



Press release

September 11th, 2024

Cft: "Cft welcomes improvement in processing of financial risks CMC"

Willemstad – Curacao follows the recommendation given by the Board of financial supervision of Curacao and Sint Maarten (Cft) and reserves extra means in the draft budget 2025 to compensate for the loss-making exploitation of the Curacao Medical Center (CMC). For some time now, the Cft has been urging the country to correctly incorporate the financial risks of the precarious financial situation of the hospital in the country's budget, and feels the step that the Curacao government now takes is a positive one.

In the draft budget, Curacao further elaborates the solution strategy for the financial issues of the CMC that was presented earlier. Although at present not all components of the solution have been explained, this is an important step towards sustainable exploitation of the hospital.

At the same time, the necessity to reform the healthcare landscape remains great. Curacao spends over 13 percent of its gross domestic product on healthcare, twice as much as the average healthcare expenses in the Caribbean. These high expenses contribute to the high tax and premium pressure in Curacao.

Financial management

On September 10th and 11th, 2024, the Cft visited Curacao. The main focus of this visit was financial management. In its deliberation with Curacao's Council of Ministers, the Cft expressed its concerns about the improvement of financial management that is not at the projected level. Although good steps are being taken by Curacao, the goal of obtaining an unqualified audit opinion for the annual accounts of 2026 is at risk. The Cft urged the Curacao government to make the utmost effort to permanently improve financial management.

Adequate financial management is important when it comes to ensuring that public resources are effectively and correctly used, without wasting or misusing them. Furthermore, transparency and annual justification of the (financial) policy pursued are essential to a reliable government.

Since 2019, Curacao has been working on the improvement of financial management with the aid of the *Roadmap toward an unqualified audit opinion for the annual accounts of 2026*. The Cft does see improvement, but there is a risk of delay. With a correct prioritization of measures, efficient deployment of people and resources, and a continuous political commitment of Curacao's Council of Ministers, Curacao will be able to achieve results.

Investments

From 2025 onwards, Curacao budgets a considerable increase in new investments, partly financed by means of loans taken out with the Netherlands. For some time now, the Cft has been drawing attention to the relatively low investment level, and it considers this to be a welcome development. In that context, the Cft points out the importance of economically profitable investments that strengthen the country's economy. The Cft still has to evaluate the intention to take out new loans. It is therefore of importance that Curacao submit the data regarding the public sector as soon as possible.



[End of press release]

Picture:

Nathan Roosberg

Photo caption:

The Board of financial supervision Curaçao and Sint Maarten consists, from left to right, of the members Julisa Frans (Sint Maarten), Lidewijde Ongering (Chair), Hans Hoogervorst (Netherlands) and Elizabeth de Cuba (Curaçao).

Note for the editor – not for publication

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