

## 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  $acts^1$ .

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 2021" FUE has been allocated in amount of 26.7 mil. eur.

By several decisions of the Cabinet of Ministers, the amount for FUE was increased by 300 mil. eur, 500 mil. eur and 500 mil. eur during the first quarter During the second quarter, the Cabinet of Ministers increased the FUE funds by 300 mil. eur more.

In total, the cumulative financing of program 02.00.00 "Funds for Unforeseen Events" is 1 626.7 *mil. euros.* 

<sup>&</sup>lt;sup>1</sup> 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: <u>http://m.likumi.lv/doc.php?id=202948,accessed</u> on: 12/04/2020.



Resource Allocation from FUE in the second quarter of 2021

In the second quarter of 2021, a total of **614 294 210 euros** was granted from FUE to satisfy 99 **requests**.

Institution	Number of requests	Total sum
Ministry of Defence	1	337 209
Ministry of Foreign Affairs	1	50 000
Ministry of Economics	6	6 760 362
Ministry of Finance	7	307 829 173
Ministry of Interior	7	6 584 462
Ministry of Education and Science	8	8 070 307
Ministry of Culture	7	12 058 657
Welfare Ministry	13	48 969 459
Grants to municipalities	1	27 541
The Cabinet of Ministers	9	574 404
Ministry of Transport	6	87 425 536
Ministry of Justice	3	431 791
VARAM	2	27 162 369
Ministry of Health	26	107 710 066
Ministry of Agriculture	2	302 874
Total:	99	614 294 210

In the second quarter of 2021, 53 requests above 100 000 euros were satisfied.