



Quarterly
Economic Bulletin
Government Sector
2024-IV

April 1, 2025



CENTRALE BANK VAN ARUBA



Cover design:

Our turtles.

They choose Aruba's beaches as a safe haven;

They choose Aruba's beaches as their breeding ground;

They connect and communicate through vocalizations and body language.

Their slow and steady pace represents resilience and endurance.

The full text of this report is available on the CBA website.

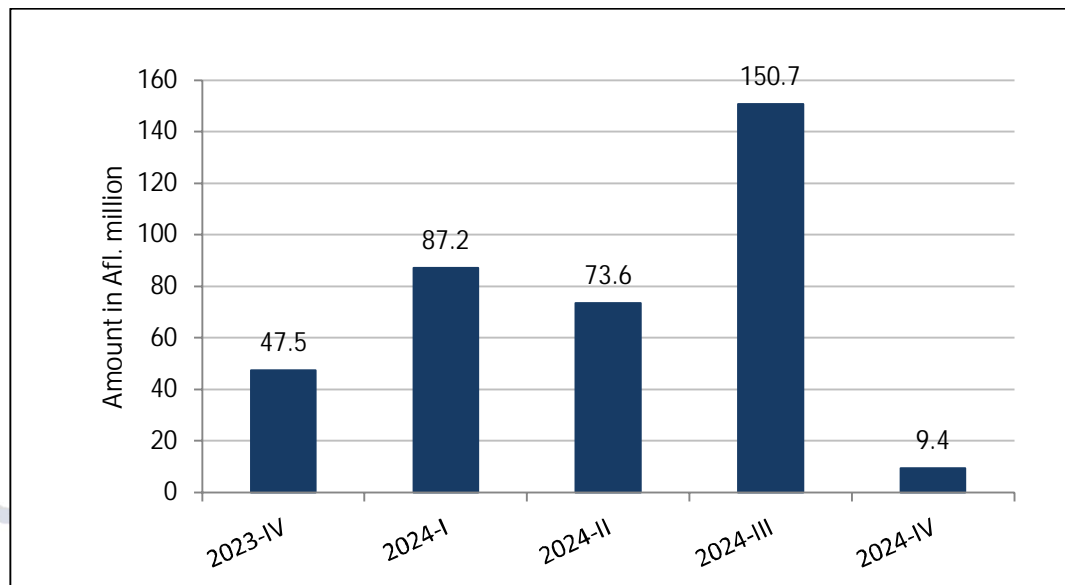
Correspondence related to this quarterly economic bulletin should be addressed to the Statistics Department of the Centrale Bank van Aruba via Website: www.cbaruba.org or E-mail: statistics.department@cbaruba.org

Government's financial surplus decreased in the fourth quarter of 2024

Quarterly economic bulletin
Results for the fourth quarter of 2024

The government's financial surplus¹ of Afl. 47.5 million in the fourth quarter of 2023 decreased to Afl. 9.4 million in the quarter under review (see chart 1). The government recorded Afl. 5,265.1 million in outstanding debt at the end of December 2024, compared to Afl. 5,563.0 million at end-December 2023.

Chart 1: Government Financial Surplus (+)/ Deficit (-) (On a cash basis)



Source: Department of Finance; Tax Collector's Office; CBA

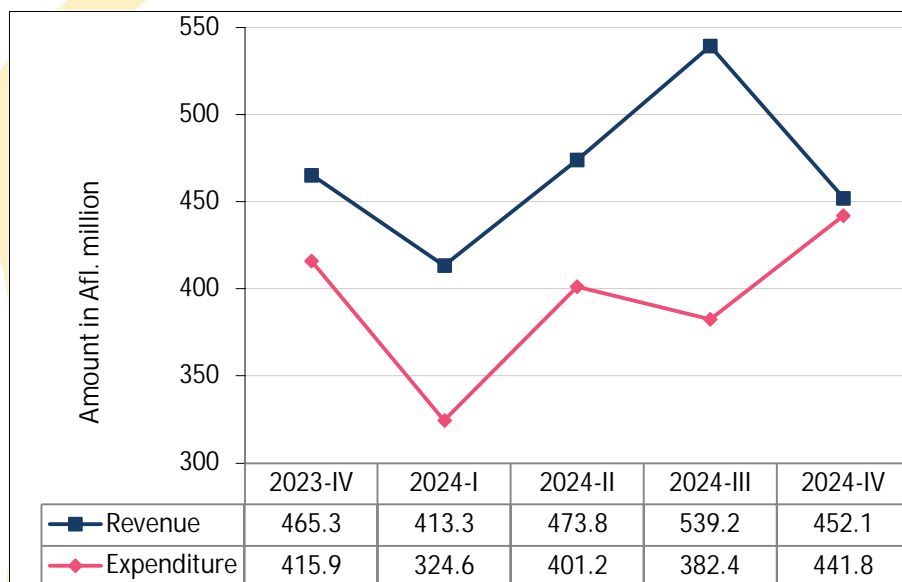
¹ The financial surplus (+)/ deficit (-) is calculated according to the compilation method of the CBA and may differ from third-party publications using an accrual method of compilation.

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Financial operations

The government's total revenue declined by Afl. 13.2 million to Afl. 452.1 million during the fourth quarter of 2024, compared to the fourth quarter of 2023 (see chart 2). This contraction resulted from decreases in both tax revenue and nontax revenue of Afl. 7.8 million and Afl. 5.4 million, respectively. The decline in tax revenue was due mainly to less income from income tax (-Afl. 47.3 million). In contrast, income from import duties (+Afl. 11.1 million), profit tax (+Afl. 8.7 million), turnover tax (+Afl. 7.7 million), wage tax (+Afl. 5.3 million), and motor vehicle fees (+Afl. 4.4 million) increased.

Chart 2: Revenue vs. Expenditure

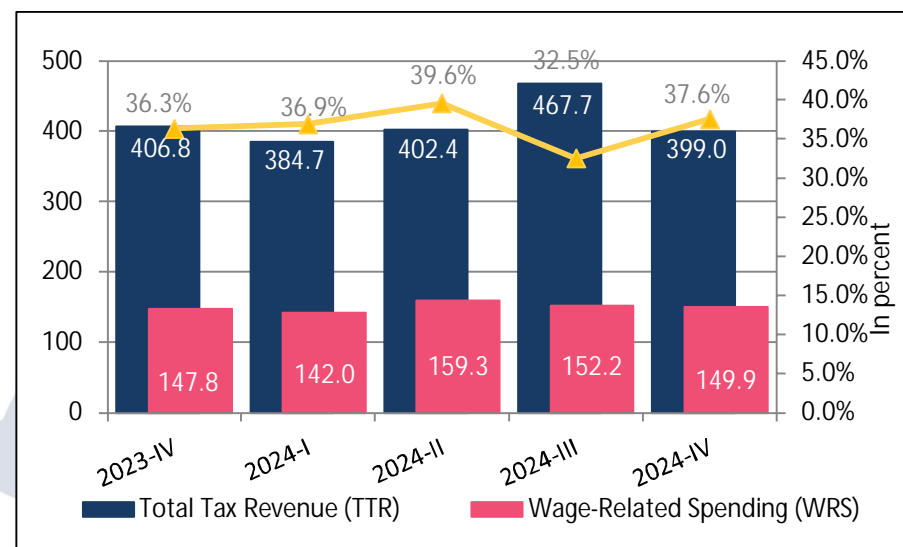


Source: Department of Finance; Tax Collector's Office; CBA.

Total government expenditure rose by Afl. 25.9 million to Afl. 441.8 million during the fourth quarter of 2024, compared to the same quarter of 2023 (see chart 2). This increase stemmed primarily from higher spending on interest (+Afl. 51.8 million). In contrast, transfer and subsidies decreased by Afl. 28.6 million.

The government's wage-related spending increased by Afl. 2.1 million to Afl. 149.9 million during the fourth quarter of 2024. In the fourth quarter of 2024, the wage-related outlays to total-tax-revenue ratio noted a growth of 1.3 percentage points to 37.6%, up from 36.3% in the fourth quarter of 2023 (see chart 3).

Chart 3: Wage-Related Spending to Total Tax Revenue Ratio (in Afl. million)



Source: Department of Finance; Tax Collector's Office; CBA.

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Outstanding debt

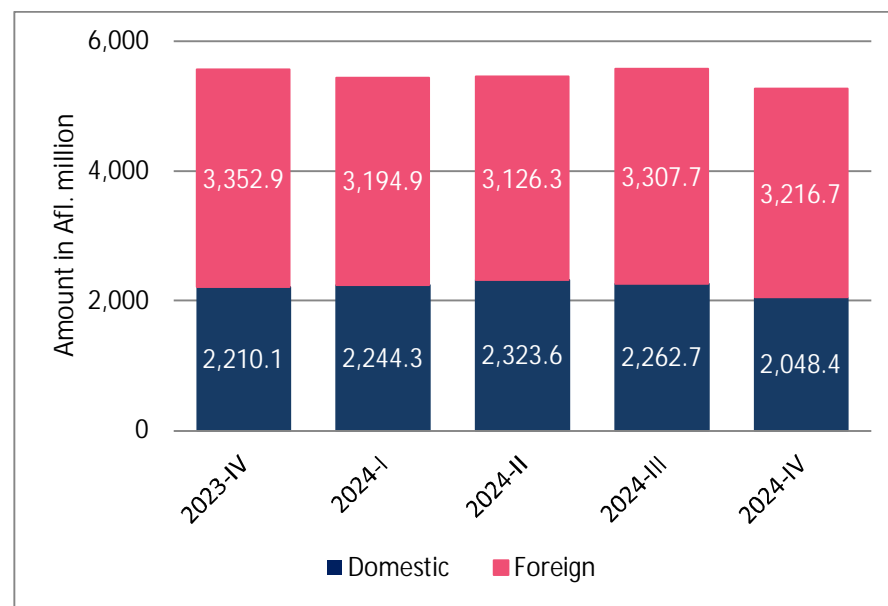
The government's total outstanding debt dropped by Afl. 297.9 million (5.4%) to Afl. 5,265.1 million at end-December 2024, compared to the end of December 2023 (see chart 4). This decline resulted from lower domestic debt (-Afl. 161.7 million) and foreign debt (-Afl. 136.2 million).

The drop in domestic debt stemmed from lower non-negotiable debt of Afl. 143.5 million and negotiable debt of Afl. 18.2 million. The decline in non-negotiable debt resulted from lower non-negotiable long-term debt (-Afl. 131.8 million) as well as lower non-negotiable short-term debt (-Afl. 11.7 million). The decrease in non-negotiable long-term debt was due to decreases in long-term liabilities to APFA (-Afl. 67.1 million) and private loans (-Afl. 63.7 million). The drop in non-negotiable short-term debt was mainly because of lower other short-term debt (-Afl. 11.5 million).

The downturn in negotiable debt was attributed to decreases in treasury bills (-Afl. 51.3 million) and cash loan certificate (-Afl. 5.0 million). In contrast, government bonds (+Afl. 38.0 million) increased.

The drop in foreign debt was mainly caused by decreases in claims of other countries (- Afl. 103.8 million) and claims of the Netherlands (-Afl. 48.3 million), and an increase in claims of the United States (+ Afl. 16.7 million).

Chart 4: Government debt



Source: Department of Finance; APFA; CBA.

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A stylized map of Aruba is shown in dark blue on the left side of the page. A thick yellow line follows the coastline of the island. The rest of the page is a light blue background. On the right side, there are silhouettes of sea turtles swimming. The background on the right also features horizontal lines, suggesting a window blind or a screen. The overall design is clean and modern.

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