	1 873	2 441	3 318	3 392	3 898
Output	1 083	1 318	1 635	1 728	1 871
Imports	468	695	1 125	1 028	1 230
Taxes/imports	63	91	98	113	142
Trade Margin	259	337	460	524	655

b) Volume at previous year prices

billion LBP

Nature of flow	2006	2007	2008	2009	2010
Intermediate uses	1 581	1 873	2 225	2 863	3 303
Final consumption	65	69	83	113	114
GFCF	23	31	32	38	47
Exports	215	314	401	472	439
Changes in inventories/Adjustment	-35	23	49	-61	-
Total uses= resources	1 849	2 310	2 790	3 425	3 903
Output	1 054	1 258	1 372	1 808	1 951
Imports	466	656	929	1 041	1 219
Taxes/imports	59	88	121	91	134
Trade Margin	270	308	367	485	599

1. Goods and services supply-use tables (continued)

1.7. Metals, machines and equipment

a) Current value *billion LBP*

Nature of flow	2006	2007	2008	2009	2010
Intermediate uses	2 351	2 937	3 783	3 778	4 225
Final consumption	2 256	2 772	4 890	5 147	4 973
GFCF	1 510	2 014	2 647	5 185	4 293
Exports	1 416	1 957	2 296	2 064	2 828
Changes in inventories/Adjustment	-20	98	210	-	-180
Total uses= resources	7 513	9 778	13 825	16 174	16 139
Output	1 495	1 855	2 286	2 003	2 214
Imports	4 025	5 284	7 370	8 763	9 135
Taxes/imports	765	1 004	1 566	1 710	1 756
Trade Margin	1 228	1 634	2 604	3 698	3 034

b) Volume at previous year prices *billion LBP*

Nature of flow	2006	2007	2008	2009	2010
Intermediate uses	2 227	2 707	3 426	3 969	4 045
Final consumption	2 208	2 650	4 490	5 172	4 982
GFCF	1 548	2 096	2 563	5 670	4 155
Exports	1 348	1 863	2 128	2 196	2 787
Changes in inventories/Adjustment	-20	95	198	-	-170
Total uses= resources	7 311	9 413	12 806	17 007	15 800
Output	1 465	1 744	2 073	2 156	2 190
Imports	3 898	5 096	7 018	9 175	8 743
Taxes/imports	800	993	1 402	2 089	1 596
Trade Margin	1 147	1 579	2 312	3 587	3 270

1. Goods and services supply-use tables (continued)

1.8. Wood, rubber and chemicals

a) Current value

billion LBP

Nature of flow	2006	2007	2008	2009	2010
Intermediate uses	2 037	2 439	2 933	2 644	3 132
Final consumption	1 516	1 770	1 973	2 164	2 463
GFCF	210	279	333	328	521
Exports	539	738	1 139	786	888
Changes in inventories/Adjustment	-	100	-	-	-
Total uses= resources	4 302	5 325	6 378	5 922	7 004
Output	1 157	1 271	1 629	1 299	1 565
Imports	2 355	3 055	3 576	3 619	4 122
Taxes/imports	239	311	345	341	377
Trade Margin	552	689	828	663	940

b) Volume at previous year prices

billion LBP

Nature of flow	2006	2007	2008	2009	2010
Intermediate uses	1 984	2 249	2 663	3 163	2 899
Final consumption	1 492	1 680	1 751	2 181	2 473
GFCF	198	263	301	361	486
Exports	518	669	773	1 030	850
Changes in inventories/Adjustment	-	94	-	-	-
Total uses= resources	4 192	4 954	5 487	6 735	6 707
Output	1 125	1 172	1 248	1 472	1 527
Imports	2 313	2 871	3 209	4 025	4 044
Taxes/imports	241	291	327	388	381
Trade Margin	513	619	703	850	756

1. Goods and services supply-use tables (continued)

1.9. Furniture

a) Current value

billion LBP

Nature of flow	2006	2007	2008	2009	2010
Intermediate uses	31	35	41	48	48
Final consumption	263	293	388	483	540
GFCF	324	360	448	640	614
Exports	84	101	133	112	116
Changes in inventories/Adjustment	-	-	-	-	-
Total uses= resources	702	790	1 010	1 282	1 317
Output	501	572	716	894	930
Imports	99	109	157	215	220
Taxes/imports	38	41	53	73	77
Trade Margin	64	67	84	100	90

b) Volume at previous year prices

billion LBP

Nature of flow	2006	2007	2008	2009	2010
Intermediate uses	33	35	37	44	45
Final consumption	269	294	331	451	533
GFCF	321	357	432	610	617
Exports	89	102	124	111	113
Changes in inventories/Adjustment	-	-	-	-	-
Total uses= resources	713	788	924	1 216	1 308
Output	513	566	650	848	914
Imports	109	107	148	204	217
Taxes/imports	41	41	55	68	74
Trade Margin	50	73	71	96	103

1. Goods and services supply-use tables (continued)

1.10. Other industrial products

a) Current value

billion LBP

Nature of flow	2006	2007	2008	2009	2010
Intermediate uses	201	230	273	315	281
Final consumption	792	927	1 190	1 387	1 721
GFCF	206	197	266	330	389
Exports	574	699	869	884	915
Changes in inventories/Adjustment	-	-	-	-	-
Total uses= resources	1 773	2 053	2 598	2 915	3 306
Output	896	1 065	1 333	1 498	1 671
Imports	534	588	714	805	942
Taxes/imports	50	56	68	76	81
Trade Margin	293	344	483	536	612

b) Volume at previous year prices

billion LBP

Nature of flow	2006	2007	2008	2009	2010
Intermediate uses	191	211	288	317	291
Final consumption	723	860	1 142	1 323	1 576
GFCF	223	194	192	337	393
Exports	511	655	758	943	876
Changes in inventories/Adjustment	-	-	-	-	-
Total uses= resources	1 648	1 920	2 380	2 920	3 137
Output	808	978	1 214	1 455	1 478
Imports	534	570	704	834	985
Taxes/imports	54	55	67	79	91
Trade Margin	252	318	395	551	583

1. Goods and services supply-use tables (continued)

1.11. Construction

a) Current value

billion LBP

Nature of flow	2006	2007	2008	2009	2010
Intermediate uses	-	-	-	-	-
Final consumption	-	-	-	-	-
GFCF	5 472	7 222	9 609	10 849	13 197
Exports	-	-	-	-	-
Total uses= resources	5 472	7 222	9 609	10 849	13 197
Output	5 472	7 222	9 609	10 849	13 197

b) Volume at previous year prices

billion LBP

Nature of flow	2006	2007	2008	2009	2010
Intermediate uses	-	-	-	-	-
Final consumption	-	-	-	-	-
GFCF	5 183	6 388	8 439	10 700	12 835
Exports	-	-	-	-	-
Total uses= resources	5 183	6 388	8 439	10 700	12 835
Output	5 183	6 388	8 439	10 700	12 835

1.12. Transport and communication

a) Current value

billion LBP

Nature of flow	2006	2007	2008	2009	2010
Intermediate uses	1 368	1 491	1 674	1 820	1 818
Final consumption	2 299	2 694	3 343	3 643	3 877
GFCF	-	-	-	-	-
Exports	251	310	153	169	132
Total uses= resources	3 918	4 495	5 170	5 632	5 828
Output	3 918	4 495	5 170	5 632	5 828

b) Volume at previous year prices

billion LBP

Nature of flow	2006	2007	2008	2009	2010
Intermediate uses	1 340	1 489	1 706	1 958	1 896
Final consumption	2 247	2 540	3 153	3 691	3 953
GFCF	-	-	-	-	-
Exports	246	310	157	182	138
Total uses= resources	3 833	4 339	5 016	5 830	5 987
Output	3 833	4 339	5 016	5 830	5 987

1. Goods and services supply-use tables (continued)

1.13. Market services

a) Current value

billion LBP

Nature of flow	2006	2007	2008	2009	2010
Intermediate uses	3 509	3 835	4 522	5 108	5 859
Final consumption	10 266	11 140	12 366	13 658	15 455
GFCF	-	-	-	-	-
Exports	733	724	1 156	825	803
Total uses= resources	14 508	15 699	18 044	19 591	22 117
Output	14 508	15 699	18 044	19 591	22 117

b) Volume at previous year prices

billion LBP

Nature of flow	2006	2007	2008	2009	2010
Intermediate uses	3 510	3 827	4 117	5 042	5 700
Final consumption	10 213	10 784	11 418	13 233	14 837
GFCF	-	-	-	-	-
Exports	733	724	1 051	815	780
Total uses= resources	14 455	15 335	16 586	19 090	21 316
Output	14 455	15 335	16 586	19 090	21 316

1.15. Non- market services

a) Current value

billion LBP

Nature of flow	2006	2007	2008	2009	2010
Intermediate uses	-	-	-	-	-
Final consumption	5 270	5 624	6 686	7 399	7 999
GFCF	-	-	-	-	-
Exports	-	-	-	-	-
Total uses= resources	5 270	5 624	6 686	7 399	7 999
Output	5 270	5 624	6 686	7 399	7 999

b) Volume at previous year prices

billion LBP

Nature of flow	2006	2007	2008	2009	2010
Intermediate uses	-	-	-	-	-
Final consumption	5 253	5 598	5 997	7 285	7 870
GFCF	-	-	-	-	-
Exports	-	-	-	-	-
Total uses= resources	5 253	5 598	5 997	7 285	7 870
Output	5 253	5 598	5 997	7 285	7 870

2. Goods and services input-output tables

In current prices and volumes at the prices of the previous year

Note:

- Input-output tables are established according to the territorial concept. Consequently imports and consumption do not include household expenses abroad. In the same way, tourists expenses on the territory are not included in exports but in consumption. The changeover to data according to the national concept is given at the bottom of tables.
- Activities in these tables are homogeneous in the sense that each activity produces a definite group of products and each group of products is produced only by this activity.

2.1. a) Year 2006 current value

billion LBP

	Intermediate uses									Final uses				Total
	1. Agric. Livest.	2. Energy water	3. Manuf. industr.	4. Cons- truction	5. Transp. comm.	6. Other serv.	7. Trade	8. Admi- nistrat.	Total interm. use	Final Con- sumpt.	GFCF	Exports	Change in invent.	
1. Agric. & livestock	182	0	1 462	2	0	4	0	0	1 434	2 308	18	333	0	4 308
2. Energy & water	26	1 539	618	29	1 089	475	168	124	3 936	1 701	0	10	0	5 780
3. Manufacturing	252	125	3 406	1 909	20	768	306	140	6 944	12 056	2 278	3 702	-35	24 927
4. Construction	0	0	0	0	0	0	0	0	0	0	5 472	0	0	5 472
5. Transp. & commun.	5	9	81	26	315	702	202	30	1 959	2 299	0	251	0	3 918
6. Other services	59	31	393	351	200	376	647	1 452	3 493	10 266	0	733	0	14 508
7. Trade	0	0	0	0	0	0	0	0	0	0	0	753	0	753
8 Administration	0	0	0	0	0	0	0	0	0	5 270	0	0	0	5 270
Total uses	524	1 704	5 959	2 317	1 624	2 324	1 323	1 746	17 766	33 899	7 768	5 783	-35	64 936
Value added	2 026	-390	3 062	3 156	2 293	12 183	7 597	3 524	32 945					
Output	2 550	1 313	9 021	5 472	3 918	14 508	8 920	5 270	50 712					
Imports	840	3 457	9 668	0	0	0	0	0	13 964					
Taxes on imports	109	609	1 732	0	0	0	-2 450	0	0					
Trade margins	810	401	4 506	0	0	0	-5 717	0	0					
Total resources	4 308	5 780	24 927	5 472	3 918	14 508	753	5 270	64 936					

Table of territorial corrections

	Territorial concept	Expenses of tourists in Lebanon	Expenses of Lebanese abroad	National concept
Imports	13 964		332	14 297
Exports	5 783		1 498	7 280
Consumption	33 899		-1 498	32 734

2. Goods and services input-output tables (continued)

2.2. a) Year 2007 current value

billion LBP

	Intermediate uses									Final uses				Total
	1. Agric. Lives	2. Energy water	3. Manuf. Industr.	4. Cons- truction	5. Transp. comm.	6. Other serv.	7. Trade	8. Admi- nistra.	Total interm. use	Final Con- sumpt.	GFCF	Exp.	Change in invent.	
1. Agric. & livestock	209	0	1 561	3	0	5	0	0	1 778	2 710	20	441	32	4 981
2. Energy & water	26	1 672	689	36	1 275	543	205	123	4 568	1 805	0	9	0	6 383
3. Manufacturing	247	146	4 228	2 389	24	850	372	189	8 446	13 700	2 885	4 865	303	30 198
4. Construction	0	0	0	0	0	0	0	0	0	0	7 222	0	0	7 222
5. Transp. & com.	5	9	86	30	357	743	232	31	1 491	2 694	0	310	0	4 495
6. Other services	67	41	440	389	244	421	725	1 509	3 835	11 140	0	724	0	15 699
7. Trade	0	0	0	0	0	0	0	0	0	0	0	905	0	905
8 Administration	0	0	0	0	0	0	0	0	0	5 624	0	0	0	5 624
Total uses	553	1 867	7 003	2 847	1 900	2 562	1 535	1 851	20 118	37 673	10 127	7 255	335	75 508
Value added	2 347	-555	3 236	4 375	2 595	13 137	8 717	3 773	37 625					
Output	2 900	1 312	10 239	7 222	4 495	15 699	10 252	5 624	57 743					
Imports	1 135	4 161	12 470	0	0	0	0	0	17 765					
Taxes on imports	91	599	2 181	0	0	0	-2 872	0	0					
Trade margins	855	311	5 309	0	0	0	-6 475	0	0					
Total resources	4 981	6 383	30 198	7 222	4 495	15 699	905	5 624	75 508					

2.2. b) Year 2007 at 2006 prices

billion LBP

Activity	Intermediate uses									Final uses				Total
	1. Agric. Livest.	2. Energy water	3. Manuf. industr.	4. Cons- truction	5. Transp. comm.	6. Other serv.	7. Trade	8. Admi- nistrat.	Total interm. use	Final Con- sumpt.	GFCF	Exports	Change in invent.	
1. Agric. & livestock	173	0	1 327	2	0	4	0	0	1 506	2 400	16	418	22	4 362
2. Energy & water	24	1 545	636	34	1 178	502	190	113	4 222	1 763	0	9	0	5 994
3. Manufacturing	229	134	3 913	2 220	22	813	344	175	7 851	13 012	2 946	4 633	295	28 737
4. Construction	0	0	0	0	0	0	0	0	0	0	6 388	0	0	6 388
5. Transp. & comm.	5	9	86	30	356	742	232	30	1 489	2 540	0	310	0	4 339
6. Other services	66	41	439	388	244	420	723	1 505	3 827	10 784	0	724	0	15 335
7. Trade	0	0	0	0	0	0	0	0	0	0	0	905	0	905
8 Administration	0	0	0	0	0	0	0	0	0	5 598	0	0	0	5 598
Total uses	498	1 728	6 400	2 674	1 800	2 481	1 489	1 824	18 894	36 097	9 350	6 999	317	71 657
Value added	1 972	-421	3 226	3 714	2 539	12 854	8 600	3 773	36 257					
Output	2 470	1 307	9 626	6 388	4 339	15 335	10 088	5 598	55 151					
Imports	956	3 715	11 835	0	0	0	0	0	16 506					
Taxes on imports	139	619	2 159	0	0	0	-2 918	0	0					
Trade margins	797	353	5 116	0	0	0	-6 265	0	0					
Total resources	4 362	5 994	28 737	6 388	4 339	15 335	905	5 598	71 657					

Table of territorial corrections in current value

in volume at prices of the year 2006

	Territorial concept	Expenses of tourists in Lebanon	Expenses of Lebanese abroad	National concept	Territorial concept	Expenses of tourists in Lebanon	Expenses of Lebanese abroad	National concept
Imports	17 765		500	18 266	16 506		459	16 965
Exports	7 255	1 577		8 832	6 999	1 501		8 500
Consumption	37 673	-1 577	500	36 595	36 097	-1 501	459	35 054

2. Goods and services input-output tables (continued)

2.3. a) Year 2008 current value

billion LBP

	Intermediate uses									Final uses				Total
	1. Agric. Livest.	2. Energ. water	3. Manuf. industr	4. Cons- truction	5. Trans. comm.	6. Other serv.	7. Trade	8. Admi- nistrat	Total interm. use	Final Con- sumpt.	GFCF	Exports	Change in invent.	
1. Agric. & livestock	256	0	2 012	4	0	6	0	1	2 279	3 051	22	484	0	5 836
2. Energy & water	34	2 646	902	54	1 649	744	322	168	6 520	2 171	0	18	0	8 708
3. Manufacturing	344	160	5 345	3 034	30	998	484	221	10 616	18 082	3 733	6 147	401	38 979
4. Construction	0	0	0	0	0	0	0	0	0	0	9 609	0	0	9 609
5. Transp. & comm.	5	9	87	34	416	799	294	30	1 674	3 343	0	153	0	5 170
6. Other services	68	38	463	431	265	511	751	1 996	4 522	12 366	0	1 156	0	18 044
7. Trade	0	0	0	0	0	0	0	0	0	0	0	1 061	0	1 061
8 Administration	0	0	0	0	0	0	0	0	0	6 686	0	0	0	6 686
Total uses	707	2 852	8 809	3 557	2 360	3 058	1 851	2 417	25 611	45 700	13 363	9 019	401	94 093
Value added	2 609	-1 468	3 693	6 052	2 811	14 986	11 796	4 270	44 748					
Output	3 316	1 384	12 503	9 609	5 170	18 044	13 646	6 686	70 359					
Imports	1 390	6 145	16 200	0	0	0	0	0	23 735					
Taxes on imports	98	739	2 873	0	0	0	-3 710	0	0					
Trade margins	1 033	440	7 403	0	0	0	-8 875	0	0					
Total resources	5 836	8 708	38 979	9 609	5 170	18 044	1 061	6 686	94 093					

2.3. b) Year 2008 at 2007 prices

billion LBP

	Intermediate uses									Final uses				Total
	1. Agric. Livest.	2. Energ. water	3. Manuf. industr	4. Cons- truction	5. Trans. comm.	6. Other serv.	7. Trade	8. Admi- nistrat	Total interm. use	Final Con- sumpt.	GFCF	Exports	Change in invent.	
1. Agric. & livestock	219	0	1 659	3	0	5	0	1	1 887	2 704	22	475	0	5 088
2. Energy & water	27	1 900	733	42	1 455	586	254	132	5 129	1 965	0	10	0	7 104
3. Manufacturing	251	145	4 774	2 763	27	907	449	203	9 520	16 072	3 526	5 334	363	34 815
4. Construction	0	0	0	0	0	0	0	0	0	0	8 439	0	0	8 439
5. Transp. & comm.	5	9	89	35	424	815	299	31	1 706	3 153	0	157	0	5 016
6. Other services	62	35	421	392	241	465	683	1 817	4 117	11 418	0	1 051	0	16 586
7. Trade	0	0	0	0	0	0	0	0	0	0	0	964	0	964
8 Administration	0	0	0	0	0	0	0	0	0	5 997	0	0	0	5 997
Total uses	563	2 089	7 676	3 236	2 147	2 777	1 686	2 185	22 360	41 310	11 987	7 991	363	84 010
Value added	2 414	-697	3 063	5 202	2 870	13 809	10 397	3 813	40 871					
Output	2 977	1 392	10 739	8 439	5 016	16 586	12 083	5 997	63 230					
Imports	1 107	4 642	15 032	0	0	0	0	0	20 780					
Taxes on imports	90	688	2 774	0	0	0	-3 552	0	0					
Trade margins	915	383	6 270	0	0	0	-7 567	0	0					
Total resources	5 088	7 104	34 815	8 439	5 016	16 586	964	5 997	84 010					

Table of territorial corrections in current value

in volume at prices of the year 2007

	Territorial concept	Expenses of tourists in Lebanon	Expenses of Lebanese abroad	National concept	Territorial concept	Expenses of tourists in Lebanon	Expenses of Lebanese abroad	National concept
Imports	23 735		584	24 318	20 780		563	21342
Exports	9 019	2 058		11 076	7 991	1 863		9 854
Consumption	45 700	-2 058	584	44 225	41 310	-1 863	563	40 010

2. Goods and services input-output tables (continued)

2.4. a) Year 2009 current value

billion LBP

	Intermediate uses									Final uses				Total
	1. Agric. Live	2. Energ. water	3. Manuf. industr.	4. Cons- truction	5. Trans. comm	6. Other serv.	7. Trade	8. Admi- nistrat	Total interm. use	Final Con- sumpt.	GFCF	Expo.	Change in invent	
1. Agric. & livestock	223	0	1 835	3	0	5	0	1	2 068	3 452	55	502	100	6 177
2. Energy & water	26	2 134	713	46	1 419	599	291	185	5 414	2 601	0	17	700	8 732
3. Manufacturing	355	141	5 219	3 185	32	991	466	243	10 634	19 863	6 526	5 456	-115	42 363
4. Construction	0	0	0	0	0	0	0	0	0	0	10 849	0	0	10 849
5. Transp. & com.	5	9	83	35	472	823	359	33	1 820	3 643	0	169	0	5 632
6. Other services	71	41	496	561	281	594	909	2 155	5 108	13 658	0	825	0	19 591
7. Trade	0	0	0	0	0	0	0	0	0	0	0	1 152	0	1 152
8 Administration	0	0	0	0	0	0	0	0	0	7 399	0	0	0	7 399
Total uses	680	2 325	8 346	3 831	2 205	3 012	2 025	2 619	25 043	50 616	17 429	8 122	685	101 894
Value added	2 660	-867	3 982	7 018	3 427	16 578	14 658	4 780	52 236					
Output	3 340	1 458	12 328	10 849	5 632	19 591	16 683	7 399	77 278					
Imports	1 425	5 141	18 051	0	0	0	0	0	24 616					
Taxes on imports	44	1 593	3 116	0	0	0	-4 754	0	0					
Trade margins	1 369	540	8 868	0	0	0	-10 777	0	0					
Total resources	6 177	8 732	42 363	10 849	5 632	19 591	1 152	7 399	101 894					

2.4. b) Year 2009 at 2008 prices

billion LBP

Activity	Intermediate uses									Final uses				Total
	1. Agric. Live	2. Energ. water	3. Manuf. industr.	4. Cons- truction	5. Trans. comm	6. Other serv.	7. Trade	8. Admi- nistrat	Total interm. use	Final Con- sumpt.	GFCF	Expo.	Change in invent	
1. Agric. & livestock	266	0	2 046	4	0	6	0	1	2 323	3 284	55	524	103	6 289
2. Energy & water	34	2 770	925	60	1 842	778	377	241	7 027	2 655	0	18	1 086	10 787
3. Manufacturing	372	168	5 630	3 321	34	1 043	535	271	11 372	19 779	7 022	6 001	-120	44 055
4. Construction	0	0	0	0	0	0	0	0	0	0	10 700	0	0	10 700
5. Transp. & commun.	5	9	89	38	508	885	387	36	1 958	3 691	0	182	0	5 830
6. Other services	70	40	490	553	278	586	897	2 128	5 042	13 233	0	815	0	19 090
7. Trade	0	0	0	0	0	0	0	0	0	0	0	1 139	0	1 139
8 Administration	0	0	0	0	0	0	0	0	0	7 285	0	0	0	7 285
Total uses	747	2 987	9 179	3 976	2 662	3 298	2 196	2 676	27 722	49 926	17 777	8 679	1 069	105 174
Value added	2 628	-1 531	3 467	6 724	3 168	15 792	13 918	4 608	48 774					
Output	3 374	1 456	12 646	10 700	5 830	19 090	16 114	7 285	76 495					
Imports	1 702	7 881	19 096	0	0	0	0	0	28 679					
Taxes on imports	104	938	3 558	0	0	0	-4 600	0	0					
Trade margins	1 109	511	8 755	0	0	0	-10 375	0	0					
Total resources	6 289	10 787	44 055	10 700	5 830	19 090	1 139	7 285	105 174					

Table of territorial corrections in current value

in volume at prices of the year 2008

	Territorial concept	Expenses of tourists in Lebanon	Expenses of Lebanese abroad	National concept	Territorial concept	Expenses of tourists in Lebanon	Expenses of Lebanese abroad	National concept
Imports	24 616		649	25 265	28 679		667	29 345
Exports	8 122	2 651		10 772	8 679	2 615		11 295
Consumption	50 616	-2 651	649	48 614	49 926	-2 615	667	47 977

2. Goods and services input-output tables (continued)

2.5. a) Year 2010 current value

billion LBP

	Intermediate uses									Final uses				Total
	1. Agric. Livest.	2. Energ. water	3. Manuf. industr.	4. Cons- truction	5. Transp. comm.	6. Other serv.	7. Trade	8. Admi- nistrat.	Total interm. uses	Final Con- sumpt.	GFCF	Exports	Change in invent.	
1. Agric. & livestock	268	0	2 163	0	0	0	0	1	2 432	3 697	75	601	0	6 804
2. Energy & water	37	2 793	984	69	1 880	821	364	213	7 160	2 970	0	9	0	10 140
3. Manufacturing	417	159	5 820	3 840	34	1 077	464	279	12 089	21 162	5 864	6 486	-150	45 452
4. Construction	0	0	0	0	0	0	0	0	0	0	13 197	0	0	13 197
5. Transp. & com,	4	9	85	40	476	839	327	38	1 818	3 877	0	132	0	5 828
6. Other services	81	40	579	733	354	659	1 015	2 397	5 859	15 455	0	803	0	22 117
7. Trade	0	0	0	0	0	0	0	0	0	0	0	1 169	0	1 169
8 Administration	0	0	0	0	0	0	0	0	0	7 999	0	0	0	7 999
Total uses	807	3 000	9 630	4 681	2 744	3 395	2 171	2 929	29 358	55 160	19 136	9 201	-150	112 705
Value added	2 650	-1 473	4 002	8 515	3 084	18 722	15 395	5 071	55 966					
Output	3 457	1 527	13 633	13 197	5 828	22 117	17 566	7 999	85 323					
Imports	1 669	6 085	19 628	0	0	0	0	0	27 382					
Taxes on imports	46	1 684	3 350	0	0	0	-5 081	0	0					
Trade margins	1 633	843	8 840	0	0	0	-11 316	0	0					
Total resources	6 804	10 140	45 452	13 197	5 828	22 117	1 169	7 999	112 705					

2.5. b) Year 2010 at 2009 prices

billion LBP

Activity	Intermediate uses									Final uses				Total
	1. Agric. Livest.	2. Energ. water	3. Manuf. industr.	4. Cons- truction	5. Transp. comm.	6. Other serv.	7. Trade	8. Admi- nistrat.	Total interm. uses	Final Con- sumpt.	GFCF	Exports	Change in invent.	
1. Agric. & livestock	257	0	1 940	0	0	0	0	1	2 198	3 661	77	573	0	6 509
2. Energy & water	29	2 219	781	55	1 494	652	289	169	5 688	2 673	0	10	0	8 371
3. Manufacturing	386	147	5 550	3 713	32	1 040	438	258	11 564	20 672	5 704	6 396	-140	44 196
4. Construction	0	0	0	0	0	0	0	0	0	0	12 835	0	0	12 835
5. Transp. & com.	5	9	89	42	496	875	341	40	1 896	3 953	0	138	0	5 987
6. Other services	79	39	563	713	344	641	987	2 332	5 700	14 837	0	780	0	21 316
7. Trade	0	0	0	0	0	0	0	0	0	0	0	1 135	0	1 135
8 Administration	0	0	0	0	0	0	0	0	0	7 870	0	0	0	7 870
Total uses	756	2 414	8 923	4 522	2 366	3 207	2 055	2 800	27 045	53 667	18 616	9 032	-140	108 219
Value added	2 767	-894	4 338	8 313	3 621	18 109	14 545	5 071	55 868					
Output	3 523	1 519	13 261	12 835	5 987	21 316	16 600	7 870	82 911					
Imports	1 482	4 869	18 957	0	0	0	0	0	25 308					
Taxes on imports	48	1 485	3 137	0	0	0	-4 670	0	0					
Trade margins	1 456	497	8 842	0	0	0	-10 795	0	0					
Total resources	6 509	8 371	44 196	12 835	5 987	21 316	1 135	7 870	108 219					

Table of territorial corrections

in current value

in volume at prices of the year 2009

	Territorial concept	Expenses of tourists in Lebanon	Expenses of Lebanese abroad	National concept		Territorial concept	Expenses of tourists in Lebanon	Expenses of Lebanese abroad	National concept
Imports	27 382		720	28 102		25 308		738	26 045
Exports	9 201	3 209		12 410		9 032	3 116		12 148
Consumption	55 160	-3 209	720	52 672		53 667	-3 116	738	51 288

3. Financial institutions accounts

Commercial banks accounts

billion LBP

Account	2006	2007	2008	2009	2010
I. Production account					
<i>Uses</i>					
P2. Intermediate consumption	604	675	772	729	947
<i>B1. Gross value added</i>	1 996	2 131	2 631	2 845	3 294
Total uses = resources	2 600	2 806	3 403	3 574	4 241
<i>Resources = Net banking product (PI.):</i>					
Interest income	7 272	8 385	8 524	9 401	10 514
-Interest payments	-5 089	-6 086	-5 715	-6 475	-6 977
Commissions	416	507	594	647	704
II.1. Allocation of primary income account					
<i>Uses</i>					
D1. Compensation of employees	819	886	1 061	1 140	1 289
D41. Interests on loans	24	19	38	40	39
D42. Distributed Profit	...	...	...	...	...
<i>B5. Bal. of primary income acc.</i>	1 454	1 631	2 078	2 176	2 890
Total uses = resources	2 297	2 536	3 177	3 356	4 217
<i>Resources</i>					
B1. Gross value added	1 996	2 131	2 631	2 845	3 294
D4. Net income off work	301	405	546	510	923
II.2. Secondary distribution of income account					
<i>Uses</i>					
D5. Income tax	192	210	263	295	396
<i>B6. Balance: disposable income</i>	1 262	1 421	1 815	1 880	2 494
Total uses = resources	1 454	1 631	2 078	2 176	2 890
<i>Resources</i>					
B5. Bal. of primary income acc.	1 454	1 631	2 078	2 176	2 890
III.1. Capital account					
P51. Gross fixed capital format.	-29	240	529	273	569
<i>B9. Balance= net lending</i>	1 291	1 182	1 286	1 607	1 924
Total uses = resources	1 262	1 421	1 815	1 880	2 494
<i>Resources</i>					
B6. Disposable income	1 262	1 421	1 815	1 880	2 494
III.2. Financial account					
<i>Uses</i>					
F2. Cash and deposits in BDL	-1 579	514	9 262	14 461	7 579
F2. External assets	4 754	6 474	-2 386	6 864	3 086
F3. Securities (Treasury bills)	4 496	1 226	5 855	5 491	408
F4. Credits	1 293	3 676	5 024	4 826	9 104
F9. Other debtors	-103	65	-38	-80	32
Total uses = resources	8 860	11 954	17 718	31 562	20 210
<i>Resources</i>					
B9. Net lending	1 291	1 182	1 286	1 607	1 924
F2. Deposits of residents	5 608	9 199	13 095	19 734	14 878
F2. Deposits of non-residents	826	2 198	3 272	8 085	2 732
F5. Shares	1 241	-547	-390	-411	-183
F9. Other creditors	-106	-78	455	2 548	859

4. Public administration accounts

4.1. Central administration accounts

Uses

billion LBP

Account, operations	2006	2007	2008	2009	2010
I. Production account					
P2. Intermediate Consumption	1 441	1 555	2 060	2 240	2 499
<i>B1. Gross value added</i>	<i>3 029</i>	<i>3 299</i>	<i>3 681</i>	<i>4 302</i>	<i>4 528</i>
Total	4 470	4 854	5 741	6 542	7 027
II.1. Allocation of primary income account					
D1. Compensation of employees	2 249	2 421	2 676	3 267	3 480
K.1. Depreciation	780	878	1 005	1 035	1 048
<i>B5. Primary income balance</i>	<i>3 102</i>	<i>3 939</i>	<i>4 186</i>	<i>6 204</i>	<i>6 099</i>
Total	6 132	7 238	7 867	10 507	10 628
II.2. Secondary distribution of income account					
D41. Interests*	3 382	4 288	3 679	4 365	4 824
D62. Social benefits	935	924	1 016	1 315	1 399
Current transfers to administrations	520	414	411	531	728
International co-operation	7	7	17	17	18
D79. Other current transfers	168	163	175	194	176
<i>B6. Balance: disposable income</i>	<i>481</i>	<i>478</i>	<i>2 020</i>	<i>3 282</i>	<i>2 984</i>
Total uses = resources	5 492	6 275	7 317	9 704	10 129
II.4. Use of income account					
P2. Consumption	4 470	4 854	5 741	6 542	7 027
<i>B8n. Balance: Net saving</i>	<i>-3 989</i>	<i>-4 376</i>	<i>-3 721</i>	<i>-3 260</i>	<i>-4 044</i>
Total uses = resources	481	478	2 020	3 282	2 984
III. 1 Capital account					
P51. Gross fixed capital formation	197	221	238	224	428
D92. Help to investment					
D93. Capital transfers to administrations	275	246	233	292	178
Total uses = resources	472	468	471	515	606
III.2 Financial account					
B9. Net borrowing	3 681	3 965	3 188	2 740	3 602
F21. Cash	-15	31	...	...	...
F22. Deposits in the BDL	-2 097	428	...	...	...
F41. Advances of Treasury	462	285	...	...	...
F79. Other debtors	1 568	2 131	...	...	...
Total uses = resources	3 539	6 840	...	...	...

* Though considered as primary income, interests were classified in the State accounts on the secondary distribution account, owing to the fact that they do not form part of gross domestic product.

4. Public administration accounts

4.1. Central administration accounts

Resources

billion LBP

Account, operations	2006	2007	2008	2009	2010
I. Production account					
P12. Non-market output	4 470	4 854	5 741	6 542	7 027
Total	4 470	4 854	5 741	6 542	7 027
II.1. Allocation of primary income account					
B1. Gross domestic product	3 029	3 299	3 681	4 302	4 528
D2. Taxes on products	4 493	5 434	6 656	8 527	7 985
D3.- subsidies on products	-1 396	-1 501	-2 478	-2 333	-1 891
D41. Interests	5	6	8	10	5
Total	6 132	7 238	7 867	10 507	10 628
II.2. Secondary distribution of income account					
B5. Primary income	3 102	3 939	4 186	6 204	6 099
D51. Income taxes	1 184	1 142	1 564	1 839	2 050
D59. Other direct taxes	844	803	1 171	1 250	1 527
D61. Social contributions	85	79	85	95	112
D79. Non-tax receipts	276	312	311	315	341
Total uses= resources	5 492	6 275	7 317	9 704	10 129
II.4. Use of income account					
B6. Disposable income	481	478	2 020	3 282	2 984
Total uses= resources	481	478	2 020	3 282	2 984
III. 1 Capital account					
K1. Depreciation	780	878	1 005	1 035	1 048
B8n. Net saving	-3 989	-4 376	-3 721	-3 260	-4 044
B9. Net borrowing	3 681	3 965	3 188	2 740	3 602
Total uses= resources	472	468	471	515	606
III.2. Financial account					
F29. Deposits	-1 222	170	...	...	...
F3. Treasury bills	2 130	2 300	...	...	...
F4. Loans	0	2 531	...	...	...
F79. Other creditors	1 515	426	...	...	...
F00. Transactions not classified	1 117	1 414	...	...	...
Total uses= resources	3 539	6 840	...	...	...

4. Public administration accounts

4.2. Public administration consolidated accounts (estimates)

billion LBP

Accounts	2006	2007	2008	2009	2010
I. Production account					
P2. Intermediate Consumption	1 746	1 851	2 417	2 619	2 929
<i>B1. Gross value added</i>	<i>3 524</i>	<i>3 773</i>	<i>4 270</i>	<i>4 780</i>	<i>5 071</i>
Total =P12. Production	5 270	5 624	6 686	7 399	7 999
II.1. Allocation of primary income account:					
D1. Compensation of employees	2 744	2 895	3 265	3 745	4 022
K.1. Depreciation	780	878	1 005	1 035	1 048
<i>B5n. Balance: Net primary income</i>	<i>3 920</i>	<i>4 618</i>	<i>5 099</i>	<i>7 261</i>	<i>8 630</i>
Total uses = resources	7 444	8 391	9 369	12 041	13 700
B1. Gross value added	3 524	3 773	4 270	4 780	5 071
D2-D3. Indirect taxes - subsidies	3 566	4 282	4 779	6 715	8 215
D4. Public Properties Revenue	354	336	320	546	415
II.2. Secondary distribution of income account:					
D41. Interests*	3 472	4 393	3 789	4 475	4 934
D62. Social benefits	1 764	1 862	1 901	2 334	2 483
D79. Current transfers	175	170	192	211	193
<i>B6. Balance: Disposable income</i>	<i>1 785</i>	<i>1 593</i>	<i>3 399</i>	<i>5 070</i>	<i>6 423</i>
Total uses = resources	7 195	8 018	9 281	12 089	14 033
B5n. Net primary income	3 920	4 618	5 099	7 261	8 630
D5. Direct taxes	2 029	1 944	2 735	3 089	3 577
D61. Social contributions	951	1 128	1 110	1 402	1 452
D79. Non-tax receipts	296	327	336	337	375
II.4. Use of income account:					
P2. Consumption	5 270	5 624	6 686	7 399	7 999
<i>B8n. Balance: Net saving</i>	<i>-3 485</i>	<i>-4 032</i>	<i>-3 287</i>	<i>-2 329</i>	<i>-1 576</i>
Total = Disposable income	1 785	1 593	3 399	5 070	6 423
III.1. Capital account					
P51. Gross fixed capital formation	901	905	997	1 003	1 256
D92. Investment grants	56	6	8	38	14
Total uses = resources	957	911	1 004	1 042	1 270
B8n. Net saving	-3 485	-4 032	-3 287	-2 329	-1 576
K.1. Depreciation	780	878	1 005	1 035	1 048
D92. Investment grants	14	127	30	60	60
<i>B9. Balance: Net Borrowing</i>	<i>3 649</i>	<i>3 938</i>	<i>3 257</i>	<i>2 276</i>	<i>1 738</i>
III.2. Financial account					
B9. Borrowing	3 649	3 938	3 257	2 276	1 738
F2. Cash and deposits	-1 146	83	3 799	2 196	897
F41. Treasury Advances	175	235	180	229	288
Total uses = resources	2 677	4 256	7 236	4 700	2 923
F3. Treasury bills	2 075	2 573	7 343	6 175	3 233
F4. Loans	161	1 234	-689	-1 830	-617
F9. Other creditors	441	449	582	355	307

*view remark at the bottom of table 4.1

Appendix II Statistical sources

I. Population

Table I.1. Vital statistics (number of registered events)

Demographic events	2005	2006	2007	2008	2009	2010
Marriages	29 705	29 078	35 796	37 593	40 565	41 758
Divorces	4 746	4 388	6 342	5 389	5 957	5 897
Births	73 770	72 790	80 896	84 823	90 388	95 218
Deaths	18 012	18 787	21 092	21 048	22 260	25 500

Source: CAS monthly bulletins

II. Agriculture and livestock

Table II.1. Crop output

a) Planted surface area - thousand hectares

Nature of crop product	2005	2006	2007	2008	2009	2010
Cereals	65.2	70.0	69.6	65.7	69.8	...
Leguminous vegetables	7.1	7.2	7.0	5.8	6.1	...
Vegetables	42.1	42.3	41.7	40.6	43.4	...
Plants for manufacturing	10.8	9.9	9.7	8.4	8.3	...
Fruits	82.5	83.9	84.3	76.8	76.8	...
Olives	58.8	59.1	58.6	58.8	59.0	...
Other Plants	6.5	6.6	6.3	6.3	6.6	...
Total	273.0	279.1	277.2	262.5	270.0	...

b) Output - thousand of tons

Nature of crop product	2005	2006	2007	2008	2009	2010
Cereals *	394.3	429.6	391.5	179.9	201.8	...
Leguminous vegetables	35.5	30.1	37.5	29.5	34.5	...
Vegetables	1 284.3	1 160.6	1 300.6	1 047.3	1 174.2	...
Plants for manufacturing	90.0	45.5	42.1	10.5	12.0	...
Fruits	960.4	942.4	985.5	961.6	995.1	...
Olives	76.5	177.3	76.2	123.5	88.5	...
Other Plants	...	...	...	4.7	5.7	...
Total	2 841.0	2 785.5	2 833.4	2 352.3	2 511.8	...

Source: Ministry of Agriculture

* The production of bran is not included in the years 2008 and 2009.

II. Agriculture and livestock (continued)

Table II.1. Crop output (continued)

c) Output value in billion LBP

Nature of crop product	2005	2006	2007	2008	2009	2010
Cereals*	93.0	116.5	104.0	88.2	104.0	...
Leguminous vegetables	22.4	27.4	38.3	42.4	53.6	...
Vegetables	422.0	591.9	770.7	627.4	650.5	...
Plants for manufacturing	103.3	102.7	112.6	98.0	110.1	...
Fruits	630.7	759.4	918.7	1 046.2	1 080.6	...
Olives	113.2	283.7	144.7	247.0	159.3	...
Other	56.5	61.3	65.9	85.7	114.0	...
Total	1 441.1	1 942.9	2 155.0	2 234.9	2 272.1	...

Source: Ministry of Agriculture

* The production of bran is not included in the years 2008 and 2009.

Table II.2. Animal output

a) Livestock: number of heads - thousands

Nature of livestock	2005	2006	2007	2008	2009	2010
<i>Intended for slaughter-house</i>						
Cow	44.4	40.6	40.1	...	...	...
Sheep	128.6	81.4	153.5	...	...	...
Goat	181.8	144.4	227.7	...	...	...
Pig	11.0	10.0	9.0	...	...	...
<i>Intended to milk production</i>						
Cow	43.8	43.9	45.3	...	...	...
Sheep	182.7	202.4	218.6	...	...	...
Goat	246.7	206.6	234.7	...	...	...

b) Output - thousand of tons (or units)

Nature of product	2005	2006	2007	2008	2009	2010
Beef	16.5	15.1	14.9	...	...	...
Sheep	5.4	3.5	6.6	...	...	...
Goat	6.6	5.2	8.2	...	...	...
Pork	1.1	1.0	0.9	...	...	...
Chicken	130.6	140.2	143.7	...	...	...
Eggs (million units)	758.0	670.0	762.0	...	...	...
Cow's milk	189.8	166.8	183.6	...	...	...
Sheep's milk	22.8	19.7	24.7	...	...	...
Goat's milk	39.3	26.0	34.0	...	...	...
Honey	1.1	0.8	1.0	...	...	...

Source: Ministry of Agriculture

II. Agriculture and livestock (continued)

Table II.2. Animal output (continued)

c) Output value

billion LBP

Nature of product	2005	2006	2007	2008	2009	2010
Beef	48.3	49.4	52.5	...	...	...
Sheep	18.6	13.0	28.9	...	...	...
Goat	18.3	19.1	32.8	...	...	...
Pork	2.4	2.5	2.6	...	...	...
Chicken	185.5	230.7	271.8	...	...	...
Eggs	56.9	77.1	125.7	...	...	...
Cow's milk	99.1	118.4	145.0	...	...	...
Sheep's milk	13.9	13.4	20.0	...	...	...
Goat's milk	25.6	19.3	27.7	...	...	...
Honey	25.0	18.0	22.0	...	...	...
Total	493.6	560.9	729.0	...	...	...

Source: Ministry of Agriculture

III. Energy

Table III.1. Main imported oil products

thousands of tons

Product	2005	2006	2007	2008	2009	2010
Gasoline	1 273.1	1 224.6	1 306.8	1 401.2	1 617.7	1 594.9
Gas oil	1 587.7	1 596.3	1 363.2	1 802.7	2 595.4	2 252.0
Fuel oil	1 360.2	1 039.7	1 258.7	1 213.5	1 422.5	1 356.1
Kerosene	146.6	103.4	139.7	166.7	1 741.6	221.0
Gas butane	166.1	161.1	160.7	163.2	199.1	163.6

Source: General Directorate of oil

Table III.2. Electricity consumption

KWH million

	2005	2006	2007	2008	2009	2010
(network EOL)	10 581	10 215	10 590	11 142	11 324	12 458

Source: Central Bank of Lebanon

IV. Industry

Table IV.1. Principle Industry Data for the year 2007

Billion LBP

Industry (c.ISIC)	Nb. of Establish.	Output	Input	Value Added	Wages and Salaries	GFCF	Work Force
14	9	5.0	2.3	2.8	1.1	0.0	102
15	736	2 635.8	1 797.4	838.3	198.4	62.0	20 607
17	77	100.3	64.1	36.3	13.3	3.0	1 420
18	210	174.8	104.6	70.2	27.7	7.2	3 965
19	105	72.8	39.9	32.9	12.6	1.0	1 528
20	87	98.7	53.6	45.0	11.1	4.5	1 398
21	82	602.6	457.8	144.7	53.5	29.8	4 213
22	211	415.9	243.1	172.8	66.7	39.0	5 510
23	4	24.0	22.8	1.2	0.3	0.7	43
24	193	772.5	539.2	233.3	57.3	57.8	4 792
25	168	486.4	382.3	104.1	31.7	14.7	3 692
26	609	1 201.6	771.2	430.5	116.6	149.0	10 996
27	10	137.7	99.6	38.1	6.4	3.0	809
28	558	1 119.6	870.7	249.0	77.4	31.4	8 054
29	105	310.7	238.1	72.6	23.4	5.5	2 122
30	3	2.6	1.9	0.7	0.4	0.0	38
31	83	1 084.4	788.0	296.4	37.1	21.0	3 182
33	9	8.8	5.3	3.5	1.8	1.1	232
34	7	8.3	5.5	2.8	0.9	0.4	103
36	730	684.3	402.2	282.1	78.4	11.8	9 136
Total	3 996	9 947	6 889	3 057	816	443	81 942

Source : Ministry of Industry

Note : Establishments employing a minimum of 5 workers

Code ISIC:

14. Other mining & quarrying products	25. Rubber & plastic products
15. Food products & beverages	26. Other non-metallic mineral products
17. Textiles	27. Basic metals
18. Clothes & fur dyeing	28. Metals products
19. Leather & leather products	29. Machinery & equipment n.e.c.
20. Products of wood (except furniture)	30. Manufacture of office, accounting & computing machinery
21. Pulp, paper & paper products	31. Electrical machinery & apparatus n.e.c.
22. Printed matter & recorded media	33. Manufacture of medical, precision & optical instruments, watches & clocks
23. Coke & refined petroleum products	34. Motor vehicles, trailers & semi-trailers
24. Chemical products & man-made fibres	36. Furniture & other manufactured goods n.e.c.

Table IV.2. Manufactured Tobacco

	2005	2006	2007	2008	2009	2010
Production (tons)	655	744	577	703	...	...
Local Tobacco sales (tons)	795	675	698	739	...	...
Value of sales (million LBP)	16 355	14 942	15 409	12 478	...	...

Source: Lebanese Régie for Tabacs and Tombacs

Table IV.3. Imports of intermediary products intended for industry

User branch	2005	2006	2007	2008	2009	2010
	<i>values LBP billion</i>					
Not specified	708	725	788	1 244	1 068	1 196
Agro-food industries	612	598	760	883	929	1 135
Textiles, leather & clothing	176	164	186	220	225	213
Non-metal ores & products	61	58	86	103	93	88
Metals, machines & equipment	805	862	1 239	1 737	1 353	1 564
Wood, rubber & chemicals	485	484	678	869	720	867
Furniture	83	83	111	139	142	151
Other industries	330	314	492	666	1 019	1 406
Total	3 260	3 288	4 340	5 861	5 548	6 620
	<i>Index of unit values compared to the previous year</i>					
Not specified	1.278	1.100	1.090	1.292	0.647	1.224
Agro-food industries	1.041	1.051	1.165	1.284	0.858	1.272
Textiles, leather & clothing	0.949	1.015	1.018	1.008	0.922	1.173
Non-metal ores & products	1.095	1.058	1.116	1.102	0.840	0.986
Metals, machines & equipment	1.040	1.056	1.147	1.185	0.724	1.018
Wood, rubber & chemicals	1.099	1.040	1.125	1.134	0.815	1.040
Furniture	1.056	1.017	1.073	1.041	0.860	1.107
Other industries	1.024	1.010	1.050	1.125	1.084	1.044
Total	1.087	1.054	1.116	1.167	0.799	1.107
	<i>Index of volumes compared to the previous year</i>					
Not specified	0.954	0.930	0.997	1.222	1.326	0.924
Agro-food industries	0.814	0.930	1.099	0.905	1.225	1.042
Textiles, leather & clothing	1.013	0.919	1.111	1.176	1.110	0.959
Non-metal ores & products	0.953	0.895	1.338	1.083	1.074	0.936
Metals, machines & equipment	1.042	1.014	1.254	1.183	1.076	1.111
Wood, rubber & chemicals	0.893	0.959	1.245	1.131	1.017	1.073
Furniture	0.993	0.985	1.251	1.203	1.184	1.022
Other industries	0.914	0.944	1.491	1.203	1.412	1.247
Total	0.933	0.957	1.185	1.114	1.185	1.072

V. Construction

Table V.1. Building permits registered at engineers' order

Indicator	2005	2006	2007	2008	2009	2010
Surface area - thousands m ²	8 826	8 997	9 044	16 068	14 369	14 281

Source: Central Administration of Statistics, Monthly bulletins

Table V.2. Local cement sales

Indicator	2005	2006	2007	2008	2009	2010
Quantity in thousands tons	3 040	3 423	3 945	4 219	4 897	5 227

Source: Central Bank of Lebanon, Monthly bulletins

Table V.3. Raw material imports for construction

Indicator	2005	2006	2007	2008	2009	2010
Value in billion LBP	525.0	527.4	705.3	914.7	902.9	1 252.6
Unit value index n/n-1	1.045	1.075	1.087	1.057	0.890	1.068
Volume index n/n-1	0.961	0.934	1.231	1.227	1.109	1.299

VI. Transport and communication

Table VI.1. Movement of goods via Beirut port

Indicator	2005	2006	2007	2008	2009	2010
Thousands tons	4 473	4 227	5 318	5 746	5 650	...

Source: Central Administration of Statistics, Monthly bulletins

Table VI.2. Number of passengers departing from Beirut airport

Indicator	2005	2006	2007	2008	2009	2010
Thousands	1 601	1 366	1 649	2 014	2 461	...

Source: Central Administration of Statistics, Monthly bulletins

Table VI.3. Income of telephone and telecommunications General Directorate

billion LBP

Nature of income	2005	2006	2007	2008	2009	2010
Invoices issued	446.0	497.1	492.1	699.0	749.8	821.4
Receipts from new install.	7.2	7.7	10.4	11.6	15.3	13.2
Share internat. communications	203.1	250.9	310.3	153.5	168.6	132.5
Share in mobiles communicat.	1 017.5	1 021.9	1 193.1	1 334.4	1 375.3	1 670.6
Total	1 673.8	1 777.6	2 005.9	2 198.5	2 309.0	2 637.6

Source: Ministry of telecommunications

VII. Services

Table VII.1. Education: number of registered pupils and students

Cycle	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10
<i>Public and subsidised Education</i>						
Pre-school	57 403	54 378	57 611	54 307	.....	53 745
Primary	245 946	240 218	245 896	236 267	.....	228 554
Compl.& secondary	148 467	145 309	147 277	137 187	.....	129 912
Technical	33 692	35 090	37 446	40 253	42 444	37 317
Lebanese University	70 065	70 627	72 961	74 176	74 134	72 813
Total	555 573	545 622	561 191	542 190	.....	522 341
<i>Private Education</i>						
Pre-school	93 207	93 970	93 261	95 973	.....	100 313
Primary	206 661	207 375	204 670	208 973	.....	213 181
Compl.& secondary	165 262	170 064	169 162	175 494	.....	184 036
Technical	63 190	63 705	62 285	67 165	72 973	58 494
Universities	71 414	76 334	87 403	92 989	100 163	108 037
Total	599 734	611 448	616 781	640 594	.....	664 061
Grand total	1 155 307	1 157 070	1 177 972	1 182 784	.....	1 186 402

Source: R&D Educational Center

Table VII.2. Health: public health expenditures

	<i>billion LBP</i>					
	2005	2006	2007	2008	2009	2010
Administration						
1. Health Ministry	222.4	179.7	201.3	308.8	297.1	386.6
2. NSSF: Health benefits	435.1	450.9	535.5	492.0	548.4	586.9
Total	657.5	630.6	740.8	800.8	845.5	973.5

Source: Ministry for Health and NSSF, Closing accounts

Table VII.3. Insurance services

	<i>billion LBP</i>					
Operation	2005	2006	2007	2008	2009	2010
Premiums paid	918.2	965.8	1 116.1	1 234.3	1 377.6	1 612.9
Claims paid	394.5	372.9	490.3	592.9	738.3	810.9

Source: Ministry of Economy and Trade

Table VII.4. Passenger arrivals

	<i>number in thousands</i>					
Nationality	2005	2006	2007	2008	2009	2010
Foreign non Arab	687	704	617	783	1 056	1 273
Arab except Syrians	636	522	503	668	786	895
Total	1 323	1 226	1 120	1 451	1 842	2 168

Source: Central Administration of Statistics, Monthly bulletins

III. Administration

Table VIII.1. Budgetary income, State expenditure and their classification

billion LBP

Budget headings	Classification SNA93	2006	2007	2008	2009	2010p
Expenses						
11. Goods	P.2 Intermediate use	220	265	327	368	428
12. Services	P.2 Intermediate use	98	102	106	135	112
13. Wages	D.1 Wages	2 249	2 421	2 676	3 267	3 480
14. Transfers		1 656	1 529	1 665	2 126	2 415
	<i>D.3 Subsidies</i>	26	22	48	74	94
	<i>D.62 Pensions</i>	935	909	1 016	1 315	1 399
	<i>D.73 Transf. to adm.</i>	520	399	411	531	728
	<i>D.74 Coop. internat.</i>	7	7	17	17	18
	<i>D.79 Various transf.</i>	168	192	175	194	176
16. Other outlays	P.2 Intermediate use	219	253	349	371	469
17. Debt Services		4 285	5 223	4 957	5 472	6 314
	<i>P.2 Intermediate use</i>	904	935	1 278	1 365	1 490
	<i>D.41 Interests</i>	3 381	4 288	3 679	4 107	4 824
Total 1st part		8 727	9 793	10 080	11 740	13 218
2d part		472	468	471	515	606
	P.51 G.F.C.F.	197	221	238	315	428
	D.93 Transf. to adm.	275	246	233	200	178
Grand total		9 199	10 261	10 551	12 255	13 824
Income						
11. Income tax	D.51 Income tax	1 184	1 142	1 564	1 839	2 050
12. Taxes/property	D.59 Direct taxes	579	526	786	809	1 088
13. Taxes/consumpt.		2 458	2 711	3 797	5 155	5 575
VAT	<i>D.2 Indirect taxes</i>	1 660	1 803	2 584	2 889	3 193
Tax/cars	<i>D.59 Direct taxes</i>	109	130	1 017	2 028	2 151
Other	<i>D.2 Indirect taxes</i>	689	777	197	238	231
14. Customs duties	D.2 Indirect taxes	461	556	686	768	810
15. Other taxes	D.2 Indirect taxes	259	292	350	396	453
26. Operat. income		1 428	2 011	2 028	2 456	1 383
<i>Public entrp. surplus</i>	<i>D.2 Indirect taxes</i>	1 423	2 006	2 020	2 446	1 378
<i>26901. Interests</i>	<i>D.41 Interests</i>	5	6	8	10	5
27. Admin. receipts		426	424	484	505	535
<i>27104. Traffic taxes</i>	<i>D.59 Direct taxes</i>	156	146	189	203	208
Other	<i>D.79 Various transf.</i>	270	277	295	303	327
28. Fines	D.79 Various transf.	4	16	7	7	8
29. Other non-tax		87	98	94	100	118
	<i>D.61 Contributions</i>	85	79	85	95	112
	<i>D.79 Various transf.</i>	2	19	9	5	6
Grand total		6 888	7 776	9 795	12 036	12 020
Deficit	B.9	2 311	2 485	756	216	1 804

Source: Ministry of Finance, Closing accounts

p: provisional figures

VIII. Administration (continued)

Table VIII.2. Treasury Accounts

billion LBP

Operation	2005	2006	2007	2008	2009	2010
<i>Change in assets</i>						
Budgetary deficit	1 938	2 575	2 542	...	...	...
Advances to municipalities	0	0	0	...	...	...
Advances to public agencies	509	208	237	...	...	...
Other advances	388	254	49	...	...	...
Payments made in advance	320	1 508	2 131	...	...	...
Central Bank of Lebanon	955	-2 097	428	...	...	...
Cash & checks to be collected	-20	-15	31	...	...	...
Adjustment accounts	2	-11	9	...	...	...
Total	4 093	2 423	5 426	...	...	...
<i>Change in liabilities</i>						
Deposits	123	84	151	...	...	...
Accrued expenses	162	265	341	...	...	...
Receipts to be settled	8	76	177	...	...	...
Accounts of municipalities	-89	-145	-82	...	...	...
Accounts of public agencies	3	12	7	...	...	...
Other creditors	17	1	1	...	...	...
Treasury bills-LBP; issues	23 064	18 292	21 974	...	...	...
-repayments	-19 742	-16 771	-17 820	...	...	...
Treasury bills-foreign; issues	0	1 771	5 725	...	...	...
-repayments	-210	-1 163	-5 199	...	...	...
Foreign loans	756	0	151	...	...	...
Total	4 093	2 423	5 426	...	...	...

Source: Ministry of Finance, treasury account

Table VIII.3. Public debt

end of the year, billion LBP

Debt items	2005	2006	2007	2008	2009	2010
Treasury bills in LBP						
Central Bank of Lebanon	11 233	9 143	8 647	8 419	10 043	12 912
Commercial banks	14 072	16 429	16 784	24 222	27 181	27 137
Outside the banking system	3 325	4 129	5 474	5 906	7 353	7 911
Banking system loans	512	503	468	460	396	295
Total gross domestic debt	29 141	30 204	31 373	39 007	44 973	48 255
- Public sector deposits	- 5 590	- 4 444	- 4 527	8 326	10 522	11 419
Net domestic debt (LBP)	23 551	25 760	26 846	30 681	34 451	36 836
Debt in foreign currency	28 844	30 647	31 977	31 881	32 048	31 045
Total	52 395	56 407	58 823	62 562	66 499	67 882

Source: Central Bank of Lebanon, Monthly bulletins

VIII. Administration (continued)

Table VIII.4. Transfers from State budget to autonomous agencies

a) First part of the budget

billion LBP

Administrative body	2005	2006	2007	2008	2009	2010
CDR	24.2	21.9	32.1	27.9	36.6	26.4
National Archives	0.8	1.0	1.5	0.7	1.3	1.2
Civil Defence	14.8	13.6	18.9	21.0	25.3	30.3
Lebanese University	158.6	156.9	146.2	173.6	252.0	269.8
R&D Educational Center	11.0	11.0	10.0	13.0	13.5	13.7
National Council for Scientific Res.	4.5	4.3	5.8	5.7	6.0	6.1
National Music Conservatory	6.0	8.2	8.2	9.1	11.5	14.6
Council for the South	6.0	5.0	7.0	6.2	10.7	10.0
Fund for Schools	-	-	-	-	-	52.0
Council for the Displaced	6.0	5.5	6.5	6.0	6.0	6.5
Relief Committee	43.9	12.8	0.0	2.4	1.6	8.7
Employment Office	1.6	2.4	1.7	0.5	3.0	2.5
Administration of Public Hospitals	28.0	17.1	21.7	9.7	9.4	5.4
“Green Plan” Council	4.6	5.9	6.0	7.5	9.5	11.0
Agronomic Research	3.4	4.0	3.6	4.4	7.1	7.7
IDAL	7.3	2.2	4.0	3.8	3.0	15.8
NSSF	340.0	220.0	100.0	100.0	-	220.0
Other administrative bodies	19.0	28.2	41.0	19.7	34.7	18.1
Total	679.7	520.0	414.2	411.2	431.2	719.8

Source: Ministry of Finance, Closing accounts

b) Second part of the budget

billion LBP

Administrative body	2005	2006	2007	2008	2009	2010
CDR	206.8	185.8	216.5	181.5	172.8	139.3
Lebanese University	-	-	-	-	-	-
Council for the Displaced	85.0	41.2	-	-	30.0	-
Council for the South	60.0	35.0	-	-	51.3	38.5
IDAL	47.0	10.0	30.0	40.0	32.5	-
Other administrative bodies	3.8	2.6	0.0	11.7	5.0	-
Total	402.6	274.6	246.5	233.2	291.6	177.8

Source: Ministry of Finance, Closing accounts

VIII. Administration (continued)

Table VIII.5. CDR Accounts 2005-2010

billion LBP

Operation	2005	2006	2007	2008	2009	2010
Income						
Transfers from State	664.2	811.4	833.2	780.0	...	
Donations	24.6	13.5	126.7	34.9	...	
Receipts from tenders	1.4	1.2	0.9	0.8	...	
Interests	1.2	4.0	6.6	7.3	...	
Return of provisions	8.9	-	-	-	...	
Exchange rate loss or profit	-	7.0	13.6	-5.8	...	
Total	700.2	837.0	981.0	817.3	...	
Expenses						
Costs of projects	688.2	699.5	745.5	814.0	...	
Administrative expenses	30.7	22.0	18.5	20.7	...	
Interests	65.3	90.3	104.8	109.9	...	
Provision for bad debt	-	-	-	-	...	
Total	785.2	1 019.6	958.1	944.7	...	
Deficit (+), Surplus(-)	85.0-	-182.6	22.9	-127.4	...	
Change in assets						
Cash and banks	-15.4	129.0	115.4	-26.6	...	
Lebanese Treasury bills	-	-	-	-	...	
Loans transferred to publ.sect.	-187.2	-193.7	-61.8	-86.4	...	
Loans transferred to priv.sect.	-2.2	0.1	0.3	-2.1	...	
Other loans	0.0	0.0	0.0	0.0	...	
Other assets	12.4	13.4	-0.7	17.0	...	
Lebanese State	-94.0	65.4	114.1	-131.8	...	
Fixed assets	0.0	0.0	0.0	0.2	...	
Total	-286.4	14.2	167.1	-222.3	...	
Change in liabilities						
Accounts payable	-22.7	25.6	-16.4	30.5	...	
Outstanding interests	6.2	5.2	0.3	8.3	...	
Treasury advances	0.0	90.7	46.6	21.4	...	
Loans	-181.0	72.5	110.7	-152.8	...	
<i>Current loans</i>	<i>41.5</i>	<i>-52.4</i>	<i>18.2</i>	...	...
<i>Other loans</i>	<i>-222.5</i>	<i>124.9</i>	<i>92.5</i>	...	...
Prov.for end-of-serv. indemn.	-0.9	-0.7	-0.8	-1.1	...	
Surplus (+), deficit(-)	-85.0	-182.6	22.9	-127.4	...	
Adjustment	-3.0	3.5	3.8	-1.2	...	
Total	-286.4	14.2	167.1	-222.3	...	

VIII. Administration (continued)

Table VIII.6. National Social Security Fund accounts

billion LBP

Operation	2005	2006	2007	2008	2009	2010
<i>Contributions</i>						
Health & Maternity	368.9	340.3	401.9	392.3	481.8	477.8
Family Allowances	223.9	198.8	230.4	218.7	273.6	275.4
End of service indemnity	353.7	362.3	417.2	431.1	551.1	586.6
Total contributions	946.4	901.3	1 049.1	1 025.1	1 306.5	1 339.7
Other receipts	362.7	420.0	490.9	360.1	684.3	506.1
<i>Expenses</i>						
Allocation:						
Health & maternity allow.	439.0	450.9	535.5	492.0	548.4	586.9
Family allowances	220.9	230.5	224.2	241.3	244.9	262.1
End of service indemnity	140.8	147.3	178.9	151.9	226.2	234.4
Total allowances paid	800.7	828.8	938.6	885.3	1 019.5	1 083.4
Administrative costs	94.5	97.4	103.2	104.7	108.2	106.6

Source: NSSF

VIII.7. Administration (continued)

Table VIII.7. Computation of the public administration fixed capital depreciation

Year	Price index n/n-1	GFCF LBP billion	Investments in the last 30 years Current value- billion LBP						
			2005	2006	2007	2008	2009	2010	
2010									
2009	1.014	1 095.0							1 110.4
2008	1.115	996.7					1 126.8		1 126.8
2007	1.083	905.4				1 093.3	1 108.6		1 108.6
2006	1.033	901.4			1 008.4	1 124.4	1 140.1		1 140.1
2005	1.027	871.9		925.0	1 001.8	1 117.0	1 132.6		1 132.6
2004	1.030	949.8	1 004.7	1 037.9	1 124.0	1 253.3	1 270.8		1 270.8
2003	1.017	739.1	795.1	821.4	889.5	991.8	1 005.7		1 005.7
2002	0.995	901.5	964.9	996.8	1 079.5	1 203.7	1 220.5		1 220.5
2001	0.958	1 060.0	1 087.0	1 122.8	1 216.0	1 355.9	1 374.8		1 374.8
2000	0.975	1 153.4	1 153.2	1 191.2	1 290.1	1 438.5	1 458.6		1 458.6
1999	0.979	884.4	865.6	894.2	968.4	1 079.8	1 094.9		1 094.9
1998	1.019	1 610.1	1 605.9	1 658.9	1 796.6	2 003.2	2 031.3		2 031.3
1997	1.000	1 531.4	1 527.5	1 577.9	1 708.9	1 905.4	1 932.1		1 932.1
1996	1.000	1 161.3	1 158.3	1 196.5	1 295.8	1 444.9	1 465.1		1 465.1
1995	1.200	1 041.6	1 246.7	1 287.8	1 394.7	1 555.1	1 576.9		1 576.9
1994	1.250	652.1	975.6	1 007.7	1 091.4	1 216.9	1 233.9		1 233.9
1993	1.695	609.0	1 544.3	1 595.3	1 727.7	1 926.4	1 953.3		1 953.3
1992	1.000	329.7	836.1	863.6	935.3	1 042.9	1 057.5		1 057.5
1991	1.573	169.1	674.5	696.7	754.5	841.3	853.1		853.1
1990	1.667	34.8	231.1	238.7	258.5	288.3	292.3		292.3
1989	3.000	34.3	684.9	707.5	766.3	854.4	866.3		866.3
1988	1.000	21.0	418.9	432.7	468.7	522.6	529.9		529.9
1987	2.344	10.5	490.9	507.1	549.2	612.4	620.9		620.9
1986	2.370	1.3	146.1	151.0	163.5	182.3	184.8		184.8
1985	1.831	2.0	407.0	420.5	455.4	507.7	514.8		514.8
1984	1.180	2.5	594.9	614.5	665.5	742.1	752.5		752.5
1983	1.136	2.2	586.6	606.0	656.3	731.7	742.0		742.0
1982	1.189	1.2	389.4	402.2	435.6	485.7	492.5		492.5
1981	1.156	1.6	589.9	609.3	659.9	735.8	746.1		746.1
1980	1.185	1.2	517.6	534.7	579.0	645.6	654.7		654.7
1979	1.205	0.9	492.9	509.2	551.4	614.8	623.4		
1978	1.349	0.7	499.3	515.8	558.6	622.9			
1977	1.203	0.3	260.2	268.8	291.1				
1976	1.113	0.0	22.2	22.9					
1975	1.000	0.2	225.9						
Capital actualised value			21 997.2	23 414.8	26 341.8	30 139.9	31 057.1	31 544.0	
Depreciation (1/30)			733.2	780.5	878.1	1 004.7	1 035.2	1 051.5	

IX. Finances

Table IX.1. Evolution of the monetary situation

end of year, billion LBP

Components & counterparts	2005	2006	2007	2008	2009	2010
Money LBP	24 465	23 477	24 831	37 325	51 489	59 402
Deposits in forgn. currency	49 893	56 678	65 279	66 099	72 229	79 293
Securities	88	89	87	82	13	215
Total: Money supply	74 446	80 244	90 197	103 506	123 732	138 910
Net foreign assets	24 311	30 371	36 394	42 169	57 121	66 536
<i>Gold</i>	7 140	8 755	11 517	12 108	15 169	19 613
<i>Currency</i>	17 171	21 616	24 877	30 061	41 953	46 923
Net claims on pub. sector	35 666	40 584	40 917	42 845	47 492	48 878
<i>In Lebanese Pounds</i>	21 636	24 493	24 222	27 237	30 057	31 252
<i>In Currency</i>	14 030	16 091	16 695	15 608	17 435	17 626
Net claims on priv. sector	25 246	23 841	27 736	33 482	38 447	47 829
<i>In Lebanese Pounds</i>	4 850	3 980	4 474	5 356	7 163	10 731
<i>In Currency</i>	20 396	19 861	23 262	28 127	31 284	37 098
Exchg. rate loss or profit	-1 392	-3 125	-3 041	-3 602	6 761	-11 170
Other net components	-9 385	-11 426	-11 810	-11 389	12 568	-13 163
Total	74 446	80 244	90 197	103 506	123 732	138 910

Source: Central Bank of Lebanon

Table IX.2. Supply of banking credits by sector

end of year, billion LBP

Sector	2005	2006	2007	2008	2009	2010
Agriculture	344	328	362	426	421	554
Industry	4 027	4 058	4 650	5 403	5 629	6 564
Construction	4 206	4 317	4 757	6 502	7 295	9 494
Trade	7 994	8 061	8 952	9 966	10 443	12 419
Services	3 543	4 325	6 000	7 301	7 735	8 627
Financial institutions	1 131	1 385	1 870	3 105	3 878	4 927
Other organizations	1 172	1 187	1 377	1 683	1 606	2 036
Individuals	4 728	5 613	6 770	7 707	10 577	13 723
Total	27 145	29 275	34 737	42 092	47 584	58 344

Source: Central Bank of Lebanon

X. Rest of the world

Table X.1. Evolution of imports by production branch

billion LBP

Activity	2005	2006	2007	2008	2009	2010
1. Agriculture and fishing	854	842	1 135	1 390	1 425	1 669
<i>11. Products of agriculture</i>	<i>565</i>	<i>539</i>	<i>823</i>	<i>1 042</i>	<i>920</i>	<i>1 050</i>
111. Cereals	201	192	337	475	365	404
112. Fruits	89	86	105	128	151	163
113. Industrial crops	133	105	158	193	185	219
114. Vegetables and others	139	152	218	241	214	259
115. Products of forest	3	4	5	5	5	5
<i>12. Livestock products</i>	<i>289</i>	<i>303</i>	<i>312</i>	<i>348</i>	<i>504</i>	<i>619</i>
121. Live animals	223	236	232	255	389	490
122. Livestock production	5	6	9	10	11	17
123. Fishery products	61	61	71	82	104	112
2. Energy and water	3 232	3 531	3 920	6 120	4 849	5 798
<i>21. Fuels</i>	<i>3 232</i>	<i>3 531</i>	<i>3 920</i>	<i>6 120</i>	<i>4 849</i>	<i>5 798</i>
211. Solid fuels	20	16	53	102	68	77
212. Oil products	3 212	3 515	3 867	6 018	4 781	5 721
3. Manufactured goods	9 991	9 791	12 755	16 813	18 201	19 935
<i>31. Manufactured tobacco</i>	<i>183</i>	<i>159</i>	<i>199</i>	<i>239</i>	<i>275</i>	<i>337</i>
<i>32. Food industry</i>	<i>1 108</i>	<i>1 164</i>	<i>1 577</i>	<i>1 813</i>	<i>2 025</i>	<i>2 292</i>
321. Fresh meats	92	111	128	204	264	294
322. Food preserves	144	148	192	210	204	233
323. Dairy products	259	251	303	325	365	399
324. Fats and oils	149	167	225	277	270	270
325. Pasta products	123	133	162	210	250	286
326. Sugar, chocolate & sweets	151	157	208	214	259	333
327. Alcoholic beverages	55	49	65	86	101	128
328. Non alcoholic beverages	9	19	140	101	108	128
329. Other food products	126	129	153	186	203	221
<i>33. Textile and leather prod.</i>	<i>891</i>	<i>863</i>	<i>962</i>	<i>1 205</i>	<i>1 321</i>	<i>1 349</i>
331. Threads and fabrics	203	172	197	240	243	223
332. Clothing	439	441	469	592	663	693
333. Knitted or croch. fabrics	29	29	42	46	41	40
334. Footwear	88	96	110	138	165	186
335. Jute, hemp.& rope prod.	3	3	4	4	4	5
336. Leather and fur skin	10	12	11	13	14	13
337. Leather articles	36	36	44	59	67	78
338. Carpet	33	25	29	43	48	38
339. Other textiles	50	49	57	70	77	73

X. Rest of the world (continued)

Table X.1. Evolution of imports by production branch (continued)

billion LBP

Activity	2005	2006	2007	2008	2009	2010
34. Non metallic mineral prod.	515	468	695	1 126	1 028	1 230
341. Stones and sand	79	68	82	107	118	161
342. Non metallic ores	233	220	355	673	531	609
343. Cement and lime	0	0	0	0	0	1
344. Cement products	7	7	12	16	19	25
345. Ceramic products	108	98	122	187	218	274
346. Glasses and glassware	88	75	123	143	142	160
35. Metal, machines & equip.	4 369	4 148	5 569	7 966	8 905	9 438
351. Metal ores	4	9	2	0	5	3
352. Metals	1 202	949	1 470	2 286	1 805	2 595
353. Metal products	266	262	324	425	450	534
354. Aluminium products	62	75	122	127	87	112
355. Machines & equipment	790	840	959	1 201	1 331	1 511
356. Electrical appliances	752	702	921	1 176	1 348	1 316
357. Means of transport	1 293	1 310	1 771	2 751	3 879	3 367
36. Wood, rubber & chemicals	2 282	2 355	3 055	3 577	3 619	4 123
362. Wood prod. exc. furniture	199	186	259	326	323	329
363. Paper and paper products	324	304	428	466	430	502
364. Basic chemical products	491	480	643	777	700	838
365. Various chemical products	1 051	1 161	1 432	1 668	1 784	2 021
366. Rubber	89	96	132	144	175	184
367. Plastics	127	128	161	196	207	249
37. Furniture	101	99	110	157	215	220
371. Metal pieces of furniture	34	33	35	52	73	72
372. Non metallic furniture	67	66	75	105	143	148
38. Other industrial products	542	535	588	730	813	946
381. Publishing products	78	66	73	99	109	155
382. Instruments of precision	263	298	311	370	412	470
383. Jewellery	85	68	76	111	128	144
384. Toys, music instruments	65	56	72	89	96	107
385. Other products	51	47	56	61	67	70
0. Non classified	8	6	6	8	18	11
Grand total	14 085	14 172	17 817	24 334	24 492	27 413

X. Rest of the world (continued)

Table X.2. Imports by country of origin

billion LBP

Country	2005	2006	2007	2008	2009	2010
United States of America	826	1 532	1 718	2 789	2 660	2 878
France	1 189	1 148	1 332	2 013	2 368	1 802
China	1 108	1 133	1 535	2 098	2 171	2 470
Italy	1 471	1 070	1 597	1 672	1 847	2 101
Germany	991	995	1 131	1 549	1 866	1 899
United Kingdom	487	613	678	688	736	794
Egypt	458	572	790	691	634	648
Kingdom of Saudi Arabia	496	447	426	437	467	613
Japan	463	430	595	935	1 011	938
Russian Federation	768	393	531	759	627	764
Turkey	301	389	611	1 053	985	1 031
Brazil	241	342	434	480	546	402
Switzerland	637	320	525	929	613	842
Kuwait	157	280	407	737	438	536
Syria	296	268	311	408	352	511
Romania	264	243	194	405	284	350
Belgium	264	232	275	398	389	371
Netherlands	229	226	228	253	369	363
Spain	253	225	323	418	387	462
Korea	170	200	217	361	500	446
United Arab Emirates	206	199	329	492	394	557
India	210	178	266	334	479	446
Sweden	73	66	75	94	137	128
Greece	147	172	216	161	154	374
Malaysia						232
Thailand	126	138	193	244	276	291
Ukraine	200	115	181	389	332	510
Bulgaria	96	115	115	183	69	165
Georgia						207
Jordan	97	101	124	164	286	343
Taiwan	105	99	128	157	128	243
Argentina						145
Denmark						138
Austria						124
Belarus						200
Other countries	1 717	1 750	2 223	2 668	2 874	2 765
Grand total	14 085	14 172	17 818	24 334	24 492	27 089

Source: General Directorate of Customs

X. Rest of the world (continued)

Table X.3. Exports

billion LBP

Nature of exported product	2005	2006	2007	2008	2009	2010
Animal and agricult. products	129	138	177	221	203	258
Other products	2 706	3 304	3 070	5 025	5 051	6 155
Total	2 835	3 442	3 247	5 246	5 254	6 413

Source: General Directorate of Customs

Table X.4. Changes in re-exports and transit

billion LBP

	2005	2006	2007	2008	2009	2010
Re-exports	211	162	283	279	217	230
Transit	300	212	251	512	647	585
Total	511	374	534	791	864	815

Source: General Directorate of Customs

XI. Prices

Table XI.1. Consumer price index (official)

Type of expense	<i>Base December 1998=100</i>		<i>Base December 2007=100</i>			
	Weight (%)	Dec. 2007	Weight (%)	Dec. 2008	Dec. 2009	Dec. 2010
Food and tobacco	34.6	125.6			116.3	123.5
Food & non-alcoholic beverages			19.9	118.2	117.2	125.1
Alcoholic beverages, tobacco			2.1	100.1	107.8	108.6
Clothing and footwear	6.3	127.6	6.2	104.9	94.2	113.4
Rents (housing)	1.6	...	16.2	104.8	111.2	111.2
Water, electricity & gas	7.2	147.0	9.5	91.4	98.5	106.4
Equipment& maintenance housing	7.9	105.7	3.9	107.0	107.3	108.2
Health	8.8	106.6	6.8	104.4	106.6	103.9
Transport and communication	11.3	153.8				
Transport			12.3	101.1	86.4	124.6
Communication			4.8	99.5	103.6	86.3
Education	13.4	100.6	7.7	104.1	114.1	121.7
Leisure	5.4	110.0				105.8
Recreation, amusement & culture			7.7	100.8	103.6	
Restaurants & hotels			2.7	125.3	129.8	138.0
Personal care and other	3.5	157.4	4.2	105.0	104.9	107.0
Total	100.0	124.1	100.0	105.5	109.1	114.1

Source: Central Administration of Statistics

XI. Prices (continued)

Table XI.2. Index of unit values of imported goods by production branch

Index of the year compared to previous year

Branch	2006/05	2007/06	2008/07	2009/08	2010/09
<i>11. Products of agriculture</i>	<i>1.046</i>	<i>1.213</i>	<i>1.251</i>	<i>0.787</i>	<i>1.102</i>
111. Cereals	1.140	1.459	1.331	0.682	1.161
112. Fruits	0.907	1.040	1.121	0.934	1.099
113. Industrial crops	1.046	1.094	1.297	0.847	1.096
114. Vegetables and others	1.034	1.112	1.158	0.864	1.028
115. Products of forest	0.845	0.831	0.995	0.860	1.019
<i>12. Livestock products</i>	<i>0.990</i>	<i>1.115</i>	<i>1.270</i>	<i>0.961</i>	<i>1.170</i>
121. Live animals	0.989	1.133	1.407	0.969	1.204
122. Livestock production	0.878	0.993	1.030	1.025	1.029
123. Fishery products	1.010	1.078	0.998	0.927	1.059
<i>21. Fuels</i>	<i>1.164</i>	<i>1.127</i>	<i>1.325</i>	<i>0.623</i>	<i>1.253</i>
211. Solid fuels	0.953	1.255	1.508	1.094	0.730
212. Oil products	1.166	1.125	1.322	0.619	1.265
<i>31. Manufactured tobacco</i>	<i>1.006</i>	<i>0.996</i>	<i>0.935</i>	<i>1.022</i>	<i>1.116</i>
<i>32. Food industry prod.</i>	<i>1.028</i>	<i>1.110</i>	<i>1.158</i>	<i>0.934</i>	<i>1.075</i>
321. Fresh meats	1.058	1.091	1.375	0.900	1.242
322. Food preserves	1.023	1.095	1.114	0.966	0.999
323. Dairy products	0.976	1.196	1.226	0.887	1.090
324. Fats and oils	0.997	1.149	1.375	0.805	1.022
325. Pasta products	1.029	1.106	1.105	1.005	0.997
326. Sugar, chocolate & sweets	1.156	1.042	1.083	1.094	1.168
327. Alcoholic beverages	1.003	1.071	1.046	1.004	0.955
328. Non alcoholic beverages	0.921	1.158	0.843	0.905	1.042
329. Other food products	1.045	1.020	1.075	0.968	1.026
<i>33. Textile and leather prod.</i>	<i>0.951</i>	<i>1.052</i>	<i>1.004</i>	<i>0.967</i>	<i>1.036</i>
331. Threads and fabrics	1.019	1.016	1.033	0.904	0.998
332. Clothing	0.927	1.124	0.987	0.991	1.041
333. Knitted or croch. fabrics	0.914	0.958	1.040	0.977	0.963
334. Footwear	0.879	0.964	1.022	1.000	1.139
335. Jute, hemp. & rope prod.	0.995	1.046	1.034	0.845	1.007
336. Leather and fur skin	0.935	0.889	0.892	1.103	1.110
337. Leather articles	1.006	1.045	1.062	0.978	1.116
338. Carpet	1.042	0.960	1.056	0.995	0.882
339. Other textiles	1.054	0.992	0.946	0.880	0.954

XI. Prices (continued)

Table XI.2. Index of unit values of imported goods by production branch (continued)

Index of the year compared to previous year

Branch	2006/05	2007/06	2008/07	2009/08	2010/09
34. Non metallic mineral prod.	1.004	1.060	1.211	0.994	1.009
341. Stones and sand	1.005	1.073	1.033	0.922	0.996
342. Non metallic ores	1.011	1.072	1.354	1.033	1.010
343. Cement and lime	1.191	1.077	0.962	1.069	0.586
344. Cement products	1.057	1.056	1.108	0.863	1.004
345. Ceramic products	0.992	1.061	1.040	0.984	1.010
346. Glasses and glassware	0.997	1.016	1.063	0.952	1.025
35. Metals, machines & equip.	1.040	1.041	1.062	0.915	1.051
351. Metal ores	1.005	1.147	1.006	0.861	1.485
352. Metals	1.166	1.164	1.208	0.818	1.139
353. Metal products	0.984	1.044	1.072	0.931	1.005
354. Aluminium products	1.144	1.069	1.009	0.777	1.072
355. Machines & equipment	0.991	0.981	1.025	0.907	0.986
356. Electrical appliances	1.029	1.039	1.005	0.950	1.009
357. Means of transport	1.005	0.986	1.002	0.961	1.042
36. Wood, rubber & chemicals	1.018	1.064	1.114	0.899	1.019
362. Wood prod. exc. furniture	1.039	1.122	1.084	0.873	1.050
363. Paper and paper products	1.011	1.081	1.122	0.839	1.103
364. Basic chemical products	1.032	1.087	1.111	0.799	1.087
365. Various chemical products	1.008	1.048	1.114	0.961	0.963
366. Rubber	1.084	1.032	1.114	1.011	1.087
367. Plastics	1.000	1.009	1.169	0.871	1.045
37. Furniture	0.912	1.020	1.062	1.058	1.014
371. Metal pieces of furniture	0.873	1.049	0.986	1.069	0.967
372. Non metallic furniture	0.932	1.007	1.104	1.053	1.039
38. Other industrial products	1.002	1.033	1.012	0.965	0.954
381. Publishing products	0.958	0.988	0.986	1.024	0.807
382. Instruments of precision	0.962	1.008	1.006	0.952	0.966
383. Jewellery	1.209	1.173	1.058	0.986	1.062
384. Toys, music instruments	1.044	1.036	1.053	0.970	0.999
385. Other products	1.033	1.071	0.961	0.912	0.994
Grand total	1.052	1.078	1.143	0.841	1.082

XI. Prices (continued)

Table XI.3. Index of exchange rates

Index of the year compared to the previous year

Country	2006/05	2007/06	2008/07	2009/08	2010/09
United States of America	1.000	1.000	1.000	1.000	1.000
France	1.012	1.090	1.075	0.947	0.953
China	1.027	1.050	1.087	1.016	1.009
Italy	1.012	1.090	1.075	0.947	0.953
Germany	1.012	1.090	1.075	0.947	0.953
United Kingdom	0.999	1.086	0.927	0.844	0.988
Egypt	1.008	1.017	1.037	0.978	0.987
Kingdom of Saudi Arabia	1.000	1.000	0.998	1.000	1.000
Japan	0.948	0.988	1.139	1.103	0.063
Russian Federation	1.040	1.065	1.025	0.783	1.042
Turkey	0.940	1.102	1.000	0.831	1.031
Brazil	1.113	1.123	1.072	0.910	1.124
Switzerland	0.996	1.043	1.111	0.996	1.042
Kuwait	1.006	1.021	1.057	0.933	1.006
Syria	1.000	1.000	1.029	1.008	1.001
Romania	1.036	1.155	0.968	1.002	0.959
Belgium	1.012	1.090	1.075	0.947	0.953
Netherlands	1.012	1.090	1.075	0.947	0.953
Spain	1.012	1.090	1.075	0.947	0.953
Korea	1.072	1.029	0.852	1.000	1.098
United Arab Emirates	1.000	1.000	0.999	1.000	1.000
India	0.973	1.098	0.946	0.995	1.063
Sweden	1.010	1.093	1.029	1.000	1.058
Greece	1.012	1.090	1.075	0.947	0.953
Malaysia					1.059
Thailand	1.061	1.178	0.974	1.003	1.084
Ukraine	1.014	1.002	0.960	1.013	1.011
Bulgaria	1.008	1.093	1.065	1.001	0.953
Georgia					0.938
Jordan	0.100	1.000	0.999	0.999	1.000
Taiwan	0.987	0.992	1.036	1.003	1.049
Argentina					0.953
Denmark					0.953
Austria					0.953
Belarus					0.932
Total	1.003	1.058	1.043	0.966	0.964

XI. Prices (continued)

Table XI. 3. Index of exchange rates (continued)

Country	<i>Weighing coefficients</i>					<i>in(%)</i>
	2006/05	2007/06	2008/07	2009/08	2010/09	
United States of America	10.8	9.6	9.6	10.9	10.6	
France	8.1	7.5	7.4	9.7	6.6	
China	8.0	8.6	8.6	8.9	9.1	
Italy	7.6	9.0	9.0	7.5	7.7	
Germany	7.0	6.3	6.3	7.6	7.0	
United Kingdom	4.3	3.8	3.8	3.0	2.9	
Egypt	4.0	4.4	4.0	2.6	2.3	
Kingdom of Saudi Arabia	3.2	2.4	2.3	1.9	2.2	
Japan	3.0	3.3	3.3	4.1	3.5	
Russian Federation	2.8	3.0	3.0	2.6	2.8	
Turkey	2.7	3.4	3.4	4.0	3.8	
Brazil	2.4	2.4	2.4	2.2	1.5	
Switzerland	2.3	2.9	2.9	2.5	3.1	
Kuwait	2.0	2.3	2.2	1.8	1.9	
Syria	1.9	1.7	1.7	1.4	1.8	
Romania	1.7	1.1	1.0	1.2	1.3	
Belgium	1.6	1.5	1.5	1.6	1.4	
Netherlands	1.6	1.3	1.2	1.5	1.3	
Spain	1.6	1.8	1.8	1.6	1.7	
Korea	1.4	1.2	1.4	2.0	1.6	
United Arab Emirates	1.4	1.8	1.8	1.6	2.0	
India	1.3	1.5	1.4	2.0	1.7	
Sweden	0.5	0.4	0.4	0.6	0.5	
Greece	1.2	1.2	1.2	0.6	1.4	
Malaysia					0.9	
Thailand	1.0	1.1	1.0	1.1	1.1	
Ukraine	0.8	1.0	1.0	1.4	1.9	
Bulgaria	0.8	0.6	0.6	0.3	0.6	
Georgia					0.8	
Jordan	0.7	0.7	0.6	1.2	1.3	
Taiwan	0.7	0.7	0.7	0.5	0.9	
Argentina					0.5	
Denmark					0.5	
Austria					0.5	
Belarus					0.7	
Total	88.1	87.1	86.0	88.3	89.4	

