

Table 1: Fiscal Operations: Revenues, Expenditures and Financing Sources (Commitment Basis) September,2008.

	First Quarter	Second Quarter	Third Quarter	August	September	Jan-Sep	Budget 2008
	(In millions of US dollars)						
Total Net Revenue	334.7	571.6	493.4	229.1	133.5	1,399.7	1,486.0
Gross Domestic Revenue (1)	104.5	324.1	208.9	138.7	30.0	637.5	418.0
Tax	68.1	80.9	62.8	22.6	17.5	211.8	145.0
Non Tax (1)	36.4	243.2	146.1	116.1	12.5	425.7	273.0
Clearance Revenue (2)	267.7	290.6	308.5	97.4	109.6	866.8	1,087.0
Tax Refund	37.5	43.2	24.1	7.1	6.1	104.8	20.0
Total Expenditures and Net Lending	604.0	742.1	837.1	264.1	315.5	2,183.2	2,846.0
Wage Expenditure	358.9	370.1	368.2	123.0	118.7	1,097.2	1,481.0
Non Wage Expenditure	167.5	248.7	330.5	113.6	146.0	746.7	964.0
Net Lending	77.5	123.3	138.4	27.5	50.8	339.2	400.0
Balance	-269.2	-170.5	-343.7	-35.0	-182.0	-783.4	-1,360.0
External Budgetary Support	525.6	410.3	477.1	202.2	214.9	1,413.0	1,634.0
Balance (After External Budgetary Support)	256.3	239.8	133.4	167.2	32.9	629.5	274.0
Other Financing	-256.3	-239.8	-133.4	-167.2	-32.9	-629.5	-274.0
Net Domestic Bank Financing (1)	-49.3	-175.6	11.3	-115.5	56.1	-213.6	-57.0
Expenditure Arrears (Net Accumulation) (3)	-178.9	-65.9	-226.9	-43.1	-163.5	-471.7	-217.0
Net Clearance Withheld (+) or Transferred from Past Collections (-)	-0.2	-15.7	-61.5	19.3	-75.7	-77.4	
Residual	-28.3	-14.0	20.7	10.8	-1.2	-21.6	
Memorandum Items :							
Budget Exchange Rate	3.60	3.60	3.60	3.60	3.60		3.60
Actual Exchange Rate	3.65	3.41	3.48	3.60	3.47	3.52	

15 Oct,2008

(1) Non Tax revenue in the second quarter and in Jan - Sep total includes \$197.1 million received as dividend from the PIF to repay PNA debt to the PIF which is included under Net Domestic Bank Financing.

In August non tax revenues include \$79.8 million license fee from Wataniah Communication Company and \$25 million as a cash dividend from the P.I.F.

(2) First Quarter and Jan- Sep revenue include \$ 20.8 million received in February as initial interest payments on frozen clearance revenue .

(3) Repayment of expenditure arrears shown for September and the Third Quarter(\$163.5 million) includes the payment of September wages (\$121.7 million, usually paid in October) paid on September 25, 2008. See footnote 3 in table 3.

Table 2: Detailed Fiscal Operations: Revenues, Expenditures and Net Lending (Commitment Basis) September,2008.

	First Quarter	Second Quarte	Third Quarter	August	September	Jan-Sep	Budget 2008
(In millions of US dollars)							
Total Net Revenue	334.7	571.6	493.4	229.1	133.5	1,399.7	1,486.0
Gross Domestic Revenues	104.5	324.1	209.0	138.7	30.1	637.6	418.0
Tax Revenues	68.1	80.9	62.9	22.6	17.6	211.9	145.0
Income Tax	33.9	24.0	14.8	5.1	5.0	72.7	55.0
Value Added Tax	21.3	39.5	29.6	10.7	8.7	90.4	55.0
Property Tax	1.1	0.5	0.4	0.2	0.1	2.0	1.0
Other Taxes	11.8	16.9	18.2	6.6	3.8	46.9	34.0
Non Tax Revenues(1)	36.4	243.2	146.1	116.1	12.5	425.7	273.0
Clearance Revenue	267.7	290.6	308.4	97.4	109.5	866.7	1,087.0
Customs	75.6	91.9	110.3	33.7	38.3	277.8	333.0
Value Added Tax	86.8	108.1	109.6	35.3	39.3	304.5	409.0
Petroleum Excises	83.4	89.7	87.7	28.1	31.7	260.8	333.0
Purchase Tax	1.1	1.0	0.8	0.3	0.2	2.9	12.0
Other (2)	20.8					20.8	
Tax Refund	37.5	43.2	24.1	7.1	6.1	104.8	20.0
Total Expenditures and Net Lending	604.0	742.1	837.2	264.1	315.6	2,183.3	2,846.0
Wage Expenditures	358.9	370.1	368.2	123.0	118.7	1,097.2	1,481.0
Non Wage Expenditure	167.5	248.7	330.6	113.6	146.1	746.8	964.0
Operational Expenditures	33.3	82.6	101.5	44.1	39.7	217.4	
Transfers	122.0	163.1	216.4	64.2	99.3	501.5	
Minor Development / Capital Expenditures	12.2	3.0	12.6	5.3	7.1	27.8	
Net Lending	77.5	123.3	138.4	27.5	50.8	339.2	400.0
Memorandum Items :							
Budget Exchange Rate	3.60	3.60	3.60	3.60	3.60	3.60	3.60
Actual Exchange Rate	3.65	3.41	3.48	3.60	3.47	3.52	

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(1) Non Tax revenue in the second quarter and in Jan - Sep total includes \$197.1 million received as dividend from the PIF to repay PNA debt to the PIF which is included under Net Domestic Bank Financing. In August non tax revenues include \$79.8 million license fee from Wataniah Communication Company and \$25 million as a cash dividend from the P.I.F.

(2) First Quarter and Jan- Sep revenue include \$ 20.8 million received in February as initial interest payments on frozen clearance revenue.

Table 3: Fiscal Operations: Revenues, Expenditures and Financing Sources (Cash Basis) September,2008.

	First Quarter	Second Quarter	Third Quarter	August	September	Jan-Sep	Budget 2008
(In millions of US dollars)							
Total Net Revenue	334.9	587.3	554.8	209.7	209.2	1,477.0	1,486.0
Gross Domestic Revenue (1)	104.5	324.1	208.9	138.7	30.0	637.5	418.0
Tax	68.1	80.9	62.8	22.6	17.5	211.8	145.0
Non Tax (1)	36.4	243.2	146.1	116.1	12.5	425.7	273.0
Clearance Revenue (2)	267.9	306.3	370.0	78.1	185.3	944.2	1,087.0
Tax Refund	37.5	43.2	24.1	7.1	6.1	104.8	20.0
Total Expenditures and Net Lending	782.8	808.0	1,063.9	307.2	479.0	2,654.7	2,846.0
Wage Expenditure (3)	476.5	456.7	575.4	145.0	285.6	1,508.6	1,481.0
Non Wage Expenditure	228.8	228.0	350.1	134.7	142.6	806.9	964.0
Net Lending	77.5	123.3	138.4	27.5	50.8	339.2	400.0
Balance	-447.9	-220.7	-509.0	-97.4	-269.8	-1,177.6	-1,360.0
External Budgetary Support	525.6	410.3	477.1	202.2	214.9	1,413.0	1,634.0
Balance (After External Budgetary Support)	77.7	189.6	-31.9	104.8	-54.9	235.4	274.0
Other Financing	-77.7	-189.6	31.9	-104.8	54.9	-235.4	-290.0
Net Domestic Bank Financing(2)	-49.3	-175.6	11.3	-115.5	56.1	-213.6	-57.0
Residual	-28.4	-14.0	20.7	10.8	-1.2	-21.7	
Memorandum Items :							
Budget Exchange Rate	3.60	3.60	3.60	3.60	3.60	3.60	3.60
Actual Exchange Rate	3.65	3.41	3.48	3.60	3.47	3.52	

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(1) Non Tax revenue in the second quarter and in Jan - Sep total includes \$197.1 million received as dividend from the PIF to repay PNA debt to the PIF which is included under Net Domestic Bank Financing.

In August non tax revenues include \$79.8 million license fee from Wataniah Communication Company and \$25 million as a cash dividend from the P.I.F.

(2) First Quarter and Jan - Sep revenue include \$ 20.8 million received in February as initial interest payments on frozen clearance revenue . In addition ,

Cash Clearance revenues of (\$ 185.3 million) in September and in the Third Quarter include (\$ 80.8 million) paid on September 5, (\$ 66.2 million) paid on September 25, and (\$38.3 million) of deductions paid on September 25.

(3) Payment of wages on a cash basis in September and in the Third Quarter of (\$285.6 million) includes both August wages (\$ 118.7 million) paid on September 5 and September wages (\$ 121.7 million, usually paid in October) paid on September 25. In addition, payments of past wage arrears for August amounted to (\$ 19.9 million) and for September, (\$ 25.3 million).

Table 4: Consolidated Statement on Fiscal Operations: Revenues, Expenditures and Financing Sources (Cash and Commitment Basis) September,2008.

	First Quarter	Second Quarte	Third Quarter	August	September	Jan-Sep	Budget 2008
	(In millions of US dollars)						
Total Net Revenue	334.7	571.6	493.4	229.1	133.5	1,399.7	1,486.0
Gross Domestic Revenue (1)	104.5	324.1	208.9	138.7	30.0	637.5	418.0
Tax	68.1	80.9	62.8	22.6	17.5	211.8	145.0
Non Tax (1)	36.4	243.2	146.1	116.1	12.5	425.7	273.0
Clearance Revenue (Accrued) (2)	267.7	290.6	308.5	97.4	109.6	866.8	1,087.0
Clearance Revenue (Cash) (3)	267.9	306.3	370.0	78.1	185.3	944.2	
Clearance Revenue (Net Arrears Accumulation)	-0.2	-15.7	-61.5	19.3	-75.7	-77.4	
Tax Refund	37.5	43.2	24.1	7.1	6.1	104.8	20.0
Total Expenditure and Net Lending (Commitment Basis)	603.9	742.1	837.1	264.1	315.5	2,183.1	2,846.0
Wage Expenditure (Commitment)	358.9	370.1	368.2	123.0	118.7	1,097.2	1,481.0
Wage Expenditure (Cash) (4)	476.5	456.7	575.4	145.0	285.6	1,508.6	
Wage Expenditure (Net Arrears Accumulation)	-117.6	-86.6	-207.2	-22.0	-166.9	-411.4	
Non Wage Expenditure (Commitment)	167.5	248.7	330.5	113.6	146.0	746.7	964.0
Non Wage Expenditure (Cash)	228.8	228.0	350.1	134.7	142.6	806.9	
Non Wage Expenditure (Net Arrears Accumulation)	-61.3	20.7	-19.7	-21.1	3.4	-60.3	
Net Lending	77.5	123.3	138.4	27.5	50.8	339.2	400.0
Balance (Commitment Basis)	-269.2	-170.6	-343.7	-35.0	-182.0	-783.5	-1,360.0
Expenditure Arrears (Net Accumulation) (4)	-178.9	-65.8	-226.9	-43.1	-163.5	-471.6	
Net Clearance Withheld (+) or Transferred from Past Collections (-)	-0.2	-15.7	-61.5	19.3	-75.7	-77.4	
Balance (Cash Basis)	-447.9	-220.7	-509.0	-97.4	-269.8	-1,177.6	
External Budgetary Support	525.6	410.3	477.1	202.2	214.9	1,413.0	1,634.0
Balance (Commitment Basis, after External Budgetary Support)	256.4	239.7	133.4	167.2	32.9	629.5	274.0
Balance (Cash Basis, after External Budgetary Support)	77.7	189.6	-31.9	104.8	-54.9	235.4	
Other Financing	-77.7	-189.6	31.9	-104.8	54.9	-235.4	-274.0
Net Domestic Bank Financing (1)	-49.3	-175.6	11.3	-115.5	56.1	-213.6	-57.0
Residual	-28.4	-14.0	20.7	10.8	-1.2	-21.7	
Memorandum Items :							
Budget Exchange Rate	3.60	3.60	3.60	3.60	3.60	3.60	3.60
Actual Exchange Rate	3.48	3.41	3.48	3.60	3.47	3.52	

(1) Non Tax revenue in the second quarter and in Jan - Sep total includes \$197.1 million received as dividend from the PIF to repay PNA debt to the PIF which is included under Net Domestic Bank Financing.

In August non tax revenues include \$79.8 million license fee from Wataniah Communication Company and \$25 million as a cash dividend from the P.I.F.

(2) First Quarter clearance revenue include \$ 20.8 million received in February as initial interest payments on frozen clearance revenue .

(3) Cash Clearance revenues of (\$ 185.3 million) in September and in the Third Quarter include (\$ 80.8 million) paid on September 5, (\$ 66.2 million) paid on September 25, and (\$38.3 million) of deductions paid on September 25.

(4) Payment of wages on a cash basis in September and in the Third Quarter of (\$285.6 million) includes both August wages (\$ 118.7 million) paid on September 5 and September wages (\$ 121.7 million, usually paid in October) paid on September 25. In addition, payments of past wage arrears for August amounted to (\$ 19.9 million) and for September, (\$ 25.3 million).

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Table 5: Revenues by Source (Commitment Basis) September,2008.

	First Quarter	Second Quarte	Third Quarter	August	September	Jan-Sep	Budget 2008
	(In millions of US dollars)						
Total Net Revenue	334.7	571.6	493.4	229.1	133.5	1,399.7	1,486.0
Net Tax Revenues	298.3	328.4	347.1	112.9	120.9	973.8	1,213.0
Domestic Tax Revenues	68.1	80.9	62.8	22.6	17.5	211.8	145.0
Income Tax	33.9	24.0	14.8	5.1	5.0	72.7	55.0
Value Added Tax	21.3	39.5	29.6	10.7	8.7	90.4	55.0
Customs	2.7	3.4	4.7	1.3	1.1	10.8	5.0
Excises on Beverages	0.1	0.1	0.1	0.1		0.3	
Excises on Tobacco	9.0	13.5	13.3	5.2	2.6	35.8	29.0
Property Tax	1.1	0.5	0.4	0.2	0.1	2.0	1.0
Clearance Revenue	267.7	290.6	308.4	97.4	109.5	866.7	1,087.0
Customs	75.6	91.9	110.3	33.7	38.3	277.8	333.0
Value Added Tax	86.8	108.1	109.6	35.3	39.3	304.5	409.0
Purchase Tax	1.1	1.0	0.8	0.3	0.2	2.9	12.0
Petroleum Excises	83.4	89.7	87.7	28.1	31.7	260.8	333.0
Other (1)	20.8					20.8	
Tax Refund	37.5	43.2	24.1	7.1	6.1	104.8	20.0
Domestic Fees and Charges	36.4	46.1	121.2	91.1	12.6	203.7	127.0
Stamps Tax	0.2	0.3	0.4	0.1	0.1	0.9	
Civil Registration Fees	2.8	5.9	4.9	1.5	1.2	13.6	
Health Fees	1.6	1.9	1.8	0.6	0.6	5.3	
Health Insurance	9.9	9.7	12.3	3.1	5.9	31.9	
Transportation	2.0	3.4	2.9	1.2	0.9	8.3	
Agriculture Services	0.1	0.2	0.1			0.4	
Local Government	0.1					0.1	
Ministry of Economy	0.4	0.6	1.0	0.5	0.2	2.0	
Shari'a Courts Fees	0.3	0.4	0.5	0.2	0.1	1.2	
Land Registration	1.1	2.0	2.0	0.6	0.9	5.1	
Ministry of Housing							
Tourist Fees		0.1				0.1	
Telecommunication Fees	0.2	0.2	0.1	0.1		0.5	
Ministry of Education		0.5	0.3	0.2		0.8	
High Court of Justice Fees	0.4	1.1	0.9	0.2	0.4	2.4	
Foreign Affairs			0.1	0.1		0.1	
Licenses	14.4	13.6	92.8	82.5	1.9	120.8	
Others	2.8	6.1	0.9	0.2	0.4	9.8	
Investments Profits (2)		197.1	25.0	25.0		222.1	146.0

(1) First Quarter and Jan - Sep revenue include \$ 20.8 million received in February as Initial interest payments on frozen clearance revenue.

(2) Non Tax revenue in the second quarter and in Jan - Sep total includes \$197.1 million received as dividend from the PIF to repay PNA debt to the PIF which is included under Net Domestic Bank Financing. In August non tax revenues include \$79.8 million license fee from Wataniah Communication Company and \$25 million as a cash dividend from the P.I.F.

Table 7: External Budget Support for the Period January to September,2008.

	First Quarter	Second Quarte	Third Quarter	August	September	Jan-Sep	Budget 2008
	(In millions of US dollars)						
Total External Budget Support	525.6	410.5	476.1	202.2	214.9	1,412.2	1,634.0
Arab Donors	153.5	78.4	158.0	155.1		389.9	
Arab League	0.1					0.1	
Algeria		62.9				62.9	
Egypt			14.6	11.7		14.6	
Kingdom of Saudi Arabia	61.9	15.5	100.7	100.7		178.0	
United Arab Emirates	91.5		42.7	42.7		134.2	
International donors	372.1	332.1	318.1	47.1	214.9	1,022.2	
China	0.3					0.3	
European Union	180.3					180.3	
European Commission	9.6					9.6	
TIM (Window I) (1)	12.9					12.9	
TIM (Windows II & III) (2)	157.8					157.8	
PEGASE		174.1	181.6	42.5	84.2	355.8	
Civil servants and pensioners		113.2	99.0	22.7	51.4	212.2	
Vulnerable Palestinian Families		10.1	13.1		13.1	23.2	
Support to Essential Public Services		38.5	55.9	19.7	13.4	94.3	
Payment of PA private sector arrears		12.4	13.7		6.3	26.0	
France	35.7					35.7	
Russia			9.9		9.9	9.9	
Donor Support to PCBS (3)	3.5					3.5	
USA	152.3					152.3	
World Bank		147.8	118.9		118.9	266.7	
Development Grant		40.0				40.0	
Trust Fund (4)		107.8	118.9		118.9	226.7	
ESSP (5)		10.1	7.7	4.6	1.9	17.9	

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(1) Window (I) : is related to budget support for services (education, health, energy and water authorities).

(2) Window (II & III) : is related to budget support for salaries , fuel and social assistance.

(3) Carry over from old grants.

(4) Trust Fund payment in September and The Third Quarter of \$ 118.9 million includes \$78.7 million from Kuwait, 28,4 million from The UK, and \$ 11.8 million form Canada.

(5) ESSP: Is related to budget support for services (education, health, energ