

PM Citu: The targets in the 2021 budget remain the same; gov't deficit at 7%

The government deficit target in Romania's 2021 national budget remains at 7%, Prime Minister Florin Citu said on Wednesday, adding that a multi-annual budget will be introduced for the first time.

"The targets remain the same, we are setting the deficit at 7%, we hope to reach 7%, 7% - 7.1%, but we are going around that figure. And I would like to say why we have to do this work and why it takes longer (...) or seems to take longer, although the goal is to come to Parliament next week, because we are reversing or conducting or introducing reforms that have been postponed for 30 years; measures that have had a devastating, destructive effect to public finance in recent years must be changed to create sustainability for public finance in the coming years. It is important, through this budget, to maintain the trust we created last year, trust in the eyes of the European Commission, of foreign investors, of credit rating agencies. That is why it is a very important budget," Citu said at the Government House after a government meeting.

He insisted that the 2021 budget will have to support economic recovery.

"It is a budget that lays the foundations of a strong economy moving forward, for 2021 - 2024. Moreover, the analysis of this budget is a little different, because with this budget we are starting the first part of a multi-annual budget. Therefore, we will introduce in Romania, I think that from 2023, the multi-annual budgeting, but we are starting with this budget and I look at the 2021 budget and the budget for 2022 and I tell you that this is the discussion in the European Commission. We are talking about the two budgets because some of the reforms that we implement in 2021 will have a real impact on the economy in 2022. So, this work is a bit more laborious, but, for the first time, we are introducing this multi-annual budget that will be in effect from 2024," said Citu.