

Summary of resource allocation from "Funds for Unforeseen Events" in the second quarter of 2020

Funds for Unforeseen Events

The budget programme "Funds for Unforeseen Events" (hereafter – FUE) is intended for unplanned expenditures resulting from for the elimination of the consequences of catastrophes and natural disasters, the compensation of losses caused thereby, if there is a failure to comply with contractual obligations and a fine or interest payment is charged from the partner, and other unforeseen events and measures significant at the national level. Local government is granted funds for the elimination of the consequences of catastrophes and natural disasters, the compensation of losses and damage caused to municipal property or infrastructure owned by the municipality, as well as unforeseen events defined in legal acts¹.

Funds from the FUE programme are requested by ministries or other government funded central state institutions. The funds required for subordinate institutions, entrepreneurs or other legal persons are requested by line ministries. The Ministry of Regional Protection and Regional Development (hereafter – MEPRD) makes requests on behalf of municipalities.

Requests are reviewed by the Cabinet of Ministers. In exceptional circumstances when funds have to be granted immediately and the request cannot be reviewed at the meeting of the Cabinet of Ministers, the decision is made by the Minister of Finance.

The law "On the state budget for 2020"², FUE has been allocated in amount of 23 479 067 euro. Pursuant to Article 23 of the Law "On Measures to Prevent and Overcome the State Threat and its Consequences Due to the Spread of Covid-19" and Cabinet of Ministers Order No. 121 of March 25, 2020 (protocol No. 17, § 36), the LNG appropriation was increased by EUR 300 000 000 to provide funding for measures to prevent and deal with the consequences of Covid-19. In addition, an appropriation of EUR 1 493 511 was reallocated from the business trip budgets of ministries and other central state institutions to LNG.

Then, once more, pursuant to Article 23 of the Law "On Measures to Prevent and Overcome the State Threat and its Consequences Due to the Spread of Covid-19" and Cabinet of Ministers Order No. 259 of May 14, 2020 (protocol No. 12, § 12), the LNG appropriation was further increased by EUR 300 000 000 to provide funding for measures to prevent and deal with the consequences of Covid-19.

Thus, at the end of the first quarter of 2020, the financing of the program 02.00.00 "Contingency Funds" is 624 972 578 euros.

Resource Allocation from FUE in the second quarter of 2020

In the second quarter of 2020, a total of **89 389 964 euros** was granted from FUE to satisfy **56 requests**.

| Institution | Number of requests | Total sum |
|---------------------|--------------------|------------|
| Ministry of Defence | 1 | 25 675 805 |
| Ministry of Welfare | 9 | 20 022 719 |
| Ministry of Finance | 1 | 15 700 000 |

¹ Procedures by which Funds from the Budget Programme "Funds for Unforeseen Events" shall be Requested and Used. 22/12/2009, Regulation of the Cabinet of Ministers, Nr. 1644, available at: <http://m.likumi.lv/doc.php?id=202948>, accessed on: 12/04/2020.

² Available: <https://m.likumi.lv/doc.php?id=310965>, accessed: 02.04.2020



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| Ministry of Culture | 1 | 10 613 063 |
| Ministry of Health | 10 | 10 117 615 |
| Radio and Television | 2 | 2 861 663 |
| Cabinet of Ministers | 8 | 1 026 875 |
| Society integration fund | 1 | 1 010 928 |
| Ministry of Agriculture | 6 | 700 863 |
| Ministry of Interior | 7 | 556 368 |
| Central election | 3 | 433 577 |
| Izglītības un Zinātnes ministrija | 1 | 365 208 |
| Tieslietu ministrija | 2 | 261 355 |
| Ārlietu ministrija | 4 | 43 925 |
| Total: | 56 | 89 389 964 |

In the first quarter of 2020, **34 requests above 100 000 euro** were satisfied.