

**PLAN OF APPROACH BUDGET PROCESS REVIEW ST. MAARTEN**

**Executive summary**

Budget process review	
St. Maarten	
Financial Management (A.1)	
<u>Reason/Cause</u>	The budget process on St. Maarten has a large number of points for improvement. This is also evident from the reports and recommendations of the SOAB, the Court of Audit and the CFT. In recent years, the budget products on St. Maarten have not been delivered in a timely fashion and the quality has also been inadequate. The prescribed models were not properly followed, financial figures were not always correct and explanatory notes and policy and accountability information were meagre. In addition, the available budget was not adequately managed, resulting in budget overruns that were not authorised by the Parliament. In order to put financial management in order, it is important that the budget process is set up properly, because this is an important precondition for good financial management and the ability to steer towards predefined goals (being in control).
Objective	The project has the objective of achieving an improved quality of the budget process.
Selected approach	The project is part of a wider programme aimed at improving the financial management. The project, together with three other sub-projects, will be managed by one programme manager. In addition, a steering committee will monitor the progress and the results of the project and, where necessary, act as a sounding board for the programme manager / sub-projects. In addition to internal capacity, external capacity will also be deployed to secure the necessary knowledge, skills and capacity.
Intended results	<ul style="list-style-type: none"> <li>• In a first phase, the current budget process will be analysed, looking at the structure (existing regulations), the existence (are the regulations being followed in practice) and the operation (effectiveness).</li> <li>• Based on the results of the first phase, the second phase will examine what measures can be taken to improve the budget process in the form of concrete improvement proposals. The findings of SOAB, CFT and the Court of Audit, best practices from similar countries and examples from Dutch budgetary policy will be taken into account.</li> <li>• Specifically, the second phase will study the extent to which the budget process is supported by the systems used and what improvements could be made to them.</li> </ul>
Correlation and/or dependence	The project has a direct correlation with the implementation activities A.1.1 (Improvement of financial work processes) and A.1.2 (Exploration of new accounting system) and the results of the study can directly contribute to the follow-up steps resulting from these implementation activities.
Schedule	<ul style="list-style-type: none"> <li>• Preparation (establishment of steering committee, award of engagement, study structure): July - August 2021</li> <li>• Implementation (desk research, interviews, analysis): August - October 2021</li> <li>• Completion (final report): early November 2021</li> <li>• Completion (advice on implementation): January 2022</li> </ul>

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