

Coalition agreement on comprehensive plan to cut state spending as much as possible (PM)

The ruling coalition has agreed on an "extended" plan to reduce state spending as much as possible, prime minister Marcel Ciolacu announced on Monday, pointing out that in the effort to reduce the budget deficit, the "burden" must be borne first by the state, not by the citizen and the private sector.

The premier claimed that the impact of these measures will be about 5.8-6 billion RON by the end of the year.

"Thus, we have identified dozens of measures that, beyond eliminating the 200,000 unoccupied budget positions, will lead to the cutting of unjustified bonuses, mergers and closures of institutions," Ciolacu wrote on his Facebook page.

The prime minister added that it was also agreed to reduce the number of management positions in the public system and cap the management allowances for state-owned companies.

"In addition, we are introducing a clearer monitoring system of performance indicators for state authorities in order to favour projects and investments that really make a difference. We will force the process of decentralization of some decisions, especially to build a legal framework for consortia or centralized procurement partnerships. Only then will there be important and constant long-term savings to the state budget," the prime minister said.

According to him, state-owned natural resources will no longer be leased at "ridiculous" prices, and the first step is to update all royalties with the inflation rate.

"The impact of measures to reduce state spending will be about 5.8-6 billion RON by the end of the year. The amount will be approximately equal to what we intend to bring as additional revenues to the budget by eliminating some tax exemptions. Because we believe it is right: to have a joint effort, distributed in a balanced way in society, for a leaner and more efficient state, where there is more equity and transparency!", Ciolacu said.