



Oranjestad
October 24, 2022

Staatssecretaris Koninkrijksrelaties en Digitalisering
Alexandra van Huffelen
Ministerie van Binnenlandse Zaken

STATEN VAN ARUBA
Ingek: 24 OCT 2022
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Care of
Vertegenwoordiging van Nederland in Aruba
David Abrahams
L.G. Smith Blvd. 44
Oranjestad

Re: Rijksministerraad failure to take action on recommendation of the CAft

Dear State Secretary van Huffelen:

It is with great dismay that we observed the Rijksministerraad's decision on October 21, 2022 not to take action on the recommendation of the CAft with respect to an aanwijzing for Aruba regarding the 2022 budget.

In the Minister of Finance Aruba's letter of September 24, 2022, she suggests that there have been positive developments such as the reduction in the size of the deficit and improvements in the Debt/GDP ratio. It is however, absolutely impossible, for a government that has increased its expenditure from AWG 1.389,5 million in 2019 to AWG 1.508 million in 2022, to have contributed positively to those developments. It is important to note that in 2022 our tourism receipts have surpassed the pre-covid 2019 levels and there is no more FASE, loonsubsidie and public-sector employees are still not receiving 100% of their remuneration.

Furthermore, promised cost savings in the healthcare sector remain unrealized, introduction of a value added tax has been scrapped and Aruba continues to systematically renege on its agreements with the Netherlands. It is the position of our faction that we miss the results-oriented approach of the former State Secretary, Raymond Knops. The dilemma you face is that you are dependent on the very same system and actors that created the problem to implement the solution.

Failure to follow the recommendation of the CAft for an aanwijzing means the current Government of Aruba has been able to 'pass the bucket' of producing a surplus to the next government. Surely you will have noticed that the multi-year projections for a surplus of 1,6% in 2025, 2,1% in 2026 and 2,4% in 2027 are long after the expiry of the present government and parliament. It is remarkable that in the face of such dubious arguments and deliberate political



engineering that the Rijkswinsterraad would fail to safeguard the wellbeing of the Aruban people.

I shudder to think of the long-term damage you have caused the CAft and its credibility by refusing its carefully constructed and fiscally solid recommendation for an aanwijzing. I also cringe at your previous comments, “that the islands need not carry out reforms they do not believe in.” Those poorly chosen words have effectively led to the unraveling of the consensus rijks wetten. Any unemotional review of the COHO and RAft will conclude that they are the most effective, efficient and expedient path to sound public finances and hence sustainable nationhood.

The failure to follow the CAft’s recommendation has jeopardized, if not made impossible, Aruba’s ability to produce a surplus of 1% in 2023. The Rijkswinsterraad has permitted the Government of Aruba to utilize a windfall resulting mostly from higher receipts attributed to inflation, in lieu of meaningful structural decreases in expenditure. The untenable arguments of the Aruban government should not have prevailed, despite any alleged lobbying by our unelected Governor, who himself is sourced from deeply divisive partisan politics. Rewarding the Government of Aruba for making irresponsible and superficial decisions instead of carrying out structural reforms that address core issues is an abdication of the Rijkswinsterraad’s responsibility to ensure good governance, upon which we are dependent to achieve change.

The decision of the Rijkswinsterraad on October 21, 2022 will without question lead to the further deterioration of Aruba’s already precarious financial position. Under no circumstances can this be considered a positive achievement. On the contrary, this will indisputably lead to more difficult circumstances for the Aruban people and make the path back to sustainable public finances more challenging.

Yours sincerely,

Miguel J. Mansur
Fractie leider ACCION 21

cc: Vaste Commissie voor Koninkrijkrelaties Eerste Kamer
Vaste Commissie voor Koninkrijkrelaties Tweede Kamer
Parlamento di Aruba 