



Press Release

February 21st, 2020

Cft: "Structural tasks require structural financing"

The Bottom - The Board of financial supervision Bonaire, Sint Eustatius and Saba (Cft) observes that the budget and accountability process and financial management on Saba remains of sufficient level. The Board also notices that some structural tasks are still being funded in an incidental manner.

Since 2014, Saba has received unqualified auditors' opinions for all financial statements. The other budget documents and execution reports meet the required standards. However, the Cft has identified several challenges that Saba, in collaboration with the Netherlands, have to deal in the forthcoming period. This mainly regards the creation of structural coverage in the annual budget for structural tasks and the development of sufficient resilience capacity.

Structural financing for structural tasks

The State of the Netherlands and the public entity Saba agreed in 2019 on the so-called "Saba Package", which among others thing stipulates that both will strive to finance structural tasks with structural resources. Per ministry it is to be assessed how to achieve this. In its response to information from the Council of State and the Interdepartmental Policy Research, the Cabinet also indicated in October 2019 that the allotment of tasks will be clarified and restructured, after which it will be evaluated whether the free allowance (vrije uitkering) fits in with the tasks for the public entities. The Cft has agreed with the Executive Council to jointly determine this further.

2019 and 2020 budgets

The fourth execution report for 2019, on which the Cft advised recently, shows a positive balance of USD 0.1 million. The draft budget for 2020, received by the Cft for advice on October 16th, 2019, is balanced. This was reached with a great deal of effort. Compared to previous years, Saba had to reduce the budgeted amounts for certain matters. For example, the budgetary item 'Contingency reserve' has been reduced from 100 thousand dollars in 2019 to 22 thousand dollars in 2020. The Cft advised Saba to add a possible surplus for 2019 to the 2020 budget. In the opinion of Cft the 2020 budget complies sufficiently with the criteria. The 2020 budget was adopted by the Island Council on November 13th and approved by the Ministry of the Interior and Kingdom Relations on December 3rd, in accordance with the advice of the Cft.

During Cft's visit to Saba on Tuesday February 18th and Wednesday February 19th, 2020, constructive meetings were held with both the Executive Council and the Island Council.

[End of Press release]

Photo:

Cft

Caption:

In the coming period several challenges have to be dealt with by Saba in collaboration with the Netherlands.

Note for the editing department – not for publication



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