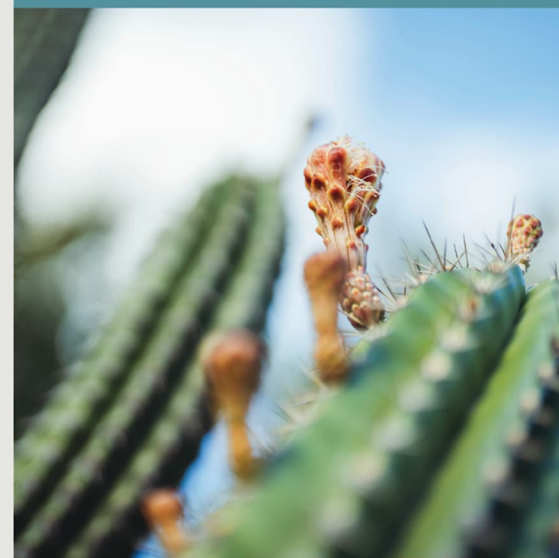


Quarterly Economic Bulletin Government Sector

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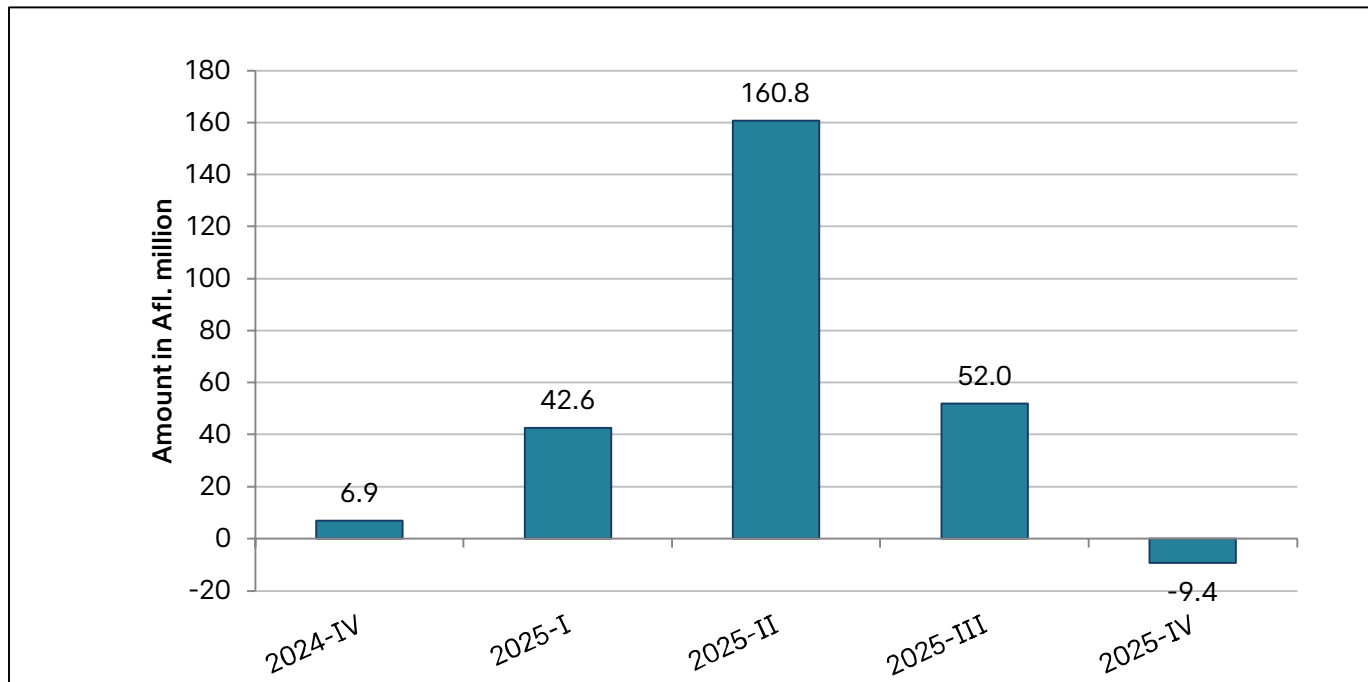
Correspondence related to this publication should be addressed to the Statistics Department of the Centrale Bank van Aruba via Website: www.cbaruba.org or E-mail: statistics.department@cbaruba.org



Government's debt contracted in the fourth quarter of 2025

The government recorded Afl. 5,124.4 million in outstanding debt at the end of December 2025, compared to Afl. 5,265.0 million at end-December 2024. The government's financial surplus¹ of Afl. 6.9 million in the fourth quarter of 2024 turned into an Afl. 9.4 million deficit in the quarter under review (see chart 1).

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



Source: Department of Finance; Tax Collector's Office; Centrale Bank van Aruba

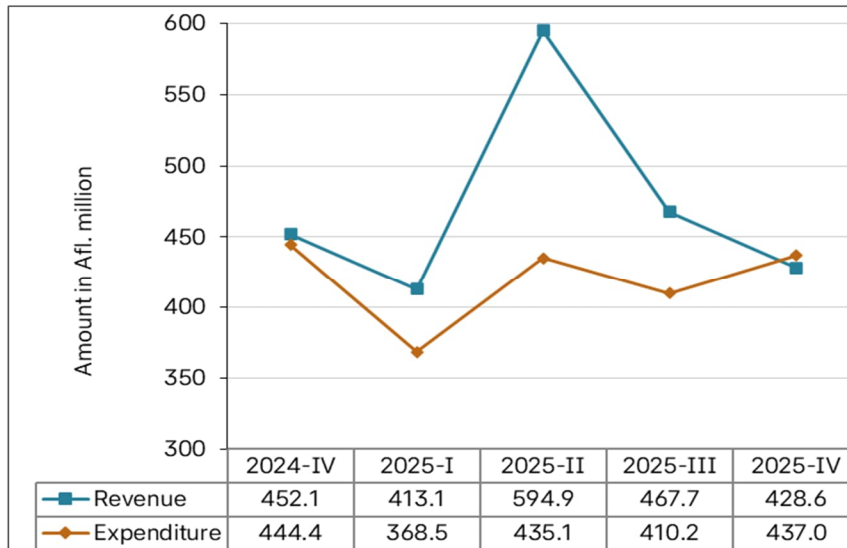
¹ The financial surplus (+)/ deficit (-) is calculated according to the compilation method of the CBA and may differ from third-party publications using an accrual method of compilation.



Financial operations

The government's total revenue contracted by Afl. 23.5 million to Afl. 428.6 million during the fourth quarter of 2025, compared to the fourth quarter of 2024 (see chart 2). This drop resulted from decreases in both nontax revenue and tax revenue of Afl. 15.6 million and Afl. 7.9 million, respectively. The decrease in tax revenue was due to less income from wage tax (-Afl. 12.3 million), profit tax (-Afl. 4.2 million), motor vehicle fees (-Afl. 3.5 million), and transfer tax (-Afl. 3.6 million). In contrast, income from turnover tax (+Afl. 9.8 million), import duties (+Afl. 4.0 million), and hotel room tax (+Afl. 2.5 million) increased.

Chart 2: Revenue vs. Expenditure



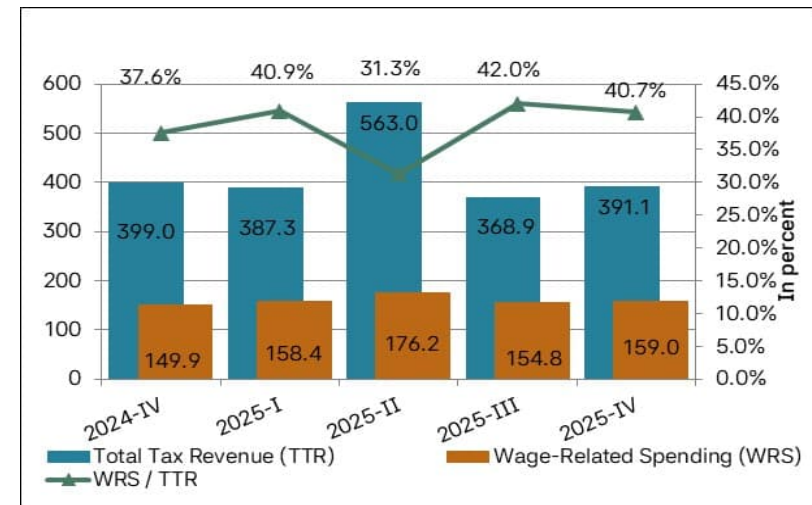
Source: Department of Finance; Tax Collector's Office; Centrale Bank van Aruba

Total government expenditure fell by Afl. 7.4 million to Afl. 437.0 million during the fourth quarter of 2025, compared to

the same quarter of 2024 (see chart 2). This decrease stemmed primarily from less spending on interest (-Afl. 16.7 million) and goods and services (-Afl. 12.8 million). In contrast, spending on transfer and subsidies (+Afl. 12.8 million), wages (+Afl. 5.0 million) and wage subsidies (+Afl. 3.8 million) increased.

The government's wage-related spending increased by Afl. 9.1 million to Afl. 159.0 million during the fourth quarter of 2025. In the fourth quarter of 2025, the wage-related outlays to total-tax-revenue ratio noted a growth of 3.1 percentage points to 40.7%, up from 37.6% in the fourth quarter of 2024 (see chart 3).

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



Source: Department of Finance; Tax Collector's Office; Centrale Bank van Aruba



Outstanding debt

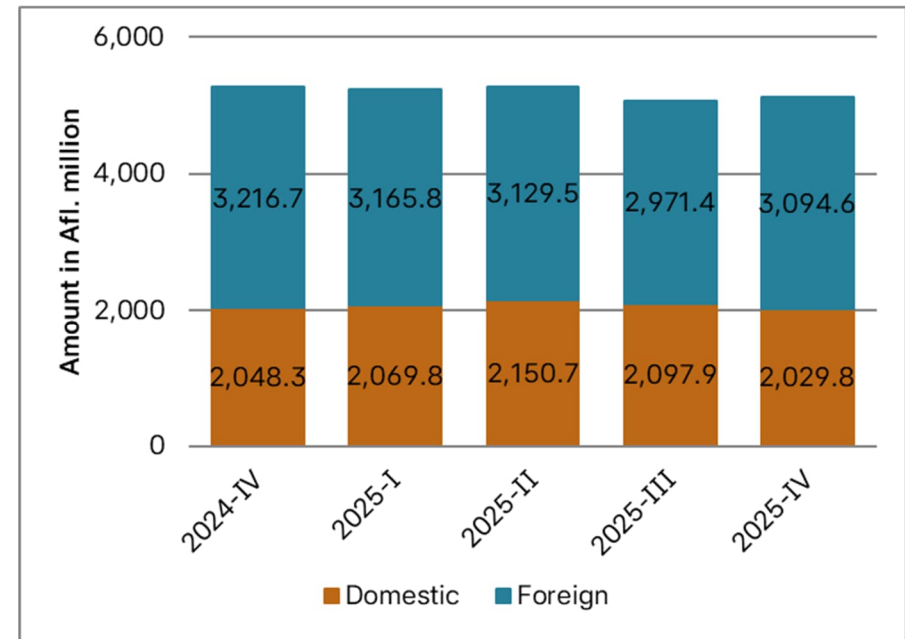
The government's total outstanding debt dropped by Afl. 140.6 million (-2.7%) to Afl. 5,124.4 million at end-December 2025, compared to the end of December 2024 (see chart 4). This decline resulted from lower foreign and domestic debt of Afl. 122.1 million and Afl. 18.5 million, respectively.

The drop in foreign debt was caused by decreases in claims of other countries (-Afl. 161.4 million) and claims of the Netherlands (-Afl. 73.8 million), while claims of the United States (+ Afl. 113.3 million) increased.

The drop in domestic debt stemmed from lower non-negotiable debt of Afl. 115.1 million and higher negotiable debt of Afl. 96.6 million. The decline in non-negotiable debt resulted from lower non-negotiable long-term debt (-Afl. 95.3 million) as well as lower non-negotiable short-term debt (-Afl. 19.8 million). The decrease in non-negotiable long-term debt was due to decreases in private loans (-Afl. 88.1 million) and long-term liabilities to APFA (-Afl. 6.2 million). The drop in non-negotiable short-term debt was because of lower suppliers' credit (-Afl. 10.1 million) and other short-term debt (-Afl. 7.3 million).

The upturn in negotiable debt was attributed to an increase in government bonds Afl. 96.6 million.

Chart 4: Government debt



Source: Department of Finance; Tax Collector's Office; Centrale Bank van Aruba



Tel: (297) 5252 100

documentmanagement@cbaruba.org

J.E. Irausquin Boulevard 8, P.O. Box 18

Oranjestad, Aruba