



Press release

February 22, 2024

Cft: "Prioritize adoption of budget 2024"

Philipsburg - Since 2010, there has not been a single year in which Sint Maarten has managed to timely adopt its budget. This year, the situation is no different, which means there is no framework in place for incurring expenses and making investments. Therefore, the Cft urges the government to adopt its budget for 2024 as soon as possible.

Since the political reform of 2010, there has not been a single year in which Sint Maarten has managed to adopt a budget before December 15 of the previous budgetary year. For some years, the Cft has been expressing its concerns about the structural delay in the submission of the adopted budget, since the budget forms the basis for the authorization to incur in expenses and to make the necessary investments. It is of the utmost importance that Sint Maarten gives effect to the already drawn up plans of action for the improvement of the budgetary process. At the recommendation of the Cft, the Kingdom Council of Ministers has requested Sint Maarten to adopt the budget for 2024 at the earliest possible date, yet no later than by March 31, 2024.

Healthcare and social funds

By late 2022, the cumulative deficit of the healthcare funds amounted to ANG 274 million. It is expected that this deficit will further increase over the coming years. Sint Maarten is working on reforms to reduce deficit with the healthcare funds. In this regard, the focus should be on prevention and a shift of the current care and resources from secondary to primary care, to prevent patients needing more expensive secondary care. Reforms are crucial in order to guarantee funding of healthcare and to secure access to quality care. The Cft has repeatedly expressed its concerns about the timely implementation of reforms. Postponing reforms will lead to an untenable situation with major consequences for the country's budget.

Furthermore, the Cft is concerned about the social benefits, particularly the old age pension (AOV). Due to the increasingly aging population, the number of elderly entitled to an old age pension shall strongly increase over the coming years. It is expected that by 2029, the premium revenue will no longer be sufficient to cover the AOV payments. The Cft advises the government to take measures in order for the provisions for old age to remain affordable.

Investments

In 2023, Sint Maarten budgeted ANG 90 million in investments. For part of this amount, Sint Maarten contracted a loan. A large part of these investments has not been realized in 2023, but will be executed this year. The Cft requested Sint Maarten to bear this in mind when drawing up the budget for 2024. Furthermore, the Cft requested Sint Maarten to include a multiannual investment agenda, so that the available means and implementation capacity can be taken into account.

[End of press release]



Photo: Cft

Photo caption: The Cft has repeatedly expressed its concerns about the timely implementation of reforms.

Note for the editor - not for publication

Cft contact:

Offices of the Boards of financial supervision
Phone +5999 461-9081 / +5999 461-9082 / +5999 461-9084
Email info@cft.cw
Website www.cft.cw

Press inquiries:

Jefka Alberto
Phone +5999 512-6861