



LATVIJAS REPUBLIKAS FISKĀLĀS DISCIPLĪNAS PADOME

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Council Meeting Minutes Nr. 3 (42)

Rīgā

24 April, 2020

Meeting chaired by:

The Chairwoman of the Fiscal Discipline Council I. Šteinbuka

Participants:

Deputy Chairman of the Fiscal Discipline Council	M.Hansens
Member of the Fiscal Discipline Council	A.Ūbelis
Member of the Fiscal Discipline Council	A.Jakobsons
Member of the Fiscal Discipline Council	M.Āboliņš
Member of the Fiscal Discipline Council	U.Kāsiks
<i>Secretariat –</i>	
Secretary of the Fiscal Discipline Council	I.Golsts
Economist of the Fiscal Discipline Council	I.Jansone
Fiscal Risks Expert of the Fiscal Discipline Council	N.Malnačs
Macroeconomics Expert of the Fiscal Discipline Council	V.Zaremba

Minuted by:

Economist of the Fiscal Discipline Council

I.Jansone

Meeting starts at 17:03 24 April, 2020

Opening of the meeting - I.Šteinbuka

The Chairwoman of the Fiscal Discipline Council (hereinafter - the Council) I. Šteinbuka opens the meeting and announces the agenda of the meeting (attached).

I. Šteinbuka reminds all the participants of the Council meeting that taking into account the Cabinet of Ministers Order No. 103 of 12 March 2020 “On Declaring a State of Emergency” to limit the spread of Covid-19 in Latvia, from 12 March 2020 to On May 12, an emergency situation has been declared throughout the country.

The order of the said Cabinet of Ministers stipulates that during an emergency situation, state and local government institutions must evaluate and, as far as possible, ensure the provision of face-to-face services at a distance.

With reference to the above, and subject to national regulations, the Council organizes its work remotely and discusses the issues to be considered at the Council meeting in a written consultation.

1. Fiscal discipline Surveillance report (opinion) on Latvia's stability program for 2020-2023

Referring to the established procedure of the Council meeting, I. Šteinbuka sends an e-mail to the members of the Council with a request to comment on the prepared Report (opinion) on Fiscal Discipline on the draft Stability Program of Latvia for 2020-2023 until 27 April 2020 at 12.00 (attached).

A break is announced at the Council meeting until April 28, 2020 at 12.00.

On April 28, 2020 at the meeting of April 24, 2020 is resumed at 12:00.

I. Šteinbuka thanks all the members of the Council for the expressed opinion in the written consultation.

The interim report (opinion) on the surveillance of fiscal discipline on Latvia's stability program for 2020-2023 summarized and included the comments sent by the members of the Council (attached), as a result of which the Council sees significant shortcomings in the assessment of potential GDP and considers that they should be addressed before starting work. VIBIL 2021/2023. At the moment, given the high level of uncertainty about future economic developments, the estimates based on potential GDP proposed by the Ministry of Finance are considered to be compatible as technical assumptions that require adjustment and further co-ordination with the Council.

The Council emphasizes the need to develop potential GDP in line with the long-term trend and to address the shortcomings in the ex-post assessment of the structural balance and the cyclical component, which are essential for meeting the requirements of Article 11 of the FDL.

In the light of the above, and in accordance with the comments received during the written consultation, the Council decides to:

- 1.1. Approve the summary of the Council's report.
- 1.2. Instruct the Council Secretariat to amend the report as set out in the summary.
- 1.3. To instruct the Secretariat of the Council to send the report to the Cabinet of Ministers, the Saeima and the Ministry of Finance.
- 1.4. To designate the Mrs Inna Šteinbuka as rapporteur for the Cabinet of Ministers meeting on April 30, 2020.

I.Šteinbuka – in favour;
M.Hansens – in favour;
A.Ūbelis – in favour;
A.Jakobsons – in favour;
M.Āboliņš – in favour;
U.Kāsiks – in favour.

Meeting closed 12:15 28April, 2020.

Chairwoman I.Šteinbuka

Meeting Secretary I.Jansone

Council secretary I.Golsts

I.Jansone

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