

INTERNATIONAL MONETARY FUND
KINGDOM OF THE NETHERLANDS—ARUBA

Selected Issues and Statistical Appendix

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Approved by the European Department

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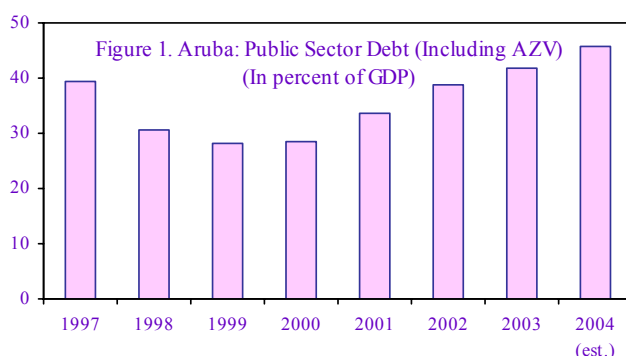
I. LONG-RUN GROWTH AND FISCAL SUSTAINABILITY IN ARUBA¹

A. Introduction

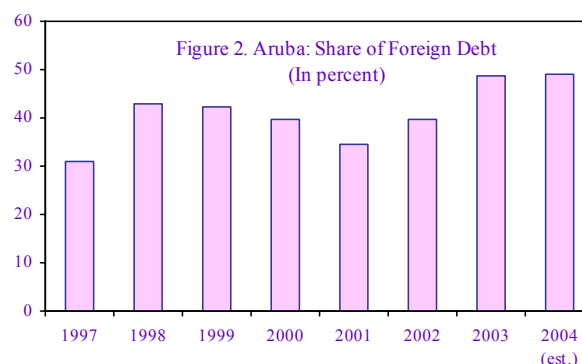
1. **This paper assesses medium- and long-term fiscal trends in Aruba.** Aruba's fiscal position has been deteriorating since the turn of the century, and the medium-term fiscal sustainability analysis shows a continuous weakening ahead of population aging. The long-term projections, partly because of the weak starting fiscal position, indicate an even bigger problem. If immigration is stopped and labor productivity growth remains as low as in the past decade, the population will begin to age rapidly, and economic growth will drop to below ½ percent a year by 2020. This, combined with the consequent rapid increase in pension spending, will make public finances unsustainable.

B. Recent Fiscal Developments

2. **Public debt has been increasing rapidly since 2000** (Figure 1). From about 28½ percent of GDP in 1999–2000, public debt, including the health care fund (AZV) (hereafter, public debt), reached an estimated 45.9 percent of GDP at end-2004. Besides persistently high deficits, payments on guarantees, amounting to 6 percent of GDP (or \$120 million) in 2003, have also contributed to the rapid growth in public debt.² To meet its financing needs, the government has increasingly resorted to foreign borrowing on commercial terms. The share of foreign debt at end-2004 is estimated to have reached almost 50 percent (Figure 2).



Sources: Central Bank of Aruba (CBA); and IMF staff estimates.

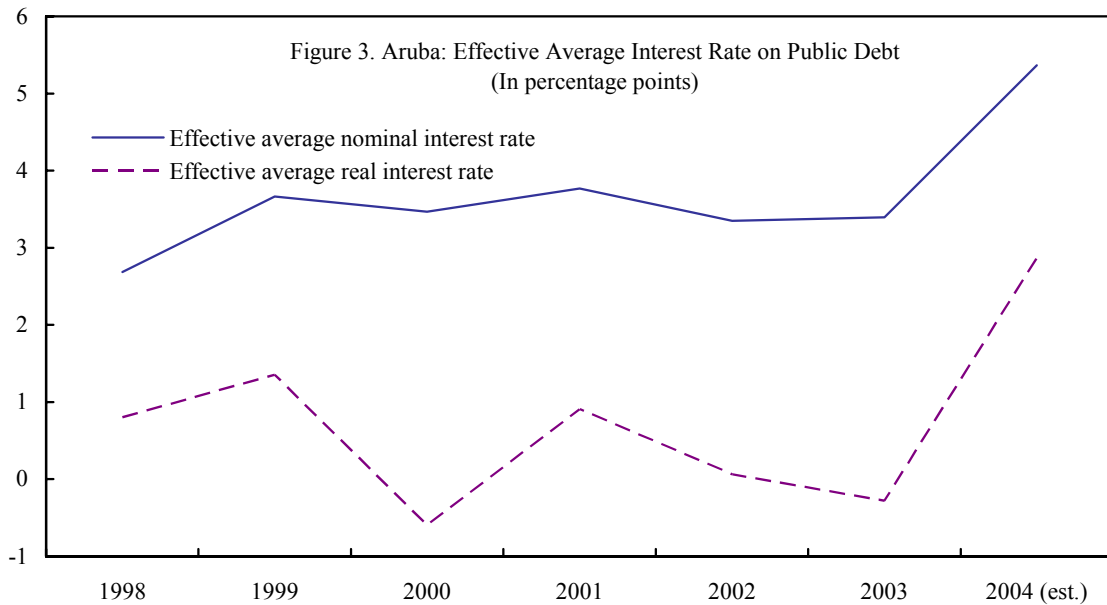


Sources: CBA; and IMF staff estimates.

¹ Prepared by Céline Allard.

² The stock of existing guarantees—previously issued to support the nascent tourism industry—is now close to zero, as the government stopped granting new guarantees to hotels in 1995; however, called guarantees under litigation still amounted to 3.6 percent of GDP at the end of 2004.

3. **The cost of public borrowing has been low but is likely to increase rapidly in the medium term.** Though Aruba has a high income level, a significant part of its public debt—from the European Investment Bank and the Netherlands—is still on concessional terms. Moreover, domestic state-owned public utilities lend at low rates to the government, and arrears that bear no interest reached about 8 percent of GDP in 2003. As a result, the effective average interest rate remained close to zero in real terms in 2003 (Figure 3). With a shift to commercial loans in external borrowing and the conversion of arrears into interest-bearing loans, the interest charges started to increase in 2004.³ A comparison with other similarly rated (BBB) countries shows that interest costs are likely to rise further in the medium term as the share of public debt carrying commercial rates continues to increase (Table 1). In 2003, the average real interest rate paid on Aruba’s public debt was -0.3 percent; the same rate reached 1.6 percent in Thailand and 4.7 percent in South Africa. This means that, had Aruba paid real interest rates equal to those of Thailand (South Africa), the interest payments would have amounted to 1.9 (3.1) percent of GDP, instead of the actual 1.2 percent of GDP.



Sources: CBA; and IMF staff estimates.

³ For example, in December 2004, all arrears by the government to the civil servant pension fund, APFA, (6.7 percent of GDP) were transformed into government loans and bonds with an interest rate of 6.7 percent in nominal terms.

Table 1. Aruba: Comparison of Interest Payments
with Other BBB-Rated Countries, 2003

| | Aruba | Countries with Same Rating (BBB) from Fitch | |
|--|-------|--|--------------|
| | | Thailand | South Africa |
| Implicit nominal interest rate (percent) | 3.4 | 3.4 | 10.5 |
| Inflation (percent) | 3.7 | 1.8 | 5.8 |
| Implicit real interest rate (percent) | -0.3 | 1.6 | 4.7 |
| Actual interest payments in 2003 (in percent of GDP) | 1.2 | | |
| Aruba's interest costs assuming the real interest rates of Thailand or South Africa in 2003 (in percent of GDP) | | 1.9 | 3.1 |

Sources: CBA; IMF staff reports; and IMF staff calculations.

4. **Aruba's vulnerability to large shocks and the sensitivity of its fiscal performance to economic fluctuations point to the need for a more conservative policy on debt accumulation.** While Aruba's average growth and fiscal deficit over the cycle seem broadly similar to those of regions with similar income levels, like the euro area, the standard deviation is about three times higher (Table 2). Consequently, debt limits used in other countries, like the Maastricht criterion of 60 percent of GDP, to which the authorities frequently refer, are not applicable to Aruba.

Table 2. Aruba: GDP Growth Rate and Public Deficit for Aruba and the Euro Area

| | Peak of Cycle | Bottom of Cycle | Average | Standard Deviation |
|---|---------------------|---------------------|--------------------------|-----------------------|
| GDP growth rate (in percent) | | | | |
| Aruba | <u>1997</u> 7.8 | <u>2002</u> -2.5 | <u>1997-2003</u> 2.5 | 3.8 |
| Euro area | <u>2000</u> 3.5 | <u>2003</u> 0.5 | 2.1 | 1.1 |
| Fiscal deficit (in percent of GDP) | | | | |
| Aruba | <u>1998</u> 1.0 | <u>2001</u> -4.1 | <u>1997-2003</u> -1.8 | 2.1 |
| Euro area | <u>2000</u> -0.9 | <u>2003</u> -2.8 | <u>1998-2003</u> -1.9 | 0.7 |

Sources: CBA; IMF staff reports; and IMF staff calculations.

C. Medium-Term Fiscal Trends

5. **Under unchanged policies, public debt is projected to increase rapidly in the medium term.**⁴ Reflecting increasing borrowing costs, the overall deficit is set to widen further, from 5¼ percent of GDP in 2005 to 6½ percent in 2009. As a result, public debt is projected to soar to over 60 percent of GDP in 2009, from about 42 percent in 2003 (Table 3).

Table 3. Aruba: Medium-Term Fiscal Framework Under Unchanged Policies

(In percent of GDP)

| Unchanged policies | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 |
|---------------------------------|------|------|------|------|------|------|------|
| Revenues | 22.3 | 22.2 | 21.9 | 21.6 | 21.5 | 21.4 | 21.3 |
| Expenditures | 25.0 | 26.6 | 26.2 | 26.3 | 26.5 | 26.7 | 27.0 |
| Current noninterest expenditure | 22.5 | 23.2 | 22.6 | 22.5 | 22.3 | 22.2 | 22.1 |
| Interest | 1.2 | 1.7 | 2.0 | 2.2 | 2.5 | 2.9 | 3.3 |
| Capital expenditure | 1.2 | 1.7 | 1.7 | 1.6 | 1.6 | 1.6 | 1.6 |
| Central government balance | -2.6 | -4.4 | -4.4 | -4.7 | -5.0 | -5.3 | -5.6 |
| AZV balance | -0.9 | -1.0 | -0.9 | -0.9 | -0.9 | -0.9 | -0.9 |
| Balance, including AZV | -3.5 | -5.5 | -5.2 | -5.6 | -5.8 | -6.2 | -6.5 |
| Debt | 41.7 | 45.9 | 48.6 | 51.6 | 54.6 | 58.1 | 61.7 |

Sources: CBA; and IMF staff projections.

6. **The results for alternative scenarios reveal major vulnerabilities** (Figure 4):

- **The most important risk appears to stem from real shocks.** Assuming that GDP growth is lowered to -4.7 percent per year in 2005–06, two standard deviations below the historical average, debt is projected to reach 90 percent of GDP by 2009 (Table 4).
- **A recession similar to the one Aruba experienced in 2001–02 would also substantially increase public debt.** In this scenario, (i) the growth rate is assumed to drop by one standard deviation in 2005–06 (to -0.3 percent in 2005 and -1.2 percent in 2006);⁵ (ii) as in 2001, the revenue-to-GDP ratio is assumed to drop by 1 percentage point for two years and to recover by only ½ percentage point afterward, as the result of tax base erosion; and (iii) interest rates are permanently higher by 200 basis points, reflecting the increase in risk premium likely to be requested by foreign investors in such circumstances. Under these

⁴ The assumptions underlying this central scenario include a stable tax revenue ratio, the disbursement of Dutch grants according to the schedule agreed upon with the authorities, current spending in line with GDP, stable capital spending, a marginal improvement in the AZV deficit, and a gradual increase of interest rates to international levels.

⁵ In the 2001–02 recession, Aruba recorded growth rates of -0.7 percent in 2001 and -2.6 percent in 2002.

assumptions, debt would reach 77 percent of GDP in 2009, some 16 percentage points higher than in the baseline scenario (Figure 4).

Table 4. Aruba: Bounds Test Analysis

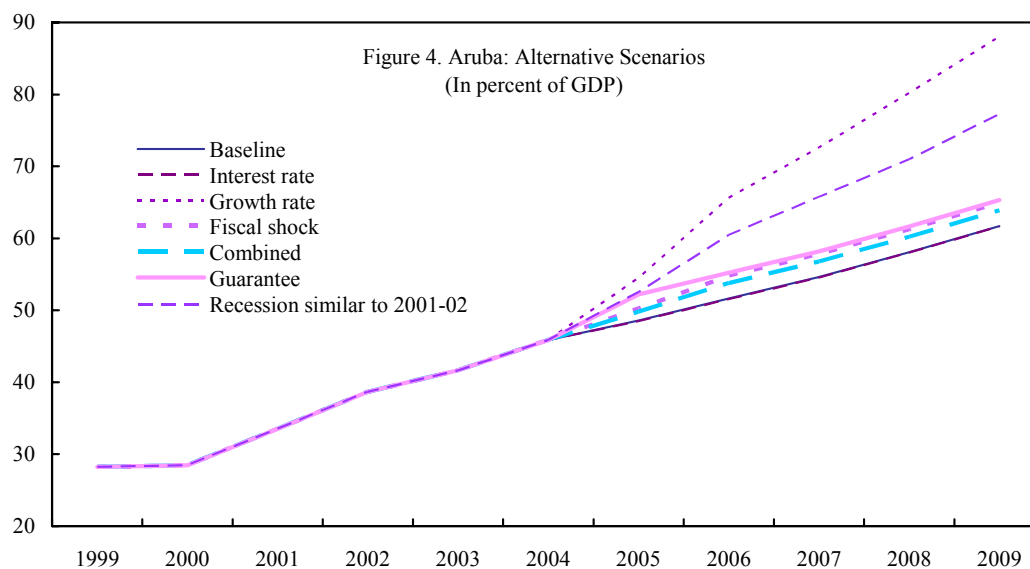
| | Average 2004-09 | | | Debt (in percent of GDP) | |
|--|----------------------|------------|------------------------|--------------------------|-------------|
| | Real interest | Real GDP | Primary Deficit | In 2004 | In 2009 |
| | Rate (In percent) | Growth | (In percent of GDP) | | |
| Average 1997-2003 | 0.4 | 2.3 | 0.8 | | |
| Baseline scenario | 2.3 | 2.7 | 3.3 | 45.9 | 61.7 |
| Alternative scenarios | | | | | |
| Interest rate shock 1/ | 2.2 | 2.7 | 3.3 | 45.9 | 61.7 |
| Growth rate shock 2/ | 2.3 | 0.2 | 6.4 | 45.9 | 88.1 |
| Fiscal shock 2/ | 2.3 | 2.7 | 3.9 | 45.9 | 64.9 |
| Combination of three shocks 3/ | 2.0 | 1.4 | 3.2 | 45.9 | 63.9 |
| All called guarantees still under litigation become payable in 2005 | 2.3 | 2.7 | 3.3 | 45.9 | 65.3 |

Sources: CBA; and IMF staff estimates.

1/ Historical average (over 1997-2003) plus two standard deviations in 2005-06.

2/ Historical average (over 1997-2003) minus two standard deviations in 2005-06. The primary balance is the variable modified in the fiscal shock.

3/ Historical average is augmented or decreased by only one standard deviation.



Source: IMF projections.

D. Long-Term Fiscal Trends and the Impact of Aging

7. **The rapid population growth of the 1990s may not be sustainable in the future.** Since it gained *status aparte* in 1986, Aruba has relied on immigration to meet the labor

demand in its booming tourism industry. The resulting increase in population (from 66,700 in 1991 to 90,500 in 2000 and 95,000 in 2003) made Aruba the second most densely populated island in the Caribbean (after Barbados), leading to problems in the housing market and in the provision of water, electricity, and telecommunications.⁶ The government tightened its immigration legislation in June 2002 and intends to rely more on short-term foreign contractors while phasing out permanent immigration.

8. **If immigration is halted, however, Aruba’s population will age rapidly over the next 25 years.** Extending population projections of the CBS, which assume zero net immigration and run until 2016, and using mortality and fertility rates derived from the 2000 census, staff projects the share of old people (above 60 years old) in the total population to double over the next 25 years, from 11–12 percent currently to 22 percent in 2030.⁷ As a result, the dependency ratio⁸ of the pay-as-you-go pension fund would drop from 5.7 in 2005 to 2.7 in 2030 (Table 5).

Table 5. Aruba: Population Projections to 2030
Under the No-Immigration Assumption

| Year | Total Population | Share in Total Population (In percent) | | | Dependency Ratio (In percent) |
|------|------------------|--|-----------|---------------|-------------------------------|
| | | Age 0-15 | Age 16-59 | Age 60 & over | |
| 2001 | 91,871 | 22.7 | 66.3 | 11.0 | 6.0 |
| 2003 | 95,033 | 21.6 | 67.1 | 11.2 | 6.0 |
| 2004 | 95,288 | 21.4 | 67.0 | 11.5 | 5.8 |
| 2005 | 95,543 | 21.2 | 67.0 | 11.8 | 5.7 |
| 2009 | 97,046 | 20.0 | 66.7 | 13.3 | 5.0 |
| 2011 | 97,878 | 19.3 | 66.6 | 14.1 | 4.7 |
| 2016 | 99,428 | 18.0 | 65.0 | 16.9 | 3.8 |
| 2021 | 98,670 | 18.2 | 62.7 | 19.1 | 3.3 |
| 2026 | 97,323 | 18.4 | 59.9 | 21.6 | 2.8 |
| 2030 | 95,830 | 18.7 | 59.1 | 22.1 | 2.7 |

Sources: CBS; and IMF staff projections.

9. **The projected decline in the labor force, combined with the existing productivity trends, would slow economic growth dramatically in the long run.** Over 1991–2000, despite a solid average growth rate of 4.9 percent, labor productivity increased by only 0.9 percent annually, reflecting the large share of the tourism industry, where the labor force is predominantly low-skilled. Assuming an unchanged economic structure and the projected

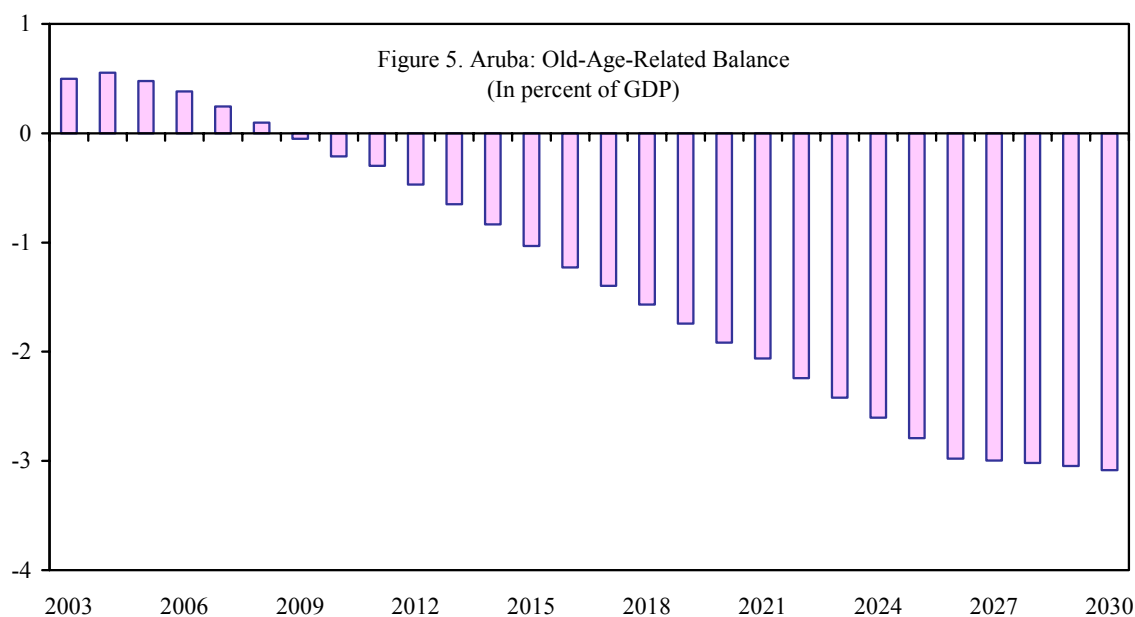
⁶ Central Bureau of Statistics (CBS) of Aruba, 2002, “The People of Aruba, Continuity and Changes” (Census 2000 Special Reports, February).

⁷ The recent waves of immigrants were concentrated in the early-working-age cohort. This large generation, now in its 30s to early 40s, will retire over the next 25 years.

⁸ The dependency ratio is the ratio of contributors to beneficiaries.

decline in the labor force, annual growth rates are projected to drop to about $\frac{3}{4}$ percent in 2015, close to 0 in 2020, and to $\frac{1}{4}$ percent afterward.

10. **With such population and growth trends, the financial position of the universal pension system would deteriorate significantly in the long run.** Aruba's General Old Age Pension Scheme (AOV), a pay-as-you-go system, provides flat benefits to all citizens over the age of 60 that currently amount to about 25 percent of per-worker GDP.⁹ The contribution rate is 13.5 percent, but insurable earnings are capped, resulting in an average effective rate on the overall payroll of just below 5 percent. Assuming that pension benefits are indexed to inflation plus half of the labor productivity gains, and assuming no change in the pension legislation, AOV's current surplus would turn into deficit by 2009 and would reach 3 percent of GDP by the second half of the 2020s (Figure 5).



Sources: Aruba Social Insurance Bank (SVB); and IMF staff calculations.

11. **In the absence of corrective measures, this would lead to an escalation of public debt over the next 25 years** (Table 6 and Figures 6 and 7). Beyond the medium-term horizon previously discussed, the additional 3 percent or so of old-age-related spending would put public finances on an unsustainable path, and the explosion of both interest costs and debt would make a sharp adjustment in the fiscal position inevitable.

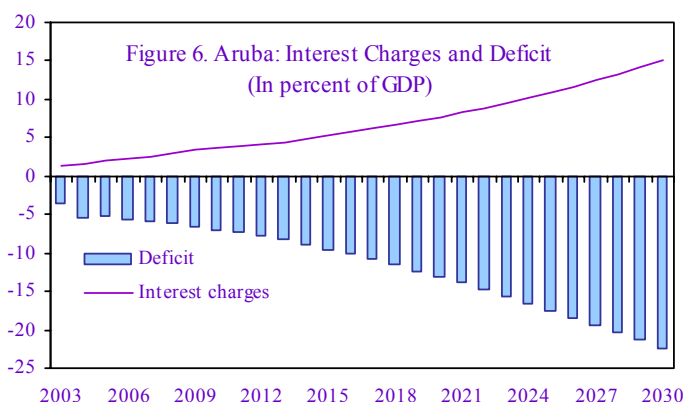
⁹ This system is complemented by the General Widows and Orphans Insurance (AWW)—much smaller, but governed by the same principles.

Table 6. Aruba: Long-Term Public Debt Sustainability Exercise, 2004-30

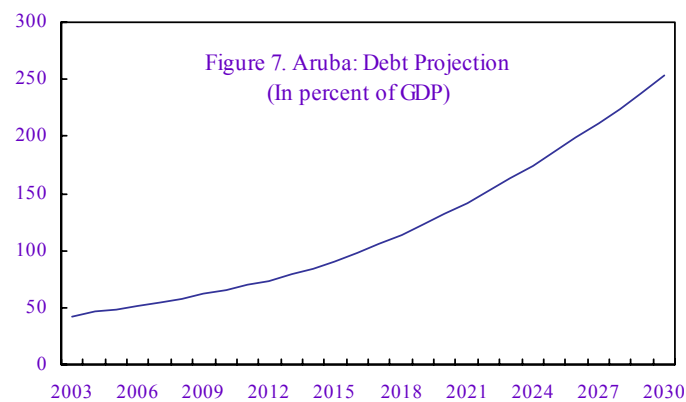
(In percent of GDP; unless stated otherwise)

| | 2004 | 2009 | 2015 | 2020 | 2025 | 2030 |
|---|--------|--------|--------|--------|--------|--------|
| Public sector debt | 45.9 | 61.7 | 90.9 | 132.3 | 185.8 | 253.4 |
| Public sector balance | -5.5 | -6.5 | -9.5 | -13.1 | -17.5 | -22.4 |
| Interest payments | 1.7 | 3.3 | 5.3 | 7.7 | 10.9 | 15.0 |
| Public sector primary balance | -3.8 | -3.2 | -4.3 | -5.4 | -6.6 | -7.4 |
| <i>Of which: balance related to aging</i> | 0.6 | -0.1 | -1.0 | -1.9 | -2.8 | -3.1 |
| Memorandum items: | | | | | | |
| Population (number of inhabitants) | 95,288 | 97,046 | 99,118 | 98,822 | 97,592 | 95,830 |
| Ratio of active persons per pensioners | 5.8 | 5.0 | 4.0 | 3.4 | 2.9 | 2.7 |
| Real GDP growth (in percent) | 3.5 | 2.1 | 0.8 | 0.1 | 0.3 | 0.2 |
| Inflation (in percent) | 2.5 | 3.0 | 3.0 | 3.0 | 3.0 | 3.0 |

Sources: SVB; CBA; and IMF staff estimates.

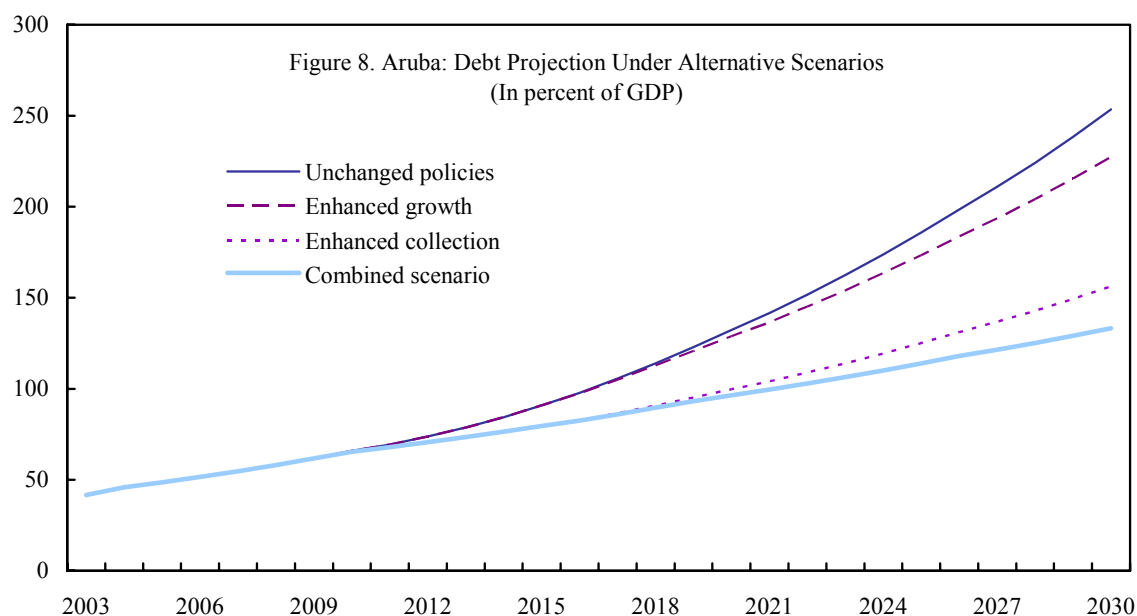


Sources: CBA; and IMF staff calculations.



Sources: CBA; and IMF staff estimates.

12. **Given the magnitude of the problem, measures will need to be taken on all fronts to bring public finances under control.** Increasing productivity growth by 1 percentage point (more than doubling it), would still leave public debt above 200 percent of GDP by 2030. Doubling the effective pension contribution rate would only lower public debt in 2030 to 150 percent of GDP. Even the combination of these two measures would leave public debt above 100 percent of GDP in 2030. These results point to the critical importance of strengthening the fiscal position and lowering the public debt before the onset of population aging (Figure 8).



Sources: CBA; and IMF staff estimates.

E. Conclusion

13. **Aruba's public finances are at a critical juncture.** With unchanged policies, public debt is projected to continue to increase rapidly in the medium term. This would not only further increase fiscal vulnerabilities but also exacerbate the fiscal problems of upcoming population aging. To avoid this, an up-front and ambitious fiscal consolidation, significantly lowering the deficit and reducing the level of public debt, seems necessary.

14. **In addition to medium-term fiscal consolidation, labor productivity will have to be raised and the pension legislation overhauled to ensure the stability of public finances in the long run.** In order to foster labor productivity, the challenge will be to diversify the economy into higher-value-added activities. On the pension front, measures could include increasing the mandatory retirement age and expanding the contribution base.

Table A1. Aruba: Indicators of Tourism Activity, 1995-2003
(In millions of Aruban florins at current prices; unless otherwise indicated)

| | 1995 | 1996 | 1997 | 1998 | 1999 | 2000 | 2001 | 2002 | 2003 |
|--|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| Total revenue (Af. million) | 932 | 1,098 | 1,196 | 1,307 | 1,292 | 1,446 | 1,464 | 1,474 | 1,508 |
| (Change in percent) | 11.2 | 17.8 | 8.9 | 9.3 | -1.1 | 11.9 | 1.2 | 0.7 | 2.3 |
| (Change in percent, in real terms) | 7.6 | 14.2 | 5.8 | 7.2 | -3.3 | 7.6 | -1.6 | -2.5 | -1.3 |
| Stay-over visitors (thousands) | 618.9 | 640.8 | 646.0 | 647.4 | 683.3 | 721.2 | 691.4 | 642.6 | 641.9 |
| (Change in percent) | 6.5 | 3.5 | 0.8 | 0.2 | 5.5 | 5.5 | -4.1 | -7.1 | -0.1 |
| Tourist nights (thousands) | 4,473 | 4,714 | 4,835 | 4,890 | 5,143 | 5,248 | 5,145 | 4,863 | 5,098 |
| (Change in percent) | 5.7 | 5.4 | 2.6 | 1.1 | 5.2 | 2.0 | -2.0 | -5.5 | 4.8 |
| Average stay (nights) | 7.2 | 7.4 | 7.5 | 7.6 | 7.5 | 7.3 | 7.4 | 7.6 | 7.9 |
| Expenditure per tourist per day (in Aruban florins) | 208.3 | 233.0 | 247.4 | 267.3 | 251.2 | 275.5 | 284.6 | 303.1 | 295.8 |
| Hotel occupancy rate (percent) | 72.0 | 71.5 | 73.4 | 77.6 | 77.0 | 75.9 | 75.6 | 71.7 | 74.4 |
| Hotel capacity | 6,462 | 6,483 | 6,586 | 6,133 | 6,596 | 6,980 | 7,004 | 6,831 | 6,912 |
| (Change in percent) | 8.0 | 0.3 | 1.6 | -6.9 | 7.5 | 5.8 | 0.3 | -2.5 | 1.2 |
| Cruise tourists (thousands) | 294.0 | 316.7 | 297.7 | 257.8 | 289.1 | 490.0 | 487.3 | 582.2 | 542.3 |
| (Change in percent) | 14.3 | 7.8 | -6.0 | -13.4 | 12.1 | 69.5 | -0.6 | 19.5 | -6.8 |
| Contribution to foreign exchange earnings | 51.4 | 55.7 | 54.9 | 57.4 | 60.5 | 67.5 | 69.1 | 72.2 | 72.7 |

Sources: CBA, *Quarterly Bulletin*; Aruba Tourism Authority; CBS; Aruba Hotel and Tourism Association; and the Cruise Tourism Authority.

Table A2. Aruba: GDP and Components, 1995-2003

(In millions of Aruban florins at current prices)

| | 1995 | 1996 | 1997 | 1998 | 1999 | 2000 | 2001 | 2002 | 2003 |
|---|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| Final consumption expenditure at purchasers' prices | 1,665 | 1,819 | 2,014 | 2,155 | 2,276 | 2,396 | 2,517 | 2,698 | 2,847 |
| Household final consumption expenditure | 1,193 | 1,320 | 1,367 | 1,500 | 1,602 | 1,664 | 1,712 | 1,800 | 1,908 |
| Government final consumption expenditure | 472 | 498 | 647 | 655 | 674 | 731 | 805 | 899 | 939 |
| Gross capital formation | 736 | 703 | 830 | 945 | 952 | 818 | 763 | 798 | 985 |
| Private gross fixed capital formation | 613 | 589 | 702 | 812 | 858 | 759 | 715 | 744 | 896 |
| Public gross fixed capital formation | 56 | 58 | 71 | 40 | 41 | 28 | 28 | 22 | 50 |
| Changes in inventories | 66 | 56 | 56 | 93 | 53 | 31 | 20 | 32 | 39 |
| Exports of goods and services 1/ | 2,007 | 2,140 | 2,263 | 2,374 | 2,465 | 2,476 | 2,467 | 2,370 | 2,345 |
| Exports of goods | 574 | 554 | 618 | 557 | 471 | 370 | 334 | 284 | 212 |
| Tourism exports of goods and services | 1,024 | 1,097 | 1,159 | 1,210 | 1,292 | 1,443 | 1,459 | 1,327 | 1,332 |
| Regular exports of services | 409 | 488 | 486 | 607 | 702 | 663 | 674 | 759 | 801 |
| Imports of goods and services 1/ | 2,044 | 2,191 | 2,365 | 2,493 | 2,610 | 2,363 | 2,348 | 2,445 | 2,578 |
| Imports of goods | 1,437 | 1,499 | 1,589 | 1,657 | 1,685 | 1,494 | 1,473 | 1,498 | 1,505 |
| Imports of services | 607 | 692 | 776 | 836 | 925 | 868 | 875 | 948 | 1,073 |
| Gross domestic product at market prices | 2,364 | 2,470 | 2,742 | 2,981 | 3,084 | 3,327 | 3,399 | 3,421 | 3,599 |
| (Change in percent) | | 4.5 | 11.0 | 8.7 | 3.5 | 7.9 | 2.2 | 0.7 | 5.2 |

Source: CBS, 2003 Estimates; CBA.

1/ The activities of the oil refinery are registered on a net basis, namely a refining fee is computed and used as the oil sector's output and export. Other goods and/or services imported or exported by the oil-sector are included in the trade figures. Refinery products delivered to Aruban users are registered as import.

Table A3. Aruba: Components in Percent of GDP, 1995-2003

(In percent)

| | 1995 | 1996 | 1997 | 1998 | 1999 | 2000 | 2001 | 2002 | 2003 |
|-------------------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| Gross domestic product | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| Private absorption | 79.3 | 79.5 | 77.5 | 80.7 | 81.5 | 73.8 | 72.0 | 75.3 | 79.0 |
| Consumption | 50.5 | 53.5 | 49.9 | 50.3 | 52.0 | 50.0 | 50.4 | 52.6 | 53.0 |
| Private investment 1/ | 28.8 | 26.1 | 27.6 | 30.4 | 29.5 | 23.7 | 21.6 | 22.7 | 26.0 |
| Government absorption | 22.3 | 22.6 | 26.2 | 23.3 | 23.2 | 22.8 | 24.5 | 26.9 | 27.5 |
| Consumption | 19.9 | 20.2 | 23.6 | 22.0 | 21.9 | 22.0 | 23.7 | 26.3 | 26.1 |
| Investment 2/ | 2.4 | 2.4 | 2.6 | 1.3 | 1.3 | 0.8 | 0.8 | 0.6 | 1.4 |
| Exports less imports 3/ | -1.6 | -2.1 | -3.7 | -4.0 | -4.7 | 3.4 | 3.5 | -2.2 | -6.5 |
| Goods | -26.4 | -28.1 | -25.6 | -27.7 | -29.3 | -23.6 | -23.7 | -26.9 | -27.7 |
| Services | 24.9 | 26.0 | 21.9 | 23.8 | 24.6 | 27.0 | 27.2 | 24.7 | 21.2 |

Source: CBS.

1/ Private investment is equal to private gross fixed capital formation and private changes in inventories. The investment of the oil sector is included in these figures.

2/ Public investment is equal to public gross fixed capital formation and public changes in inventories.

3/ Exports less imports of goods and services. The activities of the oil refinery are registered on a net basis, namely a refining fee is computed and used as the oil sector's output and export. Other goods and/or services imported or exported by the oil sector are included in the trade figures. Refinery products delivered to Aruban users are registered as import.

Table A4. Aruba: Real GDP, 1996-2003
(In millions of Aruban florins at constant 1995 prices)

| | 1996 | 1997 | 1998 | 1999 | 2000 | 2001 | 2002 | 2003 |
|-------------------------|---------|---------|---------|---------|---------|---------|---------|---------|
| Gross domestic product | 2,393.0 | 2,579.2 | 2,751.7 | 2,783.8 | 2,886.3 | 2,866.3 | 2,792.4 | 2,836.2 |
| (Percent change) | 1.2 | 7.8 | 6.7 | 1.2 | 3.7 | -0.7 | -2.6 | 1.6 |
| Private absorption | 1,902.4 | 1,998.8 | 2,219.9 | 2,269.0 | 2,128.7 | 2,064.0 | 2,102.7 | 2,240.4 |
| Consumption | 1,279.3 | 1,285.8 | 1,384.4 | 1,446.5 | 1,443.8 | 1,444.0 | 1,469.0 | 1,503.9 |
| Private investment 1/ | 624.9 | 713.0 | 835.5 | 822.6 | 684.9 | 620.0 | 633.7 | 736.6 |
| Government absorption | 540.8 | 675.8 | 641.1 | 645.8 | 658.1 | 702.2 | 751.2 | 779.1 |
| Consumption | 483.4 | 608.7 | 605.4 | 609.7 | 635.0 | 679.3 | 734.4 | 739.7 |
| Investment 2/ | 57.4 | 67.1 | 35.8 | 36.2 | 23.1 | 22.9 | 16.8 | 39.4 |
| Exports less imports 3/ | -50.3 | -95.4 | -110.1 | -130.8 | 98.1 | 100.3 | -61.4 | -183.3 |
| Goods | -672.4 | -660.3 | -762.2 | -815.7 | -681.2 | -679.3 | -751.2 | -785.8 |
| Services | 622.2 | 564.8 | 654.9 | 684.8 | 779.3 | 779.6 | 689.7 | 602.5 |

Source: CBS.

1/ Private investment is equal to private gross fixed capital formation and private changes in inventories. The investment of the oil sector is included in these figures.

2/ Public investment is equal to public gross fixed capital formation and public changes in inventories.

3/ Exports less imports of goods and services. The activities of the oil refinery are registered on a net basis, namely a refining fee is computed and used as the oil sector's output and export. Other goods and/or services imported or exported by the oil sector are included in the trade figures. Refinery products delivered to Aruban users are registered as import.

Table A5. Aruba: Contributions to Real GDP Growth, 1996-2003

(In percent)

| | 1996 | 1997 | 1998 | 1999 | 2000 | 2001 | 2002 | 2003 |
|-------------------------|------|------|------|------|------|------|------|------|
| Private absorption | 1.2 | 4.1 | 8.6 | 1.8 | -5.0 | -2.2 | 1.4 | 4.9 |
| Consumption | 3.6 | 0.3 | 3.8 | 2.3 | -0.1 | 0.0 | 0.9 | 1.2 |
| Private investment 1/ | -2.5 | 3.8 | 4.7 | -0.5 | -4.9 | -2.2 | 0.5 | 3.7 |
| Government absorption | 0.6 | 5.6 | -1.3 | 0.2 | 0.4 | 1.5 | 1.7 | 1.0 |
| Consumption | 0.5 | 5.2 | -0.1 | 0.2 | 0.9 | 1.5 | 1.9 | 0.2 |
| Investment 2/ | 0.2 | 0.4 | -1.2 | 0.0 | -0.5 | 0.0 | -0.2 | 0.8 |
| Exports less imports 3/ | -0.6 | -1.9 | -0.6 | -0.8 | 8.2 | 0.1 | -5.6 | -4.4 |
| Goods | -2.0 | 0.5 | -4.0 | -1.9 | 4.8 | 0.1 | -2.5 | -1.2 |
| Services | 1.4 | -2.4 | 3.5 | 1.1 | 3.4 | 0.0 | -3.1 | -3.1 |
| Real GDP growth | 1.2 | 7.8 | 6.7 | 1.2 | 3.7 | -0.7 | -2.6 | 1.6 |
| Memorandum item: | | | | | | | | |
| Nominal growth rate | 4.5 | 11.0 | 8.7 | 3.5 | 7.9 | 2.2 | 0.7 | 5.2 |

Source: CBS.

1/ Private investment is equal to private gross fixed capital formation and private changes in inventories. The investment of the oil sector is included in these figures.

2/ Public investment is equal to public gross fixed capital formation and public changes in inventories.

3/ Exports less imports of goods and services. The activities of the oil refinery are registered on a net basis, namely a refining fee is computed and used as the oil sector's output and export. Other goods and/or services imported or exported by the oil sector are included in the trade figures. Refinery products delivered to Aruban users are registered as import.

Table A6. Aruba: Changes in Consumer Price Index, 1996-2003

| | (Annual percentage change) | | | | | | | |
|------------------------------|----------------------------|------|------|------|------|------|------|------|
| | 1996 | 1997 | 1998 | 1999 | 2000 | 2001 | 2002 | 2003 |
| Total | 3.2 | 3.0 | 1.9 | 2.3 | 4.1 | 2.9 | 3.3 | 3.7 |
| Food | 4.0 | 3.1 | 2.0 | 2.1 | 1.8 | 3.3 | 3.3 | 3.1 |
| Beverage and tobacco | 2.7 | 1.9 | 1.5 | 1.3 | 1.5 | -0.2 | 2.4 | 4.4 |
| Clothing and footwear | 6.4 | 4.9 | 6.3 | 5.5 | 5.6 | 8.9 | 6.8 | 4.5 |
| Housing costs | 1.5 | 5.0 | 0.8 | 2.0 | 8.1 | 2.3 | 4.1 | 5.7 |
| Housekeeping and furnishings | 3.7 | 1.8 | 2.6 | 3.1 | 3.5 | 4.1 | 4.0 | 2.7 |
| Recreation and education | 4.3 | 2.5 | 2.1 | 2.7 | 3.9 | 2.0 | 2.7 | 2.4 |
| Miscellaneous | 1.8 | 2.1 | 1.5 | 1.7 | 3.0 | 2.8 | 2.5 | 2.6 |
| Medical care | 6.6 | 2.1 | 0.5 | 0.3 | 0.4 | 0.1 | 0.0 | 0.0 |
| Transport and communications | 1.8 | 1.6 | -0.1 | 0.6 | 3.1 | 0.3 | 0.9 | 2.8 |
| United States | 2.9 | 2.3 | 1.6 | 2.2 | 3.4 | 2.8 | 1.6 | 2.3 |
| Netherlands Antilles | 3.6 | 3.3 | 1.1 | 0.4 | 5.8 | 1.8 | 0.4 | 2.0 |
| Core inflation | 2.5 | 2.1 | 2.0 | 1.9 | 2.7 | 3.0 | 2.9 | 2.5 |

Sources: CBA, *Quarterly Bulletin*; and CBS.

Table A7. Aruba: Legal Minimum Wages, 1995-2004 1/

| | (In Aruban florins per month) | | | | | | | | | |
|---------------------------|-------------------------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| | 1995 | 1996 | 1997 | 1998 | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 2/ |
| Category: | | | | | | | | | | |
| Construction and industry | 994.5 | 1,025.4 | 1,060.2 | 1,088.9 | 1,111.8 | 1,111.8 | 1,111.8 | 1,200.0 | 1,200.0 | 1,236.0 |
| Household personnel | 460.0 | 478.4 | 494.7 | 508.1 | 518.8 | 560.0 | 560.0 | 560.0 | 560.0 | 576.8 |

Source: Aruban Department of Labor.

1/ As of January 1st.

2/ As of July 1st.

Table A8. Aruba: Summary of Trends in Public Finance, 1995-2003

(In millions of Aruban florins)

| | 1995 | 1996 | 1997 | 1998 | 1999 | 2000 | 2001 | 2002 | 2003 |
|---|-------|-------|-------|-------|-------|-------|--------|-------|-------|
| Revenue | 602.7 | 645.3 | 627.6 | 646.5 | 701.6 | 742.2 | 731.8 | 751.2 | 803.5 |
| Taxes | 458.6 | 491.6 | 499.7 | 535.5 | 608.7 | 624.5 | 606.3 | 610.0 | 687.4 |
| Nontax revenue | 117.0 | 125.8 | 89.6 | 95.3 | 91.5 | 100.8 | 125.5 | 103.8 | 86.1 |
| Grants | 27.1 | 27.9 | 38.3 | 15.7 | 1.4 | 16.9 | 0.0 | 37.4 | 30.1 |
| Expenditure | 611.7 | 728.9 | 692.9 | 618.0 | 674.8 | 783.8 | 833.8 | 822.9 | 898.9 |
| Current expenditure | ... | ... | 612.7 | 586.3 | 648.6 | 755.5 | 815.4 | 805.9 | 856.3 |
| Wage costs | ... | ... | 344.4 | 339.8 | 354.1 | 416.1 | 446.5 | 473.3 | 465.9 |
| Wages | ... | ... | 205.7 | 213.1 | 222.3 | 246.3 | 255.2 | 261.7 | 265.6 |
| Employers contributions 1/ | ... | ... | 80.4 | 50.0 | 46.1 | 80.1 | 99.8 | 107.9 | 94.4 |
| Wage subsidies | ... | ... | 58.3 | 76.8 | 85.6 | 89.7 | 91.5 | 103.7 | 105.9 |
| Goods and services 2/ | ... | ... | 170.5 | 149.0 | 170.7 | 215.3 | 177.2 | 113.9 | 150.5 |
| Interest | ... | ... | 23.9 | 29.0 | 33.4 | 30.2 | 35.7 | 38.2 | 44.9 |
| Items not included elsewhere 3/ | ... | ... | 73.8 | 68.4 | 90.5 | 93.9 | 156.0 | 180.5 | 195.0 |
| Capital expenditure | ... | ... | 80.2 | 31.8 | 26.2 | 28.3 | 18.4 | 17.0 | 42.6 |
| Investment | ... | ... | 41.9 | 13.6 | 24.8 | 28.3 | 18 | 13.3 | 26.4 |
| Capital transfers | ... | ... | 38.3 | 18.1 | 1.4 | 0.0 | 0 | 3.7 | 16.2 |
| Balance 4/ | -9.0 | -83.6 | -65.3 | 28.5 | 26.8 | -41.6 | -102.0 | -71.7 | -95.3 |
| Statistical discrepancy | 0.0 | 0.0 | -1.5 | 7.3 | 3.9 | -0.1 | 0.3 | 0.1 | 0.0 |
| Financing | 9.0 | 83.6 | 63.7 | -21.2 | -22.9 | 41.5 | 102.3 | 71.7 | 95.3 |
| Nonmonetary sectors | 35.5 | 28.1 | 15.0 | 17.0 | 2.8 | 7.3 | 42.1 | 98.5 | -20.0 |
| Net foreign capital | 1.0 | -19.0 | -16.0 | 39.7 | 13.3 | 24.1 | 27.9 | 96.0 | -29.0 |
| Loans received | 20.2 | 0.0 | 0.0 | 55.6 | 26.7 | 73.4 | 49.3 | 136.0 | 293.6 |
| Repayments on loans received | 19.2 | 19.0 | 16.0 | 15.9 | 13.4 | 49.3 | 21.4 | 40.0 | 322.6 |
| Net domestic capital | 34.5 | 47.1 | 31.0 | -22.7 | -10.5 | -16.8 | 14.2 | 2.5 | 9.0 |
| Monetary sectors | -26.5 | 19.1 | 31.8 | 0.8 | 21.3 | -13.4 | -24.7 | -36.2 | 19.1 |
| Net lending | ... | ... | 15.1 | 31.9 | 37.4 | 16.2 | 32.0 | -3.0 | -71.1 |
| Change in domestic payment obligations 4/ | ... | 36.4 | 32.0 | -7.1 | -9.6 | 63.8 | 116.9 | 6.4 | 25.1 |
| Memorandum item: | | | | | | | | | |
| Health care fund balance 5/ | ... | ... | ... | ... | ... | ... | -36.3 | -46.0 | -31.6 |

Source: Data provided by the Aruban authorities.

1/ It includes arrears to the public employee pension fund (APFA) from 1997 and to the health care fund (AZV) from 2001.

2/ From 1997, it includes arrears to suppliers.

3/ Up to 1997, it includes net lending.

4/ For 1995, the change in payment arrears is not known. Hence, any spending financed by a change in arrears is not included in the balance. For 1996, change in domestic payment obligations excludes APFA arrears.

5/ The health care fund (AZV) was introduced in 2001.

Table A9. Aruba: Summary of Trends in Public Finance, 1995-2003

(In percent of GDP)

| | 1995 | 1996 | 1997 | 1998 | 1999 | 2000 | 2001 | 2002 | 2003 |
|---|------|------|------|------|------|------|------|------|------|
| Revenue | 25.5 | 26.1 | 22.9 | 21.7 | 22.8 | 22.3 | 21.5 | 22.0 | 22.3 |
| Taxes | 19.4 | 19.9 | 18.2 | 18.0 | 19.7 | 18.8 | 17.8 | 17.8 | 19.1 |
| Nontax revenue | 4.9 | 5.1 | 3.3 | 3.2 | 3.0 | 3.0 | 3.7 | 3.0 | 2.4 |
| Grants | 1.1 | 1.1 | 1.4 | 0.5 | 0.0 | 0.5 | 0.0 | 1.1 | 0.8 |
| Expenditure | 25.9 | 29.5 | 25.3 | 20.7 | 21.9 | 23.6 | 24.5 | 24.1 | 25.0 |
| Current expenditure | ... | ... | 22.3 | 19.7 | 21.0 | 22.7 | 24.0 | 23.6 | 23.8 |
| Wage costs | ... | ... | 12.6 | 11.4 | 11.5 | 12.5 | 13.1 | 13.8 | 12.9 |
| Wages | ... | ... | 7.5 | 7.1 | 7.2 | 7.4 | 7.5 | 7.6 | 7.4 |
| Employers contributions 1/ | ... | ... | 2.9 | 1.7 | 1.5 | 2.4 | 2.9 | 3.2 | 2.6 |
| Wage subsidies | ... | ... | 2.1 | 2.6 | 2.8 | 2.7 | 2.7 | 3.0 | 2.9 |
| Goods and services 2/ | ... | ... | 6.2 | 5.0 | 5.5 | 6.5 | 5.2 | 3.3 | 4.2 |
| Interest | ... | ... | 0.9 | 1.0 | 1.1 | 0.9 | 1.1 | 1.1 | 1.2 |
| Items not included elsewhere 3/ | ... | ... | 2.7 | 2.3 | 2.9 | 2.8 | 4.6 | 5.3 | 5.4 |
| Capital expenditure | ... | ... | 2.9 | 1.1 | 0.8 | 0.9 | 0.5 | 0.5 | 1.2 |
| Investment | ... | ... | 1.5 | 0.5 | 0.8 | 0.9 | 0.5 | 0.4 | 0.7 |
| Capital transfers | ... | ... | 1.4 | 0.6 | 0.0 | 0.0 | 0.0 | 0.1 | 0.5 |
| Balance 4/ | -0.4 | -3.4 | -2.4 | 1.0 | 0.9 | -1.3 | -3.0 | -2.1 | -2.6 |
| Statistical discrepancy | 0.0 | 0.0 | -0.1 | 0.2 | 0.1 | 0.0 | 0.0 | 0.0 | 0.0 |
| Financing | 0.4 | 3.4 | 2.3 | -0.7 | -0.7 | 1.2 | 3.0 | 2.1 | 2.6 |
| Nonmonetary sectors | 1.5 | 1.1 | 0.5 | 0.6 | 0.1 | 0.2 | 1.2 | 2.9 | -0.6 |
| Net foreign capital | 0.0 | -0.8 | -0.6 | 1.3 | 0.4 | 0.7 | 0.8 | 2.8 | -0.8 |
| Loans received | 0.9 | 0.0 | 0.0 | 1.9 | 0.9 | 2.2 | 1.5 | 4.0 | 8.2 |
| Repayments on loans received | 0.8 | 0.8 | 0.6 | 0.5 | 0.4 | 1.5 | 0.6 | 1.2 | 9.0 |
| Net domestic capital | 1.5 | 1.9 | 1.1 | -0.8 | -0.3 | -0.5 | 0.4 | 0.1 | 0.3 |
| Monetary sectors | -1.1 | 0.8 | 1.2 | 0.0 | 0.7 | -0.4 | -0.7 | -1.1 | 0.5 |
| Net lending | ... | ... | 0.6 | 1.1 | 1.2 | 0.5 | 0.9 | -0.1 | -2.0 |
| Change in domestic payment obligations 4/ | ... | 1.5 | 1.2 | -0.2 | -0.3 | 1.9 | 3.4 | 0.2 | 0.7 |
| Memorandum item: | | | | | | | | | |
| Health care fund balance 5/ | ... | ... | ... | ... | ... | ... | -1.1 | -1.3 | -0.9 |

Source: Data provided by the Aruban authorities.

1/ It includes arrears to the public employee pension fund (APFA) from 1997 and to the health care fund (AZV) from 2001.

2/ From 1997, it includes arrears to suppliers.

3/ Up to 1996, it includes net lending.

4/ For 1995, the change in payment arrears is not known. Any spending financed by a change in arrears is therefore not included in the balance. For 1996, change in domestic payment obligations excludes APFA arrears.

5/ The health care fund (AZV) was introduced in 2001.

Table A10. Aruba: Tax Revenue, 1995-2003 1/

(In millions of Aruban florins)

| | 1995 | 1996 | 1997 | 1998 | 1999 | 2000 | 2001 | 2002 | 2003 |
|----------------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| Taxes | 458.6 | 491.6 | 499.7 | 535.5 | 608.7 | 624.5 | 606.3 | 610.0 | 687.4 |
| Direct taxes | 258.7 | 277.3 | 283.6 | 310.9 | 372.3 | 371.0 | 368.5 | 370.7 | 424.4 |
| Wage taxes | 141.6 | 150.5 | 159.9 | 176.2 | 200.6 | 202.3 | 209.7 | 220.1 | 234.9 |
| Income taxes | 14.2 | 10.6 | 8.8 | 13.1 | 28.1 | 25.8 | 3.1 | 3.0 | -0.6 |
| Profit taxes | 54.7 | 61.9 | 62.8 | 62.0 | 80.1 | 81.4 | 90.0 | 78.3 | 105.6 |
| Solidarity tax | 0.6 | 0.3 | 0.1 | 0.3 | 0.2 | 0.0 | 0.0 | 0.0 | 0.0 |
| Other | 47.6 | 54.0 | 52.0 | 59.3 | 63.3 | 61.5 | 65.7 | 69.4 | 84.5 |
| Land tax | 8.1 | 8.8 | 9.4 | 12.1 | 14.7 | 11.6 | 9.7 | 12.3 | 27.5 |
| Hotel room taxes | 14.9 | 19.0 | 17.4 | 18.8 | 19.3 | 21.9 | 26.6 | 24.8 | 25.1 |
| Gambling taxes | 14.9 | 15.7 | 14.5 | 15.2 | 17.5 | 15.2 | 16.1 | 17.1 | 17.2 |
| Motor vehicle taxes | 9.7 | 10.5 | 10.7 | 13.2 | 11.8 | 12.8 | 13.3 | 15.2 | 14.7 |
| Indirect taxes | 199.9 | 214.3 | 216.1 | 224.6 | 236.4 | 253.5 | 237.8 | 239.3 | 263.0 |
| Excises | 94.3 | 92.3 | 95.4 | 98.9 | 100.6 | 106.5 | 104.6 | 109.0 | 119.5 |
| Gasoline | 56.0 | 54.8 | 54.9 | 58.4 | 59.9 | 62.6 | 62.2 | 65.2 | 68.7 |
| Tobacco | 10.2 | 9.7 | 9.8 | 9.9 | 10.4 | 11.4 | 9.8 | 10.4 | 12.6 |
| Beer | 18.9 | 17.7 | 19.7 | 20.1 | 19.3 | 20.3 | 19.4 | 20.3 | 24.3 |
| Liquor | 9.2 | 10.1 | 11.0 | 10.5 | 11.0 | 12.2 | 13.2 | 13.1 | 13.9 |
| Import duties | 77.5 | 87.3 | 88.1 | 88.8 | 97.4 | 106.1 | 98.0 | 104.5 | 114.9 |
| Foreign exchange tax | 17.2 | 15.8 | 16.8 | 20.2 | 21.6 | 23.6 | 24.8 | 14.4 | 14.0 |
| Other taxes 2/ | 10.9 | 18.9 | 15.8 | 16.7 | 16.8 | 17.3 | 10.4 | 11.4 | 14.6 |

Source: Ministry of Finance, Tax Department.

1/ Cash basis.

2/ Includes property transfer tax, stamp duties, and succession tax.

Table A11. Aruba: Tax Revenue, 1995-2003 1/

(In percent of GDP)

| | 1995 | 1996 | 1997 | 1998 | 1999 | 2000 | 2001 | 2002 | 2003 |
|----------------------|------|------|------|------|------|------|------|------|------|
| Taxes | 19.4 | 19.9 | 18.2 | 18.0 | 19.7 | 18.8 | 17.8 | 17.8 | 19.1 |
| Direct taxes | 10.9 | 11.2 | 10.3 | 10.4 | 12.1 | 11.2 | 10.8 | 10.8 | 11.8 |
| Wage taxes | 6.0 | 6.1 | 5.8 | 5.9 | 6.5 | 6.1 | 6.2 | 6.4 | 6.5 |
| Income taxes | 0.6 | 0.4 | 0.3 | 0.4 | 0.9 | 0.8 | 0.1 | 0.1 | 0.0 |
| Profit taxes | 2.3 | 2.5 | 2.3 | 2.1 | 2.6 | 2.4 | 2.6 | 2.3 | 2.9 |
| Solidarity tax | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Other | 2.0 | 2.2 | 1.9 | 2.0 | 2.1 | 1.8 | 1.9 | 2.0 | 2.3 |
| Land tax | 0.3 | 0.4 | 0.3 | 0.4 | 0.5 | 0.3 | 0.3 | 0.4 | 0.8 |
| Hotel room taxes | 0.6 | 0.8 | 0.6 | 0.6 | 0.6 | 0.7 | 0.8 | 0.7 | 0.7 |
| Gambling taxes | 0.6 | 0.6 | 0.5 | 0.5 | 0.6 | 0.5 | 0.5 | 0.5 | 0.5 |
| Motor vehicle taxes | 0.4 | 0.4 | 0.4 | 0.4 | 0.4 | 0.4 | 0.4 | 0.4 | 0.4 |
| Indirect taxes | 8.5 | 8.7 | 7.9 | 7.5 | 7.7 | 7.6 | 7.0 | 7.0 | 7.3 |
| Excises | 4.0 | 3.7 | 3.5 | 3.3 | 3.3 | 3.2 | 3.1 | 3.2 | 3.3 |
| Gasoline | 2.4 | 2.2 | 2.0 | 2.0 | 1.9 | 1.9 | 1.8 | 1.9 | 1.9 |
| Tobacco | 0.4 | 0.4 | 0.4 | 0.3 | 0.3 | 0.3 | 0.3 | 0.3 | 0.4 |
| Beer | 0.8 | 0.7 | 0.7 | 0.7 | 0.6 | 0.6 | 0.6 | 0.6 | 0.7 |
| Liquor | 0.4 | 0.4 | 0.4 | 0.4 | 0.4 | 0.4 | 0.4 | 0.4 | 0.4 |
| Import duties | 3.3 | 3.5 | 3.2 | 3.0 | 3.2 | 3.2 | 2.9 | 3.1 | 3.2 |
| Foreign exchange tax | 0.7 | 0.6 | 0.6 | 0.7 | 0.7 | 0.7 | 0.7 | 0.4 | 0.4 |
| Other taxes 2/ | 0.5 | 0.8 | 0.6 | 0.6 | 0.5 | 0.5 | 0.3 | 0.3 | 0.4 |

Source: Ministry of Finance, Tax Department.

1/ Cash basis.

2/ Includes property transfer tax and stamp duties.

Table A12. Aruba: Operational Budget of the Social Insurance Bank (SVB), 1996-2003

| | 1996 | 1997 | 1998 | 1999 | 2000 | 2001 | 2002 | 2003 |
|--|--------------------------------------|--------|---------|---------|---------|---------|---------|---------|
| (In millions of Aruban florins) | | | | | | | | |
| Total contributions | 162.7 | 177.4 | 179.6 | 198.2 | 190.1 | 172.2 | 180.7 | 198.9 |
| Total benefits | 152.4 | 165.1 | 180.7 | 178.0 | 188.1 | 152.0 | 152.0 | 157.2 |
| Administrative and interest costs | 12.7 | 13.3 | 13.6 | 12.9 | 7.6 | 8.9 | 11.5 | 12.0 |
| Administrative costs | 9.5 | 9.9 | 10.4 | 9.4 | 8.8 | ... | 9.3 | 9.5 |
| Interest costs | 3.2 | 3.4 | 3.2 | 3.5 | -1.2 | ... | 2.2 | 2.5 |
| Overall balance | -2.3 | -0.9 | -14.7 | 7.3 | -5.6 | 11.3 | 17.3 | 29.6 |
| Old age and widowers and orphans insurance | | | | | | | | |
| Contributions | 110.7 | 122.1 | 113.6 | 134.6 | 139.7 | 149.5 | 150.2 | 158.9 |
| Benefits | 104.1 | 110.1 | 118.8 | 120.7 | 125.5 | 135.7 | 136.7 | 138.4 |
| Administrative and interest costs | 3.3 | 3.4 | 3.2 | 3.0 | -1.7 | 2.3 | 1.6 | 2.6 |
| Administrative costs | 1.5 | 1.6 | 1.9 | 2.1 | 2.2 | ... | 2.4 | 2.7 |
| Interest costs | 1.8 | 1.8 | 1.3 | 0.9 | -3.9 | ... | -0.8 | -0.1 |
| Balance | 3.3 | 8.6 | -8.5 | 10.9 | 15.8 | 11.5 | 11.9 | 17.9 |
| Sickness and accident insurance | | | | | | | | |
| Contributions | 50.8 | 54.0 | 65.8 | 62.2 | 49.7 | 20.2 | 29.9 | 39.1 |
| Benefits | 47.8 | 54.7 | 61.4 | 56.4 | 61.2 | 15.5 | 14.7 | 18.5 |
| Administrative and interest costs | 9.8 | 10.3 | 10.9 | 10.6 | 9.6 | 6.3 | 10.4 | 9.9 |
| Administrative costs | 7.9 | 8.2 | 8.5 | 7.5 | 6.3 | 0.0 | 6.5 | 6.4 |
| Interest costs | 1.9 | 2.1 | 2.4 | 3.1 | 3.3 | 0.0 | 3.9 | 3.5 |
| Balance | -6.8 | -11.0 | -6.5 | -4.8 | -21.1 | -1.6 | 4.8 | 10.7 |
| Severance insurance | | | | | | | | |
| Contributions | 1.3 | 1.4 | 0.2 | 1.4 | 0.7 | 1.6 | 0.6 | 0.9 |
| Interest revenues | 0.5 | 0.5 | 0.6 | 0.5 | 0.7 | 0.9 | 0.9 | 0.9 |
| Benefits | 0.4 | 0.3 | 0.4 | 0.9 | 1.4 | 0.8 | 0.6 | 0.3 |
| Administrative costs | 0.1 | 0.1 | 0.1 | 0.1 | 0.3 | 0.3 | 0.4 | 0.4 |
| Balance | 1.3 | 1.5 | 0.3 | 0.9 | -0.3 | 1.4 | 0.6 | 1.0 |
| (Overall balances in percent of GDP) | | | | | | | | |
| Total contributions | 6.6 | 6.5 | 6.0 | 6.4 | 5.7 | 5.1 | 5.3 | 5.5 |
| Total benefits | 6.2 | 6.0 | 6.1 | 5.8 | 5.7 | 4.5 | 4.4 | 4.4 |
| Administrative and interest costs | 0.5 | 0.5 | 0.5 | 0.4 | 0.2 | 0.3 | 0.3 | 0.3 |
| Administrative costs | 0.4 | 0.4 | 0.4 | 0.3 | 0.3 | ... | 0.3 | 0.3 |
| Interest costs | 0.1 | 0.1 | 0.1 | 0.1 | 0.0 | ... | 0.1 | 0.1 |
| Overall balance | -0.1 | 0.0 | -0.5 | 0.2 | -0.2 | 0.3 | 0.5 | 0.8 |
| Old age and widowers and orphans insurance | | | | | | | | |
| Contributions | 4.5 | 4.5 | 3.8 | 4.4 | 4.2 | 4.4 | 4.4 | 4.4 |
| Benefits | 4.2 | 4.0 | 4.0 | 3.9 | 3.8 | 4.0 | 4.0 | 3.8 |
| Administrative and interest costs | 0.1 | 0.1 | 0.1 | 0.1 | -0.1 | 0.1 | 0.0 | 0.1 |
| Administrative costs | 0.1 | 0.1 | 0.1 | 0.1 | 0.1 | ... | 0.1 | 0.1 |
| Interest costs | 0.1 | 0.1 | 0.0 | 0.0 | -0.1 | ... | 0.0 | 0.0 |
| Balance | 0.1 | 0.3 | -0.3 | 0.4 | 0.5 | 0.3 | 0.3 | 0.5 |
| Sickness and accident insurance | | | | | | | | |
| Contributions | 2.1 | 2.0 | 2.2 | 2.0 | 1.5 | 0.6 | 0.9 | 1.1 |
| Benefits | 1.9 | 2.0 | 2.1 | 1.8 | 1.8 | 0.5 | 0.4 | 0.5 |
| Administrative and interest costs | 0.4 | 0.4 | 0.4 | 0.3 | 0.3 | 0.2 | 0.3 | 0.3 |
| Administrative costs | 0.3 | 0.3 | 0.3 | 0.2 | 0.2 | ... | 0.2 | 0.2 |
| Interest costs | 0.1 | 0.1 | 0.1 | 0.1 | 0.1 | ... | 0.1 | 0.1 |
| Balance | -0.3 | -0.4 | -0.2 | -0.2 | -0.6 | 0.0 | 0.1 | 0.3 |
| Severance insurance | | | | | | | | |
| Contributions | 0.05 | 0.05 | 0.01 | 0.04 | 0.02 | 0.05 | 0.02 | 0.02 |
| Interest revenues | 0.02 | 0.02 | 0.02 | 0.02 | 0.02 | 0.03 | 0.03 | 0.02 |
| Benefits | 0.02 | 0.01 | 0.01 | 0.03 | 0.04 | 0.02 | 0.02 | 0.01 |
| Administrative costs | 0.00 | 0.00 | 0.00 | 0.00 | 0.01 | 0.01 | 0.01 | 0.01 |
| Balance | 0.05 | 0.05 | 0.01 | 0.03 | -0.01 | 0.04 | 0.02 | 0.03 |
| Memorandum items: | (Number of beneficiaries or insured) | | | | | | | |
| Number of beneficiaries per category | | | | | | | | |
| Old age and widowers and orphans insurance | 9,057 | 9,496 | 10,154 | 10,520 | 10,855 | 11,387 | 11,465 | 11,949 |
| Old age | 8,000 | 8,351 | 8,922 | 9,237 | 9,506 | 9,942 | 10,225 | 10,640 |
| Widowers and orphans | 1,057 | 1,145 | 1,232 | 1,283 | 1,349 | 1,445 | 1,240 | 1,309 |
| Sickness and accident insurance | ... | 12,808 | 12,789 | 12,306 | 12,148 | 10,918 | 10,166 | 11,383 |
| Sickness | ... | 11,489 | 11,437 | 11,003 | 10,767 | 9,834 | 9,413 | 10,797 |
| Accident | ... | 1,319 | 1,352 | 1,303 | 1,381 | 1,084 | 753 | 586 |
| Severance insurance | 113 | 57 | 56 | 415 | 482 | 228 | 174 | 59 |
| Number of insured per category | | | | | | | | |
| Old age and widowers and orphans insurance | 134,526 | ... | 145,053 | 169,207 | 145,472 | 142,149 | 145,032 | 156,889 |
| Old age | 57,766 | ... | 62,556 | 74,006 | 61,112 | 60,114 | 61,938 | 73,475 |
| Widowers and orphans | 76,760 | ... | 82,497 | 95,201 | 84,360 | 82,035 | 83,094 | 83,414 |
| Sickness and accident insurance | 58,004 | 62,054 | 61,404 | 63,582 | 64,037 | 63,366 | 62,278 | 63,733 |
| Sickness | 27,742 | 29,652 | 29,306 | 30,169 | 30,265 | 29,827 | 29,233 | 29,310 |
| Accident | 30,262 | 32,402 | 32,098 | 33,413 | 33,772 | 33,539 | 33,045 | 34,423 |
| Severance insurance 1/ | 30,262 | 32,402 | 32,098 | 33,413 | 33,772 | 33,539 | 33,045 | 34,423 |

Source: SVB.

1/ Concerns the same category of insured as those insured for accidents.

Table A13. Aruba: Government Debt, 1995-2003

| | 1995 | 1996 | 1997 | 1998 | 1999 | 2000 | 2001 | 2002 | 2003 |
|---------------------------------|---------|---------|---------|-------|-------|-------|---------|---------|---------|
| (In millions of Aruban florins) | | | | | | | | | |
| Total | 1,007.1 | 1,043.2 | 1,079.9 | 910.8 | 870.9 | 947.2 | 1,103.6 | 1,240.6 | 1,500.0 |
| Domestic debt | 568.5 | 636.3 | 746.7 | 520.3 | 503.6 | 571.5 | 710.5 | 717.5 | 769.5 |
| Tradable | 139.7 | 194.9 | 220.6 | 186.8 | 189.2 | 165.1 | 179.2 | 189.1 | 218.5 |
| Short term | 32.0 | 32.0 | 32.0 | 32.0 | 40.0 | 37.4 | 48.0 | 48.0 | 48.0 |
| Long term | 107.7 | 162.9 | 188.6 | 154.8 | 149.2 | 127.7 | 131.2 | 141.1 | 170.5 |
| Nontradable 1/ | 428.8 | 441.4 | 526.1 | 333.5 | 314.4 | 406.4 | 531.3 | 528.4 | 551.0 |
| Short term | 97.0 | 133.4 | 105.4 | 76.6 | 88.7 | 156.0 | 272.2 | 275.8 | 300.9 |
| Long term | 331.8 | 308.0 | 420.6 | 256.8 | 225.7 | 250.4 | 259.2 | 252.6 | 250.2 |
| Foreign debt | 438.6 | 406.9 | 333.2 | 390.5 | 367.3 | 375.7 | 393.1 | 523.1 | 730.5 |
| Netherlands | 373.2 | 345.1 | 275.9 | 278.2 | 231.0 | 204.4 | 181.5 | 199.7 | 219.7 |
| European investment bank | 22.4 | 21.5 | 19.0 | 19.5 | 16.5 | 14.4 | 13.0 | 15.0 | 17.2 |
| Other | 43.0 | 40.3 | 38.2 | 92.8 | 119.8 | 156.8 | 198.6 | 308.4 | 493.6 |
| (In percent of GDP) | | | | | | | | | |
| Total | 42.6 | 42.2 | 39.4 | 30.6 | 28.2 | 28.5 | 32.5 | 36.3 | 41.7 |
| Domestic debt | 24.1 | 25.8 | 27.2 | 17.5 | 16.3 | 17.2 | 20.9 | 21.0 | 21.4 |
| Tradable | 5.9 | 7.9 | 8.0 | 6.3 | 6.1 | 5.0 | 5.3 | 5.5 | 6.1 |
| Short term | 1.4 | 1.3 | 1.2 | 1.1 | 1.3 | 1.1 | 1.4 | 1.4 | 1.3 |
| Long term | 4.6 | 6.6 | 6.9 | 5.2 | 4.8 | 3.8 | 3.9 | 4.1 | 4.7 |
| Nontradable 1/ | 18.1 | 17.9 | 19.2 | 11.2 | 10.2 | 12.2 | 15.6 | 15.4 | 15.3 |
| Short term | 4.1 | 5.4 | 3.8 | 2.6 | 2.9 | 4.7 | 8.0 | 8.1 | 8.4 |
| Long term | 14.0 | 12.5 | 15.3 | 8.6 | 7.3 | 7.5 | 7.6 | 7.4 | 7.0 |
| Foreign debt | 18.6 | 16.5 | 12.2 | 13.1 | 11.9 | 11.3 | 11.6 | 15.3 | 20.3 |
| Netherlands | 15.8 | 14.0 | 10.1 | 9.3 | 7.5 | 6.1 | 5.3 | 5.8 | 6.1 |
| European investment bank | 0.9 | 0.9 | 0.7 | 0.7 | 0.5 | 0.4 | 0.4 | 0.4 | 0.5 |
| Other | 1.8 | 1.6 | 1.4 | 3.1 | 3.9 | 4.7 | 5.8 | 9.0 | 13.7 |

Sources: Data provided by the authorities, and IMF staff estimates.

1/ From 1996 onward, excluding the debt to the public pension fund (APFA), which was canceled following the March 2001 consensus on a framework for the actuarial analysis of APFA and reevaluation of government obligations to this fund. Government debt data excluding liabilities to APFA before 1996.

Table A14. Aruba: Balance of Payments Summary, 1995-2003

(In millions of Aruban florins)

| | 1995 | 1996 | 1997 | 1998 | 1999 | 2000 | 2001 | 2002 | 2003 |
|-------------------------------|--------|--------|--------|---------|----------|----------|---------|---------|----------|
| Current account | -27.6 | -110.8 | -350.9 | -25.6 | -742.0 | 416.0 | 594.7 | -589.7 | -278.1 |
| Trade balance | -446.7 | -539.8 | -700.1 | -632.5 | -1,084.3 | -100.8 | 96.0 | -948.4 | -596.7 |
| Oil sector | 273.8 | 180.3 | -21.3 | 206.0 | -184.4 | 904.1 | 1,030.6 | 35.5 | 482.6 |
| Free zone | 28.3 | 71.7 | 84.4 | 42.7 | 48.9 | 3.9 | 9.9 | 13.6 | 12.6 |
| Rest of the economy | -748.8 | -791.9 | -763.2 | -881.2 | -945.7 | -1,008.8 | -944.5 | -997.5 | -1,091.9 |
| Services | 385.4 | 456.7 | 399.8 | 607.7 | 476.2 | 663.9 | 678.3 | 691.8 | 537.2 |
| Travel and tourism | 794.8 | 907.2 | 957.5 | 1,080.8 | 1,058.7 | 1,200.3 | 1,232.5 | 1,196.1 | 1,183.0 |
| Transportation | -219.9 | -290.4 | -332.0 | -176.9 | -239.5 | -353.6 | -380.1 | -332.7 | -413.5 |
| Government services | -34.3 | -25.5 | -39.8 | -18.0 | -14.8 | -10.1 | -18.0 | -24.6 | -39.2 |
| Other services | -155.2 | -134.6 | -185.8 | -278.2 | -328.1 | -172.8 | -156.0 | -147.0 | -193.1 |
| Income | -16.5 | -21.2 | -30.8 | 8.7 | -54.1 | -16.2 | -77.7 | -211.0 | -67.1 |
| Current transfers | 50.2 | -6.5 | -19.8 | -9.5 | -79.8 | -127.6 | -101.9 | -122.1 | -151.5 |
| Financial and capital account | 62.4 | 53.6 | 315.7 | 184.0 | 797.0 | -483.0 | -441.6 | 591.5 | 165.0 |
| Private capital | 34.3 | 44.7 | 293.4 | 128.6 | 782.1 | -524.0 | -469.6 | 458.1 | 181.5 |
| Oil sector | -23.2 | 109.6 | 326.3 | 107.4 | 663.0 | -428.6 | -577.1 | 372.1 | 79.4 |
| Non-oil sector | 57.5 | -64.9 | -32.9 | 21.2 | 119.1 | -95.4 | 107.5 | 86.0 | 102.2 |
| Government capital | 28.1 | 8.9 | 22.3 | 55.4 | 14.9 | 41.0 | 28.0 | 133.4 | -16.5 |
| Inflows | 47.3 | 27.9 | 38.3 | 71.3 | 28.2 | 90.2 | 49.3 | 173.5 | 324 |
| Grants | 27.1 | 27.9 | 38.3 | 15.7 | 1.4 | 16.8 | 0.0 | 37.4 | 30.0 |
| Loans | 20.2 | 0.0 | 0.0 | 55.6 | 26.8 | 73.4 | 49.3 | 136.1 | 294.0 |
| Outflows | 19.2 | 19.0 | 16.0 | 15.9 | 13.3 | 49.2 | 21.3 | 40.1 | 340.5 |
| Banking sector | 48.0 | 0.0 | 4.9 | -67.7 | -14.0 | 19.9 | 18.5 | 32.9 | -3.8 |
| Errors and omissions | -6.3 | 10.1 | 1.2 | 2.2 | -35.8 | 20.2 | -23.4 | 31.0 | 52.5 |
| Change in reserves 1/ | -76.5 | 47.1 | 29.1 | -92.9 | -5.2 | 26.8 | -148.2 | -71.8 | 65.0 |

Source: CBA.

1/ Including gold, excluding revaluation differences.

Table A15. Aruba: Balance of Payments Summary, 1995-2003

(In percent of GDP)

| | 1995 | 1996 | 1997 | 1998 | 1999 | 2000 | 2001 | 2002 | 2003 |
|-------------------------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| Current account | -1.2 | -4.5 | -12.8 | -0.9 | -24.1 | 12.5 | 17.5 | -17.2 | -7.7 |
| Trade balance | -18.9 | -21.9 | -25.5 | -21.2 | -35.2 | -3.0 | 2.8 | -27.7 | -16.6 |
| Oil sector | 11.6 | 7.3 | -0.8 | 6.9 | -6.0 | 27.2 | 30.3 | 1.0 | 13.4 |
| Free zone | 1.2 | 2.9 | 3.1 | 1.4 | 1.6 | 0.1 | 0.3 | 0.4 | 0.4 |
| Other | -31.7 | -32.1 | -27.8 | -29.6 | -30.7 | -30.3 | -27.8 | -29.2 | -30.3 |
| Services | 16.3 | 18.5 | 14.6 | 20.4 | 15.4 | 20.0 | 20.0 | 20.2 | 14.9 |
| Travel and tourism | 33.6 | 36.7 | 34.9 | 36.3 | 34.3 | 36.1 | 36.3 | 35.0 | 32.9 |
| Transportation | -9.3 | -11.8 | -12.1 | -5.9 | -7.8 | -10.6 | -11.2 | -9.7 | -11.5 |
| Government services | -1.5 | -1.0 | -1.5 | -0.6 | -0.5 | -0.3 | -0.5 | -0.7 | -1.1 |
| Other services | -6.6 | -5.4 | -6.8 | -9.3 | -10.6 | -5.2 | -4.6 | -4.3 | -5.4 |
| Income | -0.7 | -0.9 | -1.1 | 0.3 | -1.8 | -0.5 | -2.3 | -6.2 | -1.9 |
| Current transfers | 2.1 | -0.3 | -0.7 | -0.3 | -2.6 | -3.8 | -3.0 | -3.6 | -4.2 |
| Financial and capital account | 2.6 | 2.2 | 11.5 | 6.2 | 25.8 | -14.5 | -13.0 | 17.3 | 4.6 |
| Private capital | 1.5 | 1.8 | 10.7 | 4.3 | 25.4 | -15.7 | -13.8 | 13.4 | 5.0 |
| Oil sector | -1.0 | 4.4 | 11.9 | 3.6 | 21.5 | -12.9 | -17.0 | 10.9 | 2.2 |
| Non-oil sector | 2.4 | -2.6 | -1.2 | 0.7 | 3.9 | -2.9 | 3.2 | 2.5 | 2.8 |
| Government capital | 1.2 | 0.4 | 0.8 | 1.9 | 0.5 | 1.2 | 0.8 | 3.9 | -0.5 |
| Inflows | 2.0 | 1.1 | 1.4 | 2.4 | 0.9 | 2.7 | 1.5 | 5.1 | 9.0 |
| Grants | 1.1 | 1.1 | 1.4 | 0.5 | 0.0 | 0.5 | 0.0 | 1.1 | 0.8 |
| Loans | 0.9 | 0.0 | 0.0 | 1.9 | 0.9 | 2.2 | 1.5 | 4.0 | 8.2 |
| Outflows | 0.8 | 0.8 | 0.6 | 0.5 | 0.4 | 1.5 | 0.6 | 1.2 | 9.5 |
| Banking sector | 2.0 | 0.0 | 0.2 | -2.3 | -0.5 | 0.6 | 0.5 | 1.0 | -0.1 |
| Errors and omissions | -0.3 | 0.4 | 0.0 | 0.1 | -1.2 | 0.6 | -0.7 | 0.9 | 1.5 |
| Change in reserves | -3.2 | 1.9 | 1.1 | -3.1 | -0.2 | 0.8 | -4.4 | -2.1 | 1.8 |

Sources: CBA; and IMF staff estimates.

Table A16. Aruba: Monetary Survey, 1995-2003

(In millions of Aruban florins, end of period)

| | 1995 | 1996 | 1997 | 1998 | 1999 | 2000 | 2001 | 2002 | 2003 |
|---------------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| Net foreign assets | 478 | 431 | 397 | 558 | 577 | 530 | 660 | 699 | 638 |
| Central bank 1/ | 396 | 349 | 320 | 413 | 418 | 391 | 540 | 611 | 546 |
| Commercial banks | 82 | 82 | 77 | 145 | 159 | 139 | 121 | 88 | 91 |
| Net domestic assets | 783 | 870 | 963 | 981 | 1,122 | 1,208 | 1,181 | 1,335 | 1,577 |
| Domestic credit | 957 | 1,083 | 1,176 | 1,244 | 1,394 | 1,512 | 1,544 | 1,703 | 1,922 |
| Public sector | -61 | -42 | -10 | -9 | 12 | -1 | -26 | -62 | -43 |
| Central government | -52 | -39 | 0 | 1 | 22 | 22 | 6 | 9 | 37 |
| Development aid | -9 | -3 | -10 | -10 | -9 | -23 | -31 | -71 | -79 |
| Private sector | 1,018 | 1,124 | 1,186 | 1,253 | 1,382 | 1,513 | 1,570 | 1,765 | 1,964 |
| Enterprises | 609 | 620 | 636 | 636 | 670 | 730 | 740 | 836 | 926 |
| Consumer credit | 215 | 233 | 269 | 288 | 336 | 357 | 367 | 409 | 435 |
| Housing mortgages | 186 | 243 | 263 | 301 | 350 | 401 | 445 | 491 | 550 |
| Other | 8 | 28 | 17 | 28 | 26 | 25 | 18 | 28 | 54 |
| Other items (net) | -174 | -213 | -212 | -263 | -273 | -304 | -363 | -368 | -345 |
| Money supply (M2) | 1,261 | 1,301 | 1,361 | 1,539 | 1,699 | 1,738 | 1,841 | 2,034 | 2,214 |
| Money (M1) | 435 | 445 | 473 | 547 | 590 | 596 | 701 | 845 | 933 |
| Quasi-money | 826 | 856 | 888 | 992 | 1,109 | 1,142 | 1,140 | 1,189 | 1,281 |

Source: CBA, *Quarterly and Monthly Bulletins*.

1/ Including gold, excluding revaluation differences.

Table A17. Aruba: Monetary Developments, 1995-2003

| | (Percent change) | | | | | | | | | |
|-----------------------|------------------|-------|--------|-------|---------|--------|----------|--------|-------|--|
| | 1995 | 1996 | 1997 | 1998 | 1999 | 2000 | 2001 | 2002 | 2003 | |
| Net foreign assets | 6.3 | -9.8 | -7.9 | 40.4 | 3.4 | -8.1 | 24.4 | 5.9 | -8.8 | |
| Central bank 1/ | 23.9 | -11.9 | -8.3 | 29.0 | 1.3 | -6.4 | 37.8 | 13.3 | -10.6 | |
| Commercial banks | -36.9 | 0.1 | -6.0 | 87.7 | 9.7 | -12.5 | -13.3 | -27.3 | 4.3 | |
| Net domestic assets | 4.6 | 11.1 | 10.8 | 1.8 | 14.4 | 7.7 | -2.3 | 13.1 | 18.1 | |
| Domestic credit | 4.5 | 13.1 | 8.6 | 5.8 | 12.1 | 8.4 | 2.1 | 10.3 | 12.8 | |
| Public sector 2/ | -77.7 | 31.5 | 76.6 | 8.2 | 238.2 | -108.9 | -2,236.4 | -141.2 | 31.3 | |
| Central government 2/ | -98.9 | 25.0 | 100.3 | 800.0 | 2,311.1 | -0.9 | -74.0 | 60.7 | 306.7 | |
| Development aid 2/ | -8.7 | 70.1 | -276.9 | 0.0 | 4.1 | -140.4 | -38.5 | -126.8 | -11.5 | |
| Private sector | 7.2 | 10.5 | 5.5 | 5.7 | 10.3 | 9.5 | 3.7 | 12.4 | 11.3 | |
| Enterprises | 5.5 | 1.8 | 2.5 | 0.1 | 5.3 | 9.0 | 1.4 | 13.0 | 10.7 | |
| Consumer credit | 1.5 | 8.7 | 15.4 | 6.9 | 16.6 | 6.5 | 2.6 | 11.6 | 6.2 | |
| Housing mortgages | 21.7 | 30.8 | 8.3 | 14.3 | 16.5 | 14.3 | 11.1 | 10.4 | 12.0 | |
| Other | -1.2 | 237.8 | -37.5 | 61.8 | -6.8 | -2.7 | -28.3 | 55.5 | 90.8 | |
| Other items (net) | 4.4 | 22.3 | -0.1 | 23.9 | 3.6 | 11.6 | 19.4 | 1.3 | -6.3 | |
| Money supply (M2) | 5.2 | 3.2 | 4.6 | 13.1 | 10.4 | 2.3 | 5.9 | 10.5 | 8.9 | |
| Money (M1) | -1.4 | 2.2 | 6.3 | 15.6 | 7.9 | 1.0 | 17.6 | 20.5 | 10.5 | |
| Quasi-money | 9.1 | 3.7 | 3.7 | 11.7 | 11.8 | 3.0 | -0.2 | 4.3 | 7.7 | |

Source: CBA, *Quarterly and Monthly Bulletins*.

1/ Including gold, excluding revaluation differences.

2/ Stock series is typically low and contains negative values; percent change calculations based on the convention that a less negative number or a change to a positive number constitute an increase in domestic credit to the public sector.

Table A18. Aruba: Changes in Sources of Broad Money, 1995-2003

(Change in percent of broad money at the beginning of the period)

| | 1995 | 1996 | 1997 | 1998 | 1999 | 2000 | 2001 | 2002 | 2003 |
|---------------------|------|------|------|------|------|------|------|------|------|
| Net foreign assets | 2.4 | -3.7 | -2.6 | 11.8 | 1.2 | -2.7 | 7.5 | 2.1 | -3.0 |
| Central bank 1/ | 6.4 | -3.7 | -2.2 | 6.8 | 0.3 | -1.6 | 8.5 | 3.9 | -3.2 |
| Commercial banks | -4.0 | 0.0 | -0.4 | 5.0 | 0.9 | -1.2 | -1.1 | -1.8 | 0.2 |
| Net domestic assets | 2.9 | 6.9 | 7.2 | 1.3 | 9.1 | 5.1 | -1.6 | 8.4 | 11.9 |
| Net domestic credit | 3.5 | 10.0 | 7.2 | 5.0 | 9.8 | 6.9 | 1.8 | 8.6 | 10.8 |
| Public sector | -2.2 | 1.5 | 2.4 | 0.1 | 1.4 | -0.8 | -1.4 | -2.0 | 1.0 |
| Central government | -2.2 | 1.0 | 3.0 | 0.1 | 1.4 | 0.0 | -0.9 | 0.2 | 1.4 |
| Development aid | -0.1 | 0.5 | -0.6 | 0.0 | 0.0 | -0.8 | -0.5 | -2.2 | -0.4 |
| Private sector | 5.7 | 8.4 | 4.7 | 5.0 | 8.4 | 7.7 | 3.2 | 10.6 | 9.8 |
| Enterprises | 2.7 | 0.9 | 1.2 | 0.0 | 2.2 | 3.5 | 0.6 | 5.2 | 4.4 |
| Consumer credit | 0.3 | 1.5 | 2.8 | 1.4 | 3.1 | 1.3 | 0.5 | 2.3 | 1.2 |
| Housing mortgages | 2.8 | 4.5 | 1.5 | 2.8 | 3.2 | 2.9 | 2.5 | 2.5 | 2.9 |
| Other | 0.0 | 1.5 | -0.8 | 0.8 | -0.1 | 0.0 | -0.4 | 0.5 | 1.3 |
| Other items (net) | -0.6 | -3.1 | 0.0 | -3.7 | -0.6 | -1.9 | -3.4 | -0.3 | 1.1 |
| Broad money | 5.2 | 3.2 | 4.6 | 13.1 | 10.4 | 2.3 | 5.9 | 10.5 | 8.9 |
| Money (M1) | -0.5 | 0.8 | 2.2 | 5.4 | 2.8 | 0.3 | 6.0 | 7.8 | 4.4 |
| Quasi-money | 5.7 | 2.4 | 2.4 | 7.6 | 7.6 | 2.0 | -0.1 | 2.7 | 4.5 |

Source: CBA, *Quarterly and Monthly Bulletins*.

1/ Including gold, excluding revaluation differences.