

PM Orban: Budget revision, absolutely necessary to achieve several objectives

Prime Minister Ludovic Orban said that the budget revision the Government will adopt in Monday's meeting is "absolutely necessary" to achieve several objectives, such as the payment of pensions and to ensure payments under the active measures "whether it be furlough or a flexible work schedule."

"This revision is necessary because we had a situation that generated new and new challenges, new and new expenses. We had to deal with newly emerged regulations that generated new expenses and, practically, it is absolutely necessary to adopt this emergency ordinance on state budget revision in order to achieve these objectives. Firstly - providing resources for the payment of pensions, it is known that we have increased the pension point by 14% and it is necessary to ensure the financial resources for the payment of pensions," Orban said at the beginning of the Government meeting.

"There is also a need to increase health spending, especially in the National Health Insurance House budget, to cope with the increased health spending caused by the COVID pandemic," Orban said.

He also referred to the additional amounts allocated for investments at the Ministry of Public Works, Development and Administration to "be able to meet payments under local investment programs."

"The budget also needed revision in order to provide additional financial resources for the payments that occurred during this year, whether it was payments to compensate farmers whose areas were affected by the drought, or payments that had to be carried out to settle the diesel subsidy," explained the head of Government.

The prime minister pointed out that the revision is also necessary for making payments within the various aid schemes for companies that have been affected by the COVID pandemic.

Prime Minister Ludovic Orban urged the chief authorizing officers to be "extremely careful" in making expenditures, in order to maintain a budgetary balance that would allow Romania in the coming years to return to a budget deficit below 3% of GDP as soon as possible.