



LATVIJAS REPUBLIKAS FISKĀLĀS DISCIPLĪNAS PADOME

Reģ.nr. 90010248231; Smilšu ielā 1-512, Rīgā, LV-1919
tālrunis: (+371) 6708 3650; e-pasts: info@fdp.gov.lv; mājaslapa: http://fdp.gov.lv

RĪGĀ

04.10.2017. Nr. 1-08/1505

Uz _____ Nr. _____

**Prime Minister
Republic of Latvia
Māris Kučinskis**
Brīvības bulvāris 36
Rīga, LV-1520

**Chairman of the Budget and Finance (Tax) Committee
Saeima of the Republic of Latvia
Jānis Vucāns**
Jēkaba iela 6/8
Rīga, LV-1811

**Minister of Finance
Republic of Latvia
Dana Reizniece-Ozola**
Smilšu ielā 1
Rīgā, LV-1919

Dear Messrs Kučinskis and Vucāns,
Dear Madam Reizniece-Ozola,

Regarding the fiscal impact of measures for the development of the electric energy market in 2017

According to Part 7, Section 28 of the Fiscal discipline law, the Fiscal discipline council (hereafter – Council) shall prepare and submit to the Saeima and the Cabinet's attention its opinion on fiscal policy matters if the Council finds them important for compliance with the terms stipulated in the Fiscal discipline law.

On 22 September 2017 the Cabinet of Ministers issued an order (Number 530) to approve the conceptual report “Complex measures for the development for the electric energy market”. This order foresees a 140 million euro (0.5% of GDP) payment to waive the guaranteed fee for the electric power installed in the cogeneration power plant, reducing the fixed capital of the joint stock company Latvenergo.

The Council draws attention to the fact that this order worsens the 2017 general government balance by 140 million euro (0.5% of GDP). According to the information received from the Ministry of Finance, the deterioration of the balance will happen as a result of increased expenditure by, and the decrease of fixed capital of, companies classified as belonging to the general government sector.

Council Chairman

Jānis Platais

*E.Ķīlis, 67083652
emils.kilis@fdp.gov.lv*