

Budget deficit at end March stands at RON 22.75 billion or 1.42pct of GDP

The execution of the general consolidated budget in the first three months of 2023 ended with a deficit of 1.42 % of the GDP, namely RON 22.75 billion, mainly due to the increase in the volume of investments by 56.5 % compared to the same period of the previous year and the offsetting of bills related to the consumption of electricity and natural gas by households and non-households in the amount of RON 2.5 billion, the Ministry of Finance (MF) said on Friday.

According to MF, the deficit was caused, among other things, by the higher volume of settlements for goods and services for medicines, the slowdown in the pace of revenue collection, as well as the influence of the implementation of the second phase of the Support Programme for Romania.

The execution of the general consolidated budget in the first three months of 2022 ended with a deficit of RON 15.7 billion. Expressed as a percentage of the Gross Domestic Product, the budget deficit decreased by 0.05 percentage points in the first three months of 2022 compared to the same period of 2021, from 1.24% of the GDP to 1.19% of the GDP.

The budget for this year is built on a deficit of 4.4% of the GDP.