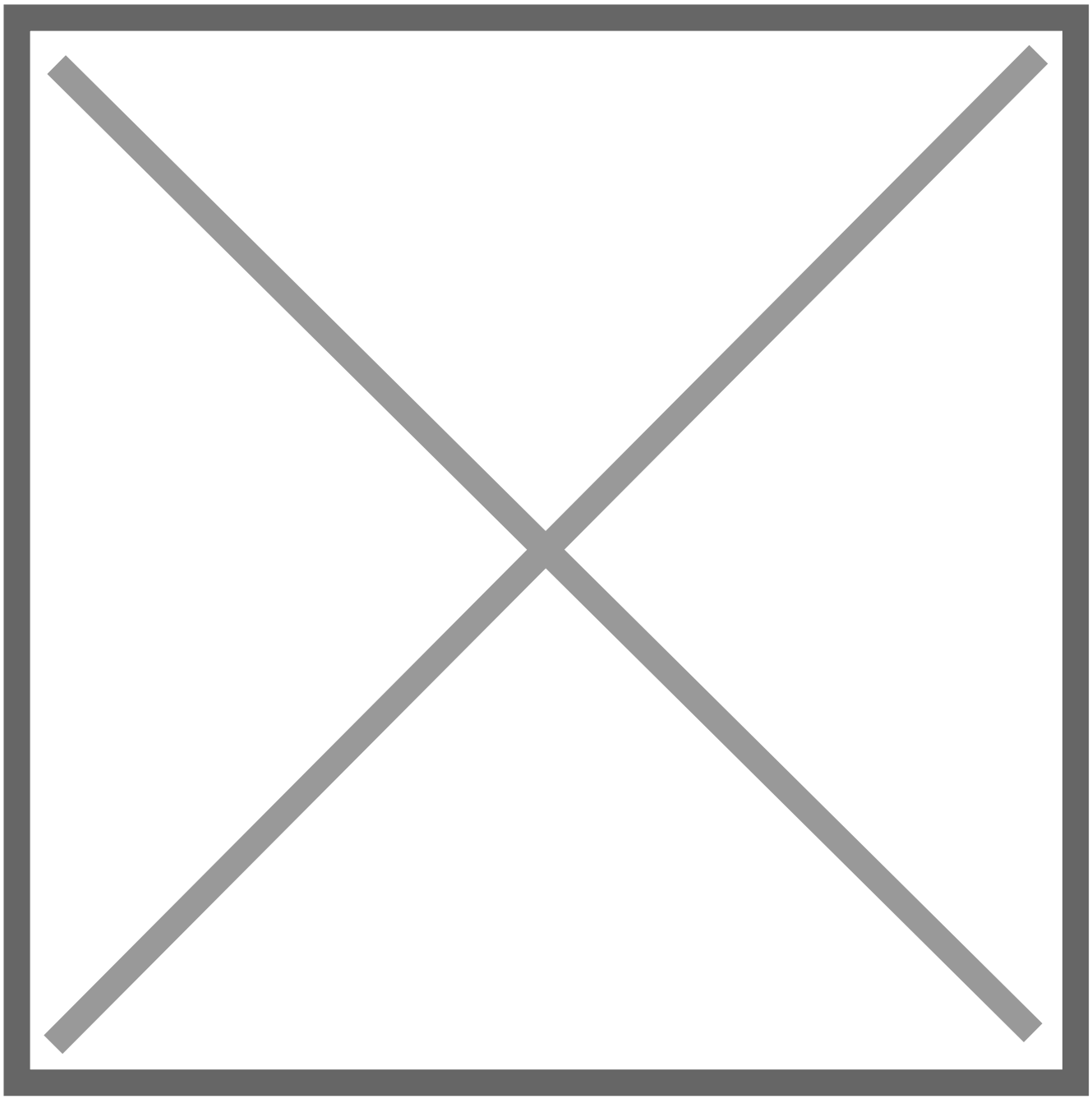
Vatican



The dome of St. Peter's Basilica at the Vatican is seen from the Aventine Hill in Rome in this May 2, 2018, file photo. In the wake of the economic fallout due to the COVID-19 pandemic, the Vatican Secretariat for the Economy said Pope Francis signed off on the 2021 budget and that it expects a multimillion-dollar deficit for the year. (CNS/Paul Haring)

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In the wake of the economic fallout due to the COVID-19 pandemic, the Vatican Secretariat for the Economy said it expects a multimillion-dollar deficit in its budget for 2021.

In a statement released Feb. 19, the Vatican said Pope Francis signed off on the Holy See's 2021 budget, which was proposed by the secretariat and approved by the Council for the Economy, the Vatican board charged with overseeing the financial operations of all offices and entities.

"With total revenues of 260.4 million euros (US$316 million) and expenses of 310.1 million euros ($376.3 million), the Holy See expects a deficit of 49.7 million euros ($60.3 million) in 2021, heavily impacted by the economic crisis generated by the COVID-19 pandemic," the secretariat said.

The Council for the Economy met Feb. 16 to discuss the Vatican's 2021 budget, which was presented by Maximino Caballero Ledo and Emilio Ferrara, respectively secretary general and director of the administrative section of the Secretariat for the Economy.

According to its statutes, the council is "responsible for supervising the administrative and financial structures and activities of the dicasteries of the Roman

Curia, of the institutions connected to or referring to the Holy See and of the administrations" falling under the governorate of Vatican City State.

The Vatican said the Council for the Economy is expected to reconvene in April.

In an effort to provide "more visibility and transparency to the economic transactions of the Holy See," the Secretariat for the Economy also said the 2021 budget will consolidate incomes and grants from the Peter's Pence collection and "all dedicated funds," which are expected to bring in a net balance of 30.3 million euros ($36.7 million).

"Excluding Peter's Pence and the dedicated funds, the deficit of the Holy See would be 80 million euros ($97 million) in 2021," the dicastery said.

The statement did not mention the budget of Vatican City State, which usually operates at a profit and helps offset the deficit in the Holy See budget. However, like many countries, restrictions in place due to the pandemic forced the Vatican to close the city-state's main income generators — the Vatican Museums, the necropolis tours and the museum at the pontifical villas in Castel Gandolfo during 2020 — resulting in substantial financial losses.

The Secretariat for the Economy explained that the 2021 budget includes a 21% reduction in income because of a "reduction in commercial, services and real estate activities, as well as in donations and contributions."

At the same time, it said, operating expenses — except for personnel costs — also decreased by 14%, which reflects serious cost-saving efforts even while "employment security continues to be a priority for the Holy Father in these difficult times."

The Vatican also said 68% of the year's budget expenses are designated to sustaining "apostolic activities," while 17% will be used to manage property and assets and 15% for administration and service activities.

"If the level of donations remains as expected, the deficit will be settled with part of the reserves of the Holy See," it said.

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