



# Press release

October 26<sup>th</sup>, 2021

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## **Bonaire makes progress in financial management**

**Kralendijk – The Executive Council has to prevent having a budget surplus at the end of the year and the Island Council should show more decisiveness in its role to set the standards. The Board of financial supervision Bonaire, Sint Eustatius and Saba (Cft) has indicated this in its discussions with the Executive Council and the Island Council.**

As a result of the COVID 19 crisis, during the first half of 2021 tourism was lower than in 2019. As a result, the island revenues were USD 1.7 million below budget. Nevertheless, up to and including the second quarter the Public Entity of Bonaire (OLB) realized a budget surplus, caused by an underspending of the available budget resources. The Cft once again requested the Executive Council to ensure that the budget adopted by the Island Council be implemented, so a budget surplus at the end of the year is prevented as much as this is feasible. The Executive Council indicated that it was doing everything in its power to minimize the budget surplus.

### **Financial management**

Bonaire is making progress with regard its financial management. The auditor withheld an opinion on the 2020 annual accounts and detected somewhat fewer shortcomings than was the case with the 2019 annual accounts. The Cft observes progress with regard to the prevalence points from the letter from the State Secretary of Interior Affairs and Kingdom Relations of June 22<sup>nd</sup>. The Executive Council has provided insight into the process and status of the improvement process. This has given the Cft the impression that improvements will be visible in the 2021 annual accounts audit. The Board assumes that by filling the important positions of the Director of Operations and Support, the Head of Finance and the Group Controller, Bonaire will take the important steps to further strengthen its financial management.

### **Policy budget**

In the draft 2022 budget, the OLB for the first time has drawn up a policy budget that is in line with the policy intentions from the government program. The Cft indicated in the advice accompanying the budget that this is a step in the right direction, but that the draft budget still insufficiently meets the criteria of the FinBES Act and the Budget and Accountability Decree (BBV) BES. The Executive Council is currently working on elaborating the recommendations from the Cft's advice, including the drawing up of a memorandum on 'risk management and resilience' that shows which part of the general reserve is suitable for use for policy proposals.

### **Remission policy and land policy**

In the advice on the draft 2022 budget, the Cft indicated that it assumes that the remission policy and the land policy will be approved before November 15<sup>th</sup>, 2021, so the adopted 2022 budget will comply with Article 14 of the BBV BES. Should the remission policy and the land policy not be adopted by the Island Council, the OLB would not fulfill its legal responsibility arising from the BBV BES.

### **Conversation Bonaire International Airport (BIA)**

In a conversation with BIA the Cft has taken notice of its strategic growth plans. With these plans, BIA wants to provide for the expected growth in tourism and development of Bonaire for the coming years and to improve the quality of the airport's facilities.

The Cft visited Bonaire on October 26<sup>th</sup>, 2021 and held talks with the Executive Council, the Island Council and the Bonaire International Airport.



[End of press release]

**Photographer:**

Stefan Lacroes

**Caption:**

The Executive Council of Bonaire makes progress in the area of financial management.

**Note for the editing department – not for publication**

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