

TRANSLATION OF THE OFFICIAL PUBLICATION OF SINT MAARTEN (AB 2010, GT no. 23)

National Accountability Ordinance¹

CHAPTER 1

GENERAL PROVISIONS

Article 1

The following definitions apply for the purposes of this national ordinance and the provisions based on it:

- a. budget: the policy budget for a service year, comprising a regular service and a capital service, divided into chapters ordered according to the classification shown in Annex I accompanying this national ordinance;
- b. functions: areas of care, ordered according to the classification shown in Annex II accompanying this national ordinance;
- c. economic categories: fields in the classification of income and expenses and of changes in the balance sheet by type, regardless of their purpose, as shown in Annex III accompanying this national ordinance;
- d. service year: a calendar year;
- e. balance sheet date: 31 December of the service year concerned;
- f. investments: the acquisition of fixed assets intended for sustainable service of the work;
- g. public sector: the country and other legal persons, pursuant to the definition of the UN System of National Accounts;
- h. advisory body: a body within the meaning of Chapter V of the Constitution.

Article 2

The budget, the long-term budget and the financial statements, together with the explanatory notes, provide an insight into both the financial position and the income and expenses of the public sector that allows the formation of a true and fair view concerning these.

Article 3

1. Without prejudice to paragraphs 2 and 3, the system of income and expenses based on legal claims against and by third parties is used as the reporting system.
2. For tax revenues, cash accounting is used as the reporting system. These revenues are treated as income in this national ordinance.
3. Expenses for salaries and social insurance charges are shown in the service year in which they serve as the basis for income tax.
4. No later than 1 March, deliveries of goods and services shall be charged to the preceding service year.
5. Income and expenses shown to exist after the accounts for the preparation of the financial statements have been closed are attributed to the service year in which their existence was established. If the financial statements have not yet been drawn up at that time, this is recorded in the explanatory notes to those financial statements, in cases where that income or expense would have had a major impact on the financial position and the net income and expenses.

Article 4

1. All income and expenses for all entities in the public sector, with the exception of social insurance entities, shall be estimated and accounted for as a gross amount, under the ministry or advisory body responsible for that entity.
2. Cooperative resources received from the Netherlands are estimated and accounted for separately as income and expenses, with expenses being classified by function.
3. The gross amount is determined by estimating and accounting for income and expenses without

¹ This issuance takes place on the basis of the additional Article II of the Constitution.

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- applying balancing.
4. Reversals of income and expenditure entries that take place in the same service year shall be deducted from the function and economic category in which the original entry was made.
 5. Settlements between functions, ministries and advisory bodies shall always be entered as financial income and expenses.

Article 5

1. Only for serious reasons may the valuation of assets and liabilities and the determination of income and expenses take place on principles other than those applied in the preceding service year.
2. The reason for changing the principles shall be explained in the explanatory notes to the financial statements. These shall also provide an insight into the significance of the change for the financial position and for the income and expenses, on the basis of adjusted figures for the current or preceding service year.
3. Due care shall be exercised in applying the principles for the valuation of the assets and liabilities and the determination of the income and expenses. Income shall be realised only to the extent that this is realised on the balance sheet date. Expenses and risks originating before the end of the service year shall be taken into account if they have become known before the financial statements are drawn up, in observance of Article 3(4).

Article 6

The authorisation of the budget by Parliament takes place for the estimated income and expenses at the level of economic categories for each ministry or advisory body, and for the obligations to be contracted that are necessary for investments in a service year.

Article 7

1. The expenses included in the budget and long-term budget for the regular service are covered by the income included for covering those expenses.
2. The liabilities for the capital service included in the budget and the long-term budget are covered by the resources included for covering those liabilities, taking account of the expected revenue from the issue of loans and the balance of income and expenses of the regular service.
3. The interest cost standard shall not be exceeded. The interest cost standard equates to 5% of the average realised combined income of the country's public sector in the three years prior to that in which the budget has been or will be submitted.
4. If necessary in connection with the recovery of damages caused by exceptional events, including natural disasters, derogation from the financial standards referred to in this Article is permissible. In that case, the explanatory notes shall record how the balance can be restored in due course.

Article 8

If different management associated with separate accounts, budgets and financial statements is regulated by national ordinance for a particular section of a ministry or for a specific government task, the Minister of Finance, by agreement with the minister concerned, may impose different or additional rules for the separate budgets and financial statements regulated in that national ordinance, provided that this does not restrict the transparency and control laid down by this national ordinance.

Article 9

1. A minister shall not disclose to the Council of Ministers, to Parliament, or in public any intentions relating to a budget still to be drawn up, or that have financial consequences that exceed the amounts permitted in a current budget, or that assign a different purpose to funds than the one shown in that budget, and shall not make proposals, pledges or other statements in that regard, or with such consequences, before the Minister of Finance has delivered an opinion on this.
2. The Minister of Finance shall object to the disclosure of the intentions, proposals, pledges or other statements, referred to in paragraph 1, to the extent that these do not appear admissible to him in view of the general financial policy or the effective management of the country's funds, or do not appear to him to be in reasonable proportion to the policy objectives underlying the budget.

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Article 10

1. In the explanatory memorandum of a draft national ordinance, national decree, containing general measures, or ministerial regulation in which new policy intentions or pledges are developed with regard to the policy to be pursued, a separate section shall be included, reporting the financial consequences for and the cover by the country.
2. A financial section, within the meaning of paragraph 1, shall also be included in other documents in which policy intentions or pledges are notified to Parliament.

CHAPTER 2

THE BUDGET

Article 11

1. The budget comprises a regular service and a capital service in which the income and expenses for the service year are estimated.
2. Income and expenses are divided into functions and economic categories in each section.
3. The budget for a service year includes:
 - a. an estimate of all income and expenses of the regular service;
 - b. an estimate of all obligations to be contracted that are necessary in order to make investments and other capital expenditure of the capital service;
 - c. an estimate of the financing transactions to be agreed for the capital service;
 - d. a recapitulation of the total amounts of income and expenses per section, as well as the net positive or negative balance;
 - e. a recapitulation of the total amounts of income and expenses for each economic category, as well as the net positive or negative balance.

Article 12

1. The following shall be added to the budget:
 - a. a review of the personnel to be remunerated;
 - b. a review of the personnel expenses;
 - c. a review of (long-term) financial loans included;
 - d. a review of (long-term) financial loans issued;
 - e. a review of guaranteed financial loans and other guarantee obligations;
 - f. a review of concessions granted;
 - g. a review of the country's properties;
 - h. a review of the service provision agreements contracted with other public legal persons to perform one of the country's tasks, as well as rental and management agreements;
 - i. a review of the country's participating interests in private-law legal persons;
 - j. a review of expenses for subsidies and contributions to institutions and of other transfers of income;
 - k. a review of the position of the entities, other than the country, forming part of the public sector;
 - l. an abridged and consolidated statement for each section and economic category.
2. Any available figures that can promote insight into the policy to be pursued shall be added to the budget. These are deemed to include separate data on large projects.

Article 13

1. The budget shall be accompanied by a long-term budget for the income and expenses for at least three of the years immediately following that service year.
2. The long-term budget shall match the system of the submitted budget as far as possible and shall be provided with explanatory notes. The estimates for the regular service shall at least be ordered by economic categories and for the capital service, the estimates shall be shown by estimated long-term investments and short-term investments.
3. By ministerial regulation rules concerning the design of the long-term budget may be imposed.

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Article 14

1. The explanatory notes to the budget shall support the clarity and systematic approach, as further described in Article 15(1).
2. The budget shall be explained both by section and by function.
3. With regard to each function, the explanatory notes shall provide the following information:
 - a. an explanation of the policy that the government plans in both general terms and in relation to each ministry;
 - b. if the policy is based on one or more statutory regulations, a reference to that regulation;
 - c. the factors underlying the estimates, as well as data concerning the scale of the envisaged activities or performance as far as possible, shown alongside those for the current service year wherever possible and alongside the outcomes for the previous service year.
4. The explanatory notes concerning the capital service, referred to in Article 11(3)(b), shall indicate for each investment:
 - a. a description of the relevant investment;
 - b. an estimate of the total amount of the investment and of the service year or service years in which obligations are expected to be contracted for the investment and the obligations already contracted;
 - c. the expected useful life of the asset in which the investment is made;
 - d. the service year in which the expenses shall first be included in the budget, in relation to interest and depreciation, and the amounts of these;
 - e. a further explanation.
5. The explanatory notes concerning the capital service, referred to in Article 11(3)(c) and 11(3)(d), shall indicate for each financing transaction:
 - a. a description of the relevant financing transaction, including the interest rate, the term and other financing conditions;
 - b. a further explanation.
6. The explanatory notes shall also include an explanation of the country's financial position.
7. The explanation in the explanatory notes, referred to in paragraph 6 shall also include the expected liquidity requirement in the service year to which the budget relates.

Article 15

1. The budget shall clearly and systematically show the nature and scale of all budgeted income and expenses and the net amounts of these.
2. In addition to the estimate of the income and expenses by section and by function, the budget shall show the estimated amount for the current service year following any changes made in this and the amount realised in the preceding service year.
3. The budget may contain a (sub)function for unforeseen income and expenses, a (sub)function for unforeseen liabilities for investments and a (sub)function for hidden expenses.
4. 'Hidden expenses' as referred to in paragraph 3, may include expenses concerning detection of criminal offences, the estimation of which may only be estimated by the Council of Ministers.

Article 16

1. In the preparation of the budget for a particular service, efforts shall focus on enabling Parliament to approve the budget in the year prior to the one for which it serves.
2. The national ordinance establishing the budget shall enter into force from 1 January of the service year to which the budget relates.
3. If it is not published in the Official Publication until later, it is deemed to enter into force from 1 January of the relevant year. Until this has taken place, management shall be based on the budget for the preceding service year, in order to continue the operation of the service.
4. National ordinances amending the budget shall enter into force from the day following the publication date of the Official Publication in which they are placed. If such a national ordinance is adopted after 3p December of the relevant service year, it is deemed to have entered into force on that date.

Article 17

Models of the statements, reviews and recapitulations, referred to in this section, shall be enacted by a ministerial regulation of the Minister of Finance.

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CHAPTER 3

THE FINANCIAL STATEMENTS

§ 1. General provisions

Article 18

The financial statements for a service year comprise:

- a. the statement of income and expenses for the regular service;
- b. the statement of realised investments and other capital expenditure as well as the cover realised for the capital service;
- c. a recapitulation of the total amounts of income and expenses per section, as well as the net positive or negative amount;
- d. a recapitulation of the total amounts of the income and expenses for each economic category, as well as the net positive or negative amount;
- e. a balance sheet;
- f. a cash flow statement as referred to in Article 31;
- g. a statement of the actual number of personnel in the service of the country in the past service year;
- h. a review of the personnel costs realised;
- i. a review of the (long-term) financial loans taken up by the public sector;
- j. a review of the (long-term) financial loans issued by the public sector;
- k. a review of guaranteed financial loans and other guarantee obligations;
- l. a review of participating interests in private-law legal persons realised by the country;
- m. a review of the realised costs of subsidies and contributions to institutions and of other income transfers realised;
- n. an abridged and consolidated statement of realised income and expenses by section and by economic category;
- o. explanatory notes to the financial statements; and
- p. a report on the past service year.

Article 19

1. The financial statements on a service year shall be drawn up in observance of what is shown with regard to the financial position in the period between the balance sheet date and 30 April of the year following that service year.
2. If it is desirable to bring forward the date of 30 April, this shall take place by national decree, containing general measures.
3. If, after 30 April or after a date fixed by national decree, containing general measures, as referred to in paragraph 1, but before Parliament approves the financial statements, new facts emerge, cognisance of which is essential for a good insight as referred to in Article 2, the Minister of Finance shall notify Parliament, the General Audit Chamber and the Internal Accountant of these facts in writing.

§2. The statement of income and expenses

Article 20

1. The statement of income and expenses referred to in Article 18(a), 18(b), 18(c) and 18(d), and the explanatory notes to this, shall reliably and systematically state the nature and scale of all the country's income and expenses and the net amount of these.
2. The financial statements shall be divided by section, function and economic category, ordered in the same way as in the approved budget.
3. The statement, referred to in paragraph 1 shall include the estimated amount according to the budget approved for the relevant service year, the amount realised during that service year and the amount realised in the preceding service year.

Article 21

The net income and expenses shall be included separately in the balance sheet under 'capital and reserves'.

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§ 3. Explanatory notes to the capital service

Article 22

1. The explanatory notes to the capital service shall indicate for each investment:
 - a. a specification of the investments realised in the relevant year, partially or in full;
 - b. the total amount involved in this, with a division that includes the preceding service year and the current service year;
 - c. the original estimate of this total amount and changes in this made at a later date;
 - d. whether and when the investment has been completed and if not, when it will be completed and the amount still expected to be involved in this;
 - e. the depreciation and amortisation shown in the statement of income and expenses in that regard;
 - f. a review of current major projects.
2. The explanatory notes to the capital service, referred to in Article 18(c) shall indicate:
 - a. for each realised financing transaction, a description of the relevant financing transaction, including the interest rate, the term and other financing conditions;
 - b. a further explanation of each realised financing transaction and a general explanation of the total realised financing transactions in relation to the interest cost standard.

§4. The balance sheet

Article 23

1. The balance sheet and the explanatory notes shall reliably and systematically show the financial position of the country and the size and composition, in asset and liability items, as at the end of the service year.
2. For the purpose of comparison, the balance sheet shall also contain the figures as at the end of the preceding service year.

Article 24

1. In the balance sheet, the assets shall be divided into fixed and current assets, depending on whether they are intended for the performance of work on a permanent basis or otherwise.
2. The fixed assets shall be analysed by intangible, tangible and financial fixed assets.
3. A statement shall be provided of the balance of the fixed assets, referred to in paragraph 2 at the start of the service year, of changes during the service year and of the balance at the end of that service year.
4. Disinvestments shall be shown in a separate section of the financial statements, with explanatory notes concerning both the proceeds and the book value at the time of disposal.
5. Every difference between proceeds and the book value shall be accounted for separately in the statement of income and expenses.
6. In 'current assets', the stocks, current receivables, current investments, prepayments and accrued income and cash shall be shown separately.

Article 25

1. In the liabilities column of the balance sheet, the capital and reserves, provisions, long-term liabilities and current liabilities shall be shown separately.
2. With regard to the capital and reserves, provisions and long-term liabilities, separate specifications shall be provided with the balance sheet concerning that part of the capital and reserves and the provisions expected to be deployed within one year.
3. With regard to the capital and reserves and each provision as referred to in paragraph 2, a statement shall be provided of the balance at the start of the service year, changes in the course of the service year and the balance at the end of that service year.
4. The part of the long-term liabilities that is payable on demand or that falls due within one year shall be shown separately in 'current liabilities'.
5. Short-term debt and accruals and deferred income shall be shown separately in 'current liabilities'.

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Article 26

1. In applying the valuation and depreciation methods, the accrual basis of accounting shall be applied.
2. Assets and liabilities shall in principle be valued at historical cost or face value.
3. If necessary, assets that are financed fully or partially by third parties shall be valued at historical cost or the cost applying on the transfer date.
4. In principle, annual depreciation will be applied to fixed assets with a limited useful life, according to a method based on the expected future useful life of the asset.
5. By national decree, containing general measures, amounts below which investments may not be capitalised shall be laid down. These amounts shall be taken directly to the income and expense statement for the regular service.
6. Impairments of all assets shall be realised immediately, regardless of the balance of income and expenses.
7. Diminutions in the value of fixed assets shall be taken into account in their valuation if the diminution is expected to be permanent.
8. By derogation from paragraph 2:
 - a. assets acquired partially or in full from third parties other than at the market price and titles of which are transferred to the country shall be valued as far as possible at the market rate on the transfer date;
 - b. stocks shall be valued at the market rate, if this is lower than the historical cost;
 - c. receivables shall be valued less any provisions for irrecoverable debts;
 - d. current investments shall be valued at the market rate, if this is lower than the historical cost.
9. In the valuation of the capital and reserves, the net income in a service year shall be added to the capital and the expenses deducted from reserves.

Article 27

In the determination of depreciation amounts, referred to in Article 26(4):

- a. to the extent that investments involve amounts of ANG 100,000 or more, an amount shall be charged to the statement of income and expenses for the regular service in the service year, in proportion to the time between the delivery date and the balance sheet date;
- b. depreciation of investments involving less than the amount referred to under a shall first take place in the service year following the year of delivery.

Article 28

Provisions shall be formed for:

- a. liabilities and losses of which the amount is uncertain on the balance sheet date, but which can reasonably be estimated;
- b. risks existing on the balance sheet date with regard to certain liabilities or losses to be expected, the amount of which can be estimated with a reasonable degree of probability;
- c. expenses that will be incurred in a subsequent service year, provided that such expenses originate partly in the current service year or in a preceding service year and the provision serves to spread the costs evenly over a number of service years.

Article 29

The following shall be added to the balance sheet:

- a. a review of subsidies to institutions, contributions and other income transfers still to be settled, by year of allocation, as well as a review of the subsidies, contributions and other income transfers paid in the service year under review;
- b. a review of the country's receivable subsidies, contributions and other income transfers still outstanding, by year of allocation, as well as a review of the subsidies, contributions and other income transfers settled during the year under review;
- c. a statement of the tax demands made in the past service year and preceding service years and the expected future tax revenues relating to these;
- d. a statement of guarantee obligations granted prior to the balance sheet date that had not yet expired on that date;
- e. a review of other significant financial obligations for future service years that, according to

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- generally accepted principles, need not be included in the balance sheet, such as those arising from long-term contracts;
- f. a review of the country's participating interests in private-law legal persons, to be shown at the net asset value, with the historical cost included for information.

§ 5. The cash flow statement

Article 30

1. By distinguishing types of incoming and outgoing cash flows, the cash flow statement provides a full and specified explanation of the analysed changes in cash assets in the course of the relevant service year.
2. By a regulation of the Minister of Finance the form in which the statement, referred to in paragraph 1 is presented, the data it contains and the analysis of these data shall be laid down.

§6. The explanatory notes to the financial statements and the report

Article 31

Without prejudice to Article 22(1), the explanatory notes to the financial statements shall in any event include:

- a. the principles for the valuation of assets and liabilities;
- b. the principles for the determination of the income and expenses;
- c. the changes in the budget.

Article 32

1. The report on the past service year shall be included in the documents accompanying the financial statements as a separate memorandum.
2. The report shall in any event contain an explanation of whether and the extent to which the policy intentions formulated in advance with regard to the relevant service year were realised.

Article 33

The models of the statements, reviews and recapitulations, referred to in this section shall be enacted by a regulation of the Minister of Finance.

CHAPTER 4

PROCEDURAL AND ADMINISTRATIVE RULES CONCERNING THE BUDGET AND THE FINANCIAL STATEMENTS

§ 1. The preparation of the budget

Article 34

1. Each minister shall present the Minister of Finance with estimates for each part of the administration that he manages, no later than 1 May of each year. These estimates shall be accompanied by an explanation of the policy to be pursued and of the draft of the explanatory memorandum.
2. The estimates, referred to in paragraph 1 relate to the income and expenses that can be expected both in the coming service year and in at least the three subsequent years, as well as the investments regarded as desirable in the same period and other capital expenditure.
3. The Minister of Finance may object to the estimates, referred to in paragraph 2 if, in view of the general financial policy or the effective management of the country's funds, these do not appear to him as admissible or in reasonable proportion to the objectives of the policy underlying the budget.
4. By a regulation of the Minister of Finance further rules concerning the preparation and design of the estimates, referred to in paragraphs 1 and 2 shall be enacted.

Article 35

In drawing up the budget, the Minister of Finance shall take account of the following:

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- a. the estimate of the expenditure required for Parliament in the following year, as determined by the Presidium of Parliament;
- b. the estimate of the expenditure required in the following year for the Council of Advice, the General Audit Chamber, the Ombudsman and the Electoral Council, as sent to Parliament by the deputy chairman, the chairmen and the Ombudsman respectively;
as well as
- c. the estimates of the expenditure required in the following year for other advisory bodies, as presented by the chairmen of these bodies to the minister.

Article 36

For the country's contributions to the maintenance and management of bodies instituted by mutual arrangements as referred to in Article 38(2) of the Charter for the Kingdom of the Netherlands, the department of the body authorised for that purpose shall send the Minister of Finance a timely estimate of the required expenditure.

Article 37

On the basis of the estimates, referred to in Article 34 and the contributions, referred to in Article 36 and other data necessary for that purpose, the Minister of Finance shall submit a draft national ordinance concerning the establishment of the budget to the Council of Ministers, accompanied by the appropriate explanatory memoranda concerning the budget for the coming service year and the long-term budget to be added to this pursuant to Article 13(1).

Article 38

Draft national ordinances concerning the establishment of the budget, with the accompanying explanatory memoranda, amended or otherwise, shall be adopted by the Council of Ministers following consultation of the Council of Advice and shall then be submitted to Parliament by the Minister of Finance, on behalf of all individual ministers, no later than the second Tuesday of September.

Article 39

1. The Minister of Finance shall send the draft national ordinances referred to in Article 38, together with the accompanying explanatory memoranda, to the General Audit Chamber for information as soon as they have been submitted to Parliament.
2. These dispatches shall take place in observance of the provisions of the National ordinance concerning the General Audit Chamber.

Article 40

1. The section of the notes, referred to in Article 14(2) concerning the functions of Parliament, the Council of Advice, the General Audit Chamber, the Ombudsman, the Electoral Council and the other advisory bodies shall also state the amount that each of these institutions itself considers necessary for that purpose.
2. In the section of the notes, referred to in Article 14(4) concerning the obligations for investments of Parliament, the Council of Advice, the General Audit Chamber, the Ombudsman, the Electoral Council and the other advisory bodies shall also state the amount that each of these institutions itself considers necessary for that purpose.

§ 2. The implementation of the budget

Article 41

1. Without prejudice to paragraphs 3 and 4, the minister responsible for the management of the relevant functions in the budget shall dispose of the amounts permitted for that purpose in the budget. 'Dispose of' refers to the authority for and the contracting of financial obligations.
2. The minister responsible for the management of the relevant functions in the budget is responsible for the effectiveness and efficiency of the policy underlying the budget and for the effectiveness of the operations of a ministry.
3. With regard to the amounts permitted in the budget for hidden expenses as referred to in Article 15(4), the minister concerned shall, on each occasion, dispose of these after the Prime Minister has approved a proposal to that effect by the relevant minister. At the request of the General Audit Chamber, the Prime Minister or the minister concerned shall provide information on the funds the

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minister concerned has disposed of for the function of hidden expenses. Such information shall be provided in observance of the National ordinance concerning the General Audit Chamber, to the extent that relevant rules are laid down in that national ordinance.

4. With regard to amounts that he explicitly designates, which are permitted in the budget but do not form part of those referred to in paragraphs 3 and 4, the Minister of Finance may determine that these may be disposed of only with his consent.
5. Paragraph 1 is likewise applicable to officials responsible for the management of the budget of an advisory body.

Article 42

1. For each function, if necessary sub-divided by department or implementing service, the Minister of Finance, if he himself is the minister concerned, or the minister concerned together with the Minister of Finance, shall designate the secretary general of the relevant ministry or the designated head of the relevant organisational unit to dispose of the amounts designated in the relevant order which appear in the budget that he manages, on behalf of the minister concerned, but not without his prior authorisation. A minister who wishes to make shifts between the functions of the relevant ministry shall consult the organisational units in that regard.
2. 'Dispose of', as referred to in paragraph 1, refers to the authorisation to and the performance of legal acts under private law arising from an order to contract financial obligations.
3. The Minister of Finance shall record the names and positions of persons authorised as referred to in paragraph 1, as well as the amounts for which they are authorised, in a register that shall be published after every change and in any event every six months. By ministerial regulation further rules regarding the design and publication of this register may be laid down.
4. An order as referred to in paragraph 1, which may be withdrawn or amended at any time by the relevant minister or ministers, shall take effect as of the date on which it is enacted by the Minister of Finance.
5. Copies of the orders, referred to in paragraphs 1 and 2 shall be sent to the General Audit Chamber and the Internal Accountant by or on behalf of the Minister of Finance as soon as they take effect.
6. Private-law actions concerning the contracting of financial obligations, as referred to in paragraphs 1 and 2, are null and void if they are taken by persons who are not authorised, or are not sufficiently authorised for that purpose in accordance with the order referred to in paragraph 1.
7. By derogation from paragraph 6, a legal act as referred to in that paragraph is legally valid if the authorisation to contract the relevant obligation is shown by a written authorisation issued for that legal act. Such authorisation shall be issued by the Minister of Finance in incidental cases only.
8. Paragraph 1 is likewise applicable to the officials who are responsible for the management of the budget of an advisory body. Copies of all orders as referred to in paragraph 1 shall be sent to the Minister of Finance, the General Audit Chamber and the Internal Accountant by or on behalf of the person who took the decision.

Article 43

1. The Minister of Finance is responsible for supervision of the implementation of the budget.
2. The Minister of Finance shall designate an organisational unit of his ministry to be responsible for performing that supervision on his behalf.
3. Such supervision includes the assessment of the general financial policy.
4. By ministerial regulation the information shall be laid down that should be issued to the Minister of Finance for the supervision referred to in paragraph 1, as well as when and in which form this should take place.
5. The Minister of Finance is responsible for the supervision of the design of the country's financial and other accounts, as well as of the way in which such accounts are kept.
6. With regard to third parties in the public sector and legal persons to which subsidies, loans or guarantees have been issued by the country or by a third party at the country's risk or expense, the Minister of Finance and the minister concerned have the right to inspect their financial statements, annual reports and other accounts, data and documents necessary for the final determination of the subsidy, loan or guarantee, as well as reports on the examination of these documents by accountants who have audited these documents.
7. If the documents, referred to in paragraph 6 give cause for this, the Minister of Finance and the

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minister concerned are authorised to obtain further information from the third party concerned or to require inspection of the missing records, documents and other information carriers, and also to institute an investigation based partly on the accounts of the third party concerned.

Article 44

1. No later than 15 May of each year, the Minister of Finance shall present to Parliament a memorandum in which he makes a provisional report on the preceding service year and on the current service year, no later than 15 August of each year, and then no later than 15 November, he shall present a memorandum in which he makes a provisional report on the current service year.
2. In a memorandum referred to in paragraph 1, the Minister of Finance shall be consistent with the latest report that is included in such a memorandum or in the documents accompanying the budget or the financial statements.
3. The memorandum, referred to in paragraph 1 shall also include:
 - a. a review of the changes deemed necessary by the government in the estimates drawn up and of the consequences he expects these changes to have on the net income and expenses, the long-term budget and the country's finances;
 - b. a report concerning the legal acts that have been realised pursuant to Article 43.
4. By ministerial regulation other elements may be laid down which must be included in a memorandum as referred to in paragraph 1, in addition to the provisions of paragraph 2.

Article 45

A memorandum as referred to in Article 44(1) shall be sent to the General Audit Chamber and the Internal Accountant for information, by or on behalf of the Minister of Finance, as soon as it has been presented to Parliament.

Article 46

1. Only the Minister of Finance can be authorised by the National ordinance concerning the establishment of the budget to contract agreements concerning the issue of loans by the country.
2. Only the Minister of Finance, if he is the minister concerned, or the minister concerned together with the Minister of Finance, may be authorised by national decree, pursuant to a national ordinance, to:
 - a. lend funds belonging to the country to a third party;
 - b. issue surety for the financial obligations of a third party on behalf of the country.
3. Only the Minister of Finance, if he is the minister concerned, or the minister concerned together with the Minister of Finance, may be authorised by national decree, pursuant to a national ordinance, to:
 - a. found or co-found private-law legal persons on behalf of the country;
 - b. acquire or co-acquire shares in private-law legal persons on behalf of the country;
 - c. dispose of shares in private-law legal persons held by the country.
4. A national decree as referred to in paragraphs 2 or 3 shall be sent to Parliament and the General Audit Chamber by or on behalf of the Minister of Finance, for information. This dispatch shall take place in observance of the National ordinance concerning the General Audit Chamber, to the extent that relevant rules are laid down in that national ordinance.

Article 47

1. The performance of work and the procurement of goods or services by the country shall be contracted by public tender.
2. The establishment of the budget entails no derogation from paragraph 1.
3. By derogation from paragraph 1, no public tender is required if the projected expenditure:
 - a. does not exceed the sum of ANG 50,000 in the case of the procurement of goods or services;
 - b. does not exceed the sum of ANG 150,000 in the case of the performance of work.
4. Derogation from paragraphs 1 and 3 is permissible by national decree proposed by the Minister of Finance if:
 - a. the procurement of goods and services or the performance of work is necessary as a result of a disaster; or

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- b. a delay in contracting is against the general interest.
- 5. A national decree, as referred to in paragraph 4, shall be sent to Parliament without delay.
- 6. By national decree, containing general measures further rules shall be laid down concerning the design and implementation of the contracting, as well as the way in which paragraph 4 is implemented.

§ 3. Changes and departures from the budget

Article 48

- 1. In the interests of a stringent budget policy, the threat of overruns of amounts included in the budget shall be prevented by appropriate and timely measures wherever possible.
- 2. 'Overruns' as referred to in 1, is deemed to include both expenses and investments that are higher and income that is lower than provided for in the budget.
- 3. by national decree, containing general measures further rules shall be laid down designed to reinforce budget discipline.

Article 49

- 1. Changes in the budget shall be made by or pursuant to a national ordinance amending that budget or a national ordinance concerning the adoption of the financial statements.
- 2. Budget changes as referred to in paragraph 1, shall take place at fixed times during the year, together with the presentation of the implementing memoranda, referred to in Article 44(1).
- 3. by ministerial regulation rules may be laid down concerning the general design of draft national ordinances amending the budget.
- 4. The provisions of Sections 1 and 2 are likewise applicable to changes in the budget wherever possible.

Article 50

- 1. In the following cases, departures from the budget are possible prior to the adoption of a national ordinance amending the budget:
 - a. if this is acutely necessary in the national interest;
 - b. in the event of unanticipated urgent needs during the service year, for which no provision is made in the budget.
- 2. In paragraph 1, 'acute' is deemed to refer to circumstances in which the country must absorb the consequences of war or the threat of war, a disaster or another exceptional occurrence.
- 3. To the extent that the assessment of whether there is an acute national interest is not assigned to another body in a statutory regulation, it is assigned to the Prime Minister. Following the relevant order, Parliament shall be notified in writing at the earliest opportunity of the financial consequences of this, adding proposals for absorbing these.
- 4. After the Council of Ministers has agreed that an urgent need has arisen, as referred to in paragraph 1(b), on the proposal of the relevant minister, the Minister of Finance may dispose of the necessary funds, to be charged to the sub-function for unforeseen expenses or the estimate for unforeseen obligations for investments, if these are sufficient.
- 5. Once he disposes of the necessary funds, the Minister of Finance shall ensure that the expenses and obligations for investments as referred to in this Article are transferred to the sub-function or the estimate for unforeseen obligations for investments to which they relate.
- 6. In the circumstances, referred to in paragraph 1(a), the relevant sub-functions or estimates for unforeseen obligations for investments in the budget shall not be deployed until the Prime Minister has taken a decision in that regard and in the circumstances, referred to in paragraph 1(b), until after the Minister of Finance has disposed of the relevant amount.
- 7. The Minister of Finance shall immediately draw up a draft national ordinance amending the budget for the relevant service year, with the accompanying explanatory memorandum, for a transfer as referred to in paragraph 4. He shall present this draft national ordinance with the accompanying explanatory memorandum to the Governor, on behalf of the Council of Ministers, for submission to Parliament.
- 8. A copy of a draft national ordinance as referred to in paragraph 7, and the accompanying explanatory memorandum, shall be sent to the General Audit Chamber and the Internal Accountant by or on behalf of the Minister of Finance as soon as it has been submitted to Parliament.

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Article 51

1. Funds made available in the budget for the capital service in a service year, which have not led to obligations for investments may be added to the budget for the following service year by ministerial administrative decision during that service year, for the equivalent estimates concerning obligations for investments in the capital service.
2. If the amounts have been allocated for functions or concern estimates for investment obligations relating to the portfolio of a minister other than the Minister of Finance, the addition shall take place by a joint ministerial administrative decision of that minister and the Minister of Finance. The model for such a ministerial administrative decision may be laid down by ministerial regulation.
3. The ministerial administrative decision, referred to in paragraphs 1 and 2 shall state how provision can be made for coverage of the added amounts.
4. A ministerial administrative decision as referred to in paragraphs 1 and 2 shall take effect on the date on which they are enacted by the Minister of Finance.
5. As soon as a ministerial administrative decision as referred to in paragraphs 1 and 2 has entered into force, a copy shall be sent by or on behalf of the Minister of Finance to Parliament, the General Audit Chamber and the Internal Accountant. The copy shall be accompanied by an explanatory memorandum on the relevant administrative decision.
6. The addition of amounts in the budget to the functions or to the estimates for investment obligations for the following service year, as referred to in paragraphs 1 and 2, shall be ratified by Parliament by national ordinance amending the budget, as referred to in Article 46(1), or by national ordinance concerning the adoption of the financial statements, as referred to in Article 51.

§4. The preparation of the financial statements

Article 52

1. The financial statements concerning a service year shall be drawn up by the Minister of Finance before 1 September of the year following that to which they relate.
2. For the purpose of the preparation of the financial statements, each minister shall send the Minister of Finance the necessary financial data and the other information required for that purpose in good time.
3. The Minister of Finance may impose rules concerning the final date by which the other ministers must provide him with the financial information and other information, referred to in paragraph 2, and concerning their design.

Article 53

1. The financial statements drawn up by the Minister of Finance shall be adopted by the Council of Ministers, following possible changes. Immediately after the financial statements have been adopted, the Minister of Finance shall send them to the General Audit Chamber and the Internal Accountant.
2. The accountant shall send his declaration and the accompanying report to the Minister of Finance within one and a half months of the receipt of the financial statements, and shall send a copy to the General Audit Chamber.
3. Within a term of one and a half months of the receipt of the copy of the accountant's report, the General Audit Chamber shall issue a report on its findings, as referred to in Article 100 of the Constitution, which shall also be addressed to Parliament.

Article 54

1. Within one month of the issue of the report of the General Audit Chamber, referred to in Article 53(3), the government must submit a draft national ordinance concerning the adoption of the financial statements to Parliament, for ratification of the financial management of the ministers in relation to the preceding service year.
2. The following shall accompany the draft national ordinance concerning the adoption of the financial statements:
 - a. an auditor's report and the accompanying report of the accountant;
 - b. the report issued by the General Audit Chamber on its finding regarding the financial

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statements.

3. If the declaration, referred to in paragraph 2(a) or the report, referred to in paragraph 2(b) are not available in good time, the government shall add a notice to the draft national ordinance, referred to in paragraph 1 concerning the reason for the non-availability and the time within which the declaration or the report can be sent to Parliament.
4. Parliament shall not approve the draft national ordinance concerning the adoption of the financial statements until it has been able to view the report, referred to in paragraph 2.

Article 55

Without prejudice to the later establishment of irregularities in court, the parliamentary resolution to approve the draft national ordinance concerning the adoption of the financial statements serves to ratify the actions of the ministers regarding the policy they pursued and their management.

CHAPTER 5

Transitional and final provisions

By way of derogation from Article 1(a), 1(b) and 1(c), on the first occasion, the Annexes referred to in those paragraphs shall be enacted by ministerial regulation A draft national ordinance amending this national ordinance shall be presented for approval of the Annexes with the presentation of the budget for the 2012 service year.

Article 57

This national ordinance shall be referred to as the National Accountability Ordinance.

Issued on the *twentieth* of December 2010
The Minister of General Affairs,
S.A. Wescot-Williams

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