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## Budget Won't Be Revised Yet

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"The logic of our actions is a calculated policy. We are implementing that along with our colleagues and using their financial and economic help," said Armenian PM Tigran Sargsyan during a press conference as he touched upon the loans granted to Armenia by the World Bank and the International Monetary Fund.

The two international organizations have granted nearly half a billion dollars in loans to help Armenia overcome the effects of the financial/economic crisis.

Sargsyan assured the world's best experts are helping Armenia implement the correct macroeconomic policy which, according to the Prime Minister, is aimed at securing the financial/economic stability of the country.

"On the other hand, our policy is also aimed at accumulating sufficient means to confront the new challenges facing us due to the global financial/economic meltdown," noted the Armenian PM.

Will the RA Government re-calculate the state budget after making the transition to a floating exchange rate policy? In response Sargsyan said that the government is flexible in terms of the budget. According to him, taking a look at the budget legislation, it is clear that the flexibility allows the government to maneuver and make changes to expenditures taking into account the changes taking place in the financial/economic environment.

"I believe that it is too early to talk about radical changes in the budget. It is still not possible to make predictions on development of events in light of the global economic and financial activities for this year. That is why rushing may hurt us," declared Tigran Sargsyan adding that if things turn out for the better, there will be no need to revise the budget; otherwise, they will obviously refer to issues relating to the budget in mid-2009.

Sargsyan assures that Armenia has enough flexibility, instruments and reserves that are accumulated in the Central Bank, particularly the savings of the government. According to the Prime Minister, that allows Armenia to be quite flexible in confronting the difficulties in the first two trimesters of the year.

"The instruments and flexibility of the budget allow us to redistribute expenditures based on trimesters. For example, we can refrain from certain expenditures during the 1st trimester and postpone them for the fourth trimester," underlined Tigran Sargsyan.

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