

September 30th, 2021

Ministry of Finance entered to the Congress the 2022 Budget bill

Santiago, September 30th, 2021.- The Ministry of Finances entered to the Congress the 2022 Budget bill and published the Public Finances Report (PFR) for the third quarter of 2021. This report delivers the macro-fiscal estimates included in the Budget bill.

Main aspects of the Budget Bill:

- The Budget bill considers a GDP growth forecast for 2022 of 2.5%, compared to the 9.5% expected for 2021.
- Structural deficit of 3.9% of GDP for 2022, compared to 11.5% of GDP in 2021, which considers the objective to recover a consolidation path and to reach a balance in the medium term.
- The effective balance for 2022 is expected to reach -2.8% of GDP (-8.3% in 2021).
- The 2022 Budget bill reaches US\$82.1 billion (23.8% of GDP), implying an increase of 3.7% compared to Budget approved for 2021.
- Considering the expected recovery of the economy, there is a decrease in expenditures of 22.5%, compared to the expected execution for 2021, which includes extraordinary measures implemented to face the health and economic crisis caused by Covid-19.
- Debt margin of US\$21 billion. In addition, it is considered a withdrawal from the Pension Reserve Fund by US\$1,121 million and a contribution to the Social and Economic Stabilization Fund by the equivalent of 1% of GDP.

Priorities:

- Emphasis on Public investment, with a focus on housing and public works. Additional resources are contemplated to expand measures to support employment.
- Resources oriented to fight against drought, strengthening programs implemented by the Ministry of Public Works and Ministry of Agriculture, as well as other programs for regions under hydrological emergency
- Priority on education, increasing resources for science and technology.
- Programs oriented to protection of women, children and public security.

The full report is available (only Spanish), at the following link:

https://www.dipres.gob.cl/598/articles-244322_doc_pdf2.pdf