

Section 4

FISCAL SECTOR

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Table (10): Summary of Government Fiscal Operations

(LE Million)

| | 2013/14 | | 2014/15 | | 2015/16 | | 2016/17 | 2017/18 ^{1/} | 2018/19 ^{2/} |
|---|---------------|--------------------|-----------------------------|--------------------|-----------------------------|--------------------|----------------------|-----------------------|-----------------------|
| | Actual | | Actual | | Actual | | Actual | Budget | Budget |
| | Budget Sector | General Government | Budget ^{3/} Sector | General Government | Budget ^{3/} Sector | General Government | Budget Sector | Budget Sector | Budget Sector |
| Total Revenues | 456,788 | 519,449 | 465,241 | 538,378 | 491,488 | 549,080 | 659,184 | 834,622 | 989,188 |
| Tax Revenues | 260,289 | 260289 | 305,957 | 305957 | 352,315 | 352,315 | 462,007 | 603,918 | 770,280 |
| Grants | 95,856 | 95856 | 25,437 | 25437 | 3,543 | 3,543 | 17,683 ^{8/} | 1,143 | 1,141 |
| Other Revenues | 100,642 | 163304 | 133,847 | 206984 | 135,630 | 193,222 | 179,494 | 229,561 | 217,767 |
| Total Expenditures | 701,514 | 759,847 | 733,350 | 805,929 | 817,844 | 886,774 | 1,031,941 | 1,207,138 | 1,424,020 |
| W ages and Salaries | 178,589 | 180829 | 198,468 | 200933 | 213,721 | 216,153 | 225,513 | 239,955 | 270,090 |
| Purchases of Goods and Services | 27,247 | 27556 | 31,276 | 31580 | 35,662 | 35,936 | 42,450.1 | 52,065 | 60,124 |
| Interest Payments | 173,150 | 159330 | 193,008 | 179035 | 243,635 | 225,195 | 316,602 | 380,986 | 541,305 |
| Subsidies, Grants and Social benefits | 228,579 | 298002 | 198,569 | 282116 | 201,024 | 285,544 | 276,719 | 332,727 | 328,291 |
| Other Expenditures | 41,068 | 41209 | 50,279 | 50348 | 54,551 | 54,580 | 61,517 | 65,972 | 75,699 |
| Purchases of Non-Financial assets | 52,882 | 52921 | 61,750 | 61917 | 69,250 | 69,365 | 109,141 | 135,431 | 148,512 |
| Cash Deficit ^{5/} | 244,727 | 240,399 | 268,109 | 267551 | 326,356 | 337,694 | 372,757 | 372,516 | 434,832 |
| Net Acquisition of Financial assets | 10,713 | 14317 | 11,321 | 16763 | 13,139 | 32,655 | 6,833 | -1,408 | 3,762 |
| Overall Fiscal Deficit | 255,439 | 254,716 | 279,430 | 284,314 | 339,495 | 370,349 | 379,590 | 371,108 | 438,594 |
| Memorandum items: | | | | | | | | | |
| Overall Deficit/ GDP (%) ^{6/} | 12.0 | 12.0 | 11.4 | 11.6 | 12.5 | 13.7 | 10.9 | 9.0 | 8.4 |
| Primary Balance/ GDP (%) ^{6/} | -3.9 | -4.5 | -3.5 | -4.3 | -3.5 | -5.4 | -1.8 | 0.2 | 2.0 |
| Revenues/ GDP (%) ^{6/} | 21.4 | 24.4 | 19.0 | 22.0 | 18.1 | 20.3 | 19.0 | 20.3 | 18.8 |
| Expenditure/ GDP (%) ^{6/} | 32.9 | 35.7 | 30.0 | 33.0 | 30.2 | 32.7 | 29.7 | 29.4 | 27.1 |

Source: Ministry of Finance.

1/ Data reflects budget figures in light of Decree

Number 145 for the year 2017

2/ Data reflects budget figures in light of Decree Number 100 for the year 2018.

3/ Covers Central Administration and Local Governments, and Public Services Authorities.

4/ Includes consolidated operations for the Budget sector, National Investment Bank (NIB), and Social Insurance Funds (SIF). Data prepared on consolidated basis; excluding financial interrelations between the three bodies.

5/ Overall deficit excluding net acquisition of financial assets.

6/ GDP estimate for FY17/18 has been revised recently to reach LE 4440.6 billion instead of 4286.5 billion. Meanwhile GDP projections for FY18/19 are estimated to reach LE 5250.9 billion as per the Ministry of Finance Calculations.

7/ Ministry of finance has published for the first time the general government's performance data for the fiscal year14/15, and that is after auditing the data with the concerned entities that are included within the general government scope.

8/ The increase in grants is mainly due to Capital Grants received from United Arab Emirates (UAE) to finance investments during FY16/17.

FISCAL SECTOR

Table (11) Budget Sector : Summary of Main Budget Operations^{1/ 2/}

(LE Millions)

| | Budget | | Actuals | | | | | | |
|--|-----------------------|-----------------------|----------------|----------------|----------------------|----------------|----------------------|--------------------|--------------------|
| | 2018/19 ^{3/} | 2017/18 ^{4/} | 2012/13 | 2013/14 | 2014/15 | 2015/16 | 2016/17 | 2017/18 Jul-Oct | 2018/19 Jul-Oct |
| Total Revenues | 989,187 | 834,622 | 350,322 | 456,788 | 465,241 | 491,488 | 659,184 | 179,156 | 240,448 |
| Tax Revenues | 770,280 | 603,918 | 251,119 | 260,289 | 305,957 | 352,315 | 462,007 | 139,578 | 189,218 |
| Income Tax | 253,197 | 209,398 | 117,762 | 120,925 | 129,818 | 144,743 | 166,897 | 37,855 | 52,426 |
| Property Taxes | 72,018 | 50,285 | 16,453 | 18,761 | 21,107 | 27,990 | 36,539 | 14,076 | 20,840 |
| Taxes on Goods and Services | 368,873 | 291,055 | 92,924 | 91,867 | 122,930 | 140,525 | 208,624 | 76,227 | 102,856 |
| Taxes on International Trade | 45,328 | 36,414 | 16,771 | 17,673 | 21,867 | 28,091 | 34,255 | 8,887 | 13,096 |
| Other Taxes | 30,864 | 16,766 | 7,208 | 11,062 | 10,235 ^{5/} | 10,966 | 15,691 | 2,533 | 0 ^{9/} |
| Non-Tax Revenue | 218,908 | 230,704 | 99,203 | 196,499 | 159,284 | 139,173 | 197,177 | 39,578 | 51,230 |
| Grants | 1,141 | 1,143 | 5,208 | 95,856 | 25,437 | 3,543 | 17,683 ^{8/} | 28 | 323 |
| From Foreign Governments | 750 | 803 | 4,820 | 95,497 | 24,942 | 3,236 | 17,040 | 19 | 270 |
| From International Organizations | 331 | 258 | 112 | 150 | 302 | 169 | 354 | 1 | 19 |
| Other | 59 | 82 | 275 | 210 | 194 | 137 | 289 | 8 | 34 |
| Other Revenues | 217,767 | 229,561 | 93,996 | 100,642 | 133,847 | 135,630 | 179,494 | 39,550 | 50,907 |
| Property Income | 100,726 | 102,287 | 56,494 | 56,990 | 81,463 | 69,452 | 91,141 | 20,370 | 15,116 |
| Proceeds from Sales of Goods and Services | 47,024 | 37,463 | 22,733 | 28,499 | 26,457 | 29,052 | 38,058 | 7,691 | 16,580 |
| Fines, Penalties and Forfeits | 1,426 | 1,296 | 479 | 546 | 842 | 1,381 | 1,968 | 108 | 1,515 |
| Voluntary Transfers | 1,252 | 1,079 | 612 | 1,061 | 901 | 1,455 | 2,956 | 140 | 361 |
| Miscellaneous Revenues | 67,340 | 87,436 | 13,677 | 13,547 | 24,184 | 34,290 | 45,371 | 11,241 | 17,334 |
| Total Expenditures | 1,424,020 | 1,207,138 | 588,188 | 701,514 | 733,350 | 817,844 | 1,031,941 | 300,649 | 373,021 |
| Compensation of Employees | 270,090 | 239,955 | 142,956 | 178,589 | 198,468 | 213,721 | 225,513 | 76,711 | 89,992 |
| Purchases of Goods and Services | 60,124 | 52,065 | 26,652 | 27,247 | 31,276 | 35,662 | 42,450 | 10,201 | 17,645 |
| Interest Payments | 541,305 | 380,986 | 146,995 | 173,150 | 193,008 | 243,635 | 316,602 | 110,542 | 143,269 |
| Subsidies, Grants and Social benefits | 328,291 | 332,727 | 197,093 | 228,579 | 198,569 | 201,024 | 276,719 | 53,822 | 60,833 |
| Other Expenditures | 75,699 | 65,972 | 34,975 | 41,068 | 50,279 | 54,551 | 61,517 | 27,481 | 24,388 |
| Purchases of Non-Financial assets | 148,512 | 135,431 | 39,516 | 52,882 | 61,750 | 69,250 | 109,141 | 21,893 | 36,895 |
| Total Cash Deficit^{6/} | 434,833 | 372,516 | 237,865 | 244,727 | 268,109 | 326,356 | 372,757 | 121,494 | 132,573 |
| Net Acquisition of Financial assets | 3,762 | -1,408 | 1,854 | 10,713 | 11,321 | 13,139 | 6,833 | -88 | 341 |
| Overall Fiscal Deficit | 438,595 | 371,108 | 239,719 | 255,439 | 279,430 | 339,495 | 379,590 | 121,406 | 132,914 |
| Memorandum items: | | | | | | | | | |
| Overall Deficit/ GDP (%) ^{7/} | 8.4 | 9.0 | 12.9 | 12.0 | 11.4 | 12.5 | 10.9 | 2.7 | 2.5 |
| Primary Balance / GDP (%) ^{7/} | 2.0 | 0.2 | -5.0 | -3.9 | -3.5 | -3.5 | -1.8 | -0.2 | 0.20 |
| Revenues/ GDP (%) ^{7/} | 18.8 | 20.3 | 18.8 | 21.4 | 19.0 | 18.1 | 19.0 | 4.0 | 4.6 |
| Expenditure/ GDP (%) ^{7/} | 27.1 | 29.4 | 31.6 | 32.9 | 30.0 | 30.2 | 29.7 | 6.8 | 7.1 |

Source: Ministry of Finance.

1/ Includes Central Administration and Local Governments, and Public Services Authorities.

2/ Based on IMF GFS 2001 (modified to cash basis).

3/ Data reflects budget figures in light of Decree Number 100 for the year 2018.

4/ Data reflects budget figures in light of Decree Number 145 for the year 2017.

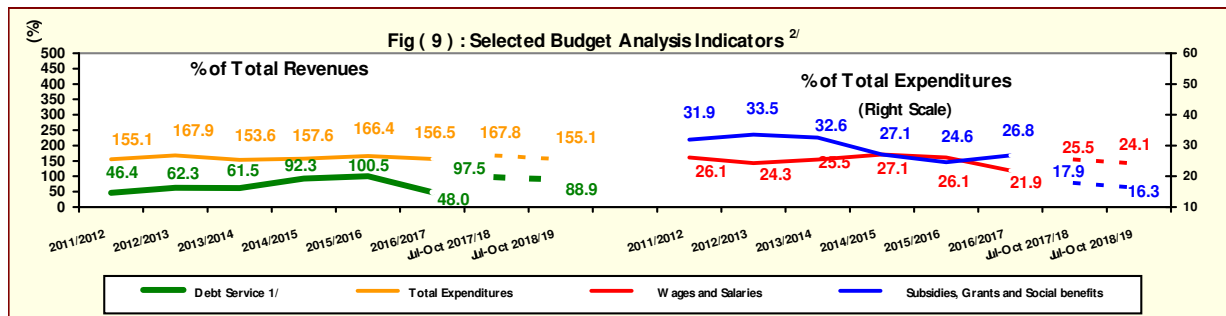
5/ The decrease in non-tax revenues, came on the back of the decline in the exceptional resources from grants during the year of comparison.

6/ Overall deficit excluding net acquisition of financial assets.

7/ GDP estimate for FY17/18 has been revised recently to reach LE 4440.6 billion instead of 4286.5 billion. Meanwhile GDP projections for FY18/19 are estimated to reach LE 5250.9 billion as per the Ministry of Finance Calculations.

8/ The increase in grants is mainly due to Capital Grants received from United Arab Emirates (UAE) to finance investments during FY16/17.

9/ Data doesn't reflect a decline in Other Taxes, as it represents settlements between the CBE and Treasury related to the time of maturities of T-Bills. While, it is expected that receipts from Other Taxes would be collected during the coming period by the end of FY18/19.



Source: Ministry of Finance.

1/ Includes Interest and Principal Payments (excluding arrears).

Table (11) Budget Sector : Summary of Main Budget Operations ^{1/} (continued)

(LE Millions)

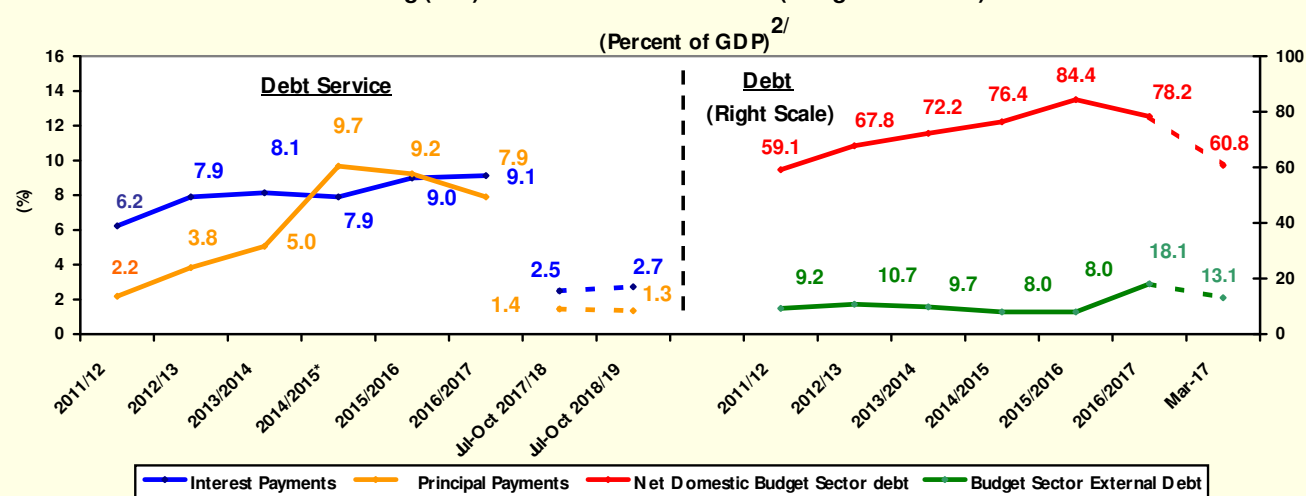
| | Actuals | | | | | | Jul- Sep |
|---|---------|---------|---------|---------|---------|---------|----------|
| | 2009/10 | 2010/11 | 2011/12 | 2012/13 | 2013/14 | 2014/15 | 2016/17 |
| Overall Fiscal Deficit | 98,038 | 134,460 | 166,705 | 239,719 | 255,439 | 279,430 | 76,816 |
| Sources of Finance | 98,038 | 134,460 | 166,705 | 239,719 | 255,439 | 279,430 | 76,816 |
| Net Privatization Proceeds | 425 | 22 | 0 | 12 | -315 | 0 | 0 |
| Domestic Sources | 101,492 | 144,295 | 182,218 | 270,624 | 277,320 | 327,728 | 109,177 |
| Non-Banks | 61,229 | 34,712 | 35,844 | 49,286 | 32,957 | 79,274 | 14,782 |
| Banks | 40,263 | 109,583 | 146,374 | 221,338 | 244,363 | 248,454 | 94,395 |
| Foreign Sources ^{2/} | 2,458 | 5,022 | -9,062 | 20,270 | 4,022 | -25,119 | -1,926 |
| Blocked Accounts Used in Amortization of CBE Bonds | - | - | - | - | - | - | - |
| Payments of Outstanding Arrears | - | - | - | - | - | - | - |
| Other | 347 | 3,553 | -443 | -13,147 | -25,388 | -35,987 | -2,632 |
| Exchange Rate Revaluation | 1,328 | 3,922 | 1,533 | 11,357 | 1,242 | 549 | 0 |
| Difference between T-Bills face value and present value | -227 | -7,419 | -11,376 | -6,791 | -1,051 | -9,540 | -8,351 |
| Undistributed | -7,785 | -14,935 | 3,835 | -42,606 | -391 | 21,799 | -19,452 |

Source: Ministry of Finance.

1/ Based on IMF GFS 2001 (modified to cash basis).

2/ Includes reclassified onlent loans that have been redefined as part of Central and Local Government debt instead of Other Sectors' External Debt.

FISCAL SECTOR

Fig (10) : Debt Service Indicators (Budget Sector ^{1/})

Source: Ministry of Finance and Central Bank of Egypt.

1/ Includes Central Administration and Local Governments, and Public Services Authorities.

2/ GDP estimate for FY17/18 has been revised recently to reach LE 4440.6 billion instead of 4286.5 billion. Meanwhile GDP projections for FY18/19 are estimated to reach LE 5250.9 billion as per the Ministry of Finance Calculations.

**Table (12-a) : Revenues Breakdown
(Main Tax Revenues)**

(LE Millions)

| | 2012/13 | 2013/14 | 2014/15 | 2015/16 | 2016/17 | 2017/18 ^{1/} | 2018/19 ^{2/} | 2017/18 Jul-Oct | 2018/19 Jul-Oct |
|--|---------|---------|---------|----------------------|---------------------|-----------------------|-----------------------|--------------------|--------------------|
| | Actuals | | | | | Budget | Budget | | |
| Total Revenues | 350,322 | 456,788 | 465,241 | 491,488 | 659,184 | 834,622 | 989,188 | 179,156 | 240,448 |
| Tax Revenues | 251,119 | 260,289 | 305,957 | 352,315 | 462,007 | 603,918 | 770,280 | 139,578 | 189,218 |
| Taxes on Income, Capital Gains and Profits, of which | 117,762 | 120,925 | 129,818 | 144,743 | 166,897 | 209,398 | 253,197 | 37,855 | 52,426 |
| Taxes on income from employment | 19,708 | 22,252 | 26,801 | 32,031 | 37,964 | 37,354 | 49,900 | 12,443 | 15,798 |
| Taxes on income from activity other than employment | 6,436 | 8,943 | 11,134 | 9,982 | 12,666 | 25,395 | 31,803 | 3,270 | 5,392 |
| Capital Gains Tax | 87 | 218 | 279 | 343 | 384 | 3,703 | 3,292 | 26 | 33 |
| Taxes on Corporate Profits, of which | 91,531 | 89,512 | 91,603 | 102,387 | 115,883 | 142,946 | 168,202 | 22,115 | 31,203 |
| From EGPC | 45,816 | 46,060 | 36,000 | 37,313 | 42,464 | 44,179 | 47,240 | 0 | 0 |
| From CBE | 8,290 | 4,042 | 3,691 | 13,245 | 3,860 ^{4/} | 3,444 | 0 | 0 | 0 |
| From Suez Canal | 12,150 | 14,312 | 13,400 | 14,903 ^{3/} | 22,300 | 30,150 | 34,071 | 8,600 | 12,770 |
| From other companies | 25,275 | 25,099 | 38,512 | 36,926 | 47,259 | 65,173 | 86,891 | 13,515 | 18,433 |
| Taxes on Property | 16,453 | 18,761 | 21,107 | 27,990 | 36,539 | 50,285 | 72,018 | 14,076 | 20,840 |
| Recurrent Tax on Immovable Property | 531 | 428 | 637 | 1,172 | 2,055 | 3,906 | 5,481 | 871 | 2049 |
| Lands | 185 | 184 | 186 | 203 | 223 | 256 | 281 | 50 | 73 |
| Buildings | 346 | 244 | 451 | 969 | 1,832 | 3,650 | 5,200 | 821 | 1976 |
| Taxes on Financial and Capital transactions, of which | 13,905 | 16,055 | 17,629 | 24,071 | 31,997 | 40,338 | 60,887 | 12,559 | 16,766 |
| Tax on T-bills and bonds' payable interest | 13168 | 15256 | 16682 | 23069 | 30864 | 39,133 | 59,570 | 12,265 | 16,451 |
| Taxes and Fees on Cars | 2,017 | 2,279 | 2,841 | 2,747 | 2,487 | 6,041 | 5,650 | 645 | 2,026 |
| Taxes on Goods and Services, of which | 92,924 | 91,867 | 122,930 | 140,525 | 208,624 | 291,055 | 368,873 | 76,227 | 102,856 |
| General Sales Tax on Goods | 39,496 | 42,974 | 53,425 | 57,454 | 94,384 | 135,708 | 178,148 | 37,281 | 48,652 |
| Domestic | 14,038 | 14,577 | 18,415 | 21,102 | 32,690 | 49,900 | 59,194 | 12,628 | 16,064 |
| Imported | 25,458 | 28,398 | 35,010 | 36,352 | 61,694 | 85,808 | 118,954 | 24,652 | 32,588 |
| General Sales Tax on Services | 9,767 | 9,463 | 12,098 | 14,072 | 18,139 | 42,156 | 43,507 | 7,840 | 12,276 |
| Excises on Domestic Commodities (Table 1) | 30,482 | 24,190 | 39,750 | 48,125 | 70,533 | 74,352 | 96,871 | 22,720 | 29,516 |
| Excises on Imports (Table 1) | 49 | 374 | 259 | 396 | 415 | 563 | 1,622 | 372 | 495 |
| Taxes on Specific Services | 1,092 | 1,167 | 1,382 | 2,311 | 1,798 | 2,707 | 3,734 | 662 | 1,188 |
| Stamp tax (excludes stamp tax on salaries) | 5,248 | 6,694 | 7,721 | 9,707 | 11,017 | 18,162 | 22,213 | 4,166 | 4,456 |
| Taxes on International Trade, of which | 16,771 | 17,673 | 21,867 | 28,091 | 34,255 | 36,414 | 45,328 | 8,887 | 13,096 |
| Tax on Valued Customs | 15,626 | 16,935 | 20,955 | 26,933 | 32,777 | 34,744 | 43,633 | 8,335 | 12,520 |
| Other Taxes | 7,208 | 11,062 | 10,235 | 10,966 | 15,691 | 16,766 | 30,864 | 2,533 | 0 ^{5/} |

Source: Ministry of Finance

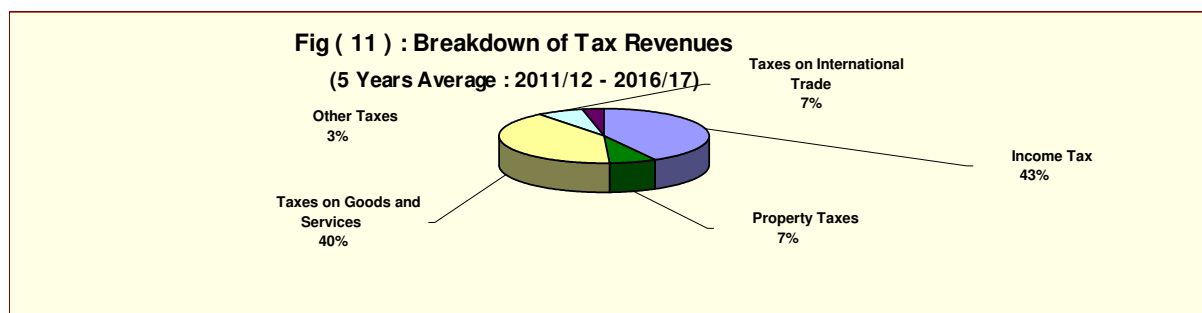
1/ Data reflects budget figures in light of Decree Number 145 for the year 2017.

2/ Data reflects budget figures in light of Decree Number 100 for the year 2018.

3/ The decline in Taxes on Corporate Profits from Other Companies is mainly due to the adoption of additional exceptional taxes during the year of comparison FY 14/15, and which was cancelled during FY 15/16, leading Taxes on Corporate Profits from Other Companies to appear at a lower amount during the year of study compared to last year. This includes a 5 percent additional taxes on the income exceeding LE 1 million. This does not affect Other companies income, as it is expected to record additional revenues during the coming period.

4/ The decline in Taxes on Corporate Profits from CBE is mainly due to the accomodative monetary policy adopted by the CBE to curb inflation since FY16/17, where the increase in interest rates has imposed burdens on CBE profits.

5/ Data doesn't reflect a decline in Other Taxes, as it represents settlements between the CBE and Treasury related to the time of maturities of T-Bills. While, it is expected that receipts from Other Taxes would be collected during the coming period by the end of FY18/19.



Source: Ministry of Finance

**Table (12-b) : Revenues Breakdown
(Non-Tax Revenues)**

(LE Millions)

| | 2012/13 | 2013/14 | 2014/15 | 2015/16 | 2016/17 | 2017/18 ^{2/} | 2018/19 ^{3/} | 2017/18 Jul-Oct | 2018/19 Jul-Oct |
|---|---------------|----------------|------------------------------|------------------------------|------------------------------|-----------------------|-----------------------|--------------------|--------------------|
| | Actuals | | | | | Budget | Budget | | |
| Total Non-Tax revenues | 99,203 | 196,499 | 159,284 ^{1/} | 139,173 | 197,177 ¹ | 230,704 | 218,908 | 39,578 | 51,230 |
| Grants | 5,208 | 95,856 | 25,437 | 3,543 | 17,683 ^{15/} | 1,143 | 1,141 | 28 | 323 |
| From Foreign Governments | 4,820 | 95,497 | 24,942 | 3,236 | 17,040 | 803 | 750 | 19 | 270 |
| From International Organizations | 112 | 150 | 302 | 169 | 354 | 258 | 331 | 1.4 | 19.2 |
| Other ^{4/} | 275 | 210 | 194 | 137 | 289 | 82 | 59 | 7.5 | 33.5 |
| Other Revenues | 93,996 | 100,642 | 133,847 | 135,630 | 179,494 | 229,561 | 217,767 | 39,550 | 50,907 |
| Property Income | 56,494 | 56,990 | 81,463 | 69,452 | 91,141 | 102,287 | 100,726 | 20,370 | 15,116 |
| Interest Income, of which | 837 | 745 | 3,453 | 968 | 4,263 | 3,232 | 3,722 | 739 | 1,632 |
| On lent Loans (included interests on foreign loans re-lent by the treasury) | 698 | 589 | 3,350 | 816 | 4,202 | 3,069 | 3,620 | 737 | 1,630 |
| Dividends, of which | 51,935 | 53,966 | 71,571 | 63,565 | 71,122 | 88,064 | 80,579 | 19,205 | 12,730 |
| EGPC | 18,785 | 21,809 | 25,414 | 7,820 | 5,944 | 28,912 | 25,073 | 200 | 150 |
| CBE | 11,317 | 9,283 | 13,417 | 29,462 | 19,427 | 10,976 | 0 | 5,233 | 0 |
| Suez Canal | 16,375 | 18,084 | 19,214 | 14,755 | 29,381 | 31,423 | 32,960 | 10,700 | 8,800 |
| Economic Authorities | 1,915 | 1,630 | 10,093 | 7,820 | 10,989 | 5,021 | 7,394 | 2,113 | 2,816 |
| Public Enterprise Sector Companies | 2,911 | 2,362 | 2,191 | 2,272 | 2,722 | 8,432 | 6,876 | 77 | 61 |
| Rent, of which | 3,361 | 2,034 | 6,311 | 4,844 | 8,570 | 10,690 | 16,125 | 426 | 398 |
| Royalties on Petroleum | 2,933 | 1,737 | 5,964 | 4,139 | 7,372 | 8,610 | 14,248 | 0 | 0 |
| Other Property Income | 361 | 245 | 128 | 74 | 7,187 ^{14/} | 300 | 300 | 0 | 357 |
| Sales of Goods and Services | 22,733 | 28,499 | 26,457 | 29,052 | 38,058 | 37,463 | 47,024 | 7,691 | 16,580 |
| Service fees, of which | 22,708 | 28,471 | 26,416 | 29,007 | 38,031 | 37,420 | 46,979 | 7,687 | 16,576 |
| Current revenue from special accounts and funds ^{5/6/} | 18,946 | 24,359 | 21,037 | 22,629 | 30,591 | 29,203 | 36,984 | 4,843 | 13,640 |
| Sales of Goods, of which | 25 | 27 | 42 | 45 | 28 | 43 | 45 | 4.6 | 4.2 |
| Revenue from natural gas price reform | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Fines, Penalties and Forfeits | 479 | 546 | 842 | 1,381 | 1,968 | 1,296 | 1,426 | 108 | 1,515 |
| Voluntary Transfers other than grants | 612 | 1,061 | 901 | 1,455 | 2,956 | 1,079 | 1,252 | 140 | 361 |
| Current | 383 | 579 | 379 | 584 | 2,090 | 1,079 | 1,252 | 94 | 272 |
| Capital | 230 | 482 | 523 | 871 | 866 | 0 | 0 | 45.5 | 88.5 |
| Miscellaneous Revenues | 13,677 | 13,547 | 24,184 | 34,290 ^{11/} | 45,371 | 87,436 | 67,340 | 11,241 | 17,334 |
| Current | 6,872 | 7,329 | 9,914 | 18,096 | 18,080 | 12,086 | 19,013 | 6,726 | 6,564 |
| Capital, of which | 6,806 | 6,219 | 14,270 | 16,195 | 27,291 | 75,351 | 48,326 | 4,515 | 10,770 |
| Decrease in Advanced payments ^{7/} | 3,363 | 2,990 | 5,099 | 7,430 | 8,487 | 0 | 0 | 853 | 20 |
| Other capital revenue to finance investments | 2,690 | 2,709 | 4,992 | 7,878 | 17,929 | 44,618 | 37,738 | 3,236 | 10,641 |

Source: Ministry of Finance

1/ The decrease in non-tax revenues, came on the back of the decline in the exceptional resources from grants which were included in the state budget for the year 2014/2015 to reach LE 25.4 billion down from LE 95.9 billion in 2013/2014.

2/ Data reflects budget figures in light of Presidential Decree Number 145 for the year 2017

3/ Data reflects budget figures in light of Decree Number 100 for the year 2018.

4/ Includes grants from Public Entities .

5/ Revenues from special accounts and funds belonging to budget sector entities like public universities, medical centers and research institutes. Such revenues are met by equivalent amounts on the expenditures side.

6/ Includes additional 10 percent of the monthly receipts of the Special Accounts and Funds, in addition to 25 percent of the outstanding balances of those funds were transferred to the Ministry of Finance applied only during 2013/2014 according to law Number 19 for the year 2013.

7/ Reflects allocations to finance investment projects in previous year, which were not used during that year. Such allocations are thus carried forward to the current fiscal year and recorded as self-financing sources of investment under miscellaneous revenues.

8/ The increase in "Other capital revenue to finance investments" represents expected increases in self finances for the social housing program. This increase has similarly corresponding increases on the expenditure side.

9/ The decline in dividends from EGPC is mainly in light of the decline in international petroleum prices

10/ The decline in dividends receipts from Suez canal is partially due to the slowdown in international trade, and China slowed economic growth. In addition, the decline in international oil prices have affected the number of vessels passing through Suez Canal.

11/ The increase in receipts from Miscellaneous revenues is mainly due to the acquirance of 25 percent of the delayed profits with a total amount of LE 1.5 billion, and the increase in resettlements revenues from Lands by LE 4 billion, in addition to the repayment of other tax dues by LE 3.5 billion during the year of study.

12/ The decline in Dividends collected from EGPC is due to the increase in cost budens on EGPC due to the effect of depreciated Egyptian Pound Exchange rate against US Dollars.

13/ The decline in Dividends collected from CBE is mainly due to the accomodative monetary policy adopted by the CBE to curb inflation since FY16/17, where the increase in interest rates has imposed burdens on CBE profits.

14/ The increase in Other Property Income is due to the additional LE 6.6 billion from the sale of 4G liscence.

15/ The increase in grants is mainly due to Capital Grants received from United Arab Emirates (UAE) to finance investments during FY16/17.

16/ The decline in dividends from Suez Canal could be explained in light of the effect of downsized performance of the global economy.

17/ Reflects the indirect cost effect of economic reform program, as it is expected that no dividends would be collected from CBE till end of FY18/19.

FISCAL SECTOR

Table (13): Receipts by Customs Authority ^{1/}
(Based on U.N. Broad Economic Category Classification)

(LE Millions)

| Code | Imports | | | | Customs Revenue 2/ | | | |
|---|----------------|----------------|----------------|----------------|--------------------|---------------|---------------|---------------|
| | 2012/13 | 2013/14 | 2014/15 | 2015/16* # | 2012/13 | 2013/14 | 2014/15 | 2015/16* # |
| Total | 427,993 | 446,187 | 455,776 | 584,025 | 17,011 | 17,579 | 21,694 | 26,037 |
| | (17.9) | (4.3) | (2.1) | (28.1) | (15.0) | (3.3) | (23.4) | (20.0) |
| 111 Primary Foodstuffs (for Industry) | 31,679 | 24,978 | 26,555 | 29,133 | 26 | 24 | 36 | 39 |
| 112 Primary Foodstuffs (for consumption) | 10,331 | 11,388 | 11,611 | 14,274 | 123 | 123 | 209 | 379 |
| 121 Manufactured Foodstuffs (for Industry) | 12,411 | 7,549 | 10,071 | 16,115 | 26 | 23 | 57 | 104 |
| 122 Manufactured Foodstuffs (for consumption) | 18,759 | 15,681 | 24,320 | 31,981 | 506 | 461 | 577 | 708 |
| 21 Primary Industrial Inputs | 31,647 | 26,552 | 25,895 | 28,015 | 138 | 148 | 159 | 281 |
| 22 Primary Manufactured Inputs | 138,555 | 135,699 | 153,799 | 191,779 | 2,378 | 2,460 | 2,774 | 4,164 |
| 31 Fuel and oil (crude) | 23,214 | 48,731 | 18,002 | 11,501 | 0 | 0 | 288 | 0.4 |
| 32 Manufactured Fuels, Oil (Other) | 31,995 | 42,083 | 27,308 | 58,636 | 1,300 | 1,493 | 1,111 | 2,652 |
| 41 equipment | 42,527 | 45,845 | 50,316 | 60,875 | 756 | 811 | 1,020 | 1,318 |
| 42 goods | 20,403 | 22,179 | 24,332 | 27,888 | 516 | 528 | 585 | 674 |
| 51 Passenger motor cars | 9,098 | 7,408 | 16,794 | 25,407 | 2,718 | 3,168 | 3,973 | 4,501 |
| 52 Motor cars (other) | 8,480 | 7,083 | 9,991 | 16,922 | 732 | 807 | 1068 | 948 |
| 53 Spare parts and accessories for | 16,784 | 16,320 | 17,586 | 22,419 | 717 | 740 | 874 | 1,157 |
| 61 Durable consumption goods | 6,091 | 6,538 | 6,761 | 7,401 | 633 | 666 | 796 | 950 |
| 62 Semi-durable consumption goods | 8,604 | 7,562 | 10,916 | 15,300 | 751 | 819 | 1,457 | 2,148 |
| 63 Non-Durable consumption goods | 17,342 | 20,525 | 20,947 | 25,458 | 364 | 282 | 659 | 1,107 |
| 7 Other Commodities | 75 | 68 | 571 | 923 | 5,327 | 5,026 | 6,050 | 4,907 |
| Memorandum Items | | | | | | | | |
| Total Imports (US\$ Millions) | 71,344 | 74,377 | 63,745 | 71,712 | | | | |
| Customs / GDP 2/ | | | | | 0.9 | 0.8 | 0.9 | 1.0 |
| Customs / Total Revenues and grants | | | | | 4.9 | 3.8 | 4.7 | 5.6 |
| Customs / Total Taxes 3/ | | | | | 6.8 | 6.8 | 7.1 | 7.4 |

Sources: Ministry of Finance, Egyptian Customs Authority.

It is worthy to note that FY 16/17 recent figures released by customs authority are still under revision and will be published once finalized.

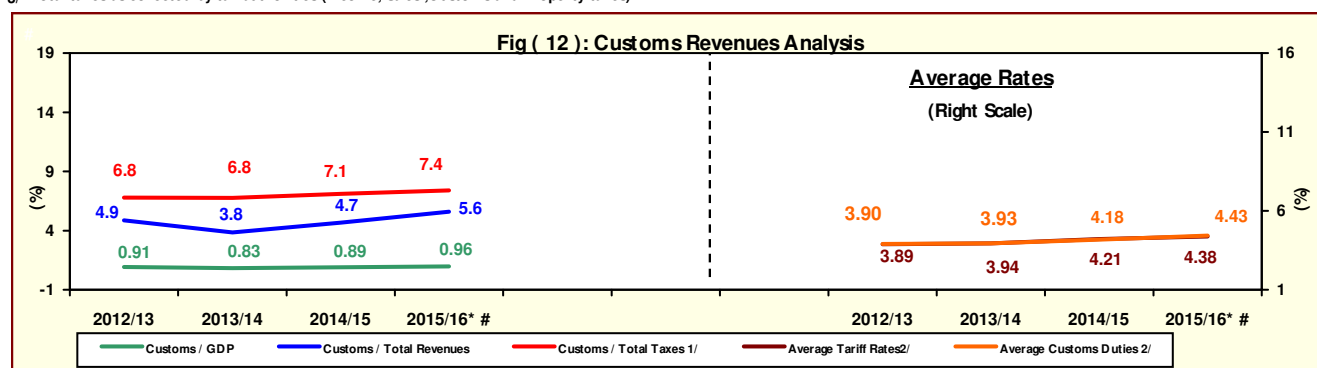
* Preliminary- Actual.

() Percent change over same period in previous year.

1/ Aggregate receipts in this table may differ from those presented in the Budget due to different distribution of Customs Authority proceeds among various budget lines, such as taxes on international trade, taxes on goods and services, and other taxes.

2/ Includes sovereign as well as current revenues.

3/ Total taxes as collected by tax authorities (Income, Sales, Customs and Property taxes).



Sources: Ministry of Finance, Egyptian Customs Authority.

It is worthy to note that FY 16/17 recent figures released by customs authority are still under revision and will be published once finalized.

* Preliminary- Actual.

1/ Total taxes as collected by tax authorities (Income, Sales, Customs and Property taxes).

2/ As percent of total imports.

Table (14): Expenditures Breakdown ^{3/}

(LE Millions)

| | 2012/13 | 2013/14 | 2014/15 | 2015/16 | 2016/17 | 2017/18 ^{1/} | 2018/19 ^{2/} | 2017/18 | 2018/19 |
|--|---------|---------|---------|---------|-----------|-----------------------|-----------------------|---------|---------|
| | Actuals | | | | | Budget | Budget | Jul-Oct | Jul-Oct |
| Total Expenditures | 588,188 | 701,514 | 733,350 | 817,844 | 1,031,941 | 1,207,138 | 1,424,020 | 300,649 | 373,021 |
| Compensation of Employees, of which | 142,956 | 178,589 | 198,468 | 213,721 | 225,513 | 239,955 | 270,090 | 76,711 | 89,992 |
| Salaries and wages in cash and in-kind | 118,196 | 146,870 | 162,311 | 173,827 | 181,245 | 190,583 | 209,033 | 60,489 | 72,195 |
| Permanent staff | 24,006 | 26,471 | 27,763 | 53287 | 56,929 | 61,011 | 68,505 | 21,190 | 26,045 |
| Temporary staff | 1,983 | 2,590 | 2,550 | 4036 | 4332 | 3,947 | 4,555 | 1,206 | 1,697 |
| Rewards | 61,293 | 75,279 | 80,034 | 74326 | 75622 | 77,826 | 84,528 | 25,222 | 30,892 |
| Specific Allowances | 17,317 | 22,172 | 24,128 | 25695 | 27174 | 27,466 | 29,636 | 7,773 | 7,893 |
| Cash Benefit/Allowance | 11,681 | 17,728 | 25,085 | 13448 | 12816 | 15,265 | 15,463 | 3,528 | 3,849 |
| In-kind Benefit/Allowance | 1,915 | 2,630 | 2,751 | 3035 | 4373 | 5,067 | 6,347 | 1,570 | 1,820 |
| Insurance Benefits | 13,675 | 16,705 | 18,997 | 20,606 | 23,184 | 22,890 | 27,354 | 8,681 | 10,607 |
| Government share in government insurance fund | 12,100 | 14,792 | 16,759 | 18,209 | 19,719 | 19,909 | 22,112 | 7,045 | 8,542 |
| Other Insurance benefits | 1,575 | 1,912 | 2,238 | 2,397 | 3,465 | 2,981 | 5,242 | 1,636 | 2,065 |
| Purchases of Goods and Services, of which | 26,652 | 27,247 | 31,276 | 35,662 | 42,450 | 52,065 | 60,124 | 10,201 | 17,645 |
| Goods, of which | 11,994 | 12,084 | 14,448 | 16,536 | 21,678 | 23,964 | 30,217 | 4,031 | 8,664 |
| Raw materials | 5,704 | 5,840 | 6,961 | 7,874 | 12,623 | 14,342 | 17,502 | 2,358 | 5,834 |
| Operating Fuels, oil, and moving parts | 1,016 | 805 | 1,165 | 1,376 | 1,512 | 1,608 | 2,300 | 347 | 819 |
| Water and Lighting | 3,957 | 4,020 | 4,603 | 4,896 | 4,502 | 4,993 | 5,815 | 653 | 647 |
| Services, of which | 11,297 | 11,786 | 13,549 | 15,029 | 16,719 | 19,261 | 23,109 | 5,615 | 8,826 |
| Maintenance | 3,566 | 3,477 | 4,047 | 4,939 | 5,785 | 6,899 | 7,814 | 1,537 | 2,681 |
| Copy expenditures, periodicals, and writing rights | 1370 | 1,315 | 1,471 | 1,490 | 1,578 | 2,229 | 2,861 | 1,716 | 1,716 |
| Public transportation | 2,329 | 2,541 | 2,939 | 3,076 | 3,026 | 3,404 | 3,634 | 1,026 | 1,257 |
| Various Services 4/ | 2,994 | 3,243 | 3,668 | 4,167 | 4,396 | 3,597 | 5,429 | 1,039 | 2,611 |
| Other | 3,361 | 3,378 | 3,279 | 4,098 | 4,054 | 8,841 | 6,797 | 555 | 155 |

FISCAL SECTOR

Sources: Ministry of Finance, Egyptian Tax Authority

1/ Data reflects budget figures in light of Presidential Decree Number 145 for the year 2017.

2/ Data reflects budget figures in light of Presidential Decree Number 100 for the year 2018.

3/ Based on IMF GFS 2001 (modified to cash basis).

4/ Accounts for other various types of expenditures on services, of which judicial judgement execution expenses is most significant.

Table (14): Expenditures Breakdown (Continued)

(LE Millions)

| | 2012/13 | 2013/14 | 2014/15 | 2015/16 | 2016/17 | 2017/18 ^{1/} | 2018/19 ^{2/} | 2017/18 | 2018/19 |
|---|---------|---------|---------|---------|---------|-----------------------|-----------------------|---------|----------------------|
| | Actuals | | | | Budget | | Budget | Jul-Oct | Jul-Oct |
| Interest, of which | 146,995 | 173,150 | 193,008 | 243,635 | 316,602 | 380,986 | 541,305 | 110,542 | 143,269 |
| Foreign | 3,896 | 4,996 | 4,700 | 5,066 | 9,599 | 25,551 | 31,435 | 8,574 | 12,588 |
| Domestic (to Non-Government Individuals) | 125,131 | 148,798 | 167,629 | 214,560 | 275,988 | 312,782 | 453,554 | 93,272 | 114,903 |
| Domestic (to Government units) | 17,836 | 19,143 | 20,478 | 23,796 | 30,805 | 42,467 | 56,316 | 8,663 | 15,778 |
| Other | 133 | 213 | 202 | 215 | 210 | 186 | 0 | 33 | 0 |
| Subsidies, Grants and Social Benefits, of which | 197,093 | 228,579 | 198,569 | 201,024 | 276,719 | 332,727 | 328,291 | 53,822 | 60,833 |
| Subsidies | 170,800 | 187,659 | 150,198 | 138,724 | 202,559 | 222,738 | 214,263 | 30,080 | 31,895 |
| To Non-financial public corporations, of which | 168,978 | 186,132 | 148,716 | 135,001 | 201,491 | 221,238 | 212,763 | 29,808 | 31,497 |
| GASC | 32,551 | 35,493 | 39,395 | 42,738 | 47,535 | 63,095 | 86,175 | 13,658 | 15,750 |
| EGPC | 120,000 | 126,180 | 73,915 | 51,045 | 115,000 | 110,148 | 89,075 | 3,826 | 6,703 |
| To Financial public corporations | 1,822 | 1,527 | 1,482 | 3,723 | 1,068 | 1,500 | 1,500 | 272 | 399 |
| Grants | 5,014 | 5,190 | 6,211 | 7,806 | 8,919 | 4,884 | 7,767 | 1,704 | 2,537 |
| To foreign governments | 145 | 239 | 161 | 201 | 279 | 249 | 259 | 51 | 82 |
| To international organizations | 0.4 | 0.2 | 0.2 | 0.2 | 0.2 | 0.0 | 0.0 | 0.2 | 0.2 |
| To general government units | 4,869 | 4,951 | 6,050 | 7605 | 8,640 | 4,635 | 7,507 | 1,653 | 2,455 |
| Social Benefits, of which | 20,778 | 35,200 | 41,037 | 53,919 | 64,194 | 82,994 | 94,120 | 21,563 | 25,894 |
| Social security benefits | 3,753 | 5,096 | 6,836 | 8,910 | 13,092 | 15,402 | 17,743 | 6,907 | 7,373 |
| Social assistance benefits ^{3/} | 16,352 | 29,200 | 33,213 | 43,956 | 45,236 | 62,500 | 69,060 | 11,791 | 16,502 |
| Voluntary Transfers | 587 | 733 | 814 | 869 | 5,687 | 4,906 | 7,048 | 2,812 | 1,956 ^{10/} |
| Social benefits for employees | 87 | 171 | 175 | 185 | 180 | 186 | 268 | 53 | 63 |
| Other Expenditures, of which | 34,975 | 41,068 | 50,279 | 54,551 | 61,517 | 65,972 | 75,699 | 27,481 | 24,388 |
| Current Miscellaneous Expenditures | 3,830 | 5,976 | 5,477 | 5,952 | 8,484 | 7,400 | 9,542 | 1,628 | 2,122 |
| Taxes and fees | 92 | 124 | 100 | 103 | 136 | 143 | 1,216 | 44.4 | 90.4 |
| Contributions | 314 | 228 | 350 | 343 | 692 | 811 | 1,013 | 22.8 | 164.2 |
| Other | 3,424 | 5,624 | 5,027 | 5,507 | 7,657 | 6,446 | 7,313 | 1,561 | 1,867 |
| Contingency Reserves ^{4/} | 31,145 | 35,092 | 44,802 | 48,599 | 53,033 | 58,572 | 66,157 | 25,853 | 22,267 |
| Purchases of Non-Financial Assets (Investments), of which | 39,516 | 52,882 | 61,750 | 69,250 | 109,141 | 135,431 | 148,512 | 21,893 | 36,895 |
| Fixed Assets | 31,931 | 38,437 | 45,547 | 54,637 | 88,327 | 125,655 | 125,773 | 20,464 | 34,312 |
| Direct investment (including customs fees) | 31,404 | 37,909 | 45,057 | 54,245 | 87,912 | 125,274 | 125,139 | 20,423 | 34,188 |
| Postponed (operational) expenses | 526 | 528 | 490 | 392 | 415 | 381 | 634 | 41 | 124 |
| Non-Productive Assets | 809 | 869 | 2,915 | 1,861 | 1,152 | 1,828 | 1,154 | 242 | 244 |
| Other non-financial assets | 6,777 | 13,576 | 13,288 | 12,752 | 19,662 | 5,948 | 17,085 | 1,188 | 2,339 |

Source: Ministry of Finance.

1/ Data reflects budget figures in light of Decree Number 145 for the year 2017.

2/ Data reflects budget figures in light of Decree Number 100 for the year 2018.

3/ Reflects Treasury contributions towards Pension Funds.

4/ Includes expenditures on defense.

5/ The increase in "Direct investment (including customs fees)" represents expected increases in self finances for the social housing program. This increase has similarly corresponding increases on the revenues side.

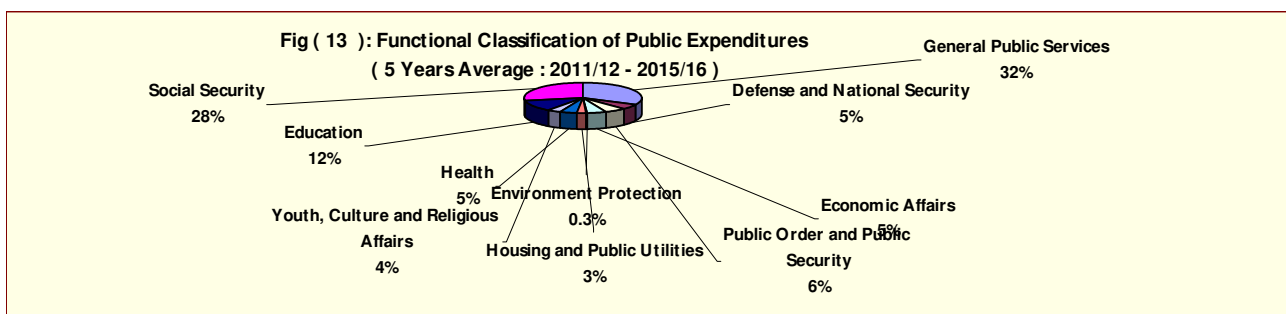
6/ The decline in subsidies from EGPC is mainly in light of the decline in international petroleum prices.

7/ The increase in spending on Direct investment (including customs fees) is mainly due to the increase in infrastructure spending , more specifically spending on roads, transportation, buildings, hospitals and schools. To that extent, total spending on construction amounted to LE 29.2 billion during FY15/16, increasing by 44 percent compared to the previous year, and spending on Non-residential buildings amounted to LE 10 billion, increasing by 17.7 percent compared to the previous year.

8/ The increase in Service expenditures for non employees reflects the increase in spending on health treatments financed by state budget.

9/ The notable increase in subsidies to EGPC is mainly due to the Exchange rate depreciation effects which has increased EGPC cost burdens substituted through increasing the allocated subsidies to EGPC.

10/ The decline in Service expenditures for non employees during the period of study reflects the exceptional increase in spending on health treatments financed by state budget for Virus C Program during the same period last year.



Source: Ministry of Finance.