

STATEN VAN SINT MAARTEN		
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Appendix 2

Draft budget amendment 2024

EXPLANATION



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Draft budget amendment 2024

EXPLANATION



Foreword

The draft national ordinance "Budget Amendment 2024" outlines the financial status, forecasts and adjusted policy intentions of Sint Maarten for the year 2024. This budget is based on the previously approved budget for 2024, the implementation reports of the fourth quarter of 2023 and the first quarter of 2024 and uses the most recent forecasts of the International Monetary Fund (IMF) and the Central Bank of Curaçao and Sint Maarten (CBCS). The pandemic led to a significant decline in tourism in 2020, which negatively affected the hospitality sector and thus government revenues. However, the outlook for 2023 points to a recovery to pre-COVID levels within the same year, with this trend expected to continue in 2024.

The 2024 budget has been prepared on the basis of the following principles:

1. Income: based on historical data, adjusted to new policy intentions and initiatives.
2. Expenditures: also based on historical data, adjusted with new projects, taking into account IMF forecasts.

The increase in government revenues in 2023 is mainly the result of strengthened economic activities on the island and improved efficiency in the tax administration. Despite a decline in revenues in the first quarter of this year compared to 2023, the government remains optimistic that economic activities will grow in the coming years, leading to an increase in government revenues.

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1. Introduction

In May of last year, discussions were held with the International Monetary Fund (hereinafter: IMF) and a new “Article IV consultation Staff” report was published on July 7, 2023. A more recent report is expected later this year, in September. In this IMF report, the gross domestic product (hereinafter: GDP) for 2024 is estimated at NAf 3,106 million. The estimate for GDP according to the Central Bank of Curaçao and Sint Maarten (hereinafter: CBCS) is slightly higher, namely NAf 3,162 ¹million. The total debts (Net Central Government debt) according to the IMF report are estimated at around NAf 1,430 ²million at the end of 2024. Although the country’s total debts have increased significantly since 2020 due to the received liquidity support of around NAf 316.4 million, it is however expected that the government debt at the end of 2024 will be much lower than the IMF forecast, namely NAf 980 million. This means that the government debt is estimated to be around 32 percent of GDP instead of 46 percent. Furthermore, the IMF estimates that unemployment will fall from 7.8 to 7.6 ³percent in 2024. This is slightly higher than the CBCS estimates that unemployment will fall from 7.5 percent in 2023 to 6.5 ⁴percent in 2024. Despite the fact that the COVID-19 pandemic is currently under control, one should consider looking ahead whether the country will need to introduce additional measures in the health sector in the event of a future pandemic. This will of course entail additional costs, but the exact impact is not yet clear. Therefore, this has not been taken into account in this budget. In 2022 and 2023, the effects of increasing global inflation were still visible, also at local level. In 2022, there were sharp price increases, mainly in gasoline and food prices. However, this is expected to decline in 2024 and to remain fairly stable in the coming years. According to the IMF, we expect inflation in 2024 to be 2.2 ⁵percent, which is in line with the CBCS forecasts. This is a decrease of about 1.1 percent compared to 2023. The implementation report for the fourth quarter of 2023 showed better results than the budgeted NAf 1 million, with an actual result of NAf 16 million. However, in the first quarter of 2024, revenues were lower than budgeted and lower than in the same period last year, which prompted this budget amendment in which both revenues and expenditures have been adjusted to the most recent developments

Total State Government		
	Approved Budget 2024	Budget amendment 2024
Loads	572,779,633	546,856,862
Benefits	574,882,303	549,504,968
(-) Deficit/Surplus (+)	2,102,670	2,648,106

¹CBCS Economic Bulletin June 2023

²IMF Staff report for the 2021 Article IV consultation of 7th of July 2023

³IMF Staff report for the 2021 Article IV consultation of 7th of July 2023

⁴CBCS Economic Bulletin June 2023

⁵ IMF Staff report for the 2021 Article IV consultation of 7th of July 2023 and CBCS Economic Bulletin June 2023



1.1 Multi-year forecasts

General

On 7 July 2023, the IMF published their report based on the Article IV consultation. All estimates in this chapter are based on the projections as presented by the IMF in their publication of 7 July 2023. The CBCS data are based on the economic bulletin of June 2023. This does not include data for the years 2025 to 2027.

	2023	2024	2025	2026	2027
IMF projections GDP	2,933	3,106	3,251	3,399	3,547
CBCS projections GDP	3,009	3,162			
GDP Growth	7%	6%	5%	5%	4%
Government IMF income, incl. Capital service income	506	541	574	606	642

The numbers indicate:

- The economy is expected to grow by around 6% in 2024 (GDP)
- The IMF's income estimates are adjusted for capital service
- The country's revenues will recover to pre-Irma levels
- Government costs are rising due to inflationary influences, increases in interest costs and personnel costs.

The table below shows a multi-year position of the country's results.

Multi-year result (amounts x Naf 1 million)					
		2024 BW	2025	2026	2027
Benefits		550	562	594	615
Loads		547	560	579	599
	Total government result	3	2	15	16

The latest quarterly report of 2023 shows that the country will have a preliminary surplus of Naf 16 million. However, a lower surplus is expected for 2024, as revenues in the first quarter were significantly lower than budgeted and Naf 11 lower than in the same period last year. Steady growth in tax revenues is expected at around 5% annually in 2025 and 2026, and 4% in 2027, as shown in the table at the top of page 2. This trend points to increasing tax revenues in the future. The following sections will present a comprehensive multi-year projection of the country's total revenues and expenditures by economic category.

Government benefits



Revenues per economic category (amounts x NA f 1 million)					
		BW 2024	2025	2026	2027
Taxes		426	447	485	504
Permits		21	19	19	19
Fees and concessions		54	56	57	59
Other Income		49	40	33	33
	Total Government	550	562	594	615

Taxes

An upward trend in tax revenues is expected for the coming years. A significant increase in tax revenues was recorded in 2023, but was not matched in the first quarter of 2024. This growth in 2023 was mainly driven by the collection of tax arrears, a direct result of the 'quick wins' of the Tax and Customs Administration Transformation Project. Due to the incidental nature of these tax arrears, there was a decrease in the first quarter of 2024 compared to the same period in 2023. In the implementation report for the first quarter of 2024, tax revenues for the whole year are estimated at NA f 425.3 million, which is in line with the expectations in this budget amendment. Enhanced growth is expected in 2026 with the planned implementation of the 'tourist tax', which is then expected to be realizable and to have a positive effect on the financial outlook. The additional income from the introduction of the "tourist tax" is estimated at NA f 16 million per year.

Permits

No significant fluctuations are noted with regard to permits. However, due to the various ongoing projects, we anticipate an increase in the number of building permits. This expected increase has not yet been included in the forecast of the implementation report for the first quarter of 2024. As a result, there is a difference in the estimated income from permits between the budget amendment and the quarterly report.

Fees and Concessions

Although there is potential for an increase in dividend payments from holdings in the future, this has not been taken into account in the current budget amendment and multi-year forecast. The reason for this is the uncertainty about the exact amount and its feasibility. That is why the multi-year estimates have been budgeted quite conservatively. The government's dividend policy has already been communicated to all government entities. For the first quarter of 2024, the total revenues amounted to NA f 13.3 million. This budget amendment assumes that we will achieve approximately the same NA f 13 million for each quarter

Other Income

Other revenues show a slight increase compared to the approved budget, mainly due to project funds and ground rents to be received. Although an increase has been noted in the budget amendment, a decrease in these revenues is expected in the multi-year forecast, mainly due to a decrease in project funds from the temporary work organisation. Given the uncertainty of these funds for the coming years, a conservative approach has been used. On the other hand, an increase in ground rents to be received is expected, mainly due to agreements with two hotels where the ground rent rate has been increased retroactively to 2021. However, this adjustment in the ground rent has not yet been processed in the analysis of the first quarter implementation report, which explains the difference between the budget amendment and the implementation report.

For further information, please refer to Chapter 1.2.



Although the government and the IMF are optimistic about economic growth in the coming years, it is essential to take into account several risks that could have a significant impact on the realization of this growth.

The identified risks are as follows:

Pandemic developments : Although COVID-19 currently seems under control, the future remains uncertain. An increase in infections or the outbreak of a new pandemic would have serious consequences for the economy.

Natural Disasters : A possible hurricane in 2024 would not only damage Sint Maarten's economy but also lead to a decrease in revenues and an increase in costs for the country.

Inflation : Although inflation is currently stable, an increase in it could significantly increase the country's burden, especially within the category of goods and services. This could also indirectly reduce revenues through a reduction in the purchasing power of the population.

Refinancing risks : Discussions about refinancing could put pressure on interest charges. At an interest rate of 3.4%, an increase in interest charges of NAf 9 to NAf 10 million is *expected* from 2024. A higher fixed interest rate would further increase these costs. Any deferral of interest payments would reduce these costs.

Financial sustainability of healthcare and social funds : The rapidly increasing ageing of the population may pose future risks to the sustainability of healthcare and social funds, although this falls outside the timeframe of the multi-year forecast.

Local economic growth : Current local economic growth is low. If it remains low or decreases, it could have a significant impact on national revenues.

GEBE : The challenges at GEBE, if not resolved, could have a significant impact on the peak season at the end of the year. The power disruptions could lead to a decrease in our “stayover arrivals”. This could result in significant decreases in government revenues.

Interest rate norm : The interest charges for 2025 will amount to approximately NA f 27 million based on the current interest rate of 3.4% for the capital loan and 2.9% for the refinancing of the liquidity support loans. Based on this, the interest rate norm will be 4% in 2025. If the interest on the refinancing of the liquidity support loans rises to 6.7%, due to the failure to approve the main agreement and addendum, the interest charges will increase by NA f 10 million. As a result, the interest rate norm will exceed 5% in 2025, meaning that borrowing for capital investments will no longer be possible. If the income of the collective sector increases, space can be created and the interest rate norm can then fall.



Government charges

The table below shows the comparison between the established costs as expected by the country for the coming years. The costs are classified by economic category

Comparison charges per category (amounts x Naf 1 mln)					
		2024	2025	2026	2027
Charges according to government					
Personnel costs		236	241	250	261
Goods and services		130	129	131	136
	<i>Goods and Services</i>	127	125	128	132
	<i>Scholarships and grants</i>	4	4	4	4
	<i>Unforeseen</i>	0	0	0	0
Depreciation		13	14	16	17
Social facilities		36	36	38	37
Subsidies		108	110	114	117
Interest		24	30	30	31
	Total Government	547	560	579	599

For the country's multi-year forecast, the government has taken into account the following assumptions per economic category.

Personnel costs

In 2024, personnel costs are expected to increase compared to previous years due to the introduction of the new job descriptions of the Ministry of Justice. Most employees will be placed in the correct salary scales retroactively, resulting in a significant increase in personnel costs compared to previous years. This process started at the end of last year, but the receipt of the national decrees and the impact will not be visible until 2024. According to the accounting national ordinance art. 3 paragraph 3, expenses for salaries and social security contributions must be accounted for in the service year in which the salaries serve as the basis for income tax. In addition, a salary indexation of 2 percent and an increase in holiday pay from 6 percent to 7 percent have been taken into account in 2024. Furthermore, there is also an increase in the costs for health insurance for civil servants of NAF 1.3 million in 2024. These costs are necessary to strengthen the budget of the Mental Health Foundation, an amount that was determined in consultation with the foundation due to an increase in the demand for mental health care. For more information, please refer to Chapter 1.2 under personnel costs.

In 2025, an additional salary indexation of 2 percent is provided for, as well as an additional increase in holiday pay of 1 percent. At this time, no additional vacancies have been included for 2025, which is in line with the draft budget for that year, which is currently being worked on. In addition, allowances, bonuses and step increases have also been taken into account in 2025. For 2026 and 2027, adjustments to the job descriptions of the other ministries and digitalization are taken into account, which will lead to other types of positions. These adjustments are not expected until 2026 and 2027, because adjusting the job descriptions is a legislative process and implementation will realistically only be feasible in 2026.



Multi-year costs of Sint Maarten Prison

At present, the estimated total operational costs for running the new prison are estimated at approximately NAf 20 million per year, of which NAf 13 million per year is for staff costs and NAf 7 million for other operational costs. However, this impact will not be felt until 2027. The total staff costs for the remand centre are expected to increase by approximately NAf 3 million in 2027. *Other* operational expenditure will remain in line with the current budget.

Goods and services

No huge growth is expected in goods and services in the coming years, this is due to the fact that the IMF report ⁶states that inflation will remain fairly constant in the coming years, see table below.

Year	2024	2025	2026	2027
CPI*	2.2	2.0	1.9	1.9

*Consumer Price Index

Furthermore, based on the third quarter 2023 data from the Statistics Department, which shows that the Consumer Price Index (CPI) rose by only 0.69 percent, it can be concluded that inflation is currently quite stable. The same applies to scholarships and grants; there is currently no indication that these will increase in the coming years.

Ennia

Due to the structural deficit in the investment portfolio of Ennia Caribe Leven NV (hereinafter: “ECL”) and the ongoing payment obligations towards its policyholders, a resolution of ECL is necessary and urgent to prevent bankruptcy. This problem has major economic and social consequences for the approximately 30,000 policyholders, who are spread across Curaçao and Sint Maarten and in many cases depend on a supplementary pension payment to (just) stay above the poverty line. In the interest of the approximately 30,000 policyholders and pensioners of ECL, the stability of the financial system and to prevent social unrest and thus in the general interest, the government of Sint Maarten has, together with the Central Bank of Curaçao and Sint Maarten and the government of Curaçao, developed a plan in recent months for the resolution of the problems at Ennia. The CBCS and both governments have reached an outline agreement on a solution for the Ennia Group that does not require a reduction in the policies of Ennia Caribe Leven NV (ECL). Based on the outline agreement including addendum, a partial restart of ECL will take place. This solution will guarantee the continuity of the services of the Ennia Group, also with regard to the life insurer. The implementation of this solution is still subject to the necessary approvals as prescribed by the applicable laws and regulations of Curaçao and Sint Maarten. The parties have agreed that Curaçao and Sint Maarten will contribute to the financing of the solution from 2027 onwards. The required annual contributions are currently being actuarially calculated by CBCS. It is expected that Sint Maarten will contribute a maximum of NAf 3 million annually for 30 years from 2027 onwards to finance the solution. As of 2025, the country expects to receive dividend income from CBCS of at least 4 million per year for the next 50 years. The annual obligation and the annual expected income have resulted in an increase in material costs in 2027 at the Ministry of Finance and an increase in income of Sint Maarten as of 2025 which will not have a negative effect on the budget of the country.

Depreciation

Due to an increase in fixed assets and investment, depreciation is expected to increase in the coming years.

⁶ IMF Staff report for the 2021 Article IV consultation of 7th of July 2023.



Social benefits

In recent years, the country's social costs have not increased significantly. The government is currently working on an adjustment of the legislation regarding financial assistance, which will lead to a gradual increase in costs in this area. This is due to the expected increase in demand for services within the social domain, based on data from the social register. The implementation of this register is scheduled for 2024, but the financial impact of a growing demand will probably only be felt in 2025 and will increase over the years. This is because new services, such as home care, security services and services for the elderly to maintain social contacts, are being introduced to promote self-reliance. In addition, signals from the Social Health Insurance Implementation Agency indicate that health care costs are also increasing, resulting in a gradual increase in social services, namely medical assistance for the poor and the underprivileged.

Subsidies

Due to the increase in salary indexations and the higher percentage of holiday pay, subsidies for schools have increased by approximately 2 million. However, other subsidies for which no applications were received have been reduced. As a result, the total subsidy amount has not increased compared to the established budget. However, the multi-year forecast has taken into account all possible subsidy applications, resulting in an expected increase in subsidies in the coming years.

Interest

An increase in these costs is expected due to an increase in capital service loans for the coming years, for which an interest rate of 3.4% is used. In Statement E of the book of figures, the interest charges for the coming years are included, excluding the new capital service loans. The table on page 8 shows the interest charges including the capital service loans. More information about the loans can be found on page 9. In addition, an interest rate of 3.4% has been taken into account on the refinancing of the liquidity support, which has a significant impact on the total interest charges, namely NAF 10 million per year from 2024. This can also be found in Statement E of the book of figures. In the last quarter of this year, an amount of NAF 9.5 million must be repaid on the liquidity loan, which means that the interest payments for this loan will be slightly lower from 2025.

		Lening 12/31/2023	Interest 2024	Lening 12/31/2024	Interest 2025	Lening 12/31/2025	Interest 2026	Lening 12/31/2026	Interest 2027	Lening 12/31/2027
	%									
Loan Capex 2024	3.40%		377,400	133,200,000	4,528,800	133,200,000	4,528,800	133,200,000	4,528,800	133,200,000
Loan Capex 2025	3.40%				3,265,347	96,039,632	3,265,347	96,039,632	3,265,347	96,039,632
Loan Capex 2026	3.40%						1,156,000	34,000,000	1,156,000	34,000,000
Loan Capex 2027	3.40%								1,156,000	34,000,000
Refinancing liquidity loans (2023)	3.40%	316,400,000	10,677,105	306,930,000	10,435,620	306,930,000	10,435,620	306,930,000	10,435,620	306,930,000
			-	-	-	-	-	-	-	-
Totaal Liquiditeitssteun lening en Kapitaaldien		316,400,000	11,054,505	440,130,000	18,229,767	536,169,632	19,385,767	570,169,632	20,541,767	604,169,632
Interest oude leningen, zie staat E voor breakdown			13,021,718		11,945,831		10,894,106		10,786,432	
Totale Interest			24,076,223		30,175,598		30,279,873		31,328,200	

Government capital service

Multi-year projection of capital service expenditure and income



		2024	2025	2026	2027
Expenditure					
<i>Capital service goods</i>		280.0	96.0	34	35
<i>Non SNA Investments</i>					
Repayments		18.4	82.5	6.8	6.8
Student loans		5.3	5.3	5.3	5.3
	Total Expenditure	303.7	183.8	46.1	47.1
Capital service income					
BZK/TWO/NRPB		85.8			
<i>Capital goods loan</i>		133.2	96.1	34	35
Depreciation/own resources/collection of student loan		24.6	14.2	12.1	12.1
Loan 2023 (already received)		60.1			
Refinancing loan		0	73.5		
	Total income	303.7	183.8	46.1	47.1

In 2025, the total repayments amount to NA f 82.5 million, of which NA f 73.5 million relates to the repayment of a specific loan. However, it is expected that this loan will be fully refinanced

The investments originally planned for 2024 in the approved budget have been postponed to 2025. For 2026 and 2027, total capital services goods are estimated in the multi-year projection at approximately 1% of GDP, which corresponds to approximately NA f 35 million annually. Further breakdown of this will take place in the budgets of the coming years. The regular annual repayments are financed from own resources. For more detailed information, please refer to chapter 3.3.

Capital expenditure in 2025 is estimated at approximately NAf 183.8 million and is structured as follows:



Description	SNA-code	Decade GL	Prioriteiten lijst voor de komende jaren	Afdeling	2025
Other Equipment	AN1139	1105	Aanschaf en installatie v/w noodaggregaat, inclusief automatische overslagfaciliteiten	Parlement	120,000
Non-residential buildings	AN1121	1104	ICT vervanging	Parlement	45,000
Transport equipment	AN1131	1103	Wagenpark	Parlement	60,000
Computer software	AN11731	1120	Replace / upgrade complaint handling software	Ombudsman	90,000
Transport equipment	AN1131	01103	Replace company vehicle	Ombudsman	72,000
Transport equipment	AN1131	1103	Dienstvoort*	SER	40,000
Transport equipment	AN1131	1103	Wagenpark	VDSM	49,000
ICT equipment	AN1132	1120	Ongoing overdue replacement of hardware	VDSM	147,420
Non-residential buildings	AN1121	1104	Office Renovation/Expansion	VDSM	85,000
Transport equipment	AN1131	1103	Laser Engraving Printer	Burgerzaken	180,000
Other Equipment	AN1139	1105	Inrichting van Trouwzaal	Burgerzaken	50,000
Non-residential buildings	AN1121	1120	Parking Lot	Facilitaire Zaken	450,000
ICT equipment	AN1132	1120	A.1 Implementatie ERP-systeem overheid SKM*	Finance	4,770,000
Transport equipment	AN1131	01103	3 dienstauto's t.w.v. \$30000 per auto. Dienstauto's zijn essentieel voor de adequate uitvoering van de dienst (piketdients 24/7, vervoeren van minderjarigen in crisissituaties, huisbezoeken in het kader van onderzoek)	Voogdijraad	162,000
Other Equipment	AN1139	01105	Aanschaf van nieuwe kantoor meubelen (bureaus, stoelen, dossierkasten etc.). De Voogdijraad gaat ook binnenkort verhuizen en de nieuwe locatie dient ingericht te worden en voorzien te worden van de nodige meubilair.	Voogdijraad	71,000
Transport equipment	AN1131	01103	Dienstauto's LR zijn aan vervanging toe. De reparatie- en onderhoudskosten zijn te hoog. Aanschaf van 3 nieuwe auto's voor de organisatie in 2024	Landsrecherche	175,000
ICT equipment	AN1132	1120	ASYCUDA software systeem. ASYCUDA is een geautomatiseerd systeem voor Douane gegevens. Het is een douane specifiek systeem dat door de UNCTAD is ontwikkeld om de douane diensten bij te staan bij het beheer van gegevens.	Douane	1,346,800
Other Equipment	AN1139	01105	ERGO kantoor meubelen voor IND medewerkers op alle grensposten	Immigratie & Grensbewakingsdienst	25,000
Other Equipment	AN1139	01105	Kantoor meubelen voor IGD medewerkers bij Toelating & Verblijf, Mobiele Unit Office	Immigratie & Grensbewakingsdienst	75,000
Transport equipment	AN1131	01103	Dienstauto's (3x) Lease to buy or buy	Immigratie & Grensbewakingsdienst	150,000
ICT equipment	AN1132	1120	30 Computer: ThinkCentre M70q; Thinkvision T24i-20 LED monitor 23.8" 1920x1080; UPS Back-UPS ES 600VA 110VAC 4 outlets sockets Core i5 - RAM 8GB - SSD 256GB - W10P - 3YR IGD medewerkers	Immigratie & Grensbewakingsdienst	76,713
Transport equipment	AN1131	01103	Dienstauto's KPSM zijn aan vervanging toe en onderhoudskosten zijn te hoog. KPSM heeft mobiliteitsplan waar auto's over meerdere jaren aangeschaft worden.	Korps Politie St. Maarten	1,512,000
Office Furniture	AN1139	1105	Kantoor meubilair voor alle politiebureaus	Korps Politie St. Maarten	50,000
ICT equipment	AN1132	1120	Uitbreiding CCTV, hardware en software, licenties	Korps Politie St. Maarten	198,000
Non-residential building	AN1121	1104	Phase 1 Nieuwe Gevangenis (UNOPS)	Huis van Bewaring	-
Non-residential building	AN1121	1104	Phase 2 Nieuwe Gevangenis (UNOPS)	Huis van Bewaring	10,464,352
Loans	D8r	1211	Verstrekte studieleningen u/g	Dienst Studiefinanciering	0
ICT equipment	AN1132	1120	Network upgrades and expansion	Dienst Openbaar Onderwijs	275,000
ICT equipment	AN1132	1120	Desktop Computer Replacement	Dienst Openbaar Onderwijs	450,000
Desk & Chairs	AN1139	1105	Equipment for SMVTS New Curriculum	Dienst Openbaar Onderwijs	700,000
Non-residential buildings	AN1121	1104	High School	Dienst Openbaar Onderwijs	12,100,000
Non-residential buildings	AN1121	1104	NEW MDS/SMCAA BUILDING	Met/L&S	9,500,000
Non-residential buildings	AN1121	1104	Vendors Village Development *	EVT/ETT	879,840
Other Equipment	AN1139	1105	Furniture and equipment for new building	Meteorology	525,000
Other Equipment	AN1139	1105	Inrichting en Equipment	Met/L&S	900,000
Land Improvements	AN1123	1108	Main Roads*	Beh / NW	5,000,000
Land Improvements	AN1123	1108	Hard Surfacing Dirt Roads (Concrete/ Asphalt)*	Beh / NW	4,000,000
Other Structures	AN1122	1121	Upgrade Middle Region Fase 2, boundary walls East, secondary roads	Beh / NW	6,000,000
Other Structures	AN1122	1121	WWTP, Phase 1 Cay Bay	Beh / NW	25,600,000
Land	AN211	1108	Land Purchase: Housing, Comm. Centers, Sewage, Drainage, Cementary etc	NW / Beh	18200000
Transport equipment	AN1131	1103	Purchase of vehicles	Inspection	232,128
Transport equipment	AN1131	1103	Purchase of a vessel	Inspection	213,379
Totaal Kapitaalgoederen					96,039,632
Non SNA-Investeringen					
Loans	D8r	1211	Aflossingen	Finance	82,452,935
Loans	D8r	1211	Verstrekte studieleningen u/g	Education	5,280,000
Total					87,732,935
Totaal Leningen					183,772,567

Measure A.1 country package "Budget process"

On December 22, 2020, Sint Maarten and the Netherlands signed the mutual arrangement for the implementation of the Sint Maarten Country Package. The aim of Theme A in the country package is to improve financial management and supervision, so that the government is in control. In this context, measure A.1 has been included, in which it will be determined on the basis of existing and/or additional research how the financial column can be strengthened.

With regard to the budget, the first step was an examination of the current budget process. Based on this examination, various recommendations were adopted to ensure that Sint Maarten complies with the legal requirements.

It has been decided to develop a growth model with the aim of achieving a budgetary process that meets two important requirements, as laid down in the Accounting Regulation: firstly, a multi-annual budget that is



secondly drawn up on the basis of policy. The transition from the current situation to the desired final situation will take place in three phases. At the moment, these are proposals, with progress depending on the speed at which each phase is completed:

- Phase 0: Current situation
- Phase 1: Introduction of multi-year budget with the start of the 2026 budget cycle. It is expected that this phase will not be fully completed and that a complete and correct multi-year budget will be achieved with the 2027 budget cycle.
- Phase 2: Intra-ministerial policy programme in the 2028 budget cycle.
- Phase 3: Interministerial Policy Programme in the 2029 budget cycle.

In addition, the timeline for submitting the budget is evaluated to meet the legal requirements for submission and adoption. The starting point of the process and the steps required for this are examined.



1.2 Comparison of the 2024 Approved Budget and the 2024 Draft Budget Amendment

BENEFITS

REVENUE 2023 (x NAf 1 million)				
	Preliminary realization 2023	Approved Budget (VB) 2024	Draft budget amendment (OBW) 2024	Difference
BENEFITS	511⁷	575	550	-25

Preliminary estimates for 2024 indicate total benefits of approximately NAf 550 million for the country, which is approximately NAf 25 million lower than the approved budget.

This significant decrease in expected income is mainly due to the loss of the estimated NA f 13.4 million from the sale of WINAIR shares and an additional NA f 9 million from the tourist entry tax. It is expected that the introduction of the tourist tax will not be realized this year. Furthermore, the first quarter report of 2024 showed an income realization that was NA f 26 million lower than the budgeted income.

Although our tax revenues have decreased, there are additional revenues that were not included in the originally approved budget. These differences will be further explained in detail in the following paragraphs.

The table below provides an overview of tax revenues by economic category. These will be further explained by category in the following sections.

	Preliminary realization 2023	VB 2024	OBW 2024	Difference VB 2024 & OBW 2024
Taxes	408.0	453	425	-28
Permits	17.0	21	21	0
Fees and concessions	49.6	54	58	+4
Other Income	36.6	47	46	-1
	511.0	575	550	-25

⁷Implementation report quarter 4 2023 dated February 23, 2023



Taxes

REVENUE (x NA f 1 mln.)	Preliminary realization 2023	VB 2024	OBW 2024	Difference
Payroll tax	164	167	160	-7
Income tax	3.8	8	5	-3
Tax on Business Turnover	149.1	164	155	-9
Corporate income tax	42.2	44	44	0
Motor vehicle tax	11	12	12	0
Tourist tax	9.3	14	14	0
Tourist tax	0	9	0	-9
Airbnb Guest Tax	0	0	0	0
Rental car tax	1.4	2	2	0
Time Share Fee	2.3	3	3	0
Transfer tax	15.4	17	18	1
Other Taxes	0.8	2	2	0
Increase Fiscal Compliance	0	0	0	0
Excise duties	8.6	11	11	0
Total Taxes	408	453	425	-27

In accordance with the approved budget for 2024, tax revenues were estimated at NAF 453 million. This budget originally included NAF 9 million in revenue from the "visitors entry tax", which was scheduled to be implemented on 1 July. However, this estimate has been revised to zero in the 2024 budget amendment, as the relevant legislation has not yet been approved and is currently awaiting approval from the Social and Economic Council. Under the Transfer Tax, there is a small increase of NAF 1 million, this is based on a recently signed agreement whereby this amount is considered as tax receivable. In addition, a number of other taxes will also be adjusted based on the most recent information, and will be reduced by NAF 19 million. These corrections were made based on the figures from the first quarter report, which showed that actual revenues, mainly from wage and income tax and business turnover tax, were significantly lower than expected. Income tax was also lower in the first quarter, but is expected to recover towards the end of the year, so no change is needed for this tax type at this time.



Permits

REVENUE (x NA f 1 mln.)	Preliminary realization 2023	VB 2024	OBW 2024	Difference
Business permits	10	12	12	0
Work permits	1.9	1	1	0
Building permits	2.4	3	3	0
Restaurant permits	0	3	3	0
Residence permits	2.7	3	3	0
Total Permits	17	21	21	0

Permits in the 2024 budget amendment remain in line with the approved 2024 budget.

Fees and Concessions

REVENUE (x NA f 1 mln.)	Preliminary realization 2023	VB 2024	OBW 2024	Difference
Banking License Fees	28.5	30	32	2
Concession Fees	11.5	11	12	1
BTP Result	2.5	3	3	0
BIE result	0	0	0	0
Casino and Lottery Fees	7.1	11	11	0
Dividend Government Companies	0	0	0	0
Total fees and concessions	49.6	54	58	3

In the budget amendment for 2024, the fees and concession rates have been set slightly higher than in the originally approved budget. The bank license fees have been increased, which is reflected in the recent income, as shown in the first quarter figures. Up to and including the end of May, Sint Maarten has received NA f 14 ⁸million in license fees from the CBCS, which is NA f 1 million more than what we received in the same period last year. This represents an increase of approximately 8.9 percent in license fees. If we apply this increase to the entire amount of last year, which was NA f 28.5 million, we expect a total amount of NA f 32 million at the end of this year .

For the preliminary realization, the data from the execution report on Casino and Lottery levies have been used. Although it is currently recorded at NAf 7.1 million, it has been estimated that the total revenue for 2023 will be approximately NAf 10.5 million.

Regarding BTP, revenues this year are expected to amount to around NAf 3 million based on their submitted budget. The National Ordinance regarding the status, tasks, and powers of the Bureau Telecommunication and Post (BTP) stipulates that the fees received by BTP from the telecommunications and postal sectors, after deducting operational and infrastructural costs, the reserve fund, and earmarked reserves, must be deposited into the national treasury on a quarterly basis.

⁸<https://exch.centralbank.cw/statistics/external-sector-statistics/proceeds-from-license-fee>



Their submitted budget for 2024 shows total receipts of USD 5.2 million, with operational and infrastructure costs of USD 3.2 million. The reserve fund and earmarked reserve total USD 0.5 million, which means that an amount of USD 1.5 million (equivalent to NAf 2.7 million) must be deposited in the national treasury.

In addition, the concession fee for GEBE has been adjusted according to the annual price indexation, which explains the increase in concession fees. This is also visible in the figures for the first quarter of 2024. According to the law regarding the granting of a concession for the generation and supply of electricity⁹ the concession for GEBE is adjusted annually on the basis of the index figure for household consumption maintained by the Central Bureau of Statistics as of 1 October of the previous year, increased by one full percentage point.

The Consumer Price Index (CPI) was 9.44 percent in the third quarter of 2023. Therefore, the concession fee for 2023 amounted to NAf 11.5 million, of which NAf 4 million came from the Harbor and NAf 7.5 million from GEBE.

Other Income

REVENUE (x NAf 1 mln.)	Preliminary realization 2023	VB 2024	OBW 2024	Difference
Casino Controllers	2.1	3	3	0
Leasehold	8.8	7	12	6
Other income	23.2	25	14	-11
Received Project Funds	2.5	11	15	4
Total other income	36.6	47	46	-1

In the updated 2024 budget, a decrease of NAf 1 million in other revenues has been noted. This reduction primarily consists of a NAf 11 million decline under miscellaneous revenues, offset by a NAf 6 million increase in leasehold income and NAf 4 million in anticipated project funds.

Originally, the budget included NAf 13 million under miscellaneous revenues from the sale of WINAIR shares. However, this has been revised in the current amendment, as the sale will not take place this year. It is currently unclear if it will happen at all.

Additionally, NAf 2 million is included, related to funds the country is due to receive from OBNA. These revenues are tied to the settlement of the Sint Maarten Bridging Finance Fund. In a letter dated October 6, 2023, OBNA indicated that the loan portfolio claims will be written off due to the loans' near-zero collectability. After the claims are written off, all remaining liquid assets will be transferred to the country, in accordance with the termination agreement dated May 7, 2014. As of December 31, 2023, the liquid assets amounted to NAf 2 million.

Additional leasehold revenues have also been included, stemming from recently signed agreements with two hotels, retroactive to 2021. These agreements result in an increase of NAf 6 million in leasehold income, of which NAf 1.5 million is structural and NAf 4.5 million is retroactive and non-recurring.

⁹NATIONAL ORDINANCE containing rules regarding the granting of a concession for the generation and supply of electricity, AB 2010 no. 27



According to the Accounting Ordinance, these revenues must be recorded in 2024, as they were identified after the accounts for previous fiscal years had been closed.

Regarding the received project funds: the total revenue in the approved 2024 budget was NAF 11 million, of which NAF 2 million was a subsidy from BZK related to the prison. These funds are not tied to the Country Package. The remaining NAF 9 million was allocated to the Country Package.

In the amendment, an additional NAF 4 million in project funds has been included. These extra revenues relate to the Country Package, with NAF 2 million designated for border control under Project H.22, NAF 1 million for education, and NAF 1 million directly tied to Project C4 of the Tax Office Transformation in the Country Package. These funds were recently approved, leading to adjustments in the budget amendment.

LIABILITIES

EXPENSES (x NAF 1 million)				
	Preliminary Realization 2022	VB 2024	OBW 2024	Difference
LIABILITIES	478.8¹⁰	573	547	-26

In the draft budget amendment for 2024, the total expenditure has been reduced by NAF 26 million compared to the approved budget for the same year. This reduction is mainly the result of the elimination of various vacancies in all ministries and the reduction of the economic category of goods and services. A detailed explanation per economic category follows below.

A. Personnel costs

PERSONNEL COSTS (x NAF 1 million)					
	Preliminary Realization 2022	Expected completion 2023	VB 2024	OBW 2024	Difference
Personnel costs	207.8	228.2	247	235	-12

**Personnel costs including vacancies*

Personnel costs have been reduced by NAF 12 million due to the elimination of vacancies across all ministries. The approved budget initially included 128 vacancies, which have been reduced to 65 in the amendment. All these vacancies are now budgeted for a maximum of 4 months instead of 12 months. Additionally, some positions that were budgeted for the entire year were filled later in the year, and this has been adjusted in the amendment. Furthermore, some positions were budgeted at a specific salary level, while the actual salaries offered were lower than initially projected.

¹⁰ Implementation report quarter 4 2023 dated February 8, 2023



The decrease in personnel costs is partly due to the following:

	Amounts x N From 1 million
Reduction in remuneration and social security contributions due to vacancies, adjustment of vacancies (see statement H number calculation)	-13
Increase OZR for MHF	+ 1
Total	-12

B. Material Costs

MATERIAL COSTS (x NA f 1 million)					
	Preliminary Realization 2022	Expected completion 2023	VB 2024	OBW 2024	Difference
Material costs	272	288	326	312	-14

The total material costs have decreased compared to the approved 2024 budget by NA f 14 million.

The table below shows the total material costs per economic category.

Expenses (x NAf 1 million)	Preliminary Realization 2022	Expected Realization 2023	VB 2024	OBW 2024	Difference
Goods and Services	109	134	139	127	-12
Social Security	35	36	37	36	-1
Depreciation	14	13	13	13	0
Subsidies	98	98	109	108	-1
Scholarships	3.9	3	3.6	3.6	0
Interest and bank charges	11	14	24.6	24.0	-0.6
Total	271	298	326	312	-14



The budgeted material expenses have been reduced by NAf 14 million, primarily due to a NAf 12 million decrease in costs for goods and services. Currently, several projects related to the Country Package are underway. The majority of these projects are financed by the Temporary Work Organization (TWO). The government will focus primarily on the completion of these projects, given the existing capacity issues. This budget does not introduce any new policies, resulting in a reduction in expenditures. Specifically, costs for projects and activities have been reduced by NAf 4 million, spending on external personnel by NAf 2.1 million, and expenditures for courses and training by NAf 2 million. Additionally, costs for legal and other expert advice have been reduced by NAf 1 million.



1.3 Liquidity trend

For the coming financial year, liquidity is expected to be dynamic, requiring close management and constant attention due to planned investments and expansions. Although liquidity will fluctuate, it is expected that these fluctuations will remain within manageable limits. The year started with a balance of NAf 14.7 million, and it is projected that the closing balance will be similar, namely NAf 13.3 million. Traditionally, there is a seasonal decline in liquidity in the third quarter, which is usually compensated in the fourth quarter with the start of the high season. Cash flow will be closely monitored, and proactive measures will be taken to manage our liquidity efficiently and ensure that it remains in line with the long-term strategy.

Verloop vrije liquiditeiten (excl KD)		FORECAST			
2024	Q1	Q2	Q3	Q4	Total 2024
Ontvangsten					
Belastingen	114.0	110.8	91.2	110.0	426.0
Vergunningen	3.2	5.5	6.0	6.3	21.0
Fees & Concessies en overige mbt overheidsbedrijven	10.1	12.9	13.6	17.4	54.0
Overige ontvangsten	13.1	2.8	13.0	20.2	49.0
Ontvangsten GD	140.3	132.1	123.8	153.9	550.1
Aflossing studielening	0.2	0.2	0.6	0.4	1.4
Divers Overige Inkomsten (geen opbr, AVBZ /KW/vorige periodes)	6.5	-3.8	0.0	0.0	2.7
Totaal ontvangsten	147.0	128.4	124.4	154.3	554.2
Uitgaven					
Personeelskosten (incl ambtenarendeel OZR)	48.9	60.9	54.5	59.1	223.4
Creditors (incl inhuur derden)	39.8	27.5	25.0	36.0	128.4
Sociale voorzieningen	9.7	9.8	10.2	10.5	40.1
Subsidies	27.9	25.2	27.0	26.8	106.9
Studiebeurzen	0.8	0.5	1.7	0.6	3.6
Interest en bankkosten	3.2	3.5	0.1	18.2	25.0
Uitgaven samenhangend met GD	130.3	127.4	118.5	151.2	527.3
Studieleningen	0.8	0.4	1.7	0.6	3.5
Aflossing leningen	0.4	5.3	1.5	15.7	22.9
Betalingsachterstanden (vanuit vrije liquiditeiten)	0.6	0.2	0.6	0.6	2.0
Totaal uitgaven	132.0	133.3	122.2	168.1	555.7
Mutatie vrije liquiditeiten	15.0	-4.9	2.1	-13.8	-1.5

Liquiditeitspositie vrije liquiditeiten					
Startsaldo Vrije liquiditeiten	14.7	29.7	24.9	27.0	14.7
Eindsaldo Vrije liquiditeiten	29.7	24.9	27.0	13.3	13.3
Mutatie Vrije liquiditeiten	15.0	-4.8	2.1	-13.8	-1.5
Verschil	-0.0	-0.0	0.0	-0.0	-0.0

for 2025 as in 2024. This clearly highlights the need to refinance the loan maturing in 2025, given that the year is expected to close with an available balance of NAf 15.1 million.



Verloop vrije liquiditeiten (excl KD)		FORECAST			
2025	Q1	Q2	Q3	Q4	Total 2025
Ontvangsten					
Belastingen	119.3	116.0	96.5	115.3	447.0
Vergunningen	3.2	5.5	4.0	6.3	19.0
Fees & Concessies en overige mbt overheidsbedrijven	10.1	12.9	13.6	19.4	56.0
Overige ontvangsten	13.1	2.8	13.0	11.2	40.0
Ontvangsten GD	145.6	137.3	127.0	152.1	562.1
Aflossing studielening	0.2	0.2	0.6	0.4	1.4
Divers Overige Inkomsten (geen opbr, AVBZ /KW/vorige periodes)	6.5	-3.8	0.0	0.0	2.7
Totaal ontvangsten	152.3	133.7	127.6	152.6	566.2
Uitgaven					
Personeelskosten (incl ambtenarendeel OZR)	48.9	60.9	54.5	59.1	223.4
Creditoren (incl inhuur derden)	39.8	27.5	25.0	36.0	128.4
Sociale voorzieningen	9.7	9.8	10.2	9.5	39.1
Subsidies	29.9	27.2	29.0	27.8	114
Studiebeurzen	0.8	0.5	1.7	0.6	3.6
Interest en bankkosten	3.2	3.5	0.1	18.2	25.0
Uitgaven samenhangend met GD	132.3	129.4	120.5	151.2	533.4
Studieleningen	0.8	0.4	1.7	0.6	3.5
Aflossing leningen	0.4	5.3	1.5	16.6	23.8
Betalingsachterstanden (vanuit vrije liquiditeiten)	0.6	0.2	0.6	0.6	2.0
Totaal uitgaven	134.1	135.3	124.2	169.0	562.6
Mutatie vrije liquiditeiten	18.2	-1.6	3.4	-16.4	3.5

Liquiditeitspositie vrije liquiditeiten					
Startsaldo Vrije liquiditeiten	13.3	29.7	28.1	31.5	13.3
Eindsaldo Vrije liquiditeiten	29.7	28.1	31.5	15.1	15.1
Mutatie Vrije liquiditeiten	16.4	-1.6	3.4	-16.4	1.7
Verschil	1.8	-0.0	0.0	-0.0	1.8



1. 4 Country Package

On December 22, 2020, Sint Maarten and the Netherlands signed the mutual arrangement for the implementation of the Sint Maarten Country Package. Since the signing of the mutual arrangement, the first steps have been taken to realize a broad range of reforms and investments. These should contribute to the resilience and resilience of the economy and society. The economy of Sint Maarten needs to achieve sustainable economic growth and earning capacity. Good governance, solid public finances, and social cohesion contribute to this goal. Additionally, a more resilient economy and society, better equipped to handle crises, will create new opportunities for citizens and businesses.

The Country Package includes measures in the following areas: financial management; cost and effectiveness of the public sector; taxation; the financial sector; the economy; healthcare; education; and strengthening the rule of law. The specific agreements related to these measures are outlined in an implementation agenda, which is updated quarterly.

At this moment it has been determined that the expenditure for the investigations of the established action plans will be financed from CoHo/TWO, also in 2023 and 2024. At this moment it is not clear what the outcome of the various investigations will be, so it is also difficult to estimate what the impact will be on the national treasury.

Progress of the Sint Maarten country package

Overall, the implementation of the various measures is progressing well and satisfactorily. The progress of activities is sufficient and of good quality. Most measures are proceeding according to the established timeline, and it is expected that the set deadlines will be met. Approximately twelve measures are still in the design phase, but they are expected to be finalized shortly. The tables below outline all the measures currently being worked on. The financial implications for the country's budget in the coming years are still unknown. Most measures are still in the research phase, and only once these studies are completed will the actual financial impact on the national budget, in terms of revenue, expenses, and investments, become clearer.

For more information on the status of the measures, please refer to the report "Implementation agenda for country packages Sint Maarten 1 October – 31 December 2023".



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Budgettaire gevolgen van de uitvoeringsagenda (bedragen x ANG 1.000)				B=baten, L=lasten, I=investeringen.													
Status plan van aanpak of beslisnotitie*	2023			2024			2025			2026			2027 (OB)			Structureel/ Incidenteel	Jaar**
	B	L	I	B	L	I	B	L	I	B	L	I	B	L	I		
Thema: A Financieel beheer																	
Maatregel A.1																	
A1.1 Onderzoek naar bestaande financiële werkprocessen, waaronder in ieder geval de processen procure to pay en order to cash, en een inventarisatie van de daarbij gebruikte systemen. Inclusief fit/gap analyse ten behoeve van A.1.2.																	
A.1.2 Verkenning mogelijkheden implementatie nieuw boekhoudsysteem																	
A.1.3 Doorlichting door Nederland samen met Sint Maarten van de praktijk van het begrotingsproces																	
A.1.4 Vaststellen achterstallige jaarrekeningen.																	
A.1.5 Op orde brengen van de balans door een opschoning van o.a. posten debiteuren, crediteuren en activa.																	
A.1.6 Juridisch kader aanpassen als basis om financiële kolom te versterken.																	
A.1.7 Onafhankelijke advisering over het verkorten van de doorlooptijd van de oplevering en de controle van de jaarrekening.																	
A.1.8 Roadmap Financieel Beheer																	
Maatregel A.2																	
A.2.1 Uitvoeren van een peer review op het Department of Statistics																	
Maatregel A.5																	
A.5.1 Opstellen van Disaster Risk Management beleid.																	
Thema B: Kosten en effectiviteit publieke sector																	
Maatregel B.2																	
B.2.2 Uitvoeren doorlichting overheidsnv's																	
Maatregel B.4																	
B.4.2 Risicogerichte integrale doorlichting(en).																	
B.4.3 Versterking wetgevingsfuncties																	
Maatregel B.5																	
B.5.3 In aanvulling op het vergelijkend onderzoek naar de primaire, secundaire en tertiaire arbeidsvoorwaarden wordt een benchmark onderzoek uitgevoerd waarin de arbeidsvoorwaarden uit de (semi)publieke sector worden vergeleken met de private sector.																	
Maatregel B.6																	
B.6.2 In het kader van capacity building medewerkerstevredenheidsonderzoeken capacity retention worden een (MTO) en een exitsurvey uitgevoerd.																	
Maatregel B.8																	
B.8.2 Implementeren aanbevelingen ten aanzien van geïdentificeerde verbeterpunten in de roadmap.																	
Maatregel B.9																	
B.9.2 Implementeren aanbevelingen ten aanzien van geïdentificeerde verbeterpunten in de roadmap.																	
Maatregel B.10																	
B.10.2 Implementatieplan kostenverlaging en verbeteringen ten aanzien van huisvesting.																	
Maatregel B.14																	
B.14.2 Uitvoering National Risk Assessment (NRA)																	
B.14.3 Plan van aanpak voorbereiding CFATF Mutual Evaluation																	



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Status plan van aanpak of beslissingnotitie*										2023			2024			2025			2026			2027 (OB)			Structureel/ Incidenteel	Jaar**
										B	L	I	B	L	I	B	L	I	B	L	I	B	L	I		
Thema C: Belastingen																										
Maatregel C.1																										
C.1.1 Doorlichting van het fiscale stelsel met als doel te komen tot een advies ten aanzien van een stelselhervorming gericht op vereenvoudiging van het stelsel, beperking van bestuurlijke inmenging en een verbreding van de belastinggrondslag.										V																
C.1.2 Vormgeven richtingen ten aanzien van de hervorming van het fiscale stelsel op basis van de aanbevelingen van het IMF en de eerdere voorstellen van Sint Maarten.										CG																
Maatregel C.2																										
C.2.2 Start informatie-uitwisseling										IV																
Maatregel C.3																										
C.3.1 Wordt meegenomen in fase 2 van C.4.										IV																
Maatregel C.4																										
C.4.1 Fase 1: Uitvoeren van enkele quick reviews naar geïdentificeerde bottlenecks en quick wins.										V																
C.4.2 Aanschaf online portal voor de invoer van de belastingmiddelen loonbelasting, Inkomstenbelasting en Belasting op bedrijfsomzetten.										V			16.2			5.2			1.4							
C.4.3 Opschonen van de CRIBbestanden waarbij foutieve NAWgegevens worden hersteld, relaties tussen entiteiten correct worden geregistreerd, personen die onrecht op actief staan worden gecorrigeerd.										V																
C.4.4 'Quick win'-maatregelen: voorbereiden en uitvoeren van (a) opschoning databestanden (zie C.4.3), (b) wegwerken achterstanden en (c) versneld innen en invorderen van achterstallige bedragen.										V						1			1							
Maatregel C.5																										
C.5.1 Overeenkomen onderlinge regeling tussen Nederland en Sint Maarten										CG																
Maatregel C.6																										
C.6.1 Implementatie wetgeving (belastingparagraaf) Establishment Agreement Wereldbank.										CG																
Thema D: Financiële sector																										
Maatregel D.1																										
D.1.1 Op zo kort mogelijke termijn volledig invulling geven aan maatregelen om tekortkomingen te adresseren naar aanleiding van aanbevelingen van het IMF inzake de financiële sector van de monetaire unie Curaçao-Sint Maarten.										CG																
Maatregel D.2																										
D.2.1 Op zo kort mogelijke termijn volledig invulling geven aan maatregelen om tekortkomingen te adresseren naar aanleiding van aanbevelingen van het IMF inzake de financiële sector van de monetaire unie Curaçao-Sint Maarten.										CG																
Maatregel D.3																										
D.3.1 Onderzoek naar dollarisatie door IMF.										V																
Maatregel D.4																										
D.4.1 Voortzetting plan van aanpak CBCS, ontwikkeling wetgevingskalender en afspraken met WJZ over versterking wetgevingscapaciteit.										CG																
Maatregel D.5																										
D.5.2 Op zo kort mogelijke termijn volledig invulling geven aan maatregelen om tekortkomingen te adresseren naar aanleiding van aanbevelingen van het IMF inzake de interne organisatie van de CBCS.										V																
Thema E: Economische hervormingen																										
Maatregel E.1																										
E.1.1 Onderzoek huidige arbeidsmarktbeleid en wet- en regelgeving.										V																
Maatregel E.3																										
E.3.2 Implementatieplannen voor maatregelen tegengaan illegale tewerkstelling vaststellen.										V																
E.3.3 Implementatieplannen voor maatregelen tegengaan illegale tewerkstelling vaststellen.										V																
Maatregel E.4																										
E.4.1 Onderzoek naar stelsel van sociale zekerheid.										V																
Maatregel E.6																										
E.6.1 Implementatie aanbevelingen naar aanleiding van onderzoek ondernemerschap- en investeringsklimaat.										V																
Maatregel E.7																										
E.7.1 Ontwikkelen van een roadmap met drie pijlers: 1. ruimtelijke ordening beleid; 2. erfpacht beleid; 3. wegwerken financiële achterstanden.										V																



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	Status plan van aanpak of beslissingnotitie*	2023			2024			2025			2026			2027 (OB)			Structureel/ Incidenteel	Jaar**
		B	L	I	B	L	I	B	L	I	B	L	I	B	L	I		
Thema F: Zorg																		
<u>Maatregel F.1</u>																		
F.1.1 COVID-19 te kunnen beheersen en beheersbaar te houden	V																	
<u>Maatregel F.2</u>																		
F.2.2 Inzicht in zorgaanbod bij DCHA aangesloten ziekenhuizen en ziekenhuizen in de regio en de kosten hiervan	IV																	
F.2.3 Bewerkstelligen toetreding ziekenhuisinstellingen van Saba en St. Eustatius tot DCHA	IV																	
F.2.4 Inzicht in zorgaanbod bij DCHA aangesloten ziekenhuizen en ziekenhuizen in de regio en de kosten hiervan																		
F.2.5 Summit DCHA-Platform Samenwerkende Zorgverzekeraars PSZ op Bonaire	V																	
<u>Maatregel F.3</u>																		
F.3.1 Opstellen plan van aanpak met als doel het verhogen van de doelmatigheid en effectiviteit van de zorg op lange termijn (General Health Insurance).	V																	
F.3.2 Opstellen plan van aanpak met als doel het verhogen van de houdbaarheid van het zorgstelsel op de korte termijn, waarbij in ieder geval wordt gekeken naar het uitvoeren van behoeftesraming zorginstellingen, efficiënte inkoop medicijnen en preventieve zorg.	CG																	
Thema G: Onderwijs																		
<u>Maatregel G.1</u>																		
G.1.1 Doorlichting van het onderwijsbestel.	V				1	1										Incidenteel		
Thema H: Versterken rechtsstaat																		
<u>Maatregel H2</u>																		
H.2.3 Schrijven nieuwe kansspelwet- en regelgeving	CG																	
H.2.4 Implementatie PVA technische keuring/audit speelautomaten	IV																	
<u>Maatregel H9</u>																		
H.9.1 Projectfase uitvoeren op basis van vastgesteld plan van aanpak.	CG																	
<u>Maatregel H12</u>																		
H.12.1 Opvolgen aanbevelingen uit de rapporten van de Raad voor de Rechtshandhaving m.b.t. het criminaliteitsfonds.	CG																	
<u>Maatregel H20</u>																		
H.20.1 Realiseren verbetermaatregelen	V																	
<u>Maatregel H21</u>																		
H.21.1 Ondertekenen projectovereenkomst en voorstel met UNOPS, Nederland als financier en SXM als opdrachtgever	IV																	
H.22 Onderlinge Rgeling Versterking Grensoezicht	IV				2	2.1										Incidenteel		



2. Policy plan 2024

The vision as stated in the National Development Vision 2030 (NDV 2030) of Sint Maarten is: "To transform Sint Maarten into a compassionate, strong and decisive country that will be economically resilient and able to sustain its own development and provide an improved quality of life and well-being for generations to come".

The ambition of this cabinet is therefore to mitigate both external and local developments that have a negative impact on the social, economic and financial situation of the country of Sint Maarten.

In achieving their vision, the government will focus on ensuring the following key outcomes:

- Promoting a progressive social environment and a rich cultural heritage
- Improve the quality of life for the residents of St. Maarten
- Stimulating sustainable economic prosperity - Diversification
- Stimulating economic growth through tourism diversification
- Stimulating economic growth through greater economic diversification and investment
- Enhance the role and performance of the private sector – improving SMEs
- Protection of the country's ecosystems and physical infrastructure
- Financial discipline and management & the implementation of good governance

In addition, it is also very important to indicate that within the policy framework of the coalition agreement, the various economic, financial, social and institutional reforms that are part of the "Country Package" are also taken into account. These reforms, just like the coalition agreement, are intended to make Sint Maarten more resilient to future calamities resulting from disasters such as Irma and COVID-19. These reforms also complement the reconstruction projects that are already underway under the Trust Fund managed by the World Bank. Both trajectories must strengthen the achievement of the objectives as stated in the coalition agreement. The country package will therefore have an enormous impact on the policy frameworks of the country for the coming years. In this budget, a link is made where possible between the measures and their effect on the national budget.

In this budget, links are drawn where possible between the measures and their impact on the national budget. However, specific outcomes cannot always be clearly stated at this time, as financial resources will also be made available alongside the reform mandate, though the use and amounts of these funds are not yet fully determined. As a result, there may be shifts between financing from the national budget and available resources.



2.1 Ministry of General Affairs

Mission :

The coordination, advising, and support for overall government policy. This includes ensuring the creation, proclamation, and management of national legislation and regulations, along with responsibilities for legal advice, national security, and disaster management. It also involves developing, integrating, and operationalizing foreign affairs representation. Furthermore, it ensures the provision of effective, efficient, reliable, and customer-focused services to government agencies, businesses, citizens, and organizations that are part of the Sint Maarten community, as well as managing external communications regarding government policy in general.

Main tasks of the Ministry

In order to achieve the objective, the Ministry of General Affairs is responsible for the following main tasks:

1. Overseeing general government policy;
2. The coordination of matters affecting more than one ministry;
3. The care of other matters the management of which has not been specifically assigned to one of the other ministries;
4. Development and cooperation policy;
5. Foreign Affairs, including responsibility for international and regional affairs and relations with Kingdom partners;
6. Maintaining and strengthening the democratic rule of law, including developing and sustaining a stable state structure and promoting nation-building;
7. Care for domestic governance, including administrative development and the promotion of the efficiency and effectiveness of government organization as well as public service delivery;
8. Concern for disaster management, national security, physical security, defense affairs and military forces;
9. Care for personal data, elections and implementation of the Dutch Nationality Act;
10. The development of legislation and regulations;
11. Providing legal advice and services;
12. Providing general information, including communications policy and government transparency;
13. Developing personnel and organizational policy and implementing it;
14. Facility services (including cleaning, catering, security, central purchasing, etc.);
15. Information & Communication Technology;
16. Documentary information provision;
17. Archival policy and legislation, and their implementation.

Staff Information:



Department ¹¹	Current FTEs	Vacancies	Unbudgeted vacancies	Total formation (FTEs)	% Occupation of the total formation	Total budget	Cost center
Minister	1	0	0	1	100%	312,226	30
Cabinet	5	0	0	5	100%	874,791	3010
Plenipotentiary Minister	2	7	7	8	25%	547,300	3011
Staff Office	4	1	1	5	80%	682,839	3021
Fire brigade	66	6	3	72	98%	5,436,458	3102
Civil Affairs	23	0	0	23	100%	1,795,324	3103
Parking lot	2	0	0	2	100%	101.003	3107
Legal Affairs and Legislation	7	10	7	17	59%	886.243	3200
Home Affairs and Kingdom Relations	8	11	11	19	37%	924,745	3201
Foreign Relations	5	7	6	12	42%	546,775	3202
Public Service Center	7	1	0	8	88%	448,952	3203
Secretariat of the Council of Ministers	6	5	0	12	50%	597,970	3301
Information and Communication	14	0	0	14	100%	1,431,701	3302
Governance & Management Support	1	1	0	2	50%	171,701	3303
Documentary Information Provision	10	5	4	15	67%	819,655	3304



Facility Affairs	82	26	6	108	76%	3,654,633	3305
Personnel and Organization	16	9	8	25	64%	1,496,672	3306
Information, Communication and Technology	16	0	0	16	100%	1,259,687	3307

2.2.1 Policy priorities

The policy areas of the Ministry of General Affairs are aligned with the themes of the National Vision 2020 – 2030, in accordance with the main tasks of the ministry. This enables the ministry to function strategically and purposefully .

Policy Area 1: Sint Maarten is Safe, Secure and Just

Policy measure 1:

Objective 17: Adapted and modernised legislation – equal access to civil, criminal and administrative justice.

Policy measure 2: Sint Maarten Safety Academy for Public Health, Health & Disaster Management (SAPHER)

The establishment of a National Knowledge and Training Center through a notarial deed. This organization will finance training and research related to safety, incident, and crisis management. Through this initiative, Objective 18: national security measures – improved national security measures to protect the lives and safety of the people of Sint Maarten, will be pursued.

Service/De partment	Output	Activity	Amount (NA f)	Budget item	Country package/ Government agreement/Ministry task/Trust Fund/EU
Fire department	Approved and established statutes Business plan	Drafting the statutes	15. 000	43499-3102	

Policy measure 3: Training of commanders (Commander)

Training non-commissioned officers to strengthen their leadership and management tasks as commander of a fire engine in the event of an incident through NIPV courses (Netherlands Institute for Physical Safety).



Service/Department	Output	Activity	Amount (NAf)	Budget item	Country package/ Government agreement/Ministry task/Trust Fund/EU
Fire brigade	Certified fire officer	Registration	156,706	43480-3102	

Policy measure 5: Comprehensive framework for the operationalization of the Office of Disaster Management (ODM)

Sint Maarten is vulnerable to a wide range of natural and man-made disasters. As an extremely vulnerable small island developing state, Sint Maarten continues to struggle with embedding resilience. A Disaster Management Office has been established, but detailed information about its specific tasks, role, responsibilities, and mandate has not been outlined or disclosed. As such, this project supports the development and operationalization of a comprehensive disaster management framework by creating a framework and roadmap for its establishment. This initiative aims to achieve Objective 18: national security measures – improved national security measures to protect the lives and safety of the people of Sint Maarten.

Service/Department	Output	Activity	Amount (Euro)	Budget item	Country package/ Government agreement/
Home Affairs and Kingdom Relations	<p>Framework for the institutional structure of the Disaster Management Office.</p> <p>An operational plan.</p> <p>A roadmap and implementation strategy to guide the steps for the operationalisation of the Disaster</p>	<p>Conducting a needs assessment</p> <p>Drafting a framework document for the institutional structure of the ODM.</p> <p>To assess and outline the relationship between the ODM and climate change.</p> <p>Performing an operational financial forecast.</p>	119.091		EU



	Management Office.	<p>Drawing up an operational plan.</p> <p>Assessment of relevant data and information for disaster risk management and identification of relevant stakeholders.</p> <p>Outlines of internal procedural flows, decision-making criteria.</p> <p>Develop a roadmap and implementation strategy to guide the process of operationalizing the ODM office.</p>			
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Policy Measure 6: Establishment of the design, operation and maintenance of an early warning system in Sint Maarten

Communication and dissemination of warnings in Sint Maarten are complicated by limited institutional capacity, a diverse and multilingual population, hilly terrain, outdated or damaged technology and equipment, and legislation that needs to be updated. Establishing the foundations and capabilities for a comprehensive early warning system and improving the dissemination of warnings have been identified as strategic priorities, particularly for life safety. This project adopts a strategic and holistic approach by starting with an end-to-end framework and a roadmap for setting up a multi-hazard Early Warning System (EWS) for Sint Maarten and will determine the most suitable, sustainable, and feasible technology for early warning.



The above-mentioned initiative aims to achieve Objective 18: National Security Measures – Enhanced national security measures to protect the lives and safety of the people of Sint Maarten.

Service/Department	Output	Activity	Amount (Euro)	Budget item	Country package/ Government agreement/Ministry task/Trust
Home Affairs and Kingdom Relations	Initial report describing the approach to implementation. Evaluation report with options for the design of the EWS framework. Governance framework EWS structure. Operational framework for EWS structure. Development of standard messages and common warning protocols. Manuals for Multi metric training. Recommendation report efficient, effective and sustainable technological system.	Development of governance framework, feasibility study and recommendations for the most effective public mass notification system.	304.606		EU

Policy Area 2: Sint Maarten Effectively and Decisively Governed

Policy measure 7: Secretary General Platform

In accordance with Article 23 of the National Ordinance on the Establishment and Organisation of the Government, the Platform of Secretaries-General has been operating since December 2020. In order to optimise the functioning of the platform and in particular to centralise and coordinate the implementation of the National Reform Measures, a secretariat has been set up to support the Platform of Secretaries-General. The secretariat is managed by the Department of the Interior and Kingdom Relations. The platform ensures a government-wide approach and creates a knowledge environment. The above-mentioned initiative is pursuing objective 23 "an integrated government (whole of government) and enhanced integrity of government institutions".



Service/Department	Output	Activity	Amount (NAf)	Budget item	Country package/ Government agreement/Ministry task/Trust
Home Affairs and Kingdom Relations	Quarterly agenda for the implementation of CRP	Weekly SG platform meetings	2,500	43499-3201	



Policy measure 8: Platform policy

A policy platform has been established consisting of all policy departments across the government. The Policy Platform is managed by the Department of Internal Affairs and Kingdom Relations and the Department of Personnel Affairs. The Platform meets periodically to provide information, training, and presentations on specific topics. Several manuals have been developed to ensure that the government's policy layer is aware of internal procedures, policy development, and legislation. The Policy Platform also features a shared digital space where relevant documents are exchanged, a digital library where legislation and policies are stored, and an intranet that is currently being updated.

The platforms ensure a government-wide approach and create a knowledge environment. The above initiatives pursue objective 23 "an integrated government (whole government) and enhanced capacity of government institutions integrity" and objective 24 "promotion of good governance".

Service/Department	Output	Activity	Amount (NAf)	Budget item	Country package/ Government agreement/Mini stry task/Trust fund/PIU
Home Affairs and Kingdom Relations	Procedural Manuals Living helicopter view government	Training courses Communicatio n Streamlining processes and procedures	45,000	43489-3201	

Policy measure 9: National development vision

The national development vision and the SDGs require widespread public awareness. Therefore, various communication tools are needed for public opinion. In addition to the above, it is absolutely essential to have monitoring in place. This requires the establishment of a basic SDG monitoring system that allows the government to track, monitor, and report on the SDGs and the achievement of the SDG targets.



Service/Department	Output	Activity	Amount (NA f	Budget item	Country package/ Government agreement/ Ministry task/Trust Fund/EU
Home Affairs and Kingdom Relations	Communication and awareness NDV	Development of communication tools for the public	80,000	43489-3201	
	SDG monitor communication and awareness	Consumption Development of communication instruments for public consumption Inventory / data collection and input	35,000		

Policy measure 10: Digital transformation of government

The objectives of the "Sint Maarten Digital Government Transformation Project" are to improve the access and efficiency of selected administrative government services for citizens and businesses and to strengthen the resilience of government systems. The project has four components:

- (1) strengthening the legal, regulatory and institutional environment;
- (2) building digital platforms to enable service delivery;
- (3) user-oriented government services; and,
- (4) emergency response component.

The PSC Improvement Plan is part of Sint Maarten's "Digital Government Transformation Project" (DGTP) approved by the World Bank on March 18, 2021 (P172611). It was developed in coordination with relevant government officials and reflects feedback from the PSCs and other key stakeholders.

This PSC improvement plan is also part of technical assistance activities carried out by the Bank (P171978) . It aims to:

- ☐ To evaluate the current state of service delivery in Sint Maarten through the PSCs.
- ☐ To make recommendations to improve services to citizens and businesses based on the desk assessment and international best practices.

Gather feedback and additional information from PSC stakeholders to refine the diagnosis and improve the initial recommendations. The above initiative addresses objective 25, "delivers efficient public services".



Service/Department	Output	Activity	Amount (USD)	Budget item	Country package/ Government agreement/Ministry task/Trust Fund/EU
Public Service Center	<p>Improving citizen satisfaction;</p> <p>To increase the accuracy of the services provided;</p> <p>To increase the availability of services through different service delivery channels; and</p>	To ensure better complaints management.	<p>\$2M</p> <p>*project total, although component costs will be specific to the scope of the project and associated costs.</p>		Trust Fund

Policy measure 11: Reorganization of the IT department

The current IT department consists of 7 helpdesk staff, 1 administrative employee, 1 policy advisor, 2 system administrators, and 1 senior policy advisor/manager. This structure is insufficient to support daily operations while actively contributing to various reform projects within the organization. Furthermore, like other government services, the IT department struggles to attract qualified personnel. Due to the challenges faced by the current IT department, ministries tend to attempt to support and develop their own IT systems, leading to the use of different software systems and a lack of coordination. This results in inefficient use of scarce resources, and the Total Cost of Ownership (TCO) has become a challenge.

Further digitalization of government processes thus requires a centralized approach. A new structure for the IT department has been proposed by the IT and Human Resources departments. The roles are grouped into 'Helpdesk,' 'Management,' and 'Development,' with a supporting role for the Chief Information Officer (CIO) or



director. This project aims to assist the government IT department in transitioning from the current setup to the new structure. The above initiative aims to achieve Objective 23: "an integrated government (whole of government) and enhanced capacity of government institutions for integrity."

Service/Department	Output	Activity	Amount (NAf)	Budget item	Country package/ Government agreement/Ministry task/Trust Fund/EU
IT	<p>Agreement on a clear division of tasks between the central IT department and the respective ministries;</p> <p>A new organizational structure;</p> <p>The transition to the new layout</p>	<p>Recruitment of local IT staff and development of a continuous development program for IT staff;</p> <p>Temporary assistance with IT operations;</p> <p>Setting up the proposed new departments within the IT department;</p> <p>Drawing up a Total Cost of Ownership (TCO) report;</p> <p>Initializing demand - supply chain;</p> <p>Assessing and maintaining processes within the IT department;</p> <p>Initializing compliance processes;</p> <p>Drafting an IT products and services manual</p>	1.7M	1120-3307	Trust Fund



Policy measure 12: Technical innovation

The organization needs a complete tech refresh of all IT hardware, as much of the IT equipment is currently outdated. Through the above initiative, goal 23 "an integrated government (whole of government) and strengthened capacity of government institutions integrity" is being pursued.

Service/Department	Output	Activity	Amount (NAf)	Budget item	Country package/ Government agreement/Ministry task/Trust fund/EU
IT	All hardware that needs to be upgraded or replaced will be assessed. This will be done in phases per ministry. It has been decided to allow for a more flexible working environment and to focus much of the purchases on laptops instead of desktops. A new asset management solution will be implemented to better track all hardware. Once purchased and configured, the devices will be systematically distributed.	<p>Assessment of any hardware that needs to be upgraded or replaced.</p> <p>Purchase of new hardware and items to upgrade existing hardware.</p> <p>Implementation of asset management</p> <p>Distribution of the new hardware once the official installation is completed</p>	1.8M	01120-3307	



Policy measure 13: Migration to the cloud

The IT department intends to migrate more systems to the cloud to improve resilience and in some cases security. Through the above initiative, objective 23 "integrated government (whole of government) and enhanced capacity of government institutions integrity" has been pursued.

Service/Department	Output	Activity	Amount (USD)	Budget item	Country package/ Government agreement/Ministry task/Trust
IT	Transfer of government systems to Microsoft Azure (Cloud environment)	Identify all systems to be migrated based on risk, priority, and compatibility; Design the cloud environment to provide users with access to these systems once they are migrated; Replicate the system to a test environment for validation; Migrating from test environment to production	72,000	43010-3307	

Policy measure 14: Civil status

Transfer of archived deeds (duplicate deeds) to the National Archives of Curaçao, in accordance with Book 1 of the Civil Code.

Service/Department	Outputs	Activity	Amount (NAf)	Budget item	Country package/ Government agreement/Ministry task/Trust
Population register	Secured duplicate at the National Archives of Curacao	Correct all certificates and numerical order from 2010 to present	30,000	43499-3103	

Policy measure 15: DComm/ICT



Upgrade of the government website to a more user-friendly version, including add-ins for the online website of government services

Service/Department	Output	Activity	Amount (NAf)	Budget item	Country package/ Government agreement/Ministry task/Trust
DComm – ICT	Updated website of the government of Sint Maarten	Inventory of the needs of the ministry Inventory of relevant information/documentation Technical and digital specification	50,000	43000-3307	

Policy measure 16: Documenting historical files to the National Archives

The Department of Communication (DCOMM) in collaboration with the Department of Information and Records (DIV) is converting the historical files into digital files for preservation and conservation. These files date back to the time of the Island Council and must be secured and archived at the DIV.

Service/Department	Output	Activity	Amount (NAf)	Budget item	Country package/ Government agreement/Ministry task/Trust Fund/EU
DComm/ DIV	Archived digital files Further cooperation with consultancy firms	Continuation of cooperation with consultancy firms	48,960	43499-3302	



2.2.4 Risks in the budget

The Ministry of General Affairs faces several risks with the presentation of the 2024 budget due to uncontrollable circumstances.

The communication budget has been set too low over the years, based on the expectation that the VOIP system will be fully operational to reduce telephone costs. If the system is not operational in 2024, the Ministry of General Affairs will face a shortfall in the communication budget.

Similarly, the electricity budget is also underestimated, based on the expectation that the facilities management will develop a plan to combat high energy prices. If the plan is not developed and implemented by 2024, the Ministry of General Affairs will experience a shortfall in the electricity budget.

With an insufficient budget for the Civil Registry Department (hereafter: CRD), the department's reliable image will further deteriorate. The CRD started in 2023 with the cleanup of the Basic Registration and aims to continue and improve this process. This will ultimately help validate citizens' personal data so that the information required for service delivery can be provided accurately. In addition to continuing the project, training sessions will be initiated to enhance the knowledge of CRD staff. This will lead to improved work processes and better service delivery. The CRD also plans to work on citizens' online identities, which will impact the current tasks, processes, and information systems of the CRD.

As mentioned in the land reform measures, the Ministry of General Affairs is advised to reduce the total rent for buildings by 20% over the next five years. The ministry also expects that various services will move to the BTP building throughout the year, but a definitive date has not yet been confirmed. Therefore, a 20% reduction may not be feasible. Additionally, building rents are increasing, along with all other expenses. With the expansion of the government apparatus, a rise in rental costs is expected.



2.2 Ministry of Finance

Mission:

The Ministry of Finance aims to ensure that macroeconomic fiscal policies and initiatives are implemented, contributing to the expansion and diversification of Sint Maarten's economy. The ministry provides fiscal sustainability and acts as a "trendsetter" for innovation in government activities.

Vision:

- **Efficient Oversight:** Monitor the country's finances effectively by applying new methods and technologies to improve, standardize, streamline, and automate processes.
- **Responsible Advice:** Provide sound advice to the government on its policy areas by offering accurate, relevant information to the public and delivering acceptable service.
- **Continuous Development:** Focus on lifelong development for its staff and the public to enable people to reach their full potential.

Standards and values

Integrity and CARE (IC.AR E)

- **Integrity:** always do the right thing
- **Collaboration:** None of us is as smart as all of us
- **Responsibility:** we take responsibility
- **Respect:** we value our colleagues and the people we serve
- **Excellence:** we always do our best

General FTEs and Vacancies Overview

Department	Current FTEs	Vacancies	Unbudgeted vacancies	Total formation (FTEs)	% occupancy compared to total formation	Total budget	Cost center
Minister	1	0	0	1	100%	298,663	40
Cabinet	6	0	0	6	100%	916,360	4010
Staff Office	5	2	2	7	83%	694,442	4021
Finances	8	11	11	19	37%	1,128,761	4100
Fiscal Affairs	2	5	5	7	29%	320,934	4101
Accountability	19	8	8	27	78%	1,616,079	4301
Tax Authorities: Inspection	31	8	6	39	79%	2,785,651	4401
Tax Authorities: C & O	6	17	16	23	26%	714,513	4402



Tax Authorities: Support	14	10	10	24	58%	1,114,655	4403
Tax Authorities: Receiver	48	12	6	60	80%	3,916,621	4404
Total	145	74	65	219	69%	14,260,716	

In 2024, the Ministry of Finance will primarily focus on two strategic areas within the land package: Theme A - Financial Management and Theme C - Taxation. The goal of Theme A is to establish effective financial management and oversight to ensure that the government is 'in control.' Theme C - Taxation aims to:

- Restructure a robust tax system with a broad base that contributes to a fairer distribution of income, stimulates the economy, and enhances enforceability and oversight by the tax authority.
- Achieve well-organized tax services.

To achieve the above, the Ministry has set the following long-term strategic objectives:

1. Reliable Government
2. Guaranteed well-being and prosperity for the country of Sint Maarten and its citizens
3. Sustainable Government finances
4. A strong economic position for Sint Maarten

For 2024, the Ministry will focus primarily on Objectives 1, 3 and 4. Under Objective 1, the Ministry will focus primarily on the following policy priorities:

- Increased efficiency and effectiveness of the tax authorities' assessment and collection process
- Simplifying the tax system
- Improved alignment of the government budget with the needs and well-being of the people of Sint Maarten
- A more realistic and well-founded budget that meets policy objectives and (Rft) standards
- Improved accountability of government finances

Under Objective 3, the Ministry will focus on the following policy priority:

- Ensuring that the quality of the financial organization is at the desired level and that the government performs its supervisory task properly

And finally, under objective 4, the ministry will focus primarily on:

- Improving tax policy

The various policy priorities are further elaborated in the paragraphs below.



2.2.1 Policy priorities

Increased efficiency and effectiveness of the tax authorities' assessment and collection process

One of the key tasks of the Ministry of Finance is to manage the country's finances, including the collection of funds, making payments, and other activities inherent to its mission. Therefore, the Ministry places high importance on increasing the efficiency and effectiveness of the tax collection and enforcement process.

This goal aligns closely with Measure C.4 of the Country Package, which aims to optimize and modernize the Tax Administration to ensure that tax collection is both effective and efficient. It is also listed as one of the activities in the government's strategic objectives under the "Development of the Financial Sector"

- Restructuring the current assessment and collection process to make the process more manageable and efficient
- Reduce the complexity of the current assessment and collection process, while increasing compliance and tax revenues

Employ/ Departmen	Output	Activity	Amount in NA f	Budget item	Country package/ Government agreement/Ministry
Recipient	Eliminating backlogs in collection.	Implement a country package project aimed at reducing debt collection arrears and increasing tax revenues.	115,000 250,000	43000-4404 43472-4404	Country Package Measure C4 Government Agreement Developing the Financial Sector
Tax Authorities - Receiver/Support/Control and Detection/Inspection	- Revision and strengthening of the organization and resources of the tax authorities (Transformation of the tax authorities) - Implementation of integrated ICT system purchased for the tax authorities, including portals	Implement a country package project aimed at modernizing the levy and collection system and reducing levy and collection backlogs.	500,000 127,608 100,000	43010-4403 43419-4403 43472-4401	Country Package Measure C4 Government Agreement Developing the Financial Sector



Tax Authorities - Receiver /Support/Contr ol and Detection/Inspe ction	-General skills training --function specific training in levy, control and collection	Organizing general skills courses and function-specific training for all staff within the tax authorities	15,000	General training budget under staff office 43480-4021	Country Package Measure C4 Government Agreement Developing the Financial Sector
Tax Authorities - Receiver/Suppo rt/Control and Detection/Inspe ction	Additional Tax Authorities staff	Hiring qualified tax personnel	613,332 80,000	43000-4021- 00014-4403 43000-4401	Country Package Measure C4 Government Agreement Developing the Financial Sector
Control and detection	SBAB Tax Authorities checks	SBAB Support performing Audits	1,440,000	43476-4021- 00014-4403	Country Package Measure C4 Government Agreement Developing the Financial Sector

Simplifying the tax system and improving tax policy

One of the main tasks of the Ministry of Finance is to manage national and international tax matters, with a current focus on reforming the tax system to simplify it and generate additional tax revenues.

This is directly linked to measure C.1 of the country package, which involves drafting a decision memo concerning the reform of the tax system. It is also mentioned as one of the activities in the coalition agreement, where the government aims to undertake the following actions under the strategic objective "Development of the Financial Sector":

- Simplification and restructuring of the tax system
- Revision and simplification of tax legislation
- Implementation of tax benefits for small businesses

In 2024, the ministry will primarily focus on restructuring and simplifying the tax system. This process began in 2023 but will be further developed in 2024.

Service/ Depart ment	Output	Activity	Amount in NA f	Budget item	Country package/ Government
Fiscal Affairs	Tax reform bill	Elaboration of initial note in legislation	50,000	43476-4101 External Support	Country Package Measure C1 Government Agreement



Fiscal Affairs	Draft Kingdom Bill amended BRNS regarding BEPS minimum standards	Negotiations on consensus proposals regarding BRNS changes	50,000	43476-4101 External Support	Country package measure C5
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Improved alignment of the government budget with the needs and well-being of the people of Sint Maarten and a more realistic and well-substantiated budget that meets policy objectives and (Rft) standards

A third main task of the Ministry of Finance is to ensure the national and international legal and policy frameworks, legislation and regulations concerning financial, fiscal and monetary affairs and to supervise the quality of the implementation of these frameworks. In other words, the ministry is responsible for the financial management of the country, including the preparation of the budget and the annual accounts

This is directly linked to measure A 1.3 of the country package, which aims at structural improvements of the budgetary process.

Under the strategic objective “Development of the Financial Sector” of the coalition agreement, the government has formulated the following actions with regard to the budget:

- Preparing a realistic and well-founded budget that is crucial for effectively governing the country and reflects its needs.
- Drafting a budget that facilitates both economic growth and the increased needs associated with it



Department Service/	Output	Activity	Amount in NA f	Budget booking combination	Country package/ Government agreement/Ministry
Finance Department – FBBB Section	A timely approved budget instruction and schedule for the 2025 budget	* Prepare budget instructions *Drawing up time schedule	62,500	43479-4100 and Personnel costs Finance Department	Government Agreement Developing the Financial Sector
Finance Department – FBBB Section	Have guidelines for budgeting system/module	Drafting guidelines for the correct use of the budgeting system/module	62,500	43479-4100 and Personnel costs Finance Department	Country Package Measure C1.3 Government Agreement Developing the Financial Sector
Finance Department – FBBB Section	Starting note for preparation of LB Ham budget amendment process	Making improvements and research in the budget amendment process	62,500	43479-4100 and Personnel costs Finance Department	Country Package Measure C1.3 Government Agreement Developing the Financial Sector
Finance Department – FBBB Section	Implement policy budget options based on research for Sint Maarten	To investigate how policy budgeting can be effectively implemented in Sint Maarten	62,500	43479-4100 and Personnel costs Finance Department	Country Package Measure C1.3 Government Agreement Developing the Financial Sector
Finance Department – FBBB Section	Training for new policy budget process	Compose and deliver training to Financial chain	62,500	43479-4100 and Personnel costs Finance Department	Country Package Measure C1.3

Improved accountability of government finances and ensuring that the quality of the financial organization is at the desired level and that the government performs its supervisory task properly

One of the main responsibilities of the Ministry of Finance is to manage the national and international legal and policy frameworks, laws, and regulations concerning financial, fiscal, and monetary matters, and to oversee the quality of the implementation of these frameworks. In other words, the Ministry is responsible for the country's financial management, which includes the goal stated under Theme A of the country package, namely to control and organize financial management and oversight to ensure that the government is 'in control.'



Employ/ Dep	Outputs	Activity	Amount in NA f	Budget item	Country package/
Accountability	Timely Audited Annual Accounts 2023	Ensuring timely and correct processing of invoices/banks etc., Control Balance Sheet and Profit and Loss. Submitting SOAB documentation	130,000 70,000 1,500,000	Personnel costs- Accountability/Department support 43476-4301 43000-4301 SOAB audit plan for annual accounts 43479-4100	Country package measure A 1.7
Accountability	General skills training	Providing training for staff	15,000	General training budget under staff office 43480-4021	
Staff Office	Adapting the legal framework as a basis for strengthening the	Inventory of bottlenecks Financial regulations	N/A	N/A Adopted Plan of Approach - Tendering via TWO	Country package measure A 1.6
Staff Office	Revision of the organization of the Ministry of Finance excl. Tax Authorities	Drawing up a plan for the new organization	250,000	43476-4021	Country package measure A 1.2



Staff Office	Setting up Payroll, Procure to Pay, Order to Cash and Subsidies process in the ERP system		11,980,000	Capital Service - Phase 1 and 2 project implementation ERP system - government of Sint Maarten - SNA - code AN1132-1120	Country package measure A 1.2
	Elaborated AO/IC processes Payroll and Procure to Pay, Order to Cash and Subsidies		41,837	43000-4021-00014-4301	Country package measure A 1.1
Staff Office	Introduction and commissioning of the new financial system	Have basic ERP setup in production		Personnel costs Staff Office and Accounting	Country package measure A 1.1
Accountability -L&S	Correct salary information in the financial system	Timely processing of salaries		Personnel costs L&S	Good Governance Coalition Agreement

In order to fully fulfil the Ministry's vision and mission, the Ministry will, in addition to the above policy priorities, also implement the initiatives listed in the table below, which were already underway in 2023.

Initiative	Amount in NA f	Budget item
Infobiz, youth pitch etc.	120,000	44201-40-40018



2.2.2 Differences between the approved budget for 2024 and the draft budget for 2024

The table below will explain the differences between the approved 2024 budget and the draft 2024 budget, which concern increases or decreases of 50% of amounts above NA f 100,000, excluding personnel costs.

Budget Item/Cost Center	VB 2024	OBW 2024	% difference	Reason for increase/decrease
43000.4021.00014.4301	2,098,503	413,837	-70.77%	LP initiatives broken down by the measures concerned.
43000.4021.00014.4403	0.00	613,332	100%	LP initiatives broken down by the measures concerned.
43010.4021.00014.4403	0.00	1,440,000	100%	LP initiatives broken down by the measures concerned.
42001.4100	10,550,000	13,000,000	23.2%	In 2020 and 2021, assets were acquired from NRPB, which resulted in depreciation costs being higher than originally budgeted.
43476.4402	500,200	50,482	-89.9%	Costs are covered through the country package initiative.

2.2.3 Income-raising measures

The ministry will indicate the income-raising measures below. The initiatives have already started and will continue until September 2024. It is expected that this will generate eight million extra income.

Income increasing measure	Description	State of affairs	Expected timeline	Expected achievable amount	Budget item
Accelerated tax collection	<p>Additional staff has been hired via an employment agency. The initiative is sponsored by TWO.</p> <p>The additional staff will focus on collecting outstanding taxes.</p>	At the same time, the staff focuses on collecting all outstanding debts to the government in addition to taxes, including various levies.	The project is expected to be completed in September 2024.	to earn an additional six million Naf in revenue in 2024 and an additional two million in fees from other ministries thanks to the <i>collection</i> initiative	59001-4404



2.2.4 Risks in the budget

- Rising interest costs (within the public sector) are expected to increase progressively. Coupled with an unchanged baseline regarding the interest burden norm, this could lead to further deterioration of Sint Maarten's liquidity position as well as its international ranking in the capital market. Additionally, the country will need to repay several loans in the coming years. Since the multi-year projections currently do not anticipate surpluses, these loans will likely need to be refinanced, though the interest costs for these loans are not yet clear.
- The country's economic developments and expected growth will make it very difficult for the country to achieve surpluses in the short term. This means that it will probably not be able to absorb the shocks of a hurricane or pandemic.
- Increasing inflation will put pressure on expenditures, impacting the country's available liquid assets.



2.3 Ministry of Justice

Mission:

Creating the conditions necessary for maintaining safety, order and peace and ensuring the legal security of the community of Sint Maarten.

Vision:

The Ministry of Justice is responsible for the legal order, law enforcement, safety and public order within the country of Sint Maarten.

In the current budget, the Ministry has taken into account the placement of the existing staff within the approved function book structure for the Ministry of Justice. This placement takes into account the changes in the salary position and the associated remuneration values. The general cost changes are attributed to the introduction of the new salary tables for civil servants who perform a police task, the proposed indexation of all salary tables by 2% and the increase of the holiday allowance from 6% to 7%.

Furthermore, the regulations concerning allowances and overtime rates for officials performing police duties also impact the increased budget allocation for the cost categories of allowances and overtime for the respective departments. Additionally, the retrospective correction for both inactive and active staff of the Ministry of Justice has been estimated, and the derived estimated amount due is budgeted according to a payment plan.

The one-time costs resulting from the retrospective correction for both inactive and active officials due to the retroactive enforcement of the job structure and salary scales up to October 10, 2010, are estimated at NAf 44.5 million (including the employer's contribution to pension premiums and social security premiums).

The current estimate reflects approximately 760 employees, including both active and inactive staff, from the period of October 10, 2010, projected to the end of 2023. However, the full financial implications will only be finalized after the completion of this process, and the final amount for each individual employee will be recalculated based on a placement ratified by national decree and which is irrevocable.

According to the covenant agreement within the Civil Servants Union Platform (CCSU), the payment of these amounts will be made with annual payments over a maximum period of 10 years. The estimated budget reservation is expected to require an annual reservation of approximately NAf 5 million starting from 2024, to meet the payment plan. This annual reservation will also be included in the multi-year budget.

In the current budget, the Ministry of Justice has 605 FTEs included within the various departments and executive services of the Ministry of Justice, with 3 vacancies anticipated to be filled within the current year. Below is an overview of the number of FTEs and vacancies included in the draft budget, along with the corresponding amounts. It should be noted that the current staff is a reflection of approximately 55 percent of the full staffing level.



	Salaries & Social Security	Current number of FTEs	Estimated vacancies (FTEs)	Total Budgeted FTEs
Minister 50	294,474	1	-	1
Cabinet 5010	1,206,268	8	-	7
Staff Office 5021	1,379,419	12	2	14
Department of Judicial Affairs 5101	1,042,909	9	0	9
KPSM 5201	25.015.006	212	0	212
Prison and House of Detention 5202	8,211,645	100	0	100
Immigration and Border Protection Service 5203	10,132,894	111	1	112
National Investigation Service 5204	2,058,091	15	0	15
Customs 5205	2,835,657	42	0	42
Unusual Transactions Reporting Point (MOT) 5206	1,324,901	10	0	10
Guardianship Council 5207	1,212,671	13	0	13
Coast Guard 5212	4,064,310	42	-	42
Public Prosecutor's Office 5213	3,187,105	24	-	24
Attorney General's Office 5215	545,490	3	-	3
Total Salaries & Social Security	62,355,929	602	3	605

The total budgeted personnel costs for 2024 amount to NA f 65,880,413, including the budgeted retroactive benefits and the expected overtime costs in 2024. Furthermore, the total budgeted material costs for 2024 amount to NA f 37,519,317.

The policy priorities for the 2024 financial year have been established in the context of the vision and statutory tasks of the Ministry of Justice. For the coming years, the policy plan for the ministry will be linked primarily to the Country Package Theme H, with the aim of contributing to strengthening the rule of law by, in any case, focusing on strengthening border control, tackling financial and economic crime and improving the detention system. Further elaboration and explanation will be provided under the theme National Security within the National Programme and the aforementioned Theme H of the Country Package.



2.3.1 Priority policy

National Security

A resilient and well-structured Ministry of Justice with clear responsibilities and the resources (money, people, resources) to ensure that legal duties are performed efficiently, effectively and with integrity.

- The organization is adequately structured with a clear description of (legal) tasks and responsibilities for the various services, departments, and functions within the ministry. This includes, but is not limited to, strengthening customs, the detention house, and police departments through training and expansion of staff
- Effective and efficient data collection and processing.
- An efficient and dynamic border control. This includes but is not limited to: Strengthening cooperation between customs, immigration and border control, combating human trafficking and implementing joint border control at the airport under the French-Dutch agreement.
- Efficient and effective operations. This includes, but is not limited to, improving the timeline of procedures for the assessment and response of applications by simplifying the work and residence permit process by reviewing and optimizing current processes.
- Sufficient personnel to perform their duties with the highest work ethic, integrity and compliance. This includes, but is not limited to:
 - Ensure that immigration policies enable the hiring of qualified local employees, taking into account the opportunities and conditions of the local labor market.
 - Conducting a comprehensive and thorough evaluation of the immigration function based on an ongoing assessment of the need for non-local available labor.

The organization is transparent, accessible, professional, reliable and responsible, adhering to laws, regulations and policies to ensure the safety and security of the community of Sint Maarten.

- A knowledge learning organization
- The departments and executive services are publicly and internally known, accessible to specific target groups in need.
- Driven, passionate and dedicated employees who feel safe.
- A work environment that promotes good work ethics, morality and compliance.
- Work processes that ensure quality and integrity. This includes, but is not limited to:
 - Managing the Crime Prevention Fund.
 - Ensuring a positive image of the organization and its staff.

A justice system that is sustainable and meets the needs of Sint Maarten.

- Optimal structured cooperation between chain partners.
- Less dependence on external financial and technical assistance.
- A ministry that is cost efficient and effective. This includes, but is not limited to: the cost of doing business through automation, improved services and simplified procedures.

A community (residents & visitors) that is aware of and motivated to comply with local, regional and international laws and regulations (law-abiding citizens)

- An informed and aware population that complies with local, regional and international laws and regulations. This includes, but is not limited to:



- Increased police visibility in the districts. More police vehicles and a new post at the border at Cole Bay.
- Curbing illegal employment of foreign workers.
- Laws that meet the needs of society and support safety. This includes but is not limited to combating fraud and money laundering.
- Staff that upholds the “Friendly” Island Culture .

The paragraphs below discuss in more detail the various Ministry policies that will be implemented within the relevant service year.

2.3.2 Policy measures

Service/ departm ent	Policy Priority Section	Amount (NA f)	Budget item	Country arrangement/ Government
Staff Office	Drafting of comprehensive management agreements between SG and executive department heads with support from SOAB for policy budgeting		Operating costs/Audit plan 2024 SOAB	
Staff Office	Action plan for research to improve productivity within the services and departments of the Ministry		Operating expenses	
Staff Office	Improved management of long-term sick leave across the ministry	260.405	Operating expenses 42000-5021	
Staff Office	Reorganization and establishment of the Crime Fund Unit under the Office of the Ministry		Operating expenses	Country Package H.12
Staff Office	Improving and sharpening the process descriptions that are implemented to support executive management		Operating expenses	Government agreement
Staff Office	Improving the overall management of the ministry, with emphasis on human resources and financial management		Operating expenses	



Various departments	Further development of recommendations for revenue-raising measures for the Ministry, including gambling sector reforms, ICT applications, MOT, card system immigration, revision of firearms licensing legislation and fee regulation		Operating expenses	Country Package H.2
Customs & IBP	Reorganisation of the executive services to strengthen the operational cooperation border		Operating expenses Projects and Activities	Country package H.11 / Governance agreement
APK & IBP	Digitization of the process of admission of persons through ICT improvements with the aim of automatic sharing of data with different government agencies. Strengthen border control	250,000	43010-5203 SLA Contracts and Licenses	Country package H.11 / Governance agreement
Staff Office	Specific attention to combating undermining at the level of administrative enforcement and Human Trafficking and Smuggling	200,000 100,000	43489-5021 Human trafficking and smuggling and 43489-5021-00014 undermining project (projects and activities)	
MOTH	Specific attention to strengthening the fight against money laundering and enforcement of financial crime	1,198,078	43489-5206 Projects and Activities	



2.3.3 Business operations

Service/de partment	Policy Priority Section	Number	Budget item	Country arrangement/ Government
Various departments	Retroactive payments to employees within the ministry for both the inactive and active staff of the Ministry of Justice, according to the payment plan.	5,145,884	41039 Staff Office Judicial Affairs KPSM HVB IBP Customs Guardianship Council MOTH Land investigation department Public Prosecutor's Office/Public Prosecutor's Office (OM) Coast Guard	
KPSM	TELEM is the only provider that can accommodate the CCTV services. A 15-year service agreement has been entered into.	239,162 per year	43010-5201	
Prison	First phase of construction of the new prison/detention building in Point Blanche.	13,147,487	Capital investment, Phase 1 is subsidized by BZK.	Country Package H.20
Prison	Projects related to general improvement measures of the operational prison system and to support rehabilitation and resocialization of prisoners		Projects and Activities	Country Package H.20
Prison	Payments for prisoners in the Netherlands	3,000,000	43498.5202 Detainee in NL	
Various departments	Implementation of the tasks of the Jvo, Judicial Four-Country Consultation, harmonisation of the protection of personal data.	1,521,751	Operating expenses	Country Package H.9
Various departments	Various executive services must be in possession of appropriate work clothing to properly perform their statutory duties	215,500	43411	



2.3.4 Differences between the approved budget for 2024 and the draft budget for 2024

The table below will explain the differences between the approved 2024 budget and the draft 2024 budget, which concern increases or decreases of 50% of amounts above NA f 100,000, excluding personnel costs.

Budget item/cost center	VB 2024	OBW 2024	% variance	Reason for increase/decrease
50 – 43476 Legal and other expert advice	100,000	200,000	100%	The Mariflex agreement was extended, providing for an annual budget of NAF 144,000 , as well as an average annual amount for other legal costs.
5021- 43000 Third party personnel	85,000	260.405	217%	The agreement with Medworks to promote improved management of long-term sick leave across the ministry, as well as the necessary medical evaluations to find solutions and take the necessary measures. Also the consultancy costs for HR Consulting in accordance with the approval and enforcement of the job description and digitalisation of personnel files. The current budgeted capacity support from third parties is project-based. This will be structurally replaced by the budgeted recruitment of the critical position of personnel advisor and HR employee within the staff office.
5021- 43489 Projects and Activities	0	2,000,000	100%	The central financial management of expenditure related to the action plan for strengthening border controls as it concerns multiple departments. Budget amendment from (5203-43489-00014) to (5021-43489-00014).
	0	250,000		Further specific attention to combating undermining at the level of administrative enforcement and human trafficking and smuggling.
	0	200,000		
	0	100,000		The budget required to organize the annual regional conference on combating counterfeiting, the biennial JVO meetings and the Justice Week celebrations.



5021- 43480-50005 Courses and training		350,000	100%	Budget amendment from (5203-43480-50005) to (5021-43480-50005) the central management of the courses and training programme of the executive services.
5101 – 43476 Legal and other expert advice	5,000	100,000	190%	increased based on the necessary legislative support given the Ministry's legislative agenda. Until the department is able to reach full capacity, the current capacity challenges will be a bottleneck.
5201– 43497 Specific costs of order and tranquility	60,000	150,000	150%	increased based on the updated average usage of the expenditure category.
5202– 43430 Maintenance of buildings and grounds	0	110,000	100%	increased based on the department's annual planning and anticipating the need in 2024.
5202- 43480 Courses and training	300,000	175,000	-41%	lowered, the previous budget year was a one-off co-financed investment together with BZK.
5202- 43489 Projects and Activities	1,730,713	0	-43%	was a one-off financed investment together with BZK which will no longer be relevant in 2024.
5206- 43489 Projects and Activities	507,000	1,198,078	158%	Purchase and implementation of the Anti Money Laundering (AML) application software Phase A.
5217-43499-50008	300,000	450,000	50%	Victim Support Services (VSS) was established in 2023 with a budgeted subsidy contribution of NA f 450,000.
5220-43489 Executive Protection unit	332.435.00	200,000.00	-39%	The Ministry planned to officially establish the EPU in 2023. This has not yet been formally completed as the legislative tragedy continues. The budgeted amount set aside in 2024 is aimed at achieving this objective. It is part of the expected start-up costs for realizing this service.
41039 Retroactive payment	2,676,750	5,145,884	92%	Retroactive payments to employees within the ministry for both the inactive and active staff of the Ministry of Justice, according to the payment plan.



In 2022 and 2023, the Ministry of Justice conducted research into revenue-increasing measures to cover the rising costs of the ministry. The current revenue streams for the ministry are mainly derived from residence permits, certificates of good conduct, immigration fees, and various charges and fees related to immigration and admission.

The ministry aims to optimize the efficiency of these revenue streams by integrating ICT across various departments and services. Policy decisions will also need to be made regarding the pricing of the products and services provided. To this end, the legislative process for the necessary revisions to the Fees Ordinance for the Ministry of Justice has begun.

However, the financial benefit of the revenue-increasing measures will depend on the policy choices made concerning changes in legislation, processes, and the price of the relevant products and services. Below is an overview providing insight into the estimated revenues after the first year of implementation. The overview assumes a modest increase in price levels, which remains dependent on the policy choices made as mentioned above.

PROPOSED INCOME INCREASING MEASURES			
MINISTRY OF JUSTICE			
RRM	PARTICIPATING ORGANIZATION	ANNUAL REVENUE IN ANG	POINTS OF CONSIDERATION
I	Immigration and Border Protection Service (IBPS)	20,694,000,-	<ul style="list-style-type: none"> Depending on the necessary adjustments to the Fees Regulation; Legal expertise is a required criterion to bring this to a successful conclusion; Setting up a procedure for billing and collecting fees; Introduction of a specified document module template as this cannot be issued by ministerial decree; Cooperation with the Ministry of Finance and the Tax Collectors Office; The necessary investments in the required technology/innovation to optimize and streamline services.
II	Customs	605,250,-	
III	Staff Office and Department of Judicial Affairs	1,125,875,-	
Total annual projected estimate of proposed revenue raising measures		22,425,125,-	

INCOME MEASURE	INCREASING	Planning Schedule	Average Annual Number	Current Amount (NA f)	Suggested Amount (NA f)	Expected Annual Amount (NA f)	Expected impact in 2024 Amount (NA f)
Special crew member passbook		Q4 -2024	200	-	315,-	63,000,-	15,750,-



Pre-clearance costs for vessels after curfew times (exceptional times and off-peak hours) in connection with IGD service	Q4 -2024	250	-	450,-	112,500,-	28,125,-
Premium VIP Pre-clearance Service	Q4 -2024	600	-	270,-	552,000,-	138,000,-
Special Package for Customs Clearance of Trusted Agents	Q4 -2024	10		10,000,-	100,000,-	25,000,-
APIS Record Transaction Fees	Q2-2025	1,000,000		18,-	18,000,000,-	-
Single-use travel documents (non-Dutch)	Q4 -2024	200	-	125-	25,000,-	6,250,-
Facilitating crew swaps	Q4 -2024	20,000		90,-	1,800,000,-	450,000,-
Ship Transfers	Q4 -2024	200		90,-	18,000,-	4,500,-
Adjustment costs for tourist visits Extension of stay	Q4 -2024	160	90,-	125,-	20,000,-	5,000,-
Exemption letters	Q4 -2024	750		50,-	3,500,-	875,-
Customs seal on sea containers	Q4 -2024	500	-	27,-	13,500,-	3,375,-
Inspection of sea containers by Scan Truck	Q4 -2024	500	-	27,-	13,500,-	3,375,-
Customs control on the import and export of vehicles and heavy equipment	Q4 -2024	2,000		180,-	360,000,-	90,000,-
Pre-clearance costs for vessels after curfew times (exceptional times and off-peak hours) in connection with Customs service	Q4 -2024	250	-	225,-	56,250,-	14,000,-



Registration, verification and approval of products	Q4 -2024	500		324,-	162,000,-	40,500,-
Certificate of Good Conduct (VOG)	Q4 -2024	7,000	50,-	75,-	525,000,-	131,250,-
Permits for small regular events	Q4 -2024	250	50,-	100,-	5,000,-	1,250,-
Permits for large events	Q4 -2024	46	1600,-	3000,-	552,000,-	138,000,-
Advertising boards	Q4 -2024	50	35,-	100,-	5,000,-	1,250,-
Request permission for tinted windows	Q4 -2024	50		200,-	10,000,-	2,500,-
Processing fees for firearm applications	Q4 -2024	80	-	200,-	16,000,-	4,000,-
Issuing a firearms permit	Q4 -2024	20	25,-	200,-	4,000,-	1,000,-
Processing costs for a firearms permit (non-firearm)	Q4 -2024	20	25,-	100,-	2000,-	500,-
Issuing a firearms permit (non-firearm)	Q4 -2024	15	25,-	125,-	1,875,-	500,-
Permission documents for the import, export and transit of weapons or ammunition	Q4 -2024	50		100,-	5,000,-	1,250,-
					22,425,125	1,106,250

Although the Ministry has considered generating additional revenue, maintaining the safety, law and order and ensuring the legal certainty of the community of Sint Maarten remains the main focus. However, it is also relevant to note that legislative changes will be necessary to implement these new rates.

2.3.6 Risks in the budget



1. The job classification was formally established in December 2023, with the commencement decision only formalized in the second half of 2023. The formal placement of employees began in the last quarter of 2023 and is still ongoing. The introduction of the job classification will result in salary adjustments for a large number of employees within the Ministry of Justice. This budget has been prepared based on the expected staffing levels. This placement takes into account changes in salary positions and associated remuneration values. Additionally, the retroactive correction for both inactive and active staff of the Ministry of Justice has been estimated, and the derived estimated amount due is budgeted according to a payment plan. However, the final picture for each individual employee will be recalculated based on a placement validated by a national decree and that is irrevocable. Therefore, changes in the current salary placement may still occur. However, sufficient account is taken of the retroactive corrections resulting from the placement process, although the currently budgeted salary costs for staff may change.
2. By national decree of 17 August 2015 (LB-15/0696), the country of Sint Maarten agreed to the implementation of the camera project by Sint Maarten Telecommunication Operating Company NV (TELEM). The goal of the Camera Project is to ensure safety in the community and thereby enhance the sense of security among the population.

In order to organize the connection between the various cameras and the CCTV center, a fiber optic point to Multi-point circuit must be used. This circuit is provided by TELEM. On 1 February 2019, the CCTV project officially started. From the start of the project, it has proven its value for maintaining public order and for investigations after the commission of criminal offenses.

Documents and contracts have been prepared for the entire camera project. The service level agreement with TELEM includes the following obligations for TELEM:

- TELEM will provide and maintain the fiber optic circuit for 32 camera poles. Each pole has a point-to-point connection .
- TELEM will provide and maintain the cross-connections at the ground station.
- TELEM will provide and maintain the fibre optic connection between the ground station and KPSM.
- TELEM will make space available for a server rack in the ground station for KPSM.
- TELEM will provide technical resources for the installation of the switches in the ground station.
- TELEM offers access to external personnel for server maintenance.

For KPSM, the following obligations are included:

- The fiber optic circuit is solely for the purpose of camera surveillance.
- KPSM will not resell or make available the capacity of the fiber optic circuit for purposes other than camera surveillance.
- KPSM is responsible for providing the technical resources in the ground station and the software for the interface and its maintenance.
- TELEM is not responsible for malfunctions caused by hardware and software, changes or made by KPSM.
- KPSM will under no circumstances carry out repairs, changes or maintenance on the fibre optic circuit.

In 2023, the service level agreement will be entered into for a term of 15 years, after which it will be automatically extended annually. The intended start date has been retroactively entered into on March 1, 2019 and will expire on February 28, 2034.



The costs associated with the contract are:

- NA f 17,259.26 (monthly recurring costs lease local circuit)
- NA f 1,725.93 (monthly recurring costs MRC)
- NA f 2,670,- (one-time installation costs)
- NA f 945,- (monthly recurring cost for the server rack)
- NA f 3,615,- (advance with NRC and MRC)

There is an outstanding amount estimated at NA f 1,158,621.28 for the year 2019-2023 which has not been paid as of date. However, the annual allowances of NA f 239,621.28 are included in the 2024 budget.

3. Claim from AEGIS amounting to NAF 2,394,327 related to unpaid invoices from 2016 to 2022. There is no formally valid agreement with AEGIS, but in the past, security services were provided to HVB/MLC for which costs were incurred. However, the ministry is concerned that the company may have demanded higher invoice amounts. In November 2023, a ruling was made in this case, resulting in a significant reduction of the claim on AEGIS invoices. The current outstanding debt amounts to approximately NAF 662,503.28 (including the awarded statutory interest).



2.4 Ministry of Education, Culture, Youth and Sports

The strategic plans of the Ministry of Education, Culture, Youth and Sports (OCJS) are framed within the mission, vision, statutory tasks, the national development vision, the government program, the strategic plan 2016-2026, and the National reconstruction plan. This framework forms the basis for achieving the following long-term (impact) goals:

- Realization of the necessary conditions that lead to equal opportunities and access to quality education, culture, and sports for all residents of Sint Maarten.
- Continuous development of human capital for economic growth through quality education, culture and sports has been supported and promoted;
- Nation building, social cohesion, and identity development through education, culture and sports.

Mission:

- Text proposal:
- Our youth will thrive and reach their full potential to become active citizens with a sense of shared responsibility;
- There will be ample opportunities for Sint Maarten residents to participate in lifelong learning;
- To safeguard cultural identity by protecting tangible and intangible heritage;
- Active participation in sports and other physical activities will be encouraged.

Vision:

The Ministry of OCJS aims to meet the needs of and facilitate the people of Sint Maarten to develop into confident, resilient, creative, and critical thinkers who are lifelong learners by 2026

Staff Information:

The total formation of the ministry amounts to 405 FTE, the current total occupation of FTE amounts to 279 (including above-formative staff), which amounts to an understaffing of approximately 32%, which means a further decrease of approximately 10% of available staff compared to the year 2023. The number of vacancies amounts to 126 FTE, while 120 FTE have not been budgeted. Financing from the reconstruction funds and country packages and third-party staff therefore remain critical to carry out the priorities and core tasks. The table below provides an overview per organizational unit, the FTEs, the number of vacancies, the costs and the budget item.



General FTEs and Vacancies Overview

Department ¹²	Current FTEs	Vacancies	Unbudgeted vacancies	Total formation (FTEs)	% Occupation of the total formation	Total budget	Cost center
Minister	1	0	0	1	100%	269,068	60
Cabinet	6	3	3	6	120%	1,067,875	6010
Staff office/ above-formative	5 2	2 0	2 0	7 0	71% 0	833,272	6021
Department of Education	12	6	6	18	67%	957,295	6110
Department of Culture	5	4	4	9	56%	575,178	6120
Youth and Young Adults Department	4	4	4	8	37%	451,163	6130
Sports Affairs Department/ Over-Formative	5 4	3 0	3 0	8 0	63%	1,016,380	6140
Examinations Service	6	0	0	6	100%	688,275	6210
Student Finance Service	5	3	3	8	62%	477,642	6220
Student Support Service	13	1	1	14	93%	1,266,131	6230
OCJS Inspection Service	12	10	10	22	55%	1,210,213	6240

¹²Including minister and cabinet.



Education Innovations Service	7	12	12	19	35%	706.514	6310
Public Education Department	188	78	72	273	69%	16,420,677	6320
TOTAL	279	126	120	405	67%	25,941,398	

Policy priorities in the education, culture, youth and sports sectors are in line with the National Development Vision, the government program 'Stimulating Sustainable Economic Development & Prosperity', measure G1 of the country packages, and the reconstruction program “ National Recovery and Resilience Plan (NRRP)”.

The priorities are:

- ✓ Developing 'skilled citizens' by promoting a quality and sustainable education system, in accordance with the goal as stated in the country packages. To be achieved in 2024 by implementing the reform plan for secondary education, anchoring the needs of students in an inclusive education system as well as increasing the study results in education in general.
- ✓ Restoring access to safe education, sports and culture facilities 'resilient structures', as a condition to promote population participation through reconstruction funds, capital investments and various programs in sports, culture and education.
- ✓ Promoting the resilience of vulnerable youth, students ('youth empowerment') and staff in the various OCJS sectors, financed through the reconstruction projects; 'Fostering Resilience Learning Project' (FRLP) and 'Child Resilience and Protection Project (CRPP)'.
- ✓ Protecting and promoting the natural, tangible and intangible heritage and a strong shared cultural identity;
- ✓ Strengthening the efficiency and effectiveness of the Ministry, by implementing the MECYS Management and Information System through the FRLP reconstruction fund. This requires a restructuring in the organization and a major investment of the personnel capacity of the Ministry and the stakeholders involved.



The various policy areas are further elaborated in the paragraphs below.

2.4.1 Policy priorities

Improving the quality and sustainability of the education system.

To improve the quality and sustainability of the education system, the policy priorities in the education sector for 2024 are aligned with the government's programmatic focus, specifically the transformation of the system to create opportunities for lifelong learning. The ultimate goal is to develop skilled citizens who meet the demands of society.

The development of this policy is based on the “Public Expenditure Review Education” and the review of the education system, aimed at creating a more efficient and effective education system

These include:

- Development and implementation of a new school bus policy;
 - Develop a policy on the introduction of standardized assessments for students in primary and secondary education, to promote mastery of fundamentals to further improve academic performance;
 - Implementation of the summer school policy
 - Development of a strategy to improve literacy and numeracy;
 - Development of a language policy;
 - Development of a Secondary Education Plan that integrates culture, sports and educational programs, labor market needs and innovative developments; and
 - Revision of Basic Education; and,
 - Implementation of an Education Management and Information System as an integral part of the MECYS Management & Information Plan.
-
- ✓ The implementation of special needs policies within an inclusive education strategy ensures that adequate provision is made for students to participate and thrive in society.
 - ✓ The Four-Country Consultation (VLO) is a platform of the four countries within the Kingdom that work together on country reform initiatives of quality education, education and connection to the labor market, flow between education levels and cooperation between educational institutions and the development of institutes in the region and the Netherlands.
 - ✓ An amendment to the Lbham Funding in 2024; to improve the effectiveness, efficiency and accountability of education funding through the amendment of existing policy set out in the Lbham Education Funding based on research related to inter-school management, the SOAB report on the assessment of current use of funding; and the establishment of a standardised reporting framework.
 - ✓ Continue to develop policies and plans related to disaster risk reduction to reduce the sector's vulnerability and increase its resilience in dealing with multiple hazards.
 - ✓ In order to strengthen the supervision of education, the legislation regulating the supervision of education is being implemented, including the development of the associated regulations.
 - ✓ the professional environment of the teaching profession and implement legal frameworks for continuing professional development and in-service training programmes to meet professional development needs.
 - ✓ Cooperation agreements between inspectorates as agreed in the national package action plan will be continued.



The policy actions for the education sector are:

Department/ Employ	Output	Activity	Amount	Budget item	Country package/ Government agreement/ Ministry task
Education	Improving the teaching profession	Research into the remuneration of teaching staff	20,000	6110.43476	Country Package & Ministry Task
Education	Improving the teaching profession	Revision of the Job Description Manual for Education Personnel	20,000	6110.43476	Country Package & Ministry Task
Education	Improve FBE	Revision of the FBE curriculum	20,000	6110.43476	Governing agreement & Ministry task
Education	Improve school performance	Implementation of Summer School policy and strategy to improve the Dutch language	175,000	6110.43489.60073	Government Agreement & Ministry Task
Education	Language Policy	Development of language policy;	25,000	6110.43476	National package & Government agreement & Ministry task
Education	Improving the education system	Educational infrastructure assessment to inform capital investment	40,000	6110.43476	National package & Government agreement & Ministry task
Education		Legal Affairs	25,000	6110.43476	Ministry task
Education	Professional development for teaching staff	Teacher training initiatives	200,000	6110.4389.60090	Country Package & Government agreement & Ministry task



Education Service	Implemented Education Management & Information System	Implementing measure G1	183,660	43476.6240.0014	Country package G1, government agreement & reconstruction fund
Education Innovation, Inspection Service OCJS		Finalize legislative products Implementation MMIS Implementation Plan			

Raising awareness of heritage and active participation in cultural development and nation-building.

The importance of recognising national talents will continue with the annual Sage Awards, together with the celebration of National Observance Days and the continuation of the IRICH campaign, in partnership with UNESCO, which is expected to raise awareness of culture, our cultural identity and the development of local talent. In addition, financial support is an important instrument to promote the development and publication of local books and music and talent, in relation to culture and the creative arts.

More publicity is expected with the “open house” in collaboration with the sports sector to promote the available creative arts and sports after-school and summer programs. Much exposure is expected for the developments in the creative sector by organizing the fourth annual 'cultural creative industry' platform. To further strengthen the preservation of the national heritage infrastructure, the operationalization of the Monumentenfonds will be continued.



Employ/ Department	Outputs	Activity	Amount NA f	Budget item	Country package/ Government agreement/ Ministry task
Culture	The publication of local books and CDs on culture and art	Production of the St. Maarten anthem, book and CDs	70,000	43489-6120-61007	Ministry task
Culture	The 4th 'Culture Creative Industry Forum' CCIF conference was organised	'Creative Industry Forum Heritage' stakeholder conference SMILE conference Cultural property tracking system	50,000 30,000	43489-6120-61018 43489-6120-61008	Ministry task
Culture	Cultural talent is recognized Open house	National Holidays and National Observances Sports and Creative Industry Open house about after-school school program offerings and summer programs and programs in combination with Sports	159,693 35,000	Tangible Cultural Heritage 43489-6120-6-1007 Tracking cultural goods 43489-6120-61008	Ministry task
Culture	Campaign organized	Awareness campaign IRICH Digital Presence	30,000	UNESCO 43501-6120-61011	Ministry task



Culture	Supporting creative artistic development with a focus on Dance Art.	Financial support for institutes Award talent grants to artists for training purposes	100,000 50,000	43489-62006 43455-6120	Ministry task
Culture	Developing the Heritage infrastructure	Activities for the tender for the establishment of a Monument Fund	62,500	44301-6120-61005	Ministry task

Improving compliance with legislation and policies with local and international agreements for youth.

The development and support of legal and policy reforms are crucial for establishing, strengthening, and improving both structures and institutions that prioritize children's perspectives. The core tasks for youth empowerment involve the development of Sint Maarten's youth, which is reinforced by advising the government on the allocation of resources based on research, progress reports, and forecasts from program organizations, ensuring youth policy, legislation, and regulations, and monitoring their implementation. Additionally, promoting the continuous development and optimization of the quality and quantity of Sint Maarten's human capital has been emphasized. These tasks are framed within the International Convention on the Rights of the Child, with a focus on implementing the 2021 recommendations of the Committee on the Rights of the Child, including monitoring and reporting on the status of children. Cooperation with other ministries and youth organizations focused on developing policies and tools for the protection of children and youth is therefore crucial.

The focus for the next four years is the implementation of the 'Youth Policy Plan' and the 'Early Childhood Care and Development Policy Plan' to strengthen the youth sector of Sint Maarten. The following policy areas for 2024 follow the strategy of the government program which is aimed at empowering the youth through a holistic approach.



Employ/ Departme nt	Output	Activity	Amount (NA f)	Budget item	Country package/ Government agreement/ Ministry task
Youth and Young Adults		Promotion of capacity and quality improvement of broad schools and extracurricular activities (subsidy recipients) for vulnerable children.	246,264	44301-6130-60016	Ministry task
			246,264	44301-6130-60017	Ministry task
			246,264	44302-6130-60019	
			246,264	44302-6130-67064	Ministry task
			246,264	44301-6130-67002	Ministry task
			120,960	44301-6130-67008	Ministry task
			147,840	44301-6130-67014	Ministry task
			200,000	44301-6130-67059	Ministry task
			125,000		
Youth & Young Adults	Realizing the Integrated Youth Policy Plan 2020-2025: a multisectoral approach to youth development, including strengthening	Implementation of the Violence Prevention Policy, Strategic Action Plan and Development of the Violence Prevention Communication Strategy	0	Trust Fund	Ministry task
		Implementation of the Integrated Youth Policy Plan 2020-2025	50,000	43489-6130-67054	Ministry task



	mechanisms for coordination and cooperation within and between government and youth organizations	Implementation of the recommendations of the study 'Funding of extracurricular activities' for vulnerable children	0	Trust Fund	Government Agreement & Ministry Task
		Implementation of the Youth Monitor	0	Trust Fund	
Youth & Young Adults	Quality improvement based on the recommendations of the multisectoral policy document 'Early childhood care and development'.	Implementation of the policy document Early Childhood Care and Development and implementation of the recommendations regarding the research 'Financing of Childcare'	50,000	43489-6130 67005	
			0	Trust Fund	

Improved professional environment, for development of all professionals working with children, and opportunities.

Early childhood care of children is seen as an important pillar of the future development of children. To strengthen the quality, coordination and cooperation of this growing sector, continuous financial support is essential.

With regard to sport, the government programme emphasises the importance of facilitating ethical behaviour, respect for authority and compliance with sporting rules, and facilitating the development and functioning of sports associations.



Employ/ Departm ent	Outputs	Activity	Amount (NA f)	Budget item	Country package/ Governme nt agreement /Ministry task
Youth & Young Adults	Institutional strengthening of the “Early Childhood Care and Development” Sector.	Institutional strengthening of SECDA.	80,000	44301-6130- 60052	Governme nt Agreement & Ministry Task
Sport	Support for sports organizations	<ul style="list-style-type: none"> • Awareness campaign • Training for children in sports • Sports administration support 	50,000	43489-6140- 67047	Governme nt agreement & Ministry task

More and better participation of young people and special groups in education, sports and culture.

The voice of youth is important for intergenerational equality and for the development of youth into competent citizens . The recommendations of the youth round table will be further implemented .

To promote the integration of physical education, sports and nutrition into the educational curriculum, as reflected in the government's programme, school sports programmes will continue.



Employ/ Departm ent	Outputs	Activity	Amount NA f	Budget item	Country package/ Government agreement/Min istry task
Youth & Young Adults	Realization of the Youth Bureau and implementation of the recommendations of the Youth Round Table Conference	Youth are informed about topics like reproductive health, healthy eating habits, healthy lifestyle etc. services are also provided to youth.	50,000	43489- 6130-67054	Government Agreement & Ministry Task
Youth & Young Adults	Increasing meaningful youth participation in the society.	Implementation of youth participation	35,000	43489-6130	Government Agreement & Ministry Task
Youth & Young Adults	Development of the 'Certified Training Initiative' Youth Participation'.	Implementation of training	0	Trust Fund	Government Agreement & Ministry Task
Sport	School sports programs	<ul style="list-style-type: none"> Support for sports organizations Implementing school swimming program 	131,000	43489- 6140-67026	Government Agreement & Ministry Task

Increasing young people's responsibility for their own development.

Life skills training and risk prevention programs support youth to become more aware of the consequences of their choices and/or behavior and to develop the necessary skills to empower youth. In society, and specifically in the labor market, youth are challenged by a lack of experience, which the “Business Outreach & Placement Program” will help with.



Employ/ Departm ent	Outputs	Activity	Amount NA f	Budget item	Country package/ Government agreement/Minis try task
Youth & Young Adults	Programmatic approach to life skills and prevention of teenage parenthood.	Implementation of life skills training	37,500	43489-6130- 67030	Government Agreement & Ministry Task
Youth & Young Adults	Creating more learning/work experience opportunities for youth.	Implementation of the 'Business Outreach & Placement Program'	125,000	43489-6130- 67028	Government Agreement & Ministry Task

Promoting awareness and participation of young people in society.

Ensure the enforcement of the International Convention on the Rights of the Child and the recommendations of the Committee on the Rights of the Child, including reporting on the Convention.

Employ/ Departm ent	Outputs	Activity	Amount	Budget item	Country package/ Government agreement/Mini stry task
Youth & Young Adults	"Promoting awareness of children's rights in society"	The implementation of the (Memorandum of Understanding) Strategic Work Plan on the advancement of the rights of the child	35,000	43489-6130- 67029	Government Agreement & Ministry Task



Promoting parental involvement in their children's education, sports and culture.

Encouraging preventive programs.

Employ/ Departme nt	Outputs	Activity	Amount	Budget item	Country package/Gov ernment agreement/ Ministry task
Youth & Young Adults	Promoting awareness of Positive Parenting	The implementation of the Strategic Plan for Positive Parenting and COMBI Plan	0	Trust Fund	Government Agreement & Ministry Task

Improved compliance of educational and sports facilities with (international) standards.

The focus of the ministry is to ensure that high quality sports are offered to the people of Sint Maarten and especially to those who want to use sports and recreational activities as a means to a healthy lifestyle. Sports and recreation play a crucial role in reducing health risks and at the same time it is one of the most fun and powerful tools to motivate and mobilize people to become physically active.

It is therefore necessary to support the various sports organisations and to continue the current efforts, by developing a good sports infrastructure for the implementation of sports tourism; sports and physical education programmes for all and in particular for children and young people who actively participate in our education system; and stimulating vitality in the workplace.

Facilitating and mobilizing safe and certified sports facilities in neighborhoods and other locations to ensure the availability of the necessary sports facilities for recreation and top-level sports is in accordance with the coalition agreement.

The continuation of the ERP1 and FRL reconstruction projects, which provide funding for the repair and/or reconstruction of schools, school gymnasiums and sports facilities, as well as preparations for a new library, continues.



Department/Service	Outputs	Activity	Amount	Budget item	Country Package Government agreement/
Education Innovation	Repairing schools and gymnasiums.	<ul style="list-style-type: none"> Project management & support ERP1, FRL 	0	DEI staff/MRT Trust Fund	Reconstruction Fund
Sport	User-friendly sports facilities	<ul style="list-style-type: none"> Installation of water points for the various facilities Installation of a batting cage (JCJL) Septic system Repairs and management of facilities 	579,000	43456-6140-67022/67023/67024/67025/67045/67046	Government agreement & Ministry task

Increased awareness of the benefits of sports & culture in business (including tourism).

In order to promote the increase in sports tourism and the participation of citizens and companies in sports activities, as included in the coalition agreement, the following policy actions are:

Department/Service	Outputs	Activity	Amount	Budget item	Country package/ Government agreement /Ministry task
Sport	Local/international tournaments	<ul style="list-style-type: none"> Support for participation in and organization of local, regional and international tournaments 	272,500	43489-6140-67050/67051/67052	Government agreement & Ministry task
Sport	Support for sports organizations	<ul style="list-style-type: none"> Awareness campaign Olympic Games and National Team Development 	5,000 45,000	43489-6140-67047 43489-6140-67047	Government agreement & Ministry task



Increased regional and international representation and participation.

Facilitating and mobilizing the support of top athletes to represent Sint Maarten (inter)nationally follows from the government program.

Department/ Employ	Outputs	Activity	Amount (NA f)	Budget item	Country package/ Government agreement/Ministr y task
Sport	Development of national teams	<ul style="list-style-type: none"> • Participation of national teams in tournaments • Coaching training • National team equipment 	75,000	43489-6140-67020	Government Agreement & Ministry Task

2.4.2 Differences between the approved 2024 budget and the draft budget for 2024

The table below will explain the differences between the approved 2024 budget and the draft 2024 budget, which concern increases or decreases of 50% of amounts above NA f 100,000, excluding personnel costs.

Budget Item/Cost Center	VB 2024	OBW 2024	% differenc e	Reason for increase/decrease
43489-6130-67003	1,231,321	0	100%	Project Community Schools has been converted into grants to school boards to implement the After School Programs.
44301-6130-60016	0	246,264	100%	Grant to Catholic Education Foundation to implement Community School Program
44301-6130-60017	0	246,264	100%	Grant to Protestant Education Foundation Windward Islands to implement Community School Program
44301-6130-60018	0	246,264	100%	Grant to Methodist Agogic Centre Foundation to implement Community School Program
44301-6130-60019	0	246,264	100%	Subsidy to Foundation Seventh Day Adventist to implement Community School Program at to feed
44301-6130-67064	0	246,264	100%	Grant to Oranje School Philipsburg PTA to implement Community School Program



43456 -6140-67024	87,000	143,000	64%	Assisting with the purchase of a new floor and necessary repairs
43489-6140-67026	100,000	131,000	24%	Cover the costs associated with swimming instructors and materials for the school swimming program
43476-6240-00014	0	183,660	100%	To embed the MECYS management & Information system in the organizational structure is a condition that has been established by the reconstruction fund financed projects 'Fostering Resilient learning'. Which leads to increasing the efficiency and effectiveness of the ministry. TWO/BZK has contributed to the costs of hiring two experts for the MMIS
44110-60050	-322,404	-572,404	61%	Contribution of the Ministry of Education, Culture and Science of the Netherlands in connection with the Strategic Education Alliance 2023 project
43503-6320	250,000	0	100%	SLA no longer applicable

2.4.3 Income-raising measures

The ministry has no income-increasing measures, nevertheless a cost saving has been anticipated through an efficiency drive by implementing the MMIS, which will result in a cost saving by reducing the costs associated with the currently many and duplicative manual processes, this will also lead to an improvement in public services.

2.4.4 Risks in the budget

The risks provided for in the budget are as follows:

Education

The delays in hiring new staff and the lack of senior policy officers are negatively impacting the department's productivity levels, as this places significant pressure on the available staff, leading to increased absenteeism and delays in delivering results.

Competing priorities regarding ongoing policy products, the "Fostering Resilience Learning" Project, and deadlines arising from commitments made for the country packages pose a risk to the realization of the various policy initiatives outlined in the budget-based policy.



Youth & Young Adults

Reducing the required financial resources will have a negative impact on the overall development of the youth of Sint Maarten. Especially for the vulnerable children, who have increased significantly in number since Hurricane Irma and the COVID pandemic, due to poverty. This has led to a sharp increase in violence. Drug addiction, social-emotional and behavioral problems among youth. These problems affect the entire population of Sint Maarten and require constant support and funding in social support.

- The risks associated with insufficient financing of youth/population social support are: Failure to implement policies and programmes due to the strong dependence on policy priorities and capacity of other ministries and youth organisations, and more specifically the implementation of the Integrated Youth Policy 2020-2025 and the National Early Childhood Care and Development Policy.
- Failure to increase funding for prevention programmes, youth participation and the establishment of the youth office, as a link to youth, will have serious social consequences on the well-being of youth.
- The lack of additional resources to invest in the new policy initiatives as a result of the recommendations of the Committee on the Rights of the Child 2022 and recommendations of various studies carried out in 2022 in the areas of 'youth violence', 'positive parenting' and 'financing of early childhood care and after-school activities'.

Sport

The budget allocation for sports has been significantly reduced in recent years, preventing much-needed investments in sports facilities, programs, and athletes. Analysis and research leading to the development of policies and programs are essential for the advancement of sports. Sufficient financial resources and personnel are also needed to ensure that organizations, facilities, and programs are properly managed and implemented based on the developed policies and programs. The ministry aims for the continuous development of sports at all levels. This includes the regular development of athletes, national teams, sports tourism, and facilities. Reducing the necessary financial resources will negatively impact the ability to develop sports in Sint Maarten as a whole. It would also mean that the government is insufficiently contributing to the improvement and well-being of the population through sports and physical activity, thereby increasing health risks, which will place additional pressure on national healthcare costs.

Reconstruction Fund projects

For the reconstruction projects funded, potential increasing inflation may lead to upward pressure on the costs of goods and services to be delivered, which could result in adjustments to plans to ensure sustainable financing. More specifically, the reconstruction of the Sister Marie Laurence School, which is scheduled to begin first, may be affected. This could jeopardize the financing for the new construction of the library and the public Charles Leopold Bell School, including program funding. The national government guarantees the projects, which could lead to increased costs for the national budget or the timely adoption of measures to secure additional third-party financing as an alternative.



2.5 Ministry of Health, Social Development and Labor

Mission:

To promote a healthy and socially supportive community.

- Prevent unhealthy living conditions, protecting socially vulnerable groups and promote employment.
- Enhance the general well-being and quality of life of our population through services such as health protection, health promotion, job placement, work and dismissal permits, emergency medical services, social security, community development, social work, and guidance and supervision
- Ensure access to health insurance and social security systems.

Vision:

To be a knowledge institute that will develop into the recognized government agency for public health, social development, social security, labor-related policy and service domains.

Staff Information:

General FTEs and Vacancies Overview

Department ¹³	Current FTEs	Vacancies	Unbudgeted vacancies	Total formation (FTEs)	% Occupation of the total formation	Total budget (NAf)	Cost center
Minister	1	0	0	1	100%	269,067	70
Cabinet	6	0	0	6	100%	608,917	7010
Staff Office	9	0	2	11	82%	1,046,195	7021
Department of Public Health	6	0	6	12	50%	602,150	7110
Department of Social Development	4	0	6	10	40%	454,607	7120
Department of Labor	5	0	4	9	56%	619,700	7130
Social Service	10	1	3	14	71%	761,642	7210
Inspection Service	19	0	8	27	70%	1,767,260	7220

¹³Including Minister and Cabinet.



Ambulance	33	0	3	36	92%	3,248,542	7240
Collective Prevention Service	23	1	10	33	70%	1,977,409	7250
Department of Community Development, Family and Humanitarian Affairs	9	0	2	11	81.8%	777,200	7260
Department of Labor Affairs	20	0	9	29	69%	1,644,016	7270

A healthy and caring society where people are able to make independent and dignified healthy choices. In order to achieve this, the ministry will focus on the policy priorities below, divided into the categories of health care, community and social care and work.

2.5.1 Policy priorities

Health care

Improved access to health care for the people of Sint Maarten

One of the responsibilities of the ministry is to promote the interests in the field of public health and healthcare of the Country of Sint Maarten in the Kingdom, internationally and regionally. This is also reflected in the NDV plan of the ministry respectively. NDV 1.6. "Efficient high-quality healthcare" and NDV 1.7. "A physically and mentally healthy population". It is of the utmost importance that the population has sufficient access to healthcare in order to achieve a healthy and caring society. This year, the ministry will focus on finalizing and implementing mental health legislation was initiated back in 2022.

Employ/ Departm	Outputs	Activity	Amount	Budget item	Country package/ Government
Department of Public Health	Development of mental health legislation	Develop and submit start-up note for legislative process	19,000	43489-7110	NDV1.6. Efficient, high-quality health care. NDV1.7. A physically and mentally healthy population.

Improved community awareness of EMS



The ministry has noticed that the general operations of EMS (Emergency Medical Services) are not well known within the community. The ministry aims to change this by conducting more awareness campaigns to increase the visibility of EMS within the community.

Employ/ Departm	Output	Activity	Amou nt	Budget item	Country package/ Government
Ambulance	EMS awareness campaign week	In collaboration with stakeholders, organizing activities and exhibitions for selected schools and placing EMS awareness information in local newspapers.	15,000	43489-7240	NDV1.7. A physically and mentally healthy population

Reduced prevalence (number of cases per thousand) of NCDs in the general population

NCDs (Non-Communicable Diseases) refer to diseases such as cardiovascular diseases, diabetes, chronic respiratory conditions, mental disorders, neurological conditions, or cancer. NCDs are the leading causes of preventable premature death and disability. In 2016, 76.8% of total deaths (in the non-Latin Caribbean, excluding Haiti) were due to NCDs. Cardiovascular diseases accounted for 30.8%, cancer 17.2%, and diabetes 10.8%. To reduce the prevalence within the population, the ministry will primarily focus on the following policy priorities



Employ/ Dep	Outputs	Activity	Amount (NAf)	Budget item	Country package/ Government
Collective Prevention Service	<p>Awareness campaigns for non-communicable diseases such as:</p> <ul style="list-style-type: none"> • Hypertension. Cardiovascular diseases • Awareness of healthy weight and nutrition • Oral health • Diabetics • Breast cancer and prostate cancer • Mental health • Breastfeeding • Anti-Tobacco 	Organizing NCD awareness activities in collaboration with stakeholders.	50,000	43489-7250	NDV1.7. A physically and mentally healthy population
Collective Prevention Service	Childhood Vaccination and Dental Program	Organize information meetings with primary schools, perform dental examinations. Refer to dentist if necessary, distribute communication material to parents	40,000	43483-7250	NDV1.7. A physically and mentally healthy population
Department of Public Health	Develop a sustainability plan for the CVRM program	Analyze and revise existing NCD care and treatment guidelines, Design sustainability plan for CVRM program	50,000	43489-7110	NDV1.6. Efficient, high-quality health care. NDV1.7. A physically and mentally healthy population.
Department of Public Health	Developing and implementing a palliative care program	Review of existing national and international guidelines on NCD palliative care	75,000	43476-7110	NDV1.7. A physically and mentally healthy population



Department of Public Health	Updated Tobacco Control Regulations	Review and update of tobacco regulations to align with the Framework Convention on Tobacco Control (FCTC)	125,000	43476-7110	NDV1.7. A physically and mentally healthy population
Department of Public Health	Project implementation of the entire NCD Implementation Action Plan Project	<p>Establish a working group on NCD surveillance, monitoring and evaluation. Identify and prioritize data needs of key stakeholders, taking into account national and international guidelines. Identify information requirements.</p> <p>Rate collaboration mechanisms to facilitate this sharing of NCD data that are standardized.</p> <p>Relevant, useful and high quality.</p> <p>Strengthen and improve supervision system for NCDs and risk factors. set up and maintain monitoring and evaluation of NCD interventions and policy implementation</p>	216,000	43489-7110	NDV1.7. A physically and mentally healthy population
Collective Prevention Service	Subsidies Diabetics Foundation	Assessment of the application for approval	14,000	44201-70005-7280	NDV1.7. A physically and mentally healthy population



Department of Community Development. Family & Humanitarian Affairs	"Let's Get Fit" Health Initiative	Organizing a Let's Get Fit activity	25,000	43489-7260	NDV1.7. A physically and mentally healthy population
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Reducing CD Incidents

CDs are communicable diseases such as STDs and COVID-19. The Ministry's goal is to keep infections within the population as low as possible by achieving the policy priorities below.

Employ/ Departm	Outputs	Activity	Amount (NA f)	Budge t item	Country package/ Government
Collective Prevention Service	<p>Awareness campaigns for communicable diseases, such as:</p> <ul style="list-style-type: none"> • STD Awareness Campaign • Vaccination Week of the America Campaign • Mosquito Awareness Campaign • Antimicrobial Resistance Week campaign (AMR) • World AIDS Day Campaign 	Collaborate with stakeholders to organize relevant awareness raising activities.	60,000	43489-7250	NDV1.7. A physically and mentally healthy population
Department of Public Health	Centralized storage and dispensing of HIV/AIDS medication	Tendering and selection of pharmaceuticals for central storage	27,000	43489-7110	NDV1.7. A physically and mentally healthy population



Collective Prevention Service	Execution of the Expanded Immunization Program (EPI Program) for Sint Maarten	Conduct vaccination visits at schools and baby clinic for timely implementation of annual immunization program.	150,000	43489 -7250	NDV1.7. A physically and mentally healthy population
Collective Prevention Service	Subsidy for HIV/AIDS Foundation	Assessment of the application for approval	200,000	44201 - 70006 -7280	NDV1.7. A physically and mentally healthy population
Collective Prevention Service	Correct and safe storage, management, preparation and distribution of the vaccines for the implementation of the COVID-19 vaccination program	Implementation of the management plan for the COVID-19 Vaccination Program as necessary.	50,000	43489 -7250-00013	NDV1.7. A physically and mentally healthy population

Improving data collection for policy development purposes

In order to function optimally and/or implement policy as a ministry, it is of the utmost importance to collect reliable and relevant data. In order to achieve this, the ministry will mainly focus on the policy priorities below this year.

Employ/ Departm	Output	Activity	Amou nt	Budget item	Country package/ Government
Department of Public Health	Population-based health study	Analyzing the health study data.	NVT	PAHO	NDV1.6. Efficient high quality health care
Department of Public Health	Updated overview of the demand for care from healthcare providers	Assess the needs of healthcare providers based on population needs and information from the medical community.	75,000	43476-7110	NDV1.6. Efficient high quality health care



Collective Prevention Service	Preparation of various reports including: • PAHO Report • Reporting vaccination coverage to PAHO • Syndrome report to Carpha • Infectious Disease (COVID) Report to CARHPA	Collecting the necessary data for preparing the relevant reports.	NVT	41001-7250	NDV1.6. Efficient high quality health care
Collective Prevention Service	Heel Prick Newborn Trial Project	Developing and implementing the heel prick program.	70,000	43489-7250	NDV1.6. Efficient high quality health care

Improving the quality and safety of care (standards, protocols, medical training, competence and professionalism)

In order to guarantee optimal service provision in healthcare, the ministry will have to continue to develop in accordance with international standards in healthcare. As a result, the ministry will focus primarily on the policy priorities below.

Employ/ Departm	Outputs	Activity	Amount NA f	Budget item	Country package/ Government
Collective Prevention Service	Setting up Port Health Structure	Developing the necessary formation and structure for the execution of Port Health's tasks.	70,000	43489-7250	NDV1.6. Efficient high quality health care
Ambulance	Certification of Personnel based on CZO (College Zorg Opleidingen) standards	Identify and approve training for certification standards for ambulance personnel	NVT	BZK	NDV1.6. Efficient high quality health care



Department of Public Health	Annual renewal of membership of: <ul style="list-style-type: none">• PAHO• CARPHA• DCHA	Drafting the advice for the approval of the payment of the annual membership	283,900	43493-7110	NDV1.6. Efficient high quality health care
Department of Public Health	Drawing up a BIG Registration	Develop and submit start-up note for legislative	100,000	43489-7110	NDV1.6. Efficient high quality health care
Inspection Service	Health, Pharmaceutical and Wholesale Inspections	Organizing and conducting inspections	NVT	Personnel costs 7220	NDV1.6. Efficient high quality health care
Ambulance	Implementation of an automated Priority Dispatch System	Integrating priority dispatch system with voice recording system	25,000	43000-7240	NDV1.6. Efficient high quality health care
Ambulance	Developing event policy	Developing an Events Policy for Prioritizing Activities	25,000	43476-7240	NDV1.6. Efficient high quality health care
Ambulance	Development of a new formation plan and strategic personnel plan.	Establish a working group to develop a strategic personnel plan in correlation with projected population growth. Develop a new legal position for ambulance personnel.	325,000	43476-7240	NDV1.6. Efficient high quality health care



Ambulance	Agreement on Cooperation with the Sint Maarten Ambulance Service and RAV (Regional Ambulance Service Mid-West-North	Collaboration contract to support the RAV to the ambulance service	60,000	43489-7240	NDV1.6. Efficient high quality health care
Department of Public Health	Drafting a decision document for kingdom meetings	Participation Four Countries Consultation	15,000	41204-7110	NDV1.6. Efficient high quality health care
Ambulance	Extension of medical advisor agreement Coroner Doctor and Nurses	Hiring third party personnel to perform critical functions for the Ambulance Service	125,000	43000-7240	NDV1.6. Efficient high quality health care
Ambulance	Extension Annual Subscription for Priority Dispatch System & Voice Logging System	Annual subscription extension	11,100	43403-7240	NDV1.6. Efficient high quality health care

Enhanced Preparedness and Response for Emergency and Disaster Support (ESF6)

In order to make the community more resilient to disasters such as hurricanes, the ministry holds ESF 6 disaster exercises every year.

Employ/ Departm	Outputs	Activity	Amount NA f	Budget item	Country package/ Government
Department of Public Health	ESF 6 disaster exercise	Organizing the necessary training for ESF-6	25,000	43499-70025-7110	NDV 1.8. A safe, secure and well-governed environment.



Community and Social Care

Improved access to available social services and products for the people of Sint Maarten

In order to improve access to available social services and products, the Ministry will implement phase 2 of the SRS. This involves hiring more external staff for the home visits that will take place within the communities. This also, in order to better inform the population about their rights regarding the available social services and products, and to have a better picture of the needs for social assistance within the population.

Service/Department	Outputs	Activity	Amount NA f	Budget item	Country package/ Government agreement/Ministry task
Social Service	Further development and implementation of the Integrated Social Register System	Hiring the necessary knowledge and equipment for the implementation of Social Register System.	183,600	43489-7210	NDV 3.21. Policy to promote social, economic, political and legal empowerment of people
Staff Office			300,000	43000-7010	
Department of Community Development. Family & Humanitarian Affairs	Social Mapping St. Peters	Carrying out social development activities in the neighborhoods.	30,000	43489-7260	NDV 3.21. Policy to promote social, economic, political and legal empowerment of people
Social Service	Hiring a Front Office Receptionist	Hiring a Front Office Receptionist via an Employment Agency	50,000	43000-7210	NDV 3.21. Policy to promote social, economic, political and legal empowerment of people



Alleviation of socio-economic burdens within the community

In order to alleviate the socio-economic burden within the communities, the Ministry will focus on the following policy priorities in addition to distributing welfare and PP cards.

Service/Department	Outputs	Activity	Amount	Budget item	Country package/ Government agreement/Ministry task
Social Development	Subsidies for Neighborhood Centers	Assessment of the application for approval	50,000	44201-70001-7280	NDV 1.5 Empowering communities
Department of Community Development, Family and Humanitarian Affairs			200,000	44201-70009-7280	
Department of Community Development, Family and	Safe Haven Subsidy	Assessment of the application for approval	217,800	44201-70003-7280	NDV 1.5 Empowering communities
Department of Community Development, Family and	Subsidy Helping Hands Foundation	Assessment of the application for approval	45,000	44201-70008-7280	NDV 1.5 Empowering communities
Department of Community Development, Family and	Subsidies UJIMA Foundation	Assessment of the application for approval	460,000	44201-70010-7280	NDV 1.5 Empowering communities
Department of Community Development, Family and Humanitarian Affairs	Developing community development programs such as: •Budgeting program •Backyard gardening •Seminars for the elderly •Disaster Preparedness Program	Empowerment activities for vulnerable groups	125,000	43489-7260	NDV 1.5 Empowering communities



Department of Community Development, Family and Humanitarian Affairs	Organizing awareness campaigns and trainings such as: <ul style="list-style-type: none"> • Women's Day • Men's Day • Family Day • Domestic violence • Self-defense training • Trainings for vulnerable groups 	Organizing the necessary activities for the identified programs	100,000	43489-7260	NDV 3.21. Policy to promote social, economic, political and legal empowerment of people
Social Service	Organizing workshops such as: <ul style="list-style-type: none"> • Financial budgeting • Self-esteem complex 	Organizing the necessary activities for the identified programs	40,000	43489-7210	NDV 3.21. Policy to promote social, economic, political and legal empowerment of people

Enhanced social safety net (post-disaster)

In terms of continuously improving the social safety net (post-disaster), the Ministry will continue the Housing Repair Program and the Temporary Shelter Program in 2024.

Employ/ Dep artm	Outputs	Activity	Amount	Budget item	Country package/ Government agreement/Ministry
Department of Community Development, Family and Humanitarian Affairs	Home Repair Program	Carrying out minor repairs to homes of vulnerable individuals	740,000	43489-7260	NDV 1.5 Empowering communities



Enhanced preparedness and response ESF7

In order to better prepare the community against disasters such as hurricanes, the ministry holds ESF 7 disaster exercises every year.

Service/Department	Outputs	Activity	Amount	Budget item	Country package/Government agreement/Minis
Social Development	Various ESF 7 trainings such as: <ul style="list-style-type: none"> • Disaster risk reduction training • Mass distribution training • Shelter management training 	Develop and implement a training program for civil servants and volunteers who fall under ESF-7	40,000	43499-70025-7120	NDV 1.5 Empowering communities
			60,000	43512-3025-7120	



Labor

Improved job placement for registered unemployed

In order to better serve as a labor intermediary for registered unemployed, the ministry will develop a database to link businesses with professionals and students living and/or studying at home and abroad. This will lead to increased employment opportunities for the labor force.

Service/Department	Outputs	Activity	Amount	Budget item	Country package/Government agreement/Ministry task
Department of Labor	Developing a database to connect businesses with professionals and students living and/or studying at home and abroad	Hiring a Consultant/Company to develop the required system	100,000	43476-7130	NDV 2.10. A capable and motivated workforce leading to more employment
Department of Labor Affairs	Hiring a permit employee	Hiring a permit employee through an employment agency	70,000	43000-7270	NDV 3.25. Delivering efficient government services
Department of Labor	Providing legal advice and support in all legal matters to the Labor Department	Hiring a legal consultant	115,000	43476-7130	NDV 3.25. Delivering efficient government services



Improved employment relations between employer and employee (rights and obligations)

With regard to improving labour relations between employers and employees, various workshops are held annually to inform the population about their rights and obligations in the labour market, such as workshops on employee rights and responsibilities and workshops on the role of trade unions and mediators.

Service/Department	Outputs	Activity	Amount	Budget item	Country package/Government agreement/Mini
Department of Labor Affairs	Various workshops such as: <ul style="list-style-type: none"> •Workshop on employee rights and responsibilities •Workshop on the role of trade unions and 	Organizing the necessary activities for the identified programs	25,000	43489-7270	NDV 3.25. Delivering efficient government services

Increased employability of recipients of financial and medical assistance

In order to increase the employability of recipients of financial and medical assistance, various workshops are held annually, including:

Service/Department	Outputs	Activity	Amount	Budget item	Country package /Government agreement
Department of Labor Affairs	Various workshops such as: <ul style="list-style-type: none"> •Workshop to improve employability in the labor market •Computer skills workshop •Workshop on Skills Training Development (NIPA) 	Organizing the necessary activities for the identified programs	25,000	43489-7270	NDV 3.25. Delivering efficient government services



Improved data collection for policy development and meeting country expectations

To effectively implement policies as a ministry, it is incredibly important to gather reliable and relevant data.

To achieve this, the ministry will conduct a labor force survey this year in collaboration with STATS and NRPB, with the goal of gaining a better understanding of the composition of the labor force.

Service/Department	Outputs	Activity	Amount	Budget item	Country package/Government
Department of Labor Affairs	Labor force survey	Organizing the necessary activities for the Labor Force Survey	25,000	43489-7270	NDV 3.25. Delivering efficient government services

2.5.2 Differences between budget 2023 and 2024

Here all differences between budget 2023 and 2024 will be explained, this concerns increases or decreases of 50% of amounts above NA ₱100,000, excluding personnel costs.

Budget Item/Cost Center	VB 2024	OBW 2024	% difference	Reason for increase/decrease
43459-7110	170,000	0	-100%	In 2024, no policy development tasks are planned for the Department of Public Health, which means that funds will be allocated for other purposes.
43476-7110	150,000	275,000	83%	In 2024, more expert advice will be needed than in 2023 for the palliative care program and the Tobacco control legislation.
43489-7110	1,124,750	412,000	-63%	Decline due to expiring projects in 2023, the remainder of which will result in 2024 amounting to no less than 412K.



43476-7120	150,000	0	-100%	In 2024, no expert advice will be required for the Social Development Department, with the result that funds will be allocated for other purposes.
43489-7120	150,000	0	-100%	In 2024, no projects and/or activities are planned for the Social Development Department, which means that funds will be allocated for other purposes.
43489-7130	130,000	0	-100%	In 2024, no projects and/or activities are planned for the Labor Department, which means that funds will be allocated for other purposes.
43489-7210	50,000	223,600	347%	Increase due to further development and implementation of the Integrated Social Register System
43489-7220	225,000	0	-100%	In 2024, no projects and/or activities are planned for the Inspection Service, which means that the funds will be allocated for other purposes.

2.5.3 Risks in the budget

When considering the risks that could impact the 2024 budget, the following should be considered:

Above-average cost increases due to inflation in the healthcare sector while premiums remain constant is a concern.

The ongoing war in Ukraine will cause prices of daily necessities, such as energy, gasoline, and food, to rise. This will lead to higher inflation globally, which in turn will reduce the purchasing power of households worldwide. Reduced tourism will result in a shrinking economy, increasing the demand for social security benefits while financial resources decline.

A new variant of the COVID-19 virus or Monkeypox could lead to lower expected economic growth, which in turn could lead to increased unemployment, additional pressure on already limited available medical capacities and associated social problems.



2.6 Ministry of Tourism, Economic Affairs, Transport and Telecommunications

Mission

The goal is to stimulate sustainable economic growth, provide economic assistance and promote tourism development, while creating employment and economic opportunities for the people of Sint Maarten. In order to achieve these goals, it is necessary to outline relevant statistics, enumerate critical dilemmas and explore areas of diversification. This will assist in both short-term and long-term decision-making for the country of Sint Maarten.

Vision

To play a central role in formulating policies aimed at economic development and sustainable economic development.

Staff information:

Information about the number of FTEs and vacancies in the ministry and how many can be found per component in the budget.

General FTEs and vacancies overview

Department	Current FTEs	Vacancies	Unbudgeted vacancies	Total training (FTEs)	% Occupancy rate of the total formation	Total budget	Cost center
Minister	1	0	0	1	100%	298,663	80
Cabinet	6	0	0	6	100%	851,552	8010
Staff Office	5	0	0	6 (5+1 superformative)	100%	671,947	8021
Economy, Transport and Telecommunications	10	5	3	15	67%	1,269,293	8110
Meteorology	17	0	0	17 (16+1 superformative)	100%	1,587,846	8210
Economic Affairs Inspectorate	80	42	42	122	65.57%	5,708,865	8230
Economic Permits Service	12	1	0	13	92.31%	1,067,041	8220
Tourist Office	17	5	4	22	78%	1,499,403	8240
Aviation and Shipping Department	14	5	5	19	74%	1,605,550	8260
Statistics Office	10	1	1	11	91%	865,705	8250
Economic Affairs Inspectorate Temporary Staff	2	2	0	2	100%	75,996	8230

2.6.1 Policy priorities



Stimulate the economy and increase economic growth

Promotion of investments

- A (annual) subsidy provided to EDC for the implementation of promotional and diversification activities based on the approved Investment Policy & Diversification Strategy. This includes investing in a national investment website and promotional material, attending conferences and trade fairs and hosting major investors.

Promotion and encouragement of business development

- Revitalization of the Philipsburg area to attract more visitors at strategic times throughout the year through trade fairs.
- Expansion of the training and development program for the SME Entrepreneurship Development Program (SEDP).

Service/Department	Outputs	Activity	Amount (NA f)	Budget item	Category
Economy, Transport and Telecommunications	Revitalization Philipsburg	Various events and activities throughout the year	48,600	44301-8270-80045	
Economy, Transport and Telecommunications	Development of agriculture	Agriculture at school, Agricultural markets	61,211	44301-8270-80008	
Economy, Transport and Telecommunications	Gaming Authority	Activities related to H2	84,000	44301-8270-80037	H2 (Country Package)

Economic support

- Continue with the system of maximum prices for fuel products, basket of goods and bread. There are no financial implications for this policy area.



Enforcement

Civil aviation

- Ensure that the various operators comply with and operate within legal standards.
- Continue to promote the air transport system.
- Ensure that individuals within the aviation industry meet the required standards.
- Ensure that the interpretation of aviation industry regulations is adapted to Sint Maarten's activities.

Shipping & Maritime

- Ensure supervision of all major port facilities (key priorities).
- Ensure supervision of port facilities and vessels, coastal and territorial waters and Sint Maarten vessels (core responsibilities).
- Special anchoring zone.
- Identify, pursue and facilitate economic opportunities within the industry.

Economic and passenger transport/traffic

- Workforce automation.
- Noise pollution; for example caused by music from catering establishments.
- Dealing with unlicensed companies.
- Ensure fair trade through properly calibrated weights and measures.
- Enforcement in passenger transport.
- Modernization of the road traffic regulations.

Department	Exits	Activity	Number	Budget item	Country Pack/ Government agreement/Mini
Aviation and Shipping Department	Software Development	Seaburg Solutions / Caribbean Memorandum of Understanding (CMoU)	97,500	43493-8260	



Development of tourism

To further stimulate the recovery of tourism and generate revenue, Sint Maarten needs to redevelop its tourist products, improve data collection, and enhance marketing efforts. As the arrival and accommodation capacity of the island continues to grow, it is essential to increase the number of tourists and create a competitive tourist product to maximize revenue generation. Beautification, lighting, and general redevelopment of Sint Maarten's key tourist products are vital for continuity and growth. Effective marketing and promotional efforts are necessary to promote the island to tourists, develop new charter and airline partnerships, and collaborate with social media and marketing platforms to remain competitive in the regional and global tourism market.

The key goals and objectives for 2024 are to continue building and improving the tourist product, increase tourism revenue, diversify the tourism industry, and create more employment in the tourism sector.



D e p	Exits	Activity	Number	Budget item	Cou ntry Pack
Tourism	Product development	<p>The destination needs to stand out in the crowded market by communicating the value of visiting Sint Maarten. This can be done by emphasizing that the island is two nations with a diverse product offering. In addition, there are opportunities for island hopping where multiple islands can be visited in one vacation. In the future, other incentives from the local industry should also be emphasized to make it 'interesting' for the traveler to visit Sint Maarten. Incentives can take the form of a free service from a hotel, such as a free night, free breakfast, free covid-19 testing, free shuttle service, etc.</p> <ul style="list-style-type: none"> • Culinary Month Program in November "Sweet St. Maarten Spice" • Fête de La Cuisine Michelin star chefs on the island for 7 days at various restaurants and events Media invited to cover the event • Training and certification programs • Strategies for heritage and cultural tourism • Health & Wellness Tourism • Culinary events • Cruise, Yachting & Maritime • Clean-up and beautification projects/ Signage/ Border signage • Sports tourism Music and film festivals • Smart City Interactive Map • Caribbean and World Tourism Day • Spraying on the island 	100,000	43516-8240-80024	Tou rism



Tourism	Cruise conversion	Marketing campaign with MSC cruise lines for passengers departing from SXM before and after their vacation. New season 2024	90,000	43489-8240-80035	Tou rism
Tourism	PR and marketing for the American market	<ul style="list-style-type: none"> •PR and Marketing Communications Diamond PR USA Market •Big Ideas – Digital Marketing •Travel Agent Specialist Program •Collaboration between local influencers and content •Sales activities with airlines and tour operators •Attending trade fairs and congresses selected based on effectiveness and linked to our target groups 	1,600,000	43516-8240-80001	Tou rism
Tourism	Can bring PR and marketing to the market	<p>Hire a Sales and PR Firm in the Canadian Market</p> <ul style="list-style-type: none"> •Sales activities through our airline and tour operators with the new PR agency •Attend trade fairs and conferences selected based on effectiveness and linked to our target groups 	600,000	43516-8240-80002	Tou rism
Tourism	PR and marketing of the EU market	<p>In Europe the focus will be on the Netherlands, Belgium, Germany and Scandinavia.</p> <ul style="list-style-type: none"> •PR and Marketing Communications USP PR and marketing EU market •Attend trade fairs and conferences selected based on effectiveness and linked to our target groups 	628,567	43516-8240-80003	Tou rism



Tourism	LATAM Market PR and Marketing	<p>South America, particularly Panama, Argentina and Brazil, will be targeted. Due to recent developments with the new strain of the COVID-19 virus, COPA Airlines has suspended its operations in Sint Maarten until further notice.</p> <ul style="list-style-type: none"> •RFP for South American Representative Company •Cooperative campaign with COPA Airlines •Attend trade fairs and conferences selected based on effectiveness and linked to our target groups 	250,000	43516-8240-80004	Tou rism
Tourism	PR and marketing for the Caribbean market	<p>Caribbean destinations that will be targeted are: Puerto Rico, Dominican Republic, Guadeloupe, Martinique, Curacao, Tortola, Antigua, St. Kitts, St. Barths, St. Eustatius and Saba. In principle islands with direct connection to Sint Maarten.</p> <ul style="list-style-type: none"> •Advertising campaign in the Caribbean, social media marketing •Co-op campaign with Winair • Attend CHTA Marketplace in San Juan PR 	200,000	43516-8240-80005	Tou rism



Tourism	Heineken Regatta	<p>This creates awareness about Sint Maarten to the world by Caribbean, European, United States and other international countries participating in this event. These visitors experience what the island has to offer such as sun, sea, beach, on- and offshore activities and that Sint Maarten is the culinary capital of the Caribbean. Sint Maarten has over 350 restaurants with a variety of cuisines from different cultures around the world for our visitors to experience.</p> <p>This is a great opportunity for our economic growth. The participants who participate also bring their family and friends to watch the races and enjoy this event. This is a positive economic spin-off for our hotels, tour operators, restaurants, car rental companies and all other partners involved who benefit from the economic activity due to the Heineken Regatta. This benefits the island and the government of Sint Maarten.</p>	160,000	44301-8270-80028	Tourism
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Improving service delivery

Providing economic data and information for informed decision-making

- Consumer Price Index/ Inflation
- National Accounts Survey (NAS)
- Tourism Exit Survey (TES)
- Tourism Satellite Accounts (TSA)

Dissemination of data to the general public and key stakeholders

- Regular press releases
- Promotion of statistical website and social media platforms
- Publications
- Stakeholder Presentations

Improve synchronization of systems and key data sources

- Dev-info / SXM-info (i.e. SDG Indicator Monitoring)
- Spatial Analysis (GIS) / Mapping



Services/ Department	Activity	Number	Budget item	Country Pack/ Government agreement
Meteorology	Courses and training	56,500	43480-8210	
Meteorology	QMS certification	30,000	43000-8210	
Statistics Office	Advisors NAS. CPI. TSA + Demographer	154,137	43000-8250	
Statistics Office	TSA fieldwork	45,000	43505-8250	
Statistics Office	Consumer price index and inflation	38,970	43505-8250	
Statistics Office	Tourist Expenditure and Satisfaction Surveys (TES)	45,000	43505-8250	

Organizational reinforcement and restructuring

- Training for selected employees is Microsoft Office 365 including Excel and Team.
- Training employees in CRM.
- Training for employees in writing reports in English and Dutch.
- Training of relevant staff in continuous training and development of personnel includes critical thinking and problem solving related to licensing processing. The aim is to simplify the economic licensing process.
- Training of the personnel involved in the safety management system and personnel permits.
- Training of relevant employees in Seabury Solution. Digital processing of inspections, certificates, permits and incident reports.
- Establishment of independent agencies (i.e. STA. Stat Dept. etc.)
- Automation, interfacing (E-Gov't is crucial)



Service/ Department	Exits	Activity	Amount NA f	Budget line	Country Pack/ Government agreement/Ministerial task
Meteorology	Trainings and courses	The five (5) strategic plan of MDS is strongly focused on building an exemplary service where all personnel have the necessary competencies as required by WMO/ICAO. In this regard, specific training should be followed at a WMO recognized institution. The plan also aims to empower the local population in the field of meteorology and therefore the training aspect is very important	56,500	43480-8210	
Economic Affairs Inspectorate	Trainings and courses	Calibration training program with Ministry of Economic Affairs in the Netherlands. An inspector from the Netherlands travels to Sint Maarten to give an updated training to all Economic Controllers on weights and measures	25,000	43480-8230	
Bureau of Statistics	Trainings and courses	Staff training	5,000	43480-8250	



2.6.2 Income-increasing measures

Measure to increase income	Definition	State of affairs	Expected timeline	Expected achievable amount	Budget line
Costs for lottery booth operators	Draft LBHAM to be prepared to regulate fees for lottery booth operators	LBHAM draft is on its way to the Governor for ratification	End of 2024	N/A	N/A
Online conceptual gambling licensing fees.	Draft to establish LBHAM to regulate fees for online gambling licenses	The draft was sent to the COM for deliberation and to the Advisory Council			
Costs for economic licenses	N/A	N/A	N/A	N/A	N/A
Aviation security costs	National Decree containing general measures amending the National Decree on Aviation Supervision in connection with the rates for services and activities (Aviation Rates Decree)	Approval of legislation	N/A	N/A	N/A
Rates for issuing LVV-related permits	Amendment to the compensation scheme including a permit application fee for LVV permits	N/A	N/A	N/A	N/A

2.6.3 Risks in the budget

- The impact of natural disasters on the tourism industry, which is a significant contributor to Sint Maarten's economy.
- Operational risks such as project delays, cost overruns and the risk of inefficiencies in government activities.
- Political risks – such as changes in government – are expected as a result of the 2024 elections.
- Limited legislative (extra-legal) powers within the ministry.
- Government financial challenges such as budget constraints or unexpected expenses.
- Economic risks – such as changes in global economic conditions and associated price inflation.



2.7 Ministry of Housing, Spatial Planning, Environment and Infrastructure

Mission:

The mission is to ensure an integrated design and management of public space by establishing and implementing policy and legislation, as well as controlling and guaranteeing an optimal living, working and recreational environment for the residents of Sint Maarten.

Vision:

The Ministry's Vision is to realize an optimal living, working and recreational environment for the Country of Sint Maarten by providing efficient services to the community, citizens and government of Sint Maarten.

General FTEs and Vacancies Overview

Department	Current FTEs	Vacancies	Unbudgeted vacancies	Total formation (FTEs)	% Occupation of the total formation	Total budget	Cost center
Staff Office	3	4	0	7	29%	349,794	9021
Domain	5	2	0	6	67%	454,700	9220
Cabinet	4			4	100%	808.028	9010
Minister	1			1	100%	300.018	9020
New Works	6	3	3	8	88%	711,467	9250
Pious	6	3	2	9	67%	520,809	9110
Permits	8	1	1	9	89%	669,511	9240
Inspection	11	1	1	12	92%	939,685	9230
Manage employ	57	27	25	84	68%	3,921,307	9210



2.7.1 Policy priorities

Policy prioritization:

The ministry will focus on four strategic objectives in the coming period:

1. A resilient, sustainable and responsible spatial development.
2. Adequate supply of housing and infrastructure.
3. A protected environment with responsible use of natural resources and minimal dependence on fossil fuels.
4. The operation and services provided by VROMI are consistent, effective, efficient and transparent.

The Ministry of VROMI strives for a good organization and focus on its core business, namely serving and representing the population of Sint Maarten with integrity and transparency. With this goal in mind, these goals focus on, among other things: resilient, sustainable and responsible spatial development, sufficient housing supply, care for the environment and nature and improving the organizational performance of the ministry.

The various policy areas are further elaborated in the paragraphs below.

A resilient, sustainable and responsible spatial development

This means that spatial development can be tackled in such a way that it can cope adequately with shocks and disruptions and can quickly bounce back and function normally again. It involves compact and dense urban and spatial development that fulfils all functions without conflicting with each other.

The main policy priorities/actions within this policy area are:

1. Create conditions to ensure that all new buildings and infrastructure investments are constructed and maintained to withstand adverse weather conditions and prevent deferred maintenance.
2. Efforts are made to ensure optimal and efficient use of the available infrastructure.
3. To ensure that spatial development takes place in a way that meets all functional needs and avoids incompatible/conflicting functions.
4. Compliance with rules, standards and values for spatial development is the order of the day.

Sufficient supply of housing and infrastructure

This encompasses the core task of the government to improve the quality of life for the residents of Sint Maarten. It involves enhancing the living environment of the residents to increase their quality of life. It focuses on improved infrastructure to promote mobility and transport. It is about ensuring that public spaces are safe, clean, and well-maintained.

The main policy priorities/actions within this policy area are:

1. Improved infrastructure to promote safe mobility and public transportation.
2. The aim is to improve the quality and performance of Sewerage and Water Management to ensure that communities are not flooded during severe weather, and infrastructure is not adversely affected.



3. Ensuring safety in public areas and public roads (working lighting/surveillance cameras) and (clean) and properly maintained.
4. There are rules and conditions to ensure adequate housing, available for different income classes.

A protected environment

This means protecting the environment with responsible use of natural resources and minimal dependence on fossil fuels. It involves increasing use of renewable energy, sustainable management of solid waste, sewage and wastewater treatment and sustainable management of all public spaces.

The main policy priorities/actions within this policy area are:

1. Increased use of renewable energy to reduce the ecological footprint.
2. Our natural resources (i.e. soil, water, beaches, ponds. Mountain forests, biodiversity, caves) are protected and/or sustainably restored to a high quality for future generations.
3. Implement more stringent measures to prevent public pollution of social spaces and natural environment. Our environment is not polluted haphazardly.
4. There is a sustainable comprehensive waste management system (with effective recycling and reuse).
5. Our wastewater disposal is done in a manner that wastewater no longer contributes to a negative impact on the health of the community and pollutes the environment.
6. Promoting compliance with environmental regulations, standards and values is the order of the day

Employ / Departm ent	Outputs	Activity	Amount (NA f)	Budget item	Country package/ Government agreement/Ministry task
Pious + Domain	Land allocation policy Land price policy	Hiring external expert(s) Organizing workshops for staff & stakeholders Writing draft policy Review draft policy JZ&W Review of draft policy by Parliament and relevant bodies (Integrity Chamber, SER, etc.?) Implementing received advice in policy Send final policy to Minister + COM for approval and implementation		Staff Budget + Financing TWO	Part of Country Package E7; Economic Reforms E7 Measure



Pious	Spatial and Economic Strategy (RES)	<p>Hiring an external project manager</p> <p>Analysis of important trends with a view to spatial impact in consultation with stakeholders</p> <p>Specify trends with major spatial impact Translation of 1-3 into policy priorities</p> <p>Discussion of concept document with stakeholders</p> <p>Creating the final Spatial Economic Strategy document</p> <p>Adoption of RES by Minister and COM.</p>	Staff Budget + Financing TWO	E7 Measure	Part of Country Package E7; Economic reforms
Pious	National Ordinance VROMI and underlying LBHammen (Lansbesluit Containing General Measures)	<p>Hiring a consultant to complete VROMI regulation.</p> <p>Workshops with consultants and policy officers write underlying Lbhammen</p> <p>Send final version LV VROMI + underlying Lbhammen to JZW Send final version LV VROMI + underlying Lbhammen to COM and possibly CoA for 2nd round of advice</p> <p>(possibly) Implement 2nd CoA advice in LV VROMI Send final LV VROMI and Lbhammen to the CoM and Parliament for approval</p> <p>Educational training for VROMI staff in new VROMI legislation Organize public information sessions about new legislation</p>	The completion of the LV VROMI is now part of the 'Integrated Solic Waste Management project' (ISWM) and is being carried out by a consultant from the VNG-I. hired by the NRPB		Part of the NRPB EDMP project
Pious	National Decree on the entry into force of the National Ordinance on Administrative Enforcement (LBH) for VROMI	<p>Restore current National Decree</p> <p>entry into force of LBH in collaboration with JZ&W Send LB to COM + Governor for approval</p>	Staff budget		



Pious	Creating and implementing 1 zoning plan for the whole of Sint Maarten	<p>Establishing a 'zoning team' within the ministry.</p> <p>Establishment of a committee of experts</p> <p>Hire a consultant to help with the process</p> <p>Drafting a new zoning plan (merging and updating zoning plans)</p> <p>Organize regular team meetings</p> <p>Organizing stakeholder meetings</p> <p>Create a new zoning plan map</p> <p>Organizing 'town hall meetings' to present draft zoning plan</p> <p>Organizing public hearings</p> <p>Processing appeal procedures</p> <p>Submit one (1) Zoning Plan (national ordinance) for approval to Parliament</p>	(approx.) 80,000	9110-43476: Legal and other expert advice	
Pious	Baseline (bio)diversity study(s)	Implementing RESEMBID project: CORENA			



Pious	Housing policy	<ul style="list-style-type: none"> • Designate vocal point 'housing policy' within VROMI • Hiring of external housing consultant via NRPB (consultant will be hired to provide expertise and technical advice to VROMI regarding: • the development of a comprehensive national housing policy and strategy • design and implementation of targeted housing programmes and governance of SMHDF • Support during the revision process of the agreement between SMHDF and VROMI. • Regular meetings between VROMI vocal point, NRPB, WorldBank & housing consultant 			
Pious	Environmental norms report	<ul style="list-style-type: none"> • Processing feedback in draft policy • Review policy by JZ&W • Send policy to minister and COM • Establish policy • Possibly training in new policy 	(approx.) 11,000	9110-43476: Legal and other expert advice	



Pious		Subsidies :			
		SMHDF:Management Agreement	718,860	44301-90002-9115	
		Nature Foundation: SLA	304,000	43503-90009-9115	
		Rent assessment committee	0	44102-90001-9115	

Service/Department	Outputs	Activity	Amount (NA f)	Budget item	Country package/ Government agreement/Ministry task
Inspection		Enforcement: Completion of the Enforcement policy advice	0	Staff Budget (Awaiting Vrom Advice)	
Inspection		Improving the quality of inspection work Working conditions. For the performance of tasks and enforcement Essential purchases for essential tasks. Essential Purchases of Dye, Tests (SLS), and Sound Level Meter BOA training for Inspectors 12 @ \$1,800 (\$21,600.00) This requires additional money	76,000 40,000	9230-43447: Equipment and technical support 43480-9230 Courses and Trainings	
Inspection		Increasing Income: Introduction of an administrative fee for electrical safety inspections based on the LVV/LBHAM regulations	0	Staff Budget Waiting Vrom	
Infrastructure		Better management and maintenance of heavy equipment for management Landfills	3,377,469	9210.43499 91202 Landfill management (heavy equipment) for work on landfills	



Infrastructure		Compliance with road construction and paving of side roads	600,000	43425.9210.905 Road maintenance (paved and unpaved)	
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Employ/ Department	Outputs	Activity	Amount NA f	Budget item	Country package/ Government agreement/ Ministry task
Domain management		Developing policy for effective collection of outstanding rent policy advice Developing a policy for determining the price of leasehold land	0	Staff Budget	E7 Measure: Develop and implement land policy and spatial planning policy
Domain management		Developing policies for (financial) management and regulation of the use and rental of public spaces (e.g. billboards, parking spaces, bus stops, etc.)	0	Staff Budget	
Domain management		Introduction and implementation of an administrative fee for the provision of services such as transfer requests, splits, exchanges, changes of purpose, renewals, issuance of expired decisions, requests for issuance and extension	13,200,000	Income: Canon Leasehold 53204-9220	Awaiting the approval Of the LVV
Domain management		Ensuring the correctness and completeness of acts. Establishing cooperation with the Land Registry to receive cadastral information for updating the leasehold registration system (MTO Book/CRM).	0	Staff Budget (legal Task assignment of Receivers/Financ e	E7 measure: Develop and implement land policy and spatial planning policy
Domain management		Staff expansion: Hiring temporary (1 year) staff (1 Head Employee) to clear the backlog of requests from the public	100,773	43476 – 9220 Legal and other expert advice	
Domain management		Staff development: Further development of staff competencies and skills through training	20,000	43480- 9220	



New works

Employ/ Department	Outputs	Activity	Amount (NA f)	Budget post	Country package/ Government agreement /Ministry task
New Works		Preparation costs: Unesco-IHE. Connect research. The reconnect project will help Sint Maarten create strategic scenarios to be better prepared. The case studies will provide the government of Sint Maarten with information on preparedness to better create a warning procedure, emergency educational guidelines, alertness and protection resulting in safe zones and escape routes	75,000	43476-9250	
New Works		Preparation costs: Wastewater treatment plant in Cole Bay. In reference to the joint collaboration project with French counterparts on a single central wastewater treatment plant and in line with the Country Sewerage Masterplan, the Government of Sint Maarten is taking the initiative to implement the first phase of wastewater treatment and sewerage network expansion in the area.	145,000 (including Euro 35,000)		



Employ/ Dep artm ent	Outp uts	Activity	Amoun t	Budget item	Country package/ Governme nt agreemen t/ Ministry task
New Works		<p>Preparation costs: Sewer pressure pipes Welgelegen road. The aim of this project is to upgrade the current infrastructure condition on the main road of Cay Hill (Welgelegen road) with the implementation of a sewerage system and house connection. The works on the main road include the laying of sewer pipes and the construction of a pumping station</p> <p>The overall objective of this project is to continue infrastructure development in Sint Maarten.</p>	50,000	43476-9250	

2.7.2 Differences between the approved budget of 2024 and the draft budget of 2024

The table below will explain the differences between the approved budget of 2024 and the draft budget of 2024. This concerns increases or decreases of 50% of amounts above NA f 100,000 excluding personnel costs.

Budget Item/Cost Center	VB 2024	OBW 2024	% difference	Reason for increase/decrease
44201-90002	728,744	718,860	58%	
43435-9210-904	47,500	100,000	211%	Diesel for all heavy equipment, workshop and landfills
43499-9210-91001	77,000.00	200,000	260%	Need for the construction of more cemeteries
43491-9210-912	390,000	684,669	176%	Landfill Security. Irma. Landfill & Sanitary Landfill
43476-9250	55,800	125,000	224%	Preparation costs & Legal costs



2. 7.3 Risks in the budget

Cost center/ Budget item			Expected Risk 2023		Risk Amount 2024		Consequences of no coverage	
					NAF			
9220. Personnel Budget Domain Management			Demotivated. Physically and mentally overloaded staff				Lack of personal development (training) and insufficient office resources can lead to demotivated employees, which can have a negative effect on the overall productivity of the service. The years of staff shortages have led to overload of the existing staff.	



3. Budget Service Year 2024

Chapter 1 provides a detailed explanation of the differences between the 2023 budget and the 2024 budget, both for income and expenditure. In this chapter, paragraphs 3.1 and 3.2 provide insight into these incomes and expenditures from the perspective of the specific ministries. Paragraph 3.3 discusses the capital service.

3.1 Revenues

Revenues by category

BENEFITS (x NA f 1 mln .)	Preliminary Realization		
	2023	VB 2024	OBW 2024
Payroll tax	164	167	160
Income tax	4	8	5
Tax Company turnover	149	164	155
Corporate income tax	42	44	44
Motor vehicle tax	11	12	12
Tourist tax	9	14	14
Tourist tax	0	9	0
Tourist tax Aibnb	0	0	0
Rental car tax	1	2	2
Time Share Fee	2	3	3
Transfer tax	15	17	18
Other Taxes	1	2	2
Elevation Tax compliance	0	0	0
Excise duties	9	11	11
Total Taxes	408	453	425
Business permits	10.0	12	12
Work permits	1.9	1	1
Building permits	2.4	3	3
Restaurant permits	0.0	3	3
Residence permits	2.7	3	3
Total Permits	17.0	21	21
Bank License Fees	29	30	32
Concession fees	12	11	12
BTP result	3	3	3
BIE result	0	0	0
Casino and Lottery Fees	7	11	11
Dividend Government Companies	0	0.0	0
Total fees and concessions	50	55	58
Casino Controllers	2	3	3



Leasehold	9	7	12
Received Project funds	3	25	14
Other benefits	23	11	15
Total other benefits	37	47	46
Total benefits	511	575	550

Government revenues per ministry (in million NA f)

Description	Budgeted receipts 2024	Budgeted receipts BW 2024	Difference amount	Difference %
Ministry of General Affairs	5,160,840	5,160,840	0	0.00%
Ministry of Finance	460,368,982	433,489,137	-26,879,845	-5.84%
Ministry of Justice	23,740,711	25,740,711	2,000,000	8.42%
Ministry of Education Culture Youth and Sports	525,818	906,064	196,586	37.39%
Ministry of Health, Social Development and Labor	1,481,524	1,481,524	0	0%
Ministry of Tourism Economic Affairs Transport and Telecommunications	65,945,765	57,395,765	-8,550,000	-14.76%
Ministry of Housing, Spatial Planning and the Environment	17,608,663	25,330,927	7,722,264	56.37%
Total	574.832.303	549,504,968	-25,510,995	-4.44%



3. 3 Government expenditure

Government expenditure per ministry (in million NA f)

Gewone dienst kosten per ministerie (x NAf 1 mln)		Vermoedelijke realisatie 2022	Budget 2024	BW 2024	Diff	Regel
Land Sint Maarten totaal		442.4	572.8	546.8	26.1	1
41	Personeelskosten	194.8	247.0	235.3	-11.7	2
40	Onvoorzien	1.0	0.2	0.0	-0.2	3
42	Afschrijvingskosten	0.0	13.0	13.0	0.0	4
43	Materiele kosten, goederen en diensten	103.7	134.1	122.1	-12.0	5
43	Rechts en deskundig advies	0.0	5.1	5.1	0.0	5a
44	Overdrachten en subsidies	98.4	108.7	107.7	-1.0	6
45	Rente	11.2	24.6	24.0	-0.6	7
47	Sociale voorzieningen	30.5	36.5	35.9	-0.6	8
48	Studiebeurzen en toelagen	2.9	3.6	3.6	0.0	9
Parlement en hoge colleges e.d.		20.5	30.0	30.0	0.0	10
41	Personeelskosten	13.4	18.1	18.1	0.0	11
43	Materiele kosten, goederen en diensten	5.1	7.9	7.9	0.0	12
44	Overdrachten en subsidies	1.9	4.1	4.1	0.0	13
Ministerie van Algemene Zaken		70.4	82.3	77.4	4.9	14
41	Personeelskosten	26.0	29.8	27.2	-2.6	15
43	Materiele kosten, goederen en diensten	21.3	28.6	27.1	-1.5	16
43	Huren	15.7	14.8	14.8	0.0	16a
44	Overdrachten en subsidies	7.5	9.1	8.3	-0.8	17
47	Sociale voorzieningen	0.0	0.0	0.0	0.0	18
Ministerie van Financien		37.3	70.0	66.7	3.4	19
41	Personeelskosten	12.9	23.0	20.6	-2.4	20
40	Onvoorzien	1.0	0.2	0.0	-0.2	21
42	Afschrijvingskosten	0.0	13.0	13.0	0.0	22
43	Materiele kosten, goederen en diensten	12.1	9.1	9.0	-0.1	23
44	Overdrachten en subsidies	0.1	0.2	0.1	-0.1	24
45	Rente	11.2	24.6	24.0	-0.6	25
Ministerie van Justitie		71.6	107.3	103.4	3.9	26
41	Personeelskosten	46.9	67.4	65.9	-1.5	27
43	Materiele kosten, goederen en diensten	10.5	22.2	19.7	-2.5	28
44	Overdrachten	14.1	17.4	17.6	0.1	29
47	Sociale voorzieningen	0.2	0.2	0.2	0.0	30



Gewone dienst kosten per ministerie (x NAf 1 mln)		Vermoedelijke realisatie 2022	Budget 2024	BW 2024	Diff	Regel
Ministerie van OCJS		111.7	122.0	118.6	3.4	31
41	Personeelskosten	24.6	28.1	26.0	-2.1	32
43	Materiele kosten, goederen en diensten	11.1	16.0	14.0	-2.0	33
44	Overdrachten en subsidies	73.1	74.3	75.0	0.7	34
47	Sociale voorzieningen	0.0	0.0	0.0	0.0	35
48	Studiebeurzen en toelagen	2.9	3.6	3.6	0.0	36
Ministerie van VSOA		85.6	100.6	96.4	4.2	37
41	Personeelskosten	49.6	53.5	52.8	-0.7	38
43	Materiele kosten, goederen en diensten	5.7	9.3	6.7	-2.6	39
44	Overdrachten en subsidies	0.0	1.5	1.2	-0.3	40
47	Sociale voorzieningen	30.3	36.3	35.7	-0.6	41
Ministerie van TEZVT		19.5	26.6	22.7	3.9	42
41	Personeelskosten	13.5	17.4	15.6	-1.8	43
43	Materiele kosten, goederen en diensten	5.0	8.1	6.3	-1.7	44
44	Overdrachten en subsidies	1.0	1.2	0.8	-0.4	45
Ministerie van VROMI		25.9	34.0	31.6	2.4	46
41	Personeelskosten	7.9	9.9	9.2	-0.7	47
43	Materiele kosten, goederen en diensten	17.3	23.3	21.7	-1.6	48
44	Overdrachten en subsidies	0.7	0.8	0.7	-0.1	49



3.4 Capital Service

This chapter provides an overview of the investments for which a capital service loan will be requested.

Capital Service 2024		
SNA code	Description	Amount in NAf
AN1121	Non-residential buildings	90.185.160
AN1122	Other Structures	18,000,000
AN1123	Land Improvements	0
AN1131	Transport equipment	0
AN1132	ICT equipment	6,100,000
AN1139	Other Equipment	75,600,000
AN11731	Computer software	108,720
AN211	Country	0
Total Capital Goods 2024		189,993,880
	Capital goods 2023	90.081.519
Total Capital Goods		280.075.399
	Loan repayment and student loans	23,630,303
Total Capital Service		303.705.702

The 2024 budget includes a total amount of NA f 280 million for capital goods. Of this, NA f 90 million relates to capital goods that were already budgeted in 2023. The 2023 capital service is financed with a loan of NA f 60.8 million and an additional NA f 29.2 million from various sources, including the TWO for the tax system and the ERP system for financial management, and BZK for phase 1 of the prison. The loan was received in the last quarter of 2023, meaning that implementation did not take place until 2024.

For the year 2024, NA f 190 million has been reserved for new capital goods. Of this amount, NA f 18 million will be spent on the expansion of the sewer network, financed by the NRPB, and NA f 6.1 million on the financial system, financed by the TWO. In addition, there is a contribution of NA f 32.5 million from the Netherlands for the prison for phase two, resulting in the need to attract an additional loan of NA f 133.2 million in 2024 by subscription via the Netherlands. The remaining NA f 0.1 million will be financed by the country's own resources.

As regards repayments and loans, a total amount of NA f 23.6 million has been included in the budget, of which NA f 18.3 million is earmarked for repayments and NA f 5.3 million for student loans granted. Approximately half of the repayments (NA f 9.4 million) relate to tranches of liquidity support received from the Netherlands. On 10 October 2023, a new refinancing agreement with the Netherlands was signed for the COVID loans, originally representing an amount of NA f 316.4 million. This agreement, with a term of one year and a fixed interest rate of 3.4%, includes a one-off repayment of NA f 9.4 million on 9 October 2024, representing half of the repayments for 2024. It is expected that there will be no more annual repayments on these COVID loans from 2025 onwards. However, this depends on the new refinancing agreement that must be concluded at the end of this year.

The six planned investments for the year 2024, as stated in the budget, amount to NAf 189.9 million and are listed as follows:



- Phase 2 of the prison NA f 75.7 (43.2 million loan and NA f 32.5 million contribution BZK)
- MHF building NA f 14.4 million (loan)
- GEBE generators NA f 75.6 million (loan)
- Financial system NA f 6.1 million (TWO)
- Sewage Network NA f 18 million (Trustfund)
- Complaints handling software NA f 0.1 million (own resources)

The tables below describe each investment separately for the year 2024. For all these investments, a loan still needs to be applied for.

2024 Investments

Ombudsman -2024	
Investment Information: SNA code 11731 1120 ICT Software (amount in NA f)	
Title: Complaints handling software replacement	
Investment: NA f 108,720	
Objective: To manage complaints/investigations effectively and efficiently	
<p>Description:</p> <p>The current case management system (Workpro) was purchased in 2014. It has therefore been in use for almost ten (10) years. In terms of technological progress, that is quite a long time. For the future growth, development and professionalization of the agency, an improved and modern case management system is extremely necessary.</p> <p>This is financed by the country's own resources</p>	
Investment location: Ombudsman Sint Maarten	
<p>Output:</p> <p>With an improved and modern system, the agency can handle complaints more efficiently and effectively in the interest of the people of Sint Maarten.</p>	
<p>Urgency:</p> <ol style="list-style-type: none"> 1. Work more efficiently and effectively; 2. Better customer service; 3. Improved statistics for annual reports. 	
New investment or replacement investment/renovation: replacement investment	
Estimated start date: January 2024	Estimated completion date: n/a

Ministry of Finance
Investment Information: SNA code AN1132-1120 ICT System (amount in NA f)



Title: Phase 2 Implementation of ERP system for government SXM	
Investment: NA f 6,100,000	
Country Package: A.1	
Objective: An ERP system will be purchased for the entire government of Sint Maarten.	
<p>Description:</p> <p>The project under the country package A.1 aims to control and get the financial management and financial supervision in order from the need to be 'in control' as a government. This has led to a number of projects including the development of the financial SOLL work processes for procure to pay (creditors), order to cash (non-tax debtors), payroll and subsidies. In addition, a fit/gap analysis was carried out of the aforementioned financial processes of the government to see whether CRM Dynamics would be a good fit as an ERP system to replace the current Financial System. The fit-gap analysis concluded that Microsoft Dynamics 365 Finance & Operations (as the financial core system) and Azure Apps (for non-financial related process activities) would fit best with the desired future status (SOLL) financial processes of the government. The project will be implemented in phases and has already started in Q2 2023. During this phase, the focus will be on the basic setup of Microsoft D365 F&O as the core ERP system and setting up automated workflows for advice and purchase orders. In addition, the various interfaces with other systems will also be examined. The second phase will start in 2024, during which the focus will be on further processing the work processes in the ERP system. This will continue in 2025 as phase 3. The final phase, which will start in Q2 2026, will mainly focus on the transformation of the organization.</p> <p>It is expected that this will be funded by TWO.</p>	
Investment location: Government building Soualiga Road 1	
Output: A new ERP system that can support the new financial work processes.	
<p>Urgency:</p> <ol style="list-style-type: none"> 1. Currently, financial systems are often separate subsystems without integral links. 2. The main administrative system Decade is outdated and hampered by technical issues. 	
New investment or replacement investment/renovation: replacement investment	
Estimated start date: Q2 2023	Estimated completion date: Q1 2026
Total investment: NA f 16,750,000	Total investment amount 2024: NA f 6,100,000



MINISTRY OF JUSTICE	
Investment Information: SNA code AN1121 Non Residential buildings (amount in NAf)	
Title phase 2 – New Prison-	
Investments: in 2024 NA f 43,200,000,- own contribution by Sint Maarten, NA f 32,585,160,- in 2024 by the Netherlands;	
: and NA f 10,464,352 in 2025 by Sint Maarten.	
Objective: Implementation of measures H. 20 and H.21 of the mutual arrangement signed by Sint Maarten and the Netherlands for the implementation of the Sint Maarten Country Package.	
<p>Description: Based on the current structural condition of the prison and the limited capacity to hold persons, it was concluded that the Point Blanche Prison and House of Detention should be replaced by a new prison and that there are no compelling arguments against this. In July 2020, the Minister of Justice contacted the United Nations Office for Project Services (UNOPS) and discussions on a study into the construction of a new prison that had been held with a predecessor at an earlier stage were resumed. The discussions focused on the specific needs of the prison system in Sint Maarten, the critical aspects of the justice chain and the steps that need to be taken to build a new prison. Since December 2020, the Ministry of the Interior and Kingdom Relations (BZK) has joined the discussions with UNOPS, partly in response to an official request in October 2020 from Minister of Justice Richardson to State Secretary Knops for cooperation to improve the detention situation on Sint Maarten and his positive response to this request.</p> <p>With the signing of a new Mutual Arrangement in 2023 by the Prime Minister of Sint Maarten and the State Secretary of Kingdom Relations, a new legal basis has been established for cooperation on the reforms in the public sector of Sint Maarten. These reforms also include measures H.20 and H.21 from the country package that are aimed at improving the detention situation on Sint Maarten in the long term. Measure H.21, which provides for 'Sint Maarten to instruct UNOPS with the Netherlands to conduct a preliminary investigation to arrive at a long-term plan for the detention situation on Sint Maarten', has been implemented. As a result, UNOPS is currently conducting and completing its preliminary investigation, also referred to as phase one of the new construction project. The costs of phase 1 of the 'Sint Maarten Rule of Law Facilities', with a duration of 20 months and starting in the first quarter of 2023, are budgeted at USD \$3,944,997 and will be fully funded by the Dutch government. Therefore, there are no costs for phase 1 for Sint Maarten.</p> <p>Phase 1, officially started in the first quarter of 2023, includes conducting analyses and data collection to arrive at a design of the new prison, as well as publishing and managing the tender for the long-term facility. Due to significant cost savings that became apparent in the execution of phase 1, it was decided to no longer use a transition facility for prisoners but to immediately start with the design for the long-term facility that will consist of two parts. The first part of the new construction phase in phase 2 will already result in a significant increase in detention capacity.</p> <p>The tender procedure for the construction of the new facility, which is still part of phase I, will start as planned by UNOPS in June 2024 and will end in November 2024. The construction of the new prison, phase 2, will start when Sint Maarten and the Netherlands enter into an agreement with UNOPS in 2024, following the results of the preliminary study: phase I. Funds for the construction of the prison will have to be made available by Sint Maarten and the Netherlands in 2024 and included in their respective budgets.</p> <p>The initial estimate for construction, recently announced by UNOPS based on their advanced research, amounts to USD 51,126,372, which converts to NA f 92,027,469.60. Sint Maarten has since informed UNOPS that the cost of building the new prison may not exceed the amounts included in the CAPEX of 2024 and 2025. UNOPS has taken note of this requirement and indicated that the current design will be optimized based on these amounts. With this, Sint</p>	



Maarten has in fact indicated the maximum available amount for the construction of the new prison.

It is expected that after signing the agreement for phase 2, construction of the new prison can start in the first quarter of 2025. As previously reported, the current expected budget for the new prison construction is USD 51,126,372, which is equivalent to NA f 92,027,469.60. As a result, for the financing of phase 2 by Sint Maarten, an amount of NA f 43,200,000 in 2024 and NA f 10,464,352 in 2025 has been included in the budget for the construction of the new prison in Point Blanche. In addition, the new prison construction will be partly financed by the Dutch government with a subsidized amount of NA f 32,585,160 that will be made available to Sint Maarten in 2024 and will be included in the Capital Service of the current budget.

Investment location: Current prison at Point Blanche

Output: Long-term plan to improve the detention situation on Sint Maarten

Ministry of Housing, Spatial Planning and the Environment

Investment Information: SNA code AN1122 Other Structures

Title: Expansion of the sewage network co-finance NRPB & Netherlands

Investment: NA f 18,000,000 (part of capital service loan financed by NRPB)

Country Package: NVT

Objective: Three main objectives have been defined for wastewater management in Sint Maarten. The three main objectives that would contribute to achieving the country's overall vision of creating an affordable, reliable, culturally, acceptable and (economically) sustainable wastewater system are: (i) to protect public health from the potentially harmful effects of wastewater; (ii) to enable sustainable economic development by providing adequate culturally acceptable and affordable wastewater services; and (iii) to protect the environment by minimizing adverse environmental impacts of wastewater discharges.

Description: The project comprises 3 core components: (i) Investments in wastewater infrastructure (ii) Policy and institutional development and coastal seawater quality monitoring and (iii) Project management.

Urgency:

1. The environmental and social risks are moderate: The proposed project is expected to generate positive environmental impacts. Increased sewer connections and further wastewater treatment will reduce pollution and health risks to communities. Improved access to wastewater collection services will also reduce the number of septic tank connections in the targeted districts, thereby reducing groundwater and surface water pollution.

Financing: Co-financing Trustfund NRPB (\$10,000,000) and capital service loan (\$15,000,000)

Regular service impact: The project includes the establishment of the wastewater management institution and the necessary legal and financial frameworks. It has been discussed with the NRPB team that a strategic tipping fee will be introduced for the sustainable maintenance of the wastewater management infrastructure. The model will therefore describe a cost-neutral impact on future budgets as much as possible.

New investment or replacement investment/renovation: New investment



Ministry of General Affairs and Ministry of Housing, Spatial Planning and Environment

Investment Information: SNA code AN1139 Other Equipment

Information Investment: Purchase of three new generators (27MW) for stable energy production

Investment: NA f 75,600,000

Objective: stable energy production by NV GEBE to meet the country's energy needs

Description:

Since the second quarter of 2024, NV GEBE has been unable to produce enough power to meet the country's electricity demand. Power outages due to load shedding have increased to more than 4 hours per day since May. Security of supply can only be guaranteed for critical services such as the hospital and the police.

The lack of security of electricity supply is a threat to the functioning of Sint Maarten. The impact on economic activities, health, safety and quality of life is immediate and also a risk in the long term.

The production shortfall is due to insufficient investments and outdated equipment. Due to a delivery time of 18 to 24 months for new units, GEBE is currently investing in emergency solutions by means of temporary mobile generators. These generators are less efficient than large generators and use diesel instead of the cheaper Heavy Fuel Oil (HFO), resulting in significantly higher fuel costs and energy prices.

Due to a large backlog in financial reporting and various risk factors, including the 2022 hack, GEBE has not yet been able to finance large-scale investments in the commercial market.

To ensure security of electricity supply and improve affordability, the government is investing in new generators with a total capacity of 27MW, which will then be leased to GEBE.

In a concept technical advice for an investment plan as drawn up by a consultant (on behalf of the National Reconstruction Bureau – NRPB) it is advised to install 44 MW in 6 years (up to and including 2030), excluding solar panels and wind. Because large-scale investments will follow each other quickly, the specifications of the investments can be coordinated. This can have an effect on the choice of supplier and differences in the size of the generators.

The generators are leased to GEBE and installed on GEBE's premises and maintained by GEBE according to factory specifications.

The lease runs between 10-20 years with strict conditions yet to be determined this will be determined taking into account their financial capacity to be determined based on their recent annual figures. The government will receive a monthly amount in which the interest is included based on the yet to be determined interest percentage.

- GEBE commits to delivering the audits for the fiscal years up to and including 2022 in 2024 and the fiscal years 2022, 2023 and 2024 in 2025.
- GEBE will draw up a multi-year investment plan in 2025 and will ensure its financing.
- GEBE and the government are committed to improving the governance of GEBE, with key points being a government participation policy, as guided by TWO, and the appointment of a full executive management team (CEO-CFO-COO).
- The government and GEBE, in collaboration with the National, are setting up a committee to accelerate the financing of security of supply and energy transition.



Location investment : Caybay Power Plant – NV GEBE	
Output: Three New Generators (22MW)	
Urgency: <ol style="list-style-type: none"> 1. Sint Maarten has insufficient electricity production 2. NV GEBE cannot independently invest in the required production capacity 3. Emergency generators cannot sustainably meet energy needs and increase Sint Maarten's energy costs 4. Impact on the entire population of Sint Maarten including the hotel industry, business community, schools, etc. 	
New investment or replacement investment/renovation: new investment	
This investment will not impact the regular government service as the interest and repayment will be charged to GEBE. The additional depreciation costs will be compensated by the lease income. Lifespan 30 years, depreciation costs 2.5 million per year.	
Estimated start date: 11/01/2024	Estimated end date: 31-03-2024

Ministry of Health, Social Development and Labor	
Investment Information: SNA code 1121 non-residential buildings	
Title: Construction of mental health care institution co-financing Trust Fund & The Netherlands	
Investment: NA f14,400,000,- share capital services (USD 8 million)	
<p>Objective: To contribute to the financing of civil works for the realization of a new mental health facility as part of the 'Improving Mental Health Services Project' under implementation at the NRPB with resources from the Trust Fund. Investments in mental health services have seriously lagged behind other health care components. For example, the rates for mental health services date back to 2005. The current building, which dates back to the early 1970s, does not meet the standards to provide quality care and cannot withstand another hurricane. Therefore, significant capacity improvements are needed in the areas of facilities, policies and legislation, personnel, and public awareness to continue to meet the growing health care needs of the population of Sint Maarten. Capacity improvements including the construction of a new facility contribute to the country's goals of promoting a mentally healthy population and providing high-quality, efficient health care (NDV 6 and 7).</p>	
National package: F 3.3 effective mental health care	
<p>Description: The current conditions at the mental health facility are seriously eroding the quality of mental health services. The current Mental Health Foundation (MHF) building is no longer fit to function as a mental health facility. This became apparent after Hurricane Irma, which caused significant damage to the building. There are many hidden defects such as dangerous concrete rot, frequent water running through the downstairs hallway, holes in the septic tank, and chronic mold that is detrimental to the health of employees and clients. Due to capacity constraints, patient groups are mixed, which is not according to guidelines and standards, but cannot be avoided under the current conditions due to the layout of the building. Furthermore, there is insufficient capacity/space to adequately meet the increasing demand for crisis care (disproportionate to population growth). The construction of the facility will be flanked by sector-wide project activities to bring mental health care up to standard. This includes sector reforms, modernisation of outdated legislation funded by the VNGI and the implementation of the action plan 'mental health' as part of the F 3 measures in the country packages. In addition, investments are made in MHF to bring the capacity of the organisation up to standard to meet the demand for mental health care.</p> <p>A total of NA f25.2 million in investments is required, of which NA f7.2 million will be financed from the Trust Fund. The</p>	



Netherlands has promised to make an additional NA f 3.6 million available from the Trust Fund if the country makes a capital investment of the remaining NA f 14.4 million. Alternative financing options via SZV and a commercial loan have been investigated, but are not feasible given the financial constraints of SZV. If no provision is made for financing in 2024, the available resources from the Trust Fund will lapse and with them the opportunity to build a new institution.	
Investment location: St. Johns, Sint Maarten. The new facility will be built on land acquired by MHF (approx. 6,000 m2). The building includes a day care treatment center, crisis intervention rooms, short- and long-stay rooms (6 rooms), facility and office space, and outpatient treatment rooms totaling almost 3,000 m2. The size of the building and the cost of the investment were determined based on a 'capacity needs assessment' performed and approved by the Ministry of VSA in 2023.	
Output: New mental health facility, including design, installations, medical equipment, and construction of outdoor areas (including parking facilities).	
Impact on regular service: The building will be owned by the country. A rental agreement (long lease) will be concluded with the Mental Health Foundation (MHF) for free because MHF provides mental health care on behalf of the country. The maintenance and insurance costs will be borne by MHF via the regular care contract(s) with SZV. The depreciation costs will be borne by the country from the moment the building is put into use in 2027. The maintenance costs will be calculated from 2029 and will be borne by MHF. The multi-year financial model therefore describes a cost- and expenditure-covering effect on future budgets.	
<p>Urgency: High</p> <ol style="list-style-type: none"> 1. The risk that the contribution of NAf 7.2 million from the Trust Fund will be cancelled is very high. The contribution to the country is conditioned and will expire in December 2024 if the country has not made provision for the necessary financing of the remaining NAf 14.4 million. Investigated alternatives for the financing forms via SZV and commercial investments have not proven feasible. The Netherlands has promised to contribute an additional NAf 3.6 million via the Trust Fund, this promise will expire if the country does not make provision. 2. Time-lapse risks are very high. The Trust Fund ends in 2028. In order to complete construction by the 2028 deadline, construction must start in 2025 and the capital loan must therefore be included in the 2024 budget. 3. The risk that the continuity of mental health care will be further jeopardized is high. There are already serious capacity shortages (including for child and adolescent psychiatry) and it is also known that the demand for care will only continue to grow in the future. 4. Furthermore, the continuity of care is at risk due to the condition of the building, which cannot withstand another hurricane and/or earthquake. 5. There is a real risk that the building will be declared uninhabitable on the basis of the National Ordinance containing regulations in the field of building and housing. 	
New investment or replacement investment/renovation: New investment	
Capital Service: Construction Mental Health Care NA f 14.4 million (construction 18-24 months) Furnishings, office equipment, medical equipment and generator are financed from the trust fund.	
Impact on regular service; depreciation costs NA f 36,000 per year from 2027, interest NA f 43,000 per year from 2025 taking into account 3.4% interest, maintenance costs will be covered from 2029 via the MHF operational budget.	
Estimated start date: 2025	Estimated completion date: 2028

2023 Investments

This section includes the investments that were approved in the 2023 budget. Since the capital service loan was only received at the end of 2023, most of the implementation and purchase will be postponed to 2024. Therefore, these investments are also included in the 2024 budget. The total investment amount for 2023 is NA f 90.1 million,



for which a loan of NA f 60.8 million was received. The remaining part of NA f 29.3 million will be paid by TWO / the Netherlands.

Capital Service 2023 Rollover		
SNA code	Description	Amount in NA f total
AN111	Dwellings	3,850,000
AN1121	Non-residential buildings	9,875,919
AN1122	Other Structures	27,676,800
AN1123	Land Improvements	16,441,435
AN1131	Transport equipment	1,574,132
AN1132	ICT equipment	26,704,123
AN1139	Other Equipment	75,000
AN1171	Research and development	2,921,110
AN11731	Computer Software	963,000
Total capital service goods		90.081.519

The tables below include the investments approved in the 2023 budget that will be used in 2024. In accordance with the Accountability Ordinance, these investments must also be included in the budget for the year of outsourcing.



Ministry of Education , Culture , Youth and Sports Affairs
Information Investment : SNA code AN1121 Non-residential buildings
Investment: NA f 1,350,000
Country package: G.1.
Objective: Completing the renovation of the public school Prins Willem Alexander
<p>Description: The Prins Willem Alexander school (hereinafter: PWAS) was rejected due to the asbestos problem and the building was declared unsuitable. As a result, the school had to be completely rebuilt in order to be declared suitable again. Phase 1 of the renovation of the PWAS had started in 2016/2017, but had come to a halt after hurricane Irma.</p> <p>Phase 2 must now commence to complete the renovation so that the students can return. PWAS is the only school on the island that offers special education and the building has been specially designed to support this. Currently, the students and all teachers are housed at the Dr. Alma Fleming campus, as a temporary solution to ensure that the children receive the education they need. Since the daily operations of the school have been temporarily relocated and all related costs are still charged to the regular service, it is expected that there will be no additional costs for the daily operations of the school. So this means that there will be no impact on the regular service for the future years, except for possible maintenance of the new building in a few years. For more details, please refer to the detailed project plan.</p>
<p>Impact regular service:</p> <p>Insurance charges under other goods and services will increase by approximately NA f 40,000 per year. At present, a premium of NA f 1,133,420 is paid for all public and subsidized schools, which is a total of 28 schools. No substantial costs are expected for maintenance in the coming years.</p>
New investment or replacement investment/renovation: Replacement investment

Ministry of Education , Culture , Youth and Sports Affairs
Information Investment : SNA code AN1121 Non-residential buildings
Investment: NA f 350,000
Country package: G.1.
Purpose: Covering the larger playground of the Martin Luther King school
<p>Description: Article 31 of the UN Convention on the Rights of the Child states: "Every child has the right to rest, relaxation, play and to take part in cultural and creative activities". The Martin Luther King School has two play areas. The larger play area is currently not covered, which means that the playground is flooded after rainfall, which in turn leads to the formation of moss on the playground. This makes the playground unusable for recreational purposes. For this reason, the Ministry of OCJS considers it necessary to cover the playground. The cover will also ensure that children do not have to sit or stand in the sun during activities that will take place outside. This investment will not lead to material additional costs for the future years, it concerns a cover that will require limited maintenance. For more details, please refer to the detailed project plan.</p>
<p>Impact regular service:</p> <p>Impact will be minimal on insurance. However, less will have to be spent on maintaining and cleaning the playground. The expectation is that these two will cancel each other out and that the effect on normal service will be nil. Depreciation per year NA f 7,000 starting in 2023</p>
New investment or replacement investment/renovation: New investment

Ministry of Justice



Information Investment : SNA code AN1121 Non-residential buildings
Title: Phase 1 New Prison
Investment: NA f 7,147,486
Country Package: H.21
Objective: Prison project is split into two phases. Implementation of phase 1 started in 2023 and concerns a research including the preparation phase. Phase 2 will start in quarter 4 in 2023.
Description: Based on the current structural condition of the prison and the limited capacity to detain persons, it has been concluded that the Point Blanche Prison and House of Detention must be replaced by a new prison to be built. There are no conclusive arguments against this.
In July 2020, the United Nations Office for Project Services (UNOPS) was contacted and discussions resumed. Discussions focused on the specific needs of the prison system on Sint Maarten, the critical aspects of the justice chain and the steps that need to be taken to build a new prison. Since December 2020, the Ministry of the Interior and Kingdom Relations (BZK) has been added to the discussions with UNOPS. The State Secretary has previously expressed his willingness to do so and has indicated that he wants to explore possibilities to finance part of a preliminary investigation. The country package that the Netherlands agreed with Sint Maarten in December 2020 contains the long-term and short-term measures that Sint Maarten must implement as a condition for future loans and liquidity support.
Measure H.21 in particular provides that 'Sint Maarten and the Netherlands instruct UNOPS to conduct a preliminary investigation to arrive at a long-term plan for the detention situation on Sint Maarten'. It is now known that the Netherlands will make available EURO 20,000,000 (Twenty million euros) for the financing of a new prison to be built.
The total amount included in UNOPS' Rule of Law Infrastructure proposal is US\$ 39,543,599 (Thirty-nine million five hundred and forty-three thousand five hundred and ninety-nine dollars). This amount minus the total amount that the Netherlands contributes US\$ 23,000,000 (in EURO 20,000,000) is US\$ 16,543,599 (Sixteen million five hundred and forty-three thousand five hundred and ninety-nine dollars). US\$ 16,543,599 is currently the amount that Sint Maarten itself must contribute for the construction of the prison based on the estimate from the UNOPS proposal. This does not take into account additional costs and operating costs.
For phase 1, the total expected cost is US\$ 3,927,190.55. Phase 1 will be paid by the Netherlands, so no loan request needs to be submitted for this part. It is currently unclear whether a subsidy will be provided to the country or whether UNOPS will be paid directly from the Netherlands. Since there is still uncertainty about this, it has been decided to include it in the budget in case it goes through the country.
Output: Long-term plan for the detention situation in Sint Maarten
Financing: Netherlands (not via capital service loan)
Impact regular service: This will not have an impact on regular service. This concerns a preparatory phase for the design and construction of the prison, in which, among other things, the impact on the multi-year budget including depreciation costs will be determined.
New investment or replacement investment/renovation: Replacement investment

Ministry of Justice
Investment Information: SNA code AN11731 Computer Software
Title: ReG-Tech Application Immigration
Investment: NA f 441,000
Country Package: NVT
Purpose: The Ministry of Justice is interested in developing the Digital Permit Application and Self-Service Portal Management System, which is intended to support and secure the day-to-day services of the Immigration



Department.
Description/Benefits: <ul style="list-style-type: none"> • The application enables the IBPS division to manage and record a broader spectrum of the population and their nationalities in Sint Maarten. • The risk of counterfeiting national identity documents will decrease. This is because each document will be unique, with a unique code or style. A crucial element here is the quality of the cards that the system produces; these are of high quality and contain advanced security features. • Information systems modernization will improve service delivery by accelerating the use of information, skills, and resources required by the business environment in which the organization operates. This, in turn, will lead to improved reporting and audit capabilities, increased transparency and accountability, and promote data sharing and policy compliance.
Financing: Capital service loan
Detailed plan: RegTech One Platform proposal and capex substantiation
Regular service impact: Future maintenance costs and licenses and depreciation
New investment or replacement investment/renovation: New investment

Ministry of Justice
Information Investment : SNA code AN1132 ICT Equipment & AN1171 Research and development
Title: RADEX Software hardware project costs
Investment: 3,050,991 (2,629,881+421,110)
Country Package: NVT
Objective: The Ministry of Justice is currently interested in replacing and implementing a new Border Self-Service Management System, which can manage and secure the day-to-day services for the Immigration and Border Control Department.
Description/Benefits: <ul style="list-style-type: none"> • Accelerated passenger processing and reduced waiting times: Three layers of passport verification can now be performed during passenger handling. • More efficient passport controls: With the RaDeX BCMS, we can now scan 99% of incoming visitors' passports faster and in more detail, automatically document travel history, activate facial recognition, and mark the aging process in the app. • Reduced risk of forgery: The risk of national and identity documents being forged by unauthorized persons is reduced thanks to BCMS's advanced detection methods that can recognize documents with built-in encryption. The issued documents are of high quality with integrated security features. • Integration with other systems: The RaDeX Border Management Application System is equipped with an Application Programming Interface (API), which allows it to communicate with other systems and automatically transfer pre-authorised data from the immigration database to other databases. This facilitates cooperation with agencies such as SZV, the Civil Registry and the Tax Authorities. • Operational improvements: The system will improve operational management and reduce operational bottlenecks. • Enhanced border and alien management: Border and alien management on Sint Maarten will be enhanced. • Improved information position of immigration authorities: Immigration authorities will be better equipped to work simultaneously to combat cross-border crime, thanks to improved access to information.



Financing: capital service loan
Detailed plan: Gamma IT solutions cost estimate and capex substantiation
Regular service impact: Future maintenance costs and licenses and depreciation
New investment or replacement investment/renovation: New investment

Ministry of Justice
Investment Information: SNA code AN1139 Desk & Chairs
Title: ERGO office furniture for IND employees at all border posts
Investment: 75,000
Country Package: Not applicable
Objective: To promote the workplace
<p>Advantages:</p> <ul style="list-style-type: none"> - Preventing and/or reducing back, neck and shoulder complaints - Adopting a dynamic sitting position that trains your back muscles - Ensures improved blood circulation and metabolism - Relieving the burden on the spine and intervertebral discs - Improve the load capacity of the intervertebral discs - Optimizing the sitting position through adjustable support - It gives 100% freedom of movement <ul style="list-style-type: none"> - Higher productivity and better blood circulation - Reduction of back, shoulder and neck complaints - Good health - Burning calories - Reduces absenteeism!
Financing: Capital service loan
Impact regular service: Depreciation costs
New investment or replacement investment/renovation: Replacement investment and new



Ministry of Finance
Information Investment : SNA code AN111 Non-Residential Buildings
Title: Kanteen for receivers office
Investment: NA f 136,067
Country Package: Not applicable
Objective: Promote workspace and employee satisfaction
In 2017, after the devastation of Hurricane Irma, the receiver's building was severely damaged, which led to the relocation of their office within the Ministry of Finance. In 2023, the receiver will finally return to their original building. However, due to budgetary constraints, the cafeteria has not been rebuilt or repaired. With the planned relocation of staff in the second quarter of 2023, there will be no suitable space for staff to eat meals, except at their desks. Since much of the work is customer-facing, it is impractical and inappropriate for staff to eat at their desks. Therefore, the decision was made to rebuild the cafeteria so that staff will have an adequate space to eat their meals.
Financing: Capital service loan
Impact regular service: Depreciation costs
New investment or replacement investment/renovation: Replacement investment and new

Ministry of Housing , Spatial Planning and the Environment
Investment Information: SNA Code AN1123 Land Improvements
Title: Renovation main roads
Investment: NA f 5,691,600
Country Package: NVT
Objective: Main Roads Renovation of a total of 11 main roads on Sint Maarten
Description: The country's infrastructure has reached a point where much of the road network needs to be replaced and/or upgraded. The aim is to improve the flow of traffic on the main roads through various measures in order to make a positive contribution to the country's economic growth. Some of these measures include the renovation of 11 main roads and the resurfacing of 22 existing roads. The expectation is that the investment in the roads will lead to an increase in future maintenance costs of approximately NA f 2 million spread over the next 4 years starting in 2024. This is to properly maintain the investment made and then to continue to maintain the other roads that are currently not part of the investment. For more details, please refer to the detailed project plan.
Financing: Capital Service Loan
Detailed plan: Document "Capital expenditures 2022 plans" Ministry Vromi
Impact on regular service: Depreciation costs NA f 569,160 starting in 2024 and maintenance costs.



Ministry of Housing , Spatial Planning and the Environment
Investment Information: SNA Code AN1123 Land Improvements
Title: Hard Surfacing Dirt Roads (Concrete/ Asphalt)
Investment: NA f 4,657,500
Country Package: NVT
Objective: Hardening the road surface of a total of 22 existing roads to improve the roads.
<p>Description: The country's infrastructure has reached a point where much of the road network needs to be replaced and/or upgraded. The aim is to improve the flow of traffic on the main roads through various measures in order to make a positive contribution to the country's economic growth. Some of these measures include the renovation of 11 main roads and the resurfacing of 22 existing roads.</p> <p>The expectation is that the investment in the roads will lead to an increase in future maintenance costs of approximately NA f 2 million spread over the next 4 years starting in 2024. This is to properly maintain the investment made and then to continue to maintain the other roads that are currently not part of the investment. For more details, please refer to the detailed project plan.</p>
Financing: Capital Service Loan
Detailed plan: Document "Capital expenditures 2022 plans" Ministry Vromi
Impact on regular service: Depreciation costs NA f 465,750 starting in 2024, any maintenance costs are already included in the annual budget.

Ministry of Housing , Spatial Planning and the Environment
Investment Information: SNA Code AN1123 Land Improvements
Title: Upgrading Prince Bernard Bridge
Investment: NA f 550,000
Country Package: NVT
Goal: Repair the footbridge
<p>Description: The Prince Bernard Bridge is currently one of the few bridges that connect Sint Maarten. Due to a series of car accidents starting in March 2021, the footbridge, part of the guardrail and the memorial plaque were damaged. The footbridge is only accessible from one side of the bridge, therefore it needs to be recertified as soon as possible as it is still used by pedestrians.</p> <p>The Prince Bernard Bridge is the connection between the Little Bay and Great Bay districts. On one side the bridge is accessible via Bush Road and on the other side via Walter JA Nisbeth Road and AT Illidge Road and Longwall Road. The length of the bridge is approximately 62 metres. The traffic flow is regulated by the only traffic light on the Dutch side of the island.</p> <p>Addressing existing core issues can directly contribute to a longer lifespan of the infrastructure on Sint Maarten. The Prince Bernard Bridge will be restored to its original location according to the design and build principle. After completion of this task, the bridge should be fully restored for optimal use.</p> <p>Sint Maarten is primarily a tourism-based economy and infrastructure plays a vital role in the product that the country offers. Infrastructure plays an important role in the tourism industry because it affects the level of satisfaction of tourists; and adequate and good infrastructure will reduce the number of negative reactions from tourists. Infrastructure is essential for the normal functioning of society and the quality of life in Sint Maarten.</p> <p>The renovation of the Prince Bernard Bridge project further strengthens the initiative when it comes to ecotourism, which has a significant positive impact on local economies. This project will create jobs and promote further developments on the island for future generations.</p>



Financing: Capital Service Loan
Detailed plan: Document "Capital 2023 Prince Bernard" Ministry Vromi
Regular service impact: Depreciation costs will commence in 2024, including any maintenance costs already included in the annual budget.

Ministry of Housing , Spatial Planning and the Environment
Investment Information: SNA Code AN1123 Land Improvements
Title: Dutch Quarter development project
Investment: NA f 3,142,335
Country Package: NVT
Objective: Complete project in Dutch Quarter
<p>Location: The Dutch Quarter neighborhood is located in the Upper Princes Quarter Region of Sint Maarten, bordering the French side of the island and is considered a very densely populated area with a major road network that connects to 5 other larger communities such as Madam Estate, Middle Region, Belvedere and Belle Plain (French St. Martin). The road network helps connect residents, visitors and businesses to the other parts of the island.</p> <p>In addition to the road network, Dutch Quarter also bears the responsibility of draining the runoff water from the highlands to the lowlands. The drainage networks also transport the runoff water from the Middle Region District and much of the Defiance area as these areas are within the Dutch Quarter Basin.</p> <p>Urgency: The Government of Sint Maarten has conducted several studies on this site to predict the rapid growth of socio-economic development and its effects on the area. Over the past 2 decades, the Government of Sint Maarten has recognized the importance of neighborhood development. That major infrastructure changes would need to be implemented and that a significant upgrade of the road network, sewerage system and drainage network should be taken seriously. Population growth has increased by over 50% in such a short period of time with continued development on the horizon and has had and continues to have severe impacts on the current infrastructure. The private sector has taken note and has now also started investing in the area with the gas station, McDonald's Restaurant and the Parrott Ville tourist attraction and will put additional strain on the already outdated infrastructure that was not designed to carry such burdens and will continue to experience system failure.</p> <p>Good infrastructure is essential for a country's economy. The investment aims to provide good road and sewer infrastructure at lower life cycle costs by developing better implementations that meet the requirements.</p> <p>Having an effective infrastructure has the advantage of helping to reduce maintenance costs and the burden on the system. The newly paved road will improve the flow of traffic as road users will experience minimal disruption. This includes using the roads in a safe and comfortable manner. Road users are currently disadvantaged by the poor condition of the current roads, which leads to higher costs for personal vehicle repairs. These problems will be addressed and reduced by a good drainage system and ongoing maintenance of the public roads</p> <p>Description: Significant funding has already been injected into the Dutch Quarter Sewerage Project both EU funding and government contribution to the 10th EDF programme. Hence the importance of protecting and completing the investment already made by all stakeholders. The remaining sections are partially completed and require additional funding for completion. The Ministry of VROMI/Dienst Nieuwe Projecten has worked hard on this project and wants to see it realised. The scope of work for the remaining sections 5 and 6 is known to all project leaders within the department and its execution is practical and feasible.</p>



As section 1 (Hoofdweg Nederlandse wijk) will be completed. our commitment to the EU remains undone. as there are other sections that the previous contractor left unfinished. there are works in section 5 and section 6 that need to be completed. the ministry of VROMI/ Department of New Projects has been the project leader of this project from the beginning and wants to hand over a completed project to the people of Dutch Quarter. in section 5 and 6 the remaining works. including house connections. the final stages of the implementation of sewer lines. pavements. street lighting and the remaining upgrade of the utility infrastructure. An addition of € 1,098,718.60 Euro was calculated to complete the works. But a 30% increase is added due to the inflation costs of world market prices € 329,615.58. which brings the total to € 1,428,334.18. With the conversion to Antillean Guilders, an amount of NA f 3,142,335.19 would be needed to complete the project. All technical design work has been completed.

Financing: Capital Service Loan

Detailed plan: Document "Capex Dutch Quarter Annex 2" Ministry Vromi

Impact on regular service: Depreciation costs starting in 2024, any maintenance costs are already included in the annual budget.

Various Ministries
Information Investment : SNA code AN1131 Transport equipment
Investment: NA f 1,574,132
Country Package: NVT
Objective: Replace cars in various ministries
Description: Replacement of cars in various ministries whose economic life has expired
Parliament, High Councils and Special Entities 1 Service car SER NA f 40,000
Ministry of General Affairs: 7 Cars for the Council of Ministers NA f 453,600 1 Service car DIV NA f 45,000 1 ICT company car NA f 42,000
Ministry of Justice: 5 Detention Center Official Cars NA f 250,000 3 Immigration Official Cars NA f 150,000 2 National Criminal Investigation Department service cars NA f 108,000 Purchase of KPSM cars NA f 161,700
After hurricane Irma, the Ministry of Justice received several cars on loan from the Netherlands, because many cars were damaged by the hurricane. The vehicles received were second-hand vehicles from the Netherlands at the time and have since been written off. The country wants to gradually rebuild the fleet of the executive services within the Ministry of Justice.
Ministry of Tourism, Economic Affairs, Transport and Telecommunications: 6 Service cars inspection NA f 323,832
Regular service impact: Insurance costs, maintenance, depreciation costs and fuel costs relate to the replacement of cars that have reached the end of their useful life, which has minimal impact on future budgets. Since these cars are all replacement cars, no additional costs are expected for insurance. For fuel and maintenance, a decrease in costs is expected, due to the fact that new cars are generally more fuel efficient and



have lower maintenance costs. It is currently unknown how much lower these costs will be, but the impact is not considered significant.
New investment or replacement investment/renovation: Replacement investment

Ministry of General Affairs
Investment Information: SNA code AN1132 ICT equipment (amount in NA f)
Title: Hardware & Software (incl. ICT resources for)
Investment: NA f 1,750,000
Country Package: NVT
Objective: Investment mainly in ICT hardware.
Description: At this moment ICT has no material to replace obsolete material. With the start of the E-governance project, the department must have the right equipment. Sint Maarten has not made any investments in the hardware systems since 2017 given the intention to further digitalize it is important to invest in this most PCs that are still in use have already expired their economic life. Most investments will be hardware investments, which is why the only costs we expect are depreciation costs. For more details, please refer to the detailed project plan.
Impact of regular service: Depreciation costs of approximately NA f 350,000 per year based on a depreciation period of 5 years. The contents insurance is also paid now so no major impact is expected on this cost category.
New investment or replacement investment/renovation: Replacement investment

Ministry of Education , Culture , Youth and Sports Affairs
Investment Information: SNA code AN1132 ICT equipment (amount in NA f)
Title: Hard & Software public schools
Investment: NA f 244,242
Country Package: NVT
Objective: To purchase new hardware and accessories for public schools so that they can make greater use of technological innovation.
Location investment: The hardware and software currently available at public schools have not been replaced since 2012. Due to the various technological changes that have taken place in education in recent years (technological innovation), we consider this investment necessary. The replacement has been delayed, mainly due to Irma.
Scope of the project is to purchase new desktop computers and some accessories and parts. See list below. This investment will be divided among the different public schools.
Detailed plan: see TOR "Purchasing of Computers. Equipment and Accessories for Public Schools".
Impact of regular service: Depreciation costs of approximately NA f 48,848 per year, based on a depreciation period of 5 years. The contents insurance is also paid now so no major impact is expected on this cost category.
New investment or replacement investment/renovation: Replacement investment

Ministry of Education , Culture , Youth and Sports Affairs
Information Investment : SNA code AN1121 Non-residential buildings
Title: Restoration of Sports Facilities
Investment: 2,242,365
Country Package: NVT



Objective: To repair the extreme damage to the sports facilities which will lead to various
<p>Description: The Raoul Illidge Sports Complex (RISC) in Cay Hill, known as a multi-sport facility and home to sports such as soccer, athletics, tennis, swimming, netball, volleyball and basketball, continues to suffer significant damage caused by hurricanes Irma and Maria in 2017. To this day, the soccer field and athletics track, used by over 2,500 athletes and students each week, have not been fully restored and are in dire need of replacement.</p> <p>The current state of these facilities negatively impacts the user experience and the safety of athletes, which limits sports participation and directly impacts the health and well-being of the community. Furthermore, the facilities do not meet the minimum standards for hosting regional and international tournaments. This limits the possibilities for sports tourism and forces national teams to travel abroad for official competitions. The state of the facilities also has a restrictive effect on the development of young athletes who aspire to a career in top-level sports.</p>
Investment Location: Raoul Illidge Sports Complex - Welgelegen road. Sint Maarten
<p>Output:</p> <p>FOOTBALL - Due to the intensive use of the field (> 1000 playing hours per year), artificial grass is used for optimal play. In addition to intensity of use and space, (maintenance) costs, reputation and durability are also important. Artificial grass allows for a higher playing intensity (minimal wear) and also requires less maintenance than natural grass, which leads to cost savings per hour of use due to the higher playing intensity.</p> <p>Playing field – The artificial football pitch will have the “Fifa Quality Pro” certification standard to comply with the Concacaf Stadium Guidelines 2022-2023 and the FIFA Quality Program for Football Turf. The Fifa Quality Pro quality mark meets the requirements for recreational, community and municipal football with typically 40-60 playing hours per week. The dimensions of the playing field are length min 100m – max 110m and width min 64m – max 75m.</p> <p>TRACK - The track system has a prefabricated rubber surface. 13.5 mm thick double durometer, vulcanized and calendered with a special texture including adhesive for installation. The track will have the World Athletics (IAAF) Class 2 certification.</p>
<p>Urgency:</p> <ol style="list-style-type: none"> 1. ENSURING SAFE SPORTS Having a football field and running track that meet the standard safety requirements has a direct impact on over 2,500 weekly users at RISC! Safe facilities lead to increased user satisfaction and confidence, reduced risk of injury, increased participation and retention , and reduced liability from incidents, to name a few. 2. PROMOTING SPORTS PARTICIPATION A football field and athletics track that are in good condition and well maintained are attractive to play on and encourage society to become active. 3. COMPLIANCE WITH LAW AND POLICY Compliance with: the law on the promotion of the right to education. welfare. good health. cultural development and leisure activities; local policy. chapter 3.12 “Safety” of the “Sint Maarten Sports Facilities Policy”; signing treaty. Articles 8 & 9 of the United Nations. International Charter of Physical Education. Physical Activity and Sport. 2015. regarding adequate facilities. risk management and safety issues. 4. DEVELOPMENT OF THE ATHLETE



Enhanced athlete development; enabling thousands of young people to train in a relevant and high-quality sports environment to discover and use their talents. The proven SPLISS model (De Bosscher et al. 2006) names high-quality training facilities (infrastructure) as one of the 9 most important drivers for international success.

A perfect example is the Bahamas. This small island nation has worn the crown of Olympic winner per capita more than once and has excellent sporting facilities.

5. CERTIFIED FACILITIES

A CONCACAF and FIFA Quality Pro approved football pitch and a World Athletics (IAAF) certified track offer a wide range of possibilities, from hosting major tournaments to facilitating off-season training camps for professional teams.

6. NATIONAL FOOTBALL TEAM HOME GAMES

With an approved pitch, a huge step is taken for our national football teams to play their home games on their own ground. This not only relieves the football association of a huge expense when they travel abroad for their home games, but also opens up economic opportunities that can be directly invested in the development of the sport.

7. INCREASING THE LEVEL OF COMPETITION

Quality facilities increase the level of competition within national competitions, which in turn improves athlete development.

8. SPORTS TOURISM DEVELOPMENT

The National Development plan 2020 -2030 emphasizes the need to strengthen our capacity to host regional and international sporting events, where replacing the football pitch and the athletics track will be a huge step towards being able to host regional and international tournaments.

Impact regular service:

New investment or replacement investment/renovation: Replacement investment

Estimated start date : June 2023

Estimated completion date: September 2023



Ministry of Education , Culture , Youth and Sports Affairs
Investment Information: SNA code AN111 Dwellings
Title: Expansion and reconstruction of the John Larmonie Center
Investment: 2,000,000
Country Package: NVT
Objective: The importance of investing in our cultural infrastructure provides the island with facilities that can enhance the island experience while also providing modern facilities for local, regional and international events that further stimulate the Cultural Creative Industries of Sint Maarten.
Financing: capital service loan
Urgency: The JLC for Dance. Music and Art will primarily focus on the development of the visual and performing arts in the area as well as training a new generation of theatre professionals in lighting, set design, sound engineering and the versatile training in technical art production. John Larmonie Centre one of the few multi-purpose arts centres on the island is in dire need of renovation and expansion.
Impact of regular service: maintenance costs, depreciation costs
New investment or replacement investment/renovation: Combination

Ministry of Education , Culture , Youth and Sports Affairs
Investment Information: SNA code AN111 Dwellings
Title: NIPA
Investment: NA f 500,000
Country Package: NVT
Purpose: After the passing of hurricanes Irma and Maria, NIPA served as a shelter. The hurricane caused significant damage to the buildings. The damage was such that repairs were necessary which had initially been promised by the government of St. Maarten.
The need for additional space is necessary to enable the growth and expansion of NIPA. The expansion requires: 1. Construction of the Administration Office 2. Construction of the Student Engagement Centre with Café 3. Expansion of the Nursing Simulation Lab 4. Expansion of the Culinary and Hospitality
Impact of regular service: maintenance costs, depreciation costs already part of insurance
New investment or replacement investment/renovation: replacement investment

Ministry of Education , Culture , Youth and Sports Affairs
Investment Information: SNA code AN11731 Computer software (amount in NA f)
Title: Student Transport Management system (Tracking system)
Investment: NA f 522,000
Country Package: NVT
Objective: The system for managing student transportation which will lead to cost savings.
Description The costs associated with school bus transportation have been excessive since 10-10-10 and are difficult to control due to a lack of student transportation policy and or structure to match the supply of school bus transportation to the associated student demand. Currently, the Ministry of Education has no control over what is billed and there is no guarantee that the service is being provided as it should be. The government of Sint Maarten is currently working on an integrated policy that includes the implementation of the points below.



- "Ride the bus campaign"
- Student bus passes for students
- Setting up Service Level Agreements with existing operators and new ones
- Research phase to analyze data and advise on renewed policy/billing methods/route orders and other
- Drafting a student transportation policy
- Implementation of Student Transport Management system

The Student Transport Management system will ensure safety and also provide the opportunity to better monitor and control the entire situation surrounding transport. It is expected that the total costs for school bus transport will decrease significantly, although the exact amount is not yet certain. The annual costs for school bus transport are approximately NA f 4 million per year.

Impact regular service: Annual costs NA f 2,000 for the software under goods and services. Depreciation costs NA f 104,400 starting in 2023. Savings on school bus costs.

New investment or replacement investment/renovation: New investment

Ministry of Finance

Investment Information: SNA code AN1132-1120 ICT System (amount in NA f)

Title: ICT renewal Sint Maarten Tax Authorities" and "purchase of ICT portal Sint Maarten Tax Authorities"

Investment amount: NA f 16,200,000

Country package: C.4.

Objective: Replacement of the current legacy source systems of the Tax Authorities by purchasing an Integrated Tax Management System and purchasing (online) ICT portals for the Tax Authorities

Financing: via TWO Netherlands (not via capital service loan)

Regular service impact: The license costs for maintenance are already included in the investment amount

New investment or replacement investment/renovation: Replacement investment

Ministry of Finance

Investment Information: SNA code AN1132-1120 ICT System (amount in NA f)

Title: Implementation of ERP system for government SXM

Investment: NA f 5,880,000

Country package: A.1.

Objective: An ERP system will be purchased for the entire government of Sint Maarten.

Financing: via TWO Netherlands (not via capital service loan)

Impact regular service: The license costs for maintenance are already included in the investment amount

New investment or replacement investment/renovation: Replacement investment

Ministry of Housing , Spatial Planning and the Environment

Investment Information: SNA code AN1122 Other Structures

Title: Expansion of the sewage network co-finance NRPB & Netherlands

Investment: NA f 27,000,000 (part of capital service loan)

Country Package: NVT

Objective: Three main objectives have been defined for wastewater management in Sint Maarten. The three main objectives that would contribute to achieving the country's overall vision of creating an affordable,



reliable, culturally acceptable and (economically) sustainable wastewater system are: (i) to protect public health from the potentially harmful effects of wastewater; (ii) to enable sustainable economic development by providing adequate, culturally acceptable and affordable wastewater services; and (iii) to protect the environment by minimizing the adverse environmental impacts of wastewater discharges.
Description: The project comprises 3 core components: (i) Investments in wastewater infrastructure. (ii) Policy and institutional development and coastal seawater quality monitoring. and (iii) Project management.
Urgency: 1. The environmental and social risks are moderate: The proposed project is expected to generate positive environmental impacts. The increase in sewer connections and further wastewater treatment will reduce pollution and health risks to communities. The improved access to wastewater collection services will also reduce the number of septic tank connections in the targeted districts, thereby reducing groundwater and surface water pollution.
Financing: Co-financing Trustfund NRPB (\$10,000,000) and capital service loan (\$15,000,000)
Regular service impact: The project includes the establishment of the wastewater management institution and the necessary legal and financial frameworks. It has been discussed with the NRPB team that a strategic tipping fee will be introduced for the sustainable maintenance of the wastewater management infrastructure. The model will therefore describe a cost-neutral impact on future budgets as much as possible.
New investment or replacement investment/renovation: New investment

Ministry of Tourism , Economic Affairs , Transport and Telecommunications
Information Investment : SNA code AN1122 Other Structures
Title: Vendors Village Development
Investment: 676,800
Country Package: NVT
Purpose: The vendor village aims to provide affordable retail spaces for food industry entrepreneurs. To revitalize Philipsburg and stimulate economic activity. In collaboration with the VROMI department, capital expenditures will be used to develop the area with basic needs for operations and to facilitate the desired aesthetics as seen in the image included in the detailed plan.
Output: <i>Creating employment</i> The development of the supplier village provides employment in the construction sector. In addition, these small business owners can create jobs for themselves and others. <i>Support for MSME</i> One of the priorities of the ministry is to support MSME. Breaking into the food industry is a big challenge for Sint Maarten. Rents are very high and location is very important to generate traffic. <i>Revitalization of Philipsburg</i> The Philipsburg area is a busy city, but only during the day and evening does everything move to the west side of the island. There are very few activities available and food stalls are open to attract visitors. In addition, the west side of the island, especially in the Simpson Bay area, is very congested with food vendors, which leads to noise pollution and spatial conflicts. This development will lead to a broadening of the economic landscape.
Impact of regular service: Maintenance costs and depreciation costs
New investment or replacement investment/renovation: New investment

Ministry of Tourism , Economic Affairs , Transport and Telecommunications
Information Investment : SNA AN1171 & SNA AN1123



Title: Investment in Intellectual Property and Tourism Product Development and Improvements
Investment: 4,900,000 (2,500,000 and 2,400,000)
Country Package: NVT
<p>Objective: It has been a long time since St. Maarten has made significant investments in its tourism product. This amendment aims to add resources to making such investments whereby the result could improve the tourism product and therefore the economy. The investments are for the Intellectual Property of our tourism and for investments in our product with reservations for amounts of NA f 2.5 million and NA f 2.4 million respectively. One of the spearheads in the policy plan of the budget is "Stimulating economic growth through diversification of tourism".</p> <p>The government has presented many plans on the operational side of the budget that should help to realize the expected economic growth. However, apart from investments in the market, there are no other investments in the capital expenditure for tourism projects. The initiator believes that by also supplementing the economic initiatives with investments in important tourism assets, this can help the government to create even more activity in the tourism sector. This can lead to an even better than expected economic performance and government revenues.</p> <p>Clarification: Research and Plans This amendment was based on the World Bank document "St. Maarten Tourism Recovery Action Plan" of February 2020 and "Generating Economic Stability by Rebuilding St. Maarten's Tourism Market Share". Since the NRPB assisted in the preparation of these plans and recommendations, it is highly likely that the NRPB has access to such research and implementation plans to implement the recommendations. According to the NRPB, attempts were made to prepare proposals for the trust fund to cover the implementation of these recommendations, but this did not materialize. The plans were analyzed to determine their viability as capital projects. Since some of the items in the plan are operational costs, these should be excluded from capital expenditures.</p> <p>The other plans that fall under capital expenditure are:</p> <ul style="list-style-type: none"> 1. Tourism Master Plan: St. Maarten creating and owning its own tourism master plan would greatly assist our strategic planning for the tourism sector. The last tourism master plan is now outdated. The cost at that time was approximately NA f 540,000 in 2005 and will cost slightly more now. 2. Intellectual Property Investment: A grossly overlooked asset of the country is its tourism intellectual property known as the brand. Sint Maarten has not invested in its brand for years, only using operational costs to continue promoting the brand. The idea here is to actually invest in improving all the brand assets that fall under tourism in the country, with Sint Maarten owning all trademarks, images, videos and other brand assets that fall within that scope. By creating a digital library of Sint Maarten's own videos and images will also help shape the desired image of the island among tourists. This ties in with the tourism master plan. The country's social media assets as highlighted in the report have only seen maintenance, but no real renewal and upgrades for a long time. 3. Product Improvements: The recommendations of the World Bank report also emphasize the need to create more facilities for tourism in areas they frequent. These are added to the capex amendment to include pull-over areas for tour buses in districts , which could encourage more community-based tourism. The lack of facilities in areas popular with tourists such as toilets, as well as the accessibility highlighted in the reports, are also included in this amendment. <p>Return on Investment: The potential return on investment is indeed very difficult to quantify in numbers. However, the stated goal of the World Bank Tourism Recovery Action Plan is to return Sint Maarten's economy to pre-Irma (i.e. 2016) levels. In 2016, Sint Maarten's nominal GDP was NAf 3,186 million according to the IMF , while it is expected to be NAf 2,524 million in 2023. Returning to pre-Irma levels would be an increase in GDP of NAf 664 million. Currently, the ratio of GDP to tax revenue is 19%. So, an increase of NAf 664 million could theoretically generate an additional NAf 126 million in revenue for the government. Given that tourism accounts for 86% of Sint Maarten's GDP, it stands to reason that an improved tourism sector would contribute</p>



significantly to GDP growth. The project's goal of bringing tourism to pre-Irma levels seems very ambitious, however, one thing is certain: there will certainly be a welcome return on investment as a result of the investment in tourism, regardless of the exact return on investment, which is extremely difficult to predict.

Implementation: As explained, the NRPB still has these development plans and only needs funding. This amendment calls upon the government to provide the necessary capital resources so that the NRPB is able to implement the plans included in this amendment. These plans are based on the detailed plans and reports provided by the NRPB. In accordance with Article 4 of the Temporary Ordinance National Reconstruction Program Bureau, the NRPB can prepare, coordinate, implement and evaluate projects, including projects that are funded from sources other than the Trust Fund. In this case, the funding would come from the capital expenditure budget. Given the involvement of the NRPB in the development of the Sint Maarten Tourism Recovery Action Plan, it is logical that the government should work with the NRPB to implement these plans.

Investment in intellectual property and budgetary implications:

- **Tourism Master Plan:** The Tourism Master Plan is implemented through a tender by the NRPB. This is a relatively simple item as it involves hiring a company to draft the Tourism Master Plan which will serve as a guideline for all decision making by the government and its related entities regarding tourism development and marketing for at least 10 years.
 - **Budgetary Impact:** The tourism master plan itself will not necessarily add to the country's budget. The operational budget within TEATT's marketing budgets for example will be used to implement the master plan but it does not necessarily mean that it will increase as a direct result of the tourism master plan. It may well be that the current budgets are sufficient as it is more about how it is spent rather than how much is spent.
- **Rebranding Project:** The St. Maarten brand is over 10 years old and has not been invested in. The operational costs are used to promote your brand but it is time to invest in an updated brand image for St. Maarten.
 - **Budget Impact:** Brand marketing was able to continue as already budgeted within the promotion budgets of Sint Maarten. While future increases in the promotion budget may help, it is not necessary or a direct result of this investment.
- **Media Package Archive:** Another part of intellectual property is owning media assets such as video, image and audio. Having a large inventory of digital content that is fully owned and written by the country will help marketers, press and travel agents access higher quality media that will help promote the destination in the way we want it to be promoted.
 - **Budgetary Impact:** There should be no additional costs to the operating budget, in fact there may be savings. In the past, operating budgets were sometimes used to "lease" the creation of media assets.
- **Investment in all social media assets and website:** Social media and websites are important assets to have when marketing the destination. Although these assets were created a long time ago. technology has changed a lot since then. It is wise to update all our media assets including social assets in line with the World Bank document.
 - **Effect on budget:** Like other assets, there is no direct effect on the budget. The budget can remain untouched

Investments in product development and budgetary implications:

- **Tour bus pull over areas community based tourism:** This aims to create new infrastructure for tour buses to cross over in St. Maarten. The NRPB together with the ministry of TEATT and VROMI will



identify areas where these pull-over areas should be that could bring more tourists to key areas and communities thereby promoting community based tourism.

- Budget Impact: Pull-over areas may require some light cleaning maintenance. This should be covered by existing city cleaning contracts and as such should not result in significant additional costs as these areas are likely to already be within the purview of cleaners.
- Public toilets in tourist areas: Tourists need access to public toilets in areas they frequent, especially beaches. Not having proper toilets in these areas can be a deterrent to tourists going to these areas and spending money.
 - Budget Impact: There will be some additional costs for toilet maintenance. Using the current budgeted expenditure for toilet maintenance in Philipsburg, the Ministry of Finance can calculate what the cost per toilet would be.
- Furniture and other facilities in tourist areas: As with the new toilets. will install benches. garbage bins and attractions to make them accessible. implemented according to the guidelines of the World Bank report. As with the previous point, improved facilities will encourage tourists to visit tourist areas more. thereby increasing spending
 - Budget Impact: There will be additional costs for the maintenance of benches. which will need to be repainted periodically. It is expected that this can be covered from the operational product development budget of Sint Maarten. As for the garbage bins. these will fall under existing waste collection contracts within the various districts. It is possible that future waste contracts that are tendered. will come in with higher bids due to the larger number of bins. but current contracts would cover the existing costs.

New investment or replacement investment/renovation: New investment



Impact of investments on regular service

The table below summarizes the total impact on the regular service per economic category and SNA code. The costs of goods and services have been filled in to the extent known. The depreciation costs are the total costs. The depreciation costs only start from 2025, the year after the capital service was purchased. The total interest costs have been calculated based on an interest rate of 3% on the loan.

Uitsplitsing totalen naar hoofdcategorie (bedragen x Naf 1.000)					
	2024	2025	2026	2027	2028
Totaal lasten AN111 Dwellings Naf 3.850.000					
Goederen & diensten		-	-	-	-
Afschrijvingen	-	385	385	385	385
Totaal AN111	-	385	385	385	385
Totaal lasten AN1121 Non residential Naf 164.861.079					
Goederen & diensten	-	40	40	40	40
Afschrijvingen	-	3297	3297	3297	3,297
Totaal AN1121	-	3,337	3,337	3,337	3,337
Totaal lasten AN1122 Other Structures Naf 45.676.800					
Afschrijvingen	0	2284	2284	2284	2284
Totaal AN1122	-	2,284	2,284	2,284	2,284
Totaal lasten AN1123 Land improvement Naf 16.441.435					
Goederen & diensten		250	250	500	1,000
Afschrijvingen		329	329	329	329
Totaal AN1123		579	579	829	1,329
Totaal lasten AN1131 Transport equipment Naf 1.574.132					
Afschrijvingen	-	315	315	315	315
Totaal AN1131	-	315	315	315	315
Totaal lasten AN1132 ICT equipment Naf 32.804.123					
Afschrijvingen	-	6,561	6,561	6,561	6,561
Totaal AN1132	-	6,561	6,561	6,561	6,561
Totaal lasten AN1139 Other equipment Naf 75.000					
Afschrijvingen	0	15	15	15	15
Totaal AN1139	-	15	15	15	15
Totaal lasten AN11731 Computer software Naf 963.000					
Goederen & diensten	-	2	2	2	2
Afschrijvingen	-	193	193	193	193
Totaal AN11731	-	195	195	195	195
Totaal lasten AN1171 Research and Development Naf 2.921.110					
Goederen & diensten	-	-	-	-	-
Afschrijvingen	-	584	584	584	584
Totaal AN1171	-	584	584	584	584
Totaal Goederen en Diensten	-	292	292	542	1,042
Totaal Afschrijvingen	-	12,993	12,993	12,993	12,993
Totaal Interest (3%)	-	8,075	10,955	10,966	12,016
Totaal	-	21,360	24,240	24,501	26,051



3.5 Loan overview

Summary Loan Overview (amount in NA f)			
<i>Opening balance of loans as of early January 2024</i>			<i>888.580.864</i>
	<i>Loan for Capital Service 2024</i>	<i>133,200,000</i>	
<i>Required loan for the whole of 2024</i>			<i>133,200,000</i>
<i>Total Loans</i>			<i>1,021,780,864</i>
<i>Repayments for 2024 (-)</i>			<i>18,350,303</i>
<i>Final loan balance as of end of December 2024</i>			<i>1,003,430,561</i>

In order to finance the 2024 capital service, a loan of NA f 133 million must be taken out. The loans at the end of 2024 will amount to a total of NA f 1,003 million.



3.6 Government companies

The current situation at the main government entities is briefly discussed below.

GEBE

The most recent available information pertains to the 2021 financial statements. GEBE is currently working to update its internal processes following the cyberattacks in 2022 and engine failures in the second quarter of 2024. In the 2021 financial statements, equity amounted to NAF 204.1 million (2020: NAF 178.7 million), and the profit for the year was NAF 5.5 million (2020: NAF 3.3 million). The cash position at the end of 2021 was NAF 54.6 million (2020: NAF 54.3 million). It is important to note that the 2021 and 2020 financial statements received a qualified audit opinion due to the impact of the 2022 cyberattacks. As a result of these attacks, much of the information needed to prepare accurate financial statements and determine proper valuation of balance sheet items was unavailable. No financial statements or updated financial information for 2022, 2023, or through the second quarter of 2024 have been provided as of yet. GEBE's current situation is poor, with engine failures and regular power outages. It is expected that both liquidity and equity have significantly deteriorated over the past two years. GEBE is now seeking a loan of USD 30 million to purchase new engines. As the government, it is crucial to ensure that necessary backlogs are addressed, processes are improved, and that (interim) financial reports from GEBE are received in a timely manner.

TELEM

In 2023, Telem realized a loss of NAF 38.4 million (2022: loss of NAF 3.6 million). The loss for 2023 is mainly due to two one-off expenses: restructuring costs of NAF 17.5 million and the release of the profit tax asset in 2023 of NAF 14.5 million.

When these items are adjusted in the net result, a net loss of NAF 6 million remains for 2023. Given the structural losses over the years, management has decided to implement a restructuring program. The decision to implement this restructuring program was motivated by the need to: (a) improve operational efficiency, (b) align with market conditions, (c) improve financial performance.

The expected benefits of the restructuring program are: (a) cost savings, (b) improved productivity, (c) increased focus on core activities, and (d) financial health.

The current long-term financial projections, as stated in the management report in the annual accounts, indicate that higher profit margins, higher net income and better return on investment (ROI) are expected. Lower operational costs and more efficient processes should lead to improved gross and operational margins. The one-time restructuring costs should be seen as an investment with an expected return. Over time, the cost savings and increased profitability should exceed the initial outlay. Management indicates that the economic landscape for Telem remains challenging, with continued market volatility and intense competition. However, strategic restructuring and operational efficiency are expected to position the company for growth. By getting the basics right, focusing on core activities and optimizing costs, Telem Group expects improved profitability and a stronger competitive position in the market. The unaudited figures as of May 2024 show a preliminary EBITDA of NAF 3.5 million and a loss of NAF 1.6 million for the first 5 months. When projecting to the end of the year, a net loss of almost NAF 4 million is expected, which is lower than in 2023, when the restructuring costs and the release of the deferred tax asset in 2023 are excluded. For the time being, it is not expected that additional financing from the government will be required. The restructuring program that started at the end of 2023 should contribute to an improvement of Telem's performance in 2024/2025.



HARBOUR

The Port's 2023 financial statements show a positive result of USD 8 million (2022: USD 2.5 million). The result up to and including Q2 2024 amounts to USD 7.5 million, which is USD 1.9 million above the budget for the period up to and including Q2 2024. The 2023 figures show that the Port is recovering well after the negative COVID-19 years of 2020 and 2021.

The Port's cash position at the end of Q2 2024 is USD 62.5 million, of which USD 10 million is restricted. The cash position is therefore in order. However, urgently needed capital expenditures for Pier 1 and other fixed assets will be required in the coming months and years, and liquidity is urgently needed for these investments. Concession fees are paid monthly to the government. The arrears in the payment of concession fees currently amount to approximately NAF 14 million. After Irma, it was agreed with the Port that ANG 8 million in concession fees for the period July 2017 to June 2019 will be paid in monthly installments over a period of 2 years from mid-2024. The Port and the government are currently investigating how the remaining arrears can be closed.

WINAIR

Winair achieved a positive result of USD 3.6 million in 2023 (2022: USD 2.3 million). The positive result has been added to the equity as of the end of 2023, which enabled Winair to show a positive equity of USD 1.1 million at the end of 2023. 2023 is the first year since 10-10-10 in which Winair shows a positive equity. Winair also fully repaid the loan taken out with NL at the end of 2023. The original amount of the loan was USD 4.5 million, and it was taken out at the end of 2021. A profit is also expected for 2024. However, no information has yet been received on the performance in 2024.

PJIA

PJIA achieved a positive result of NAF 23.4 million in 2022. The EBITDA and the result up to and including mid-2023 are positive. The solvency ratio also looks healthy. There are currently no indications for the government that there are any risks regarding additional financial contributions that must be made. A positive result of approximately NAF 15 million (before taxes) is expected for 2023. PJIAE is currently working hard on the reconstruction of the departure and arrival hall, which will ultimately also have a further positive effect on the further development of the airport's result.

The most recent information available is for the period up to and including the first quarter of 2024. Total revenue as of this date amounts to USD 13.8 million. This is an increase of 23.9% compared to the same period in 2023 (USD 10.6 million). Total expenses increased by 30.3% compared to 2023, to USD 12.8 million (Q1 2023: USD 9.8 million). Due to increased operating activities and increasing personnel costs related to staff development and salary adjustments, expenses increased in most categories. EBITDA amounts to USD 12.1 million. EBITDA shows a small decrease from 55.6% in the first quarter of 2023 to 52.3% in the first quarter of 2024. Income before taxes for the first quarter amounts to USD 9.2 million.



POST NV

The financial situation at POST NV is currently not yet satisfactory. The company is in the process of implementing various measures to improve the financial situation. However, this will take some time to ultimately have a visible positive effect on the financial situation of this entity. At the moment, PSS is mainly kept afloat by additional operating contributions. operating contributions.

Appendix 1



Multi-year expenditure per ministry



Parliament					
Comparison charges per category (amounts x Naf 1 mln)					
		2024	2025	2026	2027
Charges according to government					
Personnel costs		18	18	19	20
Goods and services		8	8	8	8
	<i>Goods and Services</i>	8	8	8	8
	<i>Scholarships and grants</i>	0			
	<i>Unforeseen</i>				
Depreciation		0			
Social facilities		0			
Subsidies		4	4	4	4
Interest		0			
	Total Parliament	30	30	31	32

Ministry of AZ					
Comparison charges per category (amounts x Naf 1 mln)					
		2024	2025	2026	2027
Charges according to government					
Personnel costs		27	28	29	30
Goods and services		39	39	40	41
	<i>Goods and Services</i>	39	39	40	41
	<i>Scholarships and grants</i>	0	0	0	0
	<i>Unforeseen</i>	0	0	0	0
Depreciation		0	0	0	0
Social facilities		0	0	0	0
Subsidies		8	8	8	8
Interest		0	0	0	0
	Total Ministry of AZ	74	75	76	78



Ministry of Finance					
Comparison charges per category (amounts x Naf 1 mln)					
		2024	2025	2026	2027
Charges according to government					
Personnel costs		21	21	22	23
Goods and services		9	9	9	12
	<i>Goods and Services</i>	9	9	9	12
	<i>Scholarships and grants</i>	0	0	0	0
	<i>Unforeseen</i>	0	0	0	0
Depreciation		13	14	16	17
Social facilities		0	0	0	0
Subsidies		0	0	0	0
Interest		24	30	30	31
	Total Ministry of Finance	67	74	77	83

Ministry of Justice					
Comparison charges per category (amounts x Naf 1 mln)					
		2024	2025	2026	2027
Charges according to government					
Personnel costs		66	67	70	76
Goods and services		22	20	20	21
	<i>Goods and Services</i>	20	20	20	21
	<i>Scholarships and grants</i>				
	<i>Unforeseen</i>				
Depreciation					
Social facilities					
Subsidies		18	18	18	18
Interest					
	Total Ministry of Justice	106	105	108	114



Ministry of OCJS					
Comparison charges per category (amounts x Naf 1 mln)					
		2024	2025	2026	2027
Charges according to government					
Personnel costs		26	27	28	29
Goods and services		18	18	18	18
	<i>Goods and Services</i>	14	14	14	15
	<i>Scholarships and grants</i>	4	4	4	4
	<i>Unforeseen</i>				
Depreciation					
Social facilities					
Subsidies		75	77	80	82
Interest					
	Total Ministry of OCJS	119	121	125	129

Ministry of USA					
Comparison charges per category (amounts x Naf 1 mln)					
		2024	2025	2026	2027
Charges according to government					
Personnel costs		53	54	55	56
Goods and services		7	7	7	7
	<i>Goods and Services</i>	7	7	7	7
	<i>Scholarships and grants</i>				
	<i>Unforeseen</i>				
Depreciation					
Social facilities		36	36	38	37
Subsidies		2	2	2	2



Interest					
	Total Ministry of USA	98	99	102	102

Ministry of TEZVT Comparison charges per category (amounts x Naf 1 mln)					
		2024	2025	2026	2027
Charges according to government					
Personnel costs		16	16	17	18
Goods and services		6	6	6	6
	<i>Goods and Services</i>	6	6	6	6
	<i>Scholarships and grants</i>				
	<i>Unforeseen</i>				
Depreciation					
Social facilities					
Subsidies		1	1	2	3
Interest					
	Total Ministry of TEZVT	23	23	25	27

Ministry of Housing, Spatial Planning and the Environment Comparison charges per category (amounts x Naf 1 mln)					
		2024	2025	2026	2027
Charges according to government					
Personnel costs		9	9	10	10
Goods and services		22	22	22	23
	<i>Goods and Services</i>	22	22	22	23
	<i>Scholarships and grants</i>				
	<i>Unforeseen</i>				
Depreciation					
Social facilities					
Subsidies		1	1	1	1
Interest					
	Total Ministry of Housing, Spatial Planning and the Environment	32	32	33	34

