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1.EDITORIAL

Om de al geruime tijd aanhoudende financieel en sociaaleconomische problemen structureel op te lossen heeft de Regering Rhuggenaath de groeistrategie en het groeiakkoord opgesteld en aangekondigd deze te zullen implementeren. Hierbij zal een gezamenlijk ("huntu") aanpak worden gevolgd omdat deze het beste rendement zal opleveren. Deze aanpak wordt door de VBC onderschreven echter zal naar haar oordeel alleen succesvol zijn indien sprake is van een coherente consistente, transparante en evenwichtige aanpak. Vooralsnog moet geconstateerd worden dat deze (nog) niet het geval is hetgeen een punt van zorg is.

De VBC is er niet van overtuigd dat het voeren van een beleid dat primair gericht is op lastenverzwaring in het algemeen en loonkostenverhogingen in het bijzonder, evenwichtig en effectief is in een situatie waar sprake is van langdurige economische krimp, toenemende werkloosheid en dalende arbeidsproductiviteit.

Verhogen van (minimum)lonen en andere “cost of doing business” componenten bij een situatie van dalende arbeidsproductiviteit is niet evenwichtig en coherent om de werkloosheid te verminderen en economische groei te bevorderen.

Loonsverhoging en tegelijkertijd aankondigen om een nulgroei in de publieke sector in te voeren is ook allesbehalve samenhangend en consistent.

Evenmin is sprake van consistentie door de lonen van de groep minimumloners te verhogen maar niet die van andere inkomensgroepen zoals de AOV'ers en onderstand gerechtigden. Een dergelijke aanpak werkt ongelijkheid en onverdraagzaamheid in de hand en schaadt het vertrouwen.

Met betrekking tot het onderdeel transparantie kan worden gesteld dat zonder adequate openheid van zaken, informatie-uitwisseling, discussie en overleg tussen de sociale partners alsmede het tijdig, consistent en eerlijk informeren van de samenleving de “huntu” aanpak illusoir zal blijven.

Op dit gebied schort er nogal wat. Zonder uitpuittend te zijn kunnen onder meer de volgende onderwerpen worden vermeld die (nog) onvoldoende en/of niet openbaar zijn gemaakt:

- Rapportages en bevindingen van de voortgangscommissie groeiakkoord;
- Adviezen IMF inzake beste alternatieven hervormingen van het belastingstelsel;
- Kwestie Girobank en het voorstel om de license fee te verhogen ter dekking van de zeer grote tekorten.
- Overeenkomst met de Klesch groep meer in het bijzonder de verkoop en/of erfpacht constructie alsook hoe de zogenaamde transitestructuur Raffinaderij gefinancierd gaat worden.
- Stand van zaken invoering van het zogenaamde “nullijn beleid” in de publieke sector. Is deze uitgesteld naar 2021?
- Kwestie ABB. Hoe ziet deze eruit en gaat de invoering daarvan inderdaad per 1 april 2020 plaatsvinden?
- Herstructurering en financiering tekorten sociale zekerheidsfondsen SVB
- Jaarrekeningen van het land en andere overheidsentiteiten en ook van private instellingen waarvoor een publicatieplicht geldt.

De VBC heeft in een tweetal brieven bij de Regering aangedrongen om aandacht te besteden aan bovenstaande onderwerpen en het financieel en sociaaleconomisch beleid en aanpak meer coherent, consistent, evenwichtig en transparant compliance te maken. Dit zal de voorspelbaarheid, de rechtszekerheid kortom het vertrouwen ten goede komen en de basis vormen voor snel herstel en toenemende welvaart.

De VBC is in afwachting op de reactie van de Regering.

2.ECONOMIE

- **Economische ontwikkelingen 2019 en vooruitzichten 2020**

Na het IMF heeft ook de Centrale Bank van Curaçao en Sint Maarten (CBCS) haar analyse en bevindingen over de economische ontwikkelingen Curaçao 2019 en de economische vooruitzichten 2020 uitgebracht.

Kort samengevat is het resultaat als volgt:

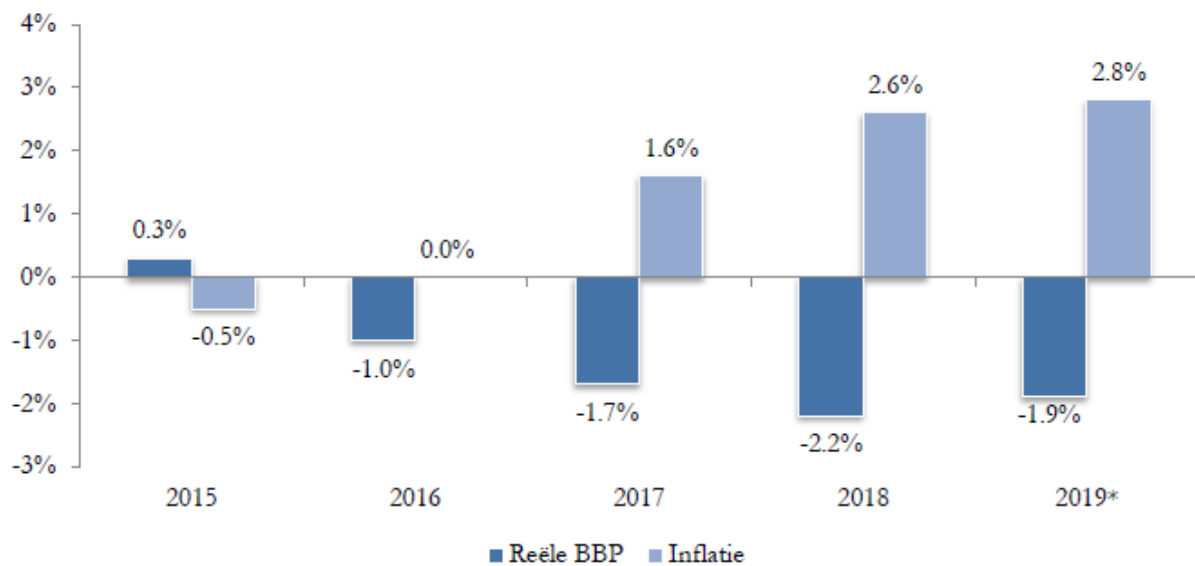
Economische ontwikkeling 2019:

Uit de meest recente schattingen van de CBCS blijkt dat het reële Bruto Binnenlands Product (BBP) van Curaçao met 1,9% kromp (IMF schat de krimp op 2%).

De inflatie steeg van 2,6% in 2018 tot 2,8% in 2019 als gevolg van een toename van de voedselprijzen en elektriciteit tarieven.

De krimp van het reële BBP in Curaçao was het gevolg van een daling van zowel de binnenlandse vraag als de netto buitenlandse vraag. Alle componenten van de binnenlandse vraag namen af, maar de daling van de particuliere consumptie was het sterkst als gevolg van een afname van het besteedbare inkomen door de hogere inflatie en de verslechterde situatie op de arbeidsmarkt. De overheidsconsumptie nam af door maatregelen om de uitgaven aan goederen en diensten en lonen en salarissen te verlagen ter vermindering van het begrotingstekort. Bovendien namen zowel de particuliere als de overheidsinvesteringen af. De netto buitenlandse vraag kromp door een afname van de exporten, gematigd door minder importen. Uit een analyse naar sector blijkt dat de krimp van het reële BBP van Curaçao voornamelijk het gevolg was van de afname van de reële toegevoegde waarde in de sectoren transport, opslag & communicatie, industrie, bouw, en groot- en kleinhandel, gematigd door een groei in de sectoren restaurants & hotels en financiële dienstverlening.

Tabel: Economische groei en inflatie

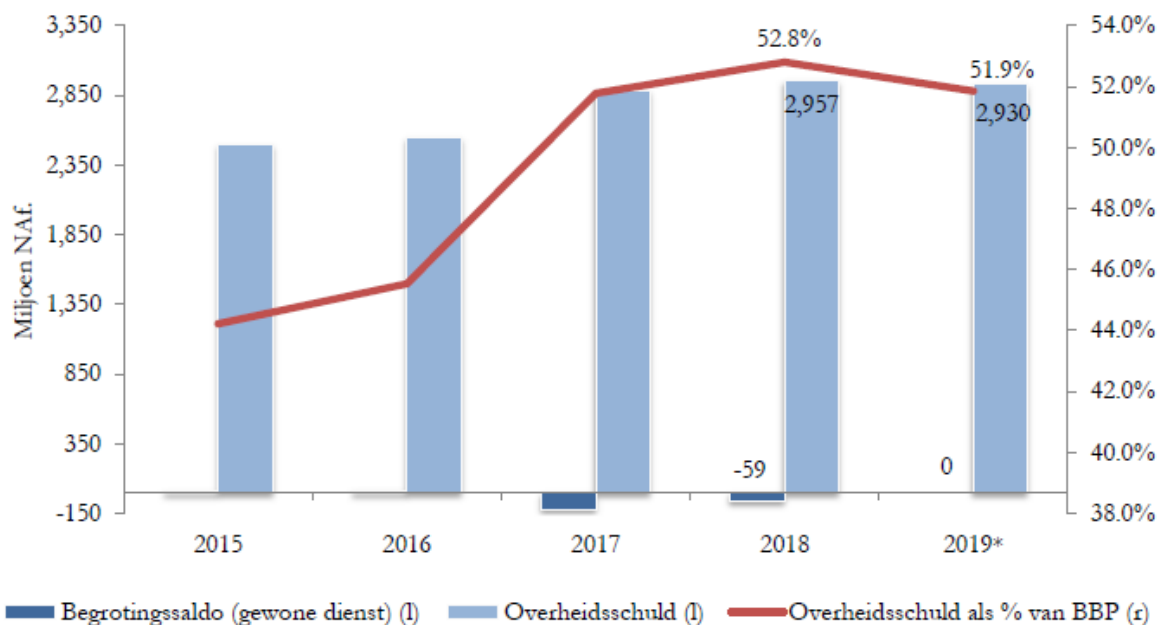


*2019 is een raming van de CBCS.

Ontwikkelingen overheidsfinanciën:

Volgens de laatste projecties wordt voor 2019 evenwicht op de begroting verwacht, na 3 jaren van tekorten. Toename van belastinginkomsten en daling van subsidies en inkomensoverdrachten liggen hieraan ten grondslag.

Tabel: ontwikkelingen openbare financiën



*Noot: 2019 is een projectie.
Bron: FMR van de overheid van Curaçao en schattingen van de CBCS.

Economische vooruitzichten 2020:

De Bank heeft twee groeiscenario's voor het BBP van Curaçao voor 2020 doorberekend:

1. In het eerste scenario, het basis-pad, wordt verondersteld dat de raffinaderij open zal blijven in 2020, maar de toegevoegde waarde zal op hetzelfde niveau blijven als in 2019. Dit komt overeen met het minimale niveau dat nodig is om alle operationele kosten, waaronder de salarissen, te kunnen dekken. Ook wordt verondersteld dat de overheid per 1 april 2020 een Algemene Bestedingsbelasting (ABB) van 15% * zal introduceren die de huidige omzetbelasting (OB) zal vervangen.
2. In het tweede scenario wordt verondersteld dat de raffinaderij per 1 januari 2020 sluit en dat de ABB van 15% * per 1 april 2020 wordt geïntroduceerd.

***de Regering heeft aan derden o.a. de SER bekend gemaakt dat de in te voeren ABB percentage 12% zal bedragen**

Tabel: groeiscenario's

	Scenario 1 (basispad)	Scenario 2
	Raffinaderij blijft open, ABB wordt op 1 april 2020 geïntroduceerd.	Sluiting van de raffinaderij, ABB wordt op 1 april 2020 geïntroduceerd.
BBP groei	-2,3%	-5,2%
Inflatie	4,0%	4,0%

Projectie CBCS.

Hoofdredeken van de verwachte economische krimp zijn de invoering van de ABB, bezuinigingen in de publieke sector en de mogelijke sluiting van de raffinaderij. Deze combinatie van factoren zal resulteren in afname van de binnenlandse consumptie als gevolg van daling van de koopkracht.

Er zijn ook een aantal risico's die de vooruitzichten voor 2020 negatiever kunnen maken o.a. de crisis in Venezuela en daaraan gekoppelde het vluchtelingenprobleem, vertragingen in de uitvoering van structurele maatregelen o.a. op het gebied van de arbeids- en kapitaalmarkt en toename administratieve lasten.

Economische kerngegevens Curaçao in miljoenen ANG

	2016	2017	2018	2019*	2020*
<i>Reële economie</i>					
BBP	5.588,9	5.578,7	5.599,0	5.649,4	5.745,4
Nominale groei (%)	-0,9	-0,1	0,4	0,9	1,7
Reële groei (%)	-1,0	-1,7	-2,2	-1,9	-2,3
Inflatie (%)	0,0	1,6	2,6	2,8	4,0
<i>Openbare financiën</i>					
Begrotingssaldo (kasbasis)	15,9	-116,8	-58,5	0,0	0,0
% BBP	0,3	-2,1	-1,0	0,0	0,0
Overheidsschuld	2.245,3	2.889,1	2.956,9	2.859,2	3.024,4
% BBP	45,5	51,8	52,8	50,6	52,6
Binnenland	257,1	542,8	618,3	459,7	459,7
% BBP	4,6	9,7	11,0	8,1	8,0
Buitenland	2.288,3	2.346,3	2.338,6	2.399,5	2.564,7
% BBP	40,9	42,1	41,8	42,5	44,6
<i>Monetair</i>					
Private kredietverlening (groei jaarbasis, %) **	-1,1	2,4	2,5	4,4	
Consumptief	1,6	4,5	0,5	-1,1	
Hypotheek	-1,4	-1,7	-3,0	-8,6	
Zakelijk	-2,9	7,6	8,4	16,1	
Overig	8,7	-18,6	14,9	94,7	

* Raming CBCS

** 2016 vergelekt juli met december en 2019 betreft september op jaarbasis.

• Ontwikkelingen betalingsbalans 2019 en vooruitzichten 2020

Volgens de ramingen van de Bank is het tekort op de lopende rekening van de betalingsbalans verder gestegen in 2019 (-1.556 ANG) vergeleken met 2018 (-1471 ANG)). Het hogere tekort is het gevolg van een daling van de netto inkomensoverdrachten, gematigd door een stijging van de netto export van goederen en diensten en een verbetering van de inkomensrekening. De daling van de netto inkomensoverdrachten uit het buitenland komt vooral door minder gelden ontvangen uit het buitenland in verband met de vorderingen van lokale verzekeringsmaatschappijen om hun cliënten in Sint Maarten uit te betalen die schade aan hun eigendommen hadden geleden door de orkanen in 2017, aangezien de meeste van deze vorderingen reeds in 2018 waren afgewikkeld.

De stijging van de netto export van goederen en diensten is het resultaat van een toename van de exporten en minder importen. De groei van de exporten kan voornamelijk worden toegeschreven aan:

- Toename deviezeninkomsten van toerisme in zowel Curaçao als Sint Maarten.
- Toename inkomsten uit scheepsreparatieactiviteiten in Curaçao na de uitbreiding met twee drijvende dokken in 2018 die de capaciteit van de scheepswerf van het eiland hebben vergroot.

Daartegenover stond daling van deviezenuitkomsten uit:

- Raffinageactiviteiten a.g.v. afname productie van de Isla raffinaderij.
- Bunkeractiviteiten a.g.v. daling van de internationale olieprijs en afname van de afzet.
- Internationale financiële dienstverlening in Curaçao a.g.v. minder trustdiensten verschaft aan het buitenland.

De daling van de importen kan voornamelijk worden toegeschreven aan minder importen van goederen en diensten in Curaçao. In het bijzonder ten aanzien van olieproducten en bouwmaterialen.

In Sint Maarten daarentegen nam de import van goederen en diensten toe door de wederopbouwwerkzaamheden op het eiland.

De inkomensrekening verbeterde als gevolg van een toename van arbeidsinkomen verdiend in het buitenland en meer rente-inkomsten ontvangen van buitenlandse beleggingen. Bovendien werd minder rente betaald aan buitenlandse beleggers. Een stijging van de dividenduitkeringen aan buitenlandse aandeelhouders heeft echter de verbetering van de inkomensrekening gematigd.

De externe financiering van de monetaire unie steeg in 2019 waardoor de internationale investeringspositie (de externe balans van de monetaire unie) verslechterde. De stijging van de externe financiering was gerelateerd aan een verslechtering van de leningen & kredietenrekening, de portfolio-investeringsrekening en de directe investeringsrekening.

Hieronder het cijfermatig overzicht van bovenstaande ontwikkelingen:

Economische kerngegevens monetaire unie Curaçao en Sint Maarten

	2016	2017	2018	2019*	2020*
<i>Betalingsbalans</i>					
Lopende rekening	-1.080,9	-1.120,3	-1.470,9	-1.555,6	-1.509,8
Kapitaalrekening	1,4	0,7	37,1	28,3	128,3
Externe financiering	1.183,8	1.004,1	997,3	1.212,0	1.167,1
Directe investeringen	241,0	628,2	-186,4	150,0	229,0
Leningen en kredieten	569,6	52,8	843,6	857,1	858,9
Portfolio investeringen	373,2	323,1	340,1	204,9	79,2
Verandering in reserves ¹⁾	187,5	-17,6	-274,4	-259,5	-73,0
Statistische verschillen	83,2	97,9	162,2	55,8	141,4
Importdekking (gemiddelde, in maanden)	5,1	5,0	4,1	4,1	3,2
<i>Monetair</i>					
Private kredietverlening** (groei jaarbasis, %)	-0,5	1,4	1,4	3,0	

* Raming CBCS

** 2016 vergelijkt juli met december en 2019 betreft september op jaarbasis.

¹⁾ Een toename wordt weergegeven met een positief teken; exclusief goud.

IMF ramingen:

Uit onderstaande tabel blijkt dat de IMF ramingen die in juni 2019 zijn gepubliceerd afwijken van die van de CBCS. De IMF cijfers zijn veelal conservatiever en somberder.

De vraag is op welke set van gegevens (die van het IMF of van de CBCS) het te voeren beleid zich het beste kan baseren. Interessant omdat de cijfers waarop deze instanties zich baseren nagenoeg dezelfde zijn.

Table 5. Curaçao and Sint Maarten: Balance of Payments, 2016-24 - Baseline Scenario
(Percent of GDP unless otherwise indicated)

	2016	2017	2018	2019	2020	2021	2022	2023	2024
			Est.	Proj.					
	(millions of U.S. dollars)								
Current account	-604	-626	-842	-1,104	-1,063	-987	-906	-895	-887
Goods and services	-468	-761	-1,329	-1,179	-1,054	-933	-838	-809	-788
Exports of goods and services	2,985	2,719	2,740	2,942	3,169	3,349	3,518	3,632	3,753
Goods	551	600	757	748	756	757	764	777	795
Services	2,434	2,119	1,982	2,194	2,413	2,592	2,754	2,855	2,959
Imports of goods and services	3,453	3,480	4,069	4,121	4,223	4,283	4,355	4,441	4,541
Goods	2,288	2,240	2,688	2,744	2,815	2,838	2,873	2,912	2,964
Services	1,165	1,241	1,382	1,377	1,409	1,445	1,482	1,529	1,577
Income	-59.6	-7.1	1.5	-17.6	-37.0	-59.1	-76.6	-93.3	-107.6
Compensation of employees	15.8	15.6	27.3	25.3	29.3	33.7	38.4	43.5	48.8
Investment income	-75.4	-22.7	-25.8	-42.9	-66.3	-92.8	-115.0	-136.7	-156.4
Current transfers	-75.8	142.3	485.7	92.8	28.7	5.8	8.4	7.5	8.2
Capital and financial account	663	560	557	805	826	895	890	921	949
Capital account	2	-2	19	18	18	18	18	18	18
Financial account	661	561	538	787	808	878	872	903	931
Direct investment	135	351	-107	185	202	219	227	234	242
Portfolio investment	208	181	190	98	101	104	107	110	113
Other investment	318	29	455	503	506	555	538	559	576
Net errors and omissions	46	56	132	0	0	0	0	0	0
Overall balance	105	-10	-153	-299	-236	-91	-16	26	62
Reserve assets	-105	10	153	299	236	91	16	-26	-62
	(percent of GDP)								
Current account	-14.4	-15.0	-20.6	-26.5	-24.8	-22.3	-19.8	-19.0	-18.2
Goods and services	-11.2	-18.3	-32.5	-28.3	-24.6	-21.1	-18.3	-17.1	-16.2
Income	-1.8	-0.5	-0.6	-1.0	-1.5	-2.1	-2.5	-2.9	-3.2
Current transfers	-1.8	3.4	11.9	2.2	0.7	0.1	0.2	0.2	0.2
Capital and financial account	15.8	13.5	13.6	19.3	19.3	20.2	19.5	19.5	19.5
Direct investment	3.2	8.4	-2.6	4.4	4.7	5.0	5.0	5.0	5.0
Portfolio investment	5.0	4.3	4.6	2.4	2.3	2.3	2.3	2.3	2.3
Other investment	7.6	0.7	11.1	12.1	11.8	12.5	11.8	11.8	11.8
Net errors and omissions	1.1	1.4	3.2	0.0	0.0	0.0	0.0	0.0	0.0
Overall balance	2.5	-0.2	-3.7	-7.2	-5.5	-2.1	-0.4	0.6	1.3
Memorandum items:									
Gross official reserves, excl. gold	1,485	1,475	1,322	1,023	786	695	679	706	767
in months of imports	5.1	4.3	3.8	2.9	2.2	1.9	1.8	1.9	2.0
over short-term debt	1.3	1.4	1.2	0.9	0.6	0.5	0.5	0.5	0.5
Gross external debt, percent of GDP	153.7	164.9	173.4	184.0	191.8	200.1	206.9	213.3	219.3
o/w: short-term debt	28.1	24.9	26.0	27.7	29.0	30.3	31.5	32.5	33.6

Sources: Centrale Bank van Curaçao en Sint Maarten, and IMF staff estimates.

Presentatie voor de Vereniging van Economen d.d. 17 januari 2020:

Op 17 januari 2020 presenteerde de CBCS voor de vereniging van economen andere cijfers met betrekking tot de betalingsbalans ontwikkelingen. Ten tijde van het uitbrengen van de outlook 2020 in december 2019 waren deze cijfers nog niet bekend hetgeen volgens de CBCS de verschillen verklaren.

Uit de presentatie voor de vereniging van economen blijkt dat het verwachte resultaat van de betalingsbalans 2019 aanzienlijk positiever zal uitvallen dan hetgeen in december 2019 is

gepresenteerd. Het oorspronkelijk verwachte tekort op de betalingsbalans 2019 van ANG 260 miljoen heeft correctie. Thans wordt verwacht dat het tekort ANG 70,9 miljoen zal bedragen (vide onderstaande tabel)



Balance of payments

(transaction basis, NAf. mln)

	2017	2018	2019*	2020*
Current account	-1,120.3	-1,470.9	-1,555,6	-1,509.8
Capital account	0.7	37.1	28.3	128.3
External financing	1,004.1	997.3	1,400.2	1,167.1
Change in reserves	-17.6	-274.4	-70.9	-73.0

- 2019 and 2020 are projections of the CBCS
- ** +sign means an increase

- **Summary of the latest adjusted corporate tax legislation Curaçao**
With the compliments of GRANT THORNTON Curaçao

On 31 December 2019, Parliament of Curaçao approved amendments proposed by the Minister of Finance to several Tax Ordinances. The main focus of the changes has been to bring the tax regimes of Curaçao in line with the standards developed by the European Union and the OECD.

Based on the amended legislation, the most impactful changes are connected to the profit tax and regard the following:

- Profit tax basis
- The territorial exemption
- Permanent establishment and permanent representative
- E-zone regime
- Substance

Additionally, important amendments have been made to the tax holiday legislation and the Minister of Finance announced that introduction of the General Expenditure Tax, which will replace the turnover tax, has been postponed until April 2020.

I PROFIT TAX

New territorial tax basis

Based on the tax law applicable until 31 December 2019, Curaçao companies are in principle subject to profit tax on their worldwide income (including foreign income). Subsequently, for certain types of income an exemption can be applied (for example: income derived from a permanent establishment abroad). Based on the amended legislation, the tax basis has been changed from a global tax basis to a territorial tax basis. This entails that only domestic profit will be taxable. Thus, non-domestic profit will no longer be included in the tax basis. In this regard passive income, such as dividend, interest, royalty and rental income which are not generated as the result of conducting an enterprise, will be qualified as domestic income. Furthermore, costs that are related to non-domestic profits will not be deductible for Curaçao profit tax purposes. For companies that receive domestic and non-domestic income, a distinction will be made between direct and indirect costs. It has been announced that a directive will be published shortly in which the definition of domestic income and the calculation of domestic profit will be clarified.

Territorial exemption regime for profit tax purposes no longer available

The territorial exemption regime came into force as per 1 July 2018 and provides an exemption for Curaçao companies that earn profit by providing services or goods to customers abroad. However, in 2019 the territorial exemption regime was reviewed by the Code of Conduct Group of the European Union and Curaçao was informed that the regime was considered a harmful tax regime and needed to be amended. As of 1 January 2020, the territorial exemption regime has been abolished.

Permanent establishment exemption no longer available

Although the permanent establishment exemption will no longer be available as per 1 January 2020, income derived from a permanent establishment abroad will in general not be considered domestic income and may remain tax exempt.

II TAX RATES AND SUBSTANCE

E-zone companies

E-zone companies were subject to a profit tax rate of 2%. As a result of the evaluation by the European Union the 2% profit tax rate will no longer be available for E-zone companies as per 1 January 2020. A grandfathering rule is applicable for companies that qualify for the E-zone regime on 31 December 2019. These companies may remain eligible for the lower profit tax rate of 2% up to and including 31 December 2022.

Introduction 3% profit tax rate

In order to stimulate certain sectors, a lower profit tax rate of 3% is introduced for companies that meet the substance requirements and conduct the following type of activities:

- . the construction or improvement of aircrafts and vessels and the carrying out of repairs and maintenance on aircrafts and vessels;
- . call-, service- or data centers insofar as they perform supportive servicing activities to companies with a turnover of at least NAf. 50 million;
- . warehousing; and
- . services provided in Curaçao to non-affiliated investment institutions and managers of investment institutions. Please note that no distinction is made between foreign and local investment institutions. Services that are excluded from this reduced profit tax rate are professional services, such as services by civil-law notaries, tax lawyers, accountants and trust office services to companies established in Curaçao.

Substance requirements

Based on the tax legislation, which was applicable until 31 December 2019, substance requirements were only applicable to companies in the E-zone and to Curaçao Investment Companies. For these companies it was required to have employees and local business expenses in line with the size and

type of activities of the company. Based on the amended legislation, the substance requirements will also be applicable to companies seeking to qualify for the reduced 3% profit tax rate and to companies receiving income that is not considered domestic income. Thus, a company that is currently receiving income that qualified for the territorial exemption (foreign source income) will need to have the appropriate substance in place as of 1 January 2020 for the income to qualify as non-domestic income. Based on the amended legislation a fine of NAf. 50,000 up to a maximum of NAf. 500,000 can be imposed to companies that do not meet the substance requirements intentionally or resulting from gross negligence. However, no fine will be imposed to entities incorporated under Curaçao law which can prove they are actually established outside Curaçao and are subject to sufficient tax in the country of residence.

III CHANGES IN DEFINITIONS

Definition of permanent establishment and permanent representative

The definition of permanent establishment and permanent representative has been amended in line with the definition as included in the OECD Model Convention and the Tax Arrangement between the Netherlands and Curaçao. One of the amendments includes the period of time activities can be performed before a place of construction, building or assembly constitutes a permanent establishment. Based on the legislation applicable until 31 December 2019, the activities are carried out through a permanent establishment if such activities exceed twelve months. Based on the amended legislation, this period is shortened to 183 days.

IV TAX HOLIDAY LEGISLATION

Based on the amended legislation, the Land Ordinance tax facilities Investments, better known as the tax holiday legislation, has as of 1 January 2020 been extended with 7 industrial branches which may qualify for a tax holiday if the applicable conditions are met. At the same time the conditions have become more stringent. The minimum amount which needs to be invested to qualify is increased to NAf. 5,000,000 and the number of qualifying employees is increased to at least 10. The profit tax rate is increased to 3% and the profit tax facility and real estate tax facility is limited to 5 years if the investment amounts to less than NAf. 10,000,000 and to 10 years if it exceeds said amount.

Requests for a tax holiday filed before 1 January 2020 will still qualify under the conditions of the existing legislation if the tax holiday decree is granted after mentioned date.

V TURNOVER TAX AND THE GENERAL EXPENDITURE TAX (“algemene bestedingsbelasting”)

Replacement turnover tax by the General Expenditure Tax

The Government intends to replace the current turnover tax legislation by a so-called General Expenditure Tax (GET). Based on the GET provision of services and import of goods will be taxed. It is expected that the legislation will contain three tariffs. In the first place the general tariff of 12%, which will be applicable on import of goods. Services provided will in principle be subject to 9% GET and the rental of immovable property for a short stay will be subject to 7% GET. The tax exemption for import of goods which are considered basic necessities of life and medicines will remain applicable.

Initially it was proposed to introduce the GET per 1 January 2020. However, it has now been announced that the introduction will be postponed to 1 April 2020.

Abolishment of settlement of turnover tax on import of trade goods

The turnover tax legislation contains a provision whereby the 9% turnover tax paid on the import of trade goods may for 50% be offset against the turnover tax charged on the sale of these goods.

Based on the legislation presented to Parliament, this facility would be abolished as of 1 January 2020. However, through a last-minute Letter of Rectification this amendment has been eliminated from the proposed legislation.

Source: Grant Thornton Curaçao

3.REPORTS

- **WEF Global risks report 2020: an unsettled world**

The World Economic Forum (WEF) recently publishes its 15th edition of the Global Risks Report.

Here is the executive summary

The world cannot wait for the fog of geopolitical and geo-economic uncertainty to lift. Opting to ride out the current period in the hope that the global system will “snap back” runs the risk of missing crucial windows to address pressing challenges. On key issues such as the economy, the environment, technology and public health, stakeholders must find ways to act quickly and with purpose within an unsettled global landscape.

An unsettled world

Powerful economic, demographic and technological forces are shaping a new balance of power. The result is an unsettled geopolitical landscape—one in which states are increasingly viewing opportunities and challenges through unilateral lenses. What were once givens regarding alliance structures and multilateral systems no longer hold as states question the value of long-standing frameworks, adopt more nationalist postures in pursuit of individual agendas and weigh the potential geopolitical consequences of economic decoupling.

Beyond the risk of conflict, if stakeholders concentrate on immediate geostrategic advantage and fail to reimagine or adapt mechanisms for coordination during this unsettled period, opportunities for action on key priorities may slip away.

Risks to economic stability and social cohesion

Recent editions of the *Global Risks Report* warned of downward pressure on the global economy from macroeconomic fragilities and financial inequality. These pressures continued to intensify in 2019, increasing the risk of economic stagnation. Low trade barriers, fiscal prudence and strong global investment—once seen as fundamentals for economic growth—are fraying as leaders advance nationalist policies. The margins for monetary and fiscal stimuli are also narrower than before the 2008–2009 financial crisis, creating uncertainty about how well countercyclical policies will work. A challenging economic climate may persist this year: according to the Global Risks Perception Survey, members of the multi stakeholder community see “economic confrontations” and “domestic political polarization” as the top risks in 2020.

Amid this darkening economic outlook, citizens’ discontent has hardened with systems that have failed to promote advancement. Disapproval of how governments are addressing profound economic and social issues has sparked protests throughout the world, potentially weakening the ability of governments to take decisive action should a downturn occur. Without economic and social stability, countries could lack the financial resources, fiscal margin, political capital or social support needed to confront key global risks.

Climate threats and accelerated biodiversity loss

Climate change is striking harder and more rapidly than many expected. The last five years are on track to be the warmest on record, natural disasters are becoming more intense and more frequent, and last year witnessed unprecedented extreme weather throughout the world. Alarming, global temperatures are on track to increase by at least 3°C towards the end of the century—twice what climate experts have warned is the limit to avoid the most severe economic, social and environmental consequences. The near-term impacts of climate change add up to a planetary emergency that will include loss of life, social and geopolitical tensions and negative economic impacts.

For the first time in the history of the Global Risks Perception Survey, environmental concerns dominate the top long-term risks by likelihood among members of the World Economic Forum’s multi stakeholder community; three of the top five risks by impact are also environmental (see Figure I, The Evolving Risks Landscape 2007–2020). “Failure of climate change mitigation and adaptation” is the number one risk by impact and number two by likelihood over the next 10 years, according to our survey. Members of the Global Shapers Community—the Forum’s younger constituents—show even more concern, ranking environmental issues as the top risks in both the short and long terms.

The Forum’s multi stakeholder network rate “biodiversity loss” as the second most impactful and third most likely risk for the next decade. The current rate of extinction is tens to hundreds of times higher than the average over the past 10 million years—and it is accelerating. Biodiversity loss has critical implications for humanity, from the collapse of food and health systems to the disruption of entire supply chains.

Consequences of digital fragmentation

More than 50% of the world’s population is now online, approximately one million people go online for their first time each day, and two-thirds of the global population own a mobile device. While digital technology is bringing tremendous economic and societal benefits to much of the global population, issues such as unequal access to the internet, the lack of a global technology governance framework and cyber insecurity all pose significant risk. Geopolitical and geo-economic uncertainty—including the possibility of fragmented cyberspace—also threaten to prevent the full potential of next generation technologies from being realized. Respondents to our survey rated “information infrastructure breakdown” as the sixth most impactful risk in the years until 2030.

Health systems under new pressures

Health systems around the world are at risk of becoming unfit for purpose. New vulnerabilities resulting from changing societal, environmental, demographic and technological patterns threaten to undo the dramatic gains in wellness and prosperity that health systems have supported over the last century. Non-communicable diseases—such as cardiovascular diseases and mental illness—have replaced infectious diseases as the leading cause of death, while increases in longevity and the economic and societal costs of managing chronic diseases have put healthcare systems in many countries under stress. Progress against pandemics is also being undermined by vaccine hesitancy and drug resistance, making it increasingly difficult to land the final blow against some of humanity’s biggest killers. As existing health risks resurge and new ones emerge, humanity’s past successes in overcoming health challenges are no guarantee of future results.

There is still scope for stakeholders to address these risks, but the window of opportunity is closing. Coordinated, multi stakeholder action is needed quickly to mitigate against the worst outcomes and build resiliency across communities and businesses

Short-Term Risk Outlook

Percentage of respondents expecting risks to increase in 2020

Multistakeholders

Geopolitical	Economic confrontations	78.5%
Societal	Domestic political polarization	78.4%
Environmental	Extreme heat waves	77.1%
Environmental	Destruction of natural ecosystems	76.2%
Technological	Cyberattacks: infrastructure	76.1%
Economic	Protectionism on trade/investment	76.0%
Societal	Populist and nativist agendas	75.7%
Technological	Cyberattacks: theft of money/data	75.0%
Economic	Recession in a major economy	72.8%
Environmental	Uncontrolled fires	70.7%

Global Shapers

Environmental	Extreme heat waves	88.8%
Environmental	Destruction of ecosystems	87.9%
Environmental	Health impacted by pollution	87.0%
Societal	Water crises	86.0%
Environmental	Uncontrolled fires	79.8%
Geopolitical	Economic confrontations	78.4%
Societal	Loss of trust in media sources	77.1%
Technological	Loss of privacy (to companies)	76.2%
Technological	Loss of privacy (to governments)	76.1%
Societal	Domestic political polarization	75.3%

■ Economic
 ■ Environmental
 ■ Geopolitical
 ■ Societal
 ■ Technological

Long-Term Risk Outlook

Top 10 risks by likelihood and impact over the next 10 years

Multistakeholders

Likelihood	Impact		
Environmental	Extreme weather	Environmental	Climate action failure
Environmental	Climate action failure	Geopolitical	Weapons of mass destruction
Environmental	Natural disaster	Environmental	Biodiversity loss
Environmental	Biodiversity loss	Environmental	Extreme weather
Environmental	Human-made environmental disasters	Societal	Water crises
Technological	Data fraud or theft	Technological	Information infrastructure breakdown
Technological	Cyberattacks	Environmental	Natural disasters
Societal	Water crises	Technological	Cyberattacks
Geopolitical	Global governance failure	Environmental	Human-made environmental disasters
Economic	Asset bubble	Societal	Infectious diseases

Global Shapers

Likelihood	Impact		
Environmental	Extreme weather	Environmental	Biodiversity loss
Environmental	Biodiversity loss	Environmental	Climate action failure
Environmental	Climate action failure	Societal	Water crises
Environmental	Natural disasters	Environmental	Human-made environmental disasters
Environmental	Human-made environmental disasters	Environmental	Extreme weather
Societal	Water crises	Geopolitical	Weapons of mass destruction
Technological	Data fraud or theft	Environmental	Natural disasters
Societal	Involuntary migration	Societal	Food crises
Societal	Social instability	Societal	Infectious diseases
Technological	Cyberattacks	Technological	Cyberattacks

■ Economic
 ■ Environmental
 ■ Geopolitical
 ■ Societal
 ■ Technological

Note: The Global Shapers Community is the World Economic Forum's network of young people driving dialogue, action and change.

Source: World Economic Forum Global Risks Perception Survey 2019-2020.

- **On-time performance results for airlines and airports 2019**

OAG is an air travel intelligence company that provides accurate, timely and actionable digital information and applications to the world's airlines, airports, government agencies and travel-related service companies.

OAG is the world's leading provider of travel data and insight. Headquartered in the UK, OAG serves the air travel community from its global network of offices situated in the UK, USA, Singapore, Japan and China.

Yearly OAG publishes its report on-time performance for airlines and airports based on full year data.

For 2019 approximately 58 million flight records data have been used to create the ranking of the best on-time performance (OTP) for the world's largest airlines and airports.

Overview of the main results 2019:

Top 20 Airlines by OTP (all categories)

Rank	Coverage	Airline name	Code	OTP 2019
1	85.8%	Garuda Indonesia	GA	95.01%
2	98.2%	Copa Airlines	CM	92.01%
3	89.8%	Skymark Airlines	BC	90.12%
4	99.1%	Hawaiian Airlines	HA	87.40%
5	94.3%	LATAM Airlines Group	LA	86.41%
6	96.6%	Aeroflot	SU	86.30%
7	89.2%	All Nippon Airways	NH	85.92%
8	94.2%	Jetstar Asia	3K	85.48%
9	98.5%	Singapore Airlines	SQ	85.32%
10	97.8%	Thai AirAsia	FD	84.49%
11	86.7%	Iberia	IB	84.06%
12	99.8%	Siberia Airlines	S7	83.88%
13	94.0%	Air Baltic	BT	83.63%
14	99.9%	Delta Air Lines	DL	83.56%
15	98.0%	Japan Airlines	JL	83.44%
16	99.7%	Sky Airline	H2	83.42%
17	93.4%	Etihad Airways	EY	83.40%
18	94.7%	Qantas Airways	QF	82.96%
19	91.8%	Jet2.com	LS	82.69%
20	92.5%	Indonesia AirAsia	QZ	82.41%

Source: OAG

Top 20 Mega Airlines by OTP

Rank	Coverage	Airline name	Code	OTP 2019
1	94.3%	LATAM Airlines Group	LA	86.41%
2	96.6%	Aeroflot	SU	86.30%
3	89.2%	All Nippon Airways	NH	85.92%
4	99.9%	Delta Air Lines	DL	83.56%
5	98.0%	Japan Airlines	JL	83.44%
6	99.8%	Alaska Airlines	AS	81.49%
7	98.6%	Air France	AF	79.92%
8	99.7%	Southwest Airlines	WN	79.40%
9	99.9%	American Airlines	AA	77.90%
10	99.3%	IndiGo	6E	77.38%
11	97.4%	SAS	SK	77.28%
12	88.3%	Turkish Airlines	TK	76.72%
13	99.9%	United Airlines	UA	76.28%
14	99.2%	British Airways	BA	76.18%
15	99.8%	Lufthansa	LH	73.98%
16	96.5%	JetBlue	B6	73.81%
17	88.4%	easyJet	U2	73.08%
18	88.3%	China Eastern Airlines	MU	72.88%
19	83.5%	Air China	CA	68.78%
20	99.8%	Air Canada	AC	66.42%

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Top 20 Mainline Airlines by OTP

Rank	Coverage	Airline name	Code	OTP 2019
1	85.8%	Garuda Indonesia	GA	93.01%
2	98.2%	Copa Airlines	CM	92.01%
3	99.1%	Hawaiian Airlines	HA	87.40%
4	94.3%	LATAM Airlines Group	LA	86.41%
5	96.6%	Aeroflot	SU	86.30%
6	89.2%	All Nippon Airways	NH	85.92%
7	99.5%	Singapore Airlines	SQ	85.32%
8	86.7%	Iberia	IB	84.06%
9	99.8%	Siberia Airlines	S7	83.88%
10	84.0%	Air Baltic	BT	83.63%
11	99.9%	Delta Air Lines	DL	83.56%
12	98.0%	Japan Airlines	JL	83.44%
13	83.4%	Etihad Airways	EY	83.40%
14	84.7%	Qantas Airways	QF	82.96%
15	99.1%	Alitalia	AZ	81.58%
16	99.8%	Alaska Airlines	AS	81.49%
17	99.8%	Air New Zealand	NZ	81.03%
18	97.2%	Qatar Airways	QR	80.32%
19	83.1%	Malaysia Airlines	MH	80.19%
20	98.6%	Air France	AF	79.92%

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Top 20 Low cost carriers by OTP

Rank	Coverage	Airline name	Code	OTP 2019
1	89.9%	Skymark Airlines	BC	90.12%
2	94.2%	Jetstar Asia	3K	85.48%
3	87.8%	Thai AirAsia	FD	84.48%
4	99.7%	Sky Airline	H2	83.42%
5	91.8%	Jet2.com	LS	82.89%
6	92.5%	Indonesia AirAsia	QZ	82.49%
7	80.4%	CITILink Indonesia	QG	81.47%
8	92.6%	SunExpress	XQ	80.59%
9	99.6%	Azul Airlines	AD	80.40%
10	98.4%	Eurowings	EW	80.20%
11	88.7%	Pegasus Airlines	PC	79.74%
12	86.1%	AirAsia	AK	79.45%
13	100.0%	Spirit Airlines	NK	79.42%
14	99.7%	Southwest Airlines	WN	79.40%
15	98.9%	Westjet	WS	78.98%
16	99.5%	Allegiant Air	G4	78.97%
17	82.1%	Transavia	HV	78.88%
18	95.4%	GOL Linhas Aereas	G3	78.04%
19	99.3%	Indigo	6E	77.38%
20	95.9%	Go Air	G8	76.76%

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By Region: Latin American Airlines by OTP

Rank	Coverage	Airline name	Code	OTP 2019
1	98.2%	Copa Airlines	CM	92.01%
2	94.3%	LATAM Airlines Group	LA	86.41%
3	99.7%	Sky Airline	H2	83.42%
4	99.6%	Azul Airlines	AD	80.40%
5	84.0%	Aerolineas Argentinas	AR	79.26%
6	98.9%	Aeromexico	AM	78.95%
7	95.4%	GOL Linhas Aereas	G3	78.04%
8	87.6%	Avianca	AV	76.63%
9	96.0%	Volaris	Y4	75.61%
10	92.6%	Caribbean Airlines	BW	74.95%

By Region: North American Airlines by OTP

Rank	Coverage	Airline name	Code	OTP 2019
1	99.1%	Hawaiian Airlines	HA	87.40%
2	99.9%	Delta Air Lines	DL	83.56%
3	99.8%	Alaska Airlines	AS	81.49%
4	100.0%	Spirit Airlines	NK	79.42%
5	99.7%	Southwest Airlines	WN	79.40%
6	98.9%	Westjet	WS	78.98%
7	99.5%	Allegiant Air	G4	78.97%
8	99.9%	American Airlines	AA	77.90%
9	99.9%	United Airlines	UA	76.29%
10	96.5%	JetBlue	B6	73.81%

By Region: Europe Airlines by OTP

Rank	Coverage	Airline name	Code	OTP 2019
1	84.3%	Azerbaijan Airlines	J2	86.81%
2	96.6%	Aeroflot	SU	86.30%
3	86.7%	Iberia	IB	84.06%
4	99.8%	Siberia Airlines	S7	83.88%
5	94.0%	Air Baltic	BT	83.63%
6	91.8%	Jet2.com	LS	82.69%
7	99.1%	Alitalia	AZ	81.59%
8	92.6%	SunExpress	XQ	80.51%
9	98.4%	Eurowings	EW	80.20%
10	98.6%	Air France	AF	79.92%

AIRPORTS

Small Airports by OTP

2,5-5 mln departing seats per annum

Rank	Coverage	Airport name	Code	OTP 2019
1	81.7%	Minsk	MSQ	82.60%
2	91.0%	San Salvador	SAL	86.20%
3	93.1%	Milan Linate	LIN	85.84%
4	80.1%	Kaohsiung	KHH	85.78%
5	91.7%	Tenerife North	TFN	85.37%
6	99.9%	Boise	BOI	85.34%
7	85.8%	Kuching	KCH	84.75%
8	93.1%	Guayaquil	GYE	83.97%
9	95.7%	Durban	DUR	83.59%
10	99.6%	Reno	RNO	83.46%
11-	92.6%	Fortaleza	FOR	83.34%
11-	96.6%	Kagoshima	KOJ	83.34%
13	83.2%	Wellington	WLG	83.28%
14	98.6%	Stavanger	SVG	83.13%
15	92.6%	Palermo	PMO	83.06%
16	88.1%	Quito	UIO	82.96%
17	99.0%	Bergen	BGO	82.73%
18	88.3%	Cunhua	CWB	82.49%
19	85.1%	Christchurch	CHC	82.39%
20	96.4%	Malta	MLA	82.33%

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Medium Airports by OTP

5 -10 mln departing seats per annum

Rank	Coverage	Airport name	Code	OTP 2019
1	98.2%	Panama City	PTY	92.21%
2	92.5%	Cape Town	CPT	84.60%
3	93.2%	Ankara	ESB	84.43%
4	84.1%	Perth	PER	83.55%
5	95.0%	Santa Ana	SNA	82.94%
6	98.9%	Sacramento	SMF	82.77%
7	99.1%	Recife	REC	82.64%
8	87.0%	Adelaide	ADL	82.42%
9	96.7%	Rio de Janeiro	GIG	82.06%
10	96.5%	Belo Horizonte	CNF	81.53%
11	80.4%	Kota Kinabalu	BNK	81.49%
12	96.9%	San Antonio	SAT	81.20%
13	86.6%	Pittsburgh	PIT	81.04%
14	99.8%	Kansas City	MCI	80.95%
15	98.8%	Rio de Janeiro Santos Dumont	SDU	80.91%
16	93.1%	Gran Canaria	LPA	80.78%
17	99.9%	Columbus	CMH	80.64%
18	99.8%	Indianapolis	IND	80.47%
19	86.7%	Buenos Aires	EZE	80.21%
20	91.3%	Edmonton	YEG	79.88%

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Large Airports by OTP

10-20 mln departing seats per annum

Rank	Coverage	Airport name	Code	OTP 2019
1	89.7%	Osaka Itami	ITM	88.03%
2	94.2%	St Petersburg Pulkovo	LED	87.16%
3	82.4%	Honolulu	HNL	86.82%
4	97.7%	Brasilia	BSB	85.40%
5	99.9%	Salt Lake City	SLC	85.38%
6	91.5%	Santiago	SCL	84.96%
7	98.4%	Portland	PDX	84.68%
8	88.7%	Sapporo New Chitose	CTS	84.06%
9	86.4%	Lima	LIM	83.15%
10	89.8%	Johannesburg	JNB	83.01%
11	99.4%	San Jose	SJC	82.73%
12	97.7%	São Paulo-Congonhas	CGH	82.21%
13	96.1%	Brisbane	BNE	81.99%
14	89.2%	Abu Dhabi	AUH	81.45%
15	98.8%	Washington Dulles	IAD	81.00%
16	97.5%	Copenhagen	CPH	80.90%
17	97.5%	Calgary	YYC	80.72%
18	99.7%	San Diego	SAN	80.59%
19	99.8%	Austin-Bergstrom	AUS	80.12%
20	99.7%	Philadelphia	PHL	79.61%

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Major airports by OTP 20-30 mln departing seats per annum

Rank	Coverage	Airport name	Code	OTP 2019
1	94.2%	Istanbul Sabiha Gokcen	SAW	83.42%
2	95.3%	Minneapolis/St Paul	MSP	83.27%
3	99.8%	Detroit	DTW	83.08%
4	91.5%	Sao Paulo Guarulhos	GRU	81.39%
5	99.7%	Charlotte	CLT	80.70%
6	95.3%	Phoenix	PHX	80.28%
7	98.7%	Miami	MIA	80.22%
8	95.5%	Doha	DOH	80.21%
9	99.2%	Houston	IAH	79.25%
10	95.8%	Las Vegas	LAS	79.12%
11	92.7%	Tokyo Narita	NRT	78.61%
12	88.9%	Bangkok Don Mueang	DMK	78.31%
13	96.8%	Roma Fiumicino	FCO	77.00%
14	98.7%	Orlando	MCO	76.83%
15	82.3%	Vienna	VIE	76.00%
16=	97.7%	Boston	BOS	75.11%
16=	97.9%	Fort Lauderdale	FLL	75.11%
18	96.2%	Sydney	SYD	74.05%
19	90.8%	Melbourne	MEL	73.75%
20	97.7%	Zurich	ZRH	71.67%

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Mega Airports by OTP >30 mln departing seats per annum

Rank	Coverage	Airport name	Code	OTP 2019
1	84.9%	Moscow Sheremetyevo	SVO	86.87%
2	92.0%	Tokyo Haneda	HND	86.60%
3	94.2%	Singapore Changi	SIN	84.03%
4	99.4%	Atlanta	ATL	83.74%
5	99.2%	Seattle	SEA	80.27%
6	96.8%	Madrid	MAD	79.92%
7	96.8%	Los Angeles	LAX	79.82%
8	96.0%	New York JFK	JFK	77.87%
9	87.3%	Denver	DEN	76.93%
10	96.3%	Dallas/Fort Worth	DFW	76.78%
11	83.3%	Hong Kong	HKG	76.44%
12	87.7%	Istanbul Ataturk	IST	76.16%
13	82.7%	London Heathrow	LHR	75.27%
14	86.5%	Kuala Lumpur	KUL	75.04%
15	94.9%	Munich	MUC	74.97%
16	85.2%	Seoul Incheon	ICN	74.95%
17	96.8%	Chicago O'Hare	ORD	74.93%
18	96.6%	San Francisco	SFO	74.59%
19	91.4%	Taipei	TPE	73.81%
20	83.7%	Paris CDG	CDG	73.67%

--- OAG

Source: OAG Aviation Worldwide Limited

4.(Nieuwe)Wetgeving op sociaaleconomisch gebied

Beknopt overzicht recente (initiatief) wetsvoorstellen/aanpassingen op sociaaleconomisch gebied welke door de Regering dan wel als initiatief ontwerp van de Staten aan de wetgevende macht ter behandeling zijn aangeboden en waar de SER advies over dient uit te brengen (periode december 2019-januari 2020).

In de verslagperiode hebben de Regering en de Staten geen ontwerp verordeningen ter advisering aan de SER aangeboden.

5.ECONOMIC INDICATORS

Foreign Exchange Position (x mln)	Dec 2019 : NAf 2,295
definition IMF	Dec 2018 : NAf 2,366
Import coverage (months)	Dec 2019 : 4.0

Consumer Price Index (Oct 2006 = 100)	Nov 2019 : 133.7
	Nov 2018 : 130.0
	Change : 2,8%
Average inflation past 12 months	: 2,7%

Population and Employment		
Curaçao	2019	2018
Total population	158,665	160,012
Employed population	57,634	60,729
Unemployed population	15,464	9,424
Labor Force	71,097	70,193
Unemployment rate	21.2%	13.4%

Stay over tourism no of visitors	Nov 2019 year to date :419,125
	Nov 2018 year to date :384,651
	Change : 9%

Cruise tourism no. of passengers	Nov 2019 year to date: 681,079
	Nov 2018 year to date: 659,366
	Change: 3%

Stay over nights	Nov 2019 year to date: 3,682,528
	Nov 2018 year to date: 3,469,488
	Change: 6%

Shipping	Jan - July 2019	Jan – July 2018
Freight	445	448
Tanker	123	212
Cruise	180	173
Others	225	229

	Jan- June 2019	Jan- June 2018
Cargo movements, metric tons		
Unloaded	291,605	300,320
Loaded	112,234	106,121

	Aug 2019	Aug 2018
Total companies Commercial Register		
Local	28,427	27,522
International	10,434	11,553
Total	38,861	39,075

Source: Centrale Bank van Curaçao en Sint Maarten, Central Bureau of Statistics, Curaçao Tourism Development Foundation, Curaçao Port Authority, MEO, CHATA, Chamber of Commerce Curaçao

