



# DAY 1: GROUP 3



Group 3 - Countries
Armenia
Belarus
Kyrgyz Republic
Moldova
Russian Federation
Tajikistan
Ukraine



## Conclusions on question 1 (measures that are taken and their efficiency)

- In all countries budget consolidation measures are taken. Their goal is to ensure the budget balance
- In many countries target indicators are used – these are mostly the deficit level.
- The reasons for taking measures are related to negative trends in the economy. (changes in macro parameters, reduced economy, profit growth rates)
- Reduction of expenditures raises a lot of negative response from budget owners. Taking that into account, for missing revenues a number of countries prefer to use money from stabilization funds (without decreasing volumes of financing)
- As a whole, it is necessary to develop a counter cyclical policy (stabilization fund, to monitor the level of public debt, elaboration of the medium term strategy)

3



## Proposals (measures that are taken and their efficiency)

- Consolidation measures of point nature are not efficient enough. It is necessary to take system based measures for reforming the budget sector.
- It is necessary to take as a basis evaluation of implementation efficiency of budget expenditures (programs), plans of streamlining, evaluation of efficiency of individual sectors of the economy.
- Application of automated adjustment mechanisms, stabilizers for the purpose of ensuring the budget balance would be more efficient

4



## Conclusions on question 2

- **As a whole, our countries did not apply the practice of adopting any communication strategies in the form of a separate document. Explanations are provided in the framework of individual measures related to fiscal consolidation.**
- **In a number of countries, the practice of enhancing transparency of the budget process is used, including preparation of the citizens' budget**
- **In order to mitigate negative attitude of citizens with respect to this question, it is necessary to enhance financial (budget) literacy**
- **As for budget owners, it is possible to grant them more independence in terms of identifying areas of expenditures in the framework of allocated (available) funds. Introduction of fiscal caps.**

5



**Thank you**

6